# EU-US Joint Statement of the Trade and Technology Council 5 December 2022 College Park, MD

#### I. Introduction

The EU-US Trade and Technology Council (TTC) met outside Washington, D.C., on 5 December 2022. The meeting was co-chaired by European Commission Executive Vice President Margrethe Vestager, and European Commission Executive Vice President Valdis Dombrovskis, US Secretary of State Antony Blinken, US Secretary of Commerce Gina Raimondo, US Trade Representative Katherine Tai, joined by US Deputy Under Secretary of Labor Thea Lee, Jamaica Minister for Information Communication Technology Floyd Green, and Kenya Cabinet Secretary for Information, Communication and the Digital Economy Eliud Owalo.

The TTC is a key mechanism to support stronger transatlantic relations and to deliver concrete outcomes. We reaffirm that international rules-based approaches to trade, technology, and innovation that are founded on solid democratic principles and values can improve the lives of our citizens and generate greater prosperity for people around the world. Through the TTC's ten working groups, we are supporting sustainable, inclusive economic growth and development, promoting a human-centric approach to the digital transformation, and ensuring that international norms and the international trade rulebook are respected and reflect our shared values. We will continue to work together to modernize and reform the World Trade Organization (WTO) as set out in the WTO MC12 Outcome Document.

Geostrategic challenges, including Russia's full-scale invasion of Ukraine and increased assertiveness of autocratic regimes, have reinforced the importance of our shared democratic values, commitment to universal human rights, and leadership role in upholding an international rules-based order. The European Union and the United States reiterate our strong condemnation of Russia's illegal and unjustifiable war of aggression against Ukraine and reaffirm our unwavering commitment to stand firmly with Ukraine for as long as it takes to ensure Ukraine's sovereignty, independence, and territorial integrity. We condemn attacks by Russia on Ukraine's infrastructure and will continue supporting Ukraine in securing, maintaining, and rebuilding this infrastructure, including its telecommunications and internet infrastructure. We resolve to continue to impose severe and immediate costs on Russia and hold it accountable for its brutal war against Ukraine, including through unprecedented cooperation on sanctions-related export restrictions, and countering Russian disinformation. We will also hold Belarus to account for its complicity in Russia's war. The TTC Working Groups on Export Controls and on Misuse of Technology have made critical contributions to this successful and ongoing collaboration. The TTC Working Groups on Data Governance and Technology Platforms and on Misuse of Technology Threatening Security and Human Rights are coordinating to understand and address the spread of Russian information manipulation and interference, particularly in the context of Russia's aggression against Ukraine, and its impact on third countries, notably in Africa and Latin-America.

The impact on our supply chains of Russia's full-scale invasion of Ukraine has further underscored that we share an urgent need to identify and address supply chain vulnerabilities. The European Union and the United States recognize that the concentration of resources in key supply chains can expose our economies to challenging disruptions. We plan to explore coordinated actions to foster diversification and make key supply chains more resilient.

To support our shared desire of tackling climate change, the European Union and the United States intend to launch a new Transatlantic Initiative for Sustainable Trade to advance our shared objective of achieving a green and sustainable future. We also took stock of the work of the dedicated EU-US Task Force on the Inflation Reduction Act and noted the preliminary progress made. We acknowledge the EU's concerns and underline our commitment to address them constructively. We underline the TTC's role in achieving this and in supporting a successful and mutually supportive green transition with strong, secure, and diverse supply chains that benefit businesses, workers, and consumers on both sides of the Atlantic.

The European Union and the United States are establishing a Talent for Growth Task Force that will pursue our collective objective to recognize and develop the talent of our working-age populations.

## II. Key Outcomes of the Third TTC Ministerial

## A. Digital Infrastructure and Connectivity

# Joint Initiatives with Jamaica and Kenya

The European Union and the United States are supporting secure and resilient digital connectivity and information and communication technology and services (ICTS) supply chains in third countries, provided by trusted suppliers. As a first step, we intend to support inclusive ICTS projects in Jamaica and Kenya based on our common overarching principles. This work reflects our commitments under our Global Gateway and Partnership for Global Infrastructure and Investment initiatives.

