

# **Executive Office of the President Office of the U.S. Trade Representative**



## **Strategic Plan FY 2013 – FY 2017**

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## Introduction

This document is the fifth strategic plan of the Office of the United States Trade Representative (USTR). This strategic plan has been developed in accordance with the USTR's obligations under the Government Performance and Results Act (GPRA) Modernization Act of 2010 to help USTR plan for the next four years following FY 2013. Assistant United States Trade Representatives (AUSTRs) and other senior USTR officials collaborated in developing the plan. While non-government parties did not contribute to the preparation of this plan, the report takes into account the advice received from USTR's statutorily mandated Advisory Committees. The report also takes into account advice from Trade Policy Staff Committee (TPSC) agencies, the Government Accountability Office, and the United States Congress.

The plan consists of eight main components:

- (1) Mission statement;
- (2) General goals and objectives;
- (3) How any goals and objectives contribute to the Federal Government's priority goals;
- (4) How the goals and objectives are to be achieved, including:
  - (a) Operational processes, skills and technology, and the human, capital, information, and other resources required to achieve those goals and objectives; and
  - (b) How the agency is working with other agencies to achieve its goals and objectives as well as relevant Federal Government priority goals;
- (5) How the goals and objectives incorporate views and suggestions obtained through congressional consultations;
- (6) How the performance goals provided in the plan contribute to the general goals and objectives in the strategic plan;
- (7) Key factors external to the agency and beyond its control that could significantly affect the achievement of the general goals and objectives; and
- (8) Program evaluations used in preparing the strategic plan with a schedule for future program evaluations to be conducted.

## I. Mission Statement

The Office of the U.S. Trade Representative (USTR) is responsible for developing and coordinating U.S. international trade, commodity and direct investment policy, and overseeing negotiations with other countries. The head of USTR is the U.S. Trade Representative, a Cabinet level member who serves as the President's principal trade advisor, negotiator and spokesperson on trade issues. USTR has its headquarters in Washington, DC and overseas offices in Beijing, China, Brussels, Belgium, and Geneva, Switzerland. The latter represents the United States at the World Trade Organization (WTO).

USTR is part of the Executive Office of the President. Through an interagency structure, USTR coordinates trade policy, resolves disagreements and frames issues for decision. The USTR also serves as vice chairman of the Overseas Private Investment Corporation (OPIC), is a member of the Millennium Challenge Corporation (MCC) Board of Directors, a non-voting member of the Export-Import Bank, a member of the Committee on Foreign Investment in the United States (CFIUS), and a member of the National Advisory Council on International Monetary and Financial Policies.

USTR provides trade policy leadership and negotiating expertise in its major areas of responsibility, including:

- Expansion of market access for American goods and services;
- Bilateral, regional and multilateral trade and investment issues;
- International commodity agreements;
- Negotiations affecting U.S. import policies;
- Oversight of the Generalized System of Preferences (GSP), the Haitian Hemispheric Opportunity Act of 2008 (HOPE II), the Caribbean Basin Initiative (CBI), the Andean Trade Preference Program, and the African Growth and Opportunity Act (AGOA);
- Oversight of Section 301 complaints against foreign unfair trade practices, as well as Section 1377, Section 337 and import relief cases under Section 201;
- Trade, commodity and direct investment matters managed by international institutions such as the Organization for Economic Cooperation and Development (OECD) and the United Nations Conference on Trade and Development (UNCTAD);
- Trade-related intellectual property protection and enforcement issues; and
- World Trade Organization (WTO) issues, including dispute litigation and resolution, multilateral, plurilateral and sectoral negotiations, and WTO accession negotiations.

USTR consults with other government agencies on trade policy matters through the Trade Policy Review Group (TPRG) and the Trade Policy Staff Committee (TPSC). These groups, administered and chaired by USTR and composed of 20 Federal agencies and offices, make up

the sub-cabinet level mechanism for developing and coordinating U.S. Government positions on international trade and trade-related investment issues.

The U.S. Congress established the private sector advisory committee system in 1974 to ensure that U.S. trade policy and trade negotiation objectives adequately reflect U.S. commercial and economic interests. The advisory committees provide information and advice with respect to 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.

Since its creation, USTR has maintained close consultation with Congress, and that consultation has increased during the Obama Administration. Liaison activities between the agency and Congress are extensive. The principal oversight Committees are the House Ways and Means and Senate Finance Committees. Other committees routinely are briefed within areas of their jurisdiction where USTR plays a role.

## **II. Goals and Objectives**

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

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 by opening export markets around the world and reducing trade and investment barriers 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 those agreements.

### **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 closely monitor and vigorously enforce U.S. rights under trade agreements to maximize their benefits for American workers, farmers, ranchers, producers, innovators, service providers and investors, and address foreign trade and investment barriers, including through U.S. trade laws that USTR administers.

### **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.

### **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 investment to domestic and foreign audiences, thereby building public understanding of trade's positive impact on economic growth, and support for additional jobs, and for opening markets around the world to trade and foreign investment.

### **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, efficiency and productivity through the enhancement of human capital through recruitment, promotion and retention initiatives, and professional development and training opportunities.

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

Consistent with the President's trade policy agenda, and with a primary goal of creating and sustaining well-paying American jobs, USTR will support the President's National Export Initiative by opening export markets around the world and reducing trade and investment barriers 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 those agreements.

### **Strategy:**

USTR's team of trade negotiators will help to create well-paying jobs for American workers, farmers, ranchers, innovators, creators, service providers, and investors by securing high-standard 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 to meeting the objectives of the National Export Initiative (NEI), which aims to support the creation of two million additional American jobs through the doubling of American exports by 2014. USTR negotiators are simultaneously pursuing market-opening trade agreements in multiple negotiations, including: multilateral negotiations in the World Trade Organization; bilateral and plurilateral negotiations, such as the Trans-Pacific Partnership agreement currently under negotiation; negotiations to conclude Bilateral Investment Treaties (BITs), such as those currently in progress with China, Gabon, Ghana, India, Mauritius and Vietnam; plurilateral or bilateral agreements targeted at particular issues or sectors, such as the International Services Agreement (ISA), Information Technology Agreement (ITA) and trade facilitation agreement; and negotiations on the terms for countries to join the WTO.

USTR defends and advances the Administration's overall international trade policy goals through robust engagement in bilateral and regional economic fora. Work in these fora strengthens our overall relationships with Brazil, China, the East African Community (EAC), the European Union (EU), India, Japan, Turkey, and other key trading partners through vigorous dialogue on strengthening trade and investment cooperation.

USTR directly supports many of the Administration's broader policy priorities, including the encouragement of job creation by small businesses. USTR works through trade preference and trade capacity building programs to support international development priorities. Through negotiations and agreements, USTR will help build the foundation for a clean energy economy, protect our environment through green goods and services negotiations, and encourage strong labor rights world-wide.

## **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 law.**

**1.1.1.** Revitalize the trade negotiations dimension of the WTO, including, where possible, through conclusion of trade-liberalizing elements of the Doha Development Agenda (DDA) such as trade facilitation, multi-party International Services Agreements, and other liberalizing and rule-making initiatives that may lie outside the scope of the DDA.

**1.1.2.** Conclude negotiations on an expansion in the list of products subject to duty elimination under the Information Technology Agreement (ITA).

