



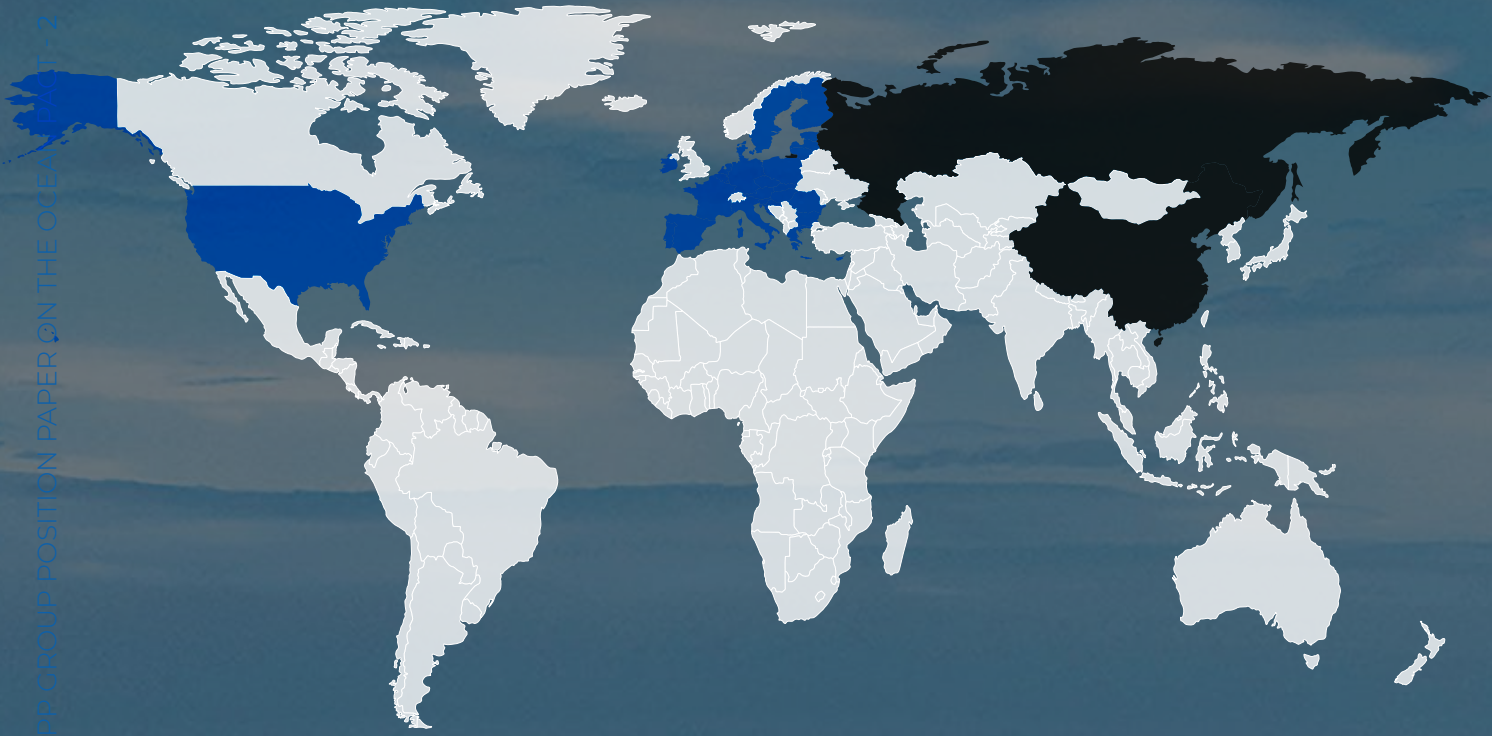
# EU-US RELATIONS

EPP GROUP POSITION PAPER





**Transatlantic relations between the EU and the US have historically been the foundation of Western geopolitical and economic stability. This partnership, based on shared democratic values, security interests and economic cooperation, has played a significant role in shaping the global order for decades.**



