



# HIDDEN LAYERS: TTC EDITION

June 2023

## A FOURTH MEETING IN SWEDEN BRINGS WIDE-RANGING PROGRESS

U.S. and EU officials gathered May 30-31 for the [fourth ministerial meeting of the Trade and Technology Council \(TTC\)](#) in Luleå, Sweden. The meeting focused on transatlantic cooperation on emerging technologies, particularly artificial intelligence (AI) and 6G, export controls and investment screenings. Other topics on the agenda included sustainable trade, connectivity and digital infrastructure, defending human rights and values in a changing geopolitical digital environment, and talent for growth. The meeting made notable progress in five areas.

First, the U.S. and EU committed themselves to a risk-based approach to assess the impact of specific AI uses and applications and ensure regulation is proportionate to the level of risk that each AI system poses. This approach is a key part of the [EU AI Act](#), which outlines four levels of risk and determines which systems fall into each category. The levels range from low risk to unacceptable risk, with the latter encompassing AI systems used for social scoring.

As a result of transatlantic discussions on ChatGPT and similar large language models, the TTC has placed special emphasis on the opportunities and risks of generative AI. European Commissioner for Competition, Margrethe Vestager, announced at a [press conference](#) after the Luleå meeting that the U.S. and EU, in consultation with industry stakeholders, will produce in the coming weeks a voluntary AI code of conduct that outlines standards for corporate AI use. The code of conduct will aim to fill a current legal void as AI legislation is drafted worldwide. Vestager predicted such legislation would require at least two to three years before coming into effect despite AI's rapid evolution. The U.S. and EU hope to include as many

partners as possible, especially Canada, India, Japan and the UK, in the initiative to ensure its success. But that will really depend on whether companies will abide by standards that are not legally binding.

In a related move, the council's work on the [Joint Roadmap on Evaluation and Measurement Tools for Trustworthy AI and Risk Management](#) will also now include generative AI and complement the Hiroshima AI process, an effort announced at the last G7 summit in Japan to harmonize AI rules. The roadmap provides for three new dedicated expert groups that focus on AI terminology and taxonomy, cooperation on AI standards, and measuring and monitoring existing and emerging AI risks. These groups have already issued a [list of 65 AI terms](#) with shared U.S.-EU definitions essential to understanding the technology. U.S. and EU scientific agencies will now start cooperating on advanced AI research in five key areas: extreme weather and climate forecasting, emergency response management, health and medicine improvements, energy grid optimization and agriculture optimization.

To learn more about how the U.S. and Europe are regulating AI, see our latest infographic ["Which countries are regulating AI?"](#)

Second, regarding sustainability, the U.S. and EU launched the [Clean Energy Incentives Dialogue](#) to share information about relevant programs and ensure that they reinforce one another. This was in direct response to the EU's concerns about being excluded from the Biden administration's Inflation Reduction Act. The U.S. and EU agreed during the TTC meeting to cooperate more

openly and transparently and “not act at each other’s expense” to avoid zero-sum competition. The transatlantic partners also agreed to collaborate on critical minerals and discussed e-mobility standards and interoperability. The TTC’s clean tech working group has developed [joint technical recommendations](#) for government-funded implementation of electric vehicle (EV) charging infrastructure. The U.S. and EU believe that transatlantic collaboration in this area will ensure a more efficient rollout of publicly funded EV charging stations, enhance power grids, and enable industries to be more globally competitive.

Third, for connectivity and digital infrastructure, the TTC is developing an industry roadmap for research and development on 6G wireless communication systems. Telecommunication executives expect 6G will launch in 2030 and replace 5G as the predominant wireless standard, signaling a necessity to ensure the technology is designed in accordance with shared transatlantic values and principles as outlined by the TTC. In consultation with key stakeholders, the council has already developed a [6G outlook](#) that includes guiding principles and next steps towards a common vision for 6G development. The U.S and EU also expanded collaboration on securing trustworthy connectivity for emerging economies. The TTC will consequently bring together the world’s digital ministers for a roundtable on inclusion and connectivity to identify common needs and challenges. At the TTC’s third meeting in December 2022, the U.S. and EU committed themselves to supporting information technology and connectivity projects in Jamaica and Kenya, for which they are now mobilizing funds. The U.S. and EU announced at the latest TTC meeting that they will also be supporting

connectivity projects in Costa Rica and the Philippines.

Fourth, the U.S. and EU cited a need for online platforms to assume, in a rapidly changing geopolitical digital environment, greater responsibility for ensuring that their services help protect young people. The TTC developed as part of this effort a list of [high-level principles](#) that largely mirrors the EU Digital Services Act’s requirements for more transparent and accountable online platforms. The principles include giving the public appropriate access to such platforms’ data and algorithmic systems so that independent researchers can investigate, analyze and report on the platforms’ operations and social impact.

Lastly, the recent TTC gathering addressed [foreign information manipulation and interference \(FIMI\) and disinformation](#), specifically Russia’s strategic and coordinated use of these tools to shape narratives in, most notably, Africa and Latin America about the war in Ukraine and its global impact. The TTC’s work on disinformation includes developing a shared standard for exchanging information on FIMI threats and a common methodology for identifying, analyzing and countering them; enhancing preparedness for FIMI threats, including additional support for capacity building in Africa, Latin America and EU neighborhood countries; and calling on online platforms operating in the three regions to build on the [EU’s 2022 Code of Practice on Disinformation](#) by ensuring the integrity of their services and responding effectively to disinformation and FIMI.

To learn more about Russian information manipulation in Latin America, read [“Growing Audiences and Influence: Russian Media in Latin America”](#)

Overall, the TTC has made good progress in turning the objectives and proposals from its first September 2021 meeting in Pittsburgh into tangible outcomes and joint initiatives. But success has been confined to certain areas: deeper collaboration on semiconductors, harmonizing telecommunication standards, responding to Russian aggression in Ukraine, protecting citizens from harms posed by online platforms, and most recently, addressing the risks of AI. TTC working groups should continue building on this work and further strengthen the relationship in other areas of mutual interest, particularly the transatlantic response to Chinese economic policies.

On that front, the U.S. and EU said after the Luleå meeting that they share concerns about the threats posed by China's non-market practices and economic coercion, and that they "stand ready to address these practices, both bilaterally and through multilateral approaches". But they have yet to clarify how they will do that while differences among the transatlantic partners on a response persist. The U.S. would like the EU to take a more aggressive stance against China. European Commission President Ursula von der Leyen believes the EU should focus on economic de-risking rather than decoupling, but some member states, namely France, are concerned about disrupting relations with the bloc's second-largest trading partner.

The EU's position on China has been slowly shifting in the last few years, making agreement on the issue more possible at future TTC meetings. Political developments, however, could limit the TTC's longevity. The U.S. and the EU will hold important elections in 2024, and their outcomes, especially if that includes a new White House occupant, could herald an entirely different TTC legacy.