










**Environmental Technologies Trade Advisory Committee (ETTAC) Advisory Issues and Status of USG Responses  
2016 – 2018**


ETTAC Recommendation	STATUS OF USG RESPONSE
<b>THEME 1: TRADE LIBERALIZATION</b>	
<b>1.1 TARIFFS, TRADE IN GOODS</b>	
<b>2016 - 2018</b>	
<p><b>NAFTA Negotiations – Market Access</b> U.S. environmental technologies and services businesses rely on barrier-free access to Mexico and Canada.</p> <ul style="list-style-type: none"> <li>▪ The ETTAC recommends maintenance or expansion of the original NAFTA’s elimination of tariffs, taxes or other charges to environmental products and inputs in order for U.S. companies throughout the value chain to continue to benefit from the trade agreement;</li> <li>▪ Clarify that the provisions of the Market Access Chapter fully apply to imports and exports of remanufactured goods and used goods.</li> </ul>	<p> <b>Implemented:</b> The U.S.-Mexico-Canada Agreement (USMCA) was signed by leaders of all three countries in November 2018 and awaits ratification.</p> <p>Relevant USMCA text:</p> <ul style="list-style-type: none"> <li>▪ <i>Article 2.3 National Treatment:</i> (1) Each Party shall accord national treatment to the goods of another Party in accordance with Article III of the GATT 1994, including its interpretative notes, and to this end, Article III of the GATT 1994 and its interpretative notes are incorporated into and made part of this Agreement, mutatis mutandis.</li> <li>▪ <i>Article 2.12 Remanufactured Goods:</i> <ol style="list-style-type: none"> <li>(1) For greater certainty, <i>Article 2.11.1</i> (Import and Export Restrictions) applies to prohibitions and restrictions on a remanufactured good.</li> <li>(2) Subject to its obligations under this Agreement and the WTO Agreement, a Party may require that remanufactured goods:               <ol style="list-style-type: none"> <li>(a) be identified as such, including through labelling, for distribution or sale in its territory, and</li> <li>(b) meet all applicable technical requirements that apply to an equivalent good in new condition.</li> </ol> </li> <li>(3) If a Party adopts or maintains a prohibition or a restriction on used goods, it shall not apply the measure to a remanufactured good.</li> </ol> </li> </ul>



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<p><b>WTO Environmental Goods Agreement (EGA)</b>                      The ETTAC strongly supports the United States to return to the negotiating table of the EGA to ensure the elimination of tariffs on environmental goods. The U.S. industry still faces global competition and tariffs as high as 35% in key markets.</p>	<p> <b>Continued Evaluation Necessary:</b> The U.S. Trade Representative greatly values the input from private sector stakeholder groups such as the ETTAC and welcomes the committee’s views on all current and future trade policy matters. To view the President’s 2019 Trade Policy Agenda click <a href="#">here</a>.</p>
<p><b>Sections 232 and 301 Tariffs</b>                      The ETTAC appreciates the Administration’s focus on global overcapacity in steel and aluminum and on China’s IP theft, forced technology transfer and other unfair trade practices. However, the Committee is concerned that the imposition of sweeping tariffs could trigger a chain reaction or negative consequences for the U.S. economy and provoke retaliation from China and our allies. ETTAC members have already seen increasing pricing volatility and uncertainty in sourcing, leading to disruptions in pricing schedules and capital projects regardless of country of origin. Factors such as these are driving up input costs and making U.S. products less competitive. The ETTAC recognizes and appreciates the Department’s process in the 232 decisions to allow for country and product exclusions, and the comment period provided for the 301 tariffs list, as processes that are important to ensure that U.S. consumers and businesses have an opportunity to identify challenges in their supply chain that could impeded their ability to source critical components. The ETTAC urges the Administration to re-evaluate the imposition of these tariffs and to work with the business community to find an effective but measured solution that protects American jobs and competitiveness. The Committee stands ready to work with the Secretary of Commerce and U.S. Trade Representative to find effective solutions that promote and not punish U.S. workers, consumers and businesses.</p>	<p> <b>Ongoing:</b></p> <p><b>Section 301</b>                      China’s unfair trade policies harm U.S. businesses and seriously threaten the long-term competitiveness of the United States. Following a Memorandum from the President, on August 18, 2017, USTR initiated a Section 301 investigation into Chinese acts, policies and practices regarding technology and intellectual property. Based on a thorough and rigorous investigation, the U.S. Trade Representative determined that China’s government engages in:</p> <ul style="list-style-type: none"> <li>○ Forced technology transfer from U.S. inventors and companies</li> <li>○ Discriminatory licensing restrictions against U.S. technologies</li> <li>○ State-supported acquisition of U.S. companies and assets</li> <li>○ Cyber-enabled theft and intrusions into the commercial networks of U.S. companies</li> </ul> <p>Following the Section 301 investigation, the Trade Representative determined, at the President’s direction, that responsive action, including the imposition of additional tariffs, is needed to address the unfair trade practices that have harmed American workers and companies. The Trade Representative also established a process by which interested parties may request that particular products classified within a covered HTSUS subheading be excluded from the additional duties of 25 percent.</p> <p>At the President’s direction, the Trade Representative has engaged in serious and specific negotiations with China on crucial structural issues to obtain the elimination of its unreasonable acts, policies, and practices.</p>