- Cooperation on connectivity with Jamaica: In cooperation with the government of Jamaica and other Jamaican stakeholders, we will connect over 1,000 public schools and children's homes around Jamaica to robust, inclusive, and secure internet service, strengthen the digital competencies of teachers, and support the use of digital technologies by micro-, small-, and medium-sized enterprises. Our efforts will also assist Jamaica's electric utility, Jamaica Public Service, to expand reliable and trustworthy public Wi-Fi infrastructure in the New Kingston neighborhood of Jamaica's capital, with the potential to expand the service across the country. We also intend to support secure and resilient rural broadband connectivity provided by trusted suppliers in the country.
- Cooperation on connectivity with Kenya: In cooperation with the government of Kenya, we will support the implementation of Kenya's 2022-2032 National Digital Masterplan by expanding school connectivity in Kenya and bridging gaps in last-mile connectivity. First efforts will include a study on scalable solutions to expand school connectivity in Kenya,

building fiber optic connections to schools in remote areas, a policy roadmap for affordable, secure, trustworthy and meaningful connectivity, and training options to develop the next generation of digital professionals. We also will provide technical assistance to help Kenya update its Information and Communications Act and 5G Strategy in line with the principles set for high-quality global infrastructure projects at the TTC meeting in Paris-Saclay, France, on 16 May 2022.

The European Union and the United States intend to expand our coordination on financing digital infrastructure projects in third countries, including through a Memorandum of Understanding between the European Investment Bank (EIB) and the US Development Finance Corporation (DFC), which aims to enable increased collaboration on financing for secure connectivity in third countries.

## **Future Secure Connectivity Projects**

The European Union and the United States recognize the importance of cooperating on trust and security in the ICT ecosystem. We welcome projects that strengthen the resilience of that ecosystem, including subsea cables. The TTC Working Group on ICTS security and competitiveness intends to discuss transatlantic subsea cables' connectivity and security, including alternative routes, such as the transatlantic route to connect Europe, North America and Asia. We also welcome supplier diversification efforts in ICTS supply chains and continue to discuss market trends towards open, interoperable approaches, alongside trusted, established architectures, in a technology neutral way.

#### **B.** Cooperation on New and Emerging Technologies

# Artificial Intelligence (AI) Roadmap and Pilot Project on Privacy-Enhancing Technologies and Collaboration on AI and Computing Research for the Public Good

To fulfill our commitment on developing and implementing trustworthy AI, the United States and the European Union have issued a first Joint Roadmap on Evaluation and Measurement Tools for Trustworthy AI and Risk Management (AI Roadmap) and collected perspectives from relevant stakeholders. This roadmap will inform our approaches to AI risk management and trustworthy AI on both sides of the Atlantic, and advance collaborative approaches in international standards bodies related to AI. In conjunction with this effort, we aim to build a shared repository of metrics for measuring AI trustworthiness and risk management methods, which would support ongoing work in other settings such as the OECD and GPAI. Our cooperation will enable trustworthy AI systems that enhance innovation, lower barriers to trade, bolster market competition, operationalize common values, and protect the universal human rights and dignity of our citizens.

Recognizing the importance of privacy in advancing responsible AI development, the European Union and the United States will work on a pilot project to assess the use of privacy-enhancing technologies and synthetic data in health and medicine, in line with applicable data protection rules.

<u>A joint study on the impact of AI on the workforce</u> was finalized, with EU and US case studies on hiring and logistics.

The European Commission and the United States intend to bring together experts to explore collaboration on research projects in artificial intelligence and computing, that can benefit other partner countries and the global scientific community. This cooperation will aim at jointly addressing challenges in key focus areas, such as extreme weather and climate forecasting; health and medicine; electric grid optimization; agriculture optimization; and emergency response management.

## **Collaboration on Quantum**

The European Union and the United States plan to establish an expert task force to reduce barriers to research and development collaboration on quantum information science and technology, develop common frameworks for assessing technology readiness, discuss intellectual property, and export control-related issues as appropriate, and work together to advance international standards. This approach could serve as a basis for more enhanced cooperation in other emerging technology areas.

