

A review of Transatlantic Relations

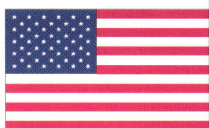
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## EU-US Summit: substantial progress despite bananas row

*The EU-US Summit in Washington on 18 December 1998 took place against a background of US-UK air assaults in Iraq and the vote in the US House of Representatives on President Clinton's impeachment. It nevertheless gave Presidents Santer, Clinton and Austrian Federal Chancellor Victor Klima the opportunity to look beyond short-term trade disputes to the wider agenda of EU-US economic and political co-operation, including the launching of an ambitious agenda for the further reduction of barriers to Transatlantic trade and investment.*

The Leaders discussed the situation in the Middle East, following President Clinton's visit, and reinforced joint EU-US efforts to bring stability to the Western Balkans. They agreed to strengthen EU-US co-operation in support of greater stability in the global economy, and welcomed the launch of Europe's new single currency, the euro. And they highlighted the importance of getting citizens more closely involved in transatlantic decision-making.

Unfortunately, however, the Summit did not witness the type of breakthrough on the current dis-



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# Welcome to EU-US News !

*A word from Sir Leon Brittan*



The European Union's relationship with the United States is uniquely multi-faceted. Quite apart from the hugely important economic ties which bind us, practically every week sees new and concrete co-operative initiatives between us in fields ranging from promoting political and economic reform in Ukraine to combating infectious diseases; from reducing barriers to trade to establishing links between universities.

It is simply human nature that bad news tends to grab our attention more than good news

does. If you have been following EU-US issues recently you might be forgiven, therefore, for having the impression that the only thing that the EU and US have been doing together in the past few months is to squabble over bananas.

But this is an extremely incomplete picture. Despite our occasional differences the EU and the US each remain the other's most important ally. And reflecting that incontrovertible fact, there is much good news about our relationship which goes largely unreported.

This is why I give such a hearty welcome to the launch of "EU-US News". In it, our aim is

to provide comprehensive, up-to-date and authoritative information about latest developments in transatlantic affairs. We shan't, of course, duck the difficult issues, but we shall also report on the much larger number of positive achievements to provide a balanced picture.

I hope that you will enjoy reading this first issue of "EU-US News" and that, whatever your interest in EU-US relations, whether professional, scholarly or journalistic, you will find it informative.

*Sir Leon Brittan, Vice-President of the European Commission*

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## EU-US Summit: substantial progress despite bananas row (continued from page 1)

pute over bananas (*see box*) which had been achieved on the "Helms-Burton" issue at the London Summit last May.

### Economic partnership to be strengthened

The EU and the US are each other's single largest trading partner and are each other's most important source and destination for foreign direct investment (FDI).

To reinforce this relationship still further, the EU and US have agreed an ambitious Action Plan to create a Transatlantic Economic Partnership (TEP). It will lead to a rolling programme of co-operation and negotiation - both multilateral and bilateral - to address the real barriers which remain to transatlantic trade. (*see article on page 9*)

### An increasingly important political dimension

The EU is not only the US's most important economic part-

ner: its rapidly growing role in foreign and security policy makes it an indispensable ally to the US in the political arena too.

Amongst the many examples of on-the-ground co-operation between the EU and US, Summit Leaders focused specifically on the Middle East Peace Process and on the Western Balkans, as well as having a substantial exchange of views on Russia.

Following President Clinton's visit to the Middle East, and building on the intensive collaboration between EU and US Special Envoys Moratinos and Ross, the Summit Leaders sent a strong message on the importance of full implementation of all the obligations undertaken by Israel and the Palestinian Authority in the Wye River Memorandum (*see article on page 5*).

On the crises in the Western Balkans, Summit Leaders welcomed the EU-US co-operation which has enabled concrete steps forward to be taken in Kosovo,

Albania, Bosnia Herzegovina and Croatia. In Kosovo, EU and US envoys Wolfgang Petritsch and Chris Hill have worked closely on the negotiations on the status of Kosovo, and together the EU and US are providing the bulk of the personnel (EU: 50%, US: 20%) and other resources (EU: 66%, US: 12%) for the OSCE's Kosovo Verification Mission as well as significant humanitarian aid in co-operation with UNHCR. The EU and US are also working together and alongside Russia in the so-called Contact Group at talks to try to reach a political agreement between the Federal Republic of Yugoslavia and the Kosovans (*see article on page 5*).

#### **Strengthening co-operation on the global economy**

The EU and US share con-

siderable concern about the financial crises which are threatening the world economy and the Summit Leaders agreed a joint statement on the global economy committing the EU and US to maintain the momentum for trade and investment liberalisation, both bilateral and multilateral. The EU believes that a successful new round of negotiations in the WTO, planned to begin in 1999, is key to this objective, and the EU was delighted after the Summit to see President Clinton follow its lead during his State of the Union address. The Summit joint statement also underlined our shared commitment to helping those developing countries which are likely to be hard-hit by the financial crisis, in particular through development co-operation and support for their better integration into the

world economy.

The statement also welcomed the birth, on 1 January 1999, of the single European currency, the euro. This event confirmed and enhanced the EU's role as the US's most important economic partner. The euro will boost growth in the EU – growth which will benefit the US as American exporters and investors take advantage of increased prosperity in the world's biggest single market. It will enhance international financial stability and enable closer co-operation between the EU and US, including in the G7. And for American investors and exporters operating in Europe, it will mean significant cost savings as the risks associated with exchange rate fluctuations and exchange fees disappear for ever within the euro zone.

#### **Broadening the base of EU-US co-operation**

EU-US co-operation is not simply about Summitry – its fundamental aim is to find ways to improve the quality of life for people on both sides of the Atlantic. The Summit Leaders therefore gave a warm welcome to the progress which has been made during the past year in getting people outside government involved in EU-US dialogue. Alongside the Transatlantic Business Dialogue, we have encouraged the development of links between trade unions, consumers, environmentalists and development NGOs. The Leaders encouraged further development of these links, and committed themselves to listen carefully to the concerns of the very people for whom the New Transatlantic Agenda exists.

#### **Further information**

*All of the Summit documents (joint statements on co-operation on the global economy, on the Western Balkans, in the Middle East, and on their support for Transatlantic people-to-people dialogue, as well as the six-monthly Senior Level Group report to the Summit) are available on-line at <http://europa.eu.int/comm/dg01/euus.htm>*

### **Bananas – what's at stake?**

The clash centres on the European Union's rules for banana imports – rules which keep the European market open for poor economies of the ACP (African, Caribbean and Pacific) regions which are especially dependent on earnings from these exports. The EU's old rules were found not to be consistent with world trade rules, and so the EU agreed to change them by 1 January this year, and has done so, whilst continuing to meet its legal obligations to ACP countries under the Lomé Convention.

But the US has upped the stakes by insisting that the changes do not go far enough and has threatened the EU with retaliation which would effectively ban imports into the US of totally unrelated EU products. The EU disputes the legality of such retaliation without a prior ruling by the World Trade Organisation (WTO) on the conformity of the new regime with multilateral trade rules. The disagreement between the EU and US now centres, therefore, as much on the proper functioning of the international rules for settling this sort of dispute, as on the disputed banana regime itself.

At the time of writing, the threat of US sanctions still hangs over the Community, making satisfactory resolution more difficult rather than easier. The EU has decided to challenge in the WTO the legality of the US's "Section 301" provisions, which provide the basis for many of the US's unilateral trade sanctions of this type.

Proceedings continue at the WTO in Geneva, and the EU remains committed to a resolution of the dispute which fully respects the agreed international rules.

*For regularly updated information on the bananas issue, consult our website at <http://europa.eu.int/comm/dg01/banmen.htm>*

# Santer, Clinton, Klima: situation in western Balkans poses serious threat

*“Political, civil and economic instability in some areas of the Western Balkans threatens peace and prosperity in all south-eastern Europe and poses serious challenges across Europe and beyond.”*

So began the EU-US Joint Statement on cooperation in the Western Balkans, issued at the Washington Summit in December 1998. The EU and the US underlined their common purpose in the face of threats to the security of both and since then have been working hard to solve the problems together. A remarkable level of co-operation, such that EU and US diplomats now think of themselves as working in teams, underlined the seriousness of the challenge.

## **Bringing hope to Kosovo**

Wolfgang Petrisch, EU envoy in Kosovo, has been closely co-operating with US envoy Christopher Hill to achieve their common purpose in Kosovo. The primary objective is to implement the 16 October 1998 OSCE-Federal Republic of Yugoslavia (FRY) Agreement. Efforts on the ground are being led by the OSCE's Kosovo Verification Mission (KVM), to which the EU contributes over 60% of personnel and funding. Their tasks includes seeking the

prosecution of war crimes and the examination of mass graves. Trust created through confidence building measures, the need to support the renascent civil society and the sorry state of the political and economic infrastructure in Kosovo may lead to early action to address reconstruction.

And as we went to press, the so-called Contact Group, which brings together EU and US partners alongside Russia, were exerting pressure on the FRY and the Kosovans to reach agreement on all aspects needed for a lasting peace at talks in Rambouillet, France. The US has signalled its readiness to contribute troops to stand alongside their European comrades under European command to perform peacekeeping operations and help enforce any political agreement.

## **Support for democracy in Albania and Serbia**

In Albania, we have worked together with our American allies to support the Friends of Albania (FOA) group which is co-chaired

by the EU and OSCE. Both the EU and US will make a substantial commitment to stability, and have been encouraged by the Albanian government's adoption of the new constitution.

The EU and the US have tightened sanctions on the FRY and this further action leaves Belgrade in no doubt of our intent to support democratisation in Serbia with the longer term aim of bringing Serbians and Serbia into the family of European nations. The EU and the US have underscored their support for free markets and liberalisation, and point to the damage done by many years of a war economy. Much of this damage is most apparent on the streets, but equal damage is done to the fabric of civil society by the muzzling of independent media and independent political opposition. The EU and the US are committed to supporting the voices of reform, and to the freedom of the media, knowing that these are central to the establishment of a free democracy.

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# Partnership to promote Middle East Peace

*The US-mediated Israeli-Palestinian Interim Agreement of 23 October 1998 (the Wye River Memorandum) gave the Middle East Peace Process a badly needed boost when it was on the verge of collapse.*

At December's Summit in Washington, the EU and US agreed to work together for the full implementation of the outstanding obligations by both parties.

However, despite the Wye Agreement, Israeli-Palestinian peace negotiations are at a low point, given Israel's decision to suspend further troop redeployment on 3 December 1998 un-

less the Palestinian Authority (PA) complied with three additional conditions: the PA should refrain from declaring Palestinian independence on 4 May; should suspend the request for the re-

lease of prisoners convicted for violent acts, and should halt all "incitements to violence". Further uncertainty in the region has been caused by the death of King Hussein of Jordan and the prospect of the 17 May 1999 elections for the Prime Minister and the Knesset forced by Israel's right-wing.

Against this background, EU-US co-operation as agreed at the Summit will be particularly vital in the handling of the potential political fall-out caused by the end of the interim period on 4 May. Palestinian Chairman Arafat has threatened in the past that Palestine could declare independence as a state on that occasion. This would be likely to trigger a strong reaction from the Israeli side. We therefore need to ensure that the peace process is not derailed by an announcement of an

independent Palestinian state after the expiry of the interim period.

#### **A priority for the EU Presidency**

Given all these developments, the Middle East Peace Process will be one of the main foreign policy priorities for the German Presidency of the EU. One of the Presidency's first acts in its six-month term of office has been to organise a top-level visit to the region in February, involving German Foreign Minister Joschka Fischer, European Commission Vice-President Manuel Marin and the EU's Special Envoy Miguel Moratinos for talks not only with the Israelis and Palestinians, but also with other major players in Damascus, Beirut, Amman and Cairo, to reinforce the message agreed with

the US at December's Summit.

#### **EU role to complement US**

One of the other ways which the EU is sharing responsibility with the US is through its role as a major financial donor and trading partner to both Israel and Palestine. The European Union is the major provider of financial assistance to the Palestinian Authorities (PA) – over 50% of all aid provided has come from the EU.

Special Envoy Moratinos, who has worked closely with US Envoy Denis Ross, underlines the importance of close EU-US co-operation: "If Europe has the vision and conviction, it can run a policy which benefits Israel and favours the Palestinians. We must reinforce complementarity with the US and share responsibility."

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## Spotlight on Ukraine

*Ukraine is at a crossroads. Geographically, culturally, politically, economically:*

*Ukraine occupies a uniquely important strategic position in Europe. The consolidation of pluralist democracy; the pursuit of economic reform; the reinforcement of Ukraine as a prosperous and stable neighbour both to Russia and to an expanded European Union – these are common goals of EU and US policy.*

The importance of Ukraine and the commonality of EU and US interests were explicitly recognised in the New Transatlantic Agenda. In it, the EU and the US agreed to work together to consolidate 'democracy, stability, and the transition to market economies in Russia, Ukraine, and other new independent states'. Much since 1995, when the NTA was agreed, has been done to realise this aspiration. The European Union and the US have worked together to give guidance and help to Ukraine in its transition to a market economy.

But progress has sometimes been patchy. Continuing tensions with Russia, uncertainty about the final closure of Chernobyl and the difficulties of pursuing economic reform have un-

derlined the need for the EU and US to step up their co-operation. Diplomatic co-ordination was increased in mid-1997 in order to avoid duplication in aid and assistance, and to reinforce each other in the messages we want to send to the Ukrainians.

#### **Transatlantic Civil Society Support Programme**

The first fruit of this increased co-operation was in the area of on-the-ground aid implementation. Back in 1995, the EU-US summit in Berlin had called for joint actions to foster political and social development in Central and Eastern European countries. Building on our individual and diverse experiences in these countries, we took initial steps during 1997 towards our first joint initiative, supporting

civil society in Ukraine.

The European Parliament appropriated specific funds for joint projects in the Ukraine in the EU's 1998 Budget. Since the beginning of that year, the European Commission and the United States Information Agency (USIA) have been working together to design innovative and timely projects supporting civil society in the Ukraine. The European Parliament approved the release of EU funds for these projects, an amount of €2.300.000, which will be matched by the US.

This initiative serves a dual purpose: it takes the EU-US relationship beyond co-operation into joint implementation, serving to underline the strength of the Transatlantic relationship and, of course, it offers new op-

portunities to citizens in Ukraine to participate in strengthening civil society. The EU and US will jointly support projects ranging from promoting good governance to encouraging the consolidation of vigorous and independent media.

#### **The Joint Statement on Ukraine**

EU-US co-operation in Ukraine covers much more ground simply than assistance, though. In late 1997, the diplomatic pace quickened with EU and US political representatives agreeing that further clear messages ought to be conveyed

jointly to the Ukraine. The result was a joint approach, focussing on civil society development, public administration reform and market reform. A joint statement was released and publicised in the Ukraine on 8 December 1997. The statement resulted directly from the EU-US Summit held in Washington at that time. President Jacques Santer of the Commission, Luxembourg Prime Minister Jean-Claude Juncker and US President Bill Clinton recognised that a prosperous and democratic Ukraine is a key component of European peace and stability. The leaders called for an emphasis on the rule of law

and the introduction of vigorous market reform.

Joint demarches were delivered in 1998 and again in February 1999 to President Kuchma by the EU Troika, the Commission and the US Ambassador.

Reform in Ukraine is a complex process which requires long-term commitment on the part of the Ukraine government with the firm encouragement and support of the international community. A joint approach to providing this support on the part of powers of the importance of the EU and the US is an important step forward in ensuring that Ukraine continues on the right path.

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## Caribbean region targeted in joint fight against drugs

*Global trade in illegal drugs now involves more money than trade in oil. And the human cost – particularly to our young people – can be seen simply by visiting almost any of Europe's or the US's inner cities. That's why the European Union and the US have long made a high priority of their co-operation to stem the supply of drugs.*

The EU and the US are now supporting each other's initiatives in the field of combating drugs in a number of parts of the world and at the London EU-US Summit on 15 May 1998, Presidents Santer, Clinton and Prime Minister Blair highlighted successful EU-US co-operation in one of the world's most important transit regions – the Caribbean.

#### **Identifying the problem in partnership with Caribbean governments...**

In 1996 the Barbados Plan of Action on drugs control co-operation in the Caribbean has been adopted and in 1997 it was clearly re-affirmed by the EU, the US and the Caribbean countries themselves. In 1998 we continued our activities related to the implementation of the Barbados Plan of Action on the basis of a clear political commitment to continue the Caribbean process of dialogue, co-ordination and

co-operation in the global fight against drugs.

The overall objective of the EU is to ensure an efficient, co-ordinated and balanced approach in the implementation of all recommendations contained in the Caribbean Drugs Action Plan,

The efforts of EU experts who have been sent to the region by four Member States are reinforced by a naval presence aimed at intercepting the carriers of illicit drugs

from supply to demand reduction. For 1998, the main EU-US activities were maritime co-operation and money laundering control.

#### **...and taking concrete steps to tackle the problems**

On maritime co-operation a Project Management Office (PMO) has been established in Barbados, as an indispensable tool in reinforcing maritime co-operation in the Caribbean. Four EU Member States (Spain, France, the Netherlands and the United Kingdom) have sent drugs experts to this office. Their efforts are reinforced by a naval presence aimed at intercepting carriers of illicit drugs. The European Commission is participating in the works of the PMO by financing the share of Caribbean participation to these joint efforts.

On money laundering, the Commission has prepared a regional money laundering control programme for the Caribbean in partnership with the US. The programme will run over a five years period and will cost €7.200.000. Its aim is to provide

a strategy that will address the obstacles to effective anti-money laundering efforts in the Caribbean region.

The implementing agency is the Caribbean Financial Action Task Force (CFATF) in Trinidad.

#### **A model for future co-operation?**

Successful co-operation in the Caribbean shows the benefits of joint EU-US efforts and the implementation of the Caribbean Drugs Action Plan is proceeding

so well that we are considering extending the approach to other parts of the world.

Joint EU-US drugs control initiatives are being explored in Southern Africa and in Nigeria, as new areas of common concern.

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## Success in fight against the exploitation of women

*Talks between top EU and US experts could lead to an extension of a joint initiative to combat the insidious trade in women from central and eastern European countries.*

As early as 1997, the EU and US had identified the fight against trafficking in women as a key area for co-operation. Following identification of the problem, during 1998 we launched successful joint campaigns against such trafficking in Poland and Ukraine.

#### **A growing phenomenon**

Just a couple of kilometres from the EU headquarters in Brussels, young women listlessly patrol the streets or sit in shop-front windows waiting for passing trade. Few of these women are Belgian: in a development which is repeated throughout the EU's prosperous cities, an increasing number of them have come across the newly-open border between the European Union and the former communist states of central and eastern Europe. Offered the prospect of legitimate, well-paid jobs in the European Union, these women find themselves trapped in the sex-industry, with pimps, racketeers and, ultimately international organised crime being the only beneficiaries instead of the families back home whom these women often hoped to be able to help support.

#### **A joint response**

Together with the US, the European Union has identified this as a major issue which we need to tackle together – and urgently. Under the umbrella of the New Transatlantic Agenda,

we have launched information campaigns to help stem the problem at its source. Two projects were carried out in 1998: one in Poland for which the EU

Offered the prospect of legitimate, well-paid jobs in the EU, these women find themselves trapped in the sex-industry, with international organised crime being the ultimate beneficiary

was responsible, and one in the Ukraine under the aegis of the US.

The EU worked hand in hand with the Polish non-governmental organisation "La Strada" to carry out the information campaign in Poland, financed with funds from the PHARE Democracy programme. During the campaign in Poland the issue was covered by more than 20 TV and radio programmes, over 30 articles appeared in newspapers, and more than 45,000 leaflets, posters and cards were distributed, warning women of the dangers of accepting apparently innocent offers of help to find jobs in the west.

The US developed its campaign in the Ukraine with the

help of the IOM - the international organisation for migrants. Unlike the EU campaign, which was based on previous similar campaigns in Poland, the IOM project was the first event of that type in the Ukraine. Like the Polish campaign, the Ukrainian project also included the use of selected media, brochures and articles to reach out to the potential women migrants.

#### **Building on success**

In July 1998, after the two campaigns had ended, the EU and US experts involved in the projects held a joint evaluation meeting with the implementing organisations in Lviv, Ukraine. They agreed that the campaigns had achieved their objectives in awareness-raising and had been successful. Although the two projects ran in parallel, this co-ordinated effort between the EU and the US meant that both projects benefitted from an EU-US information exchange which also helped to identify best practices for future projects.

The EU-US Senior Level Group which oversees the implementation of the New Transatlantic Agenda echoed the positive evaluation of the two campaigns. Building on the success of these campaigns, the EU and the US have now agreed to carry out further projects in countries from which women are being lured into prostitution in the west. The EU will work in Hungary and the US in Bulgaria.

# Action Plan for Transatlantic Economic Partnership underway

*On 9 November 1998, the EU's Council of Ministers approved a joint EU-US Action Plan that aims to address some of the most important remaining barriers to transatlantic trade. Building on a proposal by the European Commission, and following intensive negotiations during the autumn between the EU and the US, the Plan foresees the negotiation of agreements in the areas of technical barriers to trade, services, government procurement and intellectual property as well as a number of co-operative actions mainly in the regulatory area. It also covers EU-US co-operation on multilateral trade and investment issues. The Action Plan represents the follow-up to the joint statement on the Transatlantic Economic Partnership (TEP) adopted by leaders at the EU-US Summit in London on 18 May. The Council of Ministers has now given a mandate to the European Commission to enter into formal negotiations with the US.*

Despite an extremely healthy economic relationship, transatlantic trade and investment remain hampered by a significant number of impediments, mainly of a non-tariff kind. The New Transatlantic Agenda of December 1995 committed the EU and US to work together to remove these barriers. In particular, the EU and the US agreed, without detracting from the existing cooperation in multilateral fora, progressively to reduce or eliminate barriers that hinder the transatlantic flow of goods, services and capital. Significant progress has been made since then: agreements have been concluded on mutual recognition of conformity assessment, on customs cooperation, on the enforcement of competition law and, in the multilateral field, on trade in information technology products and financial services.

## Looking to the future

At the London EU-US Summit of 18 May 1998, Summit Leaders gave additional impetus to efforts to remove barriers. In a joint statement on the Transatlantic Economic Partnership they identified a series of multilateral and bilateral actions to strengthen further economic cooperation, to reduce friction and facilitate trade, and to promote prosperity on both sides of the Atlantic. Summit Leaders agreed to establish a Plan, with a timeta-

ble for achieving specific results, and to take all necessary steps to allow its early implementation, including any necessary authority to start negotiations.

The European Commission immediately set to work to develop such a plan. Its aim in devising and now implementing the TEP statement was twofold: firstly, to cover those trade issues – mainly non-tariff barriers – which really matter for transatlantic business and which, if properly tackled, promise substantial new economic opportunities for our firms and consumers, and, secondly, to stimulate further multilateral liberalisation through deeper liberalisation at the bilateral level and closer EU-US co-operation in multilateral trade fora, in particular the WTO.

The Commission put forward a draft Plan on 16 September, and entered into intensive discussions with the EU Member States and the US administration in order to establish a joint Action Plan. These discussions were completed on 9 November. A number of activities to implement the Action Plan have already begun.

## What will the TEP Action Plan achieve?

In the multilateral field we are reinforcing co-operation in the run-up to the launching of a new Round of multilateral trade

negotiations through the establishment of regular and comprehensive bilateral dialogue which will build upon the shared objectives set out in the TEP (i.e. in the areas of the implementation of WTO agreements, dispute settlement, services, agriculture, trade facilitation, industrial tariffs, IPR, investment, competition, government procurement, environment, WTO accessions, developing countries, electronic commerce and labour standards).

In the bilateral field we envisage specific common actions in the fields of: technical barriers to trade; services; government procurement; intellectual property; consumer and plant health and biotechnology; environment; labour and electronic commerce. In the first four of these areas this includes formal bilateral negotiations.

## Involving people in the process

Any effort to liberalise transatlantic trade must of course respect our parallel objective of ensuring in the Transatlantic marketplace a high level of protection of health and safety, the consumer and the environment while reducing regulatory barriers to trade and investment. We are firmly committed to ensure that the concerns of the labour, business, environmental and consumer constituencies are integrated into the TEP process.



## Transatlantic facts and figures

The economic relationship between the EU and the US is of vital importance to both. The EU and the US are each other's single largest trading partner: in 1997 they traded goods worth € 279 bn - around 20% of world trade in goods. High added value goods like high-tech products account for 20% of this transatlantic trade. In 1997 EU-US trade in services - the most rapidly growing sector of the economy - accounted for over 35% of total bilateral trade at around € 150 bn.

The EU and US have by far the world's most important bilateral investment relationship, and are each other's most important source and destination for foreign direct investment (FDI). The EU is by far the biggest investor in the US accounting for 56% of total FDI stocks by 1996. At the same time 50% of FDI stocks in the EU originate in the US.

### Why this initiative?

The US and EU markets have now reached a stage where there are few significant duties and no quantitative restrictions left in the field of industrial goods. We have also opened our markets for goods and services, more than most, if not all, other countries in the world. The degree of integration of our economies is considerable.

But we witness a process similar to the one we have seen within the EU. As we dismantle the walls constituted by tariffs and quotas, we find that behind these walls there

are other walls that can and do hamper trade. Such obstacles were not so significant as long as other forms of protection applied. But now that tariffs and quotas have disappeared, we find that trade and investment flows continue to be hampered by barriers of another kind, essentially of a regulatory nature. The persistence of such obstacles is in contrast with the development of our economies.

The Transatlantic Business Dialogue (TABD) has been an important partner to the governmental parties in identifying these barriers - they, after all, are the very people

who encounter them and have to deal with them in their everyday work. If they now openly ask for their elimination with some insistence, it is not for some reasons of principle, but because they perceive that such remaining barriers are the real obstacle to the further expansion of their business.

### More information:

The text of the Action Plan can be found at: <http://www.europa.eu.int/comm/dg01/euus.htm>

The site also contains a survey of some of the remaining barriers to European trade with and investment in the US

# Cool heads, concerted action – Summit Leaders' message on the global economy

*In times of economic difficulty, experience shows that recourse to protectionism more often exacerbates rather than solves the problems. So in the wake of recent upheaval in Asia, Russia and Brazil, Presidents Santer, Clinton and Chancellor Klima were determined that a clear signal should emerge from their December Summit that there would be no closing of doors to the rest of the world. And they hailed the birth of the euro as an additional factor which would encourage stability in the global economy.*

In their joint Summit statement, the Leaders emphasised that EU and US are the two motors of the world economy and that it is, therefore, vital that they maintain their growth. That means working together and taking the lead in helping others to recover, while recognising the need for the policy mix in the EU and US which will best support economic growth, whilst

maintaining price stability.

### Keeping markets open is one key...

The Statement recalls that the EU and the US must continue to lead the way in keeping markets open, and to promote the case for further freeing of trade and investment. Ensuring transparency and predictability and maintaining public confi-

dence in the benefits of open economies requires a strong, rules-based international trade system and a strengthened international financial system. The EU and US demonstrated their commitment to promoting open markets through their Transatlantic Economic Partnership programme. And the EU's call for a further comprehensive round of trade liberalisation, now echoed

by the US, will represent the best antidote against any protectionist tendencies that may develop in the world as a consequence of the present financial difficulties.

**... as is strengthening the international financial system**

The Statement strongly points to the need for strengthening the international financial system and national financial sectors in order to capture the full benefits of international capital flows and global markets, minimise disruption and better protect the poorest and most vulnerable. It reiterates the importance of implementing recent G7 recommendations aimed at promoting sustainable growth and financial stability.

**The euro – injecting greater stability at just the right time**

The launch of Europe's single currency, the euro, on 1 January 1999 is heralded as an event of historic significance. Cutting costs, improving transparency and stimulating competition, the euro will be good for growth in Europe and creates a stroke a newly vibrant and stable player

on the global economic scene. With that in mind, co-operation between the world's two great economies assumes greater importance than ever. The Statement therefore commits the EU and US to enhanced economic dialogue and co-operation, both

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bilaterally and in the context of international institutions and fora, to ensure that the EU and US act in a coherent and constructive manner.

**Commitment to developing countries reinforced**

The Leaders recognised that

their own countries were not the only ones to be affected by emerging financial crises. They expressed concern about the serious social and economic impact faced by developing countries and emphasised EU and US readiness to work together with them in the face of their major economic difficulties. This is not to take the form simply of good economic advice: EU-US commitment to development co-operation, and their intention to ensure good co-ordination of international donor assistance to respond effectively to crises are clearly reaffirmed.

At the same time the Statement calls upon developing countries and economies in transition to continue the liberalisation of trade and to develop clear, stable and open regimes for investment, while urging the crisis-affected countries to promote sustainable recovery by pursuing full and proper economic restructuring. It expresses support for IMF conditionality as means to promote sound macroeconomic policies.

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## Talks underway to protect privacy rights

*With increasing amounts of information about individuals held electronically by governments and companies, it's obviously vital to ensure that individual citizens have rights with regard to how confidential or sensitive information about them will be used and who has access to it. None of us, after all, wants our credit ratings, credit card numbers, medical records or other personal data available to every Tom, Riccardo or Heinrich with a PC. But different approaches to privacy in the EU the US could cause problems...*

The European Union has painstakingly agreed EU-wide standards which simultaneously protect European citizens' fundamental rights whilst ensuring that legitimate flows of data between EU Member States are not blocked. This approach provides a high level of protection for EU

citizens and it took effect within the EU on 25 October 1998.

**US voluntary approach may cause difficulties**

The US currently has different mechanisms for protection of individuals' rights and concerns have been expressed by the US

Administration that problems may arise as a result. Because the EU legislation stipulates that data may be transferred only to non-EU countries that also have an adequate protection of the personal data, then it may be that flows of data from the EU to the US could be impeded in certain

circumstances.

Of course, the flow of data between the EU and the US is extremely large and any interruption in the transfer of data could have serious consequences. So, in order to secure an uninterrupted flow between the EU and the US without compromising levels of protection, an intensified dialogue between the Commission and the US Administration has been set up to find a so-

lution.

### **Ensuring Citizens' right to privacy**

As we went to press, talks begun last year between Commission Internal Market Director General John Mogg and US Department of Commerce Under Secretary David Aaron were being intensified further to ensure that the issue is resolved as soon as possible. The Commission is

firmly committed to ensuring that EU citizens continue to enjoy their right to privacy, whilst at the same time trying to make sure that data keeps flowing across the Atlantic. Good progress has been made: but there are still a number of outstanding issues. Our aim is to reach an arrangement with the US within the next couple of months.

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## EU gives cash boost to EU studies at US universities

*At ten universities across the US the blue flag with gold stars flutters above a new institution on the campus – a Centre of European Union Studies.*

Aiming to give a boost to academic study and research in an area of growing interest for US analysts and decision makers, the European Commission last year launched a competition for grants of up to €184.000 (\$200.000) each to be awarded to academic institutions for the establishment of an EU Centre offering innovative programmes of EU-US exchanges, teaching and research on the EU.

### **Overwhelming response**

"We were hugely impressed at the positive response to this initiative," says Eric Hayes head of the Commission's unit for relations with the US. "Almost 150 universities contacted us for details within days of the announcement of the grants and we then received over 70 detailed proposals. It's just a pity that our funding limits meant that we could award grants to only ten. Choosing between the excellent proposals was tremendously difficult."

After an in-depth scrutiny of all of the bids, the Commission's Selection Board, headed by Ambassador Hugo Paemen, head of the European Commission Delegation to the US, chose the ten universities which host the new EU Centres. "It was important

to us," he says, "to support entirely new programmes such as those in Georgia, California and Missouri as well as allowing new concentrations in existing centres of excellence in the field such as Pittsburgh, Washington, New York and Harvard. It's a geographically diverse group too: North Carolina, Wisconsin, and Illinois will host Centres, proving conclusively that the European Union is not just a "beltway" interest."

### **New opportunities**

Each EU Centre has designed its own programme to meet the needs of the community which it serves. They provide a wide variety of new courses in areas ranging from national identity in the EU, through EU agriculture policy to European gender issues. Centres are hosting eminent visiting European scholars and are funding new research opportunities for American graduate students who want to specialise in EU studies, including travel to the EU and direct contacts with EU policy-makers in their field of research. And with additional funding to the European Community Studies Association of the United States to organise co-operative activities, the programme is cre-

ating a strong network of specialists which will serve the wider academic community in the US.

### **Hitting the ground running**

The Centres only began work at the beginning of the academic year. But the energy and enthusiasm of Centre Directors means that they are already having an impact. At the recent mid-year review of the programme in Washington, all the Centres reported rapid implementation, with courses started, research being done, visiting scholars in place and levels of student interest high. With the profile of the EU in the US becoming ever higher, especially following the successful launch of the euro, this EU initiative is clearly meeting a real need.

### **A resource for all Americans**

But the Centres have a much wider role than the purely academic pursuits. "We were particularly attracted by proposals which were imaginative and innovative in the use of new technology, and in those which showed a strong commitment to building up partnerships with the local community outside the university campus," says Hayes. "Reaching out to the business, journalistic, political and educa-



tional communities will be a vital part of each Centre's mission. It's essential that all Americans – and not only professional academics – learn more about a dynamic, changing European Un-

ion which is America's most important ally and partner.”

*More details, including a full list of the new EU Centres on the Commission Delegation's website at <http://www.eurunion.org/> and at the EU Centres Network website <http://www.eucenters.org/> which contains links to each of the individual Centre's sites.*

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## Consumers take on transatlantic challenge

*Over 625 million consumers make up the transatlantic market. They - or more accurately, we - are the people who buy, use and benefit from the billions of euros of goods and services which flow across the Atlantic each year. But until recently organisations representing consumers' interests didn't have a structured way of making joint input into Transatlantic decision-making.*

That all changed with the launch in Washington D.C. on 25 September of the Transatlantic Consumer Dialogue – or TACD. An initiative which from its earliest days has enjoyed the strong support of the European Commission, the TACD brings together leaders of the consumer movement from all over the EU with their counterparts in the US. They are working together on issues of concern to consumers on both sides of the Atlantic: issues like food safety; internet trade and data privacy; product standards and labelling. And they will ensure that consumers' concerns reach the ears of decision-makers as they try to reinforce transatlantic trade and investment.

### **Support at the highest political level**

The TACD inaugural meeting, which was funded by the European Commission together with USIA, brought together over 50 senior representatives of consumer organisations in each of the EU member states and the US and was also attended by Commission Vice-President, Sir Leon Brittan, Horst Reichenbach, the Commission's Director-General for Consumer Affairs and Stu Eizenstat, Under-Secretary for Economic Affairs

at the US Department of State. The meeting discussed a whole range of issues which will be on the future agenda of a dialogue

It is precisely so that Europeans and Americans can learn from one another's experience that this type of contact is encouraged so strongly by the Commission.

which will become a permanent structure of the New Transatlantic Agenda process.

The debate was often lively. Different traditions of activism and different philosophies within both the EU and the US ensure that this will be no bland talking-shop. But the diversity of the consumer movement is one of its strengths. It is precisely so that Europeans and Americans can learn from one another's experience that this type of contact is encouraged so strongly by the Commission. And the systematic co-operation which already exists at the EU level between Euro-

pean consumers gives them insights into common agenda-setting which many American participants found applicable even in their very different context.

Since the launch, TACD members have been hard at work developing joint positions on electronic commerce, food safety and the New Transatlantic Agenda process. Leading consumer figures from both sides of the Atlantic participate in working groups devoted to each of these issues and their conclusions will be discussed at a major TACD Conference to be held in Brussels 23-24 April.

### **Sir Leon Brittan underlines importance of TACD**

“The TACD will be addressing a good many of the very thorniest of issues which confront us: GMOs and food safety; electronic commerce and data privacy; drug safety, the multilateral trade agenda,” said Commission Vice-President Sir Leon Brittan, speaking at the launch of the TACD. That is precisely why the European Commission has attached such importance to the setting-up of the dialogue. Sir Leon went on: “We in the EU are becoming ever more aware of the need to ensure that citizens' groups are closely involved in the

international processes which affect them directly... so in our negotiations on EU-US trade and in EU-US co-operation on international trade negotiations, I am constantly aware of the need to achieve a balanced deal... which genuinely extends consumer choice and at the same time maintains our high levels of consumer protection."

The European Commission has long been committed to consulting European consumers on its own agenda. This transatlantic initiative builds on that experience, and is intended by the Commission to be just the first of a number of structured dialogues between citizens' groups on both sides of the Atlantic under the "People to People" head-

ing of the NTA.

#### **More information:**

*In the EU : Consumers International (<http://www.consumersinternational.org>), European Commission (<http://europa.eu.int/comm/dg01/euus.htm>)*

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## TIES: putting internet technology at the service of the citizen

*Do you want to take part in an transatlantic internet forum on environmental issues ? Trying to locate non-governmental organisations which are working on the same field as yours on the other side of the Atlantic?*

*Searching for funding for a non-governmental transatlantic project? Americans looking for their European family roots?*

Then direct your internet browser to TIES (<http://www.tiesnet.org/>) – the Transatlantic Information Exchange Service. Run by non-governmental organisations in the EU and US, TIES is an interactive megasite which is a resource for NGOs and individuals interested in building bridges between ordinary people on both sides of the Atlantic.

#### **An initiative coming from the "grassroots"**

The TIES project was conceived at a major transatlantic "People to People" conference in May 1997, where people interested in using the internet to promote transatlantic exchange were brought together by the European Commission and the US Administration. After further development of the concept and presentation of a pilot version to President Santer and President Clinton at the December 1997 Summit, the TIES website was formally launched in May last year at a ceremony at the European Commission's Office in London, with the co-operation of the UK Presidency of the EU.

Since then it has attracted a huge number of visitors and is

building up a database of organisations interested in transatlantic exchange and co-operation. The site provides not simply information, but also the means of exchanging ideas and proposals



TIES is the first of its kind and is at the crossroads of three major trends of the next decades: internet; transcontinental cooperation, and civil society empowerment in international relations.

which could lead to concrete transatlantic co-operation. Specific thematic interests are catered for by "sections" on environment, civil society, education, senior citizens and others.

#### **Meeting new challenges**

New challenges for the project were identified at a TIES Workshop, held in Atlanta, Georgia in January this year. Besides reinforcing and adding to the number of thematic sections, TIES set itself ambitious targets for increasing the user-base, improving the user-friendliness of the site, providing greater interactivity, mobilising sponsorship from the private and foundation sectors, and linking in with other New Transatlantic Agenda initiatives.

As TIES president, Franck Biancheri puts it: "TIES is the first of its kind. TIES is ... at the crossroads of three major trends of the next decades: internet; transcontinental cooperation, and civil society empowerment in international relations. TIES is opening a new way to build "people to people" transcontinental cooperation." We hope that many readers will visit and use TIES themselves and join in this process.

#### **More information:**

*Visit the TIES website at <http://www.tiesnet.org/> or e-mail [info@tiesnet.org](mailto:info@tiesnet.org)*

# The Transatlantic Legislative Dialogue

*The 50th Meeting of Delegations from the European Parliament and the United States House of Representatives took place on 15 and 16 January 1999 in Strasbourg. Among the many significant items on the agenda was one of particular importance for the overall structure of transatlantic political links: the **Transatlantic Legislative Dialogue**.*

This initiative follows the conclusions of the 49th EP-US Congress meeting which took place last year in Houston, Texas. On that occasion, criticism of the 'Democratic Deficit' in Transatlantic relations led to the adoption of an innovative proposal for enhanced European Parliament – US Congress co-operation. This document called for reflection on the possibility of creating a de facto 'transatlantic assembly', and requested closer involvement of legislative organs in EU-US relations.

Following this call, and after successive improvements, the TLD proposal was finally adopted at the subsequent meeting of both delegations in Strasbourg, France. TLD aims to strengthen and enhance co-operation between European and US legislators. It constitutes therefore the formal response of the EP and the US Con-

Criticism of the 'Democratic Deficit' in the Transatlantic relations led to the adoption of the original proposal from which the TLD stems.

gress to the call for action in this area which was contained in the New Transatlantic Agenda.

In practical terms, the initiative foresees the establishment of a series of additional contacts, including biannual teleconferences, the appointment of committee liaison persons, and the setting up of a dedicated website.

Also very important are the planned measures to increase participation of the two legislatures in

the biannual EU-US Summit process, in particular through structured periodical contributions to the "Senior Level Group's" work. As the proposal says, this would allow the legislators 'to have an indirect influence in the Summit process'

Through these and other measures, the ultimate achievements of TLD would be to add 'a new level of democratic oversight' to the Transatlantic relationship, and at the same time to serve as a forum for dispute prevention in sensitive areas.

Sir Leon Brittan has explicitly welcomed the Legislative Dialogue, and the Commission services have already undertaken co-operation with the EP to support this Initiative.

*More information about the European Parliament at <http://www.europarl.eu.int/> and about the US Congress at <http://www.house.gov/>*

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## Also at the Parliament...

*... a public hearing on Extraterritorial laws as unilateral sanctions took place on 24 June 1998, in Brussels. The event included an interesting exchange of views on the May 1998 EU/US Agreement on US extraterritorial law.*

Organised on the initiative of Mrs. Castellina, Chairman until recently of the External Economic Relations Committee of the EP, the hearing included interventions by Mr. Erik Derycke, Minister for Foreign Affairs of Belgium, senior government officials, experts and journalists. The debate focused on the Helms-Burton ex-

traterritorial legislation and in particular on the agreement reached at the May EU-US summit. Some of the speakers criticised the agreement, evoking the risk that it be interpreted as a change of EU policy on extra-territoriality. *The elimination of extra-territorial laws must remain our objective*, said Mr. Derycke. The Commission's represen-

tative, Mr. Gunnar Wiegand (Commission's deputy Head of the Unit for relations with the US), reiterated that the EU had not varied its position against extra-territorial sanctions. In fact, the Agreement is in line with recent signs from within the US showing a growing trend in favour of reviewing this country's sanction policy.



# European Parliament welcomes TEP

*The European Parliament adopted on 18 November 1998 a resolution on the Transatlantic Economic Partnership (TEP), welcoming the initiative and giving its views on a number of other important aspects of EU-US relations. Drafted on the basis of a report prepared by MEP Ms Erika Mann, the resolution contains a detailed inventory of the EP's positions and concerns in this area.*

The EU's relations with the United States have always figured high on the agenda of the European Parliament. Apart from this text, during 1998 the Parliament adopted two other resolutions welcoming the progress achieved in Transatlantic Relations.

However, the resolution on the TEP is particularly complete and far-reaching. In its 49 points, the resolution analyses the different areas in which TEP is going to operate and sets out the EP's views on each of them.

While welcoming the initiative to set up a comprehensive framework for elimination of barriers to trade contained in the TEP, the adopted text raises a number of issues of concern to the EP. It underlines the importance of a comprehensive relationship with the US encompassing trade, economic, security and defence relations. It regrets the changes made on the Commission's earlier proposal for a New Transatlantic Marketplace - changes which the EP said resulted in a 'piecemeal' approach

to negotiations, preventing thus the EP 'from exerting direct influence on their substance'.

On formal trade negotiations, the EP stresses the need for progress in the areas of technical barriers to trade, GMO-free and organic foods, opening of markets for government procurement and inclusion of environmental and animal welfare considerations in the agreements.

The resolution underlines the importance of a comprehensive relationship encompassing trade, economy, security and defence.

On co-operative actions, the resolution invites both sides to work together within multilateral organisations and particularly in the WTO. It stresses the need for

progress in areas such as prudential rules for financial enterprises, promotion of core labour standards and regulatory co-operation.

Democratic accountability is another crucial concern for the EP. To this end, it demands adequate involvement in all transatlantic initiatives, and closer EP - US Congress relations. The recently launched TLD (*see article on preceding page*) is an important step forward along these lines.

Finally, the resolution also condemns in very clear terms the US threats to impose unilateral retaliation measures on the EU because of the trade dispute on bananas, and calls the US Administration to refrain from taking any such action. Further to this determined position, the EP has very recently adopted a new resolution (11 February 1999) stating its strong support for the Commission's approach in this dispute and asking it to continue to defend the EU interests.

*EP Website: <http://www.europarl.eu.int/>*

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## ...and so does the Economic and Social Committee

*The ESC has also adopted a positive Opinion on the Transatlantic Economic Partnership.*

On its 9-10 September 1998 Session, the ESC (an EU institution bringing together representatives of different sectors of civil society to give expert advice to the EU on its legislation) adopted an own-initiative Opinion on the TEP.

The Opinion welcomes the

initiative, although it regrets its 'focus on trade alone'. The ESC recommends more emphasis on social, environmental and consumer issues.

Other key concerns of the ESC contained in the Opinion are the creation of stable jobs with adequate social protection, the

need for US compliance with its environmental obligations, and the call for progress in the area of co-operation in overseas aid.

*More information about the ESC objectives and activities can be found at <http://www.ces.eu.int/>*

# €h?

*Readers in the US (and perhaps even some in Europe) might have been puzzled to see the “€” sign scattered throughout this publication. You will have guessed that it’s a unit of currency, but you may not know what it is or what it’s worth.*

“€” is the euro – an entirely new international currency born on 1 January 1999. It replaces the national currencies of eleven EU states (Austria, Belgium, Finland, France, Germany, Ireland, Italy, Luxembourg, the Netherlands, Portugal, Spain), although their national notes and coins will remain in circulation for an interim period until after the intro-

duction of euro notes and coins on 1 January 2002. It also replaces the EU’s accounting currency, the ECU (European Currency Unit).

The euro is a real currency – you can hold a euro bank account and make transfers in euro, trade in euro bonds, and buy and sell equities denominated in euro. It’s traded on the world’s cur-

rency exchanges and is currently worth around \$1.13.

EU-US News will carry more news about the euro, and particularly its importance for the US, in future issues. Meanwhile, anyone interested in knowing more about this hugely important milestone in European integration should direct their browser to:

<http://europa.eu.int/euro/>

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## Commission proposes labelling help for US exporters

*American exporters to Europe will continue to be able to label goods with American as well as international units of measurement until 2009 if a recent European Commission proposal is accepted by the EU’s Member States.*

Since 1875, the international community has been trying to get a single system of weights and measures adopted for international use. The metric system which was adopted, based on the metre, the gramme and the litre, is used widely and is compulsory for all labelling in the EU. But continued American affection for the inch, the pound and the gallon means problems for US exporters. Since 1980, the EU has accepted that products could be

labelled using both systems, but this was conceived as a transitional measure – “dual labelling”, which can be confusing for the consumer, was due to be phased out by the end of 1999.

The expiry of the transitional period seemed likely to produce problems for some US exporters, who still have to produce non-metric labelling for products destined for the US market. It would have meant producing metric-only labels and product

information for products destined for the European market and separate dual-labelled products for the domestic market. The European Commission has therefore proposed to extend the transitional period for another 10 years – although Martin Bangemann, Commissioner responsible for the measure expressed the hope that the US would itself adopt the international system, in line with its 1875 commitment.

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## European Commission sets out options on hormones

*In an initiative designed to prevent an unnecessary confrontation with the United States and Canada, the European Commission has set out to the EU’s legislature (the Council and the Parliament) three options for next steps on the issue of hormones.*

Much of the beef in the United States is produced with the help of growth-promoting hormones. Since 1989, the use of such hormones has not been permitted in the EU due to con-

cern over the implications for public health. There has also been a ban in place on imports of meat produced abroad using these growth-promoters. The World Trade Organisation Ap-

pellate Body found last year that the existing scientific evidence was not specific enough to justify the ban on importing hormone-treated meat. It gave the EU until 13 May 1999 to comply with

this ruling. The EU acted quickly to commission a series of new scientific studies and a complementary risk assessment. But the results which will enable the EU to take a final decision will not be available until later this year or early in 2000.

So, in order to ensure that in the meantime the EU acts entirely in line with its WTO obli-

gations after 13 May 1999, and in so doing avoids unnecessary confrontation with the US, the European Commission has set out three options for the Council and Parliament to consider before then. The options are: paying compensation through trade concessions; transforming the ban on imports into a temporary one on the basis of available per-

minent scientific evidence, or lifting the ban on imports and applying a suitable labelling scheme. EU-US talks at senior official level started in early March and will explore these options in order to avoid a situation like that on bananas.

More information at: <http://www.europa.int/comm/dg01/hormen.htm>

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## EU moves to protect environment from aircraft

### noise – US set to resist

*The issue of aircraft noise has recently come to the forefront of EU-US relations, following the tabling of a draft EU Regulation restricting the use of hushkits (a device fitted to make older aero-engines limit noise emissions).*

Environmental protection is a high priority for the EU, and this includes the environmental issues raised by air transport. Unlike the US, the EU is one of the world's most densely-populated regions and European airports are often of necessity situated close to densely populated urban areas. This means that aircraft noise is one of the hottest topics on the EU agenda – and plans to expand airport capacity regularly run up against strong local opposition on the grounds of noise pollution.

The EU has therefore made a political commitment not to increase the number of people affected by aircraft noise after 2002. With this in mind, the European Commission has proposed a Regulation designed to improve the environmental performance of aircraft in terms of noise reduction, fuel efficiency

and pollution. It will achieve this by ensuring that there will be no increase in the number of old-technology aircraft operating in the EU after 2002.

#### US industry pressures Administration

However, the US maintains that this Regulation would freeze the number of US aircraft equipped with hushkits or with engines with a low by-pass ratio operating in the EU and prevent such aircraft operated in the US from being sold to non-EU airline companies operating in the EU. US industry has exerted significant pressure on both Congress and the Administration to act on a number of fronts to press the EU to withdraw its regulation which, according to the US, is driven by trade rather than environmental considerations.

#### EU urges progress in international talks

That is an assertion that the Commission strongly contests. This is not a trade measure, and it does not in any way discriminate against products originating in the US such as used aircraft, hushkits or engines with a low by-pass ratio. Indeed, precisely to avoid any problems of this type, the EU has made every effort in the International Civil Aviation Organisation (ICAO) to get international agreement on standards for noise levels – standards which have not been updated since 1977. But pressure from the US meant that between 1995 and 1998 all progress on the issue was blocked.

Whilst bilateral discussions continue, the EU remains committed to working together with the US in the ICAO to get international agreement on noise certification standards.

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## EU-US Website: improvements in the pipeline

The European Commission's Europa webserver (<http://europa.eu.int/>) is well-known as a vital source of information for anyone interested in the European Union.

Part of the site (at <http://europa.eu.int/comm/dg01/>) is dedicated to EU-US relations. Although it is already full of useful information and source documents, we are working hard to

make it more user-friendly and to expand the range of information available on it. Visit it regularly over the next few months and please send us any suggestions for improvements to it.



# The last word...

Reading EU-US News, you will have noticed references to a number of “dialogues”: the Transatlantic Business Dialogue, the Transatlantic Labour Dialogue, the Transatlantic Consumer Dialogue, and so on. And, given Europeans’ love of catchy acronyms, you will have seen that we know them by their initials: TABD, TALD, TACD... (never again assert that bureaucrats lack imagination)

But why, you might ask, are consumers, organised labour, and business the only ones to get these dialogues? What about other groups which might want to establish links across the Atlantic?

Well, as in any well-managed enterprise, the key is the establishment of clear priorities. We just don’t have the resources to stimulate and support an infinite number of these dialogues – so we have to choose according to carefully and clearly-defined criteria. The European Commission is well-known for its commitment to complete transparency in all its dealings, and so, as a service to readers who might be interested in helping us launch such a dialogue here is a guide to the criteria which we in the Commission use to decide on whether or not to support dialogue proposals.

## Criterion 1: alphabetical order

If you’re clever, you will have noticed that Business, and Consumer dialogues already exist. It will therefore come as little surprise that next in the pipeline are Development and Environment dialogues. Have you spotted the pattern?

No dialogue uses “A” (as in “TAAD”), primarily for aesthetic reasons. But from B onwards, dialogues are prioritised strictly according to alphabetical order. The way is open for fishermen (or, more correctly, fisherpersons), foresters, falconers and fetishists to propose dialogues immediately; the year 2000 will be reserved for golfers, gerontologists, goldsmiths, gerrymanderers, geneticists (but, on this one, see criterion 3 below). And so on. Sadly, xylophonists, yodellers and zoologists should put their plans on hold for the time being.

## Criterion 2: euphony

Having considered suggestions in line with the first criterion, further narrowing-down is achieved by considering the euphoniousness of the both of the acronym and of the full title (our American readers will understand that aesthetics is very important to Europeans). The difficulties here are compounded by a lack of transatlantic harmonisation over the pronunciation of the acronyms: our US colleagues refer to the “tab-dee, tac-dee” and so on, whereas we more wordy Europeans spell out the initials on each occasion “tee-ay-bee-dee” etc.

Sadly, transatlantic xylophonists, yodellers and zoologists should put their dialogue plans on hold for the time being at least...

For the moment, TAFD and TAGD seem unlikely to cause problems, but a real question-mark hangs over the acceptability of any “TAHD” proposal, for obvious aesthetic reasons. Similarly, any TAID proposal may fall foul of this criterion, given the rather unattractive diphthong and the difficulties of liaising elegantly (using the European pronunciation method) between “ay” and “aye” (as in tee-ay-aye-dee, which could all too easily degenerate into “tee-ay-yaye-dee”).

It is not excluded that two dialogues could share the same third initial – but for the sake of clarity additional letters have to be added: TADD (Transatlantic Donors’ Dialogue); TADevD (Transatlantic

Development Dialogue). Again, the elegance of any such compound acronym would have to be taken into account. TAFishD might be acceptable: TAFetD would be unlikely to survive the scrutiny of our euphoniousness monitors.

## Criterion 3: helping us out of a corner (No! don’t be too transparent: Ed.) Soundness of policy positions (much better: Ed.)

For obvious reasons, and on entirely objective grounds, a “transatlantic bananas-exporters’ dialogue”, even in the - frankly unlikely - event that it were to pass the second test, might find that the Commission’s resources sadly did not stretch to supporting it this year. Ditto (but more so) any proposal for a “transatlantic genetically-modified-food-producers’ dialogue”.

On the other hand, a “transatlantic quiet-aircraft-manufacturers’ dialogue” or a “transatlantic sweet-and-tasty-Caribbean-banana-lovers’ dialogue” would clearly provide a balanced and helpful input into the transatlantic policy-making process and would be high priorities for Commission support.

## In conclusion...

No doubt, the US Administration has its own criteria for making its judgements – we look forward to seeing them. Meanwhile, it is obvious, in view of the enthusiasm for these dialogues, that consideration needs to be given to the creation of a “transatlantic under-valued organisers of dialogues’ dialogue”.

Now *there’s* a proposal which clearly comes from the heart...

## EU-US News Volume I, number 1

Your comments, questions and other input are most welcome. To let us know what you think of EU-US News, or to ask us to add someone to our mailing list, please contact us, preferably by e-mail.

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