



Setting Standards for Excellence

Mr. Douglas Bell
Chairman, Trade Policy Staff Committee
Office of the U.S. Trade Representative
600 17th Street, NW
Washington, DC

Re: Canada's Expression of Interest in the Trans-Pacific Partnership Trade Negotiations
Docket USTR—2011—0019

Dear Mr. Bell,

Thank you for the opportunity to provide the following comments in response to the December 7, 2011, *Federal Register* notice seeking views regarding Canada's expression of interest in joining the Trans-Pacific Partnership (TPP) Trade Negotiations.

NEMA is the association of electrical equipment manufacturers, founded in 1926 and headquartered in Arlington, Virginia. Its member companies manufacture a diverse set of products including power transmission and distribution equipment, lighting systems, factory automation and control systems, and medical diagnostic imaging systems. Worldwide annual sales of NEMA-scope products exceed \$120 billion.

According to U.S. government data, the value of U.S. exports of electrical and medical equipment within NEMA's scope to Canada in 2010 totaled approximately US\$ 6.9 billion, with two-way trade exceeding US\$10 billion.

We are encouraged by the interest that Canada has recently shown in the TPP, but we are even more encouraged at the great progress that has been made so far in negotiations among the current TPP partners. We are hopeful that the TPP negotiations will conclude this year with the highest-standard agreement possible. In this regard, we urge that any participation by new countries, including Canada, in the TPP not diminish the TPP's high standards for trade liberalization.

Accordingly, any participation by Canada in the TPP must result in not only complete implementation of commitments already taken under the terms of the North American Free Trade Agreement (NAFTA), but also potentially even still greater market opportunities for U.S. electroindustry exporters.

Without question, tariffs are no longer significant factor in U.S.-Canada trade. We view Canada's potential participation in the TPP therefore as a significant opportunity to secure the full benefits of a level playing field for U.S. manufacturers and service providers.

In general, NEMA endorses the principles elucidated by the National Association of Manufacturers in its comments on this topic. In addition, NEMA recommends that all U.S. free trade agreements adhere to the following principles.

- Immediate reciprocal tariff elimination
- No governmental mutual recognition agreements (MRAs) where product is not U.S. federally regulated
- National treatment
- Adequate legal and administrative infrastructure in place for implementation, transparency and enforcement of agreements
- Protection of intellectual property rights
- Elimination of technical barriers to trade (TBTs)
- Compliance with all World Trade Organization (WTO) TBT Agreement requirements
- Safe conduct of product and persons
- Energy and environmental services liberalization
- Inclusive definition of “International Standards”
- Market-driven development of product standards and conformity assessment
- Conformity attestation methods that include the optional use of the International Electrotechnical Commission Conformity Assessment Systems – IECCE, IECEx and IECQ – where appropriate

In particular, as part of its accession to the eventual TPP Agreement, NEMA strongly recommends that Canada must be prepared to

- fully open its government procurement market
- fully open its market for services, including testing and technical services, distribution services, energy services, environmental services, and medical services.
- fully protect intellectual property rights, through enforcement of existing laws and leveraging cooperation with TPP partners in this regard, including through tracking and seizure of counterfeit/infringing products

Thank you again for the opportunity to share our views and recommendations. We hope these comments will contribute to constructive consultations with the government of Canada. We look forward to providing further advice at your request or as conditions warrant.

Respectfully,

A handwritten signature in black ink that reads "Kyle Pitsor". The signature is written in a cursive, flowing style.

Kyle Pitsor
Vice President, Government Relations