ANNEX I

**“Transatlantic Initiative on Sustainable Trade” work programme**

The objective of the Transatlantic Initiative on Sustainable Trade (TIST) is to build a structured and long-lasting bilateral engagement to promote a more integrated and resilient transatlantic marketplace that will help accelerate the transition to a climate neutral and circular economy to the benefit of businesses, workers, and consumers on both sides of the Atlantic.

By facilitating trade and investment in products that support the green transition, this cooperation will allow the European Union and the United States to enhance the benefits of their respective policies and investments while ensuring that possible government incentives are transparent, fair and non-distortive. The TIST will also help drive forward innovative approaches to decarbonise energy-intensive industries.

The TIST will focus cooperation on different elements grouped around four building blocks: i) A sustainable business environment for an integrated transatlantic marketplace; ii) Resilient and sustainable supply chains for the clean economy; iii) Benefits for workers and consumers in the green economy; and iv) A global path for the green transition.

The cooperation will follow a two-tiered time horizon. The first milestone (step 1) is the fourth EU-U.S. TTC Ministerial meeting (TTC4), which will result in a first set of deliverables building on current workstreams in various TTC working groups and launch a set of additional projects. The second milestone (step 2) will be the fifth EU-U.S. TTC Ministerial meeting (TTC5), where an additional set of deliverables would be presented, and new initiatives would be launched.

The TIST is intended to build on ongoing cooperation within the TTC Working Groups, which will continue to discuss and advance the topics currently within their remit, irrespective of their presentation under the TIST.

**Step 1: at TTC4**

1. **A sustainable business environment for an integrated transatlantic marketplace**
* **Launch work on the identification of sectors and potential trade cooperation to support the green transition**
* **Continue cooperation on measuring embedded emissions,** involving experts from those Commission services and U.S. agencies responsible for the adoption of relevant methods and standards, building on the work that is already ongoing under TTC Working Group 2 and in the technical cooperation in the context of the Global Sustainable Arrangement for Steel and Aluminum negotiations.
* **Facilitate and support** **cooperation on regulatory approaches for green goods and technologies**, focusing on products, technologies, and smart protocols where stakeholders have identified a need but for which no standards exist.
* **Explore cooperation on conformity assessment,** with the focus on goods that can help promote the green transition. The objective is to agree on the way forward by TTC5.
* **Publication of a joint catalogue of best practices on green public procurement** to encourage exchange of experiences and promote a shared understanding on sustainability considerations in public procurement across contracting authorities. The aim is to pave the way for better policies and practices for environmental considerations in government procurement that can make a substantive positive impact on achieving our common environmental goals. The publication of the catalogue is a deliverable for by summer 2023.
* **Transparency for green transition incentives.** In the EU-U.S. Clean Energy Incentives Dialogue, we have committed to work on transparency in our respective clean tech incentives and on third-country non-market policies and practices of shared concern.
1. **Resilient and sustainable supply chains for the clean economy**
* **Launch an initiative to jointly assess supply chains**, including risks of disruptions, critical for the green transition, with an initial focus on solar. To support this work, the European Union and the United States will engage the private sector to better understand the challenges they face.
* **Launch cooperation on supply chain transparency and traceability as well as on due diligence** to help ensure sustainable and responsible business practices. This will build on the work of international organisations like the Organisation for Economic Cooperation and Development (OECD) and the United Nations (UN) and would involve exploring best practices, including the use of emerging technologies such as blockchain, Artificial Intelligence (AI), or Internet of Things (IoT). To support this work, the European Union and the United States will organize a government-to-business workshop by TTC5 to collect views from market participants on how EU-US cooperation can best promote transparency and traceability across supply chains.
* **Launch of a study on the cross-border deployment of digital tools to facilitate the bilateral trade linkages that underpin EU and U.S. supply chains** that are central to the green transition. To be ready by TTC5.
* **Deepen ongoing efforts to diversify the EU and U.S. supply of rare earth magnets as a way to avoid reliance on geographically concentrated primary production and processing**.

**iii) Benefits for workers and consumers in the green economy**

* **Organisation of a joint workshop on ways to encourage social dialogue and support for workers and employers** to promote successful just and inclusive green transitions. To be done by TTC5.
1. **A global path for the green transition**
* **Discuss ways in which the European Union and the United States can best contribute to the work of the Coalition of Trade Ministers on Climate,** which was launched on 19 January 2023.
* **Discuss and share views on how to advance** **trade, labour, and environment goals in multilateral organizations and processes** – in particular, in the International Labour Organisation (ILO), the G7, G20, the OECD, the World Trade Organisation (WTO) Trade and Environment Structured Discussions (TESSD), the WTO Committee on Trade and Environment, and the WTO GPA Work Program on Sustainable Procurement.
* **Deepen cooperation to support partner governments’ implementation of labor and environmental provisions** in EU and U.S. respective trade agreements with those partners.

**Step 2: at TTC5**

1. **A sustainable business environment for an integrated transatlantic marketplace**
* **Organisation of a comprehensive EU-U.S. stakeholder event on the Green Transatlantic Marketplace.** To be done at the time of TTC5.
* **Launch of a transatlantic circular economy** **initiative** to facilitate the conditions for bilateral trade in reusable, repairable, refurbished, or remanufactured products. The scoping work (to be achieved by TTC5) for this initiative should consist of the following elements:
* Mapping exercise to identify priority sectors for which the trade in reusable, repairable, refurbished or remanufactured products would be of mutual interest, as well as of the existing barriers to circular trade in those sectors
* Description of possible cooperation to reduce packaging used and packaging waste generated in transatlantic trade.
* Exploratory discussions on the use of digital initiatives/tools to promote the circular economy like for example, the EU Digital product passport that concerns the collection and the secure sharing of product-related data across the value chain, with the aim of improving product sustainability and the transparency of supply chains and enabling sustainable business models.
* **Launch of a joint EU-U.S. initiative on green public procurement policies:** (based on the joint catalogue of best practices for green public procurement and following stakeholders’ consultation) to deepen the commonalities of the respective public procurement approaches with the aim of contributing to achieving our climate ambitions. This initiative could also inform discussions within the WTO Agreement on Government Procurement.