

VI. TRADE POLICY DEVELOPMENT

A. Trade Capacity Building (“Aid for Trade”)

The President’s approach to global development, as outlined in the Presidential Policy Directive on Global Development released on September 22, 2010, addresses the new strategic context faced by the United States through the following three pillars:

- A policy focused on sustainable development outcomes that places a premium on broad-based economic growth, democratic governance, game-changing innovations, and systems for meeting basic human needs;
- A new operational model that positions the United States to be a more effective partner and to leverage U.S. leadership; and
- A modern architecture that elevates development and harnesses development capabilities spread across the U.S. Government in support of common objectives – including a deliberate effort to leverage the engagement of and collaboration with other donors, foundations, the private sector, and NGOs – not just at the project level, but systemically.

USTR participated actively in the preparation of this strategy and remains active in its implementation. USTR has continued to work closely with the U.S. Department of State, USAID, MCC, USDA, and other U.S. Government agencies to support countries in their capacity to trade, as described in this section.

Trade policy and development assistance are key tools that together can help alleviate poverty and improve economic opportunities. Through “Aid for Trade,” the United States focuses on helping developing countries integrate into the global trading community. Support to countries, in the form of training and technical assistance can help them make decisions regarding the benefits of trade arrangements and reforms; implement their obligations under international and regional agreements to bring certainty to their trade regimes; and enhance these countries’ ability to take advantage of the opportunities of the multilateral trading system and compete in a global economy. Accordingly, U.S. assistance addresses a broad range of issues so that communities, rural areas, and small businesses, including female entrepreneurs, benefit from ambitious reforms in trade rules negotiated in the WTO and in other trade fora.

An important element of this work involves coordinating U.S. Government technical assistance activities with those of international institutions in order to identify and take advantage of donor synergies in programming and avoid duplication. Such institutions include the WTO, the World Bank, the IMF, the regional development banks, and the United Nations. The United States, led by USTR at the WTO and by the U.S. Department of the Treasury at various international financial bodies, works in partnership with these institutions and other donors to ensure that, where appropriate, trade-related assistance is an integral component of development programs tailored to the circumstances within each developing country.

U.S. efforts build on our longstanding commitment to help partner countries benefit from the opportunities provided by the global trading system, both through bilateral assistance and multilateral institutions. U.S. bilateral assistance includes programs such as targeted assistance for developing countries participating in U.S. preference programs; coordination of assistance through Trade and Investment Framework Agreements (TIFAs); trade capacity building (TCB) working groups that are an integral part of preparing developing country partners for potential negotiations on Free Trade Agreements (FTAs); and Committees on TCB created to aid in the negotiation and/or implementation of a number of FTAs, including the FTAs

with the Dominican Republic and Central America, Colombia, Panama, and Peru, and for some partners in the ongoing Trans-Pacific Partnership negotiations. The United States also provides bilateral assistance to developing countries to enable them to work with the private sector and nongovernmental organizations to transition to a more open economy, to prepare for WTO negotiations, and to abide by their trade obligations. Multilaterally, the United States has and will continue to support trade-specific assistance mechanisms like the Enhanced Integrated Framework for Trade-Related Assistance to Least-Developed Countries and the WTO's Global Trust Fund for Trade-Related Technical Assistance.

1. The Enhanced Integrated Framework

The Enhanced Integrated Framework for Trade-Related Assistance to Least-Developed Countries (EIF) is a multi-organization, multi-donor program that operates as a coordination mechanism for trade-related assistance exclusively to least-developed countries (LDCs), with the overall objective of integrating trade into national development plans. Participating organizations include the WTO, World Bank, IMF, UNCTAD, UNDP, UNIDO (observer), UNOPS (as Trust Fund Manager), World Tourism Organization (UNWTO – observer), and the International Trade Center. The mechanism incorporates a country-specific diagnostic assessment, called the Diagnostic Trade Integration Study (DTIS), which aims to identify constraints to competitiveness, supply chain weaknesses, and sectors of greatest growth or export potential. The DTIS includes an action plan, consisting of a list of priority reforms identified by the DTIS, which is offered to multilateral and bilateral donors. Project design and implementation can be accomplished through the resources of the EIF Trust Fund or through multilateral or bilateral donor programs in the field (as the United States does through its development assistance programs).

The EIF aims to further the integration of LDCs into the multilateral trading system. Fifty countries have been engaged with the EIF, including three countries that have graduated from LDC status – Cabo Verde, Maldives, and Samoa. As of December 2015, a total of 142 projects, including 45 DTIS and DTIS updates, were already underway in 48 countries. The EIF is supported by 23 donors. Institutionally, the EIF is overseen by a Board of Directors, composed of donor countries, LDCs, and participating international organizations. The EIF Secretariat, led by an executive director, is responsible for programmatic implementation, while the EIF Trust Fund Manager is responsible for financial aspects of the program.

