Transatlantic week 2024

SESSION SUMMARIES

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SESSION 1 Opening comments

James Elles and **Professor Danuta Hübner MEP**

The speakers welcomed attendees to the Transatlantic Week in Brussels for the first time. The focus is on reviewing the achievements of the "Transatlantic Vision 2030" initiative over the past years and discussing priorities for the future.

The organizers thanked the sponsors and highlighted the importance of this uniquely "transatlantic week" with overlapping events like the NATO ministerial, Transatlantic Legislator Dialogue, and Trade & Technology Council meeting.

SESSION 2 **Outlook for Transatlantic Partnership**

Lise Fuhr, **Jenny Harhigh**, **Ruth Bajada**, **Professor Danuta Hübner MEP**, and
The Honorable Jim Costa

The panellists acknowledged the strong foundation and achievements of the EU-US partnership, built on shared democratic values, economic ties, and cooperation on major global challenges like the Russia-Ukraine war, Middle East conflicts, and managing China's rise. Recent successes were highlighted, such as coordinated sanctions on Russia, support for Ukraine, and promoting democracy and human rights globally. However, there are also areas of friction, like diverging approaches to technology, privacy, and calls for European strategic autonomy.

- Key priorities discussed included securing a Ukrainian victory, pursuing Middle East peace, developing a cohesive approach towards a rising China, combating climate change, bolstering defense capabilities, and responsibly managing emerging technologies like AI.
- Acknowledgement of the significant work done through the Trade and Technology Council (TTC) and the importance of business and industry in shaping transatlantic policies and the marketplace.
- With upcoming elections in the EU and US, there are questions about how the relationship may evolve based on electoral outcomes. But the overall consensus was that the transatlantic partnership is vital, and the two sides must continue working together on mutual interests and global challenges.
- Fears were raised about potential shifts towards economic protectionism, anti-EU attitudes, or an "America First" isolationist stance emerging under new US leadership that could rupture transatlantic unity. However, it was also noted that the strong institutional bonds could help weather any temporary fluctuations after 2024.
- Promoting the rule of law, democracy, and free media against disinformation threats is also key. Greater public outreach was also recommended to highlight the mutually beneficial nature of transatlantic cooperation for citizens.

Despite complexities, the panel overwhelmingly agreed that a robust transatlantic partnership is critical for upholding the rules-based global order and tackling multifarious challenges that neither side can manage alone.

SESSION 3 **Geopolitical Outlook (Part 1) Overview: Outlook to 2030 and beyond**

Bruce Stokes and **Dragoş Tudorache MEP**

The discussion concentrated on the influence of Artificial Intelligence (AI) on transatlantic relations and the effort to regulate this technology. It highlighted the European Union's proactive stance in AI regulation, contrasting it with a slower pace in the United States, and underscored the significance of collaboration to tackle the complexities AI presents. The conversation delved into the necessity for innovative legislative processes that accommodate rapid technological advancements and the importance of stakeholder engagement. Key points discussed included:

- Potential for regulatory divergence between the EU and the US and its implications for global standards, with a particular focus on the "California effect" as an example of state-level initiatives potentially setting a precedent for broader US policy.

- There needs to be more policy prototyping, trial-and-error, and engaging with all stakeholders before finalizing regulations.

- The ethical challenges posed by AI, such as the creation of deceptive content and deepfakes, suggest a focus on platform responsibility over content restriction to address these issues without compromising individual rights.

- Societal divisions within democracies and the need for internal cohesion to manage external geopolitical dynamics, emphasizing that AI and technology could exacerbate these issues.

- Implications of aging leadership across global powers for future policy directions, especially in technology regulation and transatlantic cooperation.

SESSION 4 **Geopolitical Outlook (Part 2) - Russia**

Erika Mann, **Miapetra Kumpula-Natri MEP**, **Kira Rudik**, **Tim Richardson**, and **Bruce Stokes**

The session focused on analysing the geopolitical landscape in light of the Russia-Ukraine conflict and its broader implications for the transatlantic partnership between Europe and the United States. Specifically:

- Finland's increasing military preparedness and fortification of its border with Russia due to potential hybrid threats.

- Scenarios for Russia's future, including further repression, Stalinism, or collapse.