## **Electric Vehicle Charging**

On 16 May 2022, at the TTC meeting in Paris-Saclay, the European Union and the United States decided to cooperate on **Megawatt Charging Systems (MCS) standard for heavy-duty vehicles.** We welcome the progress on the physical prototype developed by industry. We intend to continue working towards a common international standard to be adopted by 2024 at the latest to provide the highest level of interoperability, safety and security.

In parallel, we intend to develop in 2023 joint recommendations for government-funded implementation of **electro-mobility charging infrastructure** that aims to advance electric vehicle adoption in the European Union and the United States, as well as recommendations for future public demonstrations of **Vehicle to Grid Integration pilots**. As intermediate steps, the European Union and the United States organized a stakeholder conference, are publishing the results of the ongoing research work, and have prepared <u>public information on vehicle-to-grid integration and smart charging interoperability</u>.

#### Other Standards and Research Cooperation

We have launched workstreams to increase standards cooperation on Additive Manufacturing, Recycling of Plastics, and Digital Identity, with plans to launch new workstreams on Post-Quantum Encryption and Internet of Things (IoT), with an initial focus on technical and performance standards for cybersecurity to be discussed in the EU-US Cyber Dialogue.

Following the signing of the Administrative Arrangement in May 2022, we rolled out the **Strategic Standards Information (SSI)** mechanism, which will enable the European Union and the United States to voluntarily share information about international standardization activities and promptly

react to common strategic issues. This mechanism will enable deepened cooperation to help shape global standards at international institutions such as the International Telecommunication Union (ITU), where we look forward to working with all ITU members and its new leadership.

Looking to the next TTC ministerial, and in coordination with key stakeholders, the European Union and United States intend to develop a common vision on research and development beyond 5G and 6G.

## C. Building Resilient Semiconductor Supply Chains

Since the TTC ministerial meeting in Paris-Saclay, the United States has passed the CHIPS and Science Act into law, and the European Chips Act has made steady progress in the co-legislative process. The United States and the European Union recognize the importance of cooperating on promoting resilient supply chains.

To achieve this, the US Department of Commerce and the European Commission are entering into an administrative arrangement to implement an early warning mechanism to address and mitigate semiconductor supply chain disruptions in a cooperative way. The mechanism draws on the results of last summer's pilot in which the European Union and the United States explored and tested approaches to the exchange of information and cooperation in case of disruptive events.

Transparency is a key tool to avoid concerns over public support programs. Today, the US Department of Commerce and the European Commission are entering into an administrative arrangement memorializing a common mechanism for reciprocal sharing of information about public support provided to the semiconductor sector to support transparency. We intend to work with other likeminded countries to make similar commitments to transparency.

For our respective public support programs, we will also seek to exchange information and methodologies, share best practices, and develop a common understanding of market dynamics. This includes:

- 1. Working with industry to promote initiatives aimed at advancing the transparency of demand for semiconductors;
- 2. Improving our understanding of forecasted global semiconductor demand to inform our common policy objective of avoiding overcapacity and bottlenecks. For this purpose, we expect to meet regularly and share information on demand forecast methodologies;
- 3. Exchanging information and best practices regarding investment approaches and terms and conditions for public support;
- 4. Exchanging areas of interest and exploring cooperative initiatives in research in semiconductors.

Building on this baseline of transparency, cooperation on potential disruptions, and a common understanding of global demand, we will work to avoid subsidy races and market distortions, and ensure a more resilient, sustainable and innovative semiconductors value chain.

## **D. Promoting Our Values Online**

#### **Declaration for the Future of the Internet**

The principles of the Declaration for the Future of the Internet (DFI) – protection of universal human rights and fundamental freedoms, a global internet, and inclusive and affordable access to the Internet – are global in scope and enjoy support from the European Union and the United States. The European Union and the United States again demonstrated their commitment to these principles on 2 November 2022, in Prague, where they engaged with the multi-stakeholder community, welcomed new countries that endorsed the Declaration, and reaffirmed their commitment to its vision and principles.

