

# **Executive Office of the President**



## ***Office of the United States Trade Representative***

**Fiscal Year 2018 Budget**

**Executive Office of the President**  
**Office of the United States Trade Representative**

**Salaries and Expenses**  
**Resource Estimates Fiscal Year 2018**  
**Congressional Budget Submission**  
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# **FY 2018 BUDGET JUSTIFICATION**

## **Summary**

The Office of the United States Trade Representative (USTR) is responsible for developing, coordinating, and enforcing U.S. trade, commodity, and direct investment policy on behalf of the President of the United States. USTR manages trade policy coordination and enforcement of international trade agreements within the Executive Office of the President (EOP) and with other government agencies, and engages with Congress, the private sector, and the public on trade policy initiatives.

For fiscal year (FY) 2018, the Budget includes \$57,600,000. This request is a \$3,204,000 (5.9 percent) increase above the FY 2017 annualized continuing resolution (CR) level. The proposed staffing level for FY 2018 is 238, which is an increase of eight FTEs above the FY 2017 annualized CR level.

Trade policy plays a critical part in every aspect of the economy and USTR must lead a highly aggressive trade agenda. The Trump Administration has identified four major trade priorities: (1) defend U.S. national sovereignty over trade policy; (2) strictly enforce U.S. trade laws; (3) use all possible sources of leverage to encourage other countries to open their markets to U.S. exports of goods and services, and protect U.S. intellectual property rights; and (4) negotiate new and better trade deals with countries in key markets around the world. One of the President's first actions was withdrawing the United States from the Trans Pacific Partnership (TPP), which was a major step in achieving the President's agenda and will allow USTR to better focus on this agenda.

The President's trade and investment strategy is to put American workers and businesses first. With tough and fair agreements, international trade can be used to grow our economy, bring jobs back to America's shores, increase wages, and support U.S. manufacturing. Implementing this strategy calls for reevaluating and renegotiating NAFTA and ensuring that other trade deals serve the interest of our people. In addition, the United States will crack down on those nations that violate trade agreements and harm American workers in the process. The United States must identify all trade violations and use every tool at the federal government's disposal to end these abuses.

Using a whole of government approach, USTR leads U.S. trade agreement negotiations with foreign trading partners and stands up for American workers and domestic manufacturers against unfair trade practices. The budget request supports a multifaceted approach to executing the President's ambitious trade and investment strategy.

Increased resources will enable USTR to realize the President's trade agenda and to meet its statutory obligations to (1) monitor compliance by foreign governments and enforce trade policy commitments to the United States, detect violations and take swift and successful actions to enforce U.S. rights and at the same time, (2) vigorously and successfully defend the ability of the United States to exercise its rights to ensure fair trade in the U.S. market, and (3) take action

under U.S. law to advance U.S. economic interests. To advocate for and defend U.S. economic interests in these ways, among others, USTR is preparing to take significant action far beyond that taken by previous administrations, including, for example, self-initiated domestic litigation in defense of U.S. workers, farmers, ranchers, and businesses.

The President's Budget Request calls on Congress to support this tough trade enforcement by fully funding the movement of the Interagency Center on Trade Implementation, Monitoring, and Enforcement (ICTIME) to the office of the USTR. ICTIME, established by the Trade Facilitation and Trade Enforcement Act of 2015, allows the Administration to better monitor import levels and receive input from American industry in order to aggressively self-initiate trade litigation as consistent with U.S. law. These cases are resource intensive and lengthy. They will require commensurate litigation capabilities in the Office of the General Counsel (OGC) and Office of Monitoring and Enforcement (M&E).

## **ORGANIZATION SUMMARY**

USTR is responsible for developing and coordinating America's trade policy, leading trade negotiations with other nations, and ensuring that U.S. trade laws are enforced. USTR also coordinates Federal agencies to resolve interagency positions on trade policy and to frame issues for presidential decision. "USTR" refers both to the office and its head, the U.S. Trade Representative, who is a member of the President's cabinet. USTR is the principal trade advisor and negotiator for the President. USTR operates in three locations: Washington, DC, Geneva, Switzerland, and Beijing, China (since 2007). USTR also has a representative in Brussels serving as the USTR delegate to the European Commission's Directorate-General for Trade.

USTR provides trade policy leadership and negotiating expertise in its major areas of responsibility. Among these are the following: industrial, textile, agricultural, and services trade policy; bilateral, regional, and multilateral trade and investment issues; trade-related intellectual property protection, labor and environmental issues; all matters within the WTO, including negotiations following the Doha trade ministerial (Doha Development Agenda (DDA)); implementation of the Uruguay Round of multilateral trade agreements; trade, commodity, and direct investment matters dealt with by international institutions such as the Organization for Economic Cooperation and Development (OECD) and the United Nations Conference on Trade Development (UNCTAD). USTR is organized to accommodate sectoral, regional, and functional policy perspectives, which are integrated into the decision-making process and coordinated externally with the Congress, other government agencies, the private sector, and foreign entities.

Interagency coordination is accomplished through the Trade Policy Committee (TPC). The TPC is the senior U.S. Government interagency trade committee established to provide broad guidance on trade issues. It is chaired by the U.S. Trade Representative (USTR) and is composed of other cabinet officers. The Trade Policy Review Group (TPRG) and the Trade Policy Staff Committee (TPSC), administered and chaired by USTR and composed of twenty (20) Federal agencies and departments, make up the sub-cabinet mechanism for developing and coordinating positions on international trade issues. The United States International Trade Commission (ITC) is a non-voting member of the TPSC and an observer of TPRG meetings.

The TPSC is the first line operating group, with representation at the senior civil servant level. The TPSC is supported by eighty (80) subcommittees, each of which is chaired by a USTR staff member. If agreement is not reached in the TPSC, or if particularly significant policy questions are being considered, issues are taken up to the TPRG or the Deputy Group of the National Economic Council, two sub-cabinet-level groups. The final tier of the interagency trade policy mechanism is the National Economic Council (NEC)/National Security Council (NSC), chaired by the President.

USTR also serves on the Board of Directors of the Overseas Private Investment Corporation (OPIC), is a non-voting member of the Export-Import Bank, is a member of the National Advisory Committee (NAC) on International Monetary and Financial Policies, and on the Board of the Millennium Challenge Corporation (MCC).

USTR also has administrative responsibility for the GSP program, the AGOA preference program, and Section 301 complaints against foreign unfair trade practices, as well as coordinating recommendations to the President on ITC determinations under Section 337 and import relief cases under Section 201. The Omnibus Trade and Competitiveness Act of 1988 (Trade Act of 1988) transferred authority to the USTR to take action under Section 301, subject to the direction of the President.

USTR's private sector advisory committees provide information and advice on U.S. negotiating objectives and bargaining positions before entering into trade agreements, on the operation of any trade agreement once entered into, and on other matters arising in connection with the development, implementation, and administration of U.S. trade policy.

The private sector advisory committee system consists of 28 advisory committees, with a significant number of advisors. The system is arranged in three tiers: the President's Advisory Committee for Trade Policy and Negotiations (ACTPN); five policy advisory committees; and 22 technical, sectoral, and functional advisory committees. The President appoints 45 ACTPN members for two-year terms. The 1974 Trade Act requires that ACTPN membership broadly represents key economic sectors affected by trade, and that the Committee consider trade policy issues in the context of the overall national interest.

Members of the five policy advisory committees are appointed by USTR or in conjunction with other Cabinet members. The Intergovernmental Policy Advisory Committee (IGPAC), the Trade and Environment Policy Advisory Committee (TEPAC), and the Trade Advisory Committee for Africa (TACA) are appointed and managed by USTR. The Agricultural Policy Advisory Committee (APAC) is managed jointly with the Department of Agriculture and the Labor Advisory Committee for Trade Negotiations and Trade Policy (LAC) is managed jointly with the Department of Labor. Each committee provides advice based upon the perspectives of its specific sector or area.

The 22 sector-specific, functional, and technical advisory committees are organized in two areas: industry and agriculture. Representatives are jointly appointed by the USTR and the Secretaries of Commerce and Agriculture, respectively. Each sectoral or technical committee represents a specific sector or commodity group (such as sewn products or dairy products) and provides specific technical advice concerning the effect that a trade policy decision may have on its sector. The four functional advisory committees provide cross-sectoral advice on customs, standards, e-commerce, and intellectual property issues.