The United States supports the EIF primarily through complementary bilateral assistance to EIF participating countries. USAID bilateral assistance to LDC participants supports initiatives both to integrate trade into national economic and development strategies and to address high priority capacity building needs designed to accelerate integration into the global trading system.

LDCs, EIF partner agencies, and EIF donors, including the United States, engaged in intense reform and redesign efforts in 2015 to create a more effective and efficient EIF Phase Two (2016-2022) based on consultations and a 2014 Comprehensive Evaluation of EIF Phase 1 (2009-2017).

2. U.S. Trade-Related Assistance under the World Trade Organization Framework

International trade can play a major role in the promotion of economic growth and the alleviation of poverty. WTO Members recognize that TCB can facilitate effective integration of developing countries into the international trading system and enable them to benefit further from global trade. The United States provides leadership in promoting trade and economic growth in developing countries through a wide range of TCB activities. The United States also directly supports the WTO's trade-related technical assistance.

Global Trust Fund

The United States supports the trade-related assistance activities of the WTO Secretariat through voluntary contributions to the DDA Global Trust Fund (DDAGTF). With an additional contribution of \$1 million in November 2015, total U.S. contributions for WTO technical assistance have reached over \$16 million since 2001. In 2015, the United States urged the Secretariat, in administering the funds, to devote particular attention to responding to requests for assistance from those developing country members working to implement the Trade Facilitation Agreement. In 2016, the United States will continue to serve on the Steering Committee that will evaluate WTO trade-related technical assistance from 2010 to 2015, including assistance funded by the DDAGTF, to assess effectiveness and efficiency.

WTO's Aid for Trade Initiative

The WTO's 2005 Hong Kong Ministerial Declaration created a new WTO framework to discuss and prioritize Aid for Trade. In 2006, the Aid for Trade Task Force was created to operationalize Aid for Trade efforts and offer recommendations to improve the efficacy and efficiency of these efforts among WTO Members and other international organizations. The United States continues to be an active partner in the Aid for Trade discussion.

WTO and Trade Facilitation

The United States has provided substantial assistance over the years in the areas of customs and trade facilitation, and remains committed to continued support in light of the WTO Trade Facilitation Agreement (TFA). Following conclusion of the TFA negotiations in December 2013, U.S. assistance helped prepare a number of countries to understand and implement the TFA. USAID supported over 28 countries in conducting WTO Trade Facilitation Needs assessments. Working with the Southern African Development Community, USAID assisted in creating a comprehensive trade facilitation plan for the regional economic community. Assistance has been provided to a number of the National Trade Facilitation Committees that are required under the TFA, for example in Ghana, Serbia, Vietnam, Guatemala and Honduras. Direct assistance in support of simplifying customs procedures was also provided in such places as Cote d'Ivoire, Chile, Malaysia and Vietnam. Several governments have also received assistance with implementing Single Window customs procedures through ASEAN and throughout Southern Africa.

On December 17, 2015, the Global Alliance for Trade Facilitation was launched during the 10th Ministerial Conference of the WTO as a unique, multi-stakeholder platform that leverages business and development expertise for commercially meaningful reforms. The United States catalyzed the creation of this initiative and is a founding donor, joined by the governments of Australia, Canada, Germany and the United Kingdom. The Secretariat of the Alliance is hosted by the Center for International Private Enterprise, the International Chamber of Commerce, and the World Economic Forum. The Alliance aims to accelerate ambitious trade facilitation reforms for robust economic growth and poverty reduction.

WTO Accession

The United States provides technical assistance to countries that are in the process of acceding to the WTO and for post-accession implementation. WTO accession assistance was specifically provided to Afghanistan, Laos, Liberia and Serbia in 2015. In addition, Albania, Georgia, Macedonia, Morocco, Nigeria, Nepal, Tajikistan, Ukraine, and Vietnam continue to receive assistance with implementing their membership commitments.

3. TCB Initiatives for Africa

Through bilateral and multilateral channels, the United States has invested more than \$5.2 billion in trade-related projects in sub-Saharan Africa since 2001 to spur economic growth and alleviate poverty.

