

EU-US Trade and Technology Council

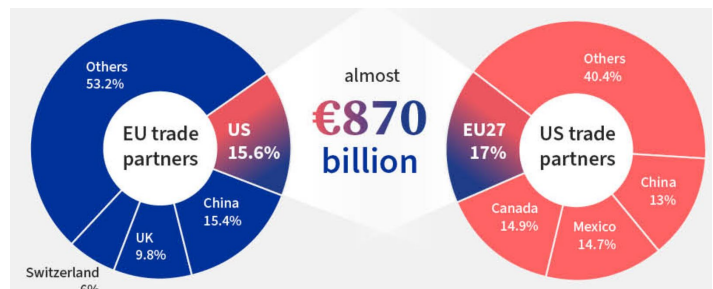
Fifth ministerial meeting: Stocktaking and outlook

The EU-US Trade and Technology Council (TTC) has met five times since 2021, aiming to boost transatlantic cooperation and alignment. The latest meeting on 30-31 January 2024 was a lower-key interim event paving the way for the next TTC in April. Experts see its usefulness, but call for reform of the TTC so that it can be permanent.

EU-US Trade and Technology Council in a nutshell

The European Union and the United States have the largest bilateral [trade and investment](#) relationship in the world, which accounts for one third of global trade in goods and services and close to one third of world GDP in terms of purchasing power. The EU-US [Trade and Technology Council](#) (TTC), which has met five times since 2021, was [established](#) to better guide and shape this relationship. The TTC aims to reinvigorate transatlantic cooperation, further boost bilateral trade and investment, and strengthen the parties' technological and industrial leadership while safeguarding common values. The bi-annual ministerial meetings steer the TTC and its work on [areas](#) such as technology standards, secure supply chains, tech regulation, global trade challenges, climate and green technologies and investment screening. [Observers](#) agree that, since Russia's war on Ukraine, the forum has become increasingly geopolitical and strategic, reflecting the acute need to develop a common position on pressing challenges. This has been underlined by its pivotal role in facilitating [export controls](#) and [sanctions coordination](#) in the context of the war. The TTC's first four meetings focused on [launching the forum](#), [setting its agenda](#), and establishing [political alignment](#) and convergence of views, which paved the way for some [concrete results](#). The [fifth meeting](#), held on 30 and 31 January 2024 in Washington DC, had been considered a [lower-key](#) 'working' event, as manifested by the fact that it was [delayed](#) and did not produce a joint statement.

Transatlantic trade in goods, 2022



Source: [European Council](#), 2024. See also [EPRS infographic](#).

Developments in the run-up to the fifth meeting

Previous TTC ministerial meetings tended to be preceded by events that were, to some extent, unforeseen while having an impact on its discussions and agenda, such as [Russia's invasion of Ukraine](#) and the adoption of the [Inflation Reduction Act](#) in the US. In a similar vein, the fifth meeting was reportedly delayed because of the increasingly [unstable international situation](#), as evidenced by the Israel-Hamas conflict that swiftly preoccupied the Biden Administration. Prior to the ministerial meeting, the two sides held a summit on 20 October 2023, which produced a [joint statement](#) making numerous references to the TTC. Partners agreed to advance the implementation of the [Transatlantic Initiative on Sustainable Trade](#), continue working together on AI risk management and trustworthy AI, and finalise a comprehensive agreement on quantum technologies. They also pledged to work jointly on diversifying supply chains and collectively addressing [economic coercion](#). However, many [observers](#) underlined that the EU and US failed to reach an agreement ending [steel and aluminium](#) trade disputes or make [progress](#) on [critical minerals](#). Notably, in January 2024 the EU tabled its first [initiatives](#) under the [European economic security strategy](#).