## **Protecting Human Rights Defenders Online**

The European Union and the United States are deepening cooperation and mutual learning between EU- and US-funded emergency mechanisms, in order to expand resources in support of human rights defenders worldwide. We promote an open, free, global, interoperable, reliable, and secure Internet, in line with universal human rights, and seek to eliminate the use of arbitrary and unlawful surveillance to target human rights defenders. To underline our shared commitments, the European Union and the United States have released a joint statement on protecting human rights defenders online.

## **Addressing Internet Shutdowns**

The European Union and the United States reiterate our alarm at the increasingly entrenched practice of government-imposed Internet shutdowns. To address this issue, we have facilitated the creation of a multi-stakeholder group of technical experts who will document Internet shutdowns and their effects on society as rapidly and comprehensively as possible. The group released its <u>first report on recent Internet shutdowns</u>. We look forward to drawing on the findings of this report and future ones in our diplomatic work.

#### E. Enhancing Transatlantic Trade

## **Increasing the Use of Digital Tools**

Digital technology can make it easier for companies, particularly small- and medium-sized enterprises, to engage in trade. Prior to the next TTC co-chairs meeting, the European Union and the United States therefore plan to compile and exchange information on respective initiatives to use digital technology to simplify or reduce the cost of commercial actors' interactions with our governments in relation to trade-related policy, legal requirements, or regulatory requirements. The European Union and the United States intend to then build on this information exchange to

develop joint best practices for the use of digital tools and to discuss how best to promote compatibility of such digital tools.

## **Mutual Recognition Agreements and Conformity Assessment-Related Initiatives**

The European Union and the United States recognize the importance of mutual recognition agreements and conformity assessment-related initiatives for EU and US stakeholders engaged in transatlantic trade in a range of sectors. Before the next TTC co-chairs meeting, the European Union and the United States plan to explore ways in which the increased use of digital technology, where permissible, may help EU and US stakeholders better utilize existing mutual recognition agreements to facilitate increased transatlantic trade.

The European Union and the United States will also explore the feasibility of extending the scope of the existing EU-US Marine Equipment Mutual Recognition Agreement to include certain radio equipment.

The European Union and the United States also support regulators' work on considering the necessary steps to extend the scope of the EU-US Mutual Recognition Agreement annex for Pharmaceutical Good Manufacturing Practices to include vaccines and plasma-derived pharmaceuticals for human use, as discussed by the Joint Sectoral Committee.

With a view to providing mutual benefits and enhancing transatlantic trade, the European Union and the United States will continue exploring opportunities to improve cooperation in conformity assessment, including in machinery and other sectors. This work will include exploring opportunities to improve cooperation on horizontal approaches to conformity assessment.

## F. Trade, Security and Economic Prosperity

## **Cooperation on Export Controls and Sanction-Related Export Restrictions**

Regarding cooperation on export control, we are looking at how to simplify transatlantic trade with regard to exports and re-exports of dual-use items and technologies while ensuring appropriate protection against misuse through pilot exchange of information on the disposition of EU exports to the United States and vice versa. We are facilitating trade between the European Union and the United States by more coordinated adoption and publication of multilateral control list revisions. We continue to consult on new regulatory actions. We are also planning to conduct coordinated export control outreach with partners. We are taking additional steps to enhance enforcement collaboration between the United States and the European Union, including through the exchange of best practices as appropriate and with a view to promoting the consistent application of sanction-related export restrictions targeting Russia and Belarus through regular information exchange, including regarding authorization and denial decisions. Lastly, the European Union and the United States will cooperate on the export controls of sensitive and emerging technologies, while ensuring appropriate protection against misuse with a view to facilitate legitimate transatlantic trade and research interests.

## **Investment Screening**

We have deepened our cooperation on investment screening through technical exchanges, including an in-person tabletop exercise in Brussels. We also continue to discuss security risks related to specific sensitive technologies, including those related to critical infrastructure, and to holistically assess the policy tools available to address these risks. The European Union and the United States underscore the importance of comprehensive, robust foreign investment screening mechanisms on both sides of the Atlantic in order to address risks to national security and, within the European Union, for public order, while remaining open for investment. The European Union and the United States will continue to support the development and implementation of these mechanisms. The working group will be hosting a public stakeholder outreach event on the work of the Investment Screening Working Group in mid-December.

