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TTIP NEGOTIATIONS: A SUMMARY OF ROUND 9

BY KARA SUTTON AND MEREDITH PETERS

TTIP Takes a Bite Out of the Big Apple

While the debate around Congressional trade legislation and the Trans-Pacific Partnership (TPP) heated up in Washington, US and EU negotiators journeyed to New York, New York for the ninth negotiating round of TTIP. Talks took place from April 20-24. While market access issues surrounding tariffs and government procurement were discussed, most of the emphasis was on the regulatory cooperation and rules chapters of TTIP.

Takeaways

- The US and EU are now working on a consolidated **regulatory cooperation** text focusing on cross-sectoral issues. Nine specific sectors were discussed during the round, including pharmaceuticals, automobiles and medical devices. Negotiators will review in September or October in which sectors greater regulatory cooperation is possible.
 - The US and EU are still at odds over approaching regulatory text. The EU is more concerned with creating a mechanism for engagement between governments' regulatory bodies while the US is more interested in establishing "good regulatory practices" obligations.
 - A leaked draft proposal on regulatory cooperation within TTIP dated March 26 demonstrated that negotiators are trying to address concerns voiced by civil society groups after the eighth round of negotiations in February.
 - The leaked proposal can be read [here](#).
- The US has put forward a new proposal to add to existing language concerning **technical barriers to trade (TBTs)**. It focuses on eliminating duplicative testing for manufacturers by allowing exports to be tested and certified domestically.

- EU negotiators expressed uncertainty over the new proposal because the EU would prefer to allow manufacturers to self-certify their compliance with US rules without third party testing.
- Market access barriers within the **services** sector were not discussed during the round as negotiators on both sides are looking to exchange new offers before the 10th round takes place. Negotiators have tackled several tough issues, including the structure for scheduling commitments in TTIP. The US and EU will use a combination of a positive-list approach, which the EU traditionally uses, and a negative-list approach, which is used by the US.
- Negotiators discussed the potential inclusion of **energy and raw materials** issues, but a final structure has not been agreed upon. The EU believes these issues should be included in a separate chapter, which the US is hesitant to do.
- Discussions on increased market access for **public procurement** continued but have not made considerable progress.
- Though negotiators working on **environmental** issues did not physically meet during the ninth round, the EU plans to propose an offer for the tenth round.

Potential Sticking Points

- Negotiations over **genetically-modified organizations (GMOs)** have become increasingly difficult after the European Commission released a proposal that would allow EU member states to individually ban imports of biotech food and feed products.
 - USTR released a [statement](#) of concern over the new policy. The US position is that the policy violates World Trade Organization (WTO) rules because it would allow member states to ban imports that European scientists have already deemed safe.
- The EU continues to push the US to enforce protections of European **geographic indications (GIs)** through TTIP. The US has argued that GIs are a matter of intellectual property (IP) meaning that any IP holder should pay for the enforcement of their rights.
 - This debate continues to escalate as the EU will participate in negotiations to revise the [Lisbon Agreement](#) for the Protection of Appellations of Origin and their International Registration. The EU is pushing for a provision that would allow GIs from one Lisbon Agreement member to be protected by all 28 members of the agreement. The revision

will take place under the auspices of the World Intellectual Property Organization (WIPO) in Geneva.

- The US is not a party to this agreement so is not allowed to participate in the revision process. However, the US alongside nine other countries filed a [proposal](#) asking that procedural rules be amended to allow all WIPO members to participate.
- Talks on investment are still suspended as the EU determines how best to reform its policies on investor-state dispute settlement (ISDS).

On the Margins

- The European Commission released a [pesticides factsheet](#) and three new textual proposals regarding [regulatory coherence](#), [medical devices](#), and [intellectual property](#).
- Prior to negotiations, the European Commission released a [report](#) outlining the role of small- and medium-sized enterprises (SMEs) in transatlantic trade and the various obstacles EU SMEs' face in trade with the United States.
- In a [speech](#) to the European Commission on **April 22**, EU Trade Commissioner Cecilia Malmström discussed the benefits of TTIP and stressed the need for an updated ISDS in TTIP.
- On **April 24**, over 30 members of the US House of Representatives outlined their concerns about TTIP in a [letter](#) to President Obama.
- Malmström met with key US officials **May 4 and 5** in Washington, DC to discuss TTIP.
- Malmström presented the EU Commission's [concept paper](#) for ISDS reforms to the European Parliament and European Council on **May 6 and 7**, respectively. There are a range of reforms from setting up an appellate body within the context of TTIP to striving for the creation of an international investment court.

Next Steps

- [Trade promotion authority legislation](#) was delayed on **May 12** after Democrats blocked Senate Majority Leader Mitch McConnell's procedural motion to move forward with floor debate. It is expected that McConnell will ask the Senate to reconsider legislation.
- The European Parliament's International Trade Committee (INTA) has delayed the vote on a resolution on TTIP until **May 28**. The plenary session discussing the resolution will be sometime in June.

- The next round of negotiations is tentatively scheduled for mid-July in Brussels.
- A political stockholding session between the US and EU will take place in the early fall.
- A joint regulatory review to assess progress in sector-specific talks is expected to take place in the early fall.

Kara Sutton is project manager for legislative relations and Meredith Peters is a research assistant at the Washington, DC-based Bertelsmann Foundation.

kara.sutton@bfna.org, meredith.peters@bfna.org