



## RELATIONS WITH THE UNITED STATES

### KEY MESSAGES

- 1** The EU and the US should work through a strong Transatlantic Economic Council to drive their cooperation.
- 2** Bilateral barriers to trade and investment should be removed and new ones avoided.
- 3** The EU and the US need to work in tandem to address global economic challenges.

### BACKGROUND

The EU and the US economies account together for about half the entire world economy. EU good exports to the US in 2009 amounted to **€ 204.4 billion** in 2009, with services exports reaching EU **€ 119.4 billion**.

The EU and US economies are interdependent to a high degree. European firms are deeply impacted by laws and regulation made in Washington and vice versa for US firms and Brussels. Regulatory and legislative cooperation is therefore essential. At the same time the collective weight of Europe and the United States in global fora on a wide range of issues means that together they can achieve results that guarantee open markets and the rule of law.

A platform for such cooperation is the Transatlantic Economic Council (TEC), the body that seeks to coordinate American and European policies, on both bilateral and global issues. It is co-Chaired by EU Trade Commissioner Karel De Gucht and, for the US, Michael Froman, a senior official in the National Security Council.

## WHAT DOES BUSINESSEUROPE AIM FOR?

The TEC must build upon its success and be further strengthened so as to bring the EU and US closer together. Under the TEC the following priority issues should be highlighted:

- **Financial regulation:** Both sides need to coordinate their policies to avoid unnecessary distortions they put in place regulation to respond to the financial crisis. The EU-US Financial Markets Regulatory Dialogue should report to the TEC on its progress.
- **Energy and climate:** Transatlantic product regulation and standards are the building blocks for global markets in innovative products. Coordinated efforts to achieve this for products such as electric vehicles and smart grids.
- **Secure trade:** Progress is being made on both the 100% scanning and mutual recognition dossiers but companies need legal certainty on these issues by securing results this year.
- **Innovation:** The EU-US Innovation Dialogue is promising but needs to lay the groundwork for transatlantic markets in innovative products.
- **Cooperation vis-à-vis third countries:** The US and the EU need to coordinate their relations with major emerging countries where they share similar objectives for example in the area of intellectual property rights or raw materials.