WHAT CAN TTIP MEAN FOR THE ROTTERDAM BUSINESS COMMUNITY?

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Authors

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Thank you note

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Disclaimer

The following report has been written by a team of six students enrolled in the MScBA Master in Management at the Rotterdam School of Management as part of the course "Consultancy Project".

The report has been primarily intended for the use of the American Chamber of Commerce (AmCham) Netherlands and its members, as well as for other interested stakeholders. The use of the materials contained in the research is limited to the scope and terms outlined in the project proposal and previously agreed with AmCham RAC. The content of the research is not to be utilized as an alternative to any professional advice provided from properly qualified specialists.

To the extent enabled by law, the team is not liable to AmCham, AmCham RAC or any Third Party with respect to any business loss; including reduction of income, profits, sales or any kind of business related variable; derived from the use of the following report. Moreover, the study contains information which was not developed by the team (news and media, interviews etc.) and hence, not fully verifiable by the team's components. The team has accurately filtered data to optimize its reliability, but it is not to be considered accountable with respect to its integrity and accuracy.

It is clear from the strong public debate that opinions on TTIP differ greatly. Our research did not focus on the desirability of TTIP, and we do not take any specific position on this. The opinions expressed in the report are based on the outcomes of our research, and do not specifically reflect those of any individual interviewees or of AmCham RAC/ AmCham Netherlands.

Executive Summary

The Transatlantic Trade and Investment Partnership (TTIP) is being negotiated by the European Union and the United States. Though TTIP has received support from governments and businesses, it has also attracted a lot of criticism on the various topics that are under discussion. An adoption of such a free trade agreement has an impact on the economic situation of all EU member states according to all consulted studies. The impact will differ per industry and per member state and as long as the agreement is not settled, a full assessment cannot be given. For the Netherlands' economy the overall impact is expected to be positive due to high existing bilateral trade flows.

This study is part of our master program at the Rotterdam School of Management and has been commissioned by the Rotterdam Chapter of the American Chamber of Commerce (RAC). RAC is interested in the opinions and perceptions of the Rotterdam business community on TTIP. In addition, RAC wants to know how it can mobilize its members to be more actively engaged in the topic of TTIP. Presently, it is unclear to RAC how much the Rotterdam business community knows about TTIP and how actively the community is already engaged. Consequently, our project team investigated the current opinions of RAC's members, and developed recommendations to optimally engage these.

To derive a comprehensive analysis and develop practical recommendations we layered various complementary methodologies: as the most significant part of the research, we first identified relevant stakeholders in the Rotterdam business area and conducted extensive semi-structured stakeholder interviews over a period of four months. In addition to companies, many business associations and also governmental institutions were interviewed. These business stakeholders can be clustered into four industries: chemical, logistics, energy and agro-food. The interviews were analyzed via condensing content analysis and the development of a category system. Finally, a qualitative data matrix was developed.

To contextualize the interview findings, our research was substantiated by further methodology layers. 1) A comprehensive media analysis covering 244 articles over the span of the project provided a concise understanding of the public's perception of TTIP. 2) Industry-specific SWOT analyses were conducted to derive a solid understanding of each industry's current state and possible changes that might occur with the adoption of TTIP. 3) A study of existing free-trade agreements (FTAs) indicated the potential of TTIP. 4) Through an analysis of RAC's network, viable recommendations to mobilize its members and leverage its indirect network were developed.

The stakeholder analysis indicated that the knowledge and engagement among companies is limited. Important reasons for this include the lack of practical information for the specific industries and perceived lack of need to be engaged themselves. Many rely on their specific industry association for knowledge gathering and lobbying activities. A

few argue that other issues are currently more relevant, based on the timing of the implementation of TTIP or the industry.

The opinions on TTIP were generally positive among interviewees from trade associations and companies. However, most companies have difficulties expressing a clear opinion as the agreement is still in its early stages. Many expect TTIP not to be beneficial for everyone, but that economic advantages will outweigh the disadvantages. It is generally expected to be beneficial to SMEs. Not engaging in TTIP is by some perceived to be a loss of opportunity. A few stated that the public may be biased, because of their limited access to information, their limited understanding and the large amount of negative news on TTIP. Many assume the implementation to be a long, difficult process.

Interviewees stated that trade associations like AmCham play an important role in the dissemination of information and in allowing diverse stakeholders to discuss TTIP. AmCham and other trade associations are asked to tackle myths and misunderstandings in the public debate, to provide guidance, and to offer workshops.

The goal of the SWOT analyses is to contrast the potential void between *perceived* opportunities and challenges and the *descriptive* ones. The descriptive SWOTS were developed through secondary research. The SWOT analyses showed varying outcomes for the different industries.

For the chemical industry, the descriptive SWOT assumes that this sector would profit from an ambitious agreement that includes far-reaching harmonization of standards. This assumption is based on the already strong import and export relationship in chemicals between the Netherlands and the US. Rotterdam is a well-established hub with regards to chemicals and would therefore also benefit from the agreement. The perceived SWOT shows that many associations and companies are favorable of TTIP due to the many opportunities that arise out of a reduction of (non-)tariff barriers.

The logistics sector is not only very strong in Rotterdam with its port but also high performing in the entire country. With increasing trade flows, the logistics industry would benefit from the agreement and even some weaknesses such as a lack of qualified staff could be mitigated. Companies and associations also see TTIP as an opportunity for all sub-sectors in the industry. Interestingly, the associations in this industry are quite outspoken about their position and have many published position papers.
The energy industry plays an interesting role in the TTIP negotiations as the US and the EU differ significantly in the public and political acceptance of fracking. In addition, the usage of traditional energy is higher in the EU than in the US. The discovered opportunities highly depend on the concrete content of TTIP (in contrast to the logistics sector). In this industry, companies and associations seemed to be more reluctant to discuss their views on TTIP.

The agro-food sector has also been found to be of high importance as Rotterdam is one of the largest trade hubs for agro-food produce in the country. However, this sector faces as many threats as opportunities from TTIP according to our assessment. The perceived

SWOT shows that associations and companies differ from our descriptive assessment. They see more opportunities than threats. Especially the agro-food companies fear public backlashes if they were to speak positively of TTIP.

Looking at adopted FTAs, both US and EU ones had strong impacts on the economy. However, at times unexpected outcomes such as loss of labor occurred and therefore led to negative perceptions of FTAs in the public. Nevertheless, the analysis shows that TTIP concerns the majority of business and industries. Thus, businesses need to closely observe the current negotiations. Consequently, businesses need to voice their opinions on TTIP so policy makers can make informed choices.

Conclusively, we recommend RAC to take the following steps to leverage its direct and indirect network. 1) To mobilize its network and foster engagement in TTIP, AmCham Netherlands needs to establish clear communication channels targeted at TTIP. 2) Collaboration should be fostered via themed events and focused networking events. 3) We suggest an inter-association task force on TTIP in close cooperation with the one of AmCham EU.

Abbreviations

ACEA	European Automobile Manufacturers' Association
AmCham	American Chamber of Commerce
BEUC	European Consumer Organization
CEFIC	European Chemical Industry Council
CETA	Comprehensive Economic and Trade Agreement
EC	European Commission
EFFAT	European Federation of Food, Agriculture and Tourism Trade Unions
ELA	European Logistics Association
EPRS	European Parliamentary Research Service
ESC	European Shippers Council
ETSC	European Transport and Safety Council
EU	European Union
FTA	Free Trade Agreement
GHS	Globally Harmonized System of Classification and Labelling of Chemicals
IOGP	International Association of Oil and Gas Producers
KNCV	Koninklijke Nederlandse Chemische Vereeniging (translated from Dutch: "Royal Dutch Chemical Association")
MNE	Multinational enterprise
NAFTA	North American Free Trade Agreement
NFIA	Netherlands Foreign Investment Agency
NTB	Non-tariff barriers
RAC	Rotterdam Chapter of the American Chapter of Commerce
REACH	Registration, Evaluation and Authorization and Restriction of Chemicals Regulation
RSM	Rotterdam School of Management
SER	Sociaal-Economische Raad (translated from Dutch: "Social-Economic Council")

SME	Small and medium-sized enterprises
TB	Tariff barriers
TTIP	Transatlantic Trade and Investment Partnership
TPP	Trans-Pacific Partnership
VNCI	Vereniging van der Nederlandse Chemische Industrie (translated from Dutch: "Dutch Chemical Industry Association")
VNPI	Vereniging Nederlandse Petroleum Industrie (translated from Dutch: "Dutch Petroleum Industry Association")
WTI	World Trade Institute
Unife	Union des Industries Ferroviaires Européennes
US	United States of America

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Introduction

Commissioned by the Rotterdam Chapter of American Chamber of Commerce in the Netherlands (AmCham RAC), this report provides a comprehensive picture of how the business community in the Rotterdam area [a] perceives the negotiations on the Transatlantic Trade and Investment Partnership (TTIP), and contains recommendations on how RAC can mobilize its members to become more actively involved in this topic. Although TTIP is still being negotiated by the European Commission (EC), we show that industry competitiveness in Rotterdam will be impacted by the rules and regulations that TTIP is suspected to bring.

RAC is a strong and engaged chapter of AmCham Netherlands: a non-governmental network of companies and individuals, interested in fostering the trade relationships between the United States of America (US) and the Netherlands. RAC's mission is to make a relevant contribution to the business climate in the Rotterdam area within the broader scope of AmCham. It is especially involved in the industry competitiveness of American companies located in the port area. The precise content of the agreement is unknown, which gives companies leeway to voice their interests and concerns on the one side, as well as to prepare for a future after the agreement has been instated on the other.

RAC faces uncertainty concerning the knowledge and opinions of its members on TTIP and whether they prepare for a potential adoption of TTIP. Hence, this research is a first step to bridge this gap. The research is linked to a fundamental task of RAC: supporting its members in conducting their business. Gaining insights into the companies' perception of TTIP helps RAC better calibrate its work for the next months and years while TTIP is being negotiated. Since the media attention that TTIP receives in the Netherlands is rather negative, insights into members' opinions on TTIP can help RAC to balance potentially one-sided perceptions of TTIP. [b] Consequently, this report aims at answering the overarching research question:

What can TTIP mean for the Rotterdam business community?

To provide a complete answer, we have a set of sub-questions that answer this question from various angles:

a) What can TTIP mean for the top industries that are located in Rotterdam?
b) What are the opinions and perceptions of relevant stakeholders with regards to TTIP and how do they contrast with our assessment of the impact of TTIP on these industries?
c) What is the significance of an FTA for the two trading blocs the industries therein?
d) How can our findings be leveraged to mobilize RAC's members to become involved in the topic of TTIP?

[a] 'Rotterdam area' is loosely defined by us as the general geographic area in which Rotterdam can be found. More concretely, 'Rotterdam area' includes but is not limited to the cities Rotterdam, Delft, Schiedam, and The Hague

[b] These findings are derived from the news media analysis.

The answer to the last question includes practical recommendations to RAC to mobilize the Rotterdam business community on the topic of TTIP.

Structure of the report

The different layers of methodology. To gain a comprehensive overview on the perceptions and opinions on TTIP, we used various interacting research methods to derive a complete picture from our research. Hence, several layers can be distinguished, as depicted in Figure 1. Our research can be characterized as qualitative and explorative. Qualitative methods aim to explore issues from the view and understanding of the participants and allow the researcher to delve into the participants' attitudes on a topic of interest, in this case TTIP. Additionally, this project is exploratory and led by observations rather than pre-existing theory which suggests this inductive approach. With the project having two deliverables, namely analyzing the status quo of perceptions and opinions, as well as providing practical recommendations to RAC, the report is structured as follows.

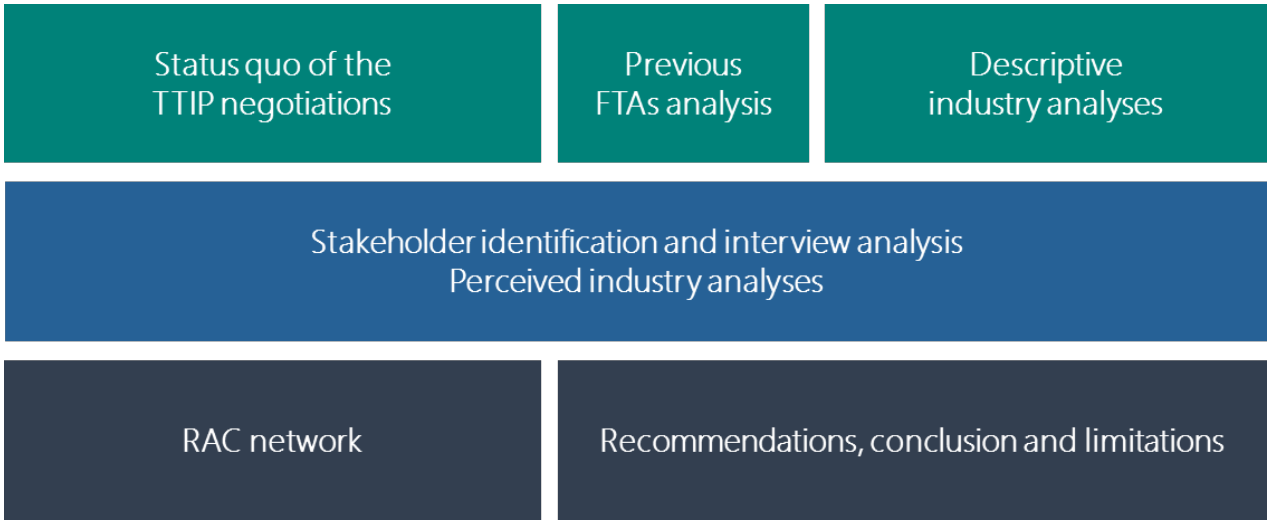


Figure 1. *Structure of the report*

The TTIP negotiations and the most mentioned topics in the public debate. To start off the project, we engaged in thorough desk research to inform ourselves on the topic of TTIP. In order to remain up to date with the TTIP developments and to understand the media's perceptions and opinions on the topic, we closely monitored the news and all relevant sources of information throughout the duration of the project. The analysis provided in this section is based on publicly available studies by various research institutes and a qualitative content analysis on a sample of 244 online news articles on TTIP, from 1 March to 30 April 2016. The media analysis contributes with additional insights into why certain topics are perceived by stakeholders as more prevalent than others. The specifics of how the news media analysis was conducted can be found in Appendix A

Free Trade Agreements and why they matter*. What is the significance of an FTA for the two trading blocs the industries therein?* This section looks into how other FTAs have impacted the economy and industries of the two countries or economic blocs involved. To do so, we have

conducted a research into previous trade agreement in which the US and the EU have separately taken part of. We find that trade agreements do have a visible impact and therefore the negotiations of such FTAs need to be followed closely by businesses and public.

Industries analyses. *What can TTIP mean for the top industries that are located in Rotterdam and what are potential scenarios under the adoption of TTIP?* With the research being focused on the Rotterdam industry cluster, we conducted an analysis to identify the most relevant and strongly represented industry sectors in the Rotterdam area. The outcome of the research provided us with four top industries to focus on: chemical, logistics, energy and agro-food. Subsequently, each industry was thoroughly analyzed with the aim of developing a "descriptive SWOT". Such a SWOT is based on desk research and provides the major strengths, weaknesses, opportunities and threats that each industry is likely to face once TTIP is adopted. The purpose of the "descriptive SWOT" is to contrast the industries' perceptions of the potential opportunities/threats arising with the adoption of TTIP with our research-based ones. A mismatch between the two would provide companies with insights on how to prepare best for TTIP.

Stakeholder analysis. *How do the opinions and perceptions of the stakeholders contrast our descriptive assessments of the impact of TTIP on these industries?* In this section the main part of the report is presented. We gathered the opinions of the diverse stakeholders in the Rotterdam business community and adjacent regions based on 23 semi-structured interviews. In addition, we have based our findings on conversations with a few experts, including governmental personnel and an academic, which results in a total of 26 stakeholders. These interviews provided in-depth background information while this interview analysis focuses the business perspectives on TTIP. These interviews were coded methodologically and an analysis thereof shows how these stakeholders perceive TTIP. Stakeholders were also asked about their expectations with regards to TTIP, and what role RAC can play to increasingly engage businesses. These opinions and perceptions are contrasted with a media analysis. Additionally, we contrast the "descriptive SWOTs" presented in the beginning of the section with a "perceived SWOT" for each industry at the end of this section.

Network analysis and recommendations. *What kind of network does RAC have and how can this be leveraged to mobilize its members to become more involved in the topic of TTIP?* The last section is an introduction to the final recommendations that we would like to hand over to RAC. First, a network analysis was conducted to understand the kind of network that RAC has and how to effectively expand it to exploit at best its potential in engaging RAC's members on the TTIP topic. The network analysis highlights the importance of RAC's direct and indirect network to inform and leverage its members in the discussion on TTIP. Second, based on this analysis we developed practical and viable recommendations that can be adopted by RAC. These recommendations are mainly based on our findings from the stakeholder analysis, but are also inspired by research into how other associations engage their members.

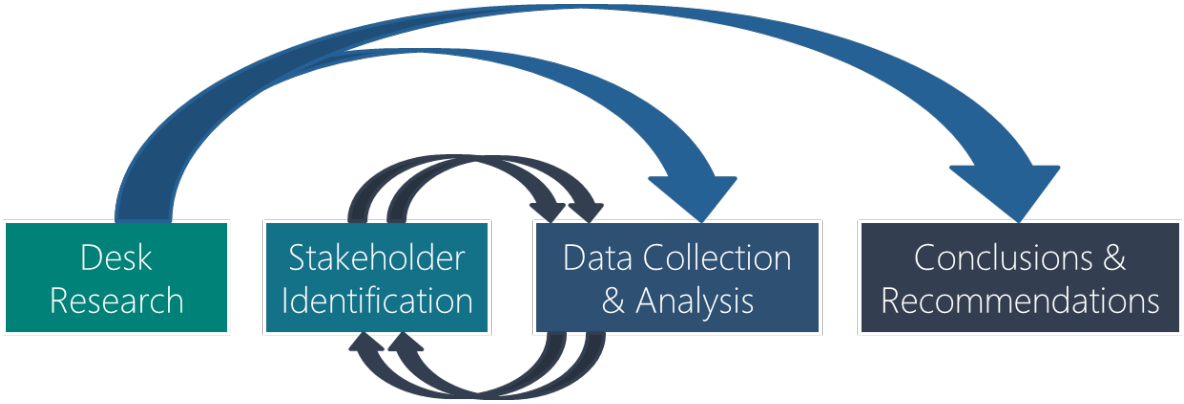
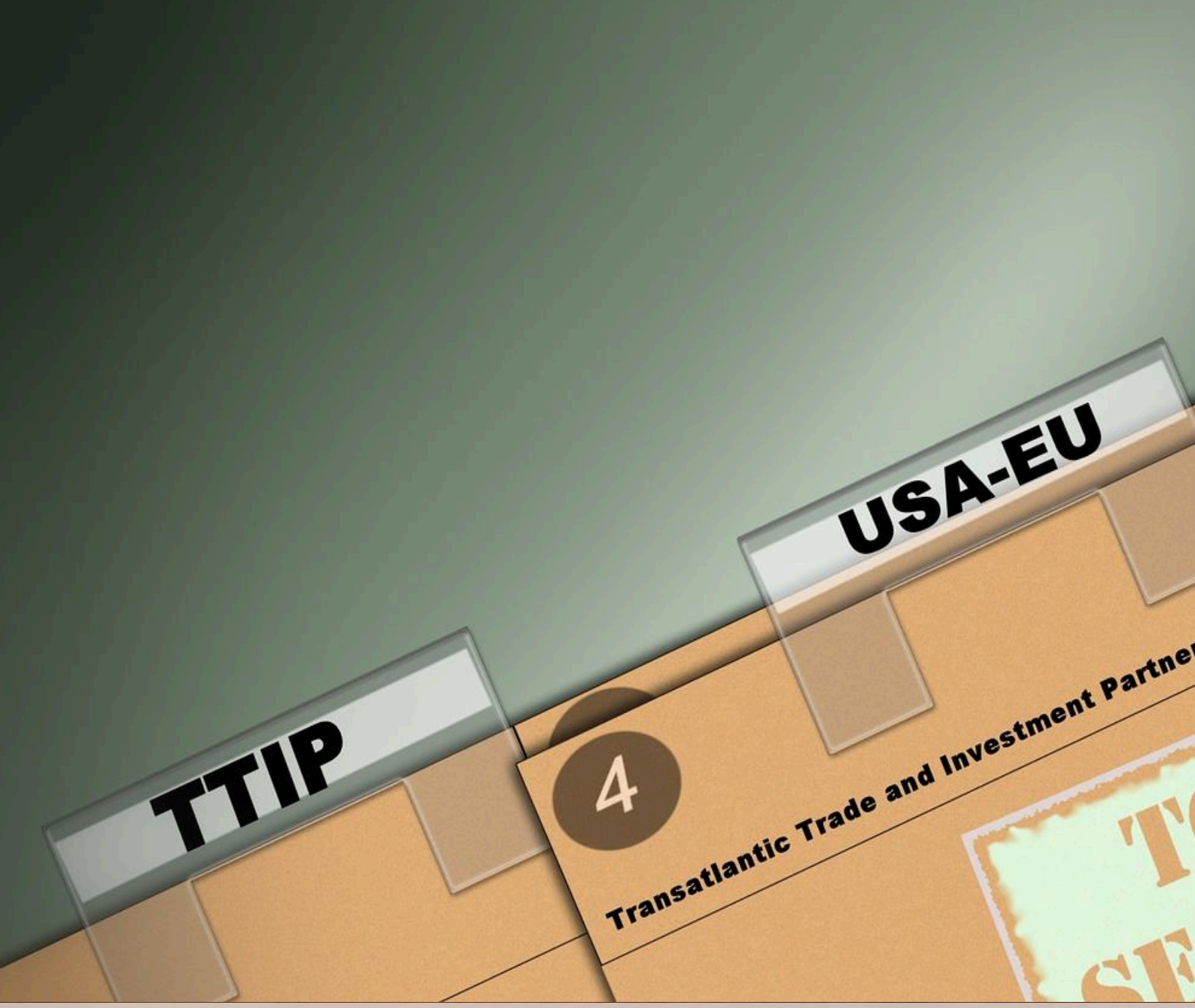


Figure 2. *Iterative process (methodology)*

Conclusion. The final section offers a conclusion of what TTIP can actually mean for the Rotterdam business area.



Part 1

THE TRANSATLANTIC TRADE AND INVESTMENT PARTNERSHIP



1. Status quo of the TTIP negotiations

To gain a diverse view on how TTIP is currently seen, we consulted publicly available studies by research institutes[c] and further online sources. This section is substantiated by a media analysis conducted in the timespan from March and April 2016 of this year. Later in the report, this section serves as an additional explanation why certain topics are more recurring in stakeholders' opinions and perceptions than others.

The European Parliamentary Research Service (EPRS) describes TTIP as being not only a free trade agreement but rather a "wide-ranging regulatory agreement, with some elements of classical trade agreements"[1]. TTIP is highly complex and this chapter aims at providing some insights into the status quo and what a free trade agreement can mean. However, for the interested reader we kindly suggest to consult the cited studies in detail.

What is TTIP? The main objective of TTIP is to open up the two biggest markets in the world to each other through elimination and reduction of tariff barriers (TB) and non-tariff barriers (NTB). A definitive end of the negotiations is not yet in sight. In April this year, the 13th round of negotiations took place in New York and the next, but not yet final round, takes place in Brussels in July of this year.

The negotiations comprise of three main elements according to the EC:

- Market access: Via the removal of customs duties and restrictions on services;
- International standards: Improvement of regulatory coherence and cooperation by eliminating unnecessary barriers (lowering bureaucracy);
- Regulatory coherence: More cooperation with regards to setting international standards.[2]



Figure 3. *Leading objectives*

[c] Among others: Centre for European Policy Studies (CEPS), the Centre for Economic Policy Research (CEPR), Ecorys, as well as a study by the Social and Economic Council (SER).

The EC provides a comprehensive overview of the topics that are being negotiated: 1) For market access, the topics are customs and goods duties, services in general, public procurement and rules of origin. Especially the last two topics have been very present in the public debate.[3] 2) Regarding regulatory cooperation, NBTs and the reduction thereof are negotiated and are also widely discussed in the media. Above all, standards for food and health of animals and the planet are discussed in the media in this regard. Here, the EC also offers insights for specific industries, among them chemicals, pharmaceuticals, vehicles, and many more. 3) Lastly, rules relate to sustainable development, small and medium-sized enterprises (SME), and also investment and competition.[4] This section includes the infamous investor state dispute settlements (ISDS), which are now called investor council settlements (ICS), and the handling of intellectual properties.[5] Although the ICS are a major discussion point in the negotiations and even more so in the media, our focus throughout the report is on the trade aspect of TTIP. This is mainly due to our clear focus on top industries in the Rotterdam business area that are more concerned by trade than investment issues. Nevertheless, for the sake of completeness we included the ICS topic in this section to provide a general overview.

