

29 OCTOBER 2013, BRUSSELS

**SPEECH**

Ladies and Gentlemen,

It is a great pleasure to be here today to speak about the benefits the Transatlantic Trade and Investment Partnership Agreement (TTIP) promises to bring to consumers both in Europe and in the US.

The EU-US partnership has developed into the most prosperous and dynamic economic bond in the world accounting for nearly half of global GDP and almost one third of world trade.

It builds on powerful links between companies and researchers, creating business and employment opportunities, and ultimately benefiting consumers.

The drivers for growth we are pursuing and implementing in Europe are set out in the Europe 2020 Agenda. The negotiation of the Transatlantic Trade and Investment Partnership Agreement is part of this strategy.

Once these negotiations are completed, the EU-US agreement will amount to the biggest bilateral trade deal ever negotiated. It would be difficult to overstate the importance and significance of this prize.

The end result will bring multiple benefits to both the US and EU economies. We need growth, perhaps more than ever; businesses need more opportunities; and citizens need jobs.

And let us not forget that with consumer expenditure representing 56% of EU GDP, none of these needs will be satisfied without the active participation in markets of well-protected and confident consumers.

At a time when our economies are showing signs of recovery, it is important to stress the fundamental value and importance of a strong consumer policy.

Consumer policy is not the icing on the economic cake – it is part of the cake itself.

It is neither a burden nor a luxury. Rather, consumer policy is one of the key tools we have at our disposal to help citizens regain trust and faith in economies and in markets – to encourage them to act as drivers for competition, innovation and growth.

It is therefore very much an economic recovery policy.

Ladies and Gentlemen,

As European Commissioner responsible for Consumer Policy, I am of course fully aware of the great significance of this transatlantic deal and its huge potential.

However, I am also aware of the concerns and fears voiced by some stakeholders about the risk of possible weaker consumer protection standards – for example in relation to food safety; financial services; intellectual property rights; safeguards to consumer privacy; pharmaceutical and medical devices authorisations, affordable quality services; and transparency.

Allow me to address some specific issues.

In the medical technology and cosmetics sectors, I believe that TTIP can bring benefits to patients and consumers by building on existing outcomes from structured collaboration.

On sanitary and phytosanitary (SPS) issues, the EU and the US are committed to negotiating an ambitious “SPS-plus” chapter. This should seek to minimise the effects of SPS measures on trade through confidence building and close regulatory and technical cooperation.

To this end, existing SPS measures should be revisited in a collaborative manner aiming to remove unnecessary barriers, while recognising the right for both Parties to appraise and manage risk in accordance with the level of health, safety, consumer and environmental protection that each Party deems appropriate.

In the energy sector, the Agreement promises great benefits for consumers from reduced energy prices and by introducing new and innovative products on to our markets. I must say, however, that key provisions for consumers, such as public service obligations guaranteeing minimum service levels, energy affordability and universal access to electricity cannot be part of the negotiations.

I am grateful for the recommendations you have made as to how e-commerce should be addressed within the Partnership. These recommendations are fully in line with my own views – especially with regard to enforcement; the fight against any kind of online discrimination; and access to an open Internet.

I can assure you that I will pay particular attention to ensure that these aspects are properly taken into account during the negotiations.

I am also mindful of concerns regarding the proposed Investor-State Dispute Resolution (ISDS). Let me reassure you that the Commission is committed to ensuring that the ISDS mechanism is not abused by investors.

I will therefore carefully consider the potential implications of ISDS on consumer issues and discuss them with Commissioner De Gucht to ensure sufficient safeguards protecting European consumer and health regulations.

I also share your observation that the approaches on data protection vary significantly between the EU and the US. We must be very cautious with how we handle data flows in these negotiations, especially since the EU is currently undertaking a complete overhaul of its data protection rules.

Finally, I support the view that enforcement of intellectual property rights should continue to target commercial-scale infringements and not criminalise individual consumers.

Overall, my view is that these negotiations should confirm our mutual commitment to key values and best practices in order to create a common market space that would benefit consumers.

How do we work towards that goal?

First, it is important that during the negotiations consumer protection and rights do not rank second when arbitration is required.

I will personally remain particularly vigilant on this issue and work together with you to safeguard consumer interests, as set out in the European Consumer Agenda.

Second, all relevant stakeholders need to be kept closely involved in the negotiation process in an inclusive and transparent manner, including, of course, the European Parliament and the Member States. This will allow the process to gain steady and reliable support and to ensure approval once the text is finalised.

Naturally, consumer organisations on both sides of the Atlantic have an essential role to play in this process. They are best placed to understand consumers' real needs and expectations.

This is why I insist on consumer organisations being consulted in a timely manner to allow you to contribute and fully engage in the negotiation process. Commissioner De Gucht is committed to facilitating proper stakeholder engagement and I welcome his proposal to create a high level advisory group comprised of business, consumer representatives and NGOs.

Third, as I have already pointed out, we must hold the line that these negotiations are not about lowering standards. Rather, they are about getting rid of tariffs and redundant red tape while keeping the highest standards in place. There will be no compromise whatsoever as regards safety, consumer protection or the environment.

Our objective should therefore be to maintain the highest levels of standards and to reaffirm these values at international level through the agreement. Let us also not forget that we must abide by the precautionary principle enshrined in our Treaty.

I can assure you that I will follow these negotiations very closely from a consumer perspective, in particular as regards medical devices, financial regulatory issues, intellectual property rights and services, energy and digital services – issues that are of special importance to consumers.

Finally, we should attach particular importance to health and safety standards. Strict safety standards are sometimes wrongly viewed as a burden. But since these are essential to win back the confidence of consumers in our markets, our high level of protection in Europe must be upheld.

Ladies and Gentlemen,

Before I finish, I would like to stress once again the invaluable role that you as consumer organisations can play in making sure that the TTIP delivers its best for consumers in Europe and the US.

Our standards of global excellence and leadership should be the basis on which we can build without compromising our high levels of health and safety standards and consumer protection. Let us be clear, a weakening of consumer protection would not serve the interests of citizens or societies on either side of the Atlantic.

EU and US consumers want strong levels of consumer protection. We must therefore make sure that consumers benefit fully from the agreement whilst remaining properly and fully protected.

Thank you for your attention. I wish you all a fruitful and enjoyable day.

**End**

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