

VI. TRADE POLICY DEVELOPMENT

A. Trade Capacity Building

Historically, the United States has provided training and technical assistance to help developing countries integrate into the global trading community. This section reports on these efforts.

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 and integrating LDCs into the multilateral trading system. Participating organizations include the WTO, World Bank, IMF, UNCTAD, UNDP, UNIDO (observer), UNOPS (as Trust Fund Manager), World Tourism Organization (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).

Phase One of the EIF (2009-15) delivered 141 projects totaling \$140.7 million across 51 countries. Of these projects, 105 supported trade and development capacity while 36 projects aimed to help countries address supply-side constraints and to increase their ability to trade. Phase Two, which began in 2016, is intended to retain the core structure of Phase One while strengthening the EIF's efficiency and effectiveness. Among the key features of the new program are (1) more tailored support to enhance the sustainability of results; (2) a stronger partnership between LDCs, EIF donors and EIF partner agencies; (3) greater stakeholder communication at all levels; (4) a new focus on leveraging contributions at the country level; and (5) stronger governance and program management.

The United States has supported 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.

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 global poverty. Trade Capacity Building (TCB) is intended to facilitate effective integration of developing countries into the international trading system and enable them to benefit further from global trade. The United States has historically promoted 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 has long supported the trade-related assistance activities of the WTO Secretariat through voluntary contributions to the DDA Global Trust Fund (DDAGTF). Overall, the United States has contributed over \$16 million since 2001, with an additional contribution of \$600,000 in November 2016. The United States serves on the Steering Committee that is evaluating 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 has been 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, Mozambique, Senegal, Ukraine, Vietnam, and Zambia. 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. The Alliance's in-country projects leverage the expertise and resources of the private sector to work collaboratively with governments to support effective reforms. In its pilot phase, the Alliance is currently working in four countries: Colombia, Ghana, Kenya, and Vietnam.

WTO Accessions

For information on technical assistance during the accession process, see Chapter 6.J.6.

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

The United States has established 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 Côte 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 were the U.S. Government's direct response to concerns raised by the C-4 at WTO meetings. 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 was intended 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 was also intended to address 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 has heled 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. *(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 Agreement on Technical Barriers to Trade (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) to make ANSI the implementing partner of the Standards Alliance (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, and other subjects supporting implementation of the TBT Agreement. 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. Since 2013, participating countries and regions have included: Central America (CAFTA-DR, Panama), Colombia, the East African Community, Indonesia, Middle East/North Africa, Peru, Southern Africa Development Community (SADC), and developing ASEAN members. In September 2016, ANSI and USAID also finalized an expansion of the Standards Alliance to support TBT-related assistance in five countries - Cote d'Ivoire, Ghana, Mozambique, Senegal, and Zambia – that are part of the U.S. Government’s Trade Africa initiative. ANSI and U.S. officials conducted needs assessment visits to these countries in 2016.

The highlights of Standards Alliance programming in 2016 include:

- A High Level Symposium to Enhance Regulator Expertise on the WTO TBT Agreement, held in Mexico City for Mexican regulators (February 2016);
- A workshop on WTO transparency requirements and procedures on TBT and SPS measures, held in Nairobi for member states of the East African Community (EAC) (March 2016);
- A workshop on automotive standards and regulations in the Americas, held in Guayaquil, Ecuador for participants from over 20 different countries who are members of the Pan-American Standards Commission (April 2016);
- A workshop on textiles standards and regulations, held in Lima, for Peruvian manufacturers, regulators, and industry associations (June 2016);

- Focused training on conformity assessment and its connection to trade facilitation for public and private sector representatives from member states of the African Regional Standards Organization held in Arusha, Tanzania (June 2016); and
- Dedicated assistance to the TBT national enquiry points and notification authorities in EAC and SADC member countries, which resulted in Zambia's first TBT notifications to the WTO since 2007.

B. Public Input and Transparency

Reflecting Congressional direction, and to draw advice from the widest array of stakeholders in business, labor, civil society, and other groups, USTR has broadened opportunities for public input, created new institutional guarantees of public access including the appointment of a Chief Transparency Officer late in 2015 and the formalization of comprehensive Guidelines for Consultation and Engagement, and worked to ensure 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, coordinating with the agency's 13 regional and functional offices, the Office of WTO and Multilateral Affairs, Office of General Counsel, and the Office of Trade Policy and Economics 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 public hearings held by the Trade Policy Staff Committee (TPSC) on such issues as Chinese and Russian implementation of WTO commitments; offering opportunities for public comment and interaction with negotiators during trade negotiations; managing the agency's outreach and engagement to a diverse set of all stakeholder sectors including State and local Governments, business and trade associations, small and medium-sized businesses, agriculture groups, environmental organizations, industry groups, labor unions, consumer advocacy groups, non-governmental organizations, academia, think tanks, and others; and participating in discussions of trade policy at major domestic trade events and academic 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 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. 2016 marked the first full year in which the guidelines developed for compliance with the Act were in place. 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. The USTR General Counsel served in this position throughout 2016.
- *Consultation with Congress:* During 2016, USTR agreed to a memorandum developed after passage of the Bipartisan Congressional Trade Priorities and Accountability Act, to broaden access to negotiating texts and further encourage Congressional participation. These included providing access to U.S. text proposals and consolidated text of agreements under negotiation

to professional staff of the Committees on Finance and Ways and Means with an appropriate security clearance, to professional staff from other Committees interested in reviewing text relevant to that Committee's jurisdiction, to personal office staffers with appropriate clearance of a member of the Committees on Finance and Ways and Means, and to personal office staff with appropriate clearance accompanying his or her Member of Congress. These also include ensuring that 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) will be accredited to negotiating rounds.

- *Public Engagement:* USTR also implemented new transparency guidelines providing additional means of access for the public and interested stakeholders to policymaking. These new means of access include regular release of information on the schedules of negotiating rounds, publishing 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; 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 2016, USTR issued no fewer than 26 *Federal Register* Notices online to solicit public comment on negotiations and policy decisions, on a wide range of issues including the effects of the WTO accession agreements with China and Russia, potential listings of “Notorious Markets” of pirated and counterfeit goods, dispute settlement, the functioning of the African Growth and Opportunity Act and the Generalized System of Preferences, 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 unprecedented public hearings on steel overcapacity in April 2016 and on U.S.-African economic relations beyond AGOA in January 2016, as well as country and product eligibility for 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.

Open Door Policy

USTR officials, including the U.S. Trade Representative, Deputies, and line officers from regional, functional, and multilateral offices as well as IAPE, 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), 5 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 no 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 has historically maintained consultative relationships between federal trade officials and State and local Governments. USTR 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, USTR has operated a State Single Point of Contact (SPOC) system 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.

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 2016, IGPAC was briefed and consulted on trade priorities of interest to states and localities.

Meetings of State and Local Associations

USTR officials 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.

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 100 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 2016, the TPSC held public hearings regarding China's Compliance with its WTO Commitments (October 2016) and Russia's Implementation of the WTO Commitments (September 2016).

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 118 new FOIA requests in 2016 and processed 118. USTR continues to raise the bar as to responsiveness, efficiency, and transparency in its administration of the FOIA.