In the Trade Act of 1974, Congress broadened and codified USTR's trade policymaking and negotiating functions and established close congressional relationships with the office. As a matter of comity, five members from each House serve as congressional advisors on trade policy, and additional Members may serve as advisors on particular issues or negotiations. The Washington, DC office has a range of operations: Bilateral and Regional activities (China Affairs; Western Hemisphere; Europe and the Middle East; African Affairs; Central & South Asian Affairs; Southeast Asia & the Pacific; Japan, Korea & APEC Affairs); WTO and Multilateral Affairs; Sectoral Activities (Agriculture; Labor; Environment and Natural Resources; Textiles; Small Business, Market Access & Industrial Competitiveness; Services and Investment; and Intellectual

Property & Innovation); and General Support (General Counsel, including Monitoring and Enforcement; the Interagency Center on Trade Implementation, Monitoring, and Enforcement (ICTIME); Congressional Affairs; Administration; Public and Media Affairs; Intergovernmental Affairs and Public Liaison; and Trade Policy and Economics).

The Geneva Office is organized to cover general WTO Affairs, Tariff and non-Tariff Agreements and Agricultural Policy and Commodity Policy. The Geneva Deputy USTR is the U.S. Ambassador to the WTO and to the United Nations Conference on Trade and Development (UNCTAD) on specific trade related issues. The Geneva staff represents the United States' interests in negotiation, and other contacts on trade and trade policy in both forums.

The Beijing office is headed by a Minister Counsellor who has one Deputy Trade Attaché and two Foreign Service Nationals (FSN) on staff. USTR's local presence in China is important to USTR's effectiveness in a country with a growing number of trade related issues.



**OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE**  
**SALARIES AND EXPENSES**

***Appropriations Language***

*For necessary expenses of the Office of the United States Trade Representative, including the hire of passenger motor vehicles and the employment of experts and consultants as authorized by section 3109 of title 5, United States Code, \$57,600,000 of which \$1,000,000 shall remain available until expended: Provided, That not to exceed \$124,000 shall be available for official reception and representation expenses.*

Note.—A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Further Continuing Appropriations Act, 2017 (P.L. 114-254). The amounts included for 2017 reflect the annualized level provided by the continuing resolution.

**SUMMARY OF FY 2018 BUDGET REQUEST**

(in thousands of dollars)

	FY 2016 Enacted	FY 2017 CR	FY 2018 Estimate	FY17/FY18 Difference
Budget	54,500	54,396	57,600	3,204

**FTE Levels by Fiscal Year**

	FY 2016 Enacted	FY 2017 CR	FY 2018 Estimate	FY17/FY18 Difference
FTE	228	230	238	8

## SUMMARY OF RESOURCE REQUIREMENTS

(in thousands of dollars)

	FY 2016	FY 2017	FY 2018	FY17/FY18
	Actual	CR	Estimate	% Increase (Decrease)
Trade Coordination and Negotiation	48,285	47,863	50,978	6.5%
Geneva Trade Negotiations	5,151	5,322	5,399	1.4%
Beijing Trade Negotiations	1,043	1,211	1,223	1.0%
<b>Total Direct Program</b>	<b>54,479</b>	<b>54,396</b>	<b>57,600</b>	<b>5.9%</b>

## SUMMARY OF OBLIGATIONS BY OBJECT CLASSIFICATION

(in thousands of dollars)

	FY 2016	FY 2017	FY 2018	FY17/FY18
	Actual	CR	Estimate	Incr (Decr)
Personnel Compensation & Benefits	41,862	42,277	43,800	1,523
Travel and Transportation of Persons	6,192	5,000	6,400	1,400
Transportation of Things	2	2	2	0
Comm., Utilities, & Misc. Charges	1,150	918	1,173	255
Printing and Reproduction	153	149	149	0
Other Contractual Services	4,089	4,331	4,932	601
Supplies and Materials	463	445	610	165
Official Reception and Representation	87	124	124	0
Equipment	157	950	210	(740)
Land and Structures	324	200	200	0
<b>Total</b>	<b>54,479</b>	<b>54,396</b>	<b>57,600</b>	<b>3,204</b>
Reimbursement	563	600	600	-

## ***Personnel Compensation and Benefits***

(In thousands of dollars)

FY 16	FY 2017	FY 2018	FY17/FY18
Actual	CR	Estimate	Incr (Decr)
41,862	42,277	43,800	1,523

The estimated fiscal year FY 2018 funding requirement for USTR payroll is \$43,800,000 which represents an increase of \$1,523,000 or 3.6% percent from FY 2017. The FTE increase provides for USTR assuming complete responsibility for the Interagency Center on Trade Implementation, Monitoring and Enforcement (the Center).

## ***Travel and Transportation of Persons***

(In thousands of dollars)

FY 16	FY 2017	FY 2018	FY17/FY18
Actual	CR	Estimate	Incr (Decr)
6,192	5,000	6,400	1,400

International travel remains critical to fulfilling the President's trade agenda. The travel budget request will reflect a multifaceted approach to executing the President's trade and investment strategy. USTR's mission to simultaneously negotiate several bilateral trade agreements while supporting and defending U.S. efforts at the WTO will require an adequate travel budget. During FY 2018, USTR will continue NAFTA trade negotiations commencing in late FY 2017 and may launch new bilateral negotiations with several major trading partners. Depending upon the number of simultaneous negotiations taking place, USTR's travel budget is anticipated to exceed FY 2016 levels, the most recent year of active negotiations.

## ***Transportation of Things***

(In thousands of dollars)

FY 16	FY 2017	FY 2018	FY17/FY18
Actual	CR	Estimate	Incr (Decr)
2	2	2	-

Transportation of Things covers storage and courier costs.

## ***Communications, Utilities, and Miscellaneous Charges***

(In thousands of dollars)

FY 16 Actual	FY 2017 CR	FY 2018 Estimate	FY17/FY18 Incr (Decr)
1,150	918	1,173	255

FY 2017 Communications, Utilities and Miscellaneous Charges consists largely of those costs incurred by our Geneva and Beijing offices, rental of our Ambassador's residence in Geneva, and overtime utilities in our Washington office. The requested funding increase is needed to support an active bilateral negotiations agenda. With trade negotiations increasing during the FY 2018 period, we will resume a protocol of rotating hosting of negotiations. U.S. hosted negotiations have logistical requirements including meeting room rentals at hotel/conference center venues and audio/visual needs. These incremental costs are included in our forecast.

## ***Printing and Reproduction***

(In thousands of dollars)

FY 16 Actual	FY 2017 CR	FY 2018 Estimate	FY17/FY18 Incr (Decr)
153	149	149	0

USTR has recurring annual printing costs related to the publication of the National Trade Estimates and the USTR Annual Report and other necessary reports to Congress. As part of public announcements, we will continue to publish Federal Register notices as necessary. During the normal course of business, there are ad hoc requests that occur regularly as well.

## ***Other Contractual Services***

(In thousands of dollars)

FY 16 Actual	FY 2017 CR	FY 2018 Estimate	FY17/FY18 Incr (Decr)
4,089	4,331	4,932	601

Other Contractual Services include a wide range of commercial and government services such as the Department of State's assessments for International Cooperative Administrative Support Services (ICASS) and Capital Security Costs (CSC) for global embassy funding, language

services, security, office equipment maintenance, training, and professional service contracts.

USTR’s funding requirements will increase since it is assuming complete responsibility for the Center. Commerce’s International Trade Administration (ITA) had previous responsibility for language translation services. With the transition of the Center, USTR will incur the costs based on projects undertaken. The need for specialized subject experts may require the Center to engage short-term consultants and commission studies/special reports to support its mission. These costs are included.

Increased trade negotiations during the FY 2018 will signify a resumption of each trading partner’s protocol of rotating hosting negotiations. U.S.-hosted negotiations will require that we contract outside security to ensure the safety of negotiators and safeguarding of sensitive and confidential talks at the hotel/conference centers where the meetings are held. These costs are included.

***Supplies and Materials***

(In thousands of dollars)

FY 16 Actual	FY 2017 CR	FY 2018 Estimate	FY17/FY18 Incr (Decr)
463	445	610	165

USTR’s higher spending is partly required for subscriptions and access to databases resulting from assuming sole responsibility for the Center. With more U.S.-hosted negotiations, there will be higher spending for food and beverages during breaks, which is normal protocol for all-day negotiations with our counterparts.

***Official Reception and Representation***

(In thousands of dollars)

FY 16 Actual	FY 2017 CR	FY 2018 Estimate	FY17/FY18 Incr (Decr)
87	124	124	-

Representation funds are used for extending relations with foreign governments in conducting our trade missions.

### ***Equipment***

(In thousands of dollars)

FY 16 Actual	FY 2017 CR	FY 2018 Estimate	FY17/FY18 Incr (Decr)
157	950	210	(740)

In FY 2017, major facility investment projects including upgrading our buildings' physical access control systems, upgrade to our SCIF, and replacement of furniture of ten or more years are being undertaken and once completed, USTR will return to its historical spending level for this category.

