



July 17, 2010

Mr. Karel De Gucht
Commissioner for Trade
European Commission
B-1049 Brussels

Mr. Michael Froman
Deputy Assistant to the President
The White House
Washington DC

Dear Commissioner De Gucht, Mr. Froman,

In March, a number of our associations wrote to underline the important role the Transatlantic Economic Council can play to promote growth, jobs and competitiveness in the United States and European Union by furthering transatlantic economic integration and regulatory cooperation. We highlighted specifically the need for measurable progress in the areas of macro-economic policy coordination, financial markets integration, green technologies, innovation, secure trade and data privacy, and promised we would send you more detailed recommendations in each.

Those initial recommendations are attached. Most, but not all, are endorsed by all of us and our memberships, representing millions of firms of all sizes and all sectors of the economy. We hope these papers will help you, as TEC co-chairs, accelerate the work of our officials in the many diverse, often technical, steps that transatlantic economic integration demands. In the particular area of Innovation, we have identified specific priority projects in the areas of green technologies (e-Mobility, smart grids, and carbon accounting) and information technologies (e-Health, e-Accessibility, cloud computing and data privacy). In addition, we are working on papers related to the macro-economic dialogue, broadband and continued co-ordination of Energy Star.

We have tried to specify the goals and objectives in each area, and to lay out the next steps that should be taken to reach those objectives. We have also detailed which associations will be the U.S. and EU leads and active partners, and tried to indicate how we and our members will contribute to the process. A summary of our recommendations is attached, although again not all of our associations endorse all the recommendations.

Given the economic imperative of restoring economic growth and job creation on both sides of the Atlantic, we strongly recommend the Transatlantic Economic Council meet this fall. The Council should seriously consider new ways in which the United States and European Union can bring a step-change to our economic relationship. The TEC process with its many individual projects is important, but on its own insufficient to meet the challenges we face in maintaining our competitiveness and global economic leadership; we need to do more. Our ties with other regions are growing rapidly, but are simply dwarfed by the integration of our economies, where easily a third of our one *trillion* dollars in trade each year is intra-corporate, powered by \$3 *trillion* of direct investment evenly divided between us. The sheer size of our relationship means even small structural improvements can create tens of thousands of jobs, and that hopes of doubling exports and restoring economic growth are in vain without significant gains in transatlantic trade.

We appreciate the importance of the recent G-8 and G-20 summits, but believe the European Union and United States must do a better job of together leading these and other international bodies. A meeting of the Transatlantic Economic Council will ensure the political leaders of our key economic agencies bring a shared, *multi-disciplinary* understanding of our respective approaches to key strategic issues, such as resuscitating the global economy, including through completing the Doha Development Round; adapting to low-carbon economies; and promoting good policy frameworks in key emerging economies like China and Russia.

With the fragile global economy, with the new Commission firmly in place and with the EU's transition under the Lisbon Treaty moving forward, now is the time for our governments to use the TEC as it was meant to be used: to think strategically -- and operationally -- about how we can use the enormous potential of our economic relationship to boost competitiveness, growth and jobs for our people.

We and our members stand ready to help. We trust this input will be of value to you as you prepare for the fall TEC meeting. For our part, we will continue to refine our policy priorities and undertake specific initiatives to bring greater understanding of the issues at hand, the costs of inaction, and the gains to be realized for concerted transatlantic coordination and cooperation.

Sincerely,

**American Chamber of Commerce
to the European Union**

BUSINESSEUROPE

European-American Business Council

TransAtlantic Business Dialogue

TechAmerica Europe

US Chamber of Commerce

Trans-Atlantic Policy Project

Synopsis of Goals, Objectives and Private Sector Contributions

This synopsis outlines the goals, objectives and private sector contributions on ten issues of concern to the transatlantic business community: Regulatory Cooperation, Financial Market Regulatory Reform, Intellectual Property Protection, Data Privacy and Cloud Computing, eAccessibility, eHealth Interoperability, e-Mobility/Electric Vehicles, Smart Grids, Carbon Accounting, and Secure Trade. Three additional papers on Macroeconomic Cooperation, Broadband, and Energy Star are under development.

