

ENVIRONMENTAL TECHNOLOGIES TRADE ADVISORY COMMITTEE
SUMMARY OF MEETING

October 6, 2011

The Environmental Technologies Trade Advisory Committee (ETTAC) was convened for its second meeting under its current charter at 9:00 A.M. on October 6, 2011, at the U.S. Department of Commerce, Washington, DC.

16 Committee members present:

Nadia Abboud
Kim Arnold
Peter Censky
Dawn Kristoff Champney
Norman Christopher
Roy Czajkowski
Owen Foster
Barton Gilbert
Jeffery Grove
Yuhong Jiang
John Lee
Rod McNelly
Joseph Pickard
Steve Riedel
Ron Swinko
Richard White

15 Committee members absent:

Al Bouldin
Jeff Cohen
Brian Davis
Thomas Edwards
Anne Ellis
David Foerter
Hermes Gonzalez
Zain Mahmood
Ronald McCracken
David Nicholas
Kristy Schloss
Mark Schoenfield
Jeff Seabright
Roddy Tempest
Rod Vera

6 Attending Commerce Department officials:

Todd DeLelle, ETTAC Designation Federal Officer
Nicole Lamb-Hale, Assistant Secretary for Manufacturing and Services
Adam O'Malley, Director/Office of Energy and Environmental Industries
Catherine Vial, Team Leader/Environmental Industries
Maureen Hinman, International Trade Specialist
Bill McElnea, International Economist
Alex Lopez, Intern

Others present for all or a portion of the meeting, including speakers:

Ben Vickery, National Institute for Standards and Technology

Eric Osterman, DOC

Dominic Keating, U.S. Patent and Trade Office

Brent Copenheaver, U.S. Patent and Trade Office

Walker Smith, U.S. Environmental Protection Agency

Marc Lemmond, U.S. Environmental Protection Agency

Joe Ferrante, U.S. Environmental Protection Agency

Kelly Wedell, U.S. Environmental Protection Agency

Nathan Younge, U.S. Trade and Development Agency

Michelle Perez, U.S. Department of State

Andrew David, U.S. International Trade Commission

The meeting was called to order at 9:00 a.m. by the ETTAC Chair, Kim Arnold, who welcomed the participants and facilitated introductions.

ETHICS BRIEFING

Eric Osterman, from the Office of the General Counsel at the U.S. Department of Commerce, provided an overview of ethics rules pertaining to individuals working with the U.S. government, including ETTAC members. The rules encompass the appropriate use of government resources, certain types of government information, and ETTAC affiliation. Restrictions regarding gifts to federal employees were also explained.

ENVIRONMENT TRADE WORKING GROUP OF THE TRADE PROMOTION COORDINATING COMMITTEE (ETWG)

The reactivation of the ETWG was announced to the Committee by ETWG Chair, Department of Commerce Assistant Secretary for Manufacturing and Services, Nicole Lamb-Hale, and Environmental Protection Agency (EPA) Director for Global Affairs and Policy, Walker Smith. Ms. Smith served as a representative of EPA Assistant Administrator for International and Tribal Affairs, Michelle DePass. Assistant Administrator DePass serves as the ETWG Vice Chair, but was unavailable to participate in the meeting.

Assistant Secretary Lamb-Hale explained that the Trade Promotion Coordinating Committee (TPCC) is an interagency group that fosters enhanced coordination of U.S. government trade activities, chaired by the Secretary of Commerce. While inactive for many years, the TPCC's ETWG has been reactivated to again serve as a framework through which U.S. government agencies discuss and formulate coordinated strategies to foster U.S. environmental exports. The continued expansion of environmental markets worldwide, the vitality of the U.S. environmental industry, and the Administration's National Export Initiative underscored the need to improve the coordination of environmental export promotion activities across relevant U.S. government agencies and with the private sector. These efforts would also simultaneously advance international environmental protection, development, and other goals.

Assistant Secretary Lamb-Hale also briefly discussed the initial list of priority issues the ETTAC developed since its last meeting and mentioned that the list had served as the basis of two working-level ETWG meetings since July 2011. She stressed the importance of U.S. environmental industry input and involvement in U.S. environmental trade activities and that a close working relationship between the ETWG and ETTAC would be critical to addressing the U.S. environmental industry's priority issues. From a practical standpoint, much of the future ETWG-ETTAC interaction intended to improve U.S. government environmental trade activities and to address ETTAC priority issues would likely take place between ETWG working-level officials and the ETTAC subcommittees. This preparatory work would then culminate in a series of precise recommendations from the full ETTAC to the Secretary of Commerce.

Assistant Secretary Lamb-Hale also acknowledged the critical role EPA plays in fostering foreign demand for environmental technologies and services through its work and experience influencing foreign environmental policies and regulations. Ms. Walker Smith, representing the EPA ETWG Vice Chair, outlined the importance her agency places on the work of ETWG and how it will further EPA's goals. These goals focus on improving environmental conditions worldwide through the development of better foreign environmental policies and by increasing the deployment of environmental technologies worldwide. As a significant amount of U.S. pollution originates from foreign sources, EPA's international activities are considered critical to that agency's domestic mission. Ms. Smith outlined the numerous international activities in which her agency is currently engaged, driving demand for U.S. environmental technologies and leveling the regulatory playing field for U.S. companies. These activities include supporting multilateral environmental agreements, environmental chapters of free trade agreements, and the development of various foreign technical assistance programs.

