



## Presidency delegation to Hungary

Tuesday, 20 February – Friday, 23 February 2024

AmCham EU speaks for American companies committed to Europe on trade, investment and competitiveness issues. It aims to ensure a growth-orientated business and investment climate in Europe. AmCham EU facilitates the resolution of transatlantic issues that impact business and plays a role in creating better understanding of EU and US positions on business matters. Aggregate US investment in Europe totalled more than €3 trillion in 2021, directly supports more than 4.9 million jobs in Europe, and generates billions of euros annually in income, trade and research and development.

## Practical info

### **AmCham EU (Office)**

Avenue des Arts, 56, 1000 Brussels, Belgium

Email: [info@amchameu.eu](mailto:info@amchameu.eu)

Telephone: +32 2 513 68 92

### **InterContinental Budapest Hotel**

Budapest Apaczai Csere J.U, 12-14, 1052 Hungary

Telephone: +36 1 327 63 33

### **AmCham Hungary**

Budapest, Szent István tér 11, 1051 Hungary

Email: [info@amcham.hu](mailto:info@amcham.hu)

## Contact

### **Susan Danger**

CEO, AmCham EU

Email: [SDA@amchameu.eu](mailto:SDA@amchameu.eu)

Telephone: +32 498 52 97 49

### **Françoise Soudaz**

Senior External Relations Manager, AmCham EU

Email: [FSO@amchameu.eu](mailto:FSO@amchameu.eu)

Telephone: +32 484 78 81 43

### **Írisz Lippai-Nagy**

CEO, AmCham Hungary

Telephone: +36 306 17 07 20

### **Edina Molnár**

Policy Officer, AmCham Hungary

Telephone: +36 303 95 38 99

## Table of contents

1. List of delegates
2. Programme
3. Biographies
4. Key facts
5. Speaking points
6. Transatlantic Economy Report 2023: Hungary, Europe and the United States

# List of delegates

Delegate	Committee/Organisation
Liam Benham <b>President of EU, NATO and Government Affairs Europe</b> <b>Boeing International</b>	Chair of the Board, AmCham EU
Andrea Chiarello <b>Head of EU Government Affairs</b> <b>Pfizer</b>	Chair of Policy Group, AmCham EU
Susan Danger <b>CEO</b> <b>AmCham EU</b>	CEO of AmCham EU
Ania Helseth <b>EU Policy Manager</b> <b>Meta</b>	Vice-Chair of Policy Group, AmCham EU
Írisz Lippai-Nagy <b>CEO</b> <b>AmCham Hungary</b>	CEO of AmCham Hungary
Edina Molnár <b>Policy Officer</b> <b>AmCham Hungary</b>	Policy Officer at AmCham Hungary
Antonella Sopranzetti <b>Director, Government Relations and Advocacy Europe, Low Carbon Solutions/Upstream</b> <b>ExxonMobil</b>	Chair of the Transport, Energy and Climate Committee, AmCham EU
Françoise Soudaz <b>Senior External Relations Manager</b> <b>AmCham EU</b>	Senior External Relations Manager at AmCham EU

Felix Uedelhoven

**Head of Government Affairs and Policy,  
EMEA**

**GE HealthCare**

Chair of the Healthcare Committee, AmCham  
EU

Julie Vermooten

**Executive Director of Europe Public Policy  
and Government Relations**

**MSD**

Chair of the Agriculture and Food Committee,  
AmCham EU

## Programme

Tuesday, 20 February 2024		Venue
15.10	Flights depart from Brussels	<b>Brussels airport</b>
17.05	Flights arrive in Budapest	<b>Budapest airport, Hungary</b>
Transfer by minibus to the InterContinental hotel (40 minutes) TBC		
18.20 – 18.40	Check-in at the InterContinental hotel (TBC)	<b>InterContinental Budapest</b> Budapest, Apaczai Csere J.U, 12-14, 1052 Hungary
18.40	Meet in the lobby of the InterContinental hotel for the transfer to dinner	<b>InterContinental Budapest</b> Budapest, Apaczai Csere J.U, 12-14, 1052 Hungary
Transfer by minibus to the dinner (20 minutes)		
19.00 – 21.00	Dinner briefing with the <b>US Embassy staff</b>	<b>Residence of Neil Pickett, Senior Commercial Officer, US Embassy in Hungary</b>  Budapest, Roskovics utca 8, 1122 Hungary
Transfer by minibus to the InterContinental hotel (20 minutes)		

Wednesday, 21 February 2024		Venue
08.30 – 10.00	Breakfast with the Board of <b>AmCham Hungary</b> at the Panorama Room V	<b>InterContinental Budapest</b> Budapest, Apaczai Csere J.U, 12-14, 1052 Hungary
10.15	Meet in the lobby of the InterContinental hotel for the transfer to the Sandor Palace	<b>InterContinental Budapest</b> Budapest, Apaczai Csere J.U, 12-14, 1052 Hungary
Transfer by minibus to the Sandor Palace (15 minutes)		
11.00 – 12.00	Meeting with <b>Gabriella Kereszty, Senior Foreign Policy Advisor</b> , Office of the former Hungarian President	<b>Sandor Palace</b> Budapest, Szent György tér 2, 1014 Hungary
Transfer by minibus to the Ministry of Agriculture's Social Relations Department (15 minutes)		
12.30 – 13.30	Meeting with <b>Oszkár Ökrös, Deputy State Secretary, International Relations, Ministry of Agriculture</b>	<b>Ministry of Agriculture's Social Relations Department</b> Budapest, Apaczai Csere János u. 9, 1052 Hungary
Walk to the InterContinental hotel (5 minutes)		
13.35 – 14.15	Free time/lunch	
14.15	Meet at the Panorama Room V	<b>InterContinental Budapest</b> Budapest, Apaczai Csere J.U, 12-14, 1052 Hungary

14.30 – 15.30	Meeting with <b>Barbara Botos, Ambassador-at-large for Climate, Ministry of Energy</b>	<b>InterContinental Budapest</b> Budapest, Apaczai Csere J.U, 12-14, 1052 Hungary
Free time		



Thursday, 22 February 2024		Venue
09.15	Meet at the lobby of the InterContinental hotel for the transfer to the Ministry for National Economy	<b>InterContinental Budapest</b> Budapest, Apaczai Csere J.U, 12-14, 1052 Hungary
Transfer by minibus to the Ministry for National Economy (15 minutes)		
10.00 – 11.00	Meeting with <b>Márton Nagy, Hungarian Minister for National Economy</b>	<b>Ministry for National Economy</b> Budapest, Vám utca 5-7, 1011 Hungary
Transfer by minibus to the InterContinental hotel (15 minutes)		
11.15 – 13.00	Free time/lunch	<b>InterContinental Budapest</b> Budapest, Apaczai Csere J.U, 12-14, 1052 Hungary
13.00	Meet at the lobby of the InterContinental hotel for the transfer to the Ministry of European Union Affairs	<b>InterContinental Budapest</b> Budapest, Apaczai Csere J.U, 12-14, 1052 Hungary
Transfer by minibus to the Ministry of European Union Affairs (5 minutes)		
13.30 – 14.30	Meeting with <b>János Bóka, Minister of European Union Affairs</b>	<b>Ministry of European Union Affairs</b> Budapest, Arany János u. 25, 1051 Hungary
Transfer by minibus to the InterContinental hotel (5 minutes)		
14.45 – 15.15	Free time	<b>InterContinental Budapest</b> Budapest, Apaczai Csere J.U, 12-14, 1052 Hungary

15.15	Meet in the lobby of the InterContinental hotel for the transfer to the Ministry of Defence	<b>InterContinental Budapest</b> Budapest, Apaczai Csere J.U, 12-14, 1052 Hungary
Transfer by minibus to the Ministry of Defence (15 minutes)		
16.00 – 17.00	Meeting with <b>Zsolt Kutnyányszky, State Secretary, Defence Policy, Force Development, and Defence Industry, Ministry of Defence</b>	<b>Ministry of Defence</b> Budapest, Schweidel u. 2-4, 1118 Hungary
Transfer by minibus to the InterContinental hotel (15 minutes) – free time		

Friday, 23 February 2024		Venue
07.00	Meet in the lobby of the InterContinental hotel for the transfer to the Ministry of Foreign Affairs and Trade	<b>InterContinental Budapest</b> Budapest, Apaczai Csere J.U, 12-14, 1052 Hungary
Transfer by minibus to the Ministry of Foreign Affairs and Trade (20 minutes)		
08.05 – 08.50	Meeting with <b>Péter Szijjártó, Minister of Foreign Affairs and Trade</b>	<b>Ministry of Foreign Affairs and Trade</b> Budapest, Ganz u. 1, 1027 Hungary
Transfer by minibus to the InterContinental hotel (15 minutes)		
9.10 – 11.00	Check out and free time	<b>InterContinental Budapest</b> Budapest, Apaczai Csere J.U, 12-14, 1052 Hungary
11.00	Meet in the lobby of the InterContinental hotel for the walk to the Ministry of Interior	<b>InterContinental Budapest</b> Budapest, Apaczai Csere J.U, 12-14, 1052 Hungary
Walk to the Ministry of Interior (5 minutes)		
11.30 – 12.30	Meeting with <b>Sándor Pintér, Minister of Interior</b>	<b>Ministry of Interior</b> Budapest, Széchenyi István tér, 1051 Hungary
End of the official programme Walk back to the hotel (5 minutes)/free time		

13.30 – 14.30	Optional visit to the Hungarian State Opera (to be booked online)	<b>Hungarian State Opera</b>  Budapest, Andrásy út 22, 1061 Hungary
15.15	Meet in the lobby of the InterContinental hotel for the transfer to the	<b>InterContinental Budapest</b>  Budapest, Apaczai Csere J.U, 12-14, 1052 Hungary
15.30 – 16.00	Travel by minibus to the Budapest airport (30 minutes without traffic)	<b>Budapest airport</b>

Flight back to Brussels at 17.55

**End of the Presidency Delegation**

# Biographies



## David Holmes

Deputy Chief of Mission

US Embassy in Budapest, Hungary

David Holmes is currently serving as Deputy Chief of Mission for the US Embassy in Hungary. Mr Holmes has over twenty years of experience working at the Department of State and has spent much of this time in leadership positions overseas.

Previously, has served as Counselor for Political Affairs at the US Embassy in Ukraine and testified in the Trump House impeachment hearings. Mr Holmes has also served at the US Embassy in Russia consecutively as the Deputy Political Counselor and as the Senior Energy Officer, where he implemented sanctions on Russia's energy sector in response to its occupation of Ukraine's Crimean peninsula.

Mr Holmes has held several other international assignments, including Kosovo, Bogotá, Kabul, and New Delhi. He also served on President Obama's National Security Council staff as Director for Afghanistan. Mr Holmes holds graduate degrees from the University of St. Andrews and from Princeton University's School of Public and International Affairs.

