

Subject: Meeting with ESF Policy Committee 25 February

Dear all,

On Monday 25 February, Sandy (SC), Marco (MD) and I (PC) attended the meeting of the ESF Policy Committee to present a state of play on the ongoing and future services negotiations.

[not relevant]

On US, SC presented the three key features of a future FTA:

- 1) Standard MA issues, which are less relevant in an EU-US context as both markets are already very open. Whatever barriers are left, remain very sensitive (e.g. aviation);
- 2) EU and US want to set high mutually agreed international standards for topics like SOEs, localisation requirements, data flows, that can be exploited in other agreements with other trading partners;
- 3) Regulatory co-operation, a challenging topic for which we in the EU already have experience from the internal market. General basis should be recognition of equivalence rather than seeking to harmonise and agree on common standards. The FTA should establish a framework setting out the basic principles of co-operation, the political momentum and visibility of the trade negotiations should be used to push regulators to agree to a work plan which identifies clear goals , objectives, and timelines to guide the work of regulators. Industry must play an important role here as well, in suggesting areas where regulators should focus their efforts in order to bring greatest benefit to industry.

Questions were raised i.a. about US sub-federal level, link with existing EU-US dialogues.

NOT RELEASABLE

Industry input can help us identifying the sectors at state level where greater transparency would be useful. SC further explained that it is not our intention to take over all existing EU-US dialogues but rather to create a firm framework for these dialogues giving them more visibility and increasing the accountability of the regulators.

[not relevant]

Piet