

THE TRANSATLANTIC TRADE AND INVESTMENT PARTNERSHIP























Alpeuregio Summer School, 11.07.2016

The idea of free trade

- Countries can consume more and boost their growth (David Ricardo)
- More product variety, lower prices
- Increase in international trade and investment agreements since the 1950's
- Classic idea: Granting market access by lowering tariffs and creating a safe business environment

What is TTIP about?

- Idea floating around since 1990's, but became reality after financial crisis
- A new-generation trade agreement that promotes growth by also tackling also non-tariff barriers to trade and aims to create regulatory convergence
- A “living agreement” by commonly developing new standards in the future
- Common approach/rules on energy, raw materials, financial services, anti-corruption, sustainable development ... “setting the rules for the future”

3 part	 1. Market access	 2. Regulatory cooperation	 3. Rules
24 chapters	 1.1. Trade in goods and customs duties	<i>Horizontal chapter</i>	
	 1.2. Services	 2.1. Regulatory cooperation	 3.1. Sustainable development
	 1.3. Public procurement	 2.2. Technical barriers to trade (TBTs) in TTIP	 3.2. Energy and raw materials
	 1.4. Rules of origin	 2.3. Food safety and animal and plant health in TTIP (*)	 3.3. Customs and trade facilitation
24 chapters	<i>Specific industries</i>		 3.4. Small and medium-sized enterprises
			 3.5. Investment protection and investor-state dispute settlement (ISDS)
	 2.4. Chemicals in TTIP		 3.6. State-state dispute settlement
	 2.5. Cosmetics in TTIP		 3.7. Competition policy
	 2.6. Engineering products in TTIP		 3.8. Intellectual property and geographical indications
	 2.7. Information and communication technologies (ICT) in TTIP		
	 2.8. Medical devices		

Timeline

- **June 2013:** Announcement of TTIP talks during the G8 summit
- **July 2013:** First negotiation round
- **Summer 2014:** Opposition to TTIP is mounting (500,000 signatures in Germany)
- **November 2014:** New EU Commission, new Trade Commissioner Cecilia Malmström
- **January 2015:** EU consultation: Citizen concerned by ISDS

Timeline

- **May/September 2015:** New Investment Court System (ICS) proposed by the EU
- **July 2015:** EU parliament votes resolution on TTIP, sets clear red lines
- **October 2015:** New EU trade strategy: “Trade for All”
- **December 2015:** EU concludes first trade deal with ICS system (with Vietnam)

Timeline

- **February 2016:** EU concludes CETA agreement with Canada, also including ICS
- **March 2016:** Conflicts between both sides become more visible on Geographical Indications, Public Procurement, ISDS/ICS
- **April 2016:** Hannover Messe, Obama and Merkel push for concluding this year
- **April 2016:** Greenpeace's TTIP leaks
- **July 2016:** Commission proposes CETA as 'mixed agreement', TTIP 'make-or-break' week