**1.1.3.** Negotiate and implement mutual recognition agreements (MRAs) with select countries to facilitate U.S. exports of telecommunications equipment.

**1.1.4.** Initiate and conclude negotiations on an expansion of the list of pharmaceuticals subject to reciprocal duty elimination under the WTO Pharmaceutical Agreement.

**1.1.5.** Provide policy guidance and support for the ongoing committee work at the WTO and other international organizations to effectively represent U.S. interests.

**1.1.6.** 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, including high standard services liberalization commitments.

**1.1.7.** Ensure full implementation of the WTO obligations of recently-acceded Members of the WTO.

**1.1.8.** Launch new FTA negotiations with appropriate trading partners, consistent with pertinent Congressional procedures and Administration criteria.

**1.1.9.** Employ bilateral and regional dialogues and negotiations with countries in Southeast Asia and the Pacific to foster new economic opportunities.

**1.1.10.** Conclude Trans-Pacific Partnership (TPP) negotiations, including high standard provisions that provide new export opportunities for U.S. industry, promote U.S. services and investment objectives, protect worker rights, and enhance environmental protection in participating countries, and work with Congress to obtain approval.

**1.1.11.** Conduct bilateral consultations with TPP candidate countries to consider their possible inclusion in TPP, thereby expanding the potential scope of benefits to the U.S. from the agreement.



**1.1.12.** Achieve through the Asia-Pacific Economic Cooperation forum (APEC) concrete and meaningful outcomes to address key trade and investment barriers in the Asia-Pacific region.

**1.1.13.** Under the Expanded Economic Engagement (E3) Initiative and our Trade and Investment Framework Arrangement with ASEAN, seek agreements and 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 TPP.

**1.1.14.** Further strengthen U.S.-Japan trade initiatives and engagement and resolve barriers to U.S. exports.

**1.1.15.** Pursuant to the mandate issued by U.S. and EU leaders during their November 28, 2011 summit meeting, identify, develop, and implement economically promising and politically feasible new initiatives for increasing U.S.-EU trade and investment, with the aim of generating new jobs and growth on both sides of the Atlantic.

**1.1.16.** Develop and implement with the EU joint principles and advocacy and outreach strategies for addressing trade-related challenges of common concern in key emerging economies.

**1.1.17.** Reach agreement on appropriate new mechanisms to promote future economic engagement with Russia in the new post-WTO membership context.

**1.1.18.** Establish and expand bilateral dialogues with potential new partners such as Burma that create new opportunities for U.S. traders and investors.

**1.1.19.** 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.

**1.1.20.** Continue to promote job-supporting, two-way trade and investment with Brazil through the U.S.-Brazil Agreement on Trade and Economic Cooperation (ATEC) and its subsidiary bodies, including an Investment Dialogue and a Working Group on IPR and Innovation.

**1.1.21.** Launch, negotiate, conclude, and put into effect Trade and Investment Framework Agreements (TIFAs) with strategically important areas, such as the Gulf Cooperation Council (GCC), Central Asia, and other appropriate countries that expand opportunities for U.S. exports.

**1.1.22.** Pursue negotiations and other efforts to implement the Trade and Investment Partnership Initiative for the Middle East and North Africa (MENA), 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 new initiative.

**1.1.23.** Advance negotiation of the U.S.-East African Community Trade and Investment Partnership, including an investment treaty, trade facilitation and other trade-enhancing agreements, a U.S.-EAC commercial dialogue, and trade capacity building to enable effective implementation of this new initiative.

**1.1.24.** Implement the African Competitiveness and Trade Enhancement (ACTE) initiative.

**1.1.25.** 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.

**1.1.26.** 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.

**1.1.27.** Explore the potential for negotiations of a plurilateral agreement to align regulatory approaches affecting trade in products derived from modern biotechnology to facilitate trade.

**1.1.28.** Develop and execute a strategic and coordinated approach to address the growing market access challenges posed to U.S. trade and investment interests by localization barriers to trade.

**1.1.29.** Strive to successfully conclude BIT negotiations with China, India, and Mauritius; make substantial progress in exploratory BIT discussions with Cambodia, Gabon, Ghana, and Russia; and launch new BIT negotiations with appropriate partners consistent with Administration criteria.

**1.1.30.** Initiate negotiations and conclude agreements, including bilateral trade facilitation agreements, to reduce or eliminate specific trade or investment barriers and distortions to goods and services, including cross-border data flows.

**1.1.31.** In partnership with other agencies, such as the Small Business Administration, encourage small- and medium-sized enterprises (SMEs) to export through new and existing policy initiatives.

**1.1.32.** Advance protection and enforcement of intellectual property rights (IPR) through the negotiation and implementation of relevant trade agreements. Seek timely entry into force of the plurilateral Anti-Counterfeiting Trade Agreement, and use it to further effective IPR enforcement.

**1.1.33.** 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.

**1.1.34.** Take the lead on textile and apparel negotiations, including market access commitments and related disciplines such as customs cooperation, rules of origin and safeguards in other free trade agreement initiatives that may be launched, in order to

promote a high-standard agreement that will attract the widest possible domestic support, provide new export opportunities for U.S. industry, and promote production and trade within the free trade area.

**1.1.35.** Continue to engage key trade partners and stakeholders on ways to improve worker rights and working conditions in our inter-connected global economy.

**1.1.36.** Continue to engage with countries bilaterally and through multilateral fora to improve respect for worker rights.

**1.1.37.** Continue to advance efforts in developing regions to reform labor laws, improve labor institutional capacity, and monitor working conditions.

**1.1.38.** Enhance market access for U.S. exporters of environmental goods and services.

**1.1.39.** Negotiate new trade disciplines to support environmental conservation objectives, such as in the marine and forestry areas.

**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.**

**1.2.1.** Utilize the Trade and Investment Partnership Initiative with the Middle East and North Africa and the U.S.-Turkey Strategic Framework to encourage U.S. goods and services trade and investment with this critical region and to foster convergence of these countries' trade and investment regimes with the requirements of the global trading system.

**1.2.2.** Engage through the United States-Indonesia Trade and Investment Framework Agreement to support the development in Indonesia of trade policies consistent with the requirements of the multilateral trading system.

**1.2.3.** Work to conclude a Transparency Agreement with Mongolia.

**1.2.4.** Work with U.S. Government agencies that provide or fund trade capacity building initiatives to ensure that their assistance programs help 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.

**1.2.5.** Implement U.S. trade preference programs and work with beneficiary countries of these programs and other stakeholders to improve utilization and contribute to economic development. Also address U.S. bilateral trade and other policy concerns through annual reviews of GSP product and country practice petitions, and the annual AGOA eligibility review process.

**1.2.6.** Implement the decisions made through the review now underway of Caribbean Basin Initiative (CBI) to determine if any eligible countries and dependent territories qualify for expanded benefits and work with beneficiary countries to expand their use of the CBI program.

**1.2.7.** Review the operation of preference programs in light of existing and future negotiations to determine how these programs may reduce incentives for beneficiary countries to enter into reciprocal market-opening agreements and to ensure that these programs advance the integration of these countries into the global trading system.

**1.2.8.** Work with Congress to renew authorization of the GSP program and to consider possible reforms or revisions to the program to take into account evolving global trade relations, including the growing competitiveness of many emerging market GSP beneficiaries.

