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# Recommendations of the TBI Steering Committees

## RECOMMENDATIONS ON TRADE AND INVESTMENT

In the interest of successful transatlantic cooperation, German business is particularly keen to make progress on the following issues:

- **Transatlantic leadership in trade and climate:** Reliable access to energy and raw materials as well as Transatlantic cooperation on climate protection, e.g. via climate clubs is essential to improve resilience on both sides of the Atlantic.
- **Transatlantic leadership in trade and technology and standards:** Ongoing digitalization requires a secure digital environment and transatlantic cooperation in cybersecurity, for example through joint information and action mechanisms as well as international norms and standards. The competitive advantage for companies through these standards depends on the extent to which the standards are adopted and recognized globally.
- **Market access and resolution of trade disputes:** Dismantling tariff barriers to trade, especially in the industrial sector, should be pursued. Facilitation of trade in services is also important. The EU and the United States should strive to find permanent resolutions for the temporarily suspended trade disputes.
- **Ratification of CETA:** CETA has improved market access and facilitated bilateral trade ever since its provisional application in 2017. Germany should therefore ratify CETA to allow companies long-term planning.
- **WTO reform:** The United States should allow for the appointment of Appellate Body judges as quickly as possible. In addition, the United States and EU should work together to advance an ambitious agenda for WTO reform that includes the dispute settlement mechanism, transparency obligations (especially regarding subsidies), clear and objective exceptions for developing countries, and new WTO agreements.
- **Improved transatlantic coordination in export controls:** This could provide relief for companies since extraterritorial sanctions and controls on re-exports

by the United States can present a significant barrier to international trade.

## RECOMMENDATIONS ON ENERGY AND CLIMATE

The German G7 presidency is an opportunity to work closely with the United States and Canada on climate and energy issues:

- **Climate club:** In addition to the German government, the foundation of an international climate club is also called for by John Kerry (U.S. Envoy for Climate). However, the issue still lacks “political momentum” on a broad scale.
- **CO2 pricing:** The details of the existing federal systems could be harmonized between Germany/EU and Canada (carbon leakage protection, minimum prices, refunds, etc.) in order to achieve a level playing field. With regard to the United States, it would be interesting to learn more about the existing congressional initiatives.
- **Global hydrogen economy:** Canada and the United States are large potential markets for German electrolysis technology. Cooperation between the three markets could also help set global standards (hydrogen colors, etc.).
- **Support measures for the transformation in the three markets:** Collecting examples of best practices, determining subsidy quotas, etc., also with regard to the “de-fossilization” of the basic materials industry (steel, etc.), can help with the green transformation.
- **Promotion of standards:** Promote green product/lead market standards created in the EU and explain methodologies so they can be applied in Canada and the United States.

## RECOMMENDATIONS ON DATA AND DIGITAL ECONOMY

Proposals for the negotiations in the U.S.-EU Trade and Technology Council Working Groups:

- **Semiconductors:** In light of increasing geopolitical tensions and interdependencies along the value

chain, the semiconductors value chain has been in the center of political attention in recent months. To ease the current semiconductor shortage in the long run, the access to raw materials, R&D facilities, IP and technological know-how is as important as the provision of robust government support and the availability of a skilled workforce. The TTC offers the unique opportunity to jointly address these challenges on a transatlantic level, to strengthen the resilience and competitiveness of the semiconductor ecosystems in Europe and North America.

- **Data Policy:** The TBI advocates a data policy that provides legal certainty for the use and the exchange of data across borders. Data policy needs to promote better uptake of industrial data between businesses through voluntary data sharing, based on commercial contracts. Promoting trustworthy data infrastructures and cloud solutions as well as encouraging innovation more broadly will define the success of data-driven ecosystems. This requires a clear commitment to international partnerships and cooperation.
- **Standardization in transatlantic relations:** Standardization promotes the safety and usability of products and components, contributes to legal certainty, facilitates access to markets worldwide, and promotes innovation and competition. EU and U.S. policymakers and stakeholders should establish lighthouse projects in key areas such as artificial intelligence, semiconductors, telecommunication networks, cybersecurity, and cloud and data governance.

## RECOMMENDATIONS ON BUSINESS AND FINANCE

Key policy recommendations for policymakers on both sides of the Atlantic:

- **Internationally compatible sustainability standards:** The transatlantic community should take joint steps to reduce fragmentation on sustainable finance labeling, taxonomies, standards, and reporting requirements.
- **Basic framework for standards for crypto currencies:** The EU, the United States, and Canada should engage in an open strategic dialogue to ensure alignment and

basic regulatory, operational, and technological standards on both sides of the Atlantic to achieve digital and monetary sovereignty and foster international trade.

- **Level playing field for traditional financial service providers and non-bank technological firms:** The transatlantic community should coordinate efforts to put in place risk-based rather than entity-based rules for traditional and emerging financial services providers as well as to ensure operational resilience and lower systemic risk stemming from too much concentration.
- **Export finance and alignment with the OECD consensus:** As part of the OECD Consensus on officially supported export credits, the United States and the EU should work together on harmonizing conditions for government export finance.
- **Stepping up efforts for a global minimum corporate tax rate:** The EU, the United States, and Canada should leverage their political capital to support a global effective minimum tax rate of 15% and redouble their efforts to create international tax rules that ensure a level playing field.
- **Combating money laundering and other forms of crime:** The EU, the United States, and Canada must engage in rigorous transatlantic policy coordination and use their important position in the global political arena to strengthen prevention efforts and facilitate a comprehensive exchange of information.
- **Coordination of sanctions policies:** The sanctions on Russia by the western allies are very well coordinated. The United States and the EU should continue to coordinate their sanctions policies, refrain from passing sanctions laws designed to have an extraterritorial reach, and refrain from implementing national legislation in a manner that will have extraterritorial effects.
- **Regulatory harmonization and market access in the financial sector:** Transatlantic authorities should join forces to address traditional and emerging risks in financial regulation and supervision, and to ensure a standardized two-way market access to each other's financial markets.

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