

Prioritizing Europe's Political Direction: Deepening Integration and Rekindling the Transatlantic Partnership To Tackle Global Threats

February 2022

The European Commission is committed to protecting Europe's citizens and freedoms; developing a strong economic base; building a climate-neutral and fair European social system; and promoting European interests and values on the global stage. As the world continues to grapple with the COVID-19 pandemic, including the emergence of variants of concern, we welcome progress achieved to date advancing vaccination efforts, particularly in poor and developing nations, and the improvement in the overall epidemiological situation. Moreover, a confluence of economic challenges, geopolitical competition, and regional conflicts remain of concern in addition to the prolonged public health crisis. We pledge to continue our efforts to partner with other nations to strengthen governance and the rule of law around the world. During this summit, we welcome additional progress on two key strategic challenges that will define our future: making Europe greener and more digital. In addition, we intend to address new initiatives to reinvigorate the transatlantic relationship and mutually address challenges to democratic norms. **To address the broad range of policy matters that demand our attention, the following stipulations are proffered for collective consideration:**

PREAMBLE

WHEREAS the European Union (EU) has consistently sought to deepen integration among member states and declare our shared commitment to promoting democratic principles, the following should be taken into account:

- 1) That we are a broad, diverse community historically divided by conflict and misgivings for centuries, now dedicated to jointly overcoming strategic challenges.
- 2) That the EU is an institution that stands for human freedom, democratic principles, the rule of law, and the upholding of fundamental rights.
- 3) That closer integration between member states will strengthen our shared values and create greater benefits for our citizens.
- 4) That this bloc will continue to build economic, political, and social partnerships that enhance Europeans' standard of living and reinforce the EU's global influence.
- 5) That we adopt policies that position Europe to withstand future economic or political crises through sound economic reforms, responsible foreign policies, and technological cooperation.

Protecting our Climate and Driving a Digital Transformation

Meeting Our Climate Moment

WHEREAS climate change and environmental degradation are an existential threat to the globe. The European Green deal—a political commitment forged in 2019 to make Europe climate neutral—seeks to transition this Union into a more resource-efficient body with ambitious benchmarks. By 2050, this bloc intends to generate zero net greenhouse gas emissions by boosting the economy through green technologies, helping companies become world leaders in sustainable industry and transportation, and cutting pollution to protect human life, animals, and plants.

WHEREAS our target reductions will require action by all sectors of the European economy. The production and use of energy account for more than 75 percent of the EU’s greenhouse gas emission. Forty percent of our energy consumption occurs in buildings and 25 percent of emissions stem from transportation. Regrettably, only 12 percent of European industry uses recycled materials. Gradual reductions will create a predictable business environment for industry and investors, and we have already mapped out the pace of emissions for member states from 2030 to 2050 and built-in mechanisms to ensure regular reporting on progress of the Union’s goals.

WHEREAS the recently approved European Climate law is a key milestone for this Commission and makes the bloc’s target greenhouse gas emissions legally binding. This landmark agreement will shape the EU’s green economic recovery, ensure a socially just business transition, and reinforce our position as a global leader in tackling the climate crisis. The accord includes provisions that call on member states to reduce net emissions by 55 percent by 2030 from 1990 levels; establishes a European Scientific Advisory Board on Climate Change that will provide independent scientific advice; and commits the bloc to engage with industry to prepare sector-specific roadmaps charting the path to climate neutrality across different economic areas.

BE IT HEREBY RESOLVED that since most EU laws are designed to meet a previous target to reduce emissions by 40 percent by 2030, the Commission calls on member states to revise the regulation on the inclusion of greenhouse gas emissions and removals from land use, land use change and forestry (LULUCF). Under current EU legislation adopted in May 2018, member states have to ensure that accounted greenhouse gas emissions from LULUCF are balanced by at least an equivalent accounted removal of CO₂ from the atmosphere through action in the sector from 2021 to 2030. While the LULUCF regulation is in line with the Paris Agreement, a more ambitious benchmark is necessary to reduce emissions and maintain and enhance carbon removals, given the critical role of the land use sector in reaching our long-term climate mitigation objectives. For example, developing additional climate-smart agriculture practices and supporting foresters through greater visibility for the climate benefits of wood products—which can store carbon sequestered from the atmosphere and substitute for emission-intensive materials—are strategic imperatives.

