

EABC Consultation Response

European Commission DG Trade Public consultation on the future of EU-US trade and economic relations

1. Objective of the consultation

The US is a strategic partner of the EU. Both the EU and the US are strong promoters of free trade and investment and are among the most open economies in the world. The EU and the US are cooperating at the multilateral level and are engaged in numerous sector-specific bilateral dialogues aiming at increasing transatlantic economic relations. As a political body, the Transatlantic Economic Council (TEC) oversees and facilitates such cooperation with the aim of advancing economic integration between the EU and the US.

To further deepen the transatlantic economic relations, the 28 November 2011 EU-US Summit launched a High Level Working Group (HLWG) on Jobs and Growth tasked with looking at all options to further increase bilateral trade and investment. The Group produced an interim report in June. A final report with recommendations to leaders is due by the end of the year.

The creation of the High Level Working Group on Jobs and Growth is a significant event in transatlantic relations. It is currently injecting strong momentum into the transatlantic economic relationship. The objective is to identify policies and measures to increase EU-US trade and investment to support job creation, economic growth and international competitiveness of EU and US industry. The focus of the Working Group is on options where a common approach is likely to be beneficial for both economies and for the functioning of the global trade architecture. This encompasses, for instance, areas such as tariffs, non-tariff measures, services, investment, intellectual property rights and public procurement.

Building on the good existing relationship and cooperation between the EU and the US in fora such as the TEC and the High Level Regulatory Cooperation Forum (HLRCF), the trade policy initiative envisaged by the HLWG is aimed at shaping the future framework of the EU-US trade relationship. It is consistent with the Commission's view of trade policy as set out in the Communication Trade, Growth and World Affairs of 9 November 2010, which proposed to develop stronger relations with strategic partners such as the US.

This public consultation is intended to enable the gathering of detailed views relating to the future trade and economic relationship between the European Union and the United States. Taking into account the more general initial public consultation published February 2012, it aims at detailing and structuring the feedback of all relevant stakeholders. The results of both consultations will feed into the Impact Assessment DG TRADE is currently preparing. The Impact Assessment will help shaping the position of the Commission with regards to a potential bilateral initiative with the United States in the field of trade policy.

For more on the bilateral trade relation, the objectives and possible options for increased cooperation between the European Union and the United States [please click here](#).

2. Priorities for a forward-looking trade relationship with the United States

▪ **2.1. What should be the priorities of the future EU-US trade and economic relationship?**
(between 1 and 4000 characters)

- To foster an innovation-friendly environment that allows the US and the EU to succeed in the global race for R&D, to spur both academic and private research, and to support innovation, job growth and the development of innovative products and services in all sectors.
- In order to achieve this, the US and EU must reward innovation, and encourage open market access, investment (research funding, taxation), regulatory harmonization, strengthened intellectual property rights, immigration and the removal of tariffs.

Not relevant

Not relevant

- **3.2. If the TEC, the HLRCF or other sector specific cooperation between the European Union and the United States has not brought satisfying results for you in the past, please explain why this has, in your opinion, not been the case. (between 1 and 1500 characters)**

After three years of well-intentioned work, the TEC has delivered few victories in transatlantic regulatory convergence or harmonization. To better accomplish its mission, the EABC recommends a 5 point prescription for the TEC's success:

1. Select "Yes-Yes" Policy Projects that will enjoy strong, sustained government support. This must include early and continuous buy-in from US and EU legislative leaders.
2. Select Policy Projects that can be accomplished in 1-4 years.
3. Appoint senior career US and EU officials as Policy Projects Co-Chairs. They must agree on a roadmap for success that includes time-lines for progress. And they must enlist the active involvement of key industry groups such as the EABC.
4. Semi-annual TEC meetings must become performance reviews for Policy Project Co-Chairs. US and EU legislators must be involved in these reviews.
5. The annual US-EU Leaders Summit must include TEC deliverables. Presidents Obama and Barroso must expect results that have *business operational value*.

Not relevant

Not relevant *pages 4-8*

Not relevant

10. Investment

- 10.1. Are you concerned by barriers to direct investments in your field of activity?
 - Yes
 - No
 - Do not know / Not applicable

- 10.5. If you are concerned by barriers to investment, how should the European Union address the issue? (between 1 and 4000 characters).
 - EABC strongly supports the EU-US Shared Principles for International Investment which were adopted earlier this year and we call for both the US and EU governments to promote these principles in third countries. EABC also supports incorporating these principles in the investment chapters of on-going US and EU FTA negotiations with third countries. EABC encourages the EU and the US to use these principles as model language for future trade and investment agreements (BITs).
 - EABC supports the speedy development of a US-EU Investment Agreement that promotes free transfer of capital, equal consideration for foreign and domestic companies, and protections for expropriations.

Not relevant

Not relevant