COMPLETING THE TRANSATLANTIC MARKET

February 2007

TABLE OF CONTENTS

Executive Summary

Winston Churchill once said that those who build the present only in the image of the past will miss out entirely on the challenges of the future.

Governments on both sides of the Atlantic have long been aware of the trade, regulatory and investment barriers that impede a deeper and wider Transatlantic Market. In 1995, the American administration joined with the European Commission to launch the New Transatlantic Agenda, intended, in part, to strengthen economic ties. Transatlantic dialogues among business, labour and consumers soon followed. Over the years, complimentary initiatives were instigated by successive US-EU summits. And the US Congress and the European Parliament agreed on the creation of a Transatlantic Legislators Dialogue in 1999.

However, in the absence of any formal commitments binding all parties concerned to common goals, progress has been limited. The voluntary, *bottom-up*, building-block approach to cooperation pursued by various American and European regulatory agencies has deepened bureaucratic ties and personal relationships between regulators. But it has produced few tangible results of benefit to business or citizens.

It is time for a complementary, *top-down* approach to transatlantic cooperation through a joint commitment by the European Union and the United States to a roadmap for achieving a Transatlantic Market by 2015 and creation of an overarching framework for dialogue and action to achieve that goal.

The aim of this roadmap and framework would be to remove barriers to trade and investment across the Atlantic and to reduce regulatory compliance costs.

Pursuit of this goal will stimulate economic growth in the transatlantic economies. It will set a high standard for the removal of trade, investment and regulatory impediments in all global markets. It will enhance the competitiveness of both the European and American economies. And it will necessarily oblige legislative and regulatory authorities in both Europe and the United States to take into consideration from the outset the impact their acts may have on transatlantic economic relations and to ensure that their respective governmental bodies involved have the necessary budgetary and organizational resources to work closely with each other.

For this Transatlantic Market initiative to succeed, the Congress and the White House in the United States and the main institutions of the European Union—the European Parliament, the Council, the Commission--will need to be more closely involved than ever before in transatlantic economic relations. Only they can apply a sense of focus and urgency to the roadmap and to avoid wherever possible diverging, conflicting and burdensome legislation and regulations that would impede progress toward that goal. In this effort, they must work closely with the individual American state governments and the member states of the European Union.

To start this process, the 2007 US-EU summit should take the following four steps:

- Agree to a target date of 2015 for completion of a Transatlantic Market between the United States and the European Union.

- Launch a sector-by-sector study of existing obstacles to creating a Transatlantic Market.

- Agree to the outline of a roadmap for removing such barriers to trade and investment by 2015.

- Set up a small US-EU Transatlantic Market Implementation Group of elected and appointed officials to oversee the study and implementation of the roadmap.

In the 2007-2008 timeframe, to demonstrate renewed US-EU commitment to the transatlantic project and to achieve concrete progress toward creating a Transatlantic Market by 2015, Brussels and Washington should:

- Resolve transatlantic differences over accounting standards.

- Finalize an Open Skies agreement that removes investment restrictions for European and American air carriers in the transatlantic market.

- Put in place in Brussels a regulatory impact assessment process comparable to that in Washington.

PART I: The Background: The Concept

An Unfinished History

Inspiration for completion of the Transatlantic Market can be found in the histories of both the United States and Europe. In the 19th century, a single American economy was stitched together out of separate state and regional markets for goods and services. In the late 20th century in Europe a single European market was constructed, beginning in 1957 and dramatically accelerated by 1992 through a sector-by-sector approach to economic integration.

These efforts to maximize welfare by the removal of barriers to commerce were supplemented by institutions—such as the Federal Reserve and various regulatory agencies in Washington and the European Central Bank and the European Commission in Brussels--that fostered and sustained economic integration. It is that experience, at times halting but ultimately fruitful, that provides both the inspiration and the context for recent efforts to deepen and broaden the transatlantic economic area to achieve eventual free movement of capital, goods, services and people.

In 1995, in Madrid, American and European leaders agreed on a new Transatlantic Agenda, which envisioned creation of a New Transatlantic Marketplace. EU-US consultations were set up to dismantle obstacles to trade and investment and to strengthen cooperation on issues such as competition policy. And nongovernmental dialogues were launched between members of the consumer, environmental, labour and business communities. The Transatlantic Business Dialogue, which has been particularly active since its launch in Seville in 1995, has offered practical recommendations addressing nearly all outstanding transatlantic economic concerns. In particular, in 2004 the Business Dialogue explicitly called for creation of a barrier-free transatlantic market in which goods, services and capital could be efficiently exchanged.

