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ΠΑΝΕΠΙΣΤΗΜΙΟ ΜΑΚΕΔΟΝΙΑΣ

Abstract

It is highly unlikely of governments to spend years on end sitting in meetings and discussing without reaching a final agreement. Well, as for the The Transatlantic Trade and Investment Partnership (TTIP) negotiations are still ongoing. The general idea was that it should be possible to get an agreement within a couple of years, but, of course, the most important thing is to get a good result,hence continuous negotiations. In this paper I am going to discuss about trade negotiations, EU Free Trade Agreements in and outside Europe,US Free Trade Agreements objectives and benefits of the TTIP from both each side's point of view. I will discuss my views about the TTIP how I see it to be like and the reasons that I think how this is going to be a very difficult to achieve

Acknowledgement

"It is not possible to prepare a project report without the assistance & encouragement of other people. This one is certainly no exception."

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Hazel Mwawoneka

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EU-US Free Trade Agreement

Introduction

The Transatlantic Free Trade Agreement (TAFTA) between the US and EU intends to create the world's largest free trade area, 'protect' investment and remove 'unnecessary regulatory barriers'. "A future deal between the world's two most important economic powers will be a game-changer, giving a strong boost to our economies on both sides of the Atlantic," said Mr Barros in February 2013 . EU-US trade is worth around 455bn euros (£393bn; $613bn) a year and the EU estimates that a "comprehensive and ambitious agreement" will boost annual GDP growth by 0.5%. One aim of the free-trade agreement would be to eliminate or reduce tariffs - taxes that apply to imported goods. For both the EU and US average tariffs are already low, below 3% on one measure. But further reductions could nonetheless stimulate additional trade and there are some areas where tariffs are much higher, notably food. Beyond that, the negotiations would try to reduce regulatory barriers to trade. That is more complex, but the experience of Europe's internal market shows it is sometimes possible. On top of cutting tariffs across all sectors, the EU and the US want to tackle barriers behind the customs border – such as differences in technical regulations, standards and approval procedures. These often cost unnecessary time and money for companies who want to sell their products on both markets. Together the US and EU account for about $30 trillion (£18.7tn) of annual output - almost half the world's total. The EU says a deal could bring annual benefits of 119bn euros ($159bn; £99bn) for its 28 member states.

Reasons for this Paper

I chose to do this paper because it is an issue that was proposed a decade ago and still in discussion and the two most important economic powers have not still yet reached a conclusion which is intriguing and quite interesting because they is a vast majority interested in having a free trade agreement as well an equivalent number of those who do not want the free trade area hence long duration in sealing the deal. As we will go through this paper I want to bring out from both parties the advantages and the disadvantages of having a free trade area. These two big

powers are very anxious to use any opportunity to boost their economic performance but there is one question that still remains unanswered -At what cost will they reach an agreement? I shall discuss factors that are increasing a stir up in people and help identify the direction where these negotiations are going towards.

The idea of a trade agreement between the EU and the US is not new. In fact, governments, business and academics have been discussing it for a long time. In recent years, the EU and the US began to feel that it was an idea whose time had come.Before deciding to launch negotiations, in 2011 the EU and US set up a working group of government experts to see what trade and investment agreement between the two economic powers might be developed. The group was chaired jointly by the EU Trade Commissioner and the US Trade Representative. The High Level Working Group on Jobs and Growth, as it was known, took an in-depth look at the opportunities and potential difficulties an agreement could bring. It concluded that a comprehensive agreement covering all sectors would be overwhelmingly positive, opening up trade and bringing a welcome boost to economic growth and job creation on both sides of the Atlantic. It recommended launching negotiations.

Definitions

TTIP-Transatlantic Trade and Investment Partnership also known as the

TAFTA-Transatlantic Free Trade Agreement

E.U-European Union

U.S-United States

EFTA-European Free Trade Agreement

EEC-European Economic Community

CEFTA- Central European Free Trade Agreement

FTA-Free Trade Agreement

BFTA-Baltic Free Trade Agreement

CAFTA-DR-Central America Free Trade Agreement

NAFTA-North America Free Trade Agreement

T-TIP-The Transatlantic Trade and Investment Partnership

TBT-Technical Barriers to Trade

NTB-Non-Tariff Barriers

ISDS-Investor State Dispute Settlement

Trade negotiations in a nutshell

Free Trade Area

A free-trade area is the region encompassing a trade bloc whose member countries have signed a free-trade agreement (FTA). Free trade agreements eliminate tariffs, import quotas, and preferences on most (if not all) goods and services traded between the member countries.

Free Trade agreements are designed to create opportunities by

- Opening new markets for goods and services
- Increasing investment opportunities
- Making trade cheaper-by eliminating substantially all customs duties
- Making trade faster-by facilitating goods' transit through customs and setting common rules on technical and sanitary standards.
- Making the policy environment more predictable-by taking joint commitments on areas that affect trade such as intellectual property rights, competition rules and public purchasing decisions.[1]

[1] EU Trade Policy:http://ec.europa.eu/trade/policy/countries-and-regions/agreements/

Previous Discussions About the topic

The successful adoption of the EU-US trade agreement promises both parties massive gains of up to $159 billion, but the profits could come at the expense of the everyday consumer, who could see the quality of their products diminish as a result. The new round of talks will focus on reducing trade barriers on investment, energy, services, and raw material.‘Non-tariff barriers’ increase the cost of business, whether it’s adjusting the voltage on an electronic device, changing a car’s exhaust system to comply with local environmental regulations or a difference in opinion of which chemicals are "harmful" or "hazardous" in the respective territories. By limiting health, safety and environmental regulations in order to boost trade, the US and EU are “putting the corporation above the nation,” Glyn Moody, journalist and author, told RT in an on-air interview in November 2013.“That’s a very big assumption. People may not want to have their food less safe or environment polluted for the sake of more money,” Moody told RT. Moody also warned that the trade agreement could behoove giant corporations like Monsanto, who could use the new ‘de-regulation’ to sue the EU for billions of dollars if they refuse to import GMO products .

The EU says the TTIP could bring annual benefits of $159 billion (€119 billion) to its 28 member states. This breaks down to an extra $730 (€545) in disposable income for a family of four in Europe and an extra $875 (€655) per family in the US, according to a March 2013 study on “Reducing Transatlantic Barriers to Trade and Investment”. There would be fewer constraints and companies will benefit, but “the public will pay in terms of regulation reduced protection and that is never calculated in these trade agreements, it’s always about the bottom lines of the big companies,” Moody said.

