
HOW BREXIT COULD PROVE FATAL FOR TTIP TRADE DEAL

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14.07.2016

13.07.2016

Euronews

Brexit has put a nail in the coffin of the EUs bid to create the worlds biggest free trade zone with the USA, campaigners say.

Britain quitting Brussels will further slow TTIP negotiations and make the deal less attractive for Washington, according to Friends of the Earth Europe (FoEE).

The EU says it is aiming to tie up the deal by the end of the year, but Paul de Clerck, who covers economic justice for FoEE, says an agreement is highly unrealistic as there are still major differences between both sides.

Others say the EU will be keen to speed up negotiations, to show Britain it will lose out by excluding itself from the bloc.

De Clerck said this could lead to the EU conceding late ground on a sensitive area such as GM crops, to help force a deal through.

Its a claim denied by the European Commission, who said member states still wanted a TTIP deal and that negotiators would not put substance over timing.

Why there is a rush to get the deal done

There are arguments on both sides of the Atlantic for wanting to speed the deal up.

First Barack Obama is leaving office at the end of the year and his successors, according to De Clerck, are not as keen on trade agreements, especially Donald Trump.

Then there is Brexit, which, it could be argued, has fired up the European Commission to prove there is still life in the Brussels project.

MEP Christofer Fjeline, a member of the European Parliaments committee on international trade, told ViEUws: I would say the current situation in Europe should make us even more eager to produce something by the end of the year, because right now letting TTIP dwell into oblivion would hurt us enormously.

We are already weakened by the referendum in Britain and not having TTIP as well would be devastating so therefore I would actually say theres a logic to speeding up things and giving more

emphasis to the current trade negotiations.

Why Brexit might scupper the deal, rush or no rush

Experts say the UK's decision to quit the EU will slow TTIP negotiations.

De Clerck told Euronews once Britain triggers Article 50 to quit the EU, both London and Brussels resources will be focussed on thrashing out a deal on what access the UK has to the single market, at the expense of working on TTIP.

He added: There is already a lot of questions already about the appetite in the US for making a deal with Europe. The UK leaving the EU doesn't make TTIP more attractive for the US because the UK is still one of the biggest trade partners for the US. So if the UK leaves that's probably about 20 percent less trade in the deal so that's not strengthening the appetite.

Marianne Schneider-Petsinger, writing for think tank Chatham House, says TTIP talks will be further slowed by Brexit because the Americans will not have any certainty about exactly what the EU single market will consist of.

Brexit will also mean the loss of one of TTIP's biggest advocates.

Within three days of the Brexit vote, French PM Manuel Valls dismissed the possibility of a US-EU trade deal, stating TTIP was against EU interests, added Schneider-Petsinger. Britain's voice for further trade liberalisation will be sorely missed by American negotiators eager to strike a deal.

What are the main areas of difference?

De Clerck says there are still several areas where the US and EU are still far apart:

The EU wants any deal to include regulation of financial markets.

The EU wants to be able to bid for US procurement contracts.

The US wants access to European public services (eg NHS).

The EU is worried about geographical indicators, which protects products from specific regions, eg Greek Feta cheese. If these areas are not protected in the TTIP deal, it could mean US companies making their own version of Feta cheese and selling it to the EU market cheaper.

Will there ever be a deal?

De Clerck doesn't think so. The problems (for TTIP) are the biggest they've ever been, he said. I don't think Brexit is the final nail in the coffin, but it's one of the nails.

If TTIP negotiations were going well and there was not massive public opposition already then Brexit probably wouldn't make the difference, but when there's these other factors, that makes a big difference, making it even more likely that negotiations will fail.

But that's the signal we are hearing more and more in Brussels [that TTIP will fail] from people on the inside and from member states. They are saying that TTIP is close to being dead.

What does the European Commission say?

A European Commission spokesman told Euronews: As you may be aware, a negotiating round is taking place in Brussels this week.

In this round of the EU-US trade negotiations (Brussels 11-15 July) both sides will continue the very intensive period of talks that started at the beginning of 2016.

This round is about delivering on the goal established at the beginning of the year □ to have all proposals for chapters of TTIP on the table and consolidate as many texts as possible by the summer break.

As reiterated by President Juncker following his meeting with President Obama last Friday (08/07) the shared goal remains to conclude these negotiations before the end of this year.

During the last European Council, President Juncker asked all leaders leaders of the EU one after the other if yes or no the European Union should continue to negotiate □ and the Commission received once again the mandate to conclude these negotiations.

The EU could be ready to conclude a deal with the US this year. But we can only do that if we get the right result and if it is clear that the deal on the table meets the high level of ambition we have set. Any deal should create major economic opportunities on both sides but at the same time protect and project the EUs values and standards. As stated since day one, for the EU substance comes over timing.

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