### ***Land and Structures***

(In thousands of dollars)

FY 16 Actual	FY 2017 CR	FY 2018 Estimate	FY17/FY18 Incr (Decr)
324	200	200	0

Land and structure costs are expected to remain at the same level. USTR anticipates some improvements to the leased space to accommodate additional staffing requirements.

## **FISCAL YEAR 2018 GOALS AND MEASUREMENTS**

USTR's 2018 Annual Performance Goals and Measurements support the overarching Strategic Goals and Objectives drawn from its Strategic Plan.

### ***Goal 1: Support U.S. Workers, Farmers, Ranchers and Businesses by Opening Foreign Markets and Combating Unfair Trade***

Consistent with the President's trade policy agenda and with the primary goal of supporting and sustaining well-paying American jobs, USTR will seek to combat unfair trading practices, open export markets around the world and reduce trade and investment barriers and distortions by negotiating, concluding and implementing agreements consistent with U.S. interests, as well as by effectively representing U.S. interests in international bodies, including those established under such agreements.

#### **Objectives:**

- Negotiate and implement agreements that create and sustain well-paying American jobs, advance the overall trade and economic interests of the United States, and further the objectives of U.S. trade law.
- Enable developing economies, economies in transition, and emerging economies to implement international trade obligations to open their markets and work to ensure key emerging economies take trade and investment actions that promote freer and fairer trade.
- Effectively represent U.S. interests in international bodies that have been established under multilateral and other international agreements to achieve the Administration's international trade policy goals.

#### **Measurements:**

- Find new opportunities to improve the World Trade Organization (WTO), including in pursuit of freer and fairer trade benefitting U.S. stakeholders.
- Work with WTO Members to achieve full implementation of the WTO Trade Facilitation Agreement.
- Provide policy guidance and support for the ongoing committee work at the WTO and other international trade organizations to represent U.S. interests effectively and resolve trade barriers negatively affecting U.S. suppliers.
- Conclude WTO accession agreements with candidates, including developing countries and least developed countries that undertake trade commitments that meet Administration priorities and are supported by Congress.
- Review the impact of existing and potential international trade agreements to determine whether such agreements should be negotiated or renegotiated, including the Information Technology Agreement (ITA Expansion), the Trade in Services Agreement (TiSA) and the Environmental Goods Agreement (EGA).
- Work with Congress to consider possible reforms or revisions to the capacity of the GSP program to take into account evolving global trade relations, including the growing competitiveness of many emerging market GSP beneficiaries.
- In cooperation with other relevant agencies, as appropriate, work to ensure that the WTO's work on Aid for Trade and other activities for assisting developing countries is aimed at integrating trade into

the development plans of these countries and supports their effective participation in the international trading system while not exceeding the institutional mandate of the WTO as a trade organization.

- Negotiate and implement mutual recognition agreements (MRAs) with select countries to facilitate U.S. exports of telecommunications equipment and pharmaceuticals.
- Continue engagements with potential trade agreement candidates in Asia, Europe and the Western Hemisphere, that will result in high-standard, comprehensive outcomes that create jobs and provide new export opportunities for U.S. agriculture and industry, promote U.S. services and investment objectives, strengthen protections for innovation and intellectual property, protect worker rights, and enhance environmental protection in participating countries, thereby helping to level the playing field for American workers and businesses.
- Achieve through the APEC forum concrete and meaningful outcomes to raise standards in APEC economies that address key trade and investment barriers to U.S. goods and services exports across the Asia-Pacific region.
- Through APEC promote adoption of international sanitary and phytosanitary (SPS) standards as well as science-based regulatory systems for agricultural biotechnology and address common challenges.
- Utilize APEC to promote the application of good regulatory practices in order to avoid unnecessary barriers to trade.
- Encourage Southeast Asian countries, including former TPP partners, to continue with planned trade policy reforms that are in the best interest of the United States.
- Develop new initiatives with countries in East and Southeast Asia to break down barriers to U.S. exports in key sectors through negotiations, dispute settlement, and other measures as appropriate.
- With all FTA partners, identify and work to address priority issues of U.S. stakeholders, including the elimination of barriers to U.S. exports through work in the FTA Committees.
- Develop and implement initiatives to respond to tariff discrimination, alternative regulatory approaches, and other potential harm to U.S. exporters caused by other countries' FTAs.
- Under our Trade and Investment Framework Arrangement with ASEAN, continue to develop initiatives and promote policy reforms that expand U.S. exports to this fast-growing region and build momentum in our engagement with ASEAN countries.
- Further strengthen U.S.-Japan trade initiatives and engagement.
- Advance the protection and enforcement of intellectual property rights (IPR), and related innovation issues, through bilateral engagements and the negotiation and implementation of relevant trade agreements.
- Monitor proceedings under U.S. trade remedy law currently underway and continue close consultations with U.S. lumber producers to ensure fair trade in the North America lumber market following the expiration of the 2006 U.S.-Canada Softwood Lumber Agreement on October 12, 2015.
- Further strengthen U.S.-China engagement on key trade and investment issues and barriers to U.S. exports, working to achieve concrete and meaningful outcomes through all appropriate fora, including high-level bilateral dialogues.
- Monitor and ensure China's full compliance with the Memorandum of Understanding addressing the importation and distribution of films for theatrical release in China and secure further meaningful compensation for the United States going forward.
- Continue to develop cutting edge trade provisions to advance the digital services agenda in bilateral trade relations, among countries in the Middle East and North Africa, and among ASEAN countries.
- Work to promote removal of major services and investment barriers in China, including those affecting insurance and other financial services; audio-visual and media services; express delivery services; legal services; and Information and Communications Technology (ICT) services, including value-added telecommunications services and services supplied over the Internet such as cloud computing.
- Utilize a broad range of tools to ensure that China treats the United States, U.S. companies, and U.S. exports fairly, and that inward and outward investment more generally promotes U.S. interests.
- Engage with the European Union and its Member States, as well as other countries in Europe, to



identify and address border and regulatory barriers affecting U.S. exports and investment, strengthen cooperation to expand trade and investment opportunities, and work to preserve U.S. exporter access in third countries that are negotiating trade agreements with the European Union.

- Continue to engage in dialogue with Taiwan on continued areas of concern in our trade relationship, including market access for U.S. beef and pork imports, and explore opportunities for deepening our cooperation.
- Continue engagement on key issues with Mongolia through our TIFA, and continue to monitor Mongolia's compliance with the United States-Mongolia Transparency Agreement.
- Engage in negotiations to resolve specific agricultural bilateral trade concerns in key U.S. export markets to ensure U.S. exports are treated fairly.
- Secure expanded access for U.S. food and agricultural exports to key markets through resolution of unwarranted sanitary and phytosanitary and technical barriers.
- Advance bilateral discussions with Israel on expanded access for U.S. food and agricultural exports.
- Negotiate equivalency agreements with countries that are key markets for U.S. organic exports, promoting increased exports of U.S. organic food and agriculture products.
- Provide leadership in international fora on science-based regulatory approaches to promote trade in products derived from modern biotechnology.
- Continue to promote job-supporting, two-way trade and investment with Brazil through the U.S.-Brazil Agreement on Trade and Economic Cooperation (ATEC) and its subsidiary bodies.
- Deepen trade and investment engagement with Argentina through the Trade and Investment Framework Agreement and its subsidiary Innovation and Creativity Forum.
- In partnership with other agencies, such as the Small Business Administration, encourage SMEs to expand trade through new and existing trade policy initiatives.
- Provide policy guidance and support for international negotiations or initiatives affecting the textile and apparel sector, to ensure that the interests of U.S. industry are taken into account and, where possible, to provide new or enhanced export opportunities for U.S. industry.
- Engage relevant trade partners to address regulatory issues potentially affecting the U.S. textile and apparel industry's market access opportunities, especially with regard to European markets.
- Conduct reviews of commercial availability petitions regarding textile and apparel products and negotiate corresponding FTA rules of origin changes, where appropriate, in a manner that takes into account market conditions while preserving export opportunities for U.S. producers.
- Continue to engage key trade partners and stakeholders on ways to improve labor standards abroad.
- Advance implementation of labor commitments by trade agreement partners, including through labor cooperation mechanisms and capacity building initiatives designed to support their efforts. In particular, continue cooperative efforts with Mexico as it implements Constitutional and other changes to its labor regime.
- Encourage Mexico to continue pursuing ambitious reforms to its IP regime that best serve U.S. interests, including a fair and transparent regime for geographic indications.
- Continue to work with Mexico to ensure secure, efficient and legal crossing of goods across our shared border, including for U.S. exports of steel products to Mexico.
- In cooperation with other relevant agencies, negotiate and implement environmental cooperation work programs with FTA partners to enhance implementation of FTA environment commitments, such as improving FTA partners' environmental standards.
- Advance work in APEC to identify and address non-tariff barriers that distort trade and investment in environmental goods and services.
- Advance work in the APEC Experts Group on Illegal Logging and Associated Trade to identify cooperative actions and activities to combat illegal forest products trade that harms legitimate U.S. businesses.

