

Brussels, 4 December 2020 (OR. en)

13701/20

COTRA 21 **JAI 1068 DIGIT 148** POLGEN 219 CFSP/PESC 1085 **CYBER 266 WTO 349 TELECOM 251 RELEX 980 RECH 500 ENV 777 COHOM 104 SAN 451 CLIMA 330** COVID-19 51 **SUSTDEV 176 WHO 9** ILO<sub>5</sub> **ECOFIN 1119 MAR 156 FIN 926 ENER 479** 

#### **COVER NOTE**

From:	Secretary-General of the European Commission, signed by Ms Martine DEPREZ, Director
date of receipt:	4 December 2020
То:	Mr Jeppe TRANHOLM-MIKKELSEN, Secretary-General of the Council of the European Union
No. Cion doc.:	JOIN(2020) 22 final
Subject:	JOINT COMMUNICATION TO THE EUROPEAN PARLIAMENT, THE EUROPEAN COUNCIL AND THE COUNCIL
	A new EU-US agenda for global change

Delegations will find attached document JOIN(2020) 22 final.

Encl.: JOIN(2020) 22 final

13701/20 PK/ct

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OF THE UNION FOR FOREIGN AFFAIRS AND SECURITY POLICY

Brussels, 2.12.2020 JOIN(2020) 22 final

# JOINT COMMUNICATION TO THE EUROPEAN PARLIAMENT, THE EUROPEAN COUNCIL AND THE COUNCIL

A new EU-US agenda for global change

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#### A new EU-US agenda for global change

#### 1. Introduction

The relationship between the European Union and the United States is unique and built on **shared history, shared values and shared interests**. The transatlantic partnership was born of a promise of collective peace, progress and prosperity. After the Second World War, the Marshall Plan helped rebuild Europe's communities and economies. The North Atlantic Treaty Organisation (NATO) ensured our collective security. Together, Europe and the US helped design and build the multilateral rules-based system to tackle global challenges. For people on both sides of the Atlantic, transatlantic ties are a vital element in our societies, identities, economies and personal lives.

**Today, our combined global power and influence remains unrivalled.** We are home to nearly a billion people and are the two largest blocs of advanced democracies. We account for about a third of the world's GDP and trade, and 60% of foreign direct investment. The density and openness of transatlantic trade and investment creates millions of jobs and shapes large parts of the global economy. We have the reach to set regulations and standards that are replicated across the world. We are the primary drivers of innovation and the world's research powerhouses, developing technology from 5G to vaccines.

This combined power and influence is indispensable to anchor global cooperation in the 21st century — whether it be on health, security, climate, trade and technology, or on the multilateral rules-based order. Our joint commitment is essential in a world where authoritarian powers seek to subvert democracies, aggressive actors try to destabilise regions and institutions, and closed economies exploit the openness our own societies depend on.

Just as this need for cooperation has become all the more important, so has the transatlantic partnership become in need of maintenance and renewal. In recent years, our relationship was tested by geopolitical power shifts, bilateral tensions and retreats to unilateral policies.

With a change of administration in the US, a more assertive Europe and the need to design a post-corona world, we have a once-in-a-generation opportunity to design a new transatlantic agenda for global cooperation — based on our common values, interests and global influence. This should be the linchpin of a new global alliance of like-minded partners. This comes at a time when there is a commonality of outlook and priorities on domestic and international agendas between the incoming US administration and the European Union.

As we set about defining this new agenda, we should not embark on a nostalgic search for the global order of past decades or the transatlantic partnership of past generations. The US and the EU have changed, as have power dynamics and geopolitical and technological realities.

We should also not fall into the trap of false debates that seek to oppose a stronger Europe and a stronger transatlantic partnership. A united, capable and self-reliant EU is good for Europe, good for the transatlantic partnership and good for the multilateral system – they are mutually reinforcing not mutually exclusive.

It is in this spirit that the EU is putting forward a proposal for a new, forward-looking transatlantic agenda for global cooperation, centred on areas where our interests converge, our collective leverage can best be used and where global leadership is required.