Africa Competitiveness and Trade Expansion Initiative

During the August 2014 African Leaders Summit (ALS), President Obama stated that the U.S. Government will be increasing its support for building trade and investment capacity in Africa. Through the African Competitiveness and Trade Expansion (ACTE) Initiative, the Administration committed to provide \$30 million per year for FY 2012 through FY 2015 to improve Africa's capacity to produce and export competitive, value-added products, including those that can enter the United States duty free under the African Growth and Opportunity Act (AGOA), and to address supply-side constraints that impede African trade. ACTE has supported the work of three regional trade hubs in Africa, in the east, west and south; and has helped enhance trade opportunities for Africans and Americans alike. Prior to the ALS in August 2014, President Obama issued a Presidential Memorandum establishing an interagency Trade and Investment Capacity Building Steering Group tasked with providing recommendations for the coordinated, strategic use of U.S. Government programs aimed at supporting trade and investment capacity building efforts in sub-Saharan Africa. In concert with the Steering Group's work, the United States has now increased its commitment to trade and investment capacity building in the region to \$75 million annually for FY 2015 and FY 2016. This increase in funding has permitted the broadening of the scope of the three hubs to become trade and investment hubs and the expansion of the Trade Africa initiative beyond the East African Community to new partnerships with Cote d'Ivoire, Ghana, Mozambique, Senegal, Zambia, and the Economic Community of West African States (ECOWAS). *(See the section on Sub-Saharan Africa, Chapter III.B.6, for more information on the Steering Group and Trade Africa.)*

Assistance to West African Cotton Producers

Since 2005, the United States has mobilized its development agencies, including USAID, USDA, and the U.S. Trade and Development Agency, to help the West African countries of Benin, Burkina Faso, Chad, Mali, and Senegal address obstacles they face in the cotton sector. A key element in U.S. assistance to the cotton sector in West Africa has been USAID's West Africa Cotton Improvement Program (WACIP), which was implemented from December 2006 to November 2013. The program has boosted the productivity and profitability of the cotton sector in these West African countries. The WACIP raised smallholder incomes and food security through increased cotton and rotational food crop yields.

With the completion of WACIP, USAID created a successor program, the C-4 Cotton Partnership (C4CP), which also aims to increase food security and incomes for cotton farmers in targeted areas of Benin, Burkina Faso, Chad and Mali (known as the four cotton-producing countries, or "C-4"). These programs are the U.S. Government's direct response to concerns raised by the C-4 at WTO meetings, and demonstrates U.S. support for increased cotton productivity and participation in world trade by the C-4. The C4CP will be implemented from 2014-2018 and will raise the incomes of cotton producers and processors by introducing competitive and sustainable strategies to boost farm productivity and improve post-harvest processes. The project works to forge partnerships with a wide array of regional and national actors and stakeholders in the value chains for cotton and its rotational crops in the C-4, to leverage resources and scale-up the dissemination of technical packages produced by the project. The project also addresses the challenges women face in cotton-producing households, introducing economic and social strategies to benefit these farmers.

The United States also provides complementary support to the cotton sector through other programs, including MCC compacts and USDA programs such as Food for Progress, the Borlaug Programs, and the Cochran Program.

4. Free Trade Agreements

In addition to the WTO programs, the United States helps U.S. FTA partners implement FTA commitments, and benefit over the long term through TCB working groups and other FTA-related projects. The United States and FTA partners have held TCB Committee meetings to prioritize and coordinate TCB activities during the transition and early implementation periods once an FTA enters into force. USAID and USDA, in Washington and through their field presence, along with a number of other U.S. Government assistance providers, actively participate in these working groups and committees so that identified TCB needs can be quickly and efficiently incorporated into ongoing regional and country assistance programs. The Committees on TCB also invite non-governmental organizations, representatives from the private sector, and international institutions to join in building the trade capacity of the countries in each region.

USTR works closely with USAID, the U.S. Department of State, and other agencies to track and guide the delivery of TCB assistance related to FTA commitments. Trade capacity building programs and planning in other areas continued throughout 2015. For example, USAID and other donors, including USDA, the Department of State, and the Department of Commerce, carried out bilateral and regional projects with the CAFTA-DR partner countries. The United States also works closely on a number of environmental and labor cooperation programs that support implementation of the environment and labor obligations in our trade agreements. *(For additional information, please refer to the individual country, region, labor, and environment-specific sections of this report.)*

5. Standards Alliance

In November 2012, the United States launched a new U.S.-sponsored assistance facility called the “Standards Alliance” with the goal of building capacity among developing countries to implement the WTO TBT Agreement. The Standards Alliance, initiated as a result of collaboration between USTR and USAID, provides resources and expertise to enable developing countries to strengthen implementation of the TBT Agreement. The focus of these efforts in developing countries is shaped through an interagency process guided by USTR and USAID, and includes efforts: to improve practices related to notification of technical regulations and conformity assessment procedures to the WTO; to strengthen domestic practices related to adopting relevant international standards; and to clarify and streamline regulatory processes for products. This program aims to reduce the costs and bureaucratic hurdles U.S. exporters face in foreign markets and increase the competitiveness of U.S. products, particularly in developing markets.