The controversial free trade deal between the EU and the US has been discussed intensively ahead of the upcoming European elections. Philippe Lamberts, a Belgian Green member of the European Parliament, believes it will lower European social and environmental standards and be a blow to European democracy, as it will give big multinationals powers over individual countries. But Peter Chase, of the US Chamber of Commerce, thinks Europeans have nothing to worry about. He told Euranet Plus that Americans are not interested in lowering European

standards, and added that American companies will only be able to take European states to court in very specific cases.[2]

Dr John Vassallo who spent 25 years in Brussels in which he served among others for American companies General Electric and Microsoft and also President of the American Chamber of Commerce to the EU (AmCham EU), shared his insights on the important trade relationship between the EU and the United States. He said "Big companies invest in Europe because of the single market". With each new EU member state, that market continues to grow. The euro is another big plus: one currency used in most EU countries. Industry will always seek stability and rule of law. Imagine a market double the size of the EU. 15 million jobs depend on the EU-US relationship, directly and indirectly; 60% of world trade takes place between the US and the EU; so does 80% of inward investment in both blocs. "It dwarfs China, it dwarfs India, it dwarfs Latin America...".[3]

Some of the general principles continue to generate vocal opposition and one of the most controversial areas is the provision for foreign investors to go to an international tribunal for compensation if a government breaks the rules in a way that harms the company's interests. The EU has held a public consultation on the provision and is currently analysing the responses. The opposition to this idea has been taken up by the German government, so it remains uncertain whether it would appear in any final agreement. Other critics are concerned that an agreement will drive down standards of consumer protection and food safety and will cost jobs.

Director of War on Want, John Hilary, argues that TTIP undermines democracy. He says some of the provisions would result in government regulations effectively being subject to a "vetting process" by private business, if the plans to enable companies to sue governments and for business representatives to sit on regulatory bodies go ahead. Campaigners say the deal is all about feeding corporate greed and that standards in the EU will fall because the US has softer regulation in areas such as workers' rights, food standards and environmental safeguards. This assertion, however, is being rejected by those who are negotiating TTIP, the Transatlantic Trade

[2] EURONET PLUS:http://euranetplus-inside.eu/ttip-good-or-bad/?gclid=CJfAsKSfx8ECFQsEwwodO6YAZQ
[3]THE INDEPENDENT: http://www.independent.com.mt/articles/2014-02-07/news/eu-us-free-trade-area-growing-stronger-together-the-benefits-for-malta-ii-3896246272/

and Investment Partnership.[4]Despite the reassurances campaigners insist that the TTIP deal, as currently stands, will greatly erode EU public services including health and education. Some analysts are also skeptical about claims from the outgoing European Commission President, Jose Manuel Barroso, that the EU's economy will be boosted if the accord is signed. EU authorities are rejecting claims that TTIP will result in millions of job losses due to deregulation and greater competition.

EU Free Trade Agreements within Europe

The EU has successfully concluded a number of important trade agreements with trading partners and is in the process of negotiating agreements with many more.

EU as a trade agreement

The European Union (EU) is a politico-economic union of 28 member states that are primarily located in Europe. The EU has developed a single market through a standardised system of laws that apply in all member states. Within the Schengen Area, passport controls have been abolished. EU policies aim to ensure the free movement of people, goods, services, and capital, enact legislation in justice and home affairs, and maintain common policies on trade agriculture, fisheries, and regional development. The monetary union was established in 1999 and came into full force in 2002. It is currently composed of 18 member states that use the euro as their legal tender. The EU shares its single market with three EFTA members via the European Economic Area and has a free trade agreement of some level with most other European countries.

The European Free Trade Association (EFTA)

The European Free Trade Association (EFTA) is an intergovernmental organisation set up for the promotion of free trade and economic integration to the benefit of its four Member States.[5] EFTA was founded by the following seven countries: Austria, Denmark, Norway, Portugal, Sweden, Switzerland and the United Kingdom. EFTA was founded in 1960 on the premise of

[4] MaltaToday:http://www.maltatoday.com.mt/business/business_news/44550/eu_and_us_press_ahead_with_controversial_free_trade_area_talks#.VEtSrfmUfVQ

[5] EFTA:http://www.efta.int/about-efta/european-free-trade-association

free trade as a means of achieving growth and prosperity amongst its Member States as well as promoting closer economic cooperation between the Western European countries. Furthermore, the EFTA countries wished to contribute to the expansion of trade globally. Finland joined in 1961, Iceland in 1970 and Liechtenstein in 1991. In 1973, the United Kingdom and Denmark left EFTA to join the EC. They were followed by Portugal in 1986 and by Austria, Finland and Sweden in 1995. Today the EFTA four Member States are Iceland, Liechtenstein, Norway and Switzerland. EFTA was established as an economic counterbalance to the more politically driven European Economic Community (EEC). Relations with the EEC, later the European Community (EC) and the European Union (EU), have been at the core of EFTA activities from the beginning. In the 1970s, the EFTA States concluded free trade agreements with the EC; in 1994 the EEA Agreement entered into force.

The Association is responsible for the management of:

- The EFTA Convention, which forms the legal basis of the organisation and governs free trade relations between the EFTA States
- EFTA's worldwide network of free trade and partnership agreements
- The European Economic Area (EEA) Agreement, which enables three of the four EFTA Member States (Iceland, Liechtenstein and Norway) to participate in the EU's Internal Market.

Based on these overall goals, EFTA today maintains the management of the EFTA Convention (intra-EFTA trade), the EEA Agreement (EFTA-EU relations), and the EFTA Free Trade Agreements (third country relations). The EFTA Convention and EFTA free trade agreements are managed by the Geneva office, and the EEA Agreement by the Brussels office.

Central European Free Trade Agreement - CEFTA 2006

Central European Free Trade Agreement was established in 2006 . Following the necessary ratification processes, CEFTA 2006 entered into force on 26 July 2007 for five signatories (Albania, Macedonia, Moldova, Montenegro and United Nations Interim Administration Mission in Kosovo on behalf of Kosovo in accordance with United Nations Security Council Resolution 1244), for Croatia on 22 August 2007, Serbia on 24 October 2007 and for Bosnia and Herzegovina on 22 November 2007. The speed with which the Parties ratified this ambitious

agreement indicates the importance of this Agreement to economic development in the region. The comprehensive Agreement's main objectives are:

- To expand trade in goods and services and foster investment by means of fair,stable and predictable rules
- To eliminate barriers to trade between the Parties
- To provide appropriate protection of intellectual property rights in accordance with international standards and harmonize provisions on modern trade policy issues such as competition rules and state aid.

It also includes clear and effective procedures for dispute settlement and facilitates the gradual establishment of the EU-Western Balkan countries zone of diagonal cumulation of origin, as envisaged in the European Commission's Communication of 27 January 2006.[6] However the original CEFTA agreement was signed by the Visegrád Group countries, that is by Poland, Hungary and Czech and Slovak republics (at the time parts of the Czech and Slovak Federative Republic) on 21 December 1992 in Krakow, Poland. It came into force in July 1994. Through CEFTA, participating countries hoped to mobilize efforts to integrate into Western European institutions and through this, to join European political, economic, security and legal systems, thereby consolidating democracy and free-market economics. The agreement was amended by the agreements signed on 11 September 1995 in Brno and on 4 July 2003 in Bled. Slovenia joined CEFTA in 1996, Romania in 1997, Bulgaria in 1999, Croatia in 2003 and Macedonia in 2006.[7]As of 1 July 2013, the parties of the CEFTA agreement are: Albania, Bosnia and Herzegovina, Macedonia, Moldova, Montenegro, Serbia and the United Nations Interim Administration Mission in Kosovo (UNMIK) on behalf of Kosovo. Former parties are Bulgaria, Croatia, Czech Republic, Hungary, Poland, Romania, Slovakia and Slovenia. Their CEFTA memberships ended when they became member states of the European Union (EU).[8]

