Setting Standards for Excellence

KYLE PITSOR
Vice President, Government Relations

March 11, 2009

Ambassador Peter Allgeier
Acting United States Trade Representative
600 17th Street, N.W.
Washington, DC 20508

Re: United States - Trans-Pacific Partnership Free Trade Agreement
Docket USTR–2009–0002

Dear Ambassador Allgeier:

In response to the January 26, 2009, *Federal Register* notice, I write to express our strong support for the stated intention to initiate negotiations on a Trans-Pacific Partnership free trade agreement with Singapore, Chile, New Zealand, Brunei Darussalam, Australia, Peru and Vietnam.

The National Electrical Manufacturers Association (NEMA) is the largest trade association representing the interests of U.S. electrical industry and medical imaging equipment manufacturers, whose worldwide annual sales of electrical products exceed $120 billion. Our mission is to improve the competitiveness of member companies by providing high quality services that impact positively on standards, government regulation and market economics. Our approximately 430 member companies, representing 400,000 jobs, manufacture products used in the generation, transmission, distribution, control, and use of electricity. These products are used in utility, medical imaging, industrial, commercial, institutional, and residential applications. In addition to its headquarters in Rosslyn, Virginia, NEMA also has offices in Beijing and Mexico City. The Association's Medical Imaging and Technology Alliance (MITA) represents manufacturers of medical diagnostic imaging equipment including MRI, CT, x-ray, ultrasound and nuclear products.

NEMA welcomes expansion of the benefits of free trade through agreements such as the proposed expansion of the existing "P4" agreement and through the knitting together of existing U.S. FTAs with Singapore, Chile, Peru, and Australia. Moreover, expansion of the negotiations to include Vietnam is very promising.

These markets hold proven potential for U.S. electroindustry exporters. In 2008, U.S. companies exported products within NEMA's scope valued at approximately $2 billion to these seven markets. U.S. FTAs with Australia, Chile, Singapore and Peru have afforded greater market access opportunities for our industry. Breaking down existing tariff and non-tariff barriers through expansion of the FTAs into a high-standard regional agreement including

National Electrical
Manufacturers Association

1300 North 17th Street, Suite 1752
Rosslyn, VA 22209
(703) 841-3274
FAX (703) 841-3374
kyl_pitsor@nema.org

Brunei, New Zealand and Vietnam as well will serve to further bolster overall trade and strengthen our bilateral relationships. For its part, as a developing economy Vietnam is a important market whose growth in demand for our industry's products is anticipated to continue. In addition, we are hopeful that the Agreement would spur further expansion of regional and global market opening through free trade agreements that include the U.S. as a full participant.

This said, let me stress from the start that while we support the negotiating of inter-governmental mutual recognition agreements (MRAs) for federally-regulated products such as medical devices, we strongly oppose the negotiating of such MRAs for unregulated electrical products and would hope that USTR has no plans to enter into such talks with these partners.

This said, we very much want to see the Transpacific Partnership Agreement include endorsement of the following NEMA priorities:

- Reciprocal tariff elimination for all electrical equipment and medical imaging products as soon as possible.

- Elimination of non-tariff barriers relating to investment, distribution, customs, rules-of-origin, subsidies, local preferences, etc., which have served to disfavor U.S. electrical manufacturers.

- Full and open market access for U.S. "smart grid" and energy storage technologies and equipment.

- Energy services liberalization, both bilaterally and as a part of WTO "built-in agenda" talks on services.

- Openness and transparency in government procurement. With regards to this and the previous bullet, this FTA's services and government procurement packages should provide clear benefits to the electrical and energy sectors.

- Compliance with all WTO Technical Barriers to Trade (TBT) requirements such as the open, transparent development of standards and regulations.

- Acceptance that the definition of "international standards" in the WTO TBT treaty is not restricted to only IEC, ISO and ITU standards, but should also include widely-used norms such as some North American standards and safety installation practices that meet TBT guidelines.

- Acceptance that market-driven standards and conformity assessment should be encouraged over mandatory government regulations. Non-discriminatory, conformity assessment by "testing once" for a product and basing acceptance on Supplier's Declaration of Conformity, the various IEC schemes or 3rd party certification – is appropriate, as determined by market sector and customer requirements.

