

# CRS Report for Congress

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## U.S.-EU Summit 2006: Summary

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### Summary

The annual U.S.-EU Summit, attended by President Bush and Secretary of State Rice, was held on June 21, 2006, in Vienna, Austria. The Summit highlighted the continued improvement in transatlantic relations by reporting on examples of how the partnership has continued to work since the debate over Iraq policy. Foreign policy and economic issues dominated the discussions. Two new agreements were signed regarding the Enforcement of Intellectual Property Rights against piracy and counterfeiting and a Higher Education and Vocational Training program. An expansion of existing cooperation on energy security was announced along with the establishment of a High Level Dialogue on Climate Change, Clean Energy and Sustainable Development. The Summit also addressed differences of opinion on issues such as the Guantanamo detention center, and the visa waiver program. This report will not be updated. Also see CRS Report RS22163, *The United States and Europe: Current Issues*, by (name redacted).

### U.S.-EU SUMMIT

**Background.** On June 21, 2006, the United States and the European Union held their annual Summit in Vienna, Austria. Attending the Summit for the EU was Austrian Federal Chancellor Wolfgang Schüssel, representing the Presidency of the European Council, José Manuel Barroso, President of the European Commission, Javier Solana, the High Representative for Common Foreign and Security Policy, EU Trade Commissioner Peter Mandelson and Austrian Foreign Minister Plassnik. President Bush led the U.S. delegation, accompanied by Secretary of State Rice and others.

**Summit Agenda.** The theme for the 2006 Summit was “*a renewed partnership producing results worldwide.*” The four general topics discussed included foreign policy cooperation, energy security, economy and trade, and global challenges.

In the area of foreign policy, the Middle East dominated the discussions. The United States and the EU took strong positions in the aftermath of the early 2006 Palestinian elections, refusing to recognize the *Hamas* authority. Both sides are working closely to provide humanitarian assistance to the Palestinian people. The close cooperation between

the EU and United States on *Iran's* nuclear ambitions was also highlighted. Both sides expressed a strong desire to see Iran accept the newest package of incentives offered by the international community to defuse the dispute. *Iraq* reconstruction is also an issue on which the EU and the United States have begun to work more closely. In 2005, the EU and United States jointly hosted a conference to support Iraq's democratic transition and to help raise funds for reconstruction. The EU has also announced plans to open an office in Baghdad. Other cited examples of cooperation included efforts to strengthen democracy in *Ukraine* and to withhold acceptance of the results of the recent flawed elections in *Belarus*. Joint opposition to a possible long-range missile test flight by North Korea was also expressed. The crisis in Darfur, the peace process in the Congo, and the potential end of violence in Somalia were also offered as examples of issues on which there is closer U.S.-EU cooperation.

Energy security was discussed in detail and a new action plan to address security of supply, competitiveness, the use of renewable energy sources and energy efficiency was outlined. The United States and the EU agreed to elevate their cooperative effort on energy to a "strategic energy dialogue" in order to more closely coordinate policy towards supplies and suppliers of energy. A renewal of the Energy Star Agreement for the promotion of energy efficient office equipment was approved for signature later in 2006.

Under economy and trade, both sides expressed their intentions to pursue negotiations which would conclude the *DOHA Development Agenda* by the end of 2006. The DOHA negotiations have bogged down over the issue of industrial tariffs in the emerging economies, which makes market access for EU and U.S. companies more difficult, and EU and U.S. agricultural tariffs and subsidies, which make those markets difficult for developing states to penetrate. The United States and the EU are still in disagreement over how much each side is willing to compromise on agricultural subsidies. The United States and EU also announced a new "action strategy" for the *Enforcement of Intellectual Property Rights (IPR)* against global piracy and counterfeiting,<sup>1</sup> This initiative will build on the momentum of the 2005 Summit at which the United States and EU agreed to adopt effective intellectual property rights protection and enforcement rules in regional and bilateral agreements and as a key focus of trade capacity- building technical assistance to third countries. The Agreement also establishes informal mechanisms for IPR, customs, and law enforcement experts to exchange views on best practices in addressing piracy and counterfeit problems in third countries.

Under global challenges the United States and the EU agreed to establish a *U.S.-EU High Level Dialogue on Climate Change, Clean Energy and Sustainable Development*. The Europeans saw this as a major achievement in transatlantic cooperation because of Europe's belief that the current U.S. Administration is not concerned enough about the environment.

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<sup>1</sup> See US/EU Joint Declaration: *Working Together to Fight Global Piracy and Counterfeiting*, U.S./EU Summit, June 2005, EU Commission website.

The United States and the EU also renewed a *Higher Education and Vocational Training Agreement*<sup>2</sup> that was established in 1995. The program is funded and managed jointly by the European Commission and the U.S. Department of Education. The projects include joint study programs, faculty and staff exchanges, dissemination of projects, software and Web development.

**Other Issues.** During the Summit, the matter of the *Guantanamo* detention camp was discussed. The EU has expressed its strong desire to see the facility closed as soon as possible because the Europeans believe it degrades shared values regarding human rights, and disregards international accords on the treatment of prisoners. On June 13, the European Parliament overwhelmingly adopted a resolution calling for the closing of the camp. President Bush acknowledged the concerns of the Europeans and suggested that he would like to see an end to the facility as well but that he could not release some of the remaining prisoners because they were considered extremely dangerous.<sup>3</sup> The United States is also trying to work out agreements with governments that would receive some of the prisoners eventually released.

The EU also raised the issue of the U.S. *visa waiver* program and the desire to have it applied to all EU member states. Currently, 10 EU member states (mostly the newer members from central and eastern Europe) are excluded from the visa waiver program due to problems meeting U.S. immigration laws. The United States prefers to address this issue on a country-by-country basis. Both sides agreed, however, that ‘tangible progress was needed to establish a reciprocal visa-free travel regime for all EU citizens to the United States.’<sup>4</sup>

Both sides also agreed to try to conclude the *open skies* initiative which has stalled in the United States. The United States and EU reached an accord last year giving more access to cities in the United States and Europe for each other’s airlines. However, new regulations prepared by the Department of Transportation have generated opposition in the United State over investment, ownership and management of U.S. airlines by European airline companies. On June 14, the House included language in the Fiscal Year 2007 Transportation Appropriations bill (H.R. 5576) which would delay the rule until 2007.

The United States and the EU also agreed to cooperate closely on resolution of the issue of *passenger name records (PNR) data transfer*. In reaction to September 11, 2001, the U.S. Congress passed the Aviation and Transportation Security Act of 2001 (P.L.107-71). A critical element of this legislation was the requirement that air carriers operating flights to the United States provide certain data regarding passengers. The Passenger Name Record (PNR) information was to be collected prior to any aircraft landing in the United States and forwarded to the Bureau of Customs and Border Control. In December 2003, the Department of Homeland Security and the European Commission reached an agreement that would allow European air carriers to provide PNR data. In May 2006, the

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<sup>2</sup> Additional information on this Agreement can be found on the website of the European Council’s Summit agenda.

<sup>3</sup> See Vienna Summit concluding press release, White House, June 21, 2006.

<sup>4</sup> Summit press release, op. cit.

European Court of Justice, in response to a suit filed by the European Parliament, ruled that the European Commission had no legal basis for declaring the PNR data issue in compliance with EU privacy laws. The Court ruled that data transfers could continue until September but directed the Commission to find another basis to continue the program beyond then.<sup>5</sup>

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<sup>5</sup> For more information on the Court of Justice decision see, European Court of Justice press release #46/06, May 30, 2006.

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