

Brussels, 8 November 2013

JOINT STATEMENT

EU agri-food chain representatives call on negotiators to resolve key non-tariff measures during TTIP negotiations

Copa-Cogeca and FoodDrinkEurope, Europe's agri-food chain associations representing European farmers, agri-cooperatives and food and drink manufacturers, support on-going negotiations on the proposed EU-US Transatlantic Trade and Investment Partnership (TTIP) agreement. This agreement provides a unique opportunity to eliminate regulatory obstacles, which is a key priority for the European agri-food industry.

Europe's agri-food chain partners together generate a turnover of €2.2 trillion and provide direct employment to 33.6 million Europeans¹. The agri-food industry produces safe, high-quality agricultural commodities and processed food products for over 500 million consumers in the EU, which are exported to more than 200 countries worldwide.

The EU and US markets are already highly integrated. The US is the first export market for European food and drink products (€13.6 billion), the second largest export market for European agricultural commodities (€4.4 billion) and the third largest supplier of agricultural raw materials to the EU (€2.1 billion)². Non-tariff measures, such as excessive administrative burdens, create unnecessary costs, which directly impact on the competitiveness of EU agri-food exporters and negatively influence the potential of bilateral trade. Since US tariffs on most EU agri-food products are already relatively low, Europe's agri-food chain partners believe that the biggest gains will come from resolving regulatory obstacles in a mutually beneficial manner.

TTIP negotiations on non-tariff measures should therefore focus on the following key objectives:

- **REGULATORY COOPERATION:** Through close regulatory cooperation, the EU and US should resolve any horizontal, animal or plant-related non-tariff measures that distort trade – be it through equivalence, mutual recognition or harmonisation of standards. At the same time, both parties should respect each other's levels of consumer, environment and health protection.
- **INTERNATIONAL STANDARDS:** Although EU agri-food exporters comply with international standards, exporters are often confronted with excessive US domestic controls and costly procedures. Recognising international standards, supported by scientific evidence, could provide significant mutual trade benefits.

¹ Regular agricultural workforce of 27.6 million (Eurostat 2007), 4.2 million jobs in the food and drink industry and 1.8 million jobs in wholesale of agricultural and food products (Eurostat 2010)

² Eurostat-COMEXT 2012

- **REGULATORY COHERENCE:** Negotiations should also address the concerns of EU agri-food exporters regarding the differences between US federal and state legislation. The key aim here should be to simplify the overall framework by closer alignment of legislation across the different US States.
- **TRADE FACILITATION:** Fundamental to the more efficient and less costly movement of goods will be the provision of clear and in depth information on customs cooperation, transit, pre-shipment inspections, customs brokers and consularisation charges.
- **TRIANGULAR TRADE:** The EU and US should agree on effective mechanisms to avoid triangular trade.
- **NEW BARRIERS:** It is particularly important that no new regulatory barriers are introduced, for example, through the implementation of the US Food Safety Modernization Act or by any other means.

Europe's agri-food chain partners are in favour of comprehensive negotiations and call on negotiators to deliver an agreement which provides concrete solutions to non-tariff measures and practical ways to make the EU and US regulatory systems more compatible, whilst respecting the high level of health and safety standards applied by both parties.

The agreement will only provide a win-win solution if even the most complex regulatory issues are addressed in a satisfactory manner for small, medium, and large-sized companies. It is also important that negotiators focus on substance over speed.

Europe's agri-food chain partners look forward to engaging actively with the EU and US authorities and all other stakeholders as the TTIP negotiations move forward.

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Copa-Cogeca is the united voice of farmers and agri-cooperatives in the EU. Together, they ensure that EU agriculture is sustainable, innovative and competitive, guaranteeing food security for half a billion people throughout Europe. Copa represents over 13 million farmers and their families, whilst Cogeca defends the interests of 38,000 agricultural cooperatives. Collectively, Copa-Cogeca represents 70 member organisations from EU Member States. For more information on Copa-Cogeca and its activities, please visit: <http://www.copa-cogeca.eu>.



FoodDrinkEurope represents Europe's food and drink industry – the largest manufacturing sector in the EU in terms of turnover, employment and value added. FoodDrinkEurope works with European and international institutions in order to contribute to the development of a legislative and economic framework that addresses the competitiveness of the industry, food quality and safety, consumer protection and respecting the environment. FoodDrinkEurope's membership consists of 26 national federations, including 3 observers, 25 European sector associations and 18 major food and drink companies. For more information on FoodDrinkEurope and its activities, please visit: www.fooddrinkeurope.eu.