



24.11.2023

MISSION REPORT

following the ad-hoc delegation to Washington D.C. from 30 October 2023 till
2 November 2023

Committee on the Internal Market and Consumer Protection

Members of the mission:

| | |
|-----------------------|---------------------------------|
| Morten Løkkegaard | (Renew) (Leader of the mission) |
| Deirdre Clune | (PPE) |
| Arba Kokalari | (PPE) |
| Laura Ballarín Cereza | (S&D) |
| Sandro Gozi | (Renew) |
| David Cormand | (Verts/EFA) |
| Isabella Tovaglieri | (ID) |

1.0 INTRODUCTION

The IMCO ad hoc delegation to Washington DC took place during the week of 30 October 2023, shortly after the 27th EU-U.S. Summit in Washington DC on 20 October 2023. The summit underscored efforts to promote an open, secure, and innovative digital ecosystem, with cooperation in managing AI risks and endorsing a code of conduct for advanced AI systems.

In that context, the aim of the IMCO delegation was to engage in constructive dialogue with a diverse group of U.S. stakeholders, including government officials, think tanks, academics, and business leaders. The discussions centred around digital policy, political advertising, artificial intelligence, and consumer safety. The primary goal was to deepen the understanding of the U.S. perspective on the EU's legislative approach in these domains.

Additionally, the delegation sought to explore opportunities for cooperation and to enhance alignment between U.S. and EU laws and policy frameworks in these critical areas.

2.0 SUMMARY ACCOUNT OF MEETINGS

2.1 Briefing by the Delegation of the European Union in Washington DC

- Deputy Ambassador of the European Union to the United States, Mr Michael Curtis

Takeaway

Debriefing of the political situation in the U.S., and the current political crisis in the House of Representatives. Debriefing on the conclusions of the last EU-U.S. summit.

2.2 Meeting with representatives of the Department of State

- Dr Patricia Gruber, Science and Technology adviser to the Secretary of State;
- Jim O'Brien, Assistant Secretary - Bureau of European and Eurasian Affairs;
- Jacqueline Ramos Deputy Assistant Secretary - Bureau of European and Eurasian Affairs;
- Tarek Fahmy, Director, Office of International Intellectual Property Enforcement;
- Justin Reynolds, Senior Advisor in the Office of the Special Envoy for Critical and Emerging Technology at the State Department

Agenda Item 1: Digital Services Act (DSA) and Digital Markets Act (DMA)

Agenda Item 2: Artificial Intelligence (AI) Legislation

Agenda Item 3: Disinformation and Political Advertising

Takeaway

Enhanced Understanding: The delegation gained a deeper insight into impacts and implications of DSA, DMA, and AI legislation on U.S. companies offering digital products and services in the EU.

2.3 Meeting with representatives from the Federal Trade Commission

- Alvaro Bedoya, Commissioner;
- Aaron Rieke, Chief of Staff and Attorney Advisor to Commissioner Alvaro Bedoya;
- Hugh Stevenson, Deputy Director, Office of International Affairs;

- Guilherme Roshcke, Counsel for International Consumer Protection Office of International Affairs;
- Sunila Steephen, Paralegal for Commissioner Bedoya

Agenda Item 1: Platform Regulation and Antitrust Enforcement, Addictive Design

Agenda Item 2: Transparency in Digital Advertising

Agenda Item 3: AI Governance

Takeaway

Shared Insights: Enhanced understanding of FTC approaches to platform regulation, advertising transparency, consumer protection and AI governance. The two recent investigations launched by FTC against Amazon (Antitrust) and OpenAI (Privacy) were illustrated and briefly discussed.

2.4 Working lunch hosted by the Information Technology Industry Council

- Rob Strayer ITI's, Executive Vice President for Policy;
- Courtney Lang, Vice President of Policy – Trust, Data and Technology;
- Robert McGruer, Director of Policy – Trust, Data and Technology;
- Kyle Johnson, Director of Trade Policy,
- Sameer Boray, Manager of Policy – Trust, Data and Technology;
- Katherine McAuliffe, Senior Director of Telecom Policy – Trust, Data and Technology

Agenda Item 1: Implementation of the Digital Services Act (DSA) and Digital Markets Act (DMA)

Agenda Item 2: Transatlantic Interoperability of AI Systems

Agenda Item 3: Privacy and Ethical Considerations for Emerging Technologies

Takeaway

Shared Insights: Mutual understanding of implementation hurdles for DSA/DMA and AI systems. Strengthened dialogue between ITIC and the IMCO Committee to tackle regulatory challenges.

