

ALERT

U.S.-EU Talks An Opportunity to Lower Barriers Into Europe

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On July 25, the United States and the European Union announced that they will work toward eliminating tariffs, non-tariff barriers, and subsidies on non-auto industrial goods. They also committed to working toward reducing barriers and increasing trade in other sectors. Moreover, they are launching a close dialogue on standards to facilitate trade and reduce bureaucratic obstacles.

This is an important opportunity for companies that face barriers in the EU to engage with the Administration and Congress and open the European market. Not just industrial goods and tariffs will be affected. Chemical, pharmaceutical, medical, and high-tech products will be covered, as well as e-commerce, financial services, and digital trade. There is a significant opportunity to reduce regulatory barriers regarding data flows, product safety requirements, and food and agricultural goods standards.

The fact that an issue was addressed earlier in the Transatlantic Trade and Investment Partnership (T-TIP) negotiations does not mean that further engagement is not needed. While the work in the T-TIP negotiations could be the basis for discussion, the two sides will at the very least reassess earlier agreements and modify them as needed to reflect current objectives and negotiating dynamics. This was the case for several issues that overlapped the Trans-Pacific Partnership negotiations and the current renegotiation of the North American Free Trade Agreement. In addition, solely relying on trade associations may not be effective due to past interactions between the Administration and some associations on trade policy.

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Practice Areas

International Trade

The U.S. Trade Representative (USTR) will presumably lead the discussions, so outreach will need to focus on USTR. However, outreach to other agencies will be required depending on the particular issue, such as the Commerce Department, Treasury Department, Agriculture Department, Health and Human Services, and the Environmental Protection Agency. Engagement with Congress will also be required, especially if Congress will need to pass legislation changing U.S. law to implement tariff reductions and other obligations.

Wiley Rein LLP can assist companies with advancing their objectives in the US-EU discussions. Our substantive trade experience, work with a variety of sectors, and experience in both the Executive Branch and Congress enables us to create and execute effective legal and government affairs strategies. An Executive Working Group of U.S. and EU advisors is expected to soon convene and start work, so companies should not delay in developing a strategy.