**1.2.9.** Work with Congress on renewal of AGOA beyond 2015 and changes that may be needed to maximize AGOA's effectiveness as well as to take account of evolving global trade relations and supply chain dynamics.

**1.2.10.** In cooperation with other relevant agencies, design and implement environmental cooperation mechanisms with FTA partners and negotiate and conclude trade-related environmental agreements that increase the capacity of developing countries to protect the environment and enforce their environmental laws.

**1.2.11.** Improve worker rights and the enforcement of labor laws by U.S. trade partners by negotiating strong labor provisions in the TPP and other relevant trade agreements and building the capacity of our trading partners to fully implement those commitments.

**1.2.12.** Provide policy guidance and support, and take the lead where appropriate, in advancing U.S. interests in non-FTA regional or bilateral discussion fora or dialogues, where textile trade matters are prominent.

**1.2.13.** Promote Haiti/Hope/Help and USTR's "Plus One Program" by focusing attention on the opportunities provided by these programs, including opportunities for U.S. exports.

**1.2.14.** Significantly advance negotiations toward an agreement with Egypt to establish customs cooperation, information-sharing and penalty provisions related to enforcement of preference claims for textile and apparel goods originating in the Qualifying Industrial Zones (QIZs).

**1.2.15.** Advance labor reform and monitoring of labor rights in Egypt related to the QIZ's and advancement of the President's objective to increase opportunities in MENA.

**1.2.16.** Work with the ILO and Jordan to improve working conditions in apparel factories in the relevant QIZs.

**1.2.17.** Continue to work closely with, and initiate/respond to as necessary, Congressional initiatives related to textile and apparel trade matters, including possible consideration of changes in Customs laws and procedures.

**1.3. 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.**

**1.3.1.** Ensure that actions by WTO bodies support U.S. policies and objectives and are consistent with Congressional requirements.

**1.3.2.** 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.

**1.3.3.** Work to ensure that other institutions that may engage on issues related to trade (WIPO, UNCTAD, OECD, ITU, UPU, WHO, OAS and IDB) promote Congressional and Administration U.S. policies and objectives.

**1.3.4.** Advance U.S. interests in the development and adoption of standards in the Codex Alimentarius Commission, the World Organization for Animal Health, and the International Plant Protection Convention that facilitate trade in U.S. food and agricultural products.

## **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 closely monitor and vigorously enforce U.S. rights under trade agreements to maximize their benefits for American workers, farmers, ranchers, producers, innovators, creators, service providers, and investors, and address foreign trade and investment barriers, including through U.S. trade laws that USTR administers.

### **Strategy:**

The President's trade agenda sets as a priority for USTR to enhance economic growth, job creation, and innovation by advancing and defending U.S. trade and investment rights. Once the United States has entered into an international trade agreement, the task of implementing that agreement and realizing its promised benefits begins, including new export opportunities, American job creation, increased wages, and economic growth. USTR's vigilant and constant enforcement of trade agreements and of Americans' trade and investment rights around the world is essential to securing and creating well-paying jobs for American workers, farmers, ranchers, innovators, creators, and service providers. Pursuing and defending WTO disputes specifically addresses a priority item of enforcing U.S. trade and investment rights in the rules-based trading system. USTR's annual Report to Congress on China's WTO Compliance, for example, reflects that the enforcement of China's international trade obligations is a top priority.

In 2012, the President created through Executive Order a new unit to support U.S. trade enforcement efforts. This Interagency Trade Enforcement Center (ITEC) significantly enhances the Administration's capabilities to aggressively challenge unfair trade practices around the world, including in China. The ITEC represents a more aggressive "whole-of-government" approach to addressing unfair trade practices, and will serve as the primary forum within the federal government for executive departments and agencies to coordinate enforcement of international and domestic trade rules.

### **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.**

**2.1.1.** Use WTO bodies to help ensure other members' compliance with obligations by pressing for timely compliance with notification requirements in the agreements to identify possible problems and by using meetings of these bodies to raise questions about the practices of Members and create pressure to comply.

**2.1.2.** Employ monitoring mechanisms for trade agreements to identify potential issues and areas of concern, including by reviewing notifications that trading partners provide.

- 2.1.3.** Consult regularly with other agencies, interested stakeholders, Congress and foreign officials to obtain information on foreign trade barriers and practices.
- 2.1.4.** Annually review implementation of WTO, regional and bilateral trade agreements, particularly through the preparation of the Annual Report of the President on the Trade Agreements Program, the National Trade Estimate Report, the sanitary and phytosanitary measures and technical barriers to trade reports, and the Annual Section 1377 report on telecommunications goods and services, and identify strategies for resolving implementation problems.
- 2.1.5.** Continue to monitor and research policy support and/or trade protection 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.
- 2.1.6.** 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.
- 2.1.7.** Work with existing FTA partners, including Australia, Bahrain, Canada, Central America, Chile, Colombia, Israel, Jordan, Korea, Mexico, Morocco, Oman, Panama, Peru, and Singapore to insure that agreements are fully and properly implemented and take action as necessary to ensure compliance.
- 2.1.8.** Work closely with our inter-agency partners, including the Departments of State and Labor, to prioritize, monitor, and engage our trade partners to meet obligations on worker rights and to assist countries to resolve the labor matters raised so that workers are able to exercise their rights and working conditions are improved.
- 2.1.9.** Engage key non-FTA trade partners and stakeholders on ways to improve worker rights and working conditions in our inter-connected global economy. Work to prioritize opportunities to engage with countries such as Brazil, China, and India, bilaterally and through multilateral for a, to improve respect for worker rights. Advance efforts to reform labor laws, improve labor institutional capacity, and to monitor working conditions in countries in the Middle East.
- 2.1.10.** Secure China's participation in the GPA to support rebalancing of the U.S.-China trade relationship by expanding U.S. sales into China's large government procurement market.
- 2.1.11.** Complete the annual report to Congress on China's WTO Compliance.
- 2.1.12.** Monitor and provide the reports to Congress on Russia's implementation of its WTO obligations and other issues, and take action as necessary to ensure U.S. exports are treated consistently with Russia's WTO commitments.
- 2.1.13.** Continue to work with industry, Congress and U.S. 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.

**2.2. 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.**

**2.2.1.** Staff-up the Interagency Trade Enforcement Center (ITEC) to reach full operating capability in FY 2013.

**2.2.2.** Promptly analyze issues identified through monitoring to determine if there is a breach of U.S. rights under a trade or investment agreement.

**2.2.3.** Employ WTO and other trade agreement committees, bilateral engagement, and dispute settlement, as appropriate, to resolve identified breaches of U.S. rights under trade and investment agreements.

**2.2.4.** Solicit public comments on WTO dispute settlement panel proceedings to ensure that USTR officials can develop U.S. positions and arguments based on all relevant available information.

**2.2.5.** Identify new cases to be pursued under WTO and/or FTA dispute settlement procedures or under U.S. trade statutes, including barriers to U.S. exports due to lack of transparency and lack of science-based rule-making processes.

**2.2.6.** Analyze and respond appropriately to petitions filed for action against perceived unfair trade barriers.

**2.2.7.** Establish and lead a robust interagency program for monitoring implementation of FTA labor and environment obligations across all FTA partners. Promptly analyze issues identified through monitoring and develop appropriate strategies to resolve them.

**2.2.8.** Convene environmental affairs councils, agriculture and SPS committees, and related fora under FTAs to engage with FTA partners at senior levels on specific implementation issues.