1.1. The expected impact of TTIP on the EU and the Dutch economy

Naturally, there is much discussion to what extent the adoption of TTIP could impact the EU and the individual member states. Generally, the EC states that TTIP would lead to:



Figure 4. *Expected outcomes*[6]

As stated by the SER, it is widely expected that "TTIP … has the potential to contribute to growth, prosperity, and employment"[7]. From a macroeconomic point of view, the TTIP agreement is seen as a guarantee for economic growth in the EU, with an estimate that the entire EU economy could grow by € 119 billion per year.[8] A permanent level increase or decrease in the GDP can range between -0.3% to 1.6%, differing slightly per Member State and per study.[9] The estimated increase in income level for the Netherlands is 0.5%.[10]

The elimination of tariffs will potentially also have a high impact on current trade flows: Although the tariffs for trade between the two economic blocs are already quite low (on average 4%), the elimination thereof would have a high impact in total numbers.[11] Naturally, the elimination of TBs

and NTBs would be different in its impact for the various industries: The World Trade Institute (WTI) claims that some industrial sectors in the EU such as manufacturing, water transport as well as chemicals and pharmaceuticals would see an increase. At the same time, other industrial sectors would experience a decline: e.g. transport equipment, metals and products as well as electrical machinery.[12] In the Netherlands, there might be a growth for the chemical and pharmaceutical industries, whereas motor vehicles as well as electrical machinery might decline.[13]

The numbers for export expectations range between 5% - 116% also depending on the Member State.[14] By estimation, the Netherlands could expect an increase of 14% regarding exports.[15] Additionally, via harmonization of standards, TTIP would lead to cost cutting on both sides for customers and businesses[16], which might be especially beneficial for SMEs that can consequently expand to the US market more easily and competitively.[17] Lower consumer prices are expected as an effect of increased competition from US companies. For the Netherlands, it is assumed that the prices for consumers would drop by 0.1%.[18]

Overall, it is found by the WTI that the Netherlands together with other member states such as the UK and Austria would gain most from the FTA, mainly based on the already existing deep economic integration with the US.[19]

There are several topics that have frequently showed up in the media affected the TTIP negotiations. Our media analysis was conducted over a two-month period, and is based on a sample of 244 articles from newspapers and blogs from all over the world (see Appendix A for more information). It shows that some topics noticeably receive more attention than others (Figure 5). In the future, it can be expected that with intensifying negotiations more topics will surface and lead to concerns and discussions in the public.

1.2. Major (political) issues of discussion in the media[d]

There are several topics that hinder the negotiations and frequently show up in the media. Our media analysis was conducted over a two-month period, and is based on a sample of more than 240 articles from newspapers and blogs from all over the world. It shows that some topics noticeably receive more attention than others (Figure 5). In the future, it can be expected that with intensifying negotiations more topics will surface and lead to concerns and discussions in the public.

[d] Overview of the most prevalent issues on TTIP at the moment. The TTIP agreement is far broader than the issues mentioned here.

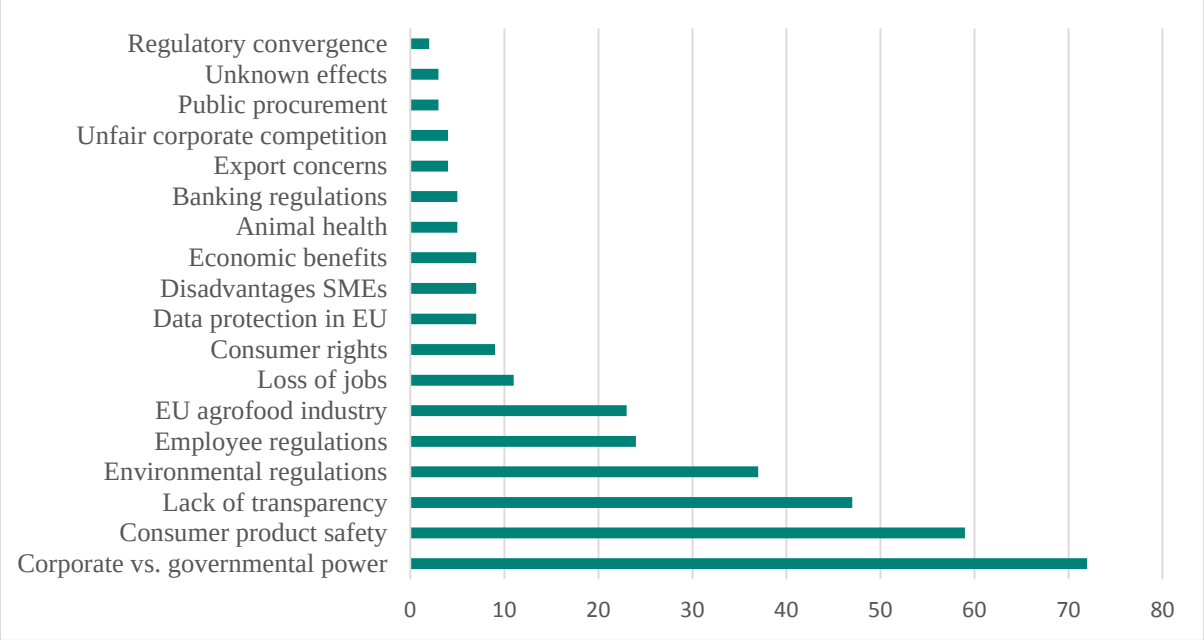


Figure 5. *Overview of TTIP concerns in news media*

As was to be expected the investor-state disputes settlement or ISDS (now Investment Court System or ICS) is one of the most discussed topics in the media. Fueled by the media, the public fears that US multinational companies (MNEs) will gain the power of suing the EU and individual Member States if these change their legislation in a way damaging to the business of a MNE. The current status in the negotiations, however, is that a public ICS can be a more suitable solution. Furthermore, it is being negotiated how people as well as the environment can be protected without giving companies the right to sue for indirect expropriation.[20]

Other topics that are often mentioned as a stalemate to the adoption of the agreement are public fears with regard to a reduction of health and safety standards for food in the EU[21], and US companies gaining the permission to freely export genetically modified organisms (GMOs) to the EU.[22] The same fear goes for other safety regulations in the chemical sector that is highly regulated in the EU by the REACH legislation based on the Precautionary Principle.[23]

The previous figure showed which topics were discussed in how many news articles, and in the figure below we depict when these topics were discussed. This timeline gives an overview of some topics are discussed in the media for longer periods of time, and some peaks can be found. For example, interesting are the peaks around 17 March 2016, when documents regarding TTIP were leaked, and at the end of April when Greenpeace leaked documents. In consequence, as the graph indicates, the news media saw a peak in the worries about (1) the lack of transparency or governmental secrecy, (2) about corporations overpowering the governments, which in turn is related to ISDS, and (3) about consumer product safety and consumer health, which is especially related to food safety.[e] Although food safety falls under the consumer product safety, it is worth mentioning its importance in the public. Food safety is highly related to the different standards in the EU and the US on how food (and the production and processing thereof) is perceived. This is

[e] The Independent, (2016).

also a sensitive topic as food is strongly related to culture. A related topic that stayed in the focus of the media for a long time is agro-food industry, not only in the EU but also in the US. In both economic blocs, agriculture receives special subsidies from the state.[24]

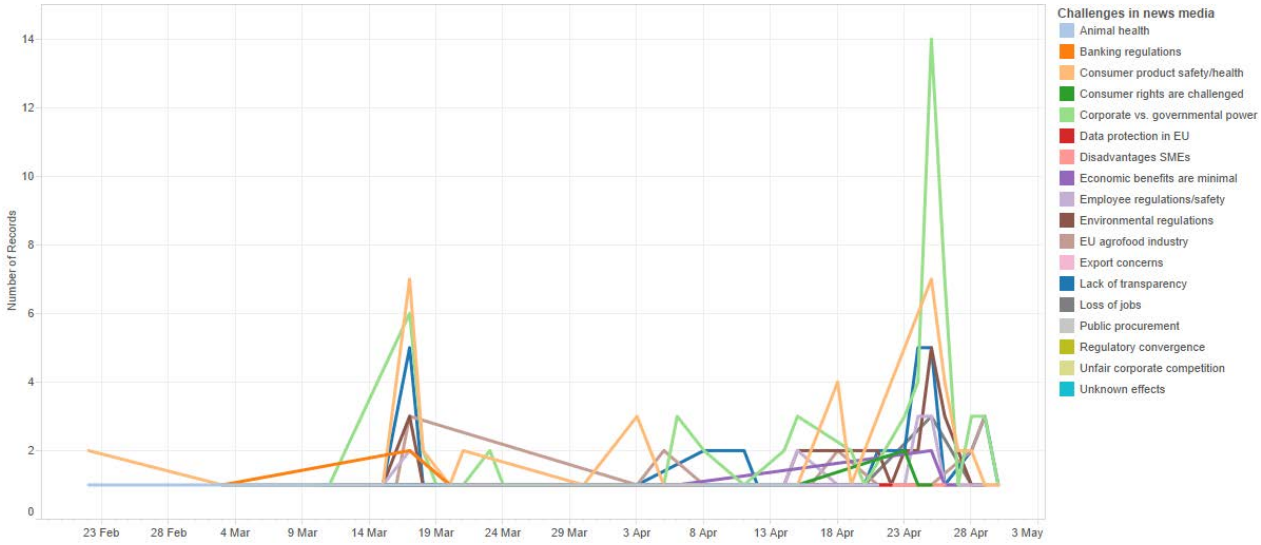


Figure 6. *Timeline of TTIP concerns in news media*[f]

As visible in the Figure 7 provided by the EU TTIP team, the state of the TTIP talks varies significantly on the different topics that are shown in the graph. This is important to note as the media discussion on TTIP highly differs from the actual status quo of the negotiations.

[f] A bigger version of this graph can be found in the appendix.

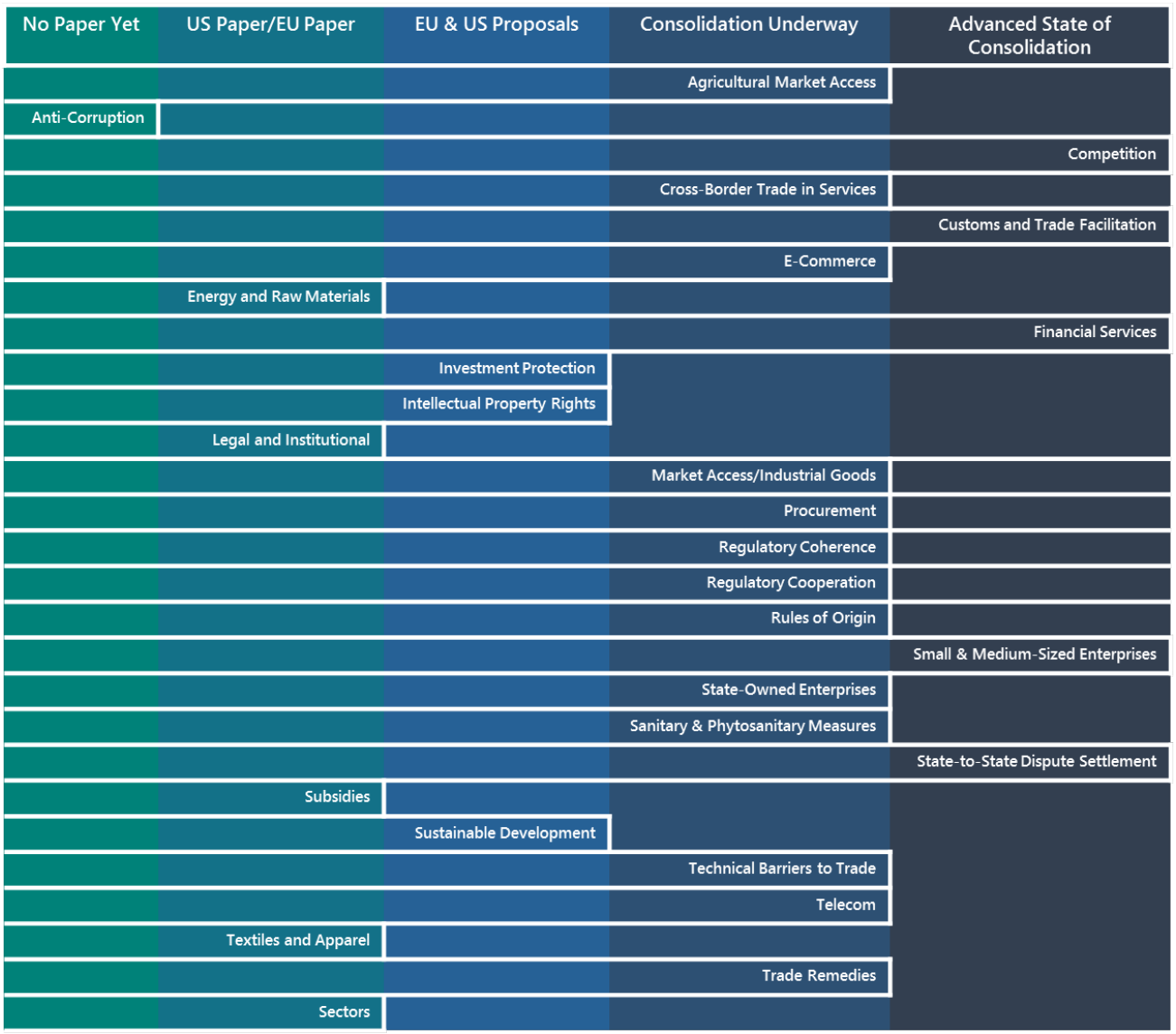


Figure 7. *The state of TTIP talks*

1.3. Final remarks on the status quo

After Greenpeace leaked a 248-page document that is stated to be the current basis for the agreement in the beginning of May[25], the discussions and the public uproar were fueled once again. Our news media analysis shows that on many issues the two trading blocs have not settled yet on a decision and that therefore the negotiations can be expected to continue further. With the US presidential election taking place in the end of 2016, many parties that are in favor of TTIP hope the negotiations will speed up. With Obama in favor of TTIP (in contrast to some of the presidential candidates), pro-TTIP stakeholders push for a fast decision.[26] In the Netherlands the public atmosphere seems to be rather against the agreement at the moment. The Socialist party is petitioning for a referendum on the agreement[27], though a referendum is not possible as there is no legislation yet. Furthermore, the Transnational Institute (TNI) organized an anti-TTIP and anti-CETA festival at the end of May 2016 to gather even more signatures for the petition (status mid-May: 110,000 signatures).[28]

In conclusion, it is still controversial how beneficial the TTIP would be to individuals and companies in the US and EU. All numbers mentioned by research institutes, political parties and various other stakeholders are mere estimates. Even after the agreement has been signed by the EU and the US, further hurdles might occur when the individual EU Member States need to ratify the agreement. Regarding future negotiations, the SER states that in order to move forward in the negotiations the "equal, balanced, and meaningful contribution" of all stakeholders is needed.[29]

2. The importance of FTAs

This section relates the research to a bigger picture: What is the significance of a free trade agreement (FTA) for the two trading blocs the industries therein? The inclusion of such a section is inspired by our findings from the interview analysis. To answer our overarching question of *What can TTIP mean for the Rotterdam business community?* we also need to assess what FTAs in general entail for economies and industries therein. Thus, this section investigates the impact other EU and US FTAs had on the respective economy.

2.1. What are FTAs and why do we need them?

In a globalizing world comprehensive FTAs play an important role in supporting growing economies, trade liberalization and global collaboration. FTAs can be bilateral or multilateral and establish a free trade area in which goods and services can be traded (almost) without tariff barriers. FTAs contribute to stronger trade ties and strengthen economic integration between members. The benefits and opportunities FTAs bring to the members vary within industries. Nonetheless, some of the most prominent ones are outlined below.

FTAs accommodate free trade flows, and subsequently foster strong ties between the trading blocs.

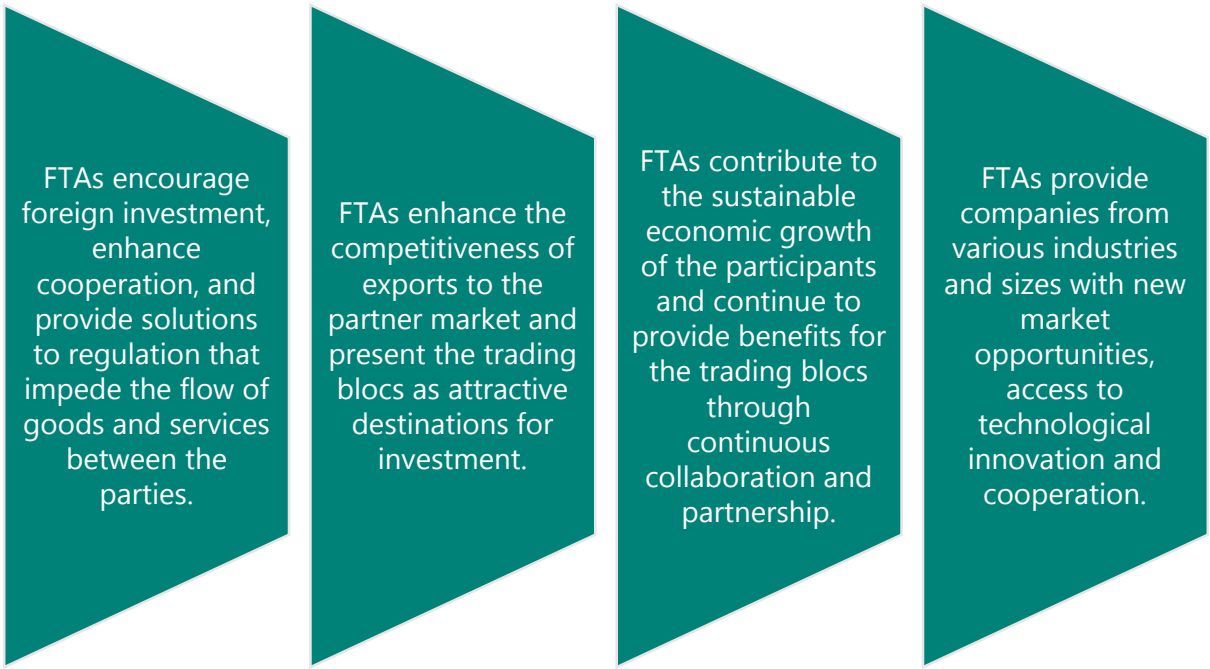


Figure 8. *Impact of FTAs*

As more and more countries recognize the benefits of FTAs, the network of FTAs is continuously growing. However, the most prominent players in the network are currently represented by the US and the EU.

2.2. US FTAs

The US has fourteen effective FTAs with 20 countries, both bilateral and multilateral, that build on the existing foundation of the WTO agreement and currently comprise 10% of the country's GDP.

According to the US government, FTAs are one of the most effective methods of opening up foreign markets to US exporters as they simultaneously reduce barriers for US exports and protect the country's interests:

- Goods exports to FTA partners have grown with 10% annually 5 years after the enforcement of the agreement.
- Percentages of exported goods to FTA partners from the US increased with 3% from 2014 to 2015 and totaled 47% ($711.4 billion).
- US export growth to FTA partners totaled 53% in the period 2009 - 2015, compared to export growth to the rest of the world (34%).
- In 2015, 21 US states have exported more than half of their total goods to FTA partners.
- FTAs have provided SMEs with new market opportunities. In 2013, 31% of US goods exports were made by SMEs.[30]

These figures present evidence for the expressed positivism towards FTAs by the US. The main objectives include securing open markets for US exports while protecting national producers from unfair trade practices from foreign markets, and controlling foreign trade policy to ensure national security. Additionally, the US outlines that FTAs that develop global trade enhance global economic growth.[31]

2.3. EU FTAs

After the launch of the common market in 2007, the European Union (EU) became the world's largest economy swiftly replacing the US.[32] With its 28 members, the EU is the world's biggest exporter and importer, as well as leading investor and receiver of foreign investment and largest aid donor.[33] Although the EU represents only 7% of the global population, it accounts for more than a quarter of the world's wealth by GDP.[34] This single market that encompasses free movement of goods, services and people within its borders is the basis for job creation and development of trade with countries worldwide. As the EU represents the interests of its members and thus has more weight than the individual members alone, the EU is an important economic and political player in the global trade arena.[35]

The EU presents a positive approach towards global trade and is characterized as one of the most outward-looking economies today.[36] The EU's trade policy is an integral part of its 2020 strategy to raise employment rates and work towards a sustainable and efficient economy.[37] What is more, the EU is attractive for developing countries as it has established one of the most open and secure legal investment frameworks in the world.[38] The EU presents the following trade-related figures:

- The EU is the world's largest single market with over 500 million consumers.
- The EU accounts for 15% of the global exports of goods, and 14.8% of the global imports of goods.
- Europe is the world's biggest export market and top trading partner for more than 80 countries.
- FTAs of the EU have led it to become the largest importer from developing countries.
- FTAs result in cuts of approximately 50% on tariffs imposed on EU exports and contribute to the EU economic growth with additional 2% of EU GDP.[39]

The European Union is currently expanding the number of FTAs and aims at accommodating the interests of all EU members as well as approaching developing countries to assist in their future market expansion.[40]

2.4. Conclusion of FTA agreement: What can the TTIP agreement mean for Rotterdam

This section provides quantitative and qualitative answers to the question 'Why do FTAs matter?' in general and to the two trading blocs in particular. Of course, no one can tell exactly to what an extent which trading bloc profits. Nevertheless, it is certain that a FTA has an impact and those industries and companies that prepare in advance are set to reap the benefits and mitigate the threats that come along with such an agreement.

Taking a look at our news media analysis findings (Figure 9), economic benefits are mentioned as the most prevalent opportunity of TTIP. An agreement between two stable political blocs is formed less for geopolitical reasons, but rather for economic growth. As will be discussed in the descriptive and perceived SWOT analyses, TTIP could affect many industries in the Netherlands and in the Rotterdam area. Thus, we suggest that businesses prepare for the adoption of it. In the following section we will look more specifically how TTIP can impact the top sectors in the Rotterdam business area, before we provide insights from our stakeholder analysis.

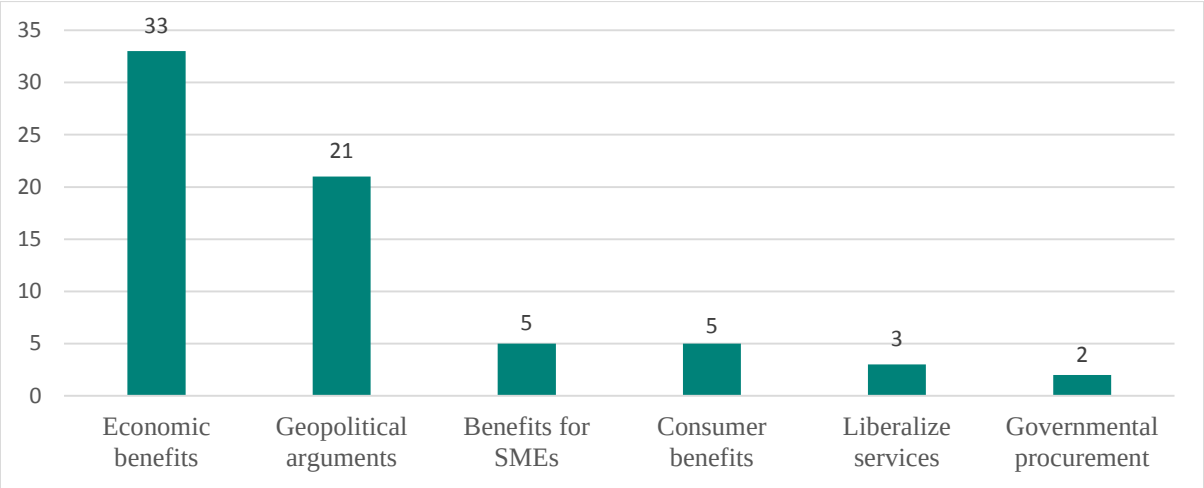


Figure 9. *Number of news articles mentioning TTIP opportunities*

3. Descriptive industry analyses

The following subsections contain the industry specific SWOT analyses that also served the stakeholder identification. Herewith we provide an answer to our first sub-question: *What can TTIP mean for the top industries that are located in Rotterdam and what are potential scenarios under the adoption of TTIP?* The following industries were investigated: chemical, logistics, energy and agro-food. These industry sectors are significant for the Netherlands in general and Rotterdam in particular.[41]

The analyses follow a fixed structure. First, each analysis starts with an overview of the industry in the Rotterdam area and describes its relevance to the region. Second, we assess the industry in

the broader national context and with regards to its role in the EU. Third, we give a short overview of the current regulatory situation for each industry to later assess the impact of TTIP on the industry. Lastly, we show how TTIP might change the situation of the industry in a descriptive SWOT. Due to the above mentioned limitation that TTIP is still being negotiated, these SWOTs can only be considered a rough impression of the short to midterm future.

