

From: [REDACTED] (TRADE)
Sent: 27 February 2014 19:36
To: GARCIA BERCERO Ignacio (TRADE); [REDACTED] (TRADE); [REDACTED]
(TRADE); [REDACTED] (TRADE); [REDACTED] (TRADE);
[REDACTED] (TRADE); [REDACTED] (TRADE); [REDACTED] (TRADE);
[REDACTED] (EEAS-WASHINGTON); [REDACTED] (EEAS-
WASHINGTON)
Cc: [REDACTED] (TRADE); [REDACTED] (TRADE)
Subject: Note of meeting with SC Johnson - TTIP and chemicals

Dear colleagues,

(Please feel free to pass on to others if necessary!)

Please find below a summary of a meeting on 24 February with **Mr [REDACTED]** of **SC Johnson**, a mid-sized US household products company, and his Brussels-based consultant **[REDACTED]** of **EUK Consulting**. On the side of DG TRADE, colleagues from the US desk (**[REDACTED]**, **[REDACTED]** (**[REDACTED]**) and the Market Access Unit (**[REDACTED]**) joined the meeting.

- [redacted] Company is a family-run firm with overall approx. 14,000 employees that makes a wide range of household products such as furniture polish, insect repellent, bathroom and kitchen cleaners, and scented candles. Two plants and about 1,500 employees in Europe (NE and PL). Key interests in TTIP are in the **chemicals** and **horizontal regulatory cooperation** discussions.
- Discussed EU's position paper on **chemicals** (leaked last July). SCJ were interested in the proposals for the US to implement the UN GHS system on classification and labelling, particularly on pesticides and biocides. They were also interested in the ongoing EU progress on regulating endocrine disruptors, noting that there has been a delay. The EU has just launched an Impact Assessment procedure on endocrine disruptors that will include a public consultation to be carried out still in 2014. [redacted] was in touch with DG ENTR on this. We emphasised that technical work must happen in 2014, particularly in the chemicals sector, for any chance of success in the TTIP deal itself.
- SCJ mentioned the Consumer Product Regulation and its hold-up over "made in" provisions. They also indicated that TSCA reform in the US is a priority for them, and were positive about REACH – noting that the company already voluntarily does something similar by ensuring high environmental and health standards for its products' ingredients.
- Discussed the EU's position on **horizontal regulatory cooperation** in TTIP. Explained that it is not about more or less regulation on either side, nor about lowering standards. Instead it's about cooperating better – [redacted] [Art. 4.1(a) third indent] – to avoid unnecessary burdens caused by divergences in EU and US regulations. Also, the potential international impact of the EU and US sharing similar regulations could be hugely valuable to EU and US companies (as well as exporters to both markets). We noted the importance of good examples of benefits in the area of regulatory cooperation, and SCJ appeared to take this on board.

- SCJ asked what role **standards harmonisation** might play in TTIP. Explained the aims of the TBT chapter, to ensure that similar or the same standard are allowed to be used on both sides of the Atlantic. Currently US standards bodies compete to sell their standards, but it's a captive market if ISO standards or others are not permitted.
- On **tariffs**, SCJ did not consider this to be a big issue, as most of their products destined for the EU market are made in the two EU factories. However, they would look into this from a supply chain perspective as some inputs may be subject to tariffs.
- [*] explained that in his experience, USTR has similar powers to the Commission to bring regulators together and ensure that they deliver on what is needed. However, there may be difficulty if there is already a law in place mandating a particular regulator to act in a certain way – in these cases, Congress would need to pass a new law for any change to happen. The US Consumer Product Safety Commission (CPSC) was discussed as one example of a US agency insisting on its legislative mandate in the TTIP context – [redacted]
[Art. 4.1(a) third indent]
- SCJ asked about the probable delay to Congress granting TPA. We said that we did not feel this was an immediate problem, and negotiations and technical work could continue in 2014. However, if TPA remains elusive in a year's time this may be a different matter.

Hope helpful.

Kind regards

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