In 1997, EU and US leaders signed a Mutual Recognition Agreement, intended to lead to comparable standards and testing, initially for six products. Progress was slow.

In 1998 the European Commission proposed an ambitious negotiating package to the United States to realize the New Transatlantic Marketplace. The Commission's proposal envisaged widespread mutual recognition of standards and certification, a reduction of industrial tariffs to zero by 2010, a bilateral free trade area in services, the establishment of a new dispute settlement procedure and strengthened bilateral cooperation in areas such as trade facilitation.

The initiative was never fully embraced by the United States and failed to win the support of several EU members, most notably France, which was concerned about the potential implications of the proposed agreement for the politically sensitive issue of agricultural subsidies. In 1998, a far more modest Transatlantic Economic Partnership agreement was signed, with scant success.

In 2004, US and EU leaders called for a stakeholder consultation involving businesses with a vested interest in a deeper transatlantic economic relationship. At the same time, a study for the European Commission concluded that transatlantic economic integration was plagued by a dearth of high-level political support, an insufficient public profile, low priority, insufficient transparency, low support by the EU member states and lack of involvement of the US legislative branch of government.

In 2005, in response to these criticisms and stock taking, Washington and Brussels launched the Transatlantic Economic Integration and Growth Initiative. This effort was to focus on product standards and consumer protection, market access for services, regulation of financial markets, including direct investments, competition policy, government procurement and intellectual property rights. The 2006 EU-US summit affirmed these goals.

Meanwhile, regulatory cooperation efforts made steps forward. The 2005 summit established a high-level US-EU forum to develop a joint regulatory work plan based on mutual best practices. In addition, a dialogue was established between the European Commission and the US Office of Management and Budget on transparency and methodologies for impact and risk assessment. By 2006 both bodies reported some progress, paralleled by useful cooperation in the Financial Markets Regulatory Dialogue on accounting standards and the supervision of financial institutions.

Both European and American legislators are increasingly supportive of deeper transatlantic economic ties. In 2004 and again in 2005, the European Parliament passed resolutions supporting completion of the Transatlantic Market by 2015. Furthermore, the Parliament also agreed that the transatlantic partners should update the 1995 New Transatlantic Agenda, replacing it with a “Transatlantic Partnership Agreement” to be implemented from 2007. These ideas were further endorsed in reports by Elmar Brok MEP and Erika Mann MEP approved by the European Parliament in May 2006. And in December 2006, the US Senate passed a resolution calling for completion of the Transatlantic Market by 2015. And it called for a jointly-funded, cooperatively-led study of existing barriers to transatlantic trade and investment, including sector-by-sector estimates of the costs and benefits of removing such obstacles and a timetable for their removal.

An Idea Whose Time Has Come

Multilateral trade liberalization is the optimal means of maximizing the benefits of increased trade and investment for the people of Europe, the United States and the rest of the world, especially the poor living in developing countries. TPN is strongly committed to opening markets through multilateral negotiation. TPN places the highest priority on restarting the Doha Development Round, And TPN advocates the Round’s speedy and successful completion, at a high level of ambition.

But the Doha Development Round, which was launched in 2001, has yet to produce meaningful, tangible results. Differences over agriculture and market access for manufactured products and services have stymied progress, indefinitely postponing the benefits of new trade liberalization. Completion of the Round and its ultimate level of ambition remain uncertain.

Meanwhile, the prolonged nature of the Doha Development Round and its unsure prospects have prompted both Washington and Brussels to pursue bilateral trade liberalization initiatives through preferential trade agreements with a wide range of countries in Africa, Asia and Latin America. These arrangements are suboptimal in economic terms. They often involve small economies and exclude key business sectors. But their pursuit underscores the compelling attraction of any effort to remove barriers to trade and investment, however limited its economic impact.

The delays and challenges experienced in the Doha Development Round have made a proliferation of American and European preferential trade agreements almost inevitable. These initiatives inherently increase the risk of competing standards in various parts of the world and lowest common denominator agreements that will only complicate doing business in the future. And competing efforts to craft preferential trade agreements raise the spectre of new transatlantic frictions, as the European Union and the United States vie for special deals with emerging market economies.

