# **Executive Office of the President**



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

Fiscal Year 2025 Budget

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

**Salaries and Expenses** 

**Resource Estimates Fiscal Year 2025** 

**Congressional Budget Justification** 

March 2024

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## **FY 2025 BUDGET JUSTIFICATION SUMMARY**

#### **Mission Statement and Background**

The Office of the United States Trade Representative (USTR) is responsible for developing and coordinating United States (U.S.) policies with regard to international trade, commodities, and direct investment to the extent it involves international trade. The agency also oversees all trade negotiations with other countries and monitors and enforces U.S. rights under our trade agreements. The head of USTR has Cabinet-rank status and serves as the President's principal trade advisor, negotiator, and spokesperson on trade issues.

#### **Overview**

For Fiscal Year (FY) 2025, the funding requirement for the Office of the United States Trade Representative is \$76.0 million, supporting a full-time equivalent (FTE) level of 258. This topline includes \$61.0 million available directly to USTR and \$15.0 million allocated through the Trade Enforcement Trust Fund (TETF). This request is equal to a FY 2024 annualized continuing resolution (CR). The proposed staffing level for FY 2025 of 258 is the same as the FY 2024 annualized CR.

The President believes that trade can be a force for good that grows the middle class and addresses inequality – if we get the rules right. To achieve those goals, trade must be grounded in fair competition, and workers should not have to compete against artificially low wages or unsafe working conditions. This effort will require appropriate funding to sustain and support USTR's professional staff of trade policy advisors and trade attorneys while faced with substantial cost of living increases. The request also includes continued expanded travel to support related negotiations with our trading partners throughout the world.

USTR's appropriation must enable USTR to continue to build U.S. trade relationships to help the Administration to diversify and reinforce supply chains. Trade is a critical pillar of our ability to build back better and carry out our foreign and economic policy for the middle class. President Biden's approach to trade includes investing in American workers to make them more competitive, ensuring that labor and environmental interests are represented in new trade negotiations, and rebuilding frayed trade and security relationships with allies. U.S. workers are at the center of the Administration's trade policy that will strive to get results for American families.

The power of our trade relationships will be employed to help communities continue to rebuild. Trade is a means to create more hope and opportunity for people. It only succeeds when the humanity and dignity of every American -- and of all people -- lie at the heart of the President's approach to trade policy. Effective trade policy requires a keen understanding of the competitive landscape, including the ways workers can be disadvantaged through unfair competition. It also requires a keen understanding of the threats of climate change to trade as well as the need to address the climate crisis with urgency. Trade negotiations will be used to boost partners' climate commitments. Close working relationships with labor, civil, and human rights stakeholders will guide the approach to trade enforcement and leveling the playing field for American workers.

The President's trade agenda is strategic in how we trade and that makes us all stronger. As such, the Administration focuses on trade agreements that benefit all Americans, enforcing the nation's trade laws to ensure its trading partners play by the rules, and updating the World Trade Organization (WTO) to work for all nations. The United States will negotiate with allies to set global trading rules to counter the People's Republic of China's (PRC) growing influence of unfair trading practices, instead of having the PRC and

others dictating outcomes. Key issues to address include overcapacity, subsidization, China's state-led industrial planning and targeting of key sectors, disciplines on China's state-owned enterprises, and cyber theft.

"Doing trade the right way means standing up to the forces that have harmed and undermined workers, producers, and communities to not just thrive but sometimes also to survive...Abroad, our partners and allies are coming alongside us and echoing the themes we have been voicing. And we are just getting started. From the Americas to Asia to Africa, from the TTC to the WTO, and Detroit to Atlanta, we will continue to build a more resilient, engaged, and people-focused global economy."<sup>1</sup>

The Administration will continue to aggressively enforce U.S. trade laws to protect the interests of American businesses and workers. USTR will take strong actions to ensure our trading partners' compliance with the terms of our trade agreements, including the WTO agreements. USTR will be strategic in how it addresses the harms from the PRC's unfair trade practices. USTR continues to monitor the PRC's compliance with the Phase One Agreement's provisions and will investigate complaints from American businesses, farmers, and others about China's conduct. Additionally, USTR recently announced its determination to reinstate certain previously granted and extended product exclusions in the China Section 301 investigation. USTR will keep open the option of further tariff exclusions processes if warranted.

Ensuring that the U.S.-Mexico-Canada Agreement (USMCA) realizes its potential is a central priority. USMCA was facilitated by robust stakeholder engagement in partnership with the business, labor, and civil society communities. The challenge is to ensure a continual focus on this agreement, to nurture what is working and to correct course when parties alter and stray from their commitments. Likewise, the USMCA contains a detailed process for enforcing commitments, and USTR will zealously pursue any violations of the agreement. USTR has established working groups focused in particular on potential violations of the labor and environmental provisions of USMCA and will work closely with other agencies to ensure that any potential noncompliance is investigated and, where necessary, acted upon.

The United States will continue to lead the effort on WTO reform that is consistent with the priorities of our inclusive, worker-centered approach— by protecting our planet; improving labor standards; advancing racial and gender equity; facilitating an inclusive digital economy; and contributing to shared prosperity. As necessary, USTR will pursue formal challenges to acts, policies, or practices of foreign governments that are inconsistent with WTO rules under the dispute settlement system of the WTO and will vigorously defend U.S. actions when challenged by foreign governments. In addition to addressing dispute settlement, seeking a new fisheries agreement, pursuing a digital commerce agreement, enforcing notifications obligations, continuing discussions in regards to access to COVID-19 medicines in developing countries, and seeking reform of "special and differential treatment" for "developing" countries, the Administration will advocate for other changes at the WTO intended to ensure that the WTO works for its Members and their people.

The Biden-Harris Administration is fully committed to positive, constructive, and active engagement with all Members to find paths forward to achieve necessary reform of the WTO. The pandemic recovery and negotiations on curbing harmful fisheries subsidies are two areas in which the U.S. would like to see movement. USTR will seek meaningful and high ambition outcomes for the expected ministerial meetings. The Administration will continue to engage with WTO Members on how the WTO can promote recovery from the COVID-19 crisis, in conjunction with other multilateral initiatives to amplify the international public health and humanitarian response. For the fisheries negotiations, the U.S. will look to disciplining the harmful subsidies that counteract any progress in achieving sustainable fisheries. The negotiations must

<sup>&</sup>lt;sup>1</sup> Ambassador Katherine Tai, Council on Foreign Relations, C. Peter McColough Series on International Economics, December 19, 2023

produce a meaningful and effective agreement that will constrain the largest subsidizers and improve the status quo. The Administration will seek to reform the WTO to equip the institution to address pressing challenges confronting all nations, including global overcapacity in multiple industries that unfairly cost workers their jobs.

USTR is closely monitoring legislative developments in countries related to "digital services taxes." The United States is engaged in discussions at the OECD to modernize and rationalize taxation of multinational entities in a way that is fair to all countries, their consumers, and their businesses. The United States will continue to enforce its trade laws to prevent the implementation of unfair and discriminatory taxes on U.S. companies.

In summary, President Biden is steadfast in changing the way we trade, and pursuing inclusive trade and investment policies that support and benefit American workers, combat the threat of climate change, fuel American innovation, and increase America's competitiveness.

## **ORGANIZATION SUMMARY**

USTR is responsible for developing and coordinating America's trade policy, leading trade negotiations with other nations, and enforcing compliance with our trade agreements and U.S. trade laws. As an agency within the Executive Office of the President (EOP), USTR also coordinates with other Federal agencies in developing trade policy and advising the President on trade matters. "USTR" refers both to the office and the agency head, the U.S. Trade Representative, who is the principal trade advisor and negotiator for the President and a member of the Cabinet. USTR operates in five locations: Washington, DC; Geneva, Switzerland; Beijing, China; Singapore; and Mexico City, Mexico. USTR also has a representative in Brussels serving as the USTR delegate to the European Commission's Directorate-General for Trade.

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

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

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

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

USTR also has administrative responsibilities that include the Generalized System of Preferences (GSP) program, the AGOA preference program, and Section 301 complaints against foreign unfair trade practices, as well as coordinating recommendations to the President on USITC determinations under Section 337 and import relief cases under Section 201. The Omnibus Trade and Competitiveness Act of

1988 (Trade Act of 1988) transferred authority to the USTR to act under Section 301, subject to the direction of the President.

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

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

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

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

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

The Geneva Office is organized to cover general WTO Affairs, Tariff and non-Tariff Agreements and Agricultural Policy and Commodity Policy. The Geneva Deputy USTR is the U.S. Ambassador to the WTO and to the United Nations Conference on Trade and Development (UNCTAD) on specific trade

related issues. The office also works to address trade issues that come up in the other international organizations headquartered in Geneva.

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

The Mexico City office is organized to monitor and enforce the commitments made by Mexico in the USMCA. The office is led by the Senior Trade Representative to Mexico with detailees from National Oceanic and Atmospheric Administration (NOAA), Environmental Protection Agency and U.S. Fish and Wildlife Service (FWS) as trade attachés.

The Senior Trade Representative in the Singapore Office provides support in the development, coordination and implementation of the Administration's Indo-Pacific trade and investment priorities.

# OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE SALARIES AND EXPENSES

## Fiscal Year 2025 Appropriations Language

For necessary expenses of the Office of the United States Trade Representative, including the hire of passenger motor vehicles and the employment of experts and consultants as authorized by section 3109 of title 5, United States Code, \$61,000,000 of which \$1,000,000 shall remain available until expended: *Provided*, That of the total amount made available under this heading, not to exceed \$124,000 shall be available for official reception and representation expenses.

For activities of the United States Trade Representative authorized by section 611 of the Trade Facilitation and Trade Enforcement Act of 2015 (19 U.S.C. 4405), including transfers, \$15,000,000, to be derived from the Trade Enforcement Trust Fund: *Provided*, That any transfer pursuant to subsection (d)(1) of such section shall be treated as a reprogramming under section 505 of this Act.

## **SUMMARY OF FY 2025 BUDGET REQUEST**

	(in thousands of dollars)				
	FY 2023 Enacted	FY 2024 Annualized CR	FY 2025 Request	FY24/FY25 Difference	
USTR Direct Appropriation	61,000	61,000	61,000		
Trade Enforcement Trust Fund (TETF)	15,000	15,000	15,000		

## FTE Levels by Fiscal Year

	FY 2023	FY 2024	FY 2025	FY24/FY25
	Actual	Annualized CR	Request	Difference
FTE	248	258	258	

# SUMMARY OF RESOURCE REQUIREMENTS

## **OBLIGATIONS BY OBJECT CLASSIFICATION**

(Combined USTR expenses and trade enforcement trust fund in thousands of dollars)

	FY 2023 Actual	FY 2024 Annualized CR	FY 2025 Request	FY24/FY25 Difference
Personnel Compensation & Benefits	48,801	52,748	53,342	594
Travel and Transportation of Persons	7,221	7,680	8,000	320
Comm., Utilities, & Misc. Charges	1,173	1,100	1,135	35
Printing and Reproduction	76	80	65	(15)
Other Contractual Services	15,564	13,694	13,095	(599)
Supplies and Materials	441	490	287	(203)
Equipment	47	208	76	(132)
Totals	73,323	76,000	76,000	

Personnel Compensation and Benefits	
(in thousands of dollars)	

FY 2023	FY 2024	FY 2025	FY24/FY25
Actual	Annualized CR	Request	Difference
 48,801	52,748	53,342	

USTR is charting a course that places workers at the center of trade policy and helps the Administration further its climate goals – two objectives that require the agency to achieve things it has not achieved before. Hence, appropriate staffing is critical to USTR's ability to execute this agenda. The U.S. is working to restore U.S. global leadership on critical matters like combatting forced labor and exploitative labor conditions, corruption, and discrimination against women and minorities around the world. Through engagement, the Administration is seeking to build consensus on how trade policies may address the climate crisis, bolster sustainable renewable energy supply chains, end unfair trade practices, discourage regulatory arbitrage, and foster innovation and creativity.

This request continues to provide staff to implement initiatives within the areas of PRC economic and trade agreement enforcement, 301 tariff exclusion process, reinforcing the security operations, Indo-Pacific economic engagement strategy that includes senior trade representatives in Singapore and India, and initiatives per a number of Executive Orders that include Diversity, Equity, Inclusion and Accessibility actions.

#### Travel and Transportation of Persons

(in thousands of dollars)					
	FY 2023	FY 2024	FY 2025	FY24/FY25	
	Actual	Annualized CR	Request	Difference	
	7,221	7,680	8,000	320	

Travel costs rebounded substantially in FY 2023 and are projected to extend into FY 2024 and FY 2025. In addition to crafting unprecedented policy, USTR embarked on a new, comprehensive engagement strategy that ensures we consult with constituents, communities, and stakeholders that have not been part of the conversation before and that effectively communicates the President's trade agenda to address the general mistrust many Americans have with impact of past trade policy. The FY 2025 request, consistent with executing the Administration's trade policy and enforcement agenda, reflects a robust international engagement program. Travel will continue to be heavily centered on Asia, Africa, and the Western Hemisphere, with major trade negotiations in distant locals. In particular, USTR will be supporting the U.S.-Taiwan Initiative on 21st-Century Trade, the US-Kenya Strategic Trade and Investment Partnership (STIP), the Indo-Pacific Economic Framework for Prosperity (IPEF), the Americas Partnership for Economic Prosperity (Americas Partnership), and the Global Arrangement on Sustainable Steel and Aluminum with the EU. In parallel, there are the U.S.-European Union (EU) Trade and Technology Council (TTC), the Memorandum of Cooperation (MOC) launching the Task Force on the Promotion of Human Rights and International Labor Standards in Supply Chains under the U.S.-Japan Partnership on Trade, and the Memorandum of Understanding on Cooperation for Trade and Investment between the African Continental Free Trade Area (AfCFTA) Secretariat and the United States. In addition, there are Asia-Pacific Economic Cooperation (APEC) and the Association of Southeast Asian Nations (ASEAN)

engagements. USTR will pursue opening markets and reducing trade barriers that are fundamental to its trade agenda. This is a priority for the Administration, particularly since export-oriented producers, manufacturers, and businesses enjoy greater than average productivity and wages.

### Communications, Utilities, and Miscellaneous Charges

(in thousands of dollars)						
	FY 2023	FY 2024	FY 2025	FY24/FY25		
	Actual	Annualized CR	Request	Difference		
	1,173	1,100	1,135	35		

Communications, Utilities and Miscellaneous charges consist of those costs incurred for supporting USTR hosted trade engagements, Geneva and Beijing offices, rental of our Ambassador's residence in Geneva, and overtime utilities in our Washington office. U.S. global trade leadership requires meetings with foreign governments and a substantially increased array of domestic stakeholders, important components to the success of the President's trade agenda. U.S. hosted meetings have logistical requirements and the funding support for those with foreign governments is reported here.

## **Printing and Reproduction**

(in thousands of dollars)

FY 2023	FY 2024	FY 2025	FY24/FY25
Actual	Annualized CR	Request	Difference
76	80	65	(15)

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

### **Other Contractual Services**

(in thousands of dollars)

FY 2023	FY 2024	FY 2025	FY24/FY25
Actual	Annualized CR	Request	Difference
14,564	13,694	13,095	(599)

Other Contractual Services include a wide range of commercial and government services such as the Department of State's assessments for International Cooperative Administrative Support Services (ICASS) and Capital Security Costs (CSC) for global embassy funding, language services, security, office equipment maintenance, training and professional service contracts. The latter includes the two staffing contracts and Salesforce application support that USTR is using to operate the 301-tariff exclusion process and support trade agreement enforcement; in FY 2024, USTR anticipates consolidating the two staffing contracts into one and adjusting the total staffing to the anticipated 301-tariff exclusion process effort. Continued U.S. hosted trade engagements during FY 2025 will mean contract security support is required to ensure the safety of

negotiators and safeguarding of sensitive and confidential talks at the hotel/conference centers where the meetings are held.

OMB MAX was the only truly interagency and intergovernmental secure collaboration platform and has been crucial to trade negotiation work with other government agencies, Congress, foreign trading partners, and advisory committees. As OMB terminated access to their MAX system, USTR implemented its own information collaboration system beginning in calendar year (CY) 2024.

## Supplies and Materials

(in thousands of dollars)					
FY 20	)23 FY 2024	FY 2025	FY24/FY25		
Actu	al Annualized C	CR Request	Difference		
441	490	287	(203)		

Proprietary databases, subscriptions and diverse supplies. Corresponds to the support requirements for trade engagements and additional requirements for trade research.

## Equipment

#### (in thousands of dollars)

FY 2023	FY 2024	FY 2025	FY24/FY25
Actual	Annualized CR	Request	Difference
47	208	76	(132)

USTR does not anticipate any major office and facility investment projects.

## **FISCAL YEAR 2025 GOALS AND MEASUREMENTS**

USTR's FY 2025 Annual Performance Goals and Measurements support the overarching Strategic Goals and Objectives drawn from its Strategic Plan.

## Goal 1: Open Foreign Markets and Combat Unfair Trade

To advance the goals of supporting and sustaining well-paying American jobs and farm incomes, broadening the benefits of trade through more inclusive trade policies and outreach reflecting the interests of a diverse nation, supporting value-added production and innovation in the United States, and promoting equitable economic growth in the United States and worldwide, USTR will open foreign markets, combat unfair trading practices, reduce trade distortions, and encourage broader participation in international trade by negotiating and implementing agreements consistent with U.S. interests and values. Informed by diverse, expansive, and sustained engagement, USTR will stand up for American farmers, ranchers, manufacturers, service providers, fishers, workers, and micro, small, and medium-sized enterprises (MSMEs) by pursuing smart trade policies that are inclusive and work for all producers.

#### **Objectives:**

- Negotiate and implement agreements that sustain well-paid American jobs, advance the overall trade and economic interests of the United States, and further the objectives of U.S. trade policies by opening foreign markets to U.S. industrial and manufactured goods, agricultural products, and services. Support the broader economic recovery by helping companies, including small businesses, women and minority entrepreneurs, put Americans to work by building world-class products for export to foreign markets.
- Effectively utilize USTR and leverage other U.S. government resources to break down foreign trade barriers and promote fair trade.
- Expand global market access opportunities for American farmers, ranchers, food manufacturers, and fishers and defend U.S. producers by enforcing agricultural trade rules and promoting the adoption of science and risk-based sanitary and phytosanitary measures.
- Use all available tools to take on the range of unfair trade practices that continue to harm U.S. workers and businesses.
- Collaborate with trading partners to ensure that trade policy works in concert with initiatives to advance global health security and humanitarian response to save lives, promote economic recovery, and develop resilience against future global pandemics or crises.
- Ensure that trade agreements consider the needs and reflect the interests of underserved communities and America's racially, ethnically, and geographically diverse population.
- Review past trade policies for their impacts on and unintended consequences for U.S. workers, and assess existing trade preference programs to evaluate their contribution to equitable economic development, improved labor standards, and opportunities for developing country workers to move from informal and unregulated sectors to decent work.

- Effectively represent U.S. interests in the World Trade Organization and other international bodies to achieve the Administration's international trade policy goals. Work to implement necessary reforms to the WTO's substantive rules and procedures to address the challenges facing the global trading system, including growing inequality, digital transformation, and impediments to small and medium-sized enterprises, including women and minority-owned businesses. In this respect, seek the reform of WTO rules to combat non-market policies and practices that inhibit the ability of U.S. workers and businesses to compete in the global market.
- Work with allies and like-minded trading partners to establish high-standard global rules to govern the digital economy, in line with our shared democratic values.
- Negotiate and implement strong environmental commitments in trade-related areas that contribute to a decarbonized and net-zero economy; promote conservation of natural resources, such as through sustainable fisheries and forest management, and combating wildlife trafficking; and prevent illegally harvested timber, fish, or wildlife from entering U.S. supply chains.
- Pursue strengthened enforcement to ensure that the People's Republic of China (PRC) lives up to its existing trade obligations; address gaps that exist in international trade rules, including through enhanced cooperation with our partners and allies, and address widespread human rights abuses of the Chinese Government's forced labor program in the Xinjiang Uyghur Autonomous Region and elsewhere.
- Address and contest the harms resulting from exploitative labor practices and labor violations, including forced labor, by using various trade policy tools.
- Engage with U.S. government partners to encourage robust technical assistance and trade capacity building with trading partners to ensure workers and small and medium-sized enterprises, including women and minority-owned businesses around the world, benefit from U.S. trade policy.

#### **Measurements:**

- Monitor Canada's and Mexico's implementation of and compliance with the United States-Mexico-Canada Agreement (USMCA).
- Work with Mexico and Canada to implement State Owned Enterprise (SOE) obligations in USMCA. Negotiate the extension of SOE obligations to sub-Federal level SOEs with Mexico and Canada.
- Advance implementation of the USMCA Free Trade Commission Decision recognizing the importance of effective cooperation to address the challenges created by the disruption of North American trade flows in emergency situations and their impacts on the Parties' domestic economies and on North American competitiveness. In particular, continue work with Canada and Mexico to identify shared critical infrastructure priorities and coordinate the actions of relevant agencies at the central and regional levels of government, and consult with industries and non-governmental stakeholders, including workers, to address trade flow disruptions in emergency situations.
- Continue to work with Mexico to ensure effective implementation of labor justice reforms, including the creation of new labor courts and other administrative institutions, to protect worker representation in collective bargaining, as required by the USMCA labor provisions and the USMCA's Annex on

Worker Representation and Collective Bargaining in Mexico, as well as the USMCA implementing legislation.

- Continue to work with Mexico to ensure secure, efficient, and legal crossing of goods across our shared border.
- In the Western Hemisphere, maximize engagement through Trade and Investment Framework Agreements, including through the negotiation and implementation of high-standard disciplines on trade rules and transparency. Progress implementation by partners of the good governance practice included in the June 2022 Declaration on Good Regulatory Practices.
- Advance the Americas Partnership on Economic Prosperity by establishing a durable structure for regular engagement with partner countries to pursue cooperative activities that promote sustainable trade and investment, resilient supply chains, and inclusive economic growth, consistent with the objectives and priorities of the East Room Declaration of the Leaders of the Americas Partnership for Economic Prosperity.
- Maximize engagement with the Caribbean Community (CARICOM) by holding more frequent meetings under the U.S.-CARICOM Trade and Investment Framework Agreement to complement other Administration initiatives, including the U.S.-Caribbean Partnership to Address the Climate Crisis 2030. Promote more sustainable trade and investment by exploring diversification of exports from CARICOM member states to the United States under the Caribbean Basin Initiative and develop cooperative activities to create the best environment to attract U.S. investment to the region.
- Use all available trade tools, and explore the development of new trade tools, to strengthen the supply chain and address the range of unfair trade practices that continue to harm textiles and apparel businesses and workers in the United States and the Dominican Republic-Central America Free Trade Agreement (CAFTA-DR) region.
- Work to achieve fundamental changes to the PRC's trade regime by taking actions against state-led policies and practices such as industrial planning and targeting, market-distorting subsidies and other support measures, excess capacity, state-sponsored cybertheft, technology transfer, inadequate intellectual property protection and enforcement, labor practices, data restrictions, agricultural market access restrictions, and services sector market access restrictions.
- Utilize a full range of trade tools, and explore the development of new trade tools as appropriate, to ensure that Beijing treats U.S. companies and U.S. exports fairly and that inward and outward foreign investment promote U.S. interests.
- Continue and enhance engagement with like-minded trading partners, such as the EU, the UK, Japan, Canada, and Australia, to jointly address problematic PRC trade policies and practices, including non-market policies and practices and economic coercion.
- Seek fundamental changes to the PRC's state-led and non-market trade regime in line with Administration objectives.

- Continue to push Chinese Government regulators to adopt international best practices, such as with regard to the regulation of innovative pharmaceutical products, active pharmaceutical ingredients, and medical devices.
- Advance ongoing work under the Trade Pillar of the Indo-Pacific Economic Framework, including seeking a high-ambition agreement that promotes resilience, sustainability, decent work, and inclusion.
- Advance ongoing negotiations under the U.S.-Taiwan Initiative on 21<sup>st</sup> Century Trade, including by incorporating provisions that emphasize resilience, sustainability, decent work, and inclusion.
- Continue to engage in dialogue with Taiwan on continued areas of concern in the U.S.-Taiwan trade relationship, including removal of barriers for U.S. beef and pork exports, intellectual property protection and enforcement, including with respect to digital piracy, and issues related to pharmaceuticals and medical devices, and explore opportunities for deepening our cooperation, including with respect to combatting forced labor in global supply chains.
- Continue engaging with Kenya to deepen bilateral trade through the U.S.-Kenya Strategic Trade and Investment Partnership (STIP), to spur Kenyan development and to promote more equitable, worker-centric trade with Kenya, potentially setting a model for use with other sub-Saharan African countries.
- With all free trade agreement (FTA) partners, identify and work to address priority trade issues of U.S. stakeholders, including the elimination of barriers to U.S. exports.
- Develop and implement initiatives to promote U.S. trade objectives and respond to tariff differentiation, trade restrictive regulatory measures, and other potential impacts to U.S. exporters resulting from other countries' trade policies and practices.
- Advance implementation of environment commitments by trade agreement partners, including through environmental cooperation work programs designed to enhance implementation of FTA environment commitments. In particular, continue cooperative efforts with trading partners as they respectively implement legislative and administrative reforms and other changes to their environmental regimes to raise levels of environmental protection.
- Advance implementation of labor commitments by trade agreement partners, including through trade engagement, labor cooperation mechanisms, and capacity building initiatives designed to support their efforts. In particular, continue cooperative efforts with Mexico, Colombia, Peru, Guatemala, Honduras, the Dominican Republic, Bahrain, and Korea as they implement legislative and administrative reforms and other changes to their labor regimes.
- Negotiate with the European Union (EU) to address both tariff and non-tariff barriers and to achieve fairer, more balanced trade.
- Negotiate with the EU to address non-market excess capacity and greenhouse gas emissions intensity in the steel and aluminum sectors.

