



UNITED STATES COUNCIL FOR INTERNATIONAL BUSINESS

USCIB Washington Update

Highlighting Key Activities, June – July, 2013

During the months of June and July, USCIB's Washington, D.C. office organized a tax conference for over 250 people, met with Doug Bell, USTR, to discuss the U.S. trade agenda, engaged Dan Sepulveda, State, on Internet Governance issues, advocated for passage of the Customs Reauthorization bill with staff of Senate Finance Committee members, co-hosted with ICC a conference on how to move forward in the WTO, engaged Dawn Shackelford, USTR, on the WTO trade facilitation negotiations, and much more. Below are brief summaries of these and other highlights from the activities of USCIB in Washington, D.C. over the last two months. If you have any questions or comments, or want more information on a specific topic, please contact any of the staff members listed at the end of this brief.

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Trade and Investment – Opening Global Markets for Trade and Investment

- **Doug Bell, USTR, Briefs USCIB Members on Trade Negotiations:** Counselor and Assistant USTR for Trade Policy and Economics, Doug Bell, was the guest speaker at the USCIB Trade and Investment Committee meeting on June 20, 2013. He explained that the Obama administration sees opening markets for international trade as a key to economic growth. The strategy underlying the many different trade negotiations is to cover all regions and bring key countries into the rules based system. This includes leveraging TPP and TTIP to multi-lateralize high-standard rules. He also discussed administration views on TPA, the ITA negotiations, and trade facilitation in the WTO.
- **USCIB/ICC/PIIE Host Program on Agreements to Move WTO Forward:** USCIB, along with the Peterson Institute for International Economics and the [International Chamber of Commerce](#) (ICC), held a June 14, 2013 conference in Washington, on the ICC sponsored paper "[Payoff from the World Trade Agenda.](#)" Written by **Gary Hufbauer** and **Jeffrey Schott**, the report takes a fresh look at the Doha Round trade negotiations, and assesses the potential payoffs from seven agreements that could be revived and advanced in 2013 and entered into force as early as 2015.

Robert B. Zoellick, former president of the World Bank and former U.S. trade representative, provided keynote remarks. Zoellick applauded the ICC initiative as “a great pathway” to expanded trade in a world where global output is now evenly split between developed and developing countries, and where significant South-South trade barriers still remain. Incoming ICC Chairman **Terry McGraw**, CEO of McGraw-Hill Financial and also chairman of USCIB, said the report showed how important trade is to sustained global economic recovery. USCIB President and CEO **Peter Robinson** cited the new report and recent OECD work on trade in value-added as underscoring the wisdom of securing multilateral solutions in a world of highly integrated, multi-country global value chains. Providing a business perspective on the Peterson Institute report at the June 14 event were **James Bacchus** of Greenberg Traurig, a former Congressman and former chair of the WTO appellate body who now chairs ICC’s Trade and Investment Commission, **Rick Johnston** of Citi, chair of USCIB’s Trade and Investment Committee, and **Scott Miller** of the Center for Strategic and International Studies. For video and audio from the June 14 event, go to http://www.iie.com/events/event_detail.cfm?EventID=287. For more information on the

ICC World Trade Agenda, please visit <http://www.iccwbo.org/global-influence/world-trade-agenda/>.

