



U.S. CHAMBER OF COMMERCE

Recommendations: Transatlantic Trade and Technology Council

The U.S. Chamber of Commerce welcomes the willingness of the United States and the European Union to reframe and refresh transatlantic ties. The U.S. and EU have a shared interest in establishing a forum for strategic engagement on trade and technology, as together we are responsible for the world's most prosperous and interconnected commercial relationship.¹

The June 15 U.S.-EU Summit is the right occasion to launch such a platform and establish a common approach, particularly aligning on clear shared priorities. A strategic dialogue on challenges and opportunities has the potential to advance economic recovery by eliminating existing barriers to transatlantic commerce, preventing new barriers, and establishing joint approaches on foundational and emerging technologies. Ideally, a strategic dialogue would enable the United States and European Union to craft more coordinated and effective responses to shared challenges, including those posed by countries that do not respect global trade rules and norms and pose significant threats to our security and values.

There is much work to do. In the immediate instance, both sides must quickly resolve outstanding disputes related to Section 232 tariffs on steel and aluminum and associated EU countermeasures and the dispute related to large civil aircraft subsidies. In addition, Europe and the U.S. must commit to avoid the adoption of new discriminatory policies. Finally, both sides also must quickly agree to a new EU-U.S. Privacy Shield which would allow for greater coordination on digital policy and a clear framework including implementation of the *Schrems II* ruling. This is vital to give companies the legal certainty they need when transferring data across the Atlantic.

Core Principles

A transatlantic trade and technology platform should operate according to a set of basic principles. U.S. and EU policymakers should -

- Commit to increase transatlantic collaboration and investments in critical and emerging technologies, setting global standards for the digital age.

¹ U.S. Chamber of Commerce & AmCham EU, *The Transatlantic Economy 2021*, <https://www.uschamber.com/report/the-transatlantic-economy-2021>.

- Make durable commitments to foster cooperation to avoid discriminatory policies and regulatory measures that target the other side or could disrupt integrated supply chains.
- Establish a more transparent regulatory approach and commit to a “first, do no harm” principle on new regulations and new preferential trade agreements with third countries.
- Consult with one another prior to developing or implementing new regulations so that potential divergences are clearly understood, each side has a meaningful opportunity to provide input on a given measure, and, where possible, efforts are made to mitigate those differences before regulations are finalized and as implementation measures are defined. Effective stakeholder and legislator dialogues are essential.
- Promote international interoperability — not similarity — of policy frameworks among like-minded countries and regions. Cooperation under agreed plurilateral rules will boost innovation and productivity and increase trust in technology.

Policy Priorities

A transatlantic trade and technology dialogue should have a robust but focused set of policy priorities on which the two sides aim to achieve concrete outcomes that strengthen bilateral ties and address shared challenges with third countries. Progress achieved via this platform can also serve as the basis for closer collaboration in other fora. Priorities include -

Technology and Security Issues

- Data: Ensure a durable framework on data access and transfers, and avoid data localization requirements
- AI: Pursue coherence of regulatory frameworks governing AI applications to minimize the risk of market access barriers
- Regulation: Develop non-discriminatory approaches to digital market regulation that include appropriate procedural and substantive standards reflecting transatlantic norms
- Cloud market access: Ensure competitive market access principles govern the marketplace and ensure foreign companies can participate in government-led cloud projects
- Cybersecurity: Enhance international collaboration and alignment in cybersecurity by coordinating responses to state-backed cyberattacks, sharing

lessons learned, and encouraging industry-led security standards and frameworks.

- 5G/6G: Facilitating technology-neutral policies, which support open, interoperable, and virtualized solutions
- Semiconductors: Coordinate to ensure adequate supply and continued transatlantic leadership in the global market
- Quantum computing: Collaborative and robust public-private partnerships and strong investments in development of these ecosystems.
- Export controls: Pursue plurilateral controls to address shared security concerns without hampering the flow of legitimate commerce.
- Sanctions policy: Ensure coordinated responses to maximize effectiveness of actions against targeted actors, while minimizing negative effects on American or European businesses
- Investment screening: Exchange best practices and intelligence to the extent possible. Develop common standards and align screening mechanisms where possible.
- Taxation: Commit to a multilateral solution on taxation challenges posed by digitalization of the global economy while eliminating unilateral, discriminatory digital services taxes

Trade Issues

- Subsidies and competition policy
- Forced technology transfers and other practices that undermine the value of intellectual property rights
- Conformity assessment
- Supply chain resilience
- Trade facilitation
- Review – and expansion where appropriate – of MRAs
- WTO reform and negotiation agenda
- Access to public procurement markets

Climate & Environment Issues

- Sustainable recovery, including promotion of environmental technologies
- Climate agenda, including trade-related measures such as the EU's proposed Carbon Border Adjustment Mechanism
- Circular economy principles
- Sustainable finance principles and access to finance

Structure

We recommend the structure of a transatlantic trade and technology council incorporate the following:

- Co-chairs at the Cabinet level for the United States and the Executive Vice President level for the EU. Senior level engagement is essential to sustain political momentum for the Council's work.
- Engagement at the working level across relevant agencies, coordinated by a single agency on each side.
- Twice-yearly meetings at the senior level, with action at the working level continuing throughout the year and quarterly readouts on progress.
- An agenda focused on commercially meaningful outcomes.
- A formal mechanism to allow for structured business input, as well as coordinated opportunities for meaningful stakeholder engagement before and after official meetings.

It is essential that U.S. and EU policymakers forge a more coordinated and, where possible, collaborative approach that not only strengthens bilateral relations, but also meaningfully addresses shared concerns with third countries in a timely manner.

Conclusion

The United States and European Union have several shared priorities: recovering from the devastating COVID-19 pandemic and economic crisis; addressing climate change; ensuring the digital economy remains globally connected; and responding to the unprecedented commercial and security challenges posed by third countries that do not respect global rules and norms. A transatlantic trade and technology platform that enables coordination and collaboration on key challenges and strategically reorients our policymaking approaches to boost our competitiveness, innovation, and position as the world's leading democracies is in our mutual interest. The U.S. Chamber looks forward to working with governments and stakeholders on both sides of the Atlantic to achieve this goal.