U.S. Chamber of Commerce

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March 11, 2025

Ambassador Jamieson Greer
United States Trade Representative
Office of the United States Trade Representative
Executive Office of the President
600 17th Street NW
Washington, D.C. 20509

RE: "Reviewing and Identifying Unfair Trade Practices and Initiating All Necessary Actions to Investigate Harm from Non-Reciprocal Trade Arrangements," Federal Register docket number USTR– 2025–0001.

Dear Ambassador Greer:

The U.S. Chamber of Commerce ("the Chamber") appreciates the opportunity to present the following comments to the Office of the U.S. Trade Representative in response to the Federal Register notice cited above. The Chamber is the world's largest business federation, representing the interests of more than three million businesses of all sizes, sectors, and regions, as well as state and local chambers and industry associations, and it is dedicated to promoting, protecting, and defending America's free enterprise system. We advocate for trade policies that help to make the United States the best place in the world to invest, build, hire, and innovate while also allowing American companies of all sizes and sectors to sell their goods and services in lucrative foreign markets. On all these fronts, the fundamental objective is to foster economic growth to make the United States more prosperous and secure.

As the FRN notes, "USTR invites comments from the public, on a country-by-country basis, to assist the U.S. Trade Representative in reviewing and identifying any unfair trade practices by other countries, and in initiating all necessary actions to investigate the harm to the United States from any non-reciprocal trade arrangements. This information will assist the U.S. Trade Representative in recommending appropriate actions to remedy such practices and reporting to the President proposed remedies in pursuit of reciprocal trade relations" as indicated in the America First Trade Policy Presidential Memorandum and the Reciprocal Trade and Tariffs Presidential Memorandum.

Issue: *Methane regulation*
Impact: The EU Methane Regulation sets emissions limits for all fossil fuels placed on the EU market and mandates that companies measure, monitor, report, and verify methane emissions. Due to the aggregation of gas at liquefication terminals, multiple processing steps, and the structure of supply contracts, among other factors, U.S. exporters may not be able to track the original source of natural gas and crude oil. This could prevent them from accessing the EU market, acutely damaging the EU's energy security.
Recommendation: Article 28 of the Methane Regulation allows for the possibility of equivalency of MMRV regimes. The EU and the U.S. should urgently open a formal process of determining equivalence to ensure availability of U.S. LNG exports to the EU.

Issue: *Carbon Border Adjustment Mechanism (CBAM)*
Impact: Companies have faced significant difficulties during the transitional phase of the CBAM, including technical issues, high administrative burdens, challenges with calculating data and embedded emissions, and trade frictions. Although U.S. production is carbon-efficient, the lack of a domestic carbon price means that U.S. goods must pay CBAM fees and face the full administrative burden of CBAM. Similar issues apply to the United Kingdom's CBAM measure.
Recommendation: Engage in further dialogue with industries and trading partners to: ensure compatibility with international obligations, address ongoing complications with CBAM compliance, and avoid trade disruptions and inefficiencies. Pause CBAM implementation pending these adjustments.