- Engage with the United Kingdom (UK) to deepen bilateral trade, potentially through a comprehensive trade agreement or other means, including to address both tariff and non-tariff barriers and to achieve fairer, more equitable, worker-centric trade with the UK.
- Continue engaging with key trading partners in the Asia-Pacific region, Europe, sub-Saharan Africa, the Middle East and North Africa, and the Western Hemisphere, to lay the groundwork for outcomes that support additional well-paid jobs, ensure fairness, and provide new export opportunities for U.S. agriculture and industry. This engagement is also aimed at promoting U.S. services and investment objectives, strengthening protections and enforcement of intellectual property and promoting innovation and creativity, protecting worker rights, and enhancing environmental protection in participating countries, thereby helping to level the playing field for American workers and businesses.
- Engage in negotiations to resolve specific agricultural bilateral trade concerns in key U.S. export markets to ensure U.S. exporters are treated fairly.
- Secure expanded access for U.S. food, agricultural and manufactured goods exports to key markets through resolution of trade-restrictive sanitary and phytosanitary and technical barriers.
- Monitor and participate in international negotiations led by other agencies on topics affecting trade in food and agricultural products, food regulations, and food and health policy.
- Negotiate equivalency agreements with countries that are key markets for U.S. organic exports, promoting increased exports of U.S. organic food and agricultural products.
- Provide leadership in international fora on science-based regulatory approaches to promote trade in products derived from agricultural biotechnology.
- 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.
- Provide leadership in international fora to ensure that resolutions, commitments, and other international initiatives support and protect the interests of U.S. food and agricultural producers and exporters.
- Provide leadership in the development and inclusion of provisions to promote sustainable agriculture in multilateral and bilateral agreements, and in international fora, ensure that sustainable agriculture provisions recognize a diversity of approaches, take into account regional conditions, promote information exchange, promote voluntary approaches, incentivize innovation, and are validated through science- and evidence-based metrics.
- Advance the protection and enforcement of intellectual property, and related innovation issues, through bilateral engagements and the negotiation and implementation of trade agreements.

- Monitor, provide input, and participate in international negotiations led by other agencies on any topics *(e.g., climate, biodiversity, traditional knowledge, pharmaceuticals, and health)* in which the proposed inclusion of intellectual property language may have implications for trade policy.
- Monitor international negotiations and bilateral dialogues led by other agencies in which services and investment issues may arise.
- Negotiate and implement mutual recognition agreements (MRAs) with select countries to facilitate U.S. exports of telecommunications equipment and pharmaceuticals.
- Work with trading partners and relevant U.S. agencies to maintain or expand acceptance of U.S. automotive safety standards in overseas markets.
- Continue to engage key trade partners and stakeholders on ways to improve labor standards abroad.
- Develop and continue initiatives to combat timber and wildlife trafficking and related corruption and to stem illegal trade in timber and wildlife and related products, including through full implementation of existing trade agreement obligations and multilateral environmental agreement obligations, engaging in relevant regional initiatives, and pursuing new commitments in other trade fora.
- Develop and continue initiatives to combat illegal, unreported, and unregulated (IUU) fishing and seafood fraud, including working closely with the National Oceanic and Atmospheric Administration (NOAA) on implementation of relevant fisheries statutes, rules, and measures.
- Highlight the key role of trade in supporting more resource efficient and circular economies in discussions with key trade partners, as well as in relevant international fora such as WTO, Asia-Pacific Economic Cooperation (APEC), and Organization for Economic Cooperation and Development (OECD). Ensure that trade considerations are taken into account in negotiations that include references to circular economy.
- Partner with the Department of State, the Environmental Protection Agency, the U.S. Fish and Wildlife Service and other U.S. government agencies to ensure outcomes under multilateral and other environmental agreements and negotiations are consistent with U.S. trade policy.
- Participate actively as part of the U.S. delegation negotiating the Global Plastics Treaty under the UN Environment Assembly to ensure that U.S. trade-related equities are considered.
- Provide policy guidance and support for international negotiations or initiatives affecting the textile and apparel sector to ensure that the interests of U.S. industry and workers are considers and, where possible, to provide new or enhanced export opportunities for U.S. industry.
- Conduct reviews of commercial availability petitions regarding textile and apparel products and negotiate corresponding FTA rules of origin changes, where appropriate, in a manner that considers market conditions while preserving export opportunities for U.S. producers and employment opportunities for U.S. workers.

- Engage relevant trade partners to address regulatory issues potentially affecting the U.S. textile and apparel industry's market access opportunities.
- In partnership with other agencies, such as the Small Business Administration and the Department of Commerce, encourage MSMEs to expand trade through new and existing trade policy initiatives.
- Use the U.S.-EU Trade and Technology Council (TTC) to address bilateral and global trade issues with implications for U.S. and EU technological leadership and competitiveness, such as non-market policies and practices, and for shared values, including with respect to labor rights.
- Advance work under the U.S.-Japan Partnership on Trade, launched in November 2021, to address common concerns in areas such as labor rights, third-country practices, critical mineral supply chains, and the digital ecosystem, while addressing bilateral trade irritants.
- Expand cooperation with Korea under the U.S.-Korea Free Trade Agreement (KORUS), in addition to advancing traditional implementation and compliance goals, to broaden our cooperation with Korea in new areas.
- Advance bilateral discussions with Israel on expanded access for U.S. food and agricultural exports through a permanent Agreement on Trade in Agricultural Products (ATAP).
- Continue engagement on key issues with Mongolia through our TIFA, and continue to monitor Mongolia's compliance with the United States-Mongolia Transparency Agreement.
- Support the reform efforts of the governments of Ukraine, Moldova, Georgia, and Armenia through enhanced bilateral engagement to strengthen their economies and open their markets to U.S. exports.
- Continue to use Working Groups established under the United States-Ukraine Trade and Investment Council to pursue legislative and regulatory reforms to foster a transparent and predictable business environment that opens opportunities to diverse portions of the population and is based on the rule of law.
- Continue to monitor Brazil's compliance with the Protocol Related to Trade Rules and Transparency, under the Agreement on Trade and Economic Cooperation (ATEC), and continue engagement under that mechanism on Administration priorities.
- Deepen trade and investment engagement with Trade and Investment Framework Agreement partners in Mercosur, including Argentina, Paraguay, and Uruguay.
- Continue to engage with Peru as it implements reforms to combat illegal logging under the Peru Trade Promotion Agreement (PTPA).
- Continue to engage with CAFTA-DR partner countries to address trade-related issues to optimize inclusive economic and employment opportunities; advance strong labor standards; confront the climate crisis; strengthen trade rules and transparency and address non-tariff trade impediments; provide capacity building in areas such as textile and apparel trade-related regulation and practice on customs, border and market access issues, including agricultural and sanitary and phytosanitary regulations, to avoid barriers to trade.

- Continue to engage CAFTA-DR partners and stakeholders to identify and develop means to increase two-way trade and regional investment in textiles and apparel and strengthen the Western Hemisphere supply chain and near-shoring to enhance formal job creation and decent work.
- Continue to monitor Ecuador's implementation for the Protocol on Trade Rules and Transparency under the U.S.-Ecuador Trade and Investment Council and consider additional annexes to the protocol. Convene the Working Group on Fair Trade to consider ways to create opportunities for indigenous and other underserved populations to participate in international trade.
- Deepen engagement with Bolivia under the U.S.-Bolivia Trade and Investment Council Agreement.
- Engage key trade partners, including non-FTA partners such as Brazil, the PRC, Ecuador, India, Bangladesh, Indonesia, and Vietnam, and stakeholders on ways to improve levels of environmental protection, labor rights and working conditions, and intellectual property protection and enforcement in order to ensure a level playing field for U.S. workers.
- Engage actively during Peru's APEC host year in 2024 to build upon the U.S. 2023 host year efforts to promote sustainable and inclusive trade.
- Working through APEC's Committee on Trade and Investment and other bodies, advance key U.S. trade interests and address key trade and investment barriers, as well as unfair trade practices affecting U.S. goods and services exports across the APEC region. Specifically, promote U.S. trade interests in areas such as: digital economy, services, agriculture, labor, environment (including illegal logging), intellectual property, adoption of international sanitary and phytosanitary (SPS) standards, good regulatory practices, and trade facilitation, including promotion of full implementation of the WTO Trade Facilitation Agreement.
- Continue to engage with Southeast Asian countries to encourage them to pursue trade policy reforms that will benefit the United States and expand U.S. exports to this fast-growing region.
- Develop new initiatives with countries in East and Southeast Asia to break down barriers to U.S. exports in key sectors through negotiations, dispute settlement, and other actions as appropriate.
- Continue to develop initiatives and promote policy reforms under our trade and investment framework agreements (TIFA) TIFA with the Association of Southeast Asian Nations (ASEAN) and our bilateral TIFAs with Southeast Asian countries to advance worker rights, address and resolve U.S. concerns, remove barriers to U.S. exports, and improve intellectual property protection and enforcement.
- Explore ways to deepen trade and investment relationships with key Pacific Island partners, including by utilizing our TIFA with Fiji and other mechanisms for dialogue.
- Continue to develop cutting-edge trade commitments to advance the digital trade and digital services agenda in bilateral trade relations, including among countries in the Middle East and North Africa, and among Southeast Asian countries.

- Pursue negotiations and other efforts, through existing FTAs, TIFAs or other mechanisms, as appropriate, to advance with countries of the Middle East and North Africa U.S. initiatives involving services, investment, intellectual property, information and communication technology, trade facilitation, agriculture, labor rights, environmental protection, and other areas.
- Explore opportunities to increase U.S. market access in countries in Turkey, the Middle East and North Africa, as well as in the Caucasus, particularly as the EU and other trading partners enhance market access to these regions for their products.
- Use TIFAs with sub-Saharan African countries and regional economic communities to address trade barriers in a timely manner, promote transparency, protect worker rights, and to advance U.S.-Africa trade and investment cooperation.
- Explore opportunities to increase U.S. market access in important sub-Saharan African markets, particularly as the EU and other trading partners gain market access to African markets for their products.
- Continue to develop and implement initiatives that promote the President's trade agenda in Africa, including potential trade agreements, promotion of U.S. exports and investment, increased participation of the African Diaspora and MSMEs, and encouragement of trade and economic reforms that area consistent with U.S. trade priorities.
- Continue to support the negotiation and implementation of the African Continental Free Trade Area (AfCFTA) under the United States' memorandum of understanding with the AfCFTA Secretariat and through engagement with institutions and stakeholders at the country and regional levels. Promoting African regional and continental economic integration has long been a priority of the U.S. Government.
- Use the U.S.-India Trade Policy Forum and TIFAs with Pakistan, Bangladesh, five Central Asian partners, Nepal, Sri Lanka, Maldives, and Iraq to address persistent barriers to U.S. exports and promote transparent practices that ensure a level playing field for U.S. agricultural exporters, strengthen protection and enforcement of intellectual property, foster constructive dialogue on digital trade, and promote worker rights. Additionally, encourage regional partners to deepen capacity and achieve progress on key ease-of-doing-business reforms, customs, standards, and women's economic empowerment, equity, and equality.
- Provide policy guidance and support for the ongoing committee work at the WTO and other international trade organizations to represent U.S. interests effectively and resolve trade barriers negatively affecting U.S. suppliers.
- Provide leadership in the World Trade Organization and other international forums to address technical barriers to trade and to promote transparency and good regulatory practices in a manner that promotes U.S. exports.
- Intensify leadership of efforts to address key WTO institutional shortcomings, notably with regard to differentiation among self-declared developing countries, notifications and transparency, approaches to development, and dispute settlement.

- As feasible, identify negotiating objectives within the WTO that are achievable and can promote freer and fairer trade benefitting U.S. stakeholders.
- Negotiate and conclude WTO accession agreements with candidates that undertake trade-liberalizing and market-oriented reforms and commitments that meet Administration priorities and are supported by Congress.
- In cooperation with other relevant agencies, as appropriate, work to ensure that the WTO's work on Aid for Trade and other activities for assisting developing countries is aimed at integrating trade into the development plans of these countries and supports their effective participation in the international trading system while not exceeding the institutional mandate of the WTO.
- Work with U.S. Government agencies that provide trade capacity building assistance to ensure that their assistance programs help developing countries to implement international trade obligations in a transparent manner that opens export markets and promotes fair and reciprocal trade. Further, in cooperation with other relevant agencies, work with other donor countries and international institutions to make the most coherent and effective use of scarce capacity building resources, prioritizing assistance to those countries that have demonstrated a commitment to implementing protrade domestic reforms.
- Engage with WTO Members to bring the new WTO Agreement on Fisheries Subsidies into force and to ensure its full implementation, as well as continue negotiations on comprehensive disciplines, to ensure the agreement protects the sustainability of our fisheries resources and positively impacts our fishers and workers.
- Work with like-minded WTO Members to develop new rules, norms, tools, research, and principles that address industrial subsidies and other trade distorting actions of non-market economies and their state-owned enterprises.
- Work with WTO Members to achieve full implementation of the WTO Trade Facilitation Agreement.
- Develop and implement strategic engagement at the WTO on resetting agriculture negotiations on domestic support, export competition, and market access through enhanced transparency and analysis of current problems facing agricultural trade.
- Construct coalitions with other countries to advance understanding and adoption of science-based regulations for pesticide maximum residue levels, building on U.S. leadership to promote transparent and science-based decision making for crop protection tools.
- Promote cooperation with other countries to enhance trade in wine.
- Work with U.S. Government agencies that have the lead on certain international organizations (WIPO, WFP, UNCTAD, OECD, G7, G20, WHO, FAO, PAHO, OAS, UN, HRC, WCO, ILO, and IDB) to ensure that these organizations operate within their defined scope and mandate with respect to trade-related issues and that their trade-related deliverables promote U.S. policies and objectives.

Ensure that in these organizations, resolutions and outcomes are consistent with U.S. trade policy and do not promote trade-restrictive barriers.

• Utilize the OECD Trade Committee to produce economic analysis that supports a fair and open global trading system, and to build coalitions of like-minded economies that can advance U.S. trade policy goals in multilateral institutions. Ensure OECD accessions, if any, support U.S. interests.

## Goal 2: Fully Enforce U.S. Trade Laws, Monitor Compliance with Agreements, and Use All Available Tools to Hold Other Countries Accountable

USTR will make the rules count by fully enforcing U.S. trade laws, closely monitoring foreign countries' compliance with trade obligations, and vigorously enforcing U.S. rights. In addition, USTR will ensure that American workers, farmers, ranchers, fishers, manufacturers, innovators, creators, service providers, consumers, and investors receive fair treatment in trade, compete in global markets on a level playing field, and win the full benefit of the economic opportunities the United States has negotiated.

#### **Objectives:**

- Fully enforce U.S. trade laws and efficiently and effectively respond to unfair trade practices.
- Use all available tools to take on unfair trade practices pursued by non-market economies, including their use of economic coercion, pursue strengthened enforcement to ensure that our trading partners live up to existing trade obligations; address gaps that exist in international trade rules and tools on subsidies, state-owned enterprise competition, and other matters, including through enhanced cooperation with U.S. partners and allies.
- Vigorously deploy all available tools, including dispute settlement mechanisms, to enforce U.S. rights under trade agreements, to ensure that they meet their potential to create and sustain well-paying American jobs. Utilize the WTO standing committees to address specific trade concerns before they become final; resolve unwarranted sanitary and phytosanitary barriers; promote the acceptance of international standards and acceptance of the results of U.S. conformity assessment bodies.
- Comprehensively enforce labor and environmental obligations of existing trade agreements. Engage allies to ensure that products that are produced by forced labor or under exploitative labor conditions are not imported into the United States.
- Ensure adequate and effective protection and enforcement of U.S. intellectual property.
- Defend U.S. interests in digital trade and digitally delivered services.
- Oppose attempts by foreign countries to artificially manipulate currency values to gain unfair advantage over American workers; work with the Departments of the Treasury and Commerce to put effective pressure on countries that are intervening in the foreign exchange market to gain a trade advantage.
- Collaborate with allies and like-minded countries to address global market distortions created by industrial excess capacity in sectors including steel, aluminum, solar, and electric vehicles.
- Monitor beneficiary country compliance with statutory criteria in trade preference programs and ensure that beneficiaries meet these criteria, including in the Generalized System of Preferences (GSP), the African Growth and Opportunity Act (AGOA), the Caribbean Basin Initiative (CBI), and the Nepal Trade Preference Program.

- Effectively utilize USTR and leverage other U.S. government resources to monitor unfair foreign trade barriers and practices, as well as compliance by trading partners with U.S. and multilateral trade agreements.
- Expand inclusive engagement with diverse stakeholders to collaborate with USTR on enforcement issues.

#### Measurements:

- Utilize Section 301 of the Trade Act of 1974 to take action against unfair trade practices that harm American workers, farmers, ranchers, services providers, and other businesses and to encourage foreign countries to adopt more market-friendly policies.
- Coordinate USTR resources, and those of partner agencies, to identify priority foreign trade barriers and practices, analyze their consistency with international trade agreements, and devise effective strategies to bring about or maintain compliance with those agreements.
- Where positive outcomes have been achieved in offensive disputes, closely monitor trading partners' actions to ensure full implementation, and where trading partners have not complied, use all appropriate tools to obtain compliance.
- Vigorously pursue existing offensive trade disputes to ensure timely resolution. Through prudent management of personnel and disputes, use existing USTR resources and leverage other U.S. government resources effectively to maximize the likelihood of positive outcomes vindicating U.S. rights.
- Consult regularly with other agencies, Congress, stakeholders, and foreign officials to obtain information on new barriers to trade with bilateral and regional partners.
- Continue to coordinate within USTR and with partner agencies on incorporating and using the best analytical tools and providing the best analysis to measure damage from foreign trade partners' violations as well as defending U.S. laws and practices from any foreign trade partner's complaints.
- Continue to build a strong Interagency Center on Trade Implementation, Monitoring and Enforcement (ICTIME) organization to carry out ICTIME's statutory directives, including by obtaining additional staff with necessary regional, linguistic, and quantitative expertise in a variety of trade disciplines.
- Expand interagency contacts and coordination, identify appropriate interagency expertise for ICTIME regarding enforcement matters, and create mechanisms to simplify sharing of interagency expertise.
- Coordinate USTR resources and those of partner agencies to identify significant foreign trade barriers, particularly through the preparation of the *National Trade Estimate Report on Foreign Trade Barriers*, and identify strategies for resolving implementation problems.
- Continue robust monitoring of existing free trade agreements (FTAs) through annual Free Trade Commission and Joint Committee meetings.

- Employ trade agreement committees and bilateral engagements as appropriate to resolve identified breaches of U.S. trade agreements.
- Monitor Beijing's implementation and compliance with the U.S.-China economic and trade agreement.
- Implement responsive actions, as appropriate, in connection with the Section 301 investigation of the PRC's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation.
- Monitor and ensure Beijing's full compliance with the Memorandum of Understanding addressing the importation and distribution of films for theatrical release in the PRC and secure further meaningful compensation for the United States.
- Continue to press Beijing to address its excess capacity in industrial sectors, particularly steel and aluminum, in cooperation with like-minded partners through fora such as the OECD Steel Committee and the North American Steel Trade Committee.
- Hold Beijing fully accountable for strict adherence to its WTO obligations using WTO committees and council meetings and other WTO mechanisms, including dispute settlement as appropriate, to raise concerns about the PRC's compliance and to highlight the PRC's protectionist policies.
- Monitor and review Vietnam's implementation of the bilateral agreement on illegal logging and timber trade, including Vietnam's commitments to improve its Timber Legality Assurance System; keep confiscated timber (i.e., timber seized for violating domestic or international law) out of the commercial supply chain; verify the legality of domestically harvested timber regardless of export destination; and work with high-risk source countries to improve customs enforcement at the border and law enforcement collaboration.
- Continue to pursue strong intellectual property protection and enforcement and improve market access for Americans who rely on intellectual property protection, with U.S. trading partners including in markets identified in the Special 301 Report and those with major pending intellectual property legislation or regulations.
- Use all appropriate tools to deliver the full benefit of intellectual property provisions of existing FTAs and other trade agreements to stakeholders. Priorities include the USMCA, the U.S.-China economic and trade agreement, and agreements with Korea, Australia, Colombia, Panama, CAFTA-DR countries, and Chile as well as progress on outstanding implementation issues with other FTA partners and issue-specific agreements (*e.g.* PRC films, etc.).
- Issue a timely, high-quality report to Congress, backed by year-round engagement with trading partners, on the adequacy and effectiveness of intellectual property protection and enforcement and market access for Americans who rely on intellectual property protection. Continue improvements to the Special 301 and Notorious Markets List processes. Use the Notorious Markets List to encourage reform by state and non-state actors to effectively combat piracy and counterfeiting.

- Conduct comprehensive annual Section 1377 review of telecommunications barriers and utilize this review to facilitate progress in removal of major foreign barriers impeding market access of U.S. telecommunications goods and services suppliers. Maintain efforts to eliminate trade-restrictive barriers to the Internet and Internet-enabled services, including unjustified website blocking and discriminatory or unreasonable digital services taxes.
- Identify disputes to be pursued, including barriers to U.S. exports due to trade-distorting subsidization, use of border measures, localization measures discriminating against imported goods, and trade-restrictive sanitary and phytosanitary (SPS) and technical barriers to trade (TBT) measures.
- Vigorously defend the United States in defensive trade disputes and, as necessary, devise appropriate implementation strategies to maintain effectiveness of U.S. measures, including trade remedy measures.
- Work with existing FTA partners, including Australia, Bahrain, Canada, Chile, Colombia, Costa Rica, Dominican Republic, El Salvador, Guatemala, Honduras, Israel, Jordan, Korea, Mexico, Morocco, Oman, Panama, Peru, and Singapore, to ensure that agreements are fully and properly implemented, and address non-compliance issues that are identified.
- Work with industry, Congress, and Customs and Border Protection to address industry concerns about the effectiveness of Customs enforcement of U.S. trade agreements, in order to ensure the integrity of agreement commitments.
- Continue to coordinate with other U.S. agencies, particularly the Departments of State and Labor, to prioritize opportunities to engage with FTA partner countries to improve respect for labor rights, including by advancing efforts to reform labor laws, improve labor institutional capacity, and monitor working conditions.
- Chair the USMCA Interagency Labor Committee for Monitoring and Enforcement, and ensure that the Committee actively monitors Mexico's commitments under the USMCA, including with respect to its labor reforms, and fulfills all enforcement-related mandates under U.S. law.
- Utilize the USMCA Rapid Response Labor Mechanism, when appropriate, to address any identified denials of rights in covered facilities in Mexico.
- Convene environmental committees and environmental affairs councils and related fora under existing FTAs to monitor and review implementation of FTA partners' environmental commitments, and engage with FTA partners at senior levels on specific environmental implementation issues.
- Continue to lead a robust interagency process and use all appropriate tools for monitoring implementation of FTA environment obligations across all existing FTA partners, including by identifying and prioritizing environmental and conservation issues that can disadvantage U.S. manufacturers and exporters.
- Chair the Interagency Committee on Trade in Timber Products from Peru, and ensure that the Committee continues to actively monitor Peru's implementation of its obligations under the Peru

Trade Promotion Agreement (PTPA), as well as the actions that Peru committed to take to address the Committee's timber verification findings and recommendations.

- Chair the Interagency Environment Committee for Monitoring and Enforcement (IECME) to monitor Canada and Mexico's implementation of USMCA environment obligations, periodically carry out assessments of their respective environmental laws, and request enforcement actions, as appropriate, and as provided under statutory requirements.
- Continue to leverage USMCA environment supplemental appropriations to strengthen monitoring and enforcement of USMCA environmental obligations.
- Continue to review and analyze Submissions on Enforcement Matters (SEMs) and direct public submissions pursuance to USMCA Chapter 24 to ensure effective implementation of Chapter 24 obligations.
- In the Western Hemisphere, ensure that the secretariats, established under USMCA, CAFTA-DR, and the Colombia, Panama, and Peru trade promotion agreements (TPAs), are able to receive submissions from the public alleging that a Party is failing to effectively enforce its environmental laws, function fully and effectively.
- Continue to support U.S. delegations to meetings of regional fisheries management organizations (RFMOs), such as the Convention on the Conservation of Antarctic Marine Living Resources (CCAMLR), in order to monitor implementation of trading partners' efforts to combat illegal fishing and promote fisheries management.
- Continue to research, monitor, and analyze WTO Members fisheries subsidies programs, in order to ensure that the new WTO Fisheries Subsidies Agreement, and any additional agreed disciplines, is effective in curbing harmful subsidies, and that Members comply with their commitments under the Agreement.
- Closely collaborate with industry and other offices and Departments to monitor trade actions taken by partner countries on textiles and apparel to ensure that such actions are consistent with trade agreement obligations and do not impede U.S. export opportunities.
- Research and monitor policy support measures for the textile sector, in particular in the PRC, India, Bangladesh, and other large textile producing and exporting countries, to ensure compliance with international agreements.
- As a member of the interagency Committee on Foreign Investment in the United States (CFIUS), continue to ensure that CFIUS decisions effectively protect the national security consistent with applicable laws and regulations and the United States' overall investment policy.
- Consider and address enforcement concerns that affect small and medium-sized enterprises, and identify ways to engage small and medium-sized enterprises regarding trade, including micro, small, and medium-sized businesses owned by women, minorities, underserved communities, and agricultural sector and rural SMEs.

