



Breathing New Life into the Transatlantic Relationship – For a Future-Oriented, Comprehensive Partnership

Position Paper of the
CDU/CSU Parliamentary Group in the German Bundestag

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The United States of America is Germany's most important partner outside Europe. The relations between Germany and the US in matters of foreign and security policy and economic policy, as well as the ties between our civil societies are irreplaceable. Only in a transatlantic partnership between the United States, Canada, and Europe will we be strong enough and possess enough leverage to shape global developments in accordance with our values: safeguarding democracy as a form of governance and type of society that ensures freedom, defending an international order based on values and rules, striving for a sustainable global development in accordance with the international community's Sustainable Development Goals, strengthening free, rules-based world trade, and combatting climate change effectively. A vibrant transatlantic alliance based on trust and a level playing field will remain one of the keys to a future in which we live in freedom, peace, and prosperity.

The world has changed significantly over the past decades. This did not remain without impact on the shape and design of our transatlantic partnership. In demographic terms, the United States is developing away from its European roots. The great dynamism of political, security-related, and economic developments in Asia poses a challenge to the United States as a Pacific power. While developments in East and South-East Asia also require us Europeans to act, our most important short-term challenges are located mainly in our immediate neighbourhood: Eastern Europe, the Greater Middle East, Africa. We will only be able to maintain an international order based on values and rules – the cornerstone of our international existence that guarantees that we can live together in peace – and adapt this order to new realities in a way that reflects our values, if we agree on a new transatlantic division of labour, in which Germany and the EU assume more responsibilities, thereby also taking part of the burden off our transatlantic partners' shoulders. Europe's and North America's security remains indivisible. We are therefore supportive of a lasting, important US contribution to European security.

The new administration under President Joe Biden, which will soon take office, offers a unique opportunity to strengthen our transatlantic partnership even further, to rebalance it, and to underpin it with a new, future-oriented agenda. We as the CDU/CSU Parliamentary Group in the German Bundestag have always emphasised the crucial value of our transatlantic partnership and defended it as essential even in difficult times. With the following Ten Points, we wish to make a seminal contribution towards breathing new life into this partnership.

1. For a comprehensive security partnership and transatlantic cooperation

Crises and conflicts have increased over the past years and decades – across the globe. Hybrid warfare, cyber-attacks, government-sponsored disinformation campaigns (mainly emanating from Russia and China),

non-state actors, cross-border terrorism, global migration, and the effects of climate change have added even more complexity to an already complicated situation. A new, comprehensive transatlantic security partnership must adequately reflect these developments. It is a bipartisan consensus in the United States that the country can no longer continue to be a guarantor of security in all parts of the world as it had been in the past. It is therefore important that we demonstrate a greater ability to ensure our own security, which also means taking on more responsibilities, even risks. At the same time, it is vital for us to continue to cooperate closely with the United States in key security-related issues. A US contribution to Europe's security is indispensable.

- We want to develop the transatlantic partnership into a comprehensive, global security partnership, in which Europe and Germany commit themselves even more strongly to being able to act as independent players that can ensure security. This is in our own interest.
- First and foremost, this means that we must continue intensifying our commitment and increasing our resources in terms of defence, diplomacy, and development cooperation. This will increase our operative capabilities on a sustainable basis.
- We want Germany and Europe to contribute even more to stabilising Eastern Europe, Africa, the Greater Middle East, and the Balkans.
- Together, we will continue to develop new formats for security cooperation – such as the cooperation between Germany, France, the United Kingdom, and the United States within the E3+1 framework. Cooperating with France will make a particularly important contribution to increasing the EU's ability to act.
- We will intensify intelligence cooperation with the United States.
- It is in our shared strategic interest as transatlantic partners to cooperate closely with the United States and Canada in order to confront the political, security-related, and economic challenges and opportunities in the Arctic region that have been triggered by climate change.

2. Strengthening NATO as the backbone of Euro-Atlantic Security, making it fit for the future

Over the past decades, NATO has been a guarantor of peace and prosperity in Europe. NATO – and especially the contribution of the United States of America – will continue to be vital for our security. This is why we must do everything in our power to strengthen NATO even further, develop it, and prepare it for tomorrow's challenges.

