

MEMO# 8823

April 23, 1997

INSTITUTE FILES COMMENTS WITH USTR ON TRADE ISSUES

April 23, 1997 TO: INTERNATIONAL COMMITTEE No. 15-97 RE: INSTITUTE FILES COMMENTS
WITH USTR ON TRADE ISSUES

The Institute recently filed comment letters with the Office of the United States Trade Representative (USTR) on three matters on which USTR sought public comment. Copies of the Institute's comment letters are attached. On March 13, 1997 the Institute filed a letter in response to USTR's request for public comment on issues that should be addressed in negotiations with the People's Republic of China over China's possible accession to the WTO. The Institute's letter identified several barriers to market access that exist in China and urged US trade negotiators to seek elimination of these barriers. On March 21, 1997 the Institute filed a comment letter, in response to a USTR request, on proposed multilateral discussions over the possible creation of a Free Trade Area of the Americas. In its letter, the Institute urged the US to use the FTAA process to seek commitments from countries in the hemisphere to remove barriers that impede investment by US mutual funds in the securities markets of the hemisphere and that prevent US money management firms from providing asset management services to mutual funds and pension funds in the hemisphere. On April 17, 1997 the Institute filed a letter in response to USTR's request for public comment on the commitments that US trading partners should be asked to make in the negotiations on financial services that began on April 10 in the WTO. The Institute's letter urged US negotiators to request commitments from trading partners to: (1) allow foreign firms to establish wholly-owned affiliates to advise and distribute mutual funds and provide asset management services to non-mutual fund clients; (2) allow foreign institutional investors to invest freely in the country's securities markets; (3) allow foreign firms to compete with domestic providers for access in managing pension assets; and (4) assure that financial services regulations are effective in assuring investor protection and open and fair competition among financial services providers. The Institute's letter identified numerous benefits that open markets in asset management services can provide. We will keep you informed of further developments. Mary S. Podesta Associate Counsel - International Attachments (in .pdf format)