At the same time, the transatlantic economic dialogue pursued by the United States and the European Union has produced repeated resolutions but scant real results in the marketplace, frustrating the business community in particular. To cite one of many examples, with no set target date for completion, progress in the Regulatory Dialogue has been slow, and there is no clear prospect for its completion. Furthermore, the Dialogue’s procedures for setting goals and benchmarking achievements are opaque. No structure is in place to allow for the oversight or input by elected political representatives on either side of the Atlantic.

These trade and investment liberalization initiatives have additional urgency because of their economic and strategic context. The transatlantic market is the anchor of the global economy. It is the world’s largest, deepest and most integrated economic space. As such, it provides the economic foundation for European and American diplomatic and security initiatives that contribute to global stability.

But the transatlantic market is no longer the world's most dynamic economic area. Over the last decade, the European Union's economy has grown at an average rate of 2.4 per cent per year. By comparison, the US economy has grown by 3.2 per cent annually. Over the same period, China grew by 8.1 per cent per year and India expanded at an annual rate of 5.9 per cent.

As mature economies, Europe and America can be expected to grow more slowly than emerging markets. But the consistent underperformance of the European economy in comparison with its American cousin and the gap between transatlantic economic performance and that being experienced in China and India suggests a pressing need to sharpen competitiveness in the transatlantic market and remove trade, investment and regulatory barriers to maximize growth in both Europe and the United States. Moreover, in the absence of world standards, the United States and the European Union are competing to have their respective rules and regulations applied in third-country markets. The net effect of this zero-sum game is that emerging economies, such as China and India, often play Europe off against America, developing their own technical standards, rules for financial markets and other regulations, complicating business for everyone.

Frustration with progress in the Doha Development Round, the growing threat of the European Union and the United States signing low-ambition, preferential trade agreements in competition with each other and the competitive challenge and market opportunities posed by China and India affirm that creation of a Transatlantic Market is an idea whose time has come.

PART I: The Background: The Validation

A Strong Economic Base With Formidable Potential

Commercial relations between the United States and the European Union are already deeply integrated. Together they account for about three-fifths of the global economy and more than two-thirds of foreign direct investment. The transatlantic economy alone generates roughly $3 trillion a year in commercial activity and employs up to 14 million workers who are either engaged in European-American trade or who owe their jobs to transatlantic investment.

In 2005, trade across the Atlantic in goods alone amounted to nearly half a trillion dollars, a record. Europeans bought $186 billion worth of American exports, four times what the Chinese bought from the United States and 23 times more than what the Indians bought. Similarly, the European Union sold the United States 251 billion Euros in merchandise, five times what it sold China and 12 times what it sold India.

But it is foreign investment that is the driving force in the transatlantic economic relationship. In 2005, European investment into the United States totalled $66.1 billion, an increase of more than $13 billion over 2004 levels. And, over the first half of this decade, Europe accounted for over 75 per cent of total foreign direct investment into the United States. Over the same period, Europe was the destination for over 57 per cent of total outflows of US direct investment abroad. And American investment in Europe considerably outweighed US investment elsewhere. For example, in 2005, US investment in Belgium alone was four times American investment in China. US investment in France was greater than what US firms invested in all of India that year. And these investments have proven quite successful. American affiliates earned $106 billion in profits in Europe in 2005, while European affiliate earnings in the US reached nearly $77 billion.

Nevertheless, Europe and the United States have so far failed to integrate the breadth and depth of the transatlantic economic relationship into their policymaking, legislative and regulatory systems. The most prominent examples of this shortcoming are the Sarbanes-Oxley Act in the United States, which reformed public accounting standards, and the EU's REACH Regulation, which affected the testing and approval of chemicals. Both initiatives were developed with little public input and have created, or risk to create, considerable difficulties for transatlantic businesses, from companies attempting to raise capital to firms that manufacture everyday goods.

Another example of the failure to work together in the transatlantic market is found in the automotive sector, where American and European carmakers sell identical vehicles in the United States and in Europe but need to meet differing standards and undergo separate costly testing and approval procedures that often reflect differences in regulatory procedures more than they do differences in the public's environmental and safety concerns.

The potential benefits of removing such barriers to commerce in the transatlantic economy are significant. If obstacles to transatlantic business were eliminated, Americans' per capita income would be boosted by up to 2.5 per cent and Europeans' by up to 3 per cent, the equivalent of two years growth in Europe, according to a 2005 OECD study. Deregulation, not tariff cuts, would be the main source of these potential economic gains.

