

DIHK-Positions on Transatlantic Trade Policy

The Transatlantic economic relationship has been – and continues to be – of utmost importance for both the United States and Germany. In 2024, the US was Germany’s most important trading partner worldwide, with a trade volume in goods of 263 billion dollars. Germany is the fourth most important trading partner for the US.

This year, trade relations are under pressure. Compared to 2024, German exports to the US fell by 3.9% in the first half of this year. As a result, China has overtaken the US as Germany’s largest trading partner in the first half of 2025.

Nevertheless, around seven percent of goods imported by the US come from Germany, making the United States the third most important supplier country. In the exchange of services, the US is at the top of the list of German service exports and imports. Conversely, Germany ranks second for the US in terms of trade in services.

At the same time, Germany has invested more than \$506 billion in the US, around twice as much as vice versa. This is strikingly high for Germany as a much smaller economy than the US. More than 6,000 German companies in the US create around one million jobs there and strengthen American manufacturing, as over 35 percent of these jobs are in the manufacturing sector.

A Positive Agenda for Transatlantic Trade

Despite current challenges, the German business community sees significant potential for deepening transatlantic cooperation. German companies are not only major investors in the US economy, but also active contributors to its industrial renewal, innovation ecosystem, and workforce development. Their presence creates secure, well-paid jobs and promotes local innovation.

The EU’s commitment to additional investments in the US, as part of the August 2025 agreement, underscores the importance of reliable legal frameworks. These are essential for long-term planning and for unlocking further cooperation in areas such as energy, digital infrastructure, and security policy.

The German government is committed to fostering political dialogue not only with the federal administration but also with individual US states. Since 1947, the network of German Chambers of Commerce Abroad (AHK USA), with offices in Atlanta, Chicago, New York, San Francisco, and Washington, D.C., plays a vital role in promoting business ties and should be actively involved in political representation efforts.

Key Areas for Constructive Engagement

1. Trade Facilitation and Tariff Reduction

The August 2025 EU-US Deal offers a starting point for reducing trade frictions while still having room for improvement. Both parties must continue their efforts to implement all aspects of the deal and act in the spirit of it. German industry urges swift clarification of outstanding issues and targeted tariff reductions, especially in steel, aluminium, copper and derivatives. A quota-based system and MFN tariff alignment can help stabilize trade flows. The recognition of certificates issued in the exporting country combined with published binding, uniformly formulated and, above all, practicable regulations would be a major step towards harmonization.

2. Regulatory Cooperation and Market Access

There is substantial room for cooperation in technical regulation, conformity assessments, and mutual recognition based on international regulations – particularly in sectors like automotive, machinery, and electrical engineering – that would benefit from harmonization. Joint efforts based on international standards (ISO, IEC) can reduce costs and set global benchmarks. The classification of Germany as an “Excepted Foreign State” by the Committee on Foreign Investment in the United States (CFIUS) would be a welcome step.

3. Digital Economy and Innovation

As Europe seeks to strengthen its digital agenda, transatlantic collaboration will continue to be fundamental in reducing critical digital dependencies from unreliable countries. Promoting interoperable standards, investing in secure infrastructure, and supporting SMEs and startups are shared goals. Trust and legal certainty in data exchange are essential, especially if based on jointly desired – and negotiated – rules.

4. Supply Chain Sustainability

Joint approaches on global efforts regarding labour, human rights, environmental and climate can reduce bureaucracy and enhance predictability for both American and European companies. The EU’s de-bureaucratization agenda offers a model for simplifying compliance and fostering trade.

5. Economic Security and Strategic Alignment

The EU-US Joint Statement from August 21st, 2025, includes commitments to strengthened partnership in economic security. Coordinated and practicable export controls, risk assessments, and supply chain resilience are key. The EU advocates for proportional, location-compatible measures that avoid extraterritorial overreach. The combined extraterritorial application of both Chinese and US sanctions and export controls creates considerable legal uncertainty and compliance burdens for European companies.

6. Energy Partnership

The transatlantic energy partnership should be revitalized and future-proofed to address mutual challenges such as grid expansion and security as well as ramping up future energy technologies like hydrogen, CCS/U, geothermal energy and battery storage. Existing partnerships in this space should be expanded upon. As Europe advances its plans to phase out Russian gas, US LNG and hydrogen imports are an important source of diversification and energy security for Europe.

7. Vocational Training

Domestic manufacturing, including the US, needs skilled workers. German companies contribute their experience from the dual vocational training system and can help to train the next generation and secure a highly skilled workforce. The contribution of German companies to the reindustrialization of the United States should be acknowledged in the transatlantic dialogue at all levels.