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<b>1.2 NON-TARIFF BARRIERS</b>	
<b>2016 - 2018</b>	
<p><b>The bilateral discussions between the U.S. and Brazilian governments concerning trade barriers relating to solid waste and other environmental services under the U.S. Brazil Commercial Dialogue be resurrected.</b></p>	<p><b>Partially Implemented, ETTAC Input Requested:</b> ITA is seeking to leverage the Trade Partnership Work Group under our primary bilateral trade forum, the U.S.-Brazil Commercial Dialogue, as a mechanism to address trade barriers to solid waste and other environmental services. The U.S.-Brazil Commercial Dialogue was created to reduce non-tariff barriers to trade and facilitate the flow of goods between our two countries. The dialogue’s Trade Partnership Work Group includes two relevant work streams on Good Regulatory Practices and Standards and Conformity Assessment. These active work streams seek to address several of the trade concerns raised by the ETTAC. In addition, the USTDA’s Global Procurement Initiative has been working closely with the Brazilian Ministry of Planning to improve procurement practices in Brazil, another concerned raised by the ETTAC. However, to successfully implement this recommendation the ITA will require ETTAC leadership and participation for any environmental technologies activities or other relevant activities held under the Commercial Dialogue or Global Procurement Initiative. ITA would also welcome further information from the ETTAC on the specific rules, regulations, and foreign government practices that are acting as trade barriers for the sector in Brazil.</p>
<p><b>The U.S.-Brazil bilateral discussions relating to environmental services should incorporate the recommendation of the 2014-2016 charter to facilitate a series of workshops to address environmental issues and find ways to overcome trade barriers.</b></p>	<p><b>Partially Implemented, ETTAC Input Requested:</b> ITA will continue to emphasize the importance of workshops, digital video conferences (DVCs), and other mean of bilateral engagement to address trade barriers, including those affecting the environmental services sector. Such exchanges enable the working groups to share best practices and find ways to overcome trade barriers. However, to successfully implement this recommendation the ITA will require ETTAC leadership and participation in any environmental technologies-related workshops or other means of exchange. ITA would also welcome specific proposals and suggestions from ETTAC on the structure, timing, location, etc., of such activities and will look to ETTAC to provide timely technical advice related to their execution.</p>