# The guiding principles of a new transatlantic agenda

- The transatlantic partnership should work to advance global common goods, providing a solid base for stronger multilateral action and institutions. It will support all like-minded partners to join.
- The EU and the US should pursue common interests and leverage our collective strength to deliver results on our strategic priorities.
- We should always look for solutions that respect our common values of fairness, openness and competition including where there are bilateral differences.

# 2. Working together for a healthier world – COVID-19 and beyond

There is no greater need for global cooperation in the short term than in tackling a virus that continues to take an enormous personal, societal and economic toll on both sides of the Atlantic and across the world. It is humanity's shared objective to protect lives and livelihoods and reopen our economies and societies as fast as possible.

Overcoming this pandemic requires leadership and the EU has been driving the global response from the very beginning. Working with the World Health Organisation and civil society, the European Union brought together 40 countries to raise more than 16 billion EUR for the **development and equitable distribution of tests, treatments and vaccines** through the Access to COVID-19 Tools Accelerator (ACT-A).

The EU invites the US to join the global response and its vaccines pillar, the COVAX Facility. The goal is to ensure safe vaccines are equitably distributed to the more than 180 participating countries – wherever they are and whatever they can afford. The aim is to have 2 billion doses available by the end of next year with equitable access for low and middle income countries. **US participation and financial contribution to COVAX** would be a strong message, help make up the funding gap and improve our collective chances of success.

Recognising that vaccination saves lives, the EU and the US should also join forces on building resilient, fair and **comprehensive logistics networks** for vaccine distribution and medical supplies around the world. The EU also calls on the US to join the **Trade and Health Initiative** under the World Trade Organization (WTO) to immediately facilitate trade in essential medical goods and healthcare products.

In the longer term, the EU and the US should collectively learn the lessons from this pandemic and work closer together on **prevention**, **preparedness and response**. This could include improving data and knowledge sharing, early warning systems and stockpiling of key medical equipment. Our respective agencies for medicines, disease prevention and control

and biomedical research should coordinate to ensure a coherent transatlantic position and information flow

In this spirit, the EU is proposing to work together to develop a **pandemic playbook** for preparedness and response. This could include closely aligning preparedness plans, crisis protocols and dedicated assets to tackle future emergencies. The EU is also ready to work with the US to **reinforce the World Health Organization**, as well as to design and deliver a **joint reform proposal** to strengthen its independence, transparency, accountability and effectiveness.

Improving global pandemic preparedness and response will be one of the priorities for next year's G20 Global Health Summit co-hosted by Prime Minister Conte and President von der Leyen under the G20 Italian Presidency. The EU welcomes US input in preparation of the Summit.

#### First steps

- The EU and the US should ensure funding for the development and equitable global distribution of vaccines, tests and treatments starting by joining and contributing to ACT-A and COVAX initiatives.
- Develop a pandemic playbook for preparedness and response and step up cooperation and data sharing between our respective agencies.
- Work together to facilitate trade in essential medical goods, starting by joining the Trade and Health Initiative under the WTO.
- Work together to reinforce the World Health Organization and design and deliver a joint reform proposal.

### 3. Working together to protect our planet and prosperity

Climate change and biodiversity loss are the defining challenges of our time. They require systemic change across our economies and global cooperation across the Atlantic and the world. With the European Green Deal, the EU is leading the way. It is our new growth strategy, focused on cutting emissions while creating jobs. It is addressing everything from how we produce and consume, eat and heat, work and travel.

Our headline goal is to be the world's first climate neutral continent by 2050. From South Korea to South Africa, China to Japan, countries around the world are now lining up to commit to a net-zero future. A similar commitment by the US would mean about two thirds of the global economy, and more than a half of the world's emissions, would be accounted for.

In this spirit, the EU warmly welcomes President-elect Biden's commitment to re-join the Paris Agreement and to set an ambitious updated contribution under the Paris Agreement. A **shared transatlantic commitment to a net-zero emissions pathway by 2050** would make climate neutrality a new global benchmark in the run up to COP26, the next UN Climate Change Conference, to be held in Glasgow next year.

