

October 30, 2012

To: Daniel Mullaney Assistant U.S. Trade Representative for Europe and the Middle East Office of the United States Trade Representative

From: James B. Clawson, JBClawson International

Re: Promoting U.S. - EC Regulatory Compatibility

Dear Mr. Mullaney:

On behalf of Wine Institute and WineAmerica, and in response to the September 28, 2012 request from the Office of the United States Trade Representative for public comments ([FR Doc. 2012–23613; 77 FR No. 189 59702-59703), please find our submission concerning Promoting U.S.- EC Regulatory Compatibility.

Wine Institute is the public policy association that brings together the resources of over 1,000 California wineries and affiliated businesses to support legislative and regulatory advocacy, international market development, media relations, scientific research, and education programs that benefit the wine industry. California represents more than 90 percent of U.S. wine production and 95 percent of wine exports. Wine America, the National Association of American Wineries, has more than 800 winery members in 48 states supporting initiatives to expand opportunities for U.S. wine producers to export their product worldwide.

WineAmerica and Wine Institute appreciate the efforts of U.S. government agencies in assisting the industry in reducing the numerous barriers to the sale of U.S. wine throughout the world, particularly those in the European Community (EC). We concur that better cooperation in the regulation of wine is beneficial for consumers. For more than 25 years, the U.S. wine industry has worked with USTR and other U.S. government agencies to seek regulatory compatibility in the wine sector. Those efforts have been successful in reaching the bilateral EU/U.S. Agreement on Trade in Wine that entered into force in 2006. That agreement provides the platform for and has been beneficial in continuing efforts to harmonize regulatory practices.

The U.S. industry is opposed to combining the 2006 agreement or otherwise subsuming the provisions of the agreement into any larger multidiscipline agreement between the U.S. and the EC. Nevertheless, there is a list of issues currently being considered by the parties to the wine agreement that will promote further regulatory cooperation. These include:

- An improved certification process for wine imports into the EC (VI-1 form into electronic data exchange in both parties);
- The use of what the EC calls traditional terms;
- Alignment of ingredient/food additive definitions and labeling requirements;
- Alignment of mandatory label requirements; and
- Cooperation on technical assistance to third countries in developing new wine regulations.

The functioning of this bilateral agreement provides the forum for resolution of any wine issues that arise and should not be compromised or otherwise become linked to other sectors' regulatory issues.

Thank you for this opportunity to share the industry's views on promoting regulatory cooperation with the EC.

Respectfully submitted,

Jam & Clawson

James B. Clawson CEO JBClawson International