

Executive Office of the President



Office of the United States Trade Representative

Fiscal Year 2017 Budget

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

Salaries and Expenses
Resource Estimates Fiscal Year 2017
Congressional Budget Submission
February 2016

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FY 2017 BUDGET JUSTIFICATION

Summary

The Office of the United States Trade Representative (USTR) is directly responsible to the President for the development and achievement of the Administration's trade policy agenda. 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.

The President has laid out the most ambitious trade agenda in a generation, anchored by proposed landmark agreements with partners in the Asia-Pacific and the European Union. In FY 2017, USTR will work to implement the President's trade agenda and continue to make trade policy a powerful contributor to the achievement of the President's strategy for supporting additional jobs, increasing growth, and strengthening the middle class while promoting our interests and values abroad.

Sustainably supporting such growth over the long term requires an aggressive, multifaceted approach that combines far-reaching, strategic negotiations to open key foreign markets with consistent work to keep markets open, including the implementation and monitoring of trade agreements and robust assertion of U.S. rights in the rules-based system of global trade

USTR's work is a net benefit to the U.S. economy. The trade agenda includes implementing the Trans-Pacific Partnership (TPP) agreement, concluding the Transatlantic Trade and Investment Partnership (T-TIP) agreement, eliminating tariffs on information technology products and environmental goods, and liberalization of trade in services. These will help American workers, farmers, artists, and businesses gain more access to nearly two-thirds of the world economy. Our TPP and T-TIP partners make up a market that is estimated to grow in real terms by \$3.0 trillion between 2015 and 2020; they are the source of approximately 85 percent of foreign direct investment (FDI) in the United States, employing nearly 5 million Americans; they already buy nearly 60 percent of U.S. exports. The TPP and T-TIP agreements have the potential of increasing U.S. exports by hundreds of billions annually when fully implemented. Each billion dollars of increased exports supported between an estimated 5,200 and 7,000 jobs in 2014. The Peterson Institute for International Economics estimates that implementation of the 12-nation TPP pact would increase U.S. real income by \$131 billion as U.S. exports are projected to rise by \$357 billion, or 9.1 percent over baseline projections by 2030, when most of the tariff cuts and other commitments are phased in.

Keeping America on track for sustainable, long-term job-supporting economic growth requires an aggressive, multifaceted approach. American businesses achieved record exports for five consecutive years, with exports reaching an all-time high of \$2.3 trillion in 2014, and supporting an estimated 11.7 million jobs. U.S. exports declined in 2015 on a nominal basis, but taking into account price fluctuations, it was slightly up. U.S. trade negotiations and trade enforcement actions are key to helping U.S. exporters continue to make gains through improved access to foreign

markets and level-playing fields abroad.

USTR's budget is essentially composed of people and travel. Seventy-eight percent of USTR's FY 2016 spend plan is personnel costs and about 10 percent is travel. Administrative overhead is already low; therefore insufficient mission resources will directly curtail USTR's ability to engage globally. Sustained funding will be necessary to fill remaining gaps and aggressively implement TPP, finalize T-TIP, and monitor and enforce our trading rights that were vigorously pursued and achieved under trade agreements.

For FY 2017, the estimated funding requirement for USTR is \$59,376,000 and a full-time equivalent (FTE) level of 248. This request is \$4,876,000 (or 8.9 percent) above the FY 2016 enacted appropriation of \$54,500,000. The proposed staffing level for FY 2017 of 248 is 8 above the FY 2016 enacted level.

The increased request is primarily driven by two factors. First, USTR will have significant costs associated with implementing, monitoring and enforcing (M&E) new trade agreements made since FY 2012 for 14 countries (Panama, Colombia and South Korea and the 11 countries of the TPP) and advancing trade initiatives with China, East Asia, Southeast Asia, sub-Saharan Africa, the Middle East and Northern Africa, South and Central Asia, European Union and India. Second, it reflects the anticipated authorization for the Interagency Trade Enforcement Center (ITEC) functions and provision for a new source of resources available to USTR to monitor and enforce trade agreements.

A well-prioritized trade policy, focused on key opportunities for increasing American exports and jobs, on opening markets, reducing barriers and boosting innovation, and based on the principles of a rules-based global system is contributing to the President's economic agenda for America. Our goal is sustainable economic growth that brings home the benefits of trade – including well-paying jobs – while also advancing global recovery. This will be done consistently with our values, including the rights of workers, environmental sustainability, and political accountability.

Trade Policy Focus Areas – FY 2017

USTR's ability to move on all of these initiatives, especially free trade agreement negotiations with the European Union (T-TIP) and implementing TPP, is instrumental to the success of the President's trade agenda. Sufficient resources are necessary to fulfill USTR's critical task of opening markets for American goods and services by producing high-standard, job-supporting trade agreements, holding trading partners to their commitments as we have promised the American people we will do, and eliminating trade barriers that keep American products and services out of foreign markets. Enhanced engagement is vital to maintaining the United States' longstanding leadership in the global trading system and strengthening our ability to advance U.S. interests.

USTR will pursue these goals chiefly through the following program initiatives:

Trans-Pacific Partnership (TPP): Under the President's leadership and in close consultation with Congress, USTR concluded Trans-Pacific Partnership (TPP) Agreement negotiations, the cornerstone of our Asia-Pacific trade policy. The TPP is a high-standard, comprehensive regional trade agreement that will boost U.S. exports to the dynamic Asia-Pacific region; level the playing field including by promoting fair competition and high labor and environment standards; and advance core U.S. values related to transparency and rule of law. In addition to the United States, the TPP includes Australia, Brunei Darussalam, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, and Vietnam. We are currently working to gain Congressional approval of TPP, and during FY 2017 we expect to begin implementing the agreement with the current TPP partners and engaging with other Asia-Pacific countries that have expressed interest in joining.

European Union (EU) Initiatives: In June 2013, the United States and the EU launched negotiations on a Transatlantic Trade and Investment Partnership (T-TIP) Agreement, which is aimed at comprehensively reducing or eliminating bilateral trade and investment barriers, including both tariff and non-tariff barriers, while maintaining each side's high standards of regulatory protection. The United States and the EU together comprise approximately 825 million consumers and account for one-third of world trade and almost half of world GDP. USTR seeks to conclude T-TIP negotiations with the EU by the end of CY 2016. A successful T-TIP agreement will create a more integrated transatlantic marketplace, boosting export, jobs, and growth on both sides, and promote common U.S.-EU approaches to global trade challenges of shared concern, including with respect to third markets.

Monitor and Enforce U.S. Rights under the World Trade Organization (WTO) and Other Agreements: USTR will monitor the implementation of multilateral, plurilateral, and bilateral trade agreements by U.S. trading partners and engage in vigorous advocacy to break down unfair trade barriers around the world, as well as pursue and defend WTO and other trade disputes to enforce U.S. rights in the rules-based international trading system. Vigorous monitoring and enforcement efforts enhance U.S. economic, labor, and environmental interests, secure commercial opportunities for U.S. businesses, workers, farmers, and service suppliers, support U.S. jobs, break down foreign barriers to U.S. exports, and provide a means to address foreign trade-restrictive and protectionist policies. A sustained focus on enforcement may result in an increase in the scope and scale of disputes that USTR brings to the WTO, and we anticipate a concomitant substantial number of disputes to be brought against the United States. Wins in five WTO disputes over the past 18 months will require close monitoring, bilateral engagement, and potentially further dispute proceedings, to ensure full compliance by our trading partners so that U.S. companies and workers receive the benefits USTR has negotiated in our trade agreements. USTR will promote U.S. compliance with its international trade agreements and vigorously defend U.S. federal and state actions (including trade remedies, technical regulations, health and safety regulations, and financial support programs) when challenged in dispute settlement proceedings.

WTO Trade Facilitation Agreement: USTR will help to implement an agreement that can offer hundreds of billions of annual global GDP growth. U.S. efforts will include monitoring implementation and providing financial and technical support for developing countries. Diminished barriers that impose high trade costs and long delays on traders will result in increased bilateral trade, greater export diversification, enhanced foreign investment and improved national competitiveness.

Trade in Services Agreement (TiSA): USTR will conclude and implement the TiSA. Led by the United States, Australia and the EU, TiSA is under negotiation in Geneva with 23 participants representing 75 percent of the world's \$44 trillion market for services. With every \$1 billion in U.S. services exports supporting an estimated 7,000 jobs, the United States has much to gain by expanding trade in services. TiSA can help by deepening the U.S. economic relationship with each of the participants while establishing new rules that enable U.S. service suppliers to compete on a level playing field around the world.

WTO Environmental Goods Agreement (EGA): USTR will finalize negotiation of the EGA and begin implementation. As directed in the President's Climate Action Plan and launched in July 2014, the United States is working with the world's largest traders of environmental goods, representing nearly 90 percent of this \$1 trillion market, to negotiate an agreement within the WTO that will eliminate tariffs on products such as solar panels, wind turbines, and water treatment filters. By eliminating tariffs on the goods that we need to protect our environment, such as renewable and clean energy technologies, we can make them less expensive and more accessible, and level the playing field for U.S. exporters. The EGA is also a demonstration of the types of fresh, credible approaches to negotiations in the WTO that the United States supports in order to maintain momentum in Geneva.

Expansion of Information Technology Agreement (ITA): USTR will ensure implementation of agreed staged tariff reductions among participating WTO Members for products covered by successful expansion in ITA product scope that will eliminate tariffs on approximately \$1.3 trillion in annual global trade.

Middle East and Northern Africa (MENA) Trade and Investment Partnership (TIP): TIP will increase trade and investment between the United States and the MENA region, and within the region, promote deeper integration of MENA economies (beyond the five existing U.S. free trade agreement partners) with the U.S. and European markets, and explore the potential for constructing a "regional trade arrangement" for those countries willing to adopt high standards of trade liberalization and reform.

Interagency Trade Enforcement Center (ITEC): Using focused expertise, ITEC will contribute to enhanced enforcement activities in coordination with all USTR offices and appropriate U.S. government agencies. Given enhanced monitoring and enforcement activities in FY 2017, we expect, as a result, increased ability to address unfair trade practices and barriers without the need for formal dispute settlement.

Sub-Saharan Africa Initiatives: USTR will effectively implement initiatives provided in the new and enhanced AGOA legislation passed in June 2015, including an AGOA eligibility out of cycle review of South Africa, drafting several reports to Congress, and undertaking a process (announced at the August 2015 AGOA Forum in Gabon) to determine ways to enhance the long term U.S.-Africa trade and investment relationship beyond AGOA. Advance the Trade Africa initiative, with the East African Community (EAC) as well as six new partners (Cote d'Ivoire, Ghana, Mozambique, Senegal, Zambia, and the Economic Commission of West African States (ECOWAS)) announced during President Obama's July 2015 trip to Africa.

Unilateral Preference Programs: USTR will implement changes provided by the June 2015 extension and modernization of the African Growth and Opportunity Act (AGOA) and the Generalized System of Preferences (GSP) trade preference programs to help improve country and product utilization of the programs, and provide greater flexibility, transparency, and accountability in AGOA's implementation.

South and Central Asia Initiatives: USTR will pursue greater regional connectivity through our Central Asia Trade and Investment Framework Agreement (TIFA) and WTO membership for all Central Asian countries. Utilizing the significant potential for market opening under the new, reformist minded Indian government, USTR will continue efforts to accelerate growth in bilateral trade and investment flows.

China Initiatives: USTR will complete Bilateral Investment Treaty (BIT) and WTO Government Procurement Agreement (GPA) negotiations; consider issues related to possible Chinese membership in other plurilateral and regional agreements; and confront on-going bilateral challenges.

Russia/Eurasian Economic Union (EAEU) Initiatives: Currently bilateral discussions on trade and commercial ties with Russia are suspended. Notwithstanding that status, USTR will continue to monitor and oppose Russia's increasingly protectionist posture, where possible, and work to ensure that the EAEU evolves in a manner that is consistent with WTO rules and respects the views of all member States.

Eurasia Initiatives: USTR will deepen engagement with Ukraine and countries in the Caucasus to support their economic security in the face of Russian aggression.

East Asia and Southeast Asia Initiatives: USTR will advance bilateral and regional initiatives with large and emerging East Asian markets, including Japan, Korea, Indonesia, Philippines, and Thailand, as well as the Association of Southeast Asian Nations (ASEAN), to remove market barriers, secure new opportunities for U.S. exporters, and elevate trade and investment standards in the region.

Western Hemisphere Initiatives: USTR will pursue additional export opportunities through TIFA and related meetings with Caribbean Community and Common Market (CARICOM), Uruguay and Paraguay. USTR will broaden and deepen trade and economic cooperation with Brazil through the Agreement on Trade and Economic Cooperation (ATEC), promote economic development and trade through the U.S. preference program for the Caribbean, and support the WTO Accession process for Bahamas.

Monitor and Enforce Existing Free Trade Agreements: USTR will place special emphasis on ensuring that all U.S. free trade agreement partners, including Korea, Colombia and Peru, Central America and the Dominican Republic (CAFTA-DR), fully comply with our trade agreements and that the twelve (12) TPP countries implement their TPP commitments as that Agreement enters into force.

Asia-Pacific Economic Cooperation (APEC) forum: USTR will expand trade and investment initiatives with a focus on promoting the digital economy, enhancing services liberalization, strengthening regulatory coherence, improving supply chain performance, and addressing non-tariff barriers impacting trade in environmental goods and services.

Labor Rights Global Initiative: USTR will further advance efforts to implement a global sector-specific program to improve respect for labor rights and working conditions, in coordination with labor, business, NGO, and other private sector stakeholders.

Agriculture and Sanitary and Phytosanitary Measures (SPS) Initiative: USTR will expand exports of U.S. food and agricultural products by focusing on resolving unwarranted sanitary and phytosanitary barriers in key export markets, and create plurilateral initiatives in key agriculture sectors, e.g., organic and new technologies, to create common approaches to regulation and trade.

Program Initiatives

Six major goals are accomplished through 20 program initiatives that represent the key activities of USTR.

I. Negotiations: Creating Well-Paying American Jobs by Securing New Markets Abroad

USTR's team of trade negotiators help to create well-paying jobs for American workers, farmers, ranchers, and service providers by securing high-standard, binding commitments from our trading partners to open their markets to U.S. goods and services exports. These market-opening efforts have been made increasingly important by the establishment of the President's National Export Initiative/NEXT, which aims to create two million additional American jobs through the increase of American exports. USTR negotiators are simultaneously pursuing four kinds of market-opening trade agreements: multilateral negotiations with 157 Members in the World Trade Organization (WTO); bilateral and multilateral Free Trade Agreements (FTAs) such as those recently brought into force with Korea and Colombia, as well as the Trans-Pacific Partnership and the Transatlantic Trade and Investment Partnership agreement currently under negotiation; Bilateral Investment Treaties (BITs) such as those currently in progress with China, India, and Mauritius, as well other types of agreements, including Trade and Investment Framework Agreements; and WTO accession negotiations for prospective WTO Members.

This goal is pursued through the following four program initiatives:

- WTO Negotiations
- Free Trade Agreements (FTAs) and Other Trade Agreements
- Bilateral Investment Treaties (BITs)
- Advancing WTO Accession Negotiations

World Trade Organization Negotiations

The Doha Development Agenda (DDA or Doha Round) negotiations have been one of the Administration's primary initiatives for seeking new market access around the world for exports of American goods and services. Since their launch in 2001, the Doha Round has aimed to reduce trade barriers in order to expand global economic growth, development, and opportunity. However, 15 years into the negotiations, it is unlikely that the Doha Round will achieve the results that we have been seeking, and the time has come for the United States to lead the WTO toward alternative, creative pathways to advance our objectives, both in terms of new market access and new rules. We view the future of WTO negotiations to focus on individual plurilateral negotiations in areas such as market access, including agricultural and industrial tariffs and non-tariff barriers, and rules, including building on TPP and TTIP results on regulatory coherence, fisheries subsidies, state-owned enterprises, etc.

USTR participates in WTO and WTO-related negotiations to ensure that the United States attains acceptable agreements and to shape an acceptable future negotiating agenda for the WTO. Moreover, the U.S. must fully participate in the WTO negotiations and alternative negotiations,

such as the TISA, ITA expansion, the Environmental Goods Agreement (EGA), and a variety of new plurilateral initiatives, to ensure that the United States negotiates fully in those agreements to achieve outcomes that will fully reflect and advance U.S. interests; decisions must not be contrary to U.S. economic and commercial interests. U.S. involvement will result in favorable international perceptions and understanding of U.S. trade leadership and objectives, which will bolster other U.S. international trade objectives that the Administration seeks.

A key impediment to progress remains the continued resistance of certain important trade partners to engage in sustained, meaningful negotiations. The United States has pressed certain advanced developing economies, including China, India and Brazil, to make contributions commensurate with their growing role in the global economy. Whatever the next steps in the WTO or WTO-related negotiations, the effort to engage bilaterally with these and other leading members of the WTO will require sustained attention and U.S. leadership in order to achieve greater clarity and bridge gaps as well as to push back against proposals and other initiatives that are adverse to U.S. interests.

Free Trade Agreements (FTAs) and Other Trade Agreements

USTR negotiates FTAs and other bilateral, regional, and sectoral trade agreements to provide new trade and investment opportunities for U.S. businesses, farmers, and ranchers, to address new and emerging problems in the global trading system, and to support the creation and maintenance of American jobs. These agreements are intended to further U.S. economic interests, including by promoting innovation and competitiveness, encouraging new technologies and emerging economic sectors, providing opportunities for increased participation of small- and medium-sized businesses in trade, supporting the development of efficient production and supply chains that include U.S. firms, encouraging firms to invest and produce in the United States, and promoting regulatory coherence and cooperation among the countries party to the agreements. The intellectual property and innovation disciplines provided in such agreements are critical for advancing these interests. Through these trade negotiations, USTR also addresses other key policy priorities such as development, workers' rights, and environmental protection and conservation.

USTR must conduct face-to-face negotiation of bilateral, regional and sectorial trade agreements – key job-supporting opportunities for our economy. In the past, successfully concluded FTAs have significantly increased job-supporting exports – by 421 percent with Jordan, by 591 percent with Chile, and by 550 percent with Israel (from year before entry into force to 2012). FTAs also give the U.S. government a dispute settlement mechanism, a strong enforcement tool to address exporters' concerns, as well as the concerns of the environmental and labor communities. On a broad scale, a successful TPP agreement among the original 12 members and then with additional Asia-Pacific economies will create and lock in benefits for U.S. exporters in the world's fastest growing economies; and a successful T-TIP negotiation would cement the U.S.-EU trade and investment relationship, already the world's largest, an even stronger driver of U.S. prosperity. Concluding these and future trade agreements will create the necessary export opportunities for American workers, farmers, and businesses and assist efforts to support the creation and retention of U.S. jobs.

U.S. competitors, including notably the EU and China, are negotiating trade agreements around

the world. As a result, failure to conclude additional bilateral and regional trade agreements will put U.S. goods and services exporters and U.S. workers at a disadvantage, hurting their export opportunities and resulting in lost market share to competitors from third countries. This includes the need to advance U.S. intellectual property and innovation objectives. In addition, these important opportunities are necessary to bolster labor rights, enhance environmental protection and conservation of wildlife, forests and our oceans, and promote transparency as well as innovation in the TPP and other regions, and to develop with the EU joint approaches to challenges in the international trading system on which we have common concerns.

Bilateral Investment Treaties (BITs)

International investment pays large and important dividends for the U.S. economy and for American workers: increasing exports, supporting the creation of jobs, raising wages, and improving productivity. With statutory responsibility for the development, negotiation, and implementation of U.S. international investment policy, USTR works to maximize the benefits of international investment to U.S. companies and American workers, while ensuring that other important public policy interests are not compromised. Protection of investors and investment is essential to ensure that U.S. firms and workers can compete on a level playing field and are treated according to the rule of law in foreign markets. One crucial way USTR achieves these benefits and protections is by negotiating bilateral investment treaties (BITs) in a co-lead relationship with the State Department. BITs and free trade agreements (FTAs) with investment chapters provide enforceable legal rules regarding one country's treatment of investors and investment from another country. These treaties protect U.S. investment abroad, encourage the development of market-oriented policies in partner countries that treat U.S. investment in an open, transparent and non-discriminatory way, and promote U.S. exports and investment.

BIT negotiations provide key opportunities to open foreign markets, protect U.S. investors abroad, increase U.S. exports, and support the creation of U.S. jobs will be lost. Facilitating and protecting bilateral investment through treaty negotiation is critical to maximizing trade's economic benefits. This Administration is currently pursuing the most significant negotiations in the history of the U.S. BIT program. For example, successful BIT negotiations with China and India would address key investor concerns in these large and critical markets, such as restrictions on foreign investment, arbitrary government conduct, technology transfer requirements, and lack of transparency in the rules and procedures governing foreign investment. Failing to achieve successful BIT negotiations with China and India would leave U.S. investors on an increasingly skewed playing field without the same international legal protections that are (or soon will be) provided to competing investors from Australia, Canada, Colombia, Finland, Germany, Japan, Korea, Mexico, the Netherlands, New Zealand, Peru, and other countries that have recently negotiated, or are currently negotiating, investment agreements with China and India.

