

B. Federal Regulatory Agencies

Department of Energy. Although Secretary Hodel will be leaving the Department of Energy and some modifications in the Agency's agenda are expected, they should not significantly affect CMA's energy agenda or advocacy which is focused on and through the Federal Energy Regulatory Commission (FERC).

U.S. Environmental Protection Agency (EPA). EPA will continue to place primary emphasis on Superfund, RCRA, Toxic Air Pollutants, Effluent Guidelines, Safe Drinking water and groundwater programs. Additionally, EPA, through the Toxics Substances Control Act, will continue to involve itself more in regulation workplace hazards.

Occupational Safety and Health Administration (OSHA). We believe that OSHA does not intend to pursue a significant agenda or to be very active in regulating the workplace or in writing new standards. This lack of a vigorous agenda opens the door wider to more workplace regulation by EPA.

C. International

CMA member companies are experiencing an increasing problem with foreign competition in domestic and foreign markets. Duty free imports from developing countries under the Generalized System of Preferences, along with normal dutied chemicals from the industrialized countries, have caused a number of petitions for import relief. The petrochemical sector expects continuing loss of export abroad. A legislative solution promoted by ammonia producers failed to get Senate-House joint conference approval in the last Congress. The CMA Board took a neutral position on the issue due to differing views within the Association. Similar legislative proposals are expected again in the new Congress. CMA's International Trade Committee continues in its efforts to find a basis for agreement among our member companies.

A prospective free trade agreement including petrochemicals is the subject of January hearings by the U.S. International Trade Commission and Trade Policy Staff Committee. CMA staff has aided a number of member companies which have requested help in seeking exemptions from the agreement.

Trade Representative Brock is promoting a broad scale multilateral trade negotiation. Legislation to authorize this 100 nation effort is expected this year. A CMA International Trade Committee position on the negotiations will be presented to the Board. Tariff cutting policy will be the most important issue for the chemical industry. The Bhopal incident will likely trigger a new U.S. policy addressing the export of hazardous substances. Also expected is legislation limiting use of U.S. technology abroad that cannot be used safely.