- For this reason, we will continue to increase our defence spending consistently, in line with the commitments we made at the NATO Summit in Wales (including the two percent target). This means that our contribution to NATO will remain at ten percent of NATO's overall capabilities. We consider these efforts to be an essential contribution towards a fairer burden-sharing within the alliance, reflecting both the legitimate expectations of our allies and Germany's economic strength and responsibility within Europe.
- We expressly welcome the deployment of US soldiers to Germany. We advocate that, if possible, none of these troops be withdrawn from Germany.
- We support the results of the NATO reflection process that consist in strengthening NATO's political role and improving its decision-making structures and processes. Germany will contribute significantly to developing a new Strategic Concept that will give NATO a global focus as it continues to exercise its core tasks and enable it to find answers to the challenges that arise everywhere in the world.
- In cooperation with our European partners and in close concertation with the United States, we will build up more military capabilities in order to strengthen NATO's European pillar. We will also actively and creatively promote cooperation among and coordination of national armed forces, push for improved interoperability, and drive forward standardisation of equipment.
- We will expand the EU's Permanent Structured Cooperation (PESCO), implement its many projects and the instrument of third country participation in a timely manner, and equip the European Defence Fund with the necessary financial means. At the same time, we strive for a meaningful transatlantic armament

cooperation, also with a view to ensuring compatibility between the military technologies of the transatlantic partners.

- As long as there are nuclear threats, Europe continues to need a US nuclear defence shield under the umbrella of NATO. This is why we consider nuclear sharing an important part of any credible preventative deterrence in transatlantic cooperation. We will continue to pursue it. We advocate the timely modernisation of the carrier systems.
- We will continue to commit ourselves considerably within NATO missions outside the alliance's territory, in reinforced reassurance and deterrence measures at NATO's eastern border, and in the framework of the Alliance's ongoing responsibilities.

3. For an expansion of the transatlantic economic partnership and international free trade as drivers of prosperity

For decades, the EU and the US have been enjoying close economic and trade relations. Roughly 30 percent of world trade happen between these two economic areas, accounting for about eight million jobs on both sides of the Atlantic. The United States is Germany's largest export market. At the same time, Germany is the third-largest foreign investor and fourth-largest foreign employer in the US. Recent years, however, have cast a shadow over our transatlantic economic relations. In particular, US punitive tariffs on steel and aluminium products from the EU, threats of introducing punitive tariffs on cars and car parts, fashion articles, and dairy products, or of imposing extraterritorial sanctions in the context of Nord Stream 2, as well as diverging positions on the World Trade Organisation (WTO) have put a strain on transatlantic relations. The inauguration of a new President of the United States now offers a chance to readjust existing economic and trade relations between the European Union and the United States, in a way that places a greater emphasis on foreign and industry policy as well as geostrategic interests.

- We want an immediate de-escalation of existing trade conflicts with the United States. We therefore expect a revocation of the tariffs on steel and aluminium imposed by the United States, and subsequently a retraction of the European countermeasures that were taken as a result.
- We strive for a speedy, negotiated settlement of the WTO disputes regarding Airbus and Boeing.

- We advocate for a comprehensive, balanced trade agreement between the US and the EU that brings the partners together at eye level.
- We welcome the conclusion of the EU-Canada Comprehensive Economic and Trade Agreement and actively work towards its speedy ratification.
- At the same time, as Germans and Europeans, we are willing to join forces with the United States to pursue a comprehensive WTO reform, in order to remove distortions of competition caused by third states (e.g., through state-owned companies, compulsory joint ventures, access barriers in public procurement, novel barriers to trade and investment such as unilateral digital sales taxes) and create a level playing field in international trade relations.
- Within WTO, we wish to make progress on new topics that have become ever more relevant for trade policy (e.g., digitisation, climate protection and climate change adaptation), and we want to reform the arbitration process in such a way that it remains effective and rules-based while enjoying the broad support of WTO members.