- Full adherence to trade-related-aspects-of-intellectual-property-rights (TRIPS) commitments, including better legal and administrative means for pursuing cases of trademark infringement.

- Adequate infrastructure in place for implementation, transparency and enforcement of the Agreement.

Further, on an "MFN basis" the U.S. Government should consider the elimination of its own so-called "nuisance" duties on primary batteries in the context of the proposed Agreement. U.S. battery producers, for example, have called for the elimination of the U.S. tariff of 2.7% on batteries and primary cells (categorized under the subheadings of HTS 8506).

Thank you for your consideration of these remarks,

Sincerely,

Kyle Pitsor.
Vice President, Government Relations
National Electrical Manufacturers Association (NEMA)

Attachment: NEMA Product Scope

NEMA Product Scope by HTS Number

HTS number	Product description
3208.10	Paints/varnishes, dispersed or dissolved in a nonaqueous medium: Based on polyesters
3208.20	:Based on acrylic or vinyl polymers
3208.90	:Based on other synthetic polymers or chemically modified natural polymers
3907.10	Polyacetals, other polyethers and epoxide resins, in primary forms: Polyacetals
3907.20	Other polyethers
3907.30	Epoxide resins
3907.40	Polycarbonates
3907.50	Alkyd resins
3907.60	Polyethylene terephthalate (bottle-grade resins and others)
3907.91	Other polyesters: unsaturated, allyl resins: Allyl resins, uncompounded Other allyl resins, compounded Other unsaturated polyesters
3909.10	Urea resins; thiourea resins
3909.20	Melamine resins
3909.30	Other amino-resins
3909.40	Phenolic resins
3909.50	Polyurethanes: Elastomeric, cements and other polyurethanes
3917.21	Tubes, pipes and hoses: Of polymers of ethylene
3917.22	Tubes, pipes and hoses: Of polymers of propylene
3917.23	Tubes, pipes and hoses: Of polymers of vinyl chloride
3917.40	Non-metallic fittings for tubes, pipes and hoses
3919.10	Self-adhesive plates, sheets, film, foil,tape, strip and other flats shapes of plastic: Filament reinforced tape and electrical tape

3919.90	Other electrical tape
3921.90	High pressure paper reinforced decorative and non-decorative (includes industrial) laminates
6814.10	Plates, sheets and strips of agglomerated or reconstituted mica, on a support or not
6814.90	Other mica
7217.10	Wire of Iron or Non-alloy Steel, Not Plated or Coated
7217.30	Wire of Iron or Non-alloy Steel, Plated or Coated with Another Metal
7223	Wire of Stainless Steel
7229.90	Wire of Other Alloy Steel
7305.31	Longitudinally welded, tapered pipes and tubes of steel, principally used as parts of illuminating articles
7306.30	Tubes/pipes of steel, welded, of circular cross-section Non-insulated metallic conduit
7326.9085	Rods for electrical grounding
7408.11	Copper wire with a maximum cross-sectional dimension over 9.5 or With a maximum cross-section dimension > 6 mm but < 9.5
7408.19	Copper wire not of refined copper
7408.21	Copper wire of copper-zinc base alloys (brass)
7408.22	Copper wire of copper-nickel or copper-nickel-zine base alloys, coated/plated w/metal or not coated or plated w/metal
7408.29	Copper wire not of copper-zinc base alloys, coated/plated w/metal or not coated or plated w/metal
7413	Stranded wire, without fittings Other cables, without fittings Stranded wire, cables, plaited bands, with fittings
7605.11	Aluminum Wire, Non-alloyed
7605.21	Aluminum Wire, Alloyed
8311.10	Coated electrodes of base metal, for electric arc welding

