

This document contains the proposal by the European Union for an annex on engineering in the context of Transatlantic Trade and Investment Partnership negotiations. It was tabled for discussion with the US in the negotiating round of 11-15 July 2016 and made public on 15 July 2016. It comprises one annex.

EU-US TTIP Negotiations

14 July 2016

DISCLAIMER: NOTE: The EU reserves the right to make subsequent modifications to this text and to complement it at a later stage, by modifying, supplementing or withdrawing all, or any part, at any time.

The relationship between sectorial annexes and the architecture of TTIP, including the applicability or not of general exceptions and dispute settlement, will be considered at a later stage.

EU PROPOSAL FOR AN ANNEX ON ENGINEERING

Article 1

General principles and objectives

1. Co-operation activities between the Parties shall aim at improving, and not reducing, undermining or otherwise compromising, the level of protection in public policy areas such as the protection of workers' and consumers' health, public health, and the protection of the environment, as considered appropriate by either Party. The Parties share the intention of achieving a high level of protection in these areas.
2. Nothing in this Annex shall affect the ability of each Party to apply its fundamental principles governing regulatory measures in its jurisdiction, for example in the areas of risk assessment and risk management¹.
3. Nothing in this Annex shall affect the ability of each Party to take appropriate and immediate measures when it determines that equipment is not safe for the consumer or user or does not comply with its regulatory framework. Such measures may include withdrawing the product from the market or prohibiting the placement on the market of that product.
4. The objectives of this Annex are, in particular, to:
 - a) enhance cooperation to foster continued mutually beneficial development in trade, as well as to improve product quality with a view to ensuring protection of public health and safety of products;
 - b) promote convergence of technical requirements including marking requirements, applicable to equipment;
 - c) promote convergence of standards relevant to equipment;

¹ For the EU, such principles include those established in the Treaty on the Functioning of the European Union as well as in Regulations and Directives adopted pursuant to Article 289 of the Treaty on the Functioning of the European Union.

This document contains the proposal by the European Union for an annex on engineering in the context of Transatlantic Trade and Investment Partnership negotiations. It was tabled for discussion with the US in the negotiating round of 11-15 July 2016 and made public on 15 July 2016. It comprises one annex.

- d) promote cooperation between standard setting organisations; and
- e) promote cooperation on any other matter of common interest to the Parties.

Article 2 **Scope**

This Annex applies to technical requirements, conformity assessment procedures and standards relating to equipment as defined in Article 3.

This Annex does not apply to products under the scope of other sectorial Annexes in TTIP, except for Article 7 if those products are covered by the relevant conformity assessment provisions.

Article 3 **Definitions**

For the purposes of this Annex:

“Equipment” means machinery, electrical equipment, pressure equipment, equipment for use in explosive atmospheres as well as their components;

“Electrical equipment” means equipment which is dependent on electric currents or electromagnetic fields in order to work properly and equipment for the generation, transfer and measurement of such currents;

“Machinery” means an assembly consisting of at least one moving part, powered by a drive system using one or more sources of energy such as thermal, electric, pneumatic, hydraulic or mechanical energy, arranged and controlled so that they function as an integral whole;

"marking" means indicating the required information directly on the product by way of, printing, embossing, engraving or any other technology of application;

"responsible authorities" means the European Commission and the US Occupational Health and Safety Administration and, for the US, any other Body competent for the regulatory aspects under Article 5.

Article 4 **Participation in relevant international organisations and bodies and regulatory convergence**

1. Each Party shall encourage active participation of the standardisation bodies located within their respective territories in the works of the International Organisation for Standardisation (ISO), the International Electrical Commission (IEC) and the International Telecommunications Union (ITU) in order to contribute to the harmonization, at international level, of standards applicable to equipment.

This document contains the proposal by the European Union for an annex on engineering in the context of Transatlantic Trade and Investment Partnership negotiations. It was tabled for discussion with the US in the negotiating round of 11-15 July 2016 and made public on 15 July 2016. It comprises one annex.

2. Each Party shall take ISO, IEC and ITU standards into account when developing its own technical regulations and conformity assessment procedures and referencing standards applicable to equipment, unless those standards are not yet available or would be ineffective or inappropriate for the achievement of each Party's legitimate objectives.

Article 5

Co-operation on technical requirements and conformity assessment procedures applicable to equipment

1. While safeguarding the levels of safety that the Parties deem appropriate for equipment, the Parties shall co-operate, among others areas to be defined in the joint regulatory cooperation work plan, on the following areas:

- a) mechanical and electrical safety,
- b) marking requirements, including safety signs and labels,
- c) exhaust emissions from non-road mobile machinery,
- d) energy efficiency,
- e) food contact materials used in equipment,
- f) electromagnetic compatibility (electromagnetic disturbance and immunity to electromagnetic disturbance),
- g) interoperability of equipment.

2. The Parties shall co-operate on their conformity assessment procedures applicable to equipment aiming at avoiding unnecessary duplication of testing and administrative burden.

3. The Parties shall co-operate in the enforcement aspects of these areas.

Article 6

Cooperation on standards relevant to equipment

The Parties shall encourage co-operation on standards relevant to equipment between the standardisation bodies located within their respective territories in the areas defined under Article 5.

Article 7

[Placeholder for specific conformity assessment provisions for equipment - OSHA]

Article 8

This document contains the proposal by the European Union for an annex on engineering in the context of Transatlantic Trade and Investment Partnership negotiations. It was tabled for discussion with the US in the negotiating round of 11-15 July 2016 and made public on 15 July 2016. It comprises one annex.

Regulatory cooperation

[NB: this Article may need to be adjusted as discussions on the Institutional, General and Final Provisions Chapter and on the Regulatory Cooperation Chapter proceed. This Article is to be read in conjunction with the functions and roles of the Joint Committee, the Transatlantic Regulators' Forum and the Working Group on sectors as defined in the Chapter on Institutional, General and Final Provisions]

1. The regulatory cooperation between the responsible authorities of the Parties shall be guided by a joint regulatory cooperation work plan which sets out short and medium term priorities for regulatory cooperation under this Annex.
2. The joint regulatory cooperation work plan shall be endorsed by the responsible authorities of the Parties at political level.
3. The responsible authorities of the Parties shall transmit the joint regulatory cooperation work plan to the Transatlantic Regulators' Forum [established under the Institutional, General and Final Provisions Chapter] and publish it on their respective websites.
4. The responsible authorities of the Parties shall regularly review the joint regulatory cooperation work plan. In this review, the responsible authorities of the Parties shall take into account, *inter alia*, progress achieved [during the preceding years] and consider new areas that would benefit from regulatory cooperation. For the review of the joint regulatory cooperation work plan, the responsible authorities of each Party shall consult stakeholders including small and medium size enterprises, employers and workers representatives and public interest groups.