SCENE SETTER

The American Chamber of Commerce in the EU (AmChamEU) has asked for a meeting between you and its Executive Council. This is a selective, high-level group of executives working for European subsidiaries of US companies. The discussion will thus most likely be very political and high-level rather than about technical details. Working-level information from the AmChamEU indicated that they could be interested in discussing:

- the next Commission, and its economic and trade agenda;
- your priorities for the Directorate-General for Trade;
- EU-US relations (including irritants) and ongoing negotiations; and
- Brexit [not covered in this briefing].

This meeting is an opportunity to communicate political messages we might have to US companies, specifically on the civil aircraft dispute and towards more advocacy for the multilateral trading system and a positive bilateral cooperation geared towards finding solutions rather than imposing tariffs. This would be also in the self-interest of AmChamEU’s membership.

CHECKLIST OF KEY MESSAGES

Next Commission priorities

- Geopolitics, climate change and the digital transformation are key challenges for next Commission.

- President-elect’s mission letters show new Commission wants to tackle these while reinforcing European competitiveness through: a green deal; supporting our social market economy; making the EU ready for the digital age; protecting our European values; show global leadership; and strengthen democracy.

Priorities for TRADE

- President-elect’s mission letter to Hogan asks to: provide a level-playing field; strengthen the EU’s global leadership in trade; promote
sustainable development and climate action through trade; and make trade more transparent.

- Detailed projects for TRADE: leading the reform of the WTO; carbon border adjustment; more focus on climate, environmental and labour protections; conclude e-commerce negotiations; strengthen Enforcement Regulation; Chief Trade Enforcement Officer; improve the relationship with the US and China; and prioritise Africa.

**EU-US relations**

- Transatlantic trade remains the “central artery” of the world economy and most important to both sides. The EU is committed to improve our relations where we can – but need full support from US companies to counter protectionist narratives.

- Bilaterally, the EU is seeking to implement positive agenda that will deliver benefits to companies in the US and EU. We are ready to engage even more intensively to come to an agreement soon.

- Globally, we share US worries about an unfair playing field. China’s behaviour of forced technology transfers and unfair trade practices is hurting EU and US companies. Neither the EU nor the US can fix this problem alone. The EU is ready to work closely with US to find solutions as we are stronger together.
• We cannot join forces if at the same time the US is imposing unfair tariffs on EU exports such as car and car parts. The EU will firmly and proportionately respond to any US tariffs.

**Civil aircraft dispute**

• The EU and US have both been found illegally subsidising Airbus and Boeing respectively by the WTO. The EU made an earnest proposal in July 2019 to settle this issue once and for all. We have offered to take all aspects of state aid and launch investment contracts and make them fully market-based.

• The US has not yet replied to our offer and has announced to impose tariffs. This will affect transatlantic supply chains. The tariffs will need to be paid by US businesses that have nothing to do with the dispute.

• With Airbus effectively blocked and the Boeing 737 Max grounded for security reasons, US airlines will not be able to purchase any new single-aisle aircraft in the foreseeable future.

• If the US imposes tariffs on the EU, the EU will be politically constrained to do the same in the Boeing dispute. Neither side will win. I hope you can encourage your board members to convey to the US administration the benefits of reaching a settlement.
**BRIEFING**

**Origin: DG TRADE**

- **Subject:** EU-US relations
- **Meeting / Official visit / Event:** SW meeting with AmChamEU
- **Date:** 2 October 2019
- **Place:** Brussels

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**Brexit**

- [Sabine should have the best expertise on this in the DG...]

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**Contact person:** 26 September 2019