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<b>1.3 INTELLECTUAL PROPERTY</b>	
<b>2016 - 2018</b>	
<p><b>NAFTA Negotiations – IP Protection</b>            In any Intellectual Property Rights (IPR) chapter of a modernized NAFTA, ETTAC advocates that all three parties reflect the global state of the art in the Agreement’s IPR chapter, including:</p> <ul style="list-style-type: none"> <li>▪ Securing additional commitments to apply criminal penalties to activities relating to the sale, manufacture, and transport of counterfeit goods, both physical and digital.</li> <li>▪ Additionally, Mexico and Canada should adopt stronger provisions on criminal penalties for the theft of trade secrets, including in cyberspace.</li> </ul>	<p> <b>Implemented:</b> The U.S.-Mexico-Canada Agreement was signed by leaders of all three countries in November 2018 and awaits ratification. With the USMCA, the United States, Mexico, and Canada have reached an agreement on a modernized, high-standard Intellectual Property (IP) chapter that provides strong and effective protection and enforcement of IP rights critical to driving innovation, creating economic growth, and supporting American jobs. The agreement includes:</p> <ul style="list-style-type: none"> <li>▪ <i>Ex officio</i> authority for law enforcement officials to stop suspected counterfeit or pirated goods at every phase of entering, exiting, and transiting through the territory of any Party.</li> <li>▪ Broad protection against trade secret theft, including against state-owned enterprises.</li> </ul> <p>Relevant USMCA text: <i>Chapter 20 – Intellectual Property</i>, particularly <i>Section J (Enforcement)</i></p>
<b>1.4 STANDARDS, CERTIFICATION, AND REGULATION</b>	
<b>2016 - 2018</b>	
<p><b>NAFTA Negotiations – Recognition of International Standards</b>            In Article 915 of NAFTA, seek full recognition and use of international standards that meet WTO Technical Barriers to Trade (TBT) requirements and seek commitment to change, as necessary, Mexico’s laws that prohibit recognition, use and reference to international standards.</p>	<p> <b>Implemented:</b> Relevant USMCA text: <i>Chapter 11 - Technical Barriers to Trade</i>, especially <i>Article 11.3 – Incorporation of the TBT Agreement</i> and <i>Article 11.4 – International Standards Guides and Recommendations</i>.</p>
<p><b>NAFTA Negotiations – Presumption of Conformity</b>            Require presumption of conformity for all technologies that have been tested in the United States and recognize international certification and test reports. This includes extending Mexico’s agreement to accept product safety reports based on the North American product safety standard.</p> <ul style="list-style-type: none"> <li>▪ Include provisions requiring the parties to reference existing international standards in their technical regulations and support existing international agreements concerning regulatory or conformity assessment issues</li> </ul>	<p> <b>Implemented:</b> Relevant USMCA text: <i>Article 11.6: Conformity Assessment National Treatment</i>            “In addition to Article 6.4 of the TBT Agreement each Party shall accord to conformity assessment bodies located in the territory of another Party treatment no less favorable than that it accords to conformity assessment bodies located in its own territory or in the territory of the other Party. Treatment under this paragraph includes procedures, criteria, fees and other conditions relating to accrediting, approving, licensing, or otherwise recognizing conformity assessment bodies.”</p>


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<ul style="list-style-type: none"> <li>▪ Mexico must address rules, including its Standardization Law (LFMN), to support streamlined conformity assessment models including Supplier’s Declaration of Conformity (SDoC)</li> <li>▪ Add a provision requiring acceptance of e-labeling.</li> </ul>	<ul style="list-style-type: none"> <li>▪ See <i>Chapter 11 - Technical Barriers to Trade</i> for additional information.</li> </ul>
<b>1.5 CUSTOMS, TRADE FACILITATION, SOE’S AND PROCUREMENT POLICY</b>	
<b>2016 - 2018</b>	
<p><b>NAFTA Negotiations – Trade Facilitation</b>            Modernize NAFTA to reflect or build on the WTO Trade Facilitation Agreement Category A provisions, such as those concerning simplifying and expediting customs clearance; aligning customs regulations and procedures; and expanding participation in and access to trusted trader programs.</p>	<p> <b>Implemented:</b> The U.S.-Mexico-Canada Agreement (USMCA) was signed by leaders of all three countries in November 2018 and awaits ratification. Relevant USMCA text: <i>Article 7.1: Trade Facilitation</i></p> <ol style="list-style-type: none"> <li>(1) The Parties affirm their rights and obligations under the <i>Agreement on Trade Facilitation</i>, set out in Annex 1A to the WTO Agreement.</li> <li>(2) With a view to minimizing the costs incurred by traders through the importation, exportation, and transit of a good, each Party shall administer customs procedures in a manner that facilitates the importation, exportation, and transit of a good, and supports compliance with its law;</li> <li>(3) The Parties shall discuss within the Trade Facilitation Committee established under Article 7.24 (Committee on Trade Facilitation) additional measures to facilitate trade. The Parties are encouraged to adopt additional measures that build on the obligations in this Chapter with a view to further facilitating trade.</li> </ol>
<p><b>NAFTA Negotiations – Rules of Origin</b>            The certification process places a burden of time and cost on producers and makes it difficult for many products to achieve qualification. The ETTAC recommends making the qualification less burdensome. One way this can be done is by including provisions for a common NAFTA reconciliation process.</p>	<p> <b>Implemented:</b> The USMCA establishes procedures that streamline certification and verification of rules of origin and that promote strong enforcement, including new cooperation and enforcement provisions that help to prevent duty evasion before it happens. The new rules will help ensure that only producers using sufficient and significant North American parts and materials receive preferential tariff benefits. Relevant USMCA text: <i>Chapter 4 – Rules of Origin and Chapter 5 – Origin Procedures</i></p>
<p><b>NAFTA Negotiations – State-Owned Enterprises (SOEs)</b>            Ensure that SOE’s compete on a commercial basis and that effective enforcement procedures are in place to prevent adverse impact of any</p>	<p> <b>Implemented:</b> Relevant USMCA text: <i>Chapter 22 – State-Owned Enterprises</i></p> <ul style="list-style-type: none"> <li>▪ <i>Article 22.4 Non-discriminatory Treatment and Commercial Considerations</i></li> </ul>




