

America Is Ready to Do Business

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As America's economic recovery continues, President Obama is doing everything possible to build a strong foundation for future growth. The President's blueprint for an America built to last calls for Americans to make, grow and provide products the rest of the world will buy. To support this goal, US trade policy focuses on opening markets and securing a level playing field for US exporters.

During the past three years, the Obama administration has advanced a practical, principled and balanced approach to trade. Close work with stakeholders and Congress has helped to build support for trade agreements that truly open markets and make sense for the American people as both producers and consumers. Stepping up trade enforcement, the Obama administration has pursued cases on China at essentially twice the rate of the previous seven years. And last year, the Administration secured congressional approval of three trade agreements with Korea, Colombia and Panama, along with legislation to renew two trade preference programs and strengthened Trade Adjustment Assistance—all on one historic day.

This year, the Obama administration is moving full speed ahead with a busy trade agenda that will keep us on pace to achieve President Obama's National Export Initiative goal of doubling US exports by 2015. While pursuing ambitious market-opening measures, the Administration is doubling down on strong trade enforcement with a whole-of-government approach to combating unfair trade practices. President Obama is confident that American producers can compete anywhere the playing field is level, so the Administration is leading efforts to strengthen the rules-based global trading system and achieve greater international trade liberalization. The brief summary of trade priorities below illustrates a wide range of initiatives the Administration is advancing in pursuit of better jobs for more Americans and increased trade that builds greater prosperity for all.

The most economically significant US trade agreement to be approved in 17 years, the United States-Korea trade agreement is expected to increase US goods exports by an estimated \$11 billion based on tariff cuts alone, and support at least an estimated 70,000 jobs in America once it is fully implemented. Many of these job-building benefits began when the agreement took effect on March 15, 2012. US officials are also working with the Governments of Colombia and Panama to ensure requirements are met so that those agreements can be implemented as quickly as possible.

The Trans-Pacific Partnership (TPP) is a flagship initiative and top trade priority for the Obama administration this year. The TPP provides an unprecedented opportunity to advance the United States' multifaceted trade and investment interests in the dynamic Asia-Pacific region, where experts estimate that economies will grow faster than the world average through 2016. Building on the broad outlines announced last November in Honolulu,

the United States will seek to conclude in 2012 a landmark, high standard TPP agreement with like-minded partners, including Australia, Brunei Darussalam, Chile, Malaysia, New Zealand, Peru, Singapore and Vietnam. The agreement will address new cross-cutting issues such as promoting regulatory coherence among the countries, including with respect to sanitary and phytosanitary measures; enhancing the participation of small businesses in Asia-Pacific trade; and building regional supply chains that promote US jobs. Collectively, TPP partners will decide on the entry of additional countries that have expressed interest in joining the negotiations, including Canada, Japan and Mexico. In ongoing bilateral consultations with these potential partners, the United States continues to make clear that any new participants must be able to meet the high standards agreed by all TPP negotiating partners and be prepared to address specific issues of concern.

While working to open markets, the Obama administration actively enforces US trade agreements to make sure that American businesses and workers get all the job-building benefits our negotiators secure at the bargaining table. In February, President Obama issued an Executive Order to create the Interagency Trade Enforcement Center (ITEC). The ITEC brings a new “whole-of-government” approach to addressing unfair trade practices. Moving forward, the Administration will continue to deploy creative and effective enforcement strategies that hold US trading partners accountable, because American producers must be able to compete in world markets where intellectual property is protected, where agricultural and industrial standards are based on science, and where transparent rules and regulations are applied without discrimination. Accordingly, US enforcement priorities will be appropriately targeted to address the most commercially-significant challenges facing American workers and businesses, as well as emerging issues that have important implications for the future of the rules-based global trading system.

Vigilantly enforcing rules and asserting US trade rights daily, the Obama administration constantly seeks to enhance and expand trade and investment relationships with countries around the world. This continuous pursuit of enhanced trade to support American jobs extends across all geographic regions and all major economic sectors. For example, the United States is engaging with the European Union this year through a High-Level Working Group on Jobs and Growth to deepen and enhance the strong transatlantic trade and investment relationship, which already sustains several millions of jobs in the United States, and has the potential to sustain more. Working with the European Union, the United States aims to identify new opportunities to enhance international competitiveness and job creation in both markets.

The United States is working with regional partners in a Trade and Investment Partnership Initiative in the Middle East and North Africa. This effort will include a broad set of initiatives, including agreements, where appropriate, designed to increase job-supporting trade and investment between the United States and the region, as well as within the region. This initiative will build on specific steps taken in 2011 and early 2012 with a number of partners to boost trade, expand investment, and support small- and medium-sized enterprises.

The United States also seeks to make additional progress with countries in sub-Saharan Africa and the Western Hemisphere. For example, the Obama administration is eager to work with Congress right away to pass legislation that extends the third-country fabric provision of the African Growth and Opportunity Act (AGOA) to 2015 and identifies South Sudan as a listed sub-Saharan African country, as well as legislation to make technical corrections to the textile and apparel rules of origin in the Dominican Republic-Central America Free Trade Agreement (CAFTA-DR). At the same time, the Administration intends to work with Congress and AGOA partners toward defining and achieving a seamless renewal of AGOA beyond 2015. And while moving quickly to implement new agreements with Colombia and Panama, the United States is working with partners throughout the Western Hemisphere to enlarge the benefits of existing agreements by exploring new areas to promote enhanced trade, such as regulatory cooperation.

Large and growing markets like China, India and Brazil present US exporters with significant opportunities. To be sure, each market presents different barriers to trade and investment. But emerging economies offer tremendous potential to support additional American jobs through trade that provides American producers with access to billions of international customers. Therefore, the Obama administration utilizes all available resources to identify, address and remove barriers to trade and investment between the United States and these growing markets.

Russia, the largest market currently outside of the World Trade Organization's rules-based trading system, is on track to join the WTO this year. The accession of Russia will spur trade and support significant job growth in both the United States and Russia as a result of increased access to Russia's market and requirements for Russia to comply with the same rules that apply to us and other WTO members. And to ensure that American firms and American exporters will enjoy the same benefits of Russia's WTO membership as their international competitors, the Obama administration will seek legislation from Congress to terminate application of the Jackson-Vanik amendment and grant President Obama the authority to extend permanent normal trade relations status to Russia as soon as possible.

Through bilateral efforts and on a regional and global basis, the United States will continue to provide crucial international leadership on trade. At the World Trade Organization, US officials continue to look for fresh, credible approaches to market-opening trade negotiations. The United States remains open to pursuing progress under the framework of the Doha Round where there are reasonable prospects for producing significant results. And US officials engage daily with other WTO members to ensure that the vital, ongoing work of the WTO's various committees remains vigorous and relevant to the world we live in. At the same time, the United States stands ready to consider other options where more progressive WTO members have expressed interest, such as services.

These initiatives along with ongoing efforts will help contribute to the goal the President set two years ago of doubling US exports over five years. Speaking at the Asia Pacific Economic Cooperation Leaders' Summit in Honolulu last fall, President Obama said: "My message to all our trading partners, to other countries, is: 'If you are playing by

the rules, then America is ready to do business.’” In 2012, the path is clear for continued progress on critical initiatives to increase US exports and support American jobs. The Obama administration looks forward to vigorous engagement this year with the American people, with Congress, and with global trading partners to increase trade and exports by job-creating US businesses of every size, bringing trade’s benefits home to America’s working families.