



TPN

TRANSATLANTIC POLICY NETWORK

Archived Document

**A STRATEGIC VISION
FOR THE
TRANSATLANTIC MARKET**

Third Report | 2010

TPN
TRANSATLANTIC POLICY NETWORK

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A WORLD OF CHALLENGES AND OPPORTUNITIES

Executive Summary

After more than a year of mutual electoral distraction, domestic preoccupation and unprecedented international economic disruption that stalled the transatlantic agenda, including the work of the Transatlantic Economic Council, governments on both sides of the Atlantic, including the US Congress and the European Parliament, are now in a position to develop a strategic vision for the US-EU relationship and reinvigorate progress toward a Transatlantic Market. This initiative has never been more timely, nor more necessary.

The world economy is experiencing a structural shift involving a massive transfer of relative wealth and power from the transatlantic region to Asia, increasingly driven by the accelerating global diffusion of digital communications tools and technologies. At the same time, both Europe and the United States face daunting future demographic, fiscal and climate problems. Only by working together, with a shared strategic vision, can Americans and Europeans successfully address these challenges.

The Great Recession over the last two years shook the transatlantic market unlike no downturn since the Great Depression, demonstrating once again that the economic fate of Europe and the United States are inextricably intertwined and that the need for closer economic cooperation has never been greater.

Much of the crisis originated in the transatlantic financial market, which accounts for nearly three-quarters of global capital markets. Only European and American leadership can ensure that the practices that led to the recent turmoil do not recur, that in the future markets function in a stable and efficient manner and that any reforms do not create new, unnecessary barriers to the delivery of financial services.

At the same time, as major trading powers, the European Union and the United States, which account for over half of world trade, have a common stake in spurring economic recovery through vigilance against protectionism and further trade liberalization through completion of the Doha Round and complementary efforts to remove trade barriers regionally and bilaterally, especially across the Atlantic.

Recent political developments have also laid the groundwork for fresh initiatives in transatlantic relations. The 2008 election of US President Barack Obama was greeted with great anticipation in Europe. President Obama reciprocated by visiting Europe more than had any previous president during his first year in office. The 2009 election of a new European Parliament, the 2010 installation of a new European Commission and the entry into force of the Lisbon Treaty, which enhanced the powers of the Parliament and, for the first time,

created a framework for a common European foreign policy, gives Europe the political and legal mandate for a comprehensive and meaningful new transatlantic initiative.

With the need for European-American cooperation never greater and a reenergized political environment on both sides of the Atlantic, now is the time to reinvigorate the Transatlantic Economic Council and to accelerate progress toward a Transatlantic Market to deepen European-American market integration and to contribute to global growth. To ensure that this effort produces meaningful and timely benefits for both our businesses and our citizens, we need a mutual vision and must focus on outcomes, not process; timetables, not talk.

The need to build a strategy for an overall approach to EU-US relations is becoming of increasing importance, of which the TEC has become an important part of the political and economic agenda. With this in mind, the following specific measures are proposed:

- At the 2010 summit, US and EU leaders should launch a joint analysis of global trends, deliverable at the 2012 summit, which would form the basis for future strategic discussions within the TEC on a range of issues, from demography to climate to China. Such a joint analysis should be updated on a regular basis.
- At the 2010 US-EU summit, the President of the European Council, the President of the United States and the President of the European Commission should direct their respective officials to begin drafting a roadmap for completing the Transatlantic Market by 2020, with target dates for accomplishing various goals along that path and a target date for achieving the Transatlantic Market. This roadmap should be reviewed and approved at the 2011 US-EU summit.
- The Transatlantic Economic Council should be restructured, streamlined and strengthened. The revitalized TEC should:
 - Provide broad policy guidance on both bilateral and global issues, thinking strategically;
 - Be more deeply involved in agenda-setting for the annual US-EU summit;
 - Monitor the technical work that is the substance of the transatlantic agenda, while the principals should focus their efforts at their annual meeting on broader strategic concerns;
 - Narrow its immediate agenda to focus more on financial reform, energy and green technologies, protection of intellectual property, the digital agenda, and innovation.

Procedurally, the TEC should:

- Make its work more transparent and accountable to the various stakeholders in the transatlantic relationship;
- Involve leaders from both the European Parliament and the US Congress;
- Issue a public report about the results of each TEC meeting and its plans and goals for the future;
- Create a small US-EU Transatlantic Market Implementation Group comprised of elected and appointed officials in the executive and legislative branches to oversee the implementation of the roadmap;
- Finally, beginning with the 2010 US- EU Summit, as a strategic shared vision is developed, care should be taken to involve all the major actors in its elaboration. As part of this process, it is recommended that all these major actors should be brought together before the 2011 summit to ensure proper coordination and cooperation between all those concerned.

1. THE STRATEGIC CHALLENGES

The future of the American and European societies and economies and the relative position of the transatlantic region in the world will be shaped by tectonic trends in the years ahead: globalization, demography and immigration, energy and climate change, international security and global governance.

In 2025 world production will almost have doubled in relation to 2005. The US and European markets will no longer dominate the world. The emerging and developing countries which accounted for 20 % of the world's wealth in 2005 will account for 34 % by 2025. The European Union will no longer be the world's largest exporter. The centre of gravity of world production and world trade will have moved to Asia. The gap between the rich and poor will have grown, exacerbating social and political tensions. And collaboration across borders, enabled by the vastly enhanced power of digital communications tools and technologies in the hands of a new generation, will be transforming the economic and social environment around the world.