ECONOMY, ENERGY, AND ENVIRONMENT PROGRAM (E3)

Kelly Wedell, from EPA, and Ben Vickery, from the National Institute for Standards and Technology (NIST), presented an overview of the E3 program and how U.S. environmental companies could become involved in it. E3 promotes collaboration among manufacturers, utilities, local government, and federal resources to foster economic growth and job creation through the adoption of energy efficient and sustainable manufacturing processes and technologies. The EPA, the Small Business Administration, and the Departments of Commerce, Energy, Labor developed this program in conjunction with universities and local entities across the country.

ETTAC members interested exploring ways to reduce costs and increase competitiveness through the adoption of more sustainable practices and technologies were welcomed to participate in the program. Additionally, as companies that provide technologies and services that foster sustainability, U.S. environmental industry involvement in E3 supports domestic sustainable manufacturing and facilitates their introduction to new customers. Work has also been initiated to support E3 visits by foreign delegations, providing international exposure and export opportunities to U.S. environmental companies involved in E3.

U.S. TRADE AND DEVELOPMENT AGENCY (USTDA) ENVIRONMENTAL PROGRAMS

Nathan Younge, from USTDA, outlined the types of projects that agency sponsors to advance U.S. international development goals and increase U.S. exports. These programs include reverse trade missions from foreign countries to the United States, project feasibility studies, workshops, trainings and others. A USTDA project evaluation mechanism tracks the number U.S. exports resulting from their projects and has calculated that, on average, \$58 in U.S. exports result from every \$1 spent by USTDA. In the case of their projects in the environmental sector, that return is \$5.70 for each USTDA dollar (water project returns were \$2 for every \$1 spent).

Discussion regarding why the return on environmental projects was comparatively low included the intensity of foreign competition in the environmental field, financing difficulties, and challenges in accounting for all U.S. exports stemming from USTDA projects.

LUNCH

U.S. PATENT OFFICE (USPTO) PRESENTATION

Blaine Copenheaver, from the USPTO, provided an overview of the Green Technology Petition Pilot Program, created to accelerate the examination of patents for technologies that address certain environmental concerns. The program was announced by then-Commerce Secretary Locke in December 2009 to coincide with the start of United Nation's Climate Change Conference in Copenhagen, Denmark. The program was created to spur innovation and create jobs, but is set to expire on December 31, 2011. To date, 4179 petitions have been received and 500 patents granted under the program.

Dominic Keating, from USPTO, provided an overview of its Intellectual Property Attaché Program that provides support for U.S. companies facing intellectual property issues in foreign countries. These officials engage in discussions with host countries regarding intellectual property laws and enforcement. Currently, the program has IP attachés in a number of foreign posts, including Guangzhou, China; Beijing, China; Shanghai, China; Geneva, Switzerland; Bangkok, Thailand; Rio de Janeiro, Brazil; New Delhi, India; Moscow, Russia; and Mexico City, Mexico. These individuals cover the countries in which they are located, as well as neighboring countries. The program intends to expand by installing attachés in Egypt and South Africa and is looking to hire additional staff.

Efforts to reform the U.S. patent system were also discussed, particularly the shift from a “first to invent” system to one more consistent with the “first to file” systems of many of the largest trading partners of the United States.

ETTAC SUBCOMMITTEE DISCUSSION

ETTAC Organizational Subcommittee Chair, Roy Czajkowski, provided an overview of the work in which that group had been engaged, proposed the creation of four ETTAC subcommittees, and then effectively dissolved the ETTAC Organizational Subcommittee. The full ETTAC voted to establish the proposed subcommittees and those ETTAC members interested in joining them proceeded to meet with others in breakout sessions. Within these sessions, chairs for each of the subcommittees were chosen. The four subcommittees that will be responsible for addressing items from the ETTAC priority issues list include:

Trade Liberalization Subcommittee - Rod McNelly, Chair

Trade Promotion Subcommittee - Richard White, Chair

Standards, Regulation, and Certification Subcommittee - Jeff Grove, Chair

Innovation Subcommittee - Roy Czajkowski, Chair

The ETTAC Subcommittees would focus on engaging in discussions and creating work products necessary for the full ETTAC to effectively advise the Secretary of Commerce on issues that affect the export competitiveness of U.S. environmental companies. The Subcommittees would meet (likely via conference call) between quarterly ETTAC meetings to discuss issues and produce relevant materials. The results of those meetings will then be presented to the full ETTAC for further discussion and the development of focused policy recommendations for the Secretary of Commerce.

Recruitment of additional subcommittee members would be conducted via email. Upon completion of necessary Commerce Department internal processes, the ETTAC subcommittees would begin meeting.

DISCUSSION OF ETTAC PRIORITIES

ETTAC Chair, Kim Arnold, solicited potential dates for the next ETTAC meeting (sometime between January 16-27) and proposed the next meeting take place in Salt Lake City, UT. Subsequent discussions via email would finalize date and location.

PUBLIC COMMENT

There were no comments by attending non-members during this segment

ADJOURNMENT

The meeting adjourned at 3:15 P.M.

We hereby certify that, to the best of our knowledge, the foregoing minutes are accurate and complete.

Kim Arnold
Chair
Environmental Technologies Trade Advisory Committee

Todd DeLelle
Designated Federal Officer
Environmental Technologies Trade Advisory Committee

These minutes will be formally considered by the Council at its next meeting, and any corrections or notations will be incorporated in the minutes of that meeting.