The rise of an ever more assertive and authoritarian China and Russia's unprovoked and illegal war of aggression against Ukraine have challenged the rules-based international order. While the EU and its Member States are jointly trying to cope with these historic changes, a second Trump administration has brought forward new realities for Europe. It is in the best interests of both sides to maintain our close Transatlantic partnership. Whilst we must adapt to the new realities, the EU must maintain its own values. It is important that the US respects the EU as a key global actor and partner in addressing shared international challenges. We must preserve and strengthen the EU's regulatory autonomy in critical policy areas, urging full respect for the EU's sovereign decision-making processes and institutional integrity. We want a partnership built on trust and predictability, which are fundamental to ensuring stability and economic growth on both sides of the Atlantic. We thus call for the EU-US Framework Agreement to be executed as soon as possible. Therefore, the EPP calls for a renewed strategy for the Euro-Atlantic alliance that takes into account all the new priorities and cooperation areas, as well as the new geopolitical reality.

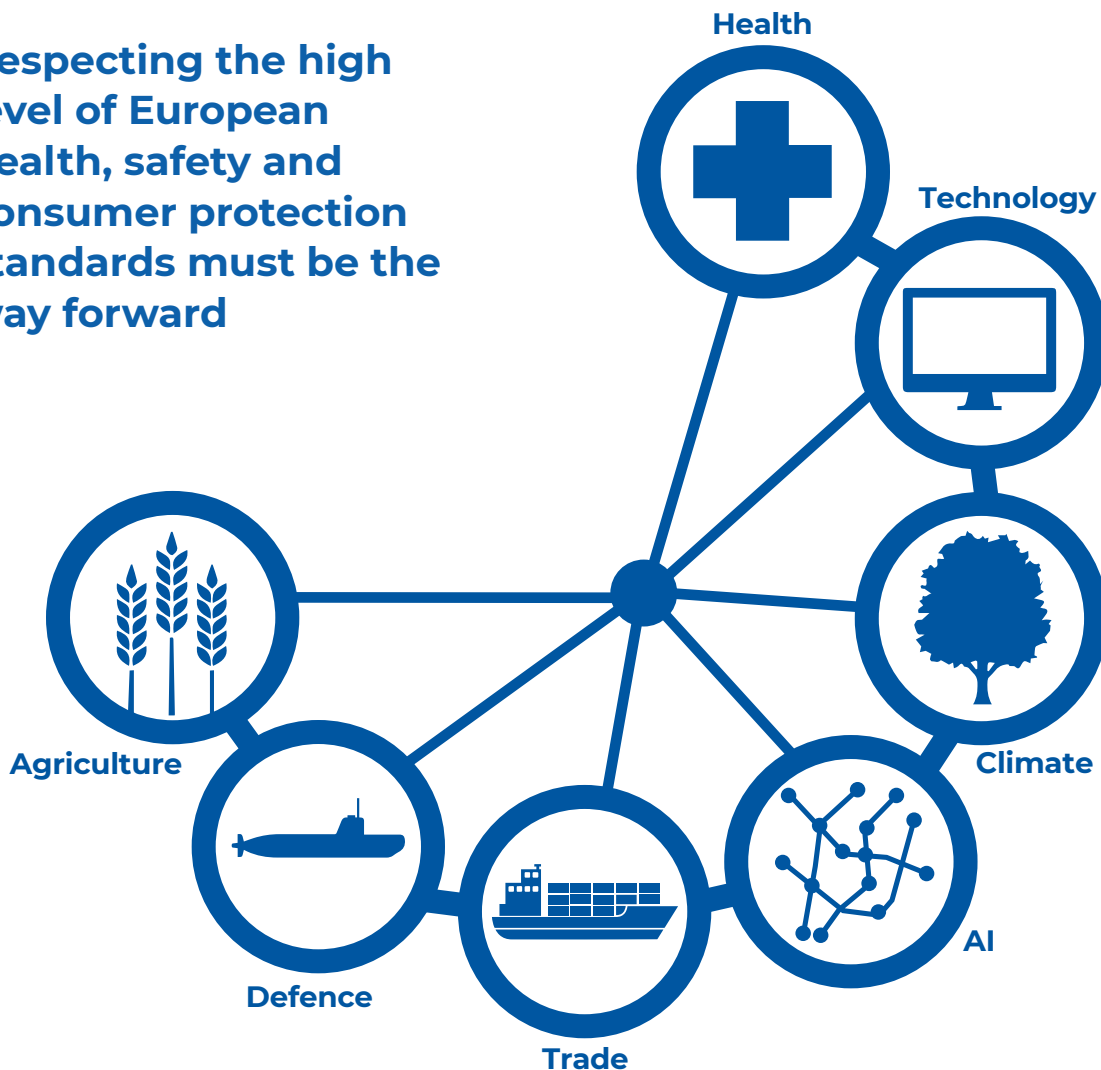
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At a time when global alliances are being tested and redefined, the Transatlantic bond remains indispensable. Strengthening our cooperation across all dimensions — from trade and defence to climate and innovation — is not only desirable, but essential for maintaining global stability and progress. Our complex and deep relationship touches upon a range of areas, from trade to defence, from AI to agriculture, from the health sector to ocean diplomacy and supply chain security. We, as the EPP, insist that only a strong Europe can ensure a strong EU-US partnership. Europe already has a lot to offer to the US, and we need to further develop our strengths and capacities in various policy fields, which will further strengthen our mutually beneficial and respectful EU-US partnership. This partnership must be deepened through essential cooperation frameworks, including continuing and intensifying robust mutual intelligence sharing and coordinated strategic

