Sperrfrist: 16.05.2014, 9.00 Uhr

Es gilt das gesprochene Wort

EINGANGSSTATEMENT

von

Anton F. Börner
Präsident des Bundesverbandes Großhandel, Außenhandel, Dienstleistungen e. V. (BGA)

Panel 2: „Boosting Transatlantic Trade“

13. Munich Economic Summit

München, 16. Mai 2014, 9.00 Uhr

Hotel Bayrischer Hof
Promenadeplatz 2-6
80333 München
Dear Commissioner,

Dear Professor Felbermayr,

Ladies and gentlemen,

Thank you very much for the invitation to this flagship event on economic policy and the opportunity to share with you our view on TTIP.

Our federation has a long history of promoting trade liberalization. We were always very outspoken on the blessings of international trade agreements and demanded the launch of several FTA negotiations in the past.

But the one we are talking about today is truly a special one.

First of all, the sheer size of the combined trade volume of both regions and the potential benefits are more than remarkable. As Professor Felbermayr has pointed out, aiming for an ambitious agreement could unleash huge untapped potential.

Secondly, for the first time, we are facing an intense public debate on such an international trade policy issue, especially in Germany. Winning or losing the debate might determine how we will deal with future trade agreements. But there is not only a risk that exaggerated fears of TTIP will hamper free trade. This is also an opportunity to explain a few decisive, global questions in this context and to convey the broader picture to the public.

A few examples: How much will we, in the EU, have to engage - and compromise - in the future with international partners in order to maintain our values, our significance and our current prosperity? To what extent can we afford to remain “among us” when setting industrial standards? How will we ensure the protection of investments?

We have no doubt that the successful conclusion of an ambitious agreement is crucial for our two societies as the balance of the global economy is changing. As globalization proceeds, transatlantic markets will be increasingly at the risk of losing their position of predominance. With the rise of new powers, especially in Asia and Latin America, China may soon be the biggest economy in the world. As a result, both the EU and the U.S. will have less weight in the future than they do today.
Another aspect of this broader picture concerns the multilateral agenda:

There is reasonable hope that TTIP can bring more dynamic into the long deadlocked multilateral agenda. If the EU and U.S. are able to harmonize many of their regulations and standards, this could act as a basis for creating global rules with the same high quality that the WTO is committed to. At the same time, it can encourage WTO members to create and explore regional market openings that could not be achieved multilaterally.

Let me shortly turn also to the micro-economic level:

Companies of all sizes would benefit from TTIP. However, we believe that, for being a success story, it will be of importance that the final agreement addresses in particular the special needs of SMEs on both sides of the ocean. Ninety-nine percent of European and U.S. companies are SMEs. This adds up to over 20 million companies in the European Union and even more in the United States. They are the backbone of economic growth, job creation, and a stronger middle class.

Tackling trade barriers in the U.S. that may disproportionately affect small businesses will in particular help our companies to unlock opportunities by finding new customers and boost job growth.

Admittedly, tariffs between the EU and U.S. are already low, but they still matter. Partly because the sheer volume of trade means that dismantling them completely would result in huge benefits. Partly, because our trading companies in some sectors are still facing high tariffs.

The overwhelming gains, however, would come from improving consistency between the EU and U.S. regulatory systems. These regulatory costs are the true challenge for our businesses. Complying with behind-the-border regulation, is more difficult for small and medium firms as they have fewer resources for deal with new and often complex regulations. Many costs are fixed, regardless of a firm’s size or revenue, and small ones have usually fewer sales to spread their compliance costs over.
Commissioner,

We are very pleased that your mandate for the negotiations includes a special chapter on SMEs. We hope that, in the final agreement, we will see mechanisms for cooperation which will facilitate the participation of SMEs in transatlantic trade. This could be a SME committee, a system for easily accessing web-based information or other resources that would help SMEs to fully understand the provisions or the functioning of TTIP.

I could touch on many more issues but I am going to stop here now to leave room for the debate.

Just one more remark: In a few days, there will be European elections. If we want to get a more vivid account of how much potential the abolition of trade barriers entails, we just need to remember what we have achieved so far with the creation of our European internal market.

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