The Baltic Free Trade Agreement (BFTA)

The Baltic Free Trade Agreement (BFTA) was a trilateral agreement on trade between Estonia, Latvia and Lithuania signed in 1994. In June 1996, the BFTA was extended to include

[6] CEFTA 2006:http://www.cefta.int/
[7]Free Trade Area:Europe: http://en.wikipedia.org/wiki/Central_European_Free_Trade_Agreement
[8] http://en.wikipedia.org/wiki/Central_European_Free_Trade_Agreement

agricultural trade, with effect from 1 January 1997. The agreement permits the removal of tariffs on all agricultural and food products of Baltic origin.The Baltic Free Trade Agreement ceased to exist in 2004, when all three states became members of the European Union.[9]

European Union Customs union

European Union Customs union was established in 1958 .The movement of goods within customs unions is not based on their originating status but on the fact that they comply with provisions on free circulation. However, some products do not fall within the scope of the customs union but remain subject to a preferential treatment based on origin including various situations of the trade relations between the EC and the countries concerned. The EC has customs unions with 3 countries Turkey, Andorra and San Marino[10]

Free Trade Agreements with other countries.

Central America (Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama) - The Association Agreement between the European Union and Central America (Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama) was approved by the European Parliament on 11 December 2012 (IP/12/1353).[11] The trade provisions of the agreement apply with Honduras, Nicaragua and Panama since 1 August 2013 (IP/13/758), with Costa Rica and El Salvador since 1 October 2013 (IP/13/881) and with Guatemala since 1st December 2013 (IP/13/1183).This agreement opens up markets on both sides, helping to establish a stable business and investment environment and foster integration between the EU and the whole of the Central America. The agreement is also meant to reinforce economic integration between the members of the Central American region. The EU is Central America's second biggest trading partner. In 2012, the total trade flows in goods amounted to €14 billion, including almost €1.4

[9] Agricultural Policies in OECD Countries: Monitoring and Evaluation 2000: Glossary of Agricultural Policy Terms, OECD Sandro Steinbach, 2012, p.3.
[10] European Taxation :http://ec.europa.eu/taxation_customs/customs/customs_duties/rules_origin/customs_unions/index_en.htm
[11] file:///C:/Users/user/Downloads/tradoc_150129.pdf

billion worth of trade with Honduras, €1.2 billion with Panama and €0.4 billion with Nicragua. Benefits of the agreement will be particularly tangible for the Central America's economy that is expected to grow by over two and a half billion euros annually once the agreement applies to the entire region.

Colombia and Peru – The FTA with members of the Andean region, Colombia and Peru, has been provisionally applied with Peru since 1 March 2013 (IP/13/173) and with Colombia since 1 August 2013 (IP/13/749).The EU is the second largest trading partner of the Andean region after the US. It is expected that, once fully implemented, the deal with both Andean partners will result in total tariff saving for European and Andean companies of more than €500 million per year. The improved, more stable conditions for trade and investment are expected to boost trade and investment between the two regions. The aim of the agreement between the EU, Colombia and Peru is also to foster regional integration. Therefore, the door is still open for the other Andean countries – Ecuador and Bolivia – to enter into the partnership.

South Korea – The EU-Korea Free Trade Agreement entered into force in July 2011. This has been the first of a new generation of free trade agreements that went further than ever before at lifting trade barriers and making it easier for European and Korean companies to do business together. As the FTA has lowered import tariffs for European products at the Korean border, EU exports to the peninsular country have grown strongly giving the EU a trade surplus with Korea for the first time in 15 years. Marking two years since the start of the implementation phase, the state of play was discussed, inter alia, on the occasion of the EU–South Korea Summit held in Brussels on 8 November (IP/13/1046and MEMO/13/959). On 11 November the parties initialled an Additional Protocol to the EU-Korea FTA to take into account the accession of Croatia to the EU.

Mexico - Since the entry into force in October 2000 of this comprehensive Free Trade Agreement, total bilateral trade has doubled, passing from €21.7 billion in 2000 to €47.1 billion in 2012. In the margins of the EU-CELAC1 summit in Santiago in January 2013, the EU and Mexico agreed to explore the options for a modernization of the EU-Mexico Agreement. The new talks should deepen the existing provisions but also cover areas not included in the existing agreement, such as services, investment, public procurement, trade rules, etc. Following-up on the decision taken by Presidents Barroso and Peña Nieto in the summit, a Joint Working Group,

tasked with a reflection on the modernization of the agreement, met on 22-23 October 2013.Economic Partnership Agreements are being implemented in with three regions: the Caribbean (fifteen CARIFORUM states), the Pacific (the only country currently applying is Papua New Guinea) and Eastern and Southern Africa (four ESA countries - Zimbabwe, Mauritius, Madagascar, the Seychelles).[12]

South Africa - South Africa is the EU's largest trading partner in Africa. The Trade, Development and Co-operation Agreement, in force since 2000, established a free trade area that covers 90% of bilateral trade between the EU and South Africa. Liberalisation was completed by 2012. South Africa is now involved in further negotiations with the EU as part of the South African Development Community (SADC) EPA Group

Chile - The EU and Chile concluded an Association Agreement in 2002, which included a comprehensive Free Trade Agreement that entered into force in February 2003.The EU-Chile trade agreement is broad and comprehensive and covers all EU –Chile trade relations.EU is Chile's second largest source of imports, after the USA. The EU is also Chile's third largest export market, after the recent rise of China as an important export market for the EU.On top of these "classic" free trade deals, Free Trade Agreements are a core component of many Association Agreements as well as Customs Unions (Andorra, San Marino, Turkey). Hence the EU also has free trade deals in force with a number of countries and territories in Europe (Faroe Islands, Norway, Iceland, Switzerland, the former Yugoslav Republic of Macedonia, Albania, Montenegro, Bosnia and Herzegovina, Serbia) and the Southern Mediterranean (Algeria, Egypt, Israel, Jordan, Lebanon, Morocco, Palestinian Authority, Syria, Tunisia) and three with African, Caribbean and Pacific countries (Caribbean, Pacific and Eastern and Southern Africa).[13]

[12] European Trade:http://trade.ec.europa.eu/doclib/docs/2012/november/tradoc_150129.pdf
[13] file:///C:/Users/user/Downloads/tradoc_150129.pdf

US Free Trade Agreements

The United States is party to many free trade agreements (FTAs) worldwide.Beginning with the Theodore Roosevelt administration, the United States became a major player in international trade, especially with its neighboring territories in the Caribbean and Latin America. Today, the United States has become a leader of the free trade movement, standing behind groups such as the General Agreement on Tariffs and Trade (later the World Trade Organization). The United States has free trade agreements in force with 20 countries. Some of the FTAs are:

CAFTA-DR (Dominican Republic-Central America Free Trade Agreement)