In May 2013, USAID entered into a public-private partnership with the American National Standards Institute (ANSI). (ANSI is the official U.S. representative to the International Organization for Standardization (ISO); its membership comprises numerous standards setting organizations and firms.) The USAID-ANSI partnership coordinates private sector subject matter experts from ANSI member organizations in the delivery of training and other technical exchange with interested Standards Alliance countries on international standards and best practices. In coordination with USTR, the USAID-ANSI partnership includes activities in numerous markets representing a variety of geographical regions and levels of economic development. In consultation with TPSC member agencies and private sector experts, ANSI requested and reviewed applications for assistance based on consideration of bilateral trade opportunities, available private sector expertise that may be leveraged, demonstrated commitment and readiness for assistance, and potential development impact. Participating countries and regions for the first year include: Central America (CAFTA-DR, Panama), Colombia, the East African Community, Indonesia,

Middle East/North Africa, Peru, Southern Africa Development Community, and developing ASEAN members.

The highlights of Standards Alliance programming in 2015 include:

- A conference on the evaluation and use of food additives, held in El Salvador for eight Central American countries (January 2015);
- Publication of a uniform plumbing code for Indonesia, developed through an open, consensus process (March 2015);
- An exchange on good regulatory practices, held in South Africa with the South African Development Community (June 2015);
- A workshop on automotive standards and technical regulations held on the margins of the APEC Automotive Dialogue (August 2015); and
- A workshop in Colombia on the WTO Code of Good Practice (May 2015) and an orientation visit by Colombian officials to Washington to meet with U.S. regulators, standards organizations, and other stakeholders (December 2015).

Beginning in late 2015, the Standards Alliance increased the number of participating countries to include additional countries in sub-Saharan Africa. Staff from ANSI conducted a preliminary needs assessment in Ghana in October 2015, with additional assessments scheduled for 2016.

B. Public Input and Transparency

Reflecting President Obama's commitment to an open policy system drawing from the widest array of stakeholders in business, civil society, academia, and other groups, USTR has broadened opportunities for public input, created new institutional guarantees of public access including the milestone appointment of a Chief Transparency Officer and the formalization of comprehensive Guidelines for Consultation and Engagement, and increased the transparency of trade policy through initiatives carried out by USTR's Office of Intergovernmental Affairs and Public Engagement (IAPE).

IAPE works with USTR's Office of Public and Media Affairs and with regional and functional offices across the agency to ensure that timely trade information is available to the public and disseminated widely to stakeholders. This is accomplished in part via USTR's interactive website; online postings of *Federal Register* Notices soliciting public comment and input and publicizing Trade Policy Staff Committee (TPSC) public hearings; increasing transparency in all trade negotiations; managing the agency's outreach and engagement to a diverse set of all stakeholder sectors including small and medium-sized businesses, agriculture groups, environmental organizations, industry groups, labor unions, consumer advocacy groups, non-governmental organizations, academia, think tanks, trade associations, and State and local Governments; and advocating the President's robust trade agenda to audiences at major domestic trade events and conferences. In addition to public outreach, IAPE is responsible for administering USTR's statutory advisory committee system created by the U.S. Congress under the Trade Act of 1974 as amended, as well as facilitating consultations with State and local Governments regarding the President's trade priorities and the status of current trade negotiations which may impact them. Each of these elements is discussed in turn below.

1. Transparency Guidelines and Chief Transparency Officer

The Bipartisan Congressional Trade Priorities and Accountability Act of 2015 marked a watershed not only in the ambitious negotiating objectives it set for the United States, but in the reforms it brings to the American trade policymaking process. The Act set a goal of improving Congressional oversight of

negotiations and enforcement, encouraging public participation in policymaking, broadening stakeholder access and input, and ensuring senior-level institutional attention to transparency across the range of USTR work. After its passage in June 2015, USTR formalized guidelines ensuring that policymaking reflects these priorities. These included:

- *Chief Transparency Officer:* The Act directed USTR to appoint a senior agency official to serve as Chief Transparency Officer, charged with taking concrete steps to increase transparency in trade negotiations, engage with the public, and consult with Congress on transparency policy. In September, Ambassador Froman appointed USTR General Counsel Timothy Reif to this position, drawing on Mr. Reif's unique depth of experience in legislation, work with Congress, and enforcement to ensure that the new position would be represented at a senior level at a critical time in trade policy, as negotiations on the Trans-Pacific Partnership (TPP) moved toward completion and negotiations continue on the Transatlantic Trade and Investment Partnership (T-TIP), the Trade in Services Agreement (TiSA), and the Environmental Goods Agreement (EGA), among others, and the implementation of the Information Technology Agreement (ITA)
- *Consultation with Congress:* Under the new transparency guidelines, USTR has formalized procedures to broaden access to negotiating texts and further encourage Congressional participation. For example, USTR will make U.S. text proposals and consolidated text of agreements under negotiation available to professional staff of the Committees on Finance and Ways and Means with an appropriate security clearance, professional staff from other Committees interested in reviewing text relevant to that Committee's jurisdiction, personal office staffers with appropriate clearance of a member of the Committees on Finance and Ways and Means, and personal office staff with appropriate clearance accompanying his or her Member of Congress. USTR will also accredit to negotiating rounds any member of the House or Senate Advisory Group on Negotiations, or any member designated a congressional advisor on trade policy and negotiations by the Speaker of the House or the President pro tempore of the Senate (in both cases after consultation with the Chairman and Ranking member of the appropriate committees of jurisdiction.
- *Public Engagement:* The new transparency guidelines also formalize existing and new means of access for the public and interested stakeholders to policymaking. These new means of access include regular information releases including the schedules of negotiating rounds, published summaries of negotiating objectives issued at least 30 days before initiating negotiations for a trade agreement, publication of Federal Register Notices for each agreement under consideration, public hearings on negotiations and other trade priorities (e.g. the hearing held in January 2016 on the future of U.S.-Africa trade relations); regular public events during negotiations in which stakeholders and the public can meet directly with USTR negotiators directly involved in particular agreements; and other means.

