51

APRIL 2016

The Transatlantic Trade and Investment Partnership: A Briefing Note

BY PETER H. CHASE

What points of contention remain between the U.S. and EU on TTIP?

How can transatlantic trade benefit from the trade deal?

What are the implications for other countries and markets?

Even as the United States is in the midst of a messy presidential election and the European Union seems to be falling apart, the U.S. and the EU are negotiating what would be the world's largest free trade agreement, the Transatlantic Trade and Investment Partnership, or TTIP.

Many wonder: can they—should they—try to conclude the negotiations by the end of 2016, as both sides have recently said they wish to do?

The answer to both questions is an unequivocal "Yes."

For both, TTIP would provide a significant economic stimulus.[1] Politically, for the United States, TTIP would be the first Congressionally-ratified agreement with the European Union, a project that began in the 1950s as a way to end war on the European continent, and a project which the U.S. has consistently supported. For Europe, it represents one factor to help reverse the centrifugal forces that are tearing Europe apart, forces that even raise the specter that those wars could come again. And for both, TTIP presents an opportunity to reassert their leadership in strengthening the rules-based economic order, to "shape globalization rather than be shaped by it," as U.S. Trade Representative Michael Froman argued at the February Munich Security Conference.[2] In this sense, TTIP was also seen as setting a context to enhance collaboration between the U.S. and EU on issues that might not be addressed in the trade agreement, such as data protection and financial services regulation.

Given TTIP's extra-ordinary (in the literal sense of that word) benefits to both the United States and the European Union, the debate about the agreement is, for some, baffling. And yet it's there. In America, while there is little public awareness about TTIP, free trade—especially in the form of the Trans-Pacific Partnership Agreement (TPP)—is in question. Further, the business sector that pushed for TTIP remains skeptical that the U.S. and EU can reach an agreement, and is concerned as well about what sort of agreement the Obama administration wants. And in Europe, millions of citizens have signed a petition against TTIP. In Germany in particular, many fear an agreement with the United States that they believe could

undermine the social and environmental protections that have been built up over the decades since the war. These concerns, focused on TTIP's regulatory, investor-state dispute settlement and data protection provisions, are understandable, but can be addressed through a better understanding of how these provisions will actually operate.

TTIP presents an opportunity to reassert their leadership in strengthening the rules-based economic order, to "shape globalization rather than be shaped by it."

This Issue Brief provides a brief update on the status of the negotiations; details some of the key issues in the public debate; and suggests a timeline that both the United States and the EU can use to conclude a TTIP that could cement both their bilateral relationship and a broader governance agenda for the global community.

The Status and Dynamics of the Negotiations

When in November 2011 President Barack Obama, European Commission President José Manuel Barroso, and European Council President Herman Van Rompuy established a "High Level Working Group on Jobs and Growth" to explore the possibility of a bilateral trade and investment agreement, their predominant concern was jobs. In America, unemployment was pushing 10 percent and the economy had not yet recovered its pre-recession levels,[3] while Europe was in an even deeper morass, with Ireland, Greece, Portugal, and Spain all tottering on bankruptcy, overall unemployment over 10 percent, youth unemployment over 30 percent in eight member states, and no hope for growth in sight.[4] Bringing the world's two largest economies even closer together made eminent sense.

In many ways, negotiating TTIP should be "easy." The United States and Europe have consistently worked together since the Second World War to build the international legal framework for the global economy, with the Bretton Woods institutions such as the World Bank and International Monetary Fund, as well as the World Trade Organization (WTO) and its predecessor, the General Agreement on Tariffs and Trade (GATT). Each has a GDP of about $16 trillion; in both, some 75 percent of this is generated by services, 20 percent by manufacturing, and 5 percent by agriculture. They have a unique investment-based relationship, as U.S. companies have invested nearly $2.5 trillion in the EU, while European firms have put nearly $2 trillion in the United States. These investments directly employ some 5 million workers on the other side of the ocean, and they drive the world's largest trading relationship, with some $1 trillion in goods and services exchanged across the Atlantic each year. The intra-firm trade this investment powers is one reason that just eliminating tariffs can have a powerful impact—eliminating the additional charges on components traded within a company operating on both sides of the ocean boosts the overall global competitiveness of U.S. and EU firms.[5]

Yet in part because of this immense relationship, trade disputes between the two are frequent and often contentious, whether about genetic modification, beef hormones, Boeing-Airbus, or Buy American.