- **USCIB Hosts Meeting with Arrow Augerot, USTR, on Forced Localization:** On July 17, 2013 USCIB, along with NFTC, hosted a meeting with Arrow Augerot who is leading an interagency task force on forced localization issues. She focused comments on her work in APEC on a local content initiative and a paper the U.S. has proposed on alternatives to localization as a means to address views from some countries that localization is needed for economic development. The paper has been circulated to USCIB Trade and Investment Committee members who can provide comments and suggestions to Arrow for strengthening the document. At the meeting, we also discussed a joint USCIB/NFTC program in Geneva on September 30 focused on the forced localization issues. Members were invited to indicate interest in speaking on one of the panels and to attend this event. A draft program and save the date notice should go out soon. Finally, USCIB has circulated its document of forced localization requirements in different countries for any edits or additions so we can have an updated version for the fall.
- **USCIB Talks SOE Issues with U.S. Negotiator:** On June 18, 2013 Shaun Donnelly, USCIB's point person for State-Owned Enterprise (SOE) issues, was in a small group of business community experts reviewing SOE issues in the TransPacific Partnership (TPP) negotiations with the U.S. lead negotiators. The TPP represents the first-ever USG effort to negotiate international disciplines covering SOEs as they compete with private sector companies. After frustratingly-slow progress until recently, the last few months have started to see key TPP negotiating partners work with the U.S. negotiators on transparency and disciplines on government support to SOEs.
- **Shaun Donnelly Speaking for Business at TI's New Policy Advisory Board:** Shaun Donnelly was also in a small group of business representatives invited to join the new Policy Advisory Board recently formed by the U.S. chapter of Transparency International (TI). The new PAB, which also includes NGO and labor reps, held its first meeting in late June. It will be important to bring business perspectives to this TI-USA advisory panel as it focuses on a range of transparency, anti-corruption, and related issues.
- **USCIB Reaching Out to EU TTIP Negotiators:** Several USCIB staff who co-lead chapter Working Groups in the Business Coalition for Transatlantic Trade (BCTT) were able to meet on the margins of the opening round of the U.S.-EU TTIP negotiations with EU lead negotiators on several key chapters (e.g. Investment, State-Owned Enterprises, Customs) to lay out very clearly up front U.S. business community concerns and priorities.
- **Talking TTIP to the European Parliament:** USCIB VP for Investment Policy Shaun Donnelly met with members of the European Parliament in town in connection with the mid-June U.S.-EU TTIP negotiations. The informal give-and-take session was an excellent opportunity to lay out business priorities on various Trade and Investment issues in TTIP. The role of the European Parliament on EU trade policy is growing and U.S. business views are too often misunderstood in those halls.

- ***Business Engagement with UN Agencies and International Organizations:*** USCIB senior staff is working with a small group of member companies concerned about the role business, especially U.S. business, is or isn't getting in important international organizations. Many are concerned that key parts of the UN system seem less open to input and participation from the private sector. On June 19, 2013 SVP Rob Mulligan and VP Shaun Donnelly had an excellent opening discussion with a senior official in the State Department's Bureau of International Organization Affairs. Going forward, we will be broadening the circle to other interested companies and will be working with our International Chamber of Commerce (ICC) affiliates and the U.S. Government, including the U.S. Missions to the UN in New York, Geneva and other headquarters.

ICT Policy – Promoting Sound Policies for New Technologies

- ***Barbara Wanner Speaks to Local Chapter of SIM on Internet Governance Policy:*** On June 4, Barbara Wanner, USCIB Vice President for ICT Policy, delivered the dinner address to the bimonthly meeting of the Philadelphia chapter of the Society for Information Management (SIM) on "Internet Governance: The State of Play." Her remarks focused on the business implications of recent Internet policy developments in the International Telecommunications Union (ITU), the Internet Governance Forum (IGF), and other UN entities.
- ***USCIB Members Contribute to OECD Meetings of the CISP and WPIE:*** June 10-13, 2013, USCIB members, participating under BIAAC auspices, made important contributions to Working Party on Communication Infrastructures and Service Policy CISP and Working Party on the Information Economy WPIE papers and work-flow on the key ICT issues such as the transition to IPv6, spectrum policy, and international cables, gateways, and backhaul.
- ***ICT Policy Committee Delves into Internet Governance with Deputy Assistant Secretary of State Daniel Sepulveda:*** On June 18, 2013 Daniel Sepulveda, Deputy Assistant Secretary of State and US Coordinator for International Communications and Information Policy, debriefed the ICT Policy Committee on the May 13-16, 2013 meeting of the World Telecommunications/ICT Policy Forum (WTPF). Members discussed with DAS Sepulveda how the WTPF revealed the still-strong concerns of some members of the International Telecommunications Union (ITU) about ensuring a role for government in shaping Internet governance policy. DAS Sepulveda explored how upcoming meetings of the ITU and other UN entities will continue to serve as forums to address various aspects of Internet governance policy. Liesyl Franz, Senior Policy Advisor, Office of the Coordinator for Cyber Issues, Department of State, also briefed members on U.S. participation in the WSIS High-Level Dialogue on Cybersecurity on May 16 as well as the June 7 meeting of the U.S. Group of Governmental Experts on Cyber Issues and bilateral cyber-related meetings with Russia, Germany, and China.
- ***USCIB Co-Signs Multi-Association Letter on Levin/McCain "Deter Cyber-Theft Act":*** On June 21, 2013 USCIB joined several other business groups in signing a letter to Senators Levin, Rockefeller, McCain and Coburn, chief sponsors of S. 884, the Deter

Cyber-Theft Act. The letter commended the awareness of the co-sponsors on the importance of protecting intellectual property from theft. However, it maintained that the approach to deterring IP theft put forward in S. 844 – establishment of new, broad authority for U.S. Customs and Border Protection to ban certain imports -- could end up causing significant harm to U.S. companies seeking to do business in their own country and abroad. The letter further suggested that these import restrictions could put the United States in violation of certain trade commitments.