Together with our partners, the EU and the US can lead the world towards a green, circular, competitive and inclusive economy. This will require investment, innovation and the right price signals. This is why we should work closely together on emissions trading, carbon pricing and taxation. In particular, the upcoming WTO-compatible EU Carbon Border Adjustment Mechanism to avoid carbon leakage can be an opportunity to work together to set a global template for such measures.

This could be part of a wider **transatlantic green trade agenda**, which the Commission proposes launching in mid-2021, that could also jointly develop a Trade and Climate initiative within WTO.

Europe is also leading the way on the sustainable financing of the green transition and is working towards having 30% of our recovery plan, NextGenerationEU, financed through green bonds. However, we will all need to do more to meet investment needs. As major financial hubs and regulators, the EU and the US are best placed to lead this work. **Transatlantic cooperation on the design of a regulatory framework for sustainable finance** would greatly support the private sector to know what counts as a green investment – much in the same vein as EU taxonomy.

This private financing will be essential to invest in the right technologies and give our innovators and companies first-mover advantage. The EU and the US should capitalise on their experience and expertise through a new **green tech alliance** to create lead markets and cooperate on clean and circular technologies, such as renewables, grid-scale energy storage, batteries, clean hydrogen, and carbon capture, storage and utilisation. This would complement the work done by the EU-US Energy Council, provide fertile ground for transatlantic investment and support partner countries to meet their own climate commitments.

We also need to focus our work on protecting nature and the environment more broadly. The pressures on nature and wildlife threaten the world's economic development and endanger food security. They will also only make future infectious diseases and pandemics more likely and more dangerous. The next **UN Biodiversity Conference** – COP15 – to be held in Kunming, China will be as important for nature as COP21 was for climate.

The EU encourages the US to join the Convention on Biological Diversity and the EU and the US should work together to ensure an ambitious agreement is brokered with a view to protecting 30% of world's land and 30% of world's sea. Clearly converging EU and US commitments would be key in building global consensus around this target.

The EU and US should also partner up to **lead the fight against global deforestation**, curtailing the production and consumption of products that drive deforestation. This could form part of the new green trade agenda and also look at how we can work together on nature restoration and reforestation at home and across the world.

In the same spirit, we must do more to protect our oceans as natural providers of oxygen and regulators of our climate. The EU has been leading efforts to develop a stronger global framework to address marine litter and marine plastic pollution. With the risk of more plastic

than fish in our oceans by 2050, a **global plastics treaty** is urgently needed and the EU will invite the US to join its efforts ahead of the next United Nations Environment Assembly.

The EU will also propose to work with the US to broker an agreement on the designation of **Marine Protected Areas in the Southern Ocean**, which would be one of the biggest acts of nature protection in history.

The green revolution must drive social, economic and technological progress around the world. In this context, significant EU and US contributions to the pledge of developed countries to jointly mobilise \$100 billion per year by 2020 for climate action in the developing world will be essential. Through our joint support, we must help developing countries advance on the basis of the newest scientific discoveries and the best technologies available.

## First steps

- Coordinate positions and lead efforts for **ambitious global agreements** at next year's landmark UN Summits on Climate and Biodiversity –starting with a joint commitment to net-zero by 2050.
- Propose a new transatlantic **green trade agenda**, which would include a Trade and Climate Initiative within the WTO and measures to avoid **carbon leakage**.
- Form a transatlantic **green tech alliance** to ensure greater cooperation on developing clean and circular technologies and creating lead markets.
- Jointly design a **global regulatory framework for sustainable finance**, learning from the experience of the EU taxonomy.
- Joint efforts to lead the **fight against deforestation** and step up **ocean protection** starting with joint efforts to broker a **global plastics treaty** and designate Maritime Protected Areas in the Southern Ocean.

### 4. Working together on technology, trade and standards

Europe and the United States account for about a third of the world's trade and the standards we set reach every corner of the world. **Our shared values of human dignity, individual rights and democratic principles** make us natural partners to harness rapid technological change and face the challenges of rival systems of digital governance. This gives us an unprecedented window of opportunity to set a **joint EU-US tech agenda**.