planning, to effectively counter common security challenges. In this context, we reiterate that a thorough application of EU legislation, which is fair and provides a level playing field to all Transatlantic actors, combined with efforts to advance deregulation, where necessary, for advancing competitiveness of the European economy while respecting the high level of European health, safety and consumer protection standards must be the way forward. We also underline that our mutual cooperation in the tech sector is distinct from other sectors as it is fundamental in ensuring that new technologies are applied in a safe and democratic way. Issues related to technology should therefore be dealt with separately from other trade discussions based on the interests as well as autonomy of both sides to set their own rules and standards.

**Respecting the high level of European health, safety and consumer protection standards must be the way forward**





## Working towards sustained, long-term military assistance and political support from the US to Ukraine is a top priority for the EU

Defence and security are key areas and their budgets across the EU have seen historic and long-overdue increases. We know that we must finally provide for our own security. Therefore, we call for a just burden sharing with the US inside NATO and a mutually beneficial defence industrial cooperation based on a level playing field for our industries. As the EU increases investments in a rapidly growing European defence industry, we should continue engagement with the US and ensure a dialogue between industries. The reinforcement of the European pillar within NATO must proceed hand in hand with enhanced EU defence capabilities, ensuring full complementarity and synergy in securing Euro-Atlantic peace and stability. The EU and the US share numerous pressing and key challenges and interests in defence, and this should be reflected through increased cooperation, be it on equipment or intelligence. This also includes joint strategic thinking

on infrastructure security, the protection of transport corridors and critical logistics hubs, as well as the advancement of interoperable mobility systems. By becoming more autonomous in this area, the EU can be a better strategic partner to the US. We believe that EU defence and the strengthening of the European pillar of NATO should be done in cooperation with the US. The EU must strive to be less dependent on partners' defence industries and become strategically autonomous with increased production and innovation in the EU. At the same time, working towards sustained, long-term military assistance and political support from the US to Ukraine is a top priority for the EU. Ukraine can count on our unwavering solidarity as we work towards a peace that safeguards Ukraine's and Europe's vital security interests. We are determined to keep Ukraine strong in order for Ukraine to win the war. Only ironclad security guarantees jointly coordinated by the Transatlantic community can effectively deter Russian aggression. Furthermore, we need to explore possibilities to support each other's interests and pursue joint approaches to our actions in key regions such as the Indo-Pacific, Latin America, Africa, the Middle East and the Eastern Mediterranean or the Arctic.

