Trade:

Trans-Pacific Partnership Negotiations Begin

Joint Statement from the Office of the U.S. Trade Representative and the U.S. Department of Agriculture, January 5, 2010[1]

The Office of the United States Trade Representative and the U.S. Department of Agriculture today released a statement regarding the decision by Taiwan's Legislative Yuan to bar import of some U.S. beef and beef products. The following statement is from Deputy United States Trade Representative Demetrios Marantis and Undersecretary for Farm and Foreign Agricultural Services Jim Miller:

"We are deeply disappointed with the decision by Taiwan's Legislative Yuan to amend the Food Sanitation Act (FSA) to unjustifiably bar the import of certain U.S. beef and beef products.

"As we noted in our statement on December 29, the FSA amendment's provisions do not have a basis in science and constitute a unilateral violation of a bilateral agreement concluded in good faith by the United States with Taiwan a little over two months ago. The protocol was negotiated on the basis of the guidelines laid out by the World Organization for Animal Health (the OIE), as well as the findings of Taiwan's own risk assessment, which concluded that all U.S. beef and beef products are safe.

"The decision by Taiwan authorities to place domestic politics over science raises serious concerns. This action will also undermine Taiwan's credibility as a responsible trading partner and will make it more challenging for us to conclude future agreements to expand and strengthen bilateral trade and economic ties.

"The decision to violate our bilateral agreement is particularly disappointing, as the United States has long been one of Taiwan's most important trade and investment partners, as well as the strongest supporter of Taiwan's active participation in the global trading system, including its membership in the World Trade Organization (WTO). In light of the continuing importance of our bilateral economic relationship, we urge Taiwan to honor its commitments and to implement the beef protocol as negotiated."

Press Release from the Office of the U.S. Trade Representative, January 14, 2010[2]

United States Trade Representative Ron Kirk announced today that the United States has requested World Trade Organization (WTO) dispute settlement consultations with the Philippines regarding the Philippine excise taxes on imported distilled spirits such as whiskey and gin. The Philippines taxes imported distilled spirits at significantly higher rates than domestic distilled spirits.

"We are going to the WTO today because we want to ensure that U.S. producers have access to their markets overseas," Kirk said. "Although the United States has raised this issue many times, the Philippines continues to tax distilled spirits from the United States at much higher rates than distilled spirits produced in the Philippines. We urge the Philippine government to eliminate that discrepancy and level the playing field for our exports immediately."

Press Release from the Office of the U.S. Trade Representative, January 19, 2010[3]

Today, United States Trade Representative Ron Kirk commented on the changes announced to Japan's Eco-friendly Vehicle Purchase Program (Japan's version of "cash-for-clunkers"). From Ambassador Kirk:

"I welcome the objective of the modifications that Japan made today to its automotive 'cash-for-clunkers' program. Today's announcement opens opportunities for U.S. autos imported using Japan's Preferential Handling Procedure (PHP) certification process to qualify under that program. We are currently evaluating the details of Japan's announcement to ensure it meets the concerns my office has been raising with Japan since last fall. USTR will continue to work with our trading partners to ensure that American automakers and workers receive fair treatment in Japan and around the world."

BACKGROUND

USTR has been raising concerns about access for U.S. automobiles to Japan's Eco-friendly Vehicle Purchase Program. Of specific concern has been that U.S. autos imported using Japan's PHP import certification process were not eligible to qualify under Japan's purchase program. The change Japan announced today opens opportunities for autos imported using the PHP process to qualify, taking into account U.S. fuel economy ratings for

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specific automobiles.

Press Release from the Office of the U.S. Trade Representative, January 20, 2010[4]

On Wednesday, January 20, 2010, representatives of the United States and the Government of Chile convened the fifth meeting of the Environmental Affairs Council (EAC) of the U.S.-Chile Free Trade Agreement (FTA). Mark Linscott, Assistant U.S. Trade Representative for Environment and Natural Resources, co-chaired with Daniel Reifsnyder, Deputy Assistant Secretary of State for Environment and Sustainable Development, the EAC meeting for the United States. The U.S. delegation included representatives from other agencies, including the Department of Interior and the Environmental Protection Agency.