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<p>unfair advantage on U.S. workers and businesses.</p>	<p>(1) Each Party shall ensure that each of its state-owned enterprises, when engaging in commercial activities:</p> <p>(a) acts in accordance with commercial considerations in its purchase or sale of a good or service, except to fulfil the terms of its public service mandate that are not inconsistent with subparagraphs (b) or (c)(ii);</p> <p>(b) in its purchase of a good or service:</p> <p>(i) accords to a good or service supplied by an enterprise of another Party treatment no less favorable than it accords to a like good or a like service supplied by enterprises of the Party, of any other Party or of a non-Party; and</p> <p>(ii) accords to a good or service supplied by an enterprise that is a covered investment in the Party's territory treatment no less favorable than it accords to a like good or a like service supplied by enterprises in the relevant market in the Party's territory that are investments of investors of the Party, of any other Party or of a non-Party; and</p> <p>(c) in its sale of a good or service:</p> <p>(i) accords to an enterprise of another Party treatment no less favorable than it accords to enterprises of the Party, of any other Party or of a non Party; and</p> <p>(ii) accords to an enterprise that is a covered investment in the Party's territory treatment no less favorable than it accords to enterprises in the relevant market in the Party's territory that are investments of investors of the Party, of any other Party or of a non-Party.</p>
<p><b>NAFTA Negotiations – Government Procurement</b>                      At a minimum, Article 1003, National Treatment and Non-Discrimination, of NAFTA should be continued. Additionally, seek greater market access for U.S. firms and expanded entity list and other provisions as reflected in the TPP Chapter on Government Procurement.</p>	<p> <b>Implemented:</b> The U.S.-Mexico-Canada Agreement (USMCA) was signed by leaders of all three countries in November 2018 and awaits ratification. Relevant USMCA text: <i>Chapter 13 – Government Procurement</i></p> <ul style="list-style-type: none"> <li>▪ <i>Article 13.4 – General Principles National Treatment &amp; Non-Discrimination</i></li> </ul> <p>(1) With respect to any measure regarding covered procurement, each Party, including its procuring entities, shall accord immediately and unconditionally to the goods and services of the other Party and to the suppliers of the other Party, treatment no less favorable than the</p>


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	<p>treatment that the Party, including its procuring entities, accords to domestic goods, services, and suppliers.</p> <p>(2) With respect to a measure regarding covered procurement, no Party, including its procuring entities, shall:</p> <p>(a) treat a locally established supplier less favorably than another locally established supplier on the basis of degree of foreign affiliation or ownership; or</p> <p>(b) discriminate against a locally established supplier on the basis that the good or service offered by that supplier for a particular procurement is a good or service of any other Party.</p> <p>(3) All orders under contracts awarded for covered procurement shall be subject to paragraphs 1 and 2 of this Article.</p>
<b>1.6 EXPORT FINANCING</b>	
<b>2016 - 2018</b>	
<p><b>The ETTAC recommends addressing current financing gaps in offerings by EXIM, OPIC, USAID’s Development Credit Authority and the Multilateral Banks for coal- and waste-fired power plants, equipment and services.</b> ETTAC strongly supports EXIM’s mission to support U.S. jobs through exports and views the Bank as one of the most important tools the U.S. Government has to help grow U.S. exports and jobs, but additional financing tools are needed.</p>	<p> <b>Ongoing:</b> EXIM Bank looks forward to working with ETTAC members to increase the exports of U.S.-made environmentally-beneficial technology. EXIM Bank’s environmental policy with respect to the financing can be found online under “UPDATE OF EXIM ENVIRONMENTAL REVIEW REQUIREMENTS” below Annex A-2: Supplemental Guidelines for High Carbon Intensity Projects” here: <a href="https://www.exim.gov/policies/ex-im-bank-and-the-environment/international-environmental-and-social-guidelines/#a-2-update">https://www.exim.gov/policies/ex-im-bank-and-the-environment/international-environmental-and-social-guidelines/#a-2-update</a>.</p> <p>OPIC supports virtually all types of energy projects, including coal-fired power projects. OPIC anticipates that the new U.S. IDFC will continue this policy.</p>
<p><b>The ETTAC recommends that the Administration encourage the use of the Department of the Treasury Executive Order 13783 to help countries access and use fossil fuels more cleanly and efficiently and help deploy renewable and other clean energy sources at the World Bank.</b></p>	<p> <b>Ongoing:</b> The ETWG notes that in July 2017, the Department of the Treasury issued new guidance to the U.S. Executive Directors (USEDs) at Multilateral Development Banks, including the World Bank, to ensure that U.S. engagement on relevant projects and policies in developing countries takes place in a manner that is consistent with the Administration’s goals with respect to energy policy. USEDs are charged with exercising the U.S. voice and vote on MDB projects and energy policy in a manner consistent with the objectives of (a) promoting universal access to affordable, reliable, sustainable, and clean energy; (b) helping countries access and use fossil fuels</p>

