



**COUNCIL OF
THE EUROPEAN UNION**



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Council approves launch of trade and investment negotiations with the United States

The Council today¹ adopted a mandate for the Commission to negotiate a comprehensive trade and investment agreement with the United States, the "transatlantic trade and investment partnership" (TTIP).

The mandate is composed of a decision of the Council and a decision of the representatives of the member states authorising the opening of negotiations, as well as directives for the negotiation of the agreement. The directives foresee an agreement made up of three key components: market access; regulatory issues and non-tariff barriers; and rules.

The Council agreed that audiovisual services will not be covered in the mandate, but that the Commission will have the opportunity to make recommendations on additional negotiating mandates.

The EU is now ready to launch negotiations with the US. The Commission will negotiate on behalf of the EU and its member states, keeping the Trade Policy Committee and the European Parliament regularly informed and updated. The final agreement will be concluded by the Council and the member states after having obtained the 'consent' of the European Parliament.

The EU is the US's largest trading partner, while the United States is the EU's second-largest trading partner, with 17.6 % and 13.9 % respectively of each other's trade in goods in 2011. Together the EU and the United States account for almost half of global GDP and one-third of total world trade.

According to an impact assessment by the Commission, a comprehensive trade and investment agreement could increase EU GDP by between 0.27 % and 0.48 %, and EU gross national income by up to € 86 billion.

¹ The decision was taken at a meeting of the Foreign Affairs Council (Trade).

P R E S S

The decision to negotiate stems from the recommendations of a high-level working group on jobs and growth, established following an EU-US summit in Washington DC in November 2011. The working group set out to identify options for increasing trade and investment. Co-chaired by US trade representative Ron Kirk and EU trade commissioner Karel de Gucht, it published its final report in February 2013.

The European Council in February called on the Commission and the Council to follow up without delay on the recommendations of the high-level working group, during the current (Irish) presidency.

The negotiations will strive for a comprehensive and ambitious agreement that addresses a broad range of bilateral trade and investment issues, including regulatory issues, with the aim of attaining market access that goes beyond what the US and the EU have achieved in previous trade agreements. The removal of unnecessary regulatory and non-tariff barriers will be a key objective.
