

Overview of proposed potential topics for the TEC

(October 2010)

(NB: This is a non-exhaustive indicative list which may be subject to further changes and topics may appear in one or another category depending on progress made)

i. TEC could present concrete deliverables in the areas of:

- **E-health/Interoperability of Electronic Health Records/EHR** (note that this does not address the question of patient mobility). A MoU on interoperability is in an advanced stage and could be signed in the margins of the next TEC meeting (Commissioner Kroes and Secretary Sibelius).
- **Secure Trade – mutual recognition of authorised traders:** The TEC could endorse an understanding on the contents of a Mutual Recognition decision by the Joint customs Cooperation Committee (JCCC) to be adopted in early 2011 and endorse an agreement on a joint work plan on technical arrangements for joint programme validation.
- **Energy efficiency** (discussed in the context of the HLRF): The TEC could promote an understanding on harmonising testing methods for certain appliances (distribution transformers, commercial refrigeration and solid-state lighting).

ii. TEC could launch new cooperation initiatives and advance ongoing work in the area of:

- **Innovation Action Partnership:** The TEC could officially launch substantive work streams in innovation-related areas not yet covered by existing dialogues, including a detailed road-map and timelines. Issues to be covered: bio-based economy, innovation best practices (including commercialisation and cost mapping) and raw materials.
- **ICT services/trade related principles:** The TEC could announce the EU and US' intention to promote a common set of principles in their bilateral and multilateral negotiations.
- **Product safety agreement:** The TEC could encourage the speedy conclusion of an agreement on exchange of information on product safety (to be further discussed between experts).

iii. Topics for the TEC pipeline

- **Chemicals cooperation:** The TEC could encourage stronger cooperation and initiate a single platform for the EU-US discussion. The TEC could also take note of a MoU between ECHA and EPA on technical cooperation (to be further discussed between experts).

- **Product traceability** (discussed in the context of the HLRF): The TEC could encourage the launch of one or more pilot projects.

iv. Other topics:

- **E-mobility/electric vehicles:** The TEC could give further impetus to the ongoing cooperation on electric vehicles.

- **SME cooperation:** The TEC could encourage new EU-US cooperation initiatives, which help SMEs to access information and expand their activities beyond national borders (for example in the area of IPR protection).

- **Standards and overall approaches to regulation** (discussed in context of HLRF): The TEC could take note of the positive cooperation and progress made at the HLRF of 16 December (date needs to be confirmed).

Report

Transatlantic Economic Council – Member States Expert meeting - 16 September 2010

Summary: The purpose of this expert meeting was to provide Member States with a more detailed report on the current state of play in the preparations for the next TEC meeting. It also gave the opportunity to review and present the list of currently considered topics for a possible TEC agenda. Each individual topic was introduced by experts of the relevant Commission services.

Member States actively participated in the meeting and welcomed the opportunity for this more detailed discussion on the TEC and the state of play in the preparations for the next TEC meeting. There was unanimous support for the Commission's approach to the TEC. On the different individual issues, MS welcomed the scope and breadth of the issues at hand. Some Member States suggested the inclusion of additional issues, such as transatlantic cooperation on e-vehicles.

1. Introduction

Commission (Meyer) explained the overall approach of the TEC and its approach, as agreed by the new two co-chairs. He particularly underlined the fact that the TEC was a political initiative and a platform for deliverables, rather than a structure. The TEC would not replace other initiatives or compete with other sectorial activities. As to the dates of the next TEC meeting, COM underlined that a meeting date was not yet found, but that the TEC would most likely take place in the course of December.

Commission (Guellner) then explained the current state of play in drawing up an agenda for the next TEC meeting. The deliverables for the next TEC meeting would draw from the wide range of ongoing cooperation activities. A number of issues had been identified even if it remained to be seen if those were mature enough for the TEC. The list of possible topics should therefore not be confused with the agenda itself. Member States would be consulted once a more precise agenda had been drafted. Commission was also working to further define and develop the strategic aspects of the TEC, which will focus on China's industrial policies.