At the same time, the world's population will grow to 8 billion by 2025, and three-fifths of those people will be Asian. Europe will become the region with the oldest population, and both Europe and the United States will face a growing budgetary burden in providing pensions and health care for their ageing populations. Migration, already a volatile issue in the United States, will become a major challenge, with one-in-seven Europeans likely to be a migrant by 2025.

By the end of the first quarter of this century, global demand for fossil fuel is likely to grow by 60 %. Both Europe and the United States will face growing competition for energy from China, India and other emerging markets, leading to new strategic frictions. The burgeoning use of carbon-emitting fuels will hasten global warming, creating food shortages and health problems.

The world in 2025 will be one in which economic, political and strategic power is more evenly distributed. This multi-polar, digitally-connected world could prove contentious. Moreover, the economic success of undemocratic regimes could pose new challenges for the democratic values shared by Europe and the United States. And there will be ongoing questions about how to best deal with terrorism, failed states and unstable regions in the Middle East and Africa.

The multilateral institutions formed after World War II—the United Nations, the World Bank, the International Monetary Fund, the World Trade Organization—were created for a bi-polar world in a different era. It is as yet unclear what global governance arrangements will be necessary to best deal with these challenges in the future.

2. THE ECONOMIC CHALLENGES

The global economic crisis of 2008-2010 posed a challenge for the transatlantic economy not seen since the 1930s. It was both a crisis of nearly unprecedented proportion and an opportunity to build a more sustainable and integrated transatlantic market.

The European Union's economy contracted by 4 per cent in 2009, with positive growth of 1 per cent expected in 2010. The United States economy shrank 2.5 per cent in 2009, with recovery of 2.7 per cent foreseen in 2010. With the United States and the European Union accounting for two-fifths of global GDP, their downturn contributed to a record falloff in world trade and economic trouble for much of the rest of the world. Their anticipated rebound will do much to lift the world economy out of the doldrums. At the same time, both the United States and the European Union are expected to grow at a fraction of the rate of China, India, the nations of Southeast Asia and the world as a whole.

Shortcomings in Transatlantic Management

This shared plight and mutual recovery underscored the deep integration of the European and American economies in the first decade of the 21st century. And it belied the notion of decoupling, so widely believed just a few years ago. Never before had Americans and Europeans had such a mutual interest in weathering a common economic storm. The Great Recession was evidence that the economic fate of Europe and America were inextricably intertwined. The return to growth on both sides of the Atlantic was a reminder that these two economic powerhouses increasingly move in tandem. But the fact that their recoveries are likely to be significantly slower than those in emerging markets highlights the critical importance of the European Union and the United States enhancing their future economic growth by removing mutual barriers in the transatlantic marketplace, particularly in the digital marketplace, which will be one of the primary sources of productivity growth and innovation in our mature economies.

In retrospect, many of the problems that contributed to the Great Recession stemmed from shortcomings in transatlantic economic integration. While the financial crisis may have begun with the downturn in US housing prices and the implosion of the US financial derivatives market, European banks held even more bad debt than their American counterparts. The rules of the road for financial transactions had not kept pace with the tremendous increase in global financial activity, led by surges in transatlantic investment, mergers and acquisitions and issuance of securities. Without a common European and American approach to assessing risk, rating bonds and prudential supervision, imprudent activities in one region reverberated across the transatlantic economy and throughout the world.

In the wake of the ensuing financial crisis, the G20 group of major economies pledged to establish a new Financial Stability Board, which would include the European Commission; to reshape regulatory systems to identify and to take account of macro-prudential risks; to extend regulation and oversight to all systemically important financial institutions, instruments and markets, including hedge funds; to improve the quality, quantity and international consistency of capital in the banking system; to achieve a single set of high-quality global accounting standards; and to extend regulatory oversight and registration to credit rating agencies.

At the same time, the European Commission began to move forward on reform of bank capital requirements, European supervision of credit rating agencies, strengthening of accounting rules, standardization and simplification of derivative security products and strengthening of common rules on investment funds. And the United States began an overhaul and consolidation of its financial sector supervision. That reform process continues. But experience to date underscores that differences in perspective on the origins of the crisis, differences in legal frameworks, differences in regulatory philosophies and differences in timetables only reconfirm that reform efforts will best be accomplished in close collaboration to avoid inconsistent rules for what is already effectively a single transatlantic capital market.

Shared Perspectives

The United States and the European Union account for about three-quarters of global financial markets. They have a particular responsibility to ensure those markets function in a stable and efficient manner and that reforms do not create new barriers to the delivery of financial services. None of this can be accomplished without strong and coordinated European and American leadership.

As major trading powers, the European Union and the United States account for over half of world trade and have a common stake in the fate of global commerce. Both have a deep self-interest in promoting growth around world to generate new sources of demand outside of the transatlantic market. Any rise in protectionism—such as a hike in tariffs, new export subsidies or buy national provisions in economic stimulus packages—threatens both European and American business interests and jobs.

At the same time, both Europe and the United States have subsidized their banking sectors and their auto industries in an effort to stem the bleeding and jumpstart economic growth. Ensuring that any such government intervention does not discriminate against foreign investors or distort competition is a mutual priority in such an integrated market. And common exit strategies are needed for unwinding the state's role once the current crisis is past.

In the wake of the Great Recession, governments on both sides of the Atlantic are burdened with debilitating government budget deficits and overwhelming government debt. In the years ahead, both European and American leaders will face the need to cut government spending and raise revenues. If such moves are uncoordinated, they could undermine economic recovery in the transatlantic market and create frictions if new taxes and benefit cuts are discriminatory.