- Continue to engage with China under our bilateral MOU and in other appropriate fora to cooperate in combating illegal logging and associated trade.
- Partner with State, EPA, and other agencies to ensure outcomes under environmental agreements and negotiations are consistent with U.S. trade policy.
- Develop and continue initiatives to combat wildlife trafficking and related corruption and to stem illegal trade in wildlife and wildlife products.
- Develop and continue initiatives to combat Illegal, Unreported, and Unregulated (IUU) fishing and seafood fraud, including working closely with NOAA on implementation of the seafood traceability rule.
- Launch, negotiate, conclude, or put into effect TIFAs with strategically important areas, such as South Asia and Central Asia, and other appropriate countries that expand opportunities for U.S. exports.
- Develop and implement new initiatives under the U.S.-India Trade Policy Forum to address and resolve trade barriers.
- Develop and implement new initiatives under our TIFAs, including with priority countries in Southeast Asia, to address and resolve concerns of U.S. stakeholders and remove barriers to U.S. exports.
- Intensify engagement with Indonesia through the United States-Indonesia TIFA to support the development in Indonesia of trade policies that promote free and fair trade and address the growing number of trade and investment irritants.
- Pursue negotiations and other efforts, through existing FTAs, TIFAs or other mechanisms as appropriate to advance with countries of the Middle East and North Africa U.S. initiatives involving investment, information and communication technology, trade facilitation, agriculture, services and other areas.
- Utilize the U.S.-Turkey TIFA and other mechanisms as appropriate to promote U.S.-Turkey trade and investment and to pursue U.S. trade and investment goals in the broader MENA region.
- Continue to implement initiatives that promote the U.S. trade agenda in Africa, including promotion of U.S. exports and investment and encouragement of trade and economic reforms in Africa that are consistent with U.S. trade priorities.
- Continue to advance exploration of bilateral discussions on trade facilitation, SPS and TBT.
- Working closely with the interagency, look for opportunities to increase U.S. market access in important sub-Saharan African markets, particularly as the EU and other developed partners gain reciprocal market access to African markets for their products.
- Work with U.S. Government agencies that provide trade capacity building assistance to ensure that their assistance programs help developing countries to implement international trade obligations in a transparent manner that opens export markets and promotes freer and fairer trade. Further, in cooperation with other relevant agencies, work with other donor countries and international institutions to make the most coherent and effective use of scarce capacity building resources.
- Advance U.S. interests in the development and adoption of standards in the Codex Alimentarius Commission that facilitate trade in U.S. food and agricultural products.
- Work to ensure that international organizations (WIPO, WFP, UNCTAD, OECD, WHO, PAHO, OAS, and IDB) operate within their defined scope and mandate with respect to trade related issues and that their trade-related deliverables promote U.S. policies and objectives.

## ***Goal 2: Defend American Interests by Strictly Enforcing Our Trade Laws***

Consistent with the President's trade policy agenda, and with a primary goal of creating and sustaining well-paying American jobs, USTR will seek to fight unfair trading practices, fully enforce U.S. trade laws, and closely monitor and vigorously enforce U.S. rights under trade agreements to ensure that American workers, farmers, ranchers, producers, innovators, service providers, and investors receive the full benefit of the economic opportunities the United States has negotiated.

### **Objectives:**

- Effectively utilize USTR and other U.S. government resources to monitor unfair foreign trade barriers and practices, as well as compliance by trading partners with U.S. trade agreements.
- Vigorously deploy all available tools to enforce U.S. rights under trade agreements, to ensure that these agreements meet their potential to create and sustain well-paying American jobs.
- Engage stakeholders to collaborate with USTR on enforcement issues.

### **Measurements:**

- Work with existing FTA partners: Australia, Bahrain, Canada, Chile, Colombia, Costa Rica, Dominican Republic, El Salvador, Guatemala, Honduras, Israel, Jordan, Korea, Mexico, Morocco, Nicaragua, Oman, Panama, Peru, and Singapore, to ensure that agreements are fully and properly implemented, and address non-compliance issues that are identified.
- Monitor implementation of each of our FTAs to ensure full compliance with all FTA and related commitments.
- Continue to work with industry, Congress, and Customs and Border Protection to address industry concerns about the effectiveness of Customs enforcement of our trade agreements, in order to ensure the integrity of agreement commitments.
- Identify disputes to be pursued including barriers to U.S. exports due to trade-distorting subsidization, use of border measures, localization measures discriminating against imported goods, and lack of science-based rule-making processes.
- Vigorously pursue existing trade disputes to ensure timely resolution. Through prudent management of personnel and disputes, utilize existing USTR and other U.S. government resources effectively to maximize the likelihood of positive outcomes vindicating U.S. rights.
- Where positive outcomes have been achieved in offensive disputes, closely monitor trading partners' actions to ensure full implementation. Where the United States is found not to have complied with trade obligations, work to achieve implementation and avoid possible countermeasures on U.S. exports, consistent with U.S. and Administration objectives.
- Employ WTO and other trade agreement committees and bilateral engagement as appropriate to resolve identified breaches of U.S. trade agreements.
- Review implementation of trade agreements, particularly through the preparation of the Annual Report of the President on the Trade Agreements Program, and the National Trade Estimate Report, and identify strategies for resolving implementation problems.
- Continue to build a strong ICTIME organization to carry out the statutory directives including by obtaining additional staff with appropriate expertise in a variety of trade disciplines and with necessary language skills.

- Refine procedures to ensure efficient and effective coordination between ICTIME and other offices within USTR, and with relevant agencies. Continue to find ways to supplement and complement, without duplicating, the work of other USTR offices.
- Expand interagency contacts and coordination, identify and locate appropriate interagency expertise for ICTIME regarding various matters of interest, and create and integrate staffing mechanisms to simplify sharing of interagency expertise.
- Consider and address enforcement concerns that affect small and medium sized enterprises.
- Consult regularly with other agencies, Congress, stakeholders, and foreign officials to obtain information on new barriers to trade with bilateral and regional partners.
- Solicit public comment on WTO dispute settlement proceedings to ensure that USTR officials can develop U.S. positions and arguments based on all relevant available information.
- Provide public access to U.S. submissions to WTO adjudicatory bodies so that stakeholders and interested members of the public may provide relevant input.
- Press China to address its excess capacity in industrial sectors, particularly steel and aluminum. Engage with China and key partners in the Global Forum on Steel Excess Capacity, as well as through high level bilateral dialogues, G7 Steel Experts Group, OECD Steel Committee and the North American Steel Trade Committee.
- Research and monitor policy support measures for the textile sector, in particular China, India and other large textile producing and exporting countries, to ensure compliance with international agreements.
- Review thoroughly Russia's implementation of its WTO obligations and take necessary measures to ensure Russia's compliance.
- Continue vigorous U.S. participation in the WTO TRIMs Committee as well as bilateral efforts to promote elimination of local content measures in Nigeria, Indonesia, Brazil, China, and India.
- Continue to make regular use of bilateral and multilateral fora, including WTO committees to remove India's localization barriers to trade especially in the clean energy, healthcare, and ICT sectors.
- Press for implementation of the government of India's plan to eliminate export subsidies in India's textiles sector.
- Use TIFAs with African countries and regional economic communities to address trade barriers and to advance U.S.-Africa trade and investment cooperation.
- Use TIFAs with South and Central Asian countries to address persistent barriers to U.S. exports and promote practices that ensure a level playing field for U.S. exports.
- Ensure greater market access for U.S. companies in South and Central Asia, focusing on the elimination of localization requirements and other non-tariff barriers and ensure compliance with WTO obligations.
- Conduct comprehensive annual Section 1377 review of telecom barriers promoting progress in removal of major foreign barriers impeding market access of U.S. telecommunications goods and services suppliers. Maintain effort to promote elimination of internet blocking.
- Analyze and respond appropriately to petitions filed for action against perceived unfair trade barriers.
- Identify and negotiate resolution of sanitary and phytosanitary barriers to U.S. food and agriculture exports in key export markets.
- Use all appropriate tools to deliver the full benefit of IPR provisions of existing FTAs and other trade agreements to stakeholders. Priorities include the agreements with Korea, Colombia, Panama, CAFTA-DR and Chile (including obligations with transition periods) as well as progress on outstanding implementation issues under other FTAs and issue-specific agreements (China films, etc.).
- Continue robust monitoring of existing FTAs through annual Free Trade Commission meetings, with existing FTA partners such as Peru, Chile, Colombia, and Panama.
- Use engagement in fora such as the OECD, in addition to using FTA-related meetings, to press Colombia to further open its market and ensure compliance with FTA obligations.
- Conduct the annual Report to Congress on China's WTO Compliance.

