

# Executive Office of the President



## *Office of the United States Trade Representative*

**Fiscal Year 2024 Budget**

**Executive Office of the President**  
**Office of the United States Trade Representative**

**Salaries and Expenses**

**Resource Estimates Fiscal Year 2024**

**Congressional Budget Justification**

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# FY 2023 BUDGET JUSTIFICATION SUMMARY

## Mission Statement and Background

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

## Overview

For Fiscal Year (FY) 2024, the funding requirement for the Office of the United States Trade Representative is \$77.868 million, supporting a full-time equivalent (FTE) level of 275. This topline includes \$62.868 million available directly to USTR and \$15.0 million allocated through the Trade Enforcement Trust Fund (TETF). This request is \$1.868 million above the FY 2023 enacted level. The proposed staffing level for FY 2024 of 275 is an increase of two (2) FTEs above the FY 2022 full year estimate of 273.

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

## **Advancing a Worker-Centered Trade Policy**

USTR's agenda begins with a commitment to putting workers at the center of our trade policy. When we defend the rights of workers – both at home and abroad – labor standards go up, workplaces are safer, and we drive a “race to the top.” This commitment is evident both in our enforcement of existing agreements like the United States – Mexico – Canada Agreement, as well as our efforts to put workers at the center of our discussions at multilateral fora like the Organization for Economic Cooperation and Development (OECD), World Trade Organization (WTO), Association of Southeast Asian Nations (ASEAN) and Asia-Pacific Economic Cooperation (APEC).

This requires rewriting the rules of globalization that for decades have kept certain communities in the U.S. from reaping its economic benefits. A U.S. International Trade Commission report released in November found workers from communities of color and lower socio-economic backgrounds were more negatively affected by free trade policies that have reduced tariffs and distributed supply chains across the globe. The U.S. Trade Representative commissioned that report and noted that its conclusions would inform the design of future trade policy. For many years, the conversation on trade has focused on the net benefits at an aggregate level, but did not address the substantial consequences concentrated in certain communities.

Hence, the administration is working to rectify those issues with a new strategic approach to trade relationships that is not built on traditional free trade agreements. Instead, USTR is embarking on trade engagements with allies and like-minded economies, like Taiwan and Kenya and [through] multinational economic frameworks that focus on clean energy and supply chains rather than tariffs. The objective is to work together with like trading partners to foster a global economy that is more resilient, more sustainable, and more just.

In seeking this new version of globalization, U.S. trade leadership must be adapted to a constantly changing world. This requires adjusting USTR's tools and employing its experience to be sensitive to past winners and losers. By applying a strategic perspective that is informed by history and experience, trade policy must strive to generate better outcomes ourselves and others, especially around critical conversations around the climate crisis and well-being of workers with those countries that have benefitted from industrialization. To create a foundation for economic growth, USTR must assess the impact of trade programs on development and economic stimulus. Trade agreements must be tailored to our trading partners and times, adapting economic principles to support democracy.

USTR has stepped up efforts to eliminate the use of forced labor in global supply chains, and USTR developed the first-ever focused trade strategy to combat forced labor. Paired with the implementation of the Uyghur Forced Labor Prevention Act, and the Memorandum of Cooperation (MOC) launching of a Task Force on the Promotion of Human Rights and International Labor Standards in Supply Chains under the U.S.-Japan Partnership on Trade, this sends a clear message that the United States will use every tool available to block the importation of goods made partially or entirely with forced labor.

In particular, USTR's agenda recognizes that farmers, ranchers, fishers, and food manufacturers are key to our worker-centered trade policy, and USTR is fighting to achieve economically meaningful wins. Some highlights include:

- The 232 tariff arrangements and cooperative frameworks for large civil aircraft with the European Union (EU) and United Kingdom (UK) lifted retaliatory tariffs on billions of dollars of U.S. exports – including agriculture products like butter, cheese, pork and nuts and distilled spirits;
- An agreement with Japan to increase the beef safeguard trigger level under the U.S.-Japan Trade Agreement. The new three-trigger safeguard mechanism will allow U.S. exporters to meet Japan's growing demand for high-quality beef and reduce the probability that Japan will impose higher tariffs in the future;
- Regaining access for our shellfish industry to the EU for the first time in a decade;
- Opening access for U.S. pork exports to India in, following USTR's engagement under the U.S.–India Trade Policy Forum;
- The Philippines' unilateral lowering of its tariffs in April 2021 on imported fresh, chilled, and frozen pork, and a one-year increase of tariff rate quota volumes following TIFA meetings; and
- Vietnam's approval in 2021 of pending biotech regulatory applications following TIFA engagement, as well as MFN duty reductions for corn, all classes of wheat, and frozen pork.

### **Re-Aligning the U.S. – Beijing Trade Relationship**

Competition with the People's Republic of China (PRC) must be fair. American workers, farmers, producers, and businesses must be able to compete on the merits, not against unfair state-led industrial planning and targeting of certain sectors, labor rights suppression, a weak environmental regime, or other distortions that put market-oriented participants out of business.

USTR launched a direct dialogue with the PRC regarding our concerns with distortions and imbalances in our relationship. This included the PRC's failures to fulfill the purchase commitments detailed in the "Phase One Agreement," as well as the state-centered and non-market practices not addressed in the Phase One deal.

It is important for the United States to fight for the farmers and businesses that benefit from those obligations and test how committed the PRC was to the obligations it signed up to. However, over time it became clear that the PRC would only comply with those trade obligations that fit its own interests. This is a familiar pattern with the PRC – from their actions at the WTO and in various bilateral high-level dialogues. The

United States has repeatedly sought and obtained commitments from Beijing, only to find that follow-through or real change remains elusive.

USTR continues to keep the door open to conversations with the PRC, including on its Phase One commitments. However, USTR acknowledges the Agreement's limitations. USTR's strategy is expand beyond only pressing Beijing for change and includes vigorously defending our values and economic interests from the negative impacts of the PRC's unfair economic policies and practices. USTR has deepened its understanding of how these policies and practices affect American workers and industries, as well as those of our allies and partners, and global supply chain resiliency. We have seen what happened in the steel and solar industries when existing mechanisms were too slow or ill-suited to effectively address the distortions wrought by the PRC's targeting of those sectors. In the meantime, we know that Beijing is targeting critical industrial and high-tech sectors, like electric vehicles, batteries, semiconductors and others.

To ensure that our industries remain competitive, we must develop new domestic tools targeted at defending our economic interests, and make strategic investments in our economy. We have already made significant progress through the American Rescue Plan, the Administration's focus on supply chain resilience, the Made in America Office and the Bipartisan Infrastructure law.

The President also recognizes that our ability to defend against unfair PRC economic practices requires that democratic market economies act in concert to confront policies and practices that are fundamentally at odds with the modern global trading system. That is why we have also brought a renewed focus to engagement with our partners and allies, who also are negatively impacted by the PRC's unfair trade and economic practices. At the same time, we are also working towards innovative arrangements with our allies and like-minded partners to strengthen our resilience. For example, the global arrangement we are currently negotiating with the EU will be world's first sectoral arrangement on steel and aluminum trade to tackle both emissions and non-market excess capacity.

### **Engaging with Key Trading Partners and Multilateral Institutions**

Beyond this cooperation, we have deepened our engagement with key trading partners through new and existing bilateral, plurilateral and multilateral agreements and arrangements. USTR launched the U.S.-EU Trade and Technology Council to promote shared economic growth through an expanded trade and investment relationship by avoiding unnecessary barriers to trade in emerging technology products and services, promoting cooperation on labor rights, combatting child and forced labor, and expanding resilient and sustainable global supply chains.

The U.S.-Japan Partnership on Trade was launched to advance an agenda of cooperation, as well as to address bilateral trade issues of concern to either side. USTR continues work under the USMCA to ensure that Canada and Mexico fully implement their commitments. The United States-India Trade Policy Forum was re-launched to enhance our relationship with India and make progress on important bilateral trade irritants. The U.S.-UK Dialogue on the Future of Atlantic Trade was launched to consider what concrete, economically meaningful steps we can take to deepen our trade relationship and create more durable trade policies.

The Administration is committed to enhanced economic engagement through the Indo-Pacific Economic Framework (IPEF). The Indo-Pacific is one of the most dynamic regions in the world, and it is one of strategic importance to the United States. Additionally, the region is home to some of our closest allies and trading partners, including some with which we have longstanding trade agreements. By working closely with allies and partners to bolster our economic ties in the Indo-Pacific, we can establish a new path forward that supports the global competitiveness of American workers and businesses and further the shared interests of our allies in the years to come.

The goal of IPEF will promote inclusive growth for workers and businesses, advance strong labor standards, and tackle climate change. The framework is also central to the Administration's economic strategy in the Indo-Pacific and complements our national security goals in the region. In particular, USTR will lead efforts to craft a trade arrangement with our partners that includes provisions on: high-standard labor commitments; environmental sustainability; the digital economy; sustainable food systems and science-based agricultural regulation; transparency and good regulatory practices; competition policy; and trade facilitation.

On the multilateral front, the Administration has made clear its commitment to the WTO, and ensuring that it can be a force for good that confronts the pressing global challenges affecting the lives of people. USTR is leading a WTO reform agenda that reflects the priorities of our worker-centered approach, grounded in fair competition, to benefit workers and the environment.

### **Promoting Confidence in Trade Policy Through Enforcement**

The Administration understands what happens when trade policy fails to deliver on its promises. Manufacturers, farmers, fishers, and ranchers do not always get the full benefits of access to new markets and too many workers and communities suffer due to unfairly traded imports. This has created a trust gap with the public and is why enforcement is a key component of our worker-centered trade policy.

For example, USTR has employed the USMCA Rapid Response to defend workers' rights in Mexico. One critical aspect of this work is that we have been able to partner with the Mexican government to deliver real results to workers. Working with other governments to advance a worker-centered trade policy is a bedrock of the Administration's approach because when we fight for workers abroad, we are fighting for workers here at home by combatting a global race to the bottom. We cannot always achieve these results through cooperation, and we are also using state-to-state mechanisms when necessary.

The United States is also upholding the eligibility requirements in our preference programs. The African Growth and Opportunity Act (AGOA) has unique rules to value rule of law and respect for human and labor rights as cornerstones of development. The President terminated eligibility for countries that failed to meet the eligibility criteria, including those relating to human rights and rule of law. USTR remains committed to working with those countries to meet the statutory benchmarks that would enable them to be reinstated in the AGOA program.

USTR also recognizes that despite our enforcement efforts, many of our existing trade tools were crafted decades ago. In some cases, they do not adequately address the challenges posed by today's economy. We are reviewing our existing trade tools and working with Congress to develop new tools as needed.

### **Promoting Equitable, Inclusive, and Durable Trade Policy and Expanding Stakeholder Engagement**

A final, important part of our trade agenda is promoting trade policy that is equitable, inclusive, and durable for all Americans and expanding stakeholder engagement. In order for our trade policies to be effective and lasting, we must make sure diverse perspectives are represented in the policymaking process, and that our policies reflect those viewpoints.

The President's Trade Policy Agenda and Annual Report includes strategic objectives and actions to advance racial and gender equity in trade policy. These actions reflect the principles outlined in the associated Executive Orders, namely Advancing Racial Equity and Support for Underserved Communities Through the Federal Government, Worker Organizing and Empowerment, and Advancing Equity, Justice, and Opportunity for Asian Americans, Native Hawaiians, and Pacific Islanders. This also incorporates elements of the United States' first National Strategy on Gender Equity and Equality and the Presidential Memoranda

on Tribal Consultation and Strengthening the Nation-to-Nation Relationship. USTR will continue pairing these values with sustained, long-term engagement with partners and stakeholders.



## ORGANIZATION SUMMARY

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

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

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

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

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

USTR also has administrative responsibility for the Generalized System of Preferences (GSP) program, the AGOA preference program, and Section 301 complaints against foreign unfair trade practices, as well as coordinating recommendations to the President on ITC determinations under Section 337 and import relief cases under Section 201. The Omnibus Trade and Competitiveness Act of 1988 (Trade Act of 1988) transferred authority to the USTR to act under Section 301, subject to the direction of the President.

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

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

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

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

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

The Geneva Office is organized to cover general WTO Affairs, Tariff and non-Tariff Agreements and Agricultural Policy and Commodity Policy. The Geneva Deputy USTR is the U.S. Ambassador to the WTO and to the United Nations Conference on Trade and Development (UNCTAD) on specific trade related issues. The office also works to address trade issues that come up in the other international organizations headquartered in Geneva.

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

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

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

**OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE  
SALARIES AND EXPENSES**

***Fiscal Year 2024 Appropriations Language***

*For necessary expenses of the Office of the United States Trade Representative, including the hire of passenger motor vehicles and the employment of experts and consultants as authorized by section 3109 of title 5, United States Code, **\$62,868,000** of which \$1,000,000 shall remain available until expended: Provided, That not to exceed \$124,000 shall be available for official reception and representation expenses.*

*For activities of the United States Trade Representative authorized by section 611 of the Trade Facilitation and Trade Enforcement Act of 2015 (19 U.S.C. 4405), including transfers, \$15,000,000, to be derived from the Trade Enforcement Trust Fund: Provided, That any transfer pursuant to subsection (d)(1) of such section shall be treated as a reprogramming under section 5005 of this Act; and any unused funds shall be kept in the Trade Enforcement Trust Fund.*

**SUMMARY OF FY 2024 BUDGET REQUEST**

(in thousands of dollars)

	FY 2022 Enacted	FY 2023 Enacted	FY 2024 Request	FY23/FY24 Difference
USTR Direct Appropriation	56,000	61,000	62,868	1,868
Trade Enforcement Trust Fund (TETF)	15,000	15,000	15,000	--

**FTE Levels by Fiscal Year**

	FY 2022 Actual	FY 2023 Estimate	FY 2024 Request	FY23/FY24 Difference
FTE	248	273	275	2

# SUMMARY OF RESOURCE REQUIREMENTS

## OBLIGATIONS BY OBJECT CLASSIFICATION

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

	FY 2022	FY 2023	FY 2024	FY23/FY24
	Actual	Estimate	Request	Difference
Personnel Compensation & Benefits	49,036	57,330	60,242	2,912
Travel and Transportation of Persons	2,959	8,600	8,600	0
Transportation of Things	0	0	0	0
Comm., Utilities, & Misc. Charges	831	1000	1,000	0
Printing and Reproduction	33	33	35	2
Other Contractual Services	15,134	8,314	7,396	-918
Supplies and Materials	505	505	413	-92
Official Reception and Representation	28	124	124	0
Equipment	322	94	58	-36
Totals	68,848	76,000	77,868	1,868

## ***Personnel Compensation and Benefits***

(in thousands of dollars)

FY 2022	FY 2023	FY 2024	FY23/FY24
Actual	Estimate	Request	Difference
49,036	57,330	60,242	2,912

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

This request continues to provide staff to implement initiatives within the areas of PRC economic and trade agreement enforcement, 301 tariff exclusion process, rebuilding the Executive Protection Detail, Indo-Pacific economic engagement strategy, and initiatives per a number of Executive Orders. Importantly, it would compensate for the substantially increased cost of living allowance, compensating for inflation, of FY 2023 and that anticipated in FY 2024.

## ***Travel and Transportation of Persons***

(in thousands of dollars)

FY 2022	FY 2023	FY 2024	FY23/FY24
Actual	Estimate	Request	Difference
2,959	8,600	8,600	--

Travel costs rebounded in FY 2022 as we began to emerge from the pandemic, and are projected to extend into FY 2023. In addition to crafting unprecedented policy, USTR is embarking on a new, comprehensive engagement strategy that ensures we consult with stakeholders that have not been part of the conversation before and that effectively communicates the President's trade agenda to address the general mistrust many Americans have with impact of past trade policy. The FY 2024 request, consistent with executing the Administration's trade policy and enforcement agenda, reflects a return to a robust international engagement program as the world emerges from the pandemic. Travel will be heavily centered on Asia with major trade negotiations in distant locals. In particular, USTR will be supporting the Indo-Pacific Economic Framework for Prosperity (IPEF), U.S.-Taiwan Initiative on 21st-Century Trade, the Asia-Pacific Economic Cooperation (APEC), and the Association of Southeast Asian Nations (ASEAN) engagements. In parallel, there are the US-Kenya Strategic Trade and Investment Partnership (STIP), EU-US Trade and Technology Council (TTC), the Global Arrangement on Sustainable Steel and Aluminum with the EU, the Americas Partnership for Economic Prosperity (APEP), the Memorandum of Cooperation (MOC) launching the Task Force on the Promotion of Human Rights and International Labor Standards in Supply Chains under the U.S.-Japan Partnership on

Trade, and the Memorandum of Understanding on Cooperation for Trade and Investment between the African Continental Free Trade Area (AfCFTA) Secretariat and the United States. USTR will pursue opening markets and reducing trade barriers that are fundamental to its trade agenda. This is a priority for the Administration, particularly since export-oriented producers, manufacturers, and businesses enjoy greater than average productivity and wages.

### ***Communications, Utilities, and Miscellaneous Charges***

(in thousands of dollars)

FY 2022 Actual	FY 2023 Estimate	FY 2024 Request	FY23/FY24 Difference
831	1,000	1,000	--

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

### ***Printing and Reproduction***

(in thousands of dollars)

FY 2022 Actual	FY 2023 Estimate	FY 2024 Request	FY23/FY24 Difference
33	33	35	2

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

### ***Other Contractual Services***

(in thousands of dollars)

FY 2022 Actual	FY 2023 Estimate	FY 2024 Request	FY23/FY24 Difference
15,134	8,314	7,396	-918

Other Contractual Services include a wide range of commercial and government services such as the Department of State’s assessments for International Cooperative Administrative Support Services (ICASS) and Capital Security Costs (CSC) for global embassy funding, language services, security, office

equipment maintenance, training and professional service contracts. The latter include the two staffing contracts and Salesforce application support that USTR is using to operate the 301-tariff exclusion process and support trade agreement enforcement. This anticipates that the 301-tariff exclusion process effort will decrease. U.S. hosted trade engagements during FY 2024 will mean contract security support is required to ensure the safety of negotiators and safeguarding of sensitive and confidential talks at the hotel/conference centers where the meetings are held.

OMB MAX is the only truly interagency and intergovernmental secure collaboration platform and has been crucial to trade negotiation work with other government agencies, Congress, foreign trading partners, and advisory committees; as OMB terminates access to their MAX system USTR will implement its own information collaboration system.

### ***Supplies and Materials***

(in thousands of dollars)

FY 2022 Actual	FY 2023 Estimate	FY 2024 Request	FY23/FY24 Difference
505	505	413	-92

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

### ***Official Reception and Representation***

(in thousands of dollars)

FY 2022 Actual	FY 2023 Estimate	FY 2024 Request	FY23/FY24 Difference
28	124	124	0

Representation funds are used for extending relations with foreign governments in conducting our trade missions.

### ***Equipment***

(in thousands of dollars)

FY 2022 Actual	FY 2023 Estimate	FY 2024 Request	FY23/FY24 Difference
322	94	58	-36

Major costs for this category in years previous to FY 2022 are the office and facility investment projects to renovate and outfit the 1800 G Street space.