- Utilize existing USTR resources and leverage other U.S. government resources to effectively pursue the timely resolution of specific trade concerns addressed in the WTO standing committees.
- Effectively utilize the WTO standing committees to oversee the implementation of the WTO agreements, working with affected U.S. suppliers and with like-minded WTO Members to press countries that may be contravening WTO rules to address specific trade concerns. Utilize the Trade Facilitation Committee to continue to promote the full implementation of the WTO Trade Facilitation Agreement.
- Prepare the annual report to Congress on the Implementation and Enforcement of Russia's WTO Commitments.
- Review and assess Beijing's trade policies and practices and prepare the annual Report to Congress on the PRC's WTO Compliance.
- Monitor Brazil's implementation and compliance with the Protocol on Trade Rules and Transparency.
- Monitor Ecuador's implementation and compliance with the Protocol on Trade Rules and Transparency.
- Continue to work closely with inter-agency partners to monitor the performance of the Caribbean Basin Initiative, including ongoing monitoring of beneficiary countries' compliance with eligibility criteria, promoting awareness of opportunities under the program, and enhancing the capacity of beneficiary countries to achieve development goals through the program.
- Working with the U.S. Department of Commerce, develop and submit the annual Subsidies Enforcement Report to Congress.
- Ensure greater market access for U.S. companies in South and Central Asia, by focusing on identifying and addressing non-tariff barriers that discriminate again U.S. stakeholders, and seeking improved compliance with WTO obligations.
- Continue vigorous U.S. participation in the WTO Committee on Trade-Related Investment Measures as well as bilateral efforts to promote elimination of distortive trade-related investment measures, including in Nigeria, Indonesia, the PRC, and India.
- Continue to make regular use of bilateral and multilateral fora, including WTO committees, to challenge India's technical barriers to trade and agricultural support policies.
- Subject to Congressional renewal of the program, take pro-active measures to ensure that Generalized System of Preferences (GSP) beneficiary countries comply with the statutory eligibility criteria, including by facilitating prompt responses to GSP petitions, continuing to advance efforts on worker rights and intellectual property in countries of special concern, self-initiating reviews of eligibility when appropriate, actively engaging on open country practice reviews, and removing GSP benefits when engagement fails to address concerns.

- Work closely with our inter-agency partners, including the U.S. Departments of State and Labor, to monitor, prioritize, and engage GSP beneficiary countries with respect to the worker rights, market access, intellectual property, and other criteria of our trade preference programs.
- Continue to work closely with other agencies and relevant stakeholders to promote the capacity of African nations to take advantage of AGOA and to foster the adoption of sound trade and investment policies, including through regular reviews of compliance with eligibility criteria.
- Continue to work with the U.S. textile and apparel industry to promote exports and other opportunities under our free trade agreements and preference programs, by actively engaging with stakeholders and industry associations and participating, as appropriate, in industry trade shows.

## Goal 3: Develop and Implement Innovative Policies to Advance President's Trade Agenda

USTR will develop and implement a comprehensive trade policy to help the country and world continue to recover from the Covid-19 pandemic and its economic effects; improve labor standards; strengthen environmental protection and support the Administration's work to address the crisis of climate change; support public health improvements; and eliminate social and economic barriers to ensure economic opportunity and benefits for underserved and marginalized communities.

#### **Objectives:**

- Continue to address the effects of the pandemic and unforeseen national and global emergencies through policies that strengthen long-term supply chain resiliency for equipment and supplies critical to delivering public health services in the United States; help companies, including small businesses and women and minority entrepreneurs, strengthen production of essential medical equipment; collaborate with trading partners to advance global health security and humanitarian response to save lives, promote global economic recovery, and develop resilience against future global pandemics or crises.
- Leverage our strong bilateral and multilateral trade relationships to raise global climate ambition. Work with allies as they develop their own approaches and ensure that trading partners meet their environmental obligations under existing trade agreements. Support the goal of reducing greenhouse gas emissions and achieving net-zero global emissions by 2050, or before. Explore and develop market approaches to address greenhouse gas emissions in the global trading system. As appropriate, and consistent with domestic approaches to reduce U.S. greenhouse gas emissions, this includes consideration of trade approaches based on carbon intensity of goods.
- Negotiate and implement strong environmental commitments in trade-related areas that contribute to a decarbonized and net-zero economy; promote conservation of natural resources, such as through sustainable fisheries and forest management, and combating wildlife trafficking; and prevent illegally harvested timber, fish, or wildlife from entering U.S. supply chains.
- Craft new trade policies to promote equitable economic growth and contribute to the creation of good-paying U.S. jobs through the inclusion in trade agreements of strong, enforceable labor standards that protect workers' rights and increase economic security; engage allies to achieve commitments to fight forced labor and exploitative labor conditions, and increase transparency and accountability in global supply chains, and lead to the economic empowerment of women and underrepresented communities.
- Seek to better understand the projected impact of proposed trade policies on underserved and marginalized communities and to ensure those impacts are considered before pursuing such policies.

#### **Measurements:**

• Work through multilateral and bilateral trade contexts to ensure that policies supporting global pandemic recovery account for the important role of workers in that recovery, including by

prioritizing occupational safety and health, addressing high-risk contexts like forced labor, and emphasizing the role of workers' rights and labor protections.

- Conduct outreach and work with trading partners to raise global climate ambition to achieve a netzero global economy by 2050, including encouraging decarbonization through trade mechanisms.
- Consult and coordinate with allies and like-minded trading partners as they develop trade-related approaches to climate change, including carbon pricing or other measures.
- Work with trading partners and consult with relevant stakeholders to develop and promote more circular, sustainable, and inclusive textiles and footwear production practices.
- Proactively explore and consider trade-related measures to address climate change, including at the WTO, the OECD, and in other venues, as appropriate.
- Continue to engage proactively at the WTO in the Committee on Trade and Environment and informal WTO dialogues, as appropriate, to advance trade-related climate change and circular economy initiatives at the WTO.
- Continue to engage in domestic processes and international fora aimed at combatting IUU fishing and associated forced labor, and enhancing seafood traceability.
- Continue to engage in relevant international fora to develop effective strategies to combat wildlife trafficking.
- Continue to emphasize the key role that trade plays in building more circular economies, including for climate change solutions, and to explore ways to advance trade facilitation for circular economy products and intermediaries, including recyclables materials, in APEC, the WTO and other relevant fora.
- Implement strong environmental obligations that also contribute to a decarbonized and net-zero economy, including considerations of trade in low-carbon goods and promotion of environmental technologies.
- Advance U.S. climate and environment priorities through our leadership of APEC's Committee on Trade and Investment (CTI) and in other relevant committees. Support regional decarbonization efforts through promotion of clean and renewable energy technologies, as well as through non-tariff barriers to trade of environmental goods and services.
- Coordinate USTR resources and those of partner agencies to inform and strengthen the implementation of the President's trade agenda, particularly through the preparation of the *Annual Report of the President on the Trade Agreements Program*.
- Continue to explore ways to promote digital inclusion and equity through the development of digital trade provisions that support these objectives in various trade initiatives.

## Goal 4: Develop Equitable Trade Policy Through Inclusive Processes

USTR will develop inclusive, worker-centered trade policy through extensive consultations with the Congress, stakeholders, and its trade Advisory Committees. USTR will also use digital means and expanded domestic engagement to ensure broad opportunities for the public to contribute to policy formulation, provide comments on policy, and access public hearings and documents. USTR will lead interagency trade policy coordination to obtain broad-ranging input, involve disadvantaged and underserved communities in policymaking, provide accountability, and develop sound, strategic U.S. trade policies.

USTR's transparency principles establish the foundation for a high transparency standard for the day-today operations of USTR. These transparency principles reflect the Administration's commitment to comprehensive public engagement, including outreach to historically overlooked and underrepresented communities, as it develops and implements a trade policy that advances the interests of all Americans.

#### **Objectives:**

- Work with Congress, interested stakeholders, unions, state and local governments, and the public to inform and strengthen the President's trade agenda, develop Administration trade policies and initiatives, and advance key trade legislation.
- Conduct outreach to underserved and disadvantaged communities, in policy development, negotiations, and implementation and enforcement of agreements and legislation.
- Facilitate opportunities for the public, especially from underserved communities, to share perspectives and ideas on developing equitable trade policy.
- Identify and explore opportunities for trade policy and practices, especially in emerging sectors where the United States has the potential to be competitive, to contribute towards increasing equity, reducing income inequality, and expanding micro, small, and medium-sized enterprises and their potential to create good U.S.-based jobs through trade.
- Facilitate participation in trade policy development by a broad range of stakeholders. In order to foster more inclusive and broader representation in terms of both geography and demographics, as well as stakeholder perspective, seek input using innovative and adaptable forms of communication, including virtual hearings and outreach, in addition to traditional means such as Federal Register notices.
- Provide timely and appropriate information to the public on ongoing trade negotiations and trade policy issues of general interest, consistent with laws and regulations governing engagement with the public as well as the protection of confidential information.
- Provide inclusive opportunities for the public to participate in the development of trade policy and trade initiatives, including changes in policy that affect existing trade programs; seek public input with respect to new major trade initiatives when feasible, even when not required by law.

- Expand data analysis and reports to measure equity and analyze the effect of trade policy on underserved communities, including assessments based on race, ethnicity, gender, disability, income, veteran status, skill, age, wage and salary level, or other key demographic or regional variables.
- Amplify results of United States International Trade Commission (ITC) report on the distributional effects of goods and services trade and trade policy on workers and underserved communities. Work with statistical agencies to achieve better access to restricted data to provide better advice to policy makers. Work on achieving better access to restricted data through various Presidential initiatives, i.e., the Executive Orders on Equity and Promoting Competition in the American Economy; the Presidential Memorandum on Advancing the Human Rights of LGBTQI+ Persons around the World; the United States' National Strategy on Gender Equity and Equality; the White House Initiative on Asian Americans, Native Hawaiians; and Pacific Islanders; and the White House Council on Native American Affairs.
- Ensure that the concerns and perspectives of underrepresented communities, small businesses, and the employment and purchasing power interests of low-income Americans are reflected in proposed policies, including through improved engagement, innovative data collection, and outreach and engagement with community-based stakeholders, such as minority-owned businesses, business incubators, Historically Black Colleges and Universities (HBCUs), Hispanic Serving Institutions (HSIs), Tribal Colleges and Universities (TCUs), Asian American and Native American Pacific Islander-Serving Institutions (AANAPISIs), other minority serving institutions (MSIs), and local and national labor, civil, and human rights organizations.
- Incorporate policies and proposals that foster Tribal Nations' participation in international trade; ensure Tribal Nations are timely informed about trade policies and actions that may have Tribal implications.
- Foster a robust Advisory Committee system by appointing, consulting, and engaging with an active group of advisors; ensure that the membership includes a wide variety of expert interests, reflective of the diverse stakeholder perspectives.
- Educate the public on the Advisory Committee system and its role in trade policy.
- Adhere to the Guidelines for Consultation and Engagement adopted in October 2015.
- Coordinate trade policy effectively through the Trade Policy Staff Committee (TPSC) and the Trade Policy Review Group (TPRG).

#### Measurements:

- Consult closely with Congress and stakeholders on developments regarding all agreements, including their consideration by Congress, entry into force, and the potential addition of new agreement partners.
- Consult broadly and intensively with Congressional committees of jurisdiction, other committees as appropriate, leadership offices, and Congressional advisors on pending trade policy issues and initiatives. Keep Committees and Congressional leaders abreast of key issues, opportunities, and constraints in trade negotiations. Keep Committees updated on the positions of our negotiating partners.
- Build support for Administration trade policy through existing Congressional coalitions and caucuses.
- Consult with Congress and key stakeholders on new initiatives to promote policy reforms that expand trade and investment with key trading partners in ways that increase U.S. employment and production.
- Work with Congress on legislative initiatives, in particular the approval of trade agreements, and provide advice on trade aspects of proposed legislation to help ensure consistency with U.S. international obligations.
- Consult broadly with Congress and other stakeholders on how to modernize and improve the African Growth and Opportunity Act (AGOA) in legislation to renew the program, including exploring possible new models for engagement and trade agreements with key African trading partners.
- Work with Congress on GSP reauthorization (as necessary) and enforcement efforts.
- Take the lead in providing policy advice and assistance in support of any Congressional initiatives to reform or re-examine preference programs that have an impact on the textile and apparel sector.
- Ensure that the *National Trade Estimate Report on Foreign Trade Barriers*, the Special 301 Report, the Russia WTO Implementation Report, the PRC WTO Compliance Report, and other reports required by statute are developed in a transparent manner, with opportunity for input from the public at large as well as stakeholders and Members of Congress, and review the issues they address fully and accurately.
- Provide public access to U.S. submissions to WTO adjudicatory bodies so that stakeholders and interested members of the public may provide relevant input.
- Solicit public comment on WTO or FTA dispute settlement proceedings to ensure that USTR officials can develop U.S. positions and arguments based on all relevant available information.
- Ensure that meetings of environmental affairs councils and related fora under our existing FTAs include sessions open to the public, and provide for public input on the agendas for these meetings, consistent with legal and regulatory requirements.
- Ensure timely re-chartering of committees and appointment of members and ensure that committees meet statutory reporting requirements.
- Convene regular Advisory Committee meetings and briefings as needed in coordination with other relevant agencies.
- 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.
- Provide regular updates to USTR's advisory committee website with relevant information and membership.

- Consult regularly with the Advisory Committee for Trade Policy and Negotiations (ACTPN) to provide relevant advice to the USTR on matters arising in connection with the development, implementation, and administration of trade policy.
- Continue working closely with the Trade Advisory Committee on Africa (TACA) to provide relevant advice to the USTR on strengthening the U.S.-Africa trade and investment relationship.
- Consult with the Industry Trade Advisory Committees (ITACs) to identify industry barriers and to provide input on economic opportunities and other trade policy matters.
- Consult with the Agricultural Policy Advisory Committee (APAC) and the Agricultural Technical Advisory Committees (ATACs) on the development and implementation of strategies to address agricultural trade policy priorities.
- Maintain regular consultation with the Labor Advisory Committee for Trade Negotiations and Trade Policy (LAC), and other stakeholders on issues related to implementation of labor rights obligations under FTAs and worker rights criteria of trade preference programs.
- Maintain regular consultation with the Intergovernmental Policy Advisory Committee on Trade (IGPAC), and other stakeholders on issues involving trade and development that have a significant relationship to the affairs of U.S. state and local governments.
- Maintain close collaboration with the Trade and Environment Policy Advisory Committee (TEPAC), and other stakeholders in developing U.S. negotiating positions on trade and environment matters, including in bilateral trade negotiations, regional and WTO initiatives, and the implementation of environmental obligations in existing FTAs.
- Seek to ensure that all trade advisory committees represent a diverse, equitable, inclusive, and balanced group of stakeholder interests.
- Request that advisory committee members provide advice and recommendations on trade policies that eliminate social and economic structural barriers to equality and economic opportunity, and to better understand the projected impact of proposed trade policies on communities of color and underserved communities.
- Ensure smooth functioning of interagency policy development and review, including through providing all TPSC member agencies time, informed by TPSC guidelines, for review and approval of TPSC papers and other material.
- Make robust and effective use of TPSC subcommittees to frame issues and develop proposals for trade policy issues to ensure that all agencies with trade responsibilities are kept abreast of emerging issues, new initiatives, negotiations, enforcement, and other policy implementation.
- 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, or issues on which agencies are unable to

reach consensus through TPSC deliberation, for resolution in the TPRG (Deputy USTR/Under Secretary level) or among Cabinet officers.

- Participate effectively in the National Security Council processes to ensure USTR leadership on key Administration trade policy goals and initiatives.
- With other lead agencies of the Americas Partnership, establish and engage regularly with a stakeholder advisory structure that includes representation from industry, labor, environmental groups, small and medium-sized enterprises, and civil society to ensure that the ongoing work of the Americas Partnership benefits from the broadest possible range of input and perspectives.
- Promote North American competitiveness and workforce development. Under the USMCA Competitiveness Committee, partner with a broad range of stakeholders to help address the skills gap in North America by highlighting innovative school-industry partnerships in key sectors, effective local and state-level partnerships and programs, and best practices, including in underserved communities in workforce development programs.
- Complete negotiations on the establishment of a USMCA sub-committee to cooperate during emergency situations in order to maintain, re-establish, or otherwise address issues related to the flow of trade in North America, as well as a working group under that sub-committee to coordinate on a shared understanding of critical infrastructure priorities.
- Enhance opportunities for SMEs under the USMCA. Implement the USMCA commitment to convene a trilateral USMCA SME Dialogue, including SMEs owned by diverse and under-represented groups, NGOs, academic experts, and other stakeholders, so that SMEs may provide views on the implementation of the USMCA.
- Enhance opportunities for SMEs under the U.S.-Ecuador Protocol on Trade Rules and Transparency. Implement the Protocol commitment to convene a bilateral SME dialogue that includes SMEs owned by diverse and under-represented groups.
- Work with U.S. development agencies and other government agencies so that appropriate assistance programs are in place when necessary to support implementation of trade agreements and key trade legislation.

# Goal 5: Effectively Communicate the President's Trade Agenda

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

### **Objectives:**

- Create and implement a USTR-wide, proactive communications strategy to explain the jobsupporting, economy-enhancing benefits of the President's trade policy agenda to domestic constituencies and stakeholders.
- Ensure the USTR website contains up-to-date information on current trade initiatives and programs. Press releases and other materials related to agency programs, initiatives, and negotiations will contain sufficient information to adequately inform the public and will link to available background information on the USTR website.
- Inform private sector and non-profit stakeholders, media, and state and local governments of USTR's efforts to monitor and address unfair foreign trade barriers and practices and enforce U.S. rights, as well as compliance by trading partners with U.S. agreements.
- Enhance outreach to and build sustained engagement with underserved and disadvantaged communities on the benefits of the President's trade agenda and ensure methods and means of communication are useful and accessible.
- Work with the White House and with agency partners to implement a consistent, Federal government message on trade policy.
- Use language and means of communication that are accessible, inclusive, and reflect the concerns, priorities, and perspectives of stakeholders.
- Communicate, in consultation with other agencies, the Congress, and interested stakeholders, the Administration's unified message to foreign countries and their citizens explaining the benefits of trade with the United States, in order to build support for U.S. trade policies and initiatives.
- Communicate success to stakeholders, including State and local elected officials.

### Measurements:

- Survey external research to gauge baseline of current public perceptions of U.S. trade policy and practices in order to adjust USTR's messaging strategy and develop trade education materials.
- Develop talking points, fact sheets, press releases, electronic newsletters, and internet strategy to explain Administration trade policy goals and achievements.

- Coordinate press statements with interested agencies and the White House in order to present coherent and mutually reinforcing trade information to the public.
- Organize press events around high-profile trade achievements in negotiations, enforcement, and legislation.
- Prepare press statements and press events to respond to criticism of U.S. trade policy.
- Work with other trade agencies, congressional trade committees, and interested stakeholders to communicate the benefits of trade agreements and enforcement to the Congress, interested stakeholders, state and local governments, and the public.
- Work with the House Committee on Ways and Means and the Senate Committee on Finance, Congressional leadership, and other Committees as appropriate, to develop a strategy focusing on communicating the benefits of fair and reciprocal trade.
- Plan and organize press events hosted by USTR officials and Members of Congress during trade negotiations in the United States and abroad.
- Conduct outreach to U.S. industry stakeholders, congressional delegations, and state-level governments planning official visits and trade missions.
- Build a network of private and non-governmental organizations, state-level and local officials to coordinate messaging on the benefits of fair and reciprocal trade.
- Develop and distribute educational materials based on available state and local trade export data to interested stakeholders, state representatives, and local networks.
- Continue to conduct outreach to the public and to expand interagency coordination of enforcement efforts.
- Use speeches and other public events to make the case that U.S. trade agreements and initiatives can and should address urgent trade-related environmental challenges, and help to level the playing field for American workers and businesses.
- Through cooperation with agencies at the U.S. Export Assistance Centers (USEACs), other key agencies, and stakeholders, work to advance the goals of the President to support more U.S. companies in exporting to more overseas markets, including through efforts to educate U.S. businesses especially MSMEs about global trade opportunities.
- Continue outreach to key AGOA stakeholders as part of an interagency initiative to enhance trade and investment in sub-Saharan Africa, broaden outreach to the private sector (especially MSMEs), African Diaspora organizations and businesses, and others, including worker organizations and other civil society organizations to ensure that they are well informed about a range of initiatives impacting U.S. trade with sub-Saharan Africa, and the growing opportunities for mutually beneficial U.S.-Africa ventures.

- Use domestic and foreign travel by senior leadership to highlight the strategic importance of key African and Southeast Asian partners as well as to deepen our trade and investment policy engagement with them.
- Strategically select cities and organizations for trade speeches to demonstrate the importance of free and fair trade to the local economy.
- 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.
- Present and discuss evolving U.S. trade and investment policies at business conferences and widely attended meetings of key private sector stakeholder organizations and relevant embassies.
- Through cooperation with U.S. regulatory and health agencies, ensure that the Administration-wide message on trade policy is reflected in U.S. positions and delivered in meetings of international organizations where issues that impact trade are discussed (e.g., WIPO, WFP, UNCTAD, OECD, G7, G20, WHO, UN, HRC, PAHO, Codex).
- Work with USTR's public affairs counterparts in foreign governments to coordinate a communications strategy to advance trade negotiations and to explain trade disputes.
- Build relationships with foreign media and place press statements and attend press events that build support for fair and reciprocal trade in key foreign countries.
- Identify global stakeholders that may be receptive to information regarding the benefits, including environmental and social benefits, of free and fair trade.
- Respond appropriately and timely to all Freedom of Information Act (FOIA) inquiries.
- Respond appropriately and timely to all statutory requests pertaining to Government Accountability Office (GAO) engagements.

## Goal 6: Achieve Organizational Excellence as a Model Employer

USTR will make advancing diversity, equity, inclusion, and accessibility a priority component of the agency's management agenda and agency strategic planning. This includes increasing employee engagement and developing and strengthening a diverse and inclusive adaptive workforce in line with Executive Order 14035 on Diversity, Equity, Inclusion, and Accessibility in the Federal Workforce, Executive Order 13985 on Advancing Racial Equity and Support for Underserved Communities Through the Federal Government, Executive Order 13988 on Preventing and Combating Discrimination on the Basis of Gender Identity or Sexual Orientation, and the National Security Memorandum on Revitalizing America's Foreign Policy and National Security Workforce, Institutions, and Partnerships. The agency will strengthen the development and promotion of a workplace that supports diversity, equity, inclusion, accessibility, creativity, and productivity through human capital initiatives that focus on effective recruitment strategies, fair hiring practices, and continuous learning programs. The agency will also provide effective business operations and service delivery through administrative processes, physical and information security, finance and procurement, information technology, and infrastructure that will strengthen its ability to perform core functions at the highest level of excellence.

### **Objectives:**

- Implement agency actions in E.O. 14035 Executive Order on Diversity, Equity, Inclusion, and Accessibility in the Federal Workforce.
- Expand opportunities to recruit, retain, develop, and promote a diverse and inclusive workforce.
- Collect and analyze data on USTR's workforce composition, senior workforce composition, employment applications, hiring decisions and applicant flow, promotions, wages, pay and compensation, professional development programs, and attrition rates.
- Support, coordinate, and encourage research, evaluation, and other efforts by the Federal Government to identify best practices, and other promising practices, for broadening participation in Federal employment, and to identify the benefits of diversity, equity, inclusion, and accessibility on Federal performance and operations.
- Assess in a consistent and proactive manner whether USTR's recruitment, hiring, promotion, retention, professional development, pay equity, reasonable accommodations access, and training policies and practices are fair, impartial, and effective, to meet the goal of promoting a diverse and inclusive workforce.
- Review the status and outcomes of existing diversity, equity, inclusion, and accessibility initiatives or programs, and review the level of institutional resources available to advance human resources activities that advance the Federal government's objectives of being a model employer for diversity, equity, inclusion, and accessibility.
- Develop innovative programs, initiatives, budgeting, personnel, and resource proposals based on quarterly assessments of USTR's review of its progress in being a model employer for diversity, equity, inclusion, and accessibility.

- Support efforts of USTR's Diversity, Equity, Inclusion and Accessibility (DEIA) Council to expand awareness within the agency of DEIA principles and their application, and to provide advice to the agency's leadership and administrative and human resources professionals.
- Provide human capital services that maximize employee performance and engagement, affirmatively advance diversity, equity, inclusion and accessibility; use a systematic approach to embedding fairness in processes and practices that will recognize and work to redress inequities in current policies and processes that may serve as barriers to equal opportunity.
- Manage a security program that provides appropriate levels of protection for USTR personnel, facilities and sensitive information in all situations.
- Coordinate crisis management capabilities that ensure USTR can support its Primary Mission Essential Functions (PMEFs) and Mission Essential Functions (MEFs) with minimal disruption under different Continuity of Government Readiness Conditions.
- Manage resources to maximize USTR's current and future capabilities; formulate the agency's budget and execute appropriations ensuring financial accountability with best financial management practices.
- Manage USTR more efficiently and effectively and identify, monitor and mitigate operational risks.
- Provide effective facilities management processes that enable USTR staff productivity.
- Deliver information technology resources and systems that increase USTR's productivity, communicate trade benefits, and safeguard resources.

### Measurements:

- Foster a high-performing Office of Administration staff that provides efficient and effective support to USTR offices and employees.
- Develop an agency DEIA Strategic Plan that addresses how USTR plans to advance DEIA within the workforce and address any potential barriers to equal employment opportunities as directed by the Government-wide Strategic Plan to Advance Diversity, Equity, Inclusion, and Accessibility (DEIA) in the Federal Workforce.
- Operationalize the DEIA Strategic Plan by creating annual goals and taking actionable steps to achieve those goals; develop standards of success to assess progress; conduct an internal quarterly review to assess progress toward achieving USTR goals.
- Develop human capital management strategies that include establishing a chief diversity officer, communication strategy, organizational training, performance assessment, employee engagement and strategic agency communications, employee lifecycle monitoring and evaluation plans, and innovative initiatives and programs that attract, hire, develop, and retain talent, identify and close knowledge, skill, and competency gaps, engage the workforce, create an inclusive climate, and measure personnel data to inform the future of human capital planning.