**2.2.9.** Ensure trading partners' compliance with their obligations regarding sanitary and phytosanitary measures and technical regulations and standards, and the protection and enforcement of U.S. intellectual property rights, by deploying all available tools in U.S. trade agreements and programs, including, as relevant, enforcement mechanisms, technical assistance, and engagement.

**2.2.10.** 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.



### ***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.

#### **Strategy:**

USTR's strong partnership with Congress and stakeholders is essential to achieving the President's trade agenda. Given the scope of Congress' authority over matters related to foreign commerce, USTR will be in regular and intensive consultation 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. To the same effect, outreach to various stakeholders, including private sector trade advisors, local elected officials, labor, non-governmental organizations, and business helps ensure that USTR benefits from diverse perspectives and input in developing the Administration's trade agenda. Engaging stakeholders allows the USTR to further develop strategic and transparent policies that work on behalf of Americans.

#### **Objectives:**

**3.1. 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 agreement implementing bills.**

**3.1.1.** 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.

**3.1.2.** Work with U.S. development agencies and other government agencies so that appropriate assistance programs are in place to support the application of trade agreement provisions and key trade legislation.

**3.1.3.** Consult broadly and intensively with Congressional committees of jurisdiction and the Congressional Oversight Group (COG) 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.

**3.1.4.** Build support for trade agreements through existing pro-trade congressional coalitions and caucuses.

**3.1.5.** Continue to consult regularly with interested stakeholders on trade negotiations, trade agreement implementation, and other issues.

**3.1.6.** Strategically select cities and organizations for speeches to demonstrate the importance of trade to the local economy.

**3.1.7.** Engage Congressional Members interested in foreign policy generally.

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

**3.2.1.** Convene regular advisory committee meetings and briefings on U.S. trade policy, negotiations, legislation, and other matters as needed in coordination with other relevant agencies.

**3.2.2.** Ensure timely re-chartering and appointment of committees and ensure that committees meet statutory reporting requirements.

**3.2.3.** 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.

**3.2.4.** Engage the committees to assist in supporting the trade agenda and provide them with regular informative updates on USTR issues and activities.

**3.2.5.** Expand the membership and strengthen the effectiveness of the Trade Advisory Committee on Africa (TACA) to provide relevant advice on enhancing the U.S.-Africa trade and investment relationship.

**3.2.6.** Maintain active liaison and dialog with Industry Trade Advisory Committees and other advisory committees that have a stake in textile and apparel trade negotiations, as well as with Congressional Members and staff with a similar stake, in order to obtain input directed toward attracting the broadest possible support for trade agreements and advice as to the structure and content of trade agreements that will maximize benefits for U.S. industry.

**3.2.7.** Maintain close collaboration with Congressional trade committees, the Trade and Environment Policy Advisory Committee (TEPAC), the Labor Advisory Committee for Trade Negotiations and Trade Policy (LAC), and other stakeholders in developing U.S. negotiating positions on trade and environment and trade and labor matters, including in the TPP negotiations, potential EU Trade Agreement negotiations, APEC and WTO initiatives, and relevant UN processes.

**3.2.8.** Ensure that meetings of environmental and labor 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.

**3.2.9.** Maintain active liaison and dialog with industry, consumer, food and agricultural, and other trade advisory committees to identify and pursue avenues to achieve agency objectives.

**3.3. Employ constructive, consensus-building interagency coordination in the Trade Policy Staff Committee (TPSC) and the Trade Policy Review Group (TPRG).**

**3.3.1.** 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 (deputy head of agency level).

**3.3.2.** Contribute to informed policy making by means of a thorough and up-to-date understanding of the positions of other countries/entities based on direct contacts, input from U.S. diplomatic posts, and other sources.

**3.3.3.** Effectively utilize the NSS Deputies and sub-Deputies process to ensure USTR leadership on key Administration trade policy goals and initiatives.

## **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, and support for additional jobs, and for opening markets around the world to trade and foreign investment.

### **Strategy:**

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 and for ensuring sufficient public support for Administration 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. In particular, the information technology collaboration necessary to implement new media outreach efforts helps to fulfill the key Administration goal of transparency to the public regarding USTR activities and policy initiatives.

### **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.**

**4.1.1.** Develop talking points, fact sheets, press releases, electronic newsletters and internet strategy to explain the advantages of trade.

**4.1.2.** Organize press events around high profile trade liberalization achievements, to alert the public regarding the benefits of these achievements.

**4.1.3.** Build a network of private and non-governmental organizations and coordinate messaging on the benefits of trade, and work with governmental institutions, such as the OECD Trade Committee, to shape and substantiate messaging on the benefits of trade.

**4.1.4.** Survey external research to gauge baseline of current public perceptions of trade and adjust USTR's messaging strategy and develop trade education materials.

**4.1.5.** Continue to work with industry to promote export and other opportunities under our free trade agreements, including through industry associations and events.

**4.1.6.** Implement outreach program to promote trade and investment opportunities in support of the PPD on sub-Saharan Africa and the Doing Business in Africa Campaign,

including work with industry associations and business groups and participation in relevant private sector roundtables and conferences.

**4.1.7.** Implement a newly enhanced outreach program to SMEs in order to promote export and production opportunities in CAFTA, NAFTA, Peru and Colombia and other appropriate FTA partners, for the textile and yarn industries.

**4.1.8.** Expand contacts with international textile and apparel industry associations to explore export opportunities and build industry support for U.S. approach to trade agreements affecting textiles and apparel.

**4.1.9.** Deliver public speeches at selected conventions, seminars and workshops highlighting the positive impacts of trade on economic growth, and in supporting additional jobs.

**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.**

**4.2.1** 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.

**4.2.2** 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.

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

**4.3.1** Coordinate press statements with interested agencies and the White House in order to present coherent and mutually reinforcing trade information to the public.

**4.3.2** Create an informal trade communications working group that meets periodically to examine trade messaging and opportunities for interagency and White House coordination.

**4.3.3.** Through cooperation with agencies at the U.S. Export Assistance Centers (USEACs), other key agencies and stakeholders, work to advance the goals of the National Export Initiative (NEI) to increase U.S. exports, including through efforts to educate U.S. businesses – especially SMEs – about global trade opportunities.

**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.**

**4.4.1** 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 that Congressional delegations visit.

**4.4.2** Work with the House Ways and Means and Senate Finance Committees to develop a strategy focusing on communicating the benefits of trade.

**4.4.3** Anticipate and prepare press statements and press events to counter attacks on a liberalized trade policy.

**4.4.4** Identify foreign constituencies that may be receptive to information regarding the benefits, including environmental and social benefits, of free and fair trade.

**4.4.5** 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.

**4.4.6** Work with USTR's public affairs counterparts in foreign governments to coordinate a communications strategy to advance trade negotiations and to explain trade disputes.

**4.5 Provide an open government environment to increase participation, collaboration and transparency of trade policies, processes and information.**

**4.5.1** Continue to update and implement USTR's Open Government Plan.

**4.5.2** Respond appropriately and timely to all statutory requests, such as Freedom of Information Act (FOIA) inquiries and Government Accountability Office (GAO) investigations/reports.

## **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, efficiency, and productivity through the enhancement of human capital through recruitment, promotion and retention initiatives, and professional development and training opportunities.

