



Council of the  
European Union

Brussels, 22 April 2022  
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From:	European Commission
To:	Delegations
Subject:	Submission of the (draft) EU-US Joint Statement of the EU-US Trade and Technology Council for Council endorsement

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In accordance with the agreed inter-institutional procedure for non-binding instruments, the Commission's note of 2 February 2022 informing the Council of its intention to issue an EU-US Joint Statement at the EU-US Trade and Technology Council meeting on 15-16 May 2022, and the information provided by the Commission at the meeting of Coreper II on 1 April 2022, Member States will find enclosed the (draft) EU-US Joint Statement for the Council's endorsement. The circulated (draft) EU-US Joint Statement reflects the latest state of discussions, but could still be subject to changes in view of further exchanges with the US.

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## Consolidated draft version of 22 April 2022

### EU-U.S. Joint Statement of the Trade and Technology Council 16 May 2022 Paris-Saclay, France

*Disclaimer: all texts are in draft form and reflect progress as of 22 April 2022. They should not be considered as final.*

We, the co-chairs of the EU-U.S. Trade and Technology Council, European Commission Executive Vice President Margrethe Vestager, European Commission Executive Vice President Valdis Dombrovskis, United States Secretary of State Antony Blinken, United States Secretary of Commerce Gina Raimondo, and United States Trade Representative Katherine Tai, joined by European Commissioner Thierry Breton, held the second meeting of the Trade and Technology Council in Paris-Saclay on 16 May 2022, hosted by the French Presidency of the Council of the European Union [placeholder for names of additional representatives] and issued the following Joint Statement on behalf of the European Union and United States of America:

1. The EU-U.S. partnership is a cornerstone of our shared strength, prosperity, and commitment to freedom, democracy and the respect for human rights. In the past year, we have strengthened, deepened, and elevated our relationship. Strong transatlantic bonds and cooperation on issues related to trade, technology, and security are more important than ever as recent events have proven.
2. The world has changed dramatically since the first Trade and Technology Council meeting in Pittsburgh on 29 September 2021. Russia's unlawful military aggression against Ukraine is a premeditated and unprovoked invasion of a sovereign state in violation of international law, which threatens the multilateral rules-based order. The European Union and the United States support the Ukrainian people and their right to choose their own future. We remain committed to upholding Ukrainian sovereignty, independence, and territorial integrity. We will continue coordinating our actions to mitigate the negative impacts on the global economy, and on Ukraine's economy, in particular. We pledge to work jointly with Ukraine to rebuild its economy and revive its entrepreneurial vigour and facilitate trade and investment.
3. We will continue to use our bilateral trade and investment relations, our joint technology leadership, the transatlantic security partnership, and our shared democratic principles to protect our citizens and stand up to actors who threaten the multilateral rules-based order and fundamental principles of international law. Our cooperation and coordination in the Trade and Technology Council is essential to this effort, and we are committed to maintaining the Trade and Technology Council as a central pillar of our transatlantic partnership.

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4. We are convinced that the shared transatlantic, democratic, rights-respecting, and people-centred approach to our global challenges, the digital transformation, and the green transition embodied in the work of the Trade and Technology Council will benefit our citizens, workers, businesses, and consumers in an open global market based on fair competition and contestable digital markets.
5. We will continue to use the Trade and Technology Council to collaborate closely to project our values, foster participation in international standardisation organisations for civil society organizations, start-ups, small and medium sized enterprises, and to protect our economic and trade interests underpinned by core World Trade Organization (WTO) principles. We will engage in relevant international organisations and use other tools at our disposal to protect our interests. We will also collaborate in relevant international trade organisations, including organisations focused on international standardisation activities, as well as in other appropriate fora.
6. We recognise the importance of the multilateral rules-based system for open, democratic, market-based economies and the need for joint leadership on a deep reform of the WTO through the relevant fora. We are committed to take on the challenge of addressing non-market policies and practices with appropriate rules and tools, including through: joint direct actions; the Trilateral EU-U.S.-Japan process on stronger WTO disciplines; an effectively functioning WTO dispute settlement system; and the joint or coordinated deployment of relevant domestic trade tools.
7. We recognise the importance of emerging technologies for global prosperity and security. We are committed to exchange information and explore opportunities for collaboration in our research and development agendas, notably for Artificial Intelligence (AI), beyond 5G and 6G and quantum computing. We recognise the potential of earth observation and AI digital models of the Earth in the fight against climate change. We will continue and enhance our actions to promote the responsible use of technologies, including by working together on policies, standards and technology governance, to foster the use of critical and emerging technologies in line with democratic values and human rights. We are committed to better promote the responsibility to refrain from the arbitrary or unlawful use of surveillance products or services. We are also committed to promote the respect for human rights by businesses and the engagement with civil society and the private sector. The European Union and United States will also step up actions against the use of technologies as means for oppression, arbitrary or unlawful surveillance, coercion, information manipulation and interference including disinformation, and cyber threats, including by building further digital and cyber capacities. We will strengthen our cooperation on protecting human rights defenders online, promoting the open and secure internet globally, and preventing government-led internet shutdowns.
8. We share the view that online platforms should be transparent and be held accountable to provide services that are safe, respect our democratic values, and promote freedom of expression. The European Union and United States also share the need for effective oversight over the role of online platforms in the spread, amplification and mitigation of illegal and harmful content, including disinformation, and undertake to explore concrete project to support such oversight. We recognise the global nature of large online platform services and aim to coordinate on the enforcement of our respective policies for ensuring safe, fair and contestable

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platforms.

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9. We encourage the trade with and deployment of climate-neutral goods and technologies to help achieve our common and global climate and environment goals. We will cooperate in areas such as carbon foot printing methodologies, green public procurement, and electric vehicle charging infrastructure and interoperable connection, which can help to reduce energy dependency on fossil fuels and support energy autonomy.
10. We will continue and intensify our work to resolve trade disagreements to our mutual advantage, reduce barriers to bilateral trade and investment, prevent new ones from emerging, and refrain from taking any unilateral measures against each other. We will instead seek to create new opportunities for trade and investment. We share the understanding that the European Union and United States are trustworthy and reliable trade, technology, and investment partners as well as security partners. We reaffirm that trade between the European Union and United States does not represent a national security threat to each other. We will continue to seek amicable solutions and ensure the full normalisation of transatlantic trade flows.
11. We are acutely aware that trade in technologies can play an essential role in the ability of autocratic countries to implement authoritarian policies and engage in human rights abuses and other forms of repression. We share a desire for more cooperation to act forcefully through coordinated actions using our export control and investment screening tools. We are committed to achieving deep and structural cooperation and information exchange on dual-use and export controls, including further alignment of licensing policies, coordinated review of sensitive technologies and reducing export control differences. The Trade and Technology Council has already proven instrumental in **facilitating** unprecedented bilateral and multilateral coordination on export controls in response to Russia's military aggression against Ukraine.
12. We recognise the importance of having effective investment screening mechanisms in place throughout the European Union and in the United States for national security, as well as within the European Union, for public order, and recognise the value of joint engagement to this end. This collaboration will facilitate benign EU-U.S. trade and investments, as well as ensuring a better understanding of similarities and differences in approach, in particular, to shared and individual risks, allowing us to develop more effective collaboration in the future.
13. We will collaborate to reduce dependencies on unreliable sources of strategic supply and privilege reliable sources in our supply chain cooperation and with trusted partners. We share a desire to mitigate jointly the negative effects of sudden supply chain ruptures such as those created by Russia's aggression, for example in the area of critical materials. The Trade and Technology Council should help develop common approaches and explore shared solutions such as the definition of trustworthy partners for sensitive supplies. In light of the critical role of energy supplies and the need to fight against climate change, we commit to refrain from trade defence measures targeting either side's green and energy transition support schemes.
14. We welcome the interest and involvement of stakeholders who have contributed significantly in the Trade and Technology Council process, and we underline our commitment to continue our in-depth engagement with civil society, organised labour and businesses. We welcome the recently initiated, EU-financed Trade and Technology Dialogue, and the multiple engagements that working groups have held with broad groups of interested parties. We look forward to making use of the opportunities created by bringing together diverse stakeholders from across

the European Union and the United States. We subscribe to openness and transparency towards the public and we will endeavour to make essential information about our meetings and deliverables public.

15. In light of these shared political convictions, and based on the discussions held at the inaugural Trade and Technology Council meeting in Pittsburgh on 29 September 2021, recorded in the EU-U.S. Trade and Technology Council Inaugural Joint Statement, we welcome the following key outcomes:

- i. The formation of an AI sub-group to realise our commitment to the responsible stewardship of trustworthy AI and our joint support for the Organisation for Economic Co-operation and Development (OECD) Recommendation on AI. This sub-working group will hold expert workshops on AI measurement tools and risk management, as well as on the potential and current state of privacy-enhancing technologies. We will continue to collaborate on the implementation of the OECD AI principles to further our mutual understanding of how to integrate trustworthy and responsible AI into society. This includes working together to identify and oppose rights-violating systems of social scoring. Finally, we have launched a study to explore the impact of AI on the workforce in two fields, recruitment and logistics. All of these efforts build upon our discussions in Pittsburgh.
- ii. The creation of a structural EU-U.S. Strategic Standardisation Information (SSI) mechanism to enable information-sharing on international standards development, which will address the technology and economic interests of the European Union and United States. The purpose of the SSI-mechanism is to promote the development of technical standards in line with our shared values, pro-actively and collaboratively engage in new standardisation opportunities, and become active when standardisation activities of third actors pose a challenge or threat to our strategic interests and values.
- iii. In recognition of the positive contribution of transatlantic trade to resilient supply chains, and of our shared vulnerabilities to critical supply chains for semiconductors, critical minerals, clean energy, and pharmaceuticals, we support guiding principles, complementary and joint actions, and cooperation to mitigate risks and to advance the resilience of EU and U.S. supply chains, while committing to refrain from unilateral actions, which could negatively affect the production or export opportunities of the European Union and United States. This includes cooperation to diversify supply chains for rare earth magnets; promote transparency in the solar supply chain; support private sector initiatives to increase transparency in the semiconductors value chain and in demand to anticipate shortages; enhance cooperation to provide early warning of semiconductor shortages; and common principles and reciprocal consultation and information sharing about subsidies granted in the respective territories to avoid subsidy races. We also welcome recent announcements of major investments to expand innovative semiconductor manufacturing in both the European Union and United States.
- iv. The conclusion of a Statement on the importance of addressing security risks from high-risk vendors and fostering security, diversity, interoperability, and resilience across the information and communications technology and services (ICTS) supply chain. Whereas Russia's unjustified and unprovoked aggression on Ukraine has highlighted the importance of secure, trusted, and resilient ICTS to our national security and sovereignty, we reaffirm our ambition of the 2021 Ministerial Declaration of the G7 Digital and Technology Ministers' meeting to promote a more secure, resilient, diverse, competitive, transparent,

and sustainable digital and ICTS infrastructure supply chain.

