



USCIB Washington Update

Highlighting Key Activities, April – May, 2013

During the months of April and May, USCIB's Washington, D.C. office filed a lengthy submission with USTR on the TTIP negotiations, led a delegation of members to meet with Treasury for a discussion of industry concerns related to the OECD work on base erosion and profit sharing (BEPS), launched a coalition with seven other associations in support of TPA, testified in support of preserving the World Bank Doing Business Report, co-chaired several of the BCTT working groups, joined members in meetings on the OECD Security Guidelines, lobbied Senate staff to raise the de minimis limit for imports, presented at the OECD Trade Committee on global value chains, 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.

Table of Contents:

1. [Trade and Investment – Opening Global Markets for Trade and Investment](#)

- [USCIB Submission on TTIP Covers Range of Member Issues](#)
- [USCIB Joins Seven Other Trade Associations in Launching Coalition Supporting TPA](#)
- [USCIB Co-Chairing Key BCTT Working Groups in Preparation for TTIP Negotiations](#)
- [Rob Mulligan Intervention at OECD Trade Committee on Global Value Chains](#)
- [USCIB Leads Business Community Fight for Strong World Bank “Doing Business” Reports](#)
- [TPP Work on Investment and SOEs](#)
- [USCIB Co-Chairs BCTT Investment and Competition Work Groups](#)

2. [ICT Policy – Promoting Sound Policies for New Technologies](#)

- [USCIB Hosts Meeting with EU Official to Discuss Intersection of ICT/Trade Policy](#)
- [USCIB Members Play Leading Roles at OECD Meetings of the Security Experts Group](#)
- [USCIB Submits Comments to ICANN on the Accountability and Transparency Review Team](#)
- [USCIB Members Underscore the Importance of a Multistakeholder Model for Internet Governance](#)
- [USCIB Members Provide Leadership at Internet Governance Forum \(IGF\) Open Consultations and Multistakeholder Advisory Group \(MAG\)](#)

Washington Office

1400 K Street, N.W., Suite 905
Washington, D.C. 20005
202.371.1316 tel
202.371.8249 fax
www.uscib.org

Global Business Leadership as the U.S. Affiliate of:
International Chamber of Commerce (ICC)
International Organization of Employers (IOE)
Business and Industry Advisory Committee (BIAC) to the OECD
ATA Carnet System

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

- [USCIB Member Chairs Inaugural Meeting of New ICC Customs Commission](#)
- [USCIB Joins De Minimis Advocacy on the Hill](#)
- [Roundtable on Royalties Hosted by USCIB](#)
- [USCIB Co-Chairs BCTT Supply Chain Working Group](#)

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

- [USCIB Engages on BEPS at OECD Meetings](#)
- [USCIB Meets with Treasury on BEPS](#)
- [Carol Doran Klein Testifies Before the IRS Oversight Board](#)

5. Product Policy – Advancing Sensible Production Policies

- [USTR Meets with USCIB International Product Policy Working Group](#)
- [USCIB's Nanotechnology Working Group Meets with OMB](#)

6. Membership

- [Member Meetings](#)
- [New Members](#)

7. Upcoming Events

Trade and Investment – Opening Global Markets for Trade and Investment

- ***USCIB Submission on TTIP Covers Range of Member Issues:*** In response to the federal register notice seeking input on the Transatlantic Trade and Investment Partnership negotiations (TTIP), USCIB filed its [submission](#) on May 10, 2013. Drawing on input from a wide range of member companies, the submission provides recommendations on several cross-cutting issues in the first section of the paper such as: customs and trade facilitation, cross border data flows, forced localization, green economy, innovation, intellectual property, investment, regulations, and certifications. The second section of the USCIB submission focused on sector-specific issues such as: chemicals, electronic security services, financial reporting and audit, and information and communications technology (ICT).
- ***USCIB Joins Seven Other Trade Associations in Launching Coalition Supporting TPA:*** On May 20, 2013, the Trade Benefits America Coalition, organized by a steering committee of USCIB and seven other trade associations, kicked off its efforts to highlight for policymakers the benefits of U.S. trade agreements and to support passage of Trade Promotion Authority (TPA) in Congress. The coalition press release included a quote from Peter Robinson, CEO of USCIB, and provided the following link to the coalition website. www.tradebenefitsamerica.org The coalition will be reaching out to companies and other associations to join as it builds support for action in Congress on TPA.

