



Trade and Technology Council

Working Group: Export Controls Cooperation



ISSUE

Export controls on strategic goods and dual-use items are essential. However, there is scope for cooperation and harmonisation between the EU and the US in export controls – especially as narratives such as technological sovereignty and open strategic autonomy shape dialogues.



PRIORITIES

The areas in which the working group can and should strive to achieve immediate results are:

Harmonised EU-US export control regime

To level the playing field and to ensure the availability of the best technologies, a harmonised export control regime among like-minded transatlantic partners would be welcome. More specifically, the EU and the US should consider establishing a new multilateral export control system focused on sensitive emerging technology transfers to non-democratic regimes (eg, quantum, artificial intelligence, advanced robotics, semiconductors, facial recognition technology, commercial drone technology). Furthermore, since each EU country (except Cyprus) is a member of the Wassenaar arrangement individually, the Trade and Technology Council creates a unique opportunity for alignment and advocacy at the Wassenaar level. Multilateral controls are the most successful and support the continued collaboration between the EU and the US, including alignment on export licensing policies.

Removal of non-tariff barriers

Industry stakeholders in the EU and the US aim to provide the best products and services as well as interoperable technologies at the most affordable cost. When it comes to US third-country entity access to EU and EU Member States' publicly funded R&D, acquisition and sustainment programmes, export administration regulations (EAR), and in certain sectors also the international traffic in arms regulations (ITAR), are often used as a reason to prevent American companies, based in the EU or outside the EU, from participating. To harness the best of R&D and the best products and services on both sides of the Atlantic, increased cooperation in export controls and sanction regimes is crucial. Non-tariff trade barriers undermine innovation, limit access to the best available technologies (among like-minded countries) and drive cost.

Pre-defined export control frameworks

Given the Member States' growing appetite for jointly developing capabilities, it will be increasingly difficult to find consensus on competing national export regimes that often embody different approaches. Pre-defined cross border – intra-EU and transatlantic – export control frameworks that are established at the beginning of an action, for the duration of the capability, will not only ensure clarity for industry and limit business disruptions, but will also reduce potential strains on political partnerships.

Promotion of legal certainty

In the context of ever-more far-reaching emerging and disruptive technologies (EDTs), it remains of utmost importance to promote clarity and legal certainty for export control regimes. This need for clarity rings particularly true when talking about the multilateral approach to export controls. The application of controls to intangible exports, including on software and cloud computing, represents one area where there are opportunities for additional clarity and better alignment between the EU and the US.