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U.S.-EU Trade and Technology Council: Business Priorities for the 5th Ministerial

In preparation for the 5th ministerial of the EU-U.S. Trade and Technology Council (TTC), the U.S. Chamber of Commerce and BusinessEurope reaffirm our unwavering commitment to promoting transatlantic trade and investment. In today's complex geopolitical landscape, transatlantic cooperation is more important than ever.

The TTC provides a platform to align as allies on shared risks, forge partnerships to tackle challenges, and equip American and European businesses and workers with the tools to succeed in a rapidly evolving world. We are dedicated to working with policymakers in the context of the TTC to confront challenges and seize opportunities that advance our shared security and prosperity.

The ongoing repercussions of Russia's invasion of Ukraine, war in the Middle East, the enduring effects of the pandemic, unfair trade practices of non-market economies, and continued economic headwinds underscore the urgent need for greater cooperation on critical policies. Such efforts must be geared towards alleviating the risk of duplicative or contradictory regulations and propelling sustained investment and innovation.

The dearth of substantial economic outcomes from the recent U.S.-EU leaders' summit makes it critical that the 5th TTC ministerial demonstrate a shared commitment to make progress on issues that are central to our growth and competitiveness and that generate jobs on both sides of the Atlantic. It is important that the two sides use the coming months ahead of U.S. and EU elections to achieve concrete results and conclude negotiations on outstanding issues. This would help to build a solid basis for ongoing cooperation.

Many of the priorities outlined below carry over from our joint statements ahead of prior TTC ministerials; nonetheless, they bear repeating as essential measures to realize the full potential of the TTC.

- 1. Enhance Trade and Investment and Avoid New Frictions:** The TTC's overriding objectives must be to tangibly improve the business environment, avoid new frictions, and reduce the costs of doing business across the Atlantic. As the recent summit neither yielded agreements on steel/aluminum or critical minerals nor resolved other trade irritants, we call on officials to use the TTC to secure concrete outcomes for the transatlantic business community. We also call on officials to: resist discriminatory initiatives that could fracture the transatlantic digital economy by virtue of their design or implementation; avoid measures that undermine efficient trade flows; and ensure that incentives to promote sustainability, modernize infrastructure, and invest in digitalization do not result in new

trade barriers.

2. **Emerging Technologies:** To sustain our global leadership, the TTC must catalyze collaboration on emerging technologies – including AI, 6G, quantum computing, the Internet of Things, industrial metaverse, digital health, cloud, biometrics, satellite communications, and space and propulsion technologies. Public-private partnerships are needed to develop pro-innovation and non-discriminatory regulatory frameworks that promote and sustain investment in these critical areas. Defining joint roadmaps, including aligned and joint calls for research proposals, and progress reports in subsequent TTC sessions – in close coordination with companies at the leading edge of developing and deploying these technologies – is essential.
3. **Semiconductors:** As the U.S. and EU CHIPS Acts are implemented, we encourage ever closer cooperation, particularly on R&D and manufacturing. Our focus should be on preventing market saturation and fostering innovation in essential technologies. Close cooperation between the public and private sectors is essential to ensure investments in basic research and R&D are not duplicative. We also call on policymakers to promote regulatory stability across the entire global supply chain.
4. **Artificial Intelligence:** AI technologies are developing at lightning speed, and we must jointly define and adopt standards that strengthen a risk-based approach and foster innovation while safeguarding fundamental rights. Establishing common ground on core governance principles to guide formulation of legislation on development and use of AI will pave the way for continued U.S. – EU technological superiority and alignment with our democratic values.
5. **Conformity Assessment and Mutual Recognition:** The TTC must accelerate its work to address trade barriers associated with conformity assessment for exporters on both sides of the Atlantic. For example, the EU and the U.S. could expand the scope of the existing 1998 EU-U.S. Mutual Recognition Agreement on conformity assessment to cover vaccines and include additional product categories, such as clean technologies, machinery, medical devices, and electrical equipment, among others. This will cut red tape and accelerate market access for innovative products, thereby boosting both economies and strengthening our global position.
6. **Clean Technologies:** Constructive work is under way on joint approaches towards green procurement and subsidies to clean tech, and we call on both sides to extend their cooperation to secure the supply of critical raw materials, low carbon and smart grids, connected and automated driving, and carbon footprint methodologies. Efforts should focus on avoiding a subsidy race, crafting clear rules that promote fair competition, enhance trade and investment, and advance business cooperation.

7. **Cybersecurity:** Strengthening cybersecurity is a mutual imperative, and partnership is essential. We must develop harmonized standards and certifications, such as EUCS, that reflect our collective cybersecurity principles; promote market participation by best-in-class providers regardless of a company's geographic location; and connect existing cyber-threat information-sharing mechanisms to enhance knowledge exchange between businesses and public bodies. The U.S. and EU should also step-up joint efforts to bridge skills gaps in this sector and partner with industry to scale efforts.
8. **Third Countries:** It is vital to examine and refine policies that might, however inadvertently, unfairly benefit firms from non-market economies. We are particularly concerned about the potential impacts of data sharing obligations arising from the adopted EU Data Act and Digital Markets Act, especially regarding effective protection of IP and trade secrets. The U.S. and EU also should redouble efforts to ensure effective enforcement of sanctions against Russia and Iran. In addition, officials should pursue coordinated policies in response to non-market economies' distortive subsidies and discrimination against U.S. and European firms.
9. **Investments in Emerging Economies:** Building trusted ICT infrastructure, expanding advanced digital connectivity, and promoting uptake of climate-friendly energy solutions are vital to promote resilience and prosperity in emerging economies. We applaud EU-U.S. collaboration to date and call on policymakers to ensure that further cooperation is done on technology-neutral terms that foster sound competition, avoid digital fragmentation, and enhance energy resilience.
10. **Transatlantic Initiative on Sustainable Trade (TIST):** Creating a transatlantic marketplace that facilitates trade in green goods is helpful to accelerate the transformation towards a more sustainable economy on both sides of the Atlantic. The TIST can be used to foster trade cooperation and encourage deployment of new technologies to advance the green transition.
11. **Stakeholder Engagement and Transparency:** Ongoing dialogue with key stakeholders directly affected by TTC outcomes is essential. Offering insights to stakeholders about the TTC's deliberations between ministerials will lead to policies that are more inclusive and reflective of all interests, ensuring that progress is achievable and durable.

When considering solutions between us, we urge policymakers to take into account the close integration of some neighboring countries in transatlantic value chains.

These objectives are ambitious yet attainable, reflecting our commitment to a robust transatlantic partnership. We stand ready to work with U.S. and EU officials to drive concrete outcomes, foster a competitive and cooperative transatlantic economic environment, and demonstrate sustained global leadership.