2. Public Outreach

Federal Register Notices Seeking Public Input/Comments and Public Hearings

Throughout 2015, USTR issued no fewer than 11 *Federal Register* Notices online to solicit public comment on negotiations and policy decisions, on a wide range of issues including renewal of the African Growth and Opportunity Act and the review of South African AGOA eligibility, implementation of the WTO's Government Procurement Agreement, public input on the National Trade Estimate report for 2015, the functioning of the Generalized System of Preferences and the Caribbean Basin trade preference program,

and other topics. Public comments received in response to *Federal Register* Notices are available for inspection online at <http://www.regulations.gov>.

USTR also held public hearings regarding a variety of trade policy initiatives, including renewal of the African Growth and Opportunity Act, additions of products to the Generalized System of Preferences, and implementation of the Russian and Chinese WTO accession agreements. These hearings were web-cast live, and the submissions of all parties posted online.

Policy Initiatives to Increase Transparency

With the newly established guidelines in place, USTR continues to take steps in specific issue areas to increase transparency and augment opportunities for public input into policymaking and implementation of agreements. For example:

- *Transparency in Trans-Pacific Partnership Negotiations:* USTR worked with each TPP partner to plan events as part of negotiating rounds that were open to registered stakeholder participation. These events, including during the final round of negotiations in Atlanta in September-October 2015, included briefings from chief negotiators and provided multiple opportunities to provide input into the negotiations, including those with respect to chapters addressing agriculture, market access for industrial goods, environment, tobacco, investment, intellectual property and related issues. USTR also created opportunities for the public and other interested stakeholders to receive real-time, detailed briefings from senior USTR officials and technical leads of the TPP negotiations at the conclusion of negotiating rounds. After negotiating rounds, USTR offered briefings on an ongoing basis to state and local elected officials, as well as other stakeholder groups, to provide in-depth reviews of the status of the negotiations and the contents of particular chapters.
- USTR published the full text of the TPP Agreement on November 5, 2015, after the completion of legal scrub and well in advance of the legal requirement, accompanied by extensive and detailed chapter summaries and fact sheets explaining the agreement's contents and benefits for workers, manufacturers, ranchers, farmers, services providers, and others, and explaining their achievements in issues such as maintaining a free and open Internet, raising labor and environmental standards, and helping American small and medium-sized businesses export. The publication of the text was preceded by an extensive review of U.S. negotiating goals in the TPP published on-line before the final set of negotiations, and comprehensive examinations of TPP's environment, labor, and tariff-reduction provisions in both hard-copy and digital form.
- *Inclusion of Stakeholders in the Transatlantic Trade and Investment Partnership (T-TIP) Negotiations:* Stakeholder engagement events are an important opportunity for USTR and its trade negotiators to receive feedback on the ongoing talks, with the aim of ensuring the strongest possible outcomes for trade negotiations. In 2015, USTR hosted a stakeholder forum at every U.S. hosted round of the T-TIP. These events included over 350 global stakeholders at each forum. Stakeholders were invited to give presentations, engage with negotiators, and attend briefings hosted by the U.S. and EU Chief Negotiators. This was in addition to telephone calls USTR has hosted with large public participation from across the country on key trade issues on a regular basis. USTR held additional stakeholder meetings specifically on issues related to the T-TIP on a regular basis.

Open Door Policy

USTR officials, including Ambassador Froman, meet frequently with a broad array of stakeholders, including agricultural commodity groups and farm associations, labor unions, environmental organizations, consumer groups, large and small businesses, faith groups, development and poverty relief organizations, other public interest groups, State and local Governments, NGOs, think tanks, and academics to discuss specific trade policy issues, subject to negotiator availability and scheduling.