The potential regional investment treaty with the EAC is a key element of the Administration's Trade Africa initiative, and builds on the USTR-led U.S.-EAC Trade and Investment Partnership. A U.S.-EAC investment treaty would be the first regional investment treaty, and could serve as a model for investment-related work in other regions of sub-Saharan Africa. Similarly, the President's MENA trade and investment initiative envisions significant USTR efforts to promote U.S. investment ties with the region and investment integration more broadly among relevant

developed countries and MENA transition countries as well as regional strategic partners, including Turkey and the Gulf Cooperation Council countries. The ability of USTR to pursue these goals through negotiation of new or revised BITs provides a key focus of planned U.S. engagement with this critical region.

Advancing World Trade Organization Accession Negotiations

World Trade Organization (WTO) accession negotiations offer the United States the single most important opportunity to secure meaningful market access from potential new WTO Members for America's farmers, ranchers, workers, producers, and businesses. USTR leads U.S. efforts to negotiate the terms of WTO accessions, currently underway with Bosnia, Afghanistan, Ethiopia, Liberia, and 22 other governments, to ensure predictable, transparent and rules-based access for U.S. exporters to these markets. Past WTO accession negotiations with China, Russia, Taiwan, Saudi Arabia and 33 other applicants have secured valuable market access and expanded observance of international trading rules that favor U.S. exports.

Successfully conducting WTO accession negotiations will greatly enhance the ability of U.S. negotiators to secure terms favorable to U.S. exporters, directly underpinning the President's initiative to substantially increase exports and stimulate export-led economic growth. U.S. involvement in accession talks is critical to the integrity of WTO rules that the United States worked for decades to put in place, with tangible results in terms of market access and confidence by U.S. agricultural and business stakeholders in the value of a rules-based trading system. Accession talks can be resource-intensive, requiring significant travel funding over time to conduct the requisite face-to-face negotiations and work through often complex implementation packages; talks with accession applicants in Central Asia and the Middle East/North Africa region have been particularly protracted. The accession processes for Ethiopia, Iraq, and Liberia have also been challenging. U.S. leadership is vital to securing high-standard, market-access-creating accession packages with new WTO Members. No other WTO Member can fulfill this important role.

II. Enforcement: Bringing Home the Promise of Additional Jobs Supported by America's Trade Agreements

Once the United States has entered into an international trade agreement, the permanent task of implementing that agreement and realizing its promised benefits – including new export opportunities, American job creation, increased wages, and economic growth – begins. USTR's vigilant and constant monitoring and enforcement of trade agreements and of Americans' trading rights around the world is essential to creating and supporting well-paying jobs for American workers, farmers, ranchers, and service providers. USTR's enforcement work is focused on three areas: pursuing WTO rights, including as appropriate through disputes, monitoring and enforcing FTAs, and monitoring and enforcing other international trade agreements. For example, working in partnership with other agencies, USTR enforcement efforts have addressed hundreds of agricultural, intellectual property, standards, import licensing, and other trade barriers for the benefit of our workers and businesses. In the area of dispute settlement, USTR has prevailed in three important WTO disputes involving Argentina's import licensing requirements and restrictive trade-related requirements potentially affect billions of dollars in U.S. exports to Argentina each year, India's ban on various U.S. agricultural products allegedly to protect against avian influenza, and China's compliance actions following WTO findings in 2012 that China's duties on high-tech steel were inconsistent with WTO rules (duties that contributed to over \$250 million in annual export losses for American steel exporters). In another dispute, after prevailing in a WTO challenge to China's export duties and quotas on rare earths and other materials, USTR successfully secured implementation by China when it eliminated its export duties and quotas. And in 2015, USTR launched WTO challenges against China concerning its "Demonstration Bases-Common Service Platform" program that appears to provide prohibited export subsidies to manufacturers and producers across economic sectors and sub-sectors located in industrial clusters, moved forward with a WTO dispute settlement panel to examine Indonesia's wide-ranging import restrictions on fruits and vegetables, animal products, and other agricultural products, and launched a WTO challenge to address China's measures exempting certain aircraft produced in China from value-added tax (VAT), while imposing those taxes on imported aircraft.

This goal is pursued through the following four program initiatives:

- WTO Disputes and Improving the WTO Dispute Settlement System
- Administering, Monitoring, and Enforcing FTAs and Other Trade Agreements in Effect
- Implementing WTO Agreements and Participating in the Committee Process
- Monitoring and Addressing Emerging Trade Issues and Creating New Opportunities

WTO Disputes and Improving the WTO Dispute Settlement System

USTR coordinates and leads the Administration's activities in identifying, monitoring, enforcing, and resolving the full range of international trade issues to ensure that American workers, farmers, ranchers, and businesses receive the maximum benefit under our international trade agreements, using a variety of tools including bilateral, plurilateral, and multilateral advocacy, consultations, negotiations, and litigation through formal dispute settlement proceedings. Those trade agreements include multilateral agreements under the auspices of the WTO, and the vast majority of formal U.S. dispute settlement actions seeking to enforce U.S. international trade rights are

taken under the dispute settlement procedures of the WTO. USTR also defends the United States when another WTO Member challenges actions by the United States that allegedly breach WTO rules. In light of concerns expressed by the Executive and Legislative Branches in relation to certain interpretations in reports adopted by the WTO, USTR seeks to improve the system through participation in particular disputes and participation in negotiations on improving WTO dispute settlement rules.

USTR's efforts to vigorously address foreign trade barriers have resulted in a significant number of disputes and unparalleled results. Since 2009, USTR has brought 20 WTO complaints, more than any other WTO Member, and prevailed in every single dispute decided to date. Those complaints have focused on key, strategic markets, such as China (11 complaints), India (3 complaints), and Indonesia (3 complaints), aiming to bring billions of dollars in opportunities to U.S. exporters in industries including autos, poultry, aircraft, horticulture, beef, steel, green technologies (including solar and wind power), electronic payment services, and others.

USTR must adequately enforce U.S. rights under the WTO Agreement and other U.S. trade agreements, other governments, including those with large markets such as China, Russia, India, and Brazil. This role is critical to ensuring that foreign trading partners are not tempted to close or restrict with impunity their markets to U.S. products, services and intellectual property. In the case of China, for example, the WTO dispute settlement process is a key lever for addressing many of that country's numerous trade-restrictive, trade-distortive, and protectionist industrial policies, which can have significant adverse commercial effects on U.S. businesses and workers. The development of disputes with respect to the trade policies of China, however, requires a very significant commitment of time and resources to conduct Chinese-language research, translate uncovered legal measures, and analyze the WTO consistency of such measures. The non-transparent nature of China's trade regime makes these enforcement initiatives especially difficult, time-consuming and resource-intensive. Nonetheless, USTR initiated two new disputes against China in 2015, won a victory in the first-ever challenge to Chinese compliance actions (in a high-tech steel dispute), and achieved the successful implementation in another dispute (on export restraints on rare earths and other products); USTR continues to actively investigate trade barriers of concern. Moreover, it is necessary to monitor closely China's implementation actions following an adverse WTO dispute or compliance with bilateral agreements related to a dispute, otherwise there is the potential to undermine a lasting, effective resolution of the issues that initially gave rise to the dispute.

USTR's effective participation in all disputes, including those in which it is a third party (i.e., not a disputing party), and its active participation in negotiations on improving dispute settlement rules, reduces the likelihood of further WTO reports adopting interpretations that add to the obligations of the United States, contrary to U.S. national interests.

Administering, Monitoring, and Enforcing FTAs and Other Trade Agreements in Effect

USTR implements, administers, monitors, and enforces U.S. rights under FTAs and other trade agreements to ensure that the United States derives the full benefits its trading partners committed to provide, and maximizes other benefits for the United States. Under this Administration, USTR also has emphasized monitoring and enforcing the environmental, labor, and intellectual property

rights commitments under such agreements. A list of U.S. trade agreements can be found annexed to USTR's Annual Report. In the event that USTR believes that a trade agreement partner is failing to comply with its trade agreement obligations, and bilateral or plurilateral engagement fails to resolve the issue, USTR may, where provided for in that agreement, elect to bring the matter before a dispute settlement panel convened under the relevant agreement to decide the dispute. USTR also defends the United States in those instances in which another government institutes dispute settlement proceedings challenging a U.S. measure.

USTR's efforts to fully monitor and enforce U.S. rights under FTAs and other trade agreements, which includes attending robust discussions at FTA committee meetings and other fora established under these trade agreements, ensures that American farmers, ranchers, manufacturers, service providers, creators, innovators, and workers do not lose export and other commercial opportunities won for them in these agreements. If approved, implementing the TPP Agreement – and its ambitious provisions with 11 Asia-Pacific trading partners – will be a critical focus in FY17. The hard-earned environmental, labor, intellectual property rights protections, market access, and other provisions of TPP and other agreements must not be placed at risk. Therefore, USTR must adequately investigate and engage with FTA partners to address concerns arising from public submissions filed under FTA labor and environment chapters and to proactively monitor FTA commitments on labor, environment, and intellectual property.

USTR's development of issues through extensive consultations with industry and other stakeholders enables the U.S. to seek resolution of these concerns in bilateral and multilateral standing committees and other venues. These consultations substantially increase the quality and quantity of information on those issues, as well as facilitate efforts to resolve them with our trading partners. Our ability to pursue dispute settlement cases, and the ability to defend the United States against claims under these agreements, will minimize the risks of significant economic harm to U.S. businesses and workers, and enable the President to advance his trade agenda, including pending FTAs and new and ongoing trade negotiations. USTR's monitoring and enforcement activities increases public confidence in the Administration's overall trade policy and the Agency's credibility on these issues with Congress.

Implementing WTO Agreements and Participating in the Committee Process

USTR works in WTO committees and councils to secure U.S. trade interests and guard against efforts by other WTO Members to shift the balance of rights and obligations under WTO agreements as those agreements are applied by Members. One of the most important priorities is implementation of the new WTO Trade Facilitation Agreement. This will require significant resources to assess how other countries are implementing its far-reaching reforms. Other important examples include the TBT and SPS Committees, where the United States works to resolve dozens of market access barriers affecting U.S. exporters of agricultural and industrial products each year. In the Subsidies Committee, the United States is taking the lead in pressing China, Russia, and Vietnam to adhere to their transparency commitments with respect to their respective industrial subsidy policy regimes.

USTR's participation in WTO committee procedures and discussions provides the United States the principal means for resolving trade issues and ensuring more transparent trade policy regimes

to the benefit of American farmers, workers and businesses, particularly as these issues involve emerging developing countries. USTR must play a robust role in the way in which WTO Members elaborate on existing trade rules, and USTR's involvement ensures that WTO obligations remain consistent with U.S. policies and are not detrimental to trade.

USTR's Geneva Mission must participate in all important Committee meetings. In particular, the Mission must aggressively follow-up on several on-going U.S. initiatives in the WTO Subsidies Committee, directed at pressing China to abide by its transparency commitments in the context of its industrial subsidy policies, increasing understanding of whether China is abiding by its WTO subsidy commitments. Likewise, USTR representation at the TRIPS Council promotes IPR protection, prevents efforts by U.S. opponents to undermine IPR protections, and presses for full and effective TRIPS Agreement implementation.

Monitoring and Addressing Emerging Trade Issues and Creating New Opportunities

To fulfill its trade enforcement responsibilities, USTR monitors market and trade developments in the United States and worldwide. Through this monitoring, USTR identifies and works to remove barriers to new export opportunities for farmers, ranchers, workers, service providers, and businesses in the markets of our foreign trading partners. USTR also identifies and analyzes trade issues in a number of natural resource-related areas, including marine resources and forestry, and monitors and coordinates comments on draft standards-related measures at the WTO that can have an adverse impact on U.S. exports. USTR similarly monitors and takes appropriate action to address inadequate or ineffective protection of intellectual property rights, and innovation-related trade concerns. USTR is also charged with anticipating emerging issues that may not be addressed by existing trade rules and with developing appropriate proposals to do so.

USTR's leadership of trade-related regulatory cooperation activities across the interagency, provides critical opportunities to break down trade barriers, ensure adherence to the rules and retain American jobs that otherwise may be lost. New issues not covered under current initiatives must be addressed, maximizing the potential for U.S. companies to compete effectively in the global marketplace. USTR monitoring of services and investment issues as well as intellectual property and innovation issues enable adapting negotiation objectives to address new trade barriers. USTR must fully assist exporters and address these and other trade issues before they become problems, avoiding reduced opportunities for exports.

USTR needs the appropriate level of resources – including litigators, negotiators, trade analysts, and researchers (including with foreign language capability) – to ensure that the United States receives the full benefits of the trade agreements it negotiates which serve to support additional higher-paying American jobs, and overall economic growth. We continue to conclude additional trade agreements, each of which require USTR to increase its capabilities to monitor and enforce. Ensuring that the TPP countries, the EU (T-TIP countries), Colombia, Korea and Panama and our other trade agreement partners carry out their FTA commitments to the United States will further the President's National Export Initiative. Implementing and enforcing high labor and environment standards and protecting U.S. intellectual property rights in foreign markets also are Presidential and Administration priorities. USTR's efforts through this initiative also support and

strengthen a global rules-based trading system.

In order to enhance the ability of the United States to monitor and enforce existing trade agreements, the President established the Interagency Trade Enforcement Center (ITEC) by Executive Order with a “whole of government” approach to trade enforcement. ITEC leverages expertise from various Federal agencies to that end. USTR has worked closely with ITA (International Trade Administration), a unit of the Department of Commerce, to operate ITEC since FY 2012. Beginning in FY 2013, ITA received funding to expend for ITEC’s monitoring and enforcement activities. If Congress authorizes USTR full responsibility for the operation of ITEC, USTR will assume certain expenses here-to-date handled by ITA under its budget authority (e.g. certain personnel, translation costs). Based on current assumptions regarding sole USTR responsibility for ITEC, USTR would require an additional \$3.1 million on an annualized basis to maintain the current capability of ITEC, which is reflected in the FY 2017 request.

III. Congress: Partnering to Pursue Legislative Priorities, Advising on Trade-Related Legislation, and Fulfilling Statutory Obligations

USTR's strong partnership with Congress is essential to achieving the President's trade agenda. Given Congress's Constitutional authority over matters of foreign commerce, USTR is in regular and intensive coordination with Congress to shape trade negotiating objectives, pursue legislative priorities, shape and advise on trade related legislation, and fulfill other statutory requirements. This robust Congressional partnership is important not only for forming new trade policies and negotiations, but also for monitoring and implementing existing policies. Strong relationships with USTR's committees of jurisdiction – the Senate Finance Committee and the House Ways and Means Committee – are essential to a successful Administration trade policy.

This goal is pursued through the following three program initiatives:

- Pursuing Legislative Initiatives, Including Congressional Approval of Pending FTAs
- Advising on Trade Aspects of Proposed Legislation and Regulations
- Identifying and Addressing Trade Barriers and Providing Congressionally Mandated Reports

Pursuing Legislative Initiatives, Including Congressional Approval of Pending FTAs

USTR works with Congress, partner agencies, stakeholders and trading partners to secure legislation necessary to implement pending free trade agreements (FTAs), authorization of trade preference programs, such as the Generalized System of Preferences (GSP) and the African Growth and Opportunity Act (AGOA), and other trade-related initiatives of importance to the President. USTR, for example, drafts the relevant provisions of FTA implementing legislation, and the extensive accompanying documentation, that the President submits to Congress. For these and other trade initiatives, USTR staff, testifies at committee hearings, appears at formal and informal committee mark-ups, and advises Members of Congress, staff, and the public regarding FTAs and other trade initiatives. The importance of USTR's work with Congress in this Administration is exemplified by Congressional enactment of the U.S. FTAs with Korea, Panama, and Colombia; development of proposals to advance negotiations on the Trans-Pacific Partnership (TPP) Agreement, the Trade in Services Agreement, and the Transatlantic Trade and the Investment Partnership (T-TIP); and legislation on extending trade promotion authority.

USTR intends to continue the robust Congressional-Executive partnership on trade policy matters and build support for Administration trade priorities. This coordination and work is vital to USTR's ability to win the Congressional approval necessary to implement free trade agreements, including TPP, and many other trade initiatives.

Advising on Trade Aspects of Proposed Legislation and Regulations

USTR reviews and provides agency views to relevant Congressional committee staff, as well as to the Office of Management and Budget (OMB), on proposed legislation ranging from food safety and chemical regulation to trade sanctions that may implicate Administration trade policy or U.S.

commitments under international trade agreements. USTR also works with Congressional committee staff on drafting legislation related to trade matters. In addition, USTR reviews, and provides comments and suggestions, to OMB addressing the trade law and policy implications of proposed federal agency regulations. USTR works with the Congress, OMB and relevant agencies to ensure that new legislative and regulatory measures serve the interests of American agriculture, business, labor, environment, and intellectual property stakeholders, and are consistent with U.S. international trade rights and obligations. Trade preference legislation is a critical part of this initiative. USTR staff review draft Congressional testimony by officials of other agencies regarding pending legislation for consistency with Administration trade policy, and develop testimony for USTR officials in connection with legislation that Congress is considering.

To carry out its legislative and regulatory review functions, USTR must participate in the legislative review process as required by OMB circular A-19, and the review process for significant regulations under Executive Orders 12866 and 13563. USTR's advice on proposed or pending legislation and regulations assists Congress and U.S. regulators to avoid measures that may violate U.S. trade obligations and subject U.S. businesses and workers to harmful trade retaliation, and potentially reduce exports, job creation, and economic growth.

Identifying and Addressing Trade Barriers and Providing Congressionally Mandated Reports

USTR is required by statute to produce multiple, annual reports and reviews regarding U.S. trade policy. Together, these identify the chief trade barriers to U.S. exports maintained by our key trading partners, as well as the Administration's efforts to reduce or eliminate them through negotiation, consultation, and dispute settlement. These reports include:

- The National Trade Estimate (NTE), including specific reporting on Sanitary and Phytosanitary (SPS) Barriers and Technical Barriers to Trade
- Protection and enforcement of intellectual property rights/Special 301 and Out of Cycle reviews and Notorious Markets reports
- China WTO Compliance
- Section 1377 Review
- Russia's WTO Compliance and Enforcement of Russia's WTO Commitments
- The President's Trade Policy Agenda and Annual Report
- Government Performance and Results Act (GPRA), and others (e.g., Subsidies, China WTO, CBI, Haiti HOPE II, greenhouse gas reduction technologies)

By fulfilling this initiative, the Administration carries out its statutory reporting requirements. USTR uses these opportunities to promote Congressional cooperation by producing in-depth, comprehensive reports on key trade issues.

IV. Supporting American Values: Boosting Small Businesses; Defending Labor Rights; Protecting the Environment and Building the Foundation for a Clean Energy Economy; and Fostering Development

USTR's trade work directly supports many of the Administration's broader policy priorities, including the encouragement of job creation by small businesses. USTR is also working through trade preference and trade capacity building programs to support the President's prioritization of international development; building the foundation for a clean energy economy, tackling the issue of climate change, protecting our environment through green goods and services negotiations; and vigorously encouraging strong labor rights world-wide.

This goal is pursued through the following three program initiatives:

- Encouraging America's Small and Medium Enterprises (SMEs) to Export
- Supporting Development, Environmental Protection, Clean Energy, and Labor Rights Goals
- Advising and Supporting Other Administration Initiatives

Encouraging America's Small and Medium Enterprises (SMEs) to Export

Small- and medium-sized enterprises (SMEs) are the primary source of jobs for Americans and the backbone of the U.S. economy. Yet while the vast majority of U.S. businesses are small or medium-sized, these firms account for a relatively small share of U.S. exports. USTR is working to better enable these businesses to grow and to generate jobs through international trade. USTR is collaborating with interagency partners on SME trade activities through the TPSC and on the Export Promotion Cabinet Plan through the Trade Promotion Coordinating Committee. An agency-wide working group is ensuring that policymaking and enforcement better serve SMEs.

This Administration promised a trade agenda that is more responsible and more responsive to the needs of American workers, families, and businesses. American companies of all sizes must export their goods and services to get our economy growing again. SMEs are at the heart of employment and job creation in the United States, and so USTR must provide a heightened focus on helping this sector compete globally, helping to "level the playing field" and create more and better-paying jobs at home. USTR's heightened focus on securing greater export opportunities for America's SMEs, including through negotiating and implementing FTAs such as the TPP, T-TIP, and other regional and bilateral initiatives, many of these businesses can capitalize on opportunities in the global marketplace. Foreign trade barriers that present particular obstacles for small and mid-sized U.S. firms will be addressed.

Supporting Development, Environmental Protection, Clean Energy, and Labor Rights Goals

USTR supports the Administration's sustainable development goals through its work on trade and development, environmental protection and advancing clean energy, combating illegal logging and wildlife trafficking, and protecting and advancing labor rights. USTR ensures that the world's poorest regions do not lose a proven means to encourage sustainable economic growth, and that the United States does not lose a central element of our foreign and security policies placing tens of thousands of

U.S. jobs in peril. USTR's advice on policy within the global development strategy requires extensive interagency coordination to ensure that developing countries are not faced with conflicting policy requests from U.S. agencies or disadvantaging U.S. exports. USTR pursues key labor and environmental objectives, which frequently require on-the-ground monitoring and implementation efforts, and face-to-face negotiation and coordination with trading partners, to meet Administration objectives in these areas, and provide opportunities to create green jobs, to promote green technologies and to level the playing field for U.S. workers, as well as the opportunity to shape social, environmental and political policies.