- USCIB Co-Chairing Key BCTT Working Groups in Preparation for TTIP Negotiations:** As one of the associations on the Steering Committee of the Business Coalition for Transatlantic Trade (BCTT), USCIB has agreed to co-chair the following working groups: Regulatory Cooperation (Rob Mulligan), Investment (Shaun Donnelly), Competition (Shaun Donnelly), and Supply Chain (Nasim Deylami). USCIB staff are participating in most of the other working groups to provide member input as these groups develop coalition positions. The working groups have been finalizing two-page position papers that will be followed by more detailed work as the negotiations get underway. If members want to participate directly in any of the working groups, they can sign up at the BCTT website. www.transatlantictrade.org
- Rob Mulligan Intervention at OECD Trade Committee on Global Value Chains:** On May 15 – 16, 2013, Rob Mulligan, USCIB Senior Vice President for Policy and Government Affairs, participated in the OECD Trade Committee meetings on behalf of the Business and Industry Advisory Committee to the OECD (BIAC). At the request of OECD staff, Rob provided an intervention on the second day related to the work of the OECD on global value chains. He commended the OECD on its Trade in Value Added data base released earlier this year and the follow up work analyzing trade flows between countries. He also noted the [USCIB study](#) by Dartmouth Professor Matt Slaughter on the extent to which U.S. companies have developed global value chains and rely on them to reach customers around the world. Finally, he highlighted member concerns with policies that disrupt or distort global value chains such as forced localization requirements, restrictions on cross-border flow of data, unfair competition from state-owned enterprises, and impediments at the border such as conflicting or duplicative customs processes.
- USCIB Leads Business Community Fight for Strong World Bank “Doing Business” Reports:** USCIB has led business community efforts to defend the annual “Doing Business Reports” (DBRs) and country rankings produced by the World Bank staff. A coalition of developing country governments and NGOs are pressing the World Bank leadership hard to gut or even eliminate the DBRs. In mid-April on the margins of Bank’s spring meetings in Washington, USCIB filed strong written [comments](#), testified in front of the Bank’s independent panel reviewing the matter, and supported a strong pro-DBR intervention by ICC Secretary General Carrier on behalf of the global business community.
- TPP Work on Investment and SOEs:** In the run up to the May 15 – 24, 2013 Lima Round of TransPacific Partnership (TPP) negotiations, the TPP Business Coalition Investment Task Force, co-chaired by USCIB Vice President, Shaun Donnelly, met on April 17, 2013 with the U.S. lead negotiators for the Investment and Financial Services Chapters to discuss priority issues heading into Lima. Shaun has also been active in a the informal business working group on State-Owned Enterprises (SOE) issues, consulting with the lead USTR negotiator on the delicate and challenging SOE Chapter leading up to Lima.
- USCIB Co-Chairs BCTT Investment and Competition Work Groups:** USCIB has stepped up to leadership roles in several important issue Working Groups of the new

Business Coalition for Transatlantic Trade (BCTT) as we head toward formal launch this summer of the U.S.-EU Transatlantic Trade and Investment Partnership (TTIP). Shaun Donnelly is co-chairing the Investment and Competition/SOE Working Groups, each of which has held organizational meetings and approved basic position papers. Shaun and the other co-chairs also held a useful opening session with visiting senior EU commission officials responsible for the Investment issues in TTIP. Members interested in Investment or Competition/SOE issues can contact Shaun and/or register for any BCTT WGs at the coalition website www.transatlantictrade.org.