At the EAC meeting, officials discussed implementation of the Environment Chapter and how to improve monitoring of implementation and compliance with Chapter obligations. Both governments acknowledged the progress and collaborative work that has taken place since the last meeting of the EAC in Santiago, Chile in April 2008.

Representatives of the Trade and Environment Policy Advisory Committee participated in the meeting to discuss the role and functioning of the committee and to exchange views on improving transparency and public participation in trade and environmental policy decisions.

Chile's National Commission for the Environment highlighted the recent law establishing the Chilean Ministry for the Environment and explained how this new government body will bolster its continued implementation of the FTA Environment Chapter.

The afternoon session of the EAC meeting was open to the public, demonstrating the Council's commitment to a transparent, open, and participatory process.

Excerpts of Remarks by Deputy U.S. Trade Representative Marantis, January 28, 2010[5]

Ambassador Demetrios Marantis delivered these remarks in Washington, DC at the Center for Strategic and International Studies

Ambassador Marantis. Why is this a watershed moment? Why is this moment in trade policy so exceptional and significant? Because we are witnessing a unique alignment of domestic and international economic events that demand unprecedented action. The domestic economic events we know too well. The United States is recovering from an historic economic recession. National unemployment remains at 10 percent and tops 12 percent in some states. This Administration is committed to reforms that will drive the U.S. economy from this recession, and emerge with affordable health care, a more stable financial system, and balanced and greener growth. Every reform and every policy measure is focused on creating and retaining good, sustainable, and high-paying American jobs.

As the President said last night, trade is part of this Administration's jobs plan, and trade must be part of America's economic recovery. We know that Americans who work in export-sector jobs are paid up to 18 percent above the average. We know that six million Americans owe their jobs to manufacturing exports, and that agricultural and service export jobs mean paychecks for many more. And we know that as a number of key markets around the world recover more quickly than ours, exports will create good American jobs here at home even as our economy rebuilds and reforms. That is why the President last night set the goal to double exports over the next five years.

But that is only half of the domestic picture, because we also know that these economic facts align with a public opinion that has soured on trade. We cannot deny that polls find only a quarter of Americans think a global economy benefits the United States. We cannot deny polls that show only thirteen percent of Americans think trade agreements create jobs, while over half think these agreements lead to job losses. We need to face the fact that over one third of Americans polled think trade agreements are bad for America, and more than 40 percent think free trade agreements have hurt their personal financial situation.

These domestic facts align with an international picture that also has two dimensions. Look at the Asia-Pacific region. On the one hand, it is a picture of huge markets that already are key destinations for U.S. manufactured goods, agriculture products, and services. Even given the deteriorating global economy, in 2008 U.S. goods exports to the Asia-Pacific region totaled $747 billion, up over 8 percent over the previous year. Agriculture exports were $76 billion, a 30 percent increase over the previous year. U.S. services exports to the region grew to $187 billion, and U.S. small and medium-sized enterprises alone exported $173 billion to the Asia-Pacific in 2008.

On the other hand, despite these export successes, America faces the daunting prospect of getting locked out of the Asia-Pacific. Just four weeks ago, China and the 10 Southeast Asian ASEAN nations ushered in the world's third-largest free-trade area. In addition to the ASEAN-China trade deal, there are now 175 preferential trade agreements in force that include Asia-Pacific countries. More are on the way, with an additional 20 agreements awaiting implementation and more than 50 others under negotiation. Already, the United States' share of trade with the Asia-Pacific has fallen, and a recent study forecasts that America could lose as much as $25 billion in annual exports just from the discriminatory effects of an East Asia Free Trade Area that excludes the United States. Exclusion from economic opportunities already is becoming evident. Such exclusion will cost American jobs.

To me, the alignment of these domestic, international, and other economic developments frame our watershed moment. We must seize it. We must get it right. And we must follow through in a way that benefits the U.S. economy and American farmers, ranchers, workers, manufacturers and service providers—today, tomorrow, and in the long term.

