

U.S.-EU Transatlantic Economic Council

Joint Statement

17 December 2010, Washington D.C.

The Transatlantic Economic Council is committed to fulfilling the mandate given by our Leaders at the 20 November U.S.-EU Summit to play a central role in strengthening our economies for the competitive challenges of the future.

The TEC uniquely brings together senior U.S. and EU economic policy and regulatory officials for interdisciplinary discussions and joint work on issues critical to transatlantic economic integration and on shared global concerns. The TEC is a process characterized by multiple cooperative activities throughout the year with frequent contacts at every level. The TEC is meant to give political guidance and support to important cooperation initiatives and to help them deliver outcomes that will make our markets prosper.

Deputy National Security Advisor Michael Froman and European Union Trade Commissioner Karel De Gucht led a strategic discussion today between senior cabinet - and Commission- level policymakers and regulators focused on deepening our transatlantic relationship to promote innovation, addressing non-tariff barriers to trade through increased regulatory cooperation, and jointly exploring global economic challenges.

Participants emphasized the essential contribution that U.S.-EU cooperation can make to global economic growth and job creation. Innovation and commerce flourish where regulatory approaches provide a consistent, clear, and predictable business environment that fosters the development of new technologies and ensures high standards of health, safety, and environmental protection. Our determination to dismantle barriers to trade and prevent them from developing in emerging sectors will decrease costs and create new opportunities for business and consumers and encourage the development of new technologies generating jobs for our workers, growth for our economies, and an improved standard of living for all citizens.

The U.S. and EU also agreed to engage strategically with other global economies in areas of mutual interest. The TEC affirmed a commitment to further explore cooperation that more fully taps the potential of transatlantic commerce while expanding our collaboration to promote pro-growth activities in emerging economies.

The TEC made tangible progress in a number of important areas of cooperation.

Regulatory Cooperation

TEC Principals focused on ways to ensure early coordination between U.S. and EU regulators on related regulatory activities to avoid unintended barriers to trade – so-called “upstream” regulatory cooperation. Each side agreed to shared principles, including transparency, public participation, consideration of costs and benefits, cost- effectiveness, burden minimisation, and

use of flexible regulatory tools. They tasked the High Level Regulatory Cooperation Forum to continue working on joint principles and best practices for the development of regulations for agreement by the end of February 2011. Each side also agreed to share relevant lists of planned regulations well in advance, so as to promote participation and transparency and thus to avoid unintended adverse effects on trade. This process of advanced notice will allow experts to identify specific topics for possible collaboration on the development of compatible regulations, standards, and conformity test procedures. Potential areas of early focus include energy efficiency, e-health, nutritional labeling, electric drive vehicles and related infrastructure and product safety, such as toys.

A Statement of Intent to exchange technical information on chemicals, signed by the U.S. Environmental Protection Agency and the European Chemicals' Agency, was a first concrete result of the TEC's new commitment to upstream regulatory cooperation.

The Department of Energy and the European Commission signed today a joint declaration to continue technical-level collaboration focused on testing, technology, market, and other issues that will arise as we develop regulations concerning various energy related products.

The TEC also emphasized the critical roles of transparency and stakeholder participation, which will lead to the development of better regulations that are less apt to create unnecessary obstacles to commerce.

Finally, the TEC directed the High-Level Regulatory Cooperation Forum to develop a process for identifying, on an ongoing basis and with stakeholder input, sectors in which the two sides could pursue upstream regulatory cooperation. The TEC also directed the Forum to craft a package of joint improvements to our respective processes for the use of standards in regulations that would increase transparency and enhance stakeholder participation, with a view to multilateralizing its terms. The Forum will report back to the TEC on these initiatives within 90 days.

Innovation

TEC participants underlined the role innovation plays in nurturing the competitiveness of our economies by supporting job creation and sustained economic growth. The Obama Administration's Innovation Strategy and the EU's 2020 Agenda identify similar activities to spur innovation, including investment in basic research and education, encouraging the development of emerging technologies, and promoting the green economy. The TEC will work to accelerate and improve the quality of innovation.

By avoiding unjustified burdens and costs, sharing best practices, avoiding unnecessary divergences in regulatory and standards regimes, and pooling resources, we can achieve our goals more quickly, at less cost, and with greater impact.

Reflecting this new commitment to joint work on innovation between the European Commission and the U.S. Department of Health and Human Services signed a Memorandum of

Understanding on e-health cooperation, setting the stage for an enhanced partnership fostering innovation.

In addition, today the TEC launched the inaugural Innovation Action Partnership (IAP) work plan, which will, for the first time, provide high level direction to joint U.S.-EU efforts to strengthen innovation and promote the commercialization of emerging technologies and sectors. The IAP's current three areas of focus are: (1) developing innovation policies that will encourage productive, growth-enhancing activities; (2) assuring adequate access to critical raw materials through cooperation in the area of trade policy and on collaborative research, including on recycling and substitution; and (3) promoting the development and use of bio-based, eco-friendly products.

Reducing Trade and Investment Barriers

TEC Principals recognized the role our transatlantic economies, the largest in the world, can play as role models in developing regulatory policies, in standards-development, and in regulatory cooperation. Our commitment to basing regulations on careful analysis in advance, to small- and medium-sized enterprise development, to support for intellectual property rights protection, and to other policies that foster innovation in an open and transparent marketplace provides a firm basis for further joint work to strengthen the transatlantic economic relationship.

Principals announced today the understanding on final steps towards mutual recognition of authorised traders with the objective of implementation by October 2011. They also agreed to deepen transatlantic cooperation in supply chain security policies.

TEC Advisors and Stakeholders

TEC participants recognized the important contributions of TEC advisors and stakeholders, including members of the Transatlantic Legislators Dialogue (TLD), the Transatlantic Business Dialogue (TABD), the Transatlantic Consumer Dialogue (TACD), and labor representatives.

TEC Principals expressed appreciation for the leadership shown by these key stakeholder groups and the important role that their recommendations and suggestions, many of which were reflected in the TEC agenda, played in the success of today's meeting. Leaders agreed to regularize and increase the frequency of stakeholder consultations to strengthen these contributions to the TEC.

A summary of the TEC meeting's achievements and outcomes is annexed to this Joint Statement. For more information on specific initiatives and the list of TEC participants, please see:

<http://www.state.gov/p/eur/rt/eu/tec/index.htm>

<http://ec.europa.eu/trade/creating-opportunities/bilateral-relations/countries/united-states>