# REPORT ON OUTSTANDING GOVERNMENT ACCOUNTABILITY OFFICE RECOMMENDATIONS

In compliance with the Good Accounting Obligation in Government Act (Public Law 115-414), USTR reports that it has one public recommendation from the Government Accountability Office (GAO) that is designated by the GAO as “open.” USTR considers its implementation to be completed. The recommendation is from GAO-20-377, FY 2019 Government Shutdown: Selected Agencies Could Improve Contingency Planning for Potential Shutdown Scenarios and Strengthen Some Internal Controls that remain outstanding.

**GAO Recommendation:** The U.S. Trade Representative should, in consultation with the Executive Office of the President (EOP), develop internal controls to limit access to virtual workspaces to appropriate employees during a government shutdown. (Recommendation 14)

**Report:** USTR considers its implementation completed. USTR has made the EOP aware of the GAO recommendation on developing controls for virtual workspace access during a shutdown. USTR is just one component of the EOP and as such, its IT network is not unique to USTR; rather, the EOP IT network is managed across the White House complex by the White House Communications Agency (WHCA), a Department of Defense agency. USTR does not have administrative rights to unilaterally impose IT access restrictions.

Furthermore, direction from White House Management and Administration, issued to all EOP employees, states, “While furloughed, employees *may not* enter the White House complex or other EOP-related worksite, attend a scheduled work training, use a government-issued purchase or travel card, *access their government-issued phones or computers, or use any personal device or email for work purposes.*” (Emphasis added). USTR has provided this information to GAO. No further steps are considered necessary with such clear direction from the White House.

# FISCAL YEAR 2024 GOALS AND MEASUREMENTS

USTR's FY 2024 Annual Performance Goals and Measurements support the overarching Strategic Goals and Objectives drawn from its Strategic Plan.

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

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

### **Objectives:**

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

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

**Measurements:**

- Monitor Canada's and Mexico's implementation and compliance with the United States-Mexico-Canada Agreement (USMCA).
- Work with Mexico and Canada to implement State Owned Enterprise (SOE) obligations in USMCA. Negotiate the extension of SOE obligations to sub-Federal level SOEs with Mexico and Canada.
- Continue to work with Mexico to ensure effective implementation of labor justice reforms, including the creation of new labor courts and other administrative institutions, to protect worker representation in collective bargaining, as required by the USMCA labor provisions and the USMCA's Annex on Worker Representation and Collective Bargaining in Mexico, as well as the USMCA implementing legislation.
- Continue to work with Mexico to ensure secure, efficient, and legal crossing of goods across our shared border.
- In the Western Hemisphere, maximize engagement through Trade and Investment Framework Agreements, including through the negotiation and implementation of high-standard disciplines on

trade rules and transparency. Review implementation of the June 2022 Declaration on Good Regulatory Practices.

- Advance the Americas Partnership on Economic Prosperity by convening regional partners to identify priorities for trade and economic resilience in the Western Hemisphere. Begin negotiations for high-standard commitments and cooperate activities with partner countries.
- Work to achieve fundamental changes to the PRC's trade regime by taking actions against state-led policies and practices such as industrial planning and targeting, market-distorting subsidies and other support measures, excess capacity, state-sponsored cybertheft, technology transfer, inadequate intellectual property protection and enforcement, labor practices, data restrictions, agricultural market access restrictions, and services sector market access restrictions.
- Utilize a full range of trade tools, and explore the development of new trade tools as appropriate, to ensure that Beijing treats U.S. companies and U.S. exports fairly and that inward and outward foreign investment promote U.S. interests.
- Continue and enhance engagement with like-minded trading partners, such as the EU, the UK, Japan, Canada, and Australia, to jointly address problematic Chinese trade policies and practices, including non-market policies and practices and economic coercion.
- Seek fundamental changes to the PRC's state-led and non-market trade regime in line with Administration objectives.
- Continue to push Chinese regulators to adopt international best practices, such as with regard to the regulation of innovative pharmaceutical products, active pharmaceutical ingredients, and medical devices.
- Advance ongoing work under the Trade Pillar of the Indo-Pacific Economic Framework, including seeking a high-ambition agreement that promotes resilience, sustainability, and inclusion.
- Advance ongoing negotiations under the U.S.-Taiwan Initiative on 21<sup>st</sup> Century Trade, including by seeking high-ambition trade agreements that promote resilience, sustainability, and inclusion.
- Continue to engage in dialogue with Taiwan on continued areas of concern in the U.S.-Taiwan trade relationship, including removal of remaining barriers for U.S. beef and pork exports, intellectual property protection and enforcement, including with respect to digital piracy, and issues related to pharmaceuticals and medical devices, and explore opportunities for deepening our cooperation, including with respect to combatting forced labor in global supply chains.
- With all free trade agreement (FTA) partners, identify and work to address priority trade issues of U.S. stakeholders, including the elimination of barriers to U.S. exports.
- Negotiate with the European Union (EU) to address both tariff and non-tariff barriers and to achieve fairer, more balanced trade.
- Negotiate with the EU to address non-market excess capacity and greenhouse gas emissions intensity in the steel and aluminum sectors.

- Engage with the United Kingdom (UK) to deepen bilateral trade, potentially through a comprehensive trade agreement or other means, including to address both tariff and non-tariff barriers and to achieve fairer, more equitable, worker-centric trade with the UK.
- Engage with Kenya to deepen bilateral trade through the U.S.-Kenya Strategic Trade and Investment Partnership (STIP), to spur Kenyan development and promote more equitable, worker-centric trade with Kenya, potentially setting a model for use with other sub-Saharan African countries.
- Monitor implementation of improvements to the U.S.-Korea Free Trade Agreement (KORUS).
- Develop and implement initiatives to promote U.S. trade objectives and respond to tariff differentiation, trade restrictive regulatory measures, and other potential impacts to U.S. exporters resulting from other countries' trade policies and practices.
- Continue engaging with key trading partners in the Asia-Pacific region, Europe, sub-Saharan Africa, the Middle East and North Africa, and the Western Hemisphere, to lay the groundwork for outcomes that create jobs, ensure fairness, and provide new export opportunities for U.S. agriculture and industry. This engagement is also aimed at promoting U.S. services and investment objectives, strengthening protections and enforcement of intellectual property and promoting innovation and creativity, protecting worker rights, and enhancing environmental protection in participating countries, thereby helping to level the playing field for American workers and businesses.
- Engage in negotiations to resolve specific agricultural bilateral trade concerns in key U.S. export markets to ensure U.S. exporters are treated fairly.
- Secure expanded access for U.S. food, agricultural and manufactured goods exports to key markets through resolution of trade-restrictive sanitary and phytosanitary and technical barriers.
- Monitor and participate in international negotiations led by other agencies on topics affecting trade in food and agricultural products, food regulations, and food and health policy.
- Negotiate equivalency agreements with countries that are key markets for U.S. organic exports, promoting increased exports of U.S. organic food and agricultural products.
- Provide leadership in international fora on science-based regulatory approaches to promote trade in products derived from agricultural biotechnology.
- Advance U.S. interests in the development and adoption of standards in the Codex Alimentarius Commission that facilitate trade in U.S. food and agricultural products.
- Provide leadership in international fora to ensure that resolutions, commitments, and other international initiatives support and protect the interests of U.S. food and agricultural producers and exporters.
- Provide leadership in the development and inclusion of provisions to promote sustainable agriculture in multilateral and bilateral agreements, and in international fora, ensure that sustainable agriculture

provisions recognize a diversity of approaches, take into account regional conditions, promote information exchange, promote voluntary approaches, incentivize innovation, and are validated through science- and evidence-based metrics.

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

- Conduct reviews of commercial availability petitions regarding textile and apparel products and negotiate corresponding FTA rules of origin changes, where appropriate, in a manner that takes into account market conditions while preserving export opportunities for U.S. producers and employment opportunities for U.S. workers.
- Engage relevant trade partners to address regulatory issues potentially affecting the U.S. textile and apparel industry's market access opportunities.
- In partnership with other agencies, such as the Small Business Administration and the Department of Commerce, encourage small and medium sized enterprises (SMEs) to expand trade through new and existing trade policy initiatives.
- Use the U.S.-EU Trade and Technology Council (TTC) to address bilateral and global trade issues with implications for U.S. and EU technological leadership and competitiveness, such as non-market policies and practices, and for shared values, including with respect to labor rights.
- Advance work under the U.S.-Japan Partnership on Trade (launched November 2021) to address common concerns in areas such as labor rights, third-country practices, trade facilitation, and the digital ecosystem while addressing bilateral trade irritants.
- Expand cooperation with Korea under the U.S.-Korea Free Trade Agreement (KORUS), in addition to advancing traditional implementation and compliance goals, to broaden our cooperation with Korea in new areas.
- Advance bilateral discussions with Israel on expanded access for U.S. food and agricultural exports.
- Continue engagement on key issues with Mongolia through our TIFA, and continue to monitor Mongolia's compliance with the United States-Mongolia Transparency Agreement.
- Support the reform efforts of the governments of Ukraine, Moldova, Georgia, and Armenia through enhanced bilateral engagement to strengthen their economies and open their markets to U.S. exports.
- Continue to use Working Groups established under the United States-Ukraine Trade and Investment Council to pursue legislative and regulatory reforms to foster a transparent and predictable business environment that opens opportunities to diverse portions of the population and is based on the rule of law.
- Continue to monitor Brazil's compliance with the Protocol Related to Trade Rules and Transparency and negotiating additional protocols under the Agreement on Trade and Economic Cooperation (ATEC).
- Deepen trade and investment engagement with Argentina through the Trade and Investment Framework Agreement and its subsidiary Innovation and Creativity Forum.
- Advance implementation of environment commitments by trade agreement partners, including through environmental cooperation work programs designed to enhance implementation of FTA environment commitments. In particular, continue cooperative efforts with trading partners as they respectively implement legislative and administrative reforms and other changes to their environmental regimes to raise levels of environmental protection.

- Continue to engage with Peru as it implements reforms to combat illegal logging under the Peru Trade Promotion Agreement (PTPA).
- Advance implementation of labor commitments by trade agreement partners, including through trade engagement, labor cooperation mechanisms, and capacity building initiatives designed to support their efforts. In particular, continue cooperative efforts with Mexico, Colombia, Peru, Guatemala, Honduras, the Dominican Republic, Bahrain, and Korea as they implement legislative and administrative reforms and other changes to their labor regimes.
- Continue to engage with Central America and the Dominican Republic through bilateral interactions and meetings with CAFTA-DR partner countries to strengthen implementation and international commitments to maximize U.S. export opportunities, promote American jobs, and protect and enforce U.S. intellectual property.
- Continue to engage with CAFTA-DR partner countries to address trade-related issues to optimize inclusive economic opportunities; strengthen trade rules and transparency and address non-tariff trade impediments; provide capacity building in areas such as textile and apparel trade-related regulation and practice on customs, border and market access issues, including agricultural and sanitary and phytosanitary regulations, to avoid barriers to trade.
- Continue to engage CAFTA-DR partners and stakeholders to identify and develop means to increase two-way trade in textiles and apparel and strengthen the North American supply chain and near-shoring to enhance formal job creation.
- Continue to monitor Ecuador's implementation for the Protocol on Trade Rules and Transparency under the U.S.-Ecuador Trade and Investment Council and consider additional annexes to the protocol. Convene the Working Group on Fair Trade to consider ways to create opportunities for indigenous and other underserved populations to participate in international trade.
- Deepen engagement with Bolivia under the U.S.-Bolivia Trade and Investment Council Agreement.
- Deepen trade and investment engagement with the Caribbean Community (CARICOM) through the U.S.-CARICOM TIFA.
- Engage key trade partners, including non-FTA partners such as Brazil, the PRC, Ecuador, India, Malaysia, and Vietnam, and stakeholders on ways to improve environmental protection, labor rights and working conditions, and intellectual property protection and enforcement in order to ensure a level playing field for U.S. workers.
- Through the U.S. APEC host year in 2023, lead and achieve concrete and meaningful outcomes to raise standards in APEC economies, promote sustainable and inclusive trade, and address key trade and investment barriers, as well as unfair trade practices, affecting U.S. goods and services exports across the Asia-Pacific region.
- Promote through APEC's Committee on Trade and Investment key U.S. trade interests in areas such as digital economy, services, agriculture, labor, environment, and intellectual property.



- Advance work in APEC to identify and address non-tariff barriers that distort trade and investment in all sectors, including environmental goods and services, manufactured goods, and agricultural products.
- Advance work in the APEC Experts Group on Illegal Logging and Associated Trade to identify cooperative actions and activities to combat illegal forest products trade that harms legitimate U.S. businesses.
- Develop work in APEC to document and address barriers to U.S. agricultural exports.
- Through APEC, promote adoption of international sanitary and phytosanitary (SPS) standards as well as science-based regulatory systems for agricultural biotechnology and address common challenges.
- In APEC, promote high standards for intellectual property protection and enforcement.
- Utilize APEC to promote the application of good regulatory practices in order to avoid barriers to trade.
- Through APEC, promote the full implementation of the WTO Trade Facilitation Agreement by APEC economies.
- Continue to engage with Southeast Asian countries to encourage them to pursue trade policy reforms that will benefit the United States and expand U.S. exports to this fast-growing region.
- Develop new initiatives with countries in East and Southeast Asia to break down barriers to U.S. exports in key sectors through negotiations, dispute settlement, and other actions as appropriate.
- Continue to develop initiatives and promote policy reforms under our TIFA with ASEAN and our bilateral TIFAs with Southeast Asian countries to advance worker rights, address and resolve U.S. concerns, remove barriers to U.S. exports, and improve intellectual property protection and enforcement.
- Explore ways to deepen trade and investment relationships with key Pacific Island partners, including by utilizing our TIFA with Fiji and other mechanisms for dialogue.
- Continue to develop cutting-edge trade commitments to advance the digital trade and digital services agenda in bilateral trade relations, including among countries in the Middle East and North Africa, and among ASEAN countries.
- Pursue negotiations and other efforts, through existing FTAs, TIFAs or other mechanisms, as appropriate, to advance with countries of the Middle East and North Africa U.S. initiatives involving services, investment, intellectual property, information and communication technology, trade facilitation, agriculture, labor rights, environmental protection, and other areas.

- Explore opportunities to increase U.S. market access in countries in Turkey, the Middle East and North Africa, as well as in the Caucasus, particularly as the EU and other trading partners enhance market access to these regions for their products.
- Use TIFAs with sub-Saharan African countries and regional economic communities to address trade barriers in a timely manner, promote transparency, and to advance U.S.-Africa trade and investment cooperation.
- Explore opportunities to increase U.S. market access in important sub-Saharan African markets, particularly as the EU and other trading partners gain market access to African markets for their products.
- Continue to develop and implement initiatives that promote the President's trade agenda in Africa, including potential trade agreements, promotion of U.S. exports and investment, and encouragement of trade and economic reforms that are consistent with U.S. trade priorities.
- Support the negotiation and implementation of the African Continental Free Trade Area (AfCFTA) through engagement with institutions and stakeholders at the country, regional, and continental levels. Promoting African economic integration has long been a priority of the U.S. Government.
- Use the U.S.-India Trade Policy Forum and TIFAs with Pakistan, Bangladesh, and other South and Central Asian countries to address persistent barriers to U.S. exports and promote practices that ensure a level playing field for U.S. exporters, strengthen protection and enforcement of intellectual property, foster constructive dialogue on digital trade, and promote worker rights. Additionally, encourage regional partners to deepen capacity and achieve progress on key ease-of-doing-business reforms, customs, standards, and women's economic empowerment.
- Provide policy guidance and support for the ongoing committee work at the WTO and other international trade organizations to represent U.S. interests effectively and resolve trade barriers negatively affecting U.S. suppliers.
- Provide leadership in the World Trade Organization and other international forums to address technical barriers to trade and to promote good regulatory practices in a manner that promotes U.S. exports.
- Intensify leadership of efforts to address key WTO institutional shortcomings, notably with regard to differentiation among self-declared developing countries, notifications and transparency, approaches to development, and dispute settlement.
- As feasible, identify negotiating objectives within the WTO that are achievable and can promote freer and fairer trade benefitting U.S. stakeholders.
- Negotiate and conclude WTO accession agreements with candidates that undertake trade-liberalizing and market-oriented reforms and commitments that meet Administration priorities and are supported by Congress.

- In cooperation with other relevant agencies, as appropriate, work to ensure that the WTO's work on Aid for Trade and other activities for assisting developing countries is aimed at integrating trade into the development plans of these countries and supports their effective participation in the international trading system while not exceeding the institutional mandate of the WTO as a trade organization.
- Work with U.S. Government agencies that provide trade capacity building assistance to ensure that their assistance programs help developing countries to implement international trade obligations in a transparent manner that opens export markets and promotes fair and reciprocal trade. Further, in cooperation with other relevant agencies, work with other donor countries and international institutions to make the most coherent and effective use of scarce capacity building resources, prioritizing assistance to those countries that have demonstrated a commitment to implementing pro-trade domestic reforms.
- Engage with WTO Members to bring the new WTO Agreement on Fisheries Subsidies into force and to ensure its full implementation, as well as continue negotiations on comprehensive disciplines, to ensure the agreement protects the sustainability of our fisheries resources and positively impacts our fishers and workers.
- Work with like-minded WTO Members to develop new rules that tackle industrial subsidies and other trade distorting actions of non-market economies and their state enterprises.
- Work with WTO Members to achieve full implementation of the WTO Trade Facilitation Agreement.
- Develop and implement strategic engagement at the WTO on resetting agriculture negotiations on domestic support, export competition, and market access through enhanced transparency and analysis of current problems facing agricultural trade.
- Construct coalitions with other countries to advance understanding and adoption of science-based regulations for pesticide maximum residue levels, building on U.S. leadership to promote transparent and science-based decision making for crop protection tools,
- Promote cooperation with other countries to enhance trade in wine through active participation in the World Wine Trade Group.
- Work with U.S. Government agencies that have the lead on certain international organizations (WIPO, WFP, UNCTAD, OECD, G7, G20, WHO, FAO, PAHO, OAS, UN, HRC, WCO, ILO, and IDB) to ensure that these organizations operate within their defined scope and mandate with respect to trade-related issues and that their trade-related deliverables promote U.S. policies and objectives. Ensure that in these organizations, resolutions and outcomes are consistent with U.S. trade policy and do not promote trade-restrictive barriers.
- Utilize the OECD Trade Committee to produce economic analysis that supports a fair and open global trading system, and to build coalitions of like-minded economies that can advance U.S. trade policy goals in multilateral institutions. Ensure OECD accessions, if any, support U.S. interests.

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

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

### **Objectives:**

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

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

**Measurements:**

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

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

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

well as the actions that Peru committed to take to address the Committee's timber verification findings and recommendations.