- Monitor the development and implementation of EU regulations, as well as those of EU Member States and other European countries that may impact U.S. exporter access to the European Union market and engage EU and its member states to address concerns regarding changes in its regulatory environment that impact U.S. exports.
- Achieve for US beef producers the level of access to the EU market that we expected to obtain when the EU agreed to an import quota for high quality beef in the 2009 memorandum of understanding on the U.S.-EU beef hormones dispute.
- Conduct the two annual reports to Congress on Russia's WTO Implementation and on Enforcement of Russia's Obligations.
- Continue to pursue strong IPR protection and enforcement and improve market access for Americans who rely on IP protection, with U.S. trading partners including in markets identified in the Special 301 Report and those with major pending IP legislation or regulations.
- Issue a timely, high-quality report to Congress, backed by year-round engagement with trading partners, on adequacy and effectiveness of IPR protection and enforcement. Continue improvements to the Special 301 process (*e.g.*, hearings, notorious markets out-of-cycle review (OCR)). Use the Notorious Markets OCR to encourage reform by non-state actors.
- Seek meaningful progress with China on IPR and innovation issues, and related market access concerns, in line with Administration objectives.
- Vigorously defend U.S. IP interests against Antigua's threats to lift protections as part of a WTO settlement, and insist the settlement be reached through beneficial changes.
- Engage with China to achieve substantial and sustained reduction in regulatory delays in the approval of innovative pharmaceutical products and medical devices in China.
- To advance the shared goal of ensuring access to safe and high-quality medicines for patients and protect supply chain integrity, continue to engage closely with China to address the unregulated production of active pharmaceutical ingredients in China.
- Continue to coordinate with other U.S. agencies, particularly the Departments of State and Labor, to prioritize opportunities to engage with FTA partner countries to improve respect for worker rights, including by advancing efforts to reform labor laws, improve labor institutional capacity, and monitor working conditions.
- Work closely with our interagency partners, including the Departments of State and Labor, to monitor, prioritize, and engage our trade partners with respect to worker rights criteria of our trade preference programs by facilitating prompt response to GSP petitions and AGOA reviews and continuing to advance efforts on worker rights in countries of special concern.
- Engage key trade partners, including non-FTA partners such as China, Brazil, India, Malaysia, and Vietnam and stakeholders on ways to improve worker rights and working conditions in our inter-connected global economy in order to ensure a level playing field for U.S. workers and that the benefits of trade are widely shared.
- Lead a robust interagency process for monitoring implementation of FTA environment obligations across all existing FTA partners, including by identifying and prioritizing environmental and conservation issues that can disadvantage U.S. manufacturers and exporters.
- Convene environmental affairs councils and related fora under existing FTAs to monitor and review implementation of FTA partners' environmental commitments, and engage with FTA partners at senior levels on specific environmental implementation issues.
- Closely monitor the Government of Peru's implementation of its obligations under the Peru FTA Environment Chapter and Forest Annex, including its efforts to combat illegal logging and associated trade.
- Chair the Interagency Committee on Trade in Timber Products from Peru, and ensure that the Committee continues to monitor actions that Peru committed to take to address the Committee's timber verification findings and recommendations.

- Ensure that the independent secretariats established under the Colombia, Panama, and Peru FTAs to receive submissions from the public alleging that a Party is failing to effectively enforce its environmental laws are fully and effectively functioning.
- Continue USTR leadership role in CFIUS Committee in ensuring CFIUS decisions are consistent with the United States' investment policy.
- Maintain a significant role in the interagency process in raising concerns regarding potential adverse impacts of proposed cybersecurity-related legislation and policy on U.S. trade and investment interests.

### ***Goal 3: Develop Sound Trade Policy***

Consistent with the President's trade policy agenda, USTR will consult with the Congress, communicate with a wide range of stakeholders, including state and local government officials, businesses and farm groups, labor unions and non-governmental organizations, and lead interagency trade policy coordination to obtain broad-ranging input, provide accountability, and develop sound, strategic U.S. trade policies.

#### **Objectives:**

- Work with Congress, interested stakeholders, state and local governments, and the public to inform and strengthen the U.S. trade agenda, develop Administration trade policies and initiatives, and advance key trade legislation.
- Foster a robust advisory committee system by appointing, consulting and engaging with an active group of advisors.
- Educate the public on the Advisory Committee system and their role within trade policy.
- Employ constructive, consensus-building interagency coordination in the Trade Policy Staff Committee (TPSC) and the Trade Policy Review Group (TPRG).

#### **Measurements:**

- Work with the Congress on legislative initiatives, including potential renewal of the Generalized System of Preferences (set to expire on December 31<sup>st</sup>) and potential Miscellaneous Tariff Bill; provide advice on trade aspects of proposed legislation to help ensure consistency with U.S. international obligations, implement our trade agreements, and advance U.S. policies as they are developed.
- Consult closely with the Congress and stakeholders on developments regarding all bilateral agreements, including their consideration by the Congress, entry into force, and the potential addition of new bilateral agreement partners.
- Consult broadly and intensively with congressional committees of jurisdiction, other committees as appropriate, and congressional advisors on pending trade policy issues and initiatives. Keep committees abreast of key issues, opportunities, and constraints in trade negotiations. Keep committees updated on the positions of our negotiating partners.
- Effectively utilize the NSC Deputies and sub-Deputies processes to ensure USTR leadership on key Administration trade policy goals and initiatives.
- Seek to resolve interagency trade policy issues at the TPSC level whenever possible, and in a timely manner, reserving only complex or sensitive decisions for resolution in the TPRG (deputy head of agency level).
- Contribute to informed policymaking by means of a thorough and up-to-date understanding of the positions of other countries and entities based on direct contacts, input from U.S. diplomatic posts, and other sources.
- Ensure that the Annual Report of the President on the Trade Agreements Program, National Trade Estimate Report, reports on telecommunications issues, Special 301, and other reports required by statute are developed in a transparent manner, with opportunity for input from the public at large as well as stakeholders and Members of Congress, and accurately reflect the issues that are raised.
- Work with U.S. development agencies and other government agencies so that appropriate assistance programs are in place to support implementation of trade agreements and key trade legislation.

- Consult broadly with Congress and other stakeholders to develop a strategy with respect to U.S. trade interests in sub-Saharan Africa beyond AGOA preferences.
- Consult with Congress and other stakeholders on ways to expand trade and investment with the European Union, including through addressing issues of common concern in third countries.
- Consult with Congress and other stakeholders to develop and implement new initiatives for trade and investment integration with and within the Middle East/North Africa (MENA) region.
- Convene regular advisory committee meetings and briefings as needed in coordination with other relevant agencies.
- Ensure timely re-chartering of committees and appointment of members and ensure that committees meet statutory reporting requirements.
- Ensure that the advisory committee system meets the needs of the 21st century economy and the U.S. national economic interest, by seeking advisory input on an ongoing basis as issues arise and posting documents for comment to the Secured Advisory Committee Website.
- Work closely with the Trade Advisory Committee on Africa (TACA) and use it to provide relevant advice to the USTR on enhancing the U.S.-Africa trade and investment relationship.
- Work closely with other agencies to promote the capacity of African nations to take advantage of AGOA and to foster their adoption of sound trade and investment policies.
- Consult with agriculture trade advisory committees on the development and implementation of agricultural trade policy priorities.
- Maintain close collaboration with congressional trade committees, the Trade and Environment Policy Advisory Committee (TEPAC), and other stakeholders in developing U.S. negotiating positions on trade and environment matters, including in bilateral trade negotiations, APEC and WTO initiatives, and the implementation of environmental obligations in existing FTAs.
- Seek to ensure that the TEPAC represents a diverse, balanced group of stakeholder interests.
- Ensure that meetings of environmental affairs councils and related fora under our existing FTAs include sessions open to the public, and provide for public input on the agendas for these meetings.
- Maintain regular consultation with congressional trade committees, the Labor Advisory Committee for Trade Negotiations and Trade Policy (LAC), and other stakeholders on issues related to implementation of labor obligations under FTAs.
- Monitor and participate in international negotiations led by other agencies on any topics (e.g., biodiversity, traditional knowledge, and pharmaceuticals/health) where proposed inclusion of IP language implicates trade policy.
- Monitor and participate in international negotiations led by other agencies on topics affecting trade in food and agriculture, food regulations, and food and health policy.
- Monitor international negotiations led by other agencies where services and investment issues may arise.
- Take the lead in providing policy advice and assistance in support of any Congressional initiatives to reform or re-examine preference programs which have an impact on the textile and apparel sector.



