Officials from the European Union (EU), United Kingdom (UK) and United States (US) participated in the final week of the 26th United Nations (UN) Climate Change Conference of the Parties (COP26) in Scotland. The Summit concluded with the publication of the Glasgow Climate Pact, which maintains the Paris Agreement goal of limiting global warming to 1.5°C and phasing out fossil fuel subsidies and coal.
The UK Foreign Secretary travelled to the Southeast Asian region this week, focusing on expanding trade with Malaysia, Thailand and Indonesia. US officials focused on Ukraine this week, while also weighing-in – along with European partners – on Belarus and a migrant situation in Poland. EU officials also moved forward this week with preparing the bloc’s position ahead of the World Trade Organization’s (WTO) 12th Ministerial Conference (MC12), which is due to start later this month.

In this issue, we also cover:

- The COP26 Summit;
- Notable US, EU, and UK developments;
- A brief UK-EU trade deal update; and
- COVID-19 highlights among the transatlantic partners.

**COP26 Summit**

The [Glasgow Climate Pact](#) signed and published at the end of the COP26 Summit, while not legally binding, sets the global agenda on climate change for the coming decade. Signatory countries are to replace their national 2030 climate action targets with more ambitious emission reductions by the end of 2022. Complying with the standards set by the 2015 Paris Agreement is reiterated, with the aim to make changes to limit global warming to 1.5°C by the end of 2022. More than 40 countries have pledged to phase out coal, which is one of the biggest sources of greenhouse gas emissions. Developed countries engaged to phase out coal in the 2030s and developing countries committed to do so in the 2040s. At least 20 countries – including Italy, Canada and the US – pledged to stop financing overseas fossil fuel industries by the end of 2022, and instead divert the financing toward clean energy. The Glasgow Pact also establishes the [Santiago Network](#), which is to be funded by richer countries and would provide technical expertise, knowledge and resources to assist vulnerable developing countries in addressing climate risks.

A group of world leaders, comprising of about 70 percent of the global GDP, including the EU and US, agreed to a UK-led plan for a global speed-up of affordable and clean technology by 2030. The plan encompasses five goals set for 2030, the [Glasgow breakthroughs](#), which aim to address more than 50 percent of global emissions by accelerating innovation for climate-smart and sustainable options in the power, road transport, steel, hydrogen and agriculture sectors.

On 10 November, the International Aviation Climate Ambition Coalition was launched at the COP26 Summit, with 20 countries pledging to “advance ambitious actions” that bring aviation CO2 emissions in line with the Paris Agreement goal. Similarly, the [Clydebank Declaration](#) was published with the aim of establishing at least six zero-emission maritime routes by 2025, with an “aspiration to see many more corridors in operation by 2030.”

This week, the Biden Administration released its [US Aviation Climate Action Plan](#) to achieve net-zero greenhouse gas emissions from the American aviation sector by 2050. Apart from increasing production of sustainable aviation fuels and cutting
airport emissions, the US Government will work “with industry to accelerate the
development of more efficient aircraft and engine technologies targeting up to a 30-
percent improvement in fuel savings compared to today’s planes, while also
delivering substantial noise and emissions reduction benefits.”

The US and the People’s Republic of China (“China”) surprised participants of
COP26, announcing on Wednesday announced an agreement to ramp up their climate
ambitions. Among other things, the two countries said they would work individually,
jointly, and with other countries this decade to strengthen and accelerate climate
action and cooperation, including accelerating the green and low-carbon transition
and climate technology innovation.

The day after COP26 concluded, the White House released a fact sheet, affirming the
Biden Administration’s commitment to tackling climate change. On Monday, 15
November, US Presidential Envoy for Climate John Kerry will travel to Paris, France,
to participate in “The Power of Green: Our Future is Now.”

Notable US Developments

Late on 5 November, the US House of Representatives approved the Senate-passed
$1.2 trillion bipartisan infrastructure bill, sending it to President Joe Biden’s desk.
President Biden is set to sign the bill on Monday, 15 November. House Democrats,
however, struggled to move forward on the President’s Build Back Better agenda
before recessing in observance of Veterans Day. They delayed a vote their version
of the $1.75 trillion Build Back Better Act, which includes paid leave provisions,
 opting instead for a procedural vote ahead of their week-long recess. US lawmakers
return to Washington on 15 November.

On 9 November, the Biden Administration announced a Port Action Plan, setting
forward steps to accelerate investment in US ports, waterways, and freight networks
– in alignment with the bipartisan infrastructure bill – and to help resolve some of
the supply chain disruptions. Among other things, the Plan would have the US
Department of Transportation working with the Federal Maritime Commission to
publish a request for information on standardized data exchange requirements for
goods movement in the transportation supply chain.

