

Background information

5G

Sur la cybersécurité de la 5G :

- Article 4(3) of the Regulation (EC) No 1049/2001

L'Allemagne est un membre actif du groupe de travail NIS (Work Stream) sur la 5G qui rassemble les autorités nationales en charge de la cybersécurité. L'Allemagne co-préside avec la Pologne le sous-groupe dédié à la standardisation et la certification en matière de 5G.

- Article 4(3) of the Regulation (EC) No 1049/2001

- Par ailleurs, dans les conclusions du Conseil européen du 1er et 2 octobre 2020 agréées sur l'égide de la Présidence allemande, « le Conseil européen invite l'UE et les États membres à tirer pleinement parti de la boîte à outils pour la cybersécurité de la 5G adoptée le 29 janvier 2020, et en particulier à appliquer les restrictions pertinentes aux fournisseurs à haut risque pour les actifs essentiels définis comme critiques et sensibles dans les évaluations coordonnées des risques au niveau de l'UE. Le Conseil européen souligne que les fournisseurs potentiels de 5G doivent être évalués en fonction de critères objectifs communs ».

État du déploiement 5G en Allemagne :

- L'Allemagne a été très avancée dans l'assignation du spectre 5G. Deux des bandes pionnières 5G ont été assignées et la bande 26 GHz peut être attribuée sur demande.
- La bande 3.7-3.8 GHz a été réservée aux industries verticales sur une base locale et régionale.
- Vodafone et Deutsche Telekom ont lancé leurs services 5G dès juillet 2019, et Telefonica en octobre 2020.

5G issues, especially the contentious issue of a “lex Huawei”

As is this case with other Member States, the German federal government has stressed the importance of fast and reliable internet connections when tackling the major challenge of the digitalisation of its economy – and has praised the possible benefits in areas such as Industry 4.0, automation in the automotive sector and the healthcare industry. A reliable 5G-

network will bring promises for the famed German Mittelstand – small and medium sized companies, distributed throughout the country and partly lacking in competitive internet connections – especially in the more rural areas.

Article 4(3) of the Regulation (EC) No 1049/2001

The latest proposal – the third version of a ministerial draft – has been issued in the end of November 2020 and has the following content:

The German government and its agencies do not certify companies, but rather individual components. The certification process has two steps: first a technical evaluation by the federal agency for security in information technology (BSI). Second an evaluation of security risks by federal ministries. During the second step, the draft regulation provides for a discretionary clause that would allow for blocking a component on grounds of an overriding public interest, including national security interests (“überwiegende öffentliche Interessen”). The ministries involved would take into account all available information, including the assurances provided by the manufacturer as part of a “self-declaration”.

Many commentators believe that once these procedures are being applied components from Huawei would be excluded from the German 5G-infrastructure.

It is important to note, that this draft (third version of the ministerial draft in two years) is currently in interservice consultation. Although it is likely that Ministries will be able to settle on the current draft, it cannot be excluded that it will be amended during the legislative procedure, looking at the high level of interest and alliances that span across political groups. It is also not clear yet, when the government will table the proposal.

Meanwhile in 2019, the German government has auctioned away the first 5G-licences to the German Telekom, Vodafone, O2 (Telefonica) und Drillisch (German company). O2, Vodafone and Telekom have already started to build the 5G-infrastructure. Vodafone already has several 5G-towers operational in bigger cities and aims to supply 10 million customers by the end of 2020. The Telekom has also started the rollout and aims to supply the 20 biggest cities by the end of 2020 (albeit only with 150 mb/s, not a gigabit connection) and O2 has started to roll-out 5G internet in the most populous cities on the 03.10.2020.

According to reports in the press this summer, Deutsche Telekom has stated its intention to work with Huawei while Vodafone has preferred to work with Nokia in the core network. For a better price of the components and not for security concerns, though.

Dans le nouveau paysage de superpuissances mondiales, l'Allemagne est-elle prête à constituer des champions économiques avec la France ?

En préparation de son plan de relance et de résilience, l'Allemagne envisage trois projets importants d'intérêt européen commun (PIIEC) avec la France: sur l'hydrogène, la 5G et l'informatique en nuage. Il s'agit encore d'informations très préliminaires, étant donné que l'élaboration du plan n'en est qu'à ses débuts.

Ces dernières années, le gouvernement allemand s'est montré plus ouvert à l'idée d'une politique européenne de concurrence réformée qui permette la création de champions européens. Peter Altmaier, ministre allemand de l'économie, figure parmi les partisans les plus populaires des champions européens en Allemagne. Il coopère étroitement avec son homologue français Bruno Le Maire pour réformer la politique industrielle et les règles de concurrence en Europe.

Un exemple clé en est le "Manifeste franco-allemand pour une politique industrielle européenne", présenté par les ministres Altmaier et Le Maire le 5 février 2019 dans le contexte du rejet par l'UE de la fusion Siemens-Alstom, dans le cadre d'une tentative manifeste d'élaborer la prochaine législation de l'UE de la Commission sur cette question.

Lors de la présentation de la stratégie, M. Altmaier a clairement indiqué que l'Allemagne est à la traîne par rapport aux États-Unis et à l'Asie dans des secteurs industriels clés. Il a fait valoir que, plutôt que de laisser le destin de l'industrie allemande aux règles du marché libre, l'État devrait faciliter les fusions entre grandes entreprises et la création de champions européens.

Le manifeste s'articule autour de trois piliers: Un investissement plus important dans l'innovation; Une réforme de la politique de concurrence de l'UE; Et des garde-fous efficaces pour protéger les technologies, les entreprises et les marchés européens. Parmi les mesures proposées pour accroître les investissements figurent une stratégie européenne de financement des technologies; Le soutien à des projets de technologie à haut risque; Et les investissements dans l'intelligence artificielle et les batteries électriques.

Afin de garantir la compétitivité des entreprises européennes sur la scène mondiale, le manifeste suggère de mettre à jour les lignes directrices existantes de l'UE en matière de concentrations et de permettre au Conseil européen de passer outre à une décision de la Commission rejetant une concentration « dans des cas bien définis ». En outre, les pouvoirs publics peuvent être autorisés à intervenir temporairement dans les industries nationales afin de maintenir leur compétitivité et de garantir leur développement à long terme.

Le manifeste annonçait également des projets pour une usine européenne de fabrication de batteries automobiles dirigée par l'Allemagne et la France mais ouverte aux autres États membres de l'UE. L'usine de batteries, située à NERSA, en France, a été inaugurée début 2020 et est considérée par les commentateurs comme « le premier résultat réel d'une politique menée par l'UE visant à stimuler l'industrie et à l'aider à résister à ses concurrents mondiaux ». En décembre 2019, la Commission européenne a qualifié le projet PIIEC franco-allemand, ce qui signifie que les règles de l'UE en matière d'aides d'État moins strictes s'appliquent au projet.

Les plans d'Altmaier et du Maire ont suscité des réactions mitigées en Allemagne. Malgré le soutien à une meilleure protection des entreprises stratégiques allemandes et européennes,

les acteurs représentant les petites et moyennes entreprises (le "Mittelstand") s'inquiètent de l'idée d'un interventionnisme croissant de l'État et craignent qu'elles soient désavantagées par des règles assouplies en matière de fusions. Compte tenu du rôle important du Mittelstand et du concept d'économie sociale de marché pour l'économie allemande et pour le parti d'Altmaier, la CDU (PPE) a dû se pencher sur les idées initiales d'Altmaier en novembre 2019.

Quelques mois plus tard, en mars 2020, la nouvelle Commission européenne a présenté sa propre stratégie industrielle visant à soutenir les entreprises européennes qui investissent dans de nouvelles technologies afin de respecter l'objectif de neutralité climatique de l'UE à l'horizon 2050. Cette initiative a été complétée par le lancement de la nouvelle alliance pour l'hydrogène propre, créée pour promouvoir la création d'un marché européen de l'hydrogène. Les nouvelles initiatives ont été accueillies favorablement en Allemagne, notamment par Peter Altmaier, ministre de l'économie. Les questions qui restent en suspens dans la stratégie de l'UE, en particulier les règles révisées de la Commission européenne en matière de concentrations et de concurrence, sont, dans l'intervalle, anticipées avec impatience par ceux qui sont favorables aux champions européens.

La pandémie de COVID-19 a sensibilisé davantage l'Europe à la dépendance croissante de l'Europe à l'égard de la Chine et a donné un nouvel élan au débat sur la politique industrielle. En juin, le président français Emmanuel Macron et la chancelière allemande Angela Merkel ont invité la Commission européenne à « moderniser la politique européenne de concurrence en accélérant l'adaptation des règles en matière d'aides d'État et de concurrence » lors de la présentation de leur plan commun pour la relance européenne face à la pandémie.

BACKGROUND ON ALSTOM/SIEMENS, MERGER AND AT-POLICY

- In the aftermath of the Commission's **investigation in the Siemens/Alstom** decision, there have been calls for an **overhaul of EU merger control rules**: Critics, including some EU governments (most notably Germany and France), argue that the Commission fails to sufficiently take into account the increasingly globalised nature of markets and does not support sufficiently the growth of EU businesses ("**European champions**") facing increased global competition.
- However, **others, comprising Member States' authorities as well as public and private stakeholders (including national competition authorities) decisively support the Commission** and do not see a need for a major overhaul of our legal framework.
- It is worthwhile noting that the Siemens/Alstom case is **very different from the often-invoked Airbus example**. Airbus was about the creation of an effective competitor that did not yet exist. In contrast, Siemens/Alstom would have eliminated such an effective competitor. When the Airbus consortium was created in the early 1970s, US passenger airplane manufacturers (Boeing, McDonnell Douglas and Lockheed) were estimated to be selling up to 90% of all jet planes worldwide. The aim of the Airbus project was therefore for the significantly smaller European aerospace companies – mainly component manufacturers – to be able join forces to create a European competitor in a market where Europe was heavily dependent on foreign manufacturers. In the rail

industry, the situation is very different. Siemens and Alstom are not only dominant or very dominant in signaling and very high-speed trains in Europe, they are also very strong competitors worldwide. Already today, Siemens and Alstom are well equipped to compete globally against the largest suppliers, including Chinese companies, and are two of the most technologically advanced manufacturers.

- **Existing EU merger control rules work well, overall.** This has been confirmed by different studies, evaluations and public consultations over the last years. This does not mean that there may not be room for improvements. The Commission regularly re-examines its competition tools and processes, reforming or adapting them where appropriate to ensure that they continue to fulfil their role. In particular, it is currently reflecting on possible changes for competition enforcement in the digital sector.
- Any possible changes to the EU merger rules would need to be assessed carefully, notably in terms of (i) which perceived shortcomings they intend to address, (ii) which goals they aim to achieve, (iii) what the possible (intended and unintended) consequences of any such changes would be and (iv) whether there are alternative, more effective ways of achieving these objectives.
- Any specific proposals must also be considered in light of the principles of consumer welfare, non-discrimination, legal predictability and the rule of law. This requires that EU Merger control decisions are based on verifiable facts, apply tested economic principles and are subject to full scrutiny by the EU courts.
- As EVP Vestager pointed out in her speech of 11 September 2020 at the IBA Conference (“The future of EU merger control”), the Commission intends to **launch a reflection and fact-gathering on aspects of the substantive assessment in EU merger control 30 years after its inception**, including ex-post assessments of past cases. This will include engagement with stakeholders.
- We must, however, resist the temptation to weaken the competition rules in order to create a few large European champions. Rather, we need a **European industrial policy grounded on competition**, open markets, world-leading research and technologies and a strong Single Market, which brings down barriers and cuts red tape.
- Strong champions are not built by picking a favourite, and protecting it from competition rules but by giving everyone a fair chance – so the best, the most productive and innovative companies can grow. **Competition policy will strengthen the resilience of European industry**, by avoiding the fragmentation of the Single Market and by contributing to the diversification of supply chains.
- EU competition policy does not take issue with successful companies because of their size and never has. More concretely, **EU merger control never stood in the way of companies that decided to merge as long as those transactions did not ultimately harm European consumers**. The Commission has cleared without remedies a number of big mergers that created European champions, such as Peugeot's takeover of Opel. Other clearances required substantive remedies. Over the past 10 years, the Commission has approved over 3000 mergers and prohibited only 10.
- **EU competition rules alone cannot achieve competitiveness in Europe** or effectively address all challenges coming from foreign economies which operate by a different rulebook.

- Other tools than competition law are better placed to address those challenges. The Commission has put forward several initiatives in this respect (FDI, global subsidy disciplines, procurement mechanisms, etc.) and will continue doing so. The Commission has published a White Paper on foreign subsidies on 17 June 2020, with public consultation open until 23 September 2020. In light of the input received, the Commission will present appropriate legislative proposals to tackle the distortive effects of foreign subsidies on the Single Market.

FACTS AND FIGURES

In February 2019, the French and German Ministers of economy published the **“Franco-German Manifesto for a European industrial policy fit for the 21st Century”**. This was followed in July 2019, by a joint paper by the French, German and Polish Ministers of Economy on **“Modernising EU Competition Policy”**.

A **July 2019 Paper** on "Modernising EU Competition Policy" by Germany's Bundesministerium für Wirtschaft und Energie, France's Ministère de l'Économie et des Finances and **Poland's Ministerstwo Przedsiębiorczości i Technologii** stresses the importance of having a globally integrated, sustainable and competitive industrial base and a holistic industrial strategy. It identifies a number of current and future challenges (such as the potentially distortive effects of foreign subsidies and state support and the market power of some tech firms) and proposes to explore a number of ideas regarding EU competition policy and enforcement, notably in the field of antitrust and merger control. Overall, there is, implicitly at least, a double demand: (1) more enforcement (against US big tech firms and foreign subsidies); and (2) less enforcement (vis-a-vis EU companies) as well as more guidance (e.g. efficiencies in mergers; JVs and cooperation in antitrust).

On **4 February 2020, France, Germany and Poland, joined by Italy** followed up on the previous submissions with a **joint letter** focusing on the need for an urgent review of the Horizontal Merger Guidelines and the Market Definition Notice to ensure further flexibility when taking into account potential competition to ensure a “level-playing field” for European companies. They asked:

- for greater guidance (to be urgently issues in the coming weeks) on how efficiencies are evaluated in mergers.
- that the Commission gives the highest priority to the drafting of proposals aimed at putting in place a regulation for “digital platforms with paramount importance for competition” by the 2nd quarter of 2020.
- the need for further guidance on cooperation agreements and joint ventures, in particular for SMEs and start-ups.
- an increased role of the Advisory Committee in merger cases, in particular for efficiencies and remedies, and suggests that DG COMP needs more expertise to deal with digital markets and challenges posed by the digital economy.

The calls for reform by Germany, France, Poland and Italy are however not the only voices in the debate:

At the Competitiveness Council on 27 February 2020, **Sweden, Denmark and the Netherlands** called for a strong independent competition policy and urged that any amendments to the rules should be based on supporting data/evidence. The Netherlands also welcomed the Commission's announcement that it would publish a White Paper on a

foreign subsidy instrument.

On **3 March 2020**, in a joint key message for preparation of the March European Council, **15 Member States** (Austria, Czech Republic, Estonia, Finland, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Poland, Portugal, Slovakia, Slovenia, Spain, Sweden), emphasized the need for a strengthening of the Single Market in all its dimensions as a precondition for industrial competitiveness and that a fair, open and competitive home market remains the starting point for promoting the level playing field globally as well as within the EU. They also supported a strict and independent competition policy fit for the digital and climate transitions, while ensuring that businesses from third countries compete under similar circumstances to their European competitors.

On **10 March 2020**, in a letter submitted by the Swedish business minister, Ibrahim Baylan on behalf of his counterparts in **eight Member States** (i.e. the Czech Republic, Estonia, Finland, Ireland, Latvia, Lithuania and the Netherlands), called upon EVP Vestager to base any review of EU competition rules, including state aid rules and guidance, on proven principles, evidence and economic research, in order to avoid inflicting harm on consumers, SMEs and the Single Market. *“Any moves to soften and politicize EU competition rules would be detrimental for the whole European Union”*.

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L'Allemagne puissante manifeste-t-elle la volonté d'une Europe puissance ?

As Germany enters an **election year** with the federal ballot due in September 2021, the political debate will intensify further, with the “right” approach to the COVID-19 crisis likely being the central campaign theme. **COVID-19 crisis continues to dominate the political debate**, pushing all other issues to the back. At the same time, **existing political dynamics and longer-term trends** have not disappeared: Uncertainty is gaining ground in Germany over the strength of its economy and the resilience of its political model, exacerbated by the COVID-19 crisis. At societal level, cleavages are becoming more pronounced, expressed and reinforced by extremist political forces. The persisting East-West divide being a case in point. Many studies (e.g. "More in Common" survey, Sept 2020) point towards an unprecedented societal polarisation, including social media abound of the defamation of traditional politics.

In this evolving context there is no easy answer whether risks or opportunities will prevail or how those dynamics will affect the Government's policy and citizens' **attitudes towards the EU**. The preliminary national assessment of Germany's Council Presidency is largely positive, as informally attested by the Representation's political interlocutors. Due to COVID-19 related restrictions, however, the Government was only partly successful in showcasing its EU credentials to a wider audience. At the same time, especially at the on-set of the COVID-19 crisis, pro-European observers were taken by surprise to what extent immediate response measures were taken on a purely national level by the federal authorities, e.g. border closures. While this has since changed, this leaves a **lingering question if “Europe” is absent and/or left aside if the going gets tough**. According to a European Parliament survey (Kantar, June/July 2020) a majority of Germans (59%) agree that the EU should have more competences to deal with crises. 58% are satisfied with the EU actions taken; only 48% are satisfied with the solidarity between EU Member States. Awareness of EU actions is high: 76% have either concrete knowledge of EU measures or at least heard about them.

This context poses some key **challenges** for communicating the Commission's positions:

- The role of the EU in the on-set of the crisis and the perceived absence of visible signs of European solidarity has the potential to damage the reputation of the European project.
- While initial public reception of the MFF/Recovery Package was friendly, opponents might raise the question why in times of economic crisis, funds are “spent abroad” rather than for national programmes.
- Although not the main element of their political profile, nationalistic parties such as the *Alternative für Deutschland* (AfD) maintain that the EU (in its current form) weakens Germany and should be fundamentally abandoned or reformed. The erstwhile pillars of Germany's EU policy, the CDU and the SPD are in a process of transformation, driven by new faces. The old pro-European reflex – for what it was worth – can no longer be taken for granted. The same applies to the opposition FDP (RE).

- Politicians and citizens in the country's Eastern *Länder* tend to show more understanding for the positions of the Polish and Hungarian Governments in relation to the rule of law and other policy issues that are sometimes exploited in order to create the narrative of an EU "East-West" divide. They are also more prone to follow narratives promoted by the Kremlin and its disinformation outlets (e.g. on energy policy).

However as much as these risks must be of concern, the current context also offers a number of **opportunities** that should be seized.

- The priorities outlined in President von der Leyen's political guidelines and 2020 State of the Union address widely match German citizens' concerns for the future.
- The programme of the German Council Presidency was proof of the Government's strong alignment with the Commission's political priorities, including on the Green Deal and the Digital Agenda.
- With President von der Leyen, the EU now has "a human face" that is widely known inside the country.
- Global risks have made Germans and their political representatives more aware of the country's dependence on the EU for political and economic stability.
- The debate over Brexit has strengthened the resolve of businesses and other economic operators to protect the EU and its Single Market.

Comment se positionne l'Allemagne vis-à-vis du concept de « West » ?

89 percent of Germans still believe that Germany should cooperate with other countries when facing global challenges (Körber/Pew study, April 2020). When it comes to combating global problems, almost three quarters of Germans are prepared to shoulder more burdens than economically weaker countries. Two thirds of German citizens think it is bad if networking and globalisation are declining in the pandemic. At the same time, 85 percent feel that production of critical goods should be relocated to Germany - even if this means higher costs. German citizens now consider relations with China just as important as with the US. At the same time, there is still a lack of awareness, namely in Germany's East, of the geopolitical risks created by Russia.

The positive image of the EU's role in global affairs remains: 82% of Germans are in favour of a common EU foreign policy, 83% plead for a common defence and security policy (Source: Eurobarometer 93). Germany's position in global affairs is often discussed in conjunction with the EU's role on the world stage. Perception shifts as outlined above have led to a strong desire for increased European sovereignty. Special focus is put on coherence in EU foreign policy and a comprehensive approach, linking trade, development cooperation, military and civilian capabilities. Trade policy remains a communication challenge. Germany's economy largely depends on trade, yet it is paradoxically a hub of opposition against modern EU trade agreements, with German activists orchestrating EU-wide campaigns.

Quelles sont les perspectives actuelles de la relation transatlantique ?

The overarching sentiment in both, general public sentiment and in political Berlin, is relief.

Germany was largely taken by surprise by the strong showing of President Trump. It was probably wishful thinking and a deep desire for change which blurred the assessment - 79% of Germans mistrust and dislike the out-going US President, according to a representative survey. This (last) miscalculation is further proof that even after four years of Trump's Presidency, his appeal largely remains an enigma for German observers. The eventual **victory of Joe Biden is therefore much welcomed in Germany**. The single most important reason for it: Biden is not Trump. On the policy implications, a realistic political debate in Germany is currently on-going.

In an op-ed titled "Germany's opportunity", **Federal President Frank-Walter Steinmeier** welcomes the result and calls for seizing this moment to re-build transatlantic relations, which are "damaged but not destroyed". As key theme, he stresses that "a strong Europe is Germany's investment in good transatlantic relations", thus emphasizing the EU's key role.

Chancellor Merkel (CDU/EPP), in an unusual move, opted for the rather formal setting of a live press statement to comment on the elections in order to send a formal and strong message of support for Biden. Notably, the Chancellor choose not to mention or thank the out-going President Trump. Her short statement re-iterate the importance of transatlantic relations and highlight her priorities for cooperation. Most importantly, the Chancellor recognizes the need to step up European defence efforts Her remarks also express a hope widely shared by the general public and the media in Germany: As Biden is well-acquainted with European partners, exchanges will become constructive again - although policy differences will not disappear.

Vice-Chancellor and Minister of Finance Olaf Scholz (who is the SPD/S&D lead candidate for next year's elections), welcomed the outcome and expressed hope for a "peaceful transition of power". He also used the occasion to highlight the deep fractures in US society and to draw parallels to political dynamics in Germany. In view to next year's federal elections, he called for respect and more social equality. Ahead of the elections, Minister of Foreign Affairs Maas (SPD/S&D) offered a "New Deal" to next Administration, announcing that Germany is ready to "invest" more in transatlantic relations.

The **opposition Greens (G-EFA)** called for European strategic sovereignty to engage with the US as equal partners. [personal data] stated that credible European proposals are needed to tackle global challenges (such as climate change and digital transformation) together with the US. **Opposition FDP (RE)** [personal data] also called upon Europe "to seize the opportunity" while dampening hopes for a quick resolution of trade disputes. For the opposition **Die Linke (GUE-NGL)**, [personal data] sharply attacked the out-going President and stressed that Biden's victory was also due to the support of Bernie Sanders, the left-leaning US politician. Notably, no leader of the **opposition AfD (ID)** did immediately comment. The party used the opportunity to promote "equidistance to Washington, Moscow and Beijing". While for once citing European autonomy, this call fits well into the party's tradition of anti-Americanism and close Russian ties. Some of the party's deputies reiterate claims of voter fraud in the US, with one Member of Parliament rejecting to congratulate the "globalistic fraudster Biden".

Moving forward – cautiously optimistic but realistic

While there are high hopes for improved transatlantic relations, politicians and

commentators alike warn that some fundamental differences will remain. The assessment of immediate policy implications therefore is largely realistic and not overly optimistic. Initial political comments express much hope that transatlantic relations will become more constructive again, including cooperation in multilateral fora. As a concrete example, Minister of Health, Jen Spahn (CDU/EPP) expressed hope that President-elect Biden will reconsider the US **withdrawal from the World Health Organization (WHO)**. President-elect Biden's announcement to re-join the Paris Climate Accords was met with unison applause in Germany. There is the (realistic) expectation that Europe's partnership with the US can be reinvigorated from what is largely seen as the low point of EU-US relations.

Defence spending and Germany's role in NATO remains a key area where the new US Administration's positions are seen as unlikely to change from its predecessor. Minister of Defence and acting CDU party chair, Annegret Kramp-Karrenbauer, recognized the need to step up German and European defence efforts, citing that this "not to please any US President but because this is the our very own interest". This was seconded by Chancellor Merkel's remarks. However, coalition partner SPD (S&D) traditionally takes a more cautious approach. Defence spending might therefore resurface as issue diving the coalition partners. The Minister-President of Bavaria and CSU (EPP) chair Markus Söder expressed hope that the US would now re-consider the **withdrawal of US troops from German bases**, as announced but not fully implemented yet by the out-going President.

On **trade issues**, few expect an immediate and radical change of course by the new US Administration. Nevertheless, Minister of the Economy Peter Altmaier (CDU/EPP) announced to diffuse trade conflicts with the US, hoping for constructive and cooperative approaches. The **Northstream2 pipeline** will also likely remain a central issue where German and US positions diverge, regardless who is the US President. On economic issues, the Association of German Industries (BDI) calls for a "restart" of transatlantic relations.

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