At the Office of the U.S. Trade Representative, we are doing exactly that. As many of you know, on December 14, USTR formally notified Congress of the

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Obama Administration's intent to enter into negotiations of the Trans-Pacific Partnership, or TPP. Beginning with an initial group of seven partner countries—Australia, Brunei Darussalam, Chile, New Zealand, Peru, Singapore, Vietnam—the United States hopes to shape the TPP into a high-standard, broad-based regional trade agreement. We will consider and welcome new negotiating partners based on their readiness and ability to bring commercial value, balance, and ambition to the negotiations. It is our aim for the TPP to create a platform for economic integration across the Asia-Pacific region. And it is our aim to advance U.S. economic interests with the fastest-growing economies in the world, expanding U.S. exports and creating new American jobs.

The diversity and dynamism of our TPP partner countries—not to mention the Asia-Pacific more broadly—promise to make these negotiations among our most complex and challenging. But this watershed moment in trade policy demands our focus and ambition. If we are to set an enduring anchor to the world's future drivers of economic growth, we must raise the stakes and push the envelope. We must do this by not just facing the challenges of specific issues posed by our negotiating partners. But also by challenging ourselves to rethink the substance of our trade objectives. We must challenge ourselves to rethink how USTR works with Congress, stakeholders, and all of you.

USTR has embraced this challenge, and our work is underway. Beginning last month, USTR began a transparent and ambitious consultation process, briefing and listening to the views of Congressional leadership, and Congress's trade, agriculture, and foreign relations committees. We have spent hours listening to many of USTR's 28 statutory advisory committees, including our advisors on labor, environment, agriculture, and industry. This week, we will begin reading the submissions to our Federal Register notice seeking comments on the TPP, and we are beginning an unprecedented fifty-state domestic outreach strategy. We look forward to reviewing the International Trade Commission's study on the economic benefits of TPP. We will do all of this while aiming to use new technologies and a new approach to fulfill President Obama's vision of a government more transparent and accountable.

This innovative TPP domestic process has two goals. First, it acknowledges and seeks to remedy the deep skepticism on trade and to rebuild solid bipartisan support for trade. We may not succeed in changing all minds and erasing all doubts. But we will listen with open minds and try to view our work and develop our goals recognizing different perspectives.

Second, our domestic consultations will drive the substance of our negotiations. Together with Congress, we intend to work hard to shape the negotiating objectives for what President Obama and Ambassador Kirk have termed the first 21st century trade agreement. What does that mean? For the Obama Administration, a 21st century trade agreement is one that creates and retains U.S. jobs, integrates U.S. companies in Asia-Pacific production and supply chains, and promotes new technologies and emerging economic sectors. A 21st century trade agreement creates more opportunities for small- and medium-sized companies, prioritizes labor and environmental protections, and fosters development. These are some of our 21st century trade priorities. But we expect our domestic outreach process to shape, guide, and develop these ideas and give them life. And then USTR will bring these proposals to the negotiating table.

Another exciting pillar of the United States' Asia-Pacific trade strategy is our work in APEC—the premier forum for economic engagement in the region. APEC already accounts for nearly half of global trade and just over 40 percent of the world's population. APEC has a diverse and important membership, including both large economies like China, Korea, and Japan, as well as most of the Southeast Asian ASEAN countries. APEC is also a flexible organization that provides an environment where economies are willing to take on pressing and new barriers.

In 2011, the United States will host APEC, providing us an incredible opportunity to put forward a bolder vision for APEC and allow us to eliminate barriers to trade and investment impeding greater economic integration in the region.

Last year, we worked closely with Singapore and Japan as the APEC hosts in 2009 and 2010 to set forward the outlines of an ambitious agenda that we can build on as we move into 2011. We concluded work to facilitate services trade in the region, and we hope that this services initiative will also provide a model for narrowing gaps to other key trade and investment issues.

We also took steps to make it cheaper, easier, and faster for businesses to conduct trade in the region. We simplified rules of origin and documentation to make it easier to take advantage of preferential trade deals in the region. We improved logistics and transportation networks, and increased transparency and accessibility of APEC economies' customs information and regulations. And we agreed on an ambitious plan to address barriers to trade and investment in environmental goods and services in APEC.