8311.20	Cored wire of base metal, for electric arc welding
8311.90	Other, including parts
8406.81 8406.82	Steam turbines (not used for marine propulsion)
8406.90	Turbine parts: Rotors, finished for final assembly
8456.99.3040	Plasma arc cutting equipment
8466.93.9000	Parts for plasma arc cutting equipment
8501.10	Motors of an output not exceeding 37.5 W
8501.20	Universal AC/DC motors of an output exceeding 37.5 W
8501.31	Other DC motors: DC generators: Of an output not exceeding 750 W
8501.32	Other DC motors: DC generators: Of an output exceeding 750 W but not exceeding 75kW
8501.33	Other DC motors: DC generators: Of an output exceeding 75kW but not exceeding 375 kW
8501.34	Other DC motors: DC generators: Of an output exceeding 375 kW
8501.40	Other AC motors, single-phase
8501.51	Other AC motors, multi-phase: Of an output not exceeding 750 W
8501.52	Other AC motors, multi-phase: Of an output exceeding 750 W but not exceeding 75 kW
8501.53	Other AC motors, multi-phase: Of an output exceeding 75 kW
8501.61	AC generators (alternators): Of an output not exceeding 75 KVA
8501.62	AC generators (alternators): Of an output exceeding 75 kVA but not exceeding 375 kVA
8501.63	AC generators (alternators): Of an output exceeding 375 kVA but not exceeding 750 kVA
8501.64	AC generators (alternators): Of an output exceeding 750 kVA
8503.00	Commutators: Stators and rotors for motors and generators

8504.10	Ballasts for discharge lamps or tubes
8504.21	Liquid dielectric transformers: Having a power handling capacity not exceeding 650 kVA
8504.22	Liquid dielectric transformers: Having a power handling capacity exceeding 650 kVA but not exceeding 10,000 kVA
8504.23	Liquid dielectric transformers: Having a power handling capacity exceeding 10,000 kVA
8504.31	Other transformers: Having a power handling capacity not exceeding 1kVA
8504.32	Other transformers: Having a power handling capacity exceeding 1 kVA but not exceeding 16 kVA
8504.33	Other transformers: Having a power handling capacity exceeding 16 kVA but not exceeding 500 kVA
8504.34	Other transformers: Having a power handling capacity exceeding 500 kVA
8504.40	Static converters (electronic transformers)
8504.50	Other inductors
8504.90	Parts of speed drive controllers
8506.10	Primary cells and primary batteries: Manganese dioxide
8506.30	:Mercuric oxide
8506.40	:Silver oxide
8506.50	:Lithium
8506.60	:Air-zinc
8506.80	Other primary cells and primary batteries
8506.90	Parts of primary cells and batteries
8507.30	Nickel-cadmium storage batteries
8507.40.	Nickel-iron storage batteries
8507.80	Other storage batteries (not including lead-acid)
8507.90.80	Parts

8513.10	Lamps: Flashlights and Other (lanterns)
8513.90	Parts: of flashlights and lanterns
8515.31	Machines and apparatus for arc (including plasma arc) welding of metals: Fully or partly automatic
8515.39	Machines and apparatus for arc (including plasma arc) welding of metals: Other
8515.90	Parts: Of welding (and plasma cutting) machines and apparatus
8518.40	Microphones (for signaling equipment)
8520.32	Digital voice record/playback unit
8527.29	AM/FM tuner
8530.10	Traffic control equipment
8530.80	Other signaling equipment
8530.90	Parts
8531.10	Burglar or fire alarms or similar apparatus (incl. smoke detectors)
8531.20	Indicator panels incorporating liquid crystal devices (LCDs) or light emitting diodes (LEDs)
8531.80	Paging alert devices and Other signaling apparatus
8531.90	Parts of signaling equipment
8532.10	Fixed capacitors used in 50/60 Hz circuits, w/reactive power capacity of not < .5 kvar
8533.	Electrical resistors (including rheostats and potentiometers), other than heating resistors; parts thereof
8533.39	Wirewound variable resistors, including rheostats and potentiometers (incl. dimmers)
8535.10	Electrical apparatus for switching or protecting electrical circuits, voltage > 1,000 V: Fuses for a voltage > 1,000 V
8535.21	Automatic circuit breakers for a voltage > 1kV but < 72.5 kV
8535.29	Other circuit breakers for a voltage > 72.5 kV