3. The Trade Advisory Committee System

The trade advisory committee system, established by the U.S. Congress by statute in 1974, was created to ensure that U.S. trade policy and trade negotiating objectives adequately reflect U.S. public and private sector interests. Substantially broadened and reformed over the subsequent four decades, the system remains in the 21st century a central means of ensuring that USTR's senior officers and line negotiators receive ideas, input, and critiques from a wide range of public interests. The system now consists of 28 advisory committees, with a total membership of up to approximately 700 advisors. USTR manages the advisory committee system, in collaboration with the U.S. Departments of Agriculture, Commerce, and Labor, to ensure compliance with legal requirements. The advisory committee system includes the President's Advisory Committee for Trade Policy and Negotiations (ACTPN), five policy advisory committees, and 22 technical advisory committees in the areas of industry (ITACs) and agriculture (ATACs).

The trade advisory committees provide information and advice on U.S. negotiating objectives, the operation of trade agreements, and other matters arising in connection with the development, implementation, and administration of U.S. trade policy. Additional information on the advisory committees can be found on the USTR website at <https://ustr.gov/about-us/advisory-committees>.

In cooperation with the other agencies served by the advisory committees, USTR continues to look for ways to broaden the participation on committees to include a more diverse group of stakeholders, represent new interests, and fresh perspectives, and continues exploring ways to expand further representation while ensuring the committees remain effective.

Recommendations for candidates for committee membership are collected from a number of sources, including members of the U.S. Congress, associations and organizations, publications, other Federal agencies, responses to Federal Register Notices, and self-nominated individuals who have demonstrated an interest in, and knowledge of, U.S. trade policy. Membership selection is based on qualifications, diversity of sectors represented and geography, and the needs of the specific committee to maintain a balance of the perspectives represented. Committee members are required to have a security clearance in order to serve and have access to confidential trade documents on a secure encrypted website. Committees meet regularly in Washington, D.C. to provide input and advice to USTR and other agencies. Members pay for their own travel and related expenses.

President's Advisory Committee on Trade Policy and Negotiations (ACTPN)

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

Members of ACTPN are appointed to represent a broad variety of entities, including non-Federal Governments, environmental organizations, labor unions, agricultural interests, technology, small business, service industries, and retailers. A current roster of ACTPN members and the interests they represent is available on the USTR website.

Policy Advisory Committees

Members of the five policy advisory committees are appointed by the USTR or in conjunction with other Cabinet officers. The Intergovernmental Policy Advisory Committee on Trade (IGPAC), the Trade and Environment Policy Advisory Committee (TEPAC), and the Trade Advisory Committee on Africa (TACA) are appointed and managed solely by USTR. Those policy advisory committees managed jointly with the U.S. Departments of Agriculture, and Labor are, respectively, the Agricultural Policy Advisory Committee (APAC), and the Labor Advisory Committee for Trade Negotiations and Trade Policy (LAC). Each committee provides advice based upon the perspective of its specific area and its members are chosen to represent the diversity of interests in those areas. A list of all the members of the Committees and the diverse interests they represent is available on the USTR website.

Agricultural Policy Advisory Committee (APAC)

The U.S. Secretary of Agriculture and the U.S. Trade Representative appoint members jointly. APAC members are appointed to represent a broad spectrum of agricultural interests including the interests of farmers, ranchers, processors, renderers, retailers, and public advocacy from diverse sectors of agriculture, including commodities, fruits and vegetables, livestock, dairy, sweeteners, wine and tobacco. Members serve at the discretion of the U.S. Secretary of Agriculture and the U.S. Trade Representative. The Committee consists of not more than 40 members.

Intergovernmental Policy Advisory Committee on Trade(IGPAC)

The IGPAC consists of not more than 35 members appointed from, and representative of, the various States and other non-Federal Governmental entities within the jurisdiction of the United States. These entities include, but are not limited to, the executive and legislative branches of State, County, and Municipal Governments. Members may hold elective or appointive office. Members are appointed by, and serve at the discretion of, the U.S. Trade Representative.

Labor Advisory Committee (LAC)

The LAC consists of not more than 30 members from the U.S. labor community, appointed by the U.S. Trade Representative and the Secretary of Labor, acting jointly. Members represent unions from all sectors of the economy including steel, automotive, aerospace, farmworkers, teachers, pilots, artists, machinists, service workers, and food and commercial workers. Members are appointed by, and serve at the discretion of, the U.S. Secretary of Labor and the U.S. Trade Representative.

Trade Advisory Committee on Africa (TACA)

TACA consists of not more than 30 members, including, but not limited to, representatives from industry, labor, investment, agriculture, services, academia, and non-profit development organizations. The members of the Committee are appointed to be broadly representative of key sectors and groups with an interest in trade and development in sub-Saharan Africa, including non-profit organizations, producers, and retailers. Members of the committee are appointed by, and serve at the discretion of, the U.S. Trade Representative.