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



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

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

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

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

#### **Objectives:**

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

#### **Measurements:**

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

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

- Conduct outreach and work with trading partners to raise global climate ambition to achieve a net-zero global economy by 2050, including encouraging decarbonization through trade mechanisms.
- Consult and coordinate with allies and like-minded trading partners as they develop trade-related approaches to climate change, including carbon pricing or other measures.
- Proactively explore and consider trade-related measures to address climate change, including at the WTO, the OECD, and in other venues as appropriate.
- Continue to engage proactively at the WTO in the Committee on Trade and Environment and informal WTO dialogues as appropriate to advance trade-related climate change and circular economy initiatives at the WTO.
- Continue to engage in domestic processes and international fora aimed at combatting IUU fishing and enhancing seafood traceability.
- Continue to engage in relevant international fora to develop effective strategies to combat wildlife trafficking and to prevent the spread of zoonotic disease through wildlife trade.
- Continue to explore ways to advance trade facilitation for reverse supply chain products and intermediaries, including recyclable materials, in APEC, the WTO and other relevant fora. Emphasize the key role that trade plays in building more circular economies, including for climate change solutions.
- Maintain close collaboration with the Trade and Environment Policy Advisory Committee (TEPAC), and other stakeholders in developing U.S. negotiating positions on environment and climate matters, including in bilateral trade negotiations, regional and WTO initiatives, and the implementation of environmental obligations in existing FTAs.
- Implement strong environmental obligations that also contribute to a decarbonized and net-zero economy, including considerations of trade in low-carbon goods and promotion of environmental technologies.
- Advance U.S. climate priorities through our leadership of APEC's Committee on Trade and Investment (CTI) and in other relevant committees. Support regional decarbonization efforts through promotion of clean and renewable energy technologies, including environmental goods and services.
- Coordinate USTR resources and those of partner agencies to inform and strengthen the implementation of the President's trade agenda, particularly through the preparation of the *Annual Report of the President on the Trade Agreements Program*.

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

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

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

### **Objectives:**

- Work with Congress, interested stakeholders, unions, state and local governments, and the public to inform and strengthen the President's trade agenda, develop Administration trade policies and initiatives, and advance key trade legislation.
- Conduct outreach to underserved and disadvantaged communities, in policy development, negotiations, and implementation and enforcement of agreements and legislation.
- Amplify results of United States International Trade Commission (ITC) report on the distributional effects of goods and services trade and trade policy on workers and underserved communities. Work with statistical agencies to achieve better access to restricted data to provide better advice to policy makers. Work on achieving better access to restricted data through various Presidential initiatives, i.e., the Executive Orders on Equity and Promoting Competition in the American Economy; the Presidential Memorandum on advancing the human rights of LGBTQI+ persons around the world; the United States' National Strategy on Gender Equity and Equality; the White House Initiative on Asian Americans, Native Hawaiians; and Pacific Islanders; and the White House Council on Native American Affairs.
- Ensure that the concerns and perspectives of underrepresented communities, small businesses, and the employment and purchasing power interests of low-income Americans are reflected in proposed policies, including through improved engagement, innovative data collection, and outreach and engagement with community-based stakeholders, such as minority-owned businesses, business incubators, Historically Black Colleges and Universities (HBCUs), Hispanic Serving Institutions (HSIs), other minority serving institutions (MSIs), and local and national civil rights organizations.
- Incorporate policies and proposals that foster Tribal Nations' participation in international trade; ensure Tribal Nations are timely informed about trade policies and actions that may have Tribal implications.
- Provide timely and appropriate information to the public on ongoing trade negotiations and trade policy issues of general interest, consistent with laws and regulations governing engagement with the public as well as the protection of confidential information.

- Provide inclusive opportunities for the public to participate in the development of trade policy and trade initiatives, including changes in policy that affect existing trade programs; seek public input with respect to new major trade initiatives when feasible, even when not required by law.
- Facilitate participation in trade policy development by a broad range of stakeholders. In order to foster more inclusive and broader representation in terms of both geography and demographics, as well as stakeholder perspective, seek input using innovative and adaptable forms of communication, including virtual hearings and outreach, in addition to traditional means such as Federal Register notices.
- Foster a robust Advisory Committee system by appointing, consulting, and engaging with an active group of advisors; ensure that the membership includes a wide variety of expert interests, reflective of the diverse stakeholder perspectives.
- Facilitate opportunities for the public, especially from underserved communities, to share perspectives and ideas on developing equitable trade policy.
- Identify and explore opportunities for trade policy and practices, especially in emerging sectors where the United States has the potential to be competitive, to contribute towards increasing equity, reducing income inequality, and expanding micro, small, and medium-sized enterprises and their potential to create good U.S.-based jobs through trade.
- Expand data analysis and reports to measure equity and analyze the effect of trade policy on underserved communities, including assessments based on race, ethnicity, gender, disability, income, veteran status, or other key demographic variables.
- Educate the public on the Advisory Committee system and its role in trade policy.
- Adhere to the Guidelines for Consultation and Engagement adopted in October 2015.
- Coordinate trade policy effectively through the Trade Policy Staff Committee (TPSC) and the Trade Policy Review Group (TPRG).

**Measurements:**

- Consult closely with Congress and stakeholders on developments regarding all agreements, including their consideration by Congress, entry into force, and the potential addition of new agreement partners.
- Consult broadly and intensively with Congressional committees of jurisdiction, other committees as appropriate, leadership offices, and Congressional advisors on pending trade policy issues and initiatives. Keep Committees and Congressional leaders abreast of key issues, opportunities, and constraints in trade negotiations. Keep Committees updated on the positions of our negotiating partners.
- Build support for Administration trade policy through existing Congressional coalitions and caucuses.

- Consult with Congress and key stakeholders on new initiatives to promote policy reforms that expand trade and investment with key trading partners in ways that increase U.S. employment and production.
- Work with Congress on legislative initiatives, in particular the approval of trade agreements, and provide advice on trade aspects of proposed legislation to help ensure consistency with U.S. international obligations.
- Consult broadly with Congress and other stakeholders to develop a U.S.-sub-Saharan Africa trade partnership beyond African Growth and Opportunity Act (AGOA) preferences, including exploring possible new models for engagement and trade agreements with key African trading partners.
- Work with Congress on GSP reauthorization (as necessary) and enforcement efforts.
- Take the lead in providing policy advice and assistance in support of any Congressional initiatives to reform or re-examine preference programs that have an impact on the textile and apparel sector.
- Ensure that the *National Trade Estimate Report on Foreign Trade Barriers*, the Special 301 Report, the Russia WTO Implementation Report, the the PRC WTO Compliance Report, and other reports required by statute are developed in a transparent manner, with opportunity for input from the public at large as well as stakeholders and Members of Congress, and review the issues they address fully and accurately.
- Provide public access to U.S. submissions to WTO adjudicatory bodies so that stakeholders and interested members of the public may provide relevant input.
- Solicit public comment on WTO or FTA dispute settlement proceedings to ensure that USTR officials can develop U.S. positions and arguments based on all relevant available information.
- Ensure that meetings of environmental affairs councils and related fora under our existing FTAs include sessions open to the public, and provide for public input on the agendas for these meetings, consistent with legal and regulatory requirements.
- Ensure timely re-chartering of committees and appointment of members and ensure that committees meet statutory reporting requirements.
- Convene regular Advisory Committee meetings and briefings as needed in coordination with other relevant agencies.
- Ensure that the Advisory Committee system meets the needs of the 21st century economy and the U.S. national economic interest, by seeking advisory input on an ongoing basis as issues arise and posting documents for comment to the Secured Advisory Committee Website.
- Provide regular updates to USTR's advisory committee website with relevant information and membership.

- Consult regularly with the Advisory Committee for Trade Policy and Negotiations (ACTPN) to provide relevant advice to the USTR on matters arising in connection with the development, implementation, and administration of trade policy.
- Continue working closely with the Trade Advisory Committee on Africa (TACA) to provide relevant advice to the USTR on strengthening the U.S.-Africa trade and investment relationship.
- Consult with the Industry Trade Advisory Committees (ITACs) to identify industry barriers and to provide input on economic opportunities and other trade policy matters.
- Consult with the Agricultural Policy Advisory Committee (APAC) and the Agricultural Technical Advisory Committees (ATACs) on the development and implementation of strategies to address agricultural trade policy priorities.
- Maintain regular consultation with the Labor Advisory Committee for Trade Negotiations and Trade Policy (LAC), and other stakeholders on issues related to implementation of labor rights obligations under FTAs and worker rights criteria of trade preference programs.
- Maintain regular consultation with the Intergovernmental Policy Advisory Committee on Trade (IGPAC), and other stakeholders on issues involving trade and development that have a significant relationship to the affairs of U.S. state and local governments.
- Maintain close collaboration with the Trade and Environment Policy Advisory Committee (TEPAC), and other stakeholders in developing U.S. negotiating positions on trade and environment matters, including in bilateral trade negotiations, regional and WTO initiatives, and the implementation of environmental obligations in existing FTAs.
- Seek to ensure that all trade advisory committees represent a diverse, equitable, inclusive, and balanced group of stakeholder interests.
- Ensure smooth functioning of interagency policy development and review, including through providing all TPSC member agencies time, informed by TPSC guidelines, for review and approval of TPSC papers and other material.
- Make robust and effective use of TPSC subcommittees to frame issues and develop proposals for trade policy issues to ensure that all agencies with trade responsibilities are kept abreast of emerging issues, new initiatives, negotiations, enforcement, and other policy implementation.
- Seek to resolve inter-agency trade policy issues at the TPSC level whenever possible, and in a timely manner, reserving only complex or sensitive decisions, or issues on which agencies are unable to reach consensus through TPSC deliberation, for resolution in the TPRG (Deputy USTR/Under Secretary level) or among Cabinet officers.
- Use the National Security Council processes effectively to ensure USTR leadership on key Administration trade policy goals and initiatives.



- Promote North American competitiveness and workforce development. Under the USMCA Competitiveness Committee, support efforts to create a study or studies on workforce development in North America. Partner with a broad range of stakeholders to organize new events for strengthening workforce training and skills development.
- Complete negotiations on the establishment of a USMCA sub-committee to cooperate during emergency situations in order to maintain, re-establish, or otherwise address issues related to the flow of trade in North America, as well as a working group under that sub-committee to coordinate on a shared understanding of critical infrastructure priorities.
- Enhance opportunities for SMEs under the USMCA. Implement the USMCA commitment to convene a trilateral USMCA SME Dialogue, including SMEs owned by diverse and under-represented groups, NGOs, academic experts, and other stakeholders, so that SMEs may provide views on the implementation of the USMCA.
- Enhance opportunities for SMEs under the U.S.-Ecuador Protocol on Trade Rules and Transparency. Implement the Protocol commitment to convene a bilateral SME dialogue that includes SMEs owned by diverse and under-represented groups.
- Work with U.S. development agencies and other government agencies so that appropriate assistance programs are in place when necessary to support implementation of trade agreements and key trade legislation.

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

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

### **Objectives:**

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

### **Measurements:**

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

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

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

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

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

### **Objectives:**

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

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

**Measurements:**

- Foster a high-performing Office of Administration staff that provides efficient and effective support to USTR offices and employees.
- Develop an Agency DEIA Strategic Plan that addresses how USTR plans to advance DEIA within the workforce and address any potential barriers to equal employment opportunities as directed by the Government-wide Strategic Plan to Advance Diversity, Equity, Inclusion, and Accessibility (DEIA) in the Federal Workforce.
- Operationalize the DEIA Strategic Plan by creating annual goals and taking actionable steps to achieve those goals; develop standards of success to assess progress; conduct an internal quarterly review to assess progress toward achieving USTR goals.
- Develop human capital management strategies that attract and hire talent, identify and close knowledge, skill, and competency gaps, engage the workforce, create an inclusive climate, and measure personnel data to inform the future of human capital planning.
- Collaborate with the Executive Office of the President (EOP) to encourage employee participation in EOP activities related to health and wellness.
- Work with the employee Diversity, Equity, Inclusion and Accessibility (DEIA) Council by way of

four workstreams (External Outreach and Recruitment; Hiring, Promotion and Retention; Training, Workshops and Events; Employee Engagement) to provide ongoing advice to USTR Administration and agency leadership on agency policies and practices related to DEIA principles.

- Implement a comprehensive information security program that meets E.O. 13526 and ISOO Directive One.
- Implement a physical security program that meets HSPD-12 and otherwise complies with applicable laws and regulations.
- Develop procedures to protect USTR personnel in high threat situations and environments and provide appropriate level of protection for the USTR office complex.
- Develop a budget plan that will improve USTR's mission effectiveness; manage spending plan to maximize USTR's productivity and efficiency.
- Adopt administrative services procedures that provide responsive and timely support to USTR staff.
- Manage USTR space utilization and allocation to provide the quality and quantity of office and meeting facilities appropriate for USTR's mission requirements.
- Implement building maintenance strategies that facilitate mission accomplishment and promote employee health and well-being by providing clean and well-functioning facilities.
- Acquire and install information technology (IT) and communications equipment and services that facilitate mission accomplishment.
- Ensure that IT and communications systems for Geneva and Mexico City provide robust connectivity and continuity of operations.
- Employ just-in-time training, instructional seminars, and job aids to ensure highest possible use of IT capabilities.
- Promote and excel in the fundamentals of records management practices. Provide continuous improvement in USTR's handling of Federal records according to Federal Records Act.
- Develop and deliver effective records management training and materials to USTR's workforce through targeted outreach, communication, and training. Ensure common records management practices are understood and applied to the agency's records to increase the successful execution of the records management program.
- Identify recordkeeping requirements to effectively and efficiently manage needed records throughout their life cycle (creation, use and maintenance, and disposition).
- Cooperate with other divisions in USTR and the IT division to develop policies and guidance on the application of technology to records management.

# ANNUAL PERFORMANCE REPORT FOR FISCAL YEAR 2022

## *Introduction*

The Annual Performance Report for the Office of the United States Trade Representative (USTR) complies with USTR's obligations under the Government Performance and Results Act (GPRA), and helps the agency measure its performance for FY 2022.

In FY 2022, the Office of the United States Trade Representative (USTR) advanced the President's economic agenda, using trade policy in order to support and empower workers, drive wage-driven growth, create new trade opportunities for U.S. farmers, ranchers, manufacturers, service providers, fishers, and small and medium-sized enterprises (SMEs), including women and minority owned businesses, raise living standards and purchasing power for low-income families, and lead to better economic outcomes for all Americans. This report summarizes the goals set at the beginning of the year, and the accomplishments recorded by year's end.

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

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

#### **Objectives:**

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

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

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

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

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



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

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

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

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

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

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

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

### **Accomplishments:**

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

Highlights of USTR's accomplishments in FY 2022 include:

- ***Launched Negotiations for Indo-Pacific Economic Framework's Trade Pillar:*** In May 2022, the United States launched the Indo-Pacific Economic Framework for Prosperity (IPEF) with Australia, Brunei Darussalam, Fiji, India, Indonesia, Japan, the Republic of Korea, Malaysia, New Zealand, Philippines, Singapore, Thailand, and Vietnam. The launch began discussions of future negotiations on the following pillars: (1) Trade; (2) Supply Chains; (3) Clean Energy, Decarbonization, and Infrastructure; and (4) Tax and Anti-Corruption. The IPEF is designed to be flexible, and IPEF partners are not required to join all four pillars. USTR is leading for the United States on the Trade Pillar; the Department of Commerce is leading work on the other three pillars. On September 9, 2022, USTR and IPEF partners issued a ministerial statement outlining the scope of future

negotiations for the Trade Pillar. Current Trade Pillar partners include Australia, Brunei Darussalam, Fiji, Indonesia, Japan, the Republic of Korea, Malaysia, New Zealand, Philippines, Singapore, Thailand, and Vietnam. Through Trade Pillar negotiations, the United States seeks to build high-standard, inclusive, free, and fair-trade commitments and to develop new, creative, and economically meaningful approaches to trade policy in the Indo-Pacific region. USTR endeavors to advance our trade policy goals of resilience, sustainability, and inclusivity by negotiating commitments in the following areas: labor, environment, digital economy, agriculture, transparency and good regulatory practices, competition policy, trade facilitation, inclusivity, and technical and economic cooperation.

- ***Convened U.S.-Taiwan Trade and Investment Framework Agreement (TIFA) Working Groups.*** Throughout FY 2022, the United States and Taiwan convened a number of working group and ad hoc meetings to follow up on issues raised at a TIFA Council meeting held in June 2021 under the auspices of the American Institute in Taiwan and the Taipei Economic and Cultural Representative Office. These discussions focused on a range of trade and investment issues including with regard to market access barriers facing U.S. beef and pork producers, the approval process for medical devices, copyright legislation, digital piracy, labor, financial services, and investment and regulatory transparency.
- ***Launched U.S.-Taiwan Initiative on 21st Century Trade.*** In June 2022, the United States and Taiwan launched the U.S.-Taiwan Initiative on 21st Century Trade under the auspices of the American Institute in Taiwan (AIT) and the Taipei Economic and Cultural Representative Office in the United States (TECRO). This new trade initiative envisions the negotiation of trade agreements with high-standard commitments and economically meaningful outcomes in a number of trade areas, including trade facilitation, good regulatory practices, anticorruption standards, small and medium-sized enterprises, agriculture, standards, digital trade, labor, environment, state-owned enterprises, and non-market policies and practices. The two sides agreed on a negotiating mandate and commenced formal negotiations in August 2022.
- ***Continued Engagement with Taiwan to Address Barriers to U.S. Beef and Pork.*** In FY 2022, USTR and U.S. Department of Agriculture (USDA) continued in-depth engagement with Taiwan, including in the U.S.-Taiwan Trade and Investment Framework Agreement (TIFA) Agriculture Working Group, with the goal of removing barriers to U.S. beef and pork. Discussions were comprehensive and covered longstanding barriers such as import bans on certain U.S. beef products, as well as policies put in place since January 1, 2021, such as increased inspection rates for U.S. pork products that are unjustified in light of compliance records.
- ***Continued Implementation of the United States-Mexico-Canada Agreement (USMCA).*** Full implementation of the USMCA, which entered into force on July 1, 2020, was a key USTR priority throughout FY 2022. On January 13, 2022, the United States, Canada, and Mexico held the first-ever meeting of the Deputies under the USMCA. The United States participated in the 2<sup>nd</sup> meeting of the USMCA Free Trade Commission on July 8, 2022, a key step forward to continue building an inclusive trade policy for North America, advancing USMCA implementation, and enhancing coordination with Canada and Mexico. During FY 2022, USTR convened meetings of eight of the USMCA's committees, including the Committees on Trade Facilitation, Sanitary and Phytosanitary Measures, Technical Barriers to Trade, State-Owned Enterprises and Designated Monopolies, Environment, Small and Medium-Sized Enterprise Issues, North American Competitiveness, and Good Regulatory Practices; and the Working Groups for Cooperation on Agricultural Biotechnology and Temporary Entry. USTR also led new efforts under the USMCA Competitiveness Committee to strengthen North American competitiveness. In FY 2022, USTR and Mexican and Canadian counterparts organized three trilateral workforce development forums in our three countries and

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

- ***Facilitated Implementation of USMCA textile provisions.*** USTR engaged with Canada and Mexico to ensure proper implementation of the USMCA textile provisions, including administration of tariff preference levels and entry-into-force of new rules of origin involving certain textile inputs.
- ***U.S.-China Trade Engagement.*** USTR continued to closely monitor the efforts of the PRC to implement its commitments under the economic and trade agreement signed by the United States and the PRC in January 2020 and regularly engaged the PRC to insist on its full implementation of the agreement.
- ***Ensured Continued Access for U.S. Food Exports to the PRC Despite Burdensome Facility Registration Requirements.*** On January 1, 2022, Beijing implemented Decree 248 establishing burdensome new requirements for all overseas exporters of food to the PRC. USTR led an all-of-government effort to minimize the trade impacts of these new and complex requirements, including by engaging Chinese counterparts to limit the role of U.S. food safety regulators under Decree 248, and assisting U.S. facilities navigating the new rules.
- ***Worked with Like-Minded Trading Partners on Non-Market Policies and Practices.*** Continued and enhanced engagement with like-minded trading partners, such as the EU, the UK, Japan, Canada and Australia, in bilateral, trilateral, and plurilateral configurations, on strategies to address problematic Chinese trade policies and practices, including non-market policies and practices such as non-market excess capacity, forced labor, forced technology transfer, and economic coercion, affecting a broad range of economic sectors, such as aircraft, steel, aluminum, semiconductors, and medical devices.
- ***Continued engagement on trade policy in the U.S.-EU Trade and Technology Council (TTC).*** During FY 2022, USTR collaborated with the European Commission Directorate for Trade, its partner in leading the TTC Global Trade Challenges working group, to take forward several trade-related streams of work that were endorsed by Ambassador Tai and the other U.S. and EU TTC co-chairs during their May 2022 meeting in Paris. In the months before and after the May co-chairs meeting, the Global Trade Challenges working group analyzed and began developing plans for defending the U.S. and EU medical device sectors from the PRC's non-market policies and practices; launched a Trade and Labor Dialogue that brings together U.S. and EU labor leaders, business representatives, and government officials for a structured dialogue on trade-related issues impacting U.S., EU, and global workers; launched a new process for joint work to address trade barriers of shared concern in third countries; planned an early 2023 workshop and other initiatives relating to due diligence in reducing violations of labor rights in global supply chains; pursued exploratory work on possible new arrangements to reduce costly duplicative product testing in the U.S. and EU markets; and collaborated on the development of a trilateral (U.S., Japan, EU) statement in support of the International Labor Organization's (ILO) Global Forced Labor estimates.
- ***Advanced Efforts to Combat Forced Labor in Global Supply Chains.*** USTR continued in FY 2022 to build on the foundation set in previous years on combatting forced labor by strengthening enforcement in prohibiting the importation of goods produced by forced labor and engaging and working with allies and trade partners to promote a fair, rules-based international trading system that respects the rights of workers and affirms that there is no place for forced labor, including state-sponsored forced labor. On January 14, 2022, the Uyghur Forced Labor Prevention Act entered into

force. As a member of the Forced Labor Enforcement Task Force, USTR worked with other agencies, including the Departments of Homeland Security, Labor, State, and Commerce to issue an enforcement strategy to prohibit the importation of goods from Xinjiang, where Uyghurs and other minority groups are subject to forced labor. On September 15, 2022, the United States, Japan, and the European Union issued a Trilateral Joint Statement from the Trade and Labor Ministers of the United States, Japan, and European Union on the new global estimates of 28 million people in forced labor produced by the ILO, Walk Free, and the International Organization for Migration. The statement expressed shared principles in combatting forced labor, including addressing the vulnerability of migrant workers.