BE IT HEREBY RESOLVED that this body views the COP 26 UN Climate Change Conference from 31 October to 12 November 2021 in the United Kingdom as a critical forum to bring together governments from around the world to take coordinated action to address climate change and implement the Paris Agreement. Building upon the negotiations from the UN Bonn Climate Change Conference in June, we call on all countries, particularly China and India, to take greater steps to curb emissions. The EU's planned Carbon Border Adjustment Mechanism (CBAM)—a levy on certain emissions-intensive commodity imports—is a key component in our overall mitigation strategy that we plan to highlight at the forum. While CBAM will require extensive consultations with the World Trade Organization (WTO), we view the proposal as a credible alternative to existing carbon-leakage policies, such as instances in which European industries relocate to third countries that grant free emission allowances.

Digital Europe Programme and Cyber Threats

WHEREAS the Digital Europe Programme (DIGITAL) is a new EU funding program focused on bringing digital technology to businesses, citizens, and public administrations. As part of the next long-term EU budget, the Multiannual Financial Framework, DIGITAL aims to accelerate Europe's economic recovery and shape our society's digital transformation. With a budget of €7.5 billion, DIGITAL will strengthen investments in five key capacity areas: supercomputing, artificial intelligence (AI), cyber security, advanced digital skills, and the assurance of a wide use of digital capacity across the economy and society.

WHEREAS the COVID-19 pandemic highlighted the extent to which European businesses, schools, and virtually all elements of society relied on technology to be available, but also the criticality of ensuring that Europe is not dependent on systems and technical solutions coming from other regions of the world. Wider deployment of digital technologies, particularly those that European firms craft, will reap benefits for all of the EU's citizens and is especially important to small and medium-sized enterprises. Harnessing rapid technological change, in concert with high security standards and safeguards, will help facilitate free data flow that drives sustained economic growth.

BE IT HEREBY RESOLVED that the commission calls for the seamless implementation of our planned DIGITAL funding program. This includes €2.2 billion to strengthen the EU's supercomputing and data processing capacities; €2.1 billion to advance businesses' and public administrations' use of artificial intelligence; €1.7 billion to boost cyber security coordination and tools to defend network and information systems from malicious actors; €580 million to support the design and delivery of specialized programs and the upskilling of the existing workforce; and €1.1 billion to deliver new technologies in high-impact sectors and to expand industry's access to state-of-the-art digital tools. The program complements other lines of effort supporting digital transformation, such as Horizon Europe, which focuses on research and technological development, and the digital aspects of the Connecting Europe Facility. In addition, under the new Recovery and Resilience Facility regulation, a minimum of 20 percent of

expenditure on investments and reforms contained in each national plan should support digital transition.

BE IT HEREBY RESOLVED that the Commission calls on member states to adopt new rules to make sure that AI systems used in the EU are safe, transparent, ethical, unbiased, and under human control. Our proposed rules follow a risk-based approach, with specific systems identified in either unacceptable, high, limited, or minimal risk categories. The creation of a European Artificial Intelligence Board and expanded public-private partnerships will help coordinate the implementation of new rules, in concert with national level authorities. Adopting common AI development standards will be an important pillar in turning Europe into a global hub for trustworthy AI. Coming on the heels of the publication of the European Strategy on AI, Guidelines for Trustworthy AI, and the first Coordinated Plan on AI, these new rules will ensure new technologies undergo conformity assessments, comply with EU-wide AI requirements, register in stand-alone AI system databases, and receive sufficient human oversight and monitoring, including a post-market review system, to report incidents.

BE IT HEREBY RESOLVED that the Commission is committed to aggressively implementing last year's new EU cyber security strategy to maximize our regulatory, investment, and policy instruments to strengthen Europe's resilience against cyber threats. In particular, we call on member states to create a network of security operation centers across the EU to monitor for indications of malicious activity; accelerate the update of key internet security standards, including strong encryption, to protect fundamental rights and digital security; and swiftly establish a cyber intelligence working group to strengthen the EU Intelligence and Situation Centre's (INTCEN) capacities in this domain.

