



## Competition policy in TTIP

A model for global policies to  
promote free and fair competition

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In this chapter we want to:

- agree rules to stop firms:
  - colluding to fix prices or
  - abusing market power
- ensure private companies can compete with state-owned ones on equal terms
- make sure that if a government in the EU or US subsidises a company, it does so transparently.

### Reasons for negotiating competition policy

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Fair and free competition ensures a level playing field for EU and US firms.

But this is not always the case. Certain global issues can distort competition.

The main ones involve:

- State-Owned Enterprises (SOEs) - companies that governments own or effectively control sometimes enjoy advantages denied to their competitors in the private sector.
- Subsidies - the EU already has a transparent system for overseeing and controlling the subsidies governments sometimes give companies - a system that benefits all the countries we trade with.

These issues can't be tackled by national competition authorities alone.

TTIP is an opportunity for the EU and the US to:

- underline the values they share in adopting and enforcing competition laws
- affirm their existing high standards.

A strong competition chapter in TTIP could serve as an example that other countries could follow, too.

### EU goals

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We want to:

- build on the effective EU-US Cooperation Agreement to enforce competition laws
- further develop rules on competition and cooperation, including with other countries.
- ensure SOEs with monopoly powers or special rights do not discriminate against private companies
- agree rules on transparency, for subsidies to companies supplying industrial goods and services.

### Sensitive or controversial issues

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The basis for the EU's position on competition in TTIP is the EU's existing legal framework.

Our proposal fully safeguards the treatment of public services under the relevant EU rules, including rules on competition, subsidies and SOEs.

So there's no risk that TTIP would undermine public services in the EU.

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