Methodology. The industry analyses were conducted on the top sectors in the Rotterdam area which were identified through solid research. Ecorys identified Agrofood and Horticulture as well as chemicals together with High tech systems and materials as top sectors.[42] We added two further industries (logistics and energy) to adopt also findings by Invest in Holland and AmCham's member pool but also to account for the strong presence of the port in Rotterdam. The outcome of the research provided us with four major industries to focus on: chemical, logistics, agro-food, and energy. This selection allowed us to focus our efforts in contacting and engaging stakeholders in these four major sectors. To further increase the effectiveness of the research, we conducted a SWOT analysis of each industry. These analyses aim to gain a thorough understanding of the industry's dynamics and environment to conduct better tailored and meaningful interviews.

3.1. The chemical industry

As stated by the Dutch chemical association, VNCI, the chemical sector is considered to be one of the top sectors in the Netherlands.[43] The chemical industry is very broadly defined for this analysis and includes companies that conduct business in the following areas: conversion of raw materials but also "basic chemistry, biotechnology, food ingredients, coatings and high performance materials."[44]

3.1.2. The chemical sector in Rotterdam area

The chemical sector in Rotterdam consists of oil refineries, crude oil terminals, chemical and petrochemical companies and third-party tank storage and distribution terminals for chemicals. The sector is mainly clustered in the Port of Rotterdam with more than 64 industrial sites on an area of about 27 million m^2 and more than 10,500 employees.[45]

3.1.3. The chemical sector in the EU and in the Netherlands

Industrial production of chemicals started in Europe more than 150 years ago. It is of utter importance to society as chemical products are used for the production of more than 95% of all goods.[46] With 1.2 million employees directly and 3-4 million indirectly working for the chemical industry, this industry generates a turnover of over € 550 billion and the net income of exports is as high as € 50 billion. Among them, petrochemicals account for 26.6% of the total EU chemical sales in 2013.[47] During the past 10 years (from 2003 to 2013), the EU dropped from the world's top consumer (31.2% of total world sales of € 1.326 billion) to being the second biggest consumer together with NAFTA (16.7% of total world sales of € 3.156 billion) though consumption increased from € 413 to € 527 billion.[48] Nowadays, the EU chemical sector faces strong competition from new supply regions as for example the Middle East and Asia and growth is rather flat.[49]

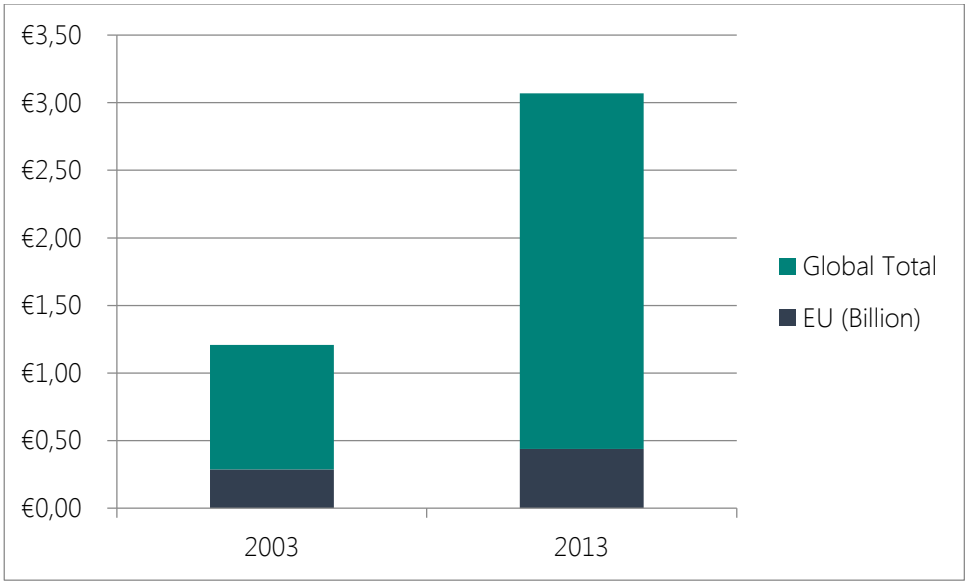


Figure 10. *The share of EU chemical consumption changing from 2003 to 2013*

The Netherlands is a crucial supplier of chemical products and services with over 400 companies ranging over the entire supply chain[50] with "19 out of the 25 top chemical companies in the world maintain(ing) significant operations in the Netherlands"[51]. In total, 17% of all exports from the Netherlands are chemicals and globally it is the fifth biggest chemical exporter.[52] Also, in regard to employment, this sector is important to the Netherlands with over 57,000 employees.[53]

3.1.4. Regulations in the chemical industry

Due to the many hazards that can occur when dealing with chemical substances, the European chemical industry is highly regulated and has committed itself to high standards with regards to use, production and manufacturing of chemicals.[54] The prioritization of safety is manifested in the comprehensive legislation called REACH (Registration, Evaluation and Authorization and Restriction of Chemicals Regulation).[55] REACH ensures environmental protection as well as consumer safety, safety at the workplace, and also safety in with regards to chemical processes and transportation of chemicals.[56] REACH is based on the Precautionary Principle: In contrast to the US, the EU follows the Precautionary Principle, which implies that a substance is only allowed to be marketed when proven that this substance is not harmful to humanity and environment.[57] The US applies a risk principle allowing the marketing of substances as long as it has not been proven that it is not harmful in the long-term.[58]

Nevertheless, this does not mean that any substance can be marketed in the US, rather the approach towards assessing the hazardousness of chemical substances is different; e.g. testing time and the amounts of assessments per substance vary between the US and the EU. Consequently, various substances are currently allowed to be marketed in the US but not the EU. Additionally, the manufacturing and usage of chemicals are also highly regulated by the UN on the international level.[59] These regulations focus among others on classification and labelling (GHS), disposal of chemical waste as well as information sharing.[60] The Netherlands as an EU Member State has to adopt and implement all regulations of the European Union and by now the

Rijkswaterstaat Environment agency has fully adapted its system of legislations to the REACH regulation.[61]

3.1.5. The relevance of TTIP for the chemical industry

The European Statistics Agency states that the trade flows of chemicals between the US and EU amount to above 20% of import and export for both parties, thereby constituting the main partner in chemical trading for each other.[62] Chemicals are traded in various forms between the two: as raw materials, organic and inorganic, as well as manufactured in products.[63] Although tariffs between the EU and US on chemicals are already quite low (around 3%), the elimination of tariffs could possibly heighten the trade flows even further as claimed by the American Chemistry Council.[64] A free trade agreement would also address NTBs such as the regulatory frameworks, which differ manifestly at the moment. With the US having shifted from being a chemical importer to being a chemical exporter, a free trade agreement lifting protectionism would shift the competitive situation to a different level.[65] Moreover, such a FTA would also require a reevaluation of the various substances that are banned in the EU but allowed in the US (more than 1,300 cosmetic additives and over 80 pesticides).[66]

Overall, the chemical industry matters to the Rotterdam business community and the Netherlands and therefore, it is crucial to closely observe how chemicals will be in included in the TTIP negotiations.

3.1.6. What can TTIP mean for the chemical industry?

Strengths	Weaknesses
▪ Well-established sector in the Rotterdam area. ▪ Trade worldwide. ▪ Many companies established branches in other continents.	▪ Competition from countries/regions like China, US and Middle East. ▪ EU political climate forces the industry to focus on sustainable manufacturing and processes, thus increasing the cost.
Opportunities	**Threats**
▪ Tariff and NTBs reduction would decrease the trading cost with US. ▪ The possible trade in crude oil will empower the Port of Rotterdam by increasing market pressure on other major oil exporters. ▪ Innovation can be fostered by heightening communication information exchange.	▪ Time to catch up with the US chemical exporters since they already are allowed to produce a more diverse list of chemical substances. ▪ Changing legislation on NTBs could lead to new high costs to adapt.

Table 1. *SWOT: Chemical industry based on descriptive analysis*

Strengths. The chemical sector in the Rotterdam area is well-established with all major companies present, mainly clustered in the Port of Rotterdam area. Additionally, many companies are already actively trading world-wide or are firmly established in both trading blocs of TTIP.

Weaknesses. The Rotterdam cluster has to deal with the competition coming from various countries and regions such as China, US, but also the Middle East, where energy and raw materials are rather cheap. Although the chemical sector is strong, it cannot match their prices, which

weakens its position in the global market. The political climate in the EU forces the chemical sector to focus on climate-friendly and sustainable manufacturing and processes, resulting in increasing prices in comparison to the international competition.[67]

Opportunities. As outlined above, the chemical sector is highly regulated on various levels. The status quo shows that the regulations in the EU and in the US differ considerably.[68] Therefore, a harmonization of standards or a mutual recognition could benefit both sides. Although resented by the public, chemical companies might be able to manufacture and process more substances that are currently banned in the EU. Furthermore, regulations such as labelling, classification, standardized assessments are NTBs that currently lead to high costs when trading with the US. In addition, the US market already constitutes a major partner for chemical companies in the EU and therefore a reduction in non-tariff and tariff barriers represents per se a great opportunity to heighten trade flows. Another opportunity for the Netherlands and the Rotterdam area would arise if TTIP covers oil: Trade in crude oil would be an asset for Rotterdam, since it would help refiners and petrochemical industry in Rotterdam, improve energy security and increase market pressure on other major oil exporters, particularly Russia, to lower prices. Lastly, innovation can be fostered if information exchange is strengthened through communication.

Threats. Depending on the outcome of the negotiations, the US chemical exporters might have an advantage as they are already allowed to produce a more diverse range of chemicals. The EU chemical industry might need some time to catch up with the competition. Furthermore, changing legislation on NTB such as labelling and classification that were streamlined only recently in the EU with the introduction of REACH could lead to new high costs.

3.2. The logistics industry

Logistics is also treated very broadly as an industry in this section. Analyses show that for many different logistic sub-sectors, the impact of TTIP would be similar, which led us to use this broad approach.

3.2.1. The logistics sector in the Rotterdam area

Logistics are a crucial part of the industry in Rotterdam with Rotterdam's geographic location and its port being the main reason for it. The importance of the port is leveraged "by the intermodal transportation network of rail, inland shipping, road, short sea and pipelines"[69] that efficiently connects it with the rest of Europe. This structure allows reaching all major European destinations within 24 hours.[70] The port is the fourth largest in the world (and the biggest in the EU) and accounts for 445 million tons throughput per year.[71] The Port of Rotterdam offers access to Europe for all kinds of vessels with its deep-sea terminals.[72] Being close to Amsterdam's Schiphol Airport, the largest international airport in the Netherlands and third largest cargo airport in Europe[73], and Amsterdam's sea port, these three hubs together constitute the turning place for goods in Europe.[74] Furthermore, the port was recently extended with the *Maasvlakte 2* project[75], allowing even more ships and companies to choose Rotterdam as their entry point to the EU.

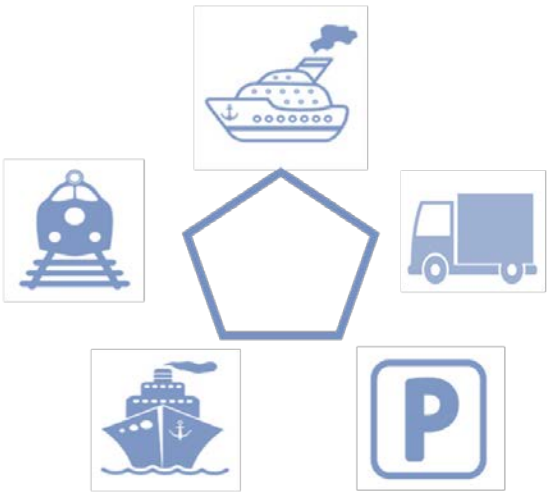


Figure 11. *The importance of the Port of Rotterdam in the logistics industry*

3.2.2. The logistics sector in the EU and in the Netherlands

The logistics sector is a very important part of the EU economy and performs better than the global average. However, in comparison to the US and Japan, the EU can still improve in this sector.[76] EU exports and imports account for roughly the same amount every year (around € 2 trillion).[77] The EU member states differ highly regarding their performance in logistics, which can be linked to different industrial strengths and infrastructure developments as well as population density.[78] Although the EU logistics sector is strong, it currently faces several problems:

1. Rising costs, especially for transport activities (however other cost factors are in decline);
2. Environmental effects of transportation are increasingly considered and regulated;
3. Quality and quantity of the staff.[79]

In its analysis of the logistics sector, the EU aims for a reduction of administrative barriers, clearer guidelines on sustainable behavior, the promotion of alternative solutions (regarding e.g. technology, business models but also fuel) and of the profession per se.[80]

The entire Netherlands has a "superior logistics" network, ranking second in the world for its performance in the World Logistics Performance Index.[81] Additionally, there are more distribution centers located in the Netherlands than in all neighbor countries combined[82], accumulating to "over 20 million square meters of distribution centers"[83]. Also, more than a thousand American and Asian businesses made the Netherlands the center of their distribution activities in Europe. Furthermore, the Dutch cooling and freezing capacity is the third largest in the EU.[84] The importance of the logistics sector is also visible in these numbers: € 55 billion are annually generated by this sector and more than 813,000 people are employed in logistics in the Netherlands.[85]

3.2.3. Regulations in the logistics and transport industry

The EU has established regulations for almost each subsector of logistics to facilitate trade among EU member states:

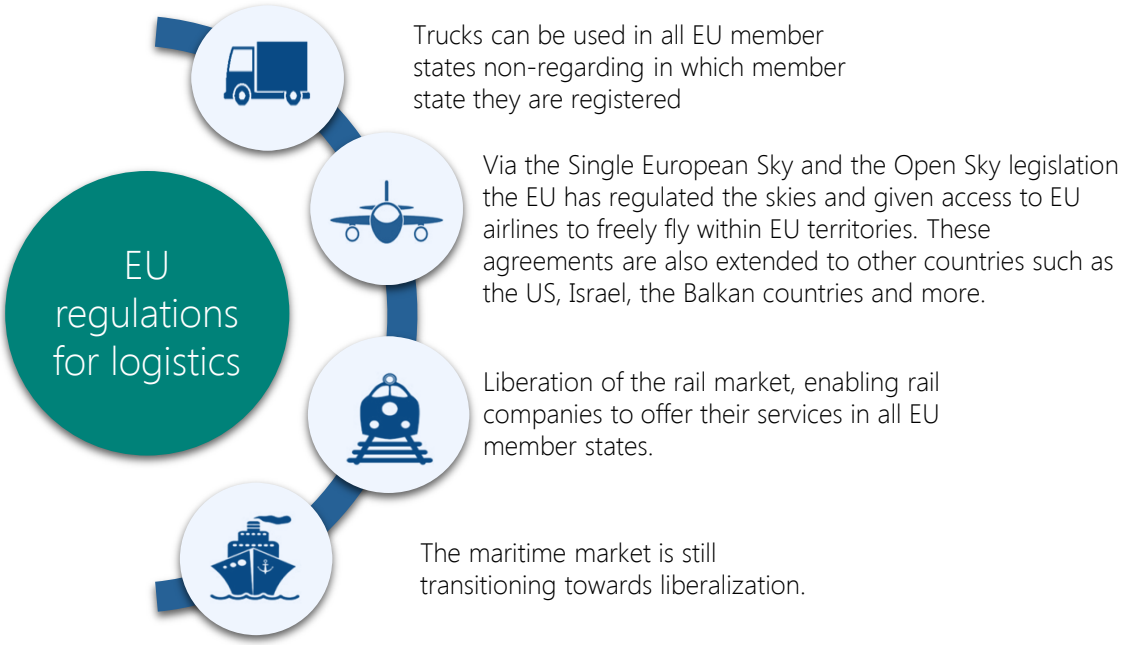


Figure 12. *EU regulations on logistics*

3.2.4. The relevance of TTIP for the logistics sector

The reduction non-tariff barriers between the two blocs, such as extensive difference in import and export protocols, are issues during the TTIP talks. Another topic of discussion can be reverse logistics schemes that become increasingly important with heightened trading volumes between the US and EU. Currently, both have clear schemes for their customers in place, meaning that during the discussion of TTIP they need to agree on ways to streamline these. Less complexity in supply chain regulation can lead to increased competitiveness[86], which also holds true for the TTIP talks. TTIP matters in general to this sector, as a liberalization of trade would lead to more trade and therefore to higher work levels.

3.2.5. What can TTIP mean for the logistics industry?

Strengths	Weaknesses
▪ Major logistic hub of Europe. ▪ High performing industry, especially the shipping and air sector. ▪ Liberalized market: transport and logistics companies have access to a big market. ▪ High technology standards and modern equipment.	▪ Highly regulated. ▪ Maritime market not fully liberalized yet. ▪ Highly sensitive to external changes. ▪ Different quality standards of infrastructure among member states of the EU. ▪ Staff quality currently not ensured.
Opportunities	**Threats**
▪ Indirect impact through increased flow of goods and services. ▪ Increase of trade flows through the Port of Rotterdam and hinterland logistics. ▪ Reduction of tariffs and NTBs, increasing ease of doing business especially for SMEs. ▪ Access to larger labor pool.	▪ More standards and regulations potentially increasing in cost of compliance. ▪ Intensifying environmental standards leading to higher operational costs. ▪ Increased competition as potential threat for SMEs and weak parties.

Table 2. *SWOT: Logistics industry based on objective analysis*

Strengths. The logistics industry is a very strong industry in the EU, particularly in the Netherlands. The Netherlands has a highly developed infrastructure and due to the Port of Rotterdam it is the entry point for imports to the EU. This strength is also reflected in the recent extension of the port to accommodate even more incoming vessels. Additionally, the EU and the Netherlands are known for their high technology standards giving them an advantage over foreign competitors. The logistics sector also builds its strengths on the highly liberalized market in the EU, which gives all EU logistics companies access to one of the biggest consumer markets.

Weaknesses. There are a couple of weaknesses that need to be mentioned: The logistics industry is highly sensitive to external changes: A rising petroleum price can easily transform into a big cost for companies focusing on this source of energy for their business. Within the EU common market, there are significant differences in development with regards to infrastructure. Although this might be considered a weakness of the logistics sector in general, the Netherlands' standards are above the average. In addition, the logistics sector currently experiences a lack a qualified staff, which was not lessened by the opening of the EU market. This lack of staff is also felt in the Netherlands. Lastly, and importantly for the Netherlands, the maritime sector is not fully liberalized yet, which can be considered a weakness for the Netherlands and the Port of Rotterdam.

Opportunities. A free trade agreement with the US can lead to many opportunities for the logistics sector: First, higher trade flows are generally positive for the logistics sector as they lead to higher workloads, not only for the Port of Rotterdam but also for inland transport businesses. Second, the elimination of tariffs gives more SMEs access to the US market, leading to more work opportunities for logistics companies. Third, the lack of qualified staff can potentially be addressed by an inflow of US workers. Fourth, increasing exports to the US would be beneficial especially to the air and shipping industry.

Threats. The EU imposes increasingly strict environmental standards on all industries and the logistics sector is especially attentive towards the discussion on this. Stricter standards often result in higher costs and therefore in lower competitiveness of the sector. Since its liberalization, the logistics sector suffers from oversupply, which drives prices down. The adoption of TTIP would lead to even more competition for EU and Dutch companies, especially if these new entrants do not face the same regulations. Furthermore, the lack of qualified staff can possibly increase when individuals have easier access to the US labor market.

3.3. The energy industry

The industry analysis of the energy sector focuses largely on energy producers and energy-intensive industries. This approach is based on the one hand on statements that were made very early in the exploration process for this report, but also and more importantly on the assessment of the Rndialogue.[87]

3.3.1. The energy sector in the Rotterdam area

Due to its geographic location, the Netherlands and Rotterdam in particular are an important area for energy companies. In Rotterdam energy produced in the Netherlands as well as energy imported from abroad come together.[88] The power plants located in Rotterdam power 25% of the

industry and homes in the Netherlands, with seven power stations located in the port alone.[89] Besides traditional forms of energy, such as coal, oil and gas, the energy industry in Rotterdam has also expanded to alternative forms of energy generation. Wind power generated in the Port of Rotterdam accounts for 10% of wind energy produced in the Netherlands.[90] Also, the bio-based industry has grabbed foothold in Rotterdam and part of the *Maasvlakte 2* is specially equipped for this industry.[91]

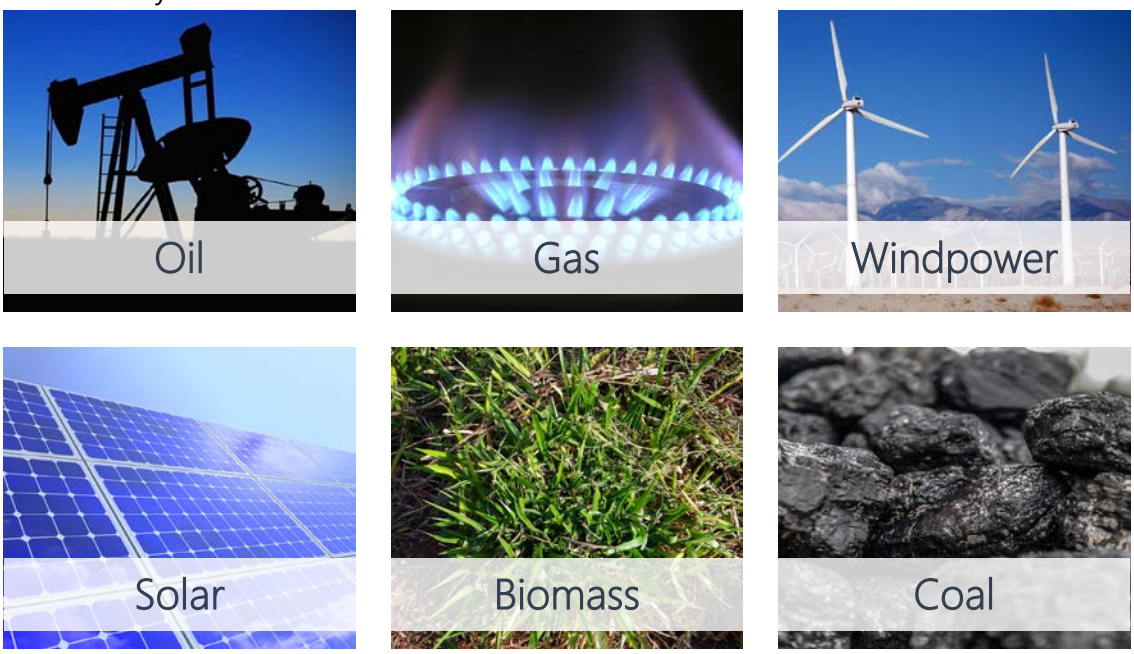


Figure 13. *Types of energy present in the Port of Rotterdam*[92]

Next to energy production, also much energy is moved to and through Rotterdam. Natural gas, such as from the gas field by Groningen, is transported to the city for further use. In addition, the Port of Rotterdam is the largest energy port in Europe.[93] In recent years, the first import terminal for liquid natural gas was installed here.[94] Being a hub for energy has also attracted many industries heavily relying on access to energy to settle here. The five oil refineries and more than 45 chemical companies are only two examples.[95] With respect to energy, the strategy for the Port of Rotterdam is "to diversify [their] energy mix and make it more sustainable".[96]

3.3.2. The energy sector in the EU and in the Netherlands

The Netherlands attracts many energy as well as energy-intensive industries, mainly due to the direct access to sea through various harbors, the connection to a high capacity transport infrastructure reaching great parts of Europe and well developed logistics as mentioned above.[97] The energy sector, counting electricity production and grids, gas exports and production as well as oil refinery, accounts for about € 36 billion per year[98] and remains to be a competitive player in these industries.[99] In an European context, the Netherlands is of special importance as an oil-refining hub with a vast supply network, pipeline connections and storage facilities and is therefore crucial to the oil supply of the region.[100]

Regarding natural gas, the Netherlands are expected to become a net importer by 2025 as exploitation, especially of the Groningen field, is decreasing. This will lead to a massive shift in the Dutch gas market and the industry is trying to prepare for the change by focusing on the

Netherlands becoming a hub for foreign gas.[101] Overall, the attractiveness of the Netherlands for energy intensive companies is highly linked to the local energy prices. In 2012, energy intensive industries accounted for nearly 17% of energy consumption.