With 2011 approaching, discussions on our substantive priorities and deliverables for our APEC host year are of course already underway. But as with TPP, we will rely on your input and that of other stakeholders to help shape our views and priorities for an ambitious outcome. We will also rely on you to help us take advantage of another great opportunity that hosting APEC will provide the United States—the chance to educate stakeholders in the U.S. about the benefits of exports and trade to our country.

I have focused on our key regional initiatives. But we also have other important bilateral priorities in the Asia-Pacific region. For example, as we proceed with our TPP and APEC work, we will continue to address concerns with Korea, and in consultation with Congress, present the U.S.-Korea Free Trade Agreement for Congressional consideration. KORUS is a high-quality agreement in many respects, with groundbreaking provisions on IPR, transparency, and non-tariff measures. That said, there are still outstanding issues, particularly related to autos and beef, that we need to work through in close consultation with Congress and stakeholders. Once we address those concerns, we can realize KORUS's significant economic and strategic benefits and send a strong signal of America's commitment the region.

We are also seeking to deepen and broaden our already extensive economic engagement with Japan—which is still our fourth largest bilateral trading partner and

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key market for many U.S. exporters. I will be travelling to Tokyo next week to accelerate this engagement, and to raise some long-standing bilateral irritants related to insurance, autos, and beef. And after Japan, I will be stopping in Malaysia and Indonesia to discuss regional developments and bilateral issues. We also will continue to work to build our economic relationship with ASEAN countries and to support ASEAN integration. You may have heard that President Obama will be visiting Indonesia later this year, and trade will figure prominently on the agenda, so we have our work with the region cut out for us.

Finally, our significant and difficult work with China in our existing bilateral dialogues and enforcement actions merit their own speech, and will be the focus of much of our work this year.

This is how I believe we must seize this watershed moment in trade policy—through TPP, APEC, and beyond. But while I began with the amusing first moments of my job, this watershed in trade policy is neither mine to remember nor mine to pursue. It is our moment, our obligation, and our common challenge. I ask that none of us forget that. And I look forward to working with all of you.

Press Release from the Office of the U.S. Trade Representative, January 29, 2010[6]

Today the Office of the United States Trade Representative released a statement by the Anti-Counterfeiting Trade Agreement (ACTA) negotiating partners regarding the recent round of ACTA negotiations in Guadalajara, Mexico:

The 7th round of negotiations on the proposed Anti-Counterfeiting Trade Agreement (ACTA) was held in Guadalajara, Mexico, from January 26 to 29, 2010, hosted by Mexico. Participants in the negotiations included Australia, Canada, the European Union, represented by the European Commission, the EU Presidency (Spain), and EU Member States, Japan, Korea, Mexico, Morocco, New Zealand, Singapore, Switzerland and the United States of America (alphabetically ordered).

The meeting was chaired by Mr. Jorge Amigo, Director-General, and Ms. Gilda Gonzalez, Deputy Director General, Mexican Institute of Industrial Property (IMPI). Participants underlined the importance of ACTA as an agreement which shall provide for an enhanced framework to fight global infringement of intellectual property rights, particularly in the context of counterfeiting and piracy.

The discussions at the meeting were productive and focused on civil enforcement, border enforcement and enforcement of rights in the digital environment. Recalling their shared view of the importance of providing opportunities for meaningful public input, the participants reaffirmed their commitment to intensify their respective efforts to provide such opportunities and collectively enhance transparency.

Participants in the meeting agreed that the next meeting would be hosted by New Zealand in April 2010. Participants also reaffirmed their commitment to continue their work with the aim of concluding the agreement by the end of 2010.

Press Release from the Office of the U.S. Trade Representative, February 1, 2010[7]

As the Office of Management and Budget unveiled President Obama's Fiscal Year 2011 budget today, United States Trade Representative Ron Kirk commented on priorities that USTR funding will facilitate. As the nation's lead trade policy agency, USTR is working to make trade work better for the American people, with a focus on increasing exports to support well-paying jobs here at home. From Ambassador Kirk today:

"The Office of the United States Trade Representative is working right now for America's economic recovery, pitching in on the President's initiative to put more Americans back to work through increased exports and a dynamic trade policy overall. And as we act on the immediate trade objectives the President outlined in his State of the Union address, we're also looking toward future successes that will support increased exports and American jobs over the long term," said Kirk. "This is a time when Americans are watching every dollar, and this budget reflects this Administration's commitment to a leaner fiscal outlook. But this budget still invests in sustained efforts to enforce Americans' trade rights around the world and to enhance economic opportunity here at home. In particular, it will facilitate USTR's work to better access the growing markets of the Asia-Pacific region—through the Trans-Pacific Partnership and through a successful 2011 meeting of the trade ministers of the Asia-Pacific Economic Cooperation forum here in the United States."