Advising and Supporting Other Administration Initiatives

USTR provides advice and supports Administration initiatives beyond direct trade negotiations through its role in developing and coordinating U.S. international trade, commodity, and foreign investment policy. USTR provides trade policy advice to the President and other federal agencies on such matters as customs procedures and rules of origin, trade remedies, regulatory cooperation, technical standards, agriculture, sanitary and phytosanitary measures, services and investment, international labor rights, intellectual property rights, trade-related environmental measures, industrial subsidies, government procurement, trade and development, technical barriers to trade, renewable/sustainable energy sources, food security, health-related regulations, emerging technologies (e.g., nanotechnology, synthetic biology, SmartGrid, green buildings, electric vehicles), cybersecurity, internet governance, cross-border data flows, trade capacity building, export promotion, economic development, and rule of law.

USTR is a core member of the new interagency development policy infrastructure. USTR ensures that the President's trade priorities are adequately taken into account in that context. USTR's participation ensures that Administration initiatives are developed without conflict with U.S. trade obligations and therefore minimizes the potential for trade retaliation, otherwise directly damaging U.S. businesses and their ability to export their products. Moreover, properly taking into account U.S. stakeholders' interests increases support for Administration trade policy priorities, with positive implications for U.S. workers, farmers, and producers.

V. Supporting U.S. International Engagement: Enhancing and Building Relationships

USTR defends and advances the Administration's overall international policy goals through robust engagement in bilateral and regional economic fora. Work in these fora strengthen our overall relationships with China, Japan, India, the European Union, and other key countries through vigorous dialogue on strengthening trade and investment cooperation.

This goal is pursued through the following two program initiatives:

- Conducting Multilateral and Bilateral Fora and Initiatives
- Trade and Investment Framework Agreements (TIFAs)

Conducting Multilateral and Bilateral Fora and Initiatives

USTR addresses trade issues, promotes U.S. trade objectives, and ultimately helps to create and sustain well-paying trade-related jobs in the United States through engagement in numerous multilateral and bilateral high-level forums, including the U.S.-China Joint Commission on Commerce and Trade (JCCT), Asia-Pacific Economic Cooperation (APEC) forum, Association of Southeast Asian Nations (ASEAN), the U.S.-Sub-Saharan Africa Trade and Economic Cooperation (AGOA) Forum and the G-20. USTR both leads and coordinates with other relevant U.S. government agencies to develop and negotiate strategic trade and investment goals for both bilateral and multilateral groups as well as environmental and commodity-based fora. These advocacy actions ensure that U.S. business, farmers, labor, environment, and intellectual property interests are appropriately addressed in multilateral and bilateral forums and initiatives.

USTR'S participation in international fora enables the United States to influence international trade policy formulation, avoiding decisions that conflict with U.S. interests. USTR addresses trade issues and potential violations of international trade obligations that are contrary to U.S. interests. This is critical to our nation's role in multilateral economic and trade institutions and protection of U.S. trade interests as well as relationships with key partners. Effective implementation of treaty obligations is vital. USTR must continue to lead U.S. government policy for international commodity agreements. In APEC, for example, USTR participation maximizes the ability of the United States to advance its trade interests in the Asia-Pacific. The AGOA Forum is the only annual high-level dialogue between the United States and our sub-Saharan African partners on economic issues, and our participation greatly increases our influence and trade interests in the fast-growing region.

Trade and Investment Framework Agreements (TIFAs)

Trade and Investment Framework Agreements (TIFAs) are strategic frameworks for dialogue between the United States and other countries covering the full range of trade and investment issues. Although the names of these agreements vary, they all serve as a forum for the United States and other governments to meet and discuss issues of mutual interest with the objective of improving cooperation, enhancing opportunities for trade and investment, and attempting to resolve concerns before formal dispute resolution might be considered. In addition, these agreements often provide an

economic security component to the Administration's broader strategic security objectives (e.g., support for Ukraine, Georgia and Moldova in the face of Russian aggression). Topics for discussion include removing barriers to U.S. exports, expanding market access for U.S. services and investment, addressing labor rights issues, improving intellectual property rights protection and enforcement, increasing environmental protections, and providing technical assistance to developing countries seeking to build capacity, diversify exports, improve regional economic integration (where appropriate), and pursue reform oriented trade agreements.

TIFAs underpin our short- and long-term economic (and broader strategic) interests in important regions of the world, and enable us to explore new initiatives to build U.S. trade relationships, open foreign markets to U.S. exports, address and resolve key trade and investment barriers and strengthen economies around the world. These help advance key Administration initiatives such as the National Export Initiative, the Partnerships for Growth, and the Expanded Economic Engagement (E3) Initiative with ASEAN.

For example, in Southeast Asia, limited resources has made it difficult to sustain engagements with key ASEAN countries who are not party to the TPP negotiations such as Indonesia, Thailand, and the Philippines, despite the increasing importance of the region to America's strategic and economic future and the Administration's re-balance to Asia. At a time when Indonesia is imposing new market access barriers, U.S. companies are encountering numerous difficulties in Indonesia's market, and the United States is involved in two WTO disputes involving Indonesia. Similarly, the Administration has worked to strengthen the economies of Ukraine and countries in the Caucasus region to bolster their ability to respond to Russia's aggression. Increased travel to these countries will help provide much needed guidance and technical assistance to these strategically important countries.

VI. Transparency, Outreach, and Coordination: Winning Support for Sound Trade Policies and Creating a More Open and Responsive Government

A key element of USTR's responsibility for developing and coordinating U.S. trade policy is outreach and communication to key stakeholders and the public, both for purposes of developing policy in an open and transparent manner to ensure sufficient public support for the Administration's trade policy goals. USTR supports the Administration's goals for a more open and transparent government through these activities, as well as in its statutory role of interagency policy coordination. USTR also supports transparency and openness through timely responses to priority Freedom of Information Act (FOIA) requests and Government Accountability Office (GAO) investigations.

This goal is pursued through the following four program initiatives:

- Increasing Understanding, Participation, Collaboration and Transparency
- Developing and Coordinating Trade Policy and Participating on Trade-Related Boards
- Managing and Responding to High-Priority Statutory and Administrative Requests
- Providing Administrative Support

Increasing Understanding, Participation, Collaboration and Transparency

To ensure both the open and transparent development and the eventual implementation of an effective trade policy agenda for the President, USTR performs numerous outreach activities, primarily through its Office of Intergovernmental Affairs and Public Engagement and through its Office of Public and Media Affairs. Numerous other USTR offices, including the Office of Economics and Policy and the Office of Congressional Affairs, play key roles under this objective. A number of USTR outreach activities are statutory requirements; many others are proactive initiatives to ensure public participation in and support for the Administration's trade policy goals. This initiative includes operation of the private sector advisory committee system to ensure that U.S. trade policy and trade negotiation objectives adequately reflect U.S. commercial and economic interests and other equities that impact our competitiveness in global trade.

USTR must engage and inform the public on Administration trade policy. The Administration's credibility and relationship with stakeholders and with the public at large is vital to avoid weakening public and political support for the President's trade policies and goals. In particular, congressional support for USTR's work across the spectrum of international trade policy is vital. Particularly in the context of increased calls for transparency in trade negotiations, diminishing stakeholder and media outreach capability would heighten domestic concerns about the policymaking process and threaten the ability of the Administration to undertake and bring to fruition job-supporting trade initiatives. Internationally, especially in the various trade fora in which the United States participates, without a robust communication initiative, other governments and private sector actors would have an unfettered ability to frame positions to suit their objectives rather than those of the United States. Ultimately, these shortcomings would endanger the realization of a robust U.S. trade agenda essential to the support of American jobs and economic recovery.

Developing and Coordinating Trade Policy and Participating on Trade-Related Boards

Under this program, USTR provides interagency trade policy expertise and leads or participates in interagency processes through several mechanisms and groups, including the following:

- National Economic Council (White House policy coordination)
- Trade Policy Review Group (TPRG)
- Trade Policy Staff Committee (TPSC)
- Trade Promotion Coordination Committee (TPCC)
- President's Trade Policy Agenda
- Committee on Foreign Investment in the United States (CFIUS)
- Overseas Private Investment Corp (OPIC)
- Export-Import Bank
- Millennium Challenge Corporation (MCC)
- White House Council on Women and Girls

By statute, USTR leads the interagency process in development and implementation of U.S. trade policy. The TPSC and TPRG, established in the Trade Act of 1974, are the primary vehicles to accomplish these objectives, in conjunction with the NSC-led Deputies process. Through the TPSC/TPRG, USTR provides trade policy leadership and expertise across the full range of interagency initiatives to clear USTR's positions and resolve disputes with 20 other agencies. These are crucial initiatives that affect trade-related policies on services, goods, investment, agriculture, intellectual property, labor, and environment, and are related to exports, job creation, and the national economy. USTR's participation on trade-related boards, such as the MCC, is also required by statute. MCC programs provide an opportunity to encourage good trade and investment policy in developing countries. USTR's participation in trade-related committees, such as the TPCC, ensures Administration initiatives and decisions are consistent with U.S. trade policy and U.S. international obligations.

USTR's government-wide coordination on trade issues helps ensure successful outcomes consistent with Administration trade policy goals and with the international trade obligations in which USTR has unique expertise. USTR must meet the appropriate expectations of Congress and interested agencies regarding interagency participation in the trade policy development process. Therefore, effective and coordinated communication is essential.

Managing and Responding to High-Priority Statutory and Administrative Requests

USTR is required by law to respond to statutory requests, such as inquiries under the Freedom of Information Act (FOIA) and Government Accountability Office (GAO) investigations/reports and to give them a high priority. These activities advance the transparency of trade policy development and implementation. GAO investigations, in particular, facilitate Congressional oversight in implementation of trade statutes as well as development and implementation of U.S. trade policy. Administrative litigation assistance and counsel involves close coordination with the Department of Justice. This requires legal research and advice; drafting agreement texts, reports, and court briefs; preparing legal analyses, options, talking points, and related materials; coordination within USTR,

with other agencies, and with external stakeholders; review of potentially disclosable documents including possible application of statutory exemptions and administrative guidance on disclosure.

USTR works to meet Congressionally-mandated statutory responsibilities, and thereby not placing the Administration in violation of these requirements. This avoids costly litigation for failure to respond to a request under the FOIA within the statutory time frame. Fully participating and representing USTR interests in GAO investigations enhances the credibility of the Administration's commitment to partnership with Congress in trade policy. This leads to accurate views in Congress regarding U.S. trade policy, as well as increasing credibility of the Executive Branch's faithful implementation of statutory directives. This minimizes potential enactment of legislation by the Congress that may be counterproductive to U.S. interests.

Providing Administrative Support

This initiative provides for the administrative and management support and services that support proper functioning of USTR. These include finance, budget and travel, human resources, facilities management, security (personal protection, physical, and information), continuity of operations, emergency preparedness, information technology and communications systems, and general administrative services. All USTR employees, in both Washington, DC and overseas locations, are directly served by this program. USTR employees in Geneva and Beijing receive much day-to-day support on-site from their host U.S. embassy/mission, but are provided budgetary, policy, IT and related support directly from USTR headquarters in Washington, DC. Also included are the mandated government-wide initiatives of improving employee engagement and wellness and implementing an electronics records management system.

USTR response to workforce and management requirements is central to the effective functioning of the Agency. Daily and long-term operations of USTR and implementation of the President's Trade Policy Agenda must have the requisite administrative support. Such major initiatives include implementation of the TPP and negotiations with other countries interested in joining the TPP, negotiation and implementation of the T-TIP, and operation of ITEC. Progress on relevant Administration management goals including government-wide initiatives for improving employee engagement and wellness is critical to all USTR employees. USTR has ranked at or near the bottom of all small agencies in the Employee Viewpoint Survey since 2012 and attention to these issues is a primary importance to the leadership.

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), and has a representative in Brussels serving as the U.S. Trade Representative 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 by USTR through the Trade Policy Review Group (TPRG) and the Trade Policy Staff Committee (TPSC). These groups, 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 as Vice Chairman of 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; 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, [\$54,500,000]\$59,376,000, 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. (*Commerce, Justice, Science and Related Agencies Appropriations Act, 2016.*)

SUMMARY OF FY 2017 BUDGET REQUEST

(In thousands of dollars)

| | FY 2015 Enacted | FY 2016 Estimate | FY 2017 Estimate | FY16/FY17 Difference |
|--------|--------------------|---------------------|---------------------|-------------------------|
| Budget | 54,100 | 54,500 | 59,376 | 4,876 |

FTE Levels by Fiscal Year

| | FY 2015 Actual | FY 2016 Estimate | FY 2017 Estimate | FY16/FY17 Difference |
|-----|-------------------|---------------------|---------------------|-------------------------|
| FTE | 228 | 240 | 248 | 8 |

SUMMARY OF RESOURCE REQUIREMENTS

(in thousands of dollars)

| | FY 2015 Actual | FY 2016 Estimate | FY 2017 Estimate | FY16/17 % Increase |
|------------------------------------|-------------------|---------------------|---------------------|-----------------------|
| Trade Coordination and Negotiation | 47,494 | 47,513 | 52,294 | 10.1% |
| Geneva Trade Negotiations | 5,586 | 5,770 | 5,872 | 1.8% |
| Beijing Trade Negotiations | 1,020 | 1,217 | 1,210 | (0.6)% |
| Total Direct Program | 54,100 | 54,500 | 59,376 | 8.9% |

SUMMARY OF OBLIGATIONS BY OBJECT CLASSIFICATION

(in thousands of dollars)

| | FY 2015 Actual | FY 2016 Estimate | FY 2017 Estimate | FY16/17 Difference |
|--|-------------------|---------------------|---------------------|-----------------------|
| Personnel Compensation & Benefits | 40,450 | 42,548 | 44,912 | 2,364 |
| Travel and Transportation of Persons | 6,022 | 5,455 | 6,000 | 545 |
| Transportation of Things | 8 | 4 | 4 | 0 |
| Rental Payments to GSA | 0 | 0 | 499 | 499 |
| Comm., Utilities, & Misc. Charges | 1,921 | 1,109 | 1,144 | 35 |
| Printing and Reproduction | 114 | 152 | 152 | 0 |
| Other Contractual Services | 4,291 | 3,867 | 5,805 | 1,938 |
| Supplies and Materials | 1,047 | 366 | 416 | 50 |
| Official Reception and Representation | 91 | 124 | 124 | 0 |
| Equipment | 155 | 575 | 120 | (455) |
| Land and Structures | 0 | 300 | 200 | (100) |
| Insurance Claims and Indemnities | 1 | 0 | 0 | 0 |
| Total | 54,100 | 54,500 | 59,376 | 4,876 |
| Reimbursement | 528 | 600 | 600 | 0 |
| Total | 54,628 | 55,100 | 59,976 | 4,876 |

**Summary of Financial Changes
By Object Class**

Personnel Compensation and Benefits

(In thousands of dollars)

| FY 2015 Actual | FY 2016 Estimate | FY 2017 Estimate | FY16/17 Difference |
|-------------------|---------------------|---------------------|-----------------------|
| 40,450 | 42,548 | 44,912 | 2,364 |

The estimated fiscal year FY 2017 funding requirement for USTR payroll is \$44,912,000 which represents an increase of \$2,364 or 5.6 percent from FY 2016. The increase reflects 8 additional FTE in FY 2017. With USTR’s assumption of responsibility for ITEC, Commerce Department detailee staffing will change to USTR funded positions. In addition, USTR plans to add additional staffing to support increased negotiating and enforcement work anticipated in FY 2017.

Travel and Transportation of Persons

(In thousands of dollars)

| FY 2015 Actual | FY 2016 Estimate | FY 2017 Estimate | FY16/17 Difference |
|-------------------|---------------------|---------------------|-----------------------|
| 6,022 | 5,455 | 6,000 | 545 |

International travel is critical to fulfilling the President’s trade agenda. USTR anticipates the completion of the Trans-Atlantic Trade and Investment Partnership (T-TIP) negotiations during CY 2017. In addition, USTR anticipates that TPP will be in force in FY 2017. As a result, USTR will work to ensure that the participating countries are in compliance with the agreement. This can only be assured by frequent engagement visiting the member countries. At the same time, there may be preparatory consultations and negotiations with potential new TPP partners.

Trade in Services Agreement (TiSA) negotiations will be concluded and implemented during the year. A sustained focus on enforcement should increase the scope and scale of disputes that USTR brings to the WTO in Geneva, and USTR anticipates a concomitant substantial number of disputes to be brought against the United States. In addition, USTR’s increased responsibility for ITEC will impact travel requirements. Monitoring implementation of multilateral, plurilateral and bilateral trade agreements by U.S. trading partners will continue to require travel resources to be successful.

Increased travel spending will be necessary for negotiations in many parts of the world including, but not limited to, the APEC forum, BIT negotiations with China, implementation of WTO obligations, and increased engagement in East Asia, Sub-Saharan Africa and Middle East and North Africa (MENA).

Transportation of Things
(In thousands of dollars)

| FY 2015 Actual | FY 2016 Estimate | FY 2017 Estimate | FY16/FY17 Difference |
|-------------------|---------------------|---------------------|-------------------------|
| 8 | 4 | 4 | 0 |

Transportation of Things covers storage and courier costs.

Rental Payments to GSA
(In thousands of dollars)

| FY 2015 Actual | FY 2016 Estimate | FY 2017 Estimate | FY16/FY17 Difference |
|-------------------|---------------------|---------------------|-------------------------|
| 0 | 0 | 499 | 499 |

Undertaking responsibility for ITEC will require increased staffing resources. USTR office space is currently at full capacity in its two locations in Washington. USTR’s previous rental of ITEC office space was terminated due to the FY 2013 sequestration which made continued funding unsustainable. ITEC staff were consolidated into USTR office space with an investment in space modifications. Currently, USTR’s permanent staffing, inclusive of detailees and interns, has increased limiting internal space options.

Communications, Utilities, and Miscellaneous Charges
(In thousands of dollars)

| FY 2015 Actual | FY 2016 Estimate | FY 2017 Estimate | FY16/FY17 Difference |
|-------------------|---------------------|---------------------|-------------------------|
| 1,921 | 1,109 | 1,144 | 35 |

Communications, Utilities and Miscellaneous Charges consist of data, voice and wireless communications from commercial sources, equipment leasing, and housing costs for Chief of Mission, Geneva. Telecommunications costs (data and wireless services) and Geneva Mission housing represent the largest individual items. Document center equipment leases in Washington and Geneva represent the next largest category of spending. The FY 2017 increase largely results from the addition of 8 FTEs.

Printing and Reproduction

(In thousands of dollars)

| FY 2015 Actual | FY 2016 Estimate | FY 2017 Estimate | FY16/FY17 Difference |
|-------------------|---------------------|---------------------|-------------------------|
| 114 | 152 | 152 | 0 |

Printing and reproduction costs are expected to remain constant. USTR has recurring annual printing costs related to 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. As higher printing requirements occurred in FY 2016 due to outreach communication of the TPP agreement, it is expected that the same requirement will be necessary with the completion of the T-TIP agreement.

Other Contractual Services

(In thousands of dollars)

| FY 2015 Actual | FY 2016 Estimate | FY 2017 Estimate | FY16/FY17 Difference |
|-------------------|---------------------|---------------------|-------------------------|
| 4,291 | 3,867 | 5,805 | 1,938 |

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), security, office equipment maintenance, training, and professional service contracts. In FY 2017, USTR's increase will be driven by the assumption of ITEC responsibilities. The largest anticipated requirements will be for translation services which is estimated to cost \$1 million. There will be a significant need for expert advice and guidance which will be obtained through coordinated work with our embassies for contracted consultant services. These costs are estimated at \$0.8 million. Technical expertise will be required for research and analytic studies that will be critical to WTO disputes and is estimated at \$0.1 million. The staff recruitment process for ITEC will require security clearances and training of new personnel.

State Department's ICASS program charges back agencies that benefit from overseas administrative services, thereby ensuring effective operations at its more than 200 diplomatic and consular posts abroad. Additionally, the Department of State charges federal agencies CSC costs to construct new embassies and consulates and to renovate existing facilities to withstand ever-evolving threats against U.S. personnel and property. These combined costs alone amount to \$2 million.

Supplies and Materials

(In thousands of dollars)

| FY 2015 Actual | FY 2016 Estimate | FY 2017 Estimate | FY16/FY17 Difference |
|-------------------|---------------------|---------------------|-------------------------|
| 1,047 | 366 | 416 | 50 |

Supplies and materials account for \$416,000 in FY 2017. Higher spending in FY 2017 is necessary for obtaining proprietary databases and subscriptions required for conducting effective ITEC activities. Supplies include subscription services for proprietary trade information that are not available to the public and requires payment of fees and license fees for online information services necessary as part of the work requirements.

Official Reception and Representation

(In thousands of dollars)

| FY 2015 Actual | FY 2016 Estimate | FY 2017 Estimate | FY16/FY17 Difference |
|-------------------|---------------------|---------------------|-------------------------|
| 91 | 124 | 124 | 0 |

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

Equipment

(In thousands of dollars)

| FY 2015 Actual | FY 2016 Estimate | FY 2017 Estimate | FY16/FY17 Difference |
|-------------------|---------------------|---------------------|-------------------------|
| 155 | 575 | 120 | (455) |

There is a decrease of \$455,000 in costs for this category in FY 2017. In FY 2016, USTR is carrying out an efficiency plan to reconfigure and upgrade offices in its 1724 F Street location. There will be a modest increase in desk space. In addition, USTR will be undertaking a major project to increase security in the Winder building. Once completed, outlays in FY 2017 will return to more historic levels.