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	<p>more cleanly and efficiently, and helping deploy renewable and other clean energy sources; and (c) supporting development of robust, efficient, competitive, and integrated global markets for energy. The text of the USED guidance is publicly available online at <a href="https://www.treasury.gov/resource-center/international/development-banks/Pages/guidance.aspx">https://www.treasury.gov/resource-center/international/development-banks/Pages/guidance.aspx</a>.</p>
<b>1.6 TRADE IN SERVICES</b>	
<b>2016 - 2018</b>	
<p><b>NAFTA Negotiations – Trade in Services, including Telecommunications and Financial Services</b></p> <p>The ETTAC’s recommendations are:</p> <ul style="list-style-type: none"> <li>▪ Include rules and/or commitments that prevent the parties from discriminating against the new services that innovative U.S. companies bring to market</li> <li>▪ Place restrictions on local presence requirements as a condition for market access</li> <li>▪ Reduce burdensome licensing and registration requirements and include recognition of the other parties’ regimes</li> <li>▪ Enhance cross-border movement of people for business purposes</li> <li>▪ Eliminate restrictions on barriers on cross-border payments and financial transactions</li> <li>▪ Require full market access across all three parties.</li> </ul>	<p> <b>Implemented:</b> The U.S.-Mexico-Canada Agreement (USMCA) was signed by leaders of all three countries in November 2018 and awaits ratification. Relevant USMCA text:</p> <ul style="list-style-type: none"> <li>▪ <i>Article 15.3: National Treatment</i> - Each Party shall accord to services or service suppliers of another Party treatment no less favorable than that it accords, in like circumstances, to its own services and service suppliers.</li> <li>▪ <i>Article 15.4: Most-Favored-Nation Treatment</i> - Each Party shall accord to services or service suppliers of another Party treatment no less favorable than that it accords, in like circumstances, to services and service suppliers of any other Party or a non-Party.</li> <li>▪ <i>Article 15.6: Local Presence</i> - No Party shall require a service supplier of another Party to establish or maintain a representative office or an enterprise, or to be resident, in its territory as a condition for the cross-border supply of a service.</li> <li>▪ <i>Article 15.12: Payments and Transfers</i> - <ul style="list-style-type: none"> <li>(1) Each Party shall permit all transfers and payments that relate to the cross-border supply of services to be made freely and without delay into and out of its territory.</li> <li>(2) Each Party shall permit transfers and payments that relate to the cross-border supply of services to be made in a freely usable currency at the market rate of exchange that prevails at the time of transfer.</li> </ul> </li> </ul> <p>See also: <i>Article 15.8 Development and Administration of Measures; Article 15.9 Recognition; and Chapter 17 - Financial Services</i></p>






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<b>1.7 ENVIRONMENTAL PROTECTION</b>	
<b>2016 - 2018</b>	
<p><b>NAFTA Negotiations – Environment</b> As part of the modernization of NAFTA, incorporate an environment chapter in the agreement, including provisions that:</p> <ul style="list-style-type: none"> <li>▪ Bring environmental obligations into the core of the agreement with enforceable provisions based on international standards.</li> <li>▪ Require parties to adopt, enforce, and not derogate from their environmental laws to attract trade and investment.</li> <li>▪ Draw environmental compliance and enforcement into the agreement’s dispute settlement mechanisms including environmental consultations, senior representative consultations, ministerial consultations, and dispute resolution.</li> <li>▪ Protect marine and coastal waters.</li> <li>▪ Require cooperative efforts to address non-tariff barriers in environmental goods and services trade.</li> <li>▪ Support transparency and public participation in rule-making, ensuring public disclosure of regulations and laws with adequate time for public comment.</li> <li>▪ Integrate the environmental provisions in a way that does not disrupt ongoing cooperation through the Commission for Environmental Cooperation (CEC), which finances a variety of environmental projects that benefit U.S. environmental companies.</li> </ul>	<p> <b>Implemented:</b> With the USMCA, the United States, Mexico, and Canada have agreed to the most advanced, most comprehensive, highest-standard chapter on the Environment of any trade agreement. Like the Labor chapter, the Environment chapter brings all environmental provisions into the core of the agreement and makes them enforceable. The Environment chapter includes the most comprehensive set of enforceable environmental obligations of any previous United States agreement, including obligations to combat trafficking in wildlife, timber, and fish; to strengthen law enforcement networks to stem such trafficking; and to address pressing environmental issues such as air quality and marine litter.</p> <p>Relevant USMCA Text: <i>Chapter 24 - Environment</i></p>