4. Consolidating a rules-based international order, affirming the primacy of multilateral cooperation

Our economic and social model, which is based on export and international ties, will not be competitive without a functional, value- and rules-based international order that is respected by all sides. This is the system that guarantees our freedom and helps us as transatlantic partners ensure that our shared fundamental values will prevail: democracy, human rights, and the rule of the law. Only if we defend and maintain this value- and rules-based order will we be able to prevail in a systemic competition with authoritarian, anti-democratic states. In the end, we need to strive for a world-wide alliance of democracies that defends its shared values against autocratic aspirations. We also need to make existing multilateral institutions such as the UN, NATO, the EU, or the OSCE even more effective. It is in our shared transatlantic interest to strengthen the value- and rules-based order and the institutions that carry it. To this end, Germany and the EU need to commit themselves even more strongly to investments into international institutions, and to be ready to assume more responsibility on behalf of these institutions – for

example when it comes to implementing UN resolutions, sanctions, and international legal norms. The toolkit of sanctions needs to be developed and fine-tuned even further.

- Together, we want to reform the United Nations and its decision-making mechanisms, so that the organisation can give adequate answers to the challenges of the 21st century.
- We encourage the United States of America to return to the World Health Organisation, the UN Human Rights Council, and UNESCO.
- We would also like to encourage the United States to pursue an active and reform-oriented policy within the World Trade Organisation, and we consider it important that the vacancies on the Appellate Body be filled.
- We support a return of the United States to major arms control agreements such as the Open Skies Agreement and the JCPOA, as well as its continued commitment to New START. We also advocate comprehensive arms control agreements that include other (nuclear) powers and that can help us find answers to the challenges arising from the end of the INF Treaty and new technological developments.
- Together with the US, we will work towards blocking Iran's path to nuclear armament while striving to make Iran give up its ballistic programme, stop its expansive, aggressive regional policy, and acknowledge Israel's right to exist.
- It is our wish that we cooperate in strengthening the OSCE as an important confidence-building forum in the Euro-Atlantic area defending human rights, and that we expand the role of the OECD in order to further cooperation, prosperity, and better education.

5. Seizing the opportunities of digitisation together, setting uniform standards

The United States, Europe, and Germany share the goal of keeping the Internet free. This puts us at polar opposites to China, Russia, and other players, who want to fragment the World Wide Web in order to create digital geopolitical spheres of influence.

Free exchange of data guarantees successful transatlantic trade and promotes digital innovation. As two economic areas of world-wide

significance, Europe and the US are at the same time the two ecosystems that exchange the largest data volumes across the globe.

With our current debates on how to strengthen data sovereignty, we demonstrate that open data spaces and individual self-determination need not be at odds with each other.

The innovation ecosystems of the United States, the European Union, and Germany thrive on and benefit from mutual competition and exchange of technological developments. This also includes the exchange and use of data – undeniably the basis for any successful digitisation.

- With its General Data Protection Regulation (GDPR), the European Union has set a high standard, despite some initial problems that still need to be overcome. This standard has been taken note of even across the Atlantic and is being taken as a model for similar efforts. It is important that personal data can flow across the Atlantic while being safeguarded by a high degree of protection.
- We advocate the timely conclusion of a successor agreement to the EU-US Privacy Shield that creates legal certainty for entrepreneurs (especially start-ups and SMEs) as they exchange personal data across the Atlantic. We must ensure individual data sovereignty and also place an even greater emphasis on the principle of digital sovereignty for states and economies.
- Germany and the US should act in close concertation as we address issues regarding artificial intelligence (AI) at the G20 level. Building up on the process launched in Osaka in 2019, both our countries jointly push for the G20 to strengthen and uphold the principle of respect for the rule of law and democratic values as countries develop and apply AI technologies.
- We are in favour of open-source approaches and open interfaces, as well as joint standards, which we consider drivers of innovation. We want interoperability of digital products and services to promote competition and innovation. By allowing innovative companies from our countries to settle in each other's territory, or by enabling mutual participation, we can make substantial contributions to this end.
- Now that the United Kingdom has left the European Union, we want to use the strategic momentum to position ourselves as the United States' key interlocutor within the EU.
- We also strive for a timely conclusion of the OECD work on taxing the digital economy. If we achieve this milestone, it will be more difficult for digital companies to engage in aggressive tax

planning, and we will create a level playing field in terms of taxation for all companies, especially start-ups and SMEs.

- We will continue to tackle the negative impacts of the platform economy in a constructive manner. With the planned reform of the Network Enforcement Act and the amendment of the Act against Restraints of Competition, we have taken first steps at the national level. At the European level, we passed the Digital Services Act (DSA), the Digital Markets Act (DMA), and the revision of the Directive on Administrative Cooperation (DAC7) in December, thereby giving a first set of answers that points the way for how we want the platform economy to develop and should be used as a basis for joint, transatlantic answers and standards.