A Shared Responsibility for Global Trade Leadership

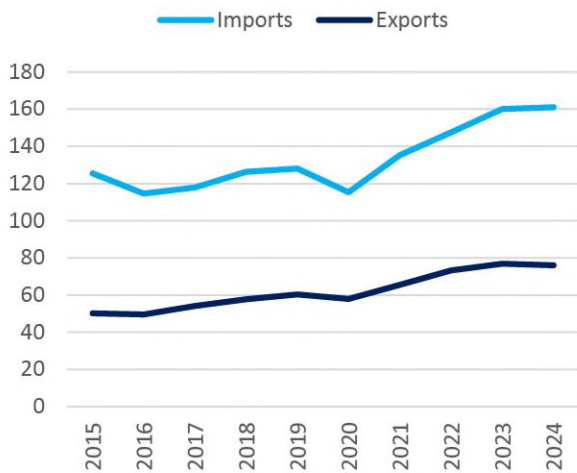
Germany and the United States share a long-standing economic partnership rooted in mutual benefit. In a time of global uncertainty, both sides have an opportunity to lead by example—by promoting international trade, fair competition, and sustainable development.

German companies stand ready to invest, innovate, and collaborate. With the right framework conditions, transatlantic trade can be a cornerstone of global economic stability and prosperity.

Transatlantic Economic Relations: Trade and Investment

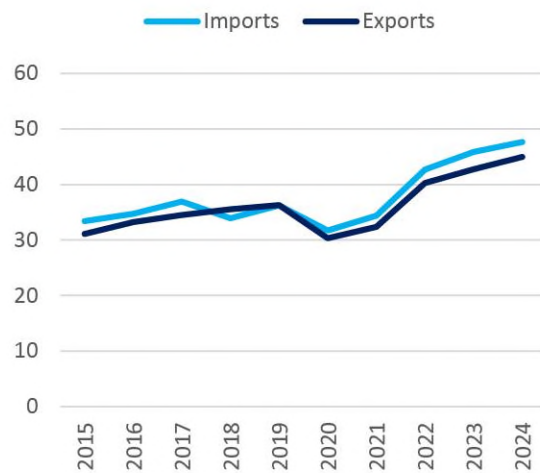
Trade in goods USA-GER

In billions of dollars



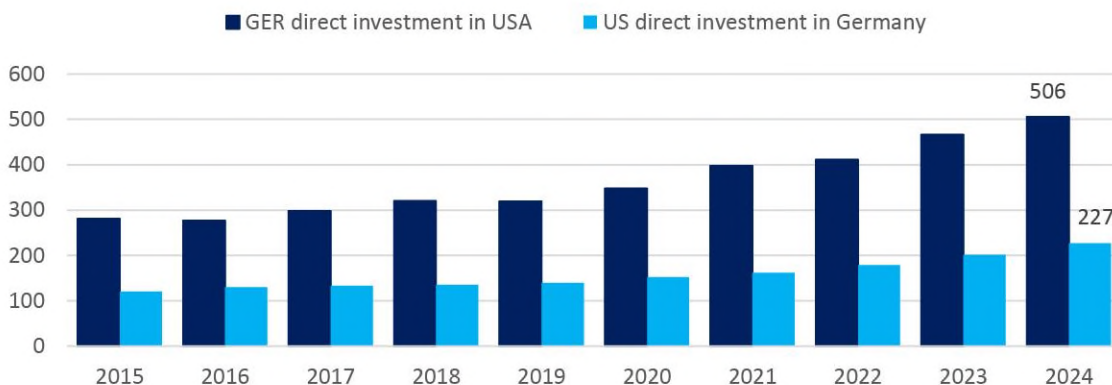
Trade in services USA-GER

In billions of dollars



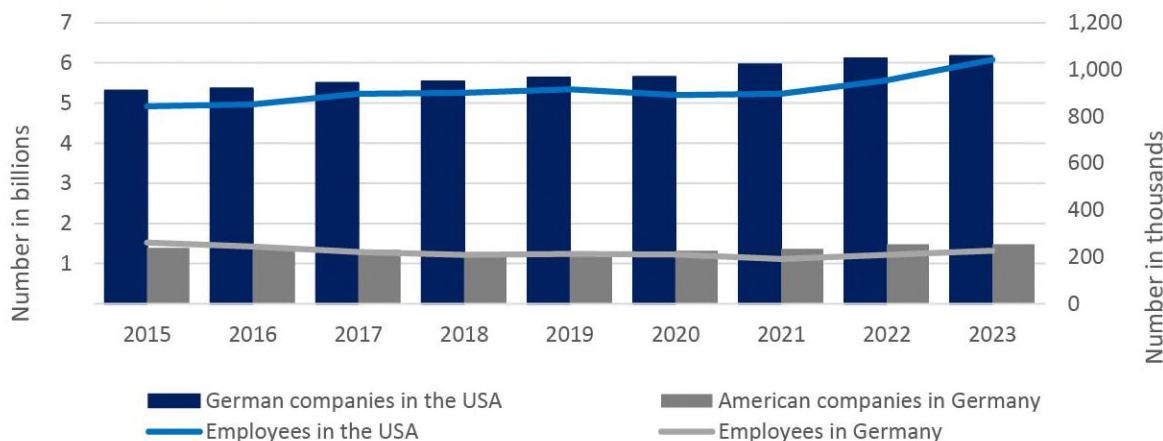
(Data source: [Bureau of Economic Analysis](#))

Direct investment – In billions of dollars



(Data source: [Bureau of Economic Analysis](#))

Companies and employees



(Data source: [Bundesbank](#))