### **Strategy:**

Provide the administrative and management support and services that support the 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. By ensuring the efficient and effective use of resources, the initiative directly supports every aspect of USTR's efforts to advance the Trade Policy Agenda. Support the Administration's goals for management excellence, improved government operations, and provision of a productive (and satisfying) working environment. Conservative budget management fulfills the goal of fiscal responsibility at a time when resource expenditures must be minimized. Pursue the mandated government-wide initiatives of improving employee engagement and wellness in close consultation with OMB and OPM.

### **Objectives:**

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

**5.1.1.** Implement the USTR strategic human capital management and succession plans and develop strategies that ensure human capital is well-managed and employee personal and career development opportunities are maximized.

**5.1.2.** Perform operational responsibilities to ensure high-quality administrative and human resources support.

#### **5.2. Manage USTR more efficiently and effectively.**

**5.2.1.** Adopt administrative services procedures that provide responsive and timely support to USTR staff.

**5.2.2.** Foster a high-performing administrative staff that provides efficient and effective support to USTR offices and employees.

**5.2.3.** Work with the National Archives and Records Administration (NARA) to reform records management policies and practices and to develop a 21<sup>st</sup> Century framework for the management of USTR records.

**5.2.4.** Solicit employee feedback and suggestions on how to improve agency operations.

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

**5.3.1.** 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.

**5.3.2.** Complete USTR office complex upgrades to provide attractive and functional offices and meeting spaces.

**5.3.3.** Implement maintenance plan that facilitates mission accomplishment and promotes employee health and well-being by providing clean and well-functioning facilities.

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

**5.4.1.** Implement knowledge management roadmap.

**5.4.2.** Acquire and install information technology (IT) and communications equipment that facilitates mission accomplishment.

**5.4.3.** Ensure that field offices' IT and communications systems provide robust connectivity and continuity of operations.

**5.4.4.** Employ just-in-time training, instructional seminars and job aids to ensure highest possible use of IT capabilities.

**5.5. Manage resources to maximize USTR future capabilities.**

**5.5.1.** Employ zero-based program budgeting in developing multi-year business plans.

**5.5.2.** Manage spending plan to maximize USTR's productivity and efficiency.

**5.5.3.** Coordinate with other agencies in resource planning for trade-related negotiations and events.

**5.5.4.** Should a reorganization of trade-related agencies go forward, work with all stakeholders on the plans and implementation of the new agency to ensure essential USTR mission capabilities are maintained.



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

**5.6.1.** Implement a comprehensive information security program that meets E.O. 13526 and ISOO Directive One.

**5.6.2.** Implement a physical security program that meets HSPD-12.

**5.6.3.** Develop procedures to protect USTR personnel in high threat situations and environments and provide appropriate level of protection for the USTR office complex.

**5.6.4.** Implement the USTR Continuity of Operations Plan (COOP) and exercise occupant emergency plans.

### **III. Contribution to Federal Government Priority Goals**

USTR contributes to the cross-agency priority goal of increasing U.S. exports.

In January 2010, the President launched the National Export Initiative (NEI) with the goal of doubling U.S. exports over five years. While exporting is fundamentally a decision driven by the private sector, the Federal Government has an important role to play in helping U.S. exporters, especially small- and medium-sized exporters, overcome the obstacles that make it more difficult to sell their goods and services abroad. These challenges include lack of sufficient information about exporting and foreign markets, challenges to obtaining adequate export financing, and unfair competition from foreign trade partners. Through implementation of this goal, the Administration will continue to make progress on its commitment to improving advocacy and trade promotion efforts on behalf of U.S. exporters, increasing access to export financing, removing barriers to trade, enforcing our trade rules, and promoting strong, sustainable, and balanced growth in the global economy.

USTR's role in the National Export Initiative (NEI) reflects the agency's core mission. USTR is negotiating the opening of new and expanding markets around the world, working to advance the Trans-Pacific Partnership of dynamic economies in the Asia-Pacific, advancing the World Trade Organization's Doha Round negotiations, and implementing Free Trade Agreements with Korea, Colombia, and Panama. We have renewed efforts to remove trade barriers for American exporters and vigorously enforce existing trade agreements. USTR is utilizing all tools at our disposal to ensure that our trading partners play by the rules and get concrete results for America's farmers, workers, families and firms both small and large. And as a key member of the President's Export Promotion Cabinet, USTR's leadership has been traveling throughout the United States, listening to American businesses and workers' ideas and concerns.

USTR goals that directly relate to the NEI:

#### **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 creating and sustaining well-paying American jobs, USTR will seek to support the President's National Export Initiative 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 those agreements.

#### **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 support the President's National Export Initiative by closely monitoring and vigorously enforcing U.S. rights under trade agreements to maximize their benefits for American workers, farmers, ranchers, producers, service providers,

and businesses, addressing foreign unfair trade practices, including through U.S. trade laws that USTR administers.

## IV. How Goals and Objectives are to be Achieved

USTR is part of the Executive Office of the President. With a fiscal year 2013 budget request of \$53.041M and 252 Full Time Equivalent (FTE) employees, USTR operates a headquarters in Washington, D.C. and a Mission in Geneva, Switzerland (located within the State Department Mission) and a field office in Beijing, China (located within the State Department Embassy). USTR has a representative in the United States Mission to the European Union in Brussels, Belgium.

USTR is a matrix organization, organized primarily on the basis of geographic and sectoral offices that work together in developing and coordinating trade policy, negotiating trade agreements, and enforcing those agreements.<sup>1</sup> The U.S. Trade Representative, the three Deputy United States Trade Representatives, the Chief Agricultural Negotiator and other senior leadership supervise and coordinate the work of USTR's twenty-three Assistant United States Trade Representatives, who each supervise their respective regional or functional office. Currently, these offices are: Administration; African Affairs; Agricultural Affairs; Central and South Asian Affairs; China Affairs; Congressional Affairs; Environment and Natural Resources; Europe and the Middle East; Small Business, Market Access and Industrial Competitiveness; Intellectual Property and Innovation; Interagency Trade Enforcement Center; Intergovernmental Affairs and Public Liaison; Japan, Korea and APEC Affairs; Labor Affairs; General Counsel; Monitoring and Enforcement; Trade Policy and Economics; Public and Media Affairs; Services and Investment; Southeast Asia and the Pacific; Western Hemisphere; WTO and Multilateral Affairs; and Textiles. USTR also depends on direct and indirect support of other agencies, the Congress and interested stakeholders to carry out its responsibilities.

USTR professional employees include trade policy, economic, development and legal experts empowered to negotiate with officials of other governments, to work closely with interested stakeholders, and to provide leadership and direction to other agencies on trade-related issues by coordinating the formulation and execution of trade policy through the interagency Trade Policy Staff Committee (TPSC) and Trade Policy Review Group (TPRG). The TPSC and the TPRG, which USTR chair, include staff from more than 20 other federal agencies and departments. The TPSC is the first line operating group, with representation at the senior civil servant level. Supporting the TPSC are more than 80 subcommittees responsible for specialized issues. The TPSC regularly seeks advice from the public on its policy decisions and negotiations through Federal Register Notices and public hearings. If agreement is not reached in the TPSC, or if particularly significant policy questions are being considered, issues are referred to the TPRG (Deputy USTR/Under Secretary level).