- ***USCIB Members Play Leading Roles in APEC Data Privacy Subgroup Meeting:*** On June 23-24, 2013 ICT Policy Committee Vice Chair Joe Alhadeff, Oracle, represented USCIB at the APEC Data Privacy Subgroup (DPS) meeting in Medan, Indonesia. He contributed his expertise to discussions about a referential document describing the common elements of the APEC Cross-Border Privacy Regulations and the EU's Binding Corporate Rules (BCR). On behalf of ICC, which enjoys Guest status in the DPS, Joe also will participate in the special "Friends of the Chair" group that will be convened by APEC's Electronic Commerce Steering Group.
- ***USCIB Members Guide Further Work on ICC Global Action Plan for the Digital Economy (GAP):*** ICT Policy Committee Vice Chair Joe Alhadeff, Oracle, and other USCIB members participated in the ICC Digital Economy Commission meeting, July 8-9, 2013 in Paris. Joe formally assumed the DEC Chair at this meeting and led extensive discussions about plans to update the DEC's Global Action Plan for the Digital Economy (GAP) by the end of 2013. The GAP was designed to serve as a ready, practical compendium of business positions. Also important, USCIB submitted to the DEC for consideration a draft statement on the EU draft Network and Information Security (NIS) Directive for use as an advocacy vehicle.
- ***USCIB to Co-Organize IGF Workshop:*** On July 18, 2013 USCIB finalized registration of an IGF workshop, "Mobile & Cloud Computing in Emerging Economies;" the African Union Commission, LIRNEasia, and FCT (Government of Portugal) are serving as co-organizers. Panelists will include: Alice Munyua, African Union Commission; Rohan Samarajiva, LIRNEasia; Joao Barros, Institute for Telecommunications (Portugal); and Verena Weber, OECD. USCIB member Jacquelynn Ruff, Verizon, will moderate the panel. USCIB, along with the OECD, also are participating as "invited organizations" in a second IGF workshop, "Global Trade, Local Rules & Internet Governance." USCIB member Wiley Rein and the African Union Commission are co-organizers. USCIB member Richard Beaird, Wiley Rein, will moderate the panel; Barbara Wanner, USCIB Vice President, ICT Policy, will serve as remote moderator. Further details about these and other IGF workshops may be accessed at this link --
<http://www.intgovforum.org/cms/view-proposals>

Customs – Reducing Barriers and Costs from Customs and Border Control Practices

- ***USCIB Urges Senate to Pass Customs Bill:*** On June 4, 5, and 19, Nasim Deylami, USCIB Director for Customs and Trade Facilitation, and USCIB members met with Senate Finance Committee staffers for Senators Stabenow (D-MI), Portman R-OH),

Isakson (R-GA), Roberts (R-KS), Cornyn (R-TX), Schumer (D-NY), and Burr (R-NC), along with staff from the Senate Finance Committee and the Senate Foreign Relations Committee to discuss [USCIB's priority issues](#) in **S. 662, The Trade Facilitation and Trade Enforcement Act**. In addition to Nasim Deylami, USCIB was represented by members from Hanesbrands, DHL, UPS, eBay, Sandler, Travis & Rosenberg, P.A., Barnes, Richardson, & Colburn, Borderfree, Oracle, and the U.S. Chamber of Commerce.