Need for Joint Action

More broadly, Europe and the United States also have a mutual interest in the reduction of the unsustainable global current account imbalances that contributed to the recent financial crisis. In the last few years, the transatlantic imbalance has all but disappeared. But the United States continues to run a large deficit with China, and Europe's imbalance with China is substantial. How both sides of the Atlantic put their current account balances with the rest of the world on a more sustainable footing—through movements in the exchange rate, expansion or curtailment of trade opportunities—and failure to coordinate such efforts will do much to determine future global economic stability.

And climate change poses both transatlantic economic challenges and opportunities. Reducing greenhouse gas emissions will be expensive, technologically difficult and could distort international competitiveness. Yet European and American firms have the knowhow to meet this challenge, to contribute to the slowing of global warming and to take advantage of new market opportunities for green technologies. The shortcomings of the Copenhagen Climate summit in December 2009 underscore the necessity for closer cooperation between Washington and Brussels to avoid future friction as major carbon-emitting nations pursue different paths in implementing the Copenhagen climate accord.

3. THE POLITICAL OPPORTUNITY

The election of Barack Obama as president of the United States opened a fresh chapter in transatlantic relations. And the president's unprecedented number of trips to Europe in 2009 laid the groundwork for newly productive working ties between America and Europe. The Obama administration has committed itself to reinvigorating the US-EU dialogue and to deepening and broadening the transatlantic market through what US ambassador to the European Union William Kennard has called concrete "outcomes that will move the needle".

Moreover, public opinion surveys confirm that the American people are hungry for positive US leadership in the world, are broadly favourable toward working more closely with Europe and want action to improve the economy. At the same time, the Obama administration has made clear its frustration with the slow pace of decision making in Brussels and the importance European place on process rather than action. Clearly, Washington wants transatlantic initiatives to produce results in a timely fashion.

For its part, the European Union has gone through its own political renewal. European parliamentary elections in June 2009 strengthened the mandate of the only political leadership that represents the entire continent. Previous European parliaments have repeatedly endorsed creation of a transatlantic market laying a strong foundation for action by this parliament, which the Lisbon Treaty has given new authority with regard to trade agreements.

The new European Commission that took office in 2010 has invigorated authority to conduct new trade and regulatory discussions with the United States. Overwhelming majorities of Europeans support president Obama, have high expectations for his global economic leadership and have a renewed willingness to work more closely with the United States. At the same time, given their experience with European economic integration, Europeans understand the symbolic and practical value of structure and mutually-agreed-upon goals that can drive the process of deepening a transatlantic market.

Emergence of Reinvigorated Political Leadership

The emergence of reinvigorated political leadership on both sides of the Atlantic and the convergence of common economic and security challenges are an opportunity for new strategic thinking from a transatlantic perspective. The time is ripe for an EU-US strategic vision on a range of issues: security and terrorism, globalization, energy, environment and climate change, demography and immigration and global governance.

On the economic front, Europe and the United States have long demonstrated their shared commitment to market liberalization through multilateral trade negotiations, which are the

optimal means of maximizing the benefits of increased trade and investment. TPN is strongly committed to successful completion of the Doha Development Round 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. And prospects for the negotiations' rapid conclusion remain uncertain.

Meanwhile, the prolongation of the Doha Development Round has 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. These 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. But their pursuit underscores the compelling attraction of removing barriers to trade and investment, even if they are on a bilateral or regional basis.

Emergence of the Transatlantic Market as a Goal

Since 1995, Brussels and Washington have engaged in a similar bilateral effort to dismantle transatlantic obstacles to trade and investment and to encourage regulatory convergence. The resilience of this dialogue through disputes over bananas and chickens, a wave of anti-Americanism in Europe and foreign policy disagreements over Iraq is testimony to the economic importance of the transatlantic market to both Europe and the United States and to the mutual commitment in both Brussels and Washington to strengthening economic ties despite the distractions. And, with the stalemate in the Doha Round, this transatlantic effort is a laboratory for removing some of the regulatory barriers that are impediments to completion of the broader multilateral negotiations.

If the transatlantic economic dialogue did not exist, the European Union and the United States would have to invent it. The transatlantic market provides the economic foundation for European and American diplomatic and security initiatives that contribute to global stability. EU-US deliberations promote long-standing values shared by the United States and the European Union. These principles—transparency, accountability, a limited role for the state in the economy—have spurred economic growth around the world, while promoting democratic institutions and practices.

Nevertheless, to date, the transatlantic economic dialogue has produced repeated political resolutions, but insufficient results in the marketplace, frustrating the business community in particular. It has focused too much on process and not enough on producing deliverables in a timely fashion.

PART I: A TRANSATLANTIC STRATEGIC DIALOGUE

Over the years, NATO has periodically developed a new strategic concept based on the evolving security environment to shape its work and interaction. It will now produce an update of its existing Strategy Concept for the November 2010 Summit in Portugal, not having updated it since 1999.

The uncertainties exposed by the financial crisis, the long-term threats of energy shortages and global warming, all suggest that the European Union and the United States should similarly engage in a joint assessment of these issues and a strategic dialogue about them to develop a common analysis and plan of action for dealing with an evolving world.

Fifteen years after Washington and Brussels signed the New Transatlantic Agenda, ushering in a new era of transatlantic cooperation on economic issues, it is time to introduce a new and permanent strategic dimension into EU-US relations, reflecting both the new responsibilities conveyed on the European Union institutions by the Lisbon Treaty, but also the radical changes that have occurred in the world over that period that now require a broader common transatlantic vision and common set of strategic goals.

