



Computer & Communications
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June 10, 2021

The Honorable Jake Sullivan
Assistant to the President for National Security Affairs
1600 Pennsylvania Avenue NW
Washington, DC 20500

The Honorable Brian Deese
Assistant to the President for Economic Affairs
and Director, National Economic Council
1600 Pennsylvania Avenue NW
Washington, DC 20500

Dear Messrs. Sullivan and Deese,

On behalf of the undersigned organizations, we write in support of renewed transatlantic engagement. We urge the Biden-Harris Administration to use all available opportunities — including the upcoming U.S.-EU Summit — to steer European digital policy in a direction that enhances bilateral trade, investment, and connectivity and push back when European policies threaten American jobs and competitiveness.

U.S. industry is a longtime advocate for stronger collaboration and commercial ties between the United States and the European Union. Together, the U.S. and EU generate about 40% of global gross domestic product, and transatlantic trade and investment supports 16 million jobs on both sides of the Atlantic. In 2019, the U.S. exported more than \$245 billion in digitally enabled services to Europe, producing a trade surplus in this area of more than \$100 billion. Today's transatlantic economy relies on the ability of firms of all sizes and all industries to engage freely in cross-border digital commerce. It has enabled life-saving innovations in the health sector, boosted energy efficiency and sustainability for manufacturers, and opened significant new commercial opportunities for businesses of all sizes through e-commerce.

The June 15 U.S.-EU Summit holds great potential to advance transatlantic cooperation, especially if we can resolve outstanding disputes and avert further disruptions to cross-border data flows by negotiating a successor to the EU-U.S. Privacy Shield. It is also an opportunity to address U.S. industry's concerns regarding some EU policies that may discriminate against American firms and undermine deeper transatlantic cooperation, including with respect to China. Coming out of the Summit, it is critical that the U.S and EU establish a forward-looking strategic dialogue on trade and technology based on non-discriminatory treatment of firms across the Atlantic. Doing so would allow Washington and Brussels to maximize opportunities for convergence, address barriers to digital trade, and minimize risks of divergence moving forward.

We recommend that the following digital policy principles serve as a baseline for these important discussions:

- Durable U.S.-EU data transfer frameworks that ensure firms can efficiently move data and access information across borders and enable joint U.S.-EU cooperation against data localization requirements in third countries.
- Non-discriminatory approaches to digital markets regulation that include appropriate procedural and substantive standards reflecting transatlantic norms and good regulatory practices.
- International collaboration and alignment on cybersecurity, including coordinated responses to state-backed cyberattacks, sharing lessons learned, and developing security standards and frameworks through a robust public-private dialogue.
- Development of regulatory frameworks governing AI applications that are coherent and minimize the risk of future market access barriers.
- Public policies aimed at accelerating the development of virtual, open, and interoperable 5G technologies and solutions while maintaining a technology neutral and voluntary approach to adoption in the market.
- A multilateral solution to the taxation challenges posed by the digital transformation of the global economy and the termination of unilateral, discriminatory digital services taxes.
- Alignment of the use of cloud services with existing international best practices, ensuring competitive market access principles govern the marketplace, and allowing foreign companies to participate in government-led cloud projects.
- A coordinated approach to tackling market-distorting subsidies.

The United States and our European allies continue to enjoy the most prosperous bilateral commercial relationship in the world. Faced with today's challenges, transatlantic collaboration is more essential than ever. The June 15 Summit is an opportunity to launch a strategic dialogue that recognizes the role of digital technologies and industries in fostering our shared economic prosperity, protecting our national security, and advancing shared democratic values and human rights. We welcome the opportunity to continue this important dialogue and appreciate your consideration of our views.

Sincerely,

ACT | The App Association
Biotechnology Innovation Organization
Coalition of Services Industries
Computer & Communications Industry Association
Engine
Internet Association
National Association of Manufacturers
National Foreign Trade Council
SIIA
TechNet
U.S. Council for International Business
U.S. Chamber of Commerce

cc: Ambassador Marica Bernicat, Senior Official for Economic Growth, Energy and the Environment and Acting Assistant Secretary, U.S. Department of State
Diane Farrell, Acting Under Secretary for International Trade, U.S. Department of Commerce
Peter Harrell, Special Assistant to the President and Senior Director for International Economics and Competitiveness, National Economic Council
Dan Mullaney, Assistant U.S. Trade Representative, Office of U.S. Trade Representative
Ambassador Victoria Nuland, Under Secretary for Political Affairs, U.S. Department of State
Dr. Amanda Sloat, Special Assistant to the President and Senior Director for Europe, National Security Council