EU-US Partnership

Current State of EU-US Bilateral Relations and Pandemic Responses

WHEREAS the relationship between the EU and US is built on shared history, values, and interests. Together, Europe and the United States helped design and build the multilateral rules-based system to tackle global challenges. As the two largest blocs of advanced democracies, the EU and US together account for a third of the world's GDP and trade and 60 percent of foreign direct investment. Our joint commitment to advance global cooperation is essential as authoritarian powers increasingly seek to subvert democratic norms, aggressive actors try to destabilize regions and democratic institutions, and closed economies exploit the openness our own societies depend upon to thrive.

WHEREAS Europe and the US have changed over the years, as power dynamics and geopolitical and technological realities have shifted. A united, assertive, and self-reliant EU is essential to sustain European prosperity and is similarly beneficial for the transatlantic partnership—a stronger Europe and stronger EU-US relations are mutually reinforcing, not

mutually exclusive. In tandem, we must pursue a renewed transatlantic partnership that seeks to achieve common interests and leverage our collective strength to deliver results on our strategic priorities.

WHEREAS the EU-US summit in June established a joint agenda for bilateral cooperation in the post-pandemic era. We committed to regular dialogue to take stock of policy measures of common interest, especially building international cooperation to ensure that the world's population has access to vaccines and healthcare resources as we seek to build solidarity in overcoming the COVID-19 era and preparing for future public health contingencies.

BE IT HEREBY RESOLVED that the EU and US shall commit to providing ongoing support to the COVAX Facility and to encourage additional international donors to meet our goal of making two billion vaccine doses available worldwide by late 2021 and ultimately reach enough supply to inoculate two-thirds of the world's population by the end of 2022. As such, we call on member states to aggressively staff the newly created EU-US COVID Manufacturing and Supply Chain Taskforce, which will build new production facilities for vaccines and therapeutics; maintain open and secure supply chains; avoid gratuitous export restrictions; and encourage voluntary sharing of knowledge and technology.

BE IT HEREBY RESOLVED that Europe stands with the US in calling for progress on a transparent, evidence-based, and expert-led World Health Organization (WHO) phase-two study on the origins of COVID-19 that is free from interference from Chinese Government authorities. The EU also concurs with our US partners on the need for additional WHO reforms, including assessing the benefits of developing a WHO convention, agreement, or other international instrument on pandemic preparedness and response that would include lessons learned from this past experience combating the coronavirus.

Strengthening Trade, Investment, and Technological Cooperation

WHEREAS the EU and US have the largest economic relationship in the world accounting for 42 percent of global trade. The two blocs are each other's largest export partners with the value of bilateral goods trade in 2020 reaching €556 billion. EU-US trade supports eight million jobs and the top three goods that EU exports to the US are machinery and transport, chemicals, and manufactured articles. Our close cooperation provides a blueprint to solve outstanding bilateral trade irritants through negotiated solutions and to work cooperatively to advance mutually desired WTO reforms. Trade disagreements weaken our strategic partnership at a time in which it is essential to deepen collaboration and promote innovation to compete with rising powers, like China and India.

WHEREAS both Europe and the US face common challenges in managing the digital transition of our economies and societies, and the growing convergence of views between us on technology governance and the regulatory environment will shape the 21st century. Big data, the role of

online platforms, 5G, and the digitization of critical infrastructure will all challenge our collective notions surrounding security, sovereignty, and prosperity. Cooperation on technology goes beyond hardware or software; there is a growing consensus between both sides of the Atlantic that online platforms and Big Tech raise issues that threaten our societies and democracies, notably through harmful market behaviors, illegal content, or algorithm-fueled propagation of hate speech and disinformation.

BE IT HEREBY RESOLVED that the Commission praises the establishment of a high-level EU-US Trade and Technology Council (TTC) that provides a channel to grow bilateral trade and investments; promote shared innovation and leadership by EU and US firms; reduce unnecessary trade barriers; strengthen global cooperation on technology, digital issues, and supply chains; and jointly advocate for fair international regulatory standards. In particular, we call on the TTC to rebalance the global supply chain of semiconductors to boost our respective and partners' capacities to design and produce the most powerful and resource-efficient semiconductors. The TTC should focus on protecting critical technologies and digital supply chains through risk-based assessments, while also prioritizing investment screening, defending intellectual property rights, and using all relevant legal or export control authorities to block forced transfers of technology.