Both the United States and the European Union have, individually, already begun some of this strategic analysis. The US National Intelligence Council has published *Global Trends 2025: A World Transformed*. The EU Institute for Security Studies has issued a report on *The New Global Puzzle. What World for the EU in 2025*, published in 2006. And the EU Commission has published the document *The World in 2025*. It is now time to bring such parallel analysis together in a joint effort to better understand global strategic trends and to develop a joint approach to dealing with these challenges.

A specific initiative is required to provide regular input into policy-making on both sides of the Atlantic – a common analysis of probable outcomes – looking at long-term trends in major policy sectors through 2025. This will help in the evolution of a common framework in which all major US and EU policy players build a coherent, cohesive and forward-looking transatlantic strategy.

PART II: TRANSATLANTIC MARKET INTEGRATION

The Transatlantic Market has its antecedents in the 19th century when European investment built American steel mills and railroads, and American cotton was spun in British mills, and American beef was often the main course for Sunday dinners in Berlin and Paris. Today's Transatlantic Market reflects an even deeper integration.

In 2009, trade across the Atlantic in goods alone exceeded \$500 billion. Thanks to the Great Recession, this represented a 22 per cent drop in commerce from 2008. Nevertheless, it only returned trade to levels last seen in 2005. And Europeans still bought nearly three times as many American merchandise exports as did the Chinese and 14 times more than that bought by the Indians. Similarly, in 2007, the European Union sold the United States nearly four times what it sold China and more than 9 times what it sold India.

It is foreign investment that is the true driving force in the transatlantic economic relationship. It dwarfs the trade relationship and is thus essential for American and European job creation and prosperity. The United States is the recipient of nearly three-quarters of European foreign direct investment and Europe more than half of US overseas investment. Three and a half million Europeans now work for American companies in Europe, and a similar number of Americans work for European firms in the United States. Such investment drives trade, with a third of US exports to the EU and three-fifths of its imports from the EU accounted for by intra-company trade. The Great Recession led to a falloff in transatlantic investment in 2008. But in testimony to the resilience of the transatlantic capital market, transatlantic investment did not decline as much as both European and American investment did with third countries, such as China, and it rebounded in 2009.

And the services economies of the United States and Europe represent the sleeping giant in the transatlantic economic space, with European countries accounting for five of the top ten export markets for US services providers. And sales of services by European affiliates in the United States more than double US services imports from Europe, a sign of the growing presence of EU services providers in the American market.

Viability of the Transatlantic Market Objective

Yet many of the potential benefits of deeper transatlantic economic integration have yet to be fully realized. A 2009 study done for the European Commission, *Non-Tariff Measures in EU-US Trade and Investment*, found that eliminating half of the non-tariff trade barriers and regulatory divergence across the Atlantic would boost the EU GDP by 0.7 per cent per year by 2018 and the US GDP by 0.3 per cent. This benefit would exceed the economic boost the Europe Union and the United States could receive from current offers on the negotiating table in the Doha Round regarding manufacturing, services and sectoral agreements. The

elimination of all obstacles to transatlantic business would prove even more beneficial, lifting Americans' per capita income by up to 2.5 per cent and Europeans' income by up to 3 per cent, according to a 2005 OECD study. Notably, it is the reduction or elimination of regulatory barriers, not tariff cuts that would be the main source of these potential economic gains, highlighting the necessity for a wide-ranging transatlantic regulatory dialogue.

Early efforts on each side of the Atlantic to create single continental markets have now morphed into a concerted effort to form an integrated transatlantic market. In the 1800s, a US economy was stitched together out of separate state and regional markets for goods and services. In Europe in the second half of the 20th century, a single European market was similarly constructed, beginning in 1957 with the Treaty of Rome and then accelerated in 1992 through a sector-by-sector approach to economic integration.

These attempts 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 the eventual free movement of capital, goods, services and people.

Over a Decade of Achievement (1995-2010)

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. Nongovernmental dialogues were also launched between members of the consumer, environmental, labour and business communities. The Transatlantic Business Dialogue, which has been particularly active since its inception 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 in six sectors with an aggregate trade volume estimated at the time of \$50 billion. Progress was slow.

In 1998 the European Commission suggested 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 within the bureaucracy, insufficient transparency, inadequate 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 moved forward. The 2005 summit established a high-level US-EU forum to develop a joint regulatory work plan based on mutual best practices. 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. 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. And in 2008 the European Commission and the US Office of Information and Regulatory Affairs developed a Joint Paper on Impact Assessment. The Commission subsequently integrated all the elements of that paper's recommendations in its impact assessment guidelines.

In 2008, the European Union agreed to recognize as equivalent US accounting principles, beginning resolution of a long-standing dispute. The United States has yet to reciprocate. Brussels and Washington agreed to a roadmap to advance global patent harmonization, on enhanced cooperation on testing for cosmetic ingredients and other food and pharmaceutical-related issues and on sharing import safety information. However, the broader transatlantic dialogue was stymied by disagreements over trade in poultry products.

Throughout this period, both European and American legislators have been 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. 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. And in 2009 a resolution of the Committee on Foreign Affairs of the European Parliament called for a new Transatlantic Partnership Agreement by 2012.

And the transatlantic business community continues to push for deeper economic integration. The US National Association of Manufacturers and Business Europe have discussed the advantages and disadvantages of a transatlantic free trade agreement. The US Coalition of Services Industries has suggested pursuit of a transatlantic free trade area in services. With the European Union already having a free trade agreement with Mexico and negotiating one with Canada, some formal arrangement with the United States is becoming economically and politically more compelling.