- A sobering ground perspective detailing Ukraine's dire humanitarian crisis, devastated infrastructure, and military/economic struggles. Doubt about negotiating with Putin and suggested Ukraine's survival may require the breakup of Russia into its constituent republics, as happened with the Soviet Union.

- How Russia has become more authoritarian domestically and aggressive internationally, reflecting underlying weaknesses and decline. However, Russia still poses challenges to Western democratic values, security, and the rules-based international order.

- The importance of planning and financing Ukraine's post-war reconstruction, which will require major private investment backed by public guarantees.

Key policies mentioned included sanctions enforcement, military aid to Ukraine, U.S. financial assistance packages, post-war reconstruction planning, and increasing Finland's military preparedness vis-a-vis Russia.

The panellists agreed on the necessity of transatlantic resolve while grappling with uncertainties around Russia's trajectory, meeting Ukraine's needs, and mustering sufficient, sustained assistance from the U.S. and European partners.

SESSION 5 **Geopolitical Outlook (Part 3) - China**

Thomas Spiller, Bart Szewczyk, **Reinhard Bütikofer MEP**, **Jörn Fleck,** and **Bernard Hagège**

Here is a summary of the key points from the discussion:

- There are differing perspectives between the U.S. and Europe on how to approach the challenges posed by a rising China. The U.S. views China primarily as a threat to American primacy and global dominance, while Europe is more focused on upholding the rules-based international order that China is perceived as undermining. Preserving an open, liberal economic order is the priority.

- China's strengths were highlighted, including the ability to concentrate power and resources, economic achievements in lifting hundreds of millions out of poverty, and a resilient system able to turn economic weaknesses into future export overcapacities.

- However, China faces immense domestic challenges like the real estate bubble, demographic inversion, and lack of consumer spending that could constrain its continued rise. Trust in the Communist Party also faces pockets of opposition.

- There was debate over whether the U.S. sufficiently considers allies' interests and provides a positive economic agenda as an alternative to China's initiatives, especially for developing countries. Better coordination was urged.

- On Taiwan, differing perspectives emerged on the prospect of conflict and how to address grey-zone tactics short of outright invasion, which could strain transatlantic unity, especially if demands for countering actions are not well-explained domestically.

Overall, while some common frameworks exist, translating these into a cohesive transatlantic strategy remains an ongoing challenge, given the different threat perceptions and national interests involved. More substantive alignment is needed on developing positive economic incentives, addressing non-military arenas of U.S.-China rivalry, and achieving clarity on contingencies to secure continued coordination.

SESSION 8 **Developing the TPN Staffer Network**

Sarah Lenti, **Gianluca Nigro**, **Sally Ancheva**, **Gary Klaukka**, **John Lynch,** and **Emilia Plowiecki**

The session discussed the establishment and objectives of a transatlantic network for staffers from the United States and Europe, aiming to foster mutual education, policy debate, person-to-person networking, and the development of transatlantic leadership. This network, formed over the previous year, seeks to facilitate regular virtual meetings, with an aspiration for annual in-person gatherings to enhance dialogue and cooperation between staffers on both sides of the Atlantic. Key points from the discussion included:

- The importance of continuous learning and understanding between the US and European institutions, highlighting the critical role of staffers in maintaining and strengthening transatlantic relationships.

- The network serves as a platform for sharing values, expanding relationships beyond executive and legislative levels to staff-to-staff interactions, emphasizing the need for sustained engagement to address global challenges collaboratively.

- Personal narratives underscored the significance of the transatlantic relationship as a non-guaranteed entity, requiring active effort to promote and maintain, particularly at a time when perspectives on the EU-NATO-US alliance vary between and within the regions.

- The importance of including the business perspective in dialogues, recognizing that companies often highlight legislative developments that could impact them, suggesting that early, cohesive discussions can lead to more effective legislation and policymaking.

The discussion moved towards operational goals for the network, such as increasing membership, enhancing spontaneity in communications, especially in response to crises, and establishing topic-focused working groups to deepen discussions on specific policy areas.

Overall, the session highlighted a collective understanding of the critical role this network could play in fostering stronger transatlantic ties, emphasizing the value of direct, personal connections and trusted relationships between staffers as a foundation for effective collaboration and mutual support in facing global challenges.