1. Regulatory Cooperation

Goal: Convergent regulatory processes

Objectives:

- Case study of approach to risk measurement and management in regulations now underway;
- Joint US-EU recommendations for ways to better align our use of standards in regulation, building on the recent studies;
- Two case studies of ex-post assessment of regulations;
- New approach to acceptance of compatible regulatory regimes

Private Sector Contributions:

- Contributions to Commission consultation on better regulation;
- Sponsoring workshops on ex-post studies and compatible regulatory regimes, Fall 2010.
- TABD-USChamber sponsored symposium on TSCA/REACH chemicals regulation, November/December 2010.

Business Leadership: BUSINESSEUROPE, USChamber, TABD, AmCham EU, EABC, TechAmerica Europe

2. Financial Market Regulatory Reform

Goal: Establishment of a single, barrier-free transatlantic financial market between the U.S. and the EU based on the mutual recognition and convergence of market regulation.

Objectives:

- Close alignment of crisis-related policy measures, especially as regards
 - capital requirements, specifically on capital standards for trading books and securitization

- final implementation of the Basel framework in the US and the EU [US Chamber reserves]
- convergence and compatibility of policy measures on bank resolution, OTC derivatives, short selling, and alternative investments,
- single set of international financial reporting standards
- Close bilateral ex ante consultation on all new financial market rules so as to ensure consistency of measures with a view to a future mutual recognition regime
- Close coordination of policy initiatives in the international context, especially a common approach to the G20 agenda
- Resume initiative on market integration started with the joint U.S.-EU Statement and draw up roadmap for regulatory convergence and mutual recognition of financial market regulation

Private Sector Contributions:

- TABD-USChamber sponsored public forums in Washington for briefing by top-level US Administration, Commission and Member State officials (quarterly basis), beginning Fall 2010.
- Industry-government workshops in Brussels and Washington to identify divergences in new U.S. financial reform bill and European regulation, Fall 2010

Business Leadership: TABD, AmCham EU, US Chamber, BUSINESSEUROPE

3. Intellectual Property Protection

Goal: Effective global enforcement of IPR, especially in key countries such as China, Russia, Ukraine, Turkey and stronger support for the IPR system in multilateral organizations.

Objectives:

- Enhanced coordination between U.S. Intellectual Property Rights Enforcement Coordinator and appropriate EU counterpart(s)
- China abandons Indigenous Innovation Product Accreditation Program
- China improves regulatory data protection for life sciences
- U.S., EU cooperate to preclude erosion of patent protections in UNFCCC, WHO, WIPO
- Effective transatlantic customs-information sharing
- Conclude ACTA

Private Sector Contributions:

- WIPO/Kenya/UK/US Chamber workshop on IP for African Missions in Geneva
- EP/Eurochambres/US Chamber June 22 workshop on “A World without Intellectual Property”
- WCO/US Chamber/French and Belgian Customs November 5 Conference on customs harmonization
- On-going consultation between industry and government regarding examples of erosion of IPR in international organizations and other fora

Business Leadership: USChamber, BUSINESSEUROPE, TABD, AmCham EU, EABC

Innovation

General Goal: Boost U.S.-EU innovation and competitiveness.

Objectives:

- Establish vibrant U.S.-EU Innovation Dialogue and Action Plan, ensuring coordinated approaches to learning best practices, accelerating S&T cooperation, disseminating information technologies, and achieving concrete results in key green energy and healthcare areas.
- Joint principles for promoting innovation.

Private Sector contributions:

- October 7th TABD Executive Board meeting and conference in Washington, “Accelerating the Transatlantic Innovation Economy” and release of TABD Recommendation on *Transatlantic Innovation Policy Principles*
- AmCham EU October 8 Innovation Conference, Brussels

Business Leadership: TABD, US Chamber, AmCham EU, EABC

Information Technologies

4. Data Privacy and Cloud Computing

Goal: Strong transatlantic and global legal framework for data privacy and the internet, including data retention, access and protection.

