

TTIP from both sides: a fair level playing field

A TIMELY DEBATE

On 20 October 2015, MEP Jim Nicholson hosted a debate “TTIP from both sides: a fair and level playing field”, attended by 130 decision-makers and stakeholders. The event could not have been more timely as EU and US negotiations were meeting this week in Miami, USA, to progress talks on the Transatlantic Trade and Investment Partnership (TTIP).

EU decision-makers are hopeful that, with the Trans-Pacific Partnership (TPP) now concluded, significant progress can be made on TTIP before the US Presidential elections.

“Interaction is picking up” Jim Higgiston, Minister Counsellor for Agriculture at the US Mission to the EU

A COMPREHENSIVE AGREEMENT

All panellists agreed that a good agreement will be a comprehensive one, looking both at tariff and non-tariff barriers. For the farming community and the food industry at large, the key issue is regulatory convergence, which should allow to cut red tape, create growth and jobs and bring more choices to consumers on both sides of the Atlantic. The importance of market access - tariffs and quotas – is sometimes lost in the debate. There are legitimate concerns from a number of vulnerable sectors – such as the starch sector or the meat sector – that the EU negotiators have very clear in mind.

“Agriculture should not be used as a bargaining chip” MEP Jim Nicholson



WHAT WE HAVE TO WIN...

There is a huge potential for Europe in improving trade between the EU and the US, which will ultimately create growth and jobs in Europe. From the side of the US negotiators, the reality is that there is today an \$ 8 billion trade surplus in agri-food commodities in favour of the EU. This, coupled with the impression that all sectors are vulnerable and all need to be protected, does not let the Americans see what is in it for them. What is clear on both side however, is the importance of achieving a standard-setting deal with our closest trading partners, in a globalised and increasingly challenging agricultural market.

“There is a real, true commitment from the European farming community to improve trade between the EU and the US”

Pekka Pesonen, Secretary General of Copia-Cogeca

...WHAT WE COULD LOSE

“When it comes to starch production, it is clear that the playing field is not level” Gianfranco Patrucco, President of Starch Europe.

But there are certain sectors, which, for historical reasons are more vulnerable, and for which the EU negotiators will seek protection. In the case of starch, years of regulatory constraints on the sector have created a situation where the EU starch industry would today not be able to compete with the US starch industry. This would have consequences on the farmers producing the raw materials for starch, for the supply chain using the by-products of starch and for the rural communities at large. Even with the abolition of sugar and isoglucose quotas in 2017, it will take a long time before the imbalance compared to the US is corrected.

“Our negotiators have very clear in mind that certain sectors will need a specific treatment”

Cristina Rueda Catry, member of cabinet of Agriculture Commissioner Phil Hogan

A FAIR LEVEL PLAYING FIELD

A balanced deal would have to include provisions preventing that a whole part of the European agri-food industry collapses.

“We should not lose our self-sufficiency in certain sectors” Bénédicte Masure, Chair of the Trade working group of Food Drink Europe

Negotiators and stakeholders have to do their homework to determine which sectors would need protection. The balance will have to be found on a case-by-case basis during the negotiations; it could be quotas, longer transition periods, internal supporting measures etc. In some cases, exclusion will be the only answer.

“Free trade has to be fair trade”

Jamie Fortescue, Managing Director of Starch Europe