It followed an issue-by-issue presentation of the different topics currently considered for the next TEC meeting. The individual topics were introduced by experts of the relevant Commission services.

- **Subjects:**

➤ **E-health / Interoperability of Electronic health records**

DG INFSO (Iakovidis) said the topic related to eHealth was about Information and Communication Technologies (ICT) based systems and services such as electronic health records, hospital information systems, telemedicine services (e.g. home monitoring or teleradiology). eHealth had shown to improve quality of care, access and efficiency of health delivery systems and is a main driver of innovation in healthcare. The market of eHealth solutions was still highly fragmented due to lack of EU wide and global standards. For example, information systems used by hospitals were different (non-interoperable) with impact both on patient care and market transparency and growth. In particular, this market fragmentation would limit competition and advantages of single market resulting in higher cost of the solutions, and sub-optimal quality and reliability.

Interoperability was therefore an essential factor in enabling growth of this market which was far from reaching its potential.

The TEC could focus the attention on the issue and give the necessary visibility for this project with clear mutual benefits. Business was interested in the de-fragmentation of that market and consumers (patients) should benefit from a progress there as well. Commissioner Kroes and Secretary Sibelius would be ready to sign a memorandum of understanding in the margins of the TEC meeting laying down the details of the collaboration.

There was no specific question from MSs and the topic seemed broadly supported

- **Product safety agreement - Eoin O'MALLEY (SANCO)**

DG SANCO (O'Malley) said the objective in this area was to conclude an agreement on Information Sharing on Consumers Product Safety. This would be based on the negotiation mandate the Commission received in November 2009. The agreement would allow the Commission and the EU to exchange sensitive information to facilitate mutual early warnings on dangerous products. This cooperation and exchange of information should ensure a better protection for consumers. He said that the US and EU had similar markets and safety requirements and thus converging interests. Conclusions of talks had been expected by the end of the year, but negotiations have been delayed because of the strong US inter-agency scrutiny, due in particular to questions on compatibility of this future agreement with existing US legislation and practice on international agreements. Given that this problem is technical rather than political it is not certain that TEC will be able to have much influence, though the issue could certainly remain on the agenda as an information point.

Replying to a question by IE, COM confirmed that the Consumer Policy Working Party in the Council was fully informed of developments.

- **Secure trade / mutual recognition of authorised traders**

DG TAXUD (Bertin) underlined that this issue fulfilled the three criteria of the TEC: political, economically meaningful and concrete. The US and EU had similar authorised traders programmes (CTPAT-Customs Trade Partnership against Terrorism for the US and AEO-Authorised Economic Operators for the EU) which should be mutually recognized. These programmes allowed the granting of benefits by customs to identified reliable traders.

Further to recent contacts between DG TAXUD and the US Customs and Border Protection agency an ambitious timetable for the completion of mutual recognition had been agreed. Experts were currently working on the preparation of a series of joint validations in the EU and US to be completed in the coming year. An agreement on a mutual recognition decision should be reached still this autumn to allow for its adoption by the next Joint Customs Cooperation Committee (date not fixed yet). The TEC could welcome progress on this issue and encourage the completion of the mutual recognition process.

There was no question from MSs and a broad agreement to support this approach.

- **ICT services cooperation – promotion of trade principles**

DG TRADE (Gehl) and DG INFSO (Scacco) said that this issue was proposed by the US just before the 2009 TEC meeting. At that time, it was not considered as there were a number of questions to be clarified, such as the potential implications for the audiovisual sector in the EU. This uncertainty was also related to the question whether the US proposal to the TEC had any link with their proposal in the DDA talks. Having clarified these open questions in a series of experts talks, it now appeared that the current objective was to agree on a list of principles that EU and US would promote bilaterally and in their respective negotiations with third countries. The EU would indeed share many offensive interests with the US in a series of ICT sectors and we could materialise this commonality of objectives in a series of agreed principles. The TEC could then endorse these principles.