To avoid having these disputes derail the talks, the High Level Working Group on Jobs and Growth spent a year mapping out an approach to managing the disputes before formally starting the TTIP negotiations in July 2013. The two sides thus entered the talks with well-defined objectives and knowing the key issues in the negotiations. They divided TTIP into three baskets:

— traditional **market access** issues related to trade in goods and services, procurement, and investment liberalization;

— **regulatory matters**, including sanitary and phyto-sanitary (SPS) measures for agricultural products; standards and conformity assessment for manufactured goods (technical barriers to trade, or TBT); good regulatory principles and practices; horizontal provisions to promote cooperation between regulators; and annexes for agreements between regulators in specific sectors; and

— **rules**, including customs and trade facilitation, investment protection, labor and environmental protections, small and medium-sized enterprises, intellectual property, state-owned enterprises, dispute settlement, and other institutional provisions.

Market Access

Market access, the core of trade agreements, created the first major stumbling block for the TTIP negotiations. While both sides know what they want to achieve in the areas of goods, services, investment, and procurement, and indeed know the likely outcomes, they miscommunicated about how they would

get there. In early 2014, DG Trade presented an "ambitious" initial offer to eliminate tariffs on 85 percent of all products; USTR responded with a "traditional" first offer covering closer to 70 percent of tariff lines. This infuriated Trade Commissioner Karel De Gucht, who was reportedly humiliated by being called "naïve" about the Americans by both other commissioners and member state counterparts. As a result, subsequent EU offers on services were intentionally much lower than what the EU had agreed with Canada, and the U.S. for its part was annoyed. The talks essentially stalled for the remainder of the year. When the new Commission under President Jean-Claude Juncker came into office in November 2014, TTIP was listed as one of its top ten priorities, and new Trade Commissioner Cecelia Malmström and USTR Froman quickly tried to establish a new rapport. This too initially ran aground as the EU "held back" on covering agricultural products in its revised offer in spring 2015. It was only with the 11th round of talks in October 2015 in Miami that the two sides regained their footing, with both sides presenting balanced offers covering 97 percent of tariff lines with immediate duty elimination for identical proportions of this.

That re-set was needed, but the main market access debates remain. The EU knows the U.S. wants better access for its agricultural products—as U.S. agricultural exports to the rest of the world have increased to some $160 billion, they have declined to only about $10 billion to the EU, largely due to SPS restrictions, including on biotech products. The two sides have been quietly whittling away at some of these SPS issues "independently" of TTIP, as the U.S. in 2015 finally lifted its ban on the import of European beef and approved imports of European apples and pears, the EU allowed the use of a "natural" anti-microbial treatment on U.S. beef and approved a number of biotech varieties, and the two sides concluded a mutual recognition agreement on the labeling of organic products. These issues are politically sensitive for both sides, and both know they need to be dealt with discretely, but both are also impatient for more movement from the other. (The U.S., for example, is not asking the EU to change its GM approval system, but wants more varieties to be approved for import.) At the same time, the Commission wants to trade lowering tariffs on agricultural products for both greater access to the U.S. procurement market (DG Trade's main goal) and for U.S. recognition of the EU's geographic indications (DG Agriculture's key objective). This double-ask may be a bit much. On services, the EU again feels it is being more ambitious than the U.S. It wants to see real liberalization in such areas as maritime and telecommunications, which the U.S. currently rejects, and thinks the U.S. offer of "grandfathering" existing state restrictions without spelling these out is insufficient. The U.S., for its part, emphasizes that TTIP must ensure free data flows and open electronic commerce, which gets to the sensitive issue of personal data protection, discussed further below.