2.5 Reception hosted by the Bertelsmann foundation

- Irene Braam, Executive Director of the Bertelsmann Foundation;
- Chloe Laird, Manager of Transatlantic Relations;
- Sam George, Global Markets & Digital Advisor, Bertelsmann Foundation;
- Miles Harrison, Foreign Affairs Officer, State Department (Europe Desk);
- Rachel Dunsmoor, Senior Analyst, Government Accountability Office;
- Leila Elmergawi, Senior Advisor, Office of the Special Envoy for Critical and Emerging Technology, State Department;
- Alex Vatanka, Director Iran Program, Middle East Institute;
- John Soroushian, Senior Associate Director Business & Technology, Bipartisan Policy Center;
- Jeanne Batalova, Senior Policy Analyst, Migration Policy Institute;
- Matthew Eitell, Special Assistant to President & CEO of CEPA;
- Michael Hermann, Minority Budget Director, Minority Staff Lead, CITI Subcommittee, House Armed Services Committee, U.S. House of Representatives;
- Moritz Janda, Economics Department, Finnish Embassy; Travis Moore, TechCongress Founder (U.S. House of Representatives);
- Christabel Randolph, Law fellow, Center for AI and Digital Policy;
- Rebecca Korff, Office of Digital Services Industries, U.S. Department of Commerce;
- Anna Avanesyan, Center for New American Security;
- Aisha Booker, Deputy National Director, U.S. Commercial Service, U.S. Department of Commerce;
- Masa Ocvirk, Global Europe Center, Wilson Center;
- Alicia Porile, Legislative Assistant Representative Blunt Rochester;
- Navrina Singh, CEO of Credo AI; Evi Fuelle, Global Policy Director, Credo AI

Takeaway

A multifaceted understanding of global digital policies and technology trends through interactions with experts from the Bertelsmann Foundation, the U.S. State Department, and various policy centres. Exchanges provided insight into transatlantic relations, U.S. policy landscapes, AI governance, Middle Eastern affairs, and bipartisan technology policies. This event served as a valuable platform for networking and for gaining a comprehensive view of the international digital policy landscape.

2.5 Meeting with representatives of the Atlantic Council

- Jörn Fleck, Senior Director, Europe Center - Atlantic Council ;
- Charles Lichfield, Senior Director, Europe Center - Atlantic Council;
- Trisha Ray , Associate Director and Resident Fellow - Atlantic Council;
- Elizabeth Duncan International Trade Specialist - U.S. Department of Commerce & Atlantic Council;
- James Batchick, Assistant Director, Europe Center - Atlantic Council

Agenda Item 1: Geopolitical Implications of AI Leadership

Agenda Item 2: Strengthening Transatlantic Cyber Resilience

Agenda Item 3: Safeguarding Democracies against Information Manipulation

Takeaway

Exchanges focused on the regulatory approach of the EU in the field of AI, Cybersecurity, Cyber-resilience, Political advertising, combating disinformation and on possible ways to build for stronger transatlantic resilience, through stronger EU-U.S. cooperation.

2.6 Meeting at the U.S. Congress

- House Representative Don Beyer (Virginia, Democrat)

Agenda Item 1: Climate Change and Green Transition (digital aspects)

Agenda Item 2: Future of Work, Automation, and AI (Executive Order on AI)

Agenda Item 3: Consumer Protection in the Digital Age

Takeaway

Common Ground in AI Policy: Shared insights on AI governance and workforce development and other potential areas for cooperation between the U.S. Congress (through the AI Caucus notably) and the European Parliament

2.7 Working lunch hosted by the U.S. Chamber of Commerce

- Marjorie Chorlins, Senior VP, Europe;
- Ivana Zuzul, Senior Director, Europe;
- Scevole de Cazotte, Senior Vice President, Institute for Legal Reform;
- Kelly Anderson, Executive Director, Global Innovation Policy Center; Jon Santamauro, Senior Director AbbVie;
- Michaela Chen, Senior Director, Global Public Affairs AbbVie;
- Ekrem Sarper, Head of International Public Policy Cigna Healthcare;
- Chris French, Senior Vice President, Emergent BioSolutions;
- Alexander Laytin, Sr. Counsel FedEx; Jonathan Weinberger, Chief Policy Advisor GM;
- Rita Balogh, Europe, Lead - International Government Affairs Google;
- Jordan Haas, Director Trade Policy and Government Affairs Intel;
- Matt Chiller, VP Government Relations Jacobs;
- Khalil Gharbieh, Trade Policy Counsel Microsoft Corp;
- Marissa Rollens, Senior Manager for International Government Affairs PepsiCo;
- Erik Churchill, VP, Global Public Affairs UPS;
- Heather Ashby, Government Affairs Zimmer Biomet.