The CAFTA-DR is the first free trade agreement between the United States and a group of smaller developing economies. On August 5, 2004, the United States signed the Dominican Republic-Central America-United States Free Trade Agreement (CAFTA-DR) with five Central American countries (Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua) and the Dominican Republic. This agreement is creating new economic opportunities by eliminating tariffs, opening markets, reducing barriers to services, and promoting transparency. It is facilitating trade and investment among the seven countries and furthering regional integration. The agreement entered into force for the United States and El Salvador, Guatemala, Honduras, and Nicaragua during 2006, for the Dominican Republic on March 1, 2007, and for Costa Rica on January 1, 2009. With the addition of Costa Rica, the CAFTA-DR is in force for all seven countries that signed the agreement.[14]

North American Free Trade Agreement (NAFTA)

NAFTA created the world's largest free trade area, which now links 450 million people producing $17 trillion worth of goods and services. On January 1, 1994, the North American Free Trade Agreement between the United States, Canada, and Mexico (NAFTA) entered into force. Trade between the United States and its NAFTA partners has soared since the agreement entered into force. The objectives of this Agreement[15], as elaborated more specifically through

[14] US Free Trade Agreements :http://www.ustr.gov/trade-agreements/free-trade-agreements/cafta-dr-dominican-republic-central-america-fta

[15]NAFTA: https://www.nafta-sec-alena.org/Default.aspx?tabid=97&ctl=SectionView&mid=1588&sid=5a1b5f25-8904-4553-bf16-fef94186749e&language=en-US

its principles and rules, including national treatment, most-favored-nation treatment and transparency, are to:

a) Eliminate barriers to trade in, and facilitate the cross-border movement of, goods and services between the territories of the Parties;

b) Promote conditions of fair competition in the free trade area;

c) Increase substantially investment opportunities in the territories of the Parties;

d) Provide adequate and effective protection and enforcement of intellectual property rights in each Party's territory;

e) Create effective procedures for the implementation and application of this Agreement, for its joint administration and for the resolution of disputes; and

f) Establish a framework for further trilateral, regional and multilateral cooperation to expand and enhance the benefits of this Agreement.

Free Trade Agreement Australia

The United States-Australia Free Trade Agreement (FTA) entered into force on January 1, 2005.The FTA strengthened links between the U.S. and Australian economies at a time when Australia was increasing its economic ties to Asian markets. The United States-Australia FTA also served as a catalyst for expanded regional trade, as both the U.S. and Australia had completed FTAs with Singapore, and the United States was also about to begin negotiations with Thailand . Australia, like the United States, offered sophisticated and discerning wholesale and consumer markets. Its population of 20 million is relatively small, but Australia's high per capita income and advanced industrial base generated a substantial purchasing power. Finally the FTA supported the economy of a steadfast ally, further cementing the long standing U.S.-Australia strategic relationship, while simultaneously benefiting U.S.commerce

Singapore Free Trade Agreement

The United States-Singapore Free Trade Agreement has been in force since January 1, 2004.The U.S.-Singapore FTA expands U.S. market access in goods, services, investment, government procurement, intellectual property, and provides for groundbreaking cooperation in promoting labor rights and the environment. This Agreement serves as the foundation for other possible FTAs in Southeast Asia under President Bush's Enterprise for ASEAN Initiative (EAI).

Launched on November 16, 2000. The first round of negotiations was held that year, in Washington DC, December 4-21. The final round was in Singapore, November 11-17 2002, and the Agreement was concluded on January 15, 2003. The U.S.-Singapore FTA will further enhance an already strong and thriving commercial relationship with America's 12th largest trading partner.[16]

Singapore guarantees zero tariffs immediately on all U.S. goods, and the FTA ensures that Singapore cannot increase its duties on any U.S. product. For Singapore, products entering the U.S. market, duties are phased-out at different stages, with the least sensitive products entering duty-free upon entry into force of the FTA and tariffs on the most sensitive products phased-out over a ten-year period. In services, the U.S.-Singapore FTA provides the broadest possible trade liberalization.Singapore will treat U.S. services suppliers as well as its own suppliers the same. Market access in services is supplanted by strong disciplines on regulatory authority.

Morocco Free Trade Agreement

The United States and Morocco signed an FTA on June 15, 2004. The Agreement entered into force on January 1, 2006. The United States-Morocco FTA is a comprehensive agreement that supports the significant economic and political reforms that are underway in Morocco and provides for improved commercial opportunities for U.S. exports to Morocco by reducing and eliminating trade barriers.[17]

Oman Free Trade Agreement

The United States-Oman FTA, which entered into force on January 1, 2009, builds on existing FTAs to promote economic reform and openness. Implementation of the obligations contained in the comprehensive agreement will generate export opportunities for U.S. goods and services providers, solidify Oman's trade and investment liberalization, and strengthen intellectual property rights protection and enforcement.[18] The Oman FTA is a comprehensive agreement that will eliminate tariffs, promote investment and strip away other barriers to trade. By promoting economic liberalization and market access in Oman, this cutting edge agreement will expand

[16]Singapore FTA: http://www.ustr.gov/trade-agreements/free-trade-agreements/singapore-fta
[17]Morocco FTA :http://www.ustr.gov/trade-agreements/free-trade-agreements/morocco-fta
[18] Oman FTA: http://www.ustr.gov/trade-agreements/free-trade-agreements/oman-fta

U.S. opportunities in important regional markets. This agreement not only reduces barriers to U.S. trade, but also requires important reforms of Oman's legal and business environment that are key to encouraging business development and investment. Such reforms include increasing the transparency of government actions and rule making, strengthening the rule of law, and improving protection and enforcement of intellectual property rights. While Oman is a relatively small market for U.S. goods and services due to its small population, it is ideally located to serve as platform from which to enter other markets in the region.

Korus Free Trade Agreement

The United States and the Republic of Korea signed the United States-Korea Free Trade Agreement (KORUS FTA) on June 30, 2007. On December 3, 2010, the United States and Korea concluded new agreements, reflected in letters signed on February 10, 2011, that provide new market access and level the playing field for U.S. auto manufacturers and workers.[19] The entry into force of the U.S.-Korea trade agreement on March 15, 2012 meant countless new opportunities for U.S. exporters to sell more Made-in-America goods, services, and agricultural products to Korean customers – and to support more good jobs here at home. It should be noted that this Agreement is the United States' most commercially significant free trade agreement in almost two decades .The United States has free trade agreements with several other countries like Bahrain,Jordan.Nicaragua,Peru to mention but a few in total they are 20 more countries. It is also in negotiations of a regional, Asia-Pacific trade agreement, known as the Trans-Pacific Partnership (TPP) Agreement with the objective of shaping a high-standard, broad-based regional pact.