- Collaborate with the Executive Office of the President (EOP) to encourage employee participation in EOP activities related to health and wellness.
- Work with the employee Diversity, Equity, Inclusion and Accessibility (DEIA) Council by way of four workstreams (External Outreach and Recruitment; Hiring, Promotion and Retention; Training, Workshops and Events; Employee Engagement) to provide ongoing advice to USTR Administration and agency leadership on agency policies and practices related to DEIA principles.
- Implement a comprehensive information security program that meets E.O. 13526 and Information Security Oversight Office (ISOO) Directive One.
- Implement a physical security program that meets Homeland Security Presidential Directive 12 (HPSD-12) and otherwise complies with applicable laws and regulations.
- Develop procedures to protect USTR personnel in high threat situations and environments and provide appropriate level of protection for the USTR office complex.
- Develop a budget plan that will improve USTR's mission effectiveness; manage spending plan to maximize USTR's productivity and efficiency.
- Adopt administrative services procedures that provide responsive and timely support to USTR staff.
- Manage USTR space utilization and allocation to provide the quality and quantity of office and meeting facilities appropriate for USTR's mission requirements.
- Implement building maintenance strategies that facilitate mission accomplishment and promote employee health and well-being by providing clean and well-functioning facilities.
- Acquire and install information technology (IT) and communications equipment and services that facilitate mission accomplishment.
- Ensure that IT and communications systems for Geneva and Mexico City provide robust connectivity and continuity of operations.
- Employ just-in-time training, instructional seminars, and job aids to ensure highest possible use of IT capabilities.
- Promote and excel in the fundamentals of records management practices. Provide continuous improvement in USTR's handling of Federal records according to Federal Records Act.
- Develop and deliver effective records management training and materials to USTR's workforce through targeted outreach, communication, and training. Ensure common records management practices are understood and applied to the agency's records to increase the successful execution of the records management program.
- Identify recordkeeping requirements to effectively and efficiently manage needed records throughout their life cycle (creation, use and maintenance, and disposition).
- Cooperate with other divisions in USTR and the IT division to develop policies and guidance on the application of technology to records management.

# **ANNUAL PERFORMANCE REPORT FOR FISCAL YEAR 2023**

### Introduction

The Annual Performance Report for the Office of the United States Trade Representative (USTR) complies with USTR's obligations under the Government Performance and Results Act (GPRA), and helps the agency measure its performance for FY 2023.

In FY 2023, the Office of the United States Trade Representative (USTR) advanced the President's economic agenda, using trade policy in order to support and empower workers, drive wage-driven growth, create new trade opportunities for U.S. farmers, ranchers, manufacturers, service providers, fishers, and small and medium-sized enterprises (SMEs), including women and minority owned businesses, raise living standards and purchasing power for low-income families, and lead to better economic outcomes for all Americans. This report summarizes the goals set at the beginning of the year, and the accomplishments recorded by year's end.

### Goal 1: Open Foreign Markets and Combat Unfair Trade

To advance the goals of supporting and sustaining well-paying American jobs and farm incomes, broadening the benefits of trade through more inclusive trade policies and outreach reflecting the interests of a diverse nation, supporting value-added production and innovation in the United States, and promoting equitable economic growth in the United States and worldwide, USTR will open foreign markets, combat unfair trading practices, enforce U.S. trade laws, reduce trade distortions, and encourage broader participation in international trade by negotiating and implementing agreements consistent with U.S. interests and values. Informed by diverse, sustained engagement, USTR will stand up for American farmers, ranchers, manufacturers, service providers, fishers, and SMEs by pursuing smart trade policies that are inclusive and work for all producers.

### **Objectives:**

1.1: Negotiate and implement agreements that sustain well-paying American jobs, advance the overall trade and economic interests of the United States, and further the objectives of U.S. trade policies by opening foreign markets to U.S. manufactured goods, agricultural products, and services. Support the broader economic recovery by helping companies, including small businesses, women and minority entrepreneurs, put Americans to work by building world-class products for export to foreign markets.

1.2: Effectively utilize USTR and leverage other U.S. government resources to break down foreign trade barriers and promote fair trade.

1.3: Expand global market access opportunities for American farmers, ranchers, food manufacturers, and fishers and defend U.S. producers by enforcing global agricultural trade rules and promoting the adoption of science and risk-based sanitary and phytosanitary measures.

1.4: Use all available tools to take on the range of unfair trade practices that continue to harm U.S. workers and businesses.

1.5: Work with trading partners to ensure that trade policy works in concert with initiatives to advance global health security and humanitarian response to save lives, promote economic recovery, and develop resilience against future global pandemics or crises.

1.6: Ensure that trade agreements consider the needs and reflect the interests of underserved communities and America's racially, ethnically, and geographically diverse population.

1.7: Review past trade policies for their impacts on and unintended consequences for U.S. workers, and assess existing trade preference programs to evaluate their contribution to equitable economic development, improved labor standards, and opportunities for developing country workers to move from informal and unregulated sectors to wage-paying work.

1.8: Effectively represent U.S. interests in the World Trade Organization and other international bodies to achieve the Administration's international trade policy goals. Work to implement necessary reforms to the WTO's substantive rules and procedures to address the challenges facing the global trading system, including growing inequality, digital transformation, and impediments to small and medium-sized enterprises, including women and minority-owned businesses. In this respect, seek the development of WTO rules that combat non-market policies and practices that inhibit the ability of U.S. workers and businesses to compete in the global market.

1.9: Work with allies and like-minded trading partners to establish high-standard global rules to govern the digital economy, in line with our shared democratic values.

1.10: Negotiate and implement ambitious environment-related trade commitments that contribute to a sustainable climate; promote conservation of natural resources, such as through sustainable fisheries and forest management, and prevent unlawful environmental practices, such as illegal logging and associated trade, illegal fishing, and wildlife trafficking.

1.11: Contest the harms resulting from forced labor as an unfair cost advantage for those industries, businesses, and producers who exploit this practice.

1.12: Engage with U.S. government partners to encourage robust technical assistance and trade capacity building with trading partners to ensure workers and small and medium-sized enterprises, including women and minority-owned businesses around the world, benefit from U.S. trade policy.

#### Accomplishments:

USTR's trade policy, negotiations, and enforcement actions have been critical to building and opening foreign markets, combating unfair trading practices, reducing trade distortions, and encouraging broader participation in international trade by negotiating and implementing agreements consistent with U.S. interests and values. USTR's actions have promoted diverse, sustained engagement, and supported high wage jobs for American farmers, ranchers, manufacturers, service providers, fishers, and SMEs.

Highlights of USTR's accomplishments in FY 2023 include:

• Launched Negotiations for Indo-Pacific Economic Framework's Trade Pillar: In May 2022, the United States launched the Indo-Pacific Economic Framework for Prosperity (IPEF) with Australia, Brunei Darussalam, Fiji, India, Indonesia, Japan, the Republic of Korea, Malaysia, New Zealand, Philippines, Singapore, Thailand, and Vietnam. In December 2022, the United States started negotiations on the following pillars: (1) Trade; (2) Supply Chains; (3) Clean Economy; and (4) Fair Economy. Throughout FY 2023, USTR led negotiations on the Trade Pillar. Through those negotiations, USTR advanced our trade policy goals of resilience, sustainability, and inclusivity by negotiating commitments in the following areas: labor, environment, digital economy, agriculture, transparency and good regulatory practices, competition, trade facilitation, inclusivity, and technical

and economic cooperation. USTR also co-led negotiations on the Fair Economy Pillar; key negotiating objectives included reaching agreement on commitments and provisions preventing and combating corruption and related financial crimes, improving tax administration, and increasing cooperation, information sharing, and capacity building on these issues.

- Concluded First Agreement under the U.S.-Taiwan Initiative on 21st Century Trade. In June 2023, the U.S. and Taiwan signed the first agreement under the U.S.-Taiwan Initiative on 21st Century Trade under the auspices of the American Institute in Taiwan (AIT) and the Taipei Economic and Cultural Representative Office in the United States (TECRO). This agreement includes high-standard commitments and economically meaningful outcomes in a number of trade areas, including customs administration and trade facilitation, good regulatory practices, services domestic regulation, anticorruption, and small and medium-sized enterprises. Following the signing of this agreement, the two sides began the negotiation of a second agreement covering the remaining areas set forth in the negotiating mandate for the U.S.-Taiwan Initiative on 21st Century Trade.
- Continued Engagement with Taiwan to Address Barriers to U.S. Beef and Pork. In FY 2023, USTR and U.S. Department of Agriculture (USDA) continued in-depth engagement with Taiwan, with the goal of removing barriers to U.S. beef and pork, such as import bans on certain U.S. beef products, and ractopamine MRLs for certain imported pork tissues that do not reflect consumption exposure and are not based on risk.
- **Enhanced U.S.-Mongolia Trade Engagement.** In August 2023, the United States and Mongolia held the seventh meeting of the U.S.-Mongolia Trade and Investment Framework Agreement Council. The two sides explored opportunities for deepening bilateral trade and investment ties between the United States and Mongolia and discussed a range of bilateral trade and investment issues, including transparency, good regulatory practices, the investment climate, intellectual property rights protection and enforcement, economic diversification, and regional initiatives.
- *Continued Implementation of the United States-Mexico-Canada Agreement (USMCA).* Full implementation of the USMCA, which entered into force on July 1, 2020, was a key USTR priority throughout FY 2023. On January 26, 2023, the United States hosted the second meeting of the Deputies under the USMCA. The United States participated in the 3<sup>rd</sup> meeting of the USMCA Free Trade Commission on July 7, 2023, a key step forward to continue building an inclusive trade policy for North America, advancing USMCA implementation, and enhancing coordination with Canada and Mexico.
  - During FY 2023, USTR convened meetings of seven of the USMCA's committees, including the Committees on Trade Facilitation, Trade in Goods, State-Owned Enterprises and Designated Monopolies, Environment, Labor, Small and Medium-Sized Enterprise Issues, and North American Competitiveness; and the Working Groups for Cooperation on Agricultural Biotechnology and Temporary Entry. USTR also led new efforts under the USMCA Competitiveness Committee to strengthen North American competitiveness.
  - o In FY 2023, USTR organized a trilateral workforce development forum in Huntsville, Alabama, that included meetings with representatives from regional HBCU, state and local governments, and industry. The program showcased innovative school and industry partnerships that help address skills gaps in key sectors, highlighted best practices in including underserved communities in workforce development programs, and underscored workforce development successes in the region. The USMCA Competitiveness Committee also concluded negotiations on the establishment of a sub-committee to cooperate during

emergency situations in order to maintain, re-establish, or otherwise address issues related to the flow of trade in North America, as well as a working group under that sub-committee to coordinate on a shared understanding of critical infrastructure priorities.

- USTR coordinated with the interagency to collect and share information trilaterally regarding domestic mechanisms and procedures at the central level of government, regional levels of government, and with industries and other non-governmental stakeholders, including workers. In addition, USTR tabled a draft proposal laying out procedures for coordination and consultation in response to specific emergency situations, including procedures for convening extraordinary sessions of the Sub-Committee.
- Steady USTR pressure on Canada to come into compliance with its USMCA commitments on home-shopping programming services resulted in Canada introducing new rules in FY 2023 to address the issue. USTR continues to monitor Canada's implementation to ensure the issue is addressed. Similarly, after extensive engagement by USTR, Mexico finalized a procedure for prohibiting imports of goods produced with forced labor as part of its USMCA commitments.
- *Facilitated Implementation of USMCA textile provisions.* USTR engaged with Canada and Mexico to ensure proper implementation of the USMCA textile provisions, including administration of tariff preference levels and entry-into-force of new rules of origin involving certain textile inputs.
- *Facilitated Implementation of Korea FTA and Chile FTA textile provisions*. USTR engaged with the Republic of Korea and Chile on technical procedural steps for changes requested separately by the Republic of Korea and Chile to amend the rule for certain woven fabrics to permit the use of specified non-originating yarns. For both the Republic of Korea and Chile, the process requires soliciting stakeholder input, public comments, an impact study from the U.S. International Trade Commission (USITC), and congressional consultation and layover, prior to the formal legal steps to amend the text and implement the revised rule.
- U.S.-China Trade Engagement. USTR continued to closely monitor the efforts of the PRC to implement its commitments under the economic and trade agreement signed by the United States and the PRC in January 2020 and regularly engaged the PRC to insist on its full implementation of the agreement.
- Ensured Continued Access for U.S. Food Exports to the PRC Despite Burdensome Facility Registration Requirements. On January 1, 2022, PRC implemented Decree 248 establishing burdensome new requirements for all overseas exporters of food to the PRC. USTR led an all-of-government effort to minimize the trade impacts of these new and complex requirements, including by engaging Chinese counterparts to limit the role of U.S. food safety regulators under Decree 248, and assisting U.S. facilities navigating the new rules.
- Worked with Like-Minded Trading Partners on Non-Market Policies and Practices. Continued and enhanced engagement with like-minded trading partners, such as the EU, the UK, Japan, Canada and Australia, in bilateral, trilateral, and plurilateral configurations, on strategies to address problematic PRC trade policies and practices, including non-market policies and practices such as non-market excess capacity, forced labor, forced technology transfer, subsidies, and state-owned enterprises (SOEs) as well as economic coercion, affecting a broad range of economic sectors, such as aircraft, steel, aluminum, semiconductors, and medical devices.

- Continued engagement on trade policy in the U.S.-EU Trade and Technology Council (TTC). During FY 2023, USTR continued to collaborate with the European Commission Directorate for Trade, its partner in leading the TTC Global Trade Challenges working group, to advance several trade-related workstreams that were endorsed by Ambassador Tai and the other U.S. and EU TTC co-chairs during their May 2023 meeting in Lulea, Sweden. This includes advancing the work of the Transatlantic Initiative for Sustainable Trade (TIST), which seeks to boost transatlantic trade and investment to further the deployment of goods and services essential to the transition to more circular and net-zero economies.
  - In addition, the United States and the EU, under the auspices of the Global Trade Challenges working group, are engaged in ongoing discussions on ways to increase the use of digital tools to simplify and modernize export and import processes. The Global Trade Challenges working group also continued to defend the U.S. and EU medical device sectors from the PRC's non-market policies and practices and agreed to enhance cooperation on economic coercion. Under the working group's food security dialogue, the United States and the EU identified and sought to address areas where multilateral or bilateral cooperation could help advance mutually agreed upon outcomes.
  - Finally, in May 2023, the United States and the EU held a meeting of the Trade and Labor Dialogue that brought together U.S. and EU labor leaders, business representatives, and government officials for a dialogue on trade-related issues impacting U.S., EU, and global workers. At this meeting, which was held in Sweden, stakeholders presented a list of joint recommendations for combatting forced labor to the governments, which both the EU and the U.S. will work to operationalize during the coming year.
- Advanced Efforts to Combat Forced Labor in Global Supply Chains. USTR continued in FY 2023 to build on the foundation set in previous years on combatting forced labor by strengthening enforcement in prohibiting the importation of goods produced by forced labor and engaging and working with allies and trade partners to promote a fair, rules-based international trading system that respects the rights of workers and affirms that there is no place for forced labor, including state-sponsored forced labor.
  - As a member of the Forced Labor Enforcement Task Force, USTR worked with the interagency to update the Uyghur Forced Labor Prevention Act's (UFLPA) Entity List, which designates entities that are subject to the rebuttable presumption that their products are prohibited from entry into the United States. There are 27 entities designated on the UFLPA Entity List, which includes five entities that were added in 2023.
  - On January 6, 2023, the United States and Japan signed a Memorandum of Cooperation (MOC) to launch a Task Force on the Promotion of Human Rights and International Labor Standards in Supply Chains. Through the Task Force, the United States and Japan will exchange information on relevant laws, policies, and guidance; facilitate stakeholder dialogues with businesses and worker organizations; and promote best practices for human rights and internally recognized labor rights due diligence. These areas of cooperation are designed to protect workers and enhance predictability and clarity for businesses as they seek to contribute to resilient and sustainable supply chains.
- Advanced Environment-Related Trade Negotiations and Initiatives. Throughout FY 2023, USTR continued to prioritize monitoring and implementation of FTAs in force, as well as advanced additional initiatives. USTR organized numerous meetings with the Government of Mexico to

discuss challenges and opportunities for cooperation related to Mexico's fisheries enforcement capacity, including through the ongoing development and negotiation of a draft plan of action to address U.S. concerns raised during USMCA environment consultations under Chapter 24. USTR also continued to advance implementation of the USMCA's environment provisions through convening quarterly meetings throughout FY 2023 of the Interagency Environment Committee for Monitoring and Enforcement, established by Executive Order 13907 to coordinate the United States' efforts to monitor and enforce environmental obligations with respect to USMCA Parties.

- USTR also continued to actively monitor and enforce the United States-Peru Trade Promotion Agreement (PTPA) and its unique Forest Annex (Annex 18.3.4). For example, the United States took action to continue to block future imports from a Peruvian exporter, based on illegal harvested timber found in the supply chain pursuant to earlier USTR verification requests, as that denial of entry order was set to lapse in October 2023.
- O USTR also participated in several U.S. initiatives to combat IUU fishing, including through working groups established under the Maritime Security and Fisheries Enforcement Act on global IUU fishing, and fisheries and forced labor. The United States continued to actively engage in deliberations on trade and environment through the Trade and Environmental Sustainability Structured Discussions (TESSD). USTR organized a panel for WTO Environment Week to discuss the relationship of trade to remanufacturing, and how facilitating trade of remanufactured goods can contribute to addressing climate change and circular economy. As part of the TESSD as well as through other WTO channels, the United States continued to actively engage in and lead discussion on issues such as trade-related climate measures and circular economy and circularity, to help deepen knowledge and dialogue by WTO Members on emerging issues in trade and environmental policy.
- In March 2023, the United States joined the Dialogue on Plastic Pollution and Environmentally Sustainable Plastic Trade (DPP) as one of 75 co-sponsors. The United States participated in various lines of efforts under the DPP in 2023, including those focused on promoting trade to tackle plastic pollution through trade-related plastics measures, and strengthening relevant technical assistance for developing economies (Aid for Trade). The United States is also actively engaged in discussions led by the co-coordinators to develop a potential MC13 statement.
- Throughout 2023, USTR also led negotiations on the Environment Chapter of the Indo Pacific Economic Framework (IPEF) Trade Pillar, in which the United States is pursuing an ambitious set of environment provisions that will meaningfully contribute to environmental protection and to responses to our common sustainability challenges, including climate change.
- Enhanced Efforts to Address Small and Medium-Sized Enterprise (SME) Trade-Related Issues. USTR enhanced efforts to address trade priorities and challenges of American small businesses in the development and implementation of trade policy. USTR worked extensively with the interagency Trade Policy Staff Committee (TPSC), Congress, trade partners, and other stakeholders to develop and implement trade policy activities reflecting issues of concern to U.S. small businesses. Under the USMCA SME Chapter, the USMCA SME Committee convened the 2nd USMCA SME Dialogue in Mexico City in September 2023 with over 160 stakeholders including women-owned, minorityowned and Indigenous-owned SMEs, convened by USTR, the U.S. Small Business Administration (SBA), and U.S. Departments of Commerce and State together with Global Affairs Canada and Canada's Trade Commissioner Service, and the Development Productive Unit and the Vice Ministry

of Foreign Trade of the Ministry of Economy of Mexico, and hosted by Mexico's Ministry of Economy. The USMCA SME Committee also held a 4<sup>th</sup> USMCA SME Counselors Pilot Network meeting among SME counselors from the U.S., Mexico and Canada to discuss best practices in export training for underserved communities.

- In addition, USTR, together with interagency partners at the U.S. Department of Commerce and the SBA convened the 6<sup>th</sup> U.S.-UK SME Dialogue in Edinburgh, Scotland in November 2022 with diverse SME stakeholders, and 7<sup>th</sup> US-UK SME Dialogue in Indio, California in October 2023 with the UK Department for Business and Trade. The 7<sup>th</sup> US-UK SME Dialogue was the first hosted with Native American Tribal Nations, hosted by the Cabazon Band of Cahuilla Indians with additional Tribal speakers from the Navajo Nation, Apache Nation and other Tribal participants.
- In September 2023, USTR, Commerce and SBA also convened the 12<sup>th</sup> US-EU SME Workshop in Birmingham, Alabama with the European Commission's Directorate General for Internal Market, Industry, Entrepreneurship and SMEs and Directorate General for Trade, hosted by the U.S. Export Assistance Center in Birmingham with the Alabama Department of Commerce, with participation by the Governor of Alabama, Alabama Secretary of Commerce and the Mayor of Birmingham, and several EU member states. Additionally, the U.S.-EU Trade and Technology Council includes an SME Working Group on Promoting Access to and Use of Digital Tools. In December 2022, USTR announced it would join the TTC Joint Statement Initiative on Micro, Small, and Medium-Sized Enterprises (MSMEs).
- In Washington DC and Nairobi in February and April 2023, the U.S. and Kenya also held SME Technical Exchanges under the auspices of the U.S.-Kenya STIP on the development of pilot Small Business Development Centers (SBDC) in Kenya with USAID assistance, based upon the successful U.S. SBDC model administered by SBA across the United States.
- Continued Active U.S.-Korea Free Trade Agreement (KORUS) Committee Work. Active work to address KORUS implementation and other issues continued throughout FY 2023. The minister-level Joint Committee led enhanced cooperation on a number of fronts, in addition to progress on bilateral implementation issues. Following up on the Joint Committee, the KORUS Labor Affairs Council that met in 2022, several technical-level meetings were held throughout FY 2023 to further cooperation with Korea on worker rights. The Committee on Agricultural Trade and the SPS Committee met in August 2023 to discuss a number of issues, including Korea's labeling regulations, full access for U.S. beef, the registration of pesticides, Korea's approval procedures for products of agricultural biotechnologies, and development of policies to address emerging technologies, such as genome editing. Progress was also achieved through regular consultations in areas including digital trade, cross-border data flow restrictions on reinsurance businesses, and automotive regulations.
- Advanced Work under the U.S.-Japan Partnership on Trade. In November 2021, USTR launched the U.S.-Japan Partnership on Trade with the Government of Japan, an initiative to advance a shared agenda of cooperation across a broad range of issue areas as well as to address bilateral trade issues of concern to either side. A round of meetings took place in February 2023. Topics for cooperation included third country concerns, cooperation in regional and multilateral trade-related fora, addressing labor-related priorities, and a supportive digital ecosystem for all. The United States also raised several bilateral concerns, including regulatory transparency, ensuring a level playing field for U.S. products and services, and agricultural market barriers. Outcomes include the launch of the U.S.-Japan Task Force on the Promotion of Human Rights and International Labor Standards in Supply Chains, coordinated actions to combat third-party digital regulations, improvements on several issues

in the automotive sector (e.g., the elimination of an EV subsidy exclusively available for Japanese automakers), and a new ethanol biofuels policy.

- U.S.-Japan Beef Safeguard Agreement. On January 1 2023, a Protocol amending the beef safeguard mechanism under the U.S.-Japan Trade Agreement entered into force. The revised safeguard mechanism will allow U.S. beef exporters to more reliably meet Japan's growing demand for high-quality beef, providing more predictability and reducing the probability that safeguard duties will be imposed on U.S. beef. Exports of U.S. beef to Japan totaled almost \$2.3 billion in 2022, representing the United States' second largest beef export market.
- *Collaboration with Japan to Increase Demand for U.S. Ethanol.* On March 31, 2023, following extensive engagement by USTR, the U.S. Department of Agriculture, and U.S. Embassy Tokyo, Japan published a new biofuels policy that will allow the United States to capture up to 100 percent of Japan's on-road ethanol market. Under the new policy, exports of U.S. ethanol to Japan may increase by an additional \$150-200 million annually.
- Negotiated and Signed U.S.-Japan Critical Minerals Agreement: On March 28, 2023, the United States and Japan signed a critical minerals trade agreement ("Agreement Between the Government of the United States and the Government of Japan on Strengthening Critical Minerals Supply Chains"). The agreement builds on the 2019 U.S.-Japan Trade Agreement and other elements of our bilateral relationship, and establishes several new commitments and areas for joint cooperation regarding electric vehicle battery critical minerals supply chains. These areas include the non-imposition of export duties on critical minerals; domestic measures to address non-market policies and practices of other countries affecting trade in critical minerals; best practices regarding review of investments in the critical minerals sector by foreign entities; measures that promote more resource efficient and circular economy approaches to reduce the demand for, and environmental impact of, virgin material extraction and related processes; coordination of engagement, information-sharing, and enforcement actions related to labor rights in critical minerals extraction and processing; promoting the remediation of labor rights violations at entities connected to critical minerals supply chains; and promoting employer neutrality in union organizing and operations.
- Launched Critical Mineral Agreement negotiations with the United Kingdom and the European Union: The United States launched critical mineral agreement (CMA) negotiations with the European Union and the United Kingdom in March 2023 and June 2023, respectively. In negotiations with these U.S. allies, USTR is seeking to support more secure, resilient, and diverse critical mineral supply chains, including through robust labor and environmental commitments. If concluded, each CMA could, subject to U.S. Treasury Department determination, also enable electric vehicles manufactured with critical minerals that are extracted or processed in the CMA partner country to benefit from the U.S. consumer clean vehicle tax credit, as modified by the Inflation Reduction Act.
- Signed the EU Brexit Tariff-Rate Quota (TRQ) Agreement. In January 2023, USTR and the EU signed an agreement on TRQ amounts negotiated between the United States and the EU following the UK's withdrawal from the EU customs union. With the agreement signed, the EU began implementing the changes in June 2023. This agreement provides certainty to U.S. exporters regarding access to the EU market and secured favorable market access outcomes for U.S. products such as almonds, pork, beef, rice, wheat, and corn.
- Signed and Implemented a Mutual Recognition Agreement (MRA) with Switzerland on Pharmaceutical Good Manufacturing Practices. USTR coordinated with the Food and Drug Administration to successfully conclude this MRA, which allows U.S. and Swiss authorities to share

documents from their routine Good Manufacturing Practices inspections of pharmaceutical manufacturing facilities, reducing unnecessary costs and duplicative efforts. The efficiencies resulting from this MRA will allow the parties' regulatory authorities to better allocate resources to where they are most needed and help ensure that all drugs imported into the two countries are as safe as possible. This MRA was signed in January 2023 and entered into force on July 27, 2023.