Land and Structures

(In thousands of dollars)

| FY 2015 Actual | FY 2016 Estimate | FY 2017 Estimate | FY16/FY17 Difference |
|-------------------|---------------------|---------------------|-------------------------|
| 0 | 300 | 200 | (100) |

There is a decrease of \$100,000 in costs for this category in FY 2017. USTR plans to lease outside space to accommodate its increased staffing requirements. USTR anticipates improvements to the leased space will be required to accommodate our needs.

FISCAL YEAR 2017 GOALS AND MEASUREMENTS

USTR's 2017 Annual Performance Goals and Measurements support the overarching Strategic Goals and Objectives drawn from its Strategic Plan.

Goal 1: Create and Sustain Better U.S. Jobs by Opening Foreign Markets

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 support the President's National Export Initiative (NEI/NEXT) by opening export markets around the world and reducing trade and investment barriers and distortions by negotiating, concluding and implementing multilateral, regional and bilateral trade agreements, 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 intent and objectives of U.S. trade law.
- Integrate developing economies, economies in transition, and emerging economies into the global rules-based trading system, encouraging key emerging economies to take trade and investment actions consistent with their growing roles in the global economy, while helping other economies build their capacity to realize the full benefits of trade liberalization and protect the environment and worker rights.
- 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:

- Build on the results of the 10th World Trade Organization (WTO) Ministerial Conference by finding additional opportunities to revitalize the trade negotiation dimension of the WTO, including through use of new and creative negotiating approaches, working in different configurations as necessary.
- Work with WTO Members to foster full and effective implementation of the WTO Trade Facilitation Agreement.
- Provide policy guidance and support for the ongoing committee work at the WTO and other international organizations to effectively represent U.S. interests.
- 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 the Congress.

- Implement tariff elimination commitments undertaken via agreement to expand the list of products subject to duty elimination under the Information Technology Agreement.
- Advance negotiations under the Trade in Services Agreement (TiSA) to open foreign markets, create new opportunities for U.S. exporters, and encourage the adoption of policies that promote fair and open competition in international markets for services.
- Conclude and work to implement the WTO Environmental Goods Agreement to eliminate tariffs on products such as wind turbines and solar water heaters and create new opportunities for U.S. exporters while supporting green jobs in the United States.
- Work with WTO Members to reinvigorate work in the WTO to strengthen disciplines on fisheries subsidies and enhance their transparency.
- Pursue negotiations to expand the list of pharmaceutical products subject to duty elimination under the WTO Pharmaceutical Agreement.
- Accelerate China's accession negotiations in the WTO Government Procurement Agreement to support rebalancing of the U.S.-China trade relationship by expanding U.S. sales into China's large government procurement market.
- Work with Congress to consider possible reforms or revisions to 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 mainstreaming trade into the development plans of these countries and supports their effective participation in the trading system while not exceeding the institutional mandate of the WTO as a trade organization.
- Negotiate and implement mutual recognition agreements with select countries to facilitate U.S. exports of telecommunications equipment.
- If Congress has approved the Trans-Pacific Partnership (TPP) Agreement, continue the process for entry into force of the Agreement, including through capacity building and technical assistance to ensure full implementation of this historic agreement.
- Continue bilateral engagements with potential TPP candidate countries, in both Asia and the Western Hemisphere, to ascertain their interest and readiness to join the agreement, further increasing benefits to the United States and fostering regional integration.
- Achieve through the APEC forum concrete and meaningful outcomes to address key trade and investment barriers in the Asia-Pacific region, particularly in the areas of services and digital trade.
- Through APEC, promote the adoption of international sanitary and phytosanitary (SPS) standards as well as science-based regulatory systems for agricultural biotechnology and address common challenges.
- Under our Trade and Investment Framework Arrangement with ASEAN, continue to develop initiatives and promote policy reforms that expand U.S. trade and investment with this critical region, build momentum in our engagement with ASEAN countries, and lay the groundwork for ASEAN countries to join high-standard trade agreements such as the TPP Agreement.
- Further strengthen U.S.-Japan trade initiatives and engagement and resolve barriers to U.S. exports.
- Advance negotiations with the EU on a Transatlantic Trade and Investment Partnership (T-TIP) agreement – a comprehensive trade and investment agreement that will open new markets

for U.S. goods and services and promote significantly greater regulatory compatibility, protect worker rights, and advance environmental goals.

- In the course of negotiations on the T-TIP, and in parallel with those negotiations, engage in negotiations to resolve specific agricultural bilateral trade concerns and develop and implement with the EU joint approaches for addressing trade-related concerns of common interest in the global trading system.
- Work to ensure fair and predictable trade in the North America lumber market with the expiration of the current U.S.-Canada Softwood Lumber Agreement on October 12, 2015 and the end to the “peace clause” period on October 12, 2016.
- Advance the protection and enforcement of intellectual property rights (IPR) through the negotiation and implementation of relevant trade agreements.
- Negotiate new agreements that meet the Administration’s intellectual property and innovation trade policy objectives.
- Through bilateral and multilateral engagements, work to improve India’s protection and enforcement of IPR.
- 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 through the U.S.-China Strategic and Economic Dialogue and the U.S.-China Joint Commission on Commerce and Trade.
- Monitor and ensure China’s full compliance with the Memorandum of Understanding addressing the importation and distribution of films for theatrical release in China.
- Work to promote removal of major services sector and investment barriers in China, particularly in financial services, including insurance services, express delivery services, legal services, and Information and Communications Technology (ICT) services, including value-added telecommunications services and services supplied over the Internet.
- Continue to develop cutting edge trade provisions to advance the digital services agenda in TiSA, T-TIP, the Middle East and North Africa Trade and Investment Partnership Initiative (MENA-TIP), and among ASEAN countries.
- Significantly advance bilateral investment treaty (BIT) negotiations with China to create additional and more secure investment opportunities in the world’s second-largest single-nation economy.
- Strive to successfully conclude BIT negotiations with Mauritius and make progress toward launch of new BIT negotiations with appropriate partners consistent with Administration criteria.
- Advance discussions on a covered agreement with the EU involving certain prudential insurance measures to ensure a level playing field for U.S. insurance companies operating in the European market.
- Make progress in securing endorsement of U.S.-EU Investment and ICT principles by additional countries (e.g. Tunisia, Egypt, and Algeria).
- Conclude or significantly advance negotiations toward an agreement with the government of Egypt to establish customs cooperation, information-sharing and penalty provisions related to enforcement of preference claims for textile and apparel goods originating in the QIZs.
- Continue to implement the United States-Mongolia Transparency Agreement.
- Secure expanded access for U.S. food and agricultural exports to key markets through resolution of unwarranted sanitary and phytosanitary barriers.

- Advance negotiations on a new Agreement on Trade in Agricultural Products with Israel, which provides for significantly 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.
- Continue to engage in plurilateral discussions on aligning regulatory approaches affecting trade in products derived from modern biotechnology to facilitate trade.
- Continue to promote job-supporting, two-way trade and investment with Brazil through the U.S.-Brazil Agreement on Trade and Economic Cooperation and its subsidiary bodies.
- In partnership with other agencies, such as the Small Business Administration, encourage small- and medium-sized enterprises (SMEs) to expand trade through new and existing trade policy initiatives.
- Provide policy guidance and support for multilateral trade negotiations or in other contexts on market access commitments affecting the textile and apparel sector worldwide, to provide new export opportunities for U.S. industry.
- Continue to engage key trade partners and stakeholders on ways to improve worker rights and working conditions in our inter-connected global economy; continue focus on Bangladesh issues.
- Advance implementation of labor reform commitments by TPP partners, including through capacity building initiatives designed to support their efforts.
- In cooperation with other relevant agencies, design and implement environmental cooperation work programs with free trade agreement (FTA) partners to enhance implementation of FTA environment commitments, and negotiate and conclude trade-related environmental agreements that increase the capacity of developing countries to protect the environment.
- Verify full implementation of the 2011 APEC Leaders commitment to reduce applied tariffs to five percent or less on the APEC-agreed list of 54 environmental goods achieved at the end of 2015.
- Continue advocating for acceptance and implementation of the WTO Trade Facilitation Agreement by APEC economies, including through increased trade capacity building projects.
- Continue work in APEC to address non-tariff barriers that distort trade and investment in environmental goods and services.
- Use existing FTAs and negotiate commitments in future FTAs and other trade-related mechanisms to support environmental conservation objectives, including with respect to ocean, wildlife, and forestry issues, such as combating wildlife trafficking, illegal logging and associated trade, and illegal, unreported, and unregulated fishing.
- Continue to negotiate disciplines on fisheries subsidies in FTAs, and build on results of such negotiations to further advance regional and multilateral action in this area, including in APEC and the WTO.
- Continue work in the APEC Experts Group on Illegal Logging and Associated Trade to implement information sharing commitments on timber legality and to identify cooperative actions and activities to combat illegal forest products trade that can help support TPP commitments in this area.
- Continue to engage with China under our bilateral MOUs to cooperate in combating illegal logging and associated trade.

- Partner with State, EPA, and other agencies to ensure outcomes under the UN Framework Convention on Climate Change and other multilateral environmental agreements are consistent with U.S. trade policy.
- Continue to contribute to implementation of the national strategy to combat wildlife trafficking and to stem illegal trade in wildlife and wildlife products pursuant to the July 1, 2013, Presidential Executive Order on Combating Wildlife Trafficking.
- Continue to contribute to implementation of the recommendations of the President's Task Force on Combating Illegal, Unreported, and Unregulated Fishing and Seafood Fraud.
- Launch, negotiate, conclude, or put into effect Trade and Investment Framework Agreements (TIFAs) with strategically important areas, such as South Asia, South America, and other appropriate countries that expand opportunities for U.S. exports.
- Intensify engagement with Indonesia through the United States-Indonesia TIFA to support the development in Indonesia of trade policies consistent with the requirements of the multilateral trading system and address the growing number of trade and investment irritants.
- Launch bilateral, plurilateral, and multilateral initiatives with Burma to expand trade and investment, encourage reform, and promote inclusive economic growth under the TIFA.
- Pursue negotiations and other efforts to implement the MENA-TIP, to include agreements or other arrangements covering investment, information and communication technology, trade facilitation, agriculture, services and other areas, and trade capacity building to enable effective implementation of this initiative.
- Utilize the U.S.-Turkey Strategic Framework and High Level Committee to promote U.S.-Turkey trade and investment and to support trade and investment integration in the MENA region.
- Develop a trade and investment strategy for sub-Saharan Africa that looks beyond AGOA toward more reciprocal and sustainable partnerships.
- Develop a plan for regionalizing the TIFA program with sub-Saharan African countries to help support regional integration, encourage trade-enhancing reforms, and address more broadly impediments to trade.
- Advance implementation of the new expanded Trade Africa initiative to identify activities to improve the new Trade Africa partners' compliance with WTO rules on trade facilitation, sanitary and phytosanitary measures, and technical barriers to trade, foster an improved business climate and address capacity issues that constrain trade.
- Implement the new provisions in the Trade Preferences Extension Act of 2015, including new reporting requirements and initiatives related to AGOA.
- 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.
- Continue to advance an outreach program to promote trade and investment opportunities in support of the Presidential Policy Directive on sub-Saharan Africa and the Doing Business in Africa Campaign, including working with industry associations and business groups and participating in private sector roundtables and conferences.
- Work with U.S. Government agencies that provide or fund trade capacity building assistance to ensure that their assistance programs assist developing countries to integrate more fully into the global trading system and, in cooperation with other relevant agencies, work with other donor countries and international institutions to make the most coherent and effective use of scarce 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 other institutions that may engage on issues related to trade (WIPO, WFP, UNCTAD, OECD, WHO, OAS, and IDB) promote U.S. policies and objectives.
- Work with the World Bank, IMF, OECD, and other international institutions to further Aid for Trade initiatives and promote U.S. trade objectives in the WTO.

Goal 2: Create and Sustain Better U.S. Jobs by Monitoring and Enforcing U.S. Rights

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 support the President's National Export Initiative (NEI/NEXT) by closely monitoring and vigorously enforcing 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 and address foreign trade and investment barriers, including through U.S. trade laws that USTR administers.

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:

- Administer, monitor and enforce our trading partners' implementation of their obligations under the WTO Agreement and other trade and investment agreements, including implementing and enforcing high labor and environment standards and protecting IPRs in foreign markets.
- In preparation for the entry into force of the TPP agreement, establish interagency infrastructure to monitor our TPP partners' implementation of the obligations under the agreement, including on customs, IPR, labor, environment, agriculture, SPS, TBT, and small- and –medium-sized enterprises, as well as other issues, and engage to promptly remedy any deficiencies.
- Work with existing FTA partners, including 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.
- Identify new disputes to be pursued under WTO or FTA dispute settlement procedures or under U.S. trade statutes, 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 work to address trade barriers and issues to ensure timely resolution, including through WTO bodies, FTAs, TIFAs, or other fora and bilateral engagement – and in coordination with other U.S. government agencies and U.S. Embassies.

- Vigorously pursue existing trade disputes to ensure timely resolution. Through prudent management of personnel and disputes, utilize existing USTR resources effectively to maximize the likelihood of positive outcomes vindicating U.S. rights.
- Advocate for an allocation of resources within the budget of the World Trade Organization in order to ensure the effective functions of the WTO's dispute settlement system.
- 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, bilateral engagement, and dispute settlement as appropriate to resolve identified breaches of U.S. trade agreements.
- Review implementation of WTO, regional and bilateral trade agreements, particularly through use of the WTO Trade Policy Review Mechanism, 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 research, as a priority matter, China's support for the textile and apparel industries, in light of China's WTO obligations, including with assistance and input from industry.
- Continue to monitor and research policy support measures for the textile sector, in particular by other large textile producing and exporting countries, to ensure compliance with WTO or other international agreements, with a view to resolving potential conflicts.
- Develop and implement new, and use existing, mechanisms to monitor Russia's compliance with its WTO obligations and take action as necessary to ensure U.S. exports are treated consistently with WTO obligations.
- 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 and, where appropriate, dispute settlement, 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.
- Ensure greater market access for U.S. companies in South and Central Asia, focus on the elimination of localization requirements and ensure compliance with WTO obligations for Members and countries in the accession process.
- Use FTA mechanisms to ensure compliance with FTA and WTO obligations in the MENA region.
- 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.
- Work to ensure that each of our FTAs continue to have the necessary rosters for panelists to participate in consultation and dispute settlement procedures under the relevant agreement.
- Conduct meaningful reviews of FTA implementation in connection with the Joint Committee or Joint Commission meetings under each FTA.

- 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 insure the integrity of agreement commitments.
- Identify and negotiate resolution of unwarranted sanitary and phytosanitary barriers to U.S. food and agriculture exports in key export markets.
- Continue to build a strong ITEC organization to carry out the directives of the Executive Order or statute is enacted, including obtaining additional staff with varied and appropriate expertise in a variety of trade disciplines and with appropriate language skills.
- Refine procedures to ensure more efficient and effective coordination between ITEC and other offices within USTR. 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 ITEC regarding various matters of interest, and create and integrate staffing mechanisms to simplify sharing of interagency expertise.
- Identify issues for priority research and evaluation regarding potential disputes and in support of negotiations, and systematize processes for sharing the results of those efforts with appropriate interagency personnel.
- Identify priority issues for research and monitoring where negotiation or dispute settlement is not contemplated in the very short term.
- Proactively pursue and address enforcement concerns that affect small- and medium-sized enterprises.
- 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, and Panama (including obligations with transition periods) as well as progress on outstanding implementation issues under other FTAs and issue-specific agreements (China films, etc.).
- 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 through the U.S.-China Strategic and Economic Dialogue and the U.S.-China Joint Commission on Commerce and Trade.
- Complete the annual Report to Congress on China's WTO Compliance.
- Complete 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 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.

- 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 review public submissions on worker rights under FTAs and 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 to monitor working conditions.
- Work closely with our inter-agency 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, including Swaziland, Bangladesh, and Burma.
- Apply U.S. trade preference programs in a manner that contributes to economic development in beneficiary countries while addressing issues such as progress on worker rights and enforcement of intellectual property rights through annual reviews of GSP product and country practice petitions, and the annual AGOA country eligibility review process.
- Engage key trade partners, including non-FTA partner such as China, Brazil, and India, 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 FTA partners, including by implementation of the interagency-agreed monitoring and enforcement plan.
- Convene environmental affairs councils and related fora under FTAs to engage with FTA partners at senior levels to monitor implementation of environmental commitments.
- Continue to work closely with the Government of Peru and the Interagency Committee on Trade in Timber Products from Peru to monitor and support implementation of Peru's obligations under the Peru FTA Environment Chapter and Forest Annex, including the January 2013 bilateral Action Plan.
- Ensure that 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 in full operation.
- Utilize high-level bilateral discussions, including through strategic dialogues and at TIFA Council meetings, to address trade barriers identified with various bilateral and regional partners.
- Use TIFAs with African countries and regional economic communities (including the U.S.-ECOWAS TIFA signed in August 2014) to address trade barriers and to advance U.S.-Africa trade and investment cooperation.
- Continue USTR leadership role in CFIUS Committee in ensuring CFIUS decisions are consistent with the United States' open 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 Strategic and Transparent 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, and lead interagency trade and investment policy coordination to obtain broad-ranging input, provide accountability, and develop sound, strategic U.S. trade policies.

Objectives:

- Expand and broaden the existing coalition 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, advance key trade legislation, including congressional approval of Trade Promotion Authority.
- 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 providing 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 the TPP agreement, including its consideration by the Congress, its entry into force, and the potential addition of new parties to the agreement.
- Consult broadly and intensively with congressional committees of jurisdiction 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.
- 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.
- Work with U.S. development agencies and other government agencies so that appropriate assistance programs are in place to support trade agreements and key trade legislation.
- Consult broadly with Congress and other stakeholders to develop a U.S.-sub-Saharan Africa trade partnership beyond AGOA preferences, including exploring possible new models for

agreements with African regional economic communities or with the proposed Continental Free Trade Area of Africa

- Coordinate the Administration's Africa export policy pursuant to legislative mandate.
- Consult with Congress and other stakeholders on new ways to expand trade and investment with the European Union, including through addressing issues of common concern in third countries.
- Contribute to interagency efforts to respond to Russia's illegal occupation of Crimea and ongoing violations of Ukraine's territorial integrity.
- Support the reform efforts of the governments of Ukraine, Moldova and Georgia through enhanced bilateral engagement to strengthen those economies and expand their export opportunities.
- Consult with Congress and other stakeholders to develop and implement new initiatives for trade and investment integration with and within the MENA region.
- 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 the T-TIP and EGA negotiations, APEC and WTO initiatives, and the implementation of environmental obligations in existing FTAs, as well as implementation of the TPP Agreement.
- Continue to expand membership of the TEPAC, as needed, so as to engage a diverse group of interested stakeholders in developing and implementing trade and environment policy.
- Ensure that meetings of environmental affairs councils and related fora under FTAs include sessions open to the public, and provide for public input for the agendas of these public sessions.
- Consult with the Labor Advisory Committee for Trade Negotiations and Trade Policy and other stakeholders on issues related to implementation of labor obligations under FTAs, in particular with regard to TPP, CAFTA, Peru and the U.S.-Colombia TPA.
- Monitor and participate in international negotiations led by other agencies on any topics (*e.g.*, biodiversity, traditional knowledge, climate change, and pharmaceuticals/health) where proposed inclusion of IPR language implicates trade policy.
- Monitor international negotiations led by other agencies where services and investment issues may arise.
- Build support for trade agreements through existing pro-trade congressional coalitions and caucuses.
- Continue to consult regularly with interested stakeholders on trade negotiations, trade agreement implementation, and other issues.
- 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.
- Engage the committees to assist in supporting the trade agenda and provide them with regular informative updates on USTR issues and activities.

- Continue to work closely with the Trade Advisory Committee on Africa (TACA) for advice on policy issues affecting the US-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
- Effectively utilize the NSC Deputies and sub-Deputies process to ensure USTR leadership on key Administration trade policy goals and initiatives.
- Seek to resolve inter-agency 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.
- Contribute to informed policy making 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.
- Strategically select cities and organizations for trade speeches to demonstrate the importance of trade to the local economy.
- Conduct further outreach to U.S. industry stakeholders, congressional delegations and state-level governments planning official visits and trade missions to India.
- Continue our work with the South and Central Asia to examine the options for programs to create opportunities for textile and apparel production within conflict areas in Afghanistan and Pakistan.
- Further promote Haiti/Hope/Help to focus attention on the opportunities provided by those programs, including opportunities for U.S. exports.
- 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 Trade's Benefits

To ensure the advancement of the President's trade policy agenda, USTR will communicate the benefits of international trade and international investment to domestic and foreign audiences, thereby building public understanding of trade's positive impact on economic growth, the environment, and support for additional jobs, and for opening markets around the world to trade and foreign investment.

Objectives:

- Create and implement a USTR-wide, proactive communications strategy to explain the values-driven, job-supporting, economy-enhancing benefits of trade to domestic constituencies and stakeholders.
- Enhance outreach to state and local governments on the benefits of trade, particularly those benefits that flow from TPP, other FTAs, and membership in the WTO.
- Work with the White House and with agency partners to implement an Administration-wide message on the benefits of international trade, including opportunities to enhance labor and environmental protections through our trade agreements.
- 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 unfair foreign trade barriers and practices, as well as compliance by trading partners with U.S. trade agreements.
- Communicate success to various stakeholders, including state and local elected officials.