The following support initiatives are necessary to achieve the goals and objectives:

- Information Technology and Communications:

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<sup>1</sup> Trade agreements, policies, and initiatives should be understood to include foreign investment agreements, policies, and initiatives.

- Expand the use of video teleconferencing to allow enhanced participation in interagency meetings by personnel from U.S. embassies and other agencies and conduct meetings with foreign trade negotiators.
- Refine and computerize USTR's document archiving system to preserve negotiating histories for completed FTAs and other agreements. USTR will consult this system in the course of monitoring and enforcing compliance with U.S. trade agreements.
- Initiate a system through which USTR negotiators can assess the work of personnel participating on interagency teams based in part on feedback from their agencies.
- Improve information technology (IT) capabilities and training to enhance communications with other trade agencies on trade policy issues and initiatives and facilitate secure circulation of sensitive and classified documents within USTR and to and from other agencies.
- Maintain secure encrypted website for cleared advisors to review confidential negotiating documents.
- Implement IT training for USTR employees, especially those who maintain records of document clearances, to use electronic document databases and decrease use of paper records.
- Use the newest communications technologies, including a user-friendly public website, electronic newsletters, fact sheets, web casts of "real time" information and teleconferences as needed to give other agencies, interested stakeholders and the public a clear understanding of the benefits of free and fair trade.
- Leverage technology and office automation for high productivity of OA processes.
- Human Capital:
  - Develop and maintain a highly-trained corps of litigators who are expert at brief writing and oral argument and who have highly-developed advocacy skills specifically tailored to WTO and FTA dispute settlement proceedings.
  - Improve Employee Viewpoint Survey results. Develop plan of action based on an in-depth analysis of the 2012 survey.
  - Develop and maintain an exceptional Office of Administrative (OA) staff with professional expertise, dedication and ability to innovate.
  - Initiate a program for providing recognition and awards to personnel from other agencies that participate in USTR negotiating teams.

- Trade Information Management:
  - Build internal capacity to analyze and present tariff and trade data used in making strategic decisions for negotiations.
  - Survey economic research tools available to USTR staff, including trade and related databases, library resources and appropriate software and reduce USTR's dependence on other agencies for these tools.
  - Support USTR dispute resolution efforts with well-developed economic analysis.
  - Ensure that U.S. trade agreement negotiating records are accurate, complete and accessible.
  
- Resources:
  - Assess USTR's negotiating capabilities in key technical subject areas, such as intellectual property protection, standards, and sanitary and phytosanitary measures with a view to adjusting resources where warranted.
  - Draw on resources of all trade agencies to support the trade agreements monitoring program and continue to work with these agencies to assess current and future workloads in this area and ensure they are seeking and allocating adequate resources to address that workload.
  - Develop a well-managed spending plan to use resources efficiently and effectively.
  - Develop multi-year budget strategy for success in the EOP/OMB/Congressional budgetary process.
  
- Facilities:
  - Seek continued assistance from General Services Administration (GSA) and Office of Administration (OA) facilities management office to appropriately fund and move capital improvement projects to completion.
  
- Systems, Networks and Response:
  - Employ human resource, financial management, and IT systems to provide timely, accurate, relevant and responsive information for decision-making.
  - Build and leverage state and local and other stakeholder networks to communicate the benefits of free and fair trade to the public.

- Respond in a timely and cogent manner to correspondence and other inquiries from the public on trade issues.

## V. Congressional Consultation

USTR's strong partnership with Congress is essential to achieving the President's trade agenda. Given Congress's Constitutional authority over matters of international trade, USTR is in regular and intensive consultations with Congress to coordinate U.S. trade negotiating objectives and to advance legislative priorities of the Administration. USTR works with Congress to shape and provide advice on trade related legislation and to 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. Sufficient personnel and adequate resources are essential to maintaining adequate consultations and strong relationships with not only USTR's primary committees of jurisdiction – the Senate Finance Committee and the House Ways and Means Committee – but also other committees and members who are extremely interested in the activities of the USTR. USTR works with Congress, partner agencies, stakeholders and trading partners to promote legislation necessary to implement pending free trade agreements (FTAs) and other trade-related initiatives of importance to the President. USTR 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 regularly advises Members of Congress, staff, and the public regarding FTAs and other trade initiatives. The importance of USTR's work with Congress was showcased as USTR worked with Congress after the President called for the creation of an Interagency Trade Enforcement Center (ITEC) as the federal government's primary coordinator of international and domestic trade enforcement, as USTR worked with Congress to end application of the Jackson-Vanik amendment and applying permanent normal trade relations to Russia and Moldova as they joined the World Trade Organization (WTO), and as USTR consulted with Congress on ongoing proposals to advance negotiations on the Trans-Pacific Partnership (TPP) agreement. Prior to USTR's formal notification to Congress of its decision to enter into negotiations for a new International Trade of Services Agreement (ISA), USTR consulted with relevant Members of Congress, Committees and other congressional stakeholders, and following the notification, has committed to ensuring the views of all stakeholders are taken into account in formulating U.S. negotiating objectives by soliciting public comments, holding a public hearing, and continuing to consult carefully with Congress, advisory committees, and other interested parties. Our ongoing conversations with Congress may be expanded to include discussion of trade promotion authority.

USTR reviews and provides agency views to Congress and 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. 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 and with 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.

USTR is required by statute to produce multiple, annual reports and reviews to Congress 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 Sanitary and Phytosanitary (SPS) Barriers and Technical Barriers to Trade,
- Protection and enforcement of intellectual property rights/Special 301 report,
- China and Russia WTO Compliance,
- Section 1377 Review,
- Trade Policy Agenda and Annual Report,
- Government Performance and Results Act (GPRA), and others (e.g., Subsidies, China WTO, CBI, ATPA, greenhouse gas reduction technologies).

The reports build Congressional support for the Administration's trade agenda by helping Congress gain a comprehensive understanding of the substantial work the Administration is undertaking to dismantle existing trade barriers. These reports are also an important component in discharging USTR's commitment to transparency and accountability to Congress and stakeholders.

## **VI. Performance Goals Contribution to General Goals and Objectives**

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

Creating new opportunities for U.S. commerce involves the identification and dismantling of barriers to trade and investment. This objective is addressed through annual performance goals that describe numerous multilateral, bilateral and sectoral trade agreements, in various stages of completion. USTR also participates in the negotiation of non-trade agreements, e.g. multilateral environmental agreements.

A feature of this strategic goal is the integration of emerging economies into the global rules-based trading system, while helping to build their capacity to realize the full benefits of trade liberalization and protecting the environment and worker rights. These trade capacity building initiatives are addressed through technical assistance designed and executed in conjunction with other U.S. Government agencies. Other applications of this strategic goal affect the annual performance goals of the preference systems. Other annual goals address efforts to protect worker rights and the environment through the use of cooperative activities linked to Free Trade Areas.

The third major feature of this strategic goal is to effectively represent U.S. interests in international bodies established under multilateral and other administrative agreements. Annual performance goals will measure the Agency's work with the WTO, the World Bank and many other organizations. The accomplishment of all annual performance goals will be published in the Trade Policy Agenda and the Annual Report of the President on the Trade Agreements Program.