Main takeaways from the ministerial meeting

The fifth ministerial meeting, unlike all the previous ones, concluded with two [separate](#) press [releases](#), not a joint statement. Both sides agreed to cooperate on [economic security](#) and resilience of supply chains. This would also entail deployment of outbound investment mechanisms to protect critical technologies, closer



coordination of export controls, and jointly countering the misuse of technology (including in the context of [foreign information manipulation and interference](#)), economic coercion and non-market practices by authoritarian states. They further agreed to boost trade in green technologies – by, for example, strengthening cooperation on conformity assessment – and make tangible progress on digital trade tools to reduce red tape. Importantly, they pledged to intensify coordination on the availability of critical raw materials pivotal for semiconductor manufacturing. Following China's August 2023 export controls on [gallium and germanium](#), the EU and US activated the joint TTC [early warning mechanism](#), an important TTC deliverable, for semiconductor supply chain disruptions. They also continue to exchange data on public support for investments in chips.

Following their commitment from the previous ministerial, the EU and US welcomed the International Guiding Principles on AI and the voluntary Code of Conduct for AI developers adopted under the [G7](#) process and following the TTC's preparatory work. They agreed to continue cooperating on international AI governance and promote interoperability. They welcomed the EU-US [industry roadmap on 6G](#), which establishes guiding principles and next steps to develop this critical technology. They took stock of progress in supporting secure connectivity, notably for 5G networks and undersea cables. They signed the [CyberSafe Products Action Plan](#), which will deepen administrative cooperation aimed at creating a marketplace based on robust standards for the cybersecurity of products connected to the internet. Finally, they underlined that the TTC plays a key role in developing responsible rules for critical and emerging technologies, including through compatible and interoperable standards that reinforce the work of international standards development bodies. Two stakeholder events also took place, on [legacy semiconductor](#) supply chains and crafting the transatlantic green marketplace. The sixth TTC ministerial meeting will take place on 4-5 April in [Leuven](#) (Belgium), under the Belgian Presidency of the Council. The [White House](#) stated that the aim is 'to review progress, inform priorities, identify new areas for collaboration, and further deepen the transatlantic partnership on shared priorities'.

Unlike in previous EU-US interparliamentary meetings, the December 2023 [Transatlantic Legislators' Dialogue](#) did not refer to the TTC in its [joint statement](#). Commission Executive Vice-Presidents Margrethe Vestager and Valdis Dombrovskis briefed the [INTA committee](#) on 19 February 2024 on the outcome of the fifth TTC meeting. They said the meeting was a stocktaking exercise which laid the foundations for the next ministerial. The lack of a statement was a joint decision, as both sides recently negotiated a similar [document](#) in the context of the 2023 EU-US Summit. By the next meeting, the EU and US want to achieve major progress on sustainable trade and economic security. On the former, they aim to develop recognition of conformity assessments for green goods and technologies and better use of trade-facilitating digital tools such as e-invoicing. On the latter, they are exchanging ideas on resilience of supply chains that are key for the green transition, and looking for ways to ease administrative burdens related to export controls. Notably, both sides are striving to develop a common instrument to finance [secure connectivity](#) in third countries. They assess the TTC to be a trusted platform that has laid solid foundations for cooperation and should create commercially meaningful outcomes in the future.

Views and perspectives

A number of experts are covering the issue of institutionalisation/formalisation of the TTC. L. Daniel Mullaney from the [Atlantic Council](#) considers the TTC to be a success but that it can be improved by incorporating a permanent trade agreement framework, informed by regular formalised stakeholder input. The TTC should also aim to prevent future trade barriers arising from new technologies, and work to promote joint values globally while preventing smaller disagreements from impeding its progress. Similarly, Emily Benson from the [Centre for International and Strategic Studies](#) says that meaningful foundational work on far-ranging policies merits TTC's institutionalisation. The [Center for European Policy Analysis](#) says that the TTC can reduce future risks to transatlantic relations but needs to be streamlined, and to focus on a few realistic yet ambitious goals. It should have a permanent secretariat and engage more stakeholders ([European Parliament](#), US Congress and high-level business leaders). The [European Council on Foreign Relations](#) argues that the TTC's digital track has achieved more than the trade one, and that the EU should find ways to involve Member States more by requiring their input and streamlining discussions on European economic security and technology within the TTC. To increase already large transatlantic trade flows to a meaningful extent, the [European Centre for International Political Economy](#) calls for the TTC to focus on agreements on conformity assessments covering green goods and clean technologies.

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