



U.S. Chamber of Commerce

John Murphy
Senior Vice President
for International Policy

September 8, 2023

Mr. Jake Sullivan
Director, National Security Council
1650 17th St NW
Washington, DC 20500

Ms. Lael Brainard
Director, National Economic Council
1650 17th St NW
Washington, DC 20500

Dear Directors Sullivan and Brainard:

The U.S. Chamber of Commerce is deeply concerned about European Union (EU) regulatory measures developed under the guise of “digital sovereignty” that discriminate against American companies, and we urge the Administration to call for an end to this protectionism.

The European Union this week identified the companies it has deemed to be in the scope of its new Digital Markets Act (DMA). European officials had pledged that a diverse mix of companies would be designated as “gatekeepers” and that this list would include Europe-headquartered firms. However, this week the EU confirmed that only six firms will be regulated under the DMA. All but one are U.S. companies—and none are European.

Plainly, the intent of the regulation is to target U.S. business and favor their European competitors, notwithstanding public and private assurances given to both the U.S. government and U.S. industry.

It is likewise clear that Europe’s digital sovereignty agenda goes far beyond the DMA. It includes proposals to limit access for American cloud service providers and institute network fees on American content providers; revive discriminatory taxes; implement an aggressive regulatory approach to artificial intelligence, via the AI Act, that risks undermining innovation and regulatory cohesion; and force data sharing and restrict data flows through its Data Act. These EU policies will handcuff U.S. business while favoring European national champions in the digital economy.

It is critical that the Biden Administration push back forcefully on both the DMA and the EU’s broader digital agenda and begin to stand up for American businesses and the workers they employ. Failure to do so would signal to the EU—and other key trading partners that seek to replicate European policies—that discrimination against American companies would be tolerated. The impact of such an approach would do immense harm to U.S. competitiveness in Europe and more broadly.

Sincerely,

A handwritten signature in black ink, appearing to read "John Murphy", with a long, sweeping underline.