

Article notes

Citizen Trade Policy Commission

Articles from June, July and August 2016

After TISA Ministerial, Focus Is On What Provisions Get Into Final Deal; (Inside U.S. Trade, 6/17/16)- This article reports on the latest developments in the ongoing negotiations for the Trade in Services Agreement (TISA). In particular, negotiators are in the process of deciding which “rules and disciplines” will be accepted in the final agreement. The article emphasizes that as of when the article was written that no final decisions have been made. The topics being discussed include:

- Revised market access offers; the U.S. is under some pressure to its offer on telecommunications services;
- The extent to which members can use “policy space exemptions on new services”; i.e. reserving the right to impose new regulations as needed;
- Pertaining to the annex on electronic communications, data flow and data privacy issues have yet to be resolved; and
- Resolving the U.S. sponsored request for an “most-favored nation forward provision”; i.e. which would “obligate countries to automatically extend to TISA participants any trade concessions they have made to other trading partners in a separate bilateral or regional deal”

According to the article, the next TISA round of negotiations was scheduled for the first week in July with subsequent negotiations scheduled for September and November with a possible third opportunity in December.

Administration Drafts TPP Implementing Bill In Preparation Of Potential Lame-Duck Vote; (Inside U.S. Trade; 6/20/16) – This article reports that, under the requirements of the recently passed fast-track legislation, the Obama administration is developing legislation to implement the TPP. The fast track legislation requires the following documents must be submitted to Congress as part of the implementing legislation:

- Copy of the final legal text of the TPP agreement;
- Draft statement of administrative actions required to implement the TPP; and
- A plan for implementing and enforcing the TPP which must be submitted 30 days prior to the submission of the implementing legislation.

The article also reports that the TPP is not likely to be voted on by Congress until a lame-duck session which will be held after the November elections.

Maine Congressional Delegation Applauds the Consideration of Critical Findings that Conclude the Lobster Would Not Be Invasive to Europe; (Press Release from Maine Congressional Delegation; 6/22/16) – This recent press release from all 4 members of Maine’s Congressional delegation, states that researchers from the EU have concluded that there is no credible scientific evidence that North American lobsters can be considered as an invasive species for EU member nations.

‘A midsummer night’s nightmare’ for European trade; (Politico; 6/26/16)- This article reports that the United Kingdom’s pending exit from the EU is likely to make trade negotiations much more difficult for the TTIP. The status of the United Kingdom as a long standing political and economic ally of the U.S. complicates current trade negotiations and, at the present time, the ultimate impact of the U.K. exit from the EU cannot be accurately determined.

UK Vote To Exit Casts Doubt Over TTIP Despite Froman, Malmstrom Reassurances; (insidetrade.com; 6/27/16)- This article reiterates the conclusions of the previous article regarding the effects of the U.K.’s exit from the EU on trade negotiations for the TTIP.

International Trade Implications of Brexit – What Companies Should Do Now; (crowell.com; 6/27/16) – This article discusses the trade implications of the U.K.’s exit from the EU and suggests several courses of action for affected companies:

- Although the exit from the EU is not immediate, companies should start planning for the change in trade circumstances as soon as possible;
- After exiting the EU, the U.K. will have to develop its own tariff schedule to remain a member of the WTO. Companies are advised to evaluate any of these tariff changes carefully;
- Withdrawing from the EU will cause the U.K. to develop new trade agreements and relationships that had been previously covered through membership in the EU;
- The topic of export controls is likely to be adversely affected by the U.K.’s exit from the EU; the U.K. has been a prominent supporter of strong export controls within the EU and its exit is likely to impede efforts towards the harmonization of greater export control rules; and
- The status of economic sanctions is likely to become much more complicated after the U.K. exit from the EU.

500,000 petitions to Congress demand rejection of TPP; (Friends of the Earth; 6/29/16) – This press release reports that several environmental advocacy organizations have submitted more than 500,000 petitions to Congress opposing approval of the TPP.