Measurements:

- Work with other trade agencies, congressional trade committees, and interested stakeholders to communicate the benefits of free trade and other agreements to the Congress, interested stakeholders, state and local governments, and the public.
- Work with the House Ways and Means Committee and Senate Finance Committee to develop a strategy focusing on communicating the benefits of trade.
- Anticipate the need for and prepare press statements and press events to counter attacks on a liberalized trade policy.
- Survey external research to gauge baseline of current public perceptions of trade and adjust USTR's messaging strategy and develop trade education materials.
- Organize press events around high profile trade liberalization achievements.

- Communicate through traditional media and new media platforms to reach the largest audience possible.
- Develop talking points, fact sheets, press releases, electronic newsletters and internet strategy to explain the advantages of trade.
- Build network of private and non-governmental organizations and coordinate messaging on the benefits of trade.
- Establish a stronger state-level network of interested stakeholders and work with this network to offer opportunities for information exchange and trade education through USTR participation in conferences and external speaking engagements.
- Develop and distribute educational materials based on available state and local trade export data to interested stakeholders, state representatives and local networks, and seek improved state-level data.
- Coordinate press statements with interested agencies and the White House in order to present coherent and mutually reinforcing trade information to the public.
- Create an informal trade communications working group that meets periodically to examine trade messaging and opportunities for interagency and White House coordination.
- Build relationships with foreign media and place press statements and attend press events that build support for free and fair trade in key foreign countries.
- Identify foreign constituencies that may be 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 agencies at the U.S. Export Assistance Centers, other key agencies and stakeholders, work to advance the goals of the NEI/NEXT 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 and investment trade policy goals into USTR's strategy for communicating trade benefits.
- Plan and organize press events hosted by USTR officials and Members of Congress during trade negotiations in Washington as well as at other negotiating sites in the United States and abroad.
- Implement a major outreach plan to help U.S. businesses and workers understand the outcomes of TPP and how to make use of the agreement to increase their trade to our TPP partners.
- Continue to enhance public outreach using innovative communication approaches to engage and more effectively convey the ways we are using trade policy initiatives and agreements, including TPP and T-TIP, to address significant environmental challenges, such as wildlife trafficking, illegal logging, and marine conservation and protection..
- 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.

- Prepare senior USTR official for government and public presentations and press interviews on U.S.-India trade and investment issues in advance of and during trip to India.
- Continue outreach efforts in developing countries, including Afghanistan and Pakistan, to explain U.S. preference programs and encourage better utilization.
- Encourage greater coordination and collaboration on trade and investment decision-making in Central and South Asia.
- 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.
- Continue to work with the textile industry and apparel brands and retailers to promote export and other opportunities under our free trade agreements, including through presentations at trade shows and close consultation and coordination with stakeholder and industry groups.
- Continue outreach to key AGOA stakeholders as part of interagency initiative to enhance trade and investment in sub-Saharan Africa, and as part of the Administration's Doing Business in Africa initiative, broaden our outreach to the private sector (especially SMEs), diaspora organizations, NGOs, 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 and to advance a range of initiatives such as Trade Africa and the U.S.-EAC Trade and Investment Partnership.
- Continue to update and implement USTR's Open Government Plan.
- Respond appropriately and timely to all statutory requests, such as Freedom of Information Act inquiries and Government Accountability Office 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.
- 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 that facilitates 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.
- Continue implementation of Presidential memo on “Enhancing Workplace Flexibilities and Work-Life Programs and EOP/OMB memo “Strengthening Employee Engagement and Organizational Performance.”
- Implement actions to strengthen the Senior Executive Service (SES) per Executive Order and Office of Personnel Management (OPM) guidance.
- Provide continued support and implement initiatives developed by USTR’s Employee Viewpoint Council.

ANNUAL PERFORMANCE REPORT FOR FISCAL YEAR 2015

I. Introduction

This section represents the Annual Performance Report for the Office of the United States Trade Representative (USTR). It has been developed to carry out USTR's obligations under the Government Performance and Results Act (GPRA) and to help the agency measure its performance for FY 2015. This report is produced with input from the Assistant U.S. Trade Representatives and other senior agency officials. Non-Federal entities did not provide input into this report.

Further information on all accomplishments will be available in the 2016 Trade Policy Agenda and the 2015 Annual Report of the President of the United States on the Trade Agreements Program that will be published in March 2016 and available at <http://www.ustr.gov>. 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 available at <http://www.ustr.gov>.

II. Mission Statement

USTR seeks to contribute to U.S. economic growth, competitiveness and prosperity by opening markets 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: Create and Sustain Better U.S. Jobs by Opening Foreign Markets

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 multilateral, plurilateral, bilateral and sectoral trade agreements.

One major feature of this strategic goal is the integration of emerging economies into the global rules-based trading system, while building their capacity to realize the full benefits of trade liberalization, and protect 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 worker rights and the environment through the use of cooperative activities linked

to free trade agreements (FTAs). 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.

Goal 2: Create and Sustain Better U.S. Jobs by Monitoring and Enforcing U.S. Rights

A critical factor in attaining this goal is the regular review of implementation of 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 WTO or FTA dispute settlement procedures are the most effective means to address a problem. Since the establishment of the WTO in 1994, the United States has filed 108 complaints at the WTO, thus far successfully concluding 75 of them by settling 29 disputes favorably and prevailing in 46 others through litigation before WTO panels and the Appellate Body. 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.

Goal 3: Develop Strategic and Transparent 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.

Goal 4: Effectively Communicate Trade's Benefits

The USTR is the President's primary advisor and spokesperson on trade policy and 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 further sustainable development. Several specific objectives work to support this goal. They include: the creation of a USTR proactive communications strategy to explain the benefits of trade to domestic constituents and interest groups; the enhancement of state and local government outreach and education efforts on the benefits of trade; 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.

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.

IV. FISCAL YEAR 2015 GOALS AND ACCOMPLISHMENTS

Through trade policy, the Obama Administration has made great strides in advancing the President's economic agenda of creating jobs, promoting growth, and strengthening America's middle class. In 2014, Made-in-America exports supported an estimated 11.7 million well-paying U.S. jobs. In 2015, the Obama Administration built on record-breaking exports, engagement with trading partners, and trade enforcement to win strong results for American workers, manufacturers, service providers, farmers, ranchers, and small businesses. Below is a summary of the year's goals and accomplishments for American workers, farmers, ranchers, and businesses large and small.

Goal 1: Support and Sustain Better U.S. Jobs by Opening Foreign Markets

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 support the President's National Export Initiative (NEI/NEXT) by opening export markets around the world and reducing trade and investment barriers and distortions by negotiating, concluding and implementing multilateral, regional and bilateral trade agreements, as well as by effectively representing U.S. interests in international bodies, including those established under such agreements.

Objectives:

1.1: 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 intent and objectives of U.S. trade legislation.

1.2: Integrate developing economies, economies in transition, and emerging economies into the global rules-based trading system, encouraging key emerging economies to take trade and investment actions consistent with their growing roles in the global economy, while helping other economies build their capacity to realize the full benefits of trade liberalization and protect the environment and worker rights.

1.3: Effectively represent U.S. interests in international bodies that have been established under multilateral and other trade agreements to achieve the Administration's international trade policy goals.

Accomplishments:

USTR's trade policy, negotiations, and enforcement actions have been critical to building and opening markets for U.S. businesses, farmers, ranchers, service providers, and workers, and providing opportunities to increase their exports. They have been a driver of our economic recovery and key to supporting export-related jobs for Americans and advancing the NEI/NEXT. Highlights of USTR's accomplishments in 2015 in creating new export opportunities for the United States in concrete ways and in ensuring American workers and firms are integrated into emerging global supply chains include:

- *Welcomed Congressional Passage of the Bipartisan Trade Promotion Authority Bill.* In June, the Congress passed bipartisan legislation to implement the Trade Promotion Authority bill, and set

clear expectations for the high-standard trade agreements the Office of the U.S. Trade Representative negotiates. The bill's passage demonstrated the bipartisan support for U.S. leadership in establishing the rules for global trade, while helping to deliver more well-paying, middle class jobs and economic opportunities for American businesses, farmers, ranchers, manufacturers, and entrepreneurs through the passage of trade agreements like the Trans-Pacific Partnership (TPP) and the Transatlantic Trade and Investment Partnership (T-TIP).

- *Completed the landmark Trans-Pacific Partnership Negotiations.* The United States and 11 other countries in the Asia Pacific region, successfully concluded the TPP agreement after nearly six years of negotiations. The historic agreement represents the largest tax cut on American exports in a generation, eliminating over 18,000 individual taxes on the products made, grown, and created in America. The TPP will open up services markets, including financial, telecommunications, information, express-delivery, electronic-payment, and professional services, and establish strong and balanced intellectual property rights rules and enforcement measures, while helping to support productivity and competitiveness, raise living standards, and encourage enhanced labor and environmental protections around the world. The TPP delivers new opportunities for manufacturing, agriculture, services, American workers, farmers and ranchers, entrepreneurs, creators and innovators, and small and medium-sized businesses.
- *Completed Bilateral Negotiations with Japan on Non-Tariff Measures.* The United States and Japan reached agreement on automotive and other non-tariff measures through negotiations conducted in parallel with the TPP negotiations. Japan is taking a number steps that will help to eliminate barriers to trade, improve transparency and provide greater opportunities for Americans to compete in the Japanese market in a range of sectors such as insurance, express delivery and government procurement.
- *Continued Momentum in the Ratification of the WTO Trade Facilitation Agreement.* Following last year's signing of the Trade Facilitation Agreement (TFA), the WTO's first multilateral trade agreement, the United States has seen an increase in the WTO Members ratifying the agreement, moving closer to the 109 signatories required to implement the agreement. During the 10th Ministerial Conference in Nairobi, the United States announced additional funding to help developing countries implement the TFA through a new and unique multi-donor partnership with the private sector, the Global Alliance for Trade Facilitation.
- *Achieved Significant Outcomes on Agriculture and Economic Development at the WTO Ministerial.* During the 10th WTO Ministerial Conference in Nairobi in December, Members reached multilateral agreements to address challenges to development and poverty alleviation and agricultural trade. Trade Ministers delivered a [package of multilateral outcomes](#) that will aid development around the world, especially in least developed countries (LDCs), through new disciplines for export subsidies and export financing for agricultural products, international food aid, and increased participation in services trade, among others. As part of the package, Ministers secured a [global ban on export subsidies](#) for agricultural products, eliminating some of the most trade-distorting subsidies and helping to level the playing field for American farmers and ranchers. Most significantly, the Ministerial marked a new phase in the WTO's evolution, with candid discussions among WTO Members about the challenges and limitations of the Doha Development Agenda framework and development of new pathways to address unresolved and outstanding

global trade issues. The United States also joined more than 25 other WTO Members in issuing a Joint Ministerial Statement on Fisheries Subsidies that expressed support for reinvigorating work in the WTO to strengthen disciplines on fisheries subsidies and enhance their transparency.

- *Secured an Expansion of the WTO Information Technology Agreement (ITA).* In December, the United States joined over 50 developed and developing countries to announce an expansion of the ITA. The landmark agreement, the first major tariff-elimination deal at the WTO, will phase out hundreds of tariffs on roughly \$1.3 trillion in global information and communication technology exports, and support economic growth worldwide. American producers and exporters of information technology products will benefit from the expanded agreement, as more than \$180 billion in American technology exports will no longer face burdensome tariffs in key global markets.
- *Made Significant Progress on the Environmental Goods Agreement Negotiations.* In 2015, the United States and 16 other WTO Members made good progress in the Environmental Goods Agreement (EGA) negotiations, which when concluded, will unlock opportunities for U.S. exporters of environmental technologies by eliminating tariffs on these goods.
- *Achieved Significant Progress on the Trade in Services Agreement (TiSA).* In 2015, significant progress was made in the negotiation of the Trade in Services Agreement, aimed at securing fair and open markets for services. TiSA's 23 participants account for nearly 70 percent of the world's \$55 trillion market for services. The basic framework of the agreement is now in place, and the United States has tabled proposals to address a range of challenges faced by U.S. firms. A vibrant and competitive global market for services is vital to the long term growth of the United States. Services currently account for 30 percent of U.S. exports, and every \$1 billion in U.S. services exports supports 7,000 U.S. jobs.
- *Accelerated Work on the Transatlantic Trade and Investment Partnership (T-TIP) Negotiations.* Throughout the course of the year, the United States and the European Union redoubled efforts in negotiations of the T-TIP. The United States and the EU conducted four T-TIP negotiating rounds to continue engagement on a trade agreement that will unlock opportunity, set high standards, eliminate unnecessary redundancies and red tape, and strengthen the economic and strategic transatlantic relationship. The United States and the EU have presented a new set of tariff offers, revised services and investment market access offers, and introduced proposals text for nearly every negotiating area within the agreement. Ambassador Froman and EU Trade Commissioner Cecilia Malmström met regularly throughout the year, and in December they reaffirmed their commitment to expeditiously reach an ambitious, comprehensive agreement that promotes economic growth and jobs and reflects shared values.
- *Made Progress with China on Key Trade Issues.* In April, the United States secured the suspension of China's discriminatory regulations governing information and communication technology (ICT) sector purchases by China's banking sector. China later confirmed it will revise these rules for comment and, in the interim, banks are free to purchase and use ICT products regardless of the country of origin. In September, during Chinese President Xi Jinping's state visit, the United States and China announced understandings and commitments to promote expanded trade and investment in the technology sector. The statement affirmed the need for openly developed and

market-driven international technology standards and fair and non-discriminatory competition policy, committed that measures to promote security in ICT should be non-discriminatory and narrowly tailored, affirmed the importance of intellectual property rights (IPR) protection, and rejected state involvement in or support for the misappropriation of intellectual property for commercial advantage.

- *Made Meaningful Progress on a U.S.-China Bilateral Investment Treaty (BIT).* In 2015, the United States and China made important progress on a BIT, which has the potential to provide substantially improved market access opportunities for U.S. businesses and investors and create a more level playing field for them, building on China's own commitment to domestic reform. Following an exchange of improved negative list proposals in September, President Obama and President Xi committed to intensify the negotiations and to work expeditiously to conclude the negotiation of a mutually beneficial, high-standard treaty.
- *Strengthened Agricultural Innovation and Engagement with China.* Throughout 2015, USTR worked to advance market access for products of agricultural biotechnology and engaged China on its implementation of its WTO obligations. During President Xi's visit to Washington in September, China committed to further improve its approval processes for products of agricultural biotechnology, and reaffirmed the importance of implementing timely, transparent, predictable, and science-based approval processes that are based on international standards; and to revise and improve its regulation based on comprehensive consultations with domestic and international stakeholders. Also in September, USTR and USDA hosted the inaugural Strategic Agricultural Innovation Dialogue (SAID), answering the call of President Obama and President Xi to intensify science-based agricultural innovation for food security. The SAID provided an opportunity for U.S. and Chinese officials, along with a range of industry and academic experts, to discuss the development and increased use of innovative technologies in agriculture to help enable greater access to safe, nutritious, and affordable food globally.
- *Held High-Level Dialogue with China under the Joint Commission on Commerce and Trade (JCCT).* In November, the United States and China held the 26th JCCT making progress on key trade and investment issues, including on participation in China's standards setting and the voluntary nature of standards-related licensing commitments, pharmaceuticals and medical devices regulatory reform, market access, independent competition law enforcement, and the protection of commercial secrets obtained during competition investigations. China also agreed to a number of important intellectual property-related commitments, including taking steps to enhance its trade secrets legal regime, increase enforcement efforts, and on Geographical Indication-related measures. The United States and China also agreed to jointly promote cooperation on agricultural innovation to create a favorable environment for investors. Both countries reiterated that they would work together to further the agricultural biotech approval process based on international standards; and reiterated the importance of adopting a timely, transparent, predictable and science-based approval process. These engagements ensure candid dialogue on bilateral issues and challenges, and support jobs and exports.
- *Marked Substantial and Continued Gains under the U.S.-Korea Free Trade Agreement.* In March 2015, the United States and Korea marked the third anniversary of the entry into force of the U.S.-Korea Free Trade Agreement (KORUS), noting a substantially larger and stronger trade and

investment relationship which contributed to a successful year for American exporters. Overall, U.S.-Korea goods and services trade rose from \$126.5 billion in 2011 to a record \$145.2 billion in 2014. Since the agreement's entry into force, the United States and Korea have carried out five rounds of tariff cuts and eliminations, creating new market access opportunities for U.S. goods and services exporters, strengthened intellectual property protection, and increased transparency in Korea's regulatory system. USTR continues to work with its Korean counterparts to deliver the full benefits of the KORUS agreement.

- *Advanced Important Trade Initiatives in the Asia-Pacific Region through APEC.* Throughout 2015, the United States made progress in advancing important initiatives to expand regional economic integration in the Asia-Pacific, including in the areas of digital trade, cross-border services, environmental goods and services, and capacity building projects to assist in implementing trade facilitation measures, among others.
- *Secured Increased Trade Engagement with Sub-Saharan Africa under the African Growth and Opportunity Act (AGOA) Renewal.* On June 29, President Obama signed into law the Trade Preferences Extension Act of 2015 which, among other things, extended the African Growth and Opportunity Act to 2025. This extension reaffirms America's commitment to deepen and expand its trade and investment relationship with sub-Saharan Africa. The 10-year extension is the longest ever in the program's history, and will incentivize good governance and pro-growth, pro-development policies, including on labor and human rights. The improvement and implementation of AGOA will help provide much-needed certainty for African producers, U.S. buyers, and investors.
- *Strengthened Ties and Promoted Growth with the African Continent.* In April, Ambassador Froman hosted the South African Trade Minister and his delegation to the second meeting of the amended US-South Africa TIFA Council meeting. The discussions focused on improving market access and eliminating barriers to U.S. agricultural goods, improving South Africa's business climate and protecting intellectual property rights. In August, Ambassador Froman co-chaired the annual AGOA Forum in Libreville, Gabon, where he announced the launch of a strategic review of the U.S.-Africa trade and investment relationship to develop a more mature and sustainable relationship beyond preferences. The inaugural meeting of the US-ECOWAS TIFA Council was chaired by Ambassador Froman in August. Among the topics discussed were progress on reducing trade barriers within ECOWAS and deepening U.S.-ECOWAS trade.
- *Strengthened Economic Ties and Trade Competitiveness with the East African Community.* In February, Ambassador Froman and trade ministers from the East African Community (EAC) marked a major milestone for the Trade Africa program, signing a Cooperation Agreement that will increase trade-related capacity in the region, deepen the economic ties between the United States and the EAC, and expand the Trade Africa program beyond the countries in the EAC. The Cooperation Agreement will help build capacity in three key areas: trade facilitation, sanitary and phytosanitary (SPS) measures, and technical barriers to trade (TBT), while implementing critical customs reforms, harmonizing standards, and multilateral commitments to support greater EAC regional economic integration and strengthen its trade relationship with the United States and other global partners.

- *Trade Africa Expansion.* In 2015, USTR worked with other U.S. government agencies to expand the Trade Africa initiative beyond the East Africa Community (EAC). Five additional countries—Cote d’Ivoire, Ghana, Mozambique, Senegal, and Zambia joined the Trade Africa partnership. Progress was made on activities to improve the new Trade Africa partners’ compliance with WTO rules on trade facilitation, sanitary and phytosanitary measures and technical barriers to trade, and to identify capacity issue that hinder trade.
- *Renewed other key preference programs, including GSP and HOPE.* In June, Congress renewed the Generalized System of Preferences (GSP) and Haitian Hemispheric Opportunity through Partnership Encouragement Act (HOPE) programs. GSP, which lapsed in July 2013, promotes economic growth in the developing world by eliminating duties on a wide range of products from developing countries; GSP also supports U.S. jobs by helping keep American manufacturers competitive. HOPE supports thousands of jobs in Haiti’s textile and garment sectors, while providing important protections to workers. Early extension of this program will provide the necessary stability and continuity for companies to continue investing in Haiti’s future.
- *Strengthened Engagement with India through the U.S.-India Trade Policy Forum.* In October, Ambassador Froman hosted the Indian Minister of Commerce and Industry and her delegation to the U.S.-India Trade Policy Forum (TPF) in Washington, DC. The TPF is the premier bilateral forum for discussion and resolution of the United States and India trade and investment issues and provides the venue for evaluating progress in the economic relationship at the Ministerial level. The United States and India reviewed substantive progress achieved in deepening bilateral trade and investment goals and exchanged views on a range of trade and investment issues particularly in agriculture, including on food safety and science and risk-based regulations based on international standards; trade in goods and services, including on insurance, e-commerce, retail, legal, health, and direct selling services, as well as reducing trade costs across the health sector supply chain, and addressing Indian export subsidies in the textiles sector; manufacturing, including creating a transparent policy environment and simplified compliance to help attract manufacturing investment in India; and intellectual property, including on copyrights, trade secrets, patents, pharmaceuticals, India’s National IPR policy, and other IP policies. On intellectual property, both sides made progress in deepening engagement on challenging issues, while committing to make progress through joint workshops on trade secrets and copyright in 2016. India also announced plans to include anti-camcording measures in forthcoming legislative amendments. The United States and India noted the importance attached to the Trade Policy Forum by Prime Minister Modi and President Obama, and the TPF’s potential to increase bilateral trade and investment in a manner that supports economic growth, development, and job creation.
- *Reinforced Economic Relations with Pakistan.* In March, the United States and Pakistan held an intersessional meeting of the U.S.-Pakistan Trade and Investment Framework Agreement (TIFA) Council, and reviewed progress of the Joint Action Plan. During the session, the two sides discussed their overall trade and investment relationship, including Pakistan’s recent admission as an Observer Nation to the World Trade Organization (WTO) Government Procurement Agreement (GPA) and trade facilitation measures adopted by the Government of Pakistan.