- ***Advanced Environment-Related Trade Negotiations and Initiatives.*** Throughout FY 2022, USTR continued to prioritize monitoring and implementation of FTAs in force, as well as advanced additional initiatives. USTR organized numerous meetings with the Government of Mexico to discuss challenges and opportunities for cooperation related to Mexico's fisheries enforcement capacity, including launching the first-ever USMCA environment consultations under Chapter 24. USTR also continued to advance implementation of the USMCA's environment provisions through convening quarterly meetings throughout FY 2022 of the Interagency Environment Committee for Monitoring and Enforcement, established by Executive Order 13907 to coordinate United States' efforts to monitor and enforce environmental obligations with respect to USMCA Parties. USTR also continued to actively monitor and enforce the United States-Peru Trade Promotion Agreement (PTPA) and its unique Forest Annex (Annex 18.3.4). The United States and Peru also held discussions on the implementation of obligations under the PTPA's environment chapter and selected a new Executive Director of the Secretariat for Submissions on Environmental Enforcement Matters. USTR engaged Ecuador on a range of environmental issues, including illegal, unreported, and unregulated (IUU) fishing, sustainable resources management, and circular economy approaches, through the Environmental Working Group under the Trade and Investment Council. USTR also participated in several U.S. initiatives to combat IUU fishing, including through working groups established under the Maritime Security and Fisheries Enforcement Act on global IUU fishing, illegal fishing in the Gulf of Mexico, and fisheries and forced labor, and through the development of the Memorandum on Combating Illegal, Unreported, and Unregulated Fishing and Associated Labor Abuses. The United States joined the informal Trade and Environmental Sustainability Structured Discussions (TESSD) and co-sponsored the associated Ministerial Statement which was released in December 2021. USTR actively supported the negotiation of a work plan to implement the Ministerial Statement and in May 2022 circulated a communication at the WTO to advance discussions among WTO Members on climate change and circular economy. As part of the TESSD as well as through other WTO channels, the United States actively engaged in and led discussion on issues such as trade-related climate measures and circular economy and circularity, to help deepen knowledge and dialogue by WTO Members on emerging issues in trade and environmental policy.
- ***Enhanced Efforts to Address Small and Medium-Sized Enterprise (SME) Trade-Related Issues.*** USTR enhanced efforts to address trade priorities and challenges of American small businesses in the development and implementation of trade policy. USTR worked extensively with the interagency Trade Policy Staff Committee (TPSC), Congress, trade partners, and other stakeholders to develop and implement trade policy activities reflecting issues of concern to U.S. small businesses. Under the USMCA SME Chapter, the USMCA SME Committee convened the 1<sup>st</sup> USMCA SME Dialogue in San Antonio, TX in April 2022 with over 800 stakeholders online and in person, convened by USTR, SBA and Commerce together with Global Affairs Canada and Canada's Trade Commissioner Service, and the Development Productive Unit and the Vice Ministry of Foreign Trade of the Ministry of Economy of Mexico, and hosted by the University of Texas San Antonio Small Business Development Center and Commerce's U.S. Export Assistance Center San Antonio. The USMCA SME Committee also held a women's entrepreneurship in North America webinar which was directed

at women-owned SMEs and attracted more than 300 registrants. Additionally, the U.S.-EU Trade and Technology Council includes an SME Working Group on Promoting Small- and Medium-sized Enterprises (SME) Access to and Use of Digital Tools, which convened a Digital Skills webinar and an IP webinar aimed at SMEs. In addition, USTR, together with interagency partners at the Department of Commerce and the Small Business Administration convened the 5<sup>th</sup> US-UK SME Dialogue in Boston in June 2022 with the UK Department of International Trade and the UK Department for Business, Energy and Industrial Strategy. USTR, Commerce and SBA also convened the 11<sup>th</sup> US-EU SME Workshop in Augsburg, Germany with the European Commission's Directorate General for Trade and Directorate General for Internal Market, Industry, Entrepreneurship and SMEs.

- ***Continued Active U.S.-Korea Free Trade Agreement (KORUS) Committee Work.*** Active work to address KORUS implementation and other issues continued throughout FY 2022. The minister-level Joint Committee led enhanced cooperation on a number of fronts, in addition to progress on bilateral implementation issues. As one outcome of the Joint Committee the KORUS Labor Affairs Council met for the first time in several years, reinvigorating that channel and cooperation with Korea on worker rights. In agriculture, interim mid-year meetings of the SPS and Agriculture committees in February 2022 addressed a number of issues, including acceptable levels of certain residues on imports of U.S. meat and poultry into Korea, the registration of pesticides, Korea's approval procedures for products of agricultural biotechnologies, and development of policies to address emerging technologies, such as genome editing. USTR also completed "mid-year check in" meetings in Korea in August 2022, to take stock of progress made on the various issues raised in the Committees in February 2022, and to begin planning for the next installment of Committee meetings tentatively scheduled for February 2023 in Washington. Progress was also achieved through regular consultations in areas including digital trade, cross-border data flow restrictions on reinsurance businesses, and automotive regulations.
- ***Launched the U.S.-Japan Partnership on Trade.*** In November 2021, USTR launched the U.S.-Japan Partnership on Trade with the Government of Japan, an initiative to advance a shared agenda of cooperation across a broad range of issue areas as well as to address bilateral trade issues of concern to either side. Rounds of meetings took place in February and August 2022; initial topics for cooperation included third country concerns, cooperation in regional and multilateral trade-related fora, addressing labor and environment-related priorities, a supportive digital ecosystem for all, and trade facilitation. The United States also raised several bilateral concerns, including regulatory transparency, ensuring a level playing field for U.S. products and services such as standards-related issues, and increasing Japan's use of ethanol. Outcomes include work towards the US-Japan-EU joint statement in support of the ILO Global Forced Labor estimates, the coordination of interagency input to Japan's human rights due diligence guidelines, coordinated actions to combat third-party digital regulations that threaten the free flow of data, improvements on several transparency issues in Japan's public notice and comment process, and Japan's initiation of discussions with stakeholders on high-voltage charging regulations.
- ***U.S.-Japan Beef Safeguard Agreement.*** On June 2, 2022, the U.S. Trade Representative and Ambassador of Japan signed a new agreement to revise the beef safeguard mechanism under the U.S.-Japan Trade Agreement. The updated agreement will allow U.S. beef exporters to more reliably meet Japan's growing demand for high-quality beef, providing more predictability and reducing the probability that safeguard duties will be imposed on U.S. beef. Exports of U.S. beef to Japan totaled almost \$2.4 billion in 2021, with Japan representing the United States' second largest beef export market.

- ***Collaboration with Japan to Increase Demand for U.S. Ethanol.*** In October 2022, USTR co-hosted an ethanol workshop in Tokyo with Japan’s Ministry of Economy, Trade and Industry (METI) and U.S. Embassy Tokyo to share technical information on the environmental and economic benefits of increasing the use of U.S. corn-based ethanol. The workshop occurred following publication of the 2022 U.S.-Japan Joint Leaders Statement in which Japan committed to double its demand for ethanol, including for on-road fuel and sustainable aviation fuel, by 2030. USTR will continue to work with METI as Japan reviews its biofuels policies.
- ***U.S.-United Kingdom Trade Engagement.*** In FY 2022, the U.S. Trade Representative and then UK Secretary of State held the Future of Atlantic Trade Dialogues in Baltimore, Maryland (March 2022) and Aberdeen, Scotland (April 2022) to bring together a diverse group of stakeholders and U.S. and UK trade officials to discuss opportunities to deepen U.S.-UK bilateral trade and to partner on global trade issues of concern. In March 2022, the United States and the United Kingdom reached the 232 Tariff Agreement to allow historically-based sustainable volumes of U.K. steel and aluminum products to enter the U.S. market without the application of Section 232 tariffs, and to lift UK retaliatory tariffs on over \$500 million worth of U.S. exports to the U.K., including distilled spirits, various agriculture products and consumer goods.
- ***Initialed EU Brexit TRQ Agreement.*** In July 2022, USTR and the EU initialed an agreement on TRQ amounts negotiated between the United States and the EU following the UK’s withdrawal from the EU customs union. This agreement will provide certainty to U.S. exporters regarding access to the EU market and secured favorable market access outcomes for U.S. products such as pork, beef, rice, wheat, and corn.
- ***Ensured Continued Access to the United Kingdom for U.S. Agricultural Exports.*** In June 2022, the United States lifted its reservation on the UK’s modified tariff schedule to account for the UK’s withdrawal from European Union (EU). This action codified the UK’s implementation of TRQs negotiated between the United States and the UK as part of the UK’s withdrawal from the EU, thereby providing certainty to U.S. agricultural exporters, including via increased access to the UK market for products such as pork and beef. Additionally, in April 2022, USTR initiated discussions with the UK to increase cooperation on global and bilateral food security in response to global food and agriculture trade shocks due to Russia’s invasion of Ukraine.
- ***Enhanced U.S.-Kenya Trade Engagement.*** During FY 2022, the U.S. Trade Representative held multiple meetings with then Kenyan Cabinet Secretary for Industrialization, Trade and Enterprise Development to identify ways to deepen the U.S.-Kenya trade and investment relationship. In May 2022, USTR led a team to Kenya for technical consultations on a broad range of areas. On July 14, 2022, the U.S. and Kenya issued a joint statement launching the U.S.-Kenya Strategic Trade and Investment Partnership, listing nearly a dozen mutually agreed areas of initial focus. On September 13, 2022, the U.S. Trade Representative led the Presidential Delegation to Nairobi, Kenya to attend the Presidential Inauguration.
- ***Strengthened U.S. Engagement with the African Continental Free Trade Area (AfCFTA) Secretariat.*** In FY 2022, USTR launched negotiations on a Memorandum of Understanding (MOU) with the AfCFTA Secretariat. USTR staff held a number of negotiating rounds with the AfCFTA Secretariat on the MOU and led a delegation to Ghana to initiate talks for developing an action plan under the MOU that will outline the sectoral coverage of the technical working groups. The U.S. Trade Representative and the AfCFTA Secretary General signed the MOU in December 2022 during the U.S.-Africa Leaders Summit.

- ***Ongoing Engagement with the Middle East/North Africa (MENA).*** The United States continued to monitor and enforce existing U.S. FTAs with Bahrain, Israel, Jordan, Morocco, and Oman and to consult where appropriate under bilateral TIFAs with partners in the MENA region on key issues impeding trade and investment. During FY 2022, USTR and USDA officials met with Moroccan counterparts and convened meetings of the FTA Agriculture and SPS Subcommittees to discuss a range of agricultural and SPS issues, as well as bilateral and multilateral cooperation efforts. In June 2022, the United States and Algeria held the first in-person meeting under their bilateral TIFA since 2018 and reviewed potential future cooperation in a number of areas, including agriculture and intellectual property protection and enforcement. The United States continued to pursue dialogues with several MENA countries, particularly in the Gulf region, to promote science-based food safety certification requirements.
- ***Highlighted Trade Priorities at the Summit of the Americas.*** In June 2022, a USTR delegation participated in the Summit of the Americas in Los Angeles, meeting with countries in the Hemisphere on priority trade issues. The U.S. Trade Representative held bilateral meetings with Chile, Costa Rica, Ecuador, Haiti, Panama, and joined 13 other countries in announcing a new Declaration on Good Regulatory Practices, as described below. At the Summit, President Biden announced a new initiative, the Americas Partnership for Economic Prosperity (APEP), which will carry forward regional priorities, including related to trade.
- ***Promulgation of a Declaration on Good Regulatory Practices (GRP) at the Summit of the Americas.*** Building on outreach on GRP in 2021, including a four-part webinar series in the Americas, USTR negotiated a Declaration on Good Regulatory Practices. The Declaration, which was joined by Argentina, Brazil, Canada, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, El Salvador, Haiti, Panama, Paraguay, and Uruguay, was announced on June 8, 2022 in Los Angeles. It identifies actions and practices to instill confidence, accountability, and predictability in regulatory processes. These actions and practices include providing easy access to regulatory information, conducting public consultations in an open and inclusive manner; engaging all interested persons in the regulatory process; conducting reviews of regulations in effect; and using relevant international standards, guidelines and recommendations to avoid unnecessary obstacles to trade.
- ***Successful Entry into Force of Agreement on Trade and Economic Cooperation (ATEC) Protocol on Trade Rules and Transparency with Brazil.*** In November 2021, Brazil’s Congress approved the Protocol on Trade Rules and Transparency signed in October 2020. The Protocol entered into force on February 2, 2022. A Deputy U.S. Trade Representative traveled to Brazil in March 2022, to underscore the importance of full implementation of the Protocol.
- ***Continued Negotiation of a Protocol on Trade Rules and Transparency with Uruguay.*** In August 2021, the United States and Uruguay announced their intent to update the U.S. – Uruguay Trade and Investment Framework Agreement with a Protocol on Trade Rules and Transparency, including high-standard provisions on anti-corruption and good regulatory practices, as well as an update to the existing 2008 protocol on trade facilitation. Negotiations advanced in FY 2022 in all three areas, including closing the annex on Anti-corruption.
- ***Agreed to Expand the Protocol on Trade Rules and Transparency with Ecuador.*** In October 2022, the United States and Ecuador agreed to negotiate additional annexes under the Protocol on Trade Rules and Transparency. The Protocol was signed in December 2020 as an update to the Trade and Investment Committee (TIC) Agreement, and entered into force on August 5, 2021. The Protocol

contains state-of-the-art annexes on Trade Facilitation, Good Regulatory Practices, Anti-corruption, and SMEs. In addition, the United States and Ecuador agreed to establish a Fair Trade working group.

- ***Continued Engagement under the CAFTA-DR.*** In FY 2022, USTR continued its engagement under the CAFTA-DR, with a focus on capacity building and Northern Central American countries, to strengthen trade, supply chains and near-shoring, and to build inclusive economic and investment opportunities and formal sector employment in the region, contributing to the United States strategy to address the root causes of migration.
- ***Strengthened the CAFTA-DR Textile and Apparel Supply Chain.*** In support of the Administration's strategy to address the root causes of migration from the Northern Triangle countries, USTR engaged with CAFTA-DR partners and stakeholders to identify and develop means to increase two-way trade in textiles and apparel and strengthen the North American supply chain to enhance job creation. For example, USTR organized a webinar series aimed at helping stakeholders to better understand and make use of CAFTA-DR's textile and apparel rules of origin and related provisions, such as the short supply mechanism. Over 600 U.S. and Central American stakeholders participated in the four-part series.
- ***USMCA Implementation Leads to ASTM Agreement with Mexican Government.*** In October 2021, ASTM International signed a Memorandum of Understanding with Mexico's General Directorate for Standards and Norms (DGN) allowing DGN to use and distribute ASTM standards in Mexico. This was made possible by USTR's negotiation of Article 11.4 of the USMCA, which requires Mexico to consider international standards that use WTO agreed principles as the basis for national voluntary standards or in technical regulations and conformity assessment procedures.
- ***Mexico Expands Access for U.S. Fresh Potatoes.*** In May 2022, the United States shipped fresh potatoes to Mexico beyond a 26-kilometer zone along the U.S.-Mexico border after seeking access beyond the border zone since 2003. In 2021, the United States exported over \$55 million of U.S fresh potatoes to Mexico, its second largest export market.
- ***Reinforced Economic Relations with Chile.*** The United States continued to address priority issues, including agriculture market access, environmental protection and conservation, and intellectual property commitments through ongoing discussions with the Government of Chile. In June 2022, the U.S. Trade Representative met with Chilean officials of the new Administration during the Summit of the Americas to exchange views on shared trade priorities. In August 2022, the United States and Chile held the ninth meeting of the Environmental Affairs Council (EAC), which provided an opportunity to exchange information and progress on issues such as climate change, circular economy, wildlife trafficking, IUU fishing, and environmental justice.
- ***Advanced Bilateral Trade Relations with Colombia.*** On October 22, 2021, the United States and Colombia held the third meeting of the Free Trade Commission (FTC) under the United States – Colombia Trade Promotion Agreement (CTPA), which laid the groundwork for the CTPA's 10-year anniversary in FY 2022. USTR followed the FTC meeting with continued engagement on the Labor Action Plan; environment and sustainability; food safety; underrepresented groups; and engagement with small- and medium-sized enterprises.
- ***Convened First U.S.-Paraguay Trade and Investment Council Meeting.*** In September 2022, the United States hosted a Paraguayan delegation in Washington for the first meeting under the U.S.-Paraguay TIFA, which entered into force in March 2021. At the meeting, the two countries agreed on an Intellectual Property Work Plan, to address outstanding IP issues in Paraguay raised in the Special



301 Report. In addition, the delegations discussed mutual interests including inclusive trade, trade facilitation, good regulatory practices, anti-corruption, digital economy, and agricultural issues.