- Enhanced U.S.-Kenya Trade Engagement. In November 2022, the United States visited Nairobi to meet with new Kenyan counterparts and confirm the newly inaugurated administration's interest in continuing the U.S.-Kenya Strategic Trade and Investment Partnership (STIP) negotiations. In February 2023, a team of Kenyan officials held conceptual discussions in Washington under the STIP. The U.S. Government proposed texts on agriculture, anticorruption, micro-, small-, and medium-sized enterprises, and services domestic regulation prior to an April 2023 round of negotiations in Kenya. The two sides subsequently held a number of intersessional virtual meetings. In July 2023, Ambassador Tai traveled to Nairobi for meetings with the Kenyan President, counterparts from Kenya and members of civil society.
- U.S.-EAC Trade Engagement. During the U.S. Trade Representative's July 2023 trip to Kenya, she co-led a meeting of the U.S.-East African Community (EAC) Trade and Investment Framework Agreement (TIFA) Council with the Secretary General of the EAC. Prior to this meeting, the last formal U.S.-EAC TIFA meeting was held in 2016, in Washington DC. The July 2023 U.S.-EAC TIFA meeting rekindled U.S.-EAC engagement and discussed a broad range of topics, including the 2022 U.S.-African Leaders Summit, the African Continental Free Trade Area Secretariat Memorandum of Understanding with the United States, the AGOA program, and the 2023 AGOA Forum.
- Strengthened U.S. Engagement with the African Continental Free Trade Area (AfCFTA) Secretariat: In December 2022, the U.S. Trade Representative and AfCFTA Secretary General signed a Memorandum of Understanding (MOU), which established four technical working groups to structure and inform the engagement between the United States and the AfCFTA Secretariat.
- South Africa Removes Restrictions on U.S. Poultry Exports: Following extensive engagement by USTR, including interventions at the World Trade Organization Sanitary and Phytosanitary (SPS) Committee, South Africa lifted restrictions on U.S. poultry and poultry product exports from 27 U.S. states that have been declared free from highly pathogenic avian influenza (HPAI).
- *Market Access for U.S. Bovine Genetics to Algeria:* Following engagement with Algeria on market access for bovine genetics at a 2022 Trade and Investment Framework Agreement meeting, Algeria opened its market to U.S. bovine genetics in September 2023. The United States joins the EU and Canada as the only suppliers of bovine genetics to the Algerian market.
- Ongoing Engagement with the Middle East/North Africa (MENA). The United States continued to monitor and enforce existing FTAs with Bahrain, Israel, Jordan, Morocco, and Oman and to consult where appropriate under bilateral TIFAs with partners in the MENA region on key issues impeding trade and investment. In March 2023, the United States held TIFA Council meetings with Saudi Arabia bilaterally and with Member States of the Gulf Cooperation Council (GCC) collectively. TIFA Council meetings with Saudi and GCC officials focused on measures affecting market access for U.S. products and services and the investment climate for U.S. companies, including regulatory issues related to agricultural and manufactured products, discriminatory excise taxes, intellectual property, and digital trade. In December 2022, the United States and Egypt met and exchanged views on

environmental issues, including climate change, energy efficiency, and circular economy; discussed labor reforms and labor law enforcement; and improved intellectual property rights enforcement.

- Held check-in meeting on the Summit of the Americas Declaration on Good Regulatory Practices (GRP). The United States, Argentina, Brazil, Canada, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, El Salvador, Haiti, Panama, Paraguay, and Uruguay met virtually in July 2023 to measure progress in implementing the inclusive public consultation elements of the GRP Declaration. The Declaration identifies actions and practices to instill confidence, accountability, and predictability in regulatory processes. These actions and practices include providing easy access to regulatory information, conducting public consultations in an open and inclusive manner; engaging all interested persons in the regulatory process; conducting reviews of regulations in effect; and using relevant international standards, guidelines and recommendations to avoid unnecessary obstacles to trade. Brazil, Canada, the United States and the Inter-American Development Bank offered formal presentations during the session, while other countries also intervened with updates. Another meeting is planned for 2024.
- Agreed to deepen work under Trade and Investment Council with Ecuador. In 2023, the United States and Ecuador agreed to expand work under the Trade and Investment Council and its addendum, the Protocol on Trade Rules and Transparency in the areas of labor, environment, and fair trade. The Protocol was signed in December 2020 as an update to the Trade and Investment Committee (TIC) Agreement, and entered into force on August 5, 2021. The Protocol contains state-of-the-art annexes on Trade Facilitation, Good Regulatory Practices, Anti-corruption, and SMEs. In addition, the United States and Ecuador have agreed to convene an SME Dialogue in early 2024.
- Continued Engagement under the U.S.-Dominican Republic-Central America Free Trade Agreement (CAFTA-DR). In FY 2023, USTR continued its engagement under the CAFTA-DR, with a focus on capacity building and Northern Central American countries, to strengthen trade, supply chains and near-shoring, and to build inclusive economic and investment opportunities and formal sector employment in the region, contributing to the United States strategy to address the root causes of migration. USTR engaged with the Dominican Republic under the CAFTA-DR to improve its enforcement of intellectual property rights for U.S. stakeholders. USTR also worked with the Dominican Republic under the Technical Working Group to Improve Labor Law Enforcement in the Dominican Sugar Sector to improve labor conditions under the CAFTA-DR.
- Strengthened the CAFTA-DR Textile and Apparel Supply Chain. In support of the Administration's strategy to address the root causes of migration from the Northern Triangle countries, USTR engaged with CAFTA-DR partners and stakeholders to identify and develop means to increase two-way trade in textiles and apparel and strengthen the North American supply chain to enhance job creation.
- *Reinforced Economic Relations with Chile.* The United States continued to address priority issues, including agriculture market access, environmental protection and conservation, and intellectual property commitments through ongoing discussions with Chile. The primary work stream has been an ongoing negotiation of an exchange of letters on certain cheese and meat terms.
- Advanced Bilateral Trade Relations with Colombia. In 2023, the United States held numerous United States-Colombia Trade Promotion Agreement (CTPA) Committee meetings covering many chapters of the CTPA, including agriculture, sanitary and phytosanitary matters, technical barriers to trade, trade capacity building, textiles and apparel, and trade in goods. In April 2023, a United States

delegation traveled to Bogota for several of the abovementioned committee meetings and to deliver a textiles and apparel workshop.

- **Convened Second U.S.-Paraguay Trade and Investment Council Meeting.** In September 2023, the U.S. delegation traveled to Asuncion, Paraguay for the second meeting under the U.S.-Paraguay TIFA, which entered into force in March 2021. At the meeting, the two countries discussed mutual interests including inclusive trade, progress on the Intellectual Property Work Plan, trade facilitation, good regulatory practices, anti-corruption, digital economy, and agricultural issues.
- Advanced Fair Trade in the Asia-Pacific Region through APEC. Throughout FY 2023, in the context of the U.S. APEC host year, the United States made progress in advancing important initiatives to expand opportunities for U.S. exports and businesses in the Asia-Pacific, including in the areas of trade facilitation, environmental goods and services, digital issues, transparency and good regulatory practices, standards, customs and customs procedures, trade in services, remanufacturing, sustainable materials management, labor, and capacity building projects to assist in implementing trade facilitation measures, among others. Reflecting the particular emphasis of the U.S. host year, USTR also leveraged APEC to advance fostering sustainability and inclusion in the development of trade policies in the APEC region.
- **Promoted Food Security in APEC.** In FY 2023, the United States negotiated the Principles for Achieving Food Security Through Sustainable Agri-Food Systems in the APEC Region ("Principles Document"), which was finalized and adopted at the 2023 APEC Ministerial Meeting on Food Security. The Principles Document articulates APEC members' agreement on the importance of promoting a "no-one-size-fits-all" approach to sustainable agriculture, as well as their dedication to promoting transparent, predictable, open, and fair markets in support of regional and global food security."
- **Deepened Cooperation with the Association of Southeast Asian Nations (ASEAN) Countries.** In FY 2023, the United States deepened cooperation with the 10 ASEAN countries in the areas of trade facilitation, good regulatory practices, the digital economy, and support for SMEs under the U.S.-ASEAN TIFA.
- **Promoted Trade and Investment Ties with Southeast Asian Countries.** Throughout FY 2023, the United States engaged Southeast Asian partners on regional trade and investment issues through bilateral and regional Trade and Investment Framework Agreements (TIFAs). For example, during FY2023, USTR met regularly with senior Cambodian officials to raise ongoing concerns related to protections for worker rights and convened a virtual U.S.-Vietnam TIFA Working Group meeting on digital trade and services in July 2023. USTR hosted a U.S.-Thailand TIFA Joint Council Meeting in September 2023 to address agriculture, labor, intellectual property, and digital trade and services concerns.
- **Promoted Enhanced Trade and Investment Ties with the Pacific Islands.** In FY 2023, the United States deepened cooperation with the Pacific Islands by establishing the U.S.-Pacific Island Trade and Investment Dialogue (TID). USTR and the Pacific Islands Forum co-chaired the first TID meeting in February 2023, where participants discussed ways to increase trade flows between the United States and the Pacific Islands and address trade-related development needs.
- Supported Ukraine's Economic Sovereignty and Recovery through Trade and Investment. USTR hosted the eleventh meeting of the U.S.-Ukraine Trade and Investment Council in November 2022, bringing together representatives from across the U.S. Government and the Government of Ukraine to

focus on Ukraine's investment environment. U.S. officials described the various tools available to the U.S. Government to support Ukraine. The delegations then discussed reforms that would create an environment that encourages companies and individuals to live, work, and invest in Ukraine. The U.S. Trade Representative and Ukraine's First Deputy Prime Minister and Minister of Economy announced the launch of negotiations to update the U.S.-Ukraine Trade and Investment Agreement. In June 2023, the United States and Ukraine held a high-level, first meeting of the Labor Working Group under the U.S.-Ukraine Trade and Investment Council, and discussed ways in which the labor law reform underway in Ukraine, when aligned with international standards and supported by strong enforcement regimes, could serve as a cornerstone of sustainable, resilient, and inclusive economic growth.

- Supported Moldova's Efforts Toward Economic Reform and Open Markets. In FY 2023, USTR continued efforts to facilitate U.S. agriculture exports to Moldova and to encourage Moldova to undertake reforms to create an environment attractive to business, investment, and labor. On April 7, we held the U.S. Joint Commercial Commission with Moldova's Deputy Prime Minister and Minister of Economy to increase bilateral trade and resolve existing trade issues. The Parties agreed to level the playing field for imports of large tractors and to begin discussions on a system audit to facilitate access for American beef in the Moldovan market. Both sides also discussed reforms including anticorruption, intellectual property rights, and labor issues.
- **Resolution of Seven WTO Disputes with India and Expanded Market Access for U.S. Producers.** In FY 2023, USTR negotiated landmark agreements to terminate all seven outstanding WTO disputes between the United States and India. As part of the package, India also agreed to expand market access opportunities in India for U.S. agricultural and industrial producers by reducing tariffs on frozen duck, frozen turkey, fresh, frozen, dried, and processed blueberries and cranberries, as well as chickpeas, lentils, almonds, walnuts, apples, boric acid, and diagnostic reagents.
- *Reinvigoration of the U.S.-India Trade Policy Forum.* Following the November 2021 re-launch of the U.S.-India Trade Policy Forum (TPF), USTR engaged actively with India's Ministry of Commerce and Industry and other agencies through the TPF's working groups. During the January 2023 TPF meeting, the United States and India established a fifth working group on resilient trade. This working group allows USTR to engage on emerging issues such as labor, environment, supply chains, and trade facilitation. As a result of the TPF engagement, India also agreed to reduce its tariff on pecans in 2023. The revived TPF continued to enable USTR to pursue resolution of problems affecting trade in non-agricultural goods, agriculture, intellectual property (IP), and services, including issues affecting digital trade. Through the TPF mechanism, USTR and its Indian counterpart also engaged in preliminary discussions regarding good regulatory practices and procurement.
- Championed Worker-Centric Trade Policy Reforms in Bangladesh. Throughout 2023, USTR engaged with Bangladesh on respecting and protecting labor rights, with particular focus on the violence against and harassment of workers or labor organizers, unfair labor practices, and the right to freedom of association and collective bargaining. These longstanding labor issues were a priority during the 7<sup>th</sup> U.S.-Bangladesh Trade and Investment and Cooperation Framework Agreement (TICFA) Council meeting held in Dhaka in September 2023. USTR traveled to Bangladesh to meet trade union leaders, NGOs, trade associations, and Bangladeshi apparel manufacturers to discuss worker rights reforms in Bangladesh's readymade garment sector. USTR also met with U.S. apparel brands and U.S. trade associations to build a coalition to advocate for a fair and transparent minimum wage review process for garment workers.

- **Reduced U.S. Agricultural Barriers in Bangladesh.** USTR's continued engagement through the U.S.-Bangladesh Trade and Investment Cooperation Framework Agreement (TICFA) led to the removal of a decades-long trade restrictive policy that imposed an unnecessary fumigation requirement on imports of U.S. cotton. As a result of bilateral engagement, the Ministry of Agriculture in Bangladesh also amended the Bangladesh Seed Rules of 2020, allowing seed companies to release and register their crop varieties one year after obtaining their dealership registration. USTR's discussions with the Government of Bangladesh during FY 2023 also opened new areas of agricultural cooperation, including a new dialogue on biotechnology.
- **Re-Engaged with South Asian Partners.** During FY 2023, USTR relaunched Trade and Investment Framework Agreement (TIFA) Council meetings with Pakistan, Nepal, and Sri Lanka, in addition to the Bangladesh TICFA. In February 2023, USTR held the first ministerial-level U.S.-Pakistan TIFA Council meeting since 2016. As a result, USTR is finalizing U.S. beef access to the Pakistani market and has re-engaged on longstanding agricultural, digital, and intellectual property concerns. USTR and the Government of Pakistan also committed to reinvigorate work under the MOU on women's economic empowerment, with a focus on supplier diversity and inclusive supply chains; mentorship and peer learning; and access, equity and inclusion.
  - In May 2023, USTR traveled to Kathmandu for the 6th U.S.-Nepal TIFA Council meeting to engage on a range of bilateral trade issues related to technical assistance under the Nepal Trade Preference Program, good regulatory practices, intellectual property, and agriculture. USTR also held the 14th U.S.-Sri Lanka TIFA Council meeting in Colombo in September 2023 after a four-year pause, during which USTR advocated for stronger anticorruption measures, labor reforms, intellectual property protection, and market access for U.S. agricultural exports. At the U.S.-Bangladesh TICFA Council meeting, USTR also discussed the need for increased intellectual property enforcement.
- **Promoted Trade, Investment, and Regional Cooperation in Central Asia.** During FY 2023, the United States engaged with Kazakhstan, Kyrgyzstan, Turkmenistan, Tajikistan, and Uzbekistan on regional trade issues during a meeting of the U.S.-Central Asia TIFA Council. The U.S.-Central Asia TIFA working groups on SPS, digital trade, customs, intellectual property, and women's economic empowerment also convened in FY 2023, providing a forum to share and exchange knowledge, improve the capacity of Central Asian partners to carry out consultative processes and implement trade-related regulatory best practices, and promote a trade-facilitating environment for U.S. and domestic businesses in the region.
- Enhanced U.S. International Trade Commission (USITC) research and analysis capabilities to provide better advice. USTR continued supporting the USITC to expand its research and analysis capabilities for future USITC advice on trade initiatives to include estimates of the potential distributional effects of trade and trade policy of both imports and exports of goods and services on U.S. workers and indirect effects on U.S. exports of intermediate inputs when final goods receive preferential access to the U.S. market. USTR also led effort to gain access to relevant restricted data from the U.S. statistical agencies for better analysis.
- Engaged Strategically with Key Trade Partners on Intellectual Property. USTR contributed significantly to the Administration's priority of protecting trade secrets against theft and

misappropriation, including through pursuing disciplines in bilateral engagements such as with the PRC.

- **Promoted Transparent Special 301 and Notorious Market Processes.** USTR continued to promote high levels of transparency surrounding the Special 301 and Notorious Markets List processes. USTR developed and published the annual Special 301 Report, which puts a spotlight on foreign countries and the laws, policies, and practices that fail to provide adequate and effective IP protection and enforcement for U.S. right holders, and informs U.S. Government engagement with these countries. USTR solicited broad public participation in the Special 301 review and Notorious Market processes, including by requesting written submissions from the public through a notice published in the Federal Register. USTR developed and published the annual Notorious Markets List, which highlights prominent and illustrative examples of online and physical markets that reportedly engage in or facilitate substantial piracy or counterfeiting, with a goal towards motivating appropriate action by the private sector and governments to reduce trademark counterfeiting and copyright piracy globally.
- **Groundbreaking Multilateral WTO Agreement to Discipline Harmful Fisheries Subsidies.** The WTO Agreement on Fisheries Subsidies was concluded at the 12<sup>th</sup> WTO Ministerial Conference (MC12) in June 2022, and contains several important disciplines, including prohibitions on subsidies to vessels or operators engaged in IUU fishing, subsidies to fishing regarding stocks that are overfished, and subsidies to fishing on the unregulated high seas. The Agreement also includes robust transparency provisions to strengthen WTO Members' notification of harmful fisheries subsidies and to enable effective monitoring of Members' implementation of their obligations. In April 2023, the United States submitted its instrument of acceptance of the Agreement. Negotiations for comprehensive disciplines, including on certain forms of fisheries subsidies that contribute to overfishing and overcapacity, remain ongoing at the WTO. Throughout FY 2023, the United States continued to encourage other WTO Members to adopt the Agreement, urged Members to support additional, ambitious disciplines through these ongoing negotiations, and continued to exercise a leadership role at the WTO.
- Utilized Trade Initiatives to Promote Marine and Terrestrial Conservation and Ocean Sustainability. USTR worked with interagency partners, trading partners, and stakeholders on actions to advance ongoing whole-of-government initiatives on combating wildlife trafficking, illegal fishing, and to conserve and protect marine and terrestrial species of concern. USTR ensured that such initiatives are consistent with our international trade obligations. USTR also was actively engaged in the interagency process led by the Department of State to develop U.S. positions in advance of the second and third Intergovernmental Negotiating Committee meetings (INC-2 and INC-3) on a global plastics treaty launched by the UN Environment Assembly in the spring of 2022. USTR also continues to participate in internal U.S. government discussions and in formal meetings organized under various multilateral environmental agreements aimed at promoting marine and terrestrial conservation, such as the Convention on Trade in Endangered Species of Wild Fauna and Flora (CITES).
- Advanced Implementation on the WTO Joint Statement Initiative on Services Domestic Regulations (DR JSI). Concluded in December 2021, the DR JSI strengthens the procedural transparency and due process rules for services licensing. The conclusion of the DR JSI negotiations ensure U.S. views on the importance of regulatory transparency and fairness in services are reflected in an agreement that will be applied by WTO Members around the world reflecting the vast majority of services trade. The new rules also seek to bar gender discrimination in rules governing services licenses; this is the first time a WTO rule addressed the negative impact such practices have on

economic opportunity. In FY 2023, the United States worked to make progress on the ratification process that will guide this and subsequent WTO plurilateral initiatives.

- *Advanced Negotiations on E-commerce and Digital Trade at the WTO*. The United States continued to engage in productive negotiations on digital trade at the WTO in FY 2023. The United States aims to continue to advance these negotiations towards an ambitious, high-standard agreement. During FY 2023, significant progress was made on a number of provisions in the negotiations.
- **Participated in WTO Trade Policy Reviews.** USTR prepared comprehensive questions and engaged in Trade Policy Reviews (TPRs) of 17 WTO Member throughout FY 2023 for the Dominican Republic, Malaysia, Japan, El Salvador, Organization of East Caribbean States (OECS), Liberia, the European Union, Honduras, Fiji, the Central African Economic and Monetary Community (CEMAC), Jordan, the Southern African Customs Union (SACU), Taiwan, Turkey, Albania, Hong Kong and Chile. These reviews provided an opportunity to inquire about aspects of Member regimes of interest to U.S. stakeholders, to seek updates on implementation of WTO agreements, and reinforce transparency requirements.
- **Promoted Transparency, Inclusion, and Efficiency in Trade Policy Reviews (TPRs).** U.S. successfully negotiated proposals during the seventh appraisal of the WTO Trade Policy Review Mechanism (TPRM) to improve the transparency and efficiency of TPR processes through technology solutions, and ease the unnecessary burden of TPRs for all Members, making the process more inclusive for all Members. The U.S. successfully negotiated proposals to improve the consistency and transparency of Secretariat reports, defined a timeline to upgrade the IT system to facilitate the review process for all Members, and an agreement to exercise restraint in posing advance written questions through a suggested cap of 75 questions per Member per review. The next appraisal of the operation of the TPRM should take place no later than 2027.
- **Promoted Transparency and Accountability in WTO Trade Capacity Building**. The United States continued to shape WTO trade capacity building activities to support implementation of the Trade Facilitation Agreement and other disciplines that support development of WTO Members. The United States also consistently promoted best practices for monitoring and evaluating technical assistance performance within the Committee on Trade and Development and the Aid-for-Trade program to reinforce accountability and transparency when developing and delivering capacity building courses and programs. The United States continues to advocate for prior consultation with national stakeholders to better align technical assistance with needs identified in Members' TPR reviews.
- Advanced U.S. Interests in the Organization for Economic Cooperation and Development (OECD). Through the OECD Trade Committee, USTR continues to advance robust evidence-based analysis on "level playing field" issues. Reports to be released in 2022 or early 2023 include those on government support, either in the form of below-market borrowings or below market-equity, that could lead to overcapacity and distortions in international markets; analysis of distortions being caused in the rolling stock sector and via below market energy; and synthesis analysis on the nature of subsidies to state-owned enterprises that distort international markets. These studies underpin efforts to increase understanding of the scope of these distortions and consider new trade rules to tackle market distorting trade practices. During FY 2023, USTR co-led with the U.S. Environmental Protection Agency (EPA), the U.S. delegation to the June 2023 meeting of the Joint Working Party on Trade and Environment (JWPTE). The JWPTE provides a forum for discussing the effects of environmental policies on trade and the effects of trade policies on the environment, as well as for promoting mutually supportive trade and environmental policies. The June 2023 meeting covered a range of

topics including climate change and trade, policies to promote environmental goods, and circular economy and trade. A representative from USTR also served on the JWPTE Bureau from January to December 2023.

- Advanced Efforts to Address Overcapacity in the Global Steel Sector. Through the Global Forum on Steel Excess Capacity and OECD Steel Committee, USTR led efforts to bring greater transparency and discipline to market-distorting subsidies and other foreign government support measures that contribute to massive and persistent excess capacity in the global steel sector. USTR worked with like-minded international partners to continue the work of the Global Forum in FY2023, including a Ministerial meeting in June 2023 that reiterated the concerns regarding steel excess capacity and endorsed the Global Forum's ongoing work.
- *European Commission Approved Additional Biotechnology Products.* In 2023, the European Commission approved eight new agricultural biotechnology products and reapproved the use of five additional products. As part of an agreement reached under the WTO Dispute Settlement Process related to case DS-291, USTR leads bilateral consultations semi-annually to address delays in the EU biotech approval process. In the latest June 2023 consultation, USTR again pressed the EU to address delays in its approval process and offered to cooperate on broader biotech policy issues, and to discuss areas of mutual interest outside of the context of the WTO dispute.
- South Africa Increased the Size of Its TRQ for U.S. Poultry Imports. In the spring of 2023, South Africa increased the quota for U.S. exports of bone-in chicken for the 2023/24 quota year to 71,963 metric tons. USTR and USDA continue to work with South Africa on poultry market access issues, including to clarify and improve South Africa's guidelines for the utilization of TRQ allocations for U.S. bone-in chicken imports.
- Utilized Tools under the USMCA to address concerns with Mexico's agricultural biotechnology measures. On January 30, 2023, the United States sent a formal, written request to Mexico under the USMCA SPS Chapter (Article 9.6.14) for "an explanation of the reasons for" and "pertinent relevant information regarding" certain Mexican measures concerning products of agricultural biotechnology. In March 2023, the United States held technical consultations with Mexico under the USMCA SPS Chapter (Article 9.19) to address U.S. concerns regarding Mexican measures concerning genetically engineered (GE) corn and certain other GE products.
- *Obtained distinctive product status for U.S. Bourbon and Tennessee Whiskey in Bolivia*. On May 25, 2023, Bolivia enacted regulatory changes to ensure only Bourbon and Tennessee Whiskey produced in the United States according to official U.S. standards are sold in Bolivia. This follows the United States' recognition of Singani as a distinctive product of Bolivia.

# Goal 2: Fully Enforce U.S. Trade Laws, Monitor Compliance with Agreements, and Use All Available Tools to Hold Other Countries Accountable

USTR will make the rules count by fully enforcing U.S. trade laws, closely monitoring foreign countries' compliance with trade obligations, and vigorously enforcing U.S. rights. In addition, USTR will ensure that American workers, farmers, ranchers, fishers, manufacturers, innovators, creators, service providers, consumers, and investors receive fair treatment in trade, compete in global markets on a level playing field, and win the full benefit of the economic opportunities the United States has negotiated.

#### **Objectives:**

2.1: Fully enforce U.S. trade laws and efficiently and effectively respond to unfair trade practices.

2.2: Use all available tools to take on unfair trade practices in non-market economies; pursue strengthened enforcement to ensure that our trading partners live up to existing trade obligations; address gaps that exist in international trade rules on subsidies, state enterprise competition, and other matters, including through enhanced cooperation with U.S. partners and allies.

2.3: Vigorously deploy all available tools, including dispute settlement mechanisms, to enforce U.S. rights under trade agreements, to ensure that they meet their potential to create and sustain well-paying American jobs. Utilize the WTO standing committees to address specific trade concerns before they become final; resolve unwarranted sanitary and phytosanitary barriers; promote the acceptance of international standards and acceptance of the results of U.S. conformity assessment bodies.

2.4: Comprehensively enforce labor and environment obligations of existing trade agreements. Engage allies to achieve commitments to fight forced labor and exploitative labor conditions, and increase transparency and accountability in global supply chains; ensure that products that are produced by forced labor or under exploitative labor conditions are not imported into the United States; and contribute to efforts to mitigate income inequality.