Trade and Environment Policy Advisory Committee (TEPAC)

TEPAC consists of not more than 35 members, including, but not limited to, representatives from environmental interest groups, industry, services, academia, and non-Federal Governments. The Committee is designed to be broadly representative of key sectors and groups of the economy with an interest in trade and environmental policy issues. Members of the Committee are appointed by, and serve at the discretion of, the U.S. Trade Representative.

Technical and Sectoral Committees

The 22 technical and sectoral advisory committees are organized into two areas: agriculture and industry. Representatives are appointed jointly by the U.S. Trade Representative on the one hand and the U.S. Secretaries of Agriculture or Commerce, respectively, on the other. Each sectoral or technical committee represents a specific sector, commodity group, or functional area and provides specific technical advice concerning the effect that trade policy decisions may have on its sector or issue.

Agricultural Technical Advisory Committees (ATACs)

There are six ATACs, focusing on the following products: (1) Animals and Animal Products; (2) Fruits and Vegetables; (3) Grains, Feed, Oilseeds, and Planting Seeds; (4) Processed Foods; (5) Sweeteners and Sweetener Products; and, (6) Tobacco, Cotton, and Peanuts. Members of each Committee are appointed by, and serve at the pleasure of, the U.S. Secretary of Agriculture and the U.S. Trade Representative. Members must represent a U.S. entity with an interest in agricultural trade and should have expertise and knowledge of agricultural trade as it relates to policy and commodity-specific products. In appointing members to the committees, balance is achieved and maintained by assuring that the members appointed represent entities across the range of agricultural interests that will be directly affected by the trade policies of concern to the committee (for example, farm producers, farm and commodity organizations, processors, traders, and consumers). Geographical balance on each committee is also sought. A list of all the members of the committees and the diverse interests they represent is available on the U.S. Department of Agriculture website: <http://www.fas.usda.gov/topics/trade-policy/trade-advisory-committees>.

Industry Trade Advisory Committees (ITACs)

There are 16 industry trade advisory committees (ITACs). These committees are: Aerospace Equipment (ITAC 1); Automotive Equipment and Capital Goods (ITAC 2); Chemicals, Pharmaceuticals, Health/Science Products and Services (ITAC 3); Consumer Goods (ITAC 4); Distribution Services (ITAC 5); Energy and Energy Services (ITAC 6); Forest Products (ITAC 7); Information and Communication Technologies Services and Electronic Commerce (ITAC 8); Building Materials, Construction and Non-Ferrous Metals (ITAC 9); Services and Finance Industries (ITAC 10); Small and Minority Business (ITAC 11); Steel (ITAC 12); Textiles and Clothing (ITAC 13); Customs Matters and Trade Facilitation (ITAC 14); Intellectual Property Rights (ITAC 15); and Standards and Technical Trade Barriers (ITAC 16).

The ITAC Committee of Chairs was established to coordinate the work of the 16 ITAC committees and advise the U.S. Secretary of Commerce and the U.S. Trade Representative concerning the trade matters of common interest to the 16 ITACs. Members of this committee are the elected chairs from each of the 16 ITACs.

Members of the ITACs are appointed jointly by the U.S. Secretary of Commerce and the U.S. Trade Representative and serve at their discretion. Each of the Committees consists of not more than 50 members representing diverse interests and perspectives including, but not limited to, labor unions, manufacturers,

exporters, importers, service providers, producers, and representatives of small and large business. Committee members should have knowledge and experience in their industry or interest area, and represent a U.S. entity that has an interest in trade matters related to the sectors or subject matters of concern to the individual committees. In appointing members to the Committees, balance is achieved and maintained by assuring that the members appointed represent private businesses, labor unions, and other U.S. entities across the range of interests as provided in law in a particular sector, commodity group, or functional area that will be directly affected by the trade policies of concern to the Committee. A list of all the members of the Committees and the diverse interests the Committees and their respective memberships represent is available on the U.S. Department of Commerce website: <http://ita.doc.gov/itac/>.

3. State and Local Government Relations

USTR maintains consultative procedures between federal trade officials and State and local Governments. USTR's Office of IAPE informs the states, on an ongoing basis, of trade-related matters that directly relate to or may indirectly affect them. This is accomplished through a number of mechanisms, detailed below.

State Point of Contact System and IGPAC

State Points of Contact

For day-to-day communications, pursuant to the NAFTA and Uruguay Round implementing legislation and Statements of Administrative Action, USTR created a State Single Point of Contact (SPOC) system. The Governor's office in each state designates a single contact point to disseminate information received from USTR to relevant state and local offices and assist in relaying specific information and advice from states and localities to USTR on trade-related matters. USTR has worked with this point of contact, as well as the Governor's representative in Washington, D.C., and state organizations and associations, to update state and local offices through formalized briefings, calls and other forms of communication. Governors' staff receive USTR press releases, *Federal Register* Notices, and other pertinent information.