- ***Increased Exports of U.S. Rice to Panama.*** In June 2022, Panama announced its intention to import 27,216 tons of rough rice to address a supply shortfall in their domestic market. Earlier in the year, USTR had engaged with Panama regarding administration of rice tariff-rate quotas (TRQs) under the United States – Panama Trade Promotion Agreement (TPA). Panama held an auction in July 2022 for the approved volume of rough rice and the entire additional volume of rough rice was supplied by U.S. producers with a current value of nearly \$14 million. From January-May 2022, U.S. exports of rough rice to Panama totaled 36,692 tons by volume and \$14 million by value. The additional 27,216 tons nearly doubled U.S. rough rice exports and were not subject to an agricultural safeguard (90%).
- ***Advanced Fair Trade in the Asia-Pacific Region through APEC.*** Throughout FY 2022, the United States made progress in advancing important initiatives to expand opportunities for U.S. exports and businesses in the Asia-Pacific, including in the areas of trade facilitation, environmental goods and services, digital issues, transparency and good regulatory practices, standards, customs and customs procedures, trade in services, remanufacturing, sustainable materials management, labor, and capacity building projects to assist in implementing trade facilitation measures, among others.
- ***Promoted Food Security in APEC.*** The Seventh APEC Ministerial Meeting on Food Security finalized and adopted the Food Security Roadmap Towards 2023, which identifies specific actions and initiatives that APEC economies have chosen to implement and deliver on the Roadmap in the areas of digitalization and innovation, productivity, inclusivity, sustainability, public-private partnerships and smart goals. The United States played an active role in drafting the Implementation Plan to ensure that U.S. strategic initiatives, such as climate change and sustainable agriculture, were forefront.
- ***Deepened Cooperation with the Association of Southeast Asian Nations (ASEAN) Countries.*** In FY 2022, the United States deepened cooperation with the ten ASEAN countries in the areas of labor, environment, trade facilitation, and SMEs under the U.S.-ASEAN TIFA. In March 2022, the United States held a second Trade and Labor Dialogue with senior ASEAN officials and a best practices exchange to support women-owned micro, small, and medium-sized enterprises through e-commerce.
- ***Promoted Trade and Investment Ties with ASEAN.*** Throughout FY 2022, the United States engaged ASEAN partners on regional trade and investment issues through bilateral and regional Trade and Investment Framework Agreements (TIFAs). For example, as a result of engagement through TIFA dialogues, the United States continued to advance market access through advocating for continued recognition of U.S. automotive standards in Laos. In May 2022, USTR held a TIFA Labor Working Group meeting to advance worker rights in Cambodia.
- ***Supported Ukraine’s Economic Sovereignty and Recovery through Trade and Investment.*** USTR hosted the eleventh meeting of the U.S.-Ukraine Trade and Investment Council, bringing together representatives from across the U.S. Government and the Government of Ukraine to focus on Ukraine’s investment environment. U.S. officials described the various tools available to the U.S. Government to support Ukraine. The delegations then discussed reforms that would create an environment that encourages companies and individuals to live, work, and invest in Ukraine. The U.S. Trade Representative and Ukraine’s First Deputy Prime Minister and Minister of Economy announced the launch of negotiations to update the U.S.-Ukraine Trade and Investment Agreement.

- ***Supported Moldova’s Efforts Toward Economic Reform and Open Markets.*** In FY 2022, USTR continued efforts to facilitate U.S. agriculture exports to Moldova and to encourage Moldova to undertake reforms to create an environment attractive to business, investment, and labor.
- ***Revival of the U.S.-India Trade Policy Forum.*** Following the November 2021 re-launch of the U.S.-India Trade Policy Forum (TPF), USTR engaged actively with India’s Ministry of Commerce and Industry and other agencies through the TPF’s four working groups. This engagement enabled USTR to pursue resolution of problems affecting trade in non-agricultural goods, agriculture, intellectual property, and services, including issues affecting digital trade. Through the TPF mechanism, USTR and its Indian counterpart also engaged in preliminary discussions regarding good regulatory practices. USTR is also seeking deeper engagement with India on emerging issues such as labor, environment, and trade facilitation.
- ***U.S. Cherry Access to India’s Market.*** On August 3, 2022, the Plant Quarantine Division of India’s Ministry of Agriculture and Farmers Welfare granted expanded market access for U.S.-origin cherries from the northwest United States, fulfilling a commitment made under the 2021 U.S.-India Trade Policy Forum. Industry estimates that U.S. cherry exports potentially may reach \$5 million annually.
- ***Strengthened Ties with South Asian Partners.*** In March 2022, USTR staff traveled to Pakistan to participate in an intersessional meeting of the U.S.-Pakistan Trade and Investment Framework Agreement (TIFA). This productive meeting paved the way for a ministerial-level meeting of the bilateral TIFA Council, currently foreseen for early 2023. With regard to Bangladesh, USTR held regular virtual meetings under the framework of the U.S.-Bangladesh Trade and Investment Cooperation Framework Agreement (TICFA) council, discussing market access, labor rights and workplace safety, intellectual property, and concerns with the business climate in Bangladesh. At the conclusion of the fiscal year, planning was underway for an in-person meeting of the TICFA Council in December 2022.
- ***Promoted Trade, Investment, and Regional Cooperation in Central Asia.*** During FY 2022, the United States engaged with Kazakhstan, Kyrgyzstan, Turkmenistan, Tajikistan, and Uzbekistan on regional trade issues under the U.S.-Central Asia TIFA. The U.S.-Central Asia TIFA SPS working group provides a forum to share knowledge and discuss the implementation of international trade-related best practices on SPS, including WTO requirements, promoting fair and less-restrictive trade policies and practices that would increase market access for U.S. and domestic businesses in the region. Other TIFA Working Groups remained active during FY 2022, focusing on raising the capacity of Central Asian trading partners in areas including digital trade, customs, standards, worker rights, intellectual property, and women’s economic empowerment.
- ***Enhanced U.S. ITC research and analysis capabilities to provide better advice.*** Requested the USITC to expand its research and analysis capabilities so that future USITC advice on trade initiatives includes estimates of the potential distributional effects of trade and trade policy of both imports and exports of goods and services on U.S. workers and indirect effects on U.S. exports of intermediate inputs when final goods receive preferential access to the U.S. market.
- ***Engaged Strategically with Key Trade Partners on Intellectual Property.*** USTR contributed significantly to the Administration’s priority of protecting trade secrets against theft and misappropriation, including through pursuing disciplines in bilateral engagements such as with the PRC.

- ***Promoted Transparent Special 301 and Notorious Market Processes.*** USTR continued to promote high levels of transparency surrounding the Special 301 and Notorious Markets List processes. USTR developed and published the annual Special 301 Report, which puts a spotlight on foreign countries and the laws, policies, and practices that fail to provide adequate and effective IP protection and enforcement for U.S. right holders, and informs U.S. Government engagement with these countries. USTR solicited broad public participation in the Special 301 review and Notorious Market processes, including by requesting written submissions from the public through a notice published in the Federal Register. USTR developed and published the annual Notorious Markets List, which highlights prominent and illustrative examples of online and physical markets that reportedly engage in or facilitate substantial piracy or counterfeiting, with a goal towards motivating appropriate action by the private sector and governments to reduce trademark counterfeiting and copyright piracy globally.
- ***Secured Positive Outcomes from the 12<sup>th</sup> WTO Ministerial Conference (MC12).*** At the 12<sup>th</sup> Ministerial Conference held in June 2022, the United States secured several key outcomes, including Ministerial recognition and commitment to reform of the organization. The United States also secured a groundbreaking multilateral agreement on fisheries subsidies (see below), an extension of the customs duties moratorium on electronic transmissions, and a forward work program on SPS issues.
- ***Groundbreaking Multilateral Agreement to Discipline Harmful Fisheries Subsidies.*** The United States continued to exercise a leadership role at the WTO through extensive engagement in the long-running negotiations on an agreement to prohibit harmful fisheries subsidies. As a result, at MC12, WTO Members finally concluded the WTO Fisheries Subsidies Agreement, which is the first multilateral trade agreement with environmental sustainability at its core and an important first step in disciplining harmful fisheries subsidies. The Agreement contains several important disciplines, including prohibitions on subsidies to vessels or operators engaged in IUU fishing, subsidies to fishing regarding stocks that are overfished, and subsidies to fishing on the unregulated high seas. The Agreement also includes robust transparency provisions to strengthen WTO Members' notification of harmful fisheries subsidies and to enable effective monitoring of Members' implementation of their obligations.
- ***Positive Outcome for U.S. Agriculture at MC12.*** The United States engaged actively with WTO Members to deliver MC12 outcomes that reflected the priorities and sensitivities of U.S. agricultural stakeholders, while sending a strong message that trade is a key part of the solution to ensuring global food security. WTO Members committed to both short- and long-term actions aimed at strengthening the resilience of global agricultural markets through: 1) a Ministerial Declaration on the Emergency Response to Food Insecurity; and 2) a Ministerial Decision on World Food Program Food Purchases Exemptions from Export Prohibitions or Restrictions. In addition, through adoption of an SPS Declaration, WTO Members have embraced the opportunity to look ahead at how the SPS Agreement can further help facilitate safe trade and affirmed the importance of innovation and sustainable productivity growth in agriculture to feed a growing global population. Importantly, the United States and allies soundly rejected attempts by some WTO Members – India, in particular – to advance Ministerial outcomes that would have led to market distortions, unfair competition to U.S. products, and further destabilization of long-term global food security.
- ***Utilized Trade Initiatives to Promote Marine and Terrestrial Conservation and Ocean Sustainability.*** USTR worked with interagency partners, trading partners, and stakeholders on actions to advance ongoing whole-of-government initiatives on combating wildlife trafficking, illegal fishing, and to conserve and protect marine and terrestrial species of concern. USTR ensured that such

initiatives are consistent with our international trade obligations. USTR also was engaged in relevant discussions with trading partners as well as the interagency process led by the Department of State to develop a U.S. position in advance of the launch of negotiations on a global plastics treaty under UN Environment Assembly Resolution 5/14, “End Plastic Pollution: Towards a legally binding instrument.” USTR continues to actively participate in the internal U.S. government discussions leading into the International Negotiating Committee (INC) meetings, beginning with INC-1 in November 2022. USTR also continues to participate in internal U.S. government discussions and in formal meetings organized under various multilateral environmental agreements aimed at promoting marine and terrestrial conservation, such as the Convention on Trade in Endangered Species of Wild Fauna and Flora (CITES).

- ***Advanced Implementation the WTO Joint Statement Initiative on Services Domestic Regulations (DR JSI).*** Concluded in December 2021, the DR JSI strengthens the procedural transparency and due process rules for services licensing. The United States worked to ensure that rules adopted through the DR JSI parallel the strong rules negotiated in USMCA. The conclusion of the DR JSI negotiations ensure U.S. views on the importance of regulatory transparency and fairness in services are reflected in an agreement that will be applied by Members around the world reflecting the vast majority of services trade. The new rules also seek to bar gender discrimination in rules governing services licenses; this is the first time a WTO rule addressed the negative impact such practices have on economic opportunity. Finally, as the first joint statement initiative to be concluded, the DR JSI paves the way for other WTO issues to be taken up on a plurilateral basis by interested Members. In FY 2022, the United States worked to ensure that Members completed their implementation processes by the end of the year.
- ***Advanced Negotiations on E-commerce and Digital Trade at the WTO.*** The United States continued to engage in productive negotiations on digital trade at the WTO in FY 2022. The United States aims to continue to advance these negotiations towards an ambitious, high-standard agreement that creates strong, market-oriented rules in the area of digital trade and reduces barriers around the world that threaten to undermine growth of the digital economy, including restrictions on cross-border data flows and data localization requirements. During FY 2022, significant progress was made on a number of provisions in the negotiations.
- ***Participated in WTO Trade Policy Reviews.*** USTR prepared comprehensive questions and engaged in Trade Policy Reviews (TPRs) of fifteen WTO Member throughout FY 2022 for Georgia, Panama, Guyana, United Arab Emirates, Pakistan, Switzerland, Liechtenstein, New Zealand, Ghana, Republic of Moldova, Mexico, Djibouti, Barbados, Brazil, and Seychelles. These reviews provided an opportunity to inquire about aspects of Member regimes of interest to U.S. stakeholders, to seek updates on implementation of WTO agreements, and reinforce transparency requirements. USTR also led the triennial TPR of the United States.
- ***Promoted Transparency and Accountability in WTO Trade Capacity Building.*** The United States continued to shape WTO trade capacity building activities to support implementation of the Trade Facilitation Agreement and other disciplines that support development of WTO Members. The United States also consistently promoted best practices for monitoring and evaluating technical assistance performance within the Committee on Trade and Development and the Aid-for-Trade program to reinforce accountability and transparency when developing and delivering capacity building courses and programs. The United States continues to advocate for prior consultation with national stakeholders to better align technical assistance with needs identified in Members’ TPR reviews.

- Advanced U.S. Interests in the Organization for Economic Cooperation and Development (OECD).*** Through the OECD Trade Committee, USTR continues to advance robust evidence-based analysis on “level playing field” issues. Reports to be released in 2022 or early 2023 include those on government support, either in the form of below-market borrowings or below market-equity, that could lead to overcapacity and distortions in international markets; analysis of distortions being caused in the rolling stock sector and via below market energy; and synthesis analysis on the nature of subsidies to state-owned enterprises that distort international markets. These studies underpin efforts to increase understanding of the scope of these distortions and consider new trade rules to tackle market distorting trade practices. During FY 2022, USTR also worked closely with the Department of State to support improvements to the OECD Guidelines on the Corporate Governance of State-Owned Enterprises so that they better address level playing field issues. Together with U.S. EPA, USTR co- led the U.S. delegation to the February 2022 meeting of the Joint Working Party on Trade and Environment (JWPTE). The JWPTE provides a forum for discussing the effects of environmental policies on trade and the effects of trade policies on the environment, as well as for promoting mutually supportive trade and environmental policies. The February 2022 meeting covered a range of topics including trade and environmental services, circular economy and trade, and enabling reverse supply chains. A representative from USTR also served on the JWPTE Bureau from January to December 2022.
- Advanced Efforts to Address Overcapacity in the Global Steel Sector.*** Through the Global Forum on Steel Excess Capacity and OECD Steel Committee, USTR led efforts to bring greater transparency and discipline to market-distorting subsidies and other foreign government support measures that contribute to massive and persistent excess capacity in the global steel sector. USTR worked with like-minded international partners to continue the work of the Global Forum in FY2021, despite the PRC’s withdrawal from the Forum’s work.
- Philippines Extension of Temporary MFN Duty Reduction for Pork.*** On June 10, 2022 the Philippines reinstated temporary MFN duty reductions for pork (from 30 to 15 percent in-quota, and 40 to 25 percent over-quota) that were initially implemented for one year in May 2021 following consultation with industry and engagement with USTR and other agencies. With the June 2022 reinstatement, the lower duties will be in effect through December 31, 2022. U.S. pork exports to the Philippines are expected to reach 400,000 MT in 2022.
- Vietnam Reduction of MFN Duty for Frozen Pork.*** On July 1, 2022, USTR worked with U.S. Embassy Hanoi to encourage Vietnam to implement an MFN duty reduction on frozen pork which was ultimately announced during the Vice President’s visit in August 2021, putting U.S. pork exports to Vietnam on a level playing field with exports of pork from competitors.
- Revocation of Certificate of Free Sale Requirement for U.S. Bulk Feeds to Vietnam.*** On July 13, 2022, in response to input from USTR and other U.S. agencies, Vietnam issued Decree 46/2022 revoking the requirement for a Certificate of Free Sale for imported traditional feeds and single feed ingredients as part of the registration process for import inspection. Approximately 30 percent of U.S. agricultural exports to Vietnam fall into this category.
- Indonesia Registers Three U.S. Dairy Facilities as Eligible to Ship to Indonesia.*** After extensive USTR engagement, Indonesia approved three U.S. dairy facilities on April 12, 2022 bringing the list of U.S. facilities eligible to ship to Indonesia to 128. Indonesia is the seventh largest market for U.S. dairy, with 2021 exports valued at \$327 million.

- ***Used U.S.-Colombia Trade Promotion Agreement (CTPA) SPS and Agriculture Committees to Promote U.S. interests.*** In October 2021, USTR convened these committees to convey concerns with legislative proposals in Colombia that could result in policies, such as establishing “transgenic free zones” and requiring labeling of biotechnology products, that may be inconsistent with provisions of the CTPA. The United States also affirmed continued support and cooperation with Colombia on the development of a low-level presence regulatory framework for seed and feed. Discussions in the Agriculture Committee focused on administration issues with the CTPA rice TRQ in Colombia, and on opportunities for collaboration between the United States and Colombia on global food and agricultural trade issues, including under the Agriculture Innovation Mission for Climate and in follow-up to the United Nations Food Systems Summit.
- ***Successfully Defended Colombia’s Safeguard investigation of Imports of U.S. Dairy Products.*** In June 2021, Colombia initiated a safeguard investigation into imports of U.S. milk powder, valued at approximately \$100 million in 2020. USTR and USDA collaborated closely with industry to provide Colombia’s investigating authority with accurate data demonstrating that the imposition of a safeguard on U.S. dairy imports was not warranted. The United States also raised the importance of this issue in a meeting of the CTPA Agriculture Committee in October 2021, urging Colombia to conduct the investigation in a manner consistent with its international commitments on the use of trade remedies, such as safeguards. In December 2021, Colombia announced that its investigation did not find evidence justifying safeguard measures on imports of U.S. dairy products.
- ***Uruguay Suspended New Import Requirements for Pork.*** In March 2022, Uruguay suspended new import requirements implemented in August 2021 following USTR and USDA engagement highlighting Uruguay’s failure to notify the new requirements to the WTO SPS Committee. Uruguay agreed to suspend the new requirements and engage with U.S. technical experts before enforcing any new requirements, thereby maintaining U.S. market access in the interim. The requirements implemented in August 2021 included problematic provisions on trichinae and animals born-and-raised in-country, among other issues. USTR and USDA continue to negotiate for mutually agreeable, science-based requirements that preserve access to Uruguay’s market while continuing to protect animal health.
- ***Ecuador Revised Import Licensing System for Agricultural Products.*** In March 2022, Ecuador implemented revisions to its import licensing system for agricultural products following USTR and USDA engagement under the U.S.-Ecuador Trade and Investment Council (TIC). The revisions addressed U.S. concerns with transparency issues related to how the system was previously administered. USTR will continue monitoring administration of the system to ensure that procedures are consistent with Ecuador’s commitments under the WTO Agreement on Import Licensing Procedures. USDA estimates that the previous import licensing system impeded up to approximately \$70 million worth of U.S. agricultural exports to Ecuador since the system was implemented in 2013.
- ***European Commission Approved Additional Biotechnology Products.*** In 2022 the European Commission approved six new agricultural biotechnology products and reapproved the use of one additional product. As part of an agreement reached under the WTO Dispute Settlement Process related to case DS-291, USTR leads bilateral consultations semi-annually to address delays in the EU biotech approval process. Following the consultations in December 2021, the EU began to issue approvals on a rolling basis, which improved the timeliness in communicating its regulatory decisions.
- ***Resumed Trade in Live, Bivalve Shellfish with the European Union.*** In February 2022, the United States and EU concluded negotiations to allow for resumption of bilateral trade in live bivalve

molluscan shellfish. Since 2011, trade in live, raw bivalve molluscan shellfish between the United States and the EU has been blocked in both directions. The U.S. industry estimates that it has lost approximately \$30 million annually in exports of live oysters, scallops, and clams to the EU. USTR worked closely with the U.S. Federal Drug Administration (FDA), NOAA, and USDA to finalize export certification requirements to allow U.S. shellfish producers to begin exporting to the EU.