This reflects the **growing convergence of views on tech governance** between Europe and the United States and the fact we are facing common challenges in managing the digital transition of our economies and societies. These include critical infrastructure, such as 5G, 6G or cybersecurity assets, which are essential for our security, sovereignty and prosperity – but also data, technologies and the role of online platforms.

In this spirit, the EU and the US need to join forces as tech-allies to shape technologies, their use and their regulatory environment. Using our combined influence, a transatlantic technology space should form the backbone of a wider coalition of like-minded democracies

with a shared vision on tech governance and a shared commitment to defend it. To deliver on this, the EU must stay course for its own tech goals and ambitions as part of Europe's digital decade.

The EU will also propose to the US to build on Europe's technological leadership to press for secure 5G infrastructure across the globe and open a dialogue on 6G. This should be part of wider cooperation on **digital supply chain security** done through objective risk-based assessments.

The EU and the US also have a shared interest in cooperating on **cybersecurity** capacity building, situational awareness and information sharing. This coordination could also include possible restrictive measures against attributed attackers from third countries.

In parallel, we need to start acting together on AI - based on our shared belief in a human-centric approach and dealing with issues such as facial recognition. In this spirit, the EU will propose to start work on a **Transatlantic AI Agreement** to set a blueprint for regional and global standards aligned with our values.

We must also openly discuss diverging views on data governance and see how these can be overcome constructively. The EU and the US should intensify their cooperation at bilateral and multilateral level to promote regulatory convergence and **facilitate free data flow with trust** on the basis of high standards and safeguards.

The need for global cooperation on technology goes beyond the hardware or software. It is also about **our values, our societies and our democracies**. There is a growing consensus on both sides of the Atlantic that online platforms and Big Tech raise issues which threaten our societies and democracies, notably through harmful market behaviours, illegal content or algorithm-fuelled propagation of hate speech and disinformation.

In this spirit, the EU will propose a new transatlantic dialogue on the responsibility of online platforms, which would set the blueprint for other democracies facing the same challenges. We should also work closer together to further strengthen cooperation between competent authorities for antitrust enforcement in digital markets.

Likewise, **fair taxation in the digital economy** requires innovative solutions on both sides of the Atlantic. To create a fair and modern economy, which provides market-based rewards for the best innovative ideas, the EU and the US should strongly commit to the timely conclusion of discussions on a global solution within the context of OECD and G20.

Beyond tech, the EU and the US should renew their commitment to **strengthening open and fair trade** to improve the level playing field by setting high standards, make critical supply chains more resilient and address the challenges of protectionism and unilateralism.

This starts with **joint leadership on reforming the WTO** so it can be fit for the 21<sup>st</sup> century economy and respond to current realities, promote sustainability and a level playing field. As a first step, we should finalise the appointment of a new Director-General and explore how to restore the essential dispute settlement function by reforming the Appellate Body. Trilateral

work between EU-US- Japan should be intensified to prepare proposals on level playing field issues. We should also work together to bring forward the WTO e-commerce negotiations.

In parallel, we should **facilitate our bilateral trade and deepen our regulatory and standards cooperation**. As tariffs go down globally, it is setting and complying with standards and regulations that decides access to markets. While we are still the most influential regulators, both the EU and the US face increasing standard competition from third country actors. Where both sides agree, the world usually follows. This is why we must reactivate proposals for EU-US standards cooperation and **re-engage on conformity assessment negotiations**. Where possible, the EU and the US should systematically align positions within international standard setting bodies.

The EU is proposing to establish a new EU-US Trade and Technology Council (TTC). The aim will be to jointly maximise opportunities for market-driven transatlantic collaboration, strengthen our technological and industrial leadership and expand bilateral trade and investment.

It will focus on reducing trade barriers, developing compatible standards and regulatory approaches for new technologies, ensuring critical supply chain security, deepening research collaboration and promoting innovation and fair competition.