US Vice President Kamala Harris travelled to Paris, France, this week. She met
with French President Emmanuel Macron on Wednesday, reinforcing the US’
commitment to deepening coordination and cooperation across a range of global
challenges, from transatlantic security to the Indo-Pacific to the Sahel. While in
France, she also participated in the Paris Peace Forum and the Paris Conference on
Libya.

On 11 November, US Trade Representative Katherine Tai participated in a meeting of
EU Member State trade ministers and European Commission Executive Vice
President (EVP) and Trade Commissioner Valdis Dombrovskis, as part of the EU
Foreign Affairs Council. A summary reflected the two sides discussed positive
developments in the trade relationship, with Ambassador Tai committing to building
on “these accomplishments in pursuit of a more prosperous and durable relationship
that benefits workers on both sides of the Atlantic.” EVP Dombrovskis spoke of the
recent US-EU steel and aluminum agreement at a Financial Times event on Thursday. He stated, “It’s a step in the right direction,” while adding, “Of course, our preference would be complete lifting of those tariffs.”

US and Ukraine officials met this week in Washington (and virtually), for the tenth meeting of the US-Ukraine Trade and Investment Council. The Office of the US Trade Representative (USTR) released a summary that noted discussions focused on the Biden Administration’s worker-centric trade policy, agriculture and climate change, section 232 tariffs, intellectual property rights, and improving Ukraine’s investment climate, among other things. On 13 November, US Secretary of State Antony Blinken spoke with French Foreign Minister Jean-Yves Le Drian to discuss reports of Russian military activity in and near Ukraine.

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**Notable EU Developments**

Amid a surging migrant crisis at the Polish border, the EU is currently in the process of preparing a new package of sanctions to Belarus, likely to be published by next week. A declaration by the High Representative Josep Borrell called for “a strong international reaction and cooperation in order to hold Belarus regime accountable for these violations.” Belarusian leader Alexander Lukashenko threatened to cut gas transit to the bloc, if it pursues further sanctions. The EU, US, UK, and some other countries have accused Lukashenko of manufacturing a migrant crisis on the EU’s eastern frontier as retribution for the EU’s initial sanctions over human rights abuses. Poland has deployed 15,000 soldiers to help secure the border. Secretary Blinken spoke with Polish Foreign Minister Zbigniew Rau on 13 November, reaffirming US support for Poland “in the face of the Lukashenka regime’s cynical exploitation of vulnerable migrants.” A State Department summary of the call also reflected the US position on the situation:

> The actions by the Lukashenka regime threaten security, sow division, and aim to distract from Russia’s activities on the border with Ukraine.”

The European Parliament’s International Trade Committee of the European Parliament convened on Tuesday to discuss the proposal for a Carbon Border Adjustment Mechanism (CBAM). WTO Deputy Director-General Jean-Marie Paugam stressed during the Committee hearing that despite the best solution to achieve net zero carbon emissions would be to create a global carbon pricing, the EU proposal for a CBAM is another approach that could work, and is set to be in line with WTO rules.

EU27 Trade Ministers met on Thursday to discuss the EU’s negotiating stance ahead of the WTO Summit, to be held between 30 November and 3 December as well as the transatlantic ties, where Ministers welcomed the positive momentum in EU-US bilateral trade. The European Commission presented a document for discussion, outlining the EU’s negotiating position for the 12th WTO Ministerial meeting. The proposal states the EU would be open to intellectual property (IP) waiver proposals, as long as the aim remains “to enhance or simplify the use of existing flexibilities provided for in the TRIPS Agreement.” EU Trade Ministers are expected to sign off on the document on 29 November.
**Notable UK Developments**

On 11 November, UK International Trade Secretary Anne-Marie Trevelyan announced the Clean Growth programme to encourage more UK exporters to tap into boosting green exports, along with attracting more green investments. The Department for International Trade estimates the low-carbon economy will deliver up to £170 billion of export sales by 2030, and as the demand for British innovation and green tech increases.

This week, Foreign Secretary Liz Truss travelled to Indonesia to upgrade economic, tech and security ties as part of her trip to Southeast Asia. The Foreign Secretary said of the visit,

> Our current relationship is under powered and I want to deepen it in key areas like tech, trade, investment and security as part of plan to build a network of liberty with key partners.”

On 9 November, Foreign Secretary Truss focused on tech, trade and investment while in Thailand. She also formally opened the new British Embassy in Bangkok and visited the Triumph Motorcycle factory to promote British businesses in the region. Foreign Secretary Truss’ stop in Malaysia was focused on defence cooperation and trade.

**UK-EU Trade Deal Updates**

European Commission Vice President Maroš Šefčovič informed the EU27 Ambassadors this week about the status of the ongoing negotiations with the UK over implementation of Northern Ireland Protocol. Šefčovič underlined it is now up to the UK to compromise and make concessions, following the EU’s October comprehensive package of proposals. He reiterated,

> [W]e should focus all efforts on reaching a solution as soon as possible.”

