

# LEARNING FROM OTHERS ON BUSINESS AND TRADE: THE USA

As the UK looks afresh at its post-Brexit international relationships with the EU and the rest of the world, this is the moment for government and business to work in partnership.

There is a great deal of potential if the UK gets trade policy right: choice and low prices for consumers; growth and prosperity shared more equally across the UK; and the ability to pursue the UK’s goals on international development and the environment. To achieve these ambitions, the guiding star for the UK’s trade strategy must be evidence from the whole economy. That starts with providing a clear, meaningful route for businesses to offer their expertise.

While UK may be establishing a trade agenda from scratch, it has a key advantage in that it can learn from the lessons other nations have to teach from experience. The CBI has consulted with American businesses, civil servants, politicians and diplomats about how business engagement works in trade negotiations in the US, to see what lessons the UK can learn.

## How does business help the USA in trade negotiations?

### The Office of the United States Trade Representative (USTR)

The USTR is responsible for seeking and balancing private and public sector interests before, during and after trade negotiations. It does this through an extensive network of 26 advisory committees with membership from across civil society, and the whole United States, managed by the Office of Intergovernmental Affairs & Engagement.



There are approximately 700 members of these advisory 26 committees overall, known as ‘cleared advisors’. Cleared advisors:

- are chosen via a nation-wide nominations procedure
- undergo background checks
- take an oath
- sign confidentiality commitments via a Non-Disclosure Agreement with Government.
- serve on the committees for 2-4 year fixed terms.

The USTR provides these committees with information on their objectives and how agreements are progressing on an ongoing basis. Committees analyse these inputs and either provide snap feedback on specific questions or prepare individual reports on the full agreement in advance of and/or during USTR negotiations, and before the Congressional vote.

The key to the process is teasing out the unique dynamics and perspectives on trade policy, as well as leveraging expertise on sophisticated commercial interests, to avoid a situation where USTR or Congress is surprised or caught out with a policy decision that will not work in the US’s favour.

## The Advisory Committee for Trade Policy & Negotiations (ACTPN)

The ACTPN is the senior steering, coordinating and finalising body which oversees and delivers the work of the other USTR advisory committees – providing a whole country-strategic review of how the different concerns and interests fit together. It is made up of leaders of the major business organisations, trade unions, (predominantly) CEOs and some NGOs. Government, meanwhile is not on this committee as government oversight and inter-departmental working is managed through other networks.

### ACTPN and the US-Mexico-Canada Agreement

The input the ACTPN puts forwards on free trade agreements and negotiations is very detailed and wide-ranging. For example, the ACTPN offered opinions on US cheese labels, *de minimus* thresholds, regulations affecting US teleshopping companies, localisation of data services, wage-suppression measures and much more in the process of consultation on the US-Mexico-Canada Agreement in 2018.

## The Technical Committees

On the 20 Technical Committees that input into the USTR'S strategy, experts analyse complex and niche policy questions, data and economic projections, completing the technical analytical work that USTR is not staffed to do. Coverage is comprehensive, covering both a range of sectors and issues.

Some of the technical committees that are most important to business (known as Industry Trade Advisory Committees) are jointly managed by the USTR and the US Department of Commerce and include:



## What can the UK learn from the USA on business in trade negotiations?

Having spoken to a range of companies and government representatives, the CBI draws 5 conclusions from the experience of business engagement on trade by the US that are applicable for the UK government.

1. **Business and experts can do some of the heavy lifting for government.** Organisations and individuals that are bought into the government's trade strategy through deep consultation and confidential commitment over a period of years will be committed to supporting the government's objectives, and will undertake both research and advocacy for the government's plans.
2. **A diversity of representation is key.** The US's dedication to hearing from a truly comprehensive mix of sectors, on a range of issues, with representation from across the economy and country is a recipe for greater success. The partnership between the government department leading on business and the trade negotiators is also important.
3. **Transparency can be balanced with confidentiality.** All documents are shared with all committees even if they're not directly relevant in the first instance to allow for full coverage of issues. The US government can do this because it trusts the members of its advisory committees.
4. **Ongoing, circular consultation is important.** Where business engagement on trade can fall down is when businesses are not consulted between negotiation rounds. This is an error the UK government can learn from.
5. **Resourcing business consultation on trade properly is essential.** The process of taking proper, detailed feedback on trade matters can be labour-intensive because of the volume of feedback and the depth of its detail, requiring extensive analysis. A comprehensive overview of all interests can only be achieved through both selected representatives and public consultations.

Find more on the CBI's recommendations for business engagement architecture on trade in the CBI's recent paper [Building a World-Leading UK Trade Policy](#)