As part of this, there should be a new **common focus on protecting critical technologies**. We need closer cooperation on issues such as investment screening, Intellectual Property rights, forced transfers of technology, and export controls

At the same time, we must also work closely on **solving bilateral trade irritants** that weaken our strategic partnership. We must work on finding quick solutions by **focusing on negotiated outcomes**, whilst acknowledging differing approaches. This includes the ongoing efforts to settle the Boeing/Airbus dispute, as well as the lifting of unjustified Section 232 restrictions or other unilateral decisions

#### First steps

- The EU and the US must work closely together on solving bilateral trade irritants through negotiated solutions and lead WTO reform efforts.
- Establish a **new EU-US Trade and Technology Council** to help, facilitate trade, develop compatible standards and promote innovation.
- The EU and the US should open a transatlantic dialogue on the responsibility of online platforms and Big Tech starting by working together to find global solutions for fair taxation and market distortions in the digital economy.
- Develop a common transatlantic approach to **protecting critical technologies in light** of global economic and security concerns starting by discussions on 5G.
- Work on an AI Agreement and intensify cooperation to facilitate free data flow with trust.
- Renew cooperation on regulation and standards, starting by re-engaging on

# 5. Working together towards a safer, more prosperous and more democratic world

The EU and the US share a fundamental interest in **strengthening democracy around the world**. We welcome President-elect Biden's proposal for a Summit for Democracy at a time when the pandemic has served to put democracy, freedoms and values under more pressure.

The EU is ready to play its full part in the **Summit for Democracy**, both by implementing its recent Action Plan on Democracy and Human Rights in the EU and working with the US and international partners to make further commitments on fighting corruption, authoritarianism and human rights abuses around the world. This in turn should contribute to the strengthening of the multilateral system, a true vertebral column for the international community.

The EU and the US have already started working together on the global recovery, in the United Nations, the G7 and the G20. We must show joint leadership to support others on their path to sustainable recovery, including by **debt restructuring**, and build on our strong track record of cooperation on humanitarian aid. The EU and the US should continue to support and speed up implementation of the **United Nations 2030 Agenda for Sustainable Development** as a matter of joint priority.

As part of global recovery efforts, the EU and the US should work together on the **joint promotion and protection of workers' rights**. The EU will propose to increase transatlantic cooperation to push for worldwide adherence to the relevant conventions under the International Labour Organization.

A closer partnership in different geopolitical arenas will also be crucial to support democratic values around the world, as well as global and regional stability, prosperity, and conflict resolution.

For the EU, **China** is a negotiating partner for cooperation, an economic competitor, and a systemic rival. The approach set out in the EU-China Strategic Outlook provides a solid roadmap to defend our common interests and values. As open democratic societies and market economies, the EU and the US agree on the strategic challenge presented by China's growing international assertiveness, even if we do not always agree on the best way to address this. The new EU-US Dialogue on China will provide a key mechanism for advancing our interests and managing our differences.

Increased EU focus on the challenges and opportunities in the **Indo-Pacific region** will help deepen cooperation with like-minded partners in the region. Working closely with the US to align our strategic objectives and support democratic progress in Asia will be essential.

The EU is focusing on deepening its alliance with **Africa** as equal partners. The EU continues to be the main foreign investor, trade, development, humanitarian and security partner. There is much to gain from closer transatlantic cooperation on advancing democracy and human rights, regional integration and security, and sustainable development across the Continent.

The EU and US also share a strategic interest in a **stable and secure Middle East, North Africa and Sahel**. This means joining forces to address regional conflicts, power competition and the disruptive behaviour of external actors in these regions.

We should work closely together to set out the conditions for meaningful political progress in the Middle East Peace Process, notably by working together in a reinvigorated Middle East Quartet. The EU will continue addressing security in the **Gulf**, supporting de-escalation, creating conditions for confidence building and for an inclusive security architecture. Achieving stability in Iraq and putting an end to conflicts in Syria and Yemen should remain a focus of transatlantic cooperation.