The Office of the U.S. Trade Representative (USTR) is responsible for developing and coordinating U.S. international trade, commodity, and direct investment policy, and overseeing negotiations with other countries. USTR seeks to make trade policy a powerful contributor to the President's national economic agenda for revival of the global economy and renewal of growth that benefits all people.

Remarks by Deputy U.S. Trade Representative Marantis, February 3, 2010[8]

Ambassador Demetrios Marantis delivered these remarks in Kuala Lumpur, Malaysia

Ambassador Marantis. When I first visited Kuala Lumpur seven years ago, I, like so many visitors, was awed by the gleaming Petronas Towers. I quickly arranged to visit what was then the world's tallest building and rode up 42 floors to look out from the skybridge. As I learned more about the towers' design and construction, I became intrigued not by the building's awesome height, but by its foundation. And on every return visit to KL, I am reminded that those 88 stories rest on an ingeniously crafted foundation, and on the traditional Islamic geometric design of an eight-pointed star.

Visiting Malaysia today, representing the Obama Administration as Deputy

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United States Trade Representative, I am again reminded of that foundation. And I am reminded that neither these gleaming twin towers of progress, nor any structure or relationship, can stand and endure without their foundations. One year into his term, President Obama and his Administration have been hard at work strengthening America's foundations—the foundation of our relationship to nations around the world, the foundation our domestic economy, and the foundation of our economic engagement with the world.

President Obama has made it a priority to rebuild and bolster the foundation of our partnerships with countries like Malaysia. He has made clear that for the United States, the diversity of the world's nations is a strength, and that there must be a sustained effort to listen to each other, to learn from each other, to respect each other, and to seek common ground. And President Obama marked a new beginning—a new foundation—between the United States and Muslims around the world, "one based on mutual interest and mutual respect, and one based upon the truth that America and Islam are not exclusive and need not be in competition." Instead, we share common principles—principles of justice and progress, tolerance and the dignity of all human beings.

As our political, social, and cultural relationships grow, the global economic crisis demands we rebuild our economic foundations. In the United States—as in many other countries—we are emerging from an historic economic recession. Unemployment remains unacceptably high. To return America to growth, the Obama Administration has worked with our Congress to spur economic recovery and lay a new foundation for our economy. Together we are seeking to give our workers the skills and education they need to compete, to invest in renewable energy and the jobs of the future, and to make health care affordable for families and businesses. These and other domestic reforms promise to make America's economy more competitive and prosperous for generations to come.

Our trade agenda is part of our jobs agenda. The economic foundation we build at home must also be a commitment to engage the global economy. And so trade with the Asia-Pacific and exports to the region's dynamic markets are key to America's new economic foundations and a priority for the Obama Administration.

That is why President Obama has launched negotiations for the Trans-Pacific Partnership agreement or TPP. The initial group of eight TPP countries—Australia, Brunei Darussalam, Chile, New Zealand, Peru, Singapore, Vietnam, and the United States—are working together to shape a high-standard, broad-based, 21st century regional trade agreement. But these countries are just a start. We will consider and welcome new negotiating partners, like Malaysia, based on their readiness and ability to bring commercial value, balance, and ambition to the negotiations. It is our aim for TPP to create a platform for economic integration across the Asia-Pacific region. And it is our aim to advance our mutual economic interests with the fastest-growing economies in the world.

Simultaneous to our work in the TPP, the Obama Administration is already planning for an ambitious and historic Asia Pacific Economic Cooperation (APEC) host year in 2011. During Singapore's 2009 APEC host year, we achieved significant steps to improve regional services trade, eliminate non-tariff measures, simplify customs measures, and improve transparency. This year we will work with Japan's leadership to build momentum in the months leading up to 2011, and our APEC efforts will further enhance our engagement with Asia and create jobs at home.