### Dinner

### Briefing with US Embassy Staff

#### Date:

Tuesday, 20  
February 2024

#### Time:

19.00 – 21.00

#### Venue:

Residence of  
Neil Pickett,  
Senior  
Commercial  
Officer, US  
Embassy in  
Hungary

### Attendees from the US Embassy

- David Holmes, Deputy Chief of Mission
- Amy Hood, Political/Economic Counselor
- Jonas Stewart, Public Affairs Counselor
- Matt Denny, Defense Attache
- Scott Christianson, Office of Defense Cooperation
- Neil Pickett, Senior Commercial Officer



## **Gabriella Kereszty**

Senior Foreign Policy Advisor

Office of the Former President of the Republic of Hungary

Ms Kereszty assumed her role as Senior Policy Advisor at the President's office in 2015. In addition to this position, Ms Kereszty occasionally lectures at the Corvinus University of Budapest, founded the Elevate Budapest Academy in 2017 and is the Director of Start Akadémia.

Previously, Ms Kereszty has held a number of different positions in the Hungarian Ministry of Foreign Affairs, including Deputy Chief of Cabinet and Senior Advisor to the Minister. She has also worked for the Council for Foreign Relations at the National Assembly of Hungary, the Hungarian American Coalition and the Save the Children International Foundation.

Ms Kereszty studied French culture and literature at Sorbonne University, Paris. She also has a doctorate degree in law from Eötvös Loránd University.

**Date:**

Wednesday,  
21 February  
2024

**Time:**

11.00 – 12.00

**Venue:**

Sandor  
Palace

### **Meeting agenda**

- Introduction: Susan Danger
- Host intervention: Gabriella Kereszty
- Issue lead: Liam Benham
- Close: Susan Danger



## Oszkár Ökrös

Deputy State Secretary

Ministry of Agriculture, Hungarian Federal Government

Mr Ökrös has been serving as the Deputy State Secretary at the Ministry of Agriculture since June 2022. More broadly however, he has held key positions across various ministries and departments throughout his career.

**Date:**

Wednesday,  
21 February  
2024

**Time:**

12.30 – 13.30

**Venue:**

Ministry of  
Agriculture's  
Social  
Relations  
Department

His journey in public service began in 2007 as a professional consultant for the Fidesz-KDNP European Parliament faction. Following this, he spent the years between 2014-2019 at the Prime Minister's Office, firstly as the head of the EU Legal and Institutional Department, then as Deputy Head of the EU Coordination, Institutional and Legal Department and finally as State Secretary for EU Affairs.

Mr Ökrös later began working in the Ministry of Justice. Between 2019 and 2021 he acted as Deputy State Secretary responsible for the coordination of European Union affairs, before becoming the State Secretary in 2021.

Mr Ökrös earned his degree from the Faculty of Political Science and Law at Eötvös Loránd University.

### Responsibilities

- Deputy State Secretary for International Relations

### Meeting agenda

- Introduction: Susan Danger
- Host intervention: Oszkár Ökrös
- Issue lead: Julie Vermooten
- Close: Susan Danger

### Attendees from the State Secretary Cabinet

- Dr Oszkár Ökrös, Deputy State Secretary
- Dr Andrea Barad, Head of Department of EU and FAO Affairs
- Lilla Egri, Head of Department of International Relations
- Dániel Gether, Head of Unit, International Relations
- Dr Bálint Uzonyi, Desk Officer, International Relations



## **Barbara Botos**

Ambassador-at-large for Climate  
Ministry of Energy, Hungarian Federal Government

**Date:**

Wednesday, 21  
February 2024

**Time:**

14.30 – 15.30

**Venue:**

InterContinental  
Budapest  
Hotel

Ambassador Barbara Botos assumed the role of Hungary’s Ambassador-at-large for Climate in 2022. Prior to her current position, Ambassador Botos served as the Deputy Secretary of State for Climate Policy at the Ministry of Innovation and Technology for a period of four years. In this capacity, she oversaw the development and implementation of international, EU and domestic policies related to climate change, renewable energy and energy efficiency.

Previously, Ambassador Botos has also held the position of Head of the Department of Climate Policy at the Ministry of National Development. She has actively participated in climate negotiations at both the United Nations Framework Convention on Climate Change (UNFCCC) and the European Union level, representing Hungary as the head of the delegation and serving as the focal point for the UNFCCC and the Intergovernmental Panel on Climate Change (IPCC).

Ambassador Botos has also taught at various universities and has worked with local governments on environmental protection and climate policy initiatives. She is a member of the Women in Energy Association.

Ambassador Botos holds a Hubert H. Humphrey fellowship from Cornell University, a PhD in Earth Science, an MSc in Environmental Policy and Science from Central European University (CEU), and an MSc in Biology.

### **Meeting agenda**

- Introduction: Susan Danger
- Host intervention: Barbara Botos
- Issue lead: Antonella Sopranzetti
- Close: Susan Danger





## **Márton Nagy**

Minister of National Economy

Ministry of National Economy, Hungarian Federal Government

**Date:**

Thursday, 22  
February 2024

**Time:**

10.00 – 11.00

**Venue:**

Ministry for  
National  
Economy

Márton Nagy has been the acting Minister of Economic Development for Hungary since mid-2022. His previous role was Chief Adviser to the Prime Minister on economic policy issues and he was largely involved with the strengthening of the operational coherence of the economic policy branches.

Prior to this, Minister Nagy worked at the Hungarian National Bank (Magyar Nemzeti Bank (MNB) between the years of 2002-2020. During his years working at MNB he held numerous senior positions including Deputy Head, Director, Executive Director and Deputy Governor. In his early professional career, before joining MNB, he was a Macroeconomic Analyst for the Government Debt Management Agency and a Senior Analyst for ING Group.

Currently a Board member of the MOL Hungarian Oil and Gas Public Limited Company, Minister Nagy has had numerous other memberships including belonging to the Financial Stability Board and the European Banking Authority. He is also the author of numerous research papers, analyses and articles focused mainly on pricing of banking products, healthy lending and the challenges of the financial system.

Minister Nagy earned his degree in economics at Corvinus University of Budapest.

### **Responsibilities**

- Tax strategy, industry policy, employment

### **Meeting agenda**

- Introduction: Susan Danger
- Host intervention: Márton Nagy
- Issue lead: Liam Benham
- Close: Susan Danger



## János Bóka

Minister of European Union Affairs

Ministry of European Union Affairs, Hungarian Federal Government

**Date:**

Thursday, 22  
February  
2024

**Time:**

13.30 – 14.30

**Venue:**

Ministry of  
European  
Union Affairs

Minister János Bóka stepped into his role as the Hungarian Minister of European Union Affairs in April of 2023. With Hungary assuming the rotating presidency of the EU in the second half of 2024, among other EU affairs, his tasks will involve coordinating the preparations for the presidency with the country's EU allies, as well as with the relevant ministries within the government.

Minister Bóka has extensive experience teaching EU law at various institutions. Notable positions include Deputy Dean of the Department of European Public and Private Law at the Faculty of International and Private Studies, and Professor at the Faculty of Law and Political Sciences of the Károli Gáspár Reformed University.

Previously, Minister Bóka has served as a senior legal advisor focusing on EU law, private international law, cross-border insolvency and consumer protection at the Supreme Court of Hungary and as the Director of the Hungarian Academy of Justice. Most recently, he has held the position of State Secretary for EU Affairs at the Ministry of Justice.

Minister Bóka received his Bachelor's degree and PhD in Law from the University of Szeged, Hungary and a Masters in European Integration and Development from VUB, Belgium.

### Responsibilities

- Coordinating preparations for the presidency with the country's EU allies, as well as with the ministries; EU legal issues

### Meeting agenda

- Introduction: Susan Danger
- Host intervention: János Bóka
- Issue lead: Andrea Chiarello
- Close: Susan Danger



## Zsolt Kutnyánszky

State Secretary

Ministry of Defence, Hungarian Federal Government

Dr Zsolt Kutnyánszky is the State Secretary for Defence Policy, Force Development, and Defence Industry within Hungary's Ministry of Defence, a position he has held since January 2024.

**Date:**

Thursday, 22  
February 2024

**Time:**

16.00 – 17.00

**Venue:**

Ministry of  
Defence

Previously, Dr Kutnyánszky acted as the Deputy State Secretariat for Transport Operational Programmes at the Ministry of Innovation and Technology, before being appointed to the role of State Secretary responsible for industry and the labour market at the Ministry of Technology and Industry.

He has also previously been Head of the Department of the Ministry of National Development. Additionally, Dr Kutnyánszky has experience as division head of the National Development Agency and as Legal Advisor to the CEO of Fővárosi Vízművek Zrt.

Dr Kutnyánszky has a law degree from the Faculty of State and Law of the University of Pécs and a European law specialist qualification.

### Responsibilities

- Defence Policy, Force Development, and Defence Industry

### Meeting agenda

- Introduction: Susan Danger
- Host intervention: Zsolt Kutnyánszky
- Issue lead: Liam Benham
- Close: Susan Danger



## **Péter Szijjártó**

Minister of Foreign Affairs and Trade

Ministry of Foreign Affairs and Trade, Hungarian Federal Government

**Date:**

Friday, 23  
February  
2024

**Time:**

8.05 – 8.50

**Venue:**

Ministry of  
Foreign  
Affairs and  
Trade

Péter Szijjártó has been serving as the Hungarian Minister of Foreign Affairs and Trade since 2014. Minister Szijjártó joined the Hungarian right-wing political party Fidesz in 1998 and has represented the party as a Member of Parliament since 2002. In 2005 he was elected as the President of Fidelitas, the youth organization of the Fidesz party, and occupied this position until 2009.

His previous political career saw him as Fidesz Communications Director, Spokesperson to Prime Minister Viktor Orbán between 2010 and 2012, and Minister of State for Foreign Affairs and External Economic Relations at the Prime Minister's Office from 2012 to 2014. In mid-2014, he was appointed Deputy Minister of Foreign Affairs and Trade, eventually stepping into his current role as Minister.

In 2021, Minister Szijjártó was awarded the Order of the Serbian Flag by Serbia and the Order of Friendship by Russia. In 2022 he was awarded the Order Dostuk by Kyrgyzstan.

Minister Szijjártó has a degree in Foreign Affairs from the Budapest University of Economic Sciences and Public Administration.

### **Responsibilities**

- International relations, FDI, security policy and energy security

### **Meeting agenda**

- Introduction: Susan Danger
- Host intervention: Péter Szijjártó
- Issue lead: Liam Benham
- Close: Susan Danger

### **Attendees from the Minister's cabinet**

- Péter Szijjártó, Minister of Foreign Affairs and Trade
- István Joó, CEO, HIPA
- Dr. Gyula Budai, Ministerial Commissioner



## Sándor Pintér

Minister of Interior

Ministry of Interior, Hungarian Federal Government

**Date:**

Friday, 23  
February  
2024

**Time:**

11.30 – 12.30

**Venue:**

Ministry of  
Interior

Sándor Pintér was first appointed the Minister of Interior for the period of 1998-2002 in Viktor Orbán's cabinet, and again from 2010 onwards in the second, third, fourth and fifth Orbán governments. His most prominent tasks as Minister of Interior have been the suppression of crime and the restoration of the police's efficiency. Since the 2022 parliamentary elections, the Ministry of Interior also covers the health and education portfolios.

Prior to embarking on his political career Minister Pintér worked in the criminal-investigation divisions of the national, Budapest and Pest County Police Departments between 1978 and 1991. Having entered the police service in 1978, he began moving through the ranks and reached top positions in the Hungarian police, such as Chief of the Budapest Police in 1991, and then Chief of the National Police between 1991 and 1996.