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- v. The launch of a dedicated Trade and Technology Council work stream on financing for secure and resilient connectivity and ICTS supply chains in third countries, with the objective to promote the use of trusted/non-high risk vendors by third countries, by sharing information on our respective efforts to support secure, resilient, and rights respecting ICTS projects in third countries. A set of common overarching principles was established to guide this work. This could eventually lead to undertaking joint projects, also involving private companies, like-minded partners and international financial institutions, and strengthening our ability to provide the financing that our partners need to improve their ICTS infrastructure and provide secure, trusted digital services to their citizens. These efforts will support EU and U.S. flagship initiatives, the Build Back Better World and the Global Gateway.
- vi. The continuation of our excellent collaboration on export controls with a view to aligning to the extent practicable our export controls, including to converge our controlled goods list, to cooperate with like-minded partners beyond the European Union and United States, and to systematically consult on new actions that could affect the European Union or United States.
- vii. An understanding to coordinate efforts to share best practices on investment screening cooperation, with a view to encourage bilateral investment flows, to deepen our cross-cutting understanding of security risks related to specific sensitive technologies and the policy tools addressing those risks, to increase our collective security, and to support our open investment environments, while protecting legitimate security interests. We will coordinate efforts to share best practices, including through practical exercises later this year, on investment screening cooperation.
- viii. The creation of a policy dialogue within the Trade and Technology Council on information manipulation and interference including disinformation, and illegal and harmful content, underlining the importance of close EU-U.S. collaboration on addressing foreign information manipulation and interference in the context of the unprovoked Russian aggression against Ukraine, with a commitment to deepen cooperation including on the core issues of content moderation, as well as with a commitment to develop a common analytical framework for identifying foreign information manipulation and interference that will enable faster information exchange and effective countermeasures, especially in crisis situations. We also intend to turn the crisis protocol on disinformation and platform governance that should be established in the context of Russia's aggression against Ukraine into a more permanent crisis facility.
- ix. The establishment a tripartite Trade and Labour Dialogue within the Trade and Technology Council, involving representatives of trade unions, businesses, and the European Commission and U.S. government, to explore ways to promote internationally-recognised and fundamental labour rights, including the eradication of forced labour, and help workers make successful digital and green transitions, remain globally competitive, and enjoy broad and inclusive prosperity.
- x. A commitment to enhance communication and exchange of information on measures that could pose significant non-tariff trade barriers for EU and U.S. companies, including by setting up an early alert mechanism on shared trade concerns with third-countries.

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- xi. An understanding to advance the expansion of the EU-U.S. Mutual Recognition Agreement on Good Manufacturing Practices with a view to extend this to veterinary medicines by the summer of 2024, and to seek a new milestone for the possible extension to vaccines, while respecting the regulatory independence of involved EU and U.S. agencies. We will also work together to identify other specific technologies/sectors where strengthened cooperation on conformity assessment could facilitate transatlantic trade.
  - xii. The joint intention to intensify EU-U.S. cooperation in the area of public procurement, and explore how to increase bilateral public procurement opportunities, for example in areas such as environmental goods and technologies, digital infrastructure, health, or high-tech industrial products.
16. We charge all working groups to build on progress made thus far to implement concrete actions in advance of the next ministerial meeting, in consultation with stakeholders by making full use of the new Trade and Technology Dialogue facility. Specifically, we look forward to working together on interoperable Risk Management Frameworks for trustworthy AI in support of standards and regulations; [placeholder for a possible deliverable in the Climate/Clean Tech, Data Governance, and Misuse of Tech Working Groups]; new initiatives to alleviate supply chain pressures in key sectors; the creation of a mechanism to exchange information on Russian-related export controlled technologies; consensus on methodologies and reporting on investment screening to improve accountability; issuance of a set of government recommendations on measures to assist small and medium enterprises to access digital tools to grow their business; and further work to coordinate our trade response to non-market economic practices and to deepen bilateral trade and investments.
  17. We jointly endorse the conclusions and statements of the Trade and Technology Council working groups listed in the annexes. They reflect the implementation of the objectives determined at our meeting in Pittsburgh, as well as work plans and goals for the future. We pledge to continue achieving concrete and tangible results of value to stakeholders. We task working groups to continue working in line with these jointly determined objectives.
  18. We plan to meet again for the next Trade and Technology Council in [December 2022] in the United States to achieve new concrete results and to steer further work and cooperation.
  19. We reiterate that our partnership on trade and technology takes place in full respect of the regulatory autonomy of the European Union and United States, and our respective institutional orders and frameworks.

## **Annexes**

Enclosed are Annexes I-X that contain the shared conclusions per working group.

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## Conclusions on Working Group 1 - Technology Standards

1. Recalling the EU-U.S. Trade and Technology Council Inaugural Joint Statement of 29 September 2021 and having consulted stakeholders, we are working together to develop approaches for coordination and cooperation in critical and emerging technology standards. In addition, a dedicated subgroup on AI was established to advance work on specific deliverables, and ensure a coordinated approach on AI given its transversal character across several of the Trade and Technology Council working groups.
2. The EU-U.S. trade flows in many technology areas are significant. Having the same technology standards would facilitate trading activities between companies significantly. While the EU and U.S. standardisation systems are fundamentally different, there is ongoing governmental cooperation on pre-normative activities, existing cooperation between EU and U.S. standardisation development organisations and aligned interests when it comes to concrete standardisation deliverables.
3. We are discussing concrete deliverables for the development of technical specifications with the objective to eventually adopt the same standards, reduce non-tariff barriers in key technology areas and leverage those at international level.

### *Technology Standards Cooperation*

4. The EU-U.S. cooperation in Working Group 1 has resulted in the establishment of a Strategic Standardisation Information (SSI) mechanism on international standards development with the aim to pro-actively engage in new standardisation opportunities and become active if standardisation activities of third actors pose a challenge/threat to EU-U.S. strategic interests and values. [The cooperation has been operationalised today through the signature of an administrative agreement, designating dedicated EU and U.S. contact points.]
5. Furthermore, we are making progress on concrete deliverables to ensure coordination and cooperation related to critical and emerging technology standards. The working group is discussing areas of strategic interest. In the areas of additive manufacturing and AI, we will start work on joint technical specifications. In the area of recycling of materials, we reaffirm our mutual interest to work towards joint technical specifications. In the area of electric vehicles and charging infrastructure, we are concretising a collaboration to support the prompt finalisation and mutual recognition of a megawatt charging standard to charge heavy-duty vehicles. Digital identity, Internet standards and Internet of Things are additional areas that we will explore for common possibilities for joint work.
6. We aim to continue exploring these and other areas of strategic interest to come forward with a more comprehensive list of priority areas for cooperation by the end of 2022. Based on this list, the working group will aim to jointly promote concrete cooperative activities incorporating international standardisation opportunities and with the objective to eventually adopt the same

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EU-U.S. standards, reduce non-tariff barriers in these areas and leverage those at international level.

7. Finally, the working group will work together on strengthening small and medium-sized enterprises and potential non-industrial stakeholder participation in international standardisation organisations and their access to standards. A dedicated track is being organised which started with an exploratory discussion at an EU-U.S. stakeholder conference held on 6 May 2022.

### *Artificial Intelligence*

8. We seek to develop a mutual understanding on the principles underlying trustworthy and responsible AI. The sides aim to understand better one another's positions on how to approach the implementation of existing AI principles and related efforts in each of our jurisdictions and within our policy and regulatory landscapes. This understanding will help lay the foundation for future cooperation on AI initiatives.
9. The following actions are being discussed:
  - a. an expert exchange to discuss ongoing efforts to implement the OECD AI Principles, inform on the EU AI Act, the AI-related rights in the European Declaration on Digital Rights and Principles for the Digital Decade, the U.S. Bill of Rights to Empower People in an Automated World and the U.S. AI Risk Management Framework, and providing comments and input; and
  - b. increasing alignment on practical elements to measure and address risks in AI development and use by identifying potential areas of convergence in the U.S. and EU approaches to operationalising trustworthy AI.

These discussions can pave the way to determining potential further action. [Placeholder for further details to be discussed with the U.S.]

10. We maintain that a risk-based approach can lead to more trustworthy AI systems that can enhance market innovation, operationalise common values, and protect the rights and dignity of our citizens. The National Institute of Standards and Technology (NIST) in the U.S. has released the first draft of an AI Risk Management Framework as well as a special publication on bias in AI. In the EU, the European Commission proposal for a regulatory framework for AI contains a dedicated requirement to establish and implement a risk management system; European standardisation organisations have started work on a risk management process for AI to concretise the expectations set out in the Commission proposal.
11. Cooperation is ongoing between the European Commission, European standardisation experts and NIST concerning foundational elements related to measurement and evaluation tools, risk management and technical requirements for trustworthy AI. It includes work on:
  - a. common terminology related to technical characteristics, such as robustness and accuracy, and socio-technical characteristics, such as safety;

- b. a risk catalogue; and
- c. guiding principles related to trustworthiness characteristics.

This cooperation can build the pre-conditions for interoperable risk management approaches, and potentially develop a shared repository of metrics and methodologies for measuring AI trustworthiness and AI risks. The work will inform and be of benefit to the future efforts in this area by international and regional standardisation organisations. [Placeholder for further details of this work.]

12. An economic study on the impact of AI on the workforce is under preparation. EU and U.S. experts will carry out a survey of previous work on the effects of AI on the workforce, with attention to outcomes in employment, wages, and labour market opportunities. This will be followed by two case studies. One case study, led by the U.S., will deal with using AI in recruitment services, whereas the other, led by the EU, will focus on the use of AI in logistics and warehousing. The work will be based on existing quantitative data and supported, if possible and relevant, by interviews with experts and stakeholders. The work is intended to lead to the delivery of the study in late 2022.