In this context, we highlight the centrality of the European Arctic, stretching from the Baltic Sea to the Barents Sea, as NATO's and the EU's northern flank, where Russian militarisation and growing Chinese investments increasingly intersect. The EU-US "Security and Defence Dialogue" provides the ideal forum to discuss such questions and should be deepened and meet more regularly. In addition, a special focus must always be placed on our immediate neighbourhood, especially Ukraine, the Western Balkans, and the Southern Caucasus, where we, as the EPP, will continue to be the key advocate for fostering democracy and the Euro-Atlantic integration process. We believe that the deterrence and defence of NATO's eastern flank remain the top priority. Reinforced Transatlantic commitment to Africa and the Southern Neighbourhood is also needed, recognising the growing challenges linked to instability in Africa and other Atlantic regions. All of this requires a more integrated approach combining security, migration management, sustainable development and critical infrastructure resilience: areas where the US, NATO and the EU must coordinate more effectively

It is also necessary to strengthen our security and defence cooperation with the UK and Norway; strategic EU partners and NATO allies. Furthermore, our cooperation with the United States should be deepened in the field of space; a strategic domain that serves as an enabler for both economic growth as well as security and defence objectives. Fora like the EU-US Space Dialogue should thus be further expanded to address shared technological, environmental and geopolitical challenges. Space also presents opportunities for cooperation in research and science, including partnerships between US and European universities.

As we respond to shifting dynamics, it is also crucial that the Transatlantic alliance continues to be a platform for promoting and defending core Western values: freedom, justice, and human dignity. This means upholding the principles of democracy, respect for human rights, and the rule of law, both within our societies and in our global engagement. In a time of growing authoritarian influence, reinforcing these values through our cooperation is not only a moral imperative, but a strategic one.



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## Main global challenges that should be jointly tackled



**Authoritarian regimes**



**Energy**



**Cybersecurity**



**Climate change**



**Migration**

While security issues are at the forefront of EU-US relations, the two sides must cooperate on a broader range of global challenges that test the current international order. The EU and the US should jointly tackle the rise of authoritarian regimes and the vast amount of existing and emerging hybrid threats that characterise the current security landscape, including economic coercion, terrorism, organised crime, notably to step up the fight against drug cartels, disinformation campaigns, foreign interference in the democratic functioning of our countries, and the erosion of democratic values worldwide. We should engage with our Transatlantic partners to achieve the long-needed reform of multilateral organisations, such as the UN and in particular the WTO. We also call for a harmonisation of EU-US sanctions policies against entities that engage in destabilising actions and violate international law, thereby reinforcing a united front in safeguarding the rules-based international order. Migration and climate change also require our joint attention. In addition, we are also facing the challenges of managing rapid technological growth and development of AI. Only Transatlantic unity can ensure that these matters are adequately addressed on a global level. In addition, strengthening EU-US

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cooperation in the field of energy security, including civil nuclear energy and liquefied natural gas (LNG), can enhance our shared energy resilience, support the transition to a low-carbon economy and reduce dependency on authoritarian energy suppliers - i.e. phasing out Russian fossil fuels including LNG and oil. The EU and the US are also challenged by China's clandestine cyber and spying activities, as well as its unfair trade policies that create dependencies and vulnerabilities that can be used against us. Close EU-US cooperation is needed to deter these threats.

In all these areas, the EU and the US should engage bilaterally to seek common denominators and address differences and challenges in our positions. Therefore, we believe now more than ever that EU-US summits should be held on a regular basis, as they could serve as a powerful catalyst for strengthening bilateral relations, especially in the area of security and defence.