For the future, the Netherlands is aiming to become Europe's center for bio fuels in addition to its strong position with traditional energy sources. The Dutch have expertise in offshore wind energy and the use of biomass, which it can further build on in the future.[102] But so far the Netherlands is lagging behind other European countries with respect to renewable energy and its 2020 goals are lower than the EU average of 20%.[103] Lastly, the Netherlands has a strong background in energy efficiency.[104]

3.3.3. Regulations in the energy industry

Like in many other domains, Dutch legislation is highly impacted and guided by legislation on the EU level. The European Union 2020 Energy and Climate Package represents a major set of binding legislation highly impacting the energy policy. The package is concerned with the level of greenhouse emissions, the share of renewables in the energy mix and energy efficiency.[105] Over the past years the Netherlands has successfully consolidated its energy policy in line with the EU 2020 energy and climate targets.[106] In 2012, the Netherlands passed its own Energy Agreement for Sustainable Growth to map out the actions needed to achieve the 2020 goals.[107]

Locally energy is regulated by the Dutch Office of Energy Regulation, which is part of the Dutch Authority for Consumers & Markets (ACM). Electricity and gas are controlled by two transmission system operators fully owned by the Dutch state.[108]

3.3.4. Relevance of TTIP for the energy industry

Currently, WTO regulation targets import barriers on energy much more than export barriers. TTIP could address this imbalance.[109] As of now, the US market for energy is protected and export restrictions exist.[110] TTIP could lift some of these restrictions and hence, allow flow of American sourced energy to Europe. This could include liquid natural gas and crude oil.[111] Hope is that this would lead to a reduction of energy prices in Europe.[112] As noted above, the Netherlands is a major hub for the trade of energy and energy-intensive industries. An increased influx in energy could therefore benefit numerous industries in the Netherlands and Rotterdam in particular.

A second item discussed in the TTIP negotiations are investor-state dispute settlement[9]. TTIP could allow ISDS within the US and EU.[113] Looking at ISDS regulation in the past, disputes in energy account with 13% for the second biggest share of disputes. The possibility of ISDS could make the EU and with that the Netherlands more attractive for investment of US energy companies. As ISDS is a highly controversial topic the impact of such legislation is also highly debated.

[9] Now, ISDS is negotiated as ICS as mentioned in section 2.

3.3.5. What can TTIP mean for the energy industry?

Strengths	Weaknesses
▪ Strong sector in the Netherlands. ▪ Rotterdam: the energy port of Europe. ▪ Energy-intensive companies already are established in Rotterdam.	▪ Reliance on traditional energy by a vast majority of energy representatives.
Opportunities	**Threats**
▪ Access to cheaper energy for energy-intensive industries. ▪ Alternative to decreasing share of Dutch natural gas from abroad. ▪ Leverage and foster expertise in alternative energies to distinguish from US.	▪ Increased competition due to cheap energy from abroad. ▪ Shifting industry dynamics (e.g. due to ICS).

Table 3. *SWOT: Energy industry based on objective analysis*

Strengths. As described above, the energy sector is very strong in the Netherlands and particularly Rotterdam plays a central role for the entire EU with its energy port. In addition, many energy-intensive companies are well-established in Rotterdam and serve the large European market.

Weaknesses. A great danger arises for the energy industry as it is still based mainly on traditional energy, which makes it at a disadvantage compared to US companies.

Opportunities. The adoption of TTIP can have many opportunities for the energy sector in the Netherlands and the Rotterdam area: Especially the access to cheaper energy for the energy-intensive industries can make these more competitive on the global scale. Furthermore, access to energy from a politically stable country can be very helpful for these companies, also with regard to potentially less fluctuation in price. If the energy companies prepare well for the outcome of the FTA, they can leverage this expertise and gain a competitive advantage.

Threats. Nevertheless, two potential threats need to be mentioned: an inflow of more cheap energy makes it difficult for national energy producers to stay competitive. Moreover, as discussed above a shift of industry dynamics led by more investments from the US in the EU can lead to a threat in the long-term, if the ICS system is not well-constituted.

3.4. The agro-food industry

For the agro-food industry we focused only on parts of the supply chain, such as manufacturers and wholesalers leaving out B2C retailing. Some agro-food companies already trade extensively with the US, others have seen a steep decline in their trading activities and lastly, some see great opportunities to start trading with the US. Therefore, our analysis is rather broad on the agro-food sector. Later in the analysis of perceptions, we focus more specifically on certain sub-sectors.

3.4.1. The agro-food sector in the Rotterdam area

The Port of Rotterdam is among the most important ports in the logistic chain of perishables and worldwide trade of fresh produces. It is the second largest export port for perishables such as vegetables, fruit and flowers. Due to the beneficial role and positioning of the Port of Rotterdam, the Rotterdam area is referred to as the food logistics hub of Europe.[114] Moreover, the Rotterdam area also serves as one of the largest food production hubs of the Netherlands. The agro-food sector in the Rotterdam area is comprised of more than 5,800 companies and accounts for approximately 40,000 jobs.[115] Furthermore, Rotterdam is aiming to strengthen its leading position in the agro-food industry through the establishment of the Rotterdam Cool Port, which is expected to start operating in 2017.[116] This project will result in a new cold store for the storage and handling of refrigerated and frozen cargo in reefer containers.[117]

3.4.2. The agro-food sector in the EU and in the Netherlands

The Netherlands contributes to the worldwide agricultural exports with 7% and is one of the world's leading producers of vegetables and fruit. It is also a global leader in the production of machinery for food processing and it excels in the fields of ingredients, enzymes, animal breeder materials, and biological crop protection. Considering the top 40 food companies globally, twelve have production sites and/or R&D facilities in the Netherlands and four of them are Dutch. The Dutch productivity is five times higher than European average due to its efficient production systems and processes. Among the 100 most competitive products produced in the Netherlands half are from the agro-food industry.[118] In 2014, the Netherlands was ranked as the second largest agricultural exporter globally after the US and, despite the economic crisis, the export of agricultural products increased with 1% during 2014, accounting for €108 billion.[119]

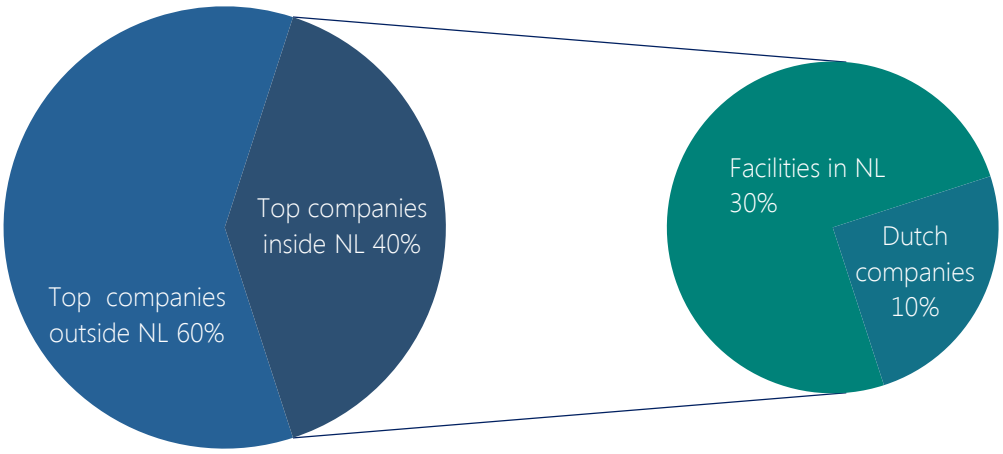


Figure 14. *Location of top 40 food companies*

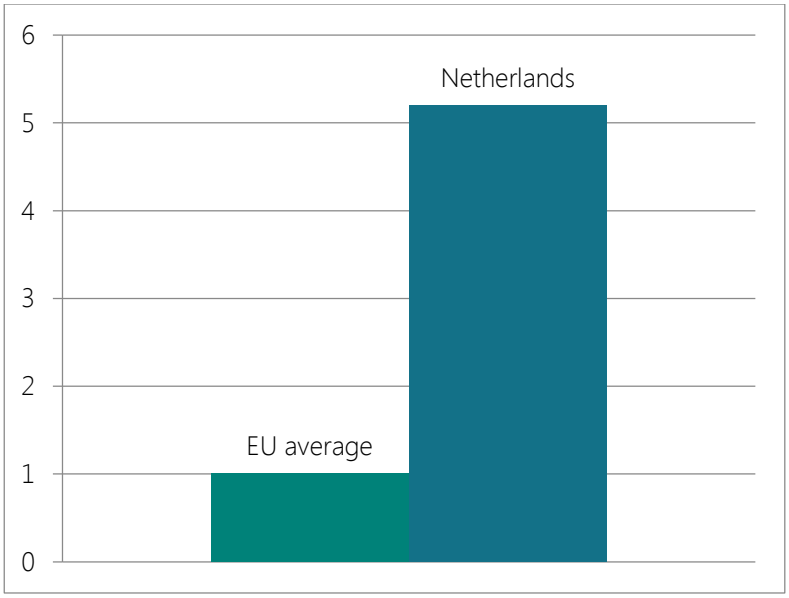


Figure 15. *Productivity comparison in food production and process*

According to a study conducted by PricewaterhouseCoopers, the agro-food industry is experiencing five megatrends, which will heavily impact the sector in the following years: demographic change, accelerating urbanization, technological advances, resource scarcity and shift in economic power. To remain competitive, it is essential to act globally. For many Dutch food companies, the European market is no longer their largest market. Asia and the Americas have become their largest markets, while Africa and the Middle East are growing.[120]

3.4.5. Regulations in the agro-food industry

The Common Agricultural Policy has identified three priority areas to protect and enhance EU's rural heritage:

1. Biodiversity and the preservation and development of 'natural' farming and forestry systems and traditional agricultural landscapes;
2. Water management and use;
3. Addressing climate change.[121]

The principles of food law are outlined in the General Food Law Regulation (Article 5 to 10). The major goals of this regulation are to:[122]

1. Guarantee a high level of protection of human life and health and the protection of consumers' interests. Also guarantee fair practices in food trade, taking into account animal health and welfare, plant health and the environment;
2. Ensure free movement of food and feed manufactured and marketed in the EU, in accordance with the General Food Law Regulation;
3. Facilitate global trade of safe feed and safe, wholesome food by taking into account international standards and agreements when developing Union legislation, except where this might undermine the high level of consumer protection pursued by the EU.

Transatlantic trade in the agro-food industry is highly influenced by trade barriers. They affect whether a product is traded or not and, in case of trade, the trade volume. According to a study

commissioned by the European Parliament, tariffs affect EU imports from the US more than EU exports to the US. Tariffs and NTBs reduce the probability and the value of exports across the OECD countries. The impact of tariffs and NTBs is higher in the EU - US trade compared to other trade flows.[123]

3.4.6. The relevance of TTIP for the agro-food industry

In 2012, Europe had a trade surplus of € 6 billion in agricultural goods with the US. Around 8% of EU agro-food imports come from the US and approximately 13% of EU agro-food exports go to the US. The effects on the agro-food sector would be significant: EU exports to the US could increase by 60% and EU imports from the US by 120% up to 2025.[124]

The impact of TTIP on the agro-food industry will vary in each country depending on the contribution of the agro-food sector to the national GDP. In the Netherlands, TTIP will have a potentially big impact on the national economy, considering the importance of the agro-food industry. It will have an even greater impact on Rotterdam, which is considered the main hub for food production, processing and logistics in the Netherlands.

3.4.7. What can TTIP mean for the agro-food industry?

Strengths	Weaknesses
▪ All areas of the agro-food chain are represented. ▪ Innovative agro-food technology. ▪ Consistent growth in volumes. ▪ Variety and high quality of products	▪ Highly regulated. ▪ Differing health safety standards between US and EU. ▪ Highly dependent on exports. ▪ Interdependent value chain can be easily disrupted.
Opportunities	**Threats**
▪ Increasing demand for Dutch food produce. ▪ Increasing export of dairy products to the US. ▪ Export opportunities for SMEs. ▪ Lower tariffs, lower costs. ▪ Partnership opportunities.	▪ Liberalized trade but no regulatory convergence : EU bears high costs to comply with EU regulations. ▪ In case of regulatory convergence, risk of downward harmonization. ▪ Consumer protection issues. ▪ Increased competition.

Table 4. *SWOT: Agro-food industry based on objective analysis*

Strengths. One of the biggest strengths of the Netherlands is the strategic location of the Rotterdam area and its port. The port is an essential point of worldwide export, and plays a significant role as a logistics hub for the Netherlands and Europe. Additionally, companies in the Rotterdam area represent all parts of the agro-food supply chain. An additional strength is the quality of the production in the Netherlands as all food is under the European safety standards. The industry is continuously developing, and aims at employing innovative technologies in the processes which in return results in consistent growth in volumes. Furthermore, the agro-food is one of the biggest employers in the Netherlands and thus an important economic component for the country's labor market.

Weaknesses. One of the major weaknesses of the agro-food industry is the regulation imposed as safety standards can greatly vary, even between EU member states. Furthermore, as all components of the food supply chain are present in the Netherlands and the Rotterdam area, a

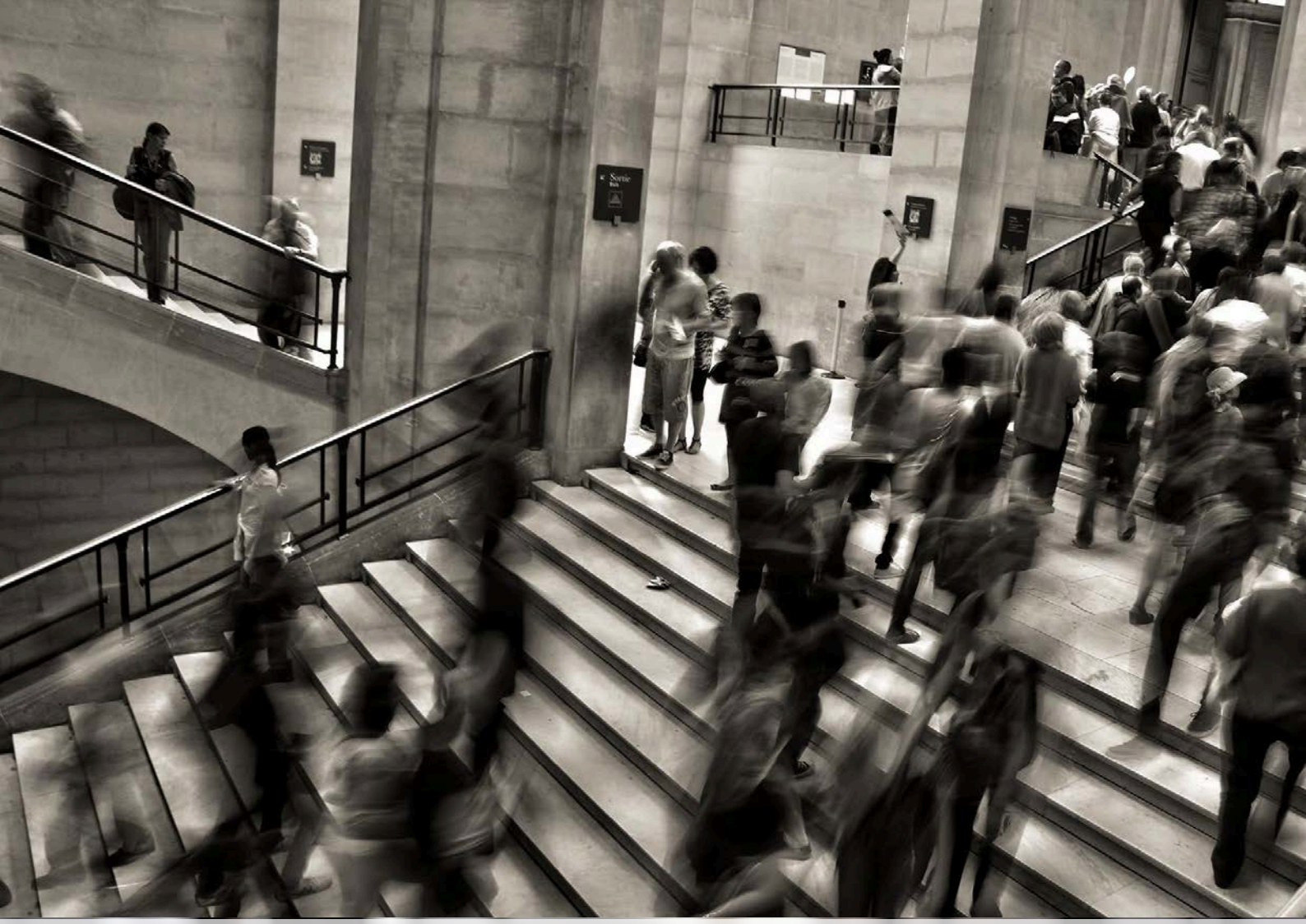
flow of interdependence on national suppliers is created. This can lead to easy disruptions in the chain as there is a high level of dependence.

Opportunities. The Dutch market could seize a number of opportunities in the context of TTIP. As the quality of the produce is known worldwide and the country already has trade history with the US, there is a growing demand for Dutch food products. Additionally, this agreement would create export opportunities not only for MNEs but also for SMEs which could benefit from the creation of transatlantic partnerships. This would be aided by the lowering of tariffs and export costs, which would also result in increased export of dairy and processed products to the US.

Threats. There are certain threats stemming from TTIP in the agro-food industry. For instance, there are some products that could be negatively affected from the increased rate of imports such as beef and cereal which are highly present in the Netherlands. Increased import could result in increased competition based on pricing and potentially impact the quality of products. What is more, the food sector is covered the most by the media which could result in a consumer backlash and increased attention towards consumer protection issues.

3.5. Concluding remarks: descriptive industry analyses

The descriptive industry analyses of the four industries that we identified as top sectors in the Rotterdam business area show that TTIP, with the basic aim of opening up the two markets, changes the competitive situation across the Atlantic. The influence of TTIP on the individual industries differs highly on the exact content of the agreement. Regardless, we show in our assessment of the strengths and weaknesses that the four industries are significant to the Rotterdam business area but also to the Dutch economy more generally. With TTIP being possibly agreed upon in the future, these industries however face new threats that differ per industry and that need to be acknowledged already now during the ongoing negotiations. TTIP, as means of trade facilitation, also represents many opportunities for these industries to grow in Rotterdam and beyond. This implies that for the described industries it is crucial to follow the negotiations closely and to develop a clear opinion together with their industry-specific associations. As stated in the SER report, industries and the companies therein need to contribute to the agreement to ensure that the consequent agreement does not hurt their business.



Part 2

STAKEHOLDERS



4. Stakeholder interview analysis

As mentioned earlier, the 23 semi-structured interviews were analyzed using a qualitative content analysis approach. This section will discuss in more detail how these interviews were conducted, how the stakeholders were identified and to what findings these interviews led to. The main goal of this and the following section is to provide an answer to one of our research questions: *What are the opinions and perceptions of these relevant stakeholders with regards to TTIP and how do they contrast our assessment of the impact of TTIP on these industries?*

4.1. Stakeholder identification

To obtain insights and opinions on the topic of TTIP and its perceived impact in the Rotterdam area, one crucial step was to identify potential interviewees. The stakeholders include companies and organizations from different sectors which are related to or would be impacted by TTIP.

Definition stakeholders. We use a broad definition of stakeholders and identify stakeholders as a group or an individual "who can affect or is affected by the achievement of the organization's objectives."[125] This broad definition leads to a broad understanding, which is necessary as TTIP is an agreement with far-reaching effects. In addition to this definition, it is useful to distinguish between types of stakeholders. Stakeholders can be categorized into three groups as shown in the figure below.[126]

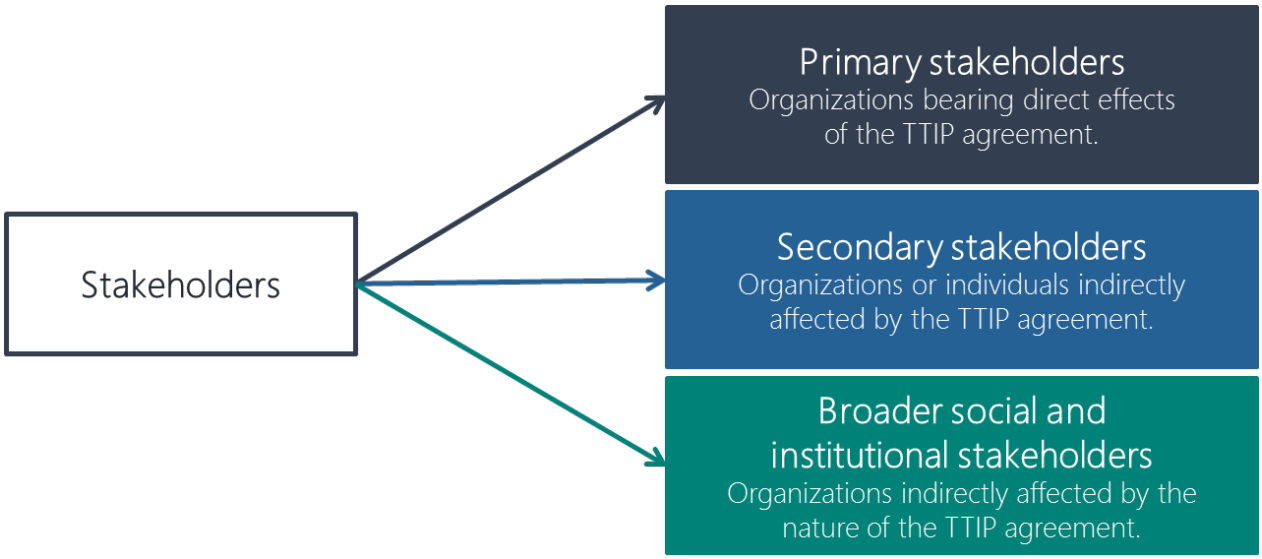


Figure 16. *Classification of stakeholders*

Sampling technique. To select relevant interviewees, two types of purposive sampling methods have been used. The *criterion sampling* method meant that we have created *selection criteria* based on which interviewees were selected or excluded from our sampling.[127] Stakeholders were evaluated according to the characteristics related to the industry, type of company or association, and geography. The characteristics are summed up in the figure below. Another method, called *snowball sampling,* was used extensively as direct and indirect referrals emerged in many interviews and were used to find additional interviewees.[128]

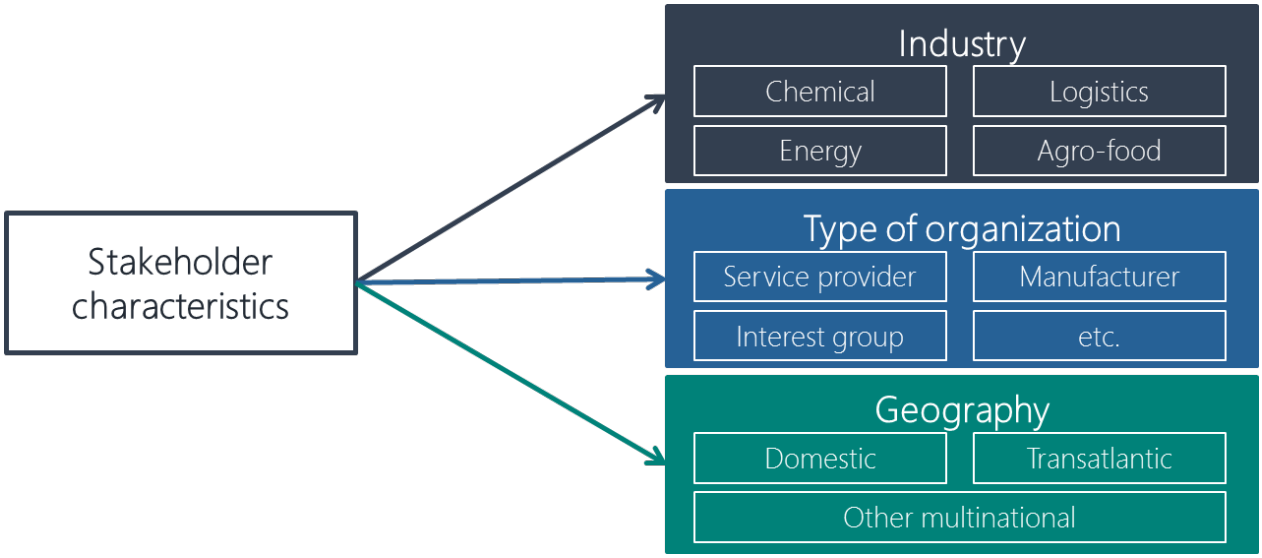


Figure 17. *Characteristics of stakeholders*

Sample description. To maintain the anonymity of our interviewees, we will only describe them in broad terms. Half of the interviewees can be categorized as companies, and the other half as associations, albeit independent or related to the Dutch government.[h] The majority of our interviewees are large companies, about a quarter are Global 500 companies, one company is a Fortune 500 company and another a small or medium-sized enterprise (SME). Because the SMEs form a minority in our interview analysis, we have complemented our interview analysis with the presentations by SMEs who presented themselves at TTIP Stakeholders Event Round 12, 24 February 2016, in Brussels, Belgium. As shown in the figure below, the interviewed organizations are active in a wide variety of industries, but are mostly in correspondence with the industries we have chosen to analyze more in-depth.