## Conclusions on Working Group 2 – Climate and Clean Tech

1. Since the Trade and Technology Council Ministerial Meeting in Pittsburgh, we have further advanced our work on specific initiatives to accelerate the deployment of clean, low carbon products and technologies that can help in achieving our common climate goal to reach net zero emissions by 2050 with a focus on three main areas: promoting green public procurement policies in line with the cooperation on procurement in the Global Trade Challenges Working Group, aligning methodologies for calculating the carbon footprint of emission-intensive products and advancing electro-mobility and interoperability with smart grids.

### *Aims*

2. The potential of green public procurement is still largely untapped. We aim to work towards shared views on sustainability considerations in government procurement procedures with a focus on green products and technologies, such as smart mobility and smart energy network technologies. With its large procurement budgets, and critical role in the provision of key public services, the public sector can be a trailblazer in the wide deployment of technologies that can help reduce CO2 emissions.
3. Carbon footprint methodologies are an increasingly important tool used by regulators on both sides of the Atlantic to identify and encourage the production and sale of low carbon products. We will work towards a common methodology for carbon footprinting of emission-intensive products that can help reduce CO2 emissions and facilitate trade between us, taking into account recent science-based developments. We will also explore the role that emerging technologies, such as blockchain, AI or Internet of Things, can play in monitoring carbon footprinting.
4. In response to the substantial expansion of the global market for electric vehicles, many initiatives are underway to build public and private charging infrastructures. We will work together on developing mutually shared operating requirements and validation methodologies for testing of e-vehicles with their charging columns. This is critical to increasing the uptake of electro-mobility and promoting stable vehicle-to-grid integration across the EU and U.S. markets. Increased harmonisation of electric vehicle charging infrastructure can help address emerging technical issues and support innovation in electro-mobility, and ultimately minimise trade barriers and strengthen EU and U.S. industries. Enabling the uptake of electro-mobility will contribute to diminish fossil fuel dependency and will help progress towards energy autonomy, in line with strategic priorities.

### *Deliverables*

5. We have worked together on a series of first deliverables that lay the basis for concrete longer-term results. In green public procurement we have started discussing a joint mapping of policies and a joint catalogue of best practices. Work in this area aims to accelerate the deployment of

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technologies that can measurably help reduce emissions and strengthen transatlantic trade.

6. In the area of carbon footprint methodologies, we have begun exchanging on current practices and methodologies for selected emission-intensive products and supply chains, involving experts. This work will help develop recommendations in areas that are most ripe for transatlantic convergence.

### *Next steps*

7. For electric vehicle charging, the working group will prepare technical guidelines for government-funded charging infrastructure that will support the roll-out of compatible charging technologies. This work will bring more certainty to public authorities and private investors, improve the quality of infrastructure and benefit society through increased electro-mobility.
8. Experts have also worked together to develop a detailed workplan for the area of vehicle-to-grid integration. Concretely, work has already commenced on establishing a digital link between electric vehicle smart-charging test-beds at either side's research laboratories that will enable to improve the understanding and wider implementation of new charging technologies supported by common real time research.
9. By 2023-24 the working group aims to focus on accelerating the deployment of specific technologies that are critical to combatting climate change. In that context, collaboration on the development of a highly accurate digital model of the Earth to monitor and predict the interaction between natural phenomena and human activities could be of mutual benefit.
10. For green public procurement policies, we will work towards a joint EU-U.S. initiative incorporating sustainability considerations in public procurement. This would deepen the commonalities of our respective public procurement approaches with the aim of contributing to achieving our climate ambitions.
11. In the area of carbon footprint methodologies, the objective is to work towards a common methodology for joint EU-U.S. recommendations on selected carbon-intensive products. This can facilitate bilateral and multilateral cooperation and sustainable trade of these products.

### Conclusions on Working Group 3 – Secure Supply Chains

1. Recalling the EU-U.S. Trade and Technology Council Inaugural Joint Statement of 29 September 2021 and having consulted stakeholders, we have jointly defined a work programme for the Working Group on Secure Supply Chains focused on clean energy, critical materials and pharmaceuticals. We have identified shared vulnerabilities of our respective solar panels supply chains in the attached Trade and Technology Council Statement on Solar Supply Chains, and envisage to cooperate to address them. We recognise the need to ensure transparency throughout the supply chain as a means to support the resilience of the sector and to promote sustainable business practices. [We also share views on a set of guiding principles in that regard.] We have identified shared risks in the rare earth magnets supply chain and have discussed our respective policy measures to mitigate them, as well as our research and development priorities. We commit to cooperate and to avoid unilateral actions, which could negatively affect the other side's production or export opportunities along this supply chain. We are continuing our respective analyses of the vulnerabilities of the critical medicines supply chain.
2. The sides intend to continue to work together on advancing the resilience of transatlantic supply chains in these key sectors for the green and digital transition, notably in light of the additional challenges created by the recent geopolitical instability. The focus will be on the principles for the design of policy interventions, and on strategies to reduce vulnerabilities, including via encouraging of responsible sourcing of critical materials, coordination of public investment approaches and mobilise to incentivise private investments and diversification of raw material processing capacity (e.g. lithium, nickel, cobalt). We will also cooperate on establishing common priorities in the field of research and development.
3. In addition, a dedicated workstream on semiconductors was established to advance work on specific deliverables in this area, with shared views being presented the attached Trade and Technology Council Statement on Semiconductors.

## **Trade and Technology Council Statement on Rare Earth Magnets**

1. The Secure Supply Chains working group of the Trade and Technology Council has held exchanges since the Trade and Technology Council inaugural meeting in September 2021 in Pittsburgh to examine avenues for advancing Transatlantic supply chain resilience and security of supply in key sectors. As part of the group's initial focus on clean energy technology and critical materials the working group members have shared views on supply chain mapping, vulnerabilities, and opportunities for collaboration on rare earth magnets.

### ***Rare Earth Magnets Are Essential to the Transatlantic Economy and Climate Ambitions***

2. Under decarbonisation scenarios to achieve net-zero carbon emissions by 2050, demand for rare earth magnets is expected to grow rapidly, both in EU and U.S. domestic markets and globally. This demand poses a significant and undeniable challenge to Transatlantic decarbonization goals because rare earth magnets, and the rare earth materials they contain, have been prone to substantial market volatility and supply risks due to the high geographical concentration of production and geopolitical factors. Markets for rare earth elements are historically opaque as they are produced as by-products and often sold via contractual relationships. Companies from the EU and U.S. do not have prominent positions in the supply chain as nearly all production stages are concentrated in China. Today, competitive magnet recycling capacity is missing both in EU and U.S. Processing rare earth elements in a sustainable manner requires proactive environmental risk mitigation controls, which not all companies in the market are willing to invest in. Furthermore, substitution is difficult throughout the supply chain due to the unique characteristics and technical advantages of rare earth magnets.
3. Rare earth magnets have many uses across a broad spectrum of applications, including wind turbines, electric vehicle drives, hard disk drives, cell phones, loudspeakers, industrial motors, non-drivetrain motors in vehicles, power tools, and electric bikes. In the implementation of its objectives of a carbon pollution-free electric grid by 2035 and a net-zero economy by 2050, the U.S. government has established targets of offshore wind capacity installations of 30 GW by 2030 and 100 GW by 2050 as well as a commitment to electrify the federal government's vehicle fleet.
4. The EU strategy on offshore renewable energy proposes to increase Europe's offshore wind capacity from its current level of 12 GW to at least 73 GW by 2030, which corresponds to the installation of 7 GW per year. Overall, EU wind energy is expected to grow from 180 GW today to 451 GW by 2030. The EU market is expected to reach about 7 million of electric vehicles by 2030.
5. These commitments coupled with projected rapid private sector demand could place substantial stress on underdeveloped supply chains without capacity expansion at all supply chain stages, further market development, and investment.

### ***Rare Earth Supply Chain Challenges***

6. The Secure Supply Chain working group membership identified the following shared insights:

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- geographical concentration of key stages of the supply chain: China accounted for nearly 60 % of total rare earth mining production in 2020, an estimated 89 % of total rare earth separation capacity, an estimated 90 % of total metal refining capacity, and approximately 92 % of global sintered Neodymium-iron-boron (NdFeB) magnet manufacturing;
- insufficient transatlantic suppliers and domestic capacity in the EU and U.S. throughout the supply chain;
- projected, rapid demand growth rate to meet net-zero emissions targets;
- price and market volatility;
- limited substitutability of alternative materials and limitations to cost-efficient recycling; and
- need for companies to ensure high environmental, social, and governance standards across the supply chain.

### ***Transatlantic Actions on Neodymium Magnet Supply Chains***

7. The U.S. government is marshalling substantial resources to address these vulnerabilities and provide incentives for domestic production of rare earth magnets, including through resources provided under the Infrastructure Investment and Jobs Act of 2021. The U.S. is providing funding to establish a rare earth demonstration facility to demonstrate the commercial feasibility of a full-scale rare earth extraction, separation, and refining; to advance critical material innovation, efficiency, and alternatives; and establish a Critical Minerals Supply Chain Research Facility. The U.S. has also awarded funding to establish domestic processing capabilities for heavy rare earth elements.
8. The EU, through the Horizon Europe research and innovation programme, provides funding for mining, processing, separation and refining of rare earths and recycling of neodymium magnets. The European Raw Materials Alliance will develop a pipeline of investment projects along the rare earths and neodymium magnets value chain. The Alliance has come forward with 14 projects which could meet 20 % of EU demand in rare earth magnets by 2030, compared to only a few percent today. The Clean Technology Materials Task Force gathers the European Investment Bank and the European Bank for Reconstruction and Development to accelerate investment in critical raw material projects in the investment pipelines.
9. We support private sector investments in the industry and actions to provide certainty of demand for diverse producers of neodymium magnets through, for example, definitive supply or offtake agreements between Original Equipment Manufacturers and producers.
10. We pledge to preserve the openness of the transatlantic supply chains, and in particular, to refrain from taking unilateral actions that could hurt our production and export opportunities.

### ***Future Collaboration***

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11. To further enhance collaboration and coordinate policy actions, we commit to redoubling and refocusing efforts through the Trade and Technology Council and other relevant multilateral initiatives, particularly the Conference on Critical Materials and Minerals between the EU, the U.S., Japan, Australia and Canada, to continue to address rare earth elements supply chain vulnerabilities and to ensure undistorted trade throughout the rare earth supply chain.
12. These enhanced efforts will focus on deeper research and development collaboration to unlock and maximize Transatlantic mining production and processing capacity, improve characterization and utilization of unconventional resource extraction and processing, foster novel and effective recycling processes, and development and adoption of standards for rare earth magnets and sustainable mining practices and ensure that our domestic policies support trade and investments in the rare earth magnets supply chain. We intend to prioritize and advance projects of common strategic interest, leveraging respective diplomatic, project development, financing, and private industry resources.

