

EU – US free trade deal

The Transatlantic Trade and Investment Partnership (TTIP) is an ambitious free trade deal to boost trade and investment between the EU and the US – the two largest economies in the world.

By opening up markets and removing barriers to trade, the deal is expected to bring significant economic growth, jobs and prosperity to the whole of the UK.

The deal will make it easier and cheaper for European and American businesses to sell their goods and services to each other, leading to an increase in competition and productivity.

What is being negotiated?

An ambitious deal will make trade easier:

Cutting trade tariffs – almost all remaining tariffs are expected to be removed. This will benefit a range of sectors, especially those that face high import duties of 20–25%. This applies to some food and drink, ceramics and clothing products. Even where tariffs are currently low, the large volume of trade between the UK and the US means cutting tariffs will still bring significant savings.

Removing unnecessary differences in regulation – many safety checks and regulations vary between the EU and US, but achieve the same level of quality and safety. This means businesses who want to export have to carry out similar tests twice – wasting time, effort and money.

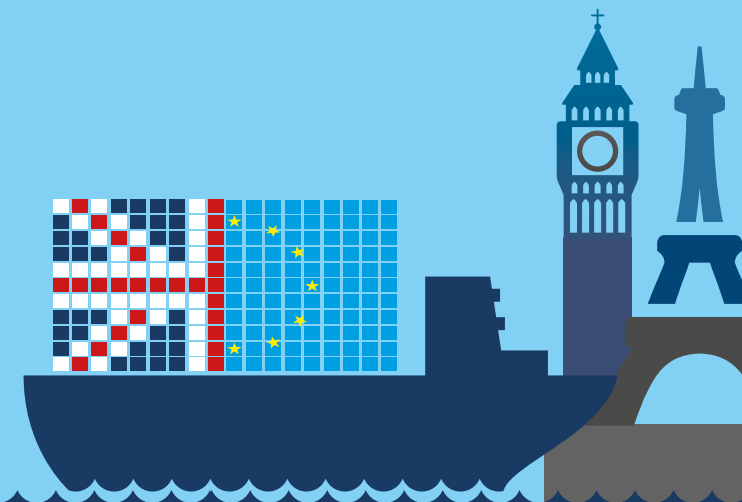
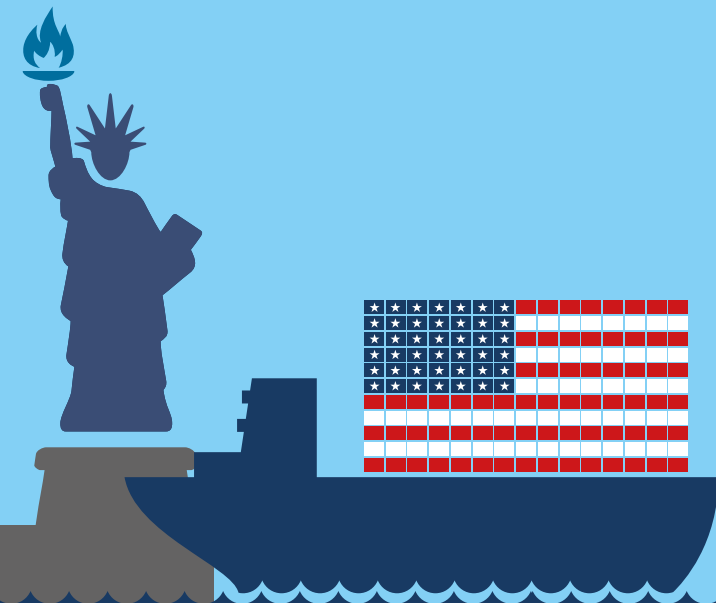
An EU–US free trade deal will reduce such duplication without lowering product safety or environmental, food or labour standards. The EU and US are committed to keeping high standards where they exist and to setting future standards together where they can.

Improving market access – this includes lifting restrictions on UK firms that want to invest and operate in the US.

Just Trays Ltd is a small manufacturing business in Leeds. It sells shower trays across Europe, but can't export its number one selling product to the US. This is due to a different height requirement in the US that has not kept up with current design trends. An EU–US free trade deal should see this type of barrier removed.

Gold Crush Hair is a London based start-up selling innovative hair-care vitamins. Difficulty accessing export guidance has meant *Gold Crush* turning down orders from the US. In addition, a \$10 charge on every shipment, regardless of the volume, makes smaller orders too expensive to fulfil. A successful EU–US free trade deal will make information on how to meet US trade requirements more accessible and will reduce the cost of shipping goods.

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



A deal for smaller businesses

Small and medium-sized businesses stand to benefit significantly from the deal. Unlike larger businesses, smaller businesses often lack the resource and budget needed to navigate complicated rules and regulations. Currently, many smaller companies decide not to export to the US or incur high costs when they do.

A successful EU–US free trade deal will help smaller businesses by:

Improving border processes to reduce delays to shipments, processing times and costs.

Making information on customs and other trade requirements more accessible online.

Removing tariffs that make it hard for businesses to compete in the US.

Removing unnecessary differences in regulation, while maintaining high standards.

Giving greater access to a market of more than 300 million American consumers.

Benefiting businesses in the supply chain that are likely to see an increase in demand for their goods and services.

Key statistics

An EU–US free trade deal is expected to add up to **£10bn** to the UK economy every year.

More than **99%** of all businesses in the US and EU are small and medium-sized businesses.

Small and medium-sized businesses which export are **34%** more productive in their first year than those that don't export.

Over **13 million** American and European jobs are directly linked to transatlantic trade and investment.

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

www.gov.uk/bis/ttip

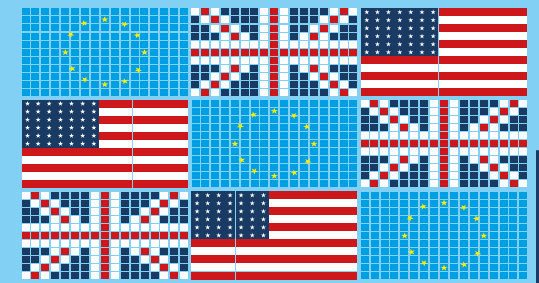


Department
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TRANSATLANTIC TRADE AND INVESTMENT PARTNERSHIP

Securing an EU–US free trade deal for businesses

#TTIP



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