### ***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 annual review of trade agreements. USTR identifies strategies for resolving implementation problems wherever they exist. It is important to note that annual monitoring of compliance extends to FTA labor and environment provisions. Other annual goals speak to the identification of cases where WTO or FTA dispute settlement procedures and/or U.S. trade statutes are the most effective means to address a dispute. Annually, USTR also analyzes dispute settlement procedures and works to clarify and improve the rules. Since the establishment of the WTO in 1994, the United States has filed 101 complaints at the WTO, thus far successfully concluding 69 of them by settling 29 disputes favorably and prevailing in 40 others through litigation before WTO panels and the Appellate Body. The National Trade Estimate (NTE), including Sanitary and Phytosanitary (SPS) Barriers and Technical Barriers to Trade, describe significant barriers to U.S. trade and investment faced

in the previous year 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 intellectual property rights violations to combat IPR theft, counterfeiting, and internet piracy.

### ***Goal 3: Develop Strategic and Transparent Policy***

This strategic goal covers the core of USTR's important coordinating and consultative functions. By statute, USTR is the principal advisor to the President on trade policy and the principal coordinator of trade policy development within the Executive Branch. 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 three tiers of committees: the Trade Policy Staff Committee (TPSC), the Trade Policy Review Group (TPRG) and the National Security Staff (NSS). The formulation of trade policy requires extensive consultation with twenty 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 currently consists of 27 advisory committees. The system is arranged in 3 tiers: the President's Advisory Committee for Trade Policy and Negotiations (ACTPN); 5 policy advisory committees dealing with environment, labor, agriculture, Africa, and state and local issues; and 22 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 five policy advisory committees are appointed by USTR or in conjunction with other Cabinet officers. The Intergovernmental Policy Advisory Committee (IGPAC) and the Trade Advisory Committee for Africa (TACA) are appointed and managed solely by USTR. Those policy advisory committees managed jointly with the Departments of Agriculture, Labor, and the Environmental Protection Agency are, respectively, the Agricultural Policy Advisory Committee (APAC), Labor Advisory Committee for Trade Negotiations and Trade Policy (LAC), and the Trade and Environment Policy Advisory Committee (TEPAC). The 22 technical and sectoral advisory committees are organized into 2 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 annual goals related to this strategic goal include a commitment to ensure that only the most sensitive and/or important decisions are sent to Deputies/Undersecretaries at the TPRG; a commitment to consult with Congressional Committees and staffs on the U.S. trade agenda; and a commitment to respond 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. Another important commitment related to this goal is to ensure greater public comment for trade policy initiatives.

#### ***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 trade and investment goals.

Additionally, an increase in national interest in the U.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-wide 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 competent, 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. 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 IT improvements. The Employee Viewpoint Survey will inform USTR's efforts to focus on those areas of greatest need.

## VII. Key External Factors

USTR's key functions are cross-cutting in nature, requiring coordination with, and support by, other agencies and interested stakeholders. Such cross-cutting functions can pose unique challenges to timely, effective and efficient performance. The following factors will have varying effects on the ability of USTR to achieve its goals and objectives:

- Funding levels for USTR and other trade agencies.
- Congressional enactment of Trade Promotion Authority (TPA) renewal.
- Unpredictable external resource requirements that must be given priority attention/funding.
- Support of other agencies and interested stakeholders for USTR trade priorities and initiatives.
- Change in Congressional trade policies or negotiating objectives.
- Support abroad for multilateral, regional and bilateral negotiations, including the ability of less advanced countries to participate effectively in a broad set of negotiations.
- Support of U.S. government aid and other trade-capacity building agencies through the budgeting and programming of trade-related development assistance. This assistance is critical to ensure appropriate technical assistance is provided to emerging and transitional economies to assist in the effective implementation of international trade obligations and ensure they understand the benefits of integration into regional and global trading systems.
- Readiness of other WTO members to support U.S. efforts in WTO bodies to hold other WTO members to account and to support U.S. policies and objectives.
- Readiness of individual accession applicants to accept and implement WTO provisions and the requests of other WTO members in developing terms of accession.
- Congressional action on a farm bill. Provisions of the bill and the debate surrounding the legislation may influence U.S. negotiating positions and trade policies of other countries.
- Rulings by WTO and free trade agreement adjudicatory bodies, international arbitral panels, and U.S. domestic courts.
- Support of other agencies, Congress and interested stakeholders for specific monitoring and enforcement initiatives.
- Cooperation from trading partners in enforcement initiatives.

- Changes in USTR/other trade agency appropriations, space limitations, and competitiveness with other employment opportunities.
- Overall litigation workload, including cases brought by other governments against U.S. trade measures.
- Willingness of industry to provide data and evidence to support bringing or defending cases.
- Availability of secure systems to transmit sensitive and classified documents to or from other agencies.
- Support of other agencies, Congress and interested stakeholders for USTR trade communications initiatives.
- Availability of external meetings and venues to communicate the benefits of free and fair trade to interested stakeholders and the public.
- Support from GSA and EOP Office of Administration for USTR initiatives, and Presidential priorities delegated to USTR.

## VIII. Program Evaluations

USTR uses OPM's Human Capital Assessment and Accountability Framework. This accountability system provides a consistent means to monitor and analyze USTR performance on all aspects of human capital management policies, programs and activities, which must themselves support mission accomplishment and be effective, efficient and in compliance with merit system principles. As part of the accountability system, the Employee Viewpoint Survey measures our employees' perceptions of whether, and to what extent, conditions characterizing successful organizations are present at USTR. Results of the USTR accountability system inform the development of the human capital goals and objectives, in conjunction with our strategic planning and performance budgets.

Specific evaluations:

- Annual performance plan report.
- Member feedback from the interagency process to ensure that fair procedures are equitably implemented.
- U.S. International Trade Commission evaluation of trade barriers in other countries and import sensitivities in our own country.
- Assessment of the work of personnel participating on interagency teams based in part on feedback from their agencies.
- Assessment of USTR's negotiating capabilities in key technical subject areas, such as intellectual property protection, standards, and sanitary and phytosanitary measures with a view to adjusting resources where warranted.
- Annual reviews of trade policy and monitoring of trade agreements in the Annual Report of the President on the Trade Agreements Program and the National Trade Estimate Report.
- Employee Viewpoint Survey.
- Human Capital Management Evaluation.
- Human Capital Management Report.
- Competency assessment survey of mission critical occupations.
- Federal Competency Assessment Tool—Management (FCAT-M).
- SES Performance Management System certification.

Evaluators such as the Office of Management and Budget, the Office of Personnel Management and the Government Accountability Office periodically review USTR's activities and operations. USTR works with these groups to continue to improve its administrative and substantive work.

## **Accountability**

The Office of the U.S. Trade Representative (USTR) uses the Office of Personnel Management's (OPM) "Results-Oriented Performance Culture System" as its process for assigning accountability to managers and staff for goal achievement.

The Results-Oriented Performance Culture System focuses on having a diverse, results-oriented, high-performing workforce, as well as a performance management system that effectively plans, monitors, develops, rates, and rewards employee performance. This process begins with members of the Senior Executive Service (SES) who serve in the positions of Assistant U.S. Trade Representatives (AUSTR)—leaders of the geographic, sectoral and other offices that work together in developing and coordinating trade policy, negotiating trade agreements and enforcing those agreements.