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## **Trade and Technology Council Statement on Solar Supply Chains**

1. Over the past decade, solar power has evolved from an emerging, niche technology to a mature energy industry capable of playing a significant role in mitigating climate change and bolstering energy security. According to scientific and industry analysis, solar photovoltaics (PV), the dominant form of solar energy, is now the cheapest source of new bulk power generation in countries that make up more than two-thirds of world population, some 77 %of global GDP and 91 % of electricity generation.
2. This is a crucial issue both in the EU and U.S. Achieving a 100 %carbon-free electricity grid by 2035 in the U.S. will require solar to generate 30-50 %of U.S. electricity, up from three percent currently. In the EU, the share of solar in the power mix would need to increase to 14 % in 2030 to be in line with EU's climate goals (as proposed in July 2021). The REPowerEU communication of 8 March 2022 recognizes the key role of an accelerated solar deployment in decoupling from Russian gas imports.
3. The International Energy Agency (IEA) projects that achieving global net zero emissions by 2050 will require 630 GW of solar PV installed capacity to be added to the global electricity system per year until 2030. These projections make clear that ensuring reliable solar supply chains and taking steps to avoid disruptions to such supply chains is necessary to ensure solar energy's central role in our decarbonization objectives.

### ***Solar Supply Chain Risks***

4. Severe supply concentration and/or market bottlenecks in this sector pose energy security risks and create a significant vulnerability in light of the projected rapid growth in pursuit of Transatlantic net-zero objectives.
5. Non-silicon solar PV systems also face raw material challenges as well as capacity, economic, and sustainability constraints that limit their potential contribution to supply chain diversification. Other PV materials systems, including perovskites and tandem cells that combine layers of silicon and perovskites, are currently in the research and development phase and, while we will continue dedicated research and development and innovation efforts, these technologies do not yet offer scalable alternatives to silicon-based solar PV.
6. We share a recognition of the essential value of traceability of raw materials in the solar supply chain in ensuring sourcing from suppliers that uphold values consistent with our own, including protecting workers, and in striving for a more environmentally sustainable and climate friendly supply chain.

### ***EU and U.S. Actions to Strengthen Solar Supply Chains***

7. We are committed to taking proactive measures to improve solar supply chain resiliency and improve traceability in the production of silica-based goods and other relevant downstream products in solar supply chains.

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8. We have taken the following actions since June 2021 that are relevant also to address vulnerabilities in the solar supply chain:
9. The EU has taken the following actions to strengthen sustainability requirements in relation to the value chains of companies operating in the Single Market:
  - **Proposed a Directive on corporate sustainability due diligence** for EU and certain non-EU companies in all value chains on 23 February 2022. The proposal is accompanied by strong enforcement mechanism and sets out a toolbox of accompanying measures for its implementation.
  - **Issued guidelines on forced labour due diligence** on 13 July 2021 to help EU companies address the risk of forced labour in their operations and supply chains, in line with international standards.
  - **Published a Communication on decent work worldwide** on 23 February 2022 that announces that the Commission is preparing a new legislative instrument to effectively prohibit the placing on the EU market of products made by forced labour. The initiative will cover both domestic and imported products.

In addition, an EU **Solar Strategy** planned for adoption in the spring of this year will outline a comprehensive plan for accelerating solar PV deployment and a strengthening of supply chain resilience.

10. The U.S. has:

- **Enacted the Uyghur Forced Labour Prevention Act (ULFPA)**, that establishes a rebuttable presumption that any goods mined, produced, or manufactured wholly or in part in the PRC's Xinjiang Autonomous Region are prohibited entry into the U.S .
- **Issued a Withhold Release Order (WRO)** specific to Hoshine Silicon Industry Co. (Hoshine), one of the leading suppliers of MGS, and applying to silica-based products as well as to materials and final goods derived from or produced using those products.
- **Updated its Entity List** to add five PRC entities (including Hoshine and three polysilicon manufacturers) for participating in the practice of, accepting, or utilizing forced labour and contributing to human rights abuses in Xinjiang.
- **Updated its List of Goods Produced by Child Labour or Forced Labour** to add polysilicon.
- **Issued an updated Xinjiang Business Supply Chain Advisory** for U.S. businesses.
- **Supported Alternative Suppliers** in the U.S. and elsewhere via the U.S. Development Finance Corporation (DFC).

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## *Transatlantic Cooperation on Solar Supply Chains*

11. The rapid expansion of solar energy has the potential to yield broad benefits in the form of global economic activity, job creation, and greenhouse gas emission reductions.
12. Through our respective processes, we intend to promote transparency in the solar supply chain. We recognize that traceability and due diligence can help create market demand for sustainable sources of supply for various solar technology components in the EU, U.S. and third countries, including by creating an economic incentive for investments in new capacity or in bringing online currently idled capacity.
13. We likewise intend to cooperate on respective project development and the design of financing tools and on bolstering solar manufacturing capacity that adheres to shared environmental, social, and quality standards and to alleviate existing supply chain concentration, actively working together to remove market access barriers and distortions to EU-U.S. trade and investments, as EU-U.S. manufacturing capacity develops.
14. In the spirit of such positive cooperation, we will ensure that any protective measures are well targeted to avoid collateral damage to our respective industries.
15. Finally, we are committed to continued coordination of policy measures, incentives, and other actions to catalyse the investments required to enable solar energy's contributions to net-zero ambitions and to establish a more geographically and commercially diversified solar supply chain.

## Trade and Technology Council Statement on Semiconductors

### *Common understanding on semiconductor shortages*

1. Over the past two years, the EU, the U.S. and other regions of the world have witnessed disruptions in semiconductors supply, causing shortages across multiple economic sectors with potentially serious societal and economic consequences.
2. The EU-U.S. Trade and Technology Council Inaugural Joint Statement of 29 September 2021 highlighted how shortages of certain semiconductors revealed the importance of ensuring stable, resilient and robust supply chains for these vital products. Semiconductor supply chains are global and highly interconnected with numerous choke points that can impact production.
3. We are mindful of the importance of ensuring security of supply through strengthened ecosystems and investments, as reflected by our respective proposed EU and U.S. Chips Acts.
4. Our common understanding is that disruptions in the supply chain resulted from multiple factors, described as a ‘perfect storm’ of factors. A surge in home working, home schooling and in the need of digital entertainment throughout the COVID-19 pandemic led to increased demand for computers, electronics and technology products. Shipments of chips increased by 40 % from around 73 billion in the first quarter of 2020 to approximately 102 billion in the third quarter of 2021. Demand was further exacerbated by certain companies over-ordering and stockpiling components. Limited flexibility to increase supply in the short-term, as fabrication facilities were running at near full-capacity utilisation, together with the use of zero-inventory approaches by user industries, did not allow to accommodate the sudden increase in demand. Supply was also disrupted by a series of events, such as factory fires, winter storms, energy shortages, droughts and COVID-19-related shutdowns. This was compounded by dislocations in global logistics, transportation networks and shortages of raw materials and intermediary products.
5. We have identified semiconductors shortages having affected certain chips and applications, in particular legacy logic chips, analogue chips and optoelectronic chips, as well as the supply of substrates and raw materials, used in critical industries and economic sectors including automotive, healthcare, industrial automation, communications and energy.
6. We share the view that a persistent mismatch of demand and supply is expected to last well into 2023 mainly due to the main bottleneck of additional production capacity, but also as a result of constraints for sourcing materials and in assembly, test, and packaging capacity.
7. To address these issues, we intend to take action to increase transparency and monitoring of the value chain, set up an alert system to share information about possible disruptions, and increase production capacity while avoiding subsidy races.

### *Increasing transparency in the value chain*

8. We underline that promoting supply chain transparency, in partnership with industry and all relevant stakeholders, is essential to anticipate shortages and mitigate their negative effects. We are also mindful that certain practices, such as overbooking or stockpiling, have a harmful effect

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on the entire supply chain.

9. For that purpose, we commit to working with industry to promote initiatives aimed at advancing transparency regarding demand for semiconductors, in order to help inform future investments and alleviate bottlenecks in the supply chain. Concretely, we intend to with industry to develop these initiatives and strive to undertake a common project for promoting demand transparency. A dedicated workshop with stakeholders already engaged or interested in these initiatives will take place before the summer to build further momentum and to discuss perspectives to advance the objectives and the next steps.
10. We share the understanding that anticipation in identifying disruption problems in the supply chain is key for mitigating their impact. We recognise that certain measures, such as requesting information from stakeholders for monitoring the supply chain, can assist in mitigating the effect of supply chain disruptions.

### ***Setting up an early warning mechanism***

11. We commit to developing a common early warning and monitoring mechanism of the value chain and, as foreseen in the proposed EU Chips Act, to exchanging information between ourselves with a view to seeking cooperative solutions to supply chain disruptions.
12. The European Commission and U.S. government agencies engage in a two-months pilot to develop an early warning system for semiconductor supply chain disruptions:
  - a. We would meet once every two weeks to discuss potential risks.
  - b. Ad-hoc meetings could be organised in case of unexpected scenarios.
  - c. Discussions would be informed through information gathered independently, still protecting confidentiality of business proprietary and sensitive information.
  - d. At the end of the exercise, chairs may make recommendations for a permanent framework.

### ***Incentive structures***

13. We share the view that semiconductors are a strategic technological area, where significant investments are needed, in particular in production capacity, but also in design, assembly and testing, for avoiding disruptions in the future. These investments should encompass technological advances in computing power, energy efficiency or other innovations such as in materials and processes.
14. As highlighted in Pittsburgh, we recognise that subsidy races must be avoided. We are determined to respect the common subsidy rules under the WTO and take note of our shared ambition to modernise those rules.
15. In addition, we share the common goal to limit subsidies to what is necessary, appropriate and proportionate to achieve public policy objectives:

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- a. The European Commission through the proposed EU Chips Act package, explained how it intends to assess the use of public funding for semi-conductors in the EU. The European Commission will take into account in its State Aid assessment that new production facilities are first-of-a-kind in the EU, that there is a commitment to invest in the next generation of technology as and that it contributes to the security of supply of the EU.
- b. [Placeholder for US framework]

16. We commit to providing each other the following information for subsidies granted or maintained in our territories:

- a. the purpose of the subsidy;
- b. the form of the subsidy;
- c. the amount of the subsidy or the amount budgeted for the subsidy, and
- d. if possible, the name of the recipient of the subsidy.