Minister Pintér is the former Chairman of Civil Biztonsági Szolgálat Ltd (civil Security Services Ltd) and a former Board member of OTP Bank RT. He has educational qualifications from Budapest Police Academy and the Faculty of Law at Budapest's ELTE University.

### Responsibilities

- Healthcare and public education

### Meeting agenda

- Introduction: Susan Danger
- Host intervention: Sándor Pintér
- Issue lead: Felix Uedelhoven
- Close: Susan Danger

# Hungarian Presidency: Background Overview

**Full Country Name:** Hungary

**Capital:** Budapest

**Population:** 10,057,827 (2024)

**Currency:** Hungarian Forint (HUF)

**Time Zone:** UTC +1

**Calling Code:** +36

**GDP per capital (PPP):** \$41,740.9 (2022)

**Joined the EU:** 1 May 2004

**Last Presidency of the Council of the European Union:** 1 January - 30 June 2011

**Next Hungarian Presidency:** 1 July - 31 December 2024

## Political system

Hungary is a parliamentary republic with a head of government, the prime minister, and a head of state, the president - whose primary responsibilities are representative. Hungary is divided into 19 counties, Budapest (independent of any country government), and 23 cities with county-level authority.

Executive branch: Hungary's executive power is exercised by the government, which is led by the prime minister. The prime minister determines the general policy of the government and is elected by the Parliament following the proposal of the president. Ministers are appointed by the president at the proposal of the prime minister.

Legislative branch: The supreme legislative body of Hungary is the Parliament. Members of Parliament are elected by Hungarian citizens for a term of four years. Responsibilities of the Parliament include enacting and amending the Fundamental Law of Hungary, creating legislation, adopting the central budget and supervising its implementation, overseeing the functioning of the government and electing numerous key political and legal officials.

Judiciary branch: The judiciary branch is made up of a four-level system by the Curia (the principal judicial organ), the Regional Courts of Appeal, the Regional Courts and the District Courts. Judges are independent and subordinated only to Acts. The Curia is made up of a maximum of 113 judges and adopts uniformity decisions which are binding on all courts. There are five Regional Courts of Appeal and 20 Regional Courts. The district courts proceed as a court of first instance.

## Current politics and the main political parties

Hungary has a multi-party system with various political parties. This is currently the fifth government led by Viktor Orbán as Prime Minister, and his fourth consecutive term since 2010. He is unchallenged from within his party and has publicly declared that he is not considering retirement anytime soon. The Hungarian opposition is significantly weaker. Barring a major unforeseen event, we can expect

Viktor Orbán to remain the uncontested Prime Minister of Hungary for as long as he wishes to remain in office. Although the government prides itself on political stability, in practice the public administration structure is frequently modified or even overhauled, even at the level of ministries. Portfolios and jurisdictions are frequently re-assigned, overlap and are generally difficult to follow.

- **The Fidesz-KDNP Coalition:**

Fidesz-KDNP is the governing coalition in Hungary which is currently represented in parliament with 135 seats. Whilst often considered one party, Fidesz-KDNP is technically a coalition formed in 2005 when the Fidesz and the Christian Democratic People's Party (KDNP) created a political alliance. However, having been closely aligned for almost two decades, they essentially function as a single party. The Fidesz–KDNP party alliance has governed Hungary since 2010. Fidesz is considered the main party in the alliance while KDNP has been unable to get into the Parliament on its own since 1994. Fidesz values conservative principles and the preservation of Hungarian culture, tradition and national sovereignty.

- **The United for Hungary Coalition:**

United for Hungary is a coalition of six opposition parties. The coalition was founded in December 2020 and ran together on a common list in an effort to defeat Prime Minister Viktor Orbán's ruling Fidesz-KDNP party in the 2022 general election. The coalition spoke of total unity and ending the widespread corruption they claim Hungary faces under Orbán. The coalition lost and is currently represented in parliament with 56 seats. The six parties which form the coalition are:

- **The Democratic Coalition (DK)**

A liberal, centre-left party which was formed in 2010 by former Prime Minister and former Socialist Party Leader Ferenc Gyurcsany, as a faction of the Socialist Party. The DK became a separate entity a year later. The party emphasises the importance of the European Union and international cooperation.

- **Dialogue for Hungary (PM)**

Dialogue for Hungary is a green political party which was created in 2013. It is a member of the Greens/European Free Alliance.

- **Hungarian Socialist Party (MSZP)**

The Hungarian Socialist Party is a left-wing political party officially founded in 1989 when the party renounced Marxism. The MSZP contested the first free multi-party general election in 1990 but lost. However, it won a majority in the 1994 election and formed Hungary's government. The party remained in power until 1998 and again from 2006-2010 when it was defeated by Fidesz-KDNP. The party emphasises the importance of the welfare state and support for the poorer segments of the population.

- **Momentum Movement (MM)**

Momentum was founded in 2015 and supports civil rights, social justice and environmental protection. Their initial aim was to prevent Prime Minister Viktor Orbán from putting forward a bid for Budapest to host the 2024 Olympic Games, arguing that the country was not yet rich

enough to host such a large event. They were successful and Orbán withdrew his bid. The party participated in the 2019 European Parliament and municipal elections, and in 2022 became a parliamentary party. Momentum is a member of the Alliance of Liberals and Democrats for Europe (ALDE) party alliance.

- **Movement for a Better Hungary (Jobbik)**

Jobbik was founded in 1999 as the Right Youth Movement before formally becoming a political party in 2003. The party champions national-conservative and nationalist values. They emphasise the importance of Hungarian culture and identity and advocate for the protection of Hungarian interests.

- **Politics Can Be Different (LMP)**

Politics Can Be Different is a liberal green party that was founded in 2009. The party was one of four parties to win seats in the National Assembly in the 2010 parliamentary election.

- **Our Homeland Movement (Mi Hazánk)**

Our Homeland Movement is a radical, right-wing, national-conservative party in Hungary. The party was founded in 2018 as a split faction of Jobbik and is currently represented in Parliament with seven seats.

## Hungary's government

- *Viktor Orbán – Prime Minister (PM)*

Viktor Orbán was elected for his fifth term as Prime Minister of Hungary in 2022. He has been Prime Minister of Hungary since 2010, previously holding the office from 1998 to 2002. He has presided over the leading party Fidesz since 1993, with a break between 2000 and 2003.

- *Zsolt Semjén – Deputy Prime Minister*

Zsolt Semjén has acted as Deputy Prime Minister in the second, third, fourth and fifth cabinets of Prime Minister Viktor Orbán. Semjén has been the leader of the Christian Democratic People's Party (KDNP) since 2003, which formed a coalition and alliance with Fidesz.

- *Antal Rogán – Minister of the Prime Minister's Cabinet*

Antal Rogán has been in his role since 2015. He served as Mayor of Belváros-Lipótváros (fifth district of Budapest) from 2006 to 2014 and Chairman of the Fidesz National Assembly caucus from 2012 until 2015. As Minister of the PM's Cabinet, he is responsible for policy areas of strategic importance.

- *Gergely Gulyás – Minister of the Prime Minister's Office*

Gergely Gulyás has been the Minister in charge of the Prime Minister's Office since 2018. From 2014 to 2017, he was the Vice-President of the Parliament and the President of the Legislative Committee. He has been a Member of Parliament since 2010. He has also been the Vice-President of Fidesz since 2015.



- *István Nagy – Minister of Agriculture*

István Nagy is a Hungarian politician from the Fidesz Party. He has been acting as the Minister of Agriculture since the 2018 parliamentary election where he replaced Sándor Fazekas.

- *Sándor Pintér - Minister of the Interior*

Sándor Pintér was first appointed the Minister of the Interior for the period of 1998-2002 in Viktor Orbán's cabinet, and again from 2010 onwards in the second, third, fourth and fifth Orbán governments. His most prominent tasks as Minister of the Interior have been the suppression of crime and the restoration of the police's efficiency. Since the 2022 parliamentary elections, the Ministry of the Interior also covers the health and education portfolios. He supports the Fidesz Party. \*See *biography section*

- *Csaba Lantos – Minister of Energy*

Csaba Lantos has been the Minister of Energy under the fifth Orbán government since the 2022 elections. They focus on energy strategy, environmental and climate policy, circular economy and infrastructure development and have a background in banking.

- *János Lázár – Minister of Construction and Transport*

János Lázár became the Minister of Construction and Transport in 2022. He was previously Mayor of Hódmezővásárhely, leader of the Fidesz parliamentary group (2010-2012), Minister in charge of the Prime Minister's Office (2014-2018) and State Secretary of the Prime Minister's Office (2012-2014) among other notable roles.

- *János Bóka – Minister of European Union Affairs*

Minister János Bóka stepped into his role as the Hungarian Minister of European Union Affairs in April 2023. With Hungary assuming the rotating Presidency of the EU in the second half of 2024, among other EU affairs, his tasks will involve coordinating the preparations for the presidency with the country's EU allies, as well as with the relevant ministries within the government. \* See *biography section*

- *Márton Nagy – Minister for National Economy*

Márton Nagy has been the acting Minister of Economic Development for Hungary since mid-2022. His previous role was Chief Adviser to the Prime Minister on economic policy issues and he was largely involved with the strengthening of the operational coherence of the economic policy branches. \* See *biography section*

- *Varga Mihály – Minister of Finance*

Varga Mihály was first assigned Minister of Finance in 2001 in the first Orbán cabinet. From the years of 2013 to 2018 he was the Minister of Economic Development before becoming the Minister of Finance once again in 2018. His role as Minister is focused on fiscal policy, taxation and public finances.

- *Kristóf Szalay-Bobrovniczky – Minister of Defence*

Kristóf Szalay-Bobrovniczky has been the Minister of Defence since 2022. Previously he has acted as the Ambassador of Hungary to the United Kingdom (2016-2022), Executive Vice-President of Századvég Foundation, a Hungarian think tank, has served on active duty with the Hungarian Palace Guards and more.

- *Bence Tuzson – Minister for Justice*

Bence Tuzson has been Minister for Justice since 2023. His role follows the separation of the Ministry for European Union Affairs and the Ministry of Justice in July 2023. His responsibilities include domestic legislative issues remaining with the Ministry of Justice.

- *Tibor Navracsics – Minister for Public Administration and Regional Development*

Tibor Navracsics has been in his position as Minister for Public Administration and Regional Development since 2022. The Minister for Regional Development is a minister without a portfolio, belonging under the Prime Minister's Office. His main duties are to do with the use of EU funds and cohesion policy.

- *János Csák – Minister for Culture and Innovation*

János Csák has been the Minister of Culture and Innovation since 2022. Formerly, he served as Ambassador of Hungary to the United Kingdom between 2011 and 2014. His responsibilities mainly include vocational training, adult education and higher education.

