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Rt Hon John Healey MP
House of Commons
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Dear John,

Thank you for your letter of 17 October regarding the impact of a Transatlantic Trade and Investment Partnership (TTIP).

I agree that it would be very useful to have a more detailed breakdown of the potential benefits from the TTIP and officials are exploring options for addressing this. There are a number of challenges associated with producing rigorous and meaningful analysis at a regional level.

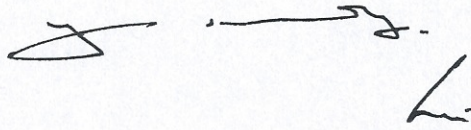
One approach we are examining is to extrapolate regional impacts from the existing UK study. This would have the benefit of ensuring consistency with our overall estimate of the potential impact and with the Commission's estimates.

In effect this was the approach that Bertelsmann adopted to explore the potential impact on US States by starting with the results from the Commission's study and then splitting them pro rata using States' share of US exports to the European Union (EU).

An alternative we are considering is to adopt a different modelling approach, as Bertelsmann did in their study for the German government, which enables structural modelling, including of potential employment effects.

Given the uncertainties and risks involved with either approach, I have asked officials to advise on the best way to provide a better picture of the potential impact of TTIP around the country.

Alongside this analytical work, officials are also working to ensure we capture views direct from businesses across the country on how they are likely to benefit from TTIP, which we can then share more widely.

A handwritten signature in black ink, appearing to read 'Kenneth Clarke', written in a cursive style.

KENNETH CLARKE