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U.S.-EU Trade & Technology Council: Business Priorities for the 6th Ministerial

As elections approach on both sides of the Atlantic, the 6th ministerial of the EU-U.S. Trade and Technology Council (TTC) presents an opportunity to assess implementation of the work agreed to date and lay the foundation for future progress on key priorities.

With more than €1.23 trillion in two-way trade in goods and services a year, and more than €5 trillion in total two-way investment stock, the United States and the European Union share the most interconnected and resilient commercial relationship in the world. At a time of maximum turbulence, policymakers must redouble efforts to bolster those ties.

The U.S.-EU Trade & Technology Council has facilitated closer coordination on several fronts, and BusinessEurope and the U.S. Chamber of Commerce believe it is important to maintain such a platform for focused dialogue that generates real-world commercial benefits.

The technology workstream of the TTC has delivered positive outcomes, and we welcome further concrete results on critical and emerging technologies, including artificial intelligence (AI), semiconductors, quantum computing including essential coordination on quantum safe standards in critical infrastructure, and 6G vision, roadmap, and research collaboration. Further steps to cooperate on trusted connectivity in third countries also mark a positive progress. The trade workstream has led to some positive outcomes, including in export controls coordination, but will require additional development. The TTC must build on these successes and focus on areas where convergence between the EU and the U.S. is the most likely.

The workstreams of the TTC have facilitated certain discussions where tangible outcomes can be delivered. As we look toward future work, we propose prioritizing and continuing specific objectives, including the following:

- The TTC must accelerate its work to address trade barriers associated with conformity assessment for exporters on both sides of the Atlantic, especially for products such as clean energy technologies, machinery, electrical equipment, and medical products. In alignment with international trade obligations, the TTC should prioritize approaches that effectively streamline requirements and ensure sufficient trust in product-specific standards, applicable regulations, and the resulting level of consumer protection.
- On critical infrastructure, the EU and the U.S. must continue to build upon the joint efforts to support secure connectivity around the globe, which includes both undersea cables and 5G networks.
- The TTC early warning mechanism for semiconductor supply chain disruptions led to intensified cooperation on the availability of critical raw materials. Policymakers must continue to put in place concrete instruments to alleviate supply chain bottlenecks and bolster the security of supply for both economies. Both should also leverage their respective CHIPS Acts to expand support for semiconductor research, prototyping, and manufacturing, including deep and sustained transatlantic cooperation on R&D and skills programs.
- Both the U.S. and the EU will need to strike a balance between innovation and regulation in the rapidly evolving AI landscape. As legislation is considered or implemented, officials must sustain their work on taxonomies, formalize cooperation between relevant agencies, and maintain close consultations with U.S. and EU industry to enhance competition and investment in and safe use of AI, which is pivotal for boosting productivity, expanding our economies, and creating new jobs.

A “second generation” TTC should build on achievements to date and redouble efforts to deliver concrete results that promote our shared economic security. The TTC should be used to a greater extent to promote transatlantic cooperation on shared challenges, including market disruptions and distortions, WTO reform, and joint statement initiatives like e-commerce, climate resilience, alignment on traceability standards and industrial subsidies, responding to anti-competitive practices by third countries, and expanding supply chain resilience.

Structural improvements such as pairing twice-yearly principals’ meetings with ongoing dialogue at the sub-principal level and focusing on fewer workstreams, would allow for more durable and productive channels of communication and opportunities for progress.

Officials also must facilitate more regular and transparent stakeholder engagement. The first stakeholder session for the Transatlantic Initiative on Sustainable Trade (TIST) was useful in both form and substance, and similar opportunities must be pursued on a regular basis. They should be paired with greater clarity on how stakeholder inputs are factored into ongoing workstreams and decision-making. Indeed, more formal and meaningful stakeholder engagement, at both senior and technical levels, would facilitate more concrete TTC deliverables.

Finally, it is important to reiterate the importance of considering the close integration of some neighbouring countries in transatlantic value chains as TTC initiatives continue to take shape.

We look forward to collaborating with U.S. and EU officials to shape the TTC in a way that promotes still closer transatlantic cooperation, more routine and transparent dialogue with stakeholders, and ultimately demonstrates global leadership in trade and technology.