## **Addressing Non-Market Economic Policies and Practices**

The European Union and the United States have shared concerns about the threat posed by a range of non-market policies and practices, such as those used in the medical devices sector and those involving government-owned or government-controlled investment funds. Following input received from stakeholders, the European Union and the United States have started exchanging information on the market situation of EU and US medical devices companies in China, in order to better understand the impact of non-market policies and practices on EU and US companies. The European Union and the United States are also deepening their exchanges to identify shared concerns relating to increasing use of the aforementioned investment funds. The two sides plan to work together on exploring which policy tools could address non-market policies and practices, including those affecting our medical devices companies. To that end, we will continue building a shared understanding of China's economic and industrial directives and other non-market policies and practices, and develop coordinated action to foster supply chain diversification, build resilience to economic coercion, and reduce dependencies.

#### **Addressing Economic Coercion**

The United States and the European Union are increasingly concerned with the use of economic coercion that that seeks to undermine our legitimate choices and those of our partners at all levels of development, as well as global security and stability. We resolve to identify and address economic coercion and explore potential coordinated or joint efforts, bilaterally and with other likeminded partners, to improve our assessment, preparedness, resilience, deterrence, and responses to economic coercion.

### G. Trade-Related Environment, Labor, and Health Initiatives

#### Transatlantic Initiative on Sustainable Trade

The European Union and the United States have already taken, and will continue to take, important policy steps to reduce carbon emissions and promote the accelerated deployment and uptake of environmental technologies. Today we launch a transatlantic initiative on sustainable trade.

This initiative will enhance work across the TTC that strives to support the transition to low-carbon economies by identifying actions in key areas of trade and environmental sustainability that support our shared twin goals of a green and sustainable future and to increase transatlantic trade and investment. We intend to explore areas of cooperation to support these twin goals, including where there is opportunity to measurably decarbonize our energy-intensive industries, and facilitate the deployment of goods and services essential to the transition to more circular, and net-zero, economies.

## **Trade and Labor Dialogue**

The first principal-level session of Trade and Labor Dialogue (TALD) offered an opportunity to exchange views with senior representatives from labor, business, and government on both sides of the Atlantic. During today's meeting, we built on the technical meeting of 20 September 2022 and discussed the critical importance of eradicating forced labor in global trade and supply chains. We explored how we can translate shared transatlantic values concerning combatting forced labor into concrete actions that promote internationally-recognized labor rights, and promote resilient and sustainable trade and supply chains.

#### **Health Information for Research**

The European Union and the United States intend to work together intensively in the appropriate fora to facilitate the exchange of health information to support research, innovation, and advancements in public health in compliance with applicable legal requirements governing the protection of data, including the protection of health data.

## H. Developing Talent for the Digital Transition and Economic Growth

The European Union and the United States are launching a Talent for Growth Task Force that will bring together government and private sector leaders from business, labor, and organizations that provide training, building on existing initiatives on both sides of the Atlantic. The goal of the task force is to exchange best practices and to serve as a catalyst for innovative skills policies.

We have a collective objective to develop systems of training for our working-age populations and means of recognizing the talent of all our people. The Talent for Growth Task Force will advise the TTC on the actions needed to achieve this. It will work with and encourage our respective communities to learn from each other; promote common taxonomies and tools; and inspire innovation on training programs; engage the public on the rewarding careers in technology sectors,

including a focus on underrepresented communities; exchange on training programs that meet the changing demands of the market; build a skilled workforce that fosters growth and uninterrupted supply chains; facilitate small- and medium-sized businesses access to relevant skilled professionals to foster competition; and help generate middle-income jobs to create a more resilient and equitable middle class.

#### III. Conclusion

These outcomes represent tangible progress across all workstreams established under the TTC. We are committed to advancing these projects and developing new ones as we deepen and grow the transatlantic economic relationship, based on our shared values and principles. The co-chairs intend to meet again in mid-2023 in Europe to review our joint work and discuss new ways to expand our partnership.