Regulatory Matters

Even as these traditional market access trade-offs remain unresolved, TTIP's regulatory discussions are improving. Initially the debate was about the U.S. call for greater "transparency, participation, and accountability" in EU legislation and rulemaking, while the EU wanted to focus on concrete improvements in specific sectors, including autos, chemicals, medicines and medical devices, cosmetics, engineering, services, and textiles/apparel. For much of 2014 and 2015, it appeared the two sides were talking past each other on this, but the publication of the Commission's "Better Regulation" agenda in mid-2015 and the Obama administration's issuance of new guidelines on international regulatory cooperation later that year have clearly changed the tenor of the debate. The two sides exchanged new text on the "horizontal" provisions of better regulatory principles and practices as well as on regulatory cooperation during the 12th TTIP round in February, and both have also re-doubled discussions between regulatory agencies on specific sectors, including in autos, pharmaceuticals, and even the difficult area of professional services regulation, which in general is addressed at the state level in the U.S. One regulatory area that remains contentious is on standards incorporated into regulation. This is a decades-old battle, where the EU clings to having only a single "European Norm" to promote its single market, while the U.S. argues that any standard that meets a regulatory requirement should be accepted. Yet precisely because this area is the most critical for SMEs on either side of the ocean, there are signs of possible movement that would both allow for the recognition of more EU standards by U.S. agencies and more openness on the EU side as well.

Rules

The rules part of TTIP is in many ways the most important, although it gets the least attention, as it is here that the U.S. and EU can reach initial agreement between themselves on new areas where they hope to strengthen the international rule of law governing global commerce. The exception to this low profile is arguably the most contentious issue in TTIP, investment protection and dispute settlement, discussed below. But the Obama administration and the EU both want TTIP to exemplify how trade agreements can strengthen international labor and environmental rules; they also see TTIP as a vehicle to promote greater cooperation in customs and trade facilitation, as well as in such things as disciplines on trade secrets. One of the areas that could be critically important—agreement on disciplines on governments' relations with their state-owned enterprises, which would help address the unfair advantages U.S. and EU firms see China give its companies—is however stymied by

The Obama administration and the EU both want TTIP to exemplify how trade agreements can strengthen international labor and environmental rules.

the EU's belief that it cannot agree to provisions that would discriminate against firms based on their ownership.

The Public Debate

While TTIP is virtually absent from the public debate about trade in America, it is highly contentious in Europe, with a majority of citizens in five member states—including Germany— viewing it negatively. Investor-state dispute settlement (ISDS), regulatory cooperation, and data protection are the most sensitive issues, and concerns about each both hamper the negotiators and raise doubts about whether TTIP can be ratified.

Investment[6]

The EU won the right to negotiate investment protection provisions only with the entry into force of the Lisbon Treaty in 2009, a decision which continues to rankle officials in the member states who have concluded some 1,500 investment treaties over the past fifty years. This may be one reason why member state governments did nothing to defend the Commission and TTIP when concerns started being raised over provisions that even respected business publications said would "allow big companies to sue governments over lost profits," thereby undermining a government's "right to regulate."

The hue and cry over this forced the Commission in early 2014 to suspend negotiations on investment in TTIP and launch a public consultation that saw nearly 150,000 complaints against ISDS. Reflecting these concerns, the European Parliament in May 2015 approved a resolution against inclusion of ISDS in TTIP (and the EU-Canada Trade Agreement). In October, the Commission came forward with a "totally new" approach to investment protection that explicitly enshrines the "right to regulate" while creating an "Investment Court System" under which each party would nominate five "permanent judges" who, with a further five "judges" from third countries, would be "randomly chosen" to hear disputes, and whose rulings would be subject to formal appeal.

This new approach is indeed "revolutionary," as it eliminates the traditional arbitration approach to resolving disputes between a foreign investor and the host government, under which the claimant and the respondent each nominate a panelist; those panelists either agree on a third panelist or have that person appointed by a neutral authority; where none of the panelists can be of the same nationality as that of the two parties to the dispute; and whose rulings are generally final and enforceable under the New York Convention on the Enforcement of International Arbitral Awards.