- *Strengthened Ties with Bangladesh.* In November, the United States and Bangladesh held the second annual Trade and Investment Cooperation Framework Agreement (TICFA) Council Meeting. The TICFA is the premier bilateral forum for U.S. and Bangladesh engagement aimed at expanding our trade and investment relationship, and featured discussions on a wide range of bilateral trade and investment issues, including labor rights and workplace safety under the GSP Action Plan and the Bangladesh Sustainability Compact and trends in the investment climate in Bangladesh.
- *Promoted Trade and Investment with Afghanistan.* This year, U.S. and Afghan officials continued their engagement under the U.S.-Afghanistan TIFA. Signed in 2004, the TIFA has been the primary forum for bilateral trade and investment discussions between the two countries, and gave the United States an opportunity to support Afghanistan's successful efforts to accede to the WTO.
- *Promoted Trade and Investment to Foster Inclusive Economic Development in Sri Lanka.* This year, the United States and Sri Lanka continued their trade dialogue to evaluate progress under the U.S.-Sri Lanka TIFA. The officials discussed market access, labor, trade promotion efforts, the U.S. Generalized System of Preferences (GSP), intellectual property rights, agriculture, and sector-specific investment challenges. Progress on all of these trade and investment issues fosters economic growth, thus providing a strong foundation for inclusive economic development as Sri Lanka emerges from years of civil war.
- *Promoted Trade, Investment, and Regional Cooperation in Central Asia.* This year, the United States engaged with Kazakhstan, Kyrgyzstan, Turkmenistan, Tajikistan, Uzbekistan, and Afghanistan on regional trade and investment issues under the U.S.-Central Asia TIFA. The Council is the key vehicle for trade and investment discussions between the United States and the countries of Central Asia, and focused on issues, including WTO membership, customs, investment, standards and sanitary measures, and women's economic empowerment.
- *Increased Ties with Iraq.* This year, the United States and Iraq continued their work under the U.S.-Iraq Council on Trade and Investment (TIFA Council), which was established under the U.S.-Iraq TIFA. The dialogue under the TIFA reaffirms both governments' commitment to increase bilateral trade and investment.
- *Engaged Turkey on Enhancing Bilateral Trade and Investment.* In 2015, USTR and Turkish officials continued to engage through the High Level Committee (HLC) called for by the President and the Turkish Prime Minister in May 2013. The HLC is tasked with examining how the governments can adapt policies to enhance trade and investment ties, particularly in light of the US-EU T-TIP negotiations, which will impact Turkey due to its customs union agreement with the EU. The two sides discussed the current status of the T-TIP negotiations and exchanged views on how to improve engagement between government officials and how to stimulate contacts between U.S. and Turkish businesses.
- *Supported Trade and Economic Cooperation with Ukraine.* In May, senior representatives from the United States and Ukraine reaffirmed their mutual commitment to expanding trade and

economic cooperation between their countries during the fifth meeting of the U.S.-Ukraine Trade and Investment Council (TIC). Participants discussed a range of issues, including how to address barriers to increased bilateral trade and how to improve the business and investment climate in Ukraine.

- *Bolstered the Trade and Investment Relationship with Georgia.* In November, Ambassador Froman met with Georgian Vice Prime Minister Giorgi Kvirikashvili to discuss mutual interest to strengthen bilateral trade and investment between the United States and Georgia. During the meeting, they agreed that the U.S.-Georgia High-Level Dialogue on Trade and Investment support deeper trade engagement, including the possibility of a free trade agreement.
- *Fostered Deeper Bilateral Trade and Investment Engagement with Moldova.* In March 2014, Ambassador Froman and Moldova's Prime Minister, Iurie Leancă convened the United States-Moldova Joint Commercial Commission. During the meeting, Ambassador Froman pledged U.S. support for Moldova's efforts to integrate with Europe, highlighting the potential for economic prosperity. Since then, USTR officials traveled to Chisinau to identify opportunities for further collaboration.
- *Revived Engagement with Algeria.* In February, USTR led an interagency delegation to Algiers to revive consultations (dormant for a decade) under the Trade and Investment Framework Agreement (TIFA). The two sides discussed Algeria's professed desire to forge new commercial ties with U.S. firms, and to intensify its nearly twenty-year quest to join the World Trade Organization. U.S. officials described U.S. companies' concerns with a number of Algerian trade-related policies, including import and investment restrictions in the pharmaceutical and automotive sectors.
- *Continued Engagement with the Gulf Cooperation Council.* In June, the United States and the six Member States of the Gulf Cooperation Council convened a meeting under the "U.S.-GCC Framework Agreement for Trade, Economic, Investment and Technical Cooperation" to discuss a range of key trade and investment issues, including standards development, food safety requirements, intellectual property rights, customs origin marking requirements and trade facilitation, and various WTO initiatives.
- *Strengthened Trade and Investment Relations with Taiwan.* The United States and Taiwan trade authorities concluded the ninth Trade and Investment Framework Agreement (TIFA) Council meeting under the auspices of the American Institute in Taiwan and the Taipei Economic and Cultural Representative Office in the United States. The U.S.-Taiwan TIFA serves as the key mechanism to resolve and make progress on a wide range of trade and investment issues important to the United States. At the 2015 TIFA, Taiwan took concrete steps to address trade concerns, including by increasing human and financial resources for Taiwan's IPR enforcement authorities, addressing piracy occurring in and around university campuses, and taking steps to foster innovation in the pharmaceutical sector. The two sides also recognized the need for further engagement on improving the time-to-market of medical devices, including streamlining

regulatory approvals, and made progress on reducing regulatory obstacles in the chemical registration process.

- *Deepened Trade Engagement with Indonesia.* In September, representatives from the United States and Indonesia held the U.S.-Indonesia Trade and Investment Framework Agreement (TIFA), the first meeting since Indonesian President Widodo took office. During the discussions, officials exchanged views on a wide range of trade and investment issues, including Indonesia's local content requirements for 4G LTE products. Officials also discussed Indonesia's new Economic Policy Package, which focuses on deregulation as a means to improve Indonesia's business climate and competitiveness, and agreed that the two countries would work together on including regulations of specific interest to the United States – such as those related to localization and foreign equity limitations – in the list of measures Indonesia will consider for deregulation.
- *Strengthened Trade and Environment Cooperation with ASEAN.* In 2015, the United States and the Association of Southeast Asian Nations (ASEAN) bolstered work under the US-ASEAN TIFA Trade and Environment Dialogue by launching a series of workshops designed to increase ASEAN's understanding of mutually supportive trade and environment policies. The first workshop on illegal, unreported and unregulated fishing was held in November 2015 in Kuala Lumpur.
- *Reinforced our Economic Relations with Peru.* In November, the United States and Peru convened the fifth U.S.-Peru Free Trade Commission meeting to review progress in implementing and strengthening the U.S.-Peru Trade Promotion Agreement. Since its entry into force, the agreement has supported \$16.1 billion in two way trade, and provided opportunities to address environmental and labor cooperation and implementation of the agreement.
- *Bolstered our Trade Partnership with Chile.* In June 2015, the United States and Chile held the tenth Free Trade Commission Meeting in Washington D.C. The bilateral trade agreement has been in force since January 1, 2004, and with the twelfth annual tariff reductions taking effect on January 1, 2015, 100% of goods exports can now enter the United States and Chile duty-free. According to U.S. figures, Chile is currently the United States' 29th largest goods trading partner with \$26.0 billion in total (two ways) goods trade in 2014. U.S. goods exports totaled \$16.5 billion, and goods imports from Chile totaled \$9.5 billion. The U.S. goods trade surplus with Chile was \$7.0 billion in 2014.
- *Strengthened our Trade Relationship with FTA partners in Central America and the Dominican Republic.* In March 2015, the United States, Costa Rica, the Dominican Republic, El Salvador, Guatemala, Honduras and Nicaragua held the third Free Trade Commission meeting in the Dominican Republic. As of January 1, 2015, all U.S. consumer and industrial goods may enter duty free in all the other CAFTA-DR countries' markets. Also under the CAFTA-DR, more than half of U.S. agricultural exports enter the other CAFTA-DR countries' markets duty free. The majority of remaining tariffs on nearly all U.S. agricultural products will be eliminated by 2020, with a few most sensitive products having slightly longer phase-out periods. CAFTA-DR countries represent the third largest U.S. goods export market in Latin America, behind Mexico

and Brazil, with combined total two-way trade in 2014 valued at \$59.7 billion. U.S. goods exports to the CAFTA-DR countries were valued at \$31.3 billion in 2014.

- *Promoted Intellectual Property Rights and Enforcement in Paraguay.* In June, the United States and Paraguay signed a memorandum of understanding (MOU) on intellectual property rights (IPR), under which Paraguay committed to take specific steps to improve its IPR protection and enforcement environment. The MOU created a bilateral partnership through which the United States agreed to support Paraguay's efforts to strengthen the legal protection and enforcement of IPR, and create greater opportunities for growth and development. As a result of the MOU's signing and commitments to strengthen IPR enforcement, USTR removed Paraguay from the 2015 Special 301 Watch List.
- *Strengthened Trade, Investment, and Economic Cooperation with Armenia.* In May, the United States and the Republic of Armenia signed a Trade and Investment Framework Agreement (TIFA), and created a related council to discuss bilateral trade and investment and related issues strengthen the bilateral economic relationship. Total two-way trade between the United States and Armenia totaled \$153 million in 2014, and top U.S. goods exports to Armenia include poultry, machinery, vehicles, and optic and medical equipment.
- *Reaffirmed Economic Engagement with Mongolia.* In May, the United States and Mongolia resumed the Trade and Investment Framework Agreement (TIFA), talks last held in 2008. TIFA serves as an important forum for fostering the U.S.-Mongolia trade and investment relationship, and support Mongolia's efforts to develop a prosperous market-based economy by encouraging dialogue about mutual advancement of trade and investment opportunities.
- *Engaged Strategically with Key Trade Partners on Intellectual Property Rights.* USTR contributed significantly to the Administration priority of protecting trade secrets against theft and misappropriation, including through pursuing disciplines in bilateral (*e.g.*, China, India, and Taiwan) and plurilateral engagement (*e.g.*, APEC, TPP, and T-TIP) as well as in multilateral organizations (*e.g.*, OECD). USTR developed and implemented a global U.S. government strategy on GIs, including intensive bilateral, plurilateral, and multilateral engagement to promote access in foreign markets for U.S. producers that rely on generic product names and to defend the interests of U.S. trademark holders overseas. USTR continued to promote the importance of intellectual property rights and innovation in the WTO TRIPS Council by developing significant data supporting the U.S. position, including with respect to green technologies. In APEC, USTR secured APEC endorsement of an extensive report on trade secrets protection in APEC economies and APEC Ministers' endorsement of progress toward consensus agreement on a list of best practices in trade secrets protection.
- *Promoted a Transparent Special 301 Process.* USTR continued to promote high levels of transparency surrounding the Special 301 and Notorious Markets processes, including by providing additional guidance to the public through the Federal Register on the criteria considered for inclusion in each report, by providing a new rebuttal period for the operators of nominated physical and online markets, by creating an email box to facilitate correspondence with USTR on

both reviews, and by recording and making available through USTR's website a video (and transcript) of the Special 301 Public Hearing. USTR developed and published the annual Special 301 Report, which catalogues intellectual property-related barriers in foreign markets, and informs U.S. Government efforts to resolve those barriers. USTR conducted public hearings and public comment as part of its Special 301 Report review, and those comments drove specific bilateral engagement to resolve issues even outside of the Report itself. USTR developed and published the annual Notorious Markets List which identifies, and motivates public-private actions to address, online and physical marketplaces that contribute to the spread of trademark counterfeiting and copyright piracy globally.

- *Engaged the EU on Agriculture Market Access Issues.* USTR engaged the European Commission on two pesticide residue limits (fosetyl and chlorothalonil) that resulted in the Commission establishing high enough limits to effectively protect the U.S. cranberry and tree nut trade to the EU. The EU is the largest market for both of these commodity groups, and the U.S. exports to the EU reached nearly \$2.9 billion in 2014. In addition, the Commission approved 19 corn and soy biotech varieties in 2015, although it still has a backlog of applications to process.
- *Concluded Negotiations with Switzerland and Initiated Negotiations with Mexico on Organic Equivalence Arrangements.* In 2015, USTR and USDA advanced the agenda on organic equivalence arrangements to expand market access for U.S. organic agricultural products by signing an arrangement with Switzerland and initiating talks with Mexico. These equivalence arrangements, now concluded with Canada, Japan, Korea, and the European Union, eliminate duplicate certification requirements through acceptance of U.S. organic agricultural goods certified by U.S. domiciled certification bodies to U.S. standards.
- *Resolved SPS barriers for U.S. Beef.* Significant progress was made with several countries to relax restrictions on exports of U.S. beef, originally imposed due to BSE. Countries that amended their regulations following discussions with the USTR and the U.S. Department of Agriculture include Australia, Colombia, Japan, Saudi Arabia, Singapore, South Africa and Vietnam.
- *Made Progress on Improving Access for Heat-treated Beef Exports to Australia.* In 2015 Australia finalized its risk assessment, concluding that the United States has comprehensive and well established controls to prevent the introduction and amplification of the BSE agent within the cattle population and to prevent contamination of the human food supply with the BSE agent. It reported that beef imports from the United States are safe for human consumption and can be imported subject to specific import conditions. The U.S. and Australian officials are currently coordinating specific wording for the required export certificates for heat-treated, shelf-stable beef products from the United States. For fresh (chilled or frozen) beef, in December 2015, the Australian government announced the start of a review of its import requirements for fresh (chilled or frozen) beef and beef products from the United States. The start of this review is a necessary step in the process of fully re-opening the Australian market to U.S. beef.
- *FTA Engagement Resolved Barriers to U.S. Agricultural Products.* USTR actively engaged with FTA partners in 2015 to address barriers to U.S. food and agricultural exports. For example, Chile

and Peru resolved barriers to U.S. pork and live cattle. Canada resolved an SPS issue affecting U.S. pet food.

- *Finalized TRQ Agreement Concerning Antidumping Duties on U.S. Poultry Exports to South Africa.* U.S. bone-in chicken had been subject to antidumping (AD) duties in South Africa for fifteen years. In June 2015, the U.S. and South African poultry industries met in Paris and reached an agreement on an understanding to establish a TRQ for South African imports of U.S. bone-in-chicken subject to AD duties in South Africa. U.S. and South African officials participated in these talks. Under the terms of the understanding, South Africa was obligated to create a 65,000 MT per year TRQ (subject to a yearly growth formula) under which within-quota volumes would enter on an MFN basis with the AD duty rebated. South Africa finalized the guidelines implementing the TRQ in mid-December 2015.
- *Resolved Barriers to U.S. Poultry, Pork, and Beef in South Africa.* South Africa had long imposed sanitary-related bans on imports of U.S. poultry, pork, and beef. In the context of USTR's out-of-cycle review of South Africa's AGOA benefits, the two governments reached a series of agreements to address these barriers. In mid-November 2015, the United States and South Africa agreed to a trade protocol that allows for the import of poultry shipments from U.S. states not affected by HPAI in the event of a future outbreak. In January 2016, South Africa finally agreed to USDA export health certificates for poultry, pork, and beef, as well as side letters on Salmonella in poultry and the export of pork shoulder cuts of commercial significance to the U.S. industry. These agreements will allow U.S producers to re-enter an important market in Sub-Saharan Africa.
- *Reopened the Market for U.S. Beef to Saudi Arabia.* Since 2012, after a case of BSE in the United States, Saudi Arabia imposed sanitary-related bans on imports of U.S. beef. Throughout FY2015, both governments began negotiations on a protocol to address these barriers. In early December 2015, the United States and Saudi Arabia agreed to a protocol and a USDA export health certificate to allow for the resumption of imports of beef and beef products from the United States. Once it is finalized, this agreement will allow U.S producers to re-enter this important Middle East market.
- *Resolved Labeling Requirements for U.S. Food.* Following engagement with USTR and USDA, India's Legal Metrology eliminated conflicting labeling requirements on May 14, 2015, allowing stickering of packages with the maximum retail price at the port. In addition India agreed that determination of wholesale and retail labeling requirements is not dependent on the weight of imported food consignments. This action facilitates the import of various food shipments from the United States.
- *Finalized Agricultural Commitments in Kazakhstan and Liberia WTO Accessions.* USTR led intensive negotiations on agricultural issues with Kazakhstan to help the country finalize its accession as a full WTO Member in October 2015, following almost 20 years of negotiations. The discussions focused on Kazakhstan making necessary changes to its SPS regulations and the ultimate adoption of regulations at the Eurasian Economic Union level (with Armenia, Belarus, Kyrgyz Republic, and Russia), in order to comply with existing WTO SPS rules, and lift restrictions on trade affecting low-risk products such as dairy and pet food. Kazakhstan also agreed

to additional SPS commitments in a side letter. The accession negotiations secured commitments on TRQs, domestic support and export subsidies. USTR also led negotiations on agricultural issues with Liberia to help the country finalize its accession as a full WTO Member in December 2015. The negotiations with Liberia, a Least Developed Country (LDC), focused on lowering the overall average tariff for agricultural products from 40 percent to 24 percent, well below the WTO benchmark for LDCs' average rate for agricultural goods of 50 percent.

- *Engaged and Advanced Negotiations on Intellectual Property Rights (IPR).* The United States concluded a strong and balanced intellectual property chapter in the TPP. The chapter combines strong and balanced rights with provisions on access to products and innovation as well as effective enforcement of those protections, consistent with existing U.S. law. This will promote high standards of protection and provide fair access to legal systems in the region to right holders to enforce those rights, safeguard U.S. exports in IP-intensive goods against IP infringement, and protect consumers from counterfeit goods. Drawing from and building on other bilateral and regional trade agreements, the TPP Agreement includes commitments to combat counterfeiting, piracy, and other infringement, including trade secret theft; obligations to facilitate legitimate digital trade, including trade in creative content; and provisions to promote development of, and access to, innovative and generic medicines. The United States also advanced T-TIP negotiations on IPR. In the T-TIP, the United States is pursuing a targeted and value-added approach to IPR that will reflect the shared U.S.-EU objective of high-level IPR protection and enforcement, and sustained and enhanced joint leadership on IPR issues, including through transatlantic cooperation. Under the CARICOM TIFA, the United States launched an initiative to address long-standing copyright and broadcast licensing-related market access barriers in the Caribbean, a region that consumes a significant amount of U.S. content. As a result of bilateral engagement, Taiwan authorities committed to strengthen IP protections for innovative pharmaceutical products and enhance IPR enforcement efforts in key areas.
- *Advanced International cooperation on Intellectual Property Rights Protection and Enforcement.* The United States worked extensively with the EU on IPR cooperation under the auspices of the Transatlantic Intellectual Property Rights Working Group (TIPRWG) on shared priorities, such as IPR protection and enforcement in third countries and international organizations, customs cooperation and public-private partnerships. The TIPRWG held its tenth anniversary meeting – focusing on the above priorities as well as on voluntary stakeholder initiatives and – that consisted of both government-to-government and public stakeholder sessions, including with long-standing partners in the transatlantic business and consumer dialogues. USTR also contributed significantly to advancing the U.S. IPR and innovation agenda in international organizations. This includes the Administration's efforts to ensure that negotiations on the UN Framework Convention on Climate Change (UNFCCC) respect U.S. trade and intellectual property interests and priorities, including a strong confirmation by UN countries in the UNFCCC Paris Agreement of December 2015, regarding the critical contributions of innovation to responding to climate change and promoting economic growth and sustainable development.
- *Made Progress Advancing WTO Trade-Related Aspects of intellectual Property Rights Initiative.* In the WTO, the United States continues to partner with several other trading partners to advance

an initiative in the WTO Council on Trade-Related Aspects of Intellectual Property Rights (TRIPS) regarding the positive relationship between IP and innovation. Under this initiative, the United States and numerous other WTO members have held extensive data-driven dialogues on the critical contributions of IPR protection and enforcement at every stage of the innovative and creative lifecycles, including with respect to the role of intellectual property protection in financing new business, the role of women in innovation and technology development, the relationship between creative and innovative entrepreneurship and economic growth, cost-effective innovation and social entrepreneurship, university technology partnerships, and the role of incubators in supporting innovative start-ups.