- ***South Africa Increased the Size of Its TRQ for U.S. Poultry Imports.*** In the spring of 2022, South Africa increased the quota for U.S. exports of bone-in poultry meat for the 2022/23 quota year to 71,632 metric tons. In the previous quota year, South Africa filled 84 percent of the total quota levels of 71,290 metric tons, despite unprecedented circumstances including challenges due to COVID-19 related restrictions, civil unrest, and major delays due to cyber-attacks on South African ports during the quota year. USTR and USDA continue to work with South Africa on poultry market access issues, including to clarify and improve South Africa's guidelines for the utilization of TRQ allocations for U.S. bone-in chicken imports.

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

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

### **Objectives:**

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

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

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

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

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

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

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

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



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

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

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

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

### **Accomplishments:**

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

Highlights of USTR's accomplishments in FY 2022 include:

- ***Strengthened Enforcement of U.S. Trade Rights.*** Throughout the year, the Administration fought for U.S. workers and businesses through aggressive enforcement actions. USTR used new, strengthened USMCA enforcement procedures to launch two USMCA proceedings, used the Rapid Response Mechanism to achieve significant wins for workers at five facilities, and resolved seven Section 301 investigations addressed to unfair and discriminatory digital services taxes.
- ***Engaged in Ongoing Work under the Cooperative Framework with the EU to Address shared concerns with non-market economic policies and practices.*** Under the US-EU cooperative framework announced in June 2021, and a similar US-UK understanding, the United States, the EU, and the UK are working together to analyze and find more effective ways to challenge and counter the PRC's non-market policies and practices in the aircraft sector.
- ***Prevailed in Key WTO Proceedings, Vindicating U.S. Rights or Restricting Other WTO Members' Countermeasures.*** USTR largely prevailed in two WTO countermeasures proceedings. In a dispute brought by the PRC concerning U.S. countervailing duty measures on a variety of products, a WTO arbitrator determined that the amount of countermeasures that Beijing may impose is only about one quarter of the amount the PRC initially sought. In a dispute brought by Canada regarding countervailing duties on supercalendered paper, a WTO arbitrator adopted the U.S. economic model as the basis for determining a future level of nullification or impairment and rejected Canada's proposed formula as the basis of the arbitrator's award, with the ultimate result being that Canada may not at this time impose any countermeasures against the United States.

- Maintained and Expanded Access to the PRC’s Market for U.S. Agricultural Products in the U.S.-China Economic and Trade Agreement.*** In FY22, USTR held the PRC accountable for its commitments by monitoring and working to ensure Beijing’s full implementation of key structural changes required by the agreement in the agricultural sector. These commitments include: streamlined facility registration procedures expanded access for U.S. beef and poultry exports; signing the Highly Pathogenic Avian Influenza regionalization protocol; and new access for U.S. products including fresh potatoes, California nectarines and Hass avocados, blueberries, feed and malting barley, alfalfa pellets and cubes, almond meal pellets and cubes, timothy hay, and a variety of new dairy products.
- Utilized Section 301 to Address Unilateral Digital Services Taxes (DSTs).*** On October 8, 2021, the United States and 130 other jurisdictions reached a political agreement on a two-pillar solution to address tax challenges arising from the digitalization of the world economy. Under Pillar 1, countries will remove their DSTs. In 2021, the U.S. Department of the Treasury reached agreement with Austria, France, India, Italy, Spain, Turkey, and the United Kingdom on a transitional approach to those countries’ DSTs prior to entry into force of Pillar 1. Under the transitional agreement, DST liability that U.S. digital services companies accrue during the transitional period prior to implementation of Pillar 1 will be creditable in defined circumstances against future income taxes due under Pillar 1. In return, the United States committed to terminating the existing Section 301 trade actions on goods of Austria, France, India, Italy, Spain, Turkey, and the United Kingdom, and not to impose further trade actions against these countries with respect to their existing DSTs until the earlier of the date the Pillar 1 multilateral convention comes into force or December 31, 2023. In coordination with Treasury, USTR will monitor implementation of the Transitional Agreement and the removal of these countries’ DSTs as provided for under Pillar 1.
- Monitored Implementation of the Vietnam – United States Agreement on Illegal Logging and Timber Trade.*** On October 1, 2021, USTR announced an agreement that addresses U.S. concerns in the investigation under Section 301 of the Trade Act of 1974, as amended, into Vietnam’s acts, policies, and practices related to the import and use of timber that is illegally harvested or traded. The agreement contains a number of commitments by Vietnam that will help keep illegally harvested or traded timber out of the supply chain. It contains multiple commitments on issues related to illegal timber, including commitments to improve its Timber Legality Assurance System; keep confiscated timber (i.e., timber seized for violating domestic or international law) out of the commercial supply chain; verify the legality of domestically harvested timber regardless of export destination; and work with high-risk source countries to improve customs enforcement at the border and law enforcement collaboration. On April 20, 2022, the United States and Vietnam convened the first meeting of the Timber Working Group, which was established under the agreement to facilitate coordination between the parties and oversee implementation. The first meeting of the Timber Working Group established a strong basis for further collaboration on implementation.
- Utilized Section 301 to Address Vietnam’s Acts, Policies, or Practices Related to Valuation of Its Currency.*** Following an investigation and determination that Vietnam’s acts, policies, and practices related to currency valuation, including excessive foreign exchange market interventions and other related actions, taken in their totality, are unreasonable and burden or restrict U.S. commerce, and are thus actionable under Section 301(b) of the Trade Act. In July 2021, USTR determined that a Treasury-State Bank of Vietnam agreement provided a satisfactory resolution of the matter subject to the Section 301 investigation, and accordingly that no trade action was warranted at that time. USTR, in coordination with Treasury, is monitoring Vietnam’s implementation of the Treasury-SBV agreement going forward.

- ***Pursued WTO Challenges to Unwarranted Tariff Increases on U.S. goods.*** USTR continued to pursue separate WTO disputes to challenge additional duties imposed by the EU, the PRC, Turkey, Russia, and India on U.S. goods. These Members imposed additional duties on U.S. goods ostensibly in response to U.S. actions in connection with the section 232 investigation of steel and aluminum, but had no right under the WTO agreement to do so. In November 2021, USTR and Commerce announced agreement with the EU on an initiative to address global steel and aluminum excess capacity and emissions, which resulted in termination of the EU additional duties on goods imported from the United States. Subsequently, USTR and Commerce announced agreement with the UK that also resulted in termination of the UK additional duties on goods imported from the United States.
- ***Initiated Second USMCA Dispute on Canada's Dairy TRQ Allocation Measures.*** On May 25, 2021, the United States requested and established a dispute settlement panel under the USMCA to review Canada's dairy TRQ allocation measures, specifically Canada's setting aside of and reserving access to in-quota quantities exclusively for processors. On January 4, 2022, the panel released its report agreeing with the United States that Canada was breaching its USMCA commitments with this set-aside for processors. On May 16, Canada published policy changes to implement the panel's finding. The United States rejects the changes as a basis to resolve the dispute because Canada remains out of compliance with its USMCA obligations. On May 25, the United States, for the second time, requested dispute settlement consultations with Canada under the USMCA on Canada's dairy TRQ allocation measures.
- ***Initiated USMCA Dispute on Mexico's Energy Policies.*** On July 20, 2022, the United States requested consultations under the USMCA related to certain measures by Mexico that undermine American companies and U.S.-produced energy in favor of Mexico's state-owned electrical utility, *the Comisión Federal de Electricidad (CFE)*, and state-owned oil and gas company, *Petróleos Mexicanos (PEMEX)*. Specifically, the United States is challenging a 2021 amendment to Mexico's Electric Power Industry Law that prioritizes CFE-produced electricity over electricity generated by all private competitors; Mexico's inaction, delays, denials, and revocations of private companies' abilities to operate in Mexico's energy sector; a December 2019 regulation granting only PEMEX an extension to comply with the maximum sulfur content requirements under Mexico's applicable automotive diesel fuel standard; and a June 2022 action that advantages PEMEX, CFE, and their products in the use of Mexico's natural gas transportation network..
- ***Held Canada Accountable to Regulatory Transparency Commitments as it Develops its Clean Fuels Regulation.*** In March 2022, after considerable engagement by USTR and USDA, Canada agreed to periodically notify amendments to its new Clean Fuel Regulation, intended to regulate the production and importation of renewable fuels and their feedstocks for use in transport fuel, to the WTO. Canada had previously resisted notifying updated versions of the measure, and this lack of transparency was preventing the United States from understanding or commenting on critical components of the regulation. Since March 2022 Canada has notified two separate amendments to the regulation, and as a result the United States was able to persuade Canada to modify certain elements that would have disadvantaged imports of biofuels by granting credits for use of carbon capture technologies only to Canada's domestic biofuel producers. The United States will continue engaging with Canada bilaterally and in the WTO to ensure the regulation is developed and implemented in a manner consistent with Canada's international commitments. The United States exports over \$1 billion worth of ethanol and ethanol feedstocks to Canada annually.
- ***Convened Australia-United States Free Trade Agreement (AUSFTA) SPS Committee.*** On September 22, the United States and Australia held an AUSFTA SPS Committee meeting to discuss market access concerns, the first meeting of this group in two years. The United States raised

longstanding market access concerns, including U.S. market access for beef and beef products, fresh/chilled and bone-in pork, and U.S. apples from the Pacific Northwest. The United States and Australia agreed to work together over the coming months to continue discussions on longstanding topics and to coordinate on issues of regional and international importance.

- ***Coordinated with partners and allies to condemn Russia’s illegal invasion of Ukraine.*** Following Russia’s unprovoked and illegal full-scale invasion of Ukraine and attempted annexation of parts of Ukraine’s sovereign territory, the United States ceased all direct engagement with Russia at the WTO. In addition, the United States, working with partners and allies, condemned Russia’s actions as contrary to the principles and values of the WTO and worked to isolate Russia from the global economy and multilateral institutions and regional fora.
- ***Monitored and Implemented FTA Environment Chapters.*** USTR continued to prioritize implementation of environment obligations under existing free trade agreements (FTAs), including through virtual and in-person meetings of the TPSC Subcommittee on FTA Environment Chapter Monitoring and Implementation and by requesting information from relevant Posts regarding trade agreement partners’ implementation of FTA environment obligations. In addition, USTR continued regular as well as informal bilateral and regional in-person and virtual meetings to conduct FTA environment oversight.
- ***Operated USTR Office in Mexico City to Monitor Implementation of the USMCA.*** USTR maintains an office at the U.S. Embassy in Mexico City to assist with on-the-ground monitoring of the implementation of the USMCA and general trade relations with Mexico. The USTR office is led by a senior official who monitors compliance with the agreement’s provisions, particularly those related to labor rights, environmental protections, energy and agriculture issues, and reports to the Assistant USTR for the Western Hemisphere in Washington, DC. The office also included three USMCA Environment Attachés, that were detailed to USTR during the fiscal year through interagency agreements with EPA, NOAA and the U.S. Fish and Wildlife Service. The senior USTR official oversees the day-to-day activities of the attachés, who are supervised by the Assistant USTR for Environment and Natural Resources. USTR’s Mexico City office is the fourth overseas office for the agency, adding to operations in Geneva, Brussels, and Beijing.
- ***Reviewed USMCA Environment Implementation in its Second Year.*** On July 1, 2022, USTR submitted, pursuant to Subtitle A, section 816 of the USMCA Implementation Act, the annual report to Congress that included a description of efforts of the USMCA countries to implement their environmental obligations. USTR also organized with its Mexican and Canadian counterparts the second trilateral Environment Committee meeting in September 2022 to review implementation of the USMCA environment chapter. The Committee discussed opportunities for further collaboration, including increased efforts to tackle marine litter challenges, supporting circular economy approaches, and ensuring full implementation of the USMCA Environment chapter commitments.
- ***Strengthened Monitoring and Enforcement Capacity for USMCA Environment Implementation.*** USTR continued to leverage its USMCA supplemental appropriations for environment monitoring and enforcement. Through this support, USTR has enhanced relevant USG agencies’ ability to deliver on their respective USMCA environment monitoring and enforcement mandates, enhanced U.S. intelligence and enforcement capacity to better target high-risk shipments and entities, improve strategic interdictions, and increased prosecutions by relevant agencies for illegal trade in flora and fauna. USTR also continued to lead and coordinate United States’ efforts to monitor and enforce environmental obligations with respect to USMCA Parties through convening quarterly meetings

throughout FY 2022 of the Interagency Environment Committee for Monitoring and Enforcement (IECME), established by Executive Order 13907.

- ***Initiated First-Ever USMCA Environment Consultations with Mexico under Chapter 24.*** USTR requested the first-ever environment consultations with the Government of Mexico under the USMCA Environment Chapter concerning the effectiveness of Mexico's enforcement of its environmental laws and compliance with its USMCA environment obligations relating to the protection of the critically endangered vaquita porpoise, the prevention of illegal fishing, and the trafficking of totoaba. Throughout FY22, USTR held a number of technical-level consultations, both virtually and in Mexico City, working through an extensive list of questions regarding Mexico's efforts and capacity to enforce its laws and regulate fishing activities in the Upper Gulf of California. USTR developed and submitted to Mexico a draft plan of action to enhance Mexico's enforcement of its fisheries-related environmental laws and implementation of its USMCA environment commitments.
- ***Reviewed and Analyzed Multiple Public Submissions under USMCA Chapter 24.*** As Chair of the IECME, and as part of the Submissions on Enforcement Matters (SEM) process, USTR reviewed and analyzed 6 public submissions in FY22 to ensure effective implementation by the USMCA Parties of the environmental commitments in USMCA Chapter 24.
- ***Successfully Resolved Labor Rights Concerns Using the USMCA's novel Rapid Response Labor Mechanism.*** USTR engaged under the RRM to deliver favorable outcomes for workers at the factory level at five facilities. Concrete gains included free and fair union elections, reinstatement with backpay for dismissed workers, negotiations of new Collective Bargaining Agreements with higher wages and better working conditions.
- ***Continued Monitoring of USMCA Labor Implementation.*** USTR's senior official at Embassy Mexico City continued to assist with on-the-ground monitoring of Mexico's implementation of the USMCA labor obligations during FY 2022. In addition, the Department of Labor posted an additional Labor Attaché to Mexico during the year, bringing the number of Labor Attachés to four and notably increasing the U.S. government's ability to monitor and collect labor-related data in real-time. USTR and DOL continued to work together to ensure full implementation of the USMCA's labor obligations, including by monitoring the USMCA tip hotline, reviewing petitions received, and engaging stakeholders. USTR worked closely with Mexican government officials in FY 2022 to monitor the continued implementation of landmark constitutional and labor law reforms that mandate the creation of new labor courts and a new national institution that registers trade unions and collective bargaining agreements, in a complete overhaul of Mexico's system of labor justice administration. These reforms aim to prevent non-representative unions from negotiating and registering collective bargaining agreements without worker support. USTR serves, along with the U.S. Department of Labor, as co-chair of the Interagency Labor Committee for Monitoring and Enforcement, which plays a key role in this monitoring effort. Per the USMCA implementing legislation, the committee has several oversight duties with regard to USMCA labor issues, including the consideration of petitions from the public regarding alleged violations of the Labor Chapter, and making recommendations to the USTR about potential dispute settlement actions.
- ***Addressing Korea's Implementation of KORUS.*** USTR successfully advocated for improvements and actions by Korea to address outstanding concerns across a range of issues involving Korea's implementation of the U.S.-Korea Free Trade Agreement (KORUS). These included preventing discrimination against U.S. digital content providers, facilitating cross-border data flows for the

reinsurance sector; addressing specific SPS barriers and related issues; and resolving specific non-tariff barrier issues to improve opportunities for U.S. auto manufacturers.

- ***Advanced Implementation of the WTO Committee on Agriculture (COA).*** The COA held four formal meetings in November 2021 and March, June, and September 2022 to review progress on the implementation of commitments of the WTO Agreement on Agriculture (AoA). In total, 335 notifications were subject to review during FY 2022, and the United States delegation, led by USTR, asked 133 questions (or sets of questions) to other Members, the most of any Member at the COA in 2022. The United States participated actively in the review process and raised issues concerning the operation of Members' agricultural policies. Notably, the United States asked 17 COA questions to India on domestic support issues, including public stockholding issues. Of these 17 questions, 15 were co-sponsored by other WTO Members in an attempt to increase pressure on India to provide information in greater detail. The questions centered on the lack of information in India's notifications and pushed to gain more insight into India's domestic support measures and data submitted under the transparency provisions of the Bali Public Stockholding for Food Security Decision. Other U.S. questions focused on the European Union and the United Kingdom's tariff-rate quota policies, various Members' export restrictions, the PRC's export subsidies and cotton policies, and the Philippines' import clearance permits, among other topics. During FY 2022, the COA addressed several other issues related to the implementation of the WTO AoA, including convening the ninth annual discussion on export competition as follow-up to the Bali and Nairobi Ministerial Decisions. In addition, the United States answered 33 questions from other WTO Members regarding expenditures and trade impacts of its environmental programs (e.g., the Climate Smart Agriculture and Forestry Strategy), domestic support measures, and TRQ fill rates. The United States participated actively in the ongoing review of the operation of the Bali Decision on Tariff Rate Quota Administration.
- ***Addressed SPS Trade Barriers in the WTO.*** In FY 2022, the United States delegation, led by USTR, raised concerns in the WTO SPS Committee regarding the adverse impact on U.S. food and agricultural exports of unjustified SPS measures of other WTO Members. The United States continued to lead a broad coalition of countries against the EU's hazard-based pesticide policies, including the unjustified withdrawal of several pesticide maximum residue levels (MRLs) critical to international agricultural trade. The United States also raised concerns regarding EU measures related to veterinary medicines, PRC measures related to COVID-19 and facility registrations, and India's non-GM certificate requirements, among others. In order to further support concerns raised during formal Committee meetings and follow-up on recommendations made during the Fifth Review of the operation and implementation of the SPS Agreement, the United States co-sponsored a thematic session on Trade Facilitative Approaches to Pesticide MRLs, co-hosted the side event, "Responding to Fall Armyworm – Integrated Pest Management (IPM) and Policy Approaches," and played an active role in the Working Group on Approval Procedures, including the development of Working Group's proposed outcomes.
- ***Support for Modern Agricultural Technologies in the WTO.*** Following USTR's extensive engagement with WTO Members in and on the margins of the SPS Committee, Ministers adopted the Sanitary and Phytosanitary Declaration for the Twelfth WTO Ministerial Conference: Responding to Modern SPS Challenges. Originally proposed by Brazil, Canada, and the United States, the Declaration and its Work Program direct Members of the SPS Committee to identify opportunities to increase productivity, enhance sustainability and facilitate trade, and identify concerns that could adversely affect our ability to meet the critical SPS challenges ahead for agriculture and trade.