2.5: Pursue strengthened monitoring and enforcement to ensure that the PRC lives up to its existing trade obligations; address gaps that exist in international trade rules, including through enhanced cooperation with our allies and partners, and address widespread human rights abuses of the Chinese Government's forced labor program in the Xinjiang Uyghur Autonomous Region and elsewhere.

2.6: Ensure adequate and effective protection and enforcement of U.S. intellectual property.

2.7: Defend U.S. interests in digital trade and digitally delivered services.

2.8: Oppose attempts by foreign countries to artificially manipulate currency values to gain unfair advantage over American workers; work with the Departments of the Treasury and Commerce to put effective pressure on countries that are intervening in the foreign exchange market to gain a trade advantage.

2.9: Collaborate with allies and like-minded countries to address global market distortions created by industrial overcapacity in sectors ranging from steel and aluminum to fiber optics, solar, and others.

2.10: Monitor beneficiary country compliance with statutory criteria in trade preference programs and ensure that beneficiaries meet these criteria, including in the Generalized System of Preferences (GSP), the African Growth and Opportunity Act (AGOA), the Caribbean Basin Initiative (CBI), and the Nepal Trade Preference Program.

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

2.12: Expand inclusive engagement with diverse stakeholders to collaborate with USTR on enforcement issues.

#### Accomplishments:

USTR vigorously enforces U.S. rights under our trade agreements, ensuring that more Americans realize the benefits promised by those pacts. The Administration's robust enforcement efforts are ensuring American workers, farmers, ranchers, fishers, manufacturers, innovators, creators, service providers, consumers, and investors receive fair treatment in trade, compete in global markets on a level playing field, and win the full benefit of the economic opportunities the United States has negotiated. The President's comprehensive trade enforcement strategy also promotes and protects innovation critical to U.S. exports and high-wage 21<sup>st</sup> century jobs, and upholds key commitments to protect labor rights and the environment.

Highlights of USTR's accomplishments in FY 2023 include:

- Strengthened Enforcement of U.S. Trade Rights. Throughout the year, the Administration fought for U.S. workers and businesses through aggressive enforcement actions. USTR used new, strengthened USMCA enforcement procedures to launch two USMCA dispute settlement proceedings, and achieved significant gains for tens of thousands of workers under the Rapid Response Mechanism.
- Engaged in Ongoing Work under the Cooperative Framework with the EU to Address shared concerns with non-market economic policies and practices. Under the U.S.-EU cooperative framework announced in June 2021, and a similar U.S.-UK understanding, the United States, the EU, and the UK are working together to analyze and find more effective ways to challenge and counter the PRC's non-market policies and practices in the aircraft sector.
- Maintained and Expanded Access to the PRC's Market for U.S. Agricultural Products in the U.S.-China Economic and Trade Agreement. In FY2023, USTR held the PRC accountable for its commitments by monitoring and working to ensure Beijing's full implementation of key structural changes required by the agreement in the agricultural sector. Particularly with respect to renewal of registrations for infant formula, dairy, and poultry facilities and by formalizing a process for registering producers of feed additive products as eligible for export to China.
- *Monitoring China's Administrative Measures for Registration of Overseas Manufacturers of Imported Food.* USTR continued to monitor the efforts of the PRC to implement Decrees 248 and 249, raising the overly burdensome measures in both multilateral and bilateral engagements. USTR regularly engaged the PRC over the lack of scientific justification or explanation of how Decrees 248 and 249 benefit food safety. USTR actions limited the effects of these Decrees and facilitated continued exports of safe U.S. food products.

- *Monitored and Maintained Market Access in Uruguay for U.S. Poultry Imports.* In March 2023, USTR received reports that Uruguay had denied import permits to a number of U.S. poultry shipments, and administered other permits in an inconsistent manner. USTR also received reports that Uruguay was implementing an informal system of quotas for poultry meat imports. Following USTR intervention, Uruguay reaffirmed its support for a clear process for the application and approval of import permits, and the consistent application of customs procedures.
- *Monitoring of Digital Services Taxes.* An ongoing priority for the Administration is the resolution of long-standing U.S. concerns about discriminatory digital services taxes (DSTs). As part of the 2021 OECD/G20 Inclusive Framework's Two-Pillar Solution on global taxation, U.S. trading partners around the globe made a political agreement to withdraw existing DSTs and other similar measures as the global tax reform is implemented, and not to adopt any such new measures that target and discriminate against American companies and their workers. USTR continues to monitor the imposition of DSTs by our trading partners and will evaluate all of its available options, including under our trade agreements and domestic statutes, if other countries move forward with new measures or fail to withdraw existing measures.
- Monitored Implementation of the Vietnam United States Agreement on Illegal Logging and Timber Trade. On October 1, 2021, USTR announced an agreement that addresses U.S. concerns in the investigation under Section 301 of the Trade Act of 1974, as amended, into Vietnam's acts, policies, and practices related to the import and use of timber that is illegally harvested or traded. The agreement contains a number of commitments by Vietnam that will help keep illegally harvested or traded timber out of the supply chain. On August 22-23, 2023, the United States and Vietnam convened the third meeting of the Timber Working Group, which was established under the agreement to facilitate coordination between the parties and oversee implementation. The third meeting of the Timber Working Group provided an opportunity for the U.S. and Vietnam to review further progress in implementing the Timber Agreement, discuss technical assistance and capacity building activities, and opportunities to engage third parties and high-risk source countries.
- Utilized Section 301 to Address Vietnam's Acts, Policies, or Practices Related to Valuation of Its Currency. Following an investigation and determination that Vietnam's acts, policies, and practices related to currency valuation, including excessive foreign exchange market interventions and other related actions, taken in their totality, are unreasonable and burden or restrict U.S. commerce, and are thus actionable under Section 301(b) of the Trade Act. In July 2021, USTR determined that a Treasury-State Bank of Vietnam agreement provided a satisfactory resolution of the matter subject to the Section 301 investigation, and accordingly that no trade action was warranted at that time. USTR, in coordination with the U.S. Department of the Treasury, is monitoring Vietnam's implementation of the Treasury-SBV agreement going forward.
- Pursued WTO Challenges to Unwarranted Tariff Increases on U.S. goods and Held China Accountable for its Illegal Retaliation. USTR continued to pursue separate WTO disputes to challenge additional duties imposed by the EU, the PRC, Turkey, Russia, and India on U.S. goods. These Members imposed additional duties on U.S. goods ostensibly in response to U.S. actions in connection with the section 232 investigation of steel and aluminum, but had no right under the WTO agreement to do so. In November 2021, USTR and the U.S. Department of Commerce (Commerce) announced agreement with the EU on an initiative to address global steel and aluminum excess capacity and emissions, which resulted in termination of the EU additional duties on goods imported from the UK that also resulted in termination of the UK additional duties on goods imported from the United States. A

WTO panel report released in August 2023 recognized that the U.S. section 232 actions on steel and aluminum are security measures and that the PRC illegally retaliated with sham "safeguard" tariffs.

- Initiated Second USMCA Dispute on Canada's Dairy Tariff-rate Quota (TRQ) Allocation Measures. On May 25, 2021, the United States requested and established a dispute settlement panel under the USMCA to review Canada's dairy TRQ allocation measures, specifically Canada's setting aside of and reserving access to in-quota quantities exclusively for processors. On January 4, 2022, the panel released its report agreeing with the United States that Canada was breaching its USMCA commitments with this set-aside for processors. On May 16, Canada published policy changes to implement the panel's finding. The United States rejects the changes as a basis to resolve the dispute because Canada remains out of compliance with its USMCA obligations. On January 31, 2023 the United States, for the second time, requested and established a dispute settlement panel under the USMCA on Canada's dairy TRQ allocation measures.
- Continued to Pursue USMCA Dispute on Mexico's Energy Policies. On July 20, 2022, the United States requested consultations under the USMCA related to certain measures by Mexico that undermine American companies and U.S.-produced energy in favor of Mexico's state-owned electrical utility, the Comisión Federal de Electricidad (CFE), and state-owned oil and gas company, *Petróleos Mexicanos* (PEMEX). Specifically, the United States is challenging a 2021 amendment to Mexico's Electric Power Industry Law that prioritizes CFE-produced electricity over electricity generated by all private competitors; Mexico's inaction, delays, denials, and revocations of private companies' abilities to operate in Mexico's energy sector; a December 2019 regulation granting only PEMEX an extension to comply with the maximum sulfur content requirements under Mexico's applicable automotive diesel fuel standard; and a June 2022 action that advantages PEMEX, CFE, and their products in the use of Mexico's natural gas transportation network. The United States continues to engage with Mexico with respect to these measures, including by setting out for Mexico specific actions Mexico needs to take to address U.S. concerns.
- Initiated USMCA Dispute on Mexico's Agricultural Biotechnology Measures. On August 17, 2023, the United States established a dispute settlement panel under the USMCA regarding certain Mexican measures concerning genetically engineered (GE) corn. The United States is challenging measures set out in Mexico's February 13, 2023 decree, specifically the ban on use of GE corn in tortillas or dough, and the instruction to Mexican government agencies to gradually substitute—i.e., ban—the use of GE corn in all products for human consumption and for animal feed. Mexico's measures are not based on science and undermine the market access it agreed to provide in the USMCA.
- Engagement with Canada on its Clean Fuels Regulation. In June 2023, after considerable engagement by USTR and the U.S. Department of Agriculture, Canada agreed on a practical solution to meet producer declaration requirements under Canada's Clean Fuel Regulation, avoiding onerous administrative burdens on U.S. exporters of feedstocks and biofuel. GPS coordinates included on declarations may now be provided as one set of coordinates accurate to the fifth decimal place representative of the harvest area.
- Engagement under the Australia-United States Free Trade Agreement (AUSFTA). On September 22, 2022, the United States and Australia held an AUSFTA SPS Committee meeting to discuss market access concerns Throughout FY 2023, the United States and Australia continued to work together to address longstanding issues and to coordinate on issues of regional and international importance, including U.S. market access for beef and beef products. In December 2022, the United States identified a numerical error in Note 12 of Chapter 99 of the U.S. Harmonized Tariff Schedule

establishing modifications to the tariff schedule for cheddar cheese pursuant to AUSFTA, which effected 2021 and the following years. The United States worked successfully with Australia to correct the TRQ, thereby ensuring U.S. cheddar exporters have full access to the TRQ.

- Continued Coordination with partners and allies to condemn Russia's, full-scale invasion of Ukraine. The United States, working with partners and allies, continued to condemn Russia's actions as contrary to the principles and values of the WTO and worked to isolate Russia from the global economy and multilateral institutions and regional fora.
- *Monitored and Implemented FTA Environment Chapters.* USTR continued to prioritize implementation of environment obligations under existing free trade agreements (FTAs), including through virtual and in-person meetings of the Trade Policy Staff Committee (TPSC) Subcommittee on FTA Environment Chapter Monitoring and Implementation and by requesting information from relevant Posts regarding trade agreement partners' implementation of FTA environment obligations. In addition, USTR continued regular as well as informal bilateral and regional in-person and virtual meetings to conduct FTA environment oversight.
- Operated USTR Office in Mexico City to Monitor Implementation of the USMCA. USTR maintains an office at the U.S. Embassy in Mexico City to assist with on-the-ground monitoring of the implementation of the USMCA and general trade relations with Mexico. The USTR office is led by a senior official who monitors compliance with the agreement's provisions, particularly those related to labor rights, environmental protections, energy and agriculture issues, and reports to the Assistant USTR for the Western Hemisphere in Washington, DC. The office also included two USMCA Environment Attachés, that were detailed to USTR during the fiscal year through interagency agreements with NOAA and the U.S. Fish and Wildlife Service. Additionally, USTR detailed a Deputy Assistant USTR for Environment and Natural Resources to Mexico City for nine months to provide leadership and oversight of USMCA environment-related efforts in the Embassy and with Mexico.
- **Reviewed USMCA Environment Implementation in its Third Year.** On July 1, 2023, USTR submitted, pursuant to Subtitle A, section 816 of the USMCA Implementation Act, the annual report to Congress that included a description of efforts of the USMCA countries to implement their environmental obligations. USTR also organized with its Mexican and Canadian counterparts the third trilateral Environment Committee meeting in September 2023 to review implementation of the USMCA environment chapter. The Committee discussed opportunities for future cooperation, such as joint efforts to enhance law enforcement cooperation and support a more circular economy in North America, as well as opportunities to advance inclusive trade as relates to environment issues.
- Strengthened Monitoring and Enforcement Capacity for USMCA Environment Implementation. USTR continued to leverage its USMCA supplemental appropriations for environment monitoring and enforcement. Through this support, USTR has enhanced relevant USG agencies' ability to deliver on their respective USMCA environment monitoring and enforcement mandates, enhanced U.S. intelligence and enforcement capacity to better target high-risk shipments and entities, improve strategic interdictions, and increased prosecutions by relevant agencies for illegal trade in flora and fauna. USTR also continued to lead and coordinate United States' efforts to monitor and enforce environmental obligations with respect to USMCA Parties through convening quarterly meetings throughout FY 2023 of the Interagency Environment Committee for Monitoring and Enforcement (IECME), established by Executive Order 13907.

- Continued to Conduct USMCA Environment Consultations with Mexico under Chapter 24. USTR continued to work with the Government of Mexico under the USMCA Environment Chapter concerning the effectiveness of Mexico's enforcement of its environmental laws and compliance with its USMCA environment obligations relating to the protection of the critically endangered vaquita porpoise, the prevention of illegal fishing, and the trafficking of totoaba. Throughout FY2023, USTR held both technical-level and senior representative-level consultations to work towards agreement of a comprehensive plan of action aimed at enhancing Mexico's efforts and capacity to enforce its laws and regulate fishing activities in the Upper Gulf of California, consistent with its USMCA environment commitments.
- **Reviewed and Analyzed Multiple Public Submissions under USMCA Chapter 24.** As Chair of the Interagency Environment Committee for Monitoring and Enforcement (IECME), and as part of the Submissions on Enforcement Matters (SEM) process, USTR reviewed and analyzed public submissions in FY2023 to ensure effective implementation by the USMCA Parties of the environmental commitments in USMCA Chapter 24.
- Successfully Resolved Labor Rights Concerns Using the USMCA's novel Rapid Response Labor Mechanism. During FY2023, USTR initiated nine cases, negotiated four courses of remediation, and achieved significant gains for tens of thousands of workers under the Rapid Response Labor Mechanism. As a result of these cases, thousands of workers participated in free and fair union elections; many workers who were wrongly dismissed for their lawful union activities were reinstated with backpay, or in cases where they did not want to return to work, received proper severance pay, pursuant to Mexican law; and thousands of workers received significant pay increases and improvements to their working conditions.
- Continued Monitoring of USMCA Labor Implementation. USTR's senior official at Embassy Mexico City continued to assist with on-the-ground monitoring of Mexico's implementation of the USMCA labor obligations during FY 2023. In addition, the U.S. Department of Labor (DOL) posted an additional Labor Attaché to Mexico during the year, bringing the number of Labor Attachés to five and notably increasing the U.S. government's ability to monitor and collect labor-related data in real-time. USTR and DOL continued to work together to ensure full implementation of the USMCA's labor obligations, including by monitoring the USMCA tip hotline, reviewing petitions received, and engaging stakeholders.
  - O USTR worked closely with Mexican government officials in FY 2023 to monitor the continued implementation of landmark constitutional and labor law reforms that mandate the creation of new labor courts and a new national institution that registers trade unions and collective bargaining agreements, in a complete overhaul of Mexico's system of labor justice administration. These reforms aim to prevent non-representative unions from negotiating and registering collective bargaining agreements without worker support. USTR serves, along with the U.S. Department of Labor, as co-chair of the Interagency Labor Committee for Monitoring and Enforcement, which plays a key role in this monitoring effort. Per the USMCA implementing legislation, the committee has several oversight duties with regard to USMCA labor issues, including the consideration of petitions from the public regarding alleged violations of the Labor Chapter, and making recommendations to the USTR about potential dispute settlement actions.
- Utilized the U.S.- Jordan FTA Joint Committee to Address Trade-Related Concerns. In May 2023, during the 9<sup>th</sup> U.S.-Jordan FTA Joint Committee, USTR raised incorrect treatment afforded to the United States for fertilized eggs. Jordan made a commitment to remedy an error and remove MFN

tariffs of 20 percent on U.S. exports of fertilized eggs, as called for in the 2001 Free Trade Agreement. In September 2023, Jordan amended its tariff schedule, allowing U.S. fertilized eggs to enter the country duty free. Jordan also committed to work with the United States to develop a roadmap to increase respect for freedom of association and elevate worker voice in Jordan. Finally, Jordan agreed to establish the FTA subcommittee on environmental affairs to foster a dialogue on climate change and the circular economy.

- Addressing Korea's Implementation of KORUS. USTR successfully advocated for improvements and actions by Korea to address outstanding concerns across a range of issues involving Korea's implementation of the U.S.-Korea Free Trade Agreement (KORUS). These included preventing discrimination against U.S. digital content providers, facilitating cross-border data flows for the reinsurance sector; addressing specific SPS barriers and related issues; and resolving specific non-tariff barrier issues to improve opportunities for U.S. auto manufacturers.
- Advanced Implementation of the WTO Agreement on Agriculture. The WTO Committee on Agriculture (COA) held four formal meetings in November 2022 and March, June, and September 2023 to review progress on the implementation of commitments of the WTO Agreement on Agriculture (AoA). In total, 429 notifications were subject to review during FY 2023, and the United States delegation asked 187 questions (or sets of questions) to other Members, the most of any Member at the COA in FY2023. The United States participated actively in the review process and raised issues concerning the operation of Members' agricultural policies.
  - Notably, the United States along with Australia, Canada, Paraguay, Thailand, and Ukraine jointly submitted a counter-notification reporting on India's use of domestic support under Article 18.7 of the AoA. The counter-notification raised concerns regarding the methodologies employed by India in its notifications concerning market price support measures for rice and wheat. U.S. questions to other Members included Argentina's currency controls, Brazil's tariff increases on dairy products, Turkey and Pakistan's freight subsidies, Canada and the United Kingdom's tariff-rate quota (TRQ) policies, various Members' export restrictions, the PRC's export subsidies and cotton policies, and the Philippines' import clearance permits, among other topics.
  - In addition, the United States answered 86 questions from other WTO Members on a range on subjects including funding for environmental action, domestic support measures, and U.S. TRQ fill rates for agricultural products. During FY 2023, the COA addressed several other issues related to the implementation of the WTO AoA, including establishing a work program to address food insecurity concerns of least developed and net-food-importing developing Members and successfully concluding the first triennial review of the Bali TRQ Decision.
- Addressed Sanitary and Phytosanitary (SPS) Trade Barriers in the WTO. In FY 2023, the United States delegation, led by USTR, raised concerns in the WTO SPS Committee regarding the adverse impact on U.S. food and agricultural exports of unjustified SPS measures of other WTO Members. The United States continued to lead a broad coalition of countries against the EU's hazard-based pesticide policies, including the unjustified withdrawal of several pesticide maximum residue levels (MRLs) critical to international agricultural trade. The United States also raised concerns regarding EU measures related to veterinary medicines, PRC measures related facility registrations, and India's non-GM certificate requirements, among others. Following adoption by Ministers of the Sanitary and Phytosanitary Declaration for the Twelfth WTO Ministerial Conference: Responding to Modern SPS Challenges, USTR was instrumental in supporting the successful execution of the Declaration Work Program in the SPS Committee. Over the course of 2023, Members of the Committee identified opportunities to increase productivity, enhance sustainability and facilitate trade, and identified

concerns that could adversely affect our ability to meet the critical SPS challenges ahead for agriculture and trade.

- Addressed Technical Barriers to Trade in the WTO. In FY 2023, USTR continued to pursue a robust agenda in the WTO Technical Barriers to Trade (TBT) Committee. The United States raised 70 Specific Trade Concerns (STCs) in the WTO TBT Committee, seven of which were new concerns in FY 2022.<sup>2</sup> Several STCs were raised continuously across the three meetings of the year. Many other specific concerns were raised bilaterally. The countries tallying the most formal U.S. concerns were India, the PRC and the EU. Among these specific trade concerns were Beijing's cybersecurity and encryption policies, cosmetics supervision and administration regulation, and registration of overseas producers of imported foods. For the EU, the majority of concerns focused on the hazardbased approach of EU chemical and pesticide regulations. The U.S. also expressed concerns regarding the EU requirements for reusable packaging, and the lack of notified bodies to test medical devices, and questioned Mexico's conformity assessment requirements for cheese. For India, the concerns centered on in-country testing for information technology, telecom equipment, toys, cosmetics and its new chemical policies and quality control order. USTR also continued to raise concerns about India's genetically modified (GM) free certificate. The Committee held thematic sessions on climate change, plastics packaging regulations, digital products, conformity assessment and e-commerce, and use of digital tools in good regulatory practices.
- Ensured Compliance with the WTO Trade Facilitation Agreement (TFA) Notifications Requirements and Implementation. USTR has led in the Trade Facilitation Committee on ensuring that developing countries are utilizing the flexibilities in the TFA in accordance with Section II of the Agreement, while equally ensuring that implementation of the Agreement proceeds in line with those self-determined timelines. As of November 2022, over 92 percent of developing countries had successfully submitted the required notification, and more than 90 percent of least developed countries (LDCs) also submitted required notifications. The United States has also successfully rallied a number of countries to come into line with their delinquent self-designated Category A commitments. These efforts support the U.S.' commitment to be an active participant in the WTO and its Committees to ensure the benefits of the WTO agreements for U.S. exporters.
- Addressed Key Telecommunications Trade Barriers. In March 2023, USTR concluded its annual Section 1377 Review, which identifies major barriers faced by U.S. telecommunications service and equipment suppliers in the global economy. The National Trade Estimate (NTE) Report, which includes the Review's results, also illustrates the specific telecommunications-related issues on which USTR will allocate monitoring and enforcement efforts over the current and coming fiscal years to protect the high-quality jobs telecommunications trade supports. Since publication of the 2023 NTE Report, USTR has achieved progress on issues affecting telecommunications trade, but continues to monitor new challenges that face American telecommunications exporters, including barriers in the PRC and Indian market.
- *Monitored Intellectual Property Protections and Obligations through the Special 301 Report.* In April, USTR released its annual "Special 301" Report on the adequacy and effectiveness of U.S. trading partners' protection and enforcement of intellectual property. USTR maintained the PRC's, India's, and Russia's status, among others, on the Priority Watch List, noting continuing concerns about IP protection and enforcement.

<sup>&</sup>lt;sup>2</sup> According to the TBT Information Systems Database (TBT IMS)

- Continued Engagement with Colombia to Prevent Additional Countervailing Duties (CVD) on U.S. Ethanol Exports. Through May 2023, USTR continued to work closely with the interagency and U.S. industry to engage the Colombian Government during its expiry review. Unfortunately, Colombia made a final determination to extend its CVD at the pre-existing CVD rate (\$0.06646/kg), despite Colombia's calculation of a lower subsidy rate in the accompanying Essential Facts Report (\$0.02991/kg). U.S. exports of ethanol to Colombia were valued at \$92 million in 2021.
- **Promoted and Monitored Environmental Protection in Central America and the Dominican Republic.** The United States and other Parties to the CAFTA-DR Agreement continued efforts to strengthen environmental protection, and implement the commitments of the CAFTA-DR Environment Chapter. The Environment Chapter Points of Contact continued to meet virtually at regular intervals throughout FY2023 to share best practices and collaborate on environment and trade topics such as solid waste management and plastic pollution, illegal, unreported, and unregulated (IUU) fishing, and environmental cooperation.
- Enforced FTA Environment Provisions in Peru. USTR continued robust monitoring and enforcement of the United States-Peru Trade Promotion Agreement (PTPA) and its unique Forest Annex (Annex 18.3.4). The United States continues to block timber imports from two Peruvian exporters, based on illegally harvested timber found in their supply chains pursuant to earlier USTR verification requests. The denial of entry order for one of the exporters was set to lapse in October 2023. However, the United States took action to continue to block future imports from that exporter because Peru had not demonstrated to the satisfaction of the Timber Committee that the exporter was compliant with the necessary requirements for the harvest and trade in timber products.
- **Promoted Labor Rights in Honduras.** USTR and the U.S. Department of Labor continued to work closely with the Government of Honduras in FY 2023 to implement a detailed Monitoring and Action Plan signed in 2015, with specific commitments to improve protection of labor rights and enforcement of labor laws.
- **Continued Labor Working Group with the Dominican Republic Focused on Sugar**. USTR and the Government of the Dominican Republic continued the technical working group to improve labor law enforcement in the Dominican sugar sector during FY 2023. The group, which includes officials from the countries' responsible trade, labor, and foreign affairs ministries, takes into account the commitment of the two countries to enforce labor laws, including those regarding forced labor, improve labor conditions under the CAFTA-DR and in accordance with international standards, and continue their long-standing partnership on addressing these issues.
- Engaged with Trade Partners and Closely Monitored Labor Rights. USTR engaged in FY 2023 with trading partners around the world on labor rights through the formal mechanisms of trade agreements and trade preference programs, as well as through country-specific initiatives. This included elevating labor rights concerns and opportunities for labor-focused collaboration in the U.S.-Cambodia TIFA Labor Working Group, the U.S.-Central Asia TIFA, the U.S.-Paraguay TIFA, and the U.S.-Taiwan TIFA. In addition, USTR officials discussed various labor issues with officials in Brazil.
- *Continued Monitoring of and Engagement on GSP eligibility criteria.* In FY 2023, USTR continued to monitor developments related to GSP country practice reviews and engage with foreign governments and stakeholders, including by pressing the governments of Kazakhstan and Azerbaijan to make progress on worker rights.