The Commission, which convinced Vietnam and more recently Canada to incorporate its new approach into their trade agreements with the EU, formally presented it to the U.S. in February. The burden of proof will be on it to convince the Americans that there is a real problem with the traditional approach to investment protection and ISDS (which both Vietnam and Canada also accepted in TPP), and that the EU approach solves those problems without creating new ones. The U.S. side is likely to argue that an unalloyed "right to regulate" undermines the treaty commitments to provide national and most-favored nation treatment to investors; to guarantee, where exceptions to the non-discrimination obligation exists, the minimum standard of treatment required under international law; to pay prompt, adequate, and effective compensation in the event of an expropriation; and to allow transfers of funds related to the investment. As investors can only bring a complaint about a host government's violation of these treaty commitments, they cannot sue for "lost profits," and indeed, the U.S. model investment treaty does not include exceptions to these provisions as they are fully consistent with U.S. domestic law. The U.S. will also point out that the traditional approach to settling disputes between investors and states over these obligations was created by governments (not big companies) to minimize diplomatic disputes over the treatment of investors; reflects fifty years of international law; is based on numerous conventions adopted by the United National General Assembly and incorporated into the UN system (including through the World Bank's International Center for the Settlement of Investment Disputes); uses arbitration rather than "permanent courts" precisely to avoid the appearance of governments being sued; and has evolved considerably in U.S. practice[7] to become more transparent, open, and accountable, including to other stakeholders (who can, for instance, file amicus briefs in a dispute). The U.S. will also be concerned that the enforcement of an award by an International Court System would be challenged immediately as not being an arbitral award that can be enforced under the New York Convention. EU member state ministries of foreign affairs all actively participated in creating this international legal framework on which their own treaties are based, and they will need

As trade agreements generally do not address levels of regulatory protection, it is not surprising that many Europeans are concerned that the U.S. might use TTIP to undermine regulatory protections in Europe.

to be part of the effort to educate the Members of the European Parliament and the European public while the negotiations go on.

Regulatory Cooperation[8]

Since the launch of TTIP, many have hailed it as being novel precisely because it would eliminate "unnecessary regulatory divergences" between the U.S. and the EU; indeed, this was often described as the source of 80 percent of the benefits of the agreement. As trade agreements generally do not address levels of regulatory protection, it is not surprising that many Europeans are concerned that the U.S. might use TTIP to undermine regulatory protections—including the "precautionary principle"—in Europe.

Devoting resources to policing high-volume but low-risk transatlantic trade undermines regulators' ability to focus on shipments from higher-risk jurisdictions.

This concern, while understandable, can be addressed. First, it is based on the premise that the U.S. regulatory protections are "lower" than in Europe, although this perception is changing, in part due to such widely-publicized cases as Volkswagen and diesel emissions standards.[9] More important, assurances that TTIP won't "lower standards" miss the positive benefits to citizens of transatlantic regulatory cooperation. Regulators face a flood of imports, coming increasingly from countries whose regulatory systems they don't know, even as their budgets are being cut. Devoting resources to policing high-volume but low-risk transatlantic trade undermines regulators' ability to focus on shipments from higher-risk jurisdictions. Regulators would become more efficient and thus more effective in fulfilling their mandate by partnering with a trusted transatlantic counterpart.

No one anticipates the U.S. and EU will "harmonize" thousands of pages of regulation; any change to the level of protection, however small, would need to go through the domestic regulatory process—and political scrutiny—of that jurisdiction. Instead, TTIP will likely:

— encourage counterpart regulators to strive toward mutual recognition of compatible regimes, "building bridges" between them where the levels of protection are determined—including through public consultation—to be equivalent;

— provide tools to help them assess the costs and benefits of transatlantic compatibility of existing and future regulations; and

— establish an institutional mechanism to help them share best practices in regulatory cooperation, including in such areas as sharing confidential business information.