[19] Korus FTA: http://www.ustr.gov/trade-agreements/free-trade-agreements/korus-fta

THE EU-US FREE TRADE AGREEMENT

The Transatlantic Trade and Investment Partnership (T-TIP)

Transatlantic Trade and Investment Partnership (TTIP) also known as the Transatlantic Free Trade Agreement (TAFTA) is an ambitious, comprehensive, and high-standard trade and investment agreement being negotiated between the United States and the European Union (EU). This will help to promote U.S. international competitiveness, jobs and growth. The U.S. and EU economies are two of the most modern, most developed, and most committed to high standards of consumer protection in the world. T-TIP aims to bolster that already strong relationship in a way that will help boost economic growth and add to the more than 13 million American and EU jobs already supported by transatlantic trade and investment. The aim is to increase trade and investment between the EU and the US by unleashing the untapped potential of a truly transatlantic market place and paving the way for setting global standards .T-TIP will be a cutting edge agreement aimed at providing greater compatibility and transparency in trade and investment regulation. Sustainable development will be an overarching objective while maintaining high levels of health, safety, and environmental protection. T-TIP presents an extraordinary opportunity to strengthen the bond between vital strategic and economic partner.

U.S. Objectives and Benefits In the Transatlantic Trade and Investment Partnership

1. TRADE IN GOODS

To eliminate all tariffs and other duties and charges on trade in agricultural, industrial and consumer products between the United States and the EU, with substantial duty elimination on entry into force of the agreement, transition periods where necessary for sensitive products, and appropriate safeguard mechanisms to be applied if and where necessary. In today's highly competitive global marketplace, even small increases in a product's cost due to tariffs can mean the difference between winning and losing a contract. Elimination of EU tariffs on industrial products, including innovative and high technology products such as industrial and electrical machinery, precision and scientific instruments, and chemicals and plastics, U.S. products will

be put on equal footing with goods from the EU's other free trade agreement partners – including Chile, Mexico, South Korea, and South Africa – which receive duty-free treatment when shipped to the EU, as well as with exports from one EU Member State to another. To help U.S. agricultural sales reach their full potential by eliminating tariffs and quotas that stands in the way of exports.

2. TEXTILES AND APPAREL

Seek to obtain fully reciprocal access to the EU market for U.S. textile and apparel products, supported by effective and efficient customs cooperation and other rules to facilitate U.S.-EU trade in textiles and apparel. Eliminating the remaining duties on our exports will create new opportunities for integration into European supply chains and to sell high-quality "made-in-USA" garments to European consumers. Enhanced U.S.-EU customs cooperation will also help ensure that non-qualifying textiles and apparel from third countries are not being imported into the United States under T-TIP.

3. NON-TARIFF BARRIERS AND REGULATORY ISSUES

Seek to eliminate or reduce non-tariff barriers that decrease opportunities for U.S. exports, provide a competitive advantage to products of the EU, or otherwise distort trade, such as unwarranted sanitary and phytosanitary (SPS) restrictions that are not based on science, unjustified technical barriers to trade (TBT), and other "behind-the-border" barriers, including the restrictive administration of tariff-rate quotas and permit and licensing barriers, which impose unnecessary costs and limit competitive opportunities for U.S. exports.

While maintaining the level of health, safety and environmental protection of people, the US seeks greater compatibility of U.S. and EU regulations and related standards development processes, with the objective of reducing costs associated with unnecessary regulatory differences and facilitating trade, inter alia by promoting transparency in the development and implementation of regulations and good regulatory practices, establishing mechanisms for future progress, and pursuing regulatory cooperation initiatives where appropriate;

Also seeking to build on key principles and disciplines of the WTO Agreement on Technical Barriers to Trade (TBT) through strong cross-cutting disciplines and, as appropriate, through

sectoral approaches, to achieve meaningful market access, and establish ongoing mechanisms for improved dialogue and cooperation on TBT issues;

The US seeks to build on key principles and disciplines of the World Trade Organization (WTO) Agreement on the Application of Sanitary and Phytosanitary Measures (SPS) to achieve meaningful market access, including commitments to base SPS measures on science and international standards or scientific risk assessments, apply them only to the extent necessary to protect human, animal, or plant life or health, and develop such measures in a transparent manner, without undue delay; and to establish an on-going mechanism for improved dialogue and cooperation addressing bilateral SPS issues.

Non-tariff barriers (NTBs) can decrease market opportunities for U.S. exports and provide unfair competitive advantages to EU products. These barriers take the form of restrictive licensing, permitting, and other requirements applied at the border, but also barriers behind the border, such as unwarranted technical barriers to trade and sanitary and phytosanitary measures. Through T-TIP, the US seeks to identify ways to reduce costs associated with regulatory differences by promoting greater compatibility between the both systems, while maintaining our high levels of health, safety, and environmental protection. Achieving an outcome that results in greater transparency, participation, and accountability in regulatory processes is also critical to addressing and preventing NTBs and the companies more competitive, innovative, and efficient.

4. RULES OF ORIGIN

Seek to establish rules of origin that ensure that duty rates under an agreement with the EU apply only to goods eligible to receive such treatment and define procedures to apply and enforce such rules.

5. TRADE IN SERVICES

Seek to obtain improved market access in the EU on a comprehensive basis, and address the operation of any designated monopolies and state-owned enterprises, as appropriate and also seek to reinforce transparency, impartiality, and due process with regard to authorizations to supply services, obtain additional disciplines in certain services sectors, and improve regulatory cooperation where appropriate.

6. ELECTRONIC COMMERCE AND INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

Seek to develop appropriate provisions to facilitate the use of electronic commerce to support goods and services trade, including through commitments not to impose customs duties on digital products or unjustifiably discriminate among products delivered electronically and also seek to include provisions that facilitate the movement of cross-border data flows.

7. INVESTMENT

Seek to secure for U.S. investors in the EU important rights comparable to those that would be available under U.S. legal principles and practice, while ensuring that EU investors in the United States are not accorded greater substantive rights with respect to investment protections than U.S. investors in the United States, seek to ensure that U.S. investors receive treatment as favorable as that accorded to EU investors or other foreign investors in the EU, and seek to reduce or eliminate artificial or trade-distorting barriers to the establishment and operation of U.S. investment in the EU.Seek to provide and maintain meaningful procedures for resolving disputes between U.S. investors and the EU and its Member States that are in keeping with the goals of expeditious, fair and transparent dispute resolution and the objective of ensuring that governments maintain the discretion to regulate in the public interest.

8. CUSTOMS AND TRADE FACILITATION

Seek to establish disciplines to ensure transparent, efficient, and predictable conduct of customs operations and ensure that customs measures are not applied in a manner that creates unwarranted procedural obstacles to trade; and enhance customs cooperation between the United States and the EU and its Member States.

9. GOVERNMENT PROCUREMENT

Seek to expand market access opportunities for U.S. goods, services, and suppliers of goods and services to the government procurement markets of the EU and its Member States, and seek to ensure fair, transparent, and predictable conduct of government procurement and that U.S. suppliers of goods and services receive treatment as favorable as that accorded to domestic and other foreign goods, services, and suppliers in the EU and its Member States.

10. LABOR

Seek to obtain appropriate commitments by the EU with respect to internationally recognized labor rights and effective enforcement of labor laws concerning those rights, consistent with U.S. priorities and objectives, and establish procedures for consultations and cooperation to promote respect for internationally recognized labor rights.