• Enforced AGOA Eligibility Criteria in sub-Saharan Africa. USTR led and coordinated the TPSC AGOA Subcommittee review of 49 sub-Saharan African countries to monitor progress on the AGOA eligibility criteria, including whether countries are making continual progress toward establishing, among other criteria, market-based economies, elimination of barriers to U.S. trade and investment, protection of intellectual property, efforts to combat corruption, policies to reduce poverty, and protection of human rights and worker rights. Based on that review, the U.S. Trade Representative made recommendations to the President on AGOA country eligibility for 2024, which resulted in the termination of AGOA eligibility for the Central African Republic, Gabon, Niger, and Uganda and the reinstatement of Mauritania, as of January 1, 2024. The President made this determination based upon the unconstitutional change in governments in both Gabon and Niger, and the gross violations of internationally recognized human rights and investment disputes for a number of African countries and used the leverage of AGOA benchmarks and the eligibility review process to raise those issues.

# Goal 3: Develop and Implement Innovative Policies to Advance President's Trade Agenda

USTR will develop and implement a comprehensive trade policy to help the country and world recover from the Covid-19 pandemic and its economic effects; improve labor standards; strengthen environmental protection and support the Administration's work to address the crisis of climate change; support public health improvements; and eliminate social and economic barriers to ensure economic opportunity and benefits for underserved and marginalized communities.

#### **Objectives:**

3.1: Address the effects of the pandemic and unforeseen national and global emergencies through policies that strengthen long-term supply chain resiliency for equipment and supplies critical to delivering public health services in the United States; help companies, including small businesses and women and minority entrepreneurs, strengthen production of essential medical equipment; collaborate with trading partners to advance global health security and humanitarian response to save lives, promote global economic recovery, and develop resilience against future global pandemics or crises.

3.2: Leverage our strong bilateral and multilateral trade relationships to raise global climate ambition. Work with allies as they develop their own approaches and ensure that trading partners meet their environmental obligations under existing trade agreements. Support the goal of reducing greenhouse gas emissions and achieving net-zero global emissions by 2050, or before. Explore and develop market approaches to address greenhouse gas emissions in the global trading system. As appropriate, and consistent with domestic approaches to reduce U.S. greenhouse gas emissions, this includes consideration of carbon border adjustments.

3.3: Negotiate and implement strong environmental obligations that also contribute to a sustainable climate pathway; promote sustainable stewardship of natural resources, such as sustainable fisheries and forest management, and prevent unlawful environmental practices, such as illegal logging, illegal fishing, and wildlife trafficking.

3.4: Seek to better understand the projected impact of proposed trade policies on underserved and marginalized communities and to ensure those impacts are considered before pursuing such policies. Craft new trade policies to promote equitable economic growth and contribute to the creation of good-paying future U.S. jobs through the inclusion in trade agreements of strong, enforceable labor standards that protect workers' rights and increase economic security; engage allies to achieve commitments to fight forced labor and exploitative labor conditions, and increase transparency and accountability in global supply chains, and lead to the economic empowerment of women and underrepresented communities.

#### **Accomplishments:**

Highlights of USTR's accomplishments in FY 2023 include:

• Advanced U.S. trade policy goals through U.S. APEC host year: Throughout FY2023, USTR leveraged the 2023 U.S. APEC host year to advance key U.S. trade policy priorities. Under the overall U.S. host year theme of "Building a Resilient and Sustainable Future for All," and through a series of meetings in Honolulu, Palm Springs, Detroit, and Seattle, USTR consistently advanced tangible work on the importance of sustainability and inclusion in the development and implementation of trade policy. Most notably, at the APEC Ministers Responsible for Trade meeting
held in Detroit in May 2023, USTR fostered a substantive discussion among APEC ministers on more deeply embedding sustainability and inclusion and bedrock elements of trade policies across the APEC region. In Detroit, USTR hosted a first-ever APEC dialogue with labor leaders to discuss how APEC economies can use trade and investment to better empower workers throughout the region. Further, during the APEC Ministers Meeting in San Francisco in November 2023, USTR convened a first-of-its kind meeting between ministers and Indigenous leaders to discuss how to create policies that benefit Indigenous communities, which have been historically overlooked and underserved. Throughout the host year, USTR also led scores of workshops and other APEC engagements, including often in collaboration with the private sector, on topics such as women's economic empowerment, digital trade, intellectual property, and multiple aspects of agriculture trade. These efforts were crafted to build momentum towards meaningful outcomes during APEC Leaders Week, which was held in San Francisco in November 2023.

- **Produced a World Trade Organization (WTO) response to emergencies.** At the WTO 12<sup>th</sup> Ministerial Conference, WTO Members agreed to a package on WTO response to emergencies, comprising: A Ministerial Declaration on the Emergency Response to Food Insecurity; a Ministerial Decision on World Food Programme Food Purchases Exemptions from Export Prohibitions or Restrictions; a Ministerial Declaration on the WTO Response to the COVID-19 Pandemic and Preparedness for Future Pandemics, and; a Ministerial Decision on the Agreement on Trade-related Aspects of Intellectual Property Rights. The United States with WTO Members will conduct a stocktaking on lessons learned from the challenges experienced during COVID-19 in all relevant WTO committees to assess opportunities to both mitigate supply chain disruptions and other adverse impacts in future emergencies, while enhancing disaster preparedness.
- Leveraged our strong bilateral trade relationships to raise global climate ambition. USTR conducted virtual bilateral and regional meetings with trading partners to discuss trade-related approaches to tackle the climate crisis and raise climate ambition. Conversations on trade and climate change included bilateral consultations with the EU on its carbon border adjustment mechanism, engagement at the WTO on trade-related climate measures, and negotiations with the EU for a global arrangement on sustainable steel and aluminum. Through these and other engagements, USTR advocated for approaches to decarbonization that are based on carbon intensity, and less focused only on price-based approaches. USTR also engaged with other bilateral trading partners, including Australia, Canada, Japan, New Zealand, the Republic of Korea, and the United Kingdom to discuss approaches to decarbonizing emissions intensive industries, including discussing the impact of border carbon adjustments to address carbon leakage and other approaches to decarbonization.
- Utilized WTO Committees and informal bodies to discuss trade and climate change. USTR participated in formal and informal meetings of the WTO Committee on Trade and Environment in which Members explored various price-based and regulatory approaches to reducing greenhouse gas emissions. As part of this work, USTR took a lead role in shaping discussions at the WTO on these topics, including by hosting, at the WTO's Trade and Environment Week in June 2023, a panel discussion on remanufacturing and its role in contributing to a more circular economy and climate change solutions.
- Supported the goal of reducing greenhouse gas emissions and achieving net-zero global emissions by 2050, or before. USTR worked with interagency partners to build a robust agenda and increase climate ambition to decarbonize the domestic and global economy. USTR held bilateral consultations with trading partners to discuss trade in environmental goods and services, circular economy approaches, and low-carbon goods and services.

- Advanced the Global Arrangement on Sustainable Steel and Aluminum. On October 31, 2021, the U.S. and the EU announced that we would negotiate within two years an arrangement—known as the Global Arrangement on Sustainable Steel and Aluminum (Global Arrangement)—to address non-market excess capacity and emissions intensity of the steel and aluminum industries, including to foster undistorted transatlantic trade. Throughout these two years, the U.S. and EU made substantial progress to identify the sources of non-market excess capacity. We also achieved a better understanding of the tools to address the emissions intensity of the steel and aluminum industries. The U.S. and EU will continue to work to make progress on this arrangement over the coming year.
- Supported development of measures to strengthen U.S. efforts to combat IUU fishing and associated forced labor practices. USTR participated in the development of the National Five-Year Strategy on Combating Illegal, Unreported, and Unregulated (IUU) Fishing which establishes the priorities of the Interagency Working Group on IUU fishing, to combat IUU fishing, curtail the global trade in seafood and seafood products derived from IUU fishing, and promote global maritime security. The strategy also supports the objectives outlined in the President's National Security Memorandum on Combatting Illegal, Unreported, and Unregulated Fishing and Associated Labor Abuses and seeks to address IUU fishing and associated forced labor, including preventing importation of IUU fish and fish products or those associated with forced labor.
- *Supported efforts to address plastic pollution.* Throughout FY2023, USTR was actively engaged in the interagency process led by the Department of State to develop U.S. positions in advance of the second and third Intergovernmental Negotiating Committee meetings (INC-2 and INC-3) on a global plastics treaty under the UN Environment Assembly.
- Extensive internal economic analytical discussions on trade impact on underserved and marginalized communities. Having received the U.S. International Trade Commission (USITC) report on the distributional effects investigation of goods and services trade and trade policy on marginalized, underserved, and disadvantaged communities in the United States, in October 2022, the U.S. Trade Representative requested five additional investigations over the next 15 years. Each investigation would include community-based open conversations targeted to the interests and concerns of specific underrepresented and underserved demographic and geographic communities; an academic symposium; a critical literature review including, among other things, the data limitations raised in these analyses; a public hearing; and written submissions.
- Initiated work through various Presidential initiatives to achieve better access to restricted data to better inform distributional effects from trade and trade policy. USTR initiated work with U.S. statistical agencies to achieve better access to restricted data for researchers and to provide better distributional effects trade advice to policy makers on trade initiatives, including the Executive Orders on Equity and Promoting Competition in the American Economy; the Presidential Memorandum on advancing the human rights of LGBTQI+ persons around the world; the United States' National Strategy on Gender Equity and Equality; the White House Initiative on Asian Americans, Native Hawaiians; and Pacific Islanders (WHIAANHPI); and the White House Council on Native American Affairs (WHCNAA).

# **Goal 4: Develop Equitable Trade Policy Through Inclusive Processes**

USTR will develop worker-centered trade policy through extensive consultations with the Congress, stakeholders, and its trade Advisory Committees. USTR will also use digital means and expanded domestic engagement to ensure broad opportunities for the public to contribute to policy formulation, provide comments on policy, and access public hearings and documents. USTR will lead interagency trade policy coordination to obtain broad-ranging input, involve disadvantaged and underserved communities in policymaking, provide accountability, and develop sound, strategic U.S. trade policies.

USTR's transparency principles establish the foundation for a high transparency standard for the day-today operations of USTR. These transparency principles reflect the Administration's commitment to comprehensive public engagement, including outreach to historically overlooked and underrepresented communities, as it develops and implements a trade policy that advances the interests of all Americans.

#### **Objectives:**

4.1: Work with Congress, interested stakeholders, unions, state and local governments, and the public to inform and strengthen the President's trade agenda, develop the Administration's trade policies and initiatives, and advance key trade legislation.

4.2: Conduct outreach to underserved and disadvantaged communities, in policy development, negotiations, and implementation and enforcement of agreements and legislation.

4.3: Ensure that the concerns and perspectives of underrepresented communities, small businesses, and the employment and purchasing power interests of low-income Americans are reflected in proposed policies, including through improved engagement, innovative data collection, and outreach and engagement with community-based stakeholders, such as minority-owned businesses, business incubators, Historically Black Colleges and Universities (HBCUs), Hispanic Serving Institutions (HSIs), Tribal Colleges and Universities (TCUs), Asian American and Native American Pacific Islander-Serving Institutions (AANAPISIs), other minority serving institutions (MSIs), and local and national labor, civil, and human rights organizations.

4.4: Incorporate policies and proposals that foster Tribal Nations' participation in international trade; ensure Tribal Nations are timely informed about trade policies and actions that may have Tribal implications.

4.5: Provide timely and appropriate information to the public on ongoing trade negotiations and trade policy issues of general interest, consistent with laws and regulations governing engagement with the public as well as the protection of confidential information.

4.6: Provide inclusive opportunities for the public to participate in the development of trade policy and trade initiatives, including changes in policy that affect existing trade programs; seek public input with respect to new major trade initiatives when feasible, even when not required by law.

4.7: Facilitate participation in trade policy development by a broad range of stakeholders. In order to foster more inclusive and broader representation in terms of both geography and demographics, as well as stakeholder perspective, seek input using innovative and adaptable forms of communication, including virtual hearings and outreach, in addition to traditional means such as Federal Register notices.

4.8: Foster a robust Advisory Committee system by appointing, consulting, and engaging with an active group of advisors; ensure that the membership includes a wide variety of expert interests, reflective of the diverse stakeholder perspectives.

4.9: Facilitate opportunities for the public, especially from underserved communities, to share perspectives and ideas on developing equitable trade policy.

4.10: Identify and explore opportunities for trade policy and practices, especially in emerging sectors where the United States has the potential to be competitive, to contribute towards increasing equity, reducing income inequality, and expanding micro, small, and medium-sized enterprises and their potential to create good U.S.-based jobs through trade.

4.11: Expand data analysis and reports to measure equity and analyze the effect of trade policy on underserved communities, including assessments based on race, ethnicity, gender, disability, income, veteran status, or other key demographic variables.

4.12: Educate the public on the Advisory Committee system and its role in trade policy.

4.13: Adhere to the Guidelines for Consultation and Engagement adopted in October 2015.

4.14: Coordinate trade policy effectively through the Trade Policy Staff Committee (TPSC) and the Trade Policy Review Group (TPRG).

#### Accomplishments:

Highlights of USTR's accomplishments in FY 2023 include:

- *Extensive Consultations with Congress on USTR Initiatives.* The Office of the United States Trade Representative (USTR) continued robust consultations with the U.S. Congress. USTR consulted with Congressional committees and the leadership of both parties in the U.S. Senate and U.S. House of Representatives, held numerous meetings and calls with Members and their staff, participated in Congressional hearings and led congressional delegations overseas to meet with trading partners and multilateral organizations. USTR also engaged Members of Congress and their staff in their districts and states, travelling to Alabama, Arizona, California, Georgia, Hawaii, Indiana, Maryland, Michigan, Minnesota, Montana, New Hampshire, New York, North Carolina, Pennsylvania, Texas, Virginia and meeting with constituents, including workers, farmers, businesses, and community-based stakeholders.
  - To ensure access to negotiating texts and further encourage Congressional participation, USTR holds consultations with Members of Congress and their staff and also makes negotiating text available to Members of Congress and appropriately cleared staff, including professional staff with an appropriate security clearance of the Committees on Finance and Ways and Means, professional staff with an appropriate security clearance from other Committees interested in reviewing text relevant to that Committee's jurisdiction, personal office staffers with an appropriate security clearance of a Member of the Committees on Finance and Ways and Means, and personal office staff with an appropriate security clearance accompanying his or her Member of Congress.
  - In addition, bipartisan Congressional staff delegations attended USTR trade negotiations including the Indo-Pacific Economic Framework for Prosperity (IPEF), the U.S. Kenya Strategic

Trade and Investment Partnership (STIP) in Kenya, and the U.S.-Taiwan Initiative on 21<sup>st</sup> Century Trade in Taiwan. During these engagements, Congressional staff received daily updates and provided input on the negotiations. USTR also engaged in regular meetings with expansive congressional staff, resulting in broadening support for USTR trade policy, particularly with regard to the USMCA and implementation of worker rights provisions under the Generalized System of Preferences (GSP), African Growth and Opportunity Act (AGOA) and various free trade agreements (FTAs). These engagements and consultations kept Congress abreast of USTR activities and ensured Congress had ample opportunities to shape U.S. trade policy.

- Coordinated Trade Policy Effectively Through the Trade Policy Staff Committee (TPSC). USTR efficiently and effectively coordinated trade policy with the other 21 federal agencies in support of the President's trade agenda with respect to trade negotiations, policy developments, and monitoring and enforcement activities, including Sections 337, 201, and 301 of U.S. trade law. Throughout FY 2023, USTR, as Chair of the TPSC, regularly sought advice from the public on policy decisions and negotiations through *Federal Register* notices and public hearings.
  - This included Federal Register notices on: COVID-Related Product Exclusions: China's 0 Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation (February); China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation: Conforming and Technical Amendments (February); Product Exclusion Extensions: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation (May); Annual Review of Country Eligibility for Benefits under the African Growth and Opportunity Act for Calendar Year 2024 (May); Request for Comments: Advancing Inclusive, Worker-Centered Trade Policy (June); Conforming Amendments to Product Exclusion Extensions: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation (June); Request for Comments: North American Competitiveness Committee (June); North American Competitiveness Committee (July); Conforming Amendments to Previously Reinstated Exclusions: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation (July); Post-Hearing Comments: Annual Review of Country Eligibility for Benefits under the African Growth and Opportunity Act for Calendar Year 2024 (July); Russia's Implementation of Its World Trade Organization Commitments (August): China's Compliance With World Trade Organization Commitments (August); 2023 Review of Notorious Markets for Counterfeiting and Piracy (August); Significant Foreign Trade Barriers for the 2024 National Trade Estimate Report (September); Exclusion: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation (September). Stakeholders were afforded the opportunity to participate, and their submissions are posted on regulations.gov to ensure transparency.
- Implemented Policies to Ensure Consultation with an Inclusive and Rounded Group of Trade Advisory Experts. The trade advisory committee system consists of 26 advisory committees. USTR independently administers four committees: 1) the Advisory Committee on Trade Policy Negotiations (ACTPN); 2) the Intergovernmental Policy Advisory Committee (IGPAC); 3) the Trade Advisory Committee on Africa (TACA); and 4) the Trade and Environment Policy Advisory Committee (TEPAC). The remaining 22 committees are jointly managed by USTR and the Departments of Commerce, Labor, or Agriculture, as appropriate. Advisory Committees were asked to provide recommendations on how to advance equity principles within their respective charters, increase the diversity of views and representation on their committee, and how trade policy can be modified to ensure that the benefits of trade are more equitably distributed. As each Advisory Committee's charter comes up for renewal, specific language is being added to highlight and seek greater equitable

and inclusive representation in committee membership. TEPAC is the first Advisory Committee to include the new language in its charter renewal, followed by TACA and IGPAC.

- Outreach to and Consultations with Food and Agriculture Stakeholders. USTR engaged extensively with stakeholders interested in food and agricultural trade matters to build a robust trade agenda, including matters such as USMCA implementation and enforcement, WTO agriculture and SPS initiatives, the U.S.-China Economic and Trade Agreement, the Indo-Pacific Economic Framework, U.S.-Taiwan Initiative on 21st Century Trade, U.S.-Kenya Strategic Trade and Investment Partnership, Codex Alimentarius Commission, trade-related aspects of agriculture innovation, agricultural sustainability, and a full range of matters affecting U.S. agricultural exports to countries and regions around the world.
- Outreach to and Consultations with Stakeholders on Trade and Environment Issues. USTR engaged in considerable outreach on a range of trade and environment issues and policy areas with a broad range of stakeholders including Members of the Trade and Environment Policy Advisory Committee (TEPAC), the broader environmental community, other government agencies, Congress, and the private sector. This included engagement and outreach on a number of topics including USMCA implementation, climate change, circular economy approaches, WTO negotiations on fisheries subsidies, illegal, unreported, and unregulated (IUU) fishing, illegal logging and timber trade, sustainable textiles and footwear, environment and climate-related topics under the Indo-Pacific Economic Framework for Prosperity (IPEF); the U.S.-Taiwan Initiative on 21<sup>st</sup> Century Trade; and the U.S.-Kenya Strategic Investment Partnership, and outreach under existing FTAs and TIFAs with Canada, Mexico, Central America and the Dominican Republic, Peru, Chile, Colombia, Ecuador, Egypt, Jordan, Morocco, Oman, and Singapore. USTR also engaged with environmental NGOs on the sidelines of bilateral environmental meetings.
- Outreach to and Consultations with U.S. Labor and Business Stakeholders. Communication with stakeholders provided a wide range of positions considered in developing labor policy positions, and built cooperative relationships with key stakeholders in the labor and business communities on difficult and sensitive issues. USTR organized a first-ever direct engagement between senior U.S. labor union leaders and APEC trade ministers during the APEC Ministers Responsible for Trade meeting in May 2023. USTR personnel at all levels participated in numerous stakeholder meetings to discuss and promote USTR trade-related labor policies. USTR worked with labor advisors to strengthen the trade union advisory process, resulting in finding common ground on trade-related labor matters.
- **Outreach to and Consultations with Stakeholders on Digital Trade issues.** USTR continued to consult widely on developing an inclusive trade policy related to digital trade issues, including outreach to labor, civil, and human rights interests. The aim is to develop and implement a worker-centered digital trade policy that advances areas of interest for all stakeholders.
- **Outreach to and Consultations with Stakeholders on Textiles and Apparel Issues.** USTR actively engaged with U.S. and FTA partner stakeholders to promote the efficient utilization of FTA rules and provisions intended to foster new and growing business along the textile and apparel supply chain from raw materials to yarn, to fabrics, apparel and other finished products. Additionally, USTR met with a full range of textile and apparel industry associations in one-on-one meetings to receive updates on priority policy issues of interest to all stakeholders.
- Advancing Gender Equity and Equality and Decent Work in Central America. USTR joined the U.S. Department of Labor, the U.S. Agency on International Development, and the U.S. Department

of State in co-leading in an unprecedented, high-level U.S. Government trip to northern Central America to explore the intersection of labor and gender with workers and civil society organizations (including those representing Garifuna, Indigenous, women, and LGBTQI+ communities), government officials, and businesses.

- Outreach to and Consultations with Congress, Industry, Civil Society, and Other Stakeholders on *IP Issues*. Throughout FY 2023, USTR developed, tabled, and successfully concluded significant intellectual property proposals in a range of negotiations and enforcement actions. Policy reviews in these areas involved careful deliberation, research, and consultation. USTR engaged stakeholders with often competing views on an almost daily basis to address concerns and build support for the U.S. IP trade agenda and maintained important relationships with stakeholder communities holding diverse views on trade and IP issues.
- Outreach to Expanded Constituencies and Increased Domestic Engagement. USTR leadership and officials met with virtually and in-person with stakeholders across the country and hosted unprecedented virtual listening sessions to gain firsthand guidance of multiple and intersectional experiences and perspectives to inform trade policy. USTR visited Tribal Nations and met with American Indian, Native Hawaiian, Alaska Native, and Indigenous workers, entrepreneurs, and community-based organization and enterprises. USTR continued to expand engagement with the African Diaspora in the United States as a continuation of the 2022 U.S.-African Leaders Summit. USTR also built lines of communication with faith-based organizations, intersectional economic equity, civil, labor, and human rights advocates, and LGBTQI+ advocates.
- Extensive Consultations with TPSC, Congress, Industry and Other Stakeholders on SME Issues. USTR worked extensively with the TPSC agencies, Congress, industry, trade partners, and other stakeholders to identify issues of most concern to small business, and develop trade policies to address those concerns (e.g., leveraging existing FTAs and other policy initiatives). Ongoing efforts are yielding measurable outcomes including improved TPSC agency coordination, more frequent consultations with stakeholders to inform the President's trade agenda, and more effective use of USTR policy tools to address SME issues.
  - For example, under the USMCA SME Chapter, the SME Committee expanded a pilot 0 network of small business development center (SBDC)/SME counselors among the United States, Mexico, and Canada to share best practices and help SME clients prepare for new trade opportunities under the USMCA. Members from the U.S. SBDC network supported by SBA include Women's Business Centers, Historically Black Colleges and University Small Business Centers, Minority Business Development Agency offices, Veterans Business Outreach Centers and Native American Technical Assistance centers. The USMCA SME Counselors network convened with 60 participants on the topic of mentoring and preparing SMEs from underserved communities, including women, Indigenous peoples, and minorities, to trade and export. USTR together with the U.S. Department of Commerce and U.S. Small Business Administration (SBA) also convened the  $\hat{6}^{th}$  and  $7^{th}$  US-UK SME Dialogues in Edinburgh, Scotland and Indio, California; the 12th US-EU SME Workshop in Birmingham, Alabama; and the 2<sup>nd</sup> USMCA SME Dialogue in Mexico City in order to hear directly from SME stakeholders including SMEs owned by women, minority and Indigenous and underserved communities on trade priorities and challenges they face exporting to these markets.
- Continued Outreach to Key Stakeholders on the TFA. USTR staff frequently participated in outreach events and speaking engagements on ratification and implementation of the Trade

Facilitation Agreement (TFA) focused on the potential to engage a broader set of stakeholders for TFA implementation. USTR conducted extensive consultations with business stakeholders.

- *Extensive Consultations with Stakeholders on Mexico's Express Courier Procedures.* USTR developed a robust working group of industry stakeholders to address problematic express courier regulations in Mexico's General Rules on Foreign Trade. Working with an extensive interagency team, USTR met with the industry working group on a regular basis, providing updates and seeking input to coordinate strategy. The cooperation resulted in greater access to Mexican decision-makers and positive changes that give express delivery couriers more certainty in the Mexican market.
- Extensive Outreach on Distributional Effects of Trade and Trade Policy on Workers and Underserved Communities. Directed the USITC, as part of its investigation on the distributional effects of U.S. goods and services trade and trade policy on workers and underserved communities, to conduct five investigations over the next 15 years to include community based open conversations among representatives of underrepresented and underserved communities, as well as think tanks, academics and researchers, unions, State and local governments, non-Federal governmental entities, civil society experts, community-based stakeholders, such as minority-owned businesses, business incubators, Historically Black Colleges and Universities (HBCUs), Hispanic Serving Institutions (HSIs), Tribal Colleges and Universities (TCUs), Asian American and Native American Pacific Islander-Serving Institutions (AANAPISIs), and other minority serving institutions (MSIs), and local and national civil rights organizations. These conversations will flesh out the participants' personal perceptions of issues related to underrepresented and underserved communities, comprising the perspective and experiences of a diverse spectrum of communities and identities, including workers of different races, ethnicities, gender, sexual orientation, education levels, skills/abilities, and geographic locations. Perspectives will be gathered concerning the impacts of trade and trade policy as well as the impact more generally of job loss and other issues affecting their communities.

# Goal 5: Effectively Communicate the President's Trade Agenda

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

## **Objectives:**

5.1: Create and implement a USTR-wide, proactive communications strategy to explain the jobsupporting, economy-enhancing benefits of the President's trade policy agenda to domestic constituencies and stakeholders.

5.2: Ensure the USTR website contains up-to-date information on current trade initiatives and programs. Press releases and other materials related to agency programs, initiatives, and negotiations will contain sufficient information to adequately inform the public and will link to available background information on the USTR website.

5.3: Inform private sector and non-profit stakeholders, media, and state and local governments of USTR's efforts to monitor and address unfair foreign trade barriers and practices and enforce U.S. rights, as well as compliance by trading partners with U.S. agreements.