Go For It

The creation of a Transatlantic Market, rather than a traditional transatlantic free trade agreement, would be the more ambitious undertaking because it would explicitly deal with regulatory obstacles to economic integration and would lead to the creation of a single transatlantic capital market. For this reason, to build on renewed interest in deepening and broadening the transatlantic economic area, completion of a Transatlantic market should remain the overriding goal of the US and EU administrations.

PART III: THE TRANSATLANTIC ECONOMIC COUNCIL

In 2007, US President George W. Bush and German chancellor Angela Merkel agreed to create a Transatlantic Economic Council as a permanent, high-level group tasked with “rationalizing, reforming, and, where appropriate, reducing regulations”, “achieving more effective, systemic and transparent regulatory cooperation” and “removing unnecessary differences between our regulations to foster economic integration.”

Background

The TEC has proven to be an indispensable forum for the deepening of EU-US economic integration. Since its inception, the TEC has advanced transatlantic regulatory co-operation further and faster than any previous bilateral initiative. Some longstanding issues have been settled, such as the partial mutual recognition of accounting standards, and others have been teed up for resolution, such as the first and second phases of a long-awaited liberalization of transatlantic aviation. TEC was instrumental in launching the EU’s sector analysis of obstacles to creating a transatlantic market. The TEC has also enhanced the EU-US dialogue on a range of international economic issues of broader strategic importance. It has established the principle of top-down political leadership of the transatlantic economic integration effort. And, as an ongoing process, it has preserved momentum toward creation of a transatlantic market during the 2009 political transitions in the European Commission, the European Parliament and the US government.

The potential payoff from the TEC’s work is substantial. The US Chamber of Commerce and Business Europe estimate that the TEC agenda, if achieved, would add more than \$10 billion to the transatlantic economy thanks to reductions in cost, avoidance of regulatory burdens and new opportunities to grow markets. Furthermore, the 2009 European Commission study, Non-Tariff Measures in EU-US Trade and Investment, found that for the EU, removing all actionable non-tariff measures would increase the GDP by €122 billion per year and improve exports by 2.1%. For the United States, the benefits of removing actionable non-tariff barriers would add €41 billion per year to the economy and boost exports by 6.1% .

Time to Raise Ambitions for the TEC

In the light of the challenges now facing the transatlantic market, it is time to significantly raise the level of ambition for the TEC. The TEC should build up its potential to become the central platform for transatlantic economic cooperation, giving support to the ongoing bilateral dialogues and initiatives where this is needed, without duplicating them. At the same time, the TEC needs a more focused, timely agenda delivering results in a timely fashion. And the time of the principals involved in the TEC must be better utilized.

There are already important lessons to be drawn from TEC's experience that could improve on its performance and its results. To date, the TEC's sessions have too frequently been venues for detailed discussions, rather than focusing on broad economic integration. Too often the political leadership involved in the TEC has debated long-standing trade disputes rather than discussing critical long-term mutual challenges. Moreover, all political principals with a stake in the transatlantic economy should participate in the TEC, to give them ownership of the TEC process. At the same time, the transparency of individual cooperation projects needs to be enhanced.

Now, in the wake of a global economic meltdown, expectations are high for more deliverables from the TEC. The dialogue must become an instrument of recovery and revitalization for the transatlantic market and the global economy. To do that it needs a shorter, more focused, more timely agenda. The TEC should also take the lead in the cross-border regulatory cooperation called for by the G20 summits and thus remove suspicions about the political will to go beyond mere declarations. It can also continue to drive the vitally important cooperation efforts of individual non-financial regulatory agencies. As such, it can serve as a broad systemic risk mitigation mechanism.

In addition, by deepening and broadening regulatory cooperation across the Atlantic, the TEC can reduce the risk of destabilizing US-EU trade and investment disputes and rising protectionism, thus reducing market uncertainty in the aftermath of the crisis. And a better functioning and higher profile TEC can reassure financial markets that the transatlantic political and economic partnership will not fragment under pressure and will emerge even stronger.

To continue to play its essential role and to continue its political convening power, the TEC needs political ambition. And that involves a concrete goal to create a Transatlantic Market by a date certain.

But Recognise Current Weaknesses

Achieving this objective would be miraculous under current circumstances. The major players involved have no strategic framework. Having no clearly defined goal, their selection of issues to be discussed is often haphazard and uninspiring. Sometimes the most difficult subjects – such as European opposition to importation of chlorine-treated American chickens – are dealt with first, stymieing progress. For the Transatlantic Market project to succeed, it is essential to have a shared strategic vision among all concerned and a sense of urgency, especially given the increasing competitiveness of Asian countries in the global system.

Based on a shared vision of where to go, carefully chosen objectives should then lead to joint actions. The recently published study by the European Commission reveals that the removal of all non-tariff barriers to trade across the Atlantic would provide three times as much in

economic benefits as completion of the Doha Round. But many of these regulations, it is true, will be difficult to change immediately. They are firmly embedded in legislation on both sides of the Atlantic. It will no doubt be easier to target new sectors such as the digital agenda or green technologies to make rapid progress. But what is crystal clear is that this programme will not be achievable without close involvement of legislators on both sides of the Atlantic: to keep the agenda on track, to provide oversight of the regulatory agencies involved in the talks and because Congress and European Parliament will have to approve much of what is decided.

Once the TEC has been able to establish a rolling 4-year programme, based on a shared vision, it will be essential to bring all the major actors onto the same stage. Currently, the Transatlantic Business Dialogue, the Transatlantic Legislators' Dialogue and the other dialogues set their own agendas, priorities and meeting places, with no coordination between them for the subjects which they discuss.

