



BritishAmericanBusiness

**UK TTIP ROADSHOW, SHEFFIELD:
Transatlantic Trade Today & the Prospects for a EU-US Trade
Agreement**

Wednesday 1st October 2014, 8.30am-10.30am

-Note of the meeting-



In the light of the ongoing negotiations on a Trade and Investment Partnership (TTIP) between the EU and the US, BritishAmerican Business (BAB) in collaboration with a broad range of business groups, and UK and US government launched a nationwide series of roadshows to highlight to companies across the UK how they can benefit from a successful trade agreement between the US and EU.

We have been able to test some of the high level policy rhetoric surrounding TTIP and find out what's really happening at the grass roots: What will TTIP do to improve the SME experience of exporting to the US, for example? We have shone a torch on local, specific and tangible benefits that an agreement could have for everyday business and local communities – benefits often overlooked in the public debate.

Over the past 18 months more than 535 participants attended 13 events across the UK. On October 1, 2014 BritishAmerican Business and the Sheffield City Region invited businesses and stakeholders from government and local business and trade organisations to participate in a TTIP Roadshow event in Sheffield. Nabarro LLP kindly hosted the event.

Keynote

After a welcome from Martin McKervery, Partner at Nabarro LLP, and Jeffries Briginshaw, Managing Director at BritishAmerican Business in London, Rt Hon John Healey MP, Chair of the All-Parliamentary Party Group on EU-US Trade & Investment, explained in his keynote why we should work to secure a comprehensive trade & investment agreement between the EU and the US. First, this is the best prepared bilateral trade deal in history. Prior to the launch

of negotiations, governments on both sides of the Atlantic had been assessing the potential and the feasibility of an agreement concluding with the recommendation to launch negotiations for a comprehensive trade and investment agreement. Second, in light of growing competition from other economic regions in the world, TTIP is the opportunity to set a common set of high standards that may function as a template worldwide. Third, this agreement could be beneficial to consumers, workers and businesses in the UK. If the UK wants to keep its economy successful, it will need this deal. John also addressed concerns raised in the public debate. He pointed out that political leaders and negotiators on both sides have pledged that a trade agreement between the EU and the US will not lower standards and that the National Health Services (NHS) will be protected. However, he also stated that he saw no case for an Investor-State Dispute Settlement (ISDS) system in an EU-US agreement and that this issue should not be a stumbling block for the entire deal. John concluded by saying that more political leadership and more information is needed to ensure a broad debate among all stakeholders.

Panel Remarks

Referring to the potential benefits for the Sheffield region, Mark Robson, Regional Director at UK trade and Investment (UKTI) pointed out how important the economic and Investment-relationship already is for the Sheffield region and the UK as a whole. Many businesses of all sizes and sectors in the Sheffield region already export to the US, but market access for companies is still limited in various sectors. TTIP can help to remove those limitations to increase the trade and investment relationship. Therefore, South Yorkshire should take advantage of this opportunity. UKTI will assist the business communities with information, contacts worldwide and political work.

As a representative of UPS, one of the largest logistics companies in the world, Richard Currie, Director Public Affairs, explained that TTIP represents an opportunity to remove existing “bottlenecks” in the transatlantic supply chain, and facilitate trade for businesses and consumers. For example, if TTIP results in an increase of the ‘de minimis’ threshold (the value of goods below which customs duties are not applied) to \$800, lower value goods could be transported at a lower cost and with less administrative effort. Furthermore, studies have shown that the removal of tariffs, could boost transatlantic trade by \$120 billion over a 5-year period. Richard emphasised that small and medium-sized enterprises (SMEs) and consumers should be the main beneficiaries of a comprehensive agreement.

The US market has been and is a sensational opportunity for UK business, but in every day practice the devil lies in the details. William Beckett, CEO of Beckett Plastics, a leading manufacturer of specialized cutting tool plastic packaging for the world's cutting tool industry, offered an insight into the current challenges small companies face when trading with the US, in particular in regards to cultural and legal differences between the EU and the US. William welcomed the negotiations for a comprehensive trade deal. However, he emphasized the need for government to closely work with trade and business organisations to fully understand the needs of local business.

David Henig, Director for TTIP at the Department for Business, Innovation & Skills (BIS), gave an overview of the UK government ambitions, the current state of negotiations and the current concerns in the public debate. The trade agreement with South Korea in 2011 has led to an increase of around a third in (non-oil) UK exports. Greater effects are to be expected for a successful TTIP given the importance of the EU and US' markets. Most important element of an agreement will be the removal of existing non-tariff barriers in sectors like chemicals or automotive. But also the removal of existing tariffs will be significant. TTIP will also allow for UK companies to access market segments that are currently protected from outside-US competition. A comprehensive trade agreement will help to keep the EU-US market an attractive destination for business and investment in a more competitive world. It is hoped that the negotiations for TTIP are concluded in 2015 and could be in force by 2017 or 2018. David emphasised that government has been working hard to make the negotiations as transparent as possible and to provide a platform for exchange and input.

In his remarks, PJ Menner, Commercial Specialist at the US Embassy in London, explained that for US government, the trade agreement is considered to be an important vehicle for more jobs and growth in two economies that have suffered during the financial crisis in 2008. There is a strong political will and commitment in Washington to accomplish a comprehensive agreement. The ground work has already been done by US and EU business that trusts each other to trade and invest in each other's economies. Especially for the UK, having a comprehensive trade agreement will mean to bring the economic relationship in line with its political and cultural relationship.

Q&A

During the Q&A, participants used the opportunity to discuss the balance between the benefits of trade and the need to protect citizens. Participants were assured that government will guard the ability to regulate and that there is a common interest on both sides of the Atlantic to keep standards high. Another question addressed potential consequences of a UK outside of the European Union. Participants agreed that it would be challenging for a UK outside of Europe to negotiate an agreement that would offer similar benefits than TTIP. Participants were also informed that a separate chapter for SMEs is currently being discussed as part of the agreement.

BAB together with its partners will continue to explore and amplify the local, specific and tangible potential outcomes for TTIP, in particular to small and medium-sized enterprises in the UK. If you are interested to learn more about the roadshow initiative, please get in touch with Emanuel Adam, Policy and Public Affairs Manager, at eadam@babinc.org.

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