The Role of TPN

Throughout this slow march toward completion of a Transatlantic Market, the Transatlantic Policy Network has been a forum for dialogue within the transatlantic policy community with an aim of strengthening the EU-US partnership. Since its founding in 1992, TPN has advocated deeper and broader economic ties between the European Union and the United States. It has conducted seminars for policymakers and business leaders focused on completing the Transatlantic Market since the early 1990s. As a result, TPN has been involved in creation of the New Transatlantic Agenda, the Transatlantic Business Dialogue and the Transatlantic Economic Partnership.

- In pursuit of those goals, in 1994, TPN published "Toward Transatlantic Partnership: A European Strategy", which established the linkage between political, economic and security interests in the European-American relationship and underscored the vital principle that the collective participation of the European Union is the only way for a broad and balanced EU-US partnership to be developed.

- In 1995, TPN published "Toward Transatlantic Partnership: The Partnership Project", which clarified the need to focus on specific economic and political issues to broaden the transatlantic partnership. In particular, it recommended negotiations for a transatlantic political and economic treaty by the end of the decade. These first two TPN documents were used by the EU's Spanish presidency in formulating guidelines for the Transatlantic Agenda signed in 1995.

- In 1998, TPN produced "Toward Transatlantic Partnership: The Cooperation Report," which called for stronger political leadership on both sides of the Atlantic to provide impetus for closer ties. It recommended the signing of a broader EU-US framework treaty in 2007 and helped shape the Transatlantic Economic Partnership agreement signed that year.

- In 2003, TPN published: "A Strategy to Strengthen Transatlantic Partnership" in direct response to a perceived deterioration in transatlantic relations. It suggested a 10 point, 10-year action plan to strengthen transatlantic economic, political and defence/security cooperation and recommended completing the Transatlantic Market by 2015.

PART I: The Background: The Political Context

The process of completing the Transatlantic Market requires high-level political commitment and engagement by the European Parliament and the US Congress and participation by business and other stakeholders focused on a common objective. No such goal can be achieved without sustained political involvement on both sides of the Atlantic.

The US-EU summits were created to provide impetus to transatlantic economic integration. After a decade, these meetings need reinvigoration, with a broader constituency and a new sense of purpose. Involving members of the US Congress and the EU Parliament in the summits in a formal way will broaden the political base of support for closer transatlantic ties on both sides of the Atlantic. Moreover, involvement of those who approve regulations and the budgets needed to enforce them will send a strong signal to regulators and to the business community that regulatory convergence is now a political priority.

Launching a sector-by-sector study of existing obstacles to transatlantic trade and investment at the 2007 US-EU Summit will demonstrate an ongoing seriousness of purpose and create business and consumer expectations that such barriers will be removed.

And setting a target date of 2015 for completion of the Transatlantic Market both publicly and politically recommits current and future EU and US leaders to an ongoing effort to deepen and broaden European-American economic ties in a timeframe that is relevant to both consumers and business.

PART I: The Background: The Window of Opportunity

"When Europe and America are partners, no trouble can stand against us," President George W. Bush observed in 2001.

Europe and America face multiple mutual challenges as the first decade of the 21st Century draws to a close. Their economies need constant reinvigoration, best done jointly, to ensure a rising standard of living for all and a sharing of the benefits of prosperity with the world. Reversing global warming and the broader preservation of the environment can only be achieved through cooperative action. And the threat terrorism poses to domestic and international stability can only be successfully overcome if Europe and the United States stand together.

In the spirit of such cooperative enterprise, 2007 presents a unique opportunity to advance the goal of creating a Transatlantic Market. Germany holds the presidency of the European Union in the first half of the year and heads the G8 group of advanced industrial nations for the entire year. German Chancellor Angela Merkel has expressed interest in deepening and broadening the EU-US economic relationship. And her reform-minded government is in a unique position to advocate the regulatory changes and removal of the trade and investment barriers necessary to achieve that goal.

At the same time, the Doha Development Round is at a critical juncture. Either the Round will be completed in 2007, or it will be indefinitely delayed. In either case, past concerns that an ambitious transatlantic economic initiative would somehow damage prospects for the Round will no longer apply. Rather than pose a threat to the multilateral system, efforts to remove trade, investment and regulatory barriers across the Atlantic can serve as a model and inspiration for future market liberalization activities in the World Trade Organization.