17. In addition, reciprocal consultation at principals' level will be important in case of alerts to subsidy races. A mechanism will be put in place to this effect.

## Conclusions on Working Group 4 – ICTS Security and Competitiveness

### *Introduction*

1. In the summit statement released at the Pittsburgh ministerial meeting, the Trade and Technology Council co-chairs tasked the Working Group 4 with exploring concrete cooperation on development finance for secure and resilient digital connectivity in third countries; reinforcing cooperation on research and innovation for beyond 5G and 6G systems; developing a common vision and roadmap for preparing the next generation of communication technologies towards 6G; and discussing data security.
2. Since then, we have further advanced work on a number of deliverables. This includes a specific Joint Statement setting up a dedicated work stream to collaborate on development financing in third countries; develop a common vision on research and development beyond 5G and 6G; and co-hosting a virtual stakeholder engagement meeting.

### *Deliverables*

3. We share a specific joint statement on the importance of addressing security risks from high-risk vendors and fostering security, diversity, interoperability, and resilience across the ICTS supply chain.
4. In the area of collaborating on development financing, we have established a work stream to determine how public funding bodies, development finance banks (including multilateral development banks) and export credit agencies can more closely collaborate to address cybersecurity risks, promote the use of trusted vendors/non-high-risk vendors in third countries, and ensure funded projects only use trusted vendors/non-high-risk vendors for critical and sensitive functions, systems, and networks, with commensurate security practices and risk mitigations.

### *Next steps*

5. In the area of cooperation on research and development beyond 5G and 6G, we envisage to develop a common vision and roadmap outlining some of the key challenges and needs of future generations of communication technologies, including 6G. This could include technology requirements based on future use case categories, societal challenges including trusted connectivity, spectrum issues, standardization approaches including security and interoperability standards, as well as large-scale testing and experimentation. The partnerships currently set up in the EU (Smart Networks and Services Joint Undertaking) and U.S. (ATIS-NextG/RINGS) could cooperate to advance this effort.
6. In the area of joint stakeholder engagement, we intend to co-host a virtual meeting for Working

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Group 4 in June 2022.

7. Moving forward, we will work on other elements of cooperation, including an information exchange on securing ICTS supply chains and risk information sharing programmes; a report from the working group on development financing in third countries with a view to promoting the use of trusted vendors/vendors not considered high-risk; research and development for beyond 5G and 6G, resulting in a report on a common 6G vision and a roadmap outlining some of the key challenges and needs; and exchanges on data security.

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**Trade and Technology Council Statement on the Importance of Security, Diversity, Interoperability, and Resilience for Information and Communications Technology and Services**

1. This statement lays out our shared vision for the importance of addressing security risks from high-risk suppliers and fostering security, diversity, interoperability, and resilience across the ICTS supply chain. In addition, this statement outlines the ways in which we will collectively work together to achieve our shared vision through the Working Group on ICTS Security and Competitiveness. This includes, notably, a dedicated Trade and Technology Council work strand on development financing for secure and resilient connectivity and ICTS supply chains, an exchange on 6G research and innovation initiatives in the EU and the U.S. as well as plans to host a joint stakeholder engagement event on [2 June].
2. The COVID-19 crisis has underscored the importance of ensuring that all citizens have secure, resilient access to the Internet to fully participate in economic, political, social, and cultural life. Furthermore, Russia's unjustified and unprovoked aggression on Ukraine has highlighted the importance of secure, trusted, and resilient ICTS to our national security and sovereignty. We therefore reaffirm our ambition in the 2021 Ministerial Declaration of the G7 Digital and Technology Ministers' meeting to promote a more secure, resilient, diverse, competitive, transparent, and sustainable digital and ICTS infrastructure supply chain. This requires a rigorous and risk-based evaluation of equipment and software suppliers, consistent with existing measures such as those set out in the EU's 5G Cybersecurity Toolbox and the U.S. Secure and Trusted Communications Networks Act of 2019. Building on this shared understanding, we will share information on our individual approaches to the security of sensitive and critical areas of the ICTS supply chain, including steps we are taking to restrict the use of high-risk suppliers. Our focus is based on a comprehensive and holistic view of global ICTS supply chains and sensitive and critical areas of ICTS networks, including 5G, undersea cables, data centres, and cloud infrastructure. We will work together to encourage our allies and partners to undertake similar security measures to protect their infrastructures and services, through bilateral and multilateral fora.
3. We will utilise our respective finance instruments to support low and mid-income countries, and positions in and cooperation with development banks to advance and prioritize high-quality ICT infrastructure projects that promote the following overarching principles:
  - a. Support an open, global, interoperable, reliable, and secure Internet;
  - b. Advance competition in the provision of quality ICT services;
  - c. Enable human centric connectivity;
  - d. Bridge the digital gap for all;
  - e. Respect democracy and human rights;
  - f. Rely on good governance and transparency principles; and

g. Use sound cybersecurity policies and frameworks.

4. In support of these goals, we have launched a dedicated work strand on development financing for secure and resilient connectivity and ICTS supply chains. This informal work stream envisages to promote the use of trusted/non high-risk vendors in third countries, share information on our respective efforts to support secure, resilient, and rights respecting ICTS projects in third countries, and to further develop principles to ensure ICTS projects are secure, resilient, and trusted. The work stream will also have the objective of eventually undertaking joint projects and strengthening our ability to provide the financing that our ally and partner governments need to improve their ICTS infrastructure and provide secure, trusted digital services to their citizens. This work streams efforts will support EU and U.S. flagship infrastructure initiatives, Build Back Better World and Global Gateway.
5. Ensuring security, diversity, interoperability, and resilience across the ICTS supply chain requires a digital ecosystem that is secure, based on open and transparent standards, innovative and competitive. We will discuss market trends towards open, interoperable approaches alongside the continued importance of trusted, established architectures. [As governments, we will take a principles-based, technology-neutral approach to ensure competitiveness and strengthen innovation and technology development in general.] [As such, we will share information on our respective approaches in this regard, including discussing how governments could support security, performance, energy efficiency, and interoperability through research and development funding and support for global and transparent standards development in line with the World Trade Organization Agreement on Technical Barriers to Trade.]
6. We share an understanding that our approach to security needs to address all of the layers and elements of the ICTS supply chain, from the physical to application layers, from microelectronics components to networks to cloud infrastructures and services. This is the fundamental understanding on which we base our efforts to ensure the security of our citizens' and [our industrial and machine-generated data]. We will share information with each other on our respective efforts in this regard and will undertake discussions with the private sector, academia, consumers, and other stakeholders with the aim of building a better understanding of the current threats to data security and what government policies are needed to address these threats.
7. [Next-generation connectivity technologies beyond 5G and towards 6G are expected to be the basis for our digital services by 2030, which will become even more critical for our societies. We have the common aim to ensure that these technologies will have the capability to enable the use cases of the future, but will also be designed based on our common key principles and values such as security, privacy, openness, interoperability, accessibility, sustainability, etc. To this end, we will continue to exchange information on our respective 6G initiatives and will work towards the development of joint roadmaps and the identification of specific areas of cooperation.]
8. The joint work will be underpinned by frequent and meaningful consultation with a broad and diverse range of stakeholders. In this regard, we will hold a joint stakeholder engagement meeting on [2 June].

## Conclusions on Working Group 5 – Data Governance and Technology Platforms

1. As part of the Data Governance and Technology Platforms Working Group, we intend to cooperate on our shared concerns regarding the spread of illegal content on online platforms and online information manipulation and disinformation. We agree that online platforms, commensurate with their impacts on society, should exercise greater responsibility in ensuring that their services contribute to an Internet that is safe for users and that protects our fundamental rights and democratic values. In our initial collaboration, we have focused on transparency of content moderation, algorithmic amplification, and data access for researchers.
2. These topics are crucial in helping citizens, civil society, industry, governments, and other stakeholders deepen their common understanding on how platforms shape the information environment, a shared concern in the EU and U.S, and at the heart of the EU's upcoming Digital Services Act and U.S. policy.
3. In light of this, we have reached a shared understanding on these particular issues and the Working Group proposes to follow up on a number of concrete actions:
  - a. *Transparency and responsiveness in content moderation.* An important part of tackling illegal and harmful online content including disinformation are platforms' terms of service and their content-moderation practices. There is a shared view that meaningful transparency and responsiveness have the power to increase trust and accountability of platforms' content moderation practices. Drawing on our respective frameworks, we envisage to work together to require or encourage online platforms to:
    - i. publish transparent and clear terms of service;
    - ii. provide a complaint or flagging system to notify online platforms of potentially policy-violating content, illegal content, or illegal activity and act promptly on such notifications; and
    - iii. seek to use meaningful metrics for reporting on the activity of content moderation systems.

In parallel, we will work towards promoting the sharing of industry best practices and guidelines for transparency reporting by providers of online platforms, which should be informed by, but not interfere with, ongoing efforts.

- b. *Algorithmic Amplification.* We have a shared concern about the potential risks posed by algorithmic amplification, particularly in the uncontrolled spread of illegal conduct or content and harmful content including disinformation on online platforms, which may be driven by perverse incentives to attract more viewing. Independent scrutiny of, and

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oversight over, the effects of algorithmic amplification has been limited, in part because of constraints related to meaningful access to data. This prevents civil society, researchers, users and governments, and possibly online platforms themselves, from understanding risks and developing effective mitigating measures. We intend to continue our collaboration on deepening our understanding of algorithmic amplification and its effect on society, as well as meaningful response measures.

