

The TPP and TTIP

Peter A. Petri
Brandeis University
November 2013

TPP vs. TTIP

- TTIP is a little bigger (44% of world GDP vs. 38%)
- Both EU and US have much regional free trade
- Both are developed , have low barriers
- Little disagreement on objectives, hard issues (investment, services, IPR)
- Much disagreement on little issues (agriculture, data)
- 3-year time frame?

FTAs

- EU concluded
 - Chile, Korea, Mexico, South Africa, Canada
- EU negotiations
 - ASEAN, GCC, India, Japan, Malaysia, Singapore, Ukraine
- US concluded
 - Australia, Bahrain, Canada, Chile, Colombia, Costa Rica, Dominican Republic, El Salvador, Guatemala, Honduras, Israel, Jordan, Korea, Mexico, Morocco, Oman, Panama, Peru, Singapore
- US negotiations
 - TPP and TTIP

Issues

- Investment: ISDS
- Services: financial reporting, regulators
- Standards
 - US: process of standard setting (scientific)
 - EU: harmonization of standards
 - Example: disinfecting chicken, GMOs
- Cyberspace
 - No more spying?
 - Data privacy: where are the servers?
- Geographical indications: part of trademarks?
- Agricultural subsidies?

NTMs (% tariff equivalent)

	CEPII		Ecorys	
	EU	US	EU	US
Agriculture	48	51	57	73
Manufacturing	43	32	19	23
Services	32	47	9	9

Estimated effects

	Income	Exports
TTIP		
Europe	0.3	2.3
United States	0.3	10.4
TPP		
United States	0.4	4.4

Sources: TTIP: CEPII, TPP: Petri, Plummer, Zhai.