- *Péter Szijjártó – Minister of Foreign Affairs and Trade*

Péter Szijjártó has been serving as the Hungarian Minister of Foreign Affairs and Trade since 2014. Minister Szijjártó joined the Hungarian right-wing political party Fidesz in 1998 and has represented the party as a Member of Parliament since 2002. In 2005 he was elected as the President of Fidelitas, the youth organization of the Fidesz party, and held this position until 2009. \* See *biography section*

## **Briefing prepared by AmCham Hungary**

### **Economy:**

In general, Hungary has been struggling to break out from the middle-income trap. Transitioning to a higher value-added economy or even keeping the current level of competitiveness in relation to regional partners is challenging. For decades, the country's main offer for foreign investors was to provide skilled labour for comparatively cheaper wages. However, a lack of investment into the country's human resources through education and healthcare, and the emigration of skilled labour, might soon result in this model becoming unsustainable. Although the attraction of foreign direct investment (FDI) to the country through significant subsidies, especially in manufacturing, remains a high priority, frequent changes to the regulatory and taxation environment and a relative scarcity of

reliable second and third tier suppliers significantly reduce competitiveness. The treasury, depleted by the aftershocks of COVID-19 and the election spending in 2022, had lowered resilience to withstand negative impacts of the Russo-Ukraine war and the barring of EU funds. This resulted in five months of an EU record inflation of 14-22% and a rapidly growing deficit.

### **Labour market:**

To move to a higher value-added economy, the language skills and digital literacy of the Hungarian general workforce needs to be improved. According to EUROSTAT, literacy in at least one foreign language is the third lowest in the EU, and the human capital dimension in the human capital Digital Economy and Society Index (DESI) is also below the EU average.

The unemployment rate is currently at around 4%, which we technically consider to be full employment. Our members report labour shortages for both white- and blue-collar jobs (discounting the effects of temporary global trends, eg in some parts of the IT sector). The situation is further aggravated by the new influx of new FDI in manufacturing. As there are no easily accessible reserves left in the domestic labour pool, Hungary now needs to rely heavily on foreign, mostly non-EU, guest workers, but their sudden influx creates tension with local communities, following years of jingoistic government rhetoric. At the end of 2023, a new, comprehensive legislation was introduced to regulate the status of non-EU guest workers, which, although much better than a previous iteration, still places little focus on high-skill labour. We expect that more advocacy work from AmCham EU and other organisations will be needed in this area in the coming year.

### **Energy:**

There is a disproportionate perception that the Hungarian government is unwilling to seek alternatives to Russian energy sources, which holds only in the case of the Paks 2 NPP. Here, Rosatom remains the main contractor, despite the uncertainty whether the company can carry out the project under present circumstances and whether that's a wise decision strategically. In terms of oil and gas imports, the government is actively seeking alternatives (eg from Azerbaijan), although the efficacy of such efforts is up for debate. There are significant energy development projects planned, but these cannot start without unlocked EU funding. According to estimates, the industry-centric economic strategy, including the newly planned battery plants, would increase domestic energy demands by several thousands of MWh, and it is currently unclear how and when that demand can be met.

### **Digitalisation:**

The data and digitalisation portfolio is currently handled by the Cabinet of the Prime Minister, namely Minister Antal Rogán, who is considered to be one of the most important and influential people in the Orbán government. He is responsible for strategic communications, intelligence services and key regulated industries (eg cybersecurity, tobacco, mining, etc). A comprehensive digital citizenship programme was announced at the end of 2023 that seeks to consolidate fragmented public databases and introduce wide-ranging modern digital services to the general public. The program is very

forward-looking, and would create real value, but critics argue that it would also give the government access to an unprecedented amount of information on its citizens.

## Speaking points

# Hungarian Presidency of the Council

February 2024



AmCham EU speaks for American companies committed to Europe on trade, investment and competitiveness issues. It aims to ensure a growth-orientated business and investment climate in Europe. AmCham EU facilitates the resolution of transatlantic issues that impact business and plays a role in creating better understanding of EU and US positions on business matters. Aggregate US investment in Europe totalled more than €2 trillion in 2018, directly supports more than 4.8 million jobs in Europe, and generates billions of euros annually in income, trade and research and development.

# Agriculture and Food

**Policy adviser:** Edouard Coppieters

## Key messages

1. Sustainable food systems
2. Deforestation-free products proposal
3. Challenges of agri-trade under the Green Deal
4. Common Agricultural Policy (CAP) reform
5. Veterinary medicinal products (VMP) legal framework

## Positions / Recommendations

### 1. Sustainable food systems

#### Context

Ongoing global crises have exacerbated food insecurity, particularly in vulnerable countries. To address this issue, governments, civil society and the private sector must collaborate to identify and implement short and long-term measures.

#### Recommendations

- Incentivise innovation in agriculture and food production, which must be developed and brought to the market more quickly.
- Create predictable and proportionate regulatory systems built on sound science that allow innovative technologies and products to thrive.
- Communicate risk management decisions in a clear, timely and transparent way to foster and encourage consumer acceptance of technological developments. Rigorous scientific and risk-based decision-making should be at the front and centre of all discussions.
- Prioritise transparency, predictability and science as the principles that drive the safety assessment of biotechnology and plant protection products in crops.
- Encourage citizens to accept science-based and evidence-based policy from organisations like the European Food Safety Authority.
- Consider the food supply impacts of policies in other sectors (eg trade) in light of food security issues.
- Improve communication with consumers to facilitate informed choices for a varied and balanced diet by making nutrition part of education curricula and campaigns across Europe.
- Provide EU citizens with easily accessible, affordable, nutritionally adequate and safe food choices.
- Conduct a comprehensive, cumulative impact assessment on all Green Deal initiatives affecting farming.
- Ensure coherence and consistency of Farm to Fork (F2F) with other key EU policy initiatives, particularly with the various parts of the Green Deal, almost all of which affect food, feed and non-food.
- Use science-based F2F initiatives to drive sustainable change in the supply chain that reflects customer choices and the need for a framework that encourages innovation and choice.
- Enable further biomethane and electricity deployment in the agriculture sector and promote both of these fuels to foster the implementation of green fuels.

- Support the development of greener veterinary medicines and biological pesticides through the F2F and incentivise a reduction in environmental impact.
- Consider vaccines as ‘green pharmaceuticals’ and as a tool to combat antimicrobial resistance (AMR).
- Encourage the digitalisation of agriculture through the F2F and support farmers in making the transition towards more sustainable production.

## 2. Deforestation-free products proposal

### Context

In June 2023, the European Union the deforestation-free products regulation came into force. Currently in its implementation phase, it will start applying in December 2024. The multi-stakeholder platform currently meets regularly to foster dialogues and assist the Commission in the drafting of both implementing and delegated acts.

### Recommendations

- Coordinate between the EU and producing countries to help with capacity building and establish traceability systems, especially for indirect suppliers.
- Favour a commodity-by-commodity approach to account for the specificities of individual supply chains and avoid unintended consequences.
- Develop guidelines for minimum standards and quality control of third-party verification schemes.
- Maintain the current product scope of the Regulation and ensure the process is fit for purpose before enlarging it further to other products.

## 3. Challenges of agri-trade under the Green Deal

### Context

By applying mirror clauses the EU intends to export standards to its economic partners through trade policy. This means that all EU trading partners would need to implement the same or similar environmental and sustainability standards as the EU.

### Recommendations

- Ensure that mirror clauses are science-based and compliant with WTO rules. To this end, the European Commission should consider collaborating with WTO bodies before including certain mirror clauses in all trade agreements to ensure lawful and science-based decision-making.
- Conduct an impact assessment of the effects of mirror clauses in all upcoming trade agreements to avoid an unbalanced situation for its trading partners.
- Adopt equivalence agreements with third countries that have similar productions methods instead of implementing mirror clauses.
- Consider the global dimension of trade and sustainable development – including collaboration with the EU’s trading partners – when developing the F2F and EU food and agriculture policy (eg CAP).
- Account for production conditions in third countries when creating regulatory barriers. They should be science and risk-based, linked explicitly to sustainability objectives and implemented in a manner consistent with the equivalent obligation established at the WTO level.

#### 4. Common Agricultural Policy (CAP) reform

##### Context

EU agricultural policy can create a regulatory environment that encourages innovation and sustainable production that can ensure more sustainable food systems. In light of European Green Deal targets, relevant issues include decreased fertilizer and pesticide use, increased organic and plant protein production, reduced use of antibiotics, greater soil health and biodiversity, as well as further financial support and incentives for regenerative agriculture.

##### Recommendations

- Focus reforms on market orientation, research and innovation, knowledge sharing and the international dimension while integrating the requirements of the European Green Deal.
- Ensure fair and non-discriminatory treatment of local versus imported raw materials that supply the European market. This entails removing non-tariff barriers to trade and recognising different agronomic realities around the world.
- Support research and development (R&D) initiatives in agriculture including digital and precision farming to assist farmers and help improve food safety and public health.
- Invest additional budget to incentivise farmers to adopt more sustainable agricultural practices and production to meet the strengthened environmental and climate ambitions of CAP reform.
- Enable a well-functioning international agri-food supply chain that supports the economic recovery.

#### 5. Veterinary medicinal products (VMP) legal framework

##### Context

The VMP Regulation risks hampering international trade by imposing on third countries EU technical measures that are not compatible with World Trade Organization (WTO) rules.

##### Recommendations

- Base the implementation of the VMP Regulation on a sound benefit-risk assessment, not hazard-based approaches.
- Ensure that the use of a list of critically important antimicrobials does not hamper transatlantic trade.
- Invest in research and bring to market innovative treatments, new technologies and care options.



# Digital Economy

**Policy adviser:** Lucia Lopez Carasa

## Key messages

1. The Single Market in the digital age
2. Emerging technologies
3. International data flows
4. International cooperation

## Positions / Recommendations

### 1. The Single Market in the digital age

#### Context

The European Commission has been rolling out an ambitious Digital Single Market strategy since 2015. However, an actual Single Market for digital services and technologies is still not fully in place. As exemplified by the global health crisis, digital solutions can ensure economic continuity and resilience for the society of tomorrow. Likewise, adapting digital policies can improve digital infrastructure, attract investment and promote technological innovations.

#### Recommendations

- Complete a Digital Single Market where online services, goods and data can move freely and where people can reap its full benefits.
- Continue implementing a principled and risk-based approach to policymaking to ensure relevance of regulatory frameworks for fast-evolving technologies.
- Support lifelong learning programmes for citizens and employees and invest in education to adapt academic curricula to a digitalised economy and society.

### 2. Emerging technologies

#### Context

New technologies such as artificial intelligence (AI), additive manufacturing, , Internet of Things (IoT), 5G and the cloud have tremendous economic and societal potential. By accelerating investment, innovation and entrepreneurship, Europe can foster their uptake and scale-up from businesses of all sizes. The combination of these innovations is also critical. Their interaction allows for the delivery of pioneering services that can satisfy ever-growing consumer demand, secure supply chains and maximise revenues for European businesses.

#### Recommendations

- Safeguard innovation by ensuring that the Artificial Intelligence Act requirements are manageable and realistic.
- Ensure continuous transatlantic cooperation for the development of international standards for artificial intelligence (maximising the already existing platforms like the TTC for instance).
- Ensure alignment of definitions and standards with those agreed at international level.
- Maintain an open approach to cloud computing, ensuring that any new requirements are inclusive, technology-neutral and consistent with international standards.
- Exclude considerations of a non-technical nature that are not related to cybersecurity considerations – such as the requirements on the country of establishment of a cloud provider or similar – from the conversations on the design and implementation of cybersecurity certification schemes.
- Build cybersecurity capacity through consolidation, leveraging the expertise of global providers, including essential entities under the scope of the Network and Information Security 2 (NIS2) Directive, without excluding player based on non-technical criteria.
- Enable the integration of new technologies in areas like healthcare, financial services and connected mobility.