11. ENVIRONMENT

Seek to obtain, consistent with U.S. priorities and objectives, appropriate commitments by the EU to protect the environment, including conserving natural resources, and to effectively enforce environmental laws, and seek opportunities to address environmental issues of mutual interest.

12. INTELLECTUAL PROPERTY RIGHTS

Seek to obtain, consistent with U.S. priorities and objectives, appropriate commitments that reflect the shared U.S.-EU objective of high-level IPR protection and enforcement, and to sustain and enhance joint leadership on IPR issues and also seek new opportunities to advance and defend the interests of U.S. creators, innovators, businesses, farmers, and workers with respect to strong protection and effective enforcement of intellectual property rights, including their ability to compete in foreign markets.

13. STATE-OWNED ENTERPRISES

Seek to establish appropriate, globally relevant disciplines on state trading enterprises, state-owned enterprises, and designated monopolies, such as disciplines that promote transparency and reduce trade distortions.

14. SMALL-AND MEDIUM-SIZED ENTERPRISES (SMES)

Seek to strengthen U.S.-EU cooperation to enhance the participation of SMEs in trade between the United States and the EU.

15. TRANSPARENCY, ANTICORRUPTION AND COMPETITION

Seek to obtain improved transparency in the administration of EU and Member State trade and investment regimes, and rules that ensure trade- and investment-related measures are adopted

and applied in an open and transparent manner that provides meaningful opportunities for public comment, notice, and review, seek to obtain appropriate commitments on anticorruption and seek to address matters of mutual interest regarding competition policy and process and to further improve cooperation on competition policy.

16. DISPUTE SETTLEMENT

Seek to establish fair, transparent, timely, and effective procedures to settle disputes on matters arising under a trade and investment agreement with the EU, including through early identification and settlement of disputes through consultation.[20]

E.U. Objectives and Benefits In the Transatlantic Trade and Investment Partnership

There are essentially three main elements in the mandate: market access, regulatory convergence and trade rules addressing shared global challenges.

1. MARKET ACCESS

Tariffs: The goal of the agreement is to get as close as possible to the removal of all duties on transatlantic trade in industrial and agricultural products, with special treatment for the most sensitive products. Transatlantic tariff barriers are currently relatively low. However, given the magnitude of trade between the EU and the US, tariffs still impose costs that are not negligible.

Rules of origin: The goal will be to reconcile the EU and US approaches to rules of origin to facilitate trade, while taking into account the interests of the EU producers.

Trade defence measures: The EU wants to establish a regular dialogue on anti-dumping and anti-subsidy measures with the US, without prejudice to its rights to use such measures in the framework of the relevant WTO rules.

Services: Both sides should open their services sectors at least as much as they have done in other trade agreements to date. At the same time, both sides will seek to open their services markets in new sectors, such as in the transport sector. The EU also wants to make sure that European professional qualifications can be recognised on the other side of Atlantic and that EU

[20] Transatlantic Trade and Investment Partnership (T-TIP): Transatlantic Trade and Investment Partnership (T-TIP)

companies and their subsidiaries will be able to operate in the US under the same conditions as American domestic companies. Both services and investment chapters of the agreement should address the sub-federal level of government.

Investment: The aim is to achieve the highest levels of liberalisation and investment protection that both sides have negotiated to date in other trade deals. The EU will build upon the Member States' experience and best practice regarding their bilateral investment agreements. The EU would like to include in the agreement guarantees of protection against expropriation, a rule of free transfer of funds, of fair and equitable treatment, and of a level playing field for the EU companies investing in the US. Investment protection, including investor-to-state dispute settlement, is covered by the negotiating directive. Relevant safeguards are included to avoid any abuse of the system and to safeguard the right to regulate.

Public procurement: European companies whose business depends on public procurement represent 25% of EU's GDP and 31 million jobs. Hence, substantial new business opportunities should be created by opening up access to government procurement markets at all levels of government without discrimination for European companies. This also means that the EU would aim to increase transparency in tendering procedures and getting rid of local content requirements.

2. REGULATORY ISSUES AND NON-TARIFF BARRIES:

Towards a more integrated transatlantic marketplace .The regulatory area is where the highest potential economic benefit lies with these trade and investment negotiations. In today's transatlantic trade relationship, the most significant trade barrier is not the tariff paid at the customs, but so-called 'behind-the-border' obstacles to trade, such as different safety or environmental standards for cars. Currently, producers who want to sell their products on both sides of the Atlantic often have to pay and comply with procedures twice to get their products approved. The goal of this trade deal is to reduce unnecessary costs and delays for companies, while maintaining high levels of health, safety, consumer and environmental protection. In that spirit, both sides aim to negotiate an ambitious agreement on sanitary and phyto-sanitary (health and hygiene standards, for example for food products) as well as technical barriers to trade.In

addition, negotiators will work on regulatory compatibility in specific sectors, such as chemical, automotive, ICT, pharmaceutical and other health sectors such as medical appliances.

The need for regulatory convergence is not limited to trade in goods. With regards to financial services, for instance, negotiations should consider creating common frameworks for prudential cooperation. Stakeholders on both sides have provided guidance on where the most significant barriers lie. Since not all regulatory divergences can be eliminated in one go, both sides envisage a framework for a "living agreement" that allows for progressively greater regulatory convergence over time against defined targets and deadlines. This will make it possible not only to eliminate existing barriers, but also to prevent the creation of new ones in the future.

3.ADDRESING SHARED GLOBAL TRADE CHALLENGES AND OPPORTUNITIES IN THE 21st CENTURY

In the light of the size and impact of the transatlantic partnership on global trade flows, the negotiators will address areas that go beyond bilateral trade and also contribute to the strengthening of the multilateral trading system.

Intellectual Property Rights: Both the EU and the United States are committed to maintaining and promoting a high level of intellectual property protection. Given the efficiency of their respective systems, the intention is not to strive towards harmonisation, but to identify a number of specific issues where divergences will be addressed. For the EU side, Geographical Indications (GIs) are of particular importance in that context.

Trade and Sustainable Development: Both sides intend to work together on the social and environmental aspects of trade and sustainable development, based on what each side has already negotiated in existing trade agreements.[21]

[21] EU's objectives in EU-US trade and investment negotiation:http://trade.ec.europa.eu/doclib/press/index.cfm?id=918

How I see the EU and US Free Trade Area to be like

1. The US –EU Free Trade Area is going to eliminate all duties between US and EU trade in industrial and agricultural products, with special treatment for the most sensitive products ie. Horticultural products.
2. It is going to find an equilibrium over rules of origin by having duty rates under the agreement applying only to goods eligible to receive such treatment.eg French wines, movie industry.
3. It is going to reduce unnecessary costs and delays for companies, while maintaining high levels of health, safety, consumer and environmental protection also sanitary and phyto-sanitary (health and hygiene standards, for example for food products) as well as technical barriers to trade) .It is going to have market access which includes commitments to base SPS measures on science and international standards or scientific risk assessments, which will be applied only to the extent necessary to protect human, animal, or plant life or health. It will develop measures in a transparent manner and establish an on-going mechanism for improved dialogue and cooperation addressing bilateral SPS issues.
4. In addition, it will work on regulatory compatibility in specific sectors, such as chemical, automotive, ICT, pharmaceutical and other health sectors such as medical appliances. It will reduce costs associated with unnecessary regulatory differences and facilitating trade.
5. Currently, producers who want to sell their products on both sides of the Atlantic often have to pay and comply with procedures twice to get their products approved. The T-TIP will reduce costs associated with regulatory differences by promoting greater compatibility between the both systems. Achieving an outcome that will result in greater transparency, participation, and accountability in regulatory processes will also be critical in addressing and preventing NTBs and the companies will be more competitive, more innovative, and more efficient.
6. It will create common frameworks for prudential cooperation. Not only will it eliminate existing barriers, but also to prevent the creation of new ones in the future