- *Negotiated with Key Trading Partners on Geographical Indications.* The United States continued to engage intensively around the world, including in bilateral, regional and multilateral fora, to advance the interests of U.S. trademark holders and producers that rely on generic names in countering the geographical indication (GI) agenda pursued by other trading partners, including the EU. TPP, for example, contains robust and state-of-the-art provisions to help address the potential for inappropriately “overprotecting” geographical indications in ways that shut out U.S. agricultural and food producers. In T-TIP, the United States continues to press aggressively to eliminate and prevent the undermining of market access for United States products as the result of over-broad GI protections, in order to protect trademarks rights and generic usage and to ensure transparency and procedural fairness. USTR participated in the Administration’s efforts to build alliances and defend U.S. interests in the context of GI negotiations in the World Intellectual Property Organization on the Lisbon Agreement. Under the 2015 Joint Commission on Trade and Commerce (JCCT), the United States and China reaffirmed the importance of the 2014 JCCT GI outcome, confirmed the extensive scope of that outcome and agreed to continue the bilateral U.S.-China dialogue on this issue. USTR also engaged with numerous other trading partners throughout the fiscal year to advance U.S. interests in this area.
- *Made Substantial Progress on Section 301 Investigations.* The United States and Paraguay signed a memorandum of understanding (MOU) on intellectual property rights (IPR) in June 2015. As part of the MOU, Paraguay committed to take specific steps to improve its IPR protection and enforcement environment. Additionally, the MOU creates a bilateral partnership in which the United States intends to support Paraguay’s efforts to strengthen the legal protection and enforcement of IPR. As a result of the MOU’s signing and the commitments Paraguay assumed under the MOU to strengthen IPR protection and enforcement in Paraguay, USTR removed Paraguay from the 2015 Special 301 Watch List pursuant to an Out-of-Cycle Review. USTR also continued work to re-establish a dialogue on IPR with India initiated as a result of an Out-of-Cycle Review in 2014.
- *Advanced Environment-Related Trade Negotiations and Initiatives.* USTR concluded negotiations on a high standard, progressive environmental chapter in the TPP that will be enforceable through the same dispute settlement procedures as commercial disputes under the agreement; pursued similarly ambitious environmental outcomes in areas such as oceans and wildlife in the T-TIP negotiations with the European Union; made significant progress in the WTO Environmental Goods Agreement (EGA) negotiations; ensured implementation by Asia-Pacific economies of the

2011 APEC Leaders' commitment to reduce tariffs on environmental goods to 5 percent or less; in APEC to implement the 2011 Leaders' commitment on environmental goods; organized the second meeting of the Public-Private Partnership on Environmental Goods and Services (PPEGS) to advance work on addressing non-tariff barriers to trade in EGS in the APEC region; contributed significantly to Presidential task forces responsible for the development and implementation of national strategies to combat wildlife trafficking and illegal fishing and seafood fraud; and reached agreement with China as part of the 2015-2016 Joint Commission on Commerce and Trade (JCCT) to enhance information sharing and cooperation, jointly and with other trading partners in the region, to address wildlife trafficking, illegal fishing, and illegal logging and associated trade.

Goal 2: Create and Sustain Better U.S. Jobs by Monitoring and Enforcing U.S. Rights

Consistent with the President's trade policy agenda and with the primary goal of creating and sustaining well-paying American jobs, USTR will continue to closely monitor and vigorously enforce U.S. rights under trade agreements to ensure that American workers, farmers, ranchers, producers, service providers, and businesses receive the full benefit of the economic opportunities the United States has negotiated, and address foreign unfair trade practices, including through U.S. trade laws that USTR administers.

Objectives:

2.1: Effectively utilize USTR resources to monitor unfair foreign trade barriers and practices, as well as compliance by trading partners with U.S. trade agreements.

2.2: Deploy all available tools to vigorously enforce U.S. rights under trade agreements, to ensure that these agreements meet their potential to create and sustain well-paying American jobs.

Accomplishments:

Using every tool available, USTR vigorously enforced U.S. rights under our trade agreements, ensuring that more Americans realized the benefits promised by those pacts. The Administration's robust enforcement efforts are securing a level playing field for American workers, farmers, ranchers, manufacturers, and service providers, increasing U.S. export opportunities, and helping U.S. producers stay globally competitive in a variety of sectors and industries even in today's difficult economic environment. The President's comprehensive trade enforcement strategy also promotes and protects innovation critical to U.S. exports and well-paying 21st century jobs, and upholds key commitments to protect labor rights and the environment.

- *Strengthened Enforcement of U.S. Trade Rights.* Throughout the year, the Obama Administration continued its effort to fight for our workers through aggressive enforcement actions to level the playing field for American workers and businesses. To date, USTR has brought 20 enforcement actions over the course of the Administration, winning every one that has been brought to closure. In 2015, the United States saw victories in a wide range of trade enforcement cases that benefit American workers and industries, including high-tech steel makers, farmers, and other exporters. USTR also launched two new dispute settlement proceedings to enforce WTO rules and vindicate the interests of American manufacturers and exporters.
- *Secured a Victory in Challenge to Argentina's Import Licensing Restrictions.* In January, the United States prevailed against Argentina's widespread restrictions on the importation of U.S. goods in a dispute settlement case at the World Trade Organization (WTO). The WTO Appellate Body affirmed that Argentina's import licensing requirements and other import restrictions breach international trade rules. Argentina's restrictive trade-related requirements harm American businesses and exporters, and potentially affect billions of dollars in U.S. exports to Argentina each year. Key U.S. exports to Argentina include energy products, electronics and machinery,

aerospace and parts, pharmaceuticals, precision instruments and medical devices, miscellaneous chemicals, motor vehicles and vehicle parts, and agricultural products.

- *Challenged China's Export Subsidy Program.* In February, the United States launched a challenge against China at the WTO concerning its "Demonstration Bases-Common Service Platform" export subsidy program. Under this program, China appears to provide prohibited export subsidies through "Common Service Platforms" to manufacturers and producers across economic sectors and sub-sectors located in industrial clusters throughout China known as "Demonstration Bases." Sectors benefitting from the program include textiles, advanced materials and metals, chemicals, and medical products. These export subsidies not only provide an unfair advantage to a vast array of Chinese exporters, but are also harmful to American workers and American businesses of all sizes. After consultations failed to resolve the U.S. concerns with China's export subsidies under its Demonstration Bases-Common Service Platform program and related subsidies to Demonstration Bases, the United States moved forward by requesting the WTO to establish a dispute settlement panel.
- *Challenged Indonesia's Import Restrictions on U.S. Agriculture.* In September, a WTO dispute settlement panel was established to examine Indonesia's wide-ranging import restrictions on fruits and vegetables, animal products, and other agricultural products. Indonesia's prohibitions and restrictions unfairly limited opportunities for U.S. farmers and ranchers to export their world-class products. Indonesia is the fourth most populous country in the world and an increasingly important export market for many U.S. agricultural products, with exports of agricultural products affected by Indonesia's import licensing regimes totaling nearly \$200 million in 2014. Through this dispute, USTR is seeking to unlock economic opportunity for American workers, farmers, and businesses of all sizes by challenging policies leading to unfair competition and by removing unwarranted barriers to U.S. exports in a key Asian market.
- *Secured Implementing Action in Challenge to China's Rare Earth Export Policies.* In May, China eliminated its export duties on rare-earth elements after earlier in the year they ended export quotas on these same products. The United States, the European Union, and Japan had successfully challenged China's export duties and quotas, delivering a major enforcement victory. The WTO agreed with the United States that China's imposition of export quotas and duties on rare earths, tungsten, and molybdenum breached WTO rules. Rare earths, tungsten, and molybdenum are key inputs in a multitude of U.S.-made products for critical American manufacturing sectors, including hybrid car batteries, wind turbines, energy-efficient lighting, steel, advanced electronics, automobiles, petroleum and chemicals.
- *Prevailed in Challenge to India's Ban on U.S. Agriculture Exports to Protect American Farmers.* In June, the WTO found in favor of the United States in a dispute challenging India's ban on various U.S. agricultural products allegedly to protect against avian influenza, giving the United States a major victory. The WTO panel and Appellate Body agreed that India's ban on products such as poultry meat, eggs, and live pig were not based on international scientific standards on animal health to prevent avian influenza but were discriminatory trade barriers. This victory will help address barriers to the Indian market for U.S. farmers, including those in the U.S. poultry industry in particular. The U.S. poultry industry, which employs over 350,000 workers and consists of nearly 50,000 family farms – has been particularly affected by India's restrictions. The

industry estimates that U.S. exports to India of just poultry meat alone could exceed \$300 million a year once India's restrictions are removed.

- *Prevailed Against Chinese Duties on U.S. Exports of Electrical Steel.* In July, the United States prevailed in a WTO challenge to China's compliance actions following WTO findings in 2012 that China's duties on high-tech steel were inconsistent with WTO rules – duties that contributed to over \$250 million in annual export losses for American steel exporters. The compliance challenge was the first time any WTO Member had initiated a WTO proceeding to challenge a claim by China that it had complied with adverse WTO findings. The United States took the unprecedented step of challenging China's claim to ensure that China lived up to its WTO obligations and stopped misusing trade remedies in a manner that harmed American workers and businesses.
- *Challenged China's Tax Exemptions for Certain Chinese-Produced Aircraft.* In December, the United States launched a WTO challenge to address China's measures exempting certain aircraft produced in China from value-added tax (VAT), while imposing those taxes on imported aircraft. China's measures breach WTO rules prohibiting discriminatory taxation on the basis of national origin and are harmful to American workers and businesses of all sizes in the aviation industry. Through this action, USTR is seeking to enforce WTO commitments to secure a level playing field for American-made aircraft and parts producers who provide components for foreign-made aircraft.
- *Monitored Intellectual Property Protections and Obligations through the Special 301 Report.* In April, USTR released its annual "Special 301" Report on the adequacy and effectiveness of U.S. trading partners' protection and enforcement of intellectual property rights. USTR maintained China and India's status on the Priority Watch list, noting continuing concerns about IPR protection and enforcement. USTR announced that it would conduct an Out-of-Cycle Review of Honduras, Ecuador, Paraguay, Tajikistan, Turkmenistan, and Spain. USTR also expressed growing concerns with respect to the environment for IPR protection and enforcement in Turkey, Indonesia, Russia, Argentina and other markets.
- *Reaffirmed the United States' Commitment to Fight Global Piracy and Counterfeit Goods with the Special 301 Out-of-Cycle Review of Notorious Markets.* In March, the United States released the Special 301 Out-of-Cycle Review of Notorious Markets, which identifies global physical and online marketplaces that harm American businesses and workers through the infringement of intellectual property rights. The Notorious Markets report helps the US and foreign governments prioritize enforcement of the intellectual property rights that protect job-supporting innovation and creativity in the United States and around the world.
- *Made Progress with Bangladesh on Key Trade, Worker Safety, and Labor Issues.* In January, a USTR-led interagency review concluded that Bangladesh made progress to address and improve fire and building safety issues in the ready-made garment (RMG) sector, but additional progress is required, including to address serious worker rights issues, before reinstatement of Bangladesh's Generalized System of Preferences (GSP) benefits can be considered. The review also found that urgent progress was necessary to fairly address reports of unfair labor practices and to advance and implement needed legal reforms to protect worker rights.

- *Promoted Labor and Worker Rights in Honduras.* The Obama Administration has taken unprecedented actions to promote and protect fundamental labor rights and ensure acceptable conditions of work in the countries with whom we trade. In February, the Department of Labor released a report on worker's rights concerns in Honduras, and raised concerns regarding the effective enforcement of labor laws in Honduras under the Dominican Republic-Central America-United States Free Trade Agreement (CAFTA-DR). The report provides recommendations to address these labor concerns, and encourages the development and implementation of a monitoring and action plan. USTR and the Department of Labor worked closely with the Government of Honduras in 2015 to develop a detailed Monitoring and Action Plan, with specific commitments to improve protection of labor rights and enforcement of labor laws. The plan was signed and made public by the two Governments in December.
- *Continued Making Progress on Labor Enforcement in Guatemala.* In late 2014, the U.S. launched a labor enforcement case against Guatemala under the Dominican Republic-Central America-United States Free Trade Agreement (CAFTA-DR). The enforcement action – which was initiated following a public submission by the AFL-CIO and six Guatemalan labor organizations – has continued to move forward in 2015, with the U.S. submitting its second written submission in March, and arguing the case before an arbitral panel in June.
- *Continued Support for Labor Rights in Peru.* In July, 2015, the Department of Labor received a submission from the International Labor Rights Forum, Peru Equidad, and seven Peruvian workers' organizations under Chapter 17 (the Labor Chapter) of the United States-Peru Trade Promotion Agreement (PTPA). The submission alleges that the Government of Peru has failed to meet its PTPA commitment to adopt and maintain in its statutes and regulations, and practices thereunder, the right of freedom of association and the effective recognition of the right to collective bargaining. On September 21, 2015, the Department of Labor accepted the submission for review and issued a Federal Register notice on its decision. USTR is working closely with the Department of Labor conducting an examination of the submission allegations as part of the process to determine its findings, which will be issued in a public report by the Department of Labor.
- *Implemented Trade Preference Programs to Advance Worker Rights.* USTR closed a longstanding Generalized System of Preferences (GSP) review of worker rights in the Philippines based on progress by the Philippines government in addressing worker rights issues in that country, including through reforms of labor laws and regulations. USTR announced a January 2016 hearing on several other GSP country practices reviews of worker rights, including a newly-launched review of worker rights in Thailand and ongoing worker rights reviews involving Uzbekistan, Niger, Fiji, Georgia, and Iraq. Protecting labor rights is a key component of U.S. trade preference programs, and USTR uses every tool at its disposal to improve labor laws and working conditions in countries with which we trade.
- *Addressed Key Telecommunications Trade Barriers.* In March, USTR released its annual Report of the Section 1377 Review, which identifies the latest major barriers faced by United States telecommunications service and equipment suppliers in the global economy. The report also illustrates the specific telecommunications-related issues on which USTR will allocate monitoring and enforcement efforts over the coming year so as to protect the high quality jobs supported by

telecommunications trade. Since last year's report, USTR has achieved progress on issues impacting telecommunications trade, but continues to monitor new challenges that face American telecommunications exporters, particularly in China and Vietnam.

- *Challenged India's Requirements Affecting U.S. Solar Product Exports.* The United States has challenged domestic content requirements for solar cells and modules imposed under India's National Solar Mission (NSM). At the U.S. request, the WTO established a panel to examine India's domestic content requirements under Phases I and II of the NSM, and the panel proceeding is underway. These domestic content requirements discriminate against U.S. solar cells and modules by requiring certain solar power developers to use Indian-manufactured solar cells and modules instead of U.S. or other imported equipment. In addition to the WTO consultations held on Phases I and II, the United States has engaged India on our concerns regarding the NSM over the last three years, including in bilateral fora such as the U.S.-India Trade Policy Forum and the U.S.-India Energy Dialogue, and at the WTO in various committees.
- *Strengthened Compliance Monitoring Efforts.* Utilizing all available resources including additional language and research capability at ITEC, USTR enhanced its monitoring of WTO Member compliance with WTO rulings and recommendations.
- *Ensured Korea's Effective Implementation of KORUS Obligations on the Regulation of Pharmaceutical Products.* In response to pending KORUS implementation obligations, and pursuant to extensive discussions between the U.S. and Korean governments, the Pharmaceutical Affairs Act was amended in March 2015 to create an administrative procedure for pharmaceutical patent owners to temporarily prevent the sale of products, including biologics that may infringe a patent, so as to allow for judicial consideration of infringement allegations.
- *Monitored and Implemented FTA Environment Chapters.* USTR coordinated a whole of government plan for monitoring our trading partners' implementation of their FTA environment chapter obligations. The plan entails fact gathering and evaluation of environmental issues in our FTA partner countries. The monitoring plan will strengthen USTR's ongoing efforts to ensure that our trading partners comply with FTA obligations.
- *Promoted and Monitored Environmental Protection in Peru.* The United States continues to monitor the impact of Peru's economic reforms passed in July 2014, and is providing technical assistance to support Peru's environmental regulator during implementation of the 2015 – 2018 Environmental Cooperation Agreement Work Program, negotiated every few years per their PTPA commitment. In June 2015, the United States and Peru signed the necessary documents to establish an independent environmental secretariat to receive submissions from the public on effective enforcement of environmental laws. The environmental secretariat will be housed in the Organization of American States in Washington, DC. In June, the United States and Peru held a senior-level meeting of the Environmental Affairs Council and the Environmental Cooperation Commission and meetings of the Subcommittee on Forest Sector Governance to monitor implementation of the Environment Chapter of the PTPA and the Annex on Forest Sector Governance (Forest Annex).

- *Promoted and Monitored Environmental Protection in Central America and the Dominican Republic.* The Environmental Affairs Council met to discuss and review the Parties' progress in implementing core commitments of the CAFTA-DR Environment Chapter, including efforts to improve levels of environmental protection, effectively enforce environmental laws, and promote public participation in environmental decision making. Officials also discussed key environmental cooperation achievements, including the improvement of over 203 environmental laws, training of over 120,000 people in natural resources management, and implementation of public awareness campaigns reaching over 19 million people.
- *Advanced public participation under the United States-Panama Trade Promotion Agreement.* The United States and Panama signed an agreement for the establishment of the Environmental Secretariat to be housed at the Water Center for the Humid Tropics of Latin America and the Caribbean. The secretariat is intended to promote public participation in the identification and resolution of environmental enforcement issues and will receive and consider submissions from the public on matters regarding enforcement of environmental laws. An interagency delegation also traveled to Panama in March 2015 to monitor Panama's implementation of its environmental commitments. The delegation met with representatives of Panama's trade and environment ministries and held a roundtable with civil society representatives to exchange views on the implementation of the environment commitments of the TPA.
- *Advanced Policy Reforms in sub-Saharan Africa.* USTR used the annual AGOA eligibility process to advance needed policy reforms in sub-Saharan African countries, and further open African markets to U.S. trade and investment. This year, USTR led and coordinated interagency annual review of 49 sub-Saharan African countries to monitor progress on the AGOA eligibility criteria, including whether countries are making continual progress toward establishing, among other criteria, market-based economies, elimination of barriers to U.S. trade and investment, protection of intellectual property, efforts to combat corruption, policies to reduce poverty, and protection of human rights and worker rights. USTR also engaged with the Government of South Africa to identify ways to resolve long-standing tariff differentials; bilateral agricultural trade barriers on U.S. pork, beef and poultry exports; and geographic indications for agricultural products.
- *Promoted and Monitored Environmental Protection in Korea.* In November 2015, the United States and Korea held the second meetings of the Environmental Affairs Council (EAC) and Environmental Cooperation Commission (ECC), as well as a public session in conjunction with the meetings. The EAC discussed progress in implementing the KORUS Environment Chapter. The meetings focused specifically on provisions mandating high levels of protection, effective enforcement, and public participation. Korea described actions it took in response to being listed in 2012 by NOAA as a "non-cooperative" nation regarding IUU fishing under the Magnuson-Stevens Fishery Conservation and Management Act. In particular, Korea noted that it had significantly revised its legal and regulatory system, especially with respect to its deep-water fishing fleet, resulting in its de-listing from NOAA's 2015 report on illegal and unreported fishing practices. The ECC reviewed environmental cooperation activities under the 2013-2015 Work Program, such as ongoing cooperation between the Korean Ministry of Oceans and Fisheries and

NOAA on integrated coastal resource management, marine and climate monitoring, and fisheries and aquaculture research. The ECC also approved the 2016-2018 Work Program, which identifies priorities for future cooperative activities, including: strengthening implementation and enforcement of environmental laws; protecting wildlife and sustainably managing ecosystems and natural resources, including combating IUU fishing; strengthening environmental protection and promoting sustainable environmental cities; and sharing best practices on the development and application of cleaner sources of energy and the use of innovative environmental technology

- *Promoted and Monitored Environmental Protection in Chile.* In August 2015, the United States and Chile held meetings of the Environmental Affairs Council (EAC) and the Joint Commission on Environmental Cooperation (JCEC). At these meetings, the United States and Chile continued to advance their work to implement the Environment Chapter of the FTA and the associated Environmental Cooperation Agreement. The governments reported on and discussed their progress in implementing obligations under the chapter, including obligations to establish high levels of environmental protection; effectively enforce domestic environmental laws; and provide opportunities for public participation in matters related to the implementation of the chapter. The two governments also discussed ongoing environmental cooperation activities, such as training the Department of the Interior has provided for judges, prosecutors, and customs officials on the implementation and enforcement of the Convention on International Trade in Endangered Species of Fauna and Flora. The governments also adopted an updated environmental cooperation work program for the period 2015-2017, which establishes the following priorities for cooperative activities: strengthening effective implementation and enforcement of environmental laws and regulations; promoting conservation and inclusive management of natural resources, including biodiversity and ecosystem services, protected wild areas and other ecologically important ecosystems; promoting environmental education, transparency, and civil society participation in environmental decision-making and enforcement; and encouraging development of low emissions technology, improving resilience to large-scale disasters, and encouraging the adoption of sound environmental practices and technologies. The officials held a public session in conjunction with the EAC and JCEC meetings.
- *Promoted and Monitored Environmental Protection in Singapore.* In August 2015, the United States and Singapore met to advance their work to implement the Environment Chapter of the FTA and the associated Memorandum of Intent on Cooperation in Environmental Matters (MOI). The governments reported on and discussed their progress in implementing obligations under the chapter, including obligations to establish high levels of environmental protection; effectively enforce domestic environmental laws; and provide opportunities for public participation in matters related to the implementation of the chapter. The two Governments also discussed ongoing environmental cooperation activities and adopted an updated environmental cooperation plan of action for 2016-2017, which establishes the following priorities for cooperative activities: (1) improving the capacity of institutions and strengthening policies for effective implementation and enforcement of environmental laws, including supporting efforts of countries in the region to combat illegal trade in environmentally sensitive goods through bilateral and regional cooperative activities; (2) participating in regional initiatives related to the conservation and sustainable use of and trade in natural resources; and (3) encouraging the exchange of information on environmental

policies, best practices and use of innovative environmental technology and pollution management techniques. The officials held a public session in conjunction with the meeting.