SESSION 9 **Sustainability**

Edit Herczog, **John Lynch**, **Amélie Coulet**, and **Jeffries Briginshaw**

The panellists discussed the role and importance of the Trade and Technology Council (TTC) between the EU and the US in promoting sustainability and addressing issues like data sharing, digital trade, and aligning regulations and standards.

- There were differing views on whether the TTC has been successful so far, with some seeing it as making modest but meaningful progress, while others felt it hasn't achieved enough impact yet. Suggestions were made to institutionalize the TTC further, ensuring its continuity and effectiveness regardless of political shifts, thus making it a permanent fixture in transatlantic dialogue.
- Multiple speakers emphasized the need for greater political buy-in, involvement of legislators/Congress/Parliament, and incorporating input from industry and civil society for the TTC to be more effective.
- Suggestions were made to institutionalize or create more formal mechanisms for the TTC's stakeholder engagement, such as CEO dialogues, legislative hearings, or involvement of groups like TPN.
- The importance of digital technologies and data flows for enabling sustainable transformation across sectors like agriculture and manufacturing was highlighted.
- Digital solutions can help in optimizing supply chains, improving transparency, and enabling efficient resource use. However, challenges remain, particularly regarding data access and the integration of digital strategies across various sectors.
- The US's shift away from prioritizing digital trade at international forums was noted with concern, pointing to a potential area where further engagement and policy alignment are necessary.

Key challenges discussed included balancing regulation with incentives, being transparent about costs to consumers, managing inevitable trade tensions/disputes, and getting the US and EU on the same page philosophically as partners rather than competitors. The sustainability discourse is framed within the broader context of transatlantic relations, acknowledging the complex interplay between political dynamics, economic interests, and sustainability goals. The discussion calls for a shared commitment to democracy and collaborative efforts to address global challenges, suggesting that this could form the basis for stronger, more coherent transatlantic cooperation on sustainability.

SESSION 10 **Digital Transformation**

Alex Boyd, **Lina Gálvez Muñoz MEP, Pearse O'Donohue**, **Gianluca Nigro**, **Claudia Selli**, **Alessandro Gropelli**, and **Matis Pellerin**

Throughout the discussion, panellists emphasised the critical role of international cooperation, particularly between the EU and the US, in shaping the future of technology and digital policy. The dialogue underscores the challenges and opportunities presented by rapid technological advancements, the need for agile and inclusive policy frameworks, and the importance of building trust and ensuring digital sovereignty in a globalized digital landscape.

- Consideration of the EU's active role in technological change, mentioning specific legislation like the AI Act, Digital Markets Act, and Digital Services Act. Discussion on the need for flexible, risk-based regulatory frameworks that can adapt to technological evolution.

- A significant focus is placed on the Transatlantic Trade and Technology Council (TTC) meeting, suggesting its critical role in discussing and potentially resolving key issues related to digital transformation.

- Insights on the current wave of technological innovation, emphasizing the rapid pace and broad scope of advancements in artificial intelligence (AI), quantum computing, 5G, and other technologies. This wave is characterized by its rapid pace and extensive scope, presenting both opportunities and challenges.

- The concept of digital sovereignty, including the challenges of data security, privacy, and the impact of the nationality of technology providers on trust and regulatory compliance.

The dialogue touches on the challenge of ensuring that data and digital infrastructure are secure and governed by transparent, equitable rules that respect the sovereignty of nations while facilitating international cooperation. While recognizing the challenges posed by foreign control of critical digital infrastructure, the panellists advocate for a focus on creating transparent, standardized requirements that all companies, regardless of nationality, can meet.

SESSION 11 A conversation on AI and Digital Policy Priorities

Maria Rosa Gibellini, **Ajit Jaokar**, and **Axel Voss MEP**

The discussion highlighted the need for guidelines to reduce uncertainties, costs, and bureaucracy in AI regulation. Additional considerations included:

- The enforcement of individual rights, especially copyright, in the context of AI-generated content and the ongoing discussions about AI liability. One avenue is iterative risk management strategies and reassessing the values embodied in legislation to ensure it remains relevant and effective in the face of technological progress.