[h] The organizations are categorized according to the number of employees working. According to the European Commission (2015), the most frequent upper limit for a SME is 250 employees, hence, enterprises with 250 and more employees are characterized as large. Global 500 and Fortune 500 lists as of 2014 were used as obtained from http://fortune.com/.

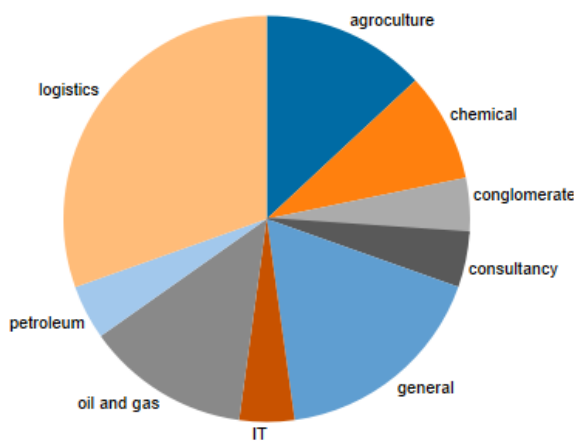


Figure 18. *Industries that interviewees belong to*

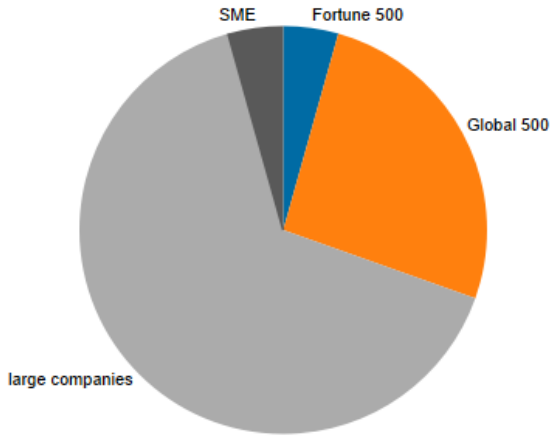


Figure 19. *Company size of interviewees*

In addition to these 23 interviews, we have also interviewed a few experts on TTIP. Theses expert interviewees included government personnel and an academic. These interviews provided in-depth background information while this interview analysis focuses the business perspectives on TTIP.

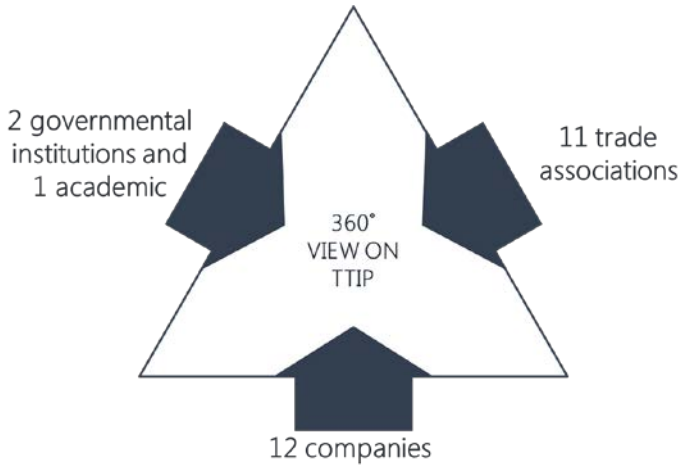


Figure 20. *Total number of stakeholders interviewed*

Interviews. Finally, taking a qualitative approach, interviews were deployed to collect empirical data, opinions and viewpoints. Additionally, the format of the interviews was chosen to be moderately scheduled to gain richer insights from the participants in the format of *semi-structured interviews.*[129] An interview guide was used and helped us to outline the overall structure of the interview process.[i] The interview guide was comprised of different types of interview questions: open-ended, descriptive and opinion questions, as well as closed and probing questions. Additionally, the interviews were conducted by teams of minimum two members to ensure clear understanding.

[i] Interview guide can be provided upon request.

4.2. Stakeholder perceptions

We identified and analyzed the recurring themes and topics in the interviews and qualitatively reviewed the gathered data to outline the overall conclusions. Herein, we based our approach on the one proposed by Schilling: (1) combine and extend interview notes of individual team members, (2) *condensing content analysis*, i.e. paraphrasing, (3) create a *preliminary category system*, i.e. categorize the interview notes based on themes that were derived from the data (e.g. "knowledge about TTIP" and "role of AmCham"), (4) revise the categories after 10 to 50% of the interviews and provide a final category system or qualitative data matrix, and (5) conduct final analysis and interpret the results[130]. These categories and themes will now be discussed one by one.

4.2.1. Knowledge and involvement level

This section assesses the degree of knowledge on TTIP and involvement in activities related to TTIP as interviewees perceive them to be. It should be highlighted that this is a self-reflective assessment and we are merely summarizing companies' and associations' current perspectives and opinions. As will be discussed below, several types of involvement can be distinguished.

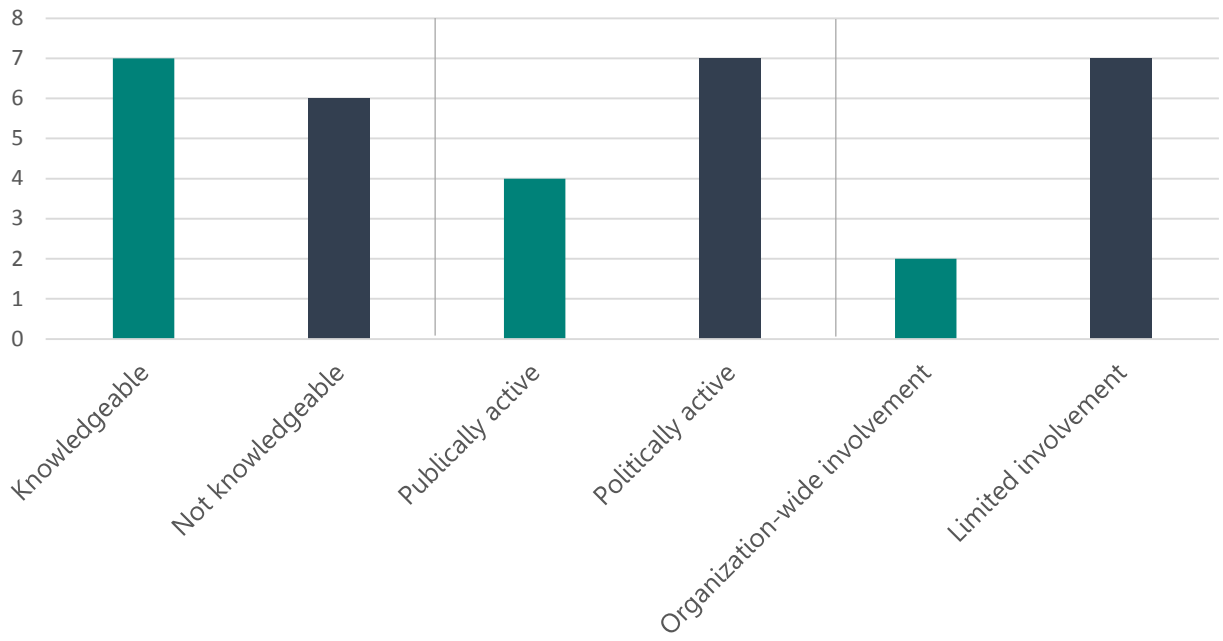


Figure 21. *Knowledge and involvement level among interviewees*

Knowledge gathering. One way of involvement with TTIP is the gathering information on TTIP. Interviewees were asked to assess their company's knowledge on TTIP. Slightly more than half of the companies stated or implied that their company is relatively knowledgeable about TTIP. Herein, many stated to have *enough* information for the time being. Answers included, for example, "For day-to-day business we have enough background knowledge on TTIP," and, "I think we are informed enough at this point." Only four interviewees *explicitly* stated a shortage of knowledge on TTIP. However, "enough" or "sufficient" information is a subjective indication of their level of knowledge. We felt that a number of companies barely scratched the surface of TTIP,

due to a lack of time or due to a lack of need as we will elaborate on later in this chapter. For example, several times interviewees stated that they looked into TTIP before they had the interview.

Publicly active vs. politically active. One important typology was put forward by a MNE: "We prefer to actively position ourselves in the political environment rather than in the public environment." This opinion echoes in other companies: most interviewed companies stated to have a positive stance towards TTIP, but are not necessarily expressing this opinion publicly. As a trade association noted, it is sometimes difficult for MNEs to be completely open in their lobbying activities: "I guess – but I am not completely sure – that they [multinationals] do the same we [associations] do and go *directly* to negotiators." In fact, a MNEs mentioned they would like to receive advice from AmCham in devising a good communication strategy in the Netherlands. Besides the fear of a public backlash, another company stated that communicating one's position *publicly* is simply unnecessary whereas a minority of organizations wished others would express their position more actively to counterweight the negative press on TTIP. An additional, but unique reason was mentioned by another trade association. They claimed it was simply impossible to discuss matters publicly, because it is shrouded in governmental secrecy.

Organization-wide vs. limited involvement. Another important typology is whether the involvement is organization-wide or limited to a certain department, specific employees, and/or external parties like trade associations. About a quarter of the organizations explicitly mentioned that their involvement is limited, and we suggest this percentage is higher in practice. However, nearly all of the organizations who are not involved on larger scale have stated that they will inform and educate the remainder of employees about TTIP once it is implemented – of course, only to the extent that this is relevant to these employees. As half of companies have explicitly stated or strongly implied, TTIP is currently still in its early stages and other issues (or trade agreements) are simply more important at this point in time.

4.2.2. Reasons for limited knowledge and involvement

There are several reasons to why companies are generally not very involved in gathering knowledge about TTIP or being engaged in negotiations or debates about TTIP. Although a large variety of reasons exist, we can distinguish four reasons in general. In addition to these four reasons, one interviewee mentioned that they were not involved because they are not legally allowed to lobby, another explained they had indirect ways to deal with TTIP but did not elaborate on this.

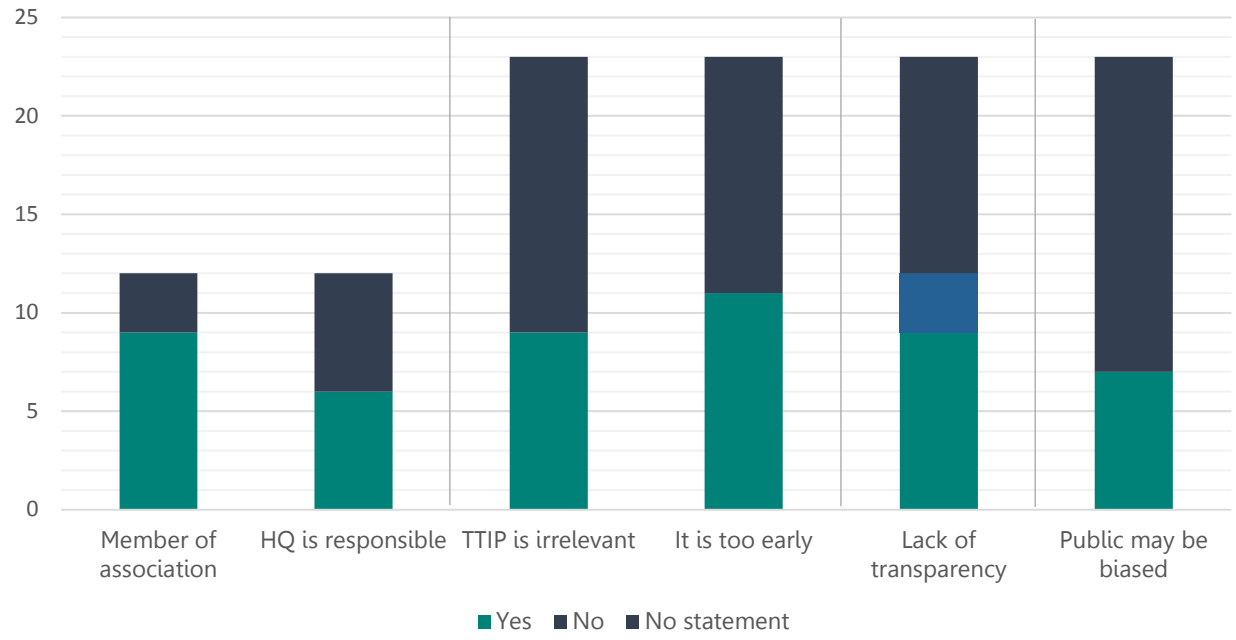


Figure 22. *Reasons for limited involvement*[j]

Limited need to be involved themselves. As discussed above, interviewees have stated that they do not need to be involved *themselves*. TTIP-related activities may already be executed by their international headquarters and/or trade associations, so there is little need for them to engage in these activities directly. Almost half of interviewees mentioned they are member of an association that is actively engaged in TTIP discussions and information dissemination. Furthermore, roughly half of the interviewed companies have their headquarters outside the Netherlands. It is then interesting to note that in a few MNEs, the operations in the Netherlands did not play an active role in lobbying, data gathering or public activities, because this was done by the headquarters in the US or elsewhere. As one interviewee clearly explained: "We are also lobbying in Washington, since we are an American company our lobbyists are there. Our European organization is a bit small to have an impact, so we approach it from the other side."

Higher priorities. A second reason for limited involvement is that other issues may currently be more important or relevant for certain organizations. Nine interviewees stated that TTIP is not an issue yet. Hereby it is important to note that TTIP is still being negotiated and may take a long time to be implemented. Five organizations expect TTIP to be a long and difficult process and our news media analysis shows that 41 out of 244 news articles (17%) mention the time pressure behind the TTIP negotiations. Furthermore, as an interviewee noted that companies in Rotterdam are very practically oriented and simply do business when they see opportunities. Indeed, nine organizations mentioned they have other priorities, such as day-to-day business or more pressing trade agreements.

Limited resources. Third, resources are lacking or low in *depth* or in *relevancy* to the specific company or sector, which is sometimes due to a lack of transparency from the negotiators. This is

[j] The first two bars are based on the number of interviewed companies (N = 12), and the remainder of bars are based on the total number of interviews (N = 23).

true for 9 out of 23 of the interviewed organizations. It may simply be hard to gather enough relevant information for an organization, because TTIP is still being negotiated and not has been published by the governmental institutions.

However, the opinion on governmental secrecy is divided. Seven (out of the abovementioned nine) organizations mentioned that information about TTIP is shrouded in secrecy, e.g. "It's kind of misty, there is nothing much coming from the Dutch government and the European Union." Three organizations stated the opposite. They believe the negotiations about TTIP are actually relatively transparent for a trade agreement that is still being discussed. We noted that they perceive it as a historically big step forward: "The mandate has been published; first time this has been done," and, "This is the first trade agreement I see with that amount of info out." In addition, as quoted below, a trade association mentioned the impatience among stakeholders regarding the negotiations, which may be caused by a limited understanding of how negotiations about trade agreements usually work.

> *"Sometimes it would help if there would be more clarity of what the free trade agreement contains, what it is about and what it is not about. Also a lot of people are frustrated is not going quick enough, often people don't understand how these negotiations work, why they are taking so much time. What decision is made on the national level? What decisions made on a European level? It could help if there is more awareness on the process and the agreement."* - A trade association.

Indeed, the reason why this dichotomy regarding the lack of resources exists might be because not many people are aware of the usual process of creating a trade agreement. Based on our media analysis, we suspect this difference of opinion may be caused by the negative press. We assume that virtually all interviewees read the public news (the interviews indicate this is *at least* true for roughly half of the interviewees), and here the "undemocratic" nature of establishing a trade agreement formed one of the most important themes. In two months' time, nearly a fifth of news articles on TTIP mentioned governmental secrecy. As such, it forms the second biggest concern about TTIP, only to be surpassed by ISDS-related concerns. It is thus not unlikely that interviewees were affected by the negative press.

Fear of public backlash. Related to the negative press on TTIP is the fear of a public backlash. As interviewees from four organizations confessed, it is challenging to express support for TTIP while public opinion is quite negative and opponents are fierce. An interviewee admitted, "Because the media and different political parties and NGOs show their anti-TTIP opinions, we find it really hard to show the public that there are so many opportunities that can come with TTIP." Another stated it more as a matter of fact: "It's difficult to negotiate in public. We must accept that the negotiated paper is not disclosed."

Related to the negative public perspective is that some topics are just quite sensitive to the public. An interviewee mentioned the chlorine chicken as an example. Indeed, our news media analysis shows that environmental regulations (15%) and food safety (14%) are among the top five concerns mentioned. "How the public is handling TTIP is a difficult issue," concluded a trade association.

Seven interviewees carefully concluded that the public may be biased or "warped". Not only is the news negative, but the general public is also not very knowledgeable on the topic. After all, TTIP is a complex trade agreement with many facets and very industry-specific concerns and not much information is publicly available. An interviewee, for example, noted the use of specific terms and abbreviations that are not commonly understood. Another explained how the broad scope of TTIP makes it a complicated matter: "It is really hard to express in single terms the effect of TTIP." A few organizations believe it is important for companies and trade associations to balance out the overly negative portrayal of TTIP in the news. Indeed, our news media analysis indicates that positive news on TTIP is rare on public channels.

4.2.3. Knowledge sources

Methodological disclaimer. The analysis about where and how organizations obtain their knowledge on TTIP was conducted in simple manner, because portraying the knowledge transfer more accurately would go beyond the scope of this report. Hence, the findings on knowledge sources should be understood with caution.

First of all, during the coding process, a distinction has been made between corporate knowledge sources and personal ones. However, for the discussion of the results, these categories are merged, because the knowledge sources turned out to overlap each other. For example, what an employee learns within the company is not strictly the company's knowledge, and an employee's privately gathered knowledge can be added to the company's knowledge base.

Second, these sources are not mutually exclusive categories but rather form a network. For example, a company could obtain information from a trade association, and, in turn, the trade association may collect the data from news media and governmental institutions. Here, the company would be coded as having obtained information from a trade association and not also from public channels and governmental institutions, unless the company explicitly mentioned other sources as well. The benefit of this methodological limitation is that we can see what the most important knowledge sources are, as the most important ones are more likely to be on the top of the interviewees' minds. The most important sources of information on TTIP will now be discussed one by one.

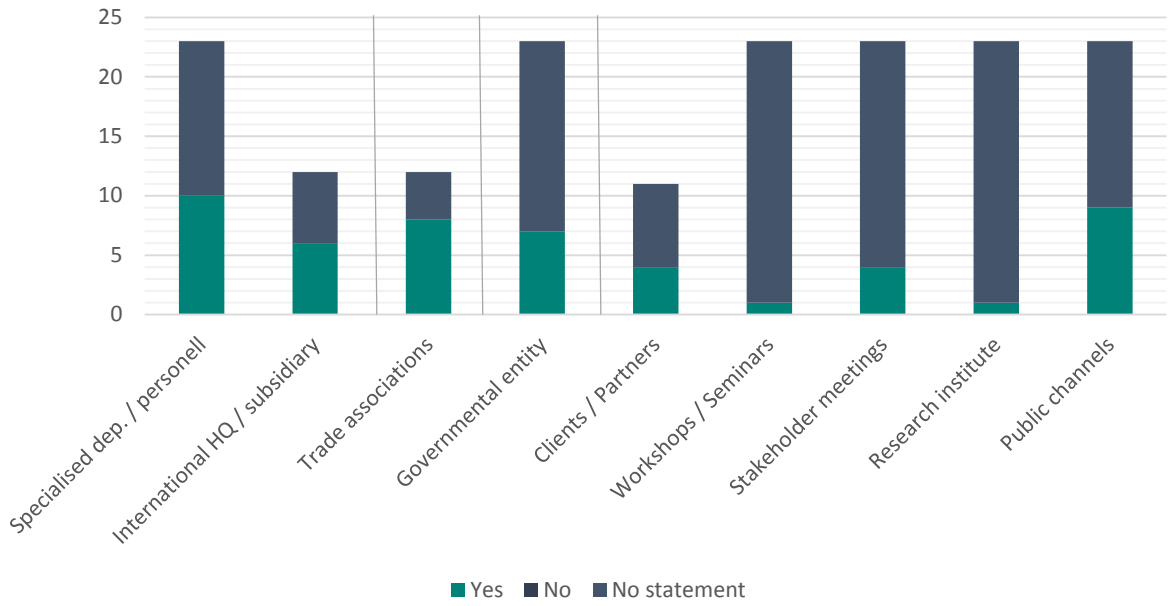


Figure 23. *Knowledge sources used by interviewees*

Specific employees and departments. First of all, the gathering of knowledge is usually done by specific employees or departments within a company and these employees form important knowledge sources to the employees within the company. These departments may be located at the international headquarters or at every local headquarter.

Trade associations. Second, the interviews indicate that trade associations play an important role in information dissemination in a particular area and/or for a particular industry. This can be trade associations in the Netherlands or abroad, e.g. where the headquarters of a company are located. Even trade associations themselves meet up with other associations to gather information. We will discuss their role more in-depth in the next subchapter.

Governmental entities. Third, governmental entities, of course, form an important source on the negotiations on TTIP. These entities include ministries and their supportive organizations in the Netherlands and abroad. Interestingly, two Global 500 companies mentioned a publication of the *Sociaal-Economische Raad* (SER; translated from Dutch: "Social-Economic Council") as an important – if not crucial – source of information for their offices in the Netherlands. In this SER publication from February 25, 2016, VNO-NCW discusses and provides advice to the *Minister voor Buitenlandse Handel en Ontwikkelingssamenwerking* (translated from Dutch: "Ministry of Foreign Trade and Development").

Other sources. Additionally, four companies explicitly mentioned that they obtain information at events including the stakeholder meeting during the 12th round of TTIP negotiations, in Brussels, February 24, 2016. Finally, interviewees gather knowledge from news media that are publicly accessible.

4.2.4. Opinions, expectations and wishes

The opinions, expectations and wishes of interviewees and their organizations were initially split up into three themes. These three themes are still valid, but they largely overlap. Hence, we will discuss these three themes altogether and make distinctions where possible.

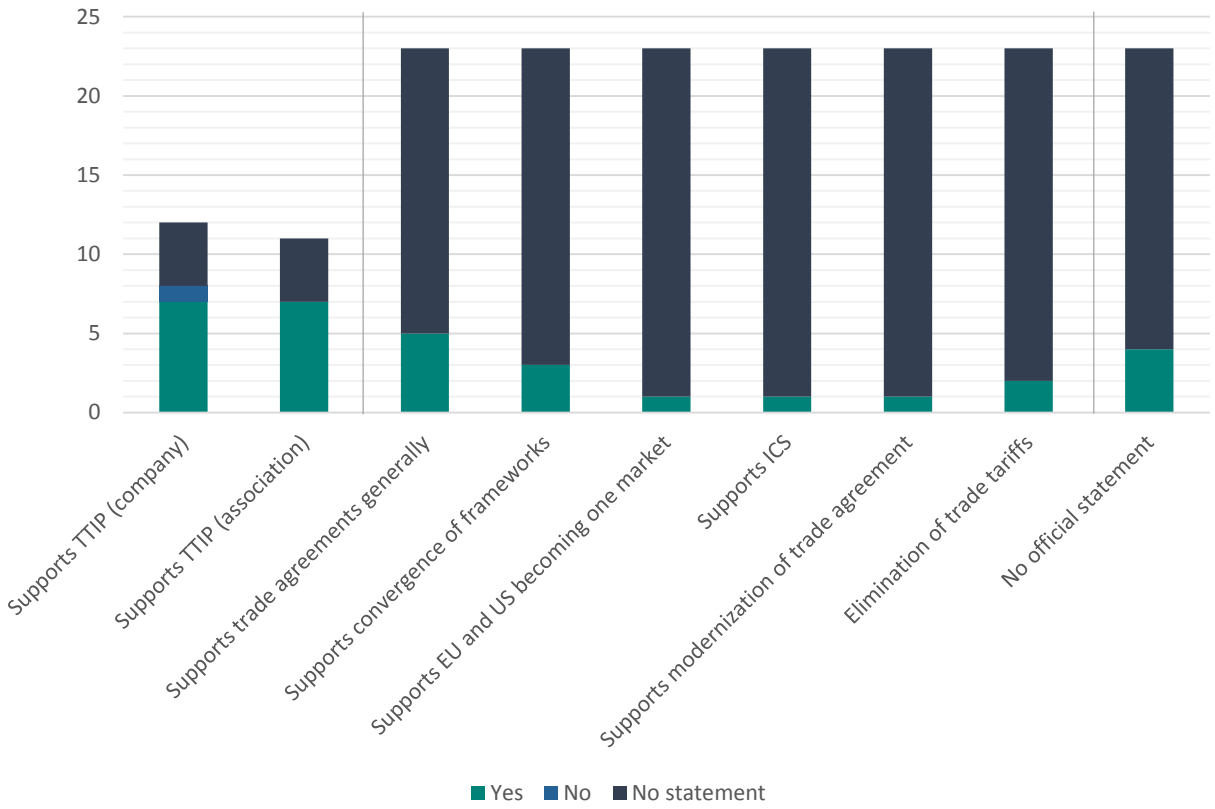


Figure 24. *Interviewees' opinions, expectations and wishes*

'Hopeful' about TTIP. The opinions on TTIP were generally positive among interviewees. Although 'hopeful' might be a better term to describe this mildly positive attitude. 16 out of 23 organizations *explicitly* stated to have a positive opinion on TTIP. "The companies see it as an opportunity to move ahead, grow the economies, create jobs." Not all of these expressed their positive stance convincingly, however. Interestingly, most of these 16 positive organizations were (very) careful in stating their opinion. On the other hand, four organizations explicitly stated to have no official opinion on TTIP and one to be "not very hopeful that it will solve any of the issues" in the agricultural industry. Why are the opinions so general and/or carefully made? We will sum up three important and interlinking reasons, elaborate on them below and discuss the remaining perceptions regarding TTIP in terms of perceived (possible) benefits and disadvantages.