8535.30	Isolating switches and make-and-break switches
8535.40	Lightning arresters, voltage limiters and surge suppressors
8535.90	Other electrical apparatus for switching or protecting electrical circuits above 1000 V Motor starters for medium voltage starters
8536.10	Fuses
8536.20	Automatic circuit breakers
8536.30	Other apparatus for protecting electrical circuits Motor overload protectors
8536.41	Electrical relays and contactors for voltage not > 60 V
8536.49	Other relays and contactors 60 to 1000 V
8536.50	Switches, motor starters
8536.61	Lamp holders
8536.69	Electrical connectors
8536.90	Boxes, raceway, terminals, electrical splices and electrical couplings, and others
8537.10	Boards, panels, consoles, desks, cabinets and other bases, equipped with two or more apparatus…for electric control or the distribution of electricity…and numerical control apparatus: For a voltage not exceeding 1,000 volts
8537.10.60	Motor control centers
8537.10.90	Programmable controls
8537.20	Switchgear and assemblies for a voltage > 1,000 V
8538.10	Boards, bases and panels for goods of 8537, without their apparatus Parts of programmable controls
8538.90	Molded and other parts for 8536 and 8537
8539.10	Sealed beam lamp units
8539.21	Other filament lamps, excluding ultraviolet or infrared lamps: Tungsten halogen

8539.22	Other filament lamps, excluding ultraviolet or infrared lamps: Other, of a power not exceeding 200 W and for a voltage exceeding 100 V
8539.29	Other filament lamps, excluding ultraviolet or infrared lamps: Other: Designed for a voltage not exceeding 100 V
8539.31	Discharge lamps, other than ultraviolet lamps: Fluorescent, hot cathode
8539.32	Mercury or sodium vapor lamps; metal halide lamps
8539.39	Discharge lamps, other than ultraviolet lamps: Other
8539.41	Ultraviolet or infrared lamps: arc lamps
8539.90	Electrical filament or discharge lamps: Parts
8541.10	Output channel kits for digital voice units
8541.40.20	Light-emitting diodes
8542.13	Memory chips
8544.11	Winding wire of copper (magnet wire)
8544.19	Other (magnet wire)
8544.20	Coaxial cable and other coaxial electric conductors
8544.41	Electric conductors, fitted with connectors for voltage not > 80 V
8544.49	Electric conductors, fitted with connectors for voltage not > 80 V: Other, without connectors
8544.51	Electric conductors, fitted with connectors, voltage > 80 V but < 1,000 V
8544.59	Electric conductors, fitted with connectors, voltage > 80 V but < 1,000 V: Other, without connectors, of copper Other, not of copper
8544.60	Electric conductors, fitted with connectors, voltage > 1,000 V Not fitted with connectors and of copper Not fitted with connectors and not of copper
8544.70	Optical fiber cables
8545	Carbon electrodes, carbon brushes, lamp carbons, battery carbons, and other articles of graphite or other carbon, with or without metal, of a kind used for electrical purposes

8545.11	Carbon electrodes, of a kind used for furnaces
8545.19	Carbon electrodes: Other, of a kind used for electrolytic purposes Carbon electrodes: Other, not used for electrolytic purposes
8545.20	Carbon brushes
8545.90	Arc light carbons and other carbons used for electrical purposes
8546.10	Electrical insulators of glass
8546.20	Electrical insulators of ceramics
8546.90	Electrical insulators of other material
8547.90	Insulated metallic conduit
9018.12	Ultrasonic scanning apparatus
9018.13	Magnetic resonance imaging apparatus
9018.14	Scintigraphic apparatus
9022.12	Computed tomography apparatus
9022.14	Apparatus based on the use of X-rays, for medical, surgical, dental, or veterinary uses
9022.21	Apparatus based on the use of alpha, beta or gamma radiations: for medical, surgical, dental, or veterinary uses
9022.30	X-ray tubes
9022.90	Other apparatus, including parts and accessories
9028.30	Electricity meters
9028.90	Parts and accessories
9032.10	Thermostats: for air conditioning, refrigeration or heating systems
9032.89	Other instruments and apparatus: Other: Automatic voltage and voltage-current regulators (HVAC controls)
9032.89.60	Complete process control systems Temperature control instruments Pressure and draft control instruments Flow and liquid level control instruments

9032.90	Other instruments and apparatus: Parts and accessories: Of automatic voltage and voltage-current regulators (Thermostat and HVAC parts)
9032.90.60	Parts of process control instruments and apparatus including programmable controllers
9405.10	Electric ceiling or wall fixtures, not of base metal
9405.40	Other electric lamps and lighting fittings, of brass Of base metal (not brass) Other lamps and lighting fittings, not of base metal
9405.99	Fixture parts of brass Fixture parts, other than brass