

TELECOPIERS
(202) 466-1286/87/88

LAW OFFICES
STEWART AND STEWART
2100 M STREET, N.W.
WASHINGTON, D.C. 20037

TELEPHONE (202) 785-4185
E-MAIL
GENERAL@STEWARTLAW.COM

May 18, 2001

Ms. Gloria Blue
Executive Secretary
Trade Policy Staff Committee
Office of the United States Trade Representative
Room 501
600 17th Street, N.W.
Washington, D.C. 20508

Re: *Preparations for the Fourth Ministerial Conference of the World Trade Organization, November 9-13, 2001, in Doha, Qatar*

Dear Ms. Blue:

Enclosed are the comments of the Torrington Company, a leading U.S. producer and exporter of bearings. The heading numbers and titles below correspond to the headings identified in your notice of April 5, 2001, requesting that submissions identify the area subject to comment.

Generally, Torrington supports what it understands is the position of the current administration, *i.e.*, to pursue a limited agenda only. *See*, BNA, Daily Report for Executives, No. 96, Thursday, May 17, 2001, Page A-2 ("Trade Officials Cite Positive Atmosphere In Preparation Talks for Doha Ministerial."). As the current agreements have been in place for a short time only, the appropriate focus is on implementation, not renegotiation. Torrington particularly opposes any attempt to single out the antidumping and subsidy agreements for special treatment or renegotiation. The antidumping and subsidy agreements were negotiated in the context of a framework of agreements – singling out those agreements without also addressing important U.S. concerns with other agreements fundamentally undermines the *quid pro quo* achieved in the Uruguay Round.

I. WTO Built-in Agenda Negotiations on Agriculture and Services

Torrington supports USTR's efforts to obtain liberalization in the service industry, including repair and maintenance services, financial services, telecommunication services, transport services generally, express integrated transportation services, distribution services and transport services generally. In general, liberalization in these

sectors will decrease the costs of doing business abroad and thus help Torrington and other U.S. exporters to achieve better access to export markets. Repair and maintenance of bearings is an integral part of the bearing business, hence, liberalization efforts in this sector would likely benefit Torrington directly. In addition, Torrington urges USTR to continue efforts to improve market access for U.S. producers in important export markets, particularly Japan.

II. Non-Agricultural/Industrial Market Access

Torrington supports a request offer approach, which would permit accelerated duty reduction where appropriate, without adversely affecting import sensitive sectors, such as bearings. Moreover, while Torrington supports efforts to improve market access by eliminating the disparity between applied rates and bound rates, in the products of interest to Torrington, many member countries maintain far higher bound rates than does the United States or its major trading partners. Hence, the appropriate focus is on the reduction of bound rates in those countries, to harmonize those rates with the rates prevailing in the U.S. and its major trading partners.

III. Existing Agreements and Work Programs

A. ANTIDUMPING, SUBSIDIES

As reviewed above, Torrington opposes any singling out of the agreements regarding dumping or subsidies for particular renegotiation. The agreements, achieved after difficult negotiations, have been in place for a short period only, and have not been fully implemented by all countries. Hence, any reopening of negotiations is premature. Moreover, singling out the dumping and subsidy agreements ignores the important U.S. interests at stake in other agreements.

B. DISPUTE SETTLEMENT

Torrington agrees with USTR that greater transparency is required. To further this goal Torrington supports public access to panel and appellate body proceedings, including access to adequate and timely public versions of submissions. All submissions should be publicly available, including submissions by NGOs.

IV. Development and Related Issues

Torrington generally supports the WTO's efforts to integrate all developing countries in the multilateral trading system. This, however, should include the enforcement of all obligations under the agreement, including the notification provisions, to all members. *See, e.g., Inside U.S. Trade*, 2/23/01 ("WTO kicks off new process to tackle LDC implementation demands"). Torrington also supports USTR's efforts regarding the position of developing countries in the context of trade facilitation efforts. USTR 2000 Annual Report, Chapter II, page 94-95.

V. Systemic Issues/Institutional Reform

Torrington supports USTR's efforts with regard to: (i) expanding the range of WTO documents available to the public; (ii) strengthening the guidelines for consultations with non-governmental organizations (NGOs); (iii) enhancing the WTO's program of symposia and consultations on specific topics of mutual interest; (iv) expanding and improving the use of Internet facilities to reach more stakeholders in more creative ways; and (v) broadening the range of WTO meetings and events that would be open to the public.

Public access is particularly relevant for the notifications required under many agreements. Effective public access to notified materials, preferably through the internet, should be combined with a more formal process by which the public could provide comments. Public comments from affected parties may help to evaluate the level of compliance, to identify practical issues to be addressed, and to identify positions taken by the various trading partners regarding specific issues.

VI. Singapore Work Program Issues (Investment, Competition, Transparency in Government Procurement and Trade Facilitation, Electronic Commerce)

A. TRADE AND INVESTMENT/TRADE AND COMPETITION

Although there has continuing education efforts regarding these issues, no consensus has yet emerged regarding appropriate additional steps beyond the educational process. Torrington concurs with the U.S. position in this regard. *See*, USTR 2000 Annual Report, Chapter II, p. 92 (trade and competition) and 94 (trade and investment).

B. TRADE FACILITATION

Torrington strongly supports USTR's ongoing efforts in the trade facilitation area, focusing both on transparency of customs and related procedures and increased efficiencies (e.g. the rapid processing and release of merchandise involved in cross-border transactions). *See*, USTR 2000 Annual Report, Chapter II, p. 94-95. In addition, Torrington emphasizes the importance in this context of maintaining a continuing dialogue with the private sector.

C. TRANSPARENCY IN GOVERNMENT PROCUREMENT

Torrington agrees that transparency is essential to increase confidence in the agreement and to further its implementation, and is supportive of efforts to improve transparency. Torrington also supports efforts to expand membership in the Government Procurement Agreement.

D. ELECTRONIC COMMERCE

Any review of electronic commerce issues be undertaken in the spirit of minimizing government interference, relying instead on self-governance by users and transparency. *See*, The President's 2001 Trade Legislative Agenda, item I.B.4. While electronic commerce has great potential for the reduction of transaction costs and the opening of additional markets, government intervention will likely result in unneeded restraints, distort the development and application of new technology, and add costs. Thus, such intervention will compromise benefits attainable from the new technologies.

Sincerely,



Terence P. Stewart
Geert De Prest
Stewart and Stewart

David D. Gridley
Executive Director Marketing Services and
Government Affairs
The Torrington Company