- Some companies are in favor of trade facilitation in general and not of TTIP per se.
- Not everyone will benefit from TTIP.
- It is too early to make a conclusion about TTIP.

Pro trade facilitation vs. pro TTIP. Many of these 16 organizations are in favor of trade-facilitating agreements in general, but not of TTIP per se. Illustrative are these words: "We support

the general idea of TTIP." For example, five organizations mentioned that free trade and/or global trade is good for the businesses and/or the economy.

Not everyone will benefit. Most interviewees would agree that TTIP would benefit some but be of disadvantage to others. This was mentioned explicitly by six organizations. While four of them see more advantages than disadvantages, the two others are more careful in their judgment, e.g. "...but again, it is pluses and minuses. In the end, I am not able to say if it is a net plus or net minus." A MNE states it is supportive of TTIP, but that does not necessarily mean they are pro-TTIP, rather that they are interested in the beneficial outcomes that TTIP could lead to.

Too early to make conclusions. A related reason is that TTIP promises many benefits, but no-one can be certain how beneficial it will be. We felt that many interviewees had difficulties expressing a clear and concrete opinion, because the negotiations are still ongoing. Indeed, four organizations explicitly mentioned that it is currently too hard to say something concrete about TTIP. As one interviewee explained: "As it is not really clear what the outcome of TTIP will mean, people don't know what to think about it." While some simply accept that they cannot conclude anything yet, a few organizations are generally optimistic nonetheless, e.g. "TTIP is still very vague and general, but we know it would be a good thing." Additionally, two organizations stated to be supportive, but that TTIP would not impact their organization a lot anyway, e.g. "Overall we're in favor, but it's not something that would interfere us."

Hopefully beneficial for SMEs. Five organizations expect TTIP to be generally beneficial to SMEs. We have found and interviewed one SME in Rotterdam that will have to deal with TTIP and is looking forward to the possible agreement. In addition, we have attended four presentations held by SMEs at the TTIP Stakeholders Event Round 12, on 24 February 2016, in Brussels, Belgium. These presentations provide more insight into how SMEs in general perceive this FTA. All of the SMEs believe that TTIP could make a big difference for them. They believe it would make competition between differently-sized corporations more fair, which in turn makes it possible for SMEs to survive and thrive. As one presenter clearly stated: "TTIP presents an opportunity for the EU and the United States to remove obstacles in SMEs' path to success." Another stated it is a "win-win proposal in the truest sense of the word." It is thus perceived as a big opportunity.

> *"TTIP shouldn't be only a benchmark for globalization but also a benchmark for a 21st-century SME-friendly agreement."* – SME at the TTIP Stakeholders Event Round 12, on 24 February 2016, in Brussels, Belgium.

Other perceptions. More specifically, a few companies mentioned some concrete benefits of TTIP and made general observations. These opinions will be summed up, but it should be highlighted that these were mentioned by one or a few organizations and do not necessarily form common themes among the 23 interviews. Not engaging in TTIP is by some perceived as a loss of opportunity. A few specific economic benefits to TTIP that were mentioned are free trade, trade facilitation, the convergence of regulatory frameworks, the reduction in paperwork, the elimination of trade tariffs, the EU and US becoming one market, moving employees between the EU and US becoming easier, businesses in Rotterdam attracting more investments (especially in terms of import and export), and the benefits related to the investor–state dispute settlement. Besides these

economic benefits, organizations also mentioned the TTIP negotiations as an opportunity to improve environmental laws in the US and mentioned geopolitical benefits.

There are, of course, also worries among the organizations. A big concern relates to the Jones Act. The inclusion of this US legislation that significantly hampers EU exports via maritime shipment is not yet given, but the interviewees who mentioned this legislation expressed their hope for this. The Jones Act is a form of protectionism in the US that could lead to an imbalance of opportunities if not addressed by TTIP. A few stated that the public may be biased, because of their limited access to information, their limited understanding and the large amount of negative news on TTIP. This public relations challenge has been elaborated on earlier in this chapter. Consequently, one interviewee feels there is not enough debating about TTIP. Also, as has been discussed earlier, some expect the implementation of TTIP to be a long, difficult process. In addition, more neutrally, an organization mentioned that not much will change for them, because they are mostly working locally.

4.2.5. Future actions

We also asked interviewees what future actions and plans they and/or their organizations have in mind for the implementation of TTIP. Two thirds of the organizations stated to have no plan yet, because they perceive that TTIP is too far into the future to plan for, that there is not much substantial they can prepare for already, and/or that they simply do not know whether a plan exists in their organization. However, 5 out of 12 companies and 4 out of 11 associations said they would increase information dissemination within the organization and/or among its members once TTIP has become more tangible. More precisely, this would mean educating co-workers and members on TTIP and providing training and workshops, e.g. "We will organize a training for sure if any changes would occur. Everyone will get a proper training and the needed information on TTIP." The four aforementioned associations said to be executing a communication plan - either specifically implemented for TTIP or generally for events like these - which includes informing their members by means of diverse channels. Interestingly, one of the associations specifically mentioned they will become more publicly involved once the ratification process is over whereas another company made it very clear that they will not share their thoughts on TTIP in the media.

4.3. AmCham's Role

This section discusses the roles that interviewees advise AmCham to take up as well as other wishes for AmCham. Herein, the interviewees mostly referred to AmCham in general terms rather than RAC specifically. We will therefore discuss the advice for RAC in terms of advice for AmCham.

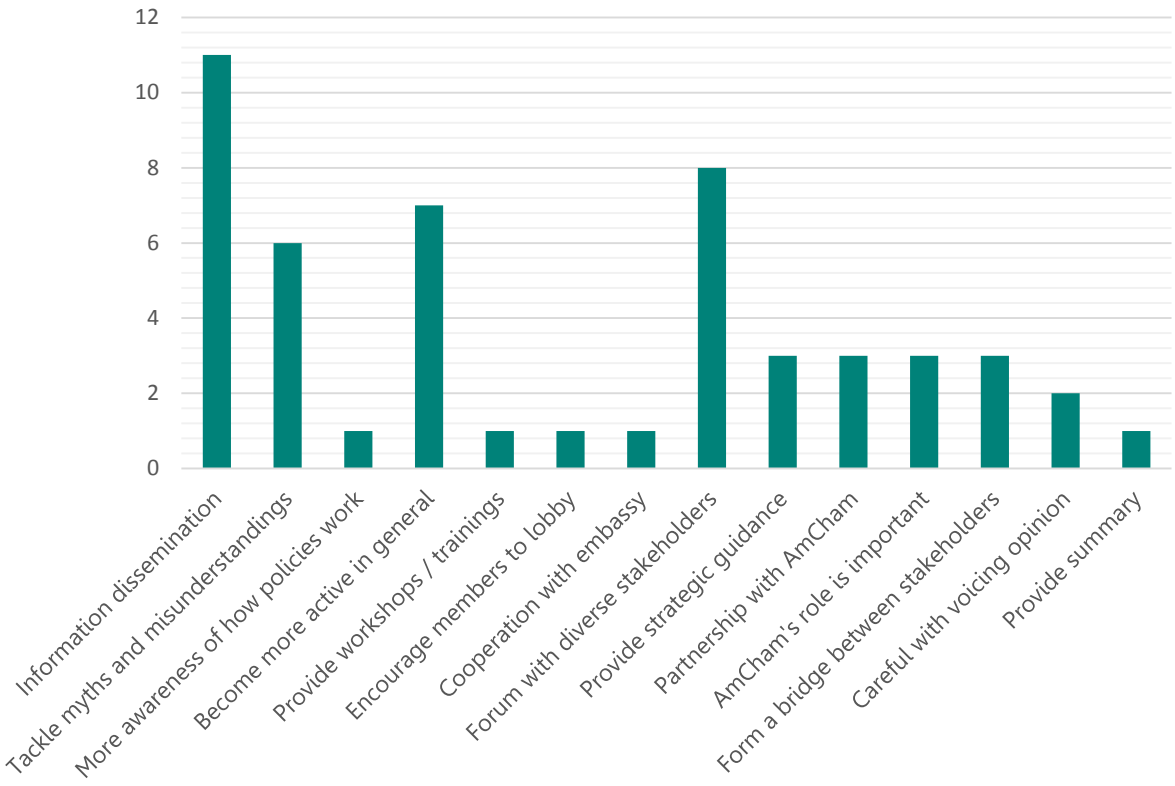


Figure 25. *Interviewees' recommendations for AmCham*

4.3.1. AmCham plays an important role

From the analysis, we can conclude that trade associations in general play an important role. At least half of the interviewed companies are represented in TTIP negotiations by means of their membership in such an affiliation. Even companies that are actively involved themselves are usually nonetheless members of associations. "The multinationals are [actively engaged]," noted an interviewee from an association, "but what you see especially at stakeholder meetings is that the associations are in the majority. Sometimes, even for MNEs, it is difficult to be completely open in their lobbying activities." Indeed, as we have mentioned above, several reasons exist to why companies are not actively involved themselves.

More specifically, a few interviewees strongly suggested that AmCham plays a "very important" or "key" role, but AmCham could become more (pro)active in the TTIP discussions. In fact, two associations encouraged AmCham to become more proactive and "take the lead to discuss and address this issue," especially because of the position AmCham takes between the EU and US. We will now explain which roles AmCham was advised to play and what businesses would like to see it do.

4.3.2. Information dissemination

Information dissemination forms an important and relatively widely shared opinion among the interviewees. "...Explain, explain, explain," said an interviewee from an association. Other organizations also started their answers with regards to information dissemination. An illustrative and informative answer is quoted below.

> *"[AmCham] could also provide individual service. A lot of companies are looking for information for their individual problems. It could be a scaled, step-by-step approach. You start with general information about the agreement. [...] Then AmCham could provide more individual services to members. What will it mean for steel? What will it mean for cars? Perhaps also taking into account the scale of the companies."* - A trade association.

Information is important to help the businesses understand and deal with the impact of TTIP. "AmCham has a role in telling", proposed an interviewee, "...in better explaining, what it is. What TTIP issues are." Of course, information should then be easily accessible and understood. A few companies asked for a white paper, factsheets, summaries, workshops and trainings. Moreover, AmCham should not only provide general information on TTIP. Several associations and companies expressed the importance of making the information industry-specific or even company-specific. For example, one suggested that AmCham "should be leading on communications and organizing communication strategies," because of the fear of a public backlash among businesses.

We expect information dissemination to be especially important for SMEs. AmCham could pursue a bigger presence and help out SMEs significantly. As a SME noted during the TTIP Stakeholders Event Round 12, one reason why information dissemination is more important for SMEs is because they have less resources than larger companies to gather information. Another reason that smaller companies would be more dependent on RAC is that the larger companies may not be based in Rotterdam and/or get information from their representatives who are in Brussels. In this line of thought, another SME noted in Brussels that it will be good to conduct SME impact assessments.

4.3.3. Creation of a discussion forum

Eight organizations (strongly) advised AmCham to organize a discussion forum with a diversity of stakeholders and provided examples of stakeholders that AmCham could involve (more). This is believed to provide more insight into the TTIP issues as well as a broader understanding of them.

> *"AmCham should be a platform to allow different sectors to come and present their position and to consolidate those positions. Such a platform is an opportunity to include a wide spectrum of aspects of the negotiations instead of looking at individual issues. [...] Individual sectors will always look at their own benefits. They don't look at the bigger picture. AmCham could help to broaden the scope."* - A Global 500 company.

Counterweight negative press. As other organizations also noted, there has to be some counterweight to the negative public press that TTIP receives. "Nobody is vocal about the benefits," stated another Global 500 company, "Bringing a more nuanced view of TTIP is more difficult [than only discussing the views of businesses], but it is needed. That's where extra effort would help." As discussed earlier, some organizations believe the public may be biased. In addition, AmCham may also encourage their members to lobby for TTIP.

Tackle misunderstandings. Creating a forum would then help tackle myths, misunderstandings and fear regarding TTIP issues. However, it should be noted that these phenomena not only exist

among the general public, but among businesses as well. As noted earlier, merely two organizations believe that the TTIP negotiations are relatively transparent compared to the creation of previous trade agreements. Furthermore, an organization noted that many perceive the implementation of the trade agreement as a slow process, but this may only be due to their limited understanding of how negotiations work.

Bridge between business and society. AmCham could form a bridge between the business community, business associations and the general public, and thus - to a certain extent - between the current supporters and opponents of TTIP. As an interviewee from a Global 500 company questioned: "Is AmCham focusing on those people or are they only focusing on the existing supporters of TTIP? And could those supporters be more vocal?" This interviewee then concluded that "AmCham is in a better position to voice the general concerns instead of the concerns of the individual."

It may be unusual for AmCham to involve other stakeholders besides their current member base and businesses and AmCham would have to tread carefully in expressing its opinion. However, an association noted that AmCham can provide its members with more insight - without having to take a position in the debate itself - by connecting the pros and cons that are related to TTIP, by giving voice to stakeholders' opinions, wishes and worries. Hence, it would be more about politics and connecting perceptions than purely helping out businesses.

Bridge between EU and US. AmCham could also form the bridge between the US and EU. "In fact, I think AmCham could play key role there," said an interviewee from an association, "because they are a mixture between the US and Europe." However, another noted that AmCham will have to increase its membership among Dutch companies first. Another mentioned that AmCham can use its governmental relations to its own benefit.

5. Perceived industry analyses

As visible in the above section, the various interviewed stakeholders have diverse opinions with regards to the benefits and threats of TTIP. This section aims to answer our sub research-question: *How do the opinions and perceptions of the stakeholders contrast our descriptive assessments of the impact of TTIP on these industries?* The difference between our descriptive assessment and the stakeholders' perception for every industry is provided in italics throughout the course of the chapter. As we also questioned on their industries, we derived a so-called "perceived SWOT" for each above named industry. In this section we contrast the findings of descriptive and perceived industry analyses. Especially the sub-sections "Opinions on TTIP: stakeholder interviews" detail the perceptions on TTIP by stakeholders in the Rotterdam business area. We expect this to be helpful for industry-specific readers.

5.1. The chemical industry

Generally, the descriptive and the perceived SWOT analysis overlap in the assessment of the chemical industry. Depending on the exact content of the agreement, the opening of the two markets promises not only higher trade volumes due to tariff elimination but also higher standardization and harmonization, which implies a decrease in cost and could foster innovation.

5.1.1. Opinions on TTIP: position papers

On the EU level, the European Chemical Industry Council (Cefic) supports TTIP arguing that an increase in the trade of raw materials and manufactured chemical products leads not only to high trade flows but also to economic growth in the long-term.[131] The Dutch Vereniging van der Nederlandse Chemische Industrie (VNCI) is also supportive hoping for access to the cheap shale gas supply from the US.[132]

Additionally, various consumer protection groups such as BEUC (European Consumer Organization) voice their opinions, claiming that an inclusion of chemicals in the agreement will lead to lower standards in the EU.[133] In case chemicals are part of the negotiations, "the health of people and the environment at center stage" is needed with the objective of maintaining the highest standards on safety and protection.[134] The negotiators should not move from the EU Precautionary Principle to the US risk principle.[135] The Vereniging Nederlandse Petroleum Industrie (VNPI) and the Koninklijke Nederlandse Chemische Vereniging (KNCV) have not yet issued TTIP-specific position papers.

5.1.2. Opinions on TTIP: stakeholder interviews

The interviewed stakeholders are generally in favor of free trade as it would provide additional export opportunities. With regards to export opportunities, some stakeholders also hope for the inclusion of liquefied gas, which is currently not allowed to be exported from the US. As for imports, it is not clear yet if crude oil will be included, but some chemical companies would be highly in favor of accessing this cheap energy source from the US. Another issue that some companies would highly value as part of the agreement is a harmonization of standards (e.g. for labelling, risk assessment etc.). Finally, it was also mentioned that an FTA would lead to job creation in the EU.

5.1.3. Perceived SWOT analysis: chemical industry

Strengths	Weaknesses
▪ Well-established in the Rotterdam area. ▪ Companies with established branches in the US: competitive advantage. ▪ Companies with well-developed trading networks.	▪ Competition from countries/regions (e.g. China, US and Middle East). ▪ High regulatory costs. ▪ Precautionary Principle: decrease in competition and innovation.
Opportunities	**Threats**
▪ FTA will bring more trade thus more opportunities. ▪ Less NTBs & simplification of all the regulations. ▪ More substances can be imported from US (such as LPG).	▪ Increased competition from the US. ▪ Possible further regulations: more complications in the industry.

Table 5. *SWOT: Chemical industry based on perceptions*

Strengths. Most interviewed companies are MNEs with strong positions in the EU and the US and worldwide trade flows.

We concluded the same strengths in our descriptive assessment.

Weaknesses.
The chemical sector faces high regulatory costs arising from the high standards that the REACH legislation and the Precautionary Principle require, making it not as competitive as it could be.

Interviewees in the chemical sector did not mention competition from other countries and regions as a weakness. Moreover, high environmental standards are not perceived as hindrance for innovation.

Opportunities. Almost all companies see increased trade per se as positive and consequently also regard an FTA as an opportunity. The elimination of NTBs and the harmonization and standardization of regulation additionally foster trade. Furthermore, a better protection of property rights can be advantageous for chemical businesses. Moreover, some substances are currently not allowed to be exported from the US (such as LPG), which could present a new business opportunity if these barriers were resolved. TTIP could also give European companies access to the much cheaper crude oil from the US, which is currently not allowed to be imported.

Interviewees did not sense the opportunity of innovation through better communication.

Threats. The US as a chemical exporter is a strong competitor, therefore allowing them to even further access the EU market might entail ferocious competition for European companies. Another threat might be further complication of regulations regarding chemicals. By now, the chemical companies already have to adhere to a complex legislation in the form of REACH and if TTIP leads to either duplication or further complication this would imply further costs for this industry sector.

Chemical companies in our analysis did not perceive the gap in the product offering of American competitors as a threat.

5.2. The logistics industry

5.2.1. Opinions on TTIP: position papers

The European Automobile Manufacturers' Association (ACEA) together with the US associations for automobile manufacturers voiced their favorable position on TTIP, stating that it would lead to an "increase [in] trade volumes, lower production costs, create more and better jobs, and improve industrial competitiveness."[136] Also, environmental standards would not need to be lowered with the adoption of TTIP. The European Shippers Council (ESC) is also positive towards TTIP and named essential points to be the reduction of tariffs, "simplification of the certificates of origin and the procedures at import."[137] Also, the European Transport Safety Council (ETSC) is generally favorable toward TTIP and especially hopes for the removal of non-tariff barriers (e.g. meeting two different environmental standards) and sees harmonization but not simple mergers of standards of already similar approaches as crucial. The ETSC criticizes the secrecy and in-transparency that hinders the association to influence TTIP more directly.[138] The railway associations support the TTIP negotiations provided the agreement contains ambitious tariff reductions and market access possibilities especially regarding public procurement.[139] The European Logistics Association (ELA) has not yet published a common statement of its members on TTIP.

5.2.2. Opinions on TTIP: stakeholder interviews

Overall, the interviews showed that TTIP and the negotiations thereof are not very topical in the logistics sector. Other topics such as fuel prices are prioritized. The lack of interest is often explained by referring to the secrecy of the negotiations and the prioritization of the day-to-day business. It is unclear for some interviewees how such non-transparent negotiations can be influenced by single companies or even regional or national associations. Nevertheless, in comparison to the other top industries in this report the logistics sector is the most outspoken on the topic, also with regards to published position papers by associations.

The interviewees show a generally positive attitude toward TTIP expecting it to lead to higher trade volumes and consequently higher work volumes for logistics companies. An often mentioned opportunity would be the inclusion of the Jones Act in the agreement. The Jones Act hinders EU exporters to bring their goods to more than one harbor in the US, which makes export at times very inefficient. Especially companies that already now base their strategy on an ambitious TTIP agreement see more benefits than disadvantages, also for smaller sized companies.

Threats were not mentioned very often, although the companies and associations acknowledge that TTIP could lead to further competition in every industry and therefore also in logistics. Usually named as a hurdle to the adoption of TTIP are the different standards and regulations that are complicated to streamline or to harmonize. If no solutions to topics as the health and safety standards are found, the TTIP agreement might be unsatisfactory in the long-term.

5.2.3. Perceived SWOT analysis: logistics industry

Strengths	Weaknesses
▪ Strong sector in the Netherlands: Europoort. ▪ Companies with established networks in the US through partners or own operations: competitive advantage.	▪ Unequal access of the two blocs: the Jones Act. ▪ European companies have to adhere to higher environmental standards.
Opportunities	**Threats**
▪ SMEs: establishment in the US ▪ Increased import and export flows. ▪ Softening of the Jones Act ▪ Innovation and export of superior technology	▪ Differences in health and safety standards. ▪ Increased competition. ▪ Increased liability through new regulations.

Table 6. *SWOT: Logistics industry based on perceptions*

Strengths. The logistics sector perceives itself as a very strong and well-established sector in the Netherlands. Especially the Port of Rotterdam and its well-functioning network to the hinterland can be considered a strength not only for Rotterdam, but also for the Netherlands as well as the European Union. Many logistics companies and service providers already have well-established networks in the US, which can be a considered a competitive advantage when TTIP gets adopted.

> *In addition to the high performance, we discovered that many companies are already well-established in the US as well, which they believe to be a strength.*

Weaknesses. A very significant weakness was discovered in the interviews that lead to a competitive disadvantage for the EU: The Jones Act. The Jones Act hinders European (and all other countries) to access the US ports with the same liberty as US companies can access European ports. It is not yet planned that the Jones Act will be part of the TTIP negotiations.

> *Interviewees did not perceive the different quality standards of infrastructure among EU member states as a weakness. Moreover, the fact that the European market is highly regulated and the lack of qualified staff were not mentioned. The lack of a liberalized maritime market was addressed as a weakness but rather with regard to the Jones Act in the US than to the EU.*

Opportunities. There are three potential opportunities to be mentioned that were discovered: 1) TTIP in general aims at heightening trade flows which consequently would lead to a higher workload for logistics companies. 2) If TTIP contains the Jones Act in some form or another or lessens its impact, TTIP as such presents an even bigger opportunity for the Netherlands and for Dutch logistics companies, especially those working in maritime logistics. 3) A FTA is perceived as great opportunity to extend their network in the US and to increase their work by SMEs.

> *Export of superior technology was mentioned by only one stakeholder. Apart from that, the same opportunities were mentioned as the ones in the descriptive SWOT.*

Threats.

The main threats that were mentioned not only in the interview but also in the position papers are the high differences of standards and that new standards might lead to even further difficulties. Additionally, opening up the market could also lead to more competition. However, this was not mentioned by many as a threat.