- c. *Data access for researchers.* Researchers are essential to the proper understanding of the evolution of online risks, particularly those related to illegal content and harmful content including disinformation on online platforms. This work critically depends on access to data from online platforms, which is currently hindered by information asymmetries and a dependence on voluntary mechanisms for data sharing. In addition, while there are valid privacy and security concerns in sharing data more widely, these concerns can be invoked as obstacles for sharing data with researchers. We share the view on the importance of facilitating data and information sharing with researchers by large, consumer-facing platforms with appropriate safeguards for data privacy and security. This should build upon existing legal frameworks and not interfere with, ongoing efforts and specific reporting and monitoring requirements. We will advance modalities for data access for researchers to enable online platforms to grant such access with a view to advancing the common understanding of the societal risks applicable to specific online platforms, while ensuring appropriate security and respect for privacy. Such data access would also have benefits for partner countries.
4. For the immediate future, we aim to convene a workshop on the importance of promoting freedom of expression and to discuss relevant underlying legal frameworks in the United States and European Union as well as existing public and private practices such as voluntary industry collaboration to address incitement to violence and hatred while fully respecting all users' rights.
5. On the protection of minors online, we have a shared concern about the impact of online platforms on minors' mental health, well-being and development, in particular, through the collection of data and algorithmic targeting techniques. We envisage to exchanging our mutual experience on this priority topic as part of this Working Group going forward. The discussion will cover specifically bans for online platforms on collecting important amounts of data on minors and targeting advertising towards minors. This would be informed by a joint EU-U.S. policy workshop on policy design methods that strongly involve young citizens. We will exchange best practices to ensure that digital policy continues to reflect the perspectives of all generations, including minors.
6. In the longer term, the aim is to establish a structured policy dialogue dedicated to key emerging issues in platform governance, including competition in digital markets, in order to find common ground on the scope of the challenges, to seek greater convergence of or effectiveness in policy and regulatory approaches and to coordinate on enforcement (including on the contestability and fairness of the online platform economy). The policy dialogue would also be a forum for joint communication on common principles and crisis situations.
7. [We have already advanced on the common initiative on a global Declaration for the Future of the Internet, based on a human-centric approach. We are deeply concerned about the repression

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of Internet freedoms by some authoritarian governments, the use of digital tools to deny human rights, the growing impacts of cyberattacks, the spread of illegal content, information manipulation and disinformation and the excessive concentration of economic power. They therefore committed to working in close cooperation together with partner countries to address these developments and risks through the Declaration for the Future of the Internet. As partners in the Declaration, we affirm that the Internet must reinforce core democratic principles, fundamental freedoms and human rights as reflected in the Universal Declaration of Human Rights. We have launched the Declaration on [insert date]].

8. As with the Declaration for the Future of the Internet, we strive to the broadest degree of convergence on data governance and platforms. We will continue to deepen our cooperation including through the proposed frameworks, workshops and exchanges. We will seek global alignment precisely to ensure that citizens and businesses benefit from a safe, fair and contestable online environment

## Trade and Technology Council Statement on Crisis Cooperation

1. Russia's unlawful aggression against Ukraine has shown the dangers from foreign information manipulation and interference, including on online platforms, as well as the use of offline threats and other actions to silence independent voices. We envisage to establish a joint crisis mechanism for cooperation on such information operations, to exchange information and coordinate responses to different types of crises that inherently have an important online platform element.
2. We have reflected on the coordination to date on a range of preventive and punitive measures to mitigate the harms caused by Russia's unlawful military aggression against Ukraine.
3. As regards online platforms, we, inter alia, explore:
  - the monitoring of information manipulation (including disinformation, propaganda, government controlled media) and the role of online platforms for its spread, amplification and mitigation;
  - the role of online platforms as part of efforts to increase digital security of Ukrainians and other targeted groups (including access to quality media covering Ukraine); and
  - mapping of practical instruments for rapid deployment in crisis situations, including funding, digital and support services.
4. These discussions will be followed by targeted engagement with frontline civil society representatives as well as industry representation from small, medium, and large online platforms. Better access to online platform data for researchers and possibly other vetted partners should be discussed as a priority, including to improve public understanding of Russian information manipulation and interference and efficacy of platform interventions. Discussions should also be convened on information about digital security and safety efforts to support vulnerable groups.
5. We will then work towards the establishment of a more structured crisis cooperation framework. Such a framework should also serve to obtain and share non-sensitive information, for example on the trends in the use of different online platforms for sharing, amplifying and mitigating illegal and harmful content including disinformation, consistent with EU and U.S. law. It would mainly cover risks related to information manipulation and interference and disinformation, in particular those activities coordinated online, as well as information on the potential for state-backed Internet shutdowns and other activities that seek to isolate and silence independent voices. In addition, the cooperation would also focus on promoting access to reliable information. The cooperation would also cover elements of platform governance, with a focus on crisis risk assessments and mitigation measures and the malicious practice of partial Internet shutdowns targeting specific platforms, notably in the absence of due process. The crisis cooperation framework would establish triggers for the joint crisis protocols; map available practical instruments within the respective jurisdictions; and enable information sharing. A joint crisis management protocol could also produce a common framework for consistent reporting by online platforms to governments and authorities respecting due process. This ad-hoc

reporting will support and build on existing reporting frameworks and not interfere with or supplant any of these on-going efforts

6. As a first step, we envisage to set up a crisis response protocol to online challenges in the context of Russia's unlawful aggression against Ukraine involving both the EU and U.S. as part of the Trade and Technology Council. In addition, we will look ahead to the actions necessary to address future digital threats around the globe, that are resulting from, or inspired by, Russia's unlawful aggression. In the event of future crises, when the EU-U.S. crisis protocol is triggered, it could be broadened to include also other partners.

## Conclusions on Working Group 6 – Misuse of Technology Threatening Security and Human Rights

1. The aim of this working group is to combat arbitrary or unlawful surveillance, work to protect human rights defenders online, explore building an effective mechanism to respond to internet shutdowns and increase transatlantic cooperation to address foreign information manipulation and interference, including disinformation, while upholding freedom of expression and privacy rights.
2. The unprovoked Russian aggression against Ukraine, which has led to the gravest international humanitarian law and international human rights law violations and abuses on the European continent for more than 70 years, has been prepared and is being conducted in a context of information manipulation and disinformation. These recent developments underline the importance of our close EU-U.S. collaboration on countering the systematic use of such activities by Russia as well as protecting human rights defenders online; internet shutdowns; and online surveillance.
3. For this purpose, the working group operates in four different work strands to further reinforce collaboration and make practical progress on each dedicated to one of the priority goals. We will engage multilaterally, including with and within the United Nations, as well as multiple stakeholders:
  - a. *Unlawful surveillance*: To strengthen the global awareness of jurisdictions' obligations to limit the arbitrary or unlawful use of surveillance products or services and to promote business respect for human rights, focused on companies that engage in transactions with products or services with surveillance capabilities.
  - b. *Protection of human rights defenders*: To identify and mitigate threats faced by human rights defenders online including harassment, smear campaigns, and censorship, and their impacts offline; to raise global awareness to the threats; to reaffirm our joint commitment to protecting defenders online, and to broaden global support.
  - c. *Responding to internet shutdowns*: To leverage technical and diplomatic coordination to bring high-level attention to the issue of Internet shutdowns, in particular to their local and international impacts, in order to effectively stop an alarming upward trend. To increase attention to this issue at multilateral fora, and to strengthen our collective expertise and collaboration with the multi-stakeholder community.
  - d. *Addressing information manipulation and interference, including disinformation*: To deepen joint EU-U.S. efforts to more effectively identify, analyse, and counter adversarial information manipulation and disinformation.

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4. We share the view that all jurisdictions should implement legislation and safeguards to protect people from unnecessary or otherwise unlawful surveillance, including any arbitrary or mass surveillance. Deeply concerned about the global spread of State-imposed systems of surveillance, we jointly recall that such policies have to be fully in line with international human rights law.
5. In the coming months, through consultation with stakeholders, we will examine how to better promote State responsibilities to limit the arbitrary or otherwise unlawful use of surveillance products or services and promote the business respect for human rights focused on companies that engage in transactions of products or services with surveillance capabilities. We will also engage multilaterally, including at the UN, and with the private sector to highlight best practice in due diligence and incentives for the respective for human rights.

### ***Human Rights Defenders Online***

6. We share the view that it is of utmost importance to protect human rights defenders from online threats, including smear campaigns, harassment, surveillance, and to protect freedom of association and peaceful assembly online. We commit to further leverage our joint expertise to identify and mitigate threats faced by human rights defenders online.
7. Building on existing cooperation, in the Trade and Technology Council framework we highlighted concerning trends and possibilities for improving online protection of human rights defenders at a joint side-event at the 49th session of the United Nations Human Rights Council in March, working closely with the Office of the High Commissioner for Human Rights and civil society stakeholders. Given recent developments, the event focussed on women human rights defenders and featured civil society voices from Ukraine.
8. Going forward, we will work to develop policies to mitigate threats to democracy and human rights online, including through working with business. We will also organise expert exchanges to foster the exchange of lessons learned and further improve coordination regarding emergency protection of human rights defenders. We will call on likeminded countries to amplify their support for defenders, and will issue a joint public statement on current challenges.

### ***Internet Shutdowns***

9. We agree on the importance to protect and promote an open, un-fragmented, free, safe, secure access to the internet for everyone, as it facilitates the enjoyment of numerous human rights and is essential for the documentation of human rights and international humanitarian law violations. Acutely concerned by the increasing use of full scale or targeted internet shutdowns, blackouts of connectivity, or intentional network slowdowns, we jointly condemn internet shutdowns and raise attention to the broad negative effects of such measures.
10. Going forward, we will undertake joint technical research together with the multi-stakeholder community on the effects of shutdowns both locally and internationally. We are ready to play our parts in building an effective mechanism to respond to Internet shutdowns. We intend also work together in the framework of other international fora, and commit to undertake diplomatic outreach to governments that impose Internet shutdowns.

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## *Information Manipulation and Interference, including Disinformation*

11. We agree that foreign information manipulation and interference, including disinformation, are a key threat to our respective democracies, societies, and security. Recent events in the context of Russia's unlawful aggression towards Ukraine have confirmed once again the gravity of the threat and the importance of tackling it together. Building on existing strong cooperation, we have made progress in the Trade and Technology Council to further align our frameworks and approaches.
12. Going forward, we commit to advance the development of a common or comparable understanding of and methodology for identifying foreign information manipulation and interference, as well as for cataloguing it and sharing related information. This will also entail the creation of a common directory, drawing upon open sources, to catalogue Tactics, Techniques and Procedures (TTPs) used to conduct information manipulation and interference. To facilitate further steps, we plan to organise an analyst conference.
13. We will also bring together social and political science researchers in the EU and U.S. to discuss the latest research on the impact of information manipulation. Other exchanges between relevant stakeholders on specific topics of common concern relating to information manipulation and disinformation will be organised.
14. We commit, in compliance with our respective legal frameworks, to foster an increase in the sharing of privacy-compliant information related to foreign information manipulation and interference and scope joint activity and responses between the G7 Rapid Response Mechanism (RRM) and the EU Rapid Alert System (RAS). We also commit to explore the possibility of privacy compliant information exchange to facilitate potential attribution of foreign information manipulation and interference, in compliance with our respective legal frameworks.