BE IT HEREBY RESOLVED that in parallel with the TTC, the Commission recommends the creation of an EU-US Joint Technology Policy Dialogue to focus on developing common approaches to competition policy and to facilitate increased cooperation across technology sectors. In addition to ensuring the responsibility of online platforms, this dialogue should advance international efforts to achieve more robust antitrust enforcement in digital markets. In pursuit of this and other economic benchmarks, both blocs are determined to foster a fair, sustainable, and modern international tax system and to reach a global consensus on adequate levels of taxation of multinational companies.

BE IT HEREBY RESOLVED that we welcome the prospects of resolving long-standing EU-US trade disputes and praise the recent accord on an Understanding on a Cooperative Framework for Large Civil Aircraft. Both two sides agreed to suspend tariffs for a period of five years imposed as part of previous trade irritants related to EU and US subsidies to Airbus and Boeing respectively. In this spirit of shared understanding, we call for additional consultations to resolve ongoing differences related to steel and aluminum trade policy before the end of the year. We also welcome additional coordination to press for meaningful WTO reforms, including by modifying the proper functioning of the WTO's negotiations function and dispute settlement system.

Working Toward a More Democratic and Secure World

WHEREAS together the EU and the US are anchors for democracy, peace, and security around the world. We share a common objective to prevent conflict, uphold the rule of law and

international law, and promote human rights, gender equity and equality, and the empowerment of women and girls. As bulwarks for democracy who stand together against rising authoritarian states, we pledge unambiguously to support democratic states and institutions, including by defending media freedom, advancing a free and open internet, fostering responsible cyber norms, fighting corruption, and working to counter rising tides of democratic backsliding.

WHEREAS we must partner hand-in-hand to support other states' economic recoveries in the wake of financial hardships exacerbated by the pandemic by building on our strong track record of cooperation on humanitarian aid, supporting international debt restructuring mechanisms, and speedily implementing the United Nations 2030 Agenda for Sustainable Development. Strengthening transatlantic cooperation will serve as a key pillar in sustaining critical multilateral systems and defending our shared values at a time in which many of these rights are under more pressure by those seeking to undermine Western unity.

BE IT HEREBY RESOLVED that for the EU, China is a negotiating partner, an economic competitor, and a systematic rival. We agree with our US allies on the strategic challenge that China's growing international assertiveness presents, even if we do not always agree on the best way to address this challenge. As such, this body views the new EU-US Dialogue on China as an important mechanism for advancing our interests and managing our differences. Notwithstanding the limited areas in which our bilateral views do not align, we concur with Washington in relaying our grave concerns about ongoing human rights violations in Xinjiang and Tibet, erosion of autonomy and democratic processes in Hong Kong, the Chinese Communist Party's economic coercion, and Chinese activities that seek to change the status quo in the East and South China Seas. Outside of competition and seeking to minimize Chinese efforts that increase regional tensions, we also look forward to working with the US to coordinate constructive engagement with Beijing on issues such as climate change and non-proliferation.

BE IT HEREBY RESOLVED that the EU and US stand united in our view that transatlantic cooperation is a key pillar in upholding international law in the face of continued Russian aggression. We are committed to responding decisively to publicly expose and punish, as necessary, harmful Russian activities that are counter to democratic values. We are also ready to step up our support for a peaceful democratic transition in Belarus and condemn the Lukashenka regime and its Russian backers for the escalating attacks on human rights and fundamental freedoms in the country. Further, we will hold Minsk to account for endangering aviation safety through its unprecedented and unacceptable forced diversion of an EU passenger airplane under false pretenses earlier this year, and the subsequent arrest of a journalist as part of Belarus' continuing assault on opposition voices and freedom of the press.

BE IT HEREBY RESOLVED that both Europe and the US share a strategic interest in a stable and secure Middle East, North Africa, and Sahel. We propose reinvigorating the Middle East Quartet to support the Middle East Peace Process and view with deep alarm the declining political, human rights, security, and humanitarian situation in the Sahel countries, Somalia, and

in particular, the growing violence and ethnic polarization throughout Ethiopia. We also emphasize our full support for the ongoing diplomatic efforts and negotiations in Vienna aimed at facilitating the return of the US to the Joint Comprehensive Plan of Action (JCPOA), as well as the US and Iran's full and effective implementation of the deal. Finally, we are committed to expanding our joint efforts, in concert with UN leadership, to support a Libyan-led solution to the ongoing political stalemate in that country.