Such cooperation would strengthen our regulators' ability to protect our citizens, but will only happen as regulators build trust and confidence in one another. Even the business community accepts that a transatlantic trade agreement itself will not immediately resolve all regulatory differences; rather there will be "modules" of regulator-to-regulator cooperation that will slowly but surely reach the goal of compatibility, with each succeeding regulator-regulator agreement being inscribed later into annexes in TTIP—thus making it a "living" agreement.

Data Protection

TTIP ran into political headwinds as soon as it was formally launched, with Edward Snowden's initial revelations about the U.S. National Security Agency's ability to access personal data held by private companies coming out just days before the June 2013 announcement of the negotiations; succeeding tranches of revelations seemed to appear in conjunction with the next few rounds. European officials have since strenuously argued that TTIP would not cover data protection, even as the U.S. government and businesses contend that it must allow for free "data flows" and include disciplines against "data localization" requirements, demands that often appeared at odds with the debate over new EU legislation on data protection (agreed at the end of 2015). This debate was exacerbated by the European Court of Justice October 2015 ruling that declared invalid the Commission's 2001 finding that the U.S. "Safe Harbor" program provided adequate protections for European citizens. This decision led to a flurry of activity as the two sides negotiated a new "Privacy Shield" agreement enhancing European citizens' protections and Congress in February passed the Judicial Redress Act, which provides European citizens similar rights to those of Americans to correct personal data held by law enforcement authorities.

The EU approach to personal data protection could well continue to cause difficulties for all businesses operating in the EU.

Those agreements underscore that in fact TTIP itself will not directly address privacy regulation; indeed, it is more likely to explicitly "carve out" government measures in this area. This should allow for more expansive provisions on data flows, services trade, e-commerce, and forced localization, but the EU approach to personal data protection could well continue to cause difficulties for all businesses operating in the EU. That approach, soon to be reaffirmed and indeed strengthened in the new General Data Protection Regulation, prohibits the transfer of personal data to jurisdictions that do not provide "adequate" protections. With the ECJ ruling, "adequacy" determinations must now also assess "democratic controls" in a country over intelligence and law enforcement agencies, and any European may ask any Data Protection Authority to undertake that assessment. Even if the new "Privacy Shield" program is approved by the ECJ, it

will apply only to companies that have signed up for it (which most SMEs won't), and it leaves unanswered the question about what jurisdictions outside Europe and the U.S. can meet the new adequacy test.

Other Issues

TTIP will also address a number of other issues, including those with a broader geo-strategic relevance such as energy and key third countries.

Energy

Energy issues are very much a subject of the TTIP debate, although this is too often about whether TTIP will have an energy "chapter" rather than about the substantive obligations in the agreement. The EU, acutely aware of its dependence on Russia for much of its oil and gas, hopes TTIP can strengthen its energy security by ensuring that the U.S.—now effectively the world's largest producer of hydrocarbons, thanks to the "shale revolution"—will ship these (and other) critical resources to Europe. They are heartened by the December 2015 elimination of the ban on oil exports, but want TTIP to oblige the U.S. to continue supplying Europe even should U.S. law change. The EU in February 2016 offered a new draft of an energy and natural resources chapter that also goes to areas of regulatory cooperation on energy efficiency and the like.

Third Countries

As the EU interest in using TTIP to weaken its dependence on Russian oil and gas supplies underscores, TTIP will have significant impacts on third countries. Turkey is most directly affected: its membership in the EU customs union will require it to eliminate duties on imports from the United States in line with the EU, whereas the U.S. is not obliged to provide it reciprocal access. Similarly, Norway and Switzerland will both see an immediate erosion of the competitive advantage they now enjoy with their FTAs with the EU; perhaps more significantly, as neither has an FTA with the U.S., European goods made with their products may not qualify for duty-free access under TTIP. Canada and Mexico are slightly better situated as the EU has just concluded the Canada FTA and is updating its FTA with Mexico. All five of these immediate neighbors would probably prefer TTIP to expand to include them, although at some point some may be concerned that expanding TTIP (and TPP) too much could well weaken the WTO. At the very least, Norway, Turkey, and Switzerland may push for their own FTAs with the United States.