## Conclusions on Working Group 7 – Export Controls

### *Introduction*

1. Following the Pittsburgh Ministerial Meeting and in light of principles for our cooperation on export control as stated in the Annex II to the EU-U.S. Trade and Technology Council Inaugural Joint Statement of 29 September 2021, we have started to deliver concrete results and define priorities in consultation with stakeholders<sup>1</sup>.
2. In particular, we have established a coordinated policy restricting trade with Russia and Belarus in response to Russia's unprovoked military aggression against Ukraine. The Export Control Working Group has facilitated that process and will now coordinate its implementation. Building on this cooperation we will work together with partners and other third countries with regard to export controls in a joint effort to uphold international peace and security and to enhance our capacity of countering risks of circumvention
3. This coordinated approach is consistent with the Trade and Technology Council objectives to coordinate on key global trade, economic, and technology issues, to consult in advance of changes that effect the EU and U.S., and to deepen transatlantic trade and economic relations based on our shared democratic values and while recognizing the importance dual-use export controls play in protecting international security and preventing destabilizing accumulations of sensitive goods and technologies.
4. The unprecedented level of cooperation we have achieved in developing common and shared export controls on Russia and Belarus, in record time, serve as the model for continued expansion and common approaches in other areas of export controls.

### *Results achieved so far*

5. We held a first meeting of the Export Control Working Group in January 2022 and consolidated a work programme for 2022, identifying actions to promote bilateral trade, joint innovation and technology development through discussions on our respective dual-use export control policies and practices, to address security concerns associated with sensitive and emerging technologies and destinations of concern.

### *Russia*

6. We have held intensive prior consultations in the shaping of a robust response to Russia's unprovoked military aggression against Ukraine. As a result of our cooperation, we have established a coordinated policy restricting trade with Russia and Belarus and adopted

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<sup>1</sup> [https://trade.ec.europa.eu/consultations/index.cfm?consul\\_id=312](https://trade.ec.europa.eu/consultations/index.cfm?consul_id=312)

unprecedented and substantially equivalent sanctions on exports of dual-use items and strategic technologies that undermine Russia's capacity to acquire the technologies for continuing its war against Ukraine. We now prohibit, with limited exceptions, exports to Russia and Belarus of:

- a. the most sensitive dual-use items – those controlled by the multilateral export control regimes;
- b. nine categories (electronics, telecommunications products, information security, lasers and sensors, navigation and avionics, marine, and aerospace) of advanced technology items not multilaterally controlled which have potential military application; and
- c. items for military end-users and entities supporting Russia's military-industrial complex.

While significant and severe for Russia and Belarus's military and government, these restrictions were carefully tailored to mitigate the impacts on EU and U.S. global trade.

7. Going forward, the Export Control Working Group provides a forum for further work on sanctions, including monitoring our implementation and enforcement alongside actions by other countries, in order maximize their impact. To facilitate consistent implementation, the Export Control Working Group will establish an information sharing mechanism and will regularly exchange pertinent information.
8. Beyond the specific case of Russia, the Export Control Working Group will help to prioritise technical assistance and capacity building requests to support effective export control implementation. The Working Group will leverage available EU and U.S. tools, resources, and training to combat export control evasion.

### *Licensing*

9. We are also exploring ways to promote bilateral trade, joint innovation and technology development, particularly across key technology sectors, while ensuring that EU and U.S. technologies will be protected from external misuse. To facilitate this, the Export Control Working Group will consider how we can:
  - a. work towards an accelerated administrative process to grant licenses for re-export of certain goods originating in our respective territory, on the basis of reciprocity, for example, by supporting further alignment between EU general export authorisations and U.S. licence exceptions; and
  - b. support further coordination in the-update of our control lists, with a view to ensuring that our export control rules are consistent.
10. In line with the commitment to consult on important changes, the Export Control Working Group will discuss their respective initiatives related to due diligence such as the EU's

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guidelines on exports of dual-use cyber-surveillance technologies and the planned U.S. Human Rights Export Control Initiative.

11. The Export Control Working Group will focus aligning licensing policy on key technology, sectors, including semi-conductors, aerospace and cybersurveillance.

### ***Emerging Technologies***

12. Taking into consideration the fast pace of innovation and quickly evolving technologies, with the need to maintain a level playing field, the Export Control Working Group will discuss our respective approaches to the identification and assessment of emerging technologies, with a view to:
  - a. establishing clear criteria for controls;
  - b. regular exchange of information on emerging technologies;
  - c. establishing a common list of emerging technologies;
  - d. agreeing on appropriate multilateral controls and licensing policies; and
  - e. coordinated implementation.

### ***Regulation and Practice***

13. The Export Control Working Group will also evaluate export control implementation to better align EU and U.S. export control regulations and practice regarding on relevant licensing practices, including coordination of control lists' updates, alignment of our respective re-export authorisations and exceptions, license validity, classification of items, intangible transfer of technology, among other topics described in the Work Programme.

## Conclusions on Working Group 8 – Investment Screening

1. In line with the EU-U.S. Trade and Technology Council Inaugural Joint Statement of 29 September 2021, including its Annex I and building on the existing cooperation, our focus in Working Group 8 has confirmed the importance of maintaining robust investment screening mechanisms throughout the EU and U.S. in order to address risks to national security and, within the EU, public order, while remaining open to foreign investment.
2. We recognise the importance of international engagement on investment security issues to address transnational risks and maintain collective security. We continue to affirm our commitment to open foreign investment, which is essential for economic growth and innovation. We recognise the significant investment linking companies on both sides of the Atlantic, which illustrates the strength of the transatlantic partnership
3. The United States joins the European Commission’s call for those Member States that currently do not have a screening mechanism, or whose screening mechanisms do not cover all relevant transactions, to set up fully-fledged screening mechanisms and stands ready to support the development of these mechanisms. The importance of establishing robust foreign investment screening mechanisms is highlighted by Russia’s military aggression against Ukraine.
4. The cooperation has resulted in the adoption of a work programme aiming at improving the understanding of our respective investment screening regime, the evolving threats related to certain foreign investments, and a very useful sharing of best practices for the identification of vulnerabilities in sensitive sectors.
5. To date, the Investment Screening Working Group has held two meetings as well as a stakeholder outreach event. At the first meeting, Working Group 8 discussed investment trends affecting security. Exchanges focused on overall foreign direct investment trends, trends in investments and strategies from certain countries of origin, including Russia, and trends with respect to transaction structures of interest. Furthermore, we presented an overview of the implementation of its screening regimes based on aggregated information available in our respective public reports.
6. The second meeting of Working Group 8 covered an exchange on best practices, focused on sensitive technologies and sensitive data issues, and presentations of case studies facilitating more focused discussion with respect to risk analysis and risk mitigating measures.
7. The focus of the meetings is not only to share information, but to better understand similarities and differences, deepen collective understanding of shared and individual risks, emphasize the importance of investment screening as one of the key tools to address national security and public order risks, and explore potential opportunities for deeper technical exchanges for increasingly efficient future collaboration.
8. In line with the EU-U.S. Trade and Technology Council Inaugural Joint Statement of 29

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September 2021, Working Group 8 is engaging with stakeholders to gain their perspectives and input to help inform the working group's efforts. The first outreach event on 2 December 2021 featured updates from the EU and U.S. regarding the overall principles and goals of the Trade and Technology Council and the objectives of Working Group 8 and regarding recent regulatory developments. Stakeholders provided valuable input throughout the discussion and in their written submissions, which the EU and U.S. noted to take into consideration.

9. Moving forward, Working Group 8 will:

- a. continue to share information and experience, which can help to broaden perspectives within the respective screening systems, including through practical exercises and case studies, involving thematic experts;
- b. start developing a holistic view of the security risks related to specific sensitive technologies and the policy tools addressing them, including in particular export controls and investment screening;
- c. continue conducting joint virtual outreach events for stakeholders as appropriate; and
- d. explore conducting a practical "tabletop" exercise in the later part of 2022 to continue to facilitate the exchange of best practices on a more technical and practical level.

## Conclusions on Working Group 9 – Promoting SME Access to and Use of Digital Tools

1. Recalling the EU-U.S. Trade and Technology Council Inaugural Joint Statement of 29 September 2021, we are committed to promoting small- and medium-sized enterprises (SME) access to and use of digital tools. The uptake and use varies significantly across sectors and regions, and the use of digital tools is a key enabler for SMEs to innovate, grow and compete.
2. Working Group 9 is conducting outreach activities that offer opportunities for SMEs and underserved communities, and their representatives, to share their needs, experience, strategies and best practices with policymakers on both sides of the Atlantic with a view to ensuring a better understanding of the barriers to their digital empowerment.
3. The EU-U.S. cooperation in Working Group 9 has resulted in the organisation of two webinars featuring EU and U.S. SMEs and experts, focusing on cybersecurity and digital skills and strategies for SMEs. Two additional webinars will be organised in the second half of 2022, for which the topics are under discussion. Moreover, the Working Group [has made available today] guidelines for SMEs based on the outcomes of the webinars on cybersecurity and digital skills. Further outreach activities might be planned in the medium and longer term.
4. In the longer term, the Working Group plans to develop recommendations for EU and U.S. policy makers that will help to accelerate access to and the uptake of digital technologies by SMEs in EU and U.S. These recommendations should be in line with our applicable legal frameworks, and could be based on the results of an U.S. study, other available evidence like the EU SME performance review as well as on the feedback and conclusions from all webinars.

## Conclusions on Working Group 10 – Global Trade Challenges

1. Building on Annex V to the EU-U.S. Trade and Technology Council Inaugural Joint Statement of 29 September 2021 (the Pittsburgh Statement), we intend to focus on the following specific objectives in the Global Trade Challenges Working Group.