ICT Policy – Promoting Sound Policies for New Technologies

- ***USCIB Hosts Meeting with EU Official to Discuss Intersection of ICT/Trade Policy:*** On April 3, 2013 USCIB hosted a meeting with Dr. Fabien Gehl, Economic and Trade Affairs Manager/Trade Negotiator, DG Trade. Dr. Gehl was visiting Washington, D.C. as part of a professional exchange program under the auspices of Meridian House. He engaged in a wide-ranging discussion with USCIB members, which explored the intersection of ICT and trade policy issues as it relates to ensuring free and fair trade, cross-border data flows, and the privacy and security-related implications of such flows.
- ***USCIB Members Play Leading Roles at OECD Meetings of the Security Experts Group:*** ICT Policy Committee Vice Chair Joe Alhadeff, Oracle, who also chairs BIAC's ICCP (Committee for Information, Computer, and Communications Policy), Barbara Wanner, USCIB Vice President for ICT Policy, and members of USCIB's ICT Policy Committee made important contributions at OECD meetings April 8-12, 2013 in Paris. In particular, eight USCIB members participated in the launch of a special OECD Experts group convened to consider possible revisions to the OECD's 2002 Security Guidelines. They made a formal intervention urging that the Guidelines be updated and supplemented to reflect the complexity of today's world. Under the BIAC banner, members also shaped what was referred to as "ground-breaking" revisions to the OECD Privacy Guidelines, which ultimately were approved by the ICCP. In addition, USCIB members provided key input that will affect the substance of final OECD reports on electronic and mobile commerce, the App Economy, and follow-up work on the transition from IPv4 to IPv6.
- ***USCIB Submits Comments to ICANN on the Accountability and Transparency Review Team:*** On May 1, 2013 USCIB responded to ICANN's request for comments on the activity of its second Accountability and Transparency Review Team (ATR2). Members offered views on topics as wide ranging as ICANN Board of Directors governance, the Government Advisory Committee's (GAC) role, effectiveness, and interaction with the ICANN Board, and the policy development process. The comments may be accessed at -- <http://forum.icann.org/lists/comments-atr2-02apr13/msg00000.html>
- ***USCIB Members Underscore the Importance of a Multistakeholder Model for Internet Governance:*** Ambassador David Gross, Wiley Rein, and Chair of the USCIB ICT Policy Committee, Barbara Wanner, and other members of the Committee played

important roles in meetings of the World Telecommunication/ICT Policy Forum (WTPF) and World Summit on the Information Society (WSIS) Action Lines Forum, May 13-17, 2013 at the International Telecommunications Union (ITU) headquarters in Geneva. USCIB members actively participated both as sectoral participants and members of the U.S. government delegation. They provided key substantive input as panel speakers and contributed to interventions on cutting-edge telecommunications issues, the multistakeholder role in Internet governance, and implementation of the WSIS process.

- ***USCIB Members Provide Leadership at Internet Governance Forum (IGF) Open Consultations and Multistakeholder Advisory Group (MAG):*** On May 21-23, 2013 USCIB members who have been selected to participate on the MAG played leading roles in shaping the agenda and selecting workshops for the IGF, which will be held in Bali, Indonesia, October 21-25, 2013.

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

- ***USCIB Member Chairs Inaugural Meeting of New ICC Customs Commission:*** On April 15 - 16, 2013 Nasim Deylami, USCIB Director for Customs and Trade Facilitation, attended the first meeting of the ICC Commission on Customs and Trade Facilitation, held at ICC Headquarters in Paris. The Commission brought together former members of the ICC Commission on Transport and Logistics with the ICC Committee on Customs and Trade Regulations for the first time since the ICC announced earlier this year that it would be merging the two groups in an effort to emphasize the focus both should be placing on trade facilitation. The new commission will be led by USCIB member, Anthony Barone of Pfizer, who had already been serving as the Chair of the Customs and Trade Facilitation Committee for the last two years.