The SPOC network ensures that State Governments are promptly informed of Administration trade initiatives and it also enables USTR to consult with, and receive views and other input from, states and localities directly on trade matters that may affect those states and localities. SPOCs regularly receive USTR press releases, *Federal Register* Notices, and other pertinent information. USTR convenes a regular monthly conference call for SPOCs and members of the Intergovernmental Policy Advisory Committee (IGPAC) to keep State and local Governments apprised of timely trade developments of interest.

Intergovernmental Policy Advisory Committee on Trade

IGPAC makes recommendations to USTR and the Administration on trade policy matters from the perspective of State and local Governments. In 2015, IGPAC was briefed and consulted on trade priorities of interest to states and localities, including: the Trans-Pacific Partnership; the Trans-Atlantic Trade and Investment Partnership; the Trade in Services Agreement; and other matters.

Meetings of State and Local Associations

USTR officials frequently participate in meetings of State and local Government associations to apprise them of relevant trade policy issues and solicit their views. USTR senior officials have met with the National Governors' Association, regional governors' associations such as the Council of Great Lakes Governors, the National Conference of State Legislatures, and other state commissions and organizations. Engaging with the National Association of Attorneys General is critical for understanding concerns and

addressing issues from Attorneys General in the states, especially as issues arise that relate to state and local legislation. Further, the U.S. Conference of Mayors is an invaluable partner with maintaining points of contact with major metropolitan areas, especially as mayors develop initiatives to make their cities more global and take advantage of the resources from which they benefit. Additionally, USTR officials have addressed gatherings of state and local officials and port authorities around the country.

Consultations Regarding Specific Trade Issues

USTR initiates consultations with particular states and localities on issues arising under the WTO and other U.S. trade agreements and frequently responds to requests for information from State and local Governments. Topics of interest included the negotiations of the Trans-Pacific Partnership, the Trade in Services Agreement and the Transatlantic Trade and Investment Partnership, implementation of approved trade agreements with Colombia and South Korea, the application of the WTO Government Procurement Agreement, General Agreement on Trade in Services issues, enforcement of trade agreements, and consultations with individual states regarding applicable trade remedy investigations.

C. Policy Coordination and Freedom of Information Act

The U.S. Trade Representative has primary responsibility, with the advice of the interagency trade policy organization, for developing and coordinating the implementation of U.S. trade policy, including on commodity matters (*e.g.*, coffee and rubber) and, to the extent they are related to trade, direct investment matters. Under the Trade Expansion Act of 1962, the U.S. Congress established an interagency trade policy mechanism to assist with the implementation of these responsibilities. This organization, as it has evolved, consists of three tiers of committees that constitute the principal mechanism for developing and coordinating U.S. Government positions on international trade and trade-related investment issues.

The Trade Policy Review Group (TPRG) and the Trade Policy Staff Committee (TPSC), administered and chaired by USTR, are the subcabinet interagency trade policy coordination groups that are central to this process. The TPSC is the first-line operating group, with representation at the senior civil servant level. Supporting the TPSC are more than 80 subcommittees responsible for specialized issues. The TPSC regularly seeks advice from the public on its policy decisions and negotiations through *Federal Register* Notices and public hearings. In 2015, the TPSC held public hearings regarding China's Compliance with its WTO Commitments (October 2015) and Russia's Implementation of the WTO Commitments (October 2015).

Through the interagency process, USTR requests input and analysis from members of the appropriate TPSC subcommittee or task force. The conclusions and recommendations of this group are then presented to the full TPSC and serve as the basis for reaching interagency consensus. If agreement is not reached in the TPSC, or if particularly significant policy questions are being considered, issues are referred to the TPRG (Deputy USTR/Under Secretary level) or to the Deputies Committee of the National Security Council/National Economic Council. Issues of the greatest importance move to the Principals Committee of the NSC/NEC for resolution by the Cabinet, with or without the President in attendance.

Member agencies of the TPSC and the TPRG consist of the U.S. Departments of Commerce, Agriculture, State, Treasury, Labor, Justice, Defense, Interior, Transportation, Energy, Health and Human Services, Homeland Security, the Environmental Protection Agency, the Office of Management and Budget, the Council of Economic Advisers, the Council on Environmental Quality, the U.S. Agency for International Development, the Small Business Administration, the National Economic Council, and the National Security Council. The U.S. International Trade Commission is a non-voting member of the TPSC and an

observer at TPRG meetings. Representatives of other agencies also may be invited to attend meetings depending on the specific issues discussed.

The Office of the U.S. Trade Representative is subject to The Freedom of Information Act (FOIA). Details of the program are available on the USTR website at <http://www.ustr.gov/about-us/reading-room/freedom-information-act-foia>. USTR received 102 new FOIA requests in 2015 and processed 94. USTR continues to raise the bar as to responsiveness, efficiency, and transparency in its administration of the FOIA.