There is a growing sentiment in Brussels about the likelihood of the UK triggering Article 16 of the Protocol, a move that could lead to a retaliatory sanctions package endorsed by Member States. At this stage, diplomats remain divided on the approach to follow if Article 16 is triggered, but the EU retaliation route is gaining ground, with many diplomats favoring a hard line toward the UK. The option of partially suspending the EU-UK Trade and Cooperation Agreement, particularly the trade components of the Agreement has been discussed, which will open the way – if eventually pursued – for the EU to impose tariffs to the UK. Access to medicines is, however, an area where there appears to be progress in the current negotiations and would most likely be excluded from any possible tariffs.

UK Cabinet Minister David Frost warned Brussels against retaliation if the UK decides to trigger Article 16, as this could entail a disproportionate risk. However, Ireland’s Deputy Prime Minister Leo Varadkar noted this week that Ireland has undertaken contingency preparation in case the UK triggers Article 16. While suspending the EU-UK Trade and Cooperation Agreement is not the ideal scenario,
Varadkar stressed,

“If Britain were to act in such a way that it was resiling from the [Northern Ireland] protocol, resiling from the Withdrawal Agreement, the European Union would have no option other than to introduce what we call rebalancing measures, to respond.”

Meanwhile, the European Commissioner for Financial Services, Mairead McGuinness, announced on Wednesday that the EU would extend by another year the equivalence regime for UK clearinghouses to address possible short-term financial stability risk due to over-reliance on UK-based central counterparties for some EU-based clearing activities.

**COVID-19 Highlights**

Similar to the US, the UK Government announced this week that health and social care workers, including volunteers who have face-to-face contact with service users, would need to provide evidence they have been fully vaccinated against COVID-19 as a condition of employment. Enforcement would begin from 1 April, subject to Parliamentary approval.

Effective 22 November, the UK Government announced it would recognise the following vaccines for inbound travel: Pfizer/BioNTech, Oxford AstraZeneca (including Covishield), Moderna and Janssen (Johnson & Johnson), and vaccines on the World Health Organization’s Emergency Use Listing (WHO EUL), including Sinovac, Sinopharm Beijing and Covaxin. This move also came as the Government simplified travel rules for all under-18 year old travellers coming to England, saying they would be treated as fully vaccinated at the border and would be exempt from self-isolation requirements on arrival.

The European Medicines Agency announced this week it will speed up the review of data and will issue additional guidance on the use of the antiviral drug molnupiravir, developed by MSD/Ridgeback Biotherapeutics, so that Member States can start using the COVID-19 therapy. In the meantime, Moderna filed a request before the EMA to expand the conditional marketing authorization for its COVID-19 vaccine in Europe to include children aged six to eleven years old. The EMA authorized on Thursday the use of two monoclonal antibody medicines, Ronapreve (casirivimab/imdevimab) and Regkirona (regdanvimab) for use against COVID-19.

The European Commission announced this week the approval of a contract with Valneva where EU Member States could purchase about 27 million doses of the company’s COVID-19 vaccine in 2022 and an additional 33 million additional vaccines in 2023. The EMA is still to begin the rolling review of the Valneva’s COVID-19 vaccine, but it is expected that the deliveries of the vaccine could start in April 2022.

On 8 November, the United States resumed accepting some international travelers, after being closed to all foreign travelers since March 2020. In a statement that day, Secretary Raimondo welcomed the lifting of international travel restrictions for fully vaccinated travelers, noting,
The travel and tourism industry is a vital part of the American economy, providing millions of jobs to Americans, supporting local businesses, and showcasing what our country has to offer to travelers from around the world.”

Secretary Blinken hosted a virtual COVID-19 Ministerial on 10 November focused on “ending the pandemic and building better health security to prevent, prepare for, and respond to infectious disease and other biological threats.” Meanwhile, the US Food & Drug Administration’s (FDA) Antimicrobial Drugs Advisory Committee (AMDAC) is set to meet on 30 November to consider authorizing the use of molnupiravir, an antiviral pill produced by Ridgeback and Merck. On 5 November, Pfizer reported its antiviral pill, Paxlovid, can reduce hospitalization risk by 89 percent. Pfizer also shared it plans to soon submit its clinical data to the FDA for emergency use authorization.

After several state Attorneys General filed lawsuits against the Biden Administration’s vaccine mandates, the US Court of Appeals for the Fifth Circuit (based in New Orleans) responded to one suit and granted a stay that temporarily halted the Administration’s emergency temporary standard (ETS) requiring employers with 100 employees or more to require COVID-19 vaccines or weekly testing of employees. The US Federal Government had until Monday to respond to the petitioners’ motion; by Friday, the Fifth Circuit extended the temporary stay pending further judicial review. Meanwhile, the Administration continues to urge employers to move forward with complying with the ETS, as multiple legal challenges work their way through the US court system.

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