- Dawn Shackleford, USTR, Updates USCIB Members on WTO Trade Facilitation:*** On July 23, 2013 Dawn Shackleford once again joined USCIB to provide the latest updates on the WTO Trade Facilitation Agreement negotiations. Having just returned from the latest meeting in Geneva, she reviewed the progress on key sections of the text for members of the USCIB Trade and Customs Committees. The next formal meetings will be in September and October in Geneva, and USCIB will invite Dawn back between these meetings for another update. She also welcomes any input from the business community before the next meeting, and can be reached at dawn_shackleford@ustr.eop.gov.
- BCTT Customs Group Meets with TTIP Negotiators:*** On June 6, 2013 Nasim Deylami, along with the other BCTT Customs co-chairs led a meeting with Dawn Shackleford, Deputy Assistant USTR for WTO & Multilateral Affairs, to share the BCTT customs and trade facilitation [recommendations](#) prior to the launch of the Transatlantic Trade and Investment Partnership (TTIP) negotiations. Tasked with leading the customs and trade facilitation negotiations for USTR in the WTO Trade Facilitation Agreement as well as TTIP, shared that the US plans to build upon the WTO negotiations for the customs provisions in TTIP, and welcomed the list of priority issues provided by the BCTT Customs group. The group will continue to meet with USTR as the negotiations proceed. On July 9, 2013, during the first round of TTIP negotiations, Nasim Deylami and representatives from the Chamber, NAM, UPS, DHL, General Electric, and the National Retail Federation met with the EU's T-TIP Customs negotiators to share the BCTT priorities.
- CBP Briefs APEC Customs Group Co-Chaired by USCIB:*** On June 10, 2013, Ginny Williamson from the CBP Office of International Affairs and U.S. Representative to the APEC Subcommittee on Customs Procedures (SCCP) provided a briefing for the U.S. members of the APEC Customs Business Working Group on the U.S. goals for the SCCP meeting during the third Senior Officials' Meeting held in Medan, Indonesia on June 20-21, 2013. She advised that the U.S. would be prioritizing AEOs, a U.S.-led issue within the SCCP, and intellectual property rights enforcement; making a best practices presentation with Canada on the success of Beyond the Border; providing an update on the APEC Chokepoint inventory; and briefing the SCCP members on the latest developments in the APEC Customs Business Working Group. Nasim Deylami, USCIB, is serving as the private-sector co-chair of the working group, along with government chair from New Zealand. Ms. Williamson also noted that she would be meeting with the Chinese representatives from the SCCP to start discussing plans for the Customs Business Dialogue during China's 2014 APEC host year.

- **CBP Provides CEE Presentation at USCIB Customs Committee:** On June 26, 2013 Lori Whitehurst, Chief of the CBP TA and Textile Operations Branch, joined the USCIB Customs Committee at its bimonthly meeting to make a [presentation](#) on the CBP Centers of Excellence and Expertise. She provided an overview on how the centers operate, the benefits of joining, how to participate, current procedures, and projected end state procedures. She answered member questions and made herself available for future questions should they arise at lori.j.whitehurst@cbp.dhs.gov.

Tax – Advancing Tax Policies that Promote U.S. Competitiveness

- **USCIB Holds Successful Tax Conference:** Over 250 people attended the eighth annual OECD International Tax Conference organized by USCIB on June 3-4, 2013 at the Four Seasons in Washington, D.C. The conference brings together officials from the OECD, government representatives of the U.S. and other countries, and business representatives to discuss critical international tax issues. The focus of this year's conference was the OECD's work on Base Erosion and Profit Shifting.
- **USCIB Meets with Bob Stack, Treasury, on India:** In conjunction with the Tax Conference, USCIB organized a meeting of USCIB members with Bob Stack, Deputy Assistant Secretary for International Tax Policy; Michael Danilack, Deputy Commissioner, LB&I, IRS; and Danielle Rolfes, International Tax Counsel, U.S. Treasury. The purpose of that meeting was to make Mr. Stack and Ms. Rolfes aware of the problems U.S. taxpayers have when dealing with India. A second meeting was held in early July to discuss these issues in more detail. Business also raised the difficulties tax issues create for foreign direct investors in India with the Indian Finance Minister at the recent U.S. – India CEO forum.
- **USCIB Organizing U.S. Business Input into OECD Action Plan on BEPS:** The OECD released its Action Plan on Base Erosion and Profit Shifting (BEPS) on July 19, 2013. BIAAC will be holding a one day meeting with the OECD and CFA members to discuss elements of the Action Plan on October 1, 2013. USCIB held an organizational meeting/call on July 26, 2013, to discuss how USCIB members can most effectively have input into this process.

Upcoming Events

- **USCIB Trade and Investment Committee Meeting** – September 5, 2013, 9:30-11:30 a.m., USCIB Office, Washington, D.C.
- **ICT Policy Committee Teleconference** – September 16, 2013, 2:00 p.m.
- **APEC Telecommunications and Information Working Group (APEC Tel-48)** – September 16-21, 2013, Honolulu, Hawaii
- **WCO Harmonized System Committee Meeting** – September 16-27, 2013, Brussels

- **35th International Conference of Data Protection and Privacy Commissioners, (open sessions)** – September 23-26, 2013, Warsaw, Poland
- **BIAC Investment Committee Meeting** – October 14, 2013, Paris
- **ICC Commission on Customs and Trade Facilitation Meeting** – October 14, 2013, Brussels
- **8th Internet Governance Forum (IGF)** – October 22-25, 2013, Bali, Indonesia

Again, please feel to contact any of our Washington staff (below) if you would like more information on a specific issue mentioned in this brief. Thank you for your continued support of USCIB.

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