- Addressed Technical Barriers to Trade in the WTO.*** In FY 2022, USTR pursued a substantial agenda in the WTO Technical Barriers to Trade Committee. The United States raised 70 Specific Trade Concerns (STCs) in the WTO TBT Committee, 7 of which were new concerns in FY 2022.<sup>1</sup> Several STCs were raised continuously across the three meetings of the year. Many other specific concerns were raised bilaterally. The countries tallying the most formal U.S. concerns were the India, PRC and the EU. Among these specific trade concerns were Beijing's cybersecurity and encryption policies, cosmetics supervision and administration regulation, and registration of overseas producers of imported foods. For the EU, the majority of concerns focused on the hazard-based approach of EU chemical and pesticide regulations. The U.S. also expressed concerns regarding the EU requirements for reusable packaging, and the lack of notified bodies to test medical devices, and questioned Mexico's and conformity assessment requirements for cheese. For India, the concerns centered on in-country testing for information technology, telecom equipment, toys, cosmetics and its new chemical policies and quality control order. We also continued to raise concerns about India's genetically modified (GM) free certificate. In July, the Committee launched the improved on-line electronic tool interaction between ePing, the TBT Information Management System (TBT IMS) and the National Notification System (NSS). In 2023, the United States will retire Notify U.S., NIST's WTO notification service and take up the use of the WTO's notification service, the E-ping Alert System. In 2023, the Committee will hold thematic sessions on climate change, plastics packaging regulations, digital products, Cybersecurity of software-enabled and/or network connected goods, and micro-Small and medium-sized enterprises
- Ensured Compliance with the WTO Trade Facilitation Agreement (TFA) Notifications Requirements and Implementation.*** USTR has led in the TF Committee on ensuring that developing countries are utilizing the flexibilities in the TFA in accordance with Section II of the Agreement, while equally ensuring that implementation of the Agreement proceeds in line with those self-determined timelines. As of November 2022, over 92 percent of developing countries had successfully submitted the required notification, and more than 90 percent of least developed countries (LDCs) also submitted required notifications. The United States has also successfully rallied a number of countries to come into line with their delinquent self-designated Category A commitments. These efforts support the U.S.' commitment to be an active participant in the WTO and its Committees to ensure the benefits of the WTO agreements for U.S. exporters.
- Addressed Key Telecommunications Trade Barriers.*** In March 2022, USTR conducted its annual Section 1377 Review, which identifies major barriers faced by U.S. telecommunications service and equipment suppliers in the global economy. The National Trade Estimate (NTE) Report, which includes the Review's results, also illustrates the specific telecommunications-related issues on which USTR will allocate monitoring and enforcement efforts over the current and coming fiscal years to protect the high-quality jobs telecommunications trade supports. Since publication of the 2022 NTE Report, USTR has achieved progress on issues affecting telecommunications trade, but continues to monitor new challenges that face American telecommunications exporters, including barriers in the Chinese market.
- Monitored Intellectual Property Protections and Obligations through the Special 301 Report.*** In April, USTR released its annual "Special 301" Report on the adequacy and effectiveness of U.S. trading partners' protection and enforcement of intellectual property. USTR maintained the PRC's, India's, and Russia's status, among others, on the Priority Watch List, noting continuing concerns about IP protection and enforcement.

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<sup>1</sup> According to the TBT Information Systems Database (TBT IMS)

- ***Continued Engagement with Colombia to Prevent Additional Countervailing Duties (CVD) on U.S. Ethanol Exports.*** In June 2022, USTR submitted replies to questionnaires from the government of Colombia in response to the initiation by Colombia of an expiry review of CVD on imports of U.S. ethanol. The United States maintains that the original CVD imposed in 2020 of roughly ten percent was not justified, and that an extension and possible increase of that rate as requested by domestic industry in Colombia, is also unjustified. USTR will continue to work closely with the interagency and U.S. industry to engage throughout the course of Colombia's expiry review. U.S. exports of ethanol to Colombia were valued at \$92 million in 2021.
- ***Promoted and Monitored Environmental Protection in Central America and the Dominican Republic.*** The United States and other Parties to the CAFTA-DR Agreement continued efforts to strengthen environmental protection, and implement the commitments of the CAFTA-DR Environment Chapter. The Environmental Affairs Council (EAC) met virtually in October 2021 to review implementation of Environment chapter obligations, and the Chapter Points of Contact continued to meet virtually at regular intervals throughout FY22.
- ***Enforced FTA Environment Provisions in Peru.*** USTR continued robust monitoring and enforcement of the United States-Peru Trade Promotion Agreement (PTPA) and its unique Forest Annex (Annex 18.3.4). The United States continues to block timber imports from two Peruvian exporters, based on illegally harvested timber found in their supply chains pursuant to earlier USTR verification requests. The denial of entry order for one of the exporters was set to lapse in July 2022. However, the United States took action to continue to block future imports from that exporter because Peru had not demonstrated to the satisfaction of the Timber Committee that the exporter was compliant with the necessary requirements for the harvest and trade in timber products.
- ***Promoted Labor Rights in Honduras.*** USTR and the Department of Labor continued to work closely with the Government of Honduras in FY 2022 to implement a detailed Monitoring and Action Plan signed in 2015, with specific commitments to improve protection of labor rights and enforcement of labor laws.
- ***Launched a Labor Working Group with the Dominican Republic Focused on Sugar.*** USTR and the Government of the Dominican Republic formed a technical working group to improve labor law enforcement in the Dominican sugar sector during FY 2022. The group, which includes officials from the countries' responsible trade, labor, and foreign affairs ministries, takes into account the commitment of the two countries to enforce labor laws, including those regarding forced labor, improve labor conditions under the CAFTA-DR and in accordance with international standards, and continue their long-standing partnership on addressing these issues.
- ***Engaged with Trade Partners and Closely Monitored Labor Rights.*** USTR engaged in FY 2022 with trading partners around the world on labor rights through the formal mechanisms of trade agreements and trade preference programs, as well as through country-specific initiatives. This included elevating labor rights concerns and opportunities for labor-focused collaboration in the U.S.-Cambodia TIFA Labor Working Group, the U.S.-Central Asia TIFA, the U.S.-Ecuador TIC, the U.S.-Paraguay TIFA, and the U.S.-Taiwan TIFA. In addition, USTR officials discussed various labor issues with officials in Uruguay, Chile, Brazil, and Peru.
- ***Continued Monitoring of and Engagement on GSP eligibility criteria.*** In FY 2022, USTR continued to monitor developments related to GSP country practice reviews and engage with foreign governments and stakeholders. USTR pressed the governments of Kazakhstan and Zimbabwe to make progress on worker rights, including concerns related to freedom of association. USTR also



engaged with the governments of South Africa and Indonesia on the issues raised in the intellectual property rights reviews.

- ***Enforced AGOA Eligibility Criteria in sub-Saharan Africa.*** USTR led and coordinated the TPSC AGOA Subcommittee review of 49 sub-Saharan African countries to monitor progress on the AGOA eligibility criteria, including whether countries are making continual progress toward establishing, among other criteria, market-based economies, elimination of barriers to U.S. trade and investment, protection of intellectual property, efforts to combat corruption, policies to reduce poverty, and protection of human rights and worker rights. Based on that review, the U.S. Trade Representative made recommendations to the President on AGOA country eligibility for 2022, which resulted in the termination of AGOA eligibility for Ethiopia, Guinea, and Mali as of January 1, 2022. The President made this determination based upon the unconstitutional change in governments in both Guinea and Mali, and the gross violations of internationally recognized human rights in Ethiopia. USTR also monitored bilateral commercial trade and investment disputes for a number of African countries and used the leverage of AGOA benchmarks and the eligibility review process to raise those issues.

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

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

### **Objectives:**

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

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

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

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

### **Accomplishments:**

Highlights of USTR's accomplishments in FY 2022 include:

- ***Produced a WTO response to emergencies.*** At MC12, WTO Members agreed to a package on WTO response to emergencies, comprising: A Ministerial Declaration on the Emergency Response to Food Insecurity; a Ministerial Decision on World Food Programme Food Purchases Exemptions from Export Prohibitions or Restrictions; a Ministerial Declaration on the WTO Response to the COVID-19 Pandemic and Preparedness for Future Pandemics, and; a Ministerial Decision on the Agreement on Trade-related Aspects of Intellectual Property Rights. The United States with WTO Members will

conduct a stocktaking on lessons learned from the challenges experienced during COVID-19 in all relevant WTO committees to assess opportunities to both mitigate supply chain disruptions and other adverse impacts in future emergencies, while enhancing disaster preparedness.

- ***Leveraged our strong bilateral trade relationships to raise global climate ambition.*** USTR conducted virtual bilateral and regional meetings with trading partners to discuss trade-related approaches to tackle the climate crisis and raise climate ambition. Conversations on trade and climate change included bilateral consultations with the EU on its carbon border adjustment mechanism, engagement at the WTO on trade-related climate measures, and on-going negotiations with the EU for a global arrangement on sustainable steel and aluminum. Through these and other engagements, USTR advocated for approaches to decarbonization that are based on carbon intensity, and less focused only on price-based approaches. USTR also engaged with other bilateral trading partners, including Australia, Canada, Japan, New Zealand, Korea, and the United Kingdom to discuss approaches to decarbonizing emissions intensive industries, including discussing the impact of border carbon adjustments to address carbon leakage and other approaches to decarbonization.
- ***Utilized WTO Committees and informal bodies to discuss trade and climate change.*** USTR also participated in formal and informal meetings of the WTO Committee on Trade and Environment in which Members explored various price-based and regulatory approaches to reducing greenhouse gas emissions. USTR circulated a discussion paper on climate change and circular economy to initiate technical discussions on how trade tools can address environmental challenges. As part of this work, USTR took a leading role in shaping discussions at the WTO on these topics, including by hosting a panel discussion on circular economy for climate change solutions at the WTO's October 2022 Trade and Environment Week.
- ***Supported the goal of reducing greenhouse gas emissions and achieving net-zero global emissions by 2050, or before.*** USTR worked with interagency partners to build a robust agenda and increase climate ambition to decarbonize the domestic and global economy. USTR held bilateral consultations with trading partners to discuss trade in environmental goods and services, circular economy approaches, and low-carbon goods and services.
- ***Advanced the Global Arrangement on Sustainable Steel and Aluminum.*** USTR initiated technical discussions with the EU on how to address non-market excess capacity and carbon intensity in the steel and aluminum sectors as a precursor the negotiations on a global arrangement for sustainable steel and aluminum. The bilateral engagements focused on data availability for developing a common methodology to measure product-level embedded greenhouse gas emissions, and sharing of pre-existing approaches to collecting data.
- ***Supported development of measures to strengthen U.S. efforts to combat IUU fishing and associated forced labor practices.*** USTR actively participated in the development of the Memorandum on Combating Illegal, Unreported, and Unregulated Fishing and Associated Labor Abuses which seeks to address the problem of IUU fishing, including by distant water fishing vessels, and associated labor abuses, including the use of forced labor in the seafood supply chain.
- ***Supported efforts to address plastic pollution.*** USTR was highly engaged in the interagency process led by the Department of State to develop a U.S. position in advance of the launch of negotiations on a global plastics treaty under UN Environment Assembly Resolution 5/14, "End Plastic Pollution: Towards a legally binding instrument." USTR continued to actively participate in the internal U.S. government discussions leading into the International Negotiating Committee (INC) meetings throughout FY 2022.

- ***Extensive internal economic analytical discussions on trade impact on underserved and marginalized communities.*** The U.S. Trade Representative received the resulting USITC report of the investigation that she requested on the distributional effects of trade and trade policy on marginalized, underserved, and disadvantaged communities in the United States. The report catalogued and summarized key points from roundtables, a public hearing and written submissions, critical literature review, and an academic symposium. It provided information on ongoing academic research on the distributional effects of trade and trade policy, reported on the strengths and limitations of this research, and identified data gaps and recommendations to address them and to support necessary future research.
- ***Initiated work through various Presidential initiatives to achieve better access to restricted data to better inform distributional effects from trade and trade policy.*** USTR initiated work with U.S. statistical agencies to achieve better access to restricted data for researchers and to provide better distributional effects trade advice to policy makers on trade initiatives, including the Executive Orders on Equity and Promoting Competition in the American Economy; the Presidential Memorandum on advancing the human rights of LGBTQI+ persons around the world; the United States' National Strategy on Gender Equity and Equality; the White House Initiative on Asian Americans, Native Hawaiians; and Pacific Islanders (WHIAANHPI); and the White House Council on Native American Affairs (WHCNA).

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

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

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

### **Objectives:**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

#### **Accomplishments:**

Highlights of USTR's accomplishments in FY 2022 include:

- **Extensive Meetings and Briefings with Congress on Key USTR Initiatives**
- The Office of the United States Trade Representative (USTR) continued robust consultations with the U.S. Congress on key initiatives including enforcement of the U.S.-Mexico-Canada Agreement, the Indo-Pacific Economic Framework, the U.S.-Taiwan Initiative on 21st Century Trade, reducing barriers to agricultural exports, and the arrangement with the EU on steel and aluminum tariffs, among others. USTR consulted with Congressional committees and the leadership of both parties in the U.S. Senate and U.S. House of Representatives, held numerous meetings and calls with Members and their staff, and participated in Congressional hearings. USTR also engaged Members of Congress in their districts and states, travelling to California, North Carolina, Maryland, New York, Alaska, New Hampshire, Oregon, Massachusetts, and Iowa, meeting with constituents, including workers, farmers, businesses, and community-based stakeholders. In addition, bipartisan Congressional staff delegations travelled to negotiations, including the World Trade Organization's 12th Ministerial Conference in Geneva, the Indo-Pacific Economic Framework ministerial meeting in Los Angeles, the APEC Economic Leaders' Week in Bangkok, and the first IPEF negotiating round in Brisbane, Australia.

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- In addition, to ensure access to negotiating texts and further encourage Congressional participation, USTR held consultations with Congressional staff and provided negotiating text to Members of Congress and House and Senate staff. This includes access to U.S. text proposals and consolidated text of agreements under negotiation to all Members of Congress, professional staff with an appropriate security clearance of the Committees on Finance and Ways and Means, to professional staff with an appropriate security clearance from other Committees interested in reviewing text relevant to that Committee's jurisdiction, to personal office staffers with an appropriate security clearance of a Member of the Committees on Finance and Ways and Means, and to personal office staff with an appropriate security clearance accompanying his or her Member of Congress.
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- These engagements kept the Congress constantly abreast of USTR activities and ensured they had continuous opportunities to shape U.S. trade policy.
- ***Coordinated Trade Policy Effectively Through the Trade Policy Staff Committee (TPSC).*** USTR efficiently and effectively coordinated trade policy with the other 21 federal agencies in support of the President's trade agenda with respect to trade negotiations, policy developments, and monitoring and enforcement activities, including Sections 337, 201, and 301 of U.S. trade law. Throughout FY 2022, USTR, as Chair of the TPSC, regularly sought advice from the public on policy decisions and negotiations through *Federal Register* notices and public hearings. This included eleven *Federal Register* notices and three TPSC public hearings: Section 201 Extension Review of the Safeguard Action on Certain Imports of Certain Crystalline Silicon Photovoltaic Cells in January 2022; PRC Compliance with its WTO Commitments in September to October 2022; and Russia's Implementation of its WTO Commitments in September to October 2022. Due to the COVID-19 pandemic, hearings were held in virtual or written form, and stakeholders were afforded the opportunity to participate virtually or in written form and exchanges with TPSC agencies in electronic form. All testimony and questions are posted on regulations.gov to ensure transparency.
- ***Implemented.*** The trade advisory committee system consists of 26 advisory committees. USTR independently administers four committees: 1) the Advisory Committee on Trade Policy Negotiations (ACTPN); 2) the Intergovernmental Policy Advisory Committee (IGPAC); 3) the Trade Advisory Committee on Africa (TACA); and 4) the Trade and Environment Policy Advisory Committee (TEPAC). The remaining 22 committees are jointly managed by USTR and the Departments of Commerce, Labor, or Agriculture, as appropriate. Advisory Committees were asked to provide recommendations on how to advance equity principles within their respective charters, increase the diversity of views and representation on their committee, and how trade policy can be modified to ensure that the benefits of trade are more equitably distributed. As each Advisory Committee's charter comes up for renewal, specific language is being added to highlight and seek greater equitable and inclusive representation in committee membership. TEPAC is the first Advisory Committee to include the new language in its charter renewal, followed by TACA and IGPAC
- ***Outreach to and Consultations with Food and Agriculture Stakeholders.*** USTR engaged extensively with stakeholders interested in food and agricultural trade matters to build a robust trade agenda, including matters such as USMCA implementation and enforcement, WTO agriculture and SPS initiatives, the U.S.-China Economic and Trade Agreement, the Indo-Pacific Economic Framework, Codex Alimentarius Commission, trade related aspects of agriculture innovation,

agricultural sustainability, and a full range of matters affecting U.S. agricultural exports to countries and regions around the world.

- ***Outreach to and Consultations with Stakeholders on Trade and Environment Issues.*** USTR engaged in considerable outreach on a range of trade and environment issues and policy areas with a broad range of stakeholders including Members of the Trade and Environment Policy Advisory Committee (TEPAC), the broader environmental community, other government agencies, Congress, and the private sector. This included engagement and outreach on a number of topics including USMCA implementation, climate change, circular economy approaches, WTO negotiations on fisheries subsidies, IUU fishing, illegal logging and timber trade, environment and climate-related topics under the Indo-Pacific Economic Framework for Prosperity (IPEF), and outreach under existing FTAs and TIFAs with Canada, Mexico, Central America and the Dominican Republic, Peru, Chile, Colombia, Ecuador, and Singapore. USTR also engaged with environmental NGOs on the sidelines of bilateral environmental meetings.

***Outreach to and Consultations with U.S. Labor and Business Stakeholders.***

Communication with stakeholders provided a wide range of positions considered in developing labor policy positions, and built cooperative relationships with key stakeholders in the labor and business communities on difficult and sensitive issues. USTR personnel at all levels participated in numerous stakeholder meetings to discuss and promote USTR trade-related labor policies. USTR also engaged in regular meetings with key Hill staff, in particular Ways and Means, Finance, and the House Trade Working Group, resulting in broadening support for USTR trade policy, particularly with regard to the USMCA and implementation of worker rights provisions under GSP and FTAs. USTR worked with labor advisors to strengthen the trade union advisory process, resulting in finding common ground on trade-related labor matters.

