



International Precious Metals Institute

5101 North 12th Ave., Suite C
Pensacola, FL 32504 USA
Phone 850-476-1156
Fax 850-476-1548
E-mail: mail@ipmi.org

Via Electronic Submission

May 10, 2013
The Honorable Demetrios J. Marantis
Acting U.S. Trade Representative
Office of the United States Trade Representative
Executive Office of the President
600 17th Street, N.W.
Washington, DC 20508

Re: Comments on "Transatlantic Trade and Partnership"
Docket Number USTR-2013-0019

Dear Ambassador Marantis:

The International Precious Metals Institute (IPMI) is pleased to submit this letter in response to the United States Trade Representative's (USTR) request for comments to assist USTR as it works to develop negotiating objectives and principles for a proposed Transatlantic Trade and Investment Partnership (TTIP) agreement with the European Union (EU).¹ IPMI is an international association of producers, refiners, fabricators, scientists, financial institutions, merchants, private and public sector groups, and the general precious metals community formed to provide a forum for the exchange of information and technology. IPMI seeks and promotes the efficient and environmentally sound use, reuse, and recycling of precious metals from both primary and secondary sources. Our members engage in the global trade of precious metal commodities and products. IPMI's members thus have a direct and substantial interest in USTR's efforts to enter into a TTIP with the EU, and generally support the overall effort.

There are many issues associated with transatlantic trade and investment that are of import to IPMI members. The one of paramount importance, however, is the manner in which EU member nations apply their national waste regulatory schemes to the classification of materials generated from production processes that contain economically significant concentrations of precious metals. Our members trade in precious metal commodities that are intermediate products, *i.e.*, materials that IPMI members have processed, homogenized, sampled, and assayed for precious

¹ USTR solicited comments on this issue on April 1, 2013. 78 Fed. Reg. 19566.

metal content. There is a competitive world market among secondary copper smelters for these materials, which constitute the bulk of our trans-Atlantic trade.

These materials are an integral part of our members' trade due to their precious metal content. They are handled in a manner commensurate with their high value. The environmental regulatory agencies of some EU nations, however, regulate these precious metal intermediates as wastes subject to the Basel Convention and to the Organization for Economic Cooperation and Development (OECD) restrictions on the "Control of Transboundary Movements of Wastes Destined for Recovery Operations" as interpreted by individual EU member countries and their environmental and customs officials. The resulting complex web of regulatory requirements and the conflicts inherent in labeling as green or amber waste and as hazardous materials under the Globally Harmonized System means that transporting the intermediates across borders may be subject to significant delays -- both prior to shipment and at border crossings -- and, in extreme cases, may not even be allowed to proceed.

This is an excellent illustration of likely unintentional conflicting regulatory regimes that thwart commercial interests and the greater good. IPMI believes that these materials are commercial intermediate products and should be recognized as critical feedstocks in the precious metals manufacturing continuum. Harmonizing this approach will ensure that a handful of EU Member States do not hamstring this long-established global trade in a valuable commodity. IPMI thus urges USTR as part of the TTIP negotiations to seek harmonization of the manner in which the EU members and the U.S. regulate these materials. Specifically, we write to seek USTR's support in ensuring that the trans-Atlantic flow and trade of these materials is not hampered by the misapplication of waste directives that were never intended to govern non-waste materials, such as our members' prepared sweeps.

Precious metals play an integral role in manufacturing, energy, and other sectors, from the catalysts used in the petrochemical refining sector to the precious metals utilized in advanced medical equipment. For millennia precious metals have spurred innovation and economic growth. This is as true today as it ever has been, and it applies equally in the EU as well as the U.S. Private companies and governmental agencies use precious metals in a wide array of applications that play important roles in our daily lives. But differing application of waste regulatory policies adversely affect how these precious metals are treated. This is a clear barrier to trade. These non-tariff trade barriers should be addressed for critical raw materials if the U.S. and the EU wish to maintain their international edge in leading the development of new technology.

IPMI will consult with our European colleagues on this issue via Eurometaux, the European Association of Metals. We foresee sharing common issues on this important matter with Eurometaux members. Following these consultations, IPMI intends to approach USTR to discuss potential paths forward.

Thank you for the opportunity to provide this comment. Please contact either J.P. Rosso at 951-928-0532 (jpr@ipmi.org) or Barbara A. Curtis at 610-971-3055 (curtiba@jmusa.com) should you have any questions or require additional information.

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Respectfully submitted,



J.P. Rosso
Executive Director
IPMI



Barbara A. Curtis
Chair
Environmental & Regulatory Affairs Committee
IPMI