Objectives:

- Use review of EU Data Protection Legal Framework and Directive 95/46 to ensure compatible transatlantic approaches to data privacy. Suggest the establishment of a cloud computing providers’ compliance framework, based on strong cooperation with industry.

Private Sector Contributions:

- Establish transatlantic public-private cloud expert group to address data privacy and broadband access, economic opportunities for SMEs, interoperability, portability, privacy, security, reliability and standards, and governance.

Business Leadership: TechAmerica Europe, TABD

5. eAccessibility

Goal: Global harmonized technology-neutral standards for ICT e-Accessibility

Objectives:

- U.S. and EU respectively adopt harmonized standards for e-Accessibility requirements in government procurement:
 - U.S. Sections 508 and 255
 - EU Standards Mandate M376
- U.S., EU work jointly to ensure compatible standards in ISO, IEC, ITU.

Private Sector Contributions:

- Industry policy paper, July 2010
- Contributions to roadmap, September 2010

Business Leadership: EABC, AmCham EU, TABD

Healthcare

6. eHealth Interoperability

Goal: Inter-operable U.S. and EU electronic health records (EHR)

Objectives:

- U.S.-EU Memorandum of Understanding on EHR (Third quarter, 2010)
- Common set of open technical and semantic standards (by end 2011)

Private Sector Contributions:

- Transatlantic industry policy paper, July 2010

Business Leadership: EABC, TABD, AmCham EU, US Chamber

Green Economy

7. E-Mobility/Electric Vehicles

Goal: Enabling regulatory and standards environment to facilitate development of electric vehicles (plug-in hybrids, full electric vehicles)

Objectives:

- Support for necessary R&D
- Common standards for charging interface.

- Common standards for power electronics.
- Common quality and performance standards for energy storage system

Private Sector Contributions:

- Sponsor two workshops with industry and regulators before end 2010 on main areas where regulatory convergence is needed to ensure integrated transatlantic market and greater demand for these vehicles.

Business Leadership: TABD, USChamber, AmCham EU, EABC

8. Smart Grids

Goal: Common approaches and standards for IT management of electric power transmission and distribution networks.

Objectives: Develop a “Twin Cities” pilot project with national and municipal authorities to identify key areas for standards harmonization.

- Intensify R&D collaboration and operational compatibility on smart grid deployment and grid-scale energy storage
- Transatlantic Innovation Dialogue should work to achieve a framework under which funding from the U.S. or the EU could support collaborative projects within firms or between firms on both sides of the Atlantic.

Private Sector Contributions:

- Concept paper on “Twin Cities” pilot project, September 2010
- Smart Grids Workshop on technical standards, Fall 2010
- ICT4EE forum (ongoing three year co-operation between multinational companies and organizations to establish market and policy roadmaps to facilitate the adoption of enabling technology in intensive energy using sectors)

Business Leadership: TABD, EABC, AmCham EU, USChamber, TechAmerica Europe

9. Carbon Accounting

Goal: Global trans-sectoral carbon accounting standards to minimize technical barriers to trade.

Objectives:

- Joint approaches to carbon accounting standards work in ISO, World Business Council on Sustainable Development/World Resources Institute projects, CEN and ASTM International

- Compatible approaches to carbon output measurement for energy-intensive and transport sectors

Private Sector Contributions:

- Industry policy paper, July 2010
- Industry input to government roadmaps, September 2010

Business Leadership: EABC, TABD, AmCham EU, US Chamber, BUSINESSEUROPE

10. Secure Trade

Goal: A “one-stop” security concept so that a secured consignment in one jurisdiction is assumed secure in the other.

Objectives:

- Repeal of 100% scanning requirement (2011)
- C-TPAT/AEO Mutual Recognition Agreement (end 2010)
- Air cargo trusted trader program/mutual recognition (mid-2011)

Private Sector Contributions:

- Industry/government negotiator consultation to resolve problems in AEO/C-TPAT implementation.

Business Leadership: BUSINESSEUROPE, USChamber, TABD, AmCham EU, EABC, TechAmerica Europe