### *Avoiding Unnecessary Trade Barriers*

2. Consistent with our respective legal and regulatory requirements, we seek to strengthen bilateral trade and avoid unnecessary barriers to trade through enhanced information exchange and concrete trade facilitating initiatives, as follows.
3. Without duplicating discussions under existing channels such as the WTO framework, we intend to offer each other, upon request, the opportunity to take up and discuss new, or amendments to existing, regulatory initiatives and measures in key sectors of new or emerging technologies that could have an impact on trans-Atlantic trade, to maximize opportunities for common approaches and to avoid, where possible, unnecessary barriers to trade. This opportunity will be part of the work and discussions under the Working Group on Global Trade Challenges.
4. We intend to also set up an early alert mechanism on shared trade concerns, with the aim to regularly cooperate and exchange information at an early stage on initiatives or measures by third countries, which either side considers could constitute or evolve into a significant trade barrier for EU and U.S. companies.
5. We seek to work together to reduce the likelihood that regulations developed by us generate unnecessary trade barriers for new and emerging technologies. For this purpose, we intend to cooperate to develop concrete sectoral trade facilitating initiatives in sectors or areas that are not discussed in other Working Groups of the Trade and Technology Council. This should include:
  - a. In relation to motor vehicles:
    - i. Enhanced cooperation under the existing regulatory framework (UNECE World Forum for Harmonization of Vehicle Regulations (WP.29) in order to seek ways to enhance the relevance and usefulness of the UNECE 1998 Global Agreement, including on increasing the rate of domestic implementation of the UN Global Technical Regulations (GTRs);
    - ii. Regulatory cooperation on safety of electric vehicles, in-vehicle durability of electric vehicles, automated vehicles, cyber security of vehicles and real-world driving emissions within the framework of the UNECE World Forum for Harmonization of Vehicle Regulations (WP.29).

- b. Explore possibilities for facilitating trade through digital tools:
  - i. digitally signed certificates of conformity, digital submissions for regulatory approvals and remote audits;
  - ii. digital product passport frameworks that enable registering, processing and sharing product-related information (including as regards sustainability/circularity) among businesses, authorities and consumers.
- c. Facilitation of conformity assessment:

We seek to review the tools at our disposal for expanding transatlantic trade through facilitation of conformity assessment. Areas to consider could include:

- i. Greater use of first party conformity assessment (manufacturer's declaration of conformity) for lower risk products and exploring additional ways to simplify requirements for third party certification.
- ii. Improvement of the implementation of the Sectoral Annex on pharmaceutical good manufacturing practices to the EU-U.S. Mutual Recognition Agreement (GMP MRA) and support for the expansion of its Sectoral Annex to veterinary medicines.
- iii. Expansion of the Marine Equipment Mutual Recognition Agreement (MRA) to certain radio equipment.
- iv. Identification of specific technologies/sectors, including those identified by industry stakeholders, where strengthened cooperation on conformity assessment could facilitate transatlantic trade.

*[NOTE: in connection to point iv., the EU is currently conducting a public survey among its stakeholders and industry to better assess cooperation opportunities in conformity assessment with its main trade partners, such as the U.S.]*

*[NOTE: topics concerning sectors such as cybersecurity, Artificial Intelligence and electric vehicle charging infrastructure are included in the working programmes of WG 1 and WG 2]*

- d. Facilitating trade through increased cooperation in the area of procurement:

We share the objectives of building resilient transatlantic supply chains to avoid strategic dependencies and of advancing climate and technology leadership. In the current geopolitical upheaval, we are also committed to making our energy supplies shock-proof by building up strong alliances as well as using technology to upgrade capacities. For this purpose, we intent to intensify our cooperation in the area of public procurement,

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building trusted supply chains with the help of public procurement policies. They share an understanding on the need to avoid domestic requirements that could create unnecessary barriers to trade and investment, notably for critical products/areas.

In particular, we seek to explore how to increase bilateral public procurement opportunities in full alignment with the cooperation on green public procurement in Working Group 2, including in the following areas:

- i. Environmental goods and technologies, including renewables and water treatment technologies where companies either provide irreplaceable supplies (e.g. water treatment) or have high-standard and established production (turbines or wind mills).
  - ii. Digital infrastructure, with a view to promote coherence in technology standards based on democratic values and high standards of data protection.
  - iii. The health sector, with a view to build trusted supply chains and address vulnerabilities/dependencies in the supply chain;
  - iv. Hi-tech industrial products, with a view to ensure supply of domestically non-available high-value products.
- e. Facilitate trade and investment with Ukraine in light of the negative impact of Russia's military aggression against Ukraine.

#### ***Trade Policy Cooperation towards Non-Market Economies (NMEs)***

6. Following up on the work plan to address non-market, trade-distortive policies and practices in Annex V of the Pittsburgh Statement, we have:

- a. exchanged inventories of:
  - i. non-market distortive policies and practices that entail particular challenges for EU and U.S. businesses and workers; and
  - ii. domestic tools to address those.
- b. on this basis, identified specific practices [and sectors] of particular joint concern [*possibility to explicitly specify those*] on which we seek to define joint or coordinated strategies for mitigation or response, using available tools. We intend to explore whether to pursue similar discussions and analyses with like-minded trading partners.

We seek to continue such exchange on a regular basis.

7. When using domestic tools to address non-market distortive policies and practices, we seek to systematically consult or coordinate with a view to avoiding or mitigating any collateral consequences for each other.

8. For this purpose, we have had, and intend to continue exchanges on measures that already led to such collateral damage, or that a side fears may lead to collateral damage in the near future.

## *Trade and Labour*

9. In order to promote internationally recognised labour standards and fundamental principles and rights at work in global supply chains, including the eradication of forced labour, child labour and other labour rights violations and ensuring effective means for strengthening the contribution of transatlantic stakeholders, including transatlantic social partners, to EU and U.S. trade policymaking, we share the following goals:

10. In implementation of the Pittsburgh Statement, we envisage the following priority areas of cooperation:

- a. *Promoting responsible business conduct*, including by advancing respect for internationally recognised labour rights in global supply chains. For this purpose, we intend to regularly:
  - i. exchange information on responsible business practices, including on the eradication of forced labour, child labour and other labour rights violations from global supply chains;
  - ii. identify opportunities for coordinating in the OECD, ILO, G7, and G20 on actions to advance responsible business practices, including the eradication of forced labour in global supply chains. This could include cooperation in the OECD and ILO to enhance increased global uptake and effective application of voluntary due diligence guidelines, including by developing practical tools for businesses, and by strengthening the operation of the National Contact Point Network in the OECD.
- b. *Enhancing the WTO's contribution to sustainable development*; including by promoting deliberations in the WTO on how trade can support decent work and social fairness.
- c. *Increasing effectiveness of trade and labour engagements*, including by building the capacity of producing countries to implement high labour standards. For this purpose, we seek to:
  - i. share information on trade and labour implementation and enforcement;
  - ii. share information and experiences to highlight best practices in combatting forced labour;
  - iii. share information and experiences on best practices for utilizing trade engagement to promote the creation of socially responsible sourcing, including an assessment of trade tools that have led to improvements in international labour standards.
- d. We intend to explore possible *joint technical cooperation and funding* in support of these trade and labour engagements.

## ***Specific stakeholder involvement and consultation with social partners***

**[NOTE: following paras are still under discussion with EU social partners and may thus undergo slight changes]**

11. We seek to jointly consult relevant stakeholders on transatlantic trade and labour issues, in particular in relation to the activities under the Trade and Technology Council Working Group on Global Trade Challenges.
12. In this regard, we recognise the special value of involving social partners on both sides of the Atlantic (“Transatlantic Social Partners”) in the work of the Trade and Technology Council. For this purpose, we commit to exchange on the Trade and Technology Council with the Transatlantic Social Partners to allow them to contribute to the work of the 10 Trade and Technology Council Working Groups, with a focus on ways to succeed on the digital and green transitions while staying prosperous, competitive and socially just and ensuring inclusive and sustainable labour markets.
13. To this end, we establish a transatlantic tripartite trade and labour dialogue (TALD), involving relevant representatives of the European Commission and U.S. government, and EU and U.S. trade unions and businesses.<sup>2</sup> The TALD is expected to formally convene at least annually at Principals’ level, during one of the biannual Trade and Technology Council meetings at ministerial level. Additional technical meetings can be organised as appropriate also to prepare the Principal’s level TALD meeting.
14. Issues on which we can consult and seek input from social partners could include in particular:
  - a. a fair transition for workers, including in the sustainable, resilient, green economy.
  - b. shaping and mitigating the impacts of digital trade on EU and U.S. workforces, including, for example, in the areas of worker protections and the status of workers in the digital economy.
  - c. *[additional topics of interest to EU social partners to be inserted if necessary]*
15. Conscious of the need to be representative, the expression “Transatlantic Social Partners” refers to, on the EU side: [ETUC, BusinessEurope and SMEUnited]; and on the U.S. side: *[to be included by the U.S.]*.

## ***Trade and Environment/Climate***

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<sup>2</sup> [The TALD would not supersede or supplant the existing U.S.-EU annual labour dialogue. Instead, it would focus on areas of trade and labour that are distinct from, but complementary to, the issues taken up in the annual labour dialogue and offer an opportunity for governments and social partners to discuss trade and labour issues that have not been addressed in the labour dialogue.]

16. We share high ambitions to combat the climate crisis and protect the environment. They reiterate the positive role that trade can play in addressing environmental challenges such as tackling climate change, achieving climate neutrality, preserve biodiversity, supporting the transition to a more circular economy and preventing environmental degradation. They wish to take a leading role in using trade policy and tools to support climate and environmental policy goals and strive at improving mutual understanding of potential trade implications of each other's climate and environmental measures. For this purpose, we intend to:

- a. Cooperate and jointly support work in international fora to promote a stronger alignment on trade and climate/environmental matters in an inclusive manner, including, among others, by:
  - i. Cooperating on the implementation of the WTO Trade and Environmental Sustainability Structured Discussions (TESSD); including exchanges on an inventory of green services and goods, starting with goods, technologies and services contributing to climate objectives;
  - ii. advancing discussions in the WTO on fossil fuel subsidies.
- b. [Identify ways in which we could work together in international fora, such as the WTO and the OECD, to discourage restrictions on trade in [remanufactured goods/circular economy goods].]
- c. Exchange information on the implementation of environment-related provisions in our respective trade agreements.
- d. Subject to internal legislative and regulatory processes, share information on each other's rules, actions and initiatives in relation to the EU's Common Fisheries Policy regulations and implementation and the U.S. Marine Mammal Protection Act, with a view to further better understanding of each other's legislation and its implementation and thus facilitate and streamline trade relations and achieve common goals. This information exchange would aim at lifting unnecessary reporting burden from operators where possible and applicable.

### ***Consumer protection***

17. We underline the importance of protecting consumers in international trade, including in the digital sphere. We therefore strongly welcome the informal dialogue that was recently set up between the European Commission's Directorate-General for Justice and Consumers and the U.S. Federal Trade Commission [and the U.S. Consumer Financial Protection Bureau] with the purpose of exchanging views on enforcement challenges in digital markets and in relation to green consumption.