The U.S. Trade Representative/Deputy U.S. Trade Representatives and the AUSTRs jointly develop written performance plans appropriate to the individual offices. This task is completed prior to the start of the appraisal period. These plans reflect the Agency's strategic goals and objectives and recognize the specific responsibilities assigned to the executives for these goals and objectives. Each performance plan gives due consideration to the methods used by the executive in achieving his or her goals, including leadership provided to subordinate employees, so that their performance is linked to agency goals and consideration of customer/stakeholder and employee concerns. All performance requirements are considered critical elements and reflect individual and organizational performance expectations.

The performance of each AUSTR is appraised at least annually. The performance appraisal process is used to rate USTR leaders' achievement of the Agency's strategic goals and objectives.

This process uses the following methods to strengthen the linkage between strategic planning, performance management, and pay:

- a. Communicating and clarifying organizational goals and objectives;
- b. Identifying individual accountability for the accomplishment of USTR goals and objectives;
- c. Evaluating and improving individual and organizational accomplishments using measures that balance organizational results with customer and employee perspectives; and
- d. Using the results of performance appraisals as the basis for decisions on pay adjustments, awards and development of senior executives and senior professional employees.



In supervising, reviewing, and rating the work of subordinate employees, AUSTRs link the performance expectations of subordinates to their office's initiatives that derive from USTR's strategic goals and objectives.

### **Management-Related Initiatives**

*Achieving Organizational Excellence.* As noted by the Government Accountability Office (GAO), the Federal Government is being transformed by significant challenges and trends. USTR, similar to other agencies, must build its capability to ensure it remains a high-performing organization. This will require it to be highly adaptable to increasing demands on its people and resources by focusing on outcomes (results) versus activities and using a performance-based approach. Business as usual will not suffice; each business process must be reevaluated in light of new demands for faster, cheaper and better response. In the past, USTR's aggressive trade agreement negotiation, implementation and monitoring and enforcement agenda strained the Agency's capacity to provide the necessary support. GAO reports cited needed improvements at USTR to meet the growing demands of the U.S. trade agenda.

In keeping with this need for transformation, USTR included a goal specifically addressing management-related initiatives. *Achieving Organizational Excellence* (Goal 5) establishes the objectives and priorities USTR is pursuing for critical human capital, administrative and infrastructure upgrades.

*Budget Risks.* Personnel costs comprise 76% of USTR's budget, travel 10% and all other services 14% (primarily fixed costs of operating). With 86% of the dollars in areas where there are large and immediate "built in" cost increases year to year, such as pay raises and cost of international travel and per diem, relatively modest changes in budget levels have a major and direct impact on USTR's programs.

Importantly, USTR does not operate on a "fixed size" program. In fact, the program keeps growing year to year with substantial "out-year budgetary tails" driven by negotiation and implementation successes. USTR operates on an extensive negotiation, implementation, monitoring, and enforcement cycle. For every bilateral or multilateral initiative, there is an upfront effort to negotiate an agreement followed by full implementation according to the terms of the agreement. Once negotiated and implemented, USTR, working with other agencies, monitors U.S. trading partners' compliance with our agreements. When our partners do not live up to their commitments, USTR will enforce the agreements through litigation and other tools available in the agreement to ensure compliance. USTR also must be ready to respond to any of the allegations brought against the United States. Monitoring and enforcement of agreements requires constant vigilance and commitment of resources as long as the agreements remain in effect. As the United States and our trading partners assume more obligations through both bilateral and multilateral agreements, the potential for litigation and for other forms of dispute resolution increases. Without a steady and appropriate increase beyond what is necessary to adjust for Cost of Living Allowance (COLA) and other similar changes, it may be necessary to limit or reduce USTR initiatives.

*Other Resource Risks.* Accomplishing the strategic goals requires continuous coordination with other Federal agencies through many mechanisms and forms. USTR will continue to benefit from professionals joining the USTR team who are detailed from other Federal agencies on a non-reimbursable basis to perform a range of negotiation, enforcement and economic functions. Throughout the plan's timeframe USTR will need to maintain a level of at least 50 trade professionals detailed from other agencies, a number that continues to grow with the addition of the Interagency Trade Enforcement Center in May 2012.

In addition, USTR relies on other Federal agencies to assist in conducting negotiations and compliance activities, where those agencies share responsibility for these functions. Where USTR incurs expenses for logistics and support costs in serving as the lead agency in negotiations, USTR will seek appropriate financial support from the other participating agencies. USTR is committed to working with its interagency partners to allocate and deploy sufficient resources to achieve the trade policy objectives it has been tasked to lead and accomplish.

## APPENDIX: List of Frequently Used Acronyms

AD.....	Antidumping
AGOA.....	African Growth and Opportunity Act
APEC.....	Asia Pacific Economic Cooperation
ASEAN.....	Association of Southeast Asian Nations
ATC.....	Agreement on Textiles and Clothing
ATPA.....	Andean Trade Preferences 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
CARICOM.....	Caribbean Common Market
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
CTE.....	Committee on Trade and the Environment
CTG.....	Council for Trade in Goods
CVD.....	Countervailing Duty
DSB.....	Dispute Settlement Body
DSU.....	Dispute Settlement Understanding
EU.....	European Union
EFTA.....	European Free Trade Association
FTAA.....	Free Trade Area of the Americas
FOIA.....	Freedom of Information Act
GATT.....	General Agreement on Tariffs and Trade
GATS.....	General Agreements on Trade in Services
GCC.....	Gulf Cooperation Council
GDP.....	Gross Domestic Product
GEC.....	Global Electronic Commerce
GSP.....	Generalized System of Preferences
GPA.....	Government Procurement Agreement
IDB.....	Inter-American Development Bank
IFI.....	International Financial Institution
IMF.....	International Monetary Fund
IPR.....	Intellectual Property Rights
ITA.....	Information Technology Agreement
LDBDC.....	Least Developed Beneficiary Developing Country
MAI.....	Multilateral Agreement on Investment
MERCOSUL/MERCOSUR.....	Southern Common Market
MFA.....	Multi-fiber 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
MENA.....	Middle East and North Africa
MEPI.....	Middle East Partnership Initiative
NIS .....	Newly Independent States
NSS .....	National Security Staff
NTR.....	Normal Trade Relations
OAS .....	Organization of American States
OECD.....	Organization for Economic Cooperation and Development
OMB.....	Office of Management and Budget
OPIC .....	Overseas Private Investment Corporation
OPM.....	Office of Personnel Management
PNTR .....	Permanent Normal Trade Relations
PPD .....	Presidential Policy Directive
ROU .....	Record of Understanding
SACU.....	Southern African Customs Union
SADC.....	Southern African Development Community
SME.....	Small- and Medium-sized Enterprises
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
TEP .....	Transatlantic Economic Partnership
TIFA.....	Trade & Investment Framework Agreement
TPP.....	Trans-Pacific Partnership
TPRG .....	Trade Policy Review Group
TPSC.....	Trade Policy Staff Committee
TRIMS .....	Trade Related Investment Measures
TRIPS.....	Trade Related Intellectual Property Rights
UNCTAD .....	United Nations Conference on Trade & Development
URAA .....	Uruguay Round Agreements Act
USDA.....	U.S. Department of Agriculture
USITC.....	U.S. International Trade Commission
USTR .....	United States Trade Representative
VRA .....	Voluntary Restraint Agreement
WAEMU.....	West African Economic & Monetary Union
WHO.....	World Health Organization

WIPO.....World Intellectual Property Organization  
WTO .....World Trade Organization