

## Recognizing the Atlantic Economic Reality

### MEP Erika Mann



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The idea behind the transatlantic market initiative is very simple. It's to recognize that we already have a transatlantic market that two economies are integrated to a much larger degree that we already know and understand. We are getting studies done and the data have been showing how deeply this market is already integrated. This is

not just true for the global corporations and for the big corporations, which we would of course all expect, but this is true for the smaller corporations as well because they are either embedded in the system, as in the supply chain, or independently, they have their own connections and they're integrated in the transatlantic economy. Since we have the data, the argument that we as politicians should recognize the transatlantic economy becomes even more important and more relevant.

Now the implications are much harder. In the past, we have always recognized that regulatory issues are important, and the idea to work together and to find common understandings between the two sides on them has been there for many years. It was more of a very technical understanding in the past. We looked into safety standards, and it was called Mutual Recognition Agreements which amount to accepting the standard on one side and then, through certification procedures, letting it enter into the other market but it's a very complex and a complicated picture. Eventually we understood that this way of cooperating together, given the deeply integrated market, is not functioning very well. You see still from the regulatory side, either from government or from parliament, that you do not understand the functioning of the market. Regulation is still very nationally driven; they are not looking at the effects they will have on the other market. We decided to invest in the idea of developing greater regulatory cooperation in the future and this is the idea which is coming out now. It is a more binding agreement which exists for the future and which covers everything, from the classical mutual recognition agreement, which we are already familiar with, to coop-

eration, and, to a certain degree, harmonization of regulations as well, from the classical old-style harmonization to a new style of harmonization.

So that is what we would like to do. It is future oriented. It will be concerned less about the classical "taking barriers away"; it will look more into issues of not establishing new barriers, which is very difficult, because we have different regulatory cultures. It should make sure that the agencies are part of this route, and politicians on both sides as well; if they are not included in a systematic approach of avoiding the establishment of new barriers, it will be difficult to achieve something positive. We've been working on this for seven years and I think it's something great to see it finally get accepted by the two sides. |

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## The Roadmap to a Common Market

### Rep. Jim Costa



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I am excited about this effort. When we talk about creating a barrier-free market, we have to first look at where we are today. The transatlantic trade of goods is over half a trillion dollars. You have the two major world economies: Europe and the United States. Our exports to Europe last year totaled over 186 billion dollars. Those are jobs that are created in America and those are jobs that are created in Europe.

Regulatory barriers do not allow transatlantic markets and relationships to reach their full potential. Different regulations on the each side of the Atlantic as it relates to issues of health care, health safety, environment, consumer protection, have effectively established barriers and therefore hampered the promotion of additional trade. Remedial steps are critical