- Focus on implementation of the already existing regulation and avoid overlaps in proposals to ensure competitiveness and economic growth there must be legal clarity.
- Adopt risk-based and proportionate solutions for IoT security.
- Favour the swift rollout of high-speed fixed and 5G networks to meet the 2030 digital decade targets.
- Foster coordination among international partners on strategic supply chains to balance global market dynamics, national security needs and supply priorities.
- Promote a further meaningful engagement with industry for the successful development of cybersecurity certifications.

### 3. International data flows

#### Context

As data becomes a strategic asset to every economy, exporters increasingly face protectionist measures, including data localisation requirements and forced technology transfers. These measures risk hindering the benefits of data sharing, such as economic growth, research and innovation and job creation. The announcement of the adoption of the Adequacy decision on the EU-US Data Privacy Framework is welcome. Additionally, the EU data strategy, in all its declinations, is an opportunity to ensure that international data flows – which are vital to Europe’s competitiveness and businesses’ digital transformation – are protected and encouraged.

#### Recommendations

- Support the effective implementation of the safeguards needed to ensure the favourable outcome of the first review of the framework which will take place in July 2024, so that businesses can confidently rely on the new EU-U.S. Data Privacy Framework.
- Provide significant investment to deliver on the European data strategy and achieve the EU’s aims in competitive storage, processing and profitable use of data.
- Ensure that rules concerning data access and use are fair, clear and comply with European values and competitiveness.
- Prevent the Data Act from disrupting functioning data sharing and processing models and unintentionally making collaboration more difficult or impose unjustified and unnecessary mandatory data sharing or portability obligations.
- Address the ambiguity in the current text of Data Act on international data transfers of non-personal data and ensure consistency with existing international agreements to avoid legal fragmentation and strict data localisation requirements.
- Immunity requirements in the proposed EU Cloud Certification Scheme (EUCS) should be abandoned and instead addressed in bilateral initiatives such as the TTC and the adequacy decision for the EU-U.S. Data Privacy Framework.
- Assess new regulatory initiatives against existing regulations (including personal data protection or liability for defective products) to avoid conflicting obligations.
- Involve and encourage industry to bring the skills and data literacy needed to fulfil this vision. Solve issues around foreign authorities’ access to data through multilateral governmental discussions (ie TTC) rather than by imposing regulatory requirements on a specific sector.

### 4. International cooperation

#### Context

The global nature of the digital ecosystem relies on strong international and transatlantic cooperation to increase productivity and innovation and to ensure everyone can reap the benefits of digital investments. Moreover, as governments around the globe face similar challenges, coordinated efforts are critical to deliver effective solutions.

#### Recommendations

- Increase cooperation among like-minded democracies to address cyberthreats and other related global challenges, which have intensified in the current geopolitical context.

- Strengthen cooperation on semiconductors and wider information and communication technology (ICT) supply chains by identifying collaborative actions that improve resilience, ensuring a level playing field for foreign direct investments and supporting R&D and manufacturing.
- Use the TTC as the main platform to achieve concrete deliverables that would strengthen the digital relation between the EU and the US, particularly regarding the semiconductor industry.
- Ensure greater participation of industry in nearly all categories, including standardisation requests, export controls and priority orders.
- Focus, in collaboration with trusted partners, on an ongoing assessment of the EU's export control regime, to align export control approaches both within the EU and multilaterally on new areas like intangible transfers of software and technology.
- Create a harmonised and future-proof export control framework that adequately accounts for evolving technologies and creates a competitive environment for EU exporters, with special consideration for SMEs and academic institutions.
- Modernise EU Free Trade Agreements and WTO rules to address new market access barriers.

# Environment

**Policy adviser:** Elena Maccaferri

## Key messages

1. Transition to a circular economy and the protection of the EU Single Market
2. Ecodesign for Sustainable Products Regulation
3. REACH regulation and the Chemicals Strategy for Sustainability (CSS)
4. Fluorinated gases
5. Packaging and Packaging waste

## Positions / Recommendations

### 1. Transition to a circular economy and the protection of the EU Single Market

#### Context

The circular economy promises products with lower environmental impact and significant economic benefits through the development of cutting-edge technologies, processes and business models. The private sector is the engine of this transition. However, the fragmentation of the Single Market - due to countries implementing divergent measures - is undermining EU aspirations to lead the transformation towards a more sustainable economy. The increasing number of national regulations on the labelling of packaged goods for later sorting is a case in point. Although well-intentioned, many of these requirements pre-empt forthcoming legislative developments at the EU level, compromising the effectiveness of a bloc-wide approach. As the EU moves to revise its legislation on packaging and packaging waste, industry is investing in supply chain solutions for more sustainable and circular packaging materials.

#### Recommendations

- Create one single circular economy, not 27 separate ones, underpinned by an integrated Single Market.
- Avoid a one-size-fits-all approach to reducing packaging waste, which would have a detrimental impact on both downstream users of packaging as well as on supply chain actors.
- Collaborate with industry when setting recycling targets, and ensure they reflect the reality of current recycling infrastructure capacity and access to raw materials.
- Ensure that reuse and refillable targets, if introduced in legislation, reflect the availability, use and treatment of appropriate materials at a time when consumers are acutely aware of the importance of public hygiene and safety.
- Harmonise packaging legislation in the internal market. Extended Producer Responsibility requirements differ from member state to member state, complicating industry compliance and impeding the scale-up of pan-European circularity solutions.
- Broaden the definition of 'environmental footprint' to environmental impacts categories based on the Product Environmental Footprint or other scientifically validated standards (for example, ISO 14040 series). Promote an EU-wide approach to circular economy legislation to ensure a supportive regulatory ecosystem that ensures industry is able to successfully assume its role as the primary driving force behind the implementation of a circular economy in the EU.

### 2. Packaging and Packaging Waste Regulation

#### Context

As part of the CEAP, the European Commission (EC) published its proposal for a Packaging and Packaging Waste Regulation (PPWR), repealing the existing PPWD. This proposal extends beyond essential requirements and includes measures aimed to reduce (over-) packaging and packaging waste, and some cases even encourages packaging reuse. Given the shift from a Directive to a Regulation, the PPWR will now have direct and immediate impact to Member States and business operators, leading to less flexibility for them in how they manage packaging waste targets, collection and recycling, amongst others. In addition to this, the regulation is looking to refine various definitions concerning the recyclability and reusability of packaging, and attempt to improve

overall design, imposing ‘design for recycling’ criteria, and mandatory recycle content targets. The Commission is also looking to reduce packaging size and reduce the ‘empty space’ ratio, as well as introducing minimum requirements for packaging deposit return systems.

#### Recommendations

- Take into account the multiplicity and diversity between impacted sectors and the different needs in terms of reuse targets, recycled content targets, and packaging adaptations eg size, format, empty space.
  - Balance the need for more recycled content in packaging, with the availability of materials on the market, their quality and use.
  - Maintain the ambition to harmonise labelling, allowing for better sorting of materials and ideally higher quality recycle, at scale.
  - Avoid packaging standardisation as packaging performance criteria should align with the functions listed in the definition of packaging while not compromising intellectual property rights
  - Consider the ‘design for recycling’ criteria, and avoid unachievable targets and timelines.
  - Reduce the disparity between national EPR schemes, and support Member States in stepping up their efforts to set up/upgrade recycling facilities and infrastructure, as well as effective separate collection and sorting of waste.
- Encourage rigorous implementation and enforcement of the Single Market principles, to ensure harmonised legal requirements prevail, those that facilitate economies of scale and long-term investments and strengthen the environment for innovative products and technologies.

### 3. Ecodesign for Sustainable Products Regulation

#### Context

The proposal for a new Ecodesign for Sustainable Products Regulation (ESPR) seeks to create a Single Market for sustainable products and improve access to sustainability information through the Digital Product Passport (DPP). The Regulation will only be successful if it ensures full harmonisation across Member States and drives competitiveness for European industry.

#### Recommendations

- Keep the product-specific approach of the ESPR to ensure that ecodesign requirements are tailored to the unique characteristics of each product group.
- Provide for a transition time that is proportional to the significance and complexity of the ecodesign requirement.
- Avoid double-regulation.
- Ensure the Digital Product Passport only contains the most impactful information for each product group.
- Include an obligation on suppliers to provide all required information to manufacturers, while ensuring protection of Confidential Business Information (CBI).
- Further clarify the procedure for a non-disclosure request due to Intellectual Property/Confidential Business Information reasons.
- Ensure that manufacturers are not liable for missing or incorrect information given by suppliers, provided that manufacturers exerted reasonable care to ensure that information is correct.
- Support the EU Commission’s proposal that the unit of reference should depend on the characteristics of the specific product.
- Ensure the Digital Product Passport is a tool to fight counterfeits.
- Restrict the collection of ‘track-and-trace information’ to the circumstances where this is absolutely essential to improve the environmental sustainability of a product.
- Focus tracking on substances of concern on critical substances for each product group to be defined through a multi-stakeholder platform including industry and value-chain actors.
- Ensure suppliers pass on information on substances of concern throughout the value-chains.
- Support the EU Commission proposal to keep REACH as the tool to restrict substances for chemical safety reasons. If the EU Commission intends to restrict substances of concern for reasons other than chemical safety, we recommend setting up a procedure allowing the involvement of ECHA, as well as the JRC and EU industry stakeholders in the Ecodesign Forum.

- Broaden the definition of environmental footprint beyond the Product Environmental Footprint (PEF) methodology, so that other scientifically-based methodologies can also be used.
- Support the EU Commission's two-step approach to first mandate economic operators to disclose the quantity of unsold consumer products discarded and, afterwards, to prohibit the destruction of unsold consumer products in the sectors where this practice is more wide-spread and unjustified.
- Provide for an adequate transition time between the implementing act setting out the format for disclosure of unsold consumer products and the application of the requirement.
- Ensure future delegated acts prohibiting the destruction of unsold consumer products include some exemptions for circumstances when a product presents safety or health concern, is expired, damaged, or is a counterfeit.
- Ensure no national provisions are set on products regulated by the ESPR, as a way to preserve the internal market.  
Deviate from the existing EU new legislative framework (NLF) only where absolutely essential to improve the environmental sustainability of a product.

## 4. EU chemicals legislation

### Context

The CSS rightly recognises that 'the EU already has one of the most comprehensive and protective regulatory frameworks for chemicals, supported by the most advanced knowledge base globally'. The European Commission can build on this achievement by pursuing improvements that are targeted and incremental, avoiding the severe uncertainty that would stem from an unjustified overhaul of EU chemicals legislation. In this way, it can better promote the EU's competitiveness while continuing to protect health and the environment.

### Recommendations

- Follow a risk-based approach for the EU chemicals management system.
- Base new measures on scientific and clear definitions. Risk management should be based on socio-economic factors and availability of viable alternatives.
- Propose new hazard classes within the CLP Regulation first at GHS level to promote international consistency and prevent barriers to trade. The transition periods should leave sufficient time to relabel (no less than 24 months).
- Grant the European Chemicals Agency resources to navigate the added workload presented by the introduction of new hazard cases under CLP.
- Align groups and definitions between the CLP and REACH.
- Use digital labelling tools to communicate hazard and safety information to consumers and supply chain actors.
- Regulate perfluoroalkyl chemicals (PFAS) proportionally, based on appropriate risk assessment, scientific evidence and socio-economic value they bring.
- Regulate fluorinated gases under the F-Gas Regulation, not under the PFAS restriction, to avoid overlapping requirements and regulatory uncertainty.
- Clearly define what constitutes 'essential' in terms of emissions reduction targets, technological developments or pandemic response. This definition should be enshrined into the existing Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) assessment framework.