At the national level, France and the United Kingdom will have new leadership in 2007, anxious for new initiatives based on new priorities. Germany has a government intent on showing European and global leadership. And the United States has an outgoing administration looking for a legacy and a political window of opportunity to demonstrate political and economic initiative before the presidential election season begins in 2008.

Never in recent years has there been such a conjunction of economic, policy and political forces conducive to an effort to create a Transatlantic Market. Now is the time.

PART II: The Implementation

To deepen and broaden the transatlantic economic relationship in a timeframe that is both politically credible and economically relevant, European and American leaders should commit themselves to creating a Transatlantic Market by 2015, commission a sector-by-sector study of the costs and benefits of removing transatlantic barriers to trade and investment by that date, establish a roadmap for achieving that goal and appoint a small US-EU Transatlantic Market Implementation Group comprised of elected and appointed officials to oversee the study and the implementation of the roadmap. With the full commitment of the European Commission and the US administration, including regulatory officials, and, for the first time, the active role of members of the European Parliament and the US Congress, the process of creating a Transatlantic Market will be an integral step in the evolution toward an eventual Transatlantic Partnership agreement, embracing the economic, political and strategic totality of the EU-US relationship.

PART II: The Implementation: *The Target Date*

At the 2007 US-EU summit, the President of the European Union, the President of the United States and the President of the European Commission should agree to a target date of 2015 for creation of a Transatlantic Market between the United States and the European Union. A target date will focus heretofore disparate efforts at deepening the transatlantic economic relationship by creating bureaucratic and political accountability. The goal should be to eliminate tariffs and dramatically reduce regulatory compliance costs and non-tariff barriers to transatlantic trade and investment through an institutional framework of US-EU cooperation.

PART II: The Implementation: *The Sector-by-Sector Study*

At the 2007 summit, in pursuit of the goal of creating a Transatlantic Market, the United States and the EU should launch a jointly-funded, cooperatively-led study of existing obstacles to creating a Transatlantic Market. Using as a macro-economic baseline the 2005 OECD study on the benefits of liberalizing transatlantic product markets and trade and modelled on the 1988 Cecchini Report on the micro-economic barriers to creating a European single market, this Transatlantic Market report would include sector-by-sector estimates of the cost of existing European and American barriers to trade and investment, the benefits of removing each obstacle and a timetable for doing so for each one. The report should be ready for endorsement by transatlantic leaders at the 2009 US-EU summit.

PART II: The Implementation: *A Transatlantic Market Implementation Group*

To ensure continuity, broad bureaucratic involvement and political accountability, the 2007 US-EU summit should agree on creation of a Transatlantic Market Implementation Group comprised of a small number of members of the US Congress and European Parliament, members of the US cabinet and EU commissioners, and heads of US and EU regulatory agencies. Their responsibility will be to oversee the design and conduct of the sector-by-sector study of barriers to transatlantic trade and investment, to flesh out the roadmap for completing the transatlantic market and to ensure that steady progress is made toward realizing the 2015 target date for creation of the Transatlantic Market.

The Issues Roadmap

In the 2007-2010 timeframe, the United States and the European Union should:

The Regulatory Dialogue

- Officially involve leading members of the US Congress and the EU Parliament at the 2007 US-EU summit. At that meeting, an institutional framework should be created to engage relevant members of both legislative bodies in the current EU-US regulatory dialogue on an ongoing basis. The goal should be to turn the dialogue between regulators into a forum for action that takes into account the concerns of constituent stakeholders, including business and consumers.

- The American administration and the European Commission should commit to develop comparable regulatory decision-making processes, with, at minimum, agreement on underlying principals and regulatory objectives, mutually compatible transparency, including an early warning system for new regulations under development, similar timeframes, appeal procedures and post-regulatory monitoring. The goal should not be to harmonize regulatory processes. European regulatory oversight is political in nature. American oversight is juridical. But the objective should be to make transatlantic regulatory decision making more compatible to facilitate the development of future rules for currently unregulated products and processes.

- The European Commission should have in place a regulatory impact assessment process comparable to that performed by the US Office of Management and Budget. Parallel approaches to weighing the effect of proposed regulations and the mutual obligation to share them would facilitate the transatlantic regulatory dialogue by providing regulators with similar reference points for assessing the consequences of their actions on the transatlantic economy.