On the economic front, the EU and the US traded €1.6 trillion in goods and services in 2024, making the EU-US trading relationship the world's largest bilateral trade and investment relationship. The Transatlantic economic relationship underpins millions of jobs on both sides of the Atlantic. Both sides are also deeply integrated in terms of investment flows, with €5.3 trillion worth of investments in each other's markets, underscoring the deep economic integration and mutual benefits derived from cross-Atlantic investments. This economic interconnectedness is not only a pillar of Transatlantic relations but also a key driver of global economic stability. Although trade tensions have eased, the recent EU-US Framework Agreement remains unbalanced. Thus, the EU and the US must negotiate with the aim of a fully-fledged free trade agreement and reinforce the long-standing partnership, which has always been built on fairness, transparency and mutual respect. Moreover, commercial tensions, while not completely eliminated, are now being actively addressed and managed through cooperative mechanisms established by the agreement, reducing harm to consumers, workers, businesses, and the

## The Transatlantic economic relationship underpins millions of jobs on both sides of the Atlantic

overall economy. The EPP believes that the EU and the US must continue negotiations to further reduce tariffs and resolve any further disputes through dialogue and diplomacy, rather than protectionist measures in order to restore mutual trust and cooperation.

However, despite our strong ties, barriers to trade, such as regulatory discrepancies remain. These obstacles prevent the realisation of the full potential of the EU-US economic partnership, particularly concerning common standards in areas such as digital markets and technology. Thus, we call for a bold approach to trade relations that seeks to eliminate such inefficiencies, reduce trade barriers and create a framework for future economic collaboration.

### Current economic exchange between the US and the EU

€trillion, 2024





We should be pursuing new, sectoral trade agreements that can address emerging sectors and challenges. While the Transatlantic Trade and Investment Partnership (TTIP) negotiations were not successful, more focused agreements targeting key sectors would advance the Transatlantic dialogue and provide an effective, high-level platform to coordinate approaches to key global trade, economic and technological issues. Such agreements, in line with global rules, would strengthen EU-US ties and promote free-market principles and a commitment to open economies, while we maintain the ideal objective of a fully-fledged free trade agreement once all the conditions are met. In parallel, the EU

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and the US must deepen their coordination to develop a unified and strategic approach to manage economic and geopolitical competition with China. A shared approach is essential to safeguard economic security and prevent unfair competition.

The EPP can play a significant role in alleviating current trade and political tensions by engaging in direct communication and collaboration with our US counterparts. Strengthening these political exchanges can lead to more informed and balanced trade policies and can help anticipate potential trade disputes proactively. Thus, we should diversify our communication channels with the US by better coordinating parliamentary diplomacy with high-level engagements by political figures from our EPP family. Our parliamentary assemblies, including NATO PA and OSCE PA, play a critical role in fostering stable, long-term relations based on trust and mutual respect. We call for a closer dialogue, not just with the political actors in Washington D.C., but with the 50 different States to be closer to the citizens and local decision-makers.





## **The Transatlantic alliance plays a central role in the global international order and has long been the cornerstone of our mutual prosperity**

Overall, we should invest in building regional networks and aim for a visible presence in all States to be connected to numerous and diverse stakeholders. This also requires an update of the EU's communication and outreach strategy.

Moreover, with future generations in mind, we call for increased exchanges between American and European students and researchers in order to ensure that current and future generations remain committed to this partnership and that young Americans get to know Europe better, become familiar with our interests, our way of life, and our culture, and become aware of the importance of the Transatlantic bond.

The United States is our largest and most important trading and security partner. The Transatlantic alliance plays a central role in the global international order and has long been the cornerstone of our mutual prosperity. We must continue to reinforce it as both American politics and society evolve, while making sure that European interests are protected. The tensions in our trading relationship call for a constructive attitude but it also demands European unity. In this context, and keeping current developments in mind, the European Union must carry its weight by becoming more autonomous whilst strengthening the Transatlantic bond that connects our citizens, businesses, parliaments and political leadership. We believe the European Union must work to maintain a strong relationship with the US. At the same time, we must respond to global realities. We sincerely believe that in a rapidly changing world, where next to conflicts, new technologies such as AI demand our immediate attention, there is no better way for both of us to advance our mutual interests than via a strong, reciprocal Transatlantic alliance which equally serves the interests of both sides. The EPP is committed to lead a stronger EU in this renewed EU-US partnership.



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