

Leveraging Trade Policy



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Objectives

- **Brief Overview of U.S. Government**
 - How and where can industry influence trade policy
- **Existing Dialogues and Negotiations**
 - Opportunities to look for and to leverage
- **Creating an Advocacy Strategy**
 - Focusing on successful elements

Industry Influence on Trade Policy

■ Industry groups

- USG contacts /National Trade Estimates submissions
- Know your ITAC/ISAC representative
- Focus industry associations on your issues

■ Policy advocacy

- Draw a clear connection between regulatory practice and impact on trade
- Think creatively to influence policy in many developing countries

■ Agreement compliance – WTO or other

- Follow Technical Barriers to Trade notifications

Existing Dialogues and Negotiations

- **Free Trade Agreements**
 - Comprehensive but limited in number
- **Trade and Investment Framework Agreements (TIFA)**
 - More common than FTAs, ad hoc dialogues with flexibility for industry input and participation
- **Bilateral or Regulatory Dialogues**
 - Japan, China, etc
- **WTO negotiations**
 - Sectoral agreements or work on non-tariff barriers
- **WTO accessions**
 - Russia, Ukraine, others

Creating an Advocacy Strategy

- Do you know the trade officials that cover your key markets?
- Are you represented on the U.S. government's industry advisory groups that cover issues important to you?
- Are you aware of ongoing negotiations in your key or potential markets?

Creating an Advocacy Strategy

- Do you subscribe to NIST technical barriers to trade notification email service (www.nist.gov/notifyus)?
- Do you belong to broader based private sector groups that cover trade (i.e. U.S. Chamber, NAM, etc.)?
- If you have foreign branches or subsidiaries are they members of local business advocacy groups?

Creating an Advocacy Strategy

- Use the groups and contacts identified to create an early warning system to learn about policies under development or consideration
- Engage both trade agencies and regulatory or implementing agencies
- Identify or create channels to comment or consult on regulations in draft form or under consideration
- There is no substitute for strong personal contacts in implementing agencies in your key markets

Effective Advocacy Practices

■ Be specific

- When commenting on drafts suggest exact text if possible, raising systemic concerns is OK, but make sure your desired outcome is clear
- Ask for clarification on how a system or process works then make sure your suggestions works

■ Make concrete proposals

- Suggest a format, timeframe or specific approach
- Consider their goals and show them a different way to get there

Effective Advocacy Practices

- Reference International Best Practice
 - Where possible show how this has been done elsewhere
 - Provide models from other organizations
- Build Confidence
 - Look for ways to share knowledge or provide assistance
 - Many developing countries are extremely wary of concepts like industry consultations and voluntary compliance, explain to them why it works
- Follow Up
 - Provide a contact person, be proactive and stay engaged

Advocacy in the Philippines

Problem: New Chemical Registration process poses barrier to trade

Strategy:

- U.S. industry provided template forms for small quantity importation exemption (goals clear and easy to adopt)
- Used TIFA dialogue to make trade agency aware of impact of regulatory barriers and seek interagency support for proposal (regulators are often insulated from trade agencies, but industry deals with both)
- Regular contact with U.S. trade officials helps keep implementing agency aware of trade distorting impact and helps target technical assistance directly where needed.

Advocacy in Vietnam

Problem: Chemical import regulations unclear; new chemical management law proposed

Strategy:

- Used WTO accession process to raise issues in a trade context
- Built confidence by extending offer of technical help from ACC and CAS during accession
- Personal relationships with ACC, plus U.S. government interest, led to openness for consultation on draft law
- Proposal made to establish technical dialogue between drafters and industry representatives
- Drafters also supported by U.S. development assistance due to U.S. government and industry interest

Opportunities in ASEAN

- U.S. signed a TIFA with 10 nations of Association of Southeast Asian Nations in August 2006
- Supports ongoing efforts to integrate ASEAN into a common market
- Includes regulatory and standards harmonization efforts, common investment regimes

Resources

Office of the U.S. Trade Representative

www.ustr.gov

**includes: National Trade Estimates Report,
Free Trade Agreements, TIFA agreements**

U.S. Government Industry Consultations Program

<http://www.ita.doc.gov/td/icp/isac.html>

Thank you

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