

Meeting Summary
Maine Citizen Trade Policy Commission
September 18, 2017
Room 220, Cross Office Building
Augusta, Maine

Members Present: Senator Rodney Whittemore, Senator Lisa Keim, Senator David Miramant, Representative Craig Hickman, Representative Stephen Stanley, Representative Stacey Guerin, Randy Levesque, Sharon A. Treat, Janet Mills, Linda Pistner, Ryan Harnden, Dr. Joel Kase,

Staff: Lock Kiermaier (Contract)

CTPC Chair Senator Rod Whittemore convened the meeting at approximately 1 PM.

To begin the meeting, Senator Whittemore asked Commission members to introduce themselves. After the commission members had introduced themselves, for the benefit of the several new members, CTPC staff person Lock Kiermaier proceeded to briefly review CTPC statutory law, basic trade concepts and trade agreements that are currently under negotiation. The documents used by Mr. Kiermaier in this presentation can be viewed (hand numbered pages 1 – 12) at the CTPC website: <http://www.maine.gov/legis/opla/CTPCmtgmtrlsSept182017.pdf>

For the next item of business, CTPC member Sharon Anglin Treat provided a brief update of the current NAFTA renegotiations that are currently occurring between the United States, Canada and Mexico. Aside from her CTPC membership, Ms. Treat is also an appointed member of the Intergovernmental Policy Advisory Committee (IGPAC) which advises the United States Trade Representative (USTR) on various trade matters. IGPAC members are “cleared advisors” meaning they have a high degree of access to confidential and classified ongoing trade negotiations. Ms. Treat mentioned that she is able to bring public comment back to her IGPAC meetings and that is very useful when she can cite specific motions endorsed by the CTPC.

While Ms. Treat was not at liberty to disclose any of the confidential material she is privy to as a member of IGPAC, she was able to generally update the commission members on the status of the NAFTA renegotiations and referred members to a USTR document dated July 17, 2017 and titled “*Summary of Objectives for the NAFTA Renegotiation*” (hand numbered pages 13 -30, <http://www.maine.gov/legis/opla/CTPCmtgmtrlsSept182017.pdf>). In discussing this document, Ms. Treat explained that current federal law requires that the USTR publish objectives for any ongoing trade negotiations. In basic terms, while the Trump administration has publically and strongly advocated for significant revisions to NAFTA, the actual specifics of many of their negotiating positions have not been released; the USTR document avoids detailing specific negotiating points.

Ms. Treat offered her impression that she is not yet clear on whether the Trump administration is committed to a broad and comprehensive renegotiation of NAFTA or whether it will be satisfied with significant change on a few important provisions. In addition, Ms. Treat remarked on the comparatively short amount of time in which these renegotiations have already taken place; a

matter of months which can be compared to the several years it took to negotiate the TPP. Ms. Treat also mentioned that the NAFTA renegotiations are already into the 3rd round which is yet another indication on how fast these negotiations are moving along. Given the comparative speed with which these renegotiations are taking place with a hoped for completion by the end of 2017, Ms. Treat remarked that the opportunity for meaningful input from a group like the CTPC is extremely limited.

Some of the major issues identified in the USTR document include the following:

- Rules of Origin – The national origin of where and how manufacturing goods are produced is a major topic for the Trump administration- particularly how it relates to automobile manufacturing that is currently taking place in Mexico;
- Intellectual Property – protecting intellectual properties through the use of patents is another significant issue. In particular, the issue of prescription drugs and how long the original patent applies has been a traditionally significant issue in other recent trade negotiations;
- Labeling Requirements – Another significant issue concerns various labeling requirements established by different nations with respect to commodities such as food products; the controversy around GMO labeling requirements is a prime example of how labeling requirements have been a contentious trade issue; and
- Regulatory Harmonization – Many recent trade agreements have focused on the need for commonality in pertinent trade regulations between nations; this concept is commonly referred to as regulatory harmonization. Ms. Treat offered her impression that the issues surrounding regulatory harmonization are ones that the U.S., Canada and Mexico have a greater level of agreement on in the NAFTA renegotiations.

Ms. Treat also mentioned that Canada appears to be pushing a number of what might be described as domestic political issues, such as adhering to the Paris Climate Accord, inclusion of right-to-work laws, prohibitions on gender discrimination and advancing the rights of indigenous peoples for inclusion in the NAFTA renegotiations. According to Ms. Treat, these proposals are not likely to be endorsed by the Trump administration for inclusion in a renegotiated NAFTA agreement.

In addition, Ms. Treat mentioned that it is not yet clear as to what the Trump administration's position on Investor-State Dispute Settlement (ISDS) process is and whether it should be significantly change in a renegotiated NAFTA. The options range from inclusion without much change to moderate change and finally, radical redesign of the dispute settlement mechanism which has been commonly included in recent trade agreements.

Next, CTPC staff person Lock Kiermaier briefly referred to a summary of articles pertaining to some aspect of free trade agreements. The written summary and copies of the articles in their entirety can be viewed at the CTPC website (handwritten pages 31 – 101):

<http://www.maine.gov/legis/opla/CTPCmtgmtrlsSept182017.pdf>

Towards the end of the meeting, commission members expressed an interest in exploring the following topics (with appropriate speakers) in upcoming meetings:

- More information on a recent agricultural deal between the US and China regarding the importation of cooked chicken into the US without any labeling requirement as to the country of origin; perhaps a representative of the American Poultry Association could be invited to speak to the commission on this topic; and
- An updating on the status of the ongoing softwood trade dispute between the US and Canada.

Upon discussion of when to meet again, the members present agreed to hold a public hearing in Augusta regarding the NAFTA renegotiations. The intent is to hold the public hearing at a yet-to-be determined date in late October. CTPC staff person Lock Kiermaier will work with the Chairs to determine a precise date for the public hearing.

Adjournment

The meeting was adjourned at approximately 3 PM.