For this inaugural meeting, the committee worked on establishing areas of mutual interest to focus advocacy efforts, such as supply chain compliance and security, benefits and harmonization of trusted trade programs, modernizing border processes, and support for existing and developing agreements and conventions such as the WTO Trade Facilitation Agreement and the Rotterdam Rules. Members also agreed to finalize two existing ICC Customs papers, *ICC Guidelines for Cross Border Traders* and *Facilitation Trade in Motion Pictures*. New initiatives were proposed as well, such as a policy paper on the importance and benefits of establishing a global baseline *de minimis* threshold. The next meeting of the Commission will be in late fall 2013, and details will be distributed as they are finalized. USCIB members from **Pfizer, UPS, FedEx Express, KPMG, Corporation for International Business, Barnes, Richardson & Colburn, and Microsoft** attended the meeting.

- ***USCIB Joins De Minimis Advocacy on the Hill:*** On April 22, 2013 Nasim Deylami joined UPS and other associations in meetings with several Senate offices to rally support and co-sponsors for the Low Value Shipment Regulatory Modernization Act of 2013, S. 489, which was introduced on March 7 by Senators **Ron Wyden** (D-OR) and **John Thune** (R-SD). The bill would raise the “de minimis” value, which is the monetary value below which shipments entering the United States are free from tariffs, taxes or

formal customs procedures, to \$800 from the current level of \$200. The group met with the offices of Senators Sessions (R-AL), Corker (R-TN), Grassley (R-IA), and Murkowski (R-AK).

- **Roundtable on Royalties Hosted by USCIB:** On May 3, 2013 USCIB held a roundtable on the customs treatment of royalty payments for members to discuss situations they have encountered globally, and possible steps that USCIB can take to advocate for solutions to problems our member companies are facing. USCIB member law firm Crowell & Moring made a presentation to members on some of the recent work they have done in this area, and provided ideas for possible legal and policy tools that companies might use to more effectively manage these issues.
- **USCIB Co-Chairs BCTT Supply Chain Working Group:** Nasim Deylami, co-chair of the BCTT Supply Chain, Customs and Trade Facilitation Working Group, attended the second meeting on May 23, 2013. At this meeting, the working group finalized its objectives for the TTIP negotiations, which will be submitted to the BCTT for inclusion in the broader TTIP advocacy efforts upon the launch of the negotiations, projected for July 2013. The next meeting of the working group will be June 6, 2013 when it will review the priority issues with Dawn Shackleford, Deputy Assistant USTR for WTO Affairs.

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

- **USCIB Engages on BEPS at OECD Meetings:** Carol Doran Klein, Vice President and International Tax Counsel for USCIB, attended a meeting between the OECD's Committee on Fiscal Affairs, OECD Secretariat, and BIAC on next steps on base erosion and profit shifting (BEPS). The meeting discussed the next steps in the process including especially how the OECD can engage constructively with business. There is enormous political pressure on the member countries of the OECD to take steps to eliminate BEPS. Member countries are anxious to deal with this pressure in a way that makes good tax policy sense. The action plan will likely be released before the July 20, 2013 G-20 Finance Ministers meeting. That document will not be a comment document, although the OECD may simultaneously solicit comments on the implementation of the action plan. There will likely be a public consultation in late September or early October.
- **USCIB Meets with Treasury on BEPS:** A delegation of USCIB members met with Bob Stack, Deputy Assistant Secretary for International Tax Policy, and Arlene Fitzpatrick, Attorney-Advisor in the Office of the International Tax Counsel, to discuss U.S. business concerns related to the OECD work on BEPS and the Treasury's position. Topics covered included: status of the project, dynamics of the process including the tension between source and residence countries and whether double non-taxation can be resolved by imposing residence country tax under CFC rules, the role of the BRICS, the use of GAARs, increasing transparency, and the viability of the arm's length standard. A summary of this meeting was circulated to USCIB Tax Committee members.

- ***Carol Doran Klein Testifies Before the IRS Oversight Board:*** The IRS Oversight Board held a hearing on May 1, 2013. A topic of the hearing was improving customer services for international taxpayers and creating an environment that supports compliant behavior while reducing opportunities for non-compliant behavior. Carol Doran Klein addressed two aspects of that topic: documentation of inter-company transactions and dispute resolution. Carol's written testimony is available at this [link](#).