6. For an innovative transatlantic research and education area

The successful cooperation between Germany, Europe, the United States, and Canada in matters of research and education has a long tradition and forms a key pillar of our transatlantic relations. World-wide, the United States is the single largest investor into research and development, which makes it one of the most important partners in scientific and technological cooperation for Germany and the EU. As President Joe Biden takes office, we will have a unique opportunity to intensify and expand our cooperation in the field of research and education, based on our shared values. This will benefit all our citizens and help us promote sustainable development across the globe. We can only master global challenges if we act together and find innovative solutions – as we could see once more when the coronavirus pandemic struck.

- Especially in the areas of research-intensive key technologies and technologies we need to meet global challenges (such as sustainability or health technologies), we want to build up on existing US-German research cooperation projects and continue developing them further, in line with our federal high-tech strategy.
- Based on our shared values and keeping safety and security aspects in mind, we want to seize the opportunities offered by innovations in the field of digital technologies.
- On the basis of the Bonn Declaration on Freedom of Scientific Research, we want to join forces to ensure freedom of science and

teaching, in order to make international and transatlantic cooperation even more dynamic.

- We are in favour of more academic and scientific exchange between Germany, Europe, and the United States. Cooperation between universities with the strongest research profiles is of strategic significance both for Germany and for the US as research locations.
- We also wish to expand US-German cooperation on vocational training and education. Vocational training and education offers a high-quality educational pathway that is geared towards practical skills. It is a tool that especially meets the needs of German and American companies in the US that require highly skilled workers.

7. For a joint, resolute stance on China in a competition of political systems

We agree with the United States that China is turning more and more into a systemic rival. China wants to transform the value- and rules-based international order into a Sino-centric one and has increasingly been posing challenges in military terms. China's new understanding of its role is a strategic challenge for the US, the European Union, and Germany alike. It requires considered, coordinated reactions. Our joint policy on China must therefore be guided by the principle that we must defend and, if possible, strengthen the existing value- and rules-based international order against this strategic challenge. We want to cooperate with China wherever there are shared interests and our transatlantic partnership will not suffer as a result. At the same time, it must be understood that cooperation with China will not drive the transatlantic partners apart.

- We are in favour of a transatlantic policy on China that reflects a strategic concept.
- Our guiding principle is to seek cooperation with China where it is possible and makes sense, and where China demonstrates a genuine willingness to cooperate. At the same time, we need a firm and cohesive stance in areas where China poses particular challenges to us.
- Our principle must be that our respective policies on China, including the means with which we implement them, must not create disadvantages or burdens for our partners.

- With a view to economic challenges, the transatlantic partners should finally oblige China to adhere to agreed international rules and standards. This especially includes non-discriminatory access to the Chinese market.
- At the same time, we should strengthen our competitiveness while using existing and new WTO-compatible trade defence instruments to counter market distortions caused by state intervention, forced technology transfer, and unfair or even illegal methods.
- We need to do more than pay lip service to the proverbial “level playing field” in international competition. We must fill the concept with life, also with a view to countering tax measures that distort competition.
- We must make our market economies more resilient without sacrificing the fundamental principles of a liberal economic order.
- Our transatlantic commitment also requires increased cooperation with international partners who share our values. Together, we must form a strong and determined community of those countries that actively support maintaining and strengthening the rules-based international order, open markets and fair and sustainable trade, human rights and the rule of the law, as well as freedom of navigation and peaceful conflict resolution.
- We also have major economic and security interests in the Indo-Pacific and will seek to underpin our increased commitment with practical cooperation projects, in the spirit of the Guidelines on Indo-Pacific Relations recently adopted by the Federal Government.
- As transatlantic partners, we must counter China’s moves to support authoritarian systems or create unilateral economic dependencies by offering politically and economically attractive alternatives.
- We must also ensure that China will not use its fully or partially state-owned enterprises to deploy technologies in other states – either directly or indirectly – that can be used as means to create political pressure or support authoritarian structures.