7. It will open both sides' services sectors at least as much as they have done in other trade agreements to date and improve market access for both the EU and US on a comprehensive basis. It will also address the issues on the operation of any designated monopolies and state-owned enterprises, as appropriate and also reinforce transparency, impartiality. It will obtain additional disciplines in certain services sectors, and improve regulatory cooperation where appropriate.
8. It will guarantee protection against expropriation, a rule of free transfer of funds, of fair and equitable treatment of investors, making sure that investors are accorded substantive rights with respect to investment protections agreed upon. It will provide and maintain meaningful, fair and transparent procedures for resolving disputes between U.S. investors and the EU and its Member States, the investor-to-state dispute settlements, with the objective of ensuring that governments maintain the discretion to regulate in the public interest and relevant safeguards are included to avoid any abuse of the system and to safeguard the right to regulate.
9. TAFTA will expand market access opportunities for goods, services, and suppliers of goods and services to the government procurement markets of the both US and EU and its Member States meaning that the EU will increase transparency in tendering procedures and getting rid of local content requirements.
10. TAFTA will help maintain and promote a high level of intellectual property protection. Given the efficiency of both the US and the EU respective systems, the intention is not to strive towards harmonisation, but identifying a number of specific issues where divergences will be addressed.
11. T-TIP will work on the social and environmental aspects of trade and sustainable development for both parties, based on what each side has already negotiated in existing trade agreements.

Reasons that will make this a FTA flop

However having mentioned all that there are several pointers that make this ambitious agreement very difficult to close a deal or to come to pass…….both parties have their own interests which they want to pursue which the other party will not agree to or even if they want to agree on a certain initiative they have different terms on how the initiative would work like.

For example,The EU wants to make sure that European professional qualifications can be recognised on the other side of Atlantic and that EU companies and their subsidiaries will be able to operate in the US under the same conditions as American domestic companies which is very difficult to happen considering the protocols, bureaucracy and administration of the US which does not support that .On the other hand the US wants the obtaining of appropriate commitments by the EU with respect to internationally recognized labor rights and effective enforcement of labor laws concerning those rights, consistent with U.S. priorities and objectives, and establish procedures for consultations and cooperation to promote respect for internationally recognized labor rights well should this be done then EU will have to change labor rights to suit US demands a major derail to progress achieved all these years .The US wants the elimination of EU tariffs on industrial products, including innovative and high technology products such as industrial and electrical machinery, precision and scientific instruments, and chemicals and plastics.U.S. Products to be put on equal footing with goods from the EU's other free trade agreement partners including Chile, Mexico, South Korea, and South Africa which receive duty-free treatment when shipped to the EU, as well as with exports from one EU Member State to another.

US also wants the elimination of duties on exports to create new opportunities for integration into European supply chains and to sell high-quality "made-in-USA" garments to European consumers. But knowing that US does not really produce quite a percentage of its products they are all from Taiwan, Singapore, Pakistan, Mexico and Indonesia to name but a few why then will EU leave its markets to such when they also have the same free trade agreements with these countries or maybe with way better conditions than those that are coming with the US. Furthermore the US wants an enhanced EU customs cooperation that will help ensure

that non-qualifying textiles and apparel from third countries are not being imported into the United States under T-TIP, which is ridiculous in the sense that the US wants to filter non-qualifying textiles from its market but fill them in EU.

More so the US want to develop appropriate provisions to facilitate the use of electronic commerce to support goods and services trade and to include commitments not to impose customs duties on digital products or unjustifiably discriminate among products delivered electronically and also seek to include provisions that facilitate the movement of cross-border data flows. Not only will this increase an intriguing number of cyber frauds but also loss of jobs for many.

The EU on the other hand on trade defence measures wants to establish a regular dialogue on anti-dumping and anti-subsidy measures with the US, without prejudice to its rights to use such measures in the framework of the relevant WTO rules, while the US seek to obtain their consistent priorities and objectives, appropriate commitments to protect the environment, including conserving natural resources, and to effectively enforce environmental laws, and seek opportunities to address environmental issues of mutual interest. US seeks High-level of IPR protection and enforcement, and to sustain and enhance joint leadership on IPR issues and also they seek new opportunities to advance and defend the interests of U.S. creators, innovators, businesses, farmers, and workers with respect to strong protection and effective enforcement of intellectual property rights, including their ability to compete in other foreign markets, more selfish initiative for US rather than a benefit for the two economies.

The EU has a FTA for its members and its associates which include much more than lowered or no tariffs, legislation covering a broad spectrum which is laid out by Brussels for compliance, and includes Social Welfare, freedom of movement for labour, free taxation,allowances etc,as well as contribution to the Brussels Budget. There is no complete uniformity across the EU, the minimum wage and other social welfare provisions vary, with Luxembourg being the most generous with a 1,921.03 Euros gross minimum wage for an unskilled employee and 2,305.23 gross minimum wage for a skilled employee whilst Czech Republic is the least with +/-332,70Euros per month gross minimum wage.[22]In all this there

[22] http://www.deloitte.com/assets/Dcom-Belgium/Local%20Content/Articles/EN/Services/Tax/EuropeanSalaryStudy-2013-ENG-20131206-midres.pdf

has been a balance struck and if the EU is to allow a tariff free zone with the USA, but not insist on the restrictions and costs as it does on Switzerland, Norway, North African nations there will be difficulties.

The USA operates under a very different social model to the EU. Employment at will unless there is a contract and relatively low social welfare provision compared to EU and the minimum wage is significantly below the Luxembourg level. EU countries operate a national health model, each may be different and more or less costly, but in most countries this is supported by further taxation or a Budget Deficit.So how can the US join in a FTA with the EU if the US is not prepared to adopt the expensive EU social models and far more of the Brussels legislation as well unless there is some hope to scrap much of it or override it.

This trade agreement is not going to be promoting prosperity for all, but it is just a solution to powerful industry lobbies trying to dodge regulations. Each industry group has a list of regulations that it finds troublesome, which it has been unable to eliminate or weaken at the national or sub-national level. An EU-US trade agreement provides these industry groups with an opportunity to do an end-run around such regulation.(The Guardian July 2015.Dean Baker) .For example, several countries in Europe and many state and county governments in the United States impose restrictions that make fracking difficult or impossible. One might wonder what Fracking is.Fracking, a slang term for hydraulic fracturing,which some governments have partially or totally banned its practice.Fracking it is a method of extracting natural gas from sedimentary rocks by injecting them with pressurized fluid.When the fluid is injected, the resulting pressure cracks open the rocks, or widens existing cracks, which helps to improve the extraction of natural resources like gas. The pressurized fluid consists of water, sand and various chemicals.