PART IV: TOWARD THE FUTURE

The Implementation

Coping With the Aftermath of the Great Recession

Sharing the largest economic space in the world, Europe and the United States have a particular responsibility and self-interest in working together as the global downturn rebounds in global recovery. Every effort should be made to coordinate recovery efforts, to rapidly put in place financial regulatory reforms agreed to by the G20, to avoid distortionary and discriminatory subsidies of failing firms, to not raise trade barriers, to work with third countries to open markets, to calibrate fiscal retrenchment to avoid a double-dip recession and to continue to reduce regulatory obstacles to growth.

To deepen and broaden the transatlantic economic relationship in a timeframe that is both politically credible and economically relevant, European and American leaders should:

Do Joint Analysis of Global Trends

At the 2010 summit, US and EU leaders should launch a joint analysis of global trends, deliverable at the 2012 summit, which would form the basis for future strategic discussions within the TEC on a range of issues, from demography to climate to China.

Establish a Roadmap and set a Target Date

Given current global economic conditions, the delays inherent in the political transitions on both sides of the Atlantic and the European Commission sector-by-sector study on the costs and benefits of transatlantic market integration, a target date for achieving the Transatlantic Market should be set.

As ambitious goals require detailed roadmaps to give the transatlantic public and business community a sense of purpose, direction and pace, the 2010 US-EU summit should direct European and American officials to begin drafting a roadmap for completing the Transatlantic Market by 2020, with target dates for accomplishing various goals along that path and a target date for achieving the Transatlantic Market. This roadmap should be reviewed and approved at the 2011 US-EU summit.

TPN has long advocated a 2015 date for completion of the Transatlantic Market. 2020 is now a more attainable goal. A target date should create bureaucratic and political accountability in the effort to deepen the transatlantic economic relationship.

Focus the TEC agenda

Establishing a long-term programme in outline will enable the Transatlantic Leadership to build up a rolling 4-year programme for defining the strategic framework priorities for achieving the Transatlantic Market goal (see Issues Roadmap, pg 23 and Annex I). It makes sense to narrow the Transatlantic Economic Council's agenda by focusing on achievable, timely ends and empowering it as a consultative mechanism, addressing new regulatory issues and other obstacles to transatlantic economic integration as they appear, but with a major emphasis by the principals on an annual strategic dialogue about broad challenges facing the US-EU relationship.

The immediate TEC agenda should be narrowed to a few mutually supported, high priority issues:

Financial Reform: Focus on the leadership Europe and the United States can provide in strengthening global financial markets, avoiding protectionism, minimizing regulatory overreach in the wake of the global financial crisis and dealing with shared strategic issues.

Energy and Green Technologies: Enhance R&D cooperation, coordinate technical standards and testing for emerging products such as the electric car to ensure that the transatlantic market sets the global standard for these new technologies.

Intellectual Property: Coordinate protection of intellectual property rights for emerging technologies; align US and EU policy on counterfeit goods and protecting intellectual property rights in third countries, and encourage cooperation between regulators and legislators on patent reform.

Digital Agenda: The new US administration and the renewed EU institutions are moving rapidly to establish strategic policy agendas intended to exploit the transformational power of digital tools and technologies. On the EU side, a major focus will be the European “digital single market”. These initiatives must be pursued wherever possible, with a full focus on Transatlantic market challenges and opportunities.

Innovation: Transform the current transatlantic innovation dialogue into a an innovation action council with a detailed agenda to encourage entrepreneurship, enhance education and promote research and development.

Strengthen the TEC

To enhance its effectiveness and credibility, the TEC needs to be more transparent in its agenda-setting and accountable to the various stakeholders in the transatlantic relationship, including business and members of the European Parliament and the US Congress.

The TEC needs to be more deeply involved in the agenda-setting and operation of the annual EU-US summit. An institutional framework should be created to engage on an ongoing basis in the EU-US regulatory dialogue the relevant members of the European Parliament and the US Congress, including chairmen of the appropriate committees with regulatory oversight in both bodies. To better inform the TEC process, map the differences in the roles, responsibilities, capacities and rule-making procedures of both EU and US regulatory bodies and their oversight in the European Parliament and US Congress. And the TEC should formally report to the European Parliament and the US Congress about the results of each TEC meeting and its plans and goals for the future (see Political Roadmap, Annex II).

Create a Transatlantic Market Implementation Group

To ensure continuity, broad bureaucratic and political involvement, the 2009 US-EU summit should agree on the 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 major US and EU regulatory agencies. Their responsibility would be to oversee the follow up to 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 that goal.

Associate All Major Policy Players

All such efforts must be closely aligned with the activities of the TEC and involve members of the European Commission, the US administration, including regulatory officials, and members of the European Parliament and the US Congress. And the creation of a Transatlantic Market will be a step toward the eventual signing of a Transatlantic Partnership agreement, embracing the economic, political and strategic totality of the EU-US relationship.

As a shared vision and a road map is thought through, bring all actors together from the business and political worlds with administrators to provide a sense of destination and purpose and do this at some point before the US-EU 2011 summit.

THE ISSUES ROADMAP

The 2011 roadmap should include the following goals for 2011-2015:

Financial markets

- The United States and the European Union should commit to coordination of domestic financial sector regulatory and supervisory measures, avoid contradictory reform efforts, share their long-standing experience in financial market supervision and crisis management with each other and with policymakers worldwide.
- Revive and enhance the US-EU Financial Markets Regulatory Dialogue and give it a more prominent role in systematically discussing all aspects of financial market policymaking.

