

Hearing on Trade Advisory Committee System

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Chairman Levin, Ranking Member Brady and other distinguished members of the Sub Committee: on behalf of the Office of the United States Trade Representative (USTR), thank you for the opportunity to describe our advisory committee system and USTR's outreach activities in that regard.

The Obama Administration is committed to a trade policy that works better for hard-working American families, and that helps to restore our economy by saving and creating good-paying jobs. Ambassador Kirk is dedicated to crafting that policy in a transparent manner by sharing ideas with the public and seeking input from stakeholders. The Office of the United States Trade Representative considers the trade advisory committee system and our outreach activities to be critical to both the crafting and implementation of U.S. trade policy.

Outline of the USTR Trade Advisory Committee System

The Trade Advisory Committees advise on the full range of matters that may arise in connection with the development, implementation and administration of US trade policy. Committee members provide information and expert advice throughout the trade agreement process, from US bargaining positions and negotiation objectives before we enter into trade agreements, to the operation of those agreements once they enter into force.

The system consists of 28 trade advisory committees arranged in three tiers: (1) the President's Advisory Committee for Trade Policy and Negotiations (ACTPN); (2) five general policy advisory committees dealing with environment, labor, agriculture, Africa, and intergovernmental issues; and (3) 22 technical advisory committees in the areas of industry and agriculture. Advice from members of the Advisory Committee System is both a critical and integral part of the trade policy process. The trade advisory committee system is unique in that the committees meet on a regular basis, and receive sensitive information about ongoing trade negotiations and other trade policy issues and developments. Committee members are required to have a security clearance in order to access this information.

In response to GAO recommendations and advisor requests for improved access to documents, USTR introduced a significant improvement to facilitate the work of the trade advisory committees by creating a secure encrypted advisors website with password protection. Confidential draft texts of proposed trade and investment agreements are posted to the secure website on an ongoing basis to allow advisors to provide comments to U.S. officials in a timely fashion during the course of negotiations. This innovation has enhanced the quality and quantity of input from cleared advisors, especially from those advisors who reside outside Washington, D.C.

Tier One: ACTPN

The ACTPN, the top tier of the system, consists of not more than 45 members who broadly represent key economic sectors affected by trade. The ACTPN examines US Trade Policy and agreements from the broad context of the overall national interest. The President or the USTR can also ask the ACTPN for specific advice, as was done with the creation of the ACTPN Task Force on China in the past administration. In the past, ACTPN members have been CEOs of major companies and associations representing industry, agriculture, services, high-tech and small business, heads of major labor unions, and leaders of consumer and environmental groups. The President appoints ACTPN members for terms not to exceed the duration of the charter, up to four years.

Tier Two: General Policy committees

There are currently five tier-two general policy committees. These committees provide general policy advice on matters within their areas of concern. These committees include the Labor Advisory Committee administered jointly with the Department of Labor; the Trade and Environment Policy Advisory Committee (TEPAC) administered with the Environmental Protection Agency, the Agriculture Policy Advisory Committee (APAC) administered with the Department of Agriculture; a state and local advisory committee, the Intergovernmental Policy Advisory Committee (IGPAC); and a committee dealing with Africa trade issues, the Trade Advisory Committee for Africa (TACA). Some groups currently represented on these tier two committees also have interests related to public health and have used the committees to raise public health concerns – directly with USTR, and in the committee reports which that have been provided to Congress in connection with trade negotiations.

Tier Three: Technical and Sectoral Committees

The 22 technical and sectoral advisory committees are appointed jointly by the USTR and by the Secretary of Agriculture and Commerce. Each committee represents a specific sector or commodity group, and provides specific technical advice concerning the potential effect of trade policy decisions on its sector or issue. As provided for in the Trade Act of 1974, the

interests represented on the industry and agriculture advisory committees are more limited than those on our policy committees. These committees are designed to address the more technical questions of how trade policies or specific actions by other governments directly affect those engaged in international trade. The legislative history accompanying the Trade Act emphasized that third-tier committees are to be “representative of the producing sectors of our economy” (S. Rep. No. 93-1298 at 102 (1974)). Consequently, their membership is largely composed of representatives of industry and agriculture sectors, respectively. Nonetheless, in 2006, USTR and the Department of Commerce added representatives of public health interests to two Industry Trade Advisory Committees (ITAC) committees: ITAC 3, Chemicals and Pharmaceuticals; and ITAC 15, Intellectual Property Rights; because we believed those were the two committees where public health trade-related interests were particularly relevant. Also, USTR and the Department of Agriculture appointed a public health representative to the Agricultural Trade Advisory Committee (ATAC) in Tobacco, Cotton and Peanuts.

In response to recommendations from the US Government Accountability Office (GAO), the number of industry committees at the technical level was streamlined and consolidated in 2004 to better reflect the composition of the US economy.

Recommendations for all candidates for trade advisory committee membership are collected from a number of sources. These include Members of Congress, associations and organizations, other federal agencies, responses to Federal Register notices, and self-nomination by individuals who have demonstrated an interest in and knowledge of US trade policy. Membership selection is based on qualifications, the need for balance (such as geographic diversity), and the needs of the specific committee. Members pay their own expenses, including all travel.