## ***Goal 4: Effectively Communicate the President's Trade Agenda***

To ensure the advancement of the President's trade policy agenda, USTR will communicate the benefits of this agenda to domestic and foreign audiences, thereby building public understanding of its positive impact on economic growth and support for enforcing U.S. rights and opening markets around the world to U.S. goods, services, and agricultural products.

### **Objectives:**

- Create and implement a USTR-wide, proactive communications strategy to explain the job-supporting, economy-enhancing benefits of the President's trade policy agenda to domestic constituencies and stakeholders.
- Enhance outreach to state and local governments on the benefits of the trade agenda.
- Work with the White House and with agency partners to implement an Administration-wide message on trade policy.
- Communicate, in consultation with other agencies, the Congress and interested stakeholders, the Administration's unified message to foreign countries and their citizens explaining the benefits of trade with the United States, in order to build support for U.S. trade policies and initiatives.
- Inform stakeholders and state and local leaders of USTR's efforts to monitor and address unfair foreign trade barriers and practices, as well as compliance by trading partners with U.S. agreements.
- Communicate success to various stakeholders, including state and local elected officials.

### **Measurements:**

- Develop talking points, fact sheets, press releases, electronic newsletters and internet strategy to explain Administration trade policy goals and achievements.
- Coordinate press statements with interested agencies and the White House in order to present coherent and mutually reinforcing trade information to the public.
- Work with other trade agencies, congressional trade committees, and interested stakeholders to communicate the benefits of trade agreements and enforcement to the Congress, interested stakeholders, state and local governments, and the public.
- Identify foreign constituencies receptive to information regarding the benefits, including environmental and social benefits, of free and fair trade.
- Work with USTR's public affairs counterparts in foreign governments to coordinate a communications strategy to advance trade negotiations and to explain trade disputes.
- Continue to conduct outreach to the public and to expand interagency coordination of enforcement efforts.
- Through cooperation with other key agencies and stakeholders, work to advance the goals of the President to support more U.S. companies in exporting to more overseas markets, including through efforts to educate U.S. businesses – especially SMEs – about global trade opportunities.
- Identify ways to engage SMEs regarding trade, including through women's and law-related groups.
- Ensure full integration of services, investment, and digital trade policy goals into USTR's strategy for communicating trade benefits.

- Use speeches and other public events to make the case that our trade agreements and initiatives can and should address urgent trade-related environmental challenges, and help to level the playing field for American workers and businesses.
- Present and discuss evolving U.S. trade and investment policies in the EU and the MENA region at business conferences and widely attended meetings of key private sector stakeholder organizations and relevant embassies.
- Conduct further outreach to U.S. industry stakeholders, congressional delegations and state-level governments planning official visits and trade missions to India.
- Consult with Congress and key stakeholders on new initiatives to promote policy reforms that expand trade and investment with ASEAN countries, and lay the groundwork for bilateral discussions with countries in the region.
- Encourage greater coordination and collaboration on trade and investment decision-making in Central and South Asia.
- Continue outreach efforts in developing countries, including Afghanistan and Pakistan, to explain U.S. preference programs and encourage better utilization.
- Continue outreach to key AGOA stakeholders as part of interagency initiative to enhance trade and investment in sub-Saharan Africa, broaden our outreach to the private sector (especially SMEs), diaspora organizations and businesses, and others to ensure that they are well informed about a range of initiatives impacting U.S. trade with sub-Saharan Africa, and the growing opportunities for mutually beneficial U.S.-Africa ventures.
- Use domestic and foreign travel by senior leadership to further highlight the U.S. trade and investment goals with African partners.
- Closely collaborate with industry and other offices and Departments to monitor trade actions taken by partner countries on textiles and apparel to ensure that such actions are taken consistent with trade agreement obligations and do not impede U.S. export opportunities or undermine the U.S. domestic industry.
- Continue to work with the U.S. textile and apparel industry to promote exports and other opportunities under our free trade agreements and preference programs, by actively engaging with stakeholders and industry associations and participating, as appropriate, in industry trade shows.
- Continue to update and implement USTR's Open Government Plan.
- Respond appropriately and timely to all statutory requests, such as Freedom of Information Act (FOIA) inquiries and Government Accountability Office (GAO) investigations.

## ***Goal 5: Achieve Organizational Excellence***

Consistent with the President's goals for his entire Administration, USTR will provide the administrative processes and infrastructure that will strengthen USTR's ability to perform its core functions at the highest level of excellence, with the most qualified individuals possible, establishing a workplace that promotes diversity, initiative, creativity and productivity through the enhancement of human capital through recruitment, promotion and retention initiatives, and professional development and training opportunities.

### **Objectives:**

- Implement a security program that provides a high-degree of protection for USTR personnel, facilities and sensitive information.
- Manage resources to maximize USTR future capabilities.
- Manage USTR more efficiently and effectively.
- Provide facilities that help USTR staff become more productive.
- Install information technology and communications systems that increase USTR's productivity.
- Implement a human capital management program designed to help USTR accomplish its mission.

### **Measurements:**

- Implement a comprehensive information security program that meets E.O. 13526 and ISOO Directive One.
- Implement a physical security program that meets HSPD-12.
- Develop procedures to protect USTR personnel in high threat situations and environments and provide appropriate level of protection for the USTR office complex.
- Employ zero-based program budgeting in developing multi-year business plans.
- Manage spending plan to maximize USTR's productivity and efficiency.
- Implement the USTR strategic human capital management and succession plans and develop strategies that ensure human capital is well-managed; work closely with the ERB to capitalize on their insight and guidance.
- Perform operational responsibilities to ensure high quality administrative and human resources support.
- Adopt administrative services procedures that provide responsive and timely support to USTR staff.
- Foster a high-performing administrative staff that provides efficient and effective support to USTR offices and employees.
- Implement the long-range master plan for USTR space utilization and allocation that provides the quality and quantity of office and meeting facilities appropriate for USTR's business requirements.
- Plan for more meeting rooms to accommodate the growing need for meeting space.
- Complete USTR office complex upgrades to provide attractive, safe, and functional offices and meeting space.
- Implement building maintenance plans that facilitate mission accomplishment and promote employee health and well-being by providing clean and well-functioning facilities.
- Acquire and install information technology (IT) and communications equipment and services that facilitate mission accomplishment.

- Ensure that IT and communications systems for Geneva provide robust connectivity and continuity of operations.
- Employ just-in-time training, instructional seminars and job aids to ensure highest possible use of IT capabilities.
- Partner with the Executive Office of the President (EOP) Health and Wellness Council to encourage employee participation in EOP activities related to health and wellness.
- Implement USTR's plan to maximize employee performance per OMB memo M-17-22.
- Continue implementation of Presidential memo on "Enhancing Workplace Flexibilities and Work-Life Programs" and EOP/OMB memo "Strengthening Employee Engagement and Organizational Performance."
- Provide continued support and implement initiatives developed by USTR's Employee Viewpoint Council.

# ANNUAL PERFORMANCE REPORT FOR FISCAL YEAR 2016

## ***I. Introduction***

The Annual Performance Report for the Office of the United States Trade Representative (USTR) complies with USTR's obligations under the Government Performance and Results Act (GPRA) and helps the agency measure its performance for FY 2016.

Specific accomplishments are available in the 2017 Trade Policy Agenda and the 2016 Annual Report of the President of the United States on the Trade Agreements Program (the "Report") that was published in March 2017 and referenced as follows. The Report is available at <https://ustr.gov/sites/default/files/files/reports/2017/AnnualReport/AnnualReport2017.pdf>

The Mission Statement and Strategic Goals were published in the FY2013 – FY2017 Strategic Plan issued in 2013. The FY 2013 – FY 2017 Strategic Plan is developed in accordance with revisions made by Congress to the GPRA by the GPRA Modernization Act of 2010 and is also available at <http://www.ustr.gov>.

