

An EU-US free trade deal

The Transatlantic Trade and Investment Partnership (TTIP) aims to boost trade and investment between the EU and the US.

The US and EU want growth and investment, job creation and greater prosperity, now and in the future. The deal will encourage trade by making it easier for businesses on both sides of the Atlantic to sell their goods and services in each other's markets.

TTIP gives the EU and the US the chance to develop more straightforward and consistent rules and standards that could influence future global trade deals.

Economic Context

- The EU and US economies account for about half of global GDP
- Almost a fifth of the UK's exports are to the US
- UK businesses invest more in the US than in any other country
- Economists predict an EU-US free trade deal could add up to £10bn each year to the UK economy

Paxman, a small business based in Huddersfield, manufactures and distributes a scalp cooling device that helps prevent hair loss in patients having chemotherapy. The product has been approved for use in the EU for over ten years and has gone through extensive safety testing. Despite this, to export to the US, the product needs to go through another lengthy and costly, almost identical set of tests.

With an EU-US free trade deal in place, it should be quicker and easier to bring a product such as the Paxman cooling device to the US market.

What is being negotiated?

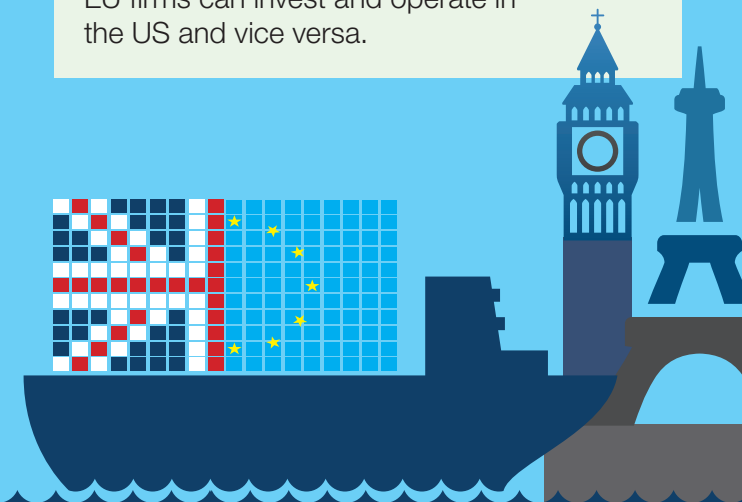
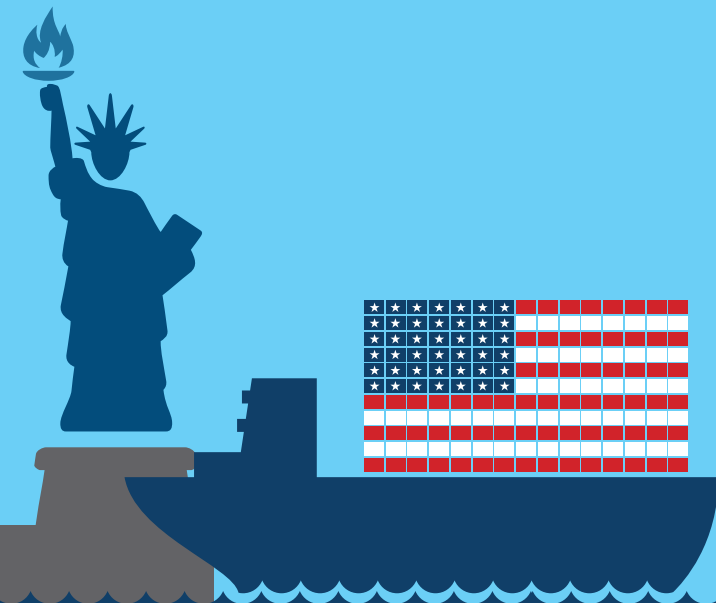
The EU and the US are discussing a deal that includes:

Cutting trade tariffs - while tariffs are already relatively low, the large volume of trade between the UK and US means that they are still a significant cost for British exporters. The UK economy could benefit by £1bn by removing tariffs.

Removing unnecessary differences in regulation - many EU and US regulations and safety checks are slightly different but achieve the same level of quality and safety. Eliminating these unnecessary differences, while maintaining high standards, is expected to have a significant impact on trade. Consistent standards will make it easier and more profitable for businesses of all sizes to export to the US, as they have done across the EU.

Improving market access - this includes reducing restrictions on the extent to which EU firms can invest and operate in the US and vice versa.

The EU and US working together to boost growth, jobs and prosperity



What is NOT part of the negotiation?

The trade agreement **will not**:

- Remove or lower health, safety, environmental or labour standards
- Give the EU or US the power to change each other's regulations on food standards, including EU restrictions on genetically modified foods
- Prevent either the EU or the US from introducing new environmental and low carbon legislation
- Prevent governments regulating in the public interest, in areas such as health (including the NHS), education, labour and the environment

Benefits for businesses

- Better access to the US market, which is six times the size of the UK
- Improved export opportunities for businesses of all sizes in many sectors
- Less red-tape means that small businesses stand to gain the most from the deal
- For businesses already exporting it will be easier and more profitable
- Knock on benefits for those that supply to exporting businesses

Benefits for consumers

More competition between US and EU firms will mean shoppers can expect to see a **wider choice of products** on sale online and on the high street.

The removal of tariffs on American products such as electronics, food and drink, cars, clothing and shoes will mean that some **prices will fall**.

An EU-US free trade deal should **improve the purchasing experience** for shoppers. For example, by limiting postal delays, enabling parcel tracking across borders and by making prices more transparent by ensuring the final price includes VAT and other charges.

The wider economic benefits of a successful trade deal will also **benefit individuals**. It will create jobs and it is predicted the average household will benefit by up to £400 a year.

For more information on the Transatlantic Trade and Investment Partnership (TTIP) visit:

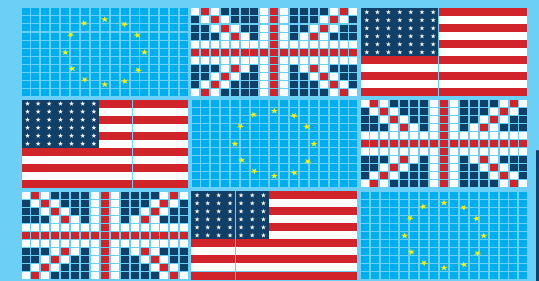
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