Product Policy – Advancing Sensible Production Policies

- ***USTR Meets with USCIB International Product Policy Working Group:*** On April 18, 2013, Julia Doherty, Barbara Norton, and Rachel Shub from USTR attended the quarterly meeting of the USCIB International Product Policy Working Group to discuss the TTIP negotiations. As a result of the discussion, USCIB will work to provide USTR with specific issues that member companies are having with the EU and would like addressed in the TTIP. For example, USCIB will share information about the difference in ways that Member States are interpreting REACH and the impact on industry. Members also were briefed by Derek Swick, American Petroleum Institute, Ernie Rosenberg, International Product Policy Chair and President, American Cleaning Institute, and Helen Medina, USCIB, on developments regarding the APEC Chemical Dialogue.
- ***USCIB's Nanotechnology Working Group Meets with OMB:*** On May 14, 2013 the USCIB Nanotechnology Working Group met several U.S. government representatives from the Office of Management and Budget (OMB)/Office of Information Regulatory Affairs (OIRA) and USTR to get briefed on the US-Canada Regulatory Cooperation Council (RCC) and the TTIP negotiations. The working group identified several action items including determining how USCIB members will define nanomaterials.

Membership

- ***Member Meetings:*** The D.C. Membership Department and Policy Staff met with representatives from member companies American Express, Amazon, Eastman Chemical, The Dow Chemical Company, Dell, Viacom, Nabors Industries, T-Mobile, J.P. Morgan, Target, and Lockheed Martin to better understand their policy priorities for the next year and beyond and to see how USCIB can better serve their policy needs. USCIB President & CEO, Peter Robinson, also met with representatives from member companies DuPont and General Electric.
- ***New Members:*** USCIB has recently welcomed the following new members: PartnerRe and Sherman & Howard.

Upcoming Events

- **USCIB/BIAC/OECD International Tax Conference** – June 3-4, 2013, Washington, D.C.

- **USCIB Briefing on the Draft EU Consumer Product Safety and Market Surveillance Regulations** – June 10, 2013, Washington, D.C.
- **OECD Working Party on the Information Economy (WPIE)** – June 12-13, OECD, Paris, France.
- **USCIB/ICC/Peterson Institute/CSIS Conference on WTA** – June 14, 2013, Peterson Institute, Washington, D.C.
- **USCIB ICT Policy Committee Meeting** – June 18, 2013, Wiley Rein Conference Center, 1776 K Street, NW, Washington, D.C.
- **USCIB Trade and Investment Committee Meeting** – June 20, 2013, 9:30-11:30 a.m., USCIB Office, Washington, D.C.
- **USCIB Custom Committee Meeting** – June 26, 2013, 1:30-3:30 p.m., USCIB Office Washington, D.C.
- **APEC SOM 3: APEC Chemical Dialogue and Data Privacy Subgroup Meetings** – June 22-July 6, Medan, Indonesia
- **ICC Digital Economy Commission Meeting** – July 8-9, Paris, France
- **ICANN Meeting** – July 14-18, Durban, South Africa

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.

USCIB Washington Office Staff:

Rob Mulligan

Senior Vice President, Policy and Government Affairs
202-682-7375 or rmulligan@uscib.org

Erin Breitenbucher

Senior Policy and Program Associate and Office
Manager, Washington
202-682-7465 or ebreitenbucher@uscib.org

Nasim Deylami

Director, Customs & Trade Facilitation
202-371-9235 or ndeylami@uscib.org

Shaun Donnelly

Vice President, Investment and Financial Services
202-682-1221 or sdonnelly@uscib.org

Alison Hoiem

Director, Member Services
202-682-1291 or ahoiem@uscib.org

Carol Doran Klein

Vice President and International Tax Counsel
202-682-7376 or cdklein@uscib.org

Barbara Wanner

Vice President, ICT Policy
202-617-3155 or bwanner@uscib.org