From: Art. 4.1b (TRADE)
Sent: 26 May 2015 22:17

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Subject: FW: TTIP conference in Milan

From: Art. 4.1b

Sent: 26/05/2015 22:11

To: (TRADE)

Subject: TTIP conference in Milan

Today I represented COM at a conference on TTIP risks and opportunities for SMEs organised by Italy's Confartigianato at Milan EXPO. In addition to their vice-president, other speakers include Mariateresa Bastiani from the ministry of economic development, Amedeo Teti by DVC, US deputy Ambassador to Italy Kathleen Doherty and journalist Danilo Taino from Corriere della Sera.

Vice-President Granelli gave a very positive presentation of TTIP, highlighting the already good levels of SME exports to US. Their research centre presented export performance by sector focusing on micro and small companies and broken down by province, with very high numbers as compared to the European situation that we saw in the SIA - I'll get a copy of the study. One interesting piece of data was that Italy's main exports in 2014 were in shipbuilding from Gorizia, how to fit with Jones Act? Second most successful sector is machinery for extractive industry for fracking.

Ms. Bastiani from the ministry gave a detailed presentation about all aspects of TTIP, explaining overall content but also going into details such as tariff offers and linkages with procurement and services. Energy, GI, procurement sub federal very important to IT, but U.S. now focusing on TPA and TPP, hope can engage with us after. Q on made-in, not TTIP but legislative, Northern MS don't want it.

I spoke about how different parts of TTIP could benefit local SMEs (tariff peaks on textile, customs facilitation for perishable, services and diplomas for design and architects) and presented the SME chapter and website. Q: are EU MS united? (yes, see EUCO conclusions) what is EU doing to explain the opportunities (as per discussion on benefits in Riga, role of MS, example of Korea PUR.

Teti joined by phone and reacted to question that TTIP started with high ambition but is now losing pieces: optimistic on ambitious result, but even if smaller we start taking what there is and the rest will be for living agreement (Art. 4.3). But at least we need goods, services, buy American, GIs. On SME chapter, would be great if we could develop an "app" to be more user-friendly.

Amb. Doherty recalled the circumstances around the beginning of TTIP with the NATO summit in Lisbon playing a key role. Concluding before 2016 is a real possibility, but difficult for US to negotiate with 28, more difficult than 11 TPP, even though COM does a good job in getting to unified positions. But e.g. MS not united on GIs, feta. ISDS divisive too, but it is a European invention, and vattefal is brought by SE investor, not US. IT export to US growing

very fast in the last years, cheese +200% in 2013, 100 million wine drinkers in U.S. Bought 1.7 bn \$ Italian wine. IT has competitive SMEs that will benefit a lot, e.g. In aerospace. GI, GMOs are difficult subjects. Procurement: we cannot change the constitution and force States, but we encourage them very much e.g. 37 states signed up to GPA. Senate approved TPA, confident in the House. On energy, TTIP as an FTA will make exports easier but in practice gas will go to Japan where they pay more.

Questions on

- professional services (yes and framework for qualifications) visas? (not normally part of trade agreements)
- SPS for pork (made progress recently but aware some barriers still remain)
- IT institutions don't do anything for us on export markets, I'm trying to do a startup in China and It export promotion advised me to do it on my own, because if I wait for them to help it takes 2 years. I hope to open it in September instead.
- Public procurement. Doherty: we are very open, lots of Spanish companies building highways. Me: but issue is origin of products, they have to use e.g. US steel and cement.
- How confident is COM that TTIP will be approved by national parliaments and EP? TTIP probably mixed given large scope COM in constant contact with Council and EP on all issues, we don't negotiate in the void.

Art. 4.1b

Sent from my iPad