Significant Changes in NFTC Trade Negotiating Authority Act

Process Changes

1) Renewal of authority for four years with option to extend another four. Designed to coincide with presidential terms.

2) Creation of Joint Committee on Trade (JCOT) in lieu of Congressional Oversight Group. Expanded authority.

3) Requirement for JCOT vote of approval before President can begin an FTA negotiation. (Would not apply to multilateral rounds.)

4) Transition rules that make clear agreements concluded and not acted upon by Congress retain their existing “fast track” status, along with the Doha Round.

Negotiating Objectives Changes

1) Separate delineation of multilateral, regional, and environmental objectives.

2) Recognition that trade is part of a larger set of overall competitiveness issues.

3) New focus on development and maintenance of global supply chains.

4) Elimination of most of the sector-specific objectives in previous law.

5) Multilateral objectives focus on moving toward a “two-track” system within the WTO in which countries willing to undertake greater liberalization can do so on a non-MFN basis and on tougher enforcement of the “substantially all trade” requirement for FTAs.

6) Regional objectives focus on countries that would provide the greatest economic benefit or those that would provide useful precedents in areas like investment, regulatory policy, due process, labor and environment.

7) Promote harmonization of the rules in the various bilateral and regional agreements.