Ready for take-off:
how to take the Trade and Technology Council to the next level

Priorities for the second ministerial meeting

The **Trade and Technology Council** (TTC) is a **unique forum for the EU and the US to tackle new and emerging issues** arising from the transformation of our economies. Working together, transatlantic partners can ensure that **global standards and governance reflect their shared values**, including the defence of human rights, democracy and the rule of law.

The war in Ukraine sheds a different light on existing areas for transatlantic cooperation and brings a renewed sense of urgency to ongoing initiatives such as the TTC. The EU and the US should continue to play a leading role in fostering peace, prosperity and security. Transatlantic unity is critical.

The inaugural meeting of the TTC took place in Pittsburgh in September 2021. With the creation of ten working groups, both sides set out an affirmative agenda, covering a wide range of priorities, from policy convergence on common principles in digital technologies and export controls to fighting climate change. The **first ministerial meeting was a success**: both sides displayed the strong political support and high level of ambition required for the initiative to thrive.

As both sides gear up for the second ministerial meeting in Paris, the American Chamber of Commerce to the EU (AmCham EU) outlines **three principles that should continue to guide the activities** across all working groups:

- **Foster transparency and stakeholder engagement:** building a consistent system to collect input and engage with business and civil society will ensure the effectiveness of the TTC.
- **Outline roadmaps and clear deliverables:** providing more clarity on the scope of the working groups' activities is critical to enable stakeholders to provide constructive input and for the TTC to deliver concrete outcomes in a timely manner.
- **Prioritise outcomes with concrete impact:** ensuring buy-in from all segments of society will be a key component of the success. While both short-term and long-term areas or work are important, delivering on a few concrete outcomes first will help demonstrate the relevance of the TTC for citizens and business of all sizes.

AmCham EU
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More specifically, AmCham EU identifies **specific areas** where the EU and the US can achieve tangible progress in the short and medium term:

1. Emerging technology standards

The EU and the US should seize the opportunity of the TTC to define global standards on emerging technologies and, in particular, artificial intelligence (AI) and additive manufacturing. Growing activism of other countries in standard-setting bodies only makes this priority more urgent. It should be clearly reflected in the objectives of the relevant working group. The EU and US should seek the involvement of companies and rely on existing and successful industry-driven international standards. They should define the scope of their cooperation and outline specific practices, timelines and objectives as well as a list of ongoing initiatives within standard-setting bodies. Both sides should also commit to acknowledging TTC outcomes in their respective ongoing regulatory efforts (notably AI) to ensure consistency between the legislative frameworks and minimise fragmentation.

2. 5G

The EU and the US should align policies on the development of 5G and 6G standards, the security of 5G networks as well as promote the benefits of Open RAN and virtualisation. They should commit to supporting the development and use of interoperable, open and global 5G and 6G standards, which are instrumental to ensuring international scale, competition and growth. The TTC should also define joint avenues to work closely with industry to address cybersecurity and supply chain issues including Open RAN interoperability, network virtualisation and to ensure a competitive supply chain for communications network equipment and services. The TTC should also become a forum to share information and raise awareness on the benefits of 5G, Open RAN and virtualisation.

3. Cybersecurity and certifications

The EU and the US should identify common approaches to detecting, mitigating and managing cyber risk at the transatlantic and global levels. The current geopolitical context has further highlighted the need for like-minded partners to address cyberthreats together and protect citizens, institutions and companies more effectively. The TTC can play the role of strategic forum to advance shared objectives. They should draw upon consensus-based and international standards as well as industry-led best practices, including on cybersecurity, cyberespionage and supply chain security. Cybersecurity certification is another key area for enhanced cooperation. Requirements which force businesses to fragment their technology operations along national borders result in less consistency and more complexity and negatively impact security and resilience.

4. Climate and clean technology

The EU and the US need to help accelerate the development and deployment of key technologies to decarbonise our economies. Priorities include cooperation on developing carbon pricing mechanisms that avoid trade tensions and reduce carbon leakage in a WTO-compliant way, boosting the digital transformation as an enabler of more resource-efficient systems as well as creating an environment where breakthrough technologies can scaleup through ambitious investments. Both sides should also clarify how the TTC interacts with other initiatives such as the EU-US Energy Council, the Green Technology Alliance or the Global Arrangement on Sustainable Steel and Aluminium.

5. Export controls: harmonisation of regimes and coordination on intangible technology transfers

The EU and the US should boost efforts to harmonise the transatlantic export control regime. In particular, they should align their export controls of sensitive emerging technologies (eg, quantum, artificial intelligence, semiconductors). It would reduce barriers between EU and US exporters and also ensure that exports of sensitive emerging technologies outside the EU or US are consistently controlled. Since every EU Member State (except Cyprus) is an individual party to the Wassenaar Arrangement, a multilateral export control regime, the TTC also creates a unique opportunity for alignment and advocacy at the Wassenaar level. Transatlantic partners should also coordinate on the application of export controls to intangible technology and software transfers.

6. Rules-based trading system

The EU and the US should develop a joint strategic approach to non-market economies that addresses the root of unfair trade practices. Any future relationship with third-country partners must adhere to the fundamental principles and values of commitment to free trade, fair competition and the rule of law. Strong cooperation is required to defend the multilateral rules-based trading system and modernise the World Trade Organization (WTO). This includes a focus on revitalising its negotiating function, strengthening the monitoring role of the Secretariat and reforming the dispute settlement mechanism.

7. Semiconductors: supply chain resilience

The EU and US should strengthen cooperation in the chips supply chain to improve its resilience, ensure a level playing field for transatlantic investment and boost research and development as well as manufacturing. The EU and US should outline joint commitments and clear objectives to strengthen their respective security of supply, expand design and production capacities and research abilities. The cooperation should also be reflected in ongoing domestic initiatives, notably the respective Chips Acts.