## 5. Fluorinated gases

### Context

The Fluorinated Gases (F-gases) Regulation is an ambitious proposal set out by the European Commission to accelerate the phase down and effective banning of high Global Warming Potential (GWP) Fluorinated Gases (F-gases) in the EU. AmCham EU supports the F-gases proposal and the EU's long-term objective to significantly reduce greenhouse gas emissions by 2030 and reduce F-gas emissions by 98% by 2050.

### Recommendations

- Regulate fluorinated gases under Regulation (EU) No 517/2014, not under the PFAS restriction, to avoid overlapping requirements and regulatory uncertainty.

- Ensure coherence between the ambitions set within the f-gases, Energy Performance of Buildings Directive (EPBD) and REPower EU proposals.
- Allow for a less steep and more achievable phasedown slope before 2030 to succeed in the ultimate goal of a 98% emission reduction by 2050, taking into account the realistic transition times across the various sectors employing F-gases, the European Green Deal's ambitions and the REPowerEU acceleration aimed at increasing the energy security of the EU.
- Avoid assuming that alternatives to F-gases are readily available for refrigeration, heat pumps and stationary air conditioning, or that it is possible to finalise the transition to alternatives in five years (or within three years of being adopted), ie by 2027.
- Maintained and service existing equipment instead of being prematurely decommissioned and replaced by new equipment.
- Allow for sufficient time and resources to ensure the successful implementation of the enforcement measures in the F-gas regulation revision proposal.
- Clarify how the call for dedicated customs offices for clearance of F-gases will be implemented while ensuring the right level of know-how, harmonisation and coordination across EU Member States.
- Ensure sufficient availability and choice of different anaesthetic agents to maintain high-quality therapeutic outcomes.
- Mandate the use of new technologies for the effective capture, destruction or reuse of anaesthetic gases instead of banning a therapeutic option for anaesthesia that has clear medical benefits.
- Reconsider the proposed revision of the F-gas regulation to exclude the charge size threshold of 40 tonnes of CO<sub>2</sub> equivalent or more in the context of using F-gases for servicing and maintenance purposes.



# Healthcare

**Policy adviser:** Norbert Rebow

## Key issues

1. Life sciences ecosystem in Europe
2. European Health Data Space
3. Revision of the general pharmaceutical legislation
4. Health Technology Assessment Regulation implementation
5. Sustainable healthcare systems

## Positions / Recommendations

### 1. Life science supply chains

#### Context:

The EU and the US should continue to work together to bolster biopharmaceutical supply chains in preparation for future health challenges. The COVID-19 pandemic has demonstrated the urgent need for more resilient supply chains that can ensure the free movement of pharmaceuticals and their input, key personnel and health-related data.

#### Recommendations

- Ensure the continued functioning of global supply chains, which are heavily interconnected, to safeguard the resilience of healthcare systems in Europe.
- Promote EU collaboration with international partners – notably, the US – and stakeholders to improve global supply chain flexibility and resilience is key.
- Strengthened open trade in life sciences and avoid restrictive or protectionist measures, as they could impact production.

### 2. European Health Data Space

#### Context:

The safe and effective use of health data is key to improving and innovating European health systems. An effective regulatory environment will allow for the development of digital health solutions and encourage the harmonisation and integration of healthcare data based on interoperable ICT solutions. With increased digitisation of health systems, research and development, care delivery and healthcare administration, we will see greater efficiency and be able to develop new treatments, therapies, medical devices and technologies that are better suited to both individual and societal needs. Better data insights will lead to more informed decisions by patients, healthcare practitioners and will also be a pre-requisite to patient-centric health policies and healthcare delivery models that will reward quality instead of quantity of treatments.

#### Recommendations:

- Facilitate international data flows with third countries by removing barriers to cross-border digital services that could limit the research and development of drugs, medical devices, in-vitro diagnostics and other healthcare technologies.
- Avoid creating reciprocity requirements for third-country entities to access health data via the EHDS framework, especially for those entities that have invested heavily in building research and innovation capabilities in Europe.
- Support the needs of patients with rare diseases, through both primary and secondary use of health data, by enabling global collaboration to advance research, diagnosis and treatment. It is particularly important for the EHDS to align with the Clinical Trials Regulation, especially in complex, cross-jurisdictional clinical trials.
- Maintain the ambition of creating a single market for digital health products and services within the final legislation.



### 3. Revision of the general pharmaceutical legislation

#### Context

The European Commission has published proposals to revise the EU's general legislation on medicines for human use. In line with European Council's recommendation of March 2023, the package when enacted should ensure Europe's competitiveness as an investment destination, which is currently challenged by the US and Asia, and deliver access to more innovative products, and thereby better health outcomes, for patients.

#### Recommendations

- Maintain and strengthen the conditions that enable innovation to flourish in Europe, including a predictable and robust regulatory and IP framework, and appropriate incentives that ensure timely access for patients to innovative products.
- View how EU measures compare to competitors in their totality (eg the 6 year RDP baseline vs protection in US).
- Define unmet medical need (UMN) by taking a patient-centred approach that considers the severity and burden of disease on patients, families and caregivers.
- Implement a coordinated and aligned global pull incentive to revitalise the antimicrobial pipeline by streamlining national, regional and international initiatives such as the Pioneering Antimicrobial Subscriptions to End Uprising Resistance Act (Pasteur Act) and the EU Pharmaceutical Package.
- Ensure open, diversified supply chains to allow the free flow of critical materials and goods and to avoid causing delays in patient access to medicinal products.
- Align environmental standards with the United States.

### 4. Health Technology Assessment Regulation implementation

#### Context

The EU joint clinical assessments starting in January 2025 will have significant consequences for developers of oncology products and ATMPs as they will be the first to undergo joint assessment.

#### Recommendations

- Ensure the methodologies for the joint clinical assessments are adapted for new health technologies, such as ATMPs, and consider the medical and scientific factors that impact the amount and type of clinical evidence.
- Ensure coordination and dialogue between the coordination group and Member States to define a solid joint clinical assessment framework and limit possible duplications at the national level.

### 5. Sustainable healthcare systems

#### Context

European healthcare systems must be prepared to handle future shocks and the pressures of demographic change while implementing innovations that reduce burdens on healthcare systems and ensure better outcomes for patients.

#### Recommendations

- Incentivise private-public collaboration to swiftly develop safe and effective medical countermeasures such as rapid pathogen sharing, strong R&D systems and streamlined regulatory processes.
- Support manufacturing by encouraging open and free trade as well as sustainably maintaining and expanding manufacturing capacity. Health Technology Assessment Regulation implementation Pandemic preparedness
- Strengthen health systems to deliver medical countermeasures sustainably and equitably, including by establishing sustainable financing models.
- Increase the resiliency of models of care, and ensure that all patients receive the treatments they need by focussing on local circumstances, early diagnosis and hospitalisation prevention.

- Approach healthcare as an investment rather than a cost so that they become more efficient and deliver better outcomes for patients, while helping European economies and societies adapt to demographic shifts.
- Ensure the continued functioning of global supply chains to safeguard the resilience and flexibility of healthcare systems in Europe. Collaboration with international partners and stakeholders is key.
- Invest in healthcare innovation through financial instruments that provide an integrated, forward-looking framework.
- Implement the EU's Recovery and Resilience Facility and national recovery plans to ensure health system preparedness for future challenges. This includes increasing hospitals' capacity and efficiency, improving primary care and digitalising health systems.

# Security, Defence and Space

**Policy adviser:** Lucia Lopez Carasa

## Key messages

1. Transatlantic Defence Technological and Industrial Cooperation (TADIC)
2. Access to EU-funded R&D and procurement programmes
3. European Defence Technological and Industrial Base (EDTIB)
4. Transatlantic industrial and research cooperation in space

## Positions / Recommendations

### 1. Transatlantic Defence Technological and Industrial Cooperation (TADIC)

#### Context

Strong and prosperous TADIC is instrumental to maintain the transatlantic relationship, ensure sustainable growth and achieve collective security.

#### Recommendations

- Encourage capability development programmes that include both EU and US stakeholders to enhance cost-effective innovation, standardisation, interoperability and technological leadership on both sides.
- Establish open defence markets based on reciprocity to guarantee similar regulatory conditions on both sides of the Atlantic.
- Establish strong, innovative and open Defence Technological and Industrial Bases (DTIBs) in the EU to strengthen TADIC and sustainable transatlantic growth.
- Remove impediments to TADIC, and work towards more open defence markets to improve the delivery of high-end interoperable military capabilities, create high-skilled jobs, foster investments and promote cutting-edge technologies.
- Promote closer collaboration on research, standardisation, certification and the development of emerging technologies to support interoperability among military forces and reduce costs for governments and businesses.

### 2. Access to EU-funded R&D and procurement programmes

#### Context

The exclusion of third-country entities from major EU and Member States' publicly funded R&D, procurement and sustainment programmes could lead to the deprivation of vital economic contributors for the EU from like-minded countries. This could cause market distortions and ultimately weaken the transatlantic relationship.

#### Recommendations

- Promote the participation of American companies in EU- and Member State-funded R&D, procurement and sustainment programmes based on their added value, locally developed IP and overall contribution to the EU's technological and industrial base (eg employees, infrastructure, know-how).
- Monitor a fair implementation of the European Defence Fund (EDF) Regulation, European Space Programme Regulation and Horizon Europe Regulation, which should all account for the global nature of the defence and space industries and preserve open markets and fair competition.  
Ensure that proposals like the proposal for a Regulation establishing the European Defence Industry Reinforcement through common Procurement Act (EDIRPA) do not undermine the efforts to urgently fill critical capability gaps by excluding defence products subject to restriction by a non-associated third country or a non-associated third country entity as this threatens resilience and the opportunities for interoperability and interchangeability among allies.

### 3. European Defence Technological and Industrial Base (EDTIB)

#### Context

The Strategic Compass lays out the EU's long-term strategic concept for security and defence. If properly implemented, it could strengthen the EU's role as a security provider, reinforce the EDTIB and ensure closer cooperation with like-minded allies.

#### Recommendations

- Clarify the scope and definition of the EDTIB, particularly regarding what can be considered to be an EU entity participating in the EDTIB.
- Build on the EU-US Security and Defence Dialogue and the ongoing negotiations for the US' association with the European Defence Agency (EDA). The EDA association agreement could form the bedrock for greater cooperation across all transatlantic defence domains.
- Use the current momentum to strengthen existing frameworks that support the EDTIB, such as the EDF, by increasing available resources and focusing on a multiannual approach that supports the long-term development of key capabilities.
- Align export controls between Member States and with the US through consistent regulatory exchanges and joint actions.
- Ensure policy initiatives intended to strengthen the EDTIB have sufficient funding and resources to make real economic impacts.
- Build on already existing platforms (eg EU-US Trade and Technology Council, the EU-US Security and Defence Dialogue, the EDA-US DoD Administrative Arrangement, etc) and establish new avenues to advance supply chain resilience especially among like-minded allied countries.