In **Libya**, the EU is committed to increasing our joint efforts to support a Libyan-led solution, with the support of strong UN leadership. Further cooperation between the EU and the US to promote stability and development in the **Sahel region** will contribute to overall security in Africa and Europe.

The EU and the US need to join forces again to preserve the Joint Comprehensive Plan of Action, or **Iran nuclear deal**, as endorsed by the United Nations Security Council in 2015<sup>1</sup>. It is a key pillar of the global non-proliferation architecture and we need to work together to further its achievements.

The EU and the US have both invested hugely in a stable and peaceful **Afghanistan** and must ensure that gains made by Afghans over the last years are maintained, in support of the conduct and outcome of the intra-Afghan peace process.

Transatlantic cooperation on **Russia** will remain key in particular as regards upholding international law. This includes protecting the territorial integrity and energy security of our Eastern Partners. **Ukraine** is a priority partner where US support is vital in promoting security and an ambitious reform programme together. In **Belarus**, we stand ready to step up our support for a peaceful democratic transition.

Europe has given the Western Balkans EU accession perspective. Continued EU-US partnership and close coordination in the **Western Balkans** is essential, in particular on the EU-facilitated Dialogue between Belgrade and Pristina. We need to work together to support reconciliation, improve governance and push forward key reforms.

The EU and the US share a strategic interest in a stable and secure Eastern Mediterranean. We should seek a coordinated approach in our relations with **Turkey**, including by addressing current challenges.

It is important to engage with Latin America and the Caribbean region as vital allies in international fora. As part of this, we should also continue coordinating views and positions on Venezuela.

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<sup>&</sup>lt;sup>1</sup> UNSC Resolution 2231 (2015)

Together we need to make good use of all the tools available. To that end, we will seek to **enhance coordination on the use of sanctions** including in the pursuit of shared objectives, while avoiding unintended consequences for European and US economic interests and the unilateral use of extraterritorial sanctions.

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Europe and the US face a growing number of serious transnational threats, from hybrid and military threats, violent extremism and global terrorism, to the proliferation of weapons of mass destruction. Over the last years, the EU has made unprecedented progress in **security and defence cooperation**, with landmark initiatives tackling capability shortfalls while incentivising defence spending and burden-sharing.

The EU and the US should reaffirm our **joint commitment to transatlantic and international security**. A stronger EU role in defence, including through supporting investment in capability development, will benefit NATO and transatlantic cooperation. The EU is ready to fulfil its responsibilities, enhance its strategic autonomy and ensure better burden-sharing. The EU and NATO's capability priorities should be largely aligned.

To frame our cooperation, a structured **EU-US Security and Defence Dialogue** should be established, taking a comprehensive approach to security and based on a shared strategic vision. This should include exchanges on possibilities for transatlantic cooperation in the context of respective security and defence initiatives, crisis management, military operations and bilateral security matters. Within this context, the EU and US should work on substantially improving and increasing the **exchange of information**. In parallel, the EU and US should work together to promote an **ambitious international arms control and disarmament agenda**.

# First steps

- The EU is ready to play a full part in the **Summit for Democracy** proposed by President-elect Biden, making joint commitments to fight the rise of authoritarianism, human rights abuses and corruption.
- Coordinate responses to common challenges to **promote regional and global stability** starting by strengthening policies in Eastern Partnership Countries and the Mediterranean.
- Strengthen our joint commitment to transatlantic and international security, starting by establishing a new EU-US Security and Defence Dialogue.
- The EU and the US should join forces in **strengthening the multilateral system** on the basis of our common values.

#### 7. Conclusion

The Commission and the High Representative invite the European Council to endorse this outline and proposed first steps as a roadmap for a new transatlantic agenda for global cooperation. The

Commission and the High Representative/Vice-President will work closely with the European Parliament and Council in its implementation.

An **EU-US Summit** in the first half of 2021 should launch this ambitious and concrete agenda. It would give a clear signal for renewed global leadership and engagement of two self-standing, indispensable partners and allies.

When the transatlantic partnership is strong, the EU and the US are both stronger. It is time to reconnect with a new agenda for transatlantic and global cooperation for the world of today.