- The regulation of virtual worlds and the potential legal implications of interactions within these spaces, such as avatars marrying.

- Quantum computing is highlighted as a future area of concern that may require separate regulatory attention due to its potential to significantly transform digital landscapes.

- The rapid adoption of AI and its focus on enterprise procurement suggests that the AI Act provides a benchmark for enterprises to start engaging with AI technologies despite its broad scope and the potential need for sector-specific approaches.

SESSION 12 **Economy and Trade**

Lisa Schroeter, **Bernd Lange MEP**, **The Honorable Nathaniel Moran**, **Liam Benham**, and **Marta Poślad**

Trade is crucial for influence, power, stability, and security between the US and EU. It helps avoid conflicts and drive global liberalization. There is a need for "transitional fortitude" on both sides to transition to a new paradigm of freer trade, lower tariffs, and fewer regulatory burdens. Protected legacy industries may face tough transitions. Suggestions to fireproof the transatlantic economic relationship across political changes include:

- Focusing on core strategic priorities like military cooperation and energy independence, involving Congress/parliaments early, and narrowing to consensus areas where industry aligns on both sides.

- Future technologies like AI, quantum computing, and sustainable supply chains were highlighted as promising areas for regulatory cooperation if the agendas are shaped by aligned business interests early.

- Inclusivity is seen as important, bringing in not just governments but also industry, consumers, unions, and other stakeholders into the process.

- Concerns were raised about diverging US-EU approaches to non-market economies like China and the need for joint defensive measures against unfair subsidies.

Actionable suggestions included developing a concrete wish list of priorities before year-end elections, not getting distracted by political noise, and keeping the institutionalized dialogue process alive in some form focused on delivering business outcomes.

SESSION 13 **Key challenges ahead for EU US relations 2025 – 2028**

Bruce Stokes, **The Honorable Nathaniel Moran**, and **Thomas Reynaert**

There was discussion around increasing transatlantic cooperation and coordination on critical emerging technologies like AI, quantum computing, semiconductors, cybersecurity, and 6G. Challenges include a lack of skilled workers, the need for open innovation ecosystems, and avoiding overly nationalist/protectionist approaches.

Defense industrial base cooperation was discussed, with suggestions to reward innovation, lengthen contracts to incentivize investment, reduce regulatory burdens, seek new export markets like India, and consider pre-competitive R&D models. However, national interests and political factors remain obstacles.

Addressing challenges in the global south, like food insecurity, economic development, and climate change adaptation, was raised as important for humanitarian reasons but also to address the root causes of migration pressures.

Differences in national/regional priorities (e.g., the Balkans vs the Southern U.S. border) can make it difficult to align focus across the transatlantic partnership. Integrating Ukraine into Western structures and making transatlantic cooperation more formal/institutional were cited as potential major future challenges over the next few years.

SESSION 14 Transatlantic Vision 2030 – Compass Project: Next steps

James Elles, **Bruce Stokes**, **Ambassador Stuart Eizenstat**, **Ghislain D'hoop**, and **Mark Fischer**

The session reflected on the current state of EU-US relations, the challenges ahead, the need for urgent action to strengthen the relationship given broad and deepening challenges, and the importance of engaging both the business and political communities in this process.

Building on conclusions from TAW23 to renew the TA Declaration 1990, proposals included:

- Negotiate a renewed "Transatlantic Free Trade and Investment Agreement" to create a barrier-free transatlantic marketplace within 10 years.
- Establish formal consultation mechanisms so major policies impacting each other's economies are coordinated in advance.
- Create a Transatlantic Assembly modelled on NATO's parliamentary body to institutionalize legislative engagement.
- Recognize and integrate the EU's growing role in security affairs alongside NATO.
- Revitalize transatlantic dialogues that atrophied, like the Transatlantic Business Dialogue.

The strategic importance of deepening transatlantic economic integration and cooperation in addressing global challenges such as climate change, security, protecting supply chains, and managing technological breakthroughs was highlighted. Regulatory convergence is seen as important, aiming for a "tested once, accepted in both markets" approach rather than full harmonization given the different regulatory environments.

Also noted was the impact of political shifts, including the rise of far-right parties in Europe, and the potential implications of the upcoming elections in both the EU and the US for transatlantic relations.