- *Promoted Marine Conservation and Ocean Sustainability Through Trade Negotiations and Initiatives.* USTR contributed significantly to the implementation of the President's March 2015 Action Plan to Combat Illegal, Unreported, and Unregulated (IUU) Fishing and Seafood by securing in TPP strong commitments to combat IUU fishing, eliminate harmful fisheries subsidies, and promote fisheries and marine conservation. USTR is pursuing similar commitments in the T-TIP negotiations. In addition, USTR worked successfully with interagency partners and the Governments of Colombia, Mexico, South Korea, and Panama on actions by those governments to combat illegal fishing. USTR also advanced work in APEC to improve the transparency of fisheries subsidies programs in the Asia-Pacific region. With USTR leadership, the United States joined more than 25 other WTO Members at the WTO Ministerial Conference in Nairobi in issuing a Joint Ministerial Statement on Fisheries Subsidies that expressed support for reinvigorating work in the WTO to strengthen disciplines on fisheries subsidies and enhance their transparency.
- *Combated Illegal Wildlife Trafficking and Illegal Logging Through Trade Negotiations and Initiatives.* USTR made substantial contributions to the development and implementation of a National Strategy to Combat Wildlife Trafficking by securing strong and enforceable commitments to combat wildlife trafficking and enhance wildlife conservation in the TPP, and pursuing similar outcomes in the T-TIP negotiations. USTR and the Department of Commerce also reached agreement with China as part of the 2015-2016 Joint Commission on Commerce and Trade (JCCT) to enhance information sharing and cooperation, jointly and with other trading partners in the region, to address wildlife trafficking, illegal fishing, and illegal logging and associated trade. In August 2015, on the margins of the AGOA Forum in Gabon, Ambassador Froman made side trips to the Wonga-Wongué Presidential Reserve and Pongara National Park outside of Libreville, Gabon to see firsthand these critical environmental challenges and raise awareness of trade as a tool to promote environmental protection and conservation, and support more sustainable economic development. In APEC, USTR led efforts in the Experts Group on Illegal Logging and Associated Trade (EGILAT) to develop a Common Understanding of the Scope of Illegal Logging and Associated Trade, as well as a Timber Legality Guidance Template that will help to advance regional transparency in the laws and regulations governing trade in timber products.
- *Addressed SPS Trade Barriers in the WTO.* The United States continued to monitor the European Union's approvals of biotech varieties in relation to the WTO biotech case filed in 2005. The United States led a coalition of countries to caution the European Union against adopting a legislative proposal to allow its Member States to "opt out" of EU-level approvals of biotech food and feed products. The United States also led a coalition of countries to press the European Union against adopting non-science based hazard approach to regulating substances with endocrine-disrupting properties. Further, the United States urged China to ensure its regulatory approach to approvals of biotech varieties is timely, transparent, predictable and science-based. The United States accelerated our efforts in the Committee to strengthen transparency and the use to risk analysis in the development of SPS measure.

- *Utilized the WTO Committee on Agriculture (COA).* The United States raised questions with over a dozen members in each of the four COA meetings held in November 2014, and March, June and September 2015, regarding domestic support, market access, and export competition commitments and notifications. The COA provides an opportunity to promote transparency and communication among all WTO Members regarding implementation of commitments under the Agreement on Agriculture.
- *Convened Consultative Meetings on Agriculture Trade with Canada.* USTR and USDA held biannual meetings of the U.S.-Canada Consultative Committee on Agriculture to address bilateral trade problems and strengthen collaboration on issues of mutual interest, including trade barriers in third countries. These meetings are an important element in ensuring the smooth operation of one of our largest trading relationships that resulted in over \$660 billion in total (two-way) goods trade during 2014.
- *Convened Free Trade Agreement Meeting on Agriculture with Colombia.* In September of 2015, USTR led the U.S. delegation for meetings of the Committee on Agricultural Trade and the Standing Committee on Sanitary and Phytosanitary Matters under the U.S.-Colombia Trade Promotion Agreement (CTPA). The committees, which convened for the third time since entry into force of the CTPA, provide a mechanism for discussing issues of priority interest to both countries aimed at advancing the bilateral trade relationship. In 2014, U.S. exports of agricultural products to Colombia topped \$2.46 billion.
- *Convened Free Trade Agreement Meeting on Agriculture with Panama.* In December of 2014, USTR led the U.S. delegation for meetings of the Committee on Agricultural Trade and the Standing Committee on Sanitary and Phytosanitary Matters under the U.S.-Panama Trade Promotion Agreement (TPA). The committees, which convened for the second time since entry into force of the TPA, provide a mechanism for discussing issues of priority interest to both countries aimed at advancing the bilateral trade relationship. In 2014, U.S. exports of agricultural products to Panama reached nearly \$686 million.
- *Convened Free Trade Agreement Committee Meeting on Bilateral Agriculture-Related Trade Issues with Chile.* In June of 2015, USTR chaired the U.S. delegation for a meeting of the Committee on Sanitary and Phytosanitary (SPS) Matters under the U.S.-Chile Free Trade Agreement. The committee provides a forum to discuss bilateral issues under the Agreement so that both countries' agricultural sectors can achieve opportunities offered by the FTA. In 2014, the United States exported \$903 million of agriculture and related products to Chile.
- *Convened Free Trade Agreement Meeting on Agriculture with Korea.* In December of 2015, USTR led the U.S. delegation for meetings of the Committee on Agricultural Trade and the Committee on Sanitary and Phytosanitary Matters under the U.S.-Korea Free Trade Agreement (KORUS). The committees, which convened for the second time since entry into force of the KORUS, provide a mechanism for discussing issues of priority interest to both countries aimed at

advancing the bilateral trade relationship. In 2014, U.S. exports of agricultural products to Korea topped \$6.88 billion.

- *Convened Free Trade Agreement Meeting on Agriculture Market Access Issues with Peru.* In November of 2015, USTR led the U.S. delegation for meetings of the Standing Committee on Sanitary and Phytosanitary (SPS) Matters under the U.S.-Peru Trade Promotion Agreement. The committee, which convened for the fourth time since implementation of the Agreement, provides a forum to discuss bilateral issues so that both countries' agricultural sectors can achieve opportunities offered by the Agreement. In 2014, the United States exported over \$1.2 billion of agriculture and related products to Peru.
- *Convened Free Trade Agreement Joint Commission Meeting with Morocco:* In February 2015, USTR led an interagency delegation to Rabat to hold the fourth session of the Joint Committee established under the U.S.-Morocco Free Trade Agreement to address issues related to successful implementation of the Agreement. The two delegations discussed a range of issues, including intellectual property rights, customs cooperation, market access, and export quotas. The Joint Committee heard reports of substantial progress from recent meetings of the Labor, Environment and Agriculture/SPS FTA Sub-committees, agreed on a workplan for SPS issues, and committed to engagement throughout the year to move forward on bilateral issues. In 2014, the United States exported over \$400 million of agricultural products to Morocco.

Goal 3: Develop Strategic and Transparent 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, labor unions and non-governmental organizations, and lead interagency trade and investment policy coordination on trade negotiations and initiatives to obtain broad-ranging input, provide accountability, and develop sound, strategic U.S. trade policies.

Objectives:

3.1: Expand and broaden the existing coalition with Congress, stakeholders, state and local governments, and the public to inform and strengthen the U.S. trade agenda, develop Administration trade policies and initiatives, advance key trade legislation, including Congressional approval of trade agreement implementing bills.

3.2: Foster a robust advisory committee system by appointing and consulting an active group of advisors.

3.3: Employ constructive, consensus-building interagency coordination in the TPSC and TPRG.

Accomplishments:

- *Held Meetings and Briefings with Congress on Key USTR Initiatives.* Ambassador Froman and USTR staff held meetings and briefings with Members of Congress and their staffs on a range of trade issues, including the WTO, TPP, and T-TIP negotiations, ensuring that the people's representatives in Congress were kept abreast of the content and progress of the talks and had ample opportunity to shape ongoing U.S. negotiating efforts.
- *Organized Stakeholder Briefings on TPP Negotiations.* In 2015, USTR hosted public briefings with Ambassador Froman and other senior officials. Over the course of the year, hundreds of stakeholders have been updated on the Trans-Pacific Partnership (TPP) negotiations and have provided further input into the process.
- *Organized Stakeholder Events on T-TIP Rounds.* USTR hosted a stakeholder engagement event during every U.S. round of the T-TIP negotiations to ensure that multiple perspectives and a balance of views informed the U.S. negotiating positions during T-TIP rounds.
- *Consulted with an Inclusive and Rounded Group of Trade Advisory Experts.* USTR fostered a robust and balanced advisory committee system by appointing new advisors to the Advisory Committee on Trade Policy and Negotiations (ACTPN), Industry Trade Advisory Committees (ITACs), Intergovernmental Policy Advisory Committee on Trade (IGPAC), Labor Advisory Committee for Trade Policy and Trade Negotiations (LAC), Trade and Environment Policy Advisory Committee (TEPAC), and Trade Advisory Committee on Africa (TACA). USTR meets regularly with the advisors to brief and obtain input on a range of trade issues including, TPP, T-TIP, and the WTO.

- *Held Stakeholder Events and Made Proposals to Congress for AGOA Renewal and Modernization.* USTR concluded a comprehensive review of AGOA, including extensive stakeholder consultations, which served as basis for Administration proposals to Congress on AGOA renewal and modernization beyond its expiration date of September 30, 2015. USTR senior officials met with members of the Trade Advisory Committee on Africa (TACA) and a wide range of stakeholders on U.S.-sub-Saharan Africa trade and investment policy issues.
- *Continued Outreach to Stakeholders on Trade and Environment Issues:* USTR engaged in considerable outreach on a range of trade and environment issues and policy areas with a broad segment of stakeholders including Members of TEPAC, the broader environmental community, other government agencies, Congress, and the private sector. Outreach to environmental NGOs took place at the staff-level as well as the CEO and leadership level, in the United States and in several countries. This included outreach related to TPP, as well as under existing FTAs with Chile, Korea and Singapore, USTR engaged with environmental NGOs during the public sessions that took place alongside bilateral environmental meetings. Additionally, on the margins of the AGOA Forum in Gabon in August, and APEC meetings in Philippines in November, Ambassador Froman engaged with environmental NGOs during site visits and a roundtable on trade and conservation issues. Stakeholder engagement and outreach is and will continue to be essential to achieving trade-related environmental progress and objectives.

Goal 4: Effectively Communicate Trade's Benefits

To ensure the advancement of the President's trade policy agenda, USTR will communicate the benefits of international trade and international investment to domestic and foreign audiences, thereby building public understanding of trade's job-creating potential and support for opening markets around the world to trade and foreign investment.

Objectives:

4.1: Create and implement a USTR-wide, proactive communications strategy to explain the job-creating, economy-enhancing benefits of trade to domestic constituencies and stakeholders.

4.2: Enhance outreach to state and local governments on the benefits of trade, particularly those benefits that flow from free trade agreements (FTAs) and membership in the WTO.

4.3: Work with the White House and with agency partners to implement an Administration-wide message on the benefits of international trade.

4.4: Communicate, in consultation with other agencies, the Congress and interested stakeholders, a common 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.

Accomplishments:

In 2015, USTR's ongoing and serious dialogue with the American people about trade and jobs produced real results across a wide range of issues and initiatives.

- *Showcased TPP's Benefits to Delaware Economy.* In October, following the conclusion of the TPP negotiations, Ambassador Froman traveled to Delaware to meet with local businesses and discuss how the trade agreement will bring unprecedented benefits to the community. Ambassador Froman joined Senators Carper and Coons to tour WhiteOptics, a New Castle small business that develops, manufactures and exports technologies for the commercial lighting industry. They later met with a variety of Delaware business leaders at DuPont headquarters in Wilmington to illustrate how the TPP will level the playing field for American businesses, workers, and farmers by cutting foreign taxes on Made-in-America exports. In 2014, Delaware exported \$5.3 billion of Made-in-America goods to the world, supporting over 23,200 jobs.
- *Praised the Benefits of Record-Breaking Texas Exports to Local Businesses.* In January, Ambassador Froman travelled to Dallas to highlight Texas as America's top exporting state. Ambassador Froman toured the Mary Kay manufacturing facility with U.S. Rep Eddie Bernice Johnson (TX-30) and Dallas Mayor Mike Rawlings to discuss how the President's trade agenda and trade agreements in the Asia Pacific and across the Atlantic would support additional jobs and economic growth around the country. In 2014, Texas exported \$288.0 billion of Made-in-America goods to the world, supporting over 1.1 million jobs.

- *Touted California's Strong Made-in-America Exports.* In March, Ambassador Froman visited California to highlight the positive trajectory of U.S. exports in California, and the benefits they bring to businesses throughout the state. During the visit, Ambassador Froman visited San Diego with U.S. Representative Scott Peters to tour the Ballast Point Brewing and Spirits, a local small business exporting American-made craft beer to countries across the Asia Pacific. They also visited Solar Turbines Incorporated supporting growth in the San Diego economy by exporting solar turbines worldwide. Ambassador Froman later travelled to Santa Rosa to meet Mayor John Sawyer to tour family-owned Amy's Kitchen, a local business that manufactures healthy and organic convenience foods, and supports jobs throughout the region. In 2014, California exported a record-breaking \$173.8 billion of Made-in-America goods to the world – supporting almost a million jobs.
- *Promoted Strong American Exports in Los Angeles.* In November, Ambassador Froman travelled to the Los Angeles area to showcase how the Trans-Pacific Partnership will benefit Californian exports and support well-paying jobs in California. During his trip, Ambassador Froman and Long Beach Mayor Robert Garcia visited the Port of Long Beach, the second-busiest container port in the country, and an important gateway for American exports to Asia. He later toured WET, a local L.A small business that designs, engineers and manufactures water and fire features, and supports over 300 local jobs through international exports.
- *Promoted the Benefits of Grown-in-America Agricultural Exports in Nebraska.* In April, Ambassador Froman traveled to Nebraska to highlight the state's strong agricultural exports and their benefits to the local economy. Ambassador Froman and Congressman Brad Ashford held a roundtable conversation with Nebraskan farmers and ranchers about how President Obama's trade agenda helps them export world-class agricultural products around the world. Ambassador Froman later joined Omaha Mayor Jean Stothert in a tour of Valmont Industries, Inc., an exporter of infrastructure and agriculture equipment, and major employer in the Omaha area, which stands to benefit from increased international trade. Ambassador Froman also toured the Ueberrhein Family Farm, which raises soybeans and corn on 1,500 acres of land. Soybeans are Nebraska's most-exported crop, and large amounts of American soybeans are exported to Asia, where the United States recently concluded the Trans-Pacific Partnership. In 2014, Nebraska exported \$7.9 billion in goods, supporting 62,214 jobs.
- *Highlighted Alabama's Made-In-America Exports.* In May, Ambassador Froman joined Congresswoman Terry Sewell and Alabama Secretary of Commerce Greg Canfield to discuss the many benefits of increased trade to local Alabamans, including farmers, manufactures, and local businesses. In 2014, Alabama exported \$19.5 billion in goods, supporting 95,258 jobs.
- *Communicated the Environmental Benefits of Trade Initiatives and Agreements.* In 2015, USTR improved and increased engagement and communication, both directly and via digital platforms, with the American people on a range of trade-related environmental issues to increase awareness of the trade policy initiatives and agreements we are using to tackle pressing environmental challenges—such as wildlife trafficking, illegal logging, and marine conservation and protection. These efforts included factual but visually-appealing environment-specific content shared across USTR's social media platforms (Twitter and Facebook), as well as penning numerous environment-focused blogs that were posted on the Tradewinds platform. Another key effort was

the development of the first ever Environment Report—an accessible, and detailed yet engaging overview of the evolution of environmental protections in U.S. trade agreements and the progress that has been achieved under these agreements, while also looking ahead to the potential impacts of the next generation of agreements, the TPP and T-TIP. The Environment Report now serves as the cornerstone of USTR’s trade and environment policy communication.

- *Convened the 6th U.S.-EU Small and Medium Enterprise Workshop* in Washington DC with USTR, the Small Business Administration, the Department of Commerce and the European Commission to bring together American and European small and medium businesses on both sides of the Atlantic to hear their priorities for T-TIP and expand opportunities for US-EU small business cooperation.

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:

5.1: Implement a human capital management program designed to help USTR accomplish its mission.

5.2: Manage USTR more efficiently and effectively.

5.3: Provide facilities that help USTR staff become more productive.

5.4: Install information technology and communications systems that increase USTR's productivity.

5.5: Manage resources to maximize USTR future capabilities.

5.6: Implement a security program that provides a high-degree of protection for USTR personnel, facilities and sensitive information.

Accomplishments:

- *Implementing an Effective Human Capital Program to Maximize Workforce Capabilities.* 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 are compliant with OPM's new governmentwide SES Performance Management System, and that each plan is structured to assess SES members' achievements as related to USTR goals/objectives. For Non-SES, achieved timely appraisals from those rating officials who historically submitted their proposed ratings late. Maintained certification of SES Performance System. Analyzed results of 2015 Employee Viewpoint Survey and provided information and analysis to the F.O.; as a whole, USTR continues to improve. Made numerous training opportunities available to staff, i.e. Rosetta Stone, supervisory skills courses, Excel. Assisted the Employee Viewpoint Committee to successfully address important issues; includes actions as called for in the Presidential Memorandum on Enhancing Workplace Flexibilities and Work-Life Programs. Provided proactive HR 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. 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 Administrative Assistants 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 Chief of Staff high-priority vacancies; includes a number of SES/SL positions. Continued the integration of ITEC into USTR operations by acquiring new ITEC detailees with skills and experience responsive to the enforcement priorities of the various USTR offices.

- *Improved the Effectiveness and Efficiency of USTR Support Systems.* Worked closely with USTR Advance and proactively addressed all special conferencing needs; provided timely and expert conference planning support for all significant meetings. Declassification review for records at the Washington National Records Center to be permanently retired almost complete (in excess of 300 boxes of paper records). Completing first update in two decades to USTR records schedules to reflect current organizational needs. Moved Geneva paper litigation records management project; Geneva administration awarded with FY15 funds previously provided.
- *Improved the Quality of Office and Meeting Facilities to Increase Employee Productivity.* Completed securing conferencing space to enhance ITEC capabilities at 1724 F Street. Coordinated plaza renovations to ensure all USTR employees remain aware of work and minimize potential disruptions. Completed reconfiguration, build out and moves for Administrative staff to 6th floor upon relocation of WHFCU staff to 1st floor. Provided a set of alternative arrangements for 1724 F to improve space utilization for FY16 funding. Furniture renewed in all working conference rooms; significantly enhanced the appearances and functionality.
- *Improved Productivity through Information Technology Upgrades.* Upgraded Winder secure conference facility video to TS/SCI. Preparations completed to implement voice over IP phone solution. Ready to implement disk-less classified network configuration. Completed website refresh/upgrade, incorporating new requirements for Blog, Photo, and Social media to enable enhanced transparency and outreach for passing major new Global Trade Agreements (TPP, TTIP); upgrade required close coordination with White House New Media and Political Staff; site now on very stable and robust hosting platform. Provided exceptionally timely and reliable guidance and support to preparations and major international trade negotiations, including: WTO, TPP Singapore, TPP Australia, Maui, T-TIP Brussels 2x. Geneva IT support 2x, TPP Atlanta, TTIP NY, TTIP DC. Moved from password to PIV authentication. Reached agreement with Geneva Mission for deployment of new secure voice equipment once State Department-wide design is approved by Diplomatic Security. Managed network shared drives restrictions post-intrusion and minimized work disruption across the Agency.
- *Improved Budget Planning and Execution.* FY 2015 spend plan management ensured 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; carefully managed the travel budget to meet Agency goals. Delivered the FY 2016 Congressional Budget Submission

and other supporting briefs, Q&A's, etc. that fully justify USTR resource needs. Expediently completed all required Congressional financial reports. Continued efforts to improve delivery of more competitive airfare pricing for USTR travelers.

- *Improved Security Systems and Processes.* Completed multiple updates of USTR Continuity of Operations (COOP) plan as EOP-sponsored exercises were conducted; trained CERT members on procedures with new EOP COOP site; managed successful exercises at the new site. Partnered with EOP to conduct building drills. Provided COOP, information security, physical security and emergency preparedness training and conducted/participated in appropriate exercises to raise the awareness and readiness of all USTR employees. Executive Protection Detail: made do with 2-person team for reporting period and minimized issues. Developed secure conferenced facility construction guidance for GSA to install new capability 1724 F Street; build out completed and certified. Developed and implemented physical security procedures to protect all USTR, TPP and T-TIP negotiators at several locations in the United States. Developed and administered site specific security plans that addressed the physical security of personnel and related resources attending negotiating rounds. Administered a security plan that provided active and passive measures designed to prevent unauthorized access to personnel attending the negotiations and safeguarded attendees against criminal behavior. The plans also provided for the prevention and the means to counter threats when preventive measures are ignored. Threats addressed included the full range of potential vulnerabilities, including protest groups, terrorists, criminals, saboteurs, persons seeking unauthorized access to the meetings.

GLOSSARY OF ACRONYMS

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| 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 |
| EAL..... | 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 |

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|------------------------|---|
| 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 |
| 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 |

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| 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 |
| 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 |
| T-TIP..... | Transatlantic Trade and Investment Partnership |
| 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 |