- ***Outreach to and Consultations with Stakeholders on Digital Trade issues.*** USTR consulted widely on developing an inclusive trade policy related to digital trade issues, including outreach to labor interests. The aim is to develop and implement a worker-centered digital trade policy that advances areas of interest for all stakeholders.
- ***Outreach to and Consultations with Congress, Industry, Civil Society, and Other Stakeholders on IP Issues.*** Throughout FY 2022, USTR developed, tabled, and successfully concluded significant intellectual property proposals in a range of negotiations and enforcement actions. Policy reviews in these areas involved careful deliberation, research, and consultation. USTR engaged stakeholders with often competing views on an almost daily basis to address concerns and build support for the U.S. IP trade agenda and maintained important relationships with stakeholder communities holding diverse views on trade and IP issues.
- ***Extensive Consultations with Congress, Industry and Other Stakeholders on SME Issues.*** On SME issues, USTR worked extensively with the TPSC agencies, Congress, industry, trade partners, and other stakeholders to identify issues of most concern to small business, and develop trade policies to address those concerns (*e.g.*, leveraging existing FTAs and other policy initiatives). Ongoing efforts are yielding measurable outcomes including improved TPSC agency coordination, more frequent consultations with stakeholders to inform the President's trade agenda, and more effective use of USTR policy tools to address SME issues. For example, under the USMCA SME Chapter, the SME Committee expanded a pilot network of small business development center (SBDC)/SME counselors among the United States, Mexico, and Canada to share best practices and help SME clients prepare



for new trade opportunities under the USMCA. Members from the U.S. SBDC network supported by SBA include Women's Business Centers, Historically Black University Small Business Centers, Minority Business Development Agency offices, Veterans Business Outreach Centers and Native American Technical Assistance centers. The USMCA SME Counselors network convened with 60 participants on the topic of mentoring and preparing SMEs from underserved communities, including women, Indigenous peoples, and minorities, to trade and export.

***Continued Outreach to Key Stakeholders on the TFA.*** USTR staff frequently participated in outreach events and speaking engagements on ratification and implementation of the Trade Facilitation Agreement (TFA) focused on the potential to engage a broader set of stakeholders for TFA implementation. USTR conducted extensive consultations with business stakeholders.

- ***Extensive Consultations with Stakeholders on Mexico's Express Courier Procedures.*** USTR developed a robust working group of industry stakeholders to address problematic express courier regulations in Mexico's General Rules on Foreign Trade. Working with an extensive interagency team, USTR met with the industry working group on a regular basis, providing updates and seeking input to coordinate strategy. The cooperation resulted in greater access to Mexican decision-makers and positive changes that give express delivery couriers more certainty in the Mexican market.
- ***Extensive outreach on distributional effects of trade and trade policy on workers and underserved communities.*** Directed the USITC, as part of its investigation on the distributional effects of U.S. goods and services trade and trade policy on workers and underserved communities, to conduct roundtable discussions among representatives of underrepresented and underserved communities that have been identified in the Executive Order On Advancing Racial Equity and Support for Underserved Communities Through the Federal Government, as well as think tanks, academics and researchers, unions, State and local governments, non-Federal governmental entities, civil society experts, community-based stakeholders, such as minority-owned businesses, business incubators, Historically Black Colleges and Universities (HBCUs), Hispanic Serving Institutions (HSIs), Tribal Colleges and Universities (TCUs), Asian American and Native American Pacific Islander-Serving Institutions, and other minority serving institutions (MSIs), and local and national civil rights organizations. The USITC held 7 roundtables, including 119 self-selected participants covering the subjects of interests. These roundtables offered the participants' personal perceptions of issues related to underrepresented and underserved communities, comprising the perspective and experiences of a diverse spectrum of communities and identities, including workers of different races, ethnicities, gender, sexual orientation, education levels, skills/abilities, and geographic locations. Perspectives included the impacts of trade and trade policy as well as the impact more generally of job loss and other issues affecting their communities.

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

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

### **Objectives:**

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

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

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

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

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

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

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

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

### **Accomplishments:**

In FY 2022, USTR's ongoing and serious dialogue with the American people about trade and jobs produced real results across a wide range of issues and initiatives.

- ***Showcased the Benefits of Fair and Reciprocal Trade to the U.S. Economy.*** USTR developed talking points, press statements, policy speeches, and social media content to explain the Administration's trade policy goals and achievements to the public. USTR published *the 2022 Trade Policy Agenda and 2021 Annual Report of the President of the United States on the Trade Agreements Program* on March 1, 2022. USTR also coordinated press statements with interested

agencies and the White House in order to present coherent and mutually reinforcing trade information to the public. Further, USTR strategically selected organizations and events to deliver speeches and remarks in support of the Administration's worker-centered trade agenda, including the Center for Strategic and International Studies, the President's Summit for Democracy, and the Washington Foreign Law Society.

- ***Enhanced Outreach to the Congress and Other Key Stakeholders.*** USTR consulted with Congress and key stakeholders on new initiatives to promote trade policy reforms that place American interests first. USTR also worked with the House Committee on Ways and Means and the Senate Committee on Finance, Congressional leadership, and other relevant Committees, to coordinate messaging on aspects of the President's trade agenda. USTR transmitted to Congress the *2022 Trade Policy Agenda and 2021 Annual Report of the President of the United States on the Trade Agreements Program*.
- ***Conducted Outreach and Informed US Industry and State-Level Governments.*** USTR conducted outreach to U.S. industry stakeholders, congressional delegations, and state-level governments planning official visits and trade missions. USTR established a strong state-level network of interested stakeholders and worked with this network to offer opportunities for information exchange and trade education through USTR participation in conferences and external speaking engagements.
- ***Communicated the Need for Fundamental WTO Dispute Settlement Reform.*** In FY 2022, USTR led an extensive series of informal meetings with WTO Members to pursue fundamental reform of the WTO dispute settlement system. USTR explained to the public and other WTO Members the need for such reform in light of U.S. concerns that the Appellate Body has altered Members' rights and obligations through erroneous interpretations of WTO agreements, several of which have directly harmed the ability of the United States to counteract economic distortions caused by non-market policies and practices of countries like the PRC that hurt our citizens, workers, and businesses, and that the conduct of the Appellate Body has converted the WTO from a forum for discussion and negotiation into a forum for litigation, undermining U.S. interests in the WTO.
- ***Communicated the Intellectual Property Benefits of Trade Initiatives and Agreements.*** USTR responded expeditiously to frequent and often in-depth inquiries from stakeholders and Members of Congress. USTR personnel participated in press calls to explain Administration positions with respect to intellectual property protection and enforcement as well as Special 301 matters.
- ***Outreach and Consultations with the U.S. Textile Industry.*** USTR staff actively reached out to stakeholders across the spectrum of textile and apparel industry interests, participating in conferences and meetings organized by the National Council of Textile Organizations, the American Apparel and Footwear Association, and the U.S. Fashion Industry Association.
- ***Outreach and Consultations with the U.S. Agriculture Industry, Consumer Groups and Labor Unions.*** The U.S. Trade Representative and staff at all levels of USTR met with U.S. agriculture stakeholders on the President's trade agenda, and participated in dozens of virtual and in-person agricultural stakeholder meetings to enhance the understanding of the benefits of trade to U.S. food and agricultural workers, farmers, ranchers, and businesses. USTR also held numerous meetings with consumer groups, environmental groups, the fishing industry, and labor unions to promote and explain the Administration's agriculture and SPS trade agenda.

- ***Communicated the Environmental Benefits of Administration Trade Initiatives.*** Through joint statements, press releases, social media, speeches and other public events, USTR continued to communicate how U.S. trade agreements and initiatives help to level the playing field for American workers and businesses and can address urgent trade-related environmental challenges.
- ***Communicated the Benefits of Trade to Foreign Trade Partners.*** In consultation with other agencies, the Congress, and key stakeholders, USTR communicated to foreign countries the benefits of fair and reciprocal trade with the United States. Through cooperation with U.S. regulatory and health agencies, USTR ensured that the Administration-wide message on trade policy was reflected in U.S. positions and delivered in meetings of international, multilateral trade organizations, including the OECD, G7, G20, WTO, and others.
- ***Outreach and Consultation with Key Stakeholders on EU and MENA Trade Issues.*** USTR staff presented and discussed evolving U.S. trade and investment policies in the EU and the MENA (Middle East and North Africa) region at business conferences and widely attended meetings of key private sector stakeholder organizations and relevant embassies.
- ***Communicated with a Range of Stakeholders on the Administration’s Africa Trade Agenda.*** USTR continued outreach with African governments, the U.S. and African business community, labor organizations, and civil society groups to highlight the Administration’s inclusive, worker centered trade agenda with respect to the continent. In October 2021, USTR convened a two-day high-level Virtual AGOA Ministerial with African counterparts that took place in lieu of an in-person annual AGOA Forum due to the COVID-19 pandemic. The theme of the Ministerial was “Building Back a Better U.S.- Africa Trade and Investment Relationship.” Participants included 22 African ministers of trade as well as U.S. Trade Representative, U.S. Department of Labor Secretary, and U.S. Agency for International Development (USAID) Administrator, as well as leading congressional representatives. The meeting provided a valuable platform for discussing ways to strengthen economic cooperation between the United States and sub-Saharan Africa. USTR officials also shared perspectives on U.S. trade policy toward Africa at an AGOA Civil Society Organization event in April 2022 and at the July 2022 Corporate Council on Africa Annual U.S.-Africa Business Summit in Morocco.
- ***Issued the Biennial Report on the AGOA Program:*** In June 2022, USTR released the 2022 Biennial Report on the Implementation of the African Growth and Opportunity Act (AGOA). As mandated by the 2015 Trade Preferences Act, the report provides a description of the status of trade and investment between the United States and sub-Saharan Africa, changes in country eligibility for AGOA benefits, an analysis of country compliance with the AGOA eligibility criteria, an overview of regional integration efforts in sub-Saharan Africa, and a summary of U.S. trade capacity building efforts.
- ***Communicated the Benefits of Administration’s Efforts to Eliminate Significant Trade Barriers.*** USTR published the National Trade Estimate (NTE) Report identifying the benefits of eliminating significant trade barriers and potentially increasing trade with the vast majority of our trading partners which together account for 99 percent of U.S. goods trade and 85 percent of U.S. services trade.
- ***Responded Timely and Appropriately to Government Accountability Office Engagements.*** USTR provided information and documents timely to the Government Accountability Office related to six GAO engagements, successfully closing out open recommendations within less than one year resulting from one engagement, successfully closing out three of four recommendations within two years resulting from another engagement; successfully closing out one pending recommendation from an engagement dating from December 2017.

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

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

### **Objectives:**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

### **Accomplishments:**

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

Highlights of USTR's accomplishments in FY 2022 include:

- ***Security Management & Emergency Preparedness.*** Initiated a number of notable projects and acquisitions that provide long-term improvements to USTR's security posture and capabilities. This included progress to create five Secret-level rooms and one SCIF across USTR's three facilities; award of new services contracts (security for negotiations both domestically and internationally and durable radios for EPD detail team); and acquisitions ranging from vehicle lease extensions for SUV coverage, new vehicles, weapons safe, and the redesign of the security office for EPD team. Established new protocols and automated process for submitting Visit Authorization Requests, substantially improving efficiency and response time. Through coordinating the external assessment of USTR's Security Management System, ensured compliance with federal requirements and resolved/eliminated more than 30 findings (96% completion rate). Resolved significant issues

affecting the use of high-occupancy classified spaces; problems remedied ahead of schedule and ensured customers updated throughout. Dramatically improved the reconstituted Executive Protection Detail's ability to provide comprehensive and dependable protection with the full confidence of the U.S. Trade Representative and front office management. Completed the transition of commercial bandwidth for USTR spaces at G Street and placing all three USTR spaces (1724 F Street, Winder and 1800 G Street) on the same network. Transitioned 80+ staff relocating from Winder and 1724 F Street to 1800 G Street by streamlining physical access procedures and visitor management protocols. Achieved an unprecedented 98% completion rate for Information Security training requirements; highest completion rate for decades. Ensured Continuity Emergency Relocation Team (CERT) members were trained, issued Government Emergency Telecommunications Service (GETS) cards, and completed required documentation to access the Continuity of Operations (COOP) site; actively pursued all CERT members to attend the EOP familiarization tours. Certified all security staff as Contracting Officer Representative (COR) or Alternate CORs to provide the greatest flexibility and essential coverage of key contracts. Initiated projects that are improving working conditions and hence morale for Post Security Officers and security staff.

- **Resource Management.** Executed the FY 2022 Budget during a unique fiscal year typified by a protracted set of Continuing Resolutions (CRs) and a later than usual Omnibus appropriation. Coordinated with USTR leadership, Office of Administration/EOP CFO, and OMB, the numbers for the FY 2023 Budget request which included last minute changes and baseline derivation guidance. Prepared, submitted and defended the FY 2023 Congressional Budget Justification. Closed out FY 2022 in exemplary fashion, ensuring highly efficient and effective use of USTR's appropriations; included managing budget resources to within 1% of general funds and 4% of TETF appropriations. On staffing, integrated new positions, absorbed and redistributed the workload keeping to all critical deadlines and maintaining a high level of customer service. By setting new standards, process reengineering and proactive engagement, USTR travel authorization to voucher and payment processes, with a special focus on customer service, was reduced from a 30-day turnaround in some cases to just 7 days. Ensured a smooth transition for the new Chief of Staff by preparing and presenting budget and contract briefings. Developed travel training that addressed the unique requirements of the Front Office staff has been instrumental in ensuring zero problems for the Ambassador's international travels. Comprehensive USMCA near and long-term projections have contributed to USTR Leadership's ability to present to Congressional committees a request for extension of USMCA funds, key to the Administration's success in monitoring and enforcement of USMCA. USTR received clean Government Purchase Card audit in FY 2022 from OA CFO, exemplifying the agency's detailed monitoring and understanding of micro purchases and most importantly proper use of Representational Funds.
- **General Administration and Management.** Worked closely with agency leadership and individual lead negotiating offices and proactively addressed all special conferencing needs; consistently provided conference planning support for all meetings as soon as they are determined and often at the last moment (refreshments, flags, audiovisual, dinners). Coordinated with USTR's NARA Archivist to complete the USTR Electronic Records Schedule; brought aboard the OMB Records Management Officer as a detailee to assist with implementing the agency's electronic management program; revising agency-wide records management fundamentals training course that meets NARA's annual records management training requirement; completed the required 2022 Records Management Self-Assessment. Continued responding to GAO's Report on Executive Agencies' handling of the FY19

Government Shutdown, which included five recommendations for action by USTR, providing initial information efficiently and effectively closing out all but one of the remaining recommendations during FY22; detailed plans and procedures per the GAO's recommendations continued to be instrumental in preparing for the potential shutdown at the end of FY 2022. Kept workforce up-to-date on potentially impactful major issues, e.g. shutdown, COVID-19 pandemic; inclement weather, GSA projects; sought means to mitigate impact of any potential workforce disruptions, such as encouraging use of workplace flexibilities, e.g. max telework. Prepared facilities for pandemic response, including developing and implementing protocols, acquiring PPE, enabling video conferencing, max telework, Beijing office staff displacement support. Ensured responsive updating of the USTR COVID Safety Protocols to guide all employees on facilities use, visitors, travel and personal safety throughout the pandemic. Continued USTR Intranet revisions to substantially improve the access to USTR and EOP policies and procedures.

- ***Facilities Management.*** Key facilities work foremost included ensuring the stocking and maintenance of PPE items in USTR's facilities for the safety and well-being of all employees during the pandemic. Completed outfitting work at 1800 G Street in preparation for substantial office relocations and commencing those repositioning activities. Throughout the pandemic, continued to ensure responsive facilities staff in support of all agency needs, especially USTR leadership. Provided an unprecedented level of facilities support as employees begin reentry and completed relocations of up to one-third of the workforce while reconfiguring numerous spaces/offices; required extraordinary effort and coordination between impacted employees, General Services Administration (GSA), Blake Reality and a commercial moving contractor; successfully moved three offices from Winder and 1724 F Street to USTR facilities on the second floor, 1800 G Street. Worked closely with Assistant U.S. Trade Representatives (AUSTRs) and numerous staff to meet their needs throughout the process. Reorganization of offices and backfills ongoing in the Winder Building; responded to all of the demands to relocate furniture to meet employees' work schedules. Worked all requests from AUSTRs to repurpose space by eliminating existing non-functional outfit and substituting other furniture, to include managing, coordinating, and ordering furniture, and delivering the furniture to all three sites for installation. Successful, after an extended period of planning and acquisition by GSA, installation of the new HVAC system in the Winder restricted space and completing repairs to the Winder basement IT spaces cooling system.
- ***Information Technology and Communications Management.*** Developed products and infrastructure to complement agency modernization; focused on continued transformation with business processes and technology. IT staff acquired the skills necessary to function effectively in the unprecedented pandemic environment. As such, IT staff played key roles in adapting our agency to the realities of remote and hybrid work, working closely with agency leadership and offices across USTR to meet their mission needs. For example, transformed business through IT innovation with collaboration by way of wireless mics technology and Polycom video conferencing systems, enabling all staff to work effectively in a hybrid environment; innovative initiatives improved the quality of collaboration throughout the agency. Replicated the backend tracking system for the agency's massive yearly report efforts in support of the National Trade Estimate (NTE), Trade Policy Agenda (TPA) and Annual Report (AR). Collaborated with Office of Administration and Salesforce developers to assist USTR in maintaining, configuring, and retaining federal records information. Developing new ways of operating using WHIT's revised travel guidelines when providing critical onsite IT support for domestic and foreign travel initiatives. Built out a new telework/remote work



agreement application that transformed the form into an application giving managers, staff and USTR Office of Human Capital and Service (OHCS) access to easily submit, track, approve and revise agreements. Commenced massive project to move all USTR's OMB MAX Site information to cloud services, a critical capability for international trade negotiations and connectivity of advisory committee members.

- ***Human Capital Management.*** USTR's OHCS experienced an especially challenging year in recruitment and hiring as the Office of Administration, EOP, Human Resources Division (HRD) lost all staffing and effectively became inoperative. In response, USTR coordinated closely with HRD's rebuilding efforts. As a result, the agency made progress on substantial hiring to fill both new and vacant positions that led to meeting staffing needs across the agency. Besides the recruitment, hiring and onboarding of full-time employees, effort included new political appointments, detailees, paid winter and fall interns, consultants and contractor onboardings. USTR continued to provide support for environment attaches detailed from EPA, FWS, and NOAA in Mexico City. OHCS was instrumental in managing the agency's response to the COVID pandemic; this included participating in all Office of Management and Budget (OMB)/Office of Personnel Management (OPM)/Centers for Disease Control and Prevention (CDC)-related meetings and then relaying announcements, promulgating agency guidance (continual updating of the USTR COVID Safety Protocols document), and disseminating time-sensitive information to the agency on reentry and vaccination requirements. As a result, no issues have surfaced from employees as to their safety and well-being throughout the pandemic. Ground work completed to bring on board unconscious bias training and a contractor to assist us in developing our agency's DEIA strategic plan early FY 2023. Improved agency HR processes through IT applications; especially noteworthy is ready to launch Telework Agreement/Remote Work System. Other achievements included revised Telework/Remote Work Policy, redrafted TW/RW FAQs for staff, completed USTR DEIA Assessment, close coordination with USTR's DEIA Council to further their initiatives, and assisted drafting language for Equity EO action plan.

## GLOSSARY OF ACRONYMS

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

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

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

TRIPS .....	Trade Related Intellectual Property Right
T-TIP.....	Transatlantic Trade and Investment Partnership
TTC.....	U.S.-E.U. Trade & Technology Council
UAE .....	United Arab Emirates
UNCTAD.....	United Nations Conference on Trade & Development

UNDP .....	United Nations Development Program
URAA .....	Uruguay Round Agreements Act
USDA .....	U.S. Department of Agriculture
USITC.....	U.S. International Trade Commission
USMCA.....	U.S. Mexico Canada Agreement
USTR .....	Office of the United States Trade Representative
VRA .....	Voluntary Restraint Agreement
WAEMU.....	West African Economic & Monetary Union
WB .....	World Bank
WTO .....	World Trade Organization