> *Interviewees did not perceive increasing environmental standards arising from the adoption of TTIP as a potential threat. We found that this increase would lead to higher operational costs, and therefore, it constitutes a threat in our analysis.*

5.3. The energy industry

5.3.1. Opinions on TTIP: position papers

The International Association of Oil and Gas Producers (IOGP), representing about half of the world's oil production and one third of gas production, generally supports TTIP, though its specific position varies issue by issue (Oil & Natural Gas Industry Positions). IOGP supports the abolition of export barriers and the prohibition of dual pricing and export monopolies. Furthermore, IOGP demands a "commitment to stable, competitive and predictable investment frameworks"[140], which could be interpreted as support for ICS.

5.3.2. Opinions on TTIP: stakeholder interviews

Generally speaking, TTIP does not appear to be a top priority for the interviewed stakeholders: Although we did not speak to a Dutch energy producer, we spoke to numerous petrochemical companies producing energy as part of their business activities as well as companies in energy-intensive industries. The general sentiment is that a trade agreement with an energy chapter would increase the trade flows in this industry leading to a reduction in prices. The stakeholders we spoke to regard this as beneficial.

Nevertheless, TTIP is not regarded as a priority. For energy-intensive companies, for instance the chemical sector, labelling regulations present a more pressing issue than general energy legislation. For petrochemical companies, specific legislation related to their operations, e.g. refining, is of greater concern. Nonetheless, companies follow the developments on TTIP and use their membership in general trade associations to voice their opinion. But no company we spoke to took a public stand on the energy chapter of TTIP.

5.3.3. Perceived SWOT analysis: the energy industry

Strengths	Weaknesses
▪ Strong sector in the Netherlands. ▪ Rotterdam: the energy port of Europe. ▪ Energy-intensive companies: well-established in Rotterdam. ▪ Companies with existing infrastructure in the US and EU.	▪ Great share of industry is based on traditional energy.
Opportunities	**Threats**
▪ Cheaper energy for Rotterdam and the Netherlands. ▪ Alignment of policies on CO2 emissions and energy classifications. ▪ Leverage and foster expertise in alternative energies.	▪ Impact of cheap energy from abroad of Dutch producers. ▪ Shifting industry dynamics (ICS).

Table 7. *SWOT: Energy industry based on perceptions*

Strengths. Some companies already work in both trading blocs and already have well-functioning infrastructures. For them it does not matter as much whether or not TTIP gets adopted.

> *We identified the same strengths.*

Weaknesses. No obvious weaknesses were mentioned in the interviews nor found in the position papers.

> *The interviewees did not perceive the reliance on traditional energy sources to be a weakness of the energy sector.*

Opportunities. Especially the inflow of cheap energy to energy-intensive companies can be seen as a powerful opportunity to become more competitive in the global market. Moreover, an alignment of the current policies on CO_2 emissions can lead to reduced costs and time spent.

> *In our analysis, we found additional opportunities for the energy industry: (1) access to energy from a politically stable country, and (2) leverage the Dutch expertise in alternative energies to distinguish itself from the US.*

Threats. No obvious threats were mentioned in the interviews nor found in the position papers.

> *The interviewees did not perceive the potential decrease of local competitiveness caused by the access of cheap energy from the US as a threat. The same applies for the shifting industry dynamics.*

5.4. The agro-food industry

5.4.1. Opinions on TTIP: position papers

The European Federation of Food, Agriculture and Trade Unions (EFFAT) has drafted a joint letter to the EU Commissioners for Health, Trade and Agriculture expressing its concerns about the potential dangers that TTIP would bring to the integrity of the EU food and farming system, the welfare of workers in these sectors and the general public. The letter was also signed by HEAL, Slow Food and Eurocoop Compassion in World Farming.[141] At the EU level, Copa-Cogeca and Food Drink Europe, representing EU farmers, agro-cooperatives, and food and drink manufacturers are overall supportive of TTIP. [142] Food Drink Europe strongly supports the negotiations for an ambitious TTIP agreement that includes the priorities of Europe's food and drink industry. The TTIP agreement could contribute to the increase of the sector's competitiveness and boost innovation, while helping to create jobs and growth. As stated by Food Drink Europe, the aim of this agreement for the agro-food sector is the creation of a SME-friendly framework that provides both US and EU enterprises with the opportunity to offer their products to a wider audience at more competitive prices.[143]

5.4.2. Opinions on TTIP: stakeholder analysis

As the negotiations on TTIP are still ongoing and privately held, the industry representatives do not put TTIP as a priority topic in their daily business routines. Nonetheless, they reckon it is a rather significant matter to follow. However, as food is a highly-sensitive topic and publicly discussed as illustrated by the media analysis, the stakeholders tend to avoid publicly voicing their opinion on the topic in order to avoid potential consumer backlash.

The interviewed stakeholders support the overall idea of FTAs as such would benefit the Dutch producers since they represent high-quality products that are recognized around the globe. Furthermore, TTIP in particular would lead to higher trade volumes than current ones and establish new market relations with the US.

The agro-food industry representatives acknowledge the existing challenges surrounding TTIP. One of the main challenges is the difference between regulations on the topic of food and health safety in the EU and US, and outline this as the largest hurdle in the way of TTIP's adoption. Specific threats to the Dutch market were not assumed due to the quality of the product offered by the Dutch producers.

5.4.3. Perceived SWOT analysis: the agro-food industry

Strengths	Weaknesses
▪ Rotterdam's Europoort: strategic location. ▪ Previous trade experience with the US. ▪ Variety of high-quality products. ▪ Fresh fruits and vegetables: low risk produce.	▪ Differences in food safety regulations and techniques. ▪ Difficulties adhering to US food safety standards. ▪ Significant decline in the trade volumes to the US.
Opportunities	**Threats**
▪ Increasing demand for Dutch products. ▪ Increased access to the US market. ▪ Export opportunities for SMEs. ▪ Lower tariffs, lower costs. ▪ Technological innovation.	▪ Undisputable conditions on food safety regulations. ▪ Regulation vs. innovation. ▪ Consumer protection issues. ▪ Consumer backlash.

Table 8. *SWOT: Agro-food industry based on perceptions*

Strengths. The interviewed stakeholders in the fields of agro-food and dairy production outline the variety of products offered by the Dutch producers and their recognized quality as leading strengths with regards to TTIP. As fresh fruits and vegetables are low risk produce, this presents a benefit for trade opportunities. Moreover, the Netherlands can strategically use its previous experience in trade with the US, as well as the strategic location of the Port of Rotterdam. In addition to the overall strength, agro-food is particularly strong in innovative technology.

> *In our analysis, we found similar strengths for the agro-food sector.*

Weaknesses. The leading weakness in the food industry in regards to TTIP is outlined as the major difference in food safety regulations and techniques. This has led to a major decline in the trade rates with the US over the past years.

> *To the weaknesses perceived by interviewees, we would add that disruptions can occur easily due to a highly interrelated value chain.*

Opportunities. Potential opportunities are tightly related to the quality and recognition of Dutch produce in the US due to previous trade relations. The agreement would potentially result in an increased access to the US market for Dutch products. Hence, companies would have increased export opportunities, especially SMEs. With the decrease in tariffs, fruitful opportunities of exploring technological innovations overseas and implementing technologies in the Netherlands could arise.

> *Stakeholders did not feel the heightened potential to build innovative partnerships to be an opportunity.*

Threats. According to the stakeholders, the biggest threat of TTIP are the undisputable conditions on food safety regulations. The technologies used by the US and EU are too different and there would be difficulties establishing a common ground on all issues. Furthermore, these discussions would draw public attention which would potentially lead to a consumer backlash.

Additionally, we found that price-based competition would increase for some sectors. Moreover, consumer protection would be even more difficult.

5.5. Conclusive remarks on perceived industry analyses

Contrasting our descriptive and perceived industry analyses, we can see a great overlap. Many businesses in the Rotterdam community are aware of the opportunities and threats that TTIP can bring. However, it is difficult for them to make any finite statements due to the ongoing negotiations. We hope that this overview shows that businesses located in the Rotterdam area have now an unprecedented opportunity of sharing opinions on the agreement, develop common ground and actively engage in TTIP negotiations together. Especially, Rotterdam businesses from the same industries can engage already now in information sharing and communicating their needs to the negotiators in Brussels and Washington. This is also in line with our recommendations that will be presented at the end of this report. Among others, we suggest themed events/forums with focus on specific topics relevant to the different industries.

5.6. Limitations to our stakeholder analysis

Before moving on to the recommendations, we would like to point out some limitations to our research. The research for this report has been conducted in the timespan from February 2016 until May 2016 by Rotterdam School of Management Master students for the Rotterdam Chapter of AmCham. In this timespan the 12th and 13th round of TTIP negotiations took place and more rounds of negotiations are planned for this year. Therefore, this report can only provide a limited amount of insights: we looked extensively into the current status of the agreement, but all texts are likely to change over time. Especially, the documents leaked by Greenpeace showed that on many points the EU and US have not yet reached any form of consensus.[144] For many businesses the ongoing negotiations on TTIP also imply that they do not have a fixed opinion on the agreement yet and at times this also impacted their answers in our interviews. Often it was the case that participants prepared for the interview in advance and searched the news on TTIP, therefore not providing us an untainted insight about what they currently know on this topic. In addition, TTIP is considered by many a highly sensitive topic, which limited the openness of the interviewees towards us.

Although we gained a lot of insights into the various industries that we analyzed for this research, we do not claim to be experts by any means. This needs to be mentioned especially with regards to the objective SWOT analyses. Talking to industry experts, we gained a lot of valuable insights that we want to provide in this report, however, these sections can certainly be extended and expanded by true industry experts. Thereby they can also be made useful on a broader basis, maybe even as practical support to the different industries that are part of the RAC network.

Another limitation was the response rate to our requests for interviews: Not all contacted stakeholders got back to us or they refused to give us an interview. Interestingly, especially NGOs that were contacted referred us to their position papers online instead of giving us an interview. It is unclear why this is the case and we did not contact enough NGOs to draw sensible conclusions.





Part 3

RECOMMENDATIONS

6. Introduction to recommendations

The previous sections provide an overview of how the business community in Rotterdam sees TTIP and what their expectations are with regards to this agreement but also with regards to AmCham's role in the future. Before we now develop practical recommendations on how to mobilize the business community in Rotterdam on TTIP, we need to have a look at RAC itself, its network and the potential that lies within such a network. The network analysis is the final basis for our recommendations. RAC, as sub-committee of AmCham Netherlands, is even more specific and consists of a small group of executives that meet regularly and organize events on Rotterdam specific topics. Networking thus forms a central part of RAC's existence.

6.1. Network analysis

For RAC to mobilize its members on the topic of TTIP, an assessment of the network is needed, to disclose which are its direct and indirect members, how collaboration can be fostered and knowledge be shared more frequently.[k] (Social) Network Analysis (SNA) is a powerful analytical framework that helps to understand and map relationships and connections between people and organizations. Often SNA is used to investigate intra-organizational structures, but an application to inter-organizational formations is also possible.[145] Such a network analysis shows which resources lie within the network and can be leveraged to reach a shared objective.[146] Especially for reaching "political clout and expertise"[147] a clear overview of one's network is crucial. SNA can help to show the number of links between organizations, isolation of units, point out experts as well as bottlenecks and subgroups.[148] However, not only quantity but also the strength of the ties between organizations is important.[149] Research has shown that to access information that is non-redundant, weak ties are better than close ties. The closer the ties are among two units the more often they share the same knowledge on a specific topic. The weaker the ties the more likely it is that the knowledge in each unit is non-redundant and therefore potentially valuable to the other.[150]

6.2. RAC and its member network

A recent survey on the current and past members of the AmCham Netherlands community showed that generally businesses find it very valuable to be part of the AmCham network and that they perceive especially knowledge and idea sharing as beneficial.[151] With its network AmCham Netherlands addresses senior executives that can attend events to connect businesses and share knowledge on the one hand. It addresses young professionals that focus on networking and skill development on the other.[152] Through networking the ties between the two continents are expected to strengthen. Due to the focus on certain types of individuals (i.e. senior executives and young professionals) and on either US or Dutch businesses the network is rather specific. The establishment of sub-committees on a national level for various issues such as diversity, policy or pharmaceuticals helps to work together and to exchange opinions, knowledge and information on specific topics.[153]

[k] In the context of this report, we decided to continue with anonymity also in this part. The AmCham Netherlands membership directory is online available. This analysis points out the value of a business network along various dimensions and focus not on the specific members therein.

In contrast to common networks that are based on invisible ties, AmCham Rotterdam has a visible network based on membership that can be found via the membership directory on the main website of AmCham Netherlands.[154] Nevertheless, this is only the visible network horizon[155] of AmCham Netherlands and RAC. Our research for this project shows that the network can be extended. Many indirect links to companies and associations were found that constitute an extension for RAC and could be leveraged. Of course, these links are now based on a certain topic – TTIP – and can vary for any other project.

Our research shows that RAC's members can be found in all kind of industries and each member has contacts to adjacent industry sectors making the direct and indirect network rather large. The sectors range from banking to law and accounting firms, from the logistics sector to chemicals and to government-owned businesses such as the port authority of Rotterdam. Most members of RAC are also members of several other (trade) associations, often specific to their industrial sector. These (trade) associations are mostly used to gather information specific to the industry, to be represented in EU negotiations or on national level and sometimes also to gain reputation and legitimacy.[156] Conclusively, RAC's direct network can be perceived as a small, closely knit network, whereas the indirect network of AmCham Netherlands is rather large and based on weak ties.

6.2.1. Implications of such a network for our recommendations

A closely knit network implies trust and shared interest and is very valuable for working towards a shared goal. When these kinds of networks are substantiated by an indirect weak network, there is a higher possibility of the existence of non-redundant knowledge and information within the overall network. The existence of the direct network can be helpful in times of uncertainty as is currently the case with the TTIP negotiations. If RAC activates additionally its indirect network, together with its members it possibly gains even more valuable insights into what TTIP could mean for the Rotterdam business area. Additionally, the weak ties network also entails that knowledge and information can spread more easily *beyond* the existent network into adjacent networks.[157] A weak tie network has a higher reach within the entire population of its direct and indirect members.[158] Regarding the ultimate aim of mobilizing RAC members in the TTIP negotiations, these indirect and direct network together are presumed to have high reach, which is good in terms of leveraging a critical mass.

What needs to be kept in mind is that the indirect network is marked by loose ties that prohibits trust to emerge easily. Cooperation in the indirect network might be difficult as most members have varying interests with regards to topics such as TTIP. The weak ties also lead to a situation where the organization of any movement towards a common goal is rather difficult[159]: first of all, it is difficult to find a common objective that does not simply depict the lowest common denominator and second, organizations are such complex networks within themselves that it is highly likely that they follow various non-aligned objectives simultaneously. Furthermore, *within* a loose network ideas do not spread very easily or quickly[160], especially not on a difficult topic when trust is not given. A further hindrance to cooperation is geography.[161] Although all businesses that were interviewed are based either headquartered or run operations in Rotterdam, most of them conduct business around the globe and are therefore not easily 'reachable' in their

entirety. Many interviewees had difficulty developing a clear opinion on TTIP as they also have business in the US or are providing services for both sides.

6.2.2. How to leverage the power of RAC's direct and indirect networks

In a recent publication Walker and Rea argue that most businesses are politically active on their own rather than via an association. But they acknowledge that trade association and other forms of associations are important to support companies' efforts to be politically active.[162]

There are four dimensions[l] along which RAC can improve interaction with its network. These dimensions will be directly and indirectly addressed with our recommendations[163]

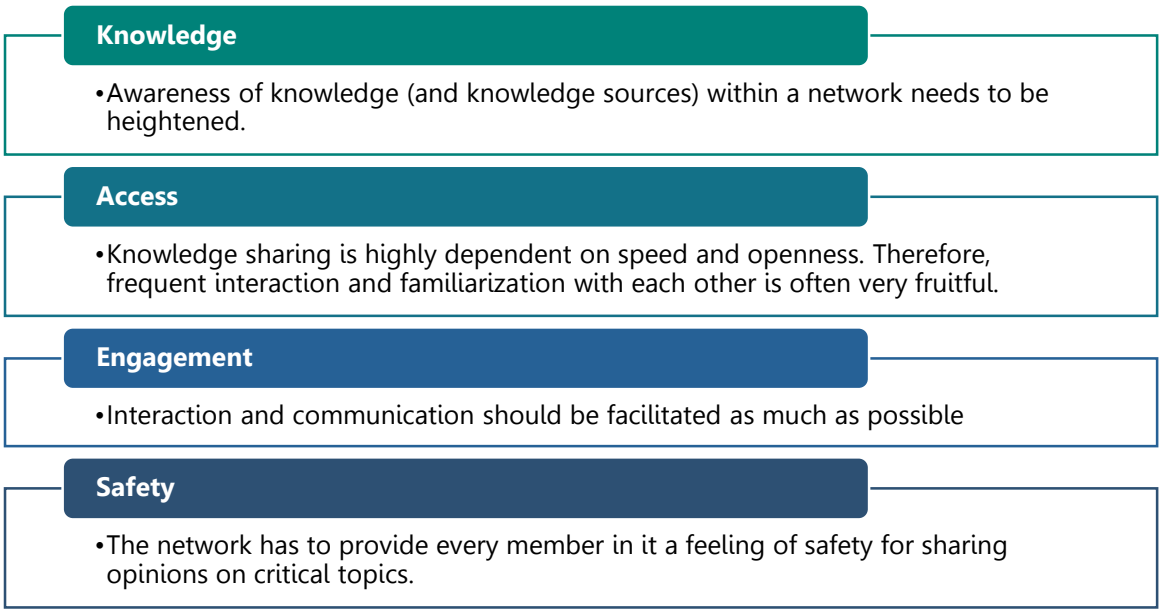


Figure 26. *Four dimensions along which RAC can improve interaction*

So what does this network mean for RAC's objective of mobilizing its members? Through strengthening of the network RAC can leverage the power of the network and hence mobilize its members more easily. All four dimensions also apply on the researched opinions of TTIP: 1) Many interviewed businesses are not aware of other members' opinions and knowledge regarding TTIP. Consequently, they often gather information rather in industry-specific associations instead of relying on RAC or AmCham Netherlands. 2) Access to information and frustration due to a lack of comprehensive overviews was often mentioned in the interviews. However, some stated that there is no shortage in information. This is a clear example where information sharing would be helpful. 3) Engagement is one of the most important points that were researched for this report and in the section on recommendations, we focus on how engagement can be fostered and facilitated. 4) We have found in various interviews but also in the email contact with those companies that declined an interview, that the TTIP negotiations are a sensitive topic for many companies. In this regard, it is positive that RAC already has a trust-based member network and should seek to

[l] These dimensions are adapted from Cross *et al.* and Bandyopadhyay *et al.*

extend this into its weak-tie indirect network. Our recommendations in the following section show how a strengthening of the network can work.

7. Recommendations

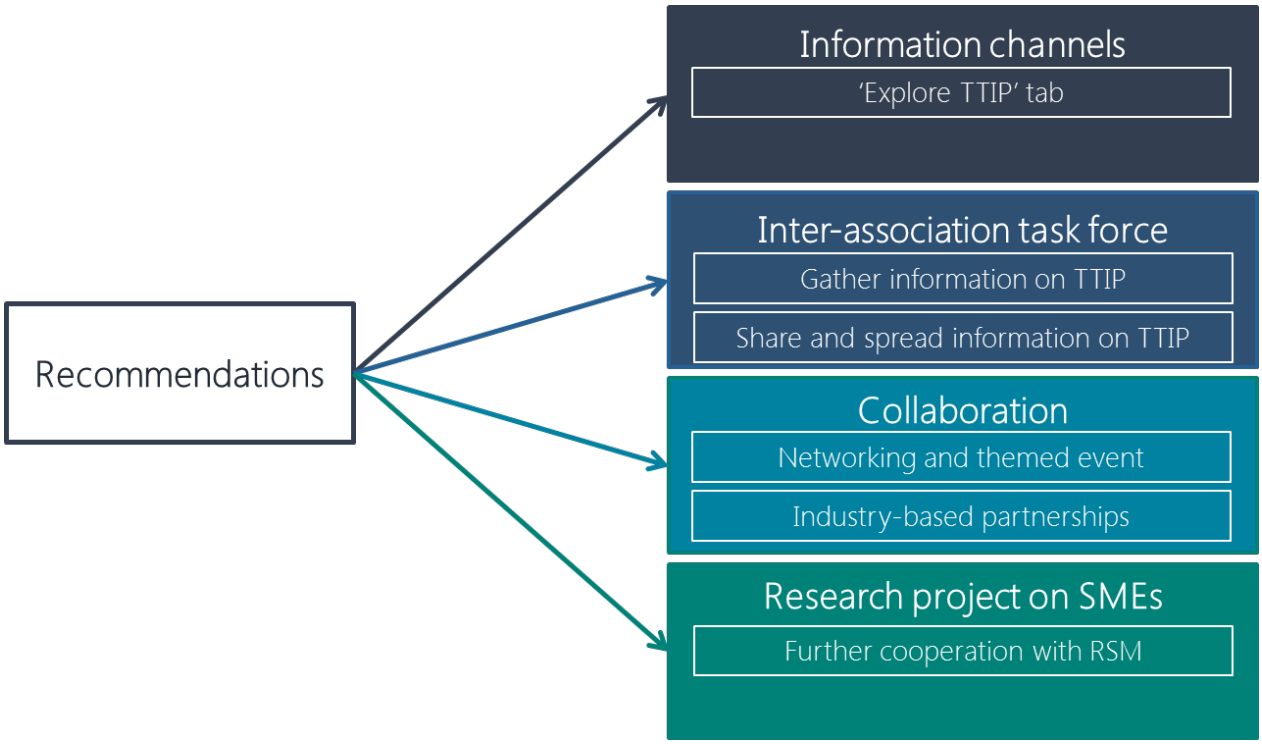


Figure 27. *Recommendations to AmCham and RAC*

Based on the previously presented network analysis, we offer feasible and practical recommendations to RAC on how to best leverage its existing network to involve members and create value added for them. The recommendations are addressed at AmCham Netherlands and RAC and provide tools to be more actively involved on TTIP. These recommendations are focused on the topic of TTIP. Nonetheless, their application can be easily extended. To add value to AmCham's members, we incorporate information gathered from stakeholder interviews as well as best practices from trade associations we researched and/or interviewed. Considering RAC's size and resources we would like to first give some general recommendations to AmCham Netherlands and then conclude with RAC-specific recommendations.

7.1. General recommendations to AmCham Netherlands

In accordance with the results from the stakeholder interviews, we established that the most important role of AmCham NL in regard to TTIP is the dissemination of relevant and well-summarized information. We suggest a focused approach through the establishment of additional information channels. As outlined by the interviewed stakeholders, the volume of information on TTIP is currently too big/too small, unclear and not comprehensive or specific enough.

7.1.1. 'Explore TTIP' Tab

The specially created TTIP tab on AmCham Netherlands' website could guide members and interested parties through the massive volume of information available. The section could provide the following information:

- Comprehensive information on TTIP in relation to the Rotterdam business cluster.
- Links to relevant information channels on TTIP such as the European Commission's website on TTIP, the United States Trade Representative website to provide a general overview on the topic.
- Links to social media channels to track daily updates and discussions.
- FAQ section with answers on general topics but also issue-by-issue sections.
- 'Relevant for your industry' section which provides industry-specific information as well as relevant information channels on particular TTIP issues.

The number of information sources on TTIP will inevitably continue to grow with the development of the agreement. Therefore, it is important to continuously update the social media channels and information sources in the TTIP website section. It is essential to provide objective, well-defined and focused information. Given that AmCham EU[m] – but also other associations such as VNO-NCW[n] – already provides a similar tab to its members, AmCham Netherlands can possibly collaborate with them. AmCham Netherlands could either derive information from the EU website or write information specific to the Netherlands, or they could simply translate it into Dutch.

7.1.2. Inter-association task force on TTIP

Building on the previously mentioned recommendations, we further suggest the creation of inter-association task force on the topic of TTIP at the AmCham Netherlands level. As the European representative of AmCham is already making use of such a task force[164], it is of great value to actively engage with the task force team(s) in Brussels to obtain information on TTIP but also on the successful performance of the task force.

Objectives of the inter-association task force. The main goals of the task force would include gathering relevant information, spreading it among members and interested parties and continuously updating members on the recent developments on the topic of interest. Furthermore, the task force would contribute to the previously established TTIP section on AmCham Netherlands' website with relevant information. Also, the inter-association task force could offer training and workshops for company representatives on relevant topics related to TTIP. Companies could send employees to obtain more specific information on TTIP and the task force could also provide them with valuable tools for gathering information or making use of all available data on the topic. In addition, we believe that these AmCham representatives that are knowledgeable on TTIP will have the opportunity to speak on this topic at other associations' events, drawing thereby more attention to AmCham's work.