Energy and the Environment

- Make energy and climate change a priority issue for the TEC to speed the transition to a greener, cleaner and low-carbon transatlantic economy.
- Develop common standards for emerging green technologies, such as the electric car, to enable transatlantic manufacturers to become the world leaders in these industries.
- Adopt a robust work plan to drive transatlantic collaboration on research and development of a smart electricity grid, hybrid and hydrogen-powered vehicles, energy-saving building technologies and more efficient power plants.
- Develop international bio-fuels standards in consultation with other key third countries.
- Launch a dialogue on standards-setting for carbon capture.
- Promote private-public sector partnerships to support R&D and implementation work, particularly between large and SME companies and supply chains.
- Develop best-practice standards for emissions trading and benchmark criteria for national allocation plans for emission rights, to avoid transatlantic competitive distortions.

Intellectual Property

- Make progress toward patent harmonization, including facilitating an EU patent, and enhanced cooperation between patent offices, greater coordination in 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.
- Develop a joint agenda for dealing with counterfeiting and piracy around the world and bring joint legal action against such abuses at the World Trade Organization.

Digital Agenda

- Converge policy and regulation affecting digital market access and participation across the Atlantic (and, where possible, beyond), notably in the areas of intellectual property, consumer protection, network access, network security and internet governance, and standards (e.g. for e-health).

Innovation

- Focusing on the building blocks of an innovative transatlantic economy – education, research and development, entrepreneurship – lay out and implement a short-term action plan to boost innovation on both sides of the Atlantic. This to-do list might include educational enhancement and exchanges, incentives to do R&D within the transatlantic market, limits on venture capital and reform of bankruptcy laws and other impediments to startup companies.

In addition, the TEC should continue its work in the following areas:

The Regulatory Dialogue

- In pursuit of their G20 commitment to build a more sustainable financial system, Europeans and Americans should closely coordinate their initiatives to strengthen investment rules, revise bank capital requirements, supervise credit agencies and consolidate financial sector supervision.
- The TEC should redouble its efforts to mobilize departments and agencies on both sides of the Atlantic to search for areas where regulatory friction can be reduced or avoided. The European Union and the United States should accelerate efforts to put in place a comparable regulatory impact assessment process. 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 further strengthen the competition policy dialogue. The global economic crisis has led to a restructuring of the business landscape: firms have disappeared, merged, grown and shrunk their market shares. As the two jurisdictions that set the global standard for competition policy, the US and EU need to revisit the rules for government subsidies, what constitutes the relevant market and what is a dominant position in that market.
- The EU and US should agree to a framework for resolving reinsurance issues involving the EU Solvency II directive, the state-based approach to insurance regulation in the United States and any new American regulation of insurance.
- The American administration and the EU Commission ought to come up with a framework for developing 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 eAccessibility 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.
- Resolve the dispute over supplier's declaration of conformity for electrical products.

Investment

- Agree, in light of recent global financial market turmoil, on a framework for deeper, ongoing coordination between European and American financial regulatory agencies. As part of that commitment, they should work toward

common standards on banking, reinsurance and stock market listing and delisting rules and increase the transparency of hedge funds.

- European and American leaders should agree on a comparable code of conduct and best practices governing Sovereign Wealth Fund investment in the transatlantic market, following up on efforts by the International Monetary Fund to develop a code of conduct for Sovereign Wealth Fund investors and by the Organization for Economic Cooperation and Development to come up with best practices for investment receiving countries.
- Europe and the United States should finally resolve remaining transatlantic differences over accounting standards, promoting investment and the efficient allocation of capital within the transatlantic market.
- Complete the third phase of the Open Skies agreement removing investment restrictions for European and American air carriers in the transatlantic market to demonstrate the practical benefits of an eventual transatlantic investment accord.

Secure Trade

- Commit to the creation of smart ports to ensure the security of cargo container traffic. Address the ambitious US goal of scanning all containers entering the United States by developing a multi-layered, risk-based approach to container safety and develop common approaches to further strengthen supply chain security to permit the continued free flow of goods within the transatlantic market while guarding against terrorism.

Security Technology Cooperation

- Collaborate on joint defence and homeland security technology initiatives to maximize the economies of scale inherent in a \$1 trillion transatlantic defence market at a time when defence budgets on both sides of the Atlantic are under growing pressure, and the cost of research and development continues to rise.

The Legislators' Dialogue

- Engage Members of the European Parliament and the US Congress more directly in joint consideration of pressing transatlantic concerns by focusing on shared challenges such as climate change, internet policy, agriculture, financial issues or China.

- Ensure that legislators on both sides of the Atlantic help to establish a strategic vision together with other active players involved in the TEC, aligning where possible common agendas on a common set of issues to be discussed.
- Encourage relevant committees of the European Parliament and the US Congress, under the guidance of their chairmen, to coordinate their actions where they have issues in common and to discuss, possibly scheduling parallel hearings on such issues.
- One Member of each relevant committee should be designated to act as the liaison person with its counterpart on the other side of the Atlantic. The European Parliament has established an office in Washington D.C. with four staff members. A similar action to establish a Congressional office in Brussels would help deepen legislative cooperation.
- Strengthen the current legislators' dialogue by enhancing plans to begin small group work between members of Congress and members of the Parliament on specific issues.
- Coordinate European Parliament and Congressional visits to China, India and similar countries to ensure a common understanding of the issues and to present a common front on mutually important problems.
- Lay the groundwork for eventual creation of a Transatlantic Assembly of legislators from both sides of the Atlantic to discuss mutual regulatory and economic concerns, and holding the executive on both sides of the Atlantic to account.