## 4. Transatlantic industrial and research cooperation in space

### Context

As other international players increasingly engage in space activities, it would benefit both the EU and the US to further develop transatlantic and public-private partnerships. By levelling the playing field, industry can operate within similar regulatory environments in both the EU and the US, which can foster industrial excellence, encourage open competition in the sector and strengthen transatlantic space technological and industrial cooperation (TASIC).

### Recommendations

- Foster the openness of space markets as an essential prerequisite for a sustainable and mutually reinforced TASIC.
- Support free and open data sharing policy frameworks that enable the full development of civil, commercial and scientific space applications.
- Ensure reciprocity in granting public funding to US businesses in Europe and EU businesses in the US for efficient and sustainable transatlantic space cooperation.
- Consider the contributions made to the European Space Technological and Industrial Base by third-country entities and the unique technologies these provide when assessing the participation of EU funding programmes.

# Trade and External Affairs

**Policy adviser:** Micol Bertolini

## Key messages

1. Trade benefits in an interconnected world
2. Trade agreements
3. World Trade Organization (WTO)
4. Attractiveness of Europe

## Positions / Recommendations

### 1. Trade benefits in an interconnected world

#### Context

Trade allows the global economy to function and shapes the way everyone lives. Global trade plays and will continue to play a key role in driving the recovery of the global economy. However, it is increasingly criticised by politicians and civil society.

#### Recommendations

- Create an open, rules-based global trading system to help the European economy grow and prosper, creating jobs, helping businesses stay competitive and giving consumers the choice and confidence they need.
- Resist the temptation to give into protectionism, which damages all aspects of society.
- Cooperate to address the changes that globalisation can bring to help trade work for everyone.
- Ensure coherence in all policies with trade implications. This lack of coherence not only creates closures to trade but also acute difficulties for many sectors.

### 2. Trade agreements

#### Context

The EU promotes an ambitious trade policy that helps it to stay competitive and encourages global growth and development. However, the EU has come under severe pressure to curb its outward-looking agenda as populism and protectionism have taken centre stage.

#### Recommendations

- Propose to fast-track trade deals, such as those with Australia, New Zealand, India and Mexico, which would address a key demand for business and could enhance the EU's credibility as a negotiating partner.
- Acknowledge the concerns of civil society and ensure that trade agreements meet the needs of all parts of society. The Commission's pledge to publish all negotiating mandates will also help to address transparency concerns.
- Conclude new trade agreements and open new markets, which has become even more urgent since the EU's effective decoupling from Russia and the growing possibility that trade with other non-market economies will go in the same direction.

### 3. World Trade Organization (WTO)

#### Context

The multilateral trading system, underpinned by the WTO, has helped open international markets and raised standards globally. It continues to act as an important guarantor of legal rights in international trade and a crucial guarantee for governments and companies in global markets. It is critical that the EU and the US, with like-minded partners such as Japan, take the lead and work to reform the organisation where needed and ensure that it is fit for the 21st century. The paralysis of the WTO Appellate Body leaves the WTO without a binding, impartial and high-quality dispute settlement system and enforcement mechanism. The EU, alongside like-

minded WTO members, is using contingency temporary measures to maintain a two-step dispute settlement through arbitration arrangements provided under article 25 of the Dispute Settlement Understanding.

### Recommendations

- Strengthen the WTO to act as an important guarantor of legal rights in international trade. The WTO should also guarantee investments benefits for businesses and society globally.
- Unlock the current stalemate in the appointment of Members of the Appellate Body. Without the Appellate Body, WTO members lack access to a two-step, binding and impartial dispute settlement system.
- Continue to encourage as many WTO members as possible, with a focus on the most litigious members, to adhere to and abide by its temporary arbitration arrangements until Members of the Appellate Body are appointed again.
- Reinforce the rules-based order by vocally supporting the WTO, encouraging the robust application of global trade rules, engaging on key emerging issues, advancing an action-oriented agenda and working constructively in the pursuit of sensible reforms, which reinforce and enhance the existing framework.
- Cooperate to address unfair trading practices. Both the EU and the US agree on the urgent need to confront third countries' unfair trading practices. The EU, US and Japan should strengthen existing WTO rules on industrial subsidies further to their 14 January 2020 Joint Statement and continue to advocate for reform at the WTO level.
- Apply a policy of coherence not only internally but to trade-related actions externally as well. A global approach promotes coherency and is preferable to unilateralism. The EU is facing issues at a global scale and will need partners abroad to tackle them.

## 4. Attractiveness of Europe

### Context

The attractiveness of Europe for investment is under threat. A heavy regulatory agenda, protectionist trends and sluggish growth have created a difficult environment for business in a context of global uncertainty. As they compete for investment worldwide, corporate leaders increasingly question the future of their operations in the region. Simply put: they struggle to make the case for investing in Europe.

### Recommendations

- Adapt the Single Market by reducing the regulatory burden, establishing the right framework for innovation and promoting the green and digital transitions.
- Play a leading role on the international scene and strive for enhanced global cooperation on trade, security and standards, particularly with partners that share its values – such as the US.
- Focus on achieving effective governance, strengthen relationships with regional partners and develop inclusive policies that create a workforce equipped for the future.

# Transport, Energy and Climate

**Policy adviser:** Anastasia Lajri

## Key messages

1. A balanced approach to sustainability
2. Low- and zero-emission mobility
3. Balancing competitiveness and climate ambitions
4. Critical Raw Materials under the Green Deal Industrial Plan
5. Net-Zero Industry Act
6. Europe's energy market in light of crisis
7. REPower EU
8. The European aviation sector

## Positions / Recommendations

### 1. A balanced approach to sustainability

#### Context

There is an urgent need to mitigate climate change and reach climate neutrality by 2050. The Commission's European Green Deal and the EU's Fit for 55 climate and energy package present strong climate ambitions that can only be successfully achieved if the EU remains globally competitive and continues to drive innovation and investment necessary to the transition.

#### Recommendations

- Promote a balanced approach that encompasses three facets of sustainability: environment, economy and society.
- Endorse a technology-neutral approach, supporting both cutting-edge innovations and technologies already on the market that incrementally reduce emissions, while incentivising green consumption by sharing consistent information about product environmental sustainability.
- Anticipate the impacts of the transition on the workforce by supporting employee lifelong learning and re-education in partnership with industry.
- Ensure that emission abatement is achieved in the most cost-efficient way and that investors are provided with a trustworthy, stable and predictable system.

### 2. Low- and zero-emission mobility

#### Context

The transport sector is facing enormous challenges to further reduce emissions in all modes of transportations. Technological improvements are a key enabler to achieving greater fuel efficiency and decreasing emissions. Improvements ranging from weight reductions, innovative materials and manufacturing processes. Emission reduction opportunities of similar magnitudes will continue in the future.

#### Recommendations

- Foster the development of low- and zero-emission mobility through a comprehensive approach to all low-carbon technologies, through financial and non-financial incentives.
- Design policy with cross-modality and interoperability in mind and considering the full supply chain, including fuel, materials, vehicles and infrastructure technologies as well as non-technical measures and behavioural changes.
- Promote innovation with the help of intelligent systems and be facilitated by harmonised standards and administrative procedures.
- Invest in sustainable aviation fuels, R&D, as well as in infrastructure and operations, to help accelerate the implementation of emissions reduction solutions and enable the aviation sector to make great strides across its entire value chain to contribute to the EU's climate objectives.

### 3. Balancing competitiveness and climate ambitions

#### Context

There is an urgent need for action to achieve a lower-carbon economy and address climate change. The Carbon Border Adjustment Mechanism (CBAM) can be an effective tool to combat carbon leakage and drive global efforts towards net zero, but it has the potential to inadvertently disrupt highly integrated supply chains and lead to trade conflicts. The primary objective of the CBAM should be to address climate change and avoid carbon leakage.

#### Recommendations

- Incentivise companies to reduce the emissions intensity of their products, provide a level playing field for domestic industry and encourage governments globally to increase their climate ambitions.
- Minimise impact on the flow of legitimate trade by moving its administrative processes away from the border, where possible.
- Clarify the CBAM implementation draft's complex arrangements for emissions calculation during the transition period needs clarification.

### 4. Critical Raw Materials under the Green Deal Industrial Plan

#### Context

The European Commission's proposal for the Critical Raw Materials (CRM) Act will be essential for the functioning of the EU's Green Deal Industrial Plan, the success of the green and digital transitions and the future of the European economy. CRMs form the bedrock of today's economy, from digitalising and making sustainable sectors from transport, energy, digital economy and more. Rising global demand and natural scarcity in Europe makes imperative the need for swift EU action to secure a large, and diverse, supply of CRMs so that the EU can meet its digital and green transition goals, and that industry operating in Europe does not fall behind.

#### Recommendations

- Expand domestic CRM sourcing by streamlining permitting processes and improving access to project financing.
- Pursue international cooperation with like-minded partners, including the US, and multiple resource-rich third countries, to increase CRM imports and diversify sources of supply
- Follow relevant circular economy principles for EU CRM use and production that minimise the loss of primary CRMs and maximises the production and use of secondary CRMs.
- Prioritise a predictable and coherent regulatory environment to attract investors, while establishing an open and predictable process for timely identifying new strategic materials.

### 5. Net-Zero Industry Act

#### Context

The Net-Zero Industry Act (NZIA) is a clear signal that the EU must take swift, effective action to maintain the competitiveness of its industry while decarbonising to meet its net-zero ambitions. The scope of the NZIA must be expanded to include sectors across the value chain and allow for competitive decarbonisation. The bedrock principle of technological neutrality should be built into each provision of the NZIA, including those on faster permitting.

#### Recommendations

- Account for all sectors and be open to a wide range of technologies.
- Adopt a value chain approach to include upstream sectors – such as ceramics, high value-added metals, chemicals, electronic materials, composites, polymers and biomaterials – that are critical to reaching its climate goals.
- Ensure that any project (regardless of its development of a specific technology, as per the above recommendation on technology neutrality) that contributes to the EU's net-zero ambitions qualifies for the fastest possible permitting timelines.



- Acknowledge foreign direct investment's role in innovation, employment and growth in the net-zero economy and ensure that third-country entities have the same opportunity as European companies to qualify for Green Deal Industrial Plan incentive schemes.

## 6. Europe's energy market in light of crisis

### Context

The reform of the gas market will likely need to be revised and expedited in light of the Russian invasion of Ukraine. Reducing the EU's dependence on Russian natural gas is now one of the EU's main objectives. The regulatory framework needs to enable the ever-faster deployment of renewable and low-carbon alternatives to natural gas.

### Recommendations

- Promote a liberalised, secure and sustainable energy market.
- Link energy initiatives with strong industrial policy to maintain the bloc's attractiveness for investment
- Harmonise the definition of low-carbon hydrogen, gases and fuels throughout the EU.
- Treat low-carbon hydrogen, gases and fuels in a non-discriminatory way compared to renewable fuel and support them equally in a technology-neutral way, in view of their respective climate benefits.
- Prioritise the deployment of digital technologies to accelerate the speed and scale of the energy transition. The use of carbon capture and storage technology should also be promoted.
- Develop transatlantic technology solutions to address security of supply, decarbonisation and affordability – including CCS – low carbon and renewable hydrogen
- Assess new measures, especially those related to demand reduction, curtailment, energy efficiency and market intervention, for their impact and create as much certainty as possible for industry.