China

China, too, will be affected by TTIP. It will see its competitive position weakened in its two largest markets, relative to U.S. exports to Europe and European products in the U.S. This becomes particularly important as China moves up the value-added chain into products that compete more directly with U.S. and EU goods. But the more sensitive issue may well be that many in Europe and the United States promote TTIP as a "counter-weight" to China's growing economic might since TTIP strengthens the U.S./EU ability to write global standards. This may be particularly irritating to Beijing when the object of those "global standards" is to discipline Chinese practices, for instance with state-owned enterprises. There is some truth to this, although most in the United States and European Union would argue that TTIP is not directed against China—with which they have close economic ties—but rather toward strengthening a rule of law under which all compete on the same footing.

Most in the United States and European Union would argue that TTIP is not directed against China—with which they have close economic ties—but rather toward strengthening a rule of law under which all compete on the same footing.

Prospects

Given the political tumult in both the U.S. and EU, the difficulties in the negotiations, and the highly sensitive issues in the public debate, many wonder whether the U.S. and EU can ever conclude the talks, much less do so anytime soon. Yet both sides now regularly state that they will strive to do so before the end of the Obama administration, caveating that by stressing that the substance must drive the timing rather than the other way around.

Technically, the two sides probably could "conclude" the negotiations by the end of 2016—where "conclude" is defined as initialing the basic TTIP text—while regulator-to-regulator agreements that would be included in the sectorial regulatory cooperation annexes continue to be hammered out over the twelve to eighteen months it will take to translate and legally scrub the TTIP text and submit it to the European Council for authority to sign. While it is likely that some ambition, especially in the rules area where not all the issues have been fully

thought through, could be sacrificed, this approach would have the benefit of showing that regulatory decisions are not subject to market access "trade-offs" while at the same time putting some pressure on the regulators to complete their work. (Ratification by Congress, the European Parliament, and indeed the national parliaments would come later, although TTIP would enter into effect "provisionally" with EP consent.)

Politically, this approach may appeal to both sides. President Obama is pushing through a TPP that many in his party dislike as it represents a freeing of "unfair" trade; on the other hand, most Democrats see trade with the EU as essentially fair (no one argues that EU labor or environmental protections are lower than those of the U.S.), and so accept it can be freed. Further, whereas the Obama administration argues for TPP because it spreads American labor and environmental "values," it's quite likely that disciplines agreed in a TTIP with the EU could exceed those agreed in TPP among twelve countries of widely varied levels of development. Indeed, some are concerned that the administration could agree to more in these areas than businesses would like, not least to mitigate any union opposition to expanding EU access to the U.S. government procurement market. For the Europeans, reaching a deal with the administration would help speed the economic stimulus TTIP could provide, and could strengthen its hand in dealing with the next president, when the likely candidates have all expressed serious doubts about trade liberalization.

To do this, of course, both sides would need to be prepared to make difficult political decisions by the end of the year, and expend considerable effort defending these to a restive public up at least until the European Council gives its (unanimous) support for signing the agreement.

Perhaps ironically, the one thing that could totally derail this timeline would be a vote by the British public for the UK to leave the European Union in the referendum now scheduled for June 23, for it is difficult to see how the U.S. (or any other country) could continue negotiations with a partner that can no longer be defined. Whether this geo-strategic aspect of the referendum will be considered by the British public will be seen on June 24.