At the same time, we are working to further deepen our economic ties to the ten countries of the Association of Southeast Asian Nations (ASEAN). ASEAN countries together already are the United States' fifth largest trading partner, and the Obama Administration has made it a priority to build this relationship further. The United States and ASEAN have agreed on a number of initiatives for the coming year to do this. Among these are a government-business dialogue, which will begin with a traveling tour in the United States featuring Ambassador Kirk and ASEAN trade ministers aimed at showcasing ASEAN to the American public and identifying the new opportunities available to businesses large and small in all our countries.

In addition to our regional and multilateral economic work, the Obama Administration is laying the foundations of our bilateral economic ties with Malaysia and other countries in the region. Malaysia's openness to international trade and investment has led to over three decades of economic growth, a spectacular decline in poverty rates, and shrinking inequality. By liberalizing its manufacturing sector, Malaysia created jobs, spurred economic growth and made itself synonymous with quality industrial production, including electronics, and world-class semi-conductors and electronic components. As Malaysia opens its services sector, it will further strengthen its economic base and position itself for leadership in the global services industries.

Throughout Malaysia's development, Malaysia and the United States have developed a strong and mutually beneficial trade relationship, with trade in intermediate and final goods, agricultural produce and services flowing in both directions. The United States exports machinery, medical instruments, iron and steel, and aircraft as well as dairy products, soybeans and other agricultural products. At the same time, Malaysia exports machinery, ICT products, medical instruments, rubber, palm oil and cocoa. Unfortunately, we have yet to see Malaysia's prize fruits in the United States, but I am looking forward to seeing hopefully one day soon its mangosteens and maybe even its durian.

Malaysians understand that an expanded trade agenda is a domestic jobs agenda. Much like America's economic growth relies on greater engagement with Asia, Malaysia's economic growth and development will accelerate as you expand ties to large markets like the United States, through initiatives like the TPP. Until the global recession hit in 2009, Malaysia's exports to the United States grew more than 120 percent in the last 15 years, becoming one of the top trading partners of the United States. This trade as well as high levels of foreign investment helped generate the strong economic growth that Malaysia has seen over the past couple of decades. And deeper economic integration will further solidify our vibrant trade and investment relationship and help Malaysia position itself competitively in the 21st century.

The economic foundation Malaysia and the United States have built is already

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strong and stable. It is a foundation sturdy enough to build boldly upon. The synergies between our economies can help both of our nations to soar like your twin towers. I was excited to hear of Prime Minister Najib's plans to reform and restructure the Malaysian economy to rely less on manufacturing and more on innovative services- and knowledge-based industries as the engine of growth and source of jobs in the future. Expanding ties to the United States will support this agenda.

On a unique and stable foundation, Malaysians built the shining Petronas towers that continue to inspire the world with their beauty and innovation. President Obama and his Administration are committed to building upon our own unique foundation of bilateral engagement and cooperation with Malaysia. I hope that you will join us in that commitment and build a future that will inspire generations to come.

Press Release from the Office of the U.S. Trade Representative, February 9, 2010[9]

Today United States Trade Representative (USTR) Ambassador Ron Kirk and Deputy United States Trade Representative (DUSTR) Miriam Sapiro concluded their two-day visit to Mexico. Ambassadors Kirk and Sapiro met with Mexican President Felipe Calderon and with Mexican Secretario de Economia Gerardo Ruiz Mateos to discuss the mutual importance to the U.S. and Mexican economies of using trade to create jobs and improve competitiveness. In an earlier meeting, the Ambassadors and Secretary Ruiz Mateos discussed topics including the North American Leaders Summit; bilateral trade issues such as transportation, tuna and intellectual property; the environment, and the Doha Round of world trade negotiations.

"Mexico is a very important trading partner to the United States. This trip was a wonderful opportunity for me to highlight the significance of the U.S.-Mexico trading relationship," said Ambassador Kirk. "Cross-border trade totals more than $1 billion a day and the U.S. and Mