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STATEMENT OF THE EUROPEAN UNION AND THE UNITED STATES ON SOUTH EAST EUROPE

At a time when democracy is taking root throughout the region and when it should be consolidated for the benefit of all, the very successful cooperation between the European Union and the United States in the South East Europe region must continue to be close and sustained.

The year 2000 began with democratic change in Croatia. It comes to a close with the victory of democratic forces in the Federal Republic of Yugoslavia. These are heartening developments that offer significant new prospects to all of the countries of the region.

Recent historic changes pave the way for regional reconciliation and cooperation. They allow all the countries in the region to establish new relations that are beneficial to each of them as well as for the stability of the region, the development of their economies, and peace, prosperity and stability on the European continent. They give a fresh impetus to a policy of good neighbourliness based on the negotiated settlement of disputes, respect for the rights of persons belonging to minorities, respect for international obligations, including vis-à-vis the International Criminal Tribunal for Yugoslavia, the lasting settlement of the issue of refugees and displaced persons and respect for the international borders. They reinforce regional security and should promote the conclusion by the countries concerned of negotiations for weapons control and reduction at regional level, as envisaged by the Dayton Agreements.

We give our full support to this process of reconciliation and regional cooperation, which offer new prospects for the countries in the region. We welcome the results of the Zagreb Summit on 24 November. The Summit underlined the connection between the progress of the countries of the region towards democracy, the rule of law, regional reconciliation and cooperation, on the one hand, and the rapprochement of each of these countries with the European Union on the basis of an individual treatment, in the framework of the European Union's Stabilisation and Association Process, on the other hand. In this regard, we welcome the commitments undertaken by the five countries of the Stabilisation and Association Process in the Zagreb declaration.

We also emphasize the importance of the Stability Pact for South East Europe as a means to accelerate the integration of the region into the Euro-Atlantic mainstream. The inclusion of the FRY in the Stability Pact will make it possible for the Pact to reach its full potential. The Stability Pact deserves our continued political and financial support. We welcome the call of the High Level Steering Group, which met in Paris on 14 November 2000, to organise a second Stability Pact Regional Funding Conference as early as feasible in 2001.

The European Union and the United States have mobilised considerable resources to support the consolidation of democracy in the FRY. We look forward to continued democratic progress in Serbia's elections on 23 December. We also welcome the initiative shown by the European Commission and the World Bank in hosting the donors' coordination meeting on 12 December 2000, in response to the most urgent needs of the FRY/Serbia. The European Commission and the World Bank should ensure that, in the framework of the High Level Steering Group, the efforts being made by Europe, the United States and all the other donors are coordinated and contribute to the consolidation of democracy and to the economic development of that country. We welcome the decisions already taken by the High-level Steering Group at its meeting in Paris on 14 November 2000, in particular to pursue a funding conference for the FRY as early as feasible in 2001.

We strongly condemn the outbreak of violence in the Presevo area of southern Serbia, and call upon all parties to exercise maximum restraint and to resolve differences exclusively through peaceful, transparent dialogue.

We welcome the progress made in Kosovo in the implementation of UNSC Resolution 1244: the setting up of an interim administration has taken place in a satisfactory manner, reconstruction is continuing, municipal elections have taken place in a peaceful and democratic fashion and security conditions have improved. We vigorously condemn the use of violence, any form of extremism and any act, which makes the co-existence of communities more difficult and which adversely affects regional stability. We fully support the right of all displaced Kosovars to return in peace and security. We confirm our full support for the implementation of Resolution 1244. In this regard, we fully support the efforts of the UN Special Representative of the Secretary General to establish democratic, self-governing institutions in Kosovo based on clearly enunciated principles in accord with Resolution 1244.

We thank and congratulate Mr Kouchner for the remarkable work he has done in difficult circumstances. We welcome the action jointly carried out by UNMIK and KFOR. We pledge our full support for Mr. Haekkerup who has recently been appointed the UN Secretary General's Special Representative in Kosovo.

In Bosnia and Herzegovina we welcome the constructive contributions of the High Representative and of SFOR to the building of a functioning State. We note with satisfaction that those parties committed to Bosnia and Herzegovina's European orientation received the majority of the votes in the recent general election. We expect the new authorities to demonstrate their commitment to Bosnia and Herzegovina's European reform agenda by taking the necessary urgent actions on key political and economic issues. Any government, at State or Entity level, must base its action on strict compliance with the Dayton Agreements and the ensuing obligations, in particular the conclusions of the Ministerial Conferences for the implementation of those Agreements.

We welcome the continued progress made elsewhere in the region. However, we are concerned at increased political violence in Albania and support the Albanian Government's efforts to uphold the rule of law.

We call upon all States in the region to continue and intensify efforts to resolve bilateral differences and internal ethnic minority issues exclusively through peaceful, democratic dialogue, and to show full respect for international obligations including cooperation with the the International Criminal Tribunal for Yugoslavia.

DECLARATION BY THE EUROPEAN UNION AND THE UNITED STATES ON THE RESPONSIBILITIES OF STATES AND ON TRANSPARENCY REGARDING ARMS EXPORTS

The European Union and the United States share a common vision on the question of arms export controls. That is why we have decided to work jointly to encourage all arms exporting countries to adopt the principles and degree of transparency which we apply to our own exports. We are agreed that we have special responsibilities in this respect. Accordingly, together we will pursue the promotion of these principles with rigour and seriousness of purpose.

The European Union expressed, very early on, its determination to promote common high-level standards in this field with the adoption in 1991 and 1992 by the Luxembourg and Lisbon European Councils of the first set of common criteria for arms exports. The adoption in 1998 of the EU Code of Conduct for arms exports was a new step forward as it introduced a mechanism for notifications and consultations, the only one of its kind. Since its entry into force in June 1998, the Code of Conduct has helped to increase significantly the level of transparency in arms exports and to promote convergence of the national arms export policies implemented by Member States. The European Union encourages other countries to adhere to the principles of the code of conduct and welcomes the fact that 17 countries have declared they would apply these principles to their own export decisions.

The United States, for its part, maintains comprehensive national arms export control policies, including registration of manufacturers and exporters of defence articles and services subject to U.S. jurisdiction, wide-ranging controls on exports of defence services, manufacturing licenses, technical assistance and brokering transactions, rigorous case-by-case review of applications or other requests for approval, requirements for U.S. government consent for retransfers of U.S. origin defence articles and services, and effective enforcement measures including a vigorous programme of pre- and post-shipment monitoring of U.S. arms transfers. The United States has also supported efforts to strengthen international and multilateral controls involving greater responsibility, transparency and restraint. The United States has welcomed and expressed its strong support for the principles embodied in the EU Code of Conduct for Arms Exports, which are consistent with the U.S. arms transfer policy criteria. In furtherance of these policies and efforts, the United States has recently proposed the development and negotiation of an "international arms sales code of conduct" as a means of promoting principles and practices of responsibility, transparency and restraint on a wider international scale.

In deciding to collaborate in the promotion of these principles regarding arms exports, the European Union and the United States reaffirm the right of States to acquire the means of self-defence, consistent with the UN Charter. Implementation of stringent and responsible controls by exporting States is a sine qua non for the acceptable conduct of arms exports. The efficiency of such controls is enhanced by a close dialogue between the licensing authorities and the exporting companies.

We reaffirm the fundamental importance we attach to the promotion of democracy and the respect for human rights. For this reason, we deem it crucial to avoid export of military equipment when there is reason to believe that it will be used for internal repression or violation of internationally recognised human rights and fundamental freedoms.

We also stress that arms transfers should not contribute to or result in excessive or destabilising arms accumulations, regional instability, armed aggression, the precipitation, escalation or aggravation of internal or interstate conflicts, proliferation of weapons of mass destruction and missiles capable of delivering them, international terrorism, or in arms diversion. We reiterate the fundamental importance of respect, by all countries, of international commitments, in particular arms embargoes imposed by the United Nations Security Council and other competent international bodies.

Illicit trafficking and diversion of military equipment are also serious concerns. We will continue to exercise particular vigilance with regard to exports of small arms and light weapons. We adopted a joint declaration on "Common Principles on Small Arms and Light Weapons", on 17 December 1999, which encompasses these standards. We support the Moratorium and the Code of Conduct adopted by ECOWAS in 1999 and assert our intention to respect the Moratorium's principles when examining export applications at the national level.

In this context, the European Union and the United States have decided to act jointly to encourage all arms exporting countries to submit their export decisions to rigorous criteria and to greater transparency. In particular, we commit ourselves to promoting the highest possible standards of conduct and enhanced export control practices based on our shared principles of responsibility, transparency and restraint, including:

- implementation of stringent national controls over exports of arms and military equipment, and of related technologies;

- authorisation of exports of arms and military equipment, and of related technologies only after an in-depth review of the internal situation of the buyer country and of the regional context in order to assure that such exports are not likely to create or heighten internal tensions or conflicts, to be used for the violation of human rights, to threaten peace and regional stability, or be diverted or re-exported in undesirable conditions; and
- promotion of transparency by regularly circulating public information at the national level on authorised arms transfers and supporting expanded transparency regarding arms exports in the competent international fora, including the United Nations Register of Conventional Arms, the OSCE and the Wassenaar Arrangement.

The European Union and the United States affirm their commitment to work together to promote the aforementioned principles and enhanced export control practices.

STATEMENT OF THE EUROPEAN UNION AND THE UNITED STATES ON COMMUNICABLE DISEASES IN AFRICA

At the Queluz Summit on 31 May 2000 the EU and the U.S. made a commitment to help stem and roll back the spread of HIV/AIDS, malaria and tuberculosis in Africa, and to address their severe economic, social and personal consequences. The scope of the problem requires a multi-faceted approach and the mobilisation of significant resources. As proof of this commitment, the EU and the U.S. have dramatically increased financial resources dedicated to combating these scourges. Together we are now waging the battle against these diseases on all of the major fronts.

The EU and the U.S. agree that the response to HIV/AIDS, tuberculosis and malaria must be placed within a broad multisectoral framework of development aiming at the overall objective of alleviating poverty and to ensure a lasting impact of any specific action to combat HIV/AIDS, malaria and tuberculosis. The EU and the U.S. call upon countries to address and incorporate fully the health and development implications of HIV/AIDS, tuberculosis and malaria in the elaboration of their poverty reduction strategies and programs.

The EU and the U.S. plan to coordinate among the appropriate institutions and organisations at the global and regional level in order to ensure that all aspects of the response are endorsed by relevant stakeholders.

The EU and the U.S. are working to ensure that governments, institutions and civil society, including NGOs and the private sector, fully participate in these efforts.

Diplomatic Cooperation in Africa

The EU and the U.S. participate together in donor coordination groups across Africa, assessing local needs and capacities and developing diplomatic and public awareness strategies. EU and U.S. diplomats have successfully encouraged African leaders to speak openly about the threat of HIV/AIDS, to set national priorities, to establish high level governmental coordinating mechanisms, to establish broad health sector and action plans to strengthen regional, national and local capacity to deliver health services and treatment, and to commit resources. We are making great strides in ensuring that our diplomatic activities are responsive to the needs and priorities of host countries, and complement the activities of other donor partners.

- Regular high-level coordination involving the EU the U.S., other donors and host governments has been established in several African countries. Similar coordination is proposed throughout sub-Saharan Africa.

Development Assistance Cooperation

The EU and the U.S. are working together in planning and implementing country activities that are responsive to the needs and priorities of countries and regions. This assistance is being placed within national and regional health and development frameworks.

- The EU and the U.S. are collaborating in sub-Saharan African countries to support health policies and activities aiming at preventing the expansion of the diseases and at caring for and supporting people with HIV/AIDS, malaria and tuberculosis and those close to them.
- The EU and the U.S. are enhancing their support for national health and other sector plans and policies. This support can take the form of a general support, either direct or through budget, or by supporting specific elements of those plans and policies for combating HIV/AIDS, malaria and tuberculosis, for example training, provision of commodities such as condoms and test kits, and improving access to interventions that reduce mother-to-infant HIV transmission.
- Under the enhanced HIPC initiative, the EU and the U.S. will work together in close collaboration with national authorities of selected countries to identify mechanisms for the utilisation of debt relief towards comprehensive social programs responding to the challenge of HIV/AIDS, tuberculosis and malaria.
- The EU and the U.S. will set up a working group to identify and take advantage of their respective comparative advantages in supporting procurement and the provision of technical assistance.

International Partnerships

The EU and the U.S. jointly support multilateral HIV/AIDS initiatives such as UNAIDS and the International Partnership against AIDS in Africa. The EU and the U.S. continue to support the Roll Back Malaria Initiative and the Multilateral Initiative on Malaria, as well as coordinating our assistance to the Stop TB Initiative and the TB Coalition.

The EU and the U.S. support new innovative partnerships to increase the availability and affordability of global public goods.

Research cooperation

The EU and the U.S. agree that to combat these diseases, the international scientific community needs to work together. Long-term investments in the full range of scientific endeavour are necessary to accelerate the development and evaluation of new and affordable vaccines and drugs.

- The EU and the U.S. are enlarging public investment in research and development activities focused on confronting the three communicable diseases, and call upon the private sector to follow this example.
- The EU and the U.S. will work together to strengthen the coordination of research projects and to ensure that the coordinated efforts contribute to strengthening sustainable capacities at local, national and regional levels in Africa.

Access to affordable drugs, vaccines and other commodities

Better access to affordable pharmaceuticals and commodities to prevent or to treat the three communicable diseases is crucial. The EU and the U.S. will seek to assist in setting up effective infrastructures and will take steps to make key medicines and commodities more affordable and available. African leaders' commitment to improving health systems is essential to the success of these efforts, and we stand ready to provide technical assistance in this regard.

- The EU and the U.S. urge the pharmaceutical industry to make drugs for HIV/AIDS, malaria and tuberculosis more affordable, particularly for the poorest countries. We reaffirm the importance of providing more affordable pricing and strict compliance with safety and quality assurance laws and regulations.

STATEMENT OF THE EUROPEAN UNION AND THE UNITED STATES ON BUILDING CONSUMER CONFIDENCE IN E-COMMERCE AND THE ROLE OF ALTERNATIVE DISPUTE RESOLUTION

In the EU – U.S. Joint Statement on Electronic Commerce issued in December 1997, we agreed to work towards important goals and objectives in the area of electronic commerce. We now reaffirm these important goals and objectives, including the agreement to provide “active support for the development, preferably on a global basis, of self-regulatory codes of conduct and technologies to gain consumer confidence in electronic commerce.” We also reaffirm our commitment to the OECD Guidelines on Consumer Protection in the Context of Electronic Commerce issued in December 1999.

Our common aim is to help generate consumer confidence, which is necessary for open, competitive, and cross-border electronic commerce. Ensuring consumer protection and generating consumer confidence requires a combination of private sector initiatives and a clear, consistent and predictable legal framework.

The means of building consumer confidence and consumer protection in shopping online is good business practice and enforceable self-regulatory programmes such as codes of conduct and trustmarks. Key elements to building consumer confidence and consumer protection also include security and confidentiality, respect for privacy, high standards of customer service, timely delivery, full and fair disclosure of information, and responsiveness to complaints.

We recognise that consumers should have meaningful access to redress consistent with the applicable legal framework and should be protected from fraudulent, deceptive, and unfair practices.

The Internet, which can support the growth of cross-border consumer transactions at unprecedented levels, poses challenges to the existing legal framework. The issues of applicable law and jurisdiction will be difficult to resolve in the near term, but solutions at the international level would help to achieve our shared goals of global electronic commerce growth, consumer confidence and the predictability of transactions.

If parties cannot resolve consumer issues directly, using ADR is one means of doing so. Easy access to fair and effective ADR, especially if provided online, has the potential to increase consumer confidence in cross-border electronic commerce and may reduce the need for legal action. We, accordingly, agree on the importance of promoting its development and implementation.

The expansion of electronic commerce will be essentially market-led and driven by private initiative. In addition, all interested stakeholders - including governments, consumer groups, industry and academics - should work cooperatively to facilitate a dialogue, encourage private sector and other initiatives, raise consumer awareness about enforceable self-regulatory programs and promote the development and use of fair and effective ADR mechanisms, in particular online. Moreover, in order to promote fair and effective ADR in the cross-border context, efforts to develop and implement ADR should involve international cooperation among all interested stakeholders and the promotion of international partnerships. In addition, we encourage all stakeholders to continue to participate actively in international workshops and other fora on this important topic, which will help support further development of ADR.

At present, there are a wide variety of ADR schemes being developed and implemented in the marketplace, employing various different approaches and technologies. Governments should maintain adaptable policies that encourage the continued growth and development of new and innovative ADR mechanisms, technologies or approaches that are fair and effective.

In order to promote consumer confidence, ADR mechanisms should be fair and effective. We agree that we share certain general principles to achieve fairness and effectiveness. These general principles include: the impartiality of any decision-makers; the accessibility of the systems and procedures, which should be easy to find and easy to use; the need to ensure that the mechanisms are at low or no cost to the consumer relative to the amount in dispute; transparency, including the importance of providing consumers with clear and conspicuous information about the procedures and commitments involved sufficient to enable informed choice and decision-making; and the timeliness of redress. Stakeholders should continue to work to implement these fundamental principles and others that relate to fairness and effectiveness in the context of particular ADR mechanisms, taking into account the value, complexity and other characteristics of the transaction or dispute at issue.

Concerning law enforcement, businesses, consumers and governments should work together to detect, prevent and stop fraudulent, deceptive or unfair activity related to ADR. ADR providers, consumers and businesses should be encouraged to forward information on consumer complaints regarding fraud, deception, or other serious misconduct with regulatory and law enforcement agencies. Governments should cooperate in enforcing consumer protection laws against businesses engaging in fraudulent, deceptive or unfair activity related to consumer transactions on the Internet, such as misrepresentation of compliance with seal programmes or codes of conduct related to ADR. For example, we should cooperate on consumer complaints and explore cooperation on online information sharing.

Businesses, consumer groups and governments should work together to educate consumers and businesses about good business practices, including ADR, as a means to ensure fair and effective implementation and enforcement, and promote consumer confidence to the fullest extent possible.

HIGHLIGHTS OF EU-US COOPERATION UNDER THE NEW TRANSATLANTIC AGENDA

The European Union and the United States have worked during the six months of the French Presidency to realise the goals of the New Transatlantic Agenda: promoting peace, democracy and development throughout the world; expanding world trade; responding to global challenges; and building bridges across the Atlantic.

Foremost was our close and successful cooperation in supporting the advance of peace and democracy in South East Europe, described in our separate statement.

Concerned at the lack of progress in the Middle East Peace Process and the ongoing violence, we have urged both sides to comply fully and without delay with the commitments undertaken at the Sharm-el-Sheikh Summit and to relaunch negotiations. To this end, we will continue to support the Fact-finding Committee.

We have supported Russian reforms to strengthen democracy, the rule of law and market economy. We have called for a political solution in Chechnya, the return of the OSCE and accountability for reports of humanitarian abuses.

The United States welcomes the results of the Nice European Council, which marked a very important step in the development of European security and defence policy. In particular, the commitments made by the EU member states concerning military capabilities will, as they are implemented, strengthen both the EU and the European pillar of the Atlantic alliance. The U.S. also welcomes the proposed arrangements for consultation and cooperation with NATO adopted at Nice, which received a positive response at last week's North Atlantic Council. The EU and the U.S. commit themselves to work together and with all Alliance members to implement and complete these arrangements and thereby forge a strategic partnership between the two organisations in the management of crisis. In this regard, the U.S. notes with appreciation the arrangements offered by the EU for its relationship with NATO European allies. The U.S. looks forward to working with a European Union playing its full role and assuming its full responsibilities on the international scene.

We have issued a joint statement on the responsibilities of States and on transparency regarding arms exports.

In Ukraine, we provided approximately \$ 900 million or € 1 billion to help close the Chernobyl nuclear power plant. The power plant ceased operations on 15 December.

We have continued, as agreed at our last summit in Queluz, to address the full range of issues of concern in biotechnology. We have intensified our cooperation on regulatory and other issues, including making progress on means to facilitate trade flows for conventional and biotech (genetically-modified) crop varieties approved in both the EU and the U.S.. We also invited twenty eminent, independent experts from a broad cross-section of our societies to work together in the EU- U.S. Biotechnology Consultative Forum to examine the wide range of issues related to food and agricultural biotechnology. We welcome the report that the Forum has just submitted and will give it careful consideration. We thank the members for their hard work.

As agreed at our last summit, we have worked together in many African countries to improve and accelerate the fight against HIV/AIDS, malaria and tuberculosis, described in our separate statement.

The EU and U.S. enjoy the largest bilateral trade and investment relationship in the world. While disputes concern a small proportion of EU – U.S. trade, their resolution has been a high priority for us. In this light, we continued our discussions on the various disputes currently before us, either in the context of formal WTO dispute settlement proceedings or through other channels.

We have worked to reduce barriers to trade while maintaining high standards for public health and safety, and the environment. Under the Transatlantic Economic Partnership (TEP), we adopted a plan for cooperation in the area of metrology to facilitate trade and made progress on establishing guidelines and principles for regulatory cooperation and transparency. We have made substantial progress on an agreed text for a mutual recognition agreement (MRA) on marine equipment, which we aim to finalise in early 2001. Under the EU – U.S. MRA, we implemented the sectoral annexes on recreational craft, telecommunications equipment and electromagnetic compatibility, and pursued implementation of the medical devices annex. We discussed the MRAs in the electrical-safety and pharmaceutical sectors with a view toward their full and timely implementation.

We agreed to intensify contacts and cooperation on energy-related issues by re-establishing regular EU – U.S. consultations.

Following the Queluz Summit, we have worked extensively through expert- and political-level meetings to expand transatlantic cooperation in the information society. We have agreed on a joint statement on building consumer confidence in e-commerce and the role of alternative dispute resolution. We are jointly working on high-speed scientific research networking. We have also identified a number of other key areas in which to focus our future efforts such as: enhancing electronic government, combating high-tech crime, measuring the digital economy, researching the societal benefits of information technology and reducing the digital divide.

To minimise the impact of maritime disasters, we have begun sharing information about vessel safety through the European EQUASIS system, a database that contains lists of all ships, records of inspections and safety violations. We have joined in support of a proposal in the International Maritime Organisation to phase out all single-hulled tankers in favour of double-hulled tankers.

We agreed to a common approach to the final negotiations of a global UN Convention on Persistent Organic Pollutants, which contributed to their successful conclusion in Johannesburg on December 10.

We renewed the U.S.-EU Higher Education and Training Agreement that established a framework for educational exchanges and joint projects and agreed to promote joint research on on-line education.

We strengthened our science and technology cooperation in the areas of climate change research, including the ARGO project (a system to monitor changes to the temperature in the world's oceans), nanotechnology, biotechnology, e-learning and the mitigation of natural and man-made disasters through disaster information networking. We agreed to intensify scientific cooperation in non-nuclear energy and to explore research proposals on prions. We also upgraded our respective science and technology websites to offer more complete information on possibilities for cooperation and exchanges.

Together we contributed to the successful negotiations on the UN Convention against Transnational Organised Crime and its related Protocols.

As we look forward to the Swedish Presidency of the EU, we will continue to pursue this broad agenda. Specific priorities will include the resolution of outstanding trade disputes, and stability and economic renewal in Southeast Europe. We will help Russia implement its non-proliferation and disarmament commitments, in particular the destruction of its chemical weapons and the disposition and management of its excess weapons plutonium. We will strive for an early conclusion of the Agreement on the Multilateral Nuclear Environmental Programme in the Russian Federation (MNEPR). We will continue to look for other ways to further enhance our cooperation on non-proliferation and counterterrorism, including implementation of UN sanctions on the Taliban and relevant UN Conventions. We will also focus on development, environment protection and health in the northern regions, in line with the EU's Northern Dimension, and the U.S. Northern Europe Initiative. We will also jointly work for stability and economic reconstruction in Moldova and Southern Caucasus. We will continue to support the efforts towards further normalising the relations between North and South Korea. We will also intensify our dialogue on the peace process in Colombia.

We will continue to work together to support the efforts of the UN Secretary General to achieve a comprehensive settlement on Cyprus consistent with relevant UNSC Resolutions.

We remain committed to the various understandings and agreements reached at the 18 May 1998 London Summit and, conscious of their importance, will continue to attach a high priority to the effective and prompt implementation of all their aspects.

Global climate change is one of the biggest environmental challenges. We will continue to take steps to bring the Kyoto Protocol into force as soon as possible, including working to reach an agreement at the resumed session of COP VI in May/June 2001 in Bonn.

We will continue to work together in the fight against money laundering to bring an end to harmful practices identified by the Financial Action Task Force (FATF). We will also reinforce international standards in this fight and involve new professions, e.g. lawyers, accountants and other professionals.

We will cooperate on Justice and Home Affairs issues, including the fight against illegal synthetic narcotics and other illicit drugs, trafficking in human beings and high-tech crime. We will continue our cooperation to combat child pornography on the Internet. Another priority is to continue the on-going dialogue on asylum and migration issues with a view to reporting to the EU – U.S. Summit in June 2001. To ensure continuity on Justice and Home Affairs issues of common interest, we will work towards a multi-annual approach within existing structures.

We will continue to work together to build consensus for the launch of a new trade round in the WTO at the earliest opportunity. A new Round should address the interest of all WTO members, in particular the poorer countries, and should strengthen and develop the rules-based system of the WTO. We agree that securing the launch of an inclusive and balanced Round during 2001 is of the highest priority. We will continue to work to this end and to seek to narrow differences that remain between us on the agenda of the Round.

**REPORT TO THE TRANSATLANTIC ECONOMIC PARTNERSHIP STEERING GROUP
TO THE MEETING OF TRADE AND ECONOMIC MINISTERS AT THE US-EU
SUMMIT, WASHINGTON, DECEMBER 18, 2000**

The Transatlantic Economic Partnership (TEP) Steering Group met on September 12 and November 9, 2000. The next meeting is scheduled for late January 2001.

Achievements for the 2nd semester 2000

The Steering Group noted with satisfaction that significant progress has been achieved over the last six months in fulfilling elements of the TEP Action Plan.

In the area of technical barriers to trade, the Steering Group welcomed the substantial progress we made on an agreed text of a mutual recognition agreement (MRA) on marine equipment. The Steering Group was also pleased by the finalization of a Joint Declaration on a Framework for U.S.-EU Cooperation in the field of Metrology in Support of Trade area (see Annex 1) as a step to reduce further barriers to transatlantic trade. In addition, the Steering Group noted that the two sides have made progress and have released for comment to the transatlantic dialogues a joint draft bracketed text on guidelines for regulatory cooperation and transparency. The Steering Group also acknowledged progress on regulatory cooperation in the fields of cosmetics, elevators, telecommunications equipment and consumer product safety.

In the area of services, both sides have been encouraged by the finalization of a work plan for further discussion and negotiation on mutual recognition arrangements in the architectural and engineering services sectors (see Annex 2) as well as by the progress made in the insurance sector.

Regarding discussions within the framework of the TEP Working Group on biotechnology, U.S. and EU officials have made good progress towards agreement on issues affecting U.S. corn exports to Spain and Portugal. Since the last Summit, the experts in sampling and testing methods from U.S., EU and Member State agencies have made significant progress in identifying reliable and consistent approaches to verification. Parallel discussions on the administrative aspects are also making progress. Discussion continues on the issue of obtaining access to the data and reference material needed for tests on new GMO events. This access is currently being pursued on the basis of confidentiality undertakings with testing laboratories. On this basis, policy officials will aim to make further progress early in the New Year. In addition, regarding the TEP pilot project on biotechnology, regulators from the U.S. and the EU have made significant progress in comparing the molecular characterization components of their review processes for transgenic plants.

Furthermore, discussions continued on conditions that could allow the withdrawal of sanctions imposed by both sides in 1993 due to a dispute over telecommunications-related procurement.

On the multilateral front, we continued working together on a number of important issues in the WTO. In particular, the U.S. and the EU approaches to the accession of China to the WTO have been characterized by frequent and constructive coordination. We also took note of the implementation debate recently concluded in the WTO General Council.

The Steering Group discussed additional items under the Early Warning Mechanism established by the June 1999 U.S.-EU Summit and began an examination of how to refine the practical procedures that should govern the treatment of issues brought up under this mechanism.

Priorities for the 1st semester 2001

The Steering Group will monitor and give encouragement to completing the process of bringing into force the MRA on marine equipment, including the identification of an initial scope of product coverage. In addition, the Steering Group will press for early finalization of the guidelines for regulatory cooperation and transparency. Both sides will support continued regulatory cooperation in the areas of road safety equipment, cosmetics, lifts (elevators) and telecommunications equipment and explore possible additional areas for cooperation.

Regarding services, the Steering Group will encourage progress in the discussions concerning mutual recognition in this area, and looks forward to renewed discussions and negotiations early in the new year.

On the new Round we will continue to work together over coming months in order to increase the already existing support amongst WTO members in favor of an inclusive and balanced round. As regards China's protocol of accession, we intend to continue our close cooperation toward bringing the negotiations to a successful and expeditious conclusion.

With respect to the rest of the TEP Action Plan, both sides will seek further progress in as many areas as possible. In addition, the Steering Group will be open to consideration of new possibilities for cooperation that could be established within the context of the TEP.

The Steering Group will aim to finalize concrete recommendations for procedures that could streamline and make more effective the process of identifying and addressing issues under the Early Warning Mechanism. It will also continue to encourage contributions by the various dialogues to early warning discussions.

Annex 1 - Joint Declaration on U.S.-EC Cooperation in the Field of Metrology in Support of Trade

Annex 2 - Agreed elements of the Work Plan for Architectural and Engineering Services

Joint Declaration on U.S.-E.C. Cooperation in the Field of Metrology in Support of Trade

1. Purpose

This declaration sets out the policy basis and orientation for a joint technical program of work between the United States and the European Community in view of supporting and furthering mutual recognition of test reports, calibration and measurement certificates provided for regulatory and market place compliance purposes. The goal is both to improve regulatory efficiencies and to facilitate trade. These aims will be achieved by reducing unnecessary duplicative measurements, tests and calibration requirements and by improving regulator confidence in measurements, tests and calibrations performed by qualified laboratories in both the United States and the European Community.

Steps to this effect may include, but are not limited to:

- a) Recognition of the measurement capability of the National Measurement Institutes (NIST for the United States) and other institutes that are signatories to the CIPM Mutual Recognition Arrangement (MRA).
- b) Establishment of the equivalence of national measurement standards based on the CIPM MRA.
- c) Recognition of the measurement capability of designated calibration laboratories based on the equivalence of each other's systems to assess and monitor their competence.
- d) Recognition by the importing Party's regulatory bodies of the calibration and measurement certificates issued by the National Measurement Institutes and designated calibration laboratories of the other Party.
- e) Acceptance/recognition of reference materials developed and produced by the other Party on the basis of the relevant international standard (ISO/IEC Guide 34).

This declaration does not commit the U.S. or the EC to any sector-specific initiatives; and precise decisions will have to be taken explicitly at the appropriate time on a case-by-case basis.

2. Current Situation

Tests and measurements play an important role in commercial transactions and trade, for industry and regulators alike. Product-testing protocols increasingly require measurements that are directly related to the importing nation's national standards or those recognized as being equivalent. In many cases, product tests and associated measurements refer to underlying physical measurement standards realized and maintained by National Measurement Institutes (NMIs). NMIs in the United States and Europe are legally responsible for developing, maintaining and disseminating national measurement standards, making them available to industry, government agencies, and the public; they are not, however, required to establish equivalence of national standards with other countries, although some do undertake this responsibility as well.

Regulators and industrial customers will not accept product tests and measurements verifying conformance to contract or regulatory requirements unless they are confident that the underlying physical measurement standards are valid. Mutual recognition of measurement standards between the United States and the European Community (E.C.) would facilitate acceptance of the results of conformance testing or product certification performed by manufacturers, testing laboratories or certification bodies in the United States and the E.C. in key sectors where measurement comparability is important. Participation in measurement intercomparisons is critical in assuring that one Party will not reject products exported by the other Party simply because different methods are used to perform a measurement or test. As new technologies emerge and world economies grow, the number, frequency and coverage of such comparisons is rising rapidly. Sound, accurate and reliable measurements, be they physical, chemical or biological in nature, are therefore essential.

While physical measurements are realized and maintained at the highest level by NMIs in the United States and the E.C., most tests and measurements in support of trade are performed by commercial laboratories, not by NMIs. Thus it is important to address both mutual recognition of the measurement capability of NMIs and the measurement capabilities of calibration and testing laboratories whose work is traceable to national or international measurements. The current lack of recognition gives rise to problems that affect trade, such as failure to accept calibration and measurement certificates issued by laboratories in the exporting country; unnecessary duplication of tests, measurements and assessments; and lack of mutual understanding of how measurement-related issues are handled. It has caused specific problems in certain sectors, e.g., aviation, pressure vessels, exhaust emissions, electromagnetic compatibility.

3. Metrology-related trade impediments

The table below summarizes some of the general measurement-related trade impediments that could unnecessarily burden U.S.-E.C. trade and suggests some approaches for possible solutions.

"Impediments to Trade"	"Solutions"
1. Regulatory authorities (and industry) require traceability to physical standards maintained by different National Measurement Institutes.	<ul style="list-style-type: none"> a) Recognition of calibration and measurement certificates issued by NMIs, based on the CIPM-MRA framework. b) Increased awareness and understanding of metrology-related requirements (see point 5).
2. Different approaches to demonstrating measurement capability.	<ul style="list-style-type: none"> a) Recognize equivalence of respective systems and their results. b) Cooperation between NMIs c) Cooperation between accreditation organizations.
3. Different approaches to developing and certifying reference materials	<ul style="list-style-type: none"> a) Recognize equivalence of respective systems for value assignment and their results. b) Scientific and technological co-operation. c) Joint development of reference materials.
4. Reliance on different test methods	<ul style="list-style-type: none"> a) Alignment to international standards b) Harmonization and/or convergence of E.C. and US standards c) Regulatory co-operation d) Scientific and technical co-operation
5. Lack of awareness among regulators and economic operators of how to deal with measurement-related requirements	<ul style="list-style-type: none"> a) Regulatory co-operation b) Exchange of best practices c) Improve dialogue between regulators and economic operators on the one hand, and NMIs, CIPM, accreditors etc. on the other hand.

4. Instruments available to achieve the objective

Trade facilitation and improved regulatory efficiencies can be achieved by recognizing certain key elements related to the acceptability of calibration and measurement certificates; promoting scientific and technological co-operation based on existing U.S.-E.C. agreements; and promoting cooperation, awareness and understanding of measurement issues among regulators and industry. Examples of instruments and relationships that already exist or are being put into place and that can be used include:

- The CIPM (Comité International des Poids et Mesures) Arrangement on Mutual Recognition of national measurement standards and calibration certificates issued by National Metrology Institutes and other MRA signatories.
- The U.S.-E.C. Agreement on scientific and technological co-operation and the Implementing Arrangement in the field of metrology and measurement standards.
- Cooperation between U.S. and E.C. metrology organizations
- Bilateral, regional and international cooperation between U.S. and E.C. accreditation systems.

5. Elements for a bilateral co-operation framework

To further our mutual objectives, and fully utilize the identified instruments, the U.S. and E.C. agree to consider the following cooperative activities and to develop workplans for specific technical activities. These activities include:

- a) Encourage regulators and industry in both the United States and the European Community Member States to rely on and make use of the CIPM Mutual Recognition Arrangement with a view to avoiding duplicative measurements and calibrations.
- b) Make use of the U.S.-E.C. Agreement on scientific and technological co-operation and the Implementing Arrangement in the field of metrology and measurement standards, to aid in finding solutions to measurement and test related problems that impede or could impede trade.
- c) Establish cooperation between regulators on measurement-related requirements in regulations. Encourage exchange of information and experience among regulators, identification of best practices and networking.
- d) Promote awareness and understanding among regulators and industry of measurement-related requirements and issues. Promote dialogue between regulators, industry and metrology organizations
- e) Encourage and support the use of international standards related to laboratory competence. Encourage cooperation and agreements between U.S. and E.C. accreditation organizations and support the related activities at the international level. Support regional and international programs for laboratory inter-comparisons.
- f) Pursue an agreement on the mutual recognition of calibration and measurement certificates.

TRANSATLANTIC ECONOMIC PARTNERSHIP ELEMENTS OF THE WORK PLAN

Introduction

Six elements were identified to form part of the work plan for architectural and engineering services. Each element is listed below with a brief description. At some point, it may be necessary to set forth separate work plans for each profession.

Respect of each others' regulatory systems

- purpose of regulation.
- extent to which home country regulations and host country regulations apply to an individual practicing in another country or jurisdiction. For example, when is disciplinary action appropriate and what jurisdiction(s) should take the action?
- requirements for licensing/registration/certification in a host country.
- procedures to be used in processing applications from licensed and unlicensed practitioners from other countries.
- services that may be provided in architecture and engineering by individuals without licensure/registration/certification. (See also "scope of practice")
- limitations on use of the title "architect" or "engineer," if any.
- licensure/registration/certification requirements for companies (info only, not MRA)
- period of validity of registration or licensing
- need for continuing professional development

Determining equivalence of education

- purpose of education requirements for licensing or registration of professionals.
- process by which equivalency of education will be determined and who will make the determination in each jurisdiction.
- applicability of existing agreements on educational requirements, as appropriate.
- role of organizations which accredit degree-granting programs and/or institutions, as appropriate.

Determining equivalence of qualifications other than education

- purpose of requirements, such as experience and examinations, in determining whether an individual is qualified to practice the profession.
- equivalencies of examination
- equivalencies of practice qualifications
- process by which equivalence will be determined and who will make the determination.
- role of quasi-governmental and non-governmental organizations, if any, that would be involved in the process.

Notification to the World Trade Organization of the intent to negotiate mutual recognition

- text of a notification to the World Trade Organization, as required under Article VII:4 of the General Agreement on Trade in Services (GATS).

Scope of practice

- functions performed by licensed or registered individuals, including functions in particular branches of engineering.
- services that may be provided in architecture and engineering by individuals without licensure/registration/certification. (See also “respect of each others’ regulatory system”)

Implementation of agreements

- steps to be taken by regulatory authorities to make the agreement work.
 - steps to be taken by the governments at federal and sub-federal or at Member State level to make the agreement effective.
 - steps to be taken by others (professional associations and/or other national or sub-national organizations) that may be necessary to make the agreement work.
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