- The United States and the European Union should strengthen the competition policy dialogue to develop comparable rules of the road for corporate activity in the transatlantic market.

- The American administration and the EU Commission should launch dialogues to develop compatible rules affecting new technologies that are not yet regulated in Europe and the United States. This effort might include nanotechnology, optical technology, information technology or radio frequency identification devices, issues of great concern to business and consumers on both sides of the Atlantic. For such products, it should prove easier for Europe and the United States to develop new regulations in tandem, rather than to try to resolve regulatory differences once regulations are already in place.

- Develop a common, open, technology-neutral standard on e-Accessibility for the blind, deaf and infirm.

- Pursue standardization, digitization and interoperability of patient health care records, with appropriate privacy protections, to reduce medical errors, to facilitate real-time transatlantic sharing of information on contagious diseases and to improve health care productivity and cost-containment.

- Create a framework for the development of common patent standards, including facilitating an EU patent, and enhanced cooperation between patent offices, greater coordination in dealing with counterfeiting and piracy, extension of patent life and the elimination of the conflict between the US first-to-invent system and the European first-to-file patent system.

- Establish a system of mutual recognition of automotive products with functional equivalence to insure comparable automotive test procedures, emissions and safety regulations.

- Agree on a joint methodology for assessing chemicals' hazards and risks, enable the confidential sharing of information on chemicals by US and EU regulatory authorities and establish regular exchanges between the US Environmental Protection Agency and the new European Chemicals Agency.

Investment

- American and European leaders should agree on a framework for creating a single transatlantic capital market. As part of that commitment, they should promulgate common standards on banking, reinsurance and stock market listing and delisting rules and increase the transparency of hedge funds.

- Europe and the United States should resolve transatlantic differences over accounting standards. Elimination of the burdensome reconciliation requirement between International Financial Reporting Standards and US Generally Accepted Accounting Principles would greatly contribute to promoting investment and the efficient allocation of capital within the transatlantic market.

- Finalize an Open Skies agreement that removes investment restrictions for European and American air carriers in the transatlantic market to demonstrate the practical benefits of an eventual transatlantic investment accord.

Energy and the Environment

- Launch, in cooperation with and the participation of the US Congress and the European Parliament, a joint study group on energy crops. With the United States needing to reauthorize its farm program and the European Union set to reassess the Common Agricultural Policy, Brussels and Washington should take a joint look at how they promote energy crops and other sources of renewable energy, the impact of increased biofuel use on the environment and what more can be done together to develop high-yielding varieties of energy crops.

- Conduct enhanced cooperative research and development of hybrid and hydrogen-powered vehicles, energy-saving building technologies and more efficient power plants.

Manufacturing

- Reaffirm their commitment to multilateral trade liberalization by pursuing tariff-free trade worldwide in key manufacturing sectors of importance to the transatlantic economy. This effort could be modelled on the 1997 Information Technology Agreement, which eliminated all tariffs on electronics products once countries accounting for substantially all world trade in that sector were in agreement. Sectors that might be considered for such a transatlantic zero-tariff initiative include, but should not be limited to, chemicals, environmental technologies, auto parts and construction equipment. This effort would build on the results of the Doha Development Round.

In the 2011-2015 timeframe, the United States and the European Union should:

The Regulatory Dialogue

- The European Commission and the American administration should develop a framework for resolving differences in international standards-setting bodies so that there can be collaboration in these forums whenever possible.

Investment

- Negotiate an investment agreement that opens most sectors of the transatlantic economy to reciprocal capital flows.

- Develop a comparable, narrowly-defined list of critical infrastructure that will be subject to special scrutiny in foreign investment cases. All other sectors of the economy should be open to foreign investment. European and American officials should also agree on comparable processes for investigating and approving or rejecting foreign investments in those sensitive sectors, with comparable transparency, rights of appeal and timeframes for decision making in that review process.

People and Commerce

- Agree to the freer movement of people for work, study, residence and tourism. This might include visa-free, short-term travel, a frequent business traveller program to ease the security constraints on those who crisscross the Atlantic in the course of their normal business and a trusted traveller program for low-risk tourists. Efforts should also be made to enhance the short-term movement of skilled workers within the transatlantic market.

- Create a green lane to expedite cargo shipments by trusted shippers should be created using the most advanced container tracking and scanning technologies to ensure safety.