## ***II. Mission Statement***

USTR seeks to contribute to U.S. economic growth, competitiveness and prosperity by opening markets, fighting unfair trading practices, and reducing trade and investment barriers around the world to create new commercial opportunities for U.S. goods and services industries, workers, ranchers, and farmers.

## ***III. Summary of Strategic Goals***

### **Goal 1: Support U.S. Workers, Farmers, Ranchers and Businesses by Opening Foreign Markets and Combating Unfair Trade**

Creating new opportunities for U.S. commerce involves opening new markets, eliminating existing barriers to trade and investment, and promoting trading rules that level the playing field for U.S. businesses and workers and promote U.S. innovation and competitiveness. This objective is addressed through annual performance goals related to negotiation or implementation of trade agreements.

One major feature of this strategic goal is ensuring that emerging economies build their capacity to comply with their international trade obligations with respect to U.S. interests, including the protection of IP, the environment, and worker rights. These trade capacity building initiatives are addressed through technical assistance, training, and other support designed and executed in conjunction with other U.S. Government agencies. Our annual goals also address efforts to protect IP, worker rights and the environment through the use of cooperative activities linked to trade

agreements. Other aspects of this strategic goal affect the annual performance goals of U.S. preference systems.

Another major feature of this strategic goal is to effectively represent U.S. interests in international bodies established under multilateral and other agreements. Annual performance goals will measure the Agency's work with the World Trade Organization (WTO), the World Bank, and many other organizations.

**Accomplishments (Report):**

- The World Trade Organization, Section II, Major Issues in 2016.
- Bilateral and Regional Negotiations and Agreements, Section III, Operation of the Agreement.
- Other Trade Activities, Section III C, Small and Medium Size Business Initiative

**Goal 2: Defend American Interests by Strictly Enforcing Our Trade Laws**

A critical factor in attaining this goal is the regular review of implementation of free and fair trade agreements. Based on these reviews and input from stakeholders, USTR identifies implementation problems and strategies for addressing them expeditiously, including compliance with market access, intellectual property, customs, agricultural or industrial standards, labor, environment, and other commitments. Other annual goals speak to the identification of cases where enforcement mechanisms are the most effective means to address a problem. The National Trade Estimate (NTE) Report describes significant barriers to U.S. trade and investment as well as the actions being taken by the USTR to address those barriers. USTR's annual "Special 301 Report" entails year-round monitoring and follow-up on identified concerns regarding the state of intellectual property rights protection and enforcement in our trading partners.

**Accomplishments (Report):**

- The World Trade Organization, Section II H, Dispute Settlement
- The World Trade Organization, Section II F, Intellectual Property Rights
- Bilateral and Regional Negotiations and Agreements, Section III, Operation of the Agreement.
- Other Trade Activities, Section III.
- Trade Enforcement Activities, Section V.

**Goal 3: Develop Sound Trade Policy**

This strategic goal covers the core of USTR's important coordinating and consultative functions. By statute, USTR has primary responsibility for coordinating and implementing U.S. trade policy, including commodity matters and, to the extent related to international trade, direct investment matters and is the principal advisor to the President on international trade policy. Under the Trade Expansion Act of 1962, the President established an interagency trade policy mechanism to assist with the implementation of these responsibilities. This organization, as it has evolved, consists of two tiers of committees chaired by USTR: the Trade Policy Staff Committee (TPSC) and the Trade Policy Review Group (TPRG). The formulation of trade policy requires extensive consultation

with numerous other Executive Branch agencies, the Congress, the Advisory Committee System, sub-federal governments, the public and our trading partners.

The Advisory Committee System, established by Congress under the Trade Act of 1974, as amended, was created to ensure that U.S. trade policy and trade negotiation objectives adequately reflect U.S. commercial and economic interests. The trade policy Advisory Committee System is arranged in three tiers: the President's Advisory Committee for Trade Policy and Negotiations (ACTPN); policy advisory committees dealing with environment, labor, agriculture, sub-Saharan Africa, and state and local issues; and technical advisory committees in the areas of industry and agriculture.

The ACTPN consists of not more than 45 members who are broadly representative of the key economic sectors affected by trade. The President appoints ACTPN members to four-year terms not to exceed the duration of the charter. The ACTPN is the highest level committee in the system that examines U.S. trade policy and agreements from the broad context of the overall national interest.

Members of the policy advisory committees are appointed by USTR or in conjunction with other Cabinet members. The Intergovernmental Policy Advisory Committee (IGPAC), the Trade and Environment Policy Advisory Committee (TEPAC), and the Trade Advisory Committee for Africa (TACA) are appointed and managed by USTR. The Agricultural Policy Advisory Committee (APAC) is managed jointly with the Department of Agriculture and the Labor Advisory Committee for Trade Negotiations and Trade Policy (LAC) is managed jointly with the Department of Labor. The technical and sectoral advisory committees are organized into two areas: agriculture and industry, and are appointed and managed jointly by the U.S. Trade Representative and the Secretaries of Agriculture and Commerce, respectively.

The specific goals related to this strategic goal include ensuring that only the most sensitive or important decisions are sent to Deputies or Undersecretaries at the TPRG; consulting with Congressional Committees and staffs on the U.S. trade agenda; and responding to Congressional correspondence in a complete and timely manner. For the advisory committees, the annual performance goals related to this goal include regularly convening meetings of the advisory committees and communicating by regular conference calls with the advisory committee chairpersons to inform them of current developments. Ensuring increased opportunities for the public to comment on trade policy initiatives is another annual goal.

#### **Accomplishments (Report):**

- Trade Policy Development, Section VI B, Public Input and Transparency.
- Trade Policy Development, Section VI C, Policy Coordination and Freedom of Information Act.

#### **Goal 4: Effectively Communicate the President's Trade Agenda**

The USTR, by statute, has primary responsibility for developing and coordinating the implementation of United States international trade policy, and is the President's primary advisor and spokesperson on trade policy. The USTR is frequently called upon to provide advice to the

President, testify before the Congress, and assist state and local governmental and non-governmental interests to achieve their international trade and investment goals.

Additionally, an increase in national interest in the President's trade agenda has brought an increase in inquiries and requests from the press and public for USTR to provide information about U.S. trade policy. As trade plays an increasingly significant role in our nation's economic growth, USTR has become increasingly aware of its responsibility to communicate effectively a trade policy that is designed to create well-paying American jobs, improve the standard of living for all Americans, and enhance export opportunities for U.S. farmers, ranchers, and businesses. Several specific objectives work to support this goal. They include: the creation of a USTR proactive communications strategy to explain the benefits of the President's trade policy to domestic constituents and interest groups; the enhancement of state and local government outreach and education efforts on the benefits of such policy; an Administration-wide message on the benefits of free and fair trade; and the development, in consultation with other agencies, the Congress, and interested stakeholders, of a common message to foreign countries on the benefits of free and fair trade.

**Accomplishments (Report):**

- Trade Policy Development, Section VI B, Public Input and Transparency.
- Other Trade Activities, Section IV C 3, USTR's SME Outreach and Consultations

**Goal 5: Achieve Organizational Excellence**

Effective communication and effective implementation of the goals presented in the Strategic Plan require a workforce that is highly effective, motivated and representative of the diversity of the American population. It also requires a supportive work setting for USTR's employees, which is safe, secure, and which provides office automation tools needed for the efficient conduct of agency business. USTR's employees are its most valuable asset. To ensure a high performing workforce, USTR, through its annual performance goals, will implement multi-year goals in human capital planning, including succession planning, career and leadership development, space modernization and expansion, continuity of operations and physical security, training and information technology improvements. The Employee Viewpoint Survey will inform USTR's efforts to focus on those areas of greatest need.

**Accomplishments:**

*Implemented a security program that provided a high-degree of protection for USTR personnel, facilities and sensitive information. Completed multiple updates of USTR COOP plan as EOP-sponsored exercises were conducted; trained CERT members on procedures with new EOP COOP site; managed successful exercises at Mt. Weather. Partnered with EOP to conduct building emergency drills. Provided COOP, information security, physical security and emergency preparedness training and conducted appropriate exercises to raise the awareness and readiness of all USTR employees. Domestic negotiation rounds security plans developed and flawlessly*



implemented. Commenced acquisition to upgrade to physical access control system for Winder and 1724 F Street. Installed new classified conference capability 1724 F Street.

*Managed resources to maximize USTR future capabilities.* Managed the FY 2016 spend plan to ensure the most effective and efficient use of USTR's spending authority and best position USTR to minimize impact of potential reductions and unexpected changes in priorities. Delivered FY 2017 Congressional Budget Submission and other supporting briefs, Q&A's, etc. to fully justify USTR resource needs. Expeditiously completed all required Congressional financial and other mandated reports.