In the 2016-2020 timeframe, the United States and the European Union should:

The Regulatory Dialogue

- Commit to develop comparable regulatory decision-making processes, with, at minimum, agreement on underlying principles 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.
- Develop a framework for resolving differences in international standards-setting bodies so that there can be collaboration in these forums whenever possible.
- Establish a system of mutual recognition of automotive products with functional equivalence to ensure comparable automotive test procedures, emissions and safety regulations.
- Agree to a framework for establishing a parallel process for granting approval for pharmaceuticals.
- Build on the experience gained by the FDA and the EMEA in the medical product equipment regulatory area by embedding a senior-level agency representative or expert within each other's offices in a range of regulatory agencies to share ideas and to gain insights into each other's regulatory cultures and procedures.

Investment

- Establish a date certain for creating a transatlantic capital market.
- Negotiate an investment agreement that opens most sectors of the transatlantic economy to reciprocal capital flows.
- To that end, achieve mutual recognition of securities regulation.

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.

Environment

- Agree to a transatlantic market for green products, including zero tariffs and the mutual recognition and certification of products.

Multilateral Trading System

- Using lessons learned from the Doha Round improve the functioning of the World Trade Organization, with special emphasis on mutual rules of the road for negotiating bilateral trade agreements and what more the United States and the European can do to foster growth in the least developed economies through trade and investment.

People and Commerce

- Commit to the freer movement of people for work, study, residence and tourism through a smart visa program. 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.

ANNEX I

COMPLETING THE TRANSATLANTIC MARKET TPN ISSUES ROAD MAP

2011-2015

2016-2020

Financial Reform

Reinsurance Framework

✓

Enhance US-EU Financial Markets Regulatory Dialogue

✓

Domestic Financial Regulatory and Supervisory Measures

✓

Energy and Green Technologies

Green Technology Standards

✓

New Technologies Framework

✓

Declaration of Conformity for Electrical Products

✓

R&D for Energy Efficiency

✓

Bio-fuels Standards

✓

Best Practice for Emissions Trading & Benchmark Criteria

✓

Second Phase of Open Skies

✓

Intellectual Property

Patent Harmonization

✓

Joint agenda for counterfeiting and piracy

✓

Health Care Records

✓

Accounting Standards

✓

Smart Ports for Security of Cargo Container Trade ✓

Digital Agenda

Digital market access and participation convergence ✓

eAccessibility Standards ✓

Innovation

Innovation Action ✓

Promote PPPs to Support R&D and Implementation ✓

Collaboration on Technologies in Joint Defence Market ✓

2016-2020

Automotive Products ✓

Pharmaceuticals ✓

Medical Product Equipment Regulatory Area Agency ✓

Tariff-Free in Key Manufacturing ✓

Green Products Market ✓

Freer movement of people ✓

TRANSATLANTIC MARKET ✓

ANNEX II

COMPLETING THE TRANSATLANTIC MARKET TPN POLITICAL ROAD MAP

	2011-2015	2016-2020
Coordinate recovery efforts to global downturn	✓	
Launch a joint EU-US analysis of global trends	✓	
Establish a Roadmap and set Target Date	✓	
Focus the TEC agenda	✓	
Strengthen the TEC	✓	
Committee Expertise Liaisons	✓	
EP - US Congress Joint Committee Meetings	✓	
Create a Transatlantic Market Implementation Group	✓	
Joint Consideration on Shared Challenges	✓	
Associate all major policy players	✓	
G20 Commitments on Sustainable Financial System	✓	
Accelerate Efforts on Regulatory Impact Assessment	✓	
Strengthen Competition Policy Dialogue	✓	
Revive US-EU Financial Markets Regulatory Dialogue	✓	
Framework for Financial Regulatory Agencies	✓	
Code for Sovereign Wealth Fund Investors	✓	
Cooperation on New Energy Technologies	✓	

Carbon Capture Standards Dialogue	✓	
Lay groundwork for Creation of Transatlantic Assembly	✓	
Regular update of joint analysis of global trends		✓
Comparable Regulatory Processes Established		✓
Transatlantic Assembly Established		✓
Resolving Differences in International Standards Framework		✓
Establish a Date for a Transatlantic Capital Market		✓
Investment Agreement		✓
Securities Regulation		✓
Improve Functioning of the World Trade Organization		✓
TRANSATLANTIC MARKET		✓

ANNEX III

THE ROLE OF TPN

Since its founding in 1992, the Transatlantic Policy Network has been a forum for dialogue within the transatlantic policy community. Its goal has been to strengthen the EU-US partnership through deepening economic ties between the European Union and the United States. TPN seminars for policymakers and business leaders were instrumental in the creation of the New Transatlantic Agenda, the Transatlantic Business Dialogue, the Transatlantic Economic Partnership and the Transatlantic Economic Council.

- 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 released “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 New 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.
- In 2007, TPN released “Completing the Transatlantic Market”, which called on elected officials to provide greater top-down leadership to spur progress on transatlantic integration and proposed a sector-by-sector analysis of obstacles to achieving that goal. Both aims were achieved in creation of the Transatlantic Economic Council and decisions made at the 2007 US-EU summit.

- In 2008, TPN produced “Completing the Transatlantic Market: 2nd Edition”, which reaffirmed TPN’s commitment to completing the Transatlantic Market by 2015; anticipated concerns about the financial crisis by calling for resolution of transatlantic differences over financial services; and called for strengthening the TEC through greater involvement of Members of Congress and the European Parliament.