There was no question from MSs and a broad agreement to support this approach

- **Innovation action partnership**

DG ENTR (Santos Gil) and DG TRADE (Ferri) explained that the 2009 TEC already had decided to launch an innovation dialogue and both the EU and US had carried out stakeholders consultations. Both sides were now very close to be able to agree more formally on a three-pronged "action programme" including the issues of a) raw materials (developing common policies vis-à-vis third countries), b) Bio-based products (making standards interoperable), and c) innovation policies. They underlined that it was regrettable that the US Side appeared to be less ambitious in its approach and had not agreed to start cooperation on nanotechnologies

IE requested clarifications on the link of bio-based products with the GMOs and other cloning issues. COM underlined that this would relate to non-food products only. DE supported the inclusion of raw materials in the innovation action programme in spite of the difficulty to identify a genuine deliverable. SE regretted that nanotechnologies had been dropped by the US. HU, considering the difficulties on the DDA, supported strongly the inclusion of raw materials and asked for a better definition of the objectives of this topic in the TEC.

➤ **SME cooperation**

DG TRADE (Pilsner) and DG ENTR (Holland) explained that, following a request by the US, exploratory discussions had started over the summer on a SME initiative within the TEC framework. Both sides agreed to look for concrete deliverables rather than a cross-cutting SME action on bilateral topics. The Commission proposed as deliverable a transatlantic IT tool with information on exports to each other market to be complemented by a best practice dialogue of SMEs to support their export activities. The US side explained that they were not in a position to agree to such an action and suggested to narrow the SME initiative to a dialogue of best practices. COM expressed doubts whether a mere best practice dialogue would be enough substance for a stand alone SME initiative. COM said discussions would now be pursued.

➤ **Issues related to the High Level Regulatory Cooperation Forum**

DG ENTR (Holland) said that the High-Level Regulatory Cooperation Forum was a joint initiative between the Commission and the US Office and Management and Budget which predated the TEC. It was established to discuss cross-cutting issues of regulation with the aim of learning from each other's experience to improve the quality of regulation and, where possible, reduce costs arising from differences in Regulation. He said that the Forum would meet twice per year and inform the TEC about its work. A recent development was that the Forum could look at possible cooperation in new or emerging areas of regulation and may be mandated by the TEC to look at particular aspects of regulation. Examples of this are the use of voluntary standards in regulation, as a cross-cutting topic, and cooperation in the area of energy-efficiency regulations as an area of developing regulation.

➤ **Energy efficiency / harmonisation of testing methods for specific products**

DG ENTR (Holland) underlined that energy-efficiency was a common concern for the EU and the US, and recognition of this was the driving force behind the agreement to start collaboration on an inventory of energy-efficiency regulatory initiatives in June 2009. By June this year the Commission and the U.S. Department of Energy had identified three particular product categories where collaboration could be developed further: commercial refrigerators, distribution transformers and some types of lighting. He underlined that the work was primarily a technical collaboration between experts. It was therefore not clear whether the TEC or the Energy Council would be the right fora to advance the existing cooperation.

➤ **Cooperation on chemicals**

COM (Guellner) explained that there was an opportunity to start cooperation in this area as both sides were currently engaged in the revision of their respective legislation. Some technical work was already ongoing and the TEC could highlight this cooperation. COM underlined that the issue would be further discussed with the US side.

➤ **Other issues (e-mobility)**

DE, supported by UK, SE and ES called on the Commission to also include the issue of e-mobility, and in particular e-vehicles, in the work of the TEC. DE had tabled a specific paper on this issue (see attachment). COM said it would further explore the issue with other services and the US side.

Conclusion

Depending on the date of the TEC meeting and developments of the issues covered at this meeting, COM said it may consider holding another expert meeting before the TEC. Member States representatives expressed their satisfaction with the organisation of this meeting and the level of information and discussion.