



Trade and Technology Council

Working Group: Climate and Clean Tech



ISSUE

Appropriate government support to climate action is essential for frontier technologies to play a bigger role in combatting climate change and strengthening climate resilience. The EU and the US should commit to finding common ways to accelerate the deployment of technological breakthroughs by removing regulatory hurdles on both sides of the Atlantic.



PRIORITIES

The areas in which the working group can and should strive to achieve immediate results are:

Carbon border adjustment mechanism

Align transatlantic efforts to avoid trade tensions by clearly defining the scope of initiatives which aim to reduce carbon leakage in a WTO-compliant way.

Consistency with other cooperation initiatives

Consistency should be ensured between different initiatives to avoid overlaps and duplication. In this respect, the Trade and Technology Council and the Green Tech Alliance should be fully aligned on priorities, focus areas and the monitoring of outcomes.

Data

Implementing a comprehensive digital transformation is essential to achieve more resource-efficient and thus more sustainable economic systems. Such change requires, among others, the promotion of industrial and digital business models and extensive use of data. Data-driven innovation and computing power will have a pivotal role in combatting climate change, and will help improve supply chain circularity, production processes, disaster management and environmental protection.

Innovation

The EU and the US should prioritise the creation of an innovation ecosystem (eg, in sectors such as agri-food, circularity, sustainable mobility and renewable energy) by supporting disruptive technologies and enabling the scale-up of breakthrough technologies through ambitious investments.

Potential enablers explored should:

- be transparent and follow a science-based approach;
- seek alignment to ensure similarities in the regulatory approach and avoid creating regulatory barriers to trade;
- promote availability of funding mechanisms for clean technologies at each project stage, up to the industrialisation phase;
- maintain or catalyse adequate access to energy and feedstocks at affordable prices;
- facilitate the use of Green Public Procurement by defining credible sustainability criteria in order to support new technologies and create a market for sustainable products and services, taking into account the full life cycle impacts; and
- refrain from excluding each other from research funding schemes and programmes to allow appropriate government support for technologies that can help mitigate carbon emissions and ensure rapid digitisation across all sectors of the economy.