THEME 2: EXPORT MARKET DEVELOPMENT	
2.1 TOOLS FOR THE INTERAGENCY	
2016 - 2018	
<p><b>The ETTAC recommends that the <i>Brazil Solid Waste Toolkit</i> be distributed to the interagency Environmental Trade Working Group (ETWG) and the Toolkit format be used to identify other countries with similar needs in the waste management sector that offer opportunities to American businesses.</b> The ETTAC identified India, Indonesia and Mexico as other countries that are likely to provide substantial opportunities for U.S. companies.</p>	<p> <b>Implemented:</b> ETTAC Designated Federal Officer, Amy Kreps, presented the Toolkit to the ETWG on May 22, 2018 for consideration within member agencies’ trade policy planning. The Toolkit also has been distributed to the ITA Global Environmental Team, including the Foreign Commercial Service in Brazil, and entered into ITA’s central repository for knowledge and expertise building tools.</p>
<p><b>The ETTAC recommends that the <i>Brazil Solid Waste Toolkit</i> be provided to future ETTAC charters as a model to consider for potential development of Toolkits for other countries.</b></p>	<p> <b>Ongoing, ETTAC Input Requested:</b> Designated Federal Officer, Amy Kreps, will duly deliver the Toolkit to the to the 2018 – 2020 ETTAC at the beginning of its charter. ETWG agencies would benefit from regular input on tariff and non-tariff barriers affecting the environmental technologies industry so they may be prioritized in the appropriate international fora. The 2016 – 2018 ETTAC envisions future committee work related to development of additional Toolkits. Future ETTAC work in this area would greatly benefit international trade policy discussions where it seeks to identify the variety of barriers – particularly non-tariff barriers - that adversely impact the competitiveness of the U.S. environmental industry in key overseas markets. Detailed examples of the impact of these barriers on individual companies as well as on the U.S. economy at large is particularly useful to ETWG agencies.</p>
2.2 INTERNATIONAL TRADE ADMINISTRATION PROGRAMS	
2016-2018	
<p><b>Market Development Cooperator Program (MDCP)</b> The ETTAC recommends that the Department of Commerce renew its commitment to the MDCP and continue to fund and promote MDCP at an annual level of at least \$2 million.</p>	<p> <b>Continued Evaluation Necessary:</b> Of the 146 MDCP projects ITA has supported over the years, twelve have been focused on helping environmental technologies compete in international markets. On average, MDCP projects generate \$347 in exports for every \$1 of MDCP awards made— thus representing an excellent return on the tax payer’s dollar. No new funds were awarded in fiscal year 2018 and none are planned for fiscal 2019. There are two reasons for this. The first is significant budget cuts to ITA, particularly to Industry &amp; Analysis which administers the program. The second is the call-out in the President’s proposed budget to eliminate the</p>