*Managed USTR more efficiently and effectively.* Worked closely with USTR Advance and proactively addressed all special conferencing needs; provided conference planning support for all meetings. Completed significant portion of declassification review for records at the Washington National Records Center to be permanently retired. Submitted update to USTR records schedules to reflect current organizational needs. Completed extensive 2016 Open Government Plan revision. Commenced lead efforts on transition planning.

*Provided facilities that help USTR staff become more productive.* Assisted GSA to ensure all special projects are completed expeditiously and with minimal impact on occupants (e.g. Winder interior doors refinishing and exterior doors replacement; Winder failed stucco lime wash removal and recoating). Designed and implemented plan to upgrade spaces in 1724 F Street 4<sup>th</sup>, 5<sup>th</sup> and 6<sup>th</sup> floors for improved utilization and work environment. Added fully outfitted nursing mothers room 1724 F Street. Continued supplying stand/sit computer workstations and ergonomic desk chairs; addressed all workplace accommodations requested by employees to their satisfaction.

*Installed information technology and communications systems that increase USTR's productivity.* Completed Geneva paper litigation records management project. Implemented new phone solution and managed a smooth migration to new information technology network. Migrated Intranet content to OMB Wiki site for improved access for employees to policies and procedures. Completed conference rooms "technology refresh" project.

*Implemented a human capital management program designed to help USTR accomplish its mission.* Provided proactive human resources analytical support and expertise to managers and employees in handling employee relations, performance, and conduct issues; ensured laws and policies were being observed. Counseled managers regarding performance issues with employees. Counseled employees regarding performance and attendance issues. Kept workforce up-to-date on major issues that may affect them, e.g. Metro SafeTrack; sought means to mitigate impact, such as encouraging use of workplace flexibilities and new Bike Subsidy policy; Zika-virus. Oversaw performance management system, providing guidance and instructions on the process, including provision of one-on-one assistance for SES performance management process. Ensured SES Performance Plans were compliant with Office of Personnel Management's new governmentwide SES Performance Management System, and that each plan was structured to assess SES members'

achievements as related to USTR goals/objectives. For Non-SES, achieved timely appraisals from all supervisors. Obtained recertification of SES Performance System. Results of the 2016 Employee Viewpoint Survey indicated that USTR continues to improve. Employee Viewpoint Committee successfully addressed important issues; included actions as called for in the Presidential Memorandum on Enhancing Workplace Flexibilities and Work-Life Programs. Updated numerous policies, e.g. Compensatory Time Off for Travel Policy, Leave Policy adding Right to Request (maximizing workplace flexibilities and benefits for maternity, adoption and foster care), Telework Policy and Telework Agreement forms (requirement to telework during government closures and allowing all employees to participate). Provided guidance and information to managers and employees on such matters as: position classification and position management, pay administration, leave administration, and disability retirement - providing accurate, and individually tailored information to requesters. Expedited numerous hiring actions to fill high-priority vacancies, including a number of SES positions.

## GLOSSARY OF ACRONYMS

AD.....	Antidumping
AGOA.....	African Growth and Opportunity Act
APEC.....	Asia Pacific Economic Cooperation
ASEAN.....	Association of Southeast Asian Nations
ATC.....	Agreement on Textiles and Clothing
ATPA.....	Andean Trade Preference Act
ATPDEA.....	Andean Trade Promotion & Drug Eradication Act
BIA.....	Built-in Agenda
BIT.....	Bilateral Investment Treaty
BOP.....	Balance of Payments
CACM.....	Central American Common Market
CAFTA.....	Central American Free Trade Area
CAFTA-DR.....	Dominican Republic-Central America Free Trade Agreement
CARICOM.....	Caribbean Common Market
CERT.....	COOP Emergency Response Team
CBERA.....	Caribbean Basin Economic Recovery Act
CBI.....	Caribbean Basin Initiative
CFTA.....	Canada Free Trade Agreement
CITEL.....	Telecommunications division of the OAS
COMESA.....	Common Market for Eastern & Southern Africa
CSC.....	Capital Sharing Cost
COOP.....	Continuity of Operations
CTE.....	Committee on Trade and Environment
CTG.....	Council for Trade in Goods
CVD.....	Countervailing Duty
DDA.....	Doha Development Agenda
DSB.....	Dispute Settlement Body
DSU.....	Dispute Settlement Understanding
E-3.....	Expanded Economic Engagement Initiative
EAC.....	East African Community
EAI.....	Enterprise for ASEAN Initiative
EFTA.....	European Free Trade Association
EOP.....	Executive Office of the President
EU.....	European Union
FOIA.....	Freedom of Information Act
FTA.....	Free Trade Agreement
FTAA.....	Free Trade Area of the Americas
FTE.....	Full-Time Equivalent

GATS.....	General Agreements on Trade in Services
GATT.....	General Agreement on Tariffs and Trade
GDP.....	Gross Domestic Product
GEC.....	Global Electronic Commerce
GPA.....	Government Procurement Agreement
GSA.....	General Services Administration
GSP.....	Generalized System of Preferences
ICASS.....	International Cooperative Administrative Support Services (cost allocations by State Department for services rendered)
HLWG.....	U.S.-EU High Level Working Group on Jobs and Growth
IFI.....	International Financial Institutions
ILO.....	International Labor Organization
IPR.....	Trade in Services Agreement
TiSA.....	Trade in Service Agreement
ICTIME (the “Center”).....	Interagency Center on Trade Implementation, Monitoring, and Enforcement
ITA.....	Information Technology Agreement
ITC.....	Information and Communication Technology
ITEC.....	Interagency Trade Enforcement Center
JCCT.....	U.S.-China Joint Commission on Commerce and Trade
LDBDC.....	Least Developed Beneficiary Developing Country
MAI.....	Multilateral Agreement on Investment
MENA.....	Middle East and North Africa
MERCOSUL/MERCOSUR.....	Southern Common Market
MFA.....	Multifiber Arrangement
MFN.....	Most Favored Nation
MOSS.....	Market-Oriented, Sector-Selective
MOU.....	Memorandum of Understanding
MRA.....	Mutual Recognition Agreement
NAFTA.....	North American Free Trade Agreement
NEC.....	National Economic Council
NEI.....	National Export Initiative
NGO.....	Non-Governmental Organization
NIS.....	Newly Independent States
NSC.....	National Security Council
NTE.....	National Trade Estimates
NTR.....	Normal Trade Relations
OA/CIO.....	Office of Administration/Chief Information Officer
OA/CFO.....	Office of Administration/Chief Financial Officer
OAS.....	Organization of American States
OECD.....	Organization for Economic Cooperation and Development

OMB.....	Office of Management and Budget
OPIC.....	Overseas Private Investment Corporation
PNTR.....	Permanent Normal Trade Relations
PSD.....	Presidential Study Directive
ROU.....	Record of Understanding
S&ED.....	U.S.-China Strategic and Economic Dialogue
SACU.....	Southern African Customs Union
SADC.....	Southern African Development Community
SES.....	Senior Executive Service
SME.....	Small and Medium Size Enterprise
SPS.....	Sanitary and Phytosanitary Measures
SRM.....	Specified Risk Material
TAA.....	Trade Adjustment Assistance
TABD.....	Trans-Atlantic Business Dialogue
TACD.....	Trans-Atlantic Consumer Dialogue
TAEVD.....	Trans-Atlantic Environment Dialogue
TALD.....	Trans-Atlantic Labor Dialogue
TBT.....	Technical Barriers to Trade
TEC.....	Transatlantic Economic Council
TEP.....	Transatlantic Economic Partnership
TICFA.....	Trade and Investment Cooperation Forum Agreement
TIFA.....	Trade & Investment Framework Agreement
TIP.....	Trade and Investment Partnership
TISA.....	Trade in Services Agreement
TPA.....	Trade Promotion Authority
TPC.....	Trade Policy Committee
TPP.....	Trans-Pacific Partnership
TPRG.....	Trade Policy Review Group
TPSC.....	Trade Policy Staff Committee
TRIMS.....	Trade Related Investment Measures
TRIPS.....	Trade Related Intellectual Property Right
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UAE.....	United Arab Emirates
UNCTAD.....	United Nations Conference on Trade & Development
UNDP.....	United Nations Development Program
URAA.....	Uruguay Round Agreements Act
USDA.....	U.S. Department of Agriculture
USITC.....	U.S. International Trade Commission
USTR.....	Office of the United States Trade Representative
VRA.....	Voluntary Restraint Agreement
WAEMU.....	West African Economic & Monetary Union

WB..... World Bank  
WTO ..... World Trade Organization