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USTR WAITING ON LIGHTHIZER BEFORE JUDGING INSURANCE DEAL: The office is withholding any judgment on a U.S.-EU insurance regulatory agreement until Robert Lighthizer, Trump's pick for chief trade negotiator, is confirmed, a USTR official told Morning Trade.

The agreement has divided major players in the insurance industry, and last week trade associations continued to duel over the deal in letters to administration officials. Congress, which made federally negotiated insurance deals possible under the Dodd-Frank Act, required a 90-day period to pass before it could go into force. However, the administration isn't viewing the end of the consultation period last week as a deadline to make a decision on the agreement, the official added.

Four major trade associations that support the deal made the case to USTR last week that clarifications requested by lawmakers and other insurance firms are not needed. "Some have asserted that the agreement needs clarification, but merely making that assertion does not render the agreement ambiguous. Indeed, we respectfully disagree based upon the plain meaning of the text," the groups wrote in an April 13 [letter](#).

Meanwhile, another major industry group, the National Association of Mutual Insurance Companies, sent a [letter](#) to Treasury Secretary Steven Mnuchin supporting the need for clarifications. "As I outlined in my previous letter, we believe the covered agreement, reached in the closing days of the previous administration, does not solve the fundamental problems that the Federal Insurance Office and the United States Trade Representative committed to resolve when negotiations began," NAMIC President Charles Chamness said. "Namely, the recognition of the U.S. insurance regulatory system as 'equivalent' under Europe's Solvency II regulatory regime, thereby ending the unfair retaliation by European regulators against U.S.-based companies."