You might be wondering what this has to do with the T-TIP agreement: well because fracking takes millions of gallons of water to frack a single well, water management is a key issue in fracking. The water must be transported to and from the well, and it must be transported to, and cleaned by, a treatment plant before being returned to the water supply. Some of the water used in fracking isn’t treatable and must be disposed of. As a result, fracking is not only an important source of revenue for natural gas companies, but also water

management companies that transport and treat the water and on this dream agreement, the oil and gas industries will have a set of minimal restrictions on fracking.

The deal will then define anything more stringent as a restraint on trade subject to penalties,putting aside arguments against fracking which include the potential negative consequences on the environment and on people who live near fracking sites. The chemicals used that might contaminate the water supplies in surrounding areas, either underground or above ground; and the land that may no longer be suitable for farming after fracking has occurred on it but will EU allow such a thing? When they regard their citizens' health to come first before anything regardless lobbies' theory that new advanced fracking techniques cause minimal to no damage to the environment and that the social benefit of fracking outweighs the cost, as it could improve the economy and infrastructure of areas rich with natural resources.

There are likely to be similar effects on food regulation. Europe has far more restrictions on genetically modified foods and crops than the United States. Since it is not possible, given current European politics, for the industry to get these restrictions eliminated, it will be looking to include provisions in a trade deal that define limits on genetically modified foods and crops as trade barriers.In addition The TTIP represents a massive attack on both sovereignty of democratically elected governments and The National Health service, which is irreversible. The key attack on democracy is an element of the treaty called investorstate dispute settlement (ISDS). The power of corporations over democracy: ISDS in effect grants multinationals the same legal position as a nation-state itself, and allows them to sue sovereign governments in so-called arbitration tribunals on the grounds that their profits are threatened by government policies. One very good example is Australia, which signed an investment treaty with Hong Kong in 1993. When Australia's federal government introduced legislation to enforce plain cigarette packaging, the Asian arm of the cigarette company Philip Morris used the treaty to sue it.

Attempts to harmonise standards between the EU and the US are likely to hit hard-won protections on food and chemical safety in cosmetics, insecticides and pesticides, the environment, and workers' rights. US agribusiness is pressing hard for Europe to import currently illegal GM products, and meat that does not conform to EU standards, such as

chlorine-washed chicken and cattle raised with growth hormones, an attack on national health with the aim to strip away obstacles to large corporations making profits and further opening of public services to private companies motivated primarily by profit rather than people's needs.

Consistently, many people have started to question the T-TIP. It is very shrouded in secrecy and because of the secrecy, public knowledge of the contents of the TTIP is coming mostly from leaks and considering that their governments seem to give a blind eye to issues that do concern them is stirring commotion. Groups like StopTTIP campaign in the UK are seeking to halt the negotiations on this permanently-damaging, secretive 'trade' deal by informing people of the effects that it will have and encouraging them to actively oppose the deal- The risks to standards in harmonisation regulation across for example health and safety, Food Safety including Genetically Modified GM, chemical safety, data protection, Fracking and Mining, Climate Change measures and public services, ISDS in terms of potential costs to the state, the inherent threats to democracy and states' loss of space to regulate, the undemocratic secrecy of the negotiations, the centrality of corporate interests rather than good jobs and living standards, the use of negative listing for services liberalisations, so that all services are automatically liberalised except those listed for exception before the signup of the agreement.

T-TIP is intended to set global 'trade' rules which will eventually become the norms for the multilateral WTO .These rules are going to be used basically by all other small developing economies whose lifeline depends on the two big powers the US and EU in return which is going to cause a stir with other stronger economies like Russia,China ,countries in BRICS to mention but a few. Also by setting new standards and pioneering new rules for the global trading system, the T-TIP is using this mechanism to bypass the possibility of other countries jointly resisting the cooperate dominated agenda like they did at the WTO Doha Round that collapsed because within the WTO structure developing countries are able to join up to resist the western corporate-driven agenda.

Conclusion

The T-TIP is being marketed by its champions as a de facto economic stimulus for ailing both United States and Europe, by providing billions in extra growth on their economies.It is not just another Free Trade Agreement but an effort to strengthen the entire transatlantic relationship in a critical historic and strategic way. It seeks to bridge divergences between both regulatory systems in ways that help us to work smarter while maintaining high levels of protection for consumers. The regulatory area is where the highest potential economic benefit lies with these trade and investment negotiations. In today's transatlantic trade relationship, the most significant trade barrier is not the tariff paid at the customs, but so-called 'behind-the-border' obstacles to trade that they want to tackle.

However 'Trade' and 'international trade agreements' are different. While most people would consider trade to be good thing, international trade agreements give rights to transnational corporations while reducing states' rights to regulate them, thus reducing democracy. Even on its own terms – regardless of the threat to democracy, – TTIP should be challenged. Claims that it will boost the economy and jobs are "vastly overblown", according to the political scientist Dr Gabriel Siles-Brügge, of Manchester University. A report commissioned by the British government concludes that ISDS "is likely to have few or no benefits to the UK, while having meaningful economic and political costs",and so will it be to the rest of Europe. The actual aim is to strip away obstacles to large corporations making profits ,such as regulations that protect people's privacy, the environment, food safety and the economy from a rapacious financial sector. And crucially T-TIP further opens up public services to private companies motivated primarily by profit rather than people's needs.

It is presented as a free trade agreement, but existing tariffs on either side of the Atlantic are already weak because of common membership of organisations such as the World Trade Organisation .The threat of litigation against states which pass laws in the public interest that could impact on corporation profits is particularly insidious. Germany is being sued because of its policies on nuclear power; Slovakia's public health system is being challenged by commercial

interests. Such cases could become commonplace, with profits being placed firmly above people, and commercial interests overriding national law.

With regulatory harmonization of the EU and US,EU has a lot to loose Health standards and safety Genetically modified foods , chemical safety but in financial US has higher regulation and EU is fighting for that benefit .Cooperations will run scot free with a lot of things and even sue the governments and to make matters worse the case will not be taken to the local government but to the Supranational one where judgment is taken into consideration using the trade criteria where people's health or environmental laws do not comply. Where ISDS provision is in place in trade deals elsewhere, it is resulting in big payments of public money to transnational corporations or, even more seriously, legislation being abandoned for fear of such pay-outs.

Several unexplained hiccups like the US National Security Agency monitoring Merkel's mobile phone,the German Prime Minister prolong negotiations and brews mistrust over decision making. It is intended that corporate-benefit 'global trade rules' will be established via TTIP that the rest of the world, including developing countries, will then be forced to accept but with countries like China ,Japan ,Russia and India will they comply or its again yet another Trade war or else this time WW3,After all is said and done if this partnership is going to be successful?Only God knows.

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