Malmström says EU-US trade talks can survive Brexit; (Eur.Activ.com/Reuters; 6/30/16)- This news article reports that EU Trade Commissioner Cecilia Malmstrom has stated that the U.K.’s impending exit from the EU will not derail current plans to complete as much of the TTIP negotiations as possible before President Obama leaves office in January of 2017.

U.S. Shoemakers, Importers Could Clash Over TTIP Footwear Provisions; (insidetrade.com; 7/11/16)- This article reports on a clash between U.S. footwear manufacturers and a coalition of U.S. and EU footwear distributors and retailers regarding the possible elimination of tariffs and an increased flexibility of “rules of origin”. The U.S. footwear manufacturing contingent opposes the elimination of applicable tariffs by claiming that non-TTIP members such as Vietnam would take advantage of these rules to fraudulently ship footwear to EU nations without the imposition of tariffs that would be imposed by the TPP.

Selling Off the Farm: Corporate Meat's Takeover Through TTIP; (Institute for Agriculture & Trade Policy; 7/11/16)- This lengthy paper, co-authored by CTPC member Sharon Anglin Treat, maintains that proposed trade rules in the TTIP would have the following effects:

- The TTIP is likely to imperil current efforts in both the US and the EU to build “ *a healthier, more compassionate and more sustainable food system*” ;
- Through the harmonization of meat marketing standards, the TTIP would result in the expansion of worldwide factory farming;
- The proposed elimination of all agricultural tariffs would favor and result in cheaper agricultural production methods thus imperiling smaller family-owned farms and sustainable farming practices; and
- The proposed harmonization of agricultural rules will impede existing efforts to address climate change, animal welfare and the use of GMOs in agricultural products.

Senators: Politics again gives Malaysia a pass on human trafficking rating; (Politico Pro; 7/12/16) – This article reports on the bipartisan criticism made by U.S. Senators who claim that a recent State Department decision to give Malaysia a “mid-level” rating with regards to human trafficking is politically motivated and is intended to allow Malaysia to remain as a member of the yet-to-be approved TPP.

Lange: TTIP Deal In 2016 Is ‘Unrealistic’ Because U.S. Won’t Move On EU Priorities; (Inside US Trade; 7/12/16) – This article reports that Bernd Lange, Chairman of the European Parliament’s International Trade Committee, has expressed skepticism that the TTIP can be finalized in 2016 for the following reasons:

- Negative stands on current trade agreements by the two major US presidential nominees;
- Uncertainty on whether the US Congress will approve the TPP; and
- Trade negotiators are running out of time necessary to conclude the TTIP by the end of 2016.

EU-US negotiators falter to make decisive progress on TTIP, destabilised by Brexit; (EurActiv.com; 7/15/16) – This news article reports that US and EU negotiators have cited significant trade issues that have yet to be resolved in the TTIP negotiations and that resolution of these issues is impeded by the U.K.’s impending exit from the EU. The article further reports that progress has been made regarding tariff elimination and regulatory cooperation but the sides have not yet resolved trade issues surrounding greater access to “*public sector tenders*”.

The TPP implementing legislation conflicts with TPA on state sovereignty; (e-mail exchange; 8/15/16)- This recent e-mail from Matthew Porterfield, Deputy Director and Adjunct Professor at the Harrison Institute for Public Law, Georgetown University Law Center, to several individuals including CTPC member Sharon Anglin Treat, asserts that the implementing legislation for the TPP is at odds with the requirements of the fast-track legislation (TPA) passed by Congress in the summer of 2015. More specifically, Professor Porterfield alleges that the TPA legislation stipulates that the US government would not be able to preempt state or local law that conflicts with provisions of the TPP. Professor Porterfield points out that the implementing TPP legislation retains the federal government's ability to preempt state and local laws that are in conflict with the TPP.

Obama set for 'full-fledged' TPP push; (msn.com; 8/17/16) – This news article reports that President Obama is preparing “*a full-fledged, full-throated effort*” to have Congress approve the TPP in a lame duck session of Congress to be held after the November elections.