8. Taking a firm stance against Russian aggression, offering transatlantic incentives for a return to cooperative behaviour

Our relationship with Russia is another one in which we need a strategically aligned, joint policy as transatlantic partners. Russia is a systemic challenger both for Europe and the United States. It poses a growing military threat especially for Europe. In order to enforce its own interests, Russia has turned to means that would have been unthinkable a few years ago (such as violations of international law, military aggression, threatening NATO partners, cyberattacks, attacks on opponents of the regime, including by means of banned warfare agents, increased cases of abusing veto power in the UN Security Council).

We are convinced that, as a transatlantic community, we have the power and the potential to confidently represent our goals and interests vis-à-vis Russia. However, we need to pursue our interests with more political cohesion, resolve, and effectiveness, and we need to be able to credibly demonstrate our deterrence capabilities and resilience towards Russia.

- Together with the United States, we want to seek dialogue and cooperation with Russia where Russia is willing to cooperate in a meaningful way and where this seems possible. Examples are economic issues, WTO rules and standards, or climate protection.
- Together with the US, we want to reconstruct the European peace order that we built up together. This includes increased efforts to end the conflict in Eastern Ukraine as defined in the Minsk agreements. We continue to work for a return to the legitimate status of Crimea under international law. As long as Russia is not willing to guarantee this status, sanctions cannot be lifted.
- Together, we want to contribute more to strengthening Ukraine politically and economically, in order to help it become a model of successful transformation.
- Only together with the United States will we manage to motivate Russia to make progress in security-related issues (e.g., through confidence-building measures, arms control, and disarmament).
- We should demonstrate to Russia that more openness and respect for the rule of law will open up possibilities for more economic exchange. In this spirit, we also advocate concerted action to strengthen cooperation between civil societies and promote human rights.

- We strive for a closer energy cooperation with the United States that will also allow us to overcome our dispute over Nord Stream 2.

9. For a comprehensive, innovation-friendly environmental policy that allows us to address climate change

The CDU/CSU Parliamentary Group in the German Bundestag welcomes the high significance that the new President of the United States attaches to combatting climate change. We also welcome his ambitious plan to make the US more sustainable, including by means of extensive investments into a climate-friendly economy. Together, we wish to enshrine the goal of combatting climate change into our foreign, security, and trade policies. The goal to become greenhouse gas neutral by 2050 in particular coincides with our national and European efforts to limit climate change.

- We encourage the US administration and Congress to implement the announced re-entry of the United States into the Paris Climate Agreement as soon as possible.
- Together, we want to give international climate diplomacy the new momentum it desperately needs in order to motivate as many countries as possible to adopt ambitious national climate goals while preparing to finalise the last unresolved issues of the Climate Agreement (e.g., the so-called market mechanisms, i.e., the possibility to offset climate measures and emissions reductions in third countries without double counting) at the next UN Climate Change Conference.
- We continue to count on a close technological partnership with the United States, so that innovation can be used to reduce greenhouse gas emissions and help especially emerging and developing economies to contribute to a successful implementation of the UN Climate Agreement by using climate-friendly technologies.

10. Consolidating our unique value partnership, expanding exchange between civil societies

The partnership between the countries of Europe and North America is characterised by a unique community of values. We share ideals of freedom, peace, democracy, the respect for human rights, and prosperity for all. The friendship between Germany and the United States dates back to the very founding period of the United States and is deeply rooted in our cultures due to millions of Germans who migrated to the US. After the end of World War II and during German reunification, the United States of America stood firmly by the side of German democracy. The global political and economic developments and societal changes of the past few decades have somewhat made us lose sight of the uniqueness of our transatlantic friendship – yet our basis of shared values remained intact. It is up to us to continue strengthening and revitalising this partnership and friendship, especially in this period of global transformation, in order to make the political, social, and economic model of the West prevail and shine even in the future.

- We want to expand and deepen exchange programmes at all levels and in all areas of our societies: for students and academics, but also at the level of parliaments, in business, and for skilled workers. A rich and diverse exchange among people is the best remedy against distorting and harmful anti-Americanism.
- We are in favour of setting up a German-American Youth Foundation that brings together many different programmes.
- We advocate expanding and perpetuating our lively parliamentary exchange by setting up a Transatlantic Group for Strategic Dialogue, composed of selected members of parliament of both sides. We would also like to include colleagues from Canada.

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