



State of Play of TTIP negotiations ahead of the 6th round of the negotiations

11 July 2014

1. Market Access

1.1. Trade in Goods

Both sides are working on the basis of a consolidated text with a view to progressively reduce divergences. In addition, the US side has tabled a paper on agriculture market access.

1.2. Tariffs

Both sides have exchanged initial tariff offers and exchanged technical questions on the offers.

1.3. Services

As regards specific topics, the negotiations have so far covered a wide range of issues, including text-based discussions on cross-border trade in services, financial services, telecom services and e-commerce, an exchange of views on EU position papers on regulatory cooperation in financial services and exploratory talks on professional services.

1.4. Services and Investment

The US has presented an initial offer on services and investment. The EU offer will be presented in the near future. Discussions on the architecture of a services and investment chapter have also started.

1.5. Investment Protection

Textual discussions are suspended pending the outcome of the EU public consultation.

1.6. Public Procurement

Discussions have already entered into a text-based phase with the two sides preparing a consolidated text proposal. The two sides are also discussing next steps on procurement negotiations.



2. Regulatory Component

2.1. Regulatory Coherence

The Parties have exchanged several papers and are engaging in a thorough exchange of information with a view to ensuring a more in-depth understanding of each other's respective regulatory systems, and how, when and through which processes each respective Party **could** be involved.

2.2. Technical Barriers to Trade

Preliminary discussions on possible elements for a TBT chapter have allowed both sides to proceed to tabling textual proposals. The respective proposals are still being discussed.

2.3. Sanitary and Phytosanitary Measures (SPS)

A common understanding on most of the elements for an outline of the chapter has been already reached, although some aspects still need deep discussion. With a view to preparing the ground for text based discussions, the two sides have deepened their discussion in looking at certain provisions of an SPS chapter which both have used in their past practice.

2.4. Sectors

The following sectors are currently being discussed.

2.4.1. Textiles

The two sides had technical discussions on areas of common interest, such as labelling provisions, requirements for consumer safety and textile standards.

2.4.2. Chemicals

The exchange of information on procedures, processes and criteria for the potential areas of cooperation is advanced and reflections can now move to how to put this into practice.

2.4.3. Pharmaceuticals

The two sides held discussions with a view to allowing a better understanding of each Party's respective systems. Issues such as, among others, Good Manufacturing Practices (GMP), Paediatrics, Biosimilars, Generics have been discussed.



2.4.4. Cosmetics

Discussions so far have focused on processes for regulating cosmetics ingredients, labelling provisions, cosmetics standards/guidelines (GMP and others) and alternatives to animal testing. Discussions helped to further clarify the respective positions and gave impetus for increased technical collaboration and scientific exchanges in important areas of common interest.

2.4.5. Medical Devices

Discussions so far have focused on Unique Device Identification (UDI), Regulatory Product Submission (RPS) and Medical Devices Single Audit Programme (MDSAP). Discussions helped to clarify the respective positions and to better understand the functioning of the regulatory systems of both sides, and will continue at technical level.

2.4.6. Cars

The two sides are engaged in comprehensive exchanges on all key areas, in particular concerning their respective regulatory systems, the scope and approach for equivalence of existing technical regulations, as well as with respect to cooperation under the 1998 Agreement on motor vehicles in international fora and on future regulatory and research plans.

2.4.7. ICT

On ICT, the two sides have so far exchanged analysis on some specific topics, such as e-health, encryption, e-accessibility, enforcement and e-labelling.

2.4.8. Engineering

The EU has presented a paper on engineering industries. Discussions on the engineering sector (machinery, electric and electronic products) focus on specific types of equipment.

2.4.9. Pesticides

The two sides have had initial exchanges on possible specific areas for cooperation.



3. Rules, Principles, and Modes of Cooperation

3.1. Energy/Raw materials

The two sides held detailed exchanges of information on their respective regulatory frameworks. They also discussed in detail the EU papers explaining the rationale for a TTIP chapter dedicated to Energy/Raw Materials.

3.2. Trade and Sustainable Development/ Labour and Environment

Discussions to date have allowed for a detailed exchange of views on the possible scope of Trade and Sustainable Development provisions, covering substantive Environment and Labour issues, with a view to preparing the ground for an exchange of textual proposals.

3.3. Rules of Origin

The two sides are working to combine each side's textual proposal into a consolidated text. As a subsequent step, the two sides intend to also discuss the contents and drafting of the product specific rules.

3.4. Competition

Discussions have so far focussed on provisions related to anti-trust and mergers, where both sides have made textual proposals which are reflected in a consolidated text. Preliminary views have also been exchanged on both state-owned enterprises (SOEs) and subsidies.

3.5. Intellectual Property Rights/Geographical Indications

As regards IPR, the two sides are currently engaged in discussions aiming to define the architecture of the chapter and identify potential topics to be addressed. The EU has provided an indication of the issues it prioritises. On GIs, discussions were held on both the EU and US objectives.

3.6. Dispute Settlement

For Dispute Settlement provisions, text based discussions have started given that both sides have tabled textual provisions. As in other areas where both sides have tabled proposals, the two sides now aim at producing a consolidated text. Note this is not investment protection (ISDS), point 1.5. in this document.

3.7. Small and Medium Sized Enterprises



The two sides have agreed on the outline of the SME Chapter which will cover three main components: cooperation on SME issues, information sharing and an SME Committee. The discussion is now moving forward on the basis of textual proposals.

3.8. Trade Remedies

Discussions were held on the basis of the US text proposal on safeguards and aimed at identifying areas where the respective approaches differ.

3.9. Customs and Trade Facilitation

In Customs and Trade Facilitation, an initial list of topics to be negotiated has been agreed and for the most part textual proposals have been tabled by both sides. Work is ongoing to merge the respective textual proposals into a consolidated text. The two sides have also agreed to consider issues that lend themselves to longer-term cooperation and regulatory alignment, starting with data requirements.