[1] See "The Transatlantic Trade and Investment Partnership: The Economic Analysis Explained," September 2013, http://trade.ec.europa.eu/doclib/docs/2013/september/tradoc_151787.pdf

[2] See "Time for Action: TTIP and Global Leadership;" Remarks by Ambassador Michael Froman at the Munich Security Conference, 12 February 2016, https://ustr.gov/about-us/policy-offices/press-office/speechestranscripts/2016/February/Remarks-Ambassador-Froman-Munich-Security-Conference

[3] Economic Indicators, November 2011, Prepared for the Joint Economic Committee of the U.S. Congress by the Council of Economic Advisors, https://www.gpo.gov/fdsys/pkg/ECONI-2011-11/pdf/ECONI-2011-11.pdf

[4] See European Commission Autumn 2011 Economic Forecast, http://ec.europa.eu/economy_finance/eu/forecasts/2011_autumn_forecast_en.htm. See also Youth Unemployment, Europe 2020 Themes report, http://ec.europa.eu/europe2020/pdf/themes/21_youth_unemployment.pdf

[5] European Centre for International Political Economy, "A Transatlantic Zero Agreement: Estimating the Gains from Transatlantic Free Trade in Goods," 1 October 2010, http://ecipe.org/publications/a-transatlantic-zero-agreement-estimating-the-gains-from-transatlantic-free-trade-in-goods/

[6] For more on this issue, see Peter Chase, TTIP, ISDS and The Rule of Law," European View, December 2015, Volume 14, Issue 2, pages 217-229, http://link.springer.com/article/10.1007/s12290-015-0377-z/fulltext.html

[7] See the U.S. Model Bilateral Investment Treaty, 2012, http://www.state.gov/documents/organization/188371.pdf.

[8] For more on this subject, see Peter H. Chase and Jacques Pelkmans, This Time It's Different: Turbo-charging Regulatory Cooperation in TTIP," Center for European Policy Studies and Center for Transatlantic Relations publication, June 2015, https://www.ceps.eu/system/files/SR110%20Regulatory%20Cooperation%20in%20TTIP.pdf

[9] Ironically, the poster child in Germany of these regulatory differences, America's "chlorinated chicken," arguably shows that the U.S. has more "precaution" and higher food standards than the EU, as U.S. levels of dangerous pathogens in poultry meat are demonstrably lower.

This Issue Brief is the result of a conference co-hosted by AICGS, the Center for International Security and Governance (CISG), and the Bonner Akademie für Forschung und Lehre Praktischer Politik (BAPP) in Bonn in November 2015, entitled "The Transatlantic Trade and Investment Partnership: European and American Perspectives." The possibility of a transatlantic trade agreement has long been a topic of discussion. Economic and industry experts have extolled not only the opportunity for growth, but also the strategic perspectives that such an agreement offers. Support for the Transatlantic Trade and Investment Partnership (TTIP) has appeared to back-slide in some participant countries, where there has been wide public opposition to a perceived weakening of consumer protection standards, kowtowing to the interests of multinational corporations, and lack of transparency in the negotiations. In public discussions, the transatlantic partners have often spoken over, rather than with, each other. Given progressing negotiations and increasing protests, it is now the time to discuss the opportunities and risks of a trade agreement with both proponents and opponents on both sides of the Atlantic.

Support for this publication was generously provided by Guido Goldman and the AICGS Foreign & Domestic Policy Program.

Peter Chase is currently a Transatlantic Fellow with the German Marshall Fund. He served as a U.S. diplomat between 1980 and 2010, and was Vice President and Senior Representative in Europe for the U.S. Chamber of Commerce between April 2010 and February 2016.

All AICGS publications are available on our website at www.aicgs.org.

The views expressed in this publication are those of the author(s) alone. They do not necessarily reflect the views of the American Institute for Contemporary German Studies.

1755 Massachusetts Ave., NW
Suite 700
Washington, D.C. 20036 – USA
T: (+1-202) 332-9312
E: info@aicgs.org
www.aicgs.org

The Transatlantic Trade and Investment Partnership: A Briefing Note

Located in Washington, DC, the American Institute for Contemporary German Studies is an independent, non-profit public policy organization that works in Germany and the United States to address current and emerging policy challenges. Founded in 1983, the Institute is affiliated with The Johns Hopkins University. The Institute is governed by its own Board of Trustees, which includes prominent German and American leaders from the business, policy, and academic communities. Please visit our website at www.aicgs.org.

Providing Knowledge, Insights, and Networks for the Future.