Main criticism

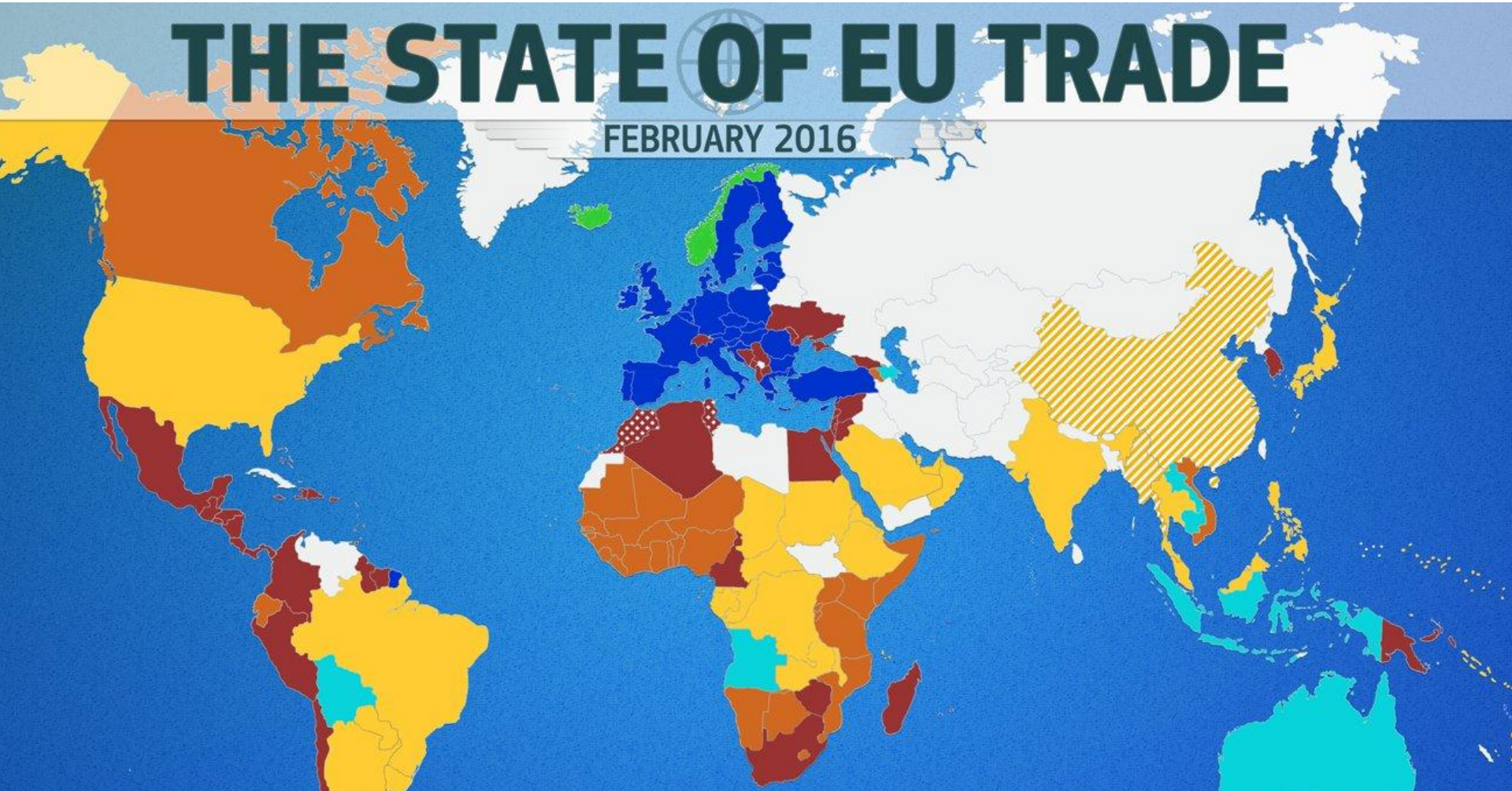
- Serves big multinationals instead of small companies or ordinary people
- Lowers standards (chlorine chicken, hormon-treated beef)
- “Regulatory chill”
- Lacking transparency
- Dangerous extra rights for companies that can sue governments (ISDS)
- **Overall TTIP has caused an unprecedented interest in how international trade agreements are negotiated**

ISDS – what's behind?

- Right to file a lawsuit only if there's an actual discrimination
- Quick decisions for companies that can't wait for years in front of regular courts (which might not be fully objective)
- Much-quoted Phillip Morris against Australia / Uruguay about tobacco packaging warnings: They lost...

THE STATE OF EU TRADE

FEBRUARY 2016



- EU & Customs union (Andorra, Monaco, San Marino, Turkey)
- European Economic Area (Norway, Iceland, Liechtenstein)
- Preferential trade agreement in place (FTA, EPA, DCFTA)
- Preferential agreement awaiting adoption/ ratification
- Preferential trade agreement being negotiated
- Potential for free trade partnership
- Stand-alone investment agreement being negotiated
- Preferential agreement in the process of modernisation