## 7. REPower EU

### Context

Russia's invasion of Ukraine has only exacerbated Europe's high and volatile energy prices. The European Commission has proposed a plan outline to make Europe independent from Russian fossil fuels before 2030. REPower EU outlines a series of measures to respond to rising energy prices and replenish gas stocks for the coming months and years. REPower EU will seek to diversify gas supplies, speed up the rollout of renewable gases and replace gas in heating and power generation.

### Recommendations

- Leverage the partnership between the EU and the US to develop technology solutions that address security of supply, decarbonisation and affordability or solutions including carbon capture storage, low carbon and renewable hydrogen.
- Propose solutions by considering a system-wide approach and integrate work on current grid upgrade needs into the framework of discussion and adopt a system approach for REPower EU and future legislation.
- Reduce administrative procedures to accelerate the construction of renewable installations in the EU.
- Invest in the future of the EU's economy and infrastructure through grid investments, more renewable assets and an energy taxation regime that is better aligned with current political priorities.

## 8. The European aviation sector

### Context

Technological advancements and the introduction of alternative fuels, such as SAF or even hydrogen, will be the key contributors towards ensuring a competitive and sustainable European aviation sector. These will, however, need the right regulatory support to create market conditions and incentives that can provide an effective framework for this transition.

### Recommendations

- Ensure the uniform application of SAF blending mandates throughout the EU. This entails avoiding Member State-based differentiations.

- Ensure availability of SAF at all EU airports through a flexible book and claim system for fuel suppliers.
- Provide the right incentives to support airlines during the transition towards mass SAF uptake.
- Support the development of the next generation of aircraft technologies through the earmarking of ETS revenues for the aviation sector.
- Ensure the right alternative fuel infrastructure at airports to support all air transport activities and their respective circumstances.

---

# Ukraine

## Context

AmCham EU continues to condemn Russia's invasion of Ukraine as a clear violation of international law and a threat to the fundamental values we stand for – human dignity, democracy and the rule of law. We stand with the people of Ukraine as they face incredible suffering, destruction and violence. The private sector is supporting people in Ukraine and across the region by facilitating humanitarian aid, among other actions. We are committed to complying with existing sanctions and obligations. As the situation evolves rapidly, continued guidance and communications from the authorities is essential.

## Recommendations

- Aim for an efficient and transparent implementation of Ukraine Facility and Ukraine Plan.
- Use the transatlantic partnership to establish institutional reforms in Ukraine that can foment international investment for its reconstruction.
- Remain committed in the financial and political support for Ukraine.
- Partner with Ukraine and the private sector in the country's recovery and reconstruction, including by enabling market access, support for reforms and investment and by creating public-private partnership platforms.
- Support the accession of Ukraine as an EU Member State once it has met all membership criteria.

# Hungary and the United States

## United States in Hungary

59,186



Jobs

## Hungary in the United States

250

Jobs directly supported by majority-owned affiliates. Estimates for 2021. Total U.S.-related jobs are likely to be higher, because these figures do not include jobs created by trade flows, indirect employment effects through distributors or suppliers, or via non-equity arrangements such as strategic alliances, joint ventures, or other deals.

\$11.4 bn

### Foreign Direct Investment (FDI), 2021

America's investment base in Hungary was flat in 2020. Value added by U.S.-owned affiliates totaled \$3.5 billion in 2021, according to estimates. Meanwhile, Hungarian investment in the U.S. increased slightly in 2021 to over \$45 billion, though total investment remains below its peak of \$70.7 billion in 2009.

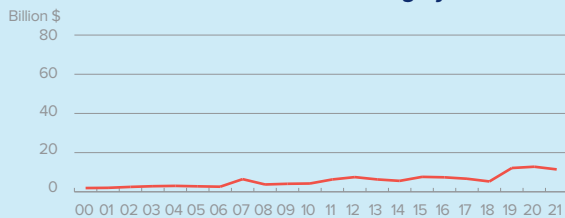


Investment

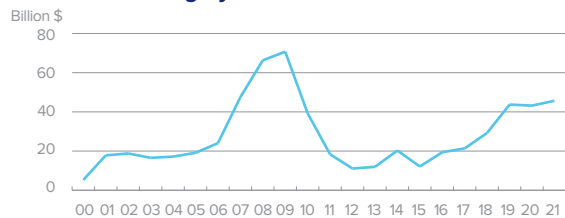
\$45.7 bn

### Foreign Direct Investment (FDI), 2021

#### U.S. FDI Position in Hungary



#### Hungary FDI Position in the U.S.



Foreign direct investment position, historic-cost basis, 2000-2021.

\$2.9 bn

### U.S. Goods Exports to Hungary, 2021

1.5% The U.S. supplied 1.5% of Hungary's total imports...

5.1% ...but the U.S. share increases to 5.1% when intra-EU trade is excluded from the total.



Trade in Goods

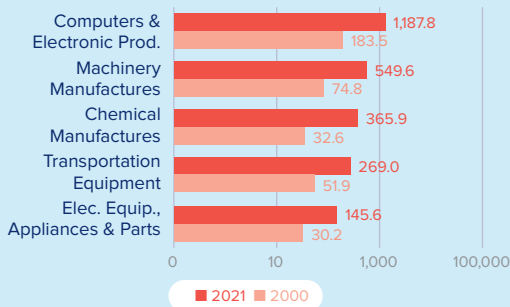
\$7.1 bn

### U.S. Goods Imports from Hungary, 2021

2.7% The U.S. received 2.7% of the total goods Hungary exported to the world...

12.3% ...but the U.S. share increases to 12.3% when intra-EU trade is excluded from the total.

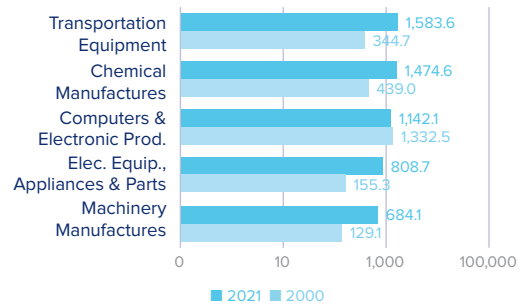
#### Top Five U.S. Goods Exports to Hungary (\$ millions)



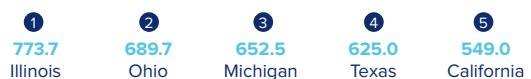
#### Top State Exporters of Goods to Hungary (\$ millions)



#### Top Five U.S. Goods Imports from Hungary (\$ millions)



#### Top State Importers of Goods from Hungary (\$ millions)



\$0.9 bn

### U.S. Services Exports to Hungary, 2021



Trade in Services

\$0.5 bn

### U.S. Services Imports from Hungary, 2021

Sources: Bureau of Economic Analysis; U.S. Commerce Department; International Monetary Fund; Office of Trade and Economic Analysis.

# Europe & the United States

United States in Europe

Europe in the United States

**4,802,954**



**5,008,506**

Jobs directly supported by majority-owned affiliates. Estimates for 2021. Total U.S.-related jobs are likely to be higher, because these figures do not include jobs created by trade flows, indirect employment effects through distributors or suppliers, or via non-equity arrangements such as strategic alliances, joint ventures, or other deals.

**\$4.0 tn**

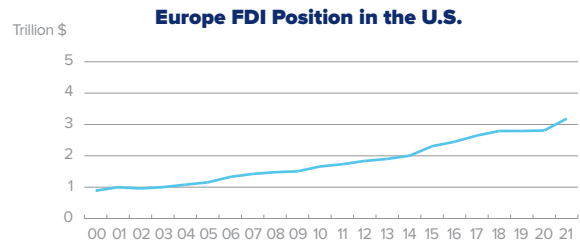
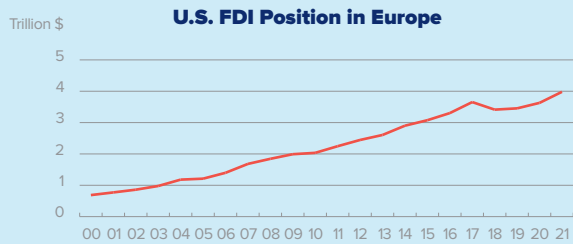


**\$3.2 tn**

**Foreign Direct Investment (FDI), 2021**

**Foreign Direct Investment (FDI), 2021**

In terms of the U.S.-Europe investment balance, the U.S. had a larger net cross-border impact in 2021. U.S. foreign direct investment in Europe increased in 2021 to \$4 trillion. Europe's foreign direct investment in the U.S. rose to over \$3 trillion. According to estimates for 2021, U.S. affiliates employed over 4.8 million workers in Europe while European affiliates employed about 5 million Americans.



Foreign direct investment position, historic-cost basis, 2000-2021.

**\$386.0 bn**



**\$669.3 bn**

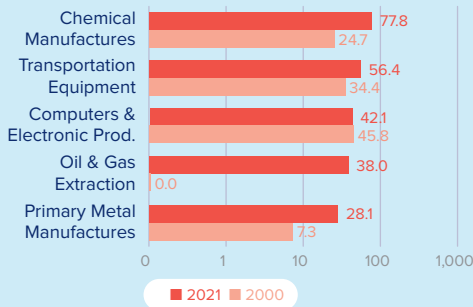
**U.S. Goods Exports to Europe, 2021**

**U.S. Goods Imports from Europe, 2021**

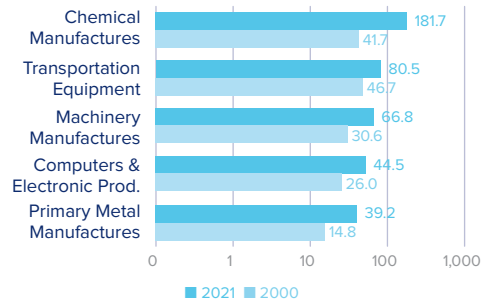
**4.8%** The U.S. supplied 4.8% of the Europe's total imports... **15.7%** ...but the U.S. share increases to 15.7% when intra-Europe trade is excluded from the total.

**7.5%** The U.S. received 7.5% of the total goods Europe exported to the world... **25.7%** ...but the U.S. share increases to 25.7% when intra-Europe trade is excluded from the total.

**Top Five U.S. Goods Exports to Europe (\$ billions)**



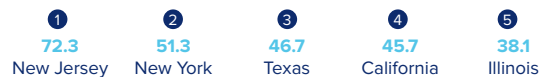
**Top Five U.S. Goods Imports from Europe (\$ billions)**



**Top State Exporters of Goods to Europe (\$ billions)**



**Top State Importers of Goods from Europe (\$ billions)**



**\$331.5 bn**



**\$230.1 bn**

**U.S. Services Exports to Europe, 2021**

**U.S. Services Imports from Europe, 2021**

"Europe" refers to all 27 members of the European Union in 2020 plus Albania, Andorra, Armenia, Azerbaijan, Belarus, Bosnia and Herzegovina, Georgia, Gibraltar, Greenland, Iceland, Kazakhstan, Kosovo, Kyrgyzstan, North Macedonia, Malta, Moldova, Monaco, Montenegro, Norway, Russia, Serbia, San Marino, Switzerland, Turkey, Tajikistan, Turkmenistan, Ukraine, United Kingdom, Uzbekistan, Vatican.

Sources: Bureau of Economic Analysis; U.S. Commerce Department; International Monetary Fund; Office of Trade and Economic Analysis.