[m] http://www.amchameu.eu/ttip
[n] https://www.vno-ncw.nl/standpunten/ttip

Task division among members. To efficiently execute the tasks and achieve its objectives, an efficient workload division is of great essence for the task force. The task force would consist of one employee, at AmCham Netherlands level, who gathers and disseminates information on TTIP. Together with other employees from other associations, such as Deltalinqs and VNO-NCW, a multidisciplinary task force on TTIP could be formed. Since these associations have different interests and other members, each person on the task force can focus on specific topics and then share gathered insights with the others. Additionally, we would suggest to have one employee target in his/her research the Rotterdam business area and provide them with regional information.

7.1.3. Advice upon request

Our research has shown that other associations successfully use online advice tools for their members: We suggest AmCham Netherlands to offer on its website an option that goes beyond the "frequently asked questions" (FAQ) option. The FAQ will be the first step for members in their research. If their question is not answered or is highly industry specific, they can move on to the second step. In this step they can specify their question to an actual person. This person would be a member of the TTIP task force and would be able to provide detailed answers to the request or to refer to external sources. Depending on how far-reaching the request is, AmCham Netherlands can ask for a reasonable fee.

This advice upon request has several advantages for AmCham Netherlands: It can put to use its knowledge gathered by the TTIP task force and it gives insights to real life questions that companies have with regard to TTIP and American-EU business. Moreover, it would be a tangible help to its members as requested in the interviews. Additionally, it could be a new income stream for AmCham Netherlands. We expect the questions to be answerable within a short time and with little effort, as our research has shown that many companies have very similar questions. Lastly, AmCham Netherlands has probably quite some time until this tool will be needed with the TTIP negotiations not being close to an end and can therefore already accumulate knowledge and information now, being prepared for when it is needed.

7.1.4. Different levels of membership fees

A last recommendation to AmCham Netherlands concerns SMEs: As predicted previously to the research, SMEs lack the resources to engage in active engagement with regards to TTIP. Nevertheless, TTIP is an agreement that will also influence SMEs and SME constitute a viable part of the Rotterdam business community. In order to engage SMEs more and give them access to networking events, we suggest AmCham Netherlands to adopt different levels of membership fees that make it also attractive for SMEs to join the association. This tactic has already been adopted by EVO, which charges different prices to different categories of organizations including small (1-20 employees), mid-sized (21-100 or 101-200 employees), large companies (201-500 or more than 500 employees), hospitals, and municipalities. To ensure consistency, AmCham Netherlands can target SMEs that want to trade with the US or that are already engaged in intercontinental trading activities. In return, AmCham can play a bigger role in the Netherlands and gain a bigger presence in the business communities across the Netherlands.

7.2. RAC-specific recommendations

7.2.1. Collaboration

RAC has been identified as an essential partner on the topic of TTIP by a number of stakeholders. Therefore, we suggest the creation of strategic partnerships that will create value for all parties included, and their members. One of the most essential points in creating collaborative relationships is the expansion and strengthening of RAC's current direct and indirect network, as outlined in the network analysis. Through collaboration with other associations, RAC would have the opportunity to move beyond its existing network and possibly identify new members and valuable partners for the future. We suggest creating partnerships with associations with broader membership but also with those that have a more focused approach. This would provide a variety of perspectives on different topics and enable more vibrant discussions. Through partnering with associations such as Deltalinqs[o], VNO-NCW, or EVO, RAC can efficiently distribute the workload among the different partners. By working together with other stakeholders, more diverse information would circulate around the task force and be passed on to the interested parties.

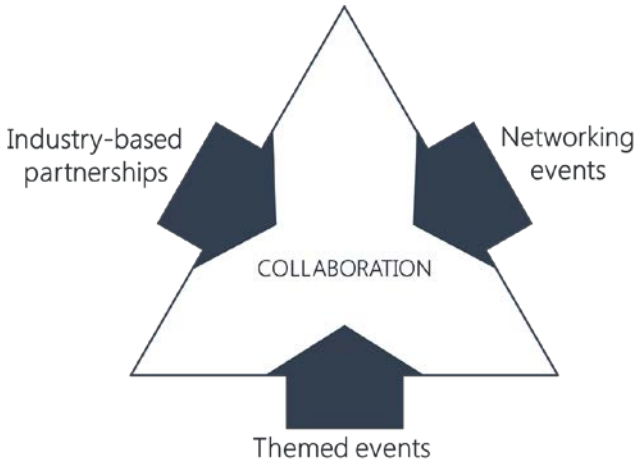


Figure 28. *Collaboration as a recommendation*

Industry-based partnerships. Creating partnerships with associations representing particular industries and clusters will enable RAC to provide its members with industry-specific information. As RAC has a diverse directory of members in terms of industries and size, it would be efficient to create partnerships with associations focused on single and/or specific clusters to provide focused, issue-based information. Frequent industry-specific events can also heighten the trust among indirect members leading to more willingness regarding knowledge sharing. The industries outlined in our report are significantly represented in the Rotterdam area. Thus, we suggest these industries as a starting point for the creation of such partnerships.

Themed events. With the support of newly established partners, RAC could organize themed events targeted at specific industries such as Oil & Gas, Agriculture & Food, etc. representatives from the specific industries could give presentations focused on the specific industry of interest

[o] Deltalinqs expressed this wish during the interview and based on this a first themed event took place on June, 7th 2016.

and discuss relevant topics. One example would be an event on how the chemicals industry is currently challenged by the REACH legislation and how TTIP could change this.

What is more, it is important to provide information from both sides of the agreement. Therefore, we believe RAC could seek and invite speakers that specialize in the topics and represent the US side. As most of the RAC members are interested in the EU viewpoint, there is negligence towards the opinion of the US businesses. Hence, RAC should explore the possibilities of inviting US business representatives to such events to obtain a wider view on the topic. Additionally, the task force would be highly informed about TTIP, and therefore the members could actively participate in the organization of themed events, discussion panels, and networking events on TTIP.

Networking events. As identified in the interview analysis, many interviewees would like to see a discussion forum in which they can discuss TTIP with a large variety of stakeholders for more insight into, a more nuanced view on, and a broader understanding of TTIP issues. Thus, we suggest the organization of frequent networking events on specific topics to be a valuable strategy for RAC to involve its members and support them in their development. Through collaboration with other associations whose members are interested in TTIP, RAC could facilitate networking events with a focus on the agreement or other topics of interest. As mentioned above, if RAC collaborated with other associations, the network would expand. Hence, more opinions will be presented during such events rather than limiting to the ones of the association's members. Additionally, members would have the opportunity to explore other viewpoints, engage in discussions and obtain valuable information from other parties. As topics like TTIP are viewed differently in the various industries, collaborative efforts with industry-specific associations would provide a comprehensive and practical view for RAC's members.

7.2.2. Project "SME impact assessment"

Our research has shown that SMEs are not very active the moment with regards to TTIP. Requests for interviews were at times turned down by SMEs with the argument that they lack the time to take part in this research. Considering that TTIP is supposed to be one of the first SME-friendly free trade agreements, however, it is important that SME are informed about TTIP. Therefore, we suggest to RAC to have a subsequent student-led project, for example at RSM, assessing the impact of TTIP on SMEs. To also gather the opinions from SMEs, we strongly suggest to do this assessment via a survey, based on a small number of explorative interviews that will be sent out to a rather large number of SMEs to ensure a high response rate. Furthermore, it might be reasonable to consider in which industries SMEs trading with the US are highly represented.

The recommendations outlined above were created in accordance with the wishes expressed by the stakeholders interviewed throughout the process of this project. We believe that these suggestions would result in the optimal involvement of AmCham Netherlands' and RAC's members in the discussion on TTIP, especially with the development of the agreement. As it is essential to encourage active discussion among RAC's members, we reckon that these recommendations would result in the desired outcome.

8. Conclusion

What can TTIP mean for the Rotterdam business community?

A free trade agreement between the two largest economic blocs in the world will shift the economic dynamics around the globe. Consequently, there will be winners and losers in every industry and sector. Since TTIP specifically is an unprecedented event, no one can say with certainty who will be the winners and the losers. As was seen with previous FTAs not all consequences can be forecasted. Nevertheless, what is certain at this point in time is that industries and businesses that start preparing early, that voice their opinions now and let negotiators know what their needs are, have a better chance of paving the way to reap the benefits of such an agreement.

The answer to our overarching research question *What can TTIP mean for the Rotterdam business community?* is not an easy one. As stated throughout the text, the ongoing negotiations hinder any clear statements on TTIP. Nevertheless, our findings show that we can expect TTIP to have an impact on the Rotterdam business community. The extent of this impact depends however on many factors: The exact content, the industry, the individual business and its trade integration with the US, and many more. The next section tries to provide figures to make the impact of TTIP more tangible. However, these are mere estimates. More than half of the interviewed stakeholders support the statement that TTIP will have consequences for the Rotterdam area, with some of them being involved in the ongoing negotiations and already adapting their strategies to a future agreement.

Reflecting on the stakeholder interview analysis, we can present the following findings

Knowledge and involvement. Only half of the companies see themselves as knowledgeable on the topic at least to the extent that their day-to-day business is concerned. Involvement, both publicly and politically, is limited with many companies relying on their industry-specific associations to represent them. Intra-organizational involvement is even lower, with only few individuals paying attention to the ongoing negotiations. The most frequently mentioned reasons for being not as involved or knowledgeable include prioritization of other topics, lack of resources (for in-depth knowledge), estimated low relevance of TTIP for the business, as well as fear of public backlash.

Opinions, expectations and wishes. Many companies and even associations have no far-fletched opinion on TTIP yet and are cautious in making public statements. The opinion-like statements that companies and associations made can be classified as 'hopeful' with regards to trade facilitation in general. With the content of the final agreement being unclear, it is not surprising that companies are unwilling to make definitive statements on TTIP.

AmCham's role. Trade associations in general and AmCham in particular play an influential role for companies with regard to information dissemination and facilitation of understanding the potential effect of TTIP. AmCham is also advised by our interviewees to take on a proactive role and create a discussion forum, in which AmCham could bridge between EU and US companies

and their opinions. Ultimately, AmCham could possibly also bridge between the business community and the general public as mentioned by the interviewees.

In conclusion, we find that there are many gaps with regards to knowledge, information and involvement that can be proactively bridged by RAC.

Our findings from the descriptive vs. perceived industry analyses

Overall, we find that the four focal industries in this report would benefit from TTIP as long as the content of the agreement does not raise the threats that we name in the descriptive analyses. Clearly, industries have to voice their needs and opinions now so that negotiators from both sides can accommodate these in the agreement.

Logistics. For this sector, overall trade facilitation with the objective of higher trade volumes is already beneficial. Rotterdam would definitely profit from the agreement with its port and well-established infrastructure. The interviewees from this sector assess the agreement similarly and do not see any concerns with regards to the adoption of an agreement as long as it is balanced for both sides. The (non-) integration of the Jones Act might lead to an imbalance with the US profiting more than the EU.

Chemical. This highly regulated industry experiences many barriers when trading with the US as legislation on both sides differs significantly to an extent where many products from the US are not allowed in the EU at all. Also within the EU, chemical companies face high costs due to the REACH legislation and the high environmental standards. Although all companies claim that they do not want to lower the safety, health and environmental standards imposed on their industry, they also hope that an agreement would lead to more streamlined and harmonized regulations for the entire industry. If this is the case, chemical companies see themselves on the pro-TTIP side.

Energy. This sector also seems to be favorable to an agreement. However, neither the companies nor the associations are very outspoken about their opinions. Generally, TTIP does not rank very high on the priority list for this sector. No overall conclusions can be drawn however, as we were not able to speak to a large enough sample of energy companies.

Agro-food. Much to our surprise we found in our analysis that this sector is positive towards TTIP, seeing fewer threats than we expected. This is mainly due to the already high trade integration with the US. Also considering our media analysis, the agro-food industry has no reason to publicly state their opinion as especially food safety issues are often used by anti-TTIP parties. The main reason for support is the access to a greater market, which in consequence would help the sector to grow and create more jobs.

Our recommendations to RAC

Based on our network analysis, we find that RAC has a strong direct network and weak-tie indirect network that spreads out into various industries in the Netherlands and in the US. Such a network has the advantage of easy access to non-redundant knowledge, which can now be leveraged, if RAC manages to lower the obstacles in the indirect network of lack of communication and the

consequent lack of trust. Taking this into account, we have several recommendations to AmCham Netherlands in general and to RAC in particular.

AmCham Netherlands. AmCham Netherlands is in a position where it can actively address the perceived lack of information among its members. We suggest an 'Explore TTIP Tab' on its website that provides its members industry-specific and up-to date information and assessments of the ongoing negotiations. This information provision approach could be highly substantiated by creating a proactive TTIP task force similar to the one on EU level. This task force would deliver the content for the TTIP tab as well as organize the partnerships and attend the themed events.

Rotterdam Chapter. Our stakeholder interviews have shown that some indirectly linked parties are interested in partnering with RAC on the topic of TTIP. Therefore, we suggest focused as well as broad partnerships. Together with these partners, RAC can organize frequent meetings via themed events and specific networking occasions. Frequency and regularity can heighten trust among the members. Considering RAC's resources, we also strongly advice to have a subsequent research project at RSM focusing on SMEs and TTIP.

Overall we conclude that now is the time for the business community in Rotterdam to get acquainted with TTIP and the ongoing negotiations, to form (shared) opinions and to speak up. Those who prepare early for this agreement and that are actively involved in the opinion-forming process might gain a competitive advantage for the time when TTIP non-depending its exact content will get adopted. AmCham has the necessary network and knowledge to help its members to prepare and we hope that our recommendations provide a good starting point for this work.

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Appendix

Appendix A. Methodology behind the News Media Analysis

Content analysis was conducted on a sample of 244 online news articles, covering two months' time of worldwide news on TTIP. The news media analysis provided up-to-date knowledge during the course of the project. It also allowed us to find and contact organizations that are actively engaged in the TTIP debate as proponent or opponent, and allowed us to ask more in-depth questions during interviews. Moreover, the news media analysis allows the analyses in this report to be understood as part of a broader context. Occasionally, interviewees explicitly referred to topics that were big in the news media, and our news media analysis directly contributed to the understanding of these interviews. Most importantly, we noticed a dichotomy looming between the public, governmental and non-governmental organizations, and corporations. Being aware of this allowed us to also ask exploratory questions in the interviews, discovering new topics.

Case selection: The articles were gathered using a Google Alert[165], and then purposively selected based on their relevance in the topic TTIP and on their online accessibility. We only selected Dutch and English articles. The articles covered a wide geographical span, as shown in Figure A below.



Figure A. *Number of news articles per country in the media analysis.*

***Codebook*:** The codebook was created using a "conventional approach" in qualitative content analysis:[166] Instead of creating categories beforehand, we used an inductive approach and let the data lead the conceptualizing of the codebook in an iterative process. The articles were coded in the program QDA Miner Lite, and were then analyzed using Tableau.

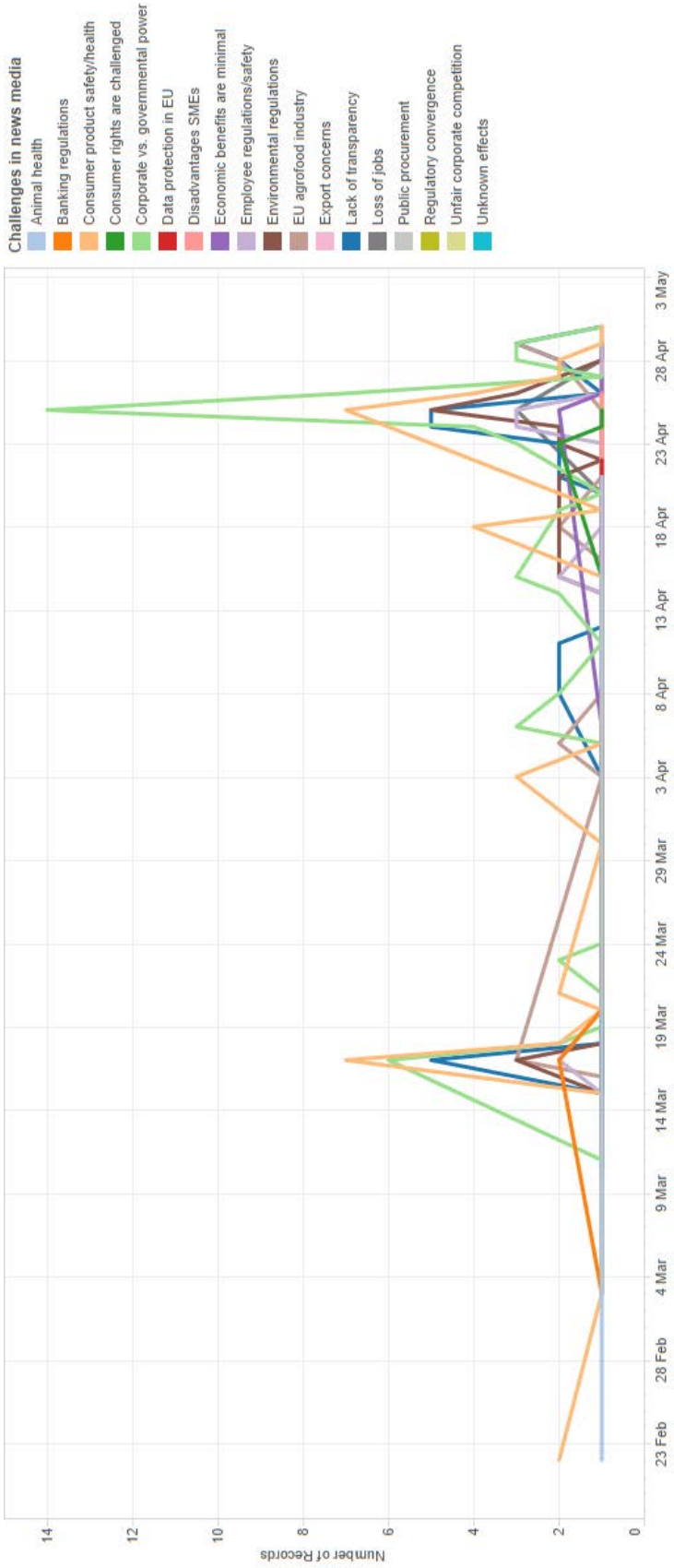
Reliability and validity: The reliability of the findings was ensured using an inter-coder reliability test (i.e. reproducibility) and stability.[167] To ensure stability, all articles were analyzed by the same principal coder, twice. Then, two coders were briefed and trained by the principal coder, and they each analyzed a random set of 25 articles (circa 10% of 244 articles) and created their own concept

codebooks. Based on discussions among the coders, a few codes were reworded and a few codes were expanded.[p] This consequently led to more *semantic validity*, as it allows more clearly defined categories. Indeed, reliability and validity problems are often grounded in *semantic ambiguity*. [168]

Additionally, the numbers and percentages should be understood as mere indicators of what was recently discussed in the news media. They do not precisely reflect nor represent the totality of what was discussed in the news media on TTIP, because the sample was limited to news media that is accessible as will be described below.

[p] For example, the code "lack of transparency and governmental secrecy" was reworded to simply "governmental secrecy". For example, the code "TTIP protests" was split up into "Berlin protest (Germany)", "Brexit vote (UK)", "Hannover protest (Germany)", "Referendum (NL)", "Trojan horse (int'l)", and "other petitions and demonstrations").

Appendix B. Timeline of TTIP concerns in news media



[1] European Parliamentary Research Service, (2014).
[2] European Commission, (2015c), SER, (2016).
[3] European Commission, (2015c).
[4] Ibid.
[5] Ibid.
[6] Ibid.
[7] SER, (2016), p. 6.
[8] EU Commission, (2015e).
[9] WTI, (2016); CEPS, (2014).
[10] WTI, (2016).
[11] EU Commission, (2015d).
[12] WTI, (2016).
[13] Ibid.
[14] Ibid., p. 11.
[15] Ibid.
[16] EU Commission, (2015d).
[17] WTI, (2016).
[18] Ibid.
[19] Ibid.
[20] Sociaal Economische Raad, (2016).
[21] Schmucker, (2014); Matthews, (2016).
[22] Steus & Heubuch, 2015; Peter, (2015); Emmot, (2014).
[23] Tost, (2015).
[24] European Commission, (2015i); The Economist, (2015); Goodman, (2015).
[25] TTIP leaks, (2016).
[26] Donnan, (2016); Crisp, (2016).
[27] Crisp, (2016).
[28] Milieudefensie, (2016).
[29] SER, (2016).
[30] International Trade Administration, (2016).
[31] NAFTAnow.org, (2013).
[32] European Commission, (2016e).
[33] Ibid.
[34] Ibid.
[35] Ibid.
[36] Ibid.
[37] Ibid.
[38] Ibid.
[39] Ibid.
[40] Ibid.
[41] Holland Trade and Invest, (n.d.c).
[42] Ecorys, (2012)
[43] VNCI, (2016).
[44] Ibid.
[45] Port of Rotterdam, (2016).
[46] Cefic, (2014).
[47] Cefic, (2016a).
[48] Cefic, (2014).
[49] European Commission, (2016); Cefic, (2016b).
[50] Invest in Holland, (2016).
[51] Ibid.
[52] Ibid.
[53] Ibid.
[54] Cefic, (2014).

[55] Cefic, (2011/2012).
[56] Cefic, (2014).
[57] European Environmental Bureau, (2016); Tost, (2015).
[58] EPA, (2015), Tost, (2015).
[59] EPA, (2015).
[60] Ibid.
[61] Rijkswaterstaat, (n.d.).
[62] Eurostat, (2016).
[63] European Commission, (2016c).
[64] American Chemistry Council, (n.d.).
[65] Crooks, (2013).
[66] Tost, (2015).
[67] Crooks, (2013).
[68] Tost, (2015).
[69] Port of Rotterdam, (n.d.c).
[70] Ibid.
[71] Holland Trade and Invest, (n.d b).
[72] Made in Holland, (2014).
[73] Rotterdam Partners, (2015).
[74] Invest Holland, (2015).
[75] Made in Holland, (2014).
[76] European Commission, (2015a)
[77] European Commission, (2014c)
[78] European Commission, (2015a), European Commission, (2015b).
[79] European Commission, (2015a).
[80] Ibid.
[81] Made in Holland, (2014).
[82] Ibid.
[83] Holland Trade and Invest, (n.d.a).
[84] Ibid.
[85] TKI Dinalog, (n.d.).
[86] Casinge, (2014).
[87] Rndialogue, (n.d.).
[88] Rotterdam Partners, (2015).
[89] Rotterdam Partners, (2015), Port of Rotterdam, (n.d. a).
[90] Port of Rotterdam, (n.d. b)
[91] Rotterdam Partners, (2015).
[92] https://pixabay.com/en/pump-jack-oilfield-oil-fuel-848300/; https://pixabay.com/en/flame-gas-gas-flame-blue-hot-ring-580342/; https://pixabay.com/en/turbines-wind-farm-power-387282/; https://pixabay.com/en/solar-panel-sun-electricity-energy-1393880/; https://pixabay.com/en/solar-panel-sun-electricity-energy-1393880/; https://pixabay.com/en/grass-biomass-hulikatti-india-272631/; https://pixabay.com/en/coal-briquette-black-471903/
[93] Hennissen, (2013).
[94] Rotterdam Partners, (2015).
[95] Ibid.
[96] Hennissen, (2013).
[97] Provoost, Santen, Overgoor, (n.d.).
[98] Ibid.
[99] International Energy Agency, (2014).
[100] Holland Trade and Invest, (2015).
[101] International Energy Agency, (2014).
[102] Holland Trade and Invest, (2015).
[103] European Commission b, (2014).
[104] Holland Trade and Invest, (2015).
[105] European Commission f, (2016).
[106] International Energy Agency, (2014).
[107] Ibid.

[108] European Commission b, (2014).
[109] European Commission, (2013).
[110] EIA (2015).
[111] European Parliament, (2015).
[112] Ibid.
[113] The Economist, (2014).
[114] Port of Rotterdam, (2014).
[115] Rotterdam Partners, (2015).
[116] Port of Rotterdam, (2015).
[117] Ibid.
[118] Rotterdam Partners, (2015).
[119] Port of Rotterdam, (2015).
[120] PwC Netherlands, (2014).
[121] European Commission, (2015g)
[122] European Commission, (2015h).
[123] European Parliamentary Research Service, (2013).
[124] Ibid.
[125] Freeman, (1984).
[126] Waddock et al., (2002); Podnar and Jancic (2006)
[127] Lindlof & Taylor, (2011).
[128] Ibid.
[129] Whiting, (2008).
[130] Schilling, (2006).
[131] Cefic, (2016a).
[132] VNCI, (n.d.); VNCI, (2014).
[133] BEUC, (2016).
[134] Ibid.
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