	<p>MDCP. Prior to 2017, ITA has funded program winners each year with the exception of 2006 when an unfunded mandate from Congress necessitated the program be temporarily suspended. Since the program’s inception in 1993, ITA has not been required to fund new MDCP awards but has done so as an effective way for ITA to fulfill its mission of helping U.S. SMEs to be more competitive in international markets. ITA will continue to help sustain the ongoing multi-year MDCP projects with awarded funds obligated in previous fiscal years and with ITA staff coordination of and participation in MDCP project activities. Of the 15 remaining projects still receiving support, one – the U.S.-China Environmental Education Fund - is focused on environmental technologies.</p>
<p><b>THEME 3: TRADE PROMOTION</b></p>	
<p><b>3.1 TRADE LEAD GENERATION AND DISSEMINATION</b></p>	
<p><b>2016 - 2018</b></p>	
<p><b>Trade Lead Generation – Data Collection and Standardization</b> To improve the number and quality of leads generated by the U.S. interagency, the ETTAC recommends:</p> <ul style="list-style-type: none"> <li>▪ Establishing a list of standards for collecting data about foreign business opportunities, and promoting use of these standards within Department of Commerce field offices and the interagency, and evolve them in response to feedback.</li> <li>▪ Establishing incentives, performance expectations, metrics and requirements that reinforce participation of DOC and other U.S. agency field staff to contribute lead opportunities meeting the common standards as indicated above.</li> <li>▪ Promoting, encouraging and enabling input of non-U.S. projects and opportunities by foreign entities and/or end users through links to the Salesforce.com tool or other platforms and channels complying with the data collection standards referenced above.</li> </ul>	<p> <b>Ongoing:</b> ITA is deploying several cross-industry pilots to make processing trade leads more effective and efficient across the organization, and to make more relevant information accessible to U.S. companies more quickly. ETWG agencies also are working in concert to provide improved support for U.S. companies to access overseas opportunities and markets through better coordination of information intake, processing and dissemination to stakeholders. ITA’s Data Services Platform Trade Leads API (<a href="https://developer.trade.gov/trade-leads.html">https://developer.trade.gov/trade-leads.html</a>) provides direct access to contract opportunities for U.S. businesses selling their products and services overseas. These trade leads are linked to export.gov; when a user searches the Trade Leads section of export.gov (<a href="https://www.export.gov/Trade-Leads">https://www.export.gov/Trade-Leads</a>), the results that render come from this trade leads repository. In addition, ITA utilizes Salesforce’s Knowledge app to collect and disseminate short and actionable market intelligence articles to the exporter community via the Market Intelligence search page on export.gov: <a href="https://www.export.gov/Market-Intelligence">https://www.export.gov/Market-Intelligence</a>. The ETWG acknowledges that this system is only as “good” as the information that is entered. With this in mind, the ETWG is seeking ways to streamline the input process for both internal and external users and will take ETTAC’s</p>

	<p>recommendation into account as it proceeds, coordinating with the interagency as appropriate.</p>
<p><b>Trade Lead Generation – Visibility and Marketing</b> To improve the number and quality of leads generated by the U.S. interagency, the ETTAC recommends:</p> <ul style="list-style-type: none"> <li>▪ Launching programs, platforms and partnerships that amplify the visibility of U.S. environmental companies.</li> <li>▪ Developing and implementing a detailed marketing plan and sustained campaigns focused on driving foreign agencies, organizations and end users interested in environmental solutions to these programs and mechanisms.</li> <li>▪ Identifying and engaging with non-U.S. industry networks and encouraging them to share leads with the Department of Commerce and other U.S. agency field staff.</li> </ul>	<p><b>Ongoing:</b> The ETWG agrees that increasing the visibility of U.S. environmental companies to potential overseas buyers is a key element of the support that the U.S. Government should provide for U.S. environmental companies. One way in which we are seeking to do this is through the enhanced U.S. Environmental Solutions Toolkit, which we intend to launch later this year. ETWG agency field staff at overseas posts also regularly engage with non-U.S. industry networks, multilateral development banks, as well as local and national-level government representatives to identify leads and opportunities to share with U.S. exporters, and will continue to encourage this collaboration. ITA also pulls in non-U.S. industry trade leads via APIs where available. For example, today ITA pulls in trade leads from multilateral development banks as well as the governments of Canada, the UK, and Australia as part of its Trade Leads API.</p>
<p><b>Trade Lead Generation – U.S. Pavilions</b> To improve the number and quality of leads generated by the U.S. interagency, the ETTAC recommends:</p> <ul style="list-style-type: none"> <li>▪ Upgrading trade show displays so that U.S. Pavilions present a more visually competitive presence and capture a greater share of floor traffic when compared to our international counterparts.</li> <li>▪ Staffing U.S. Pavilions with personnel who have market expertise in the region, can thoroughly engage with potential customers, and provide targeted recommendations for solutions using U.S. company products and services.</li> </ul>	<p><b>Ongoing:</b> ITA is undertaking a comprehensive review of our engagement with clients at trade events. A critical component of that review was soliciting feedback from our internal and external stakeholders, which included a helpful focus group session with the ETTAC 2016-2018 Charter where the topic of U.S. presence at trade events was raised. The team conducting the review took that feedback into consideration when it submitted its recommendations to ITA leadership on ways to enhance the effectiveness and value to clients of our programs at trade events. ITA welcomes continued feedback from the ETTAC on activities and programs it offers at trade events.</p>
<p><b>Trade Lead Dissemination – Online Feeds and Data Flows</b> To improve the value of leads shared with U.S. businesses, the ETTAC recommends:</p> <ul style="list-style-type: none"> <li>▪ Increasing the visibility of lead opportunities via online feeds, application programming interfaces (APIs) and other mechanisms to enable them to spread through digital channels.</li> <li>▪ Leveraging current and emerging platforms by developing data capture/storage/dissemination mechanisms that enable easy flow between and across current and emerging platforms such as the</li> </ul>	<p><b>Ongoing:</b> ITA leverages APIs today to both pull in trade leads data from other sources; and to make trade lead data available via its Trade Leads API. These trade leads also are linked to export.gov; when a user searches the Trade Leads section of export.gov (<a href="https://www.export.gov/Trade-Leads">https://www.export.gov/Trade-Leads</a>), the results that render come from this trade leads repository. ITA has adopted a platform approach to developing its applications. For example, the enhanced U.S. Environmental Solutions Toolkit that will be launched later this year is built on the force.com platform (Salesforce); the export.gov website is also built on the force.com platform (Salesforce); and</p>