Transparency and Other Outreach efforts

The Advisory Committee system is only one mechanism USTR uses to reach out to the public for advice on US trade policy. We also have increased outreach through a number of other efforts. For example:

We have recently launched a new, interactive website. The new site gives users the ability to share comments with Ambassador Kirk and the opportunity to be a part of our online community. The public can engage through features such as the USTR blog, Facebook, Twitter, “Ask the Ambassador,” comments to the USTR team, Share your Story, Follow the Ambassador’s Travels, and Vimeo – our video site.

Additionally, the new USTR website highlights the Ambassador’s daily events, and includes pictures of groups and individuals he meets with on any given day. Intergovernmental Affairs and Public Engagement sends out a weekly email subscription newsletter that includes

meetings held by staff and the week's activities at USTR. Stakeholders have the ability to go to www.ustr.gov and sign up to receive our newsletter.

In the last four months the office of Intergovernmental Affairs and Public Engagement (IAPE) has attended committee meetings, spoken to associations, and met individually with members of the private sector, including both industry and nongovernmental organizations, as well as state and local government representatives. We have facilitated meetings with the Ambassador and with the senior staff of the agency.

We have maintained the practice of soliciting public comments in Federal Register announcements, and we ensure that anyone who visits ustr.gov is directed to the corresponding website.

We are holding public hearings, and will continue a series of town hall discussions to air upcoming issues.

For example, in the area of public health, we have already met with public health stakeholders and have had email exchanges, calls, and meetings. For example, the Ambassador had a face-to-face meeting on May 19, 2009 with several public health non-governmental organizations (NGOs).

All of USTR, and the Office of Intergovernmental Affairs and Public Engagement particularly, are committed to making the development and implementation of trade policy more transparent. For example, we have recently taken several steps to make the development of the Anti Counterfeiting Trade Agreement more accessible to the public by, with the agreement of our trading partners, providing a summary of the status of the negotiations, by meeting with interested parties, and by holding a public town hall meeting to discuss the negotiations.

Review of USTR trade advisory committee system

USTR is currently reviewing the trade advisory system, and that review is not yet complete. However, USTR is committed to two results. First, effective use of the committees and second committees are more representative of diverse interests.

Making effective use of committees

With regard to the first result, USTR has already made significant use of the committees. Since taking office, Ambassador Kirk has already met with Advisory Committee for Trade Policy and Negotiations (ACTPN), Trade Advisory Committee for Africa (TACA), Trade and Environment Policy Advisory Committee (TEPAC), and the Labor Advisory Committee (LAC) Liaison. My office has maintained the Intergovernmental Policy Advisory Committee (IGPAC)/State Point of Contacts (SPOC) monthly calls and we have scheduled a call next week with the Agriculture

Policy Advisory Committee (APAC)/Agriculture Technical Advisory Committee (ATAC) members. Moreover, as GAO noted in its 2007 report, in the past some committees have not been fully utilized or have lapsed entirely. We are committed to preventing that from happening again. To that end, we have already begun work on selecting new members for the ACTPN, whose charter expires in March 2010. The Department of Commerce, which jointly administers the ITACs, whose charters expire in February 2010, has similarly already begun the process of rechartering the ITACs and is on track to complete work on rechartering before the current charters expire.

For the committees whose charters expire in 2011, the rechartering process has not yet begun, but we have already established various steps in that process. The Department of Agriculture has established similar steps for their committees whose charters also expire in 2011.

Expanding the interests Represented

We have also already taken steps to expand the range of interests represented on the Committees. We are currently identifying candidates for membership on the tier one ACTPN committee. We have sent a list of potential candidates to the White House and continue to vet these candidates. While it is not appropriate at this time to release names or list the organizations these candidates represent, I can share that several candidates represent consumer and public health interests. Thus, the voices of representatives of public health and consumer interest will be represented at the very highest level of the advisory committee system on the newly constituted ACTPN. Members of the public health community will have access to the USTR secured advisor website and will therefore have access to all of the information that is made available to other cleared advisors.

In addition to including representatives on the ACTPN, we will seek additional opportunities for representatives of civil society, consumer groups, and public health interests to serve on the Tier Two committees. NGO representatives have already been added to some of the Tier 3 committees where appropriate. If certain interests cannot be adequately represented within the existing committee structure, USTR will explore the establishment of a new committee. We would want to ensure that any such committee would be flexible enough to absorb representatives from new interest areas as needed. In short, although we continue to determine whether full representation can best be achieved through new committees or through an expansion of existing committee membership, USTR is committed to a conclusion that ensures a genuine and effective conduit for public interests to advise on trade and investment policy.

Once again, Mr. Chairman, I appreciate, the opportunity to testify before you today, and before the members of the Subcommittee on Trade and to affirm to all of you USTR's commitment to outreach efforts and to the trade advisory committee system.

As I have detailed, the Office of the United States Trade Representative is making every effort to ensure that USTR's work is both open and transparent, and guided by the American public that we serve working together; we can fulfill President Obama's vision of a trade policy that works better for American workers and families.

I would be happy to answer any questions that you may have.