Tech Sector Near-Term Priorities for U.S.-EU Trade & Technology Council

ITI welcomes the recent establishment of the U.S.-EU Trade and Technology Council (TTC). We strongly support the goals of growing bilateral trade and investment, avoiding unnecessary barriers to trade, and strengthening global cooperation on digital policy, technology, and supply chains. We concur with U.S. and EU policymakers that the TTC should pursue tangible, near-term outcomes, and encourage prioritization of the following deliverables as a means of meaningfully deepening transatlantic trade and collaboration.

Process and Stakeholder Engagement

• Establish structured and transparent mechanisms for engagement with the private sector and civil society to provide updates on the status of TTC engagement and solicit input, including through:

  + **Creation of a Public-Private Transatlantic Steering Committee that can inform discussions at both the political and working levels;**
  + **Consistent joint public briefings alongside political- and working-level TTC engagements;**
  + **Written public consultations where necessary to inform working group activities; and**
  + **Regular, detailed public readouts.**

• Create a mechanism for regularized, direct engagement with institutions like the U.S. Congress to effectively address and concretely impact relevant policy initiatives, including those currently under consideration that stand to have a significant impact on global technology governance and/or trade.

Common Guiding Principles

• Building on past cooperative efforts such as the *European Union-United States Trade Principles for Information and Communication Technology Services*,[1] codify and publish guiding principles for transatlantic development of coordinated, trade-facilitative regulatory approaches to risk-based digital and technology policy, including non-discrimination, consultative rulemaking, proportionality, and due process.

Substantive Commitments

• Establish a commitment to base regulatory or procurement requirements on international, industry-driven, voluntary technical standards[2] – including those for digital services and green procurement. This will be especially important to facilitate forward-looking international regulatory compatibility in areas where governments necessarily depend on technical standards to fully realize the benefits of and inform approaches to new technology (*e.g.,* artificial intelligence, cybersecurity, data portability, IoT products, sustainability and climate). Where necessary, commit to accepting test results and/or associated certifications from accredited bodies located in the territory of the other Party by leveraging international standards and international accreditation schemes, and implementing domestic legislative changes where necessary.

• Support and advance the OECD *Trusted Government Access to Data held by the Private Sector* workstream to swiftly elaborate a set of common and coherent practices and legal guarantees from across OECD countries to reconcile law enforcement and national security access to data with ensuring privacy and other important safeguards. Advancing this work expeditiously is critical to help facilitate cross-border data flows among like-minded democracies in the short term and can be foundational to developing a global consensus on a durable, multilateral approach to these issues in the long term.

- Establish bilateral commitments, including with respect to existing and proposed regulations, to avoid discrimination on the basis of geography or economic sector; ensure that security and competitiveness objectives are taken into consideration; provide appropriate opportunities for regulatory dialogue; and promote compatible, balanced approaches based on rigorous, objective criteria to address emerging challenges related to data governance and technology platforms.

- Strengthen engagement and cooperation to improve resilience of semiconductor and other strategic supply chains by (1) implementing coordinated and targeted export control policies and adopting common licensing approaches; and (2) pursuing joint R&D initiatives for critical technologies/components where supply chain shortages, gaps, or cost disadvantages with other regions are identified.

- Ensure export controls alignment, where such controls are necessary, on identified and targeted new software and technologies, enhance bilateral engagement to jointly promote multilateral controls such as the Wassenaar Arrangement, and establish a common approach to implementation.

- Leverage market-based approaches (e.g., ecolabels based on international standards) and science-based mandates to address the climate crisis and identify "green" technology. Mandates should ensure meaningful protection of the environment while not hindering innovation.

- Encourage and support wider deployment of innovative and efficient mechanisms to convey regulatory compliance and related information, in particular voluntary use of electronic labeling to communicate product certification and other regulatory compliance-related information for ICT products.

- Implement interoperable, risk-based approaches to artificial intelligence, including frameworks for AI risk management and policies related to trustworthy AI (e.g., bias, explainability, transparency, etc.), by identifying and using relevant international standards and supporting the development of international standards where identified gaps exist.

- Advance a multilateral solution under the auspices of the OECD/G20 Inclusive Framework to address the tax challenges arising from the digitalization of the global economy that includes the immediate removal and non-advancement of unilateral taxation measures.

- Advance U.S.-EU global leadership through the following commitments:

  + **Provide non-discriminatory treatment to each other's companies;**
  + **Develop a shared position on strong trade policy disciplines that prohibit data localization and restrictions on cross-border data flows while ensuring appropriate protection of personal data;**
  + **Establish a shared position on strengthened trade policy disciplines related to, e.g., state-owned enterprises, forced technology transfer, and other unfair trade practices;**
  + **Develop a strategy for international adoption of updated disciplines related to such unfair trade practices; and**
  + **Develop new trade disciplines that extend the benefits from development and reliance on international technical standards and conformity assessment approaches to digital services.**

- Encourage transatlantic collaboration, involving both government and private sector entities, to coordinate and achieve alignment on risk-based cybersecurity best practices grounded in international standards, including those related to cyber threat information-sharing and cybersecurity certification.

- Establish commitments on expanding research, development, and deployment of trusted 5G network infrastructure and applications globally.

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[1] https://ustr.gov/sites/default/files/uploads/agreements/morocco/pdfs/2011-04-04%20ICT%20principles%20text%20FINAL.pdf

[2] i.e., All those developed in accordance with Annex 2 to Part 1 (Decision of the Committee on Principles for the Development of International Standards, Guides and Recommendations with relation to Articles 2, 5 and Annex 3 of the Agreement) in the Decisions and Recommendations adopted by the WTO Committee on Technical Barriers to Trade Since 1 January 1995 (G/TBT/1/Rev.13), as may be revised, issued by the WTO Committee on Technical Barriers to Trade.