<p>U.S. Environmental Solutions Toolkit, Salesforce.com and other mechanisms that may be afforded through PPPs and/or alliances with industry NGOs.</p>	<p>the Trade Leads API is built on the Data Services Platform (developer.trade.gov platform), which is fully integrated with force.com (Salesforce). ITA leverages APIs wherever they are available and practical to both share data and pull data in for its clients' usage. The ETWG also is exploring ways to better coordinate relevant information provided on the various digital platforms employed across the interagency and make it accessible to U.S. environmental companies, including through the Environmental Exporter Portal hosted on export.gov. ITA is in the process of updating the Portal to include links to market intelligence, opportunities and trade leads, including automatically-populated information pulled from the Trade Leads API.</p>
<p><b>3.2 METRICS, PERFORMANCE INDICATORS AND PROGRAM EVALUATION</b></p>	
<p><b>2016 - 2018</b></p>	
<p><b>ETTAC recommends establishing operational metrics with specific indicators such as the number of foreign lead opportunities posted in a given month, number of clicks on U.S. company profiles by non-U.S. stakeholders, and any mechanisms that can capture information about the selection and procurement of goods or services from U.S. exporters.</b></p>	<p> <b>Ongoing:</b> The ETWG shares the ETTAC's interest in tracking opportunities for U.S. exporters and interest in our clients' technologies and solutions. Many of the ongoing pilots that ITA is running are actively investigating and/or incorporating elements of metric analytics to better track information on international opportunities. For example, the ongoing trade lead pilot project is closely monitoring the number of trade leads captured and percentage of trade leads where a U.S. company has subsequently engaged with the requester. The enhanced U.S. Environmental Solutions Toolkit also will provide the capability to track potential leads that are initiated through the tool. We continue to seek ways to utilize data to improve and enhance our ability to support U.S. exporters and our support for them. ITA welcomes the integration of the 2018-2020 ETTAC charter to serve as a focus group for the relevant ongoing pilots and related work.</p>
<p><b>ETTAC recommends publishing information to enable performance improvement.</b> Commerce's country offices could publish these metrics and statistics on country websites on Export.gov to create transparency around (trade) lead generation, distribution and impact on American business.</p>	<p> <b>Ongoing:</b> The Department currently publishes an Annual Performance Plan and Annual Performance Report, including bureau-specific metrics, at performance.gov. The "percentage of companies assisted by the International Trade Administration (ITA) that achieve their export objectives" and "number of clients assisted" are two indicators included in this report that are intended to assist in performance assessment of staff with respect to the organization's core mission. These metrics were developed in part from responses provided by the 2012-2014 ETTAC charter. ITA also conducts an annual survey to collect qualitative data on ITA's value-</p>

	<p>add, service quality and return on objective (what impact in terms of revenue and jobs did our assistance have on a client). Together with focus group interviews and the above data, ITA develops a larger annual customer experience report to help us understand what clients need from us, the value of the assistance to the client, the return on investment from the assistance provided and where we can improve on our quality.</p>
<p><b>THEME 4: PROFESSIONAL SERVICES</b></p>	
<p><b>2016- 2018</b></p>	
<p><b>Tied Aid in ODA Procurements</b>                  The ETTAC recommends that ETWG agencies promote enactment of policy requiring preference to buy American Environmental Services in U.S. Government-funded Development Assistance procurements.</p>	<p> <b>Ongoing:</b> The ETTAC’s recommendation was relayed to the ETWG, including the U.S. Agency for International Development (USAID) and the Millennium Challenge Corporation (MCC). USAID and MCC note that they actively reach out to U.S. firms to improve their competitive opportunities on U.S.-funded procurements. However, the ETWG recognizes that these opportunities could and should be better advertised to the U.S. public. DFO Kreps will facilitate a follow-up meeting with ETWG and the 2018-2020 ETTAC charter members to discuss further.</p>