5.4: Enhance outreach to and build sustained engagement with underserved and disadvantaged communities on the benefits of the President's trade agenda and ensure methods and means of communication are useful and accessible.

5.5: Work with the White House and with agency partners to implement a consistent, Federal government message on trade policy.

5.6: Use language and means of communication that are accessible, inclusive, and reflect the concerns, priorities, and perspectives of stakeholders.

5.7: Communicate, in consultation with other agencies, the Congress, and interested stakeholders, the Administration's unified message to foreign countries and their citizens explaining the benefits of trade with the United States, in order to build support for U.S. trade policies and initiatives.

5.8: Communicate success to stakeholders, including state and local elected officials.

## Accomplishments:

In FY 2023, USTR's ongoing and serious dialogue with the American people about trade and jobs produced real results across a wide range of issues and initiatives.

• Showcased the Benefits of Fair and Reciprocal Trade to the U.S. Economy. USTR developed talking points, press statements, policy speeches, and social media content to explain the Administration's trade policy goals and achievements to the public. USTR published the 2023 Trade Policy Agenda and 2022 Annual Report of the President of the United States on the Trade Agreements Program on March 1, 2023. USTR also coordinated press statements with interested

agencies and the White House in order to present coherent and mutually reinforcing trade information to the public. Further, USTR strategically selected organizations and events to deliver speeches and remarks in support of the Administration's inclusive, worker-centered trade agenda.

- Enhanced Outreach to the Congress and Other Key Stakeholders. USTR consulted with Congress and key stakeholders on new initiatives to promote trade policy reforms that place American interests first. USTR also worked with the House Committee on Ways and Means and the Senate Committee on Finance, Congressional leadership, and other relevant Committees, to coordinate messaging on aspects of the President's trade agenda. USTR transmitted to Congress the 2023 Trade Policy Agenda and 2022 Annual Report of the President of the United States on the Trade Agreements Program.
- Conducted Outreach and Informed US Industry and State-Level Governments. USTR conducted outreach to Tribal nations, U.S. industry stakeholders, congressional delegations, and state-level governments planning official visits and trade missions. USTR established a strong state-level network of interested stakeholders and worked with this network to offer opportunities for information exchange and trade education through USTR participation in conferences and external speaking engagements.
- Communicated the Need for Fundamental WTO Dispute Settlement Reform. USTR continued to lead efforts to pursue fundamental reform of the WTO dispute settlement system. To work towards the necessary reform, USTR developed and pursued an interest-based, inclusive process through which all WTO Members can contribute to durable and lasting reform. The U.S.-led informal discussions, which were guided by an interest-based approach, reflected a significant departure from the stale conversations of past years. In FY 2023, USTR continued to build on that work by engaging a facilitator-led informal process. Among the objectives for a reformed system, USTR has been clear that the dispute settlement system should preserve the policy space in WTO rules for Members to address their critical societal interests and support rather than undermine the WTO's role as a forum for discussion and negotiation to help Members address new challenges.
  - O USTR explained to the public and other WTO Members the need for such reform in light of U.S. concerns that the Appellate Body has altered Members' rights and obligations through erroneous interpretations of WTO agreements, several of which have directly harmed the ability of the United States to counteract economic distortions caused by non-market policies and practices of countries like the PRC that hurt our citizens, workers, and businesses, and that the conduct of the Appellate Body has converted the WTO from a forum for discussion and negotiation into a forum for litigation, undermining U.S. interests in the WTO. USTR has explained that, in seeking fundamental reform, we are working towards producing a system that reinforces principles of fairness, equity, and sovereignty that underlie support for the multilateral trading system.
- Communicated the Intellectual Property Benefits of Trade Initiatives and Agreements. USTR responded expeditiously to frequent and often in-depth inquiries from stakeholders and Members of Congress. USTR personnel participated in press calls to explain Administration positions with respect to intellectual property protection and enforcement as well as Special 301 matters.
- **Outreach and Consultations with the U.S. Textile Industry.** USTR staff actively reached out to stakeholders across the spectrum of textile and apparel industry interests, participating in conferences and meetings organized by the National Council of Textile Organizations, the American Apparel and Footwear Association, and the U.S. Fashion Industry Association.

- Outreach and Consultations with the U.S. Agriculture Industry, Consumer Groups and Labor Unions. The U.S. Trade Representative and staff at all levels of USTR met with U.S. agriculture stakeholders on the President's trade agenda, and participated in dozens of virtual and in-person agricultural stakeholder meetings to enhance the understanding of the benefits of trade to U.S. food and agricultural workers, farmers, ranchers, and businesses. USTR also held numerous meetings with consumer groups, environmental groups, the fishing industry, and labor unions to promote and explain the Administration's agriculture and SPS trade agenda.
- Communicated the Environmental Benefits of Administration Trade Initiatives. Through joint statements, press releases, social media, speeches and other public events, USTR continued to communicate how U.S. trade agreements and initiatives help to level the playing field for American workers and businesses and can address urgent trade-related environmental challenges.
- Communicated the Benefits of Trade to Foreign Trade Partners. In consultation with other agencies, the Congress, and key stakeholders, USTR communicated to foreign countries the benefits of fair and reciprocal trade with the United States. Through cooperation with U.S. regulatory and health agencies, USTR ensured that the Administration-wide message on trade policy was reflected in U.S. positions and delivered in meetings of international, multilateral trade organizations, including the OECD, G7, G20, WTO, and others.
- **Outreach and Consultation with Key Stakeholders on EU and MENA Trade Issues.** USTR staff presented and discussed evolving U.S. trade and investment policies in the EU and the Middle East and North Africa (MENA) region at business conferences and widely attended meetings of key private sector stakeholder organizations and relevant embassies.
- Communicated with a Range of Stakeholders on the Administration's Africa Trade Agenda. USTR continued outreach with African governments, the U.S. and African business community, labor organizations, and civil society groups to highlight the Administration's inclusive, worker centered trade agenda with respect to the continent. In December 2022, USTR convened an AGOA Ministerial during the U.S.-Africa Leaders Summit (ALS). The Ministerial achieved participation from thirty-four AGOA-eligible countries, eight regional economic communities and other Africabased organizations, nine U.S. Members of Congress and U.S. government agencies including the Department of State, Department of Commerce, Department of Treasury and the U.S. Agency for International Development. The meeting provided a valuable platform for discussing ways to strengthen economic cooperation, expand two-way trade and investment, support regional economic integration, and share perspective on other key issues of mutual interest impacting U.S.-sub-Saharan Africa trade. USTR officials also shared perspectives on U.S. trade policy toward Africa during various events across the United States and on the African continent.
- Communicated the Benefits of Administration's Efforts to Eliminate Significant Trade Barriers. USTR published the National Trade Estimate (NTE) Report identifying the benefits of eliminating significant trade barriers and potentially increasing trade with the vast majority of our trading partners which together account for 99 percent of U.S. goods trade and 66 percent of U.S. services trade.
- **Responded Timely and Appropriately to Government Accountability Office Engagements.** USTR provided information and documents timely to the Government Accountability Office related to five GAO engagements, successfully closing out one pending recommendation from an engagement dating from December 2019.

# Goal 6: Achieve Organizational Excellence as a Model Employer

USTR will make advancing diversity, equity, inclusion, and accessibility a priority component of the agency's management agenda and agency strategic planning. This includes increasing employee engagement and developing and strengthening a diverse and inclusive adaptive workforce in line with Executive Order 14035 on Diversity, Equity, Inclusion, and Accessibility in the Federal Workforce, Executive Order 13985 on Advancing Racial Equity and Support for Underserved Communities Through the Federal Government, Executive Order 13988 on Preventing and Combating Discrimination on the Basis of Gender Identity or Sexual Orientation, and the National Security Memorandum on Revitalizing America's Foreign Policy and National Security Workforce, Institutions, and Partnerships. The agency will strengthen the development and promotion of a workplace that supports diversity, equity, inclusion, accessibility, creativity, and productivity through human capital initiatives that focus on effective recruitment strategies, fair hiring practices, and continuous learning programs. The agency will also provide effective business operations and service delivery through administrative processes, physical and information security, finance and procurement, information technology, and infrastructure that will strengthen its ability to perform core functions at the highest level of excellence.

## **Objectives:**

6.1: Implement agency actions in E.O. 14035 Executive Order on Diversity, Equity, Inclusion, and Accessibility in the Federal Workforce.

6.2: Expand opportunities to recruit, retain, develop, and promote a diverse and inclusive workforce.

6.3: Collect and analyze data on USTR's workforce composition, senior workforce composition, employment applications, hiring decisions and applicant flow, promotions, wages, pay and compensation, professional development programs, and attrition rates.

6.4: Support, coordinate, and encourage research, evaluation, and other efforts by the Federal Government to identify best practices, and other promising practices, for broadening participation in Federal employment, and to identify the benefits of diversity, equity, inclusion, and accessibility on Federal performance and operations.

6.5: Assess in a consistent and proactive manner whether USTR's recruitment, hiring, promotion, retention, professional development, pay equity, reasonable accommodations access, and training policies and practices are fair, impartial, and effective, to meet the goal of promoting a diverse and inclusive workforce.

6.6: Review the status and outcomes of existing diversity, equity, inclusion, and accessibility initiatives or programs, and review the level of institutional resources available to advance human resources activities that advance the Federal government's objectives of being a model employer for diversity, equity, inclusion, and accessibility.

6.7: Develop innovative programs, initiatives, budgeting, personnel, and resource proposals based on quarterly assessments of USTR's review of its progress in being a model employer for diversity, equity, inclusion, and accessibility.

6.8: Support efforts of USTR's Diversity, Equity, Inclusion and Accessibility (DEIA) Council to expand awareness within the agency of DEIA principles and their application, and to provide advice to the agency's leadership and administrative and human resources professionals.

6.9: Provide human capital services that maximize employee performance and engagement, affirmatively advance diversity, equity, inclusion and accessibility; use a systematic approach to embedding fairness in processes and practices that will recognize and work to redress inequities in current policies and processes that may serve as barriers to equal opportunity.

6.10: Manage a security program that provides appropriate levels of protection for USTR personnel, facilities and sensitive information in all situations.

6.11: Coordinate crisis management capabilities that ensure USTR can support its Primary Mission Essential Functions (PMEFs) and Mission Essential Functions (MEFs) with minimal disruption under different Continuity of Government Readiness Conditions.

6.12: Manage resources to maximize USTR's current and future capabilities; formulate the agency's budget and execute appropriations ensuring financial accountability with best financial management practices.

6.13: Manage USTR more efficiently and effectively and identify, monitor and mitigate operational risks.

6.14: Provide effective facilities management processes that enable USTR staff productivity.

6.15: Deliver information technology resources and systems that increase USTR's productivity, communicate trade benefits, and safeguard resources.

#### Accomplishments:

Effective communication and efficient implementation of the goals presented in the Strategic Plan require a workforce that is technically proficient and highly motivated. It also requires a supportive work environment for USTR's employees, its most valuable asset. USTR, through its annual performance goals, is implementing multi-year objectives in human capital planning, including succession planning, career and leadership development, space modernization and expansion, continuity of operations and establishing comprehensive security programs, training and information technology improvements. The Employee Viewpoint Survey informs USTR's efforts to focus on those areas of greatest need.

Highlights of USTR's accomplishments in FY 2023 include:

• Security Management & Emergency Preparedness. Facilitated process with the U.S. General Services Administration (GSA) to build a new restricted room and redesign two separate offices into SECRET level rooms, substantially increasing national classified security information capability for USTR officials. USTR spearheaded HR documentation and Scope of Work to implement the medical clearance process to ensure executive protection detail applicants are medically and psychologically cleared. USTR also successfully closed the five-year physical access control system contract and is developing a new, more efficient contract. USTR completed tasking ahead of schedule and confirmed compliance with Executive Order 13526, Fundamental Classification Guidance Review with Information Security Oversight Office.

- USTR also reorganized and redesigned existing office space, posts for guards, and relocated personnel to improve customer service while promoting team productivity and cohesion. and established and obtained agreement from Executive Office of the President/ Office of Administration (EOP/OA) Chief Security Officer to manage Visit Authorization Requests (VARs) for USTR moving forward. As a result, USTR submitted 40% more VARs from previous fiscal years. USTR enrolled a Criminal Investigator to obtain certification to become USTR's Firearm Instructor and Armorer and worked to adapt Law Enforcement Authority to augment Trade Act of 2021 for direct law enforcement authority for Criminal Investigators assigned to USTR.
- O USTR collaborated with GSA and completed multiple Facility Security Assessment Questionnaires in support of the Annex and Winder inspection conducted by DHS/FPS. In addition, USTR's Security Office identified need and worked with GSA and USTR Chief Facilities Officer to implement mobile screening process for inspecting large deliveries prior to arriving at USTR facilities. Further, USTR established comprehensive matrix used by Protective Security Officers to ensure GSA contractors accessing USTR spaces are properly vetted based on active contracts or daily service calls before being granted access. USTR also resolved significant issues, with minimal costs, affecting the use of restricted and frequently occupied classified rooms, resulting in ahead-of-schedule resolution and clear communication and updates.
- *Resource Management.* USTR executed the FY 2023 Budget during a unique fiscal year typified by a protracted set of Continuing Resolutions (CRs) and a later than usual Omnibus appropriation. USTR coordinated internally and within the Office of Administration/EOP Chief Financial Officer (CFO), and Office of Management and Budget (OMB), the numbers for the FY 2024 Budget request which included last minute changes and baseline derivation guidance. USTR also prepared, submitted and defended the FY 2024 Congressional Budget Justification to Congressional Committee staff. USTR closed out FY 2023 in exemplary fashion, ensuring highly efficient and effective use of USTR's appropriations; included managing budget resources to within 1% of general funds and 4% of TETF appropriations. In addition, USTR managed major critical budget and finance projects that required extraordinary expertise and effort, including substantial and unprecedented support for major ministerial meetings and trade negotiations. These major budget initiatives were consistently addressed expeditiously with due regard for financial efficiency and governing appropriations regulations and statutes.
  - Further, USTR fully funded its DEIA contract award and MAX replacement implementation. Provided next level enterprise customer service by specifically ensuring an on-site financial liaison for large trade events such as APEC and IPEF; provided 24/7 live support and responsiveness to pay for emergency costs and resolve financial issues while offices are in foreign travel status. USTR forged exceptional and productive working relationships and built coalitions with EOP Office of General Counsel, OA, U.S. Treasury Department (Treasury) and OMB to execute the complex USMCA omnibus appropriations requirements. USTR's budget office provided subject matter expertise and support to USTR's internal offices and other U.S. agencies such as DOL, the Department of the Interior, EOP components and Treasury who seek advice on critical policies, interagency agreements, and identification of payment modalities to ensure seamless coordination and execution of payments for large events such as APEC and IPEF.

- USTR thoughtfully and strategically continued to evolve the application of USTR's appropriations by identifying and executing opportunities to accurately leverage trust funds, USCMA, general and no year funds and prepared for the potential lapse in appropriations at the end of the fiscal year. As a result, USTR was ready in all respects for the lapse where the planning included an unprecedented level of activities and travel necessary for a prolonged shutdown period.
- O USTR coordinated and persevered with multiple State Department offices to finalize the major acquisition and delivery of the armored vehicle to Geneva. On staffing, USTR integrated new positions, absorbed and redistributed the workload keeping to all critical deadlines and maintaining a high level of customer service. By setting new standards, process reengineering and proactive engagement, USTR travel authorization to voucher and payment processes, with a special focus on customer service, was reduced from a 30-day turnaround in some cases to just seven days. USTR developed travel training guidance to ensure successful travel for the U.S. Trade Representative. Comprehensive USMCA near and long-term projections have contributed to the agency's ability to present to Congressional committees a request for extension of USMCA funds, key to the Administration's success in monitoring and enforcement of USMCA. USTR received clean Government Purchase Card audit in FY 2022 from OA CFO, exemplifying the agency's detailed monitoring and understanding of micro purchases and most importantly proper use of Representational Funds.
- General Administration and Management. Throughout FY 2023, USTR coordinated proactively and internally to address all special conferencing needs; consistently provide conference planning support for all meetings as soon as they are determined and often at the last moment (food, flags, audiovisual). USTR completed the USTR Electronic Records Schedule; brought aboard the new Records Management Officer with a focus on implementing the agency's electronic management program; revised agency-wide records management fundamentals training course that meets the National Archive's (NARA) annual records management training requirement; and completed the required 2023 Records Management Self-Assessment.
  - USTR also continued responding to the Government Accountability Office's (GAO) Report on Executive Agencies' handling of the FY 2019 Government Shutdown, which included five recommendations for action by USTR. We provided initial information efficiently and effectively closed out all but one of the remaining recommendations during FY2023. Detailed plans and procedures per the GAO's recommendations continued to be instrumental in preparing for the potential shutdown at the end of FY 2023. USTR ensured that the workforce was updated on potentially impactful major issues, e.g., shutdown, COVID-19 pandemic; inclement weather, GSA projects and sought means to mitigate impact of any potential workforce disruptions, such as encouraging use of workplace flexibilities. USTR also developed the agency's Work Environment Plan preparing facilities and staff for more onsite work.
- Facilities Management. USTR provided unwavering support for all agency Washington, DC-based employees. All major facilities issues were expeditiously handled, minimizing interruptions to staff. USTR coordinated closely with GSA management and building management to expeditiously address all agency building facilities problems, ensure concerns were addressed and that repairs were consistently completed in a timely manner in FY23. USTR had monthly meetings with GSA to

assure they addressed all facilities related problems in a timely manner and followed up as necessary to get projects completed. USTR assured that Centers for Disease Control (CDC)/GSA COVID-19 guidelines were maintained in all facilities. In resetting offices, USTR coordinated internally to clear hallways of excess furniture, and that furniture was removed and replaced, as necessary. USTR continued work with GSA to explore providing Americans with Disabilities Act (ADA) compliant access for a core facility. USTR also completed HVAC piping replacement and coordinated with GSA on HVAC replacement and built a nursing mother's room in another core office space. Throughout FY 2023, funding, scope of work, and acquisition continued.

- *Information Technology (IT) and Communications Management*. In FY 2023, USTR developed products and infrastructure to complement agency modernization; focused on continued transformation with business processes and technology. USTR adapted the agency to the realities of remote and hybrid work, coordinating closely to meet mission needs. USTR also completed many noteworthy and critical upgrades and improvements to a number of IT applications.
  - USTR completed data migration to correspondence management systems and ensuring unified datasets for correspondence case records. The agency also updated and resolved file type conflicts without impacting users; completed Telework and Remote Work Applications; implemented all requirements for National Trade Estimate (NTE), Trade Policy Agenda and Annual Report (AR) 2022/2023 document libraries for past Document Review cycles; trained drafters for the upcoming NTE and AR Document Review cycle; and rolled out video teleconferencing (VTC) application. USTR also completed critical technology conversions.
  - USTR assisted in the removal and reinstallation of critical secure communications equipment due to flooding in secure facilities, installed new video conferencing equipment for hybrid meetings; installed video, audio and infrastructure for systems supported IPEF meetings in Asia with secure control rooms and associated modifications for executing negotiations; and completed Geneva office printer upgrades.
- Human Capital Management. USTR ensured seamless transition for continuity in leadership and insightful guidance in dealing with personnel issues (e.g., Equal Employment Opportunity complaints and grievances). USTR also assigned office portfolios for recruitment and staffing to improve operations and efficiency and strengthen customer engagement. In FY 2023, USTR researched guidance, policy and regulations and completed manual pay calculations to identify and resolve pay issues for the executive protective detail (EPD) team. USTR also proposed, developed, and implemented an internal mentoring program to advance professional and career development for junior and mid-level staff members. USTR also initiated a contract to develop its DEIA strategic plan.
  - In FY 2023, USTR designed a program to establish mandatory supervisory training program to increase knowledge of and compliance with personnel programs. USTR also instituted biweekly internal Office of Human Capital Service team training meetings to develop growth and increase knowledge of human capital program, as well as to strengthen internal operations and deliver enhanced customer service. USTR works internally and closely on personnel issues, provides advice on policy and procedures, and supplies needed records and data.
  - USTR established communication with several Veteran Recruitment Coordinators to widen dissemination of job opportunity announcements to reach wider candidate population and collaborated with the Operation Warfighter Program to explore a potential partnership to

augment agency intern program with no cost to the agency. There are internal staffing consultation meetings to identify gaps and address staffing needs to inform staffing review decisions. USTR also conducts weekly meetings with OA recruitment and staffing team to communicate potential actions and ensure timely submission and resolution of any issues or concerns.

# **GLOSSARY OF ACRONYMS**

AD	Antidumping
AGOA	African Growth and Opportunity Act
AfCFTA	African Continental Free Trade Area
APEC	Asia Pacific Economic Cooperation
APEP	Americas Partnership for Economic Prosperity
ASEAN	Association of Southeast Asian Nations
BIT	Bilateral Investment Treaty
BOP	Balance of Payments
CACM	Central American Common Market
CAFTA	Central American Free Trade Area
CAFTA-DR	Dominican Republic-Central America Free Trade Agreement
CARICOM	Caribbean Common Market
CERT	COOP Emergency Response Team
CBERA	Caribbean Basin Economic Recovery Act
CBI	Caribbean Basin Initiative
CFTA	Canada Free Trade Agreement
CFIUS	Committee on Foreign Investment in the United States
CITEL	Telecommunications division of the OAS
COMESA	Common Market for Eastern & Southern Africa
CSC	Capital Sharing Cost
СООР	Continuity of Operations
CTE	Committee on Trade and Environment
CTG	Council for Trade in Goods
CVD	Countervailing Duty
DDA	Doha Development Agenda
DEIA	Diversity, Equity, Inclusion and Accessibility
DSB	Dispute Settlement Body
DSU	Dispute Settlement Understanding
E-3	Expanded Economic Engagement Initiative
EAC	East African Community
EAI	Enterprise for ASEAN Initiative
EFTA	European Free Trade Association
EOP	Executive Office of the President
EPA	Environmental Protection Agency
ERB	Executive Resources Board
EU	European Union

FIRRMA	Foreign Investment Risk Review Modernization Act
FOIA	Freedom of Information Act
FTA	Free Trade Agreement
FTAA	Free Trade Area of the Americas
FTE	Full-Time Equivalent
FWS	Fish and Wildlife Service
GATS	General Agreements on Trade in Services
GATT	General Agreement on Tariffs and Trade
GDP	Gross Domestic Product
GEC	Global Electronic Commerce
GPA	Government Procurement Agreement
GSA	General Services Administration
GSP	Generalized System of Preferences
HLWG	U.SEU High Level Working Group on Jobs and Growth
ICASS	International Cooperative Administrative Support Services
	(cost allocations by State Department for services rendered)
ICTIME	Interagency Center on Trade Implementation, M & E
IFI	International Financial Institutions
	International Labor Organization
IPR	Intellectual Property Rights
IPEF	Indo-Pacific Economic Framework for Prosperity
ITA	Information Technology Agreement
ITA	Information Technology Agreement
	Information and Communication Technology
ITEC	Interagency Trade Enforcement Center
JCCT	U.SChina Joint Commission on Commerce and Trade
LDBDC	Least Developed Beneficiary Developing Country
MAI	Multilateral Agreement on Investment
MENA	Middle East and North Africa
MERCOSUL/MERCOSUR	Southern Common Market
MFA	Multifiber Arrangement
MFN	Most Favored Nation
MOSS	Market-Oriented, Sector-Selective
MOU	Memorandum of Understanding
MRA	Mutual Recognition Agreement
NAFTA	North American Free Trade Agreement
NEC	National Economic Council
NEI	National Export Initiative
NGO	Non-Governmental Organization
	1.01 Sovermental organization

NOAA NIS	National Oceanic and Atmospheric Administration Newly Independent States
NSC	National Security Council
NTE	National Trade Estimates
NTR	Normal Trade Relations
OA/CIO	Office of Administration/Chief Information Officer
OA/CFO	Office of Administration/Chief Financial Officer
OAS	Organization of American States
OECD	Organization for Economic Cooperation and Development
OMB	Office of Management and Budget
OPIC	Overseas Private Investment Corporation
PNTR	Permanent Normal Trade Relations
PSD	Presidential Study Directive
ROU	Record of Understanding
S&ED	U.SChina Strategic and Economic Dialogue
SACU	Southern African Customs Union
SADC	Southern African Development Community
SADC	Senior Executive Service
SME	Small and Medium Size Enterprise
SPS	Sanitary and Phytosanitary Measures
SRM	Specified Risk Material
STIP	US-Kenya Strategic Trade and Investment Partnership
TAA	Trade Adjustment Assistance
TABD	Trans-Atlantic Business Dialogue
TACD	Trans-Atlantic Consumer Dialogue
TAEVD	Trans-Atlantic Environment Dialogue
TALD	Trans-Atlantic Labor Dialogue
TBT	Technical Barriers to Trade
TEC	Transatlantic Economic Council
ТЕР	Transatlantic Economic Partnership
TICFA	Trade and Investment Cooperation Forum Agreement
TIFA	Trade & Investment Framework Agreement
TIP	Trade and Investment Partnership
TISA	Trade in Services Agreement
ТРА	Trade Promotion Authority
TPC	Trade Policy Committee
TPP	Trans-Pacific Partnership
TPRG	Trade Policy Review Group
TPSC	Trade Policy Staff Committee
TRIMS	Trade Related Investment Measures

TRIPS	Trade Related Intellectual Property Right
T-TIP	Transatlantic Trade and Investment Partnership
TTC	U.SE.U. Trade & Technology Council
UAE	United Arab Emirates
UNCTAD	United Nations Conference on Trade & Development
UNDP	United Nations Development Program
URAA	Uruguay Round Agreements Act
USDA	U.S. Department of Agriculture
USITC	U.S. International Trade Commission
USMCA	U.S. Mexico Canada Agreement
USTR	Office of the United States Trade Representative
VRA	Voluntary Restraint Agreement
WAEMU	West African Economic & Monetary Union
WB	World Bank
WTO	World Trade Organization