Agenda: Digital Policies of the EU with a focus on DMA, DSA, AI Act, Political Advertising

Takeaway

Better understanding of concerns of the Members of the U.S. Chamber of Commerce on single market EU policies in the digital field but also on consumer protection policies, such as the proposal for a Product Liability Directive that were also discussed. The Chamber summarized their positions in writing in two documents distributed to all participants after the meeting.

2.8 Meeting with the office of the U.S. Trade Representative (USTR)

- Michael Rogers, Deputy Assistant U.S. Trade Representative for Europe;
- Bryant Trick, Assistant U.S. Trade Representative for Europe and the Middle East;
- Robb Tanner, Deputy Assistant USTR for Digital Trade;
- Ellen House, Director for Europe; Krista Hilk, Director for Europe;
- Sahir Amlani, Director for Digital Trade;
- Karly Graf, Deputy Director for Europe

Agenda Item 1: EU-U.S. Regulatory Cooperation on Digital Platforms (through Trade Technology Council - TTC - talks)

Agenda Item 2: Cross-border Data Flows

Agenda Item 3: Barriers to Digital Trade

Takeaway

Mutual agreement on the importance of aligning standards for digital platforms between the EU and the U.S. Better understanding of the different expectations of the U.S. and of the EU regarding goals of TTC talks (new trade opportunities for the U.S. vs opportunity for policy alignment for the EU). The Delegation was informed that the current digital policy of the U.S. was undergoing a deep strategic review.

2.9 Meeting with the White House Office (WHO)

- Elizabeth Kelly, special assistant to the President and three National Security Council representatives (no names provided)

Agenda Item 1: Transatlantic Cooperation on AI Regulation

Agenda Item 2: Bolstering Joint Defenses against Cyber Threats

Agenda Item 3: Protecting Democracies against Disinformation

Takeaway

Consensus on the need for AI Regulatory Coordination: Agreement on the need for closer transatlantic cooperation on AI regulation to avoid trade barriers and ensure safety and trustworthiness of AI products. Agreement on the need for close U.S.-EU collaboration on cybersecurity, emphasizing the importance of compatible policy frameworks. Different approaches to combating disinformation due to different legal basis in the U.S. and EU regarding freedom of expression, but shared understanding of the importance of combating disinformation to protect democracies.

2.10 Meeting with representatives of the Consumer Product and Safety Commission (CSPC)

- Alexander Hoehn-Saric, Chair;
- Richard O'Brien, Director, Office of International Programs;
- Jennifer Sultan, Deputy Director of the Office of Compliance and Field Operations;
- Joel Recht, Deputy Director for Hazard Identification and Reduction;
- Tilven Bernal, International Programs Manager

Agenda Item 1: Harmonization of Safety Standards for Consumer Products

Agenda Item 2: Consumer Education and Awareness

Agenda Item 3: Recall Efficiency and Effectiveness

Takeaway

The U.S. has the most advanced consumer protection policies in the world regarding safety aspects. The current level of international cooperation with the EU regarding safety standards harmonization is very good. Explanation of U.S. best practices for raising consumer awareness

about hazardous products as well as product recall mechanisms commonly practiced, based on CSPC guidelines.

2.11 Meeting with representatives of the Interactive Advertising Bureau (IAB)

- Lartease Tiffit, Executive Vice President;
- Erick Harris Senior Director, Public Policy;
- Virginia Poe, Director of Public Policy

Agenda Item 1: Political Advertising Transparency

Agenda Item 2: Protecting Consumers from Exploitative Practices

Agenda Item 3: Privacy Considerations for New Technologies

Takeway

Better understanding of IAB's position on EU legislation in the digital field affecting very large platforms such as Google, Amazon, etc. Focus on the DSA, the AI Act, Political Advertising, Virtual worlds and the metaverse, and Addictive design.

2.12 Meeting with representatives of Brookings

- Jessica Brandt, Policy Director – Artificial Intelligence and Emerging Technology Initiative Fellow – Foreign Policy,
- Strobe Talbott, Center for Security, Strategy, and Technology;
- David Hamilton, Non resident Senior Fellow – Foreign Policy, Center on the U.S. and Europe Senior Fellow – SAIS Foreign Policy Institute, Johns Hopkins University;
- Cameron Perry, Ann R. and Andrew H. Tisch Distinguished Visiting Fellows – Governance Studies, Center for Technology Innovation;
- Joshua P. Meltzer, Senior Fellow – Global Economy and Development;
- Tom Wheeler, Visiting Fellow – Governance Studies, Center for Technology Innovation; Derek Belle, Assistant Director, AI & Emerging Technology Initiative

Agenda Item 1: AI Governance and Ethics

Agenda Item 2: Disinformation and Threats to Democracy

Agenda Item 3: Data Governance Frameworks

Agenda Item 4: Trade Policy for Emerging Tech

Takeaway

Gained Brookings' perspective on:

- managing AI innovations ethically, responsibly and safely in the context of the latest AI advances;
- EU efforts to improve political advertising transparency and combat disinformation;
- the importance of balanced and effective cross-border data sharing policies;
- ways to harmonize trade policies globally in the realm of emerging technologies.

2.13 Working lunch hosted by CAIDP

- Merve Hickok, President, CAIDP;
- Marc Rotenberg, Executive Director, CAIDP;
- Christabel Randolph, Law Fellow, CAIDP;
- Megan Sahi, Director, Technology Policy, Center for American Progress;
- Charlotte Slaiman, Vice President, Public Knowledge;
- Sunny Gundhi, Member, Executive Team, Encode Justice;
- Adam Eisgrau, Director, Global Policy & Public Affairs, ACM;
- Robert Weissman, President Public Citizen.

Agenda Item 1: AI Ethics, Oversight and Governance

Agenda Item 2: Political Advertising Transparency

Agenda Item 3: Consumer Welfare in the Digital Marketplace

Agenda Item 4: Privacy Considerations for Emerging Technologies

Agenda Item 5: Facilitating Public Participation in Policymaking

Takeaway

Gained CAID perspectives and insights on ethical AI oversight models considering the latest AI advances. Discussed EU approaches to enhance transparency in political advertising. Discussed balancing consumer welfare with digital marketplace innovation (in general). Explored privacy considerations in emerging digital technologies. Explored methods for facilitating public participation in digital policy formulation.

3.0 CONCLUDING REMARKS: key takeaways

The IMCO delegation to Washington DC offered valuable insights into the current landscape on digital policy and the governance of emerging technologies in the U.S. A significant observation from the Federal Trade Commission (FTC) indicated that the U.S. government is reviewing its digital trade policy approach, although specific details were not disclosed.

In the context of the ongoing EU-U.S. Trade and Technology Council (TTC) discussions, it was made clear to the delegation that there are differing expectations between the two sides. The U.S. is primarily focused on exploring new trade opportunities, while the EU is emphasizing policy alignment. Despite these differing perspectives, there is a mutual recognition that the TTC serves as a vital platform for transatlantic collaboration.

Additionally, the potential for cooperation between the European Parliament and the U.S. Congress was identified, particularly through the Congressional AI Caucus, aiming to provide oversight on AI safety.

Overall, U.S. stakeholders and policymakers showed an increased openness to key EU legislation such as the AI Act, Digital Services Act (DSA), and Digital Markets Act (DMA). However, divergent legal frameworks, especially concerning freedom of expression and privacy, are likely to persist as obstacles to full alignment in these policy areas.

A significant development in the U.S. is the Federal Trade Commission's launch of high-profile investigations into leading AI company OpenAI, centred on consumer protection and privacy issues. This inquiry, alongside the contentious decision by OpenAI's Board on October 17 to remove its charismatic CEO Sam Altman, presents an unexpected turn of events, that the IMCO Committee and more broadly the European Parliament may want to closely follow, possibly with the support of the U.S. Congress and of the FTC.

In conclusion, the mission underscored significant opportunities to enhance transatlantic cooperation in digital governance, particularly in the realms of AI, platform regulation, and consumer protection. Fostering continued dialogue is essential for capitalizing on these opportunities. Engaging through established channels such as the Trade and Technology Council (TTC) and various U.S. Congressional committees and subcommittees—including the AI Caucus, Internet Caucus, the House Energy and Commerce Subcommittee on Consumer Protection and Commerce, the House Foreign Affairs Subcommittee on Europe, Energy, the Environment, and Cyber, and the Senate Judiciary Subcommittee on Privacy, Technology, and the Law will be crucial.

Additionally, collaboration with key U.S. Government entities such as the White House Office, the White House Office of Science and Technology, the Office of the U.S. Trade Representative, the Department of State, the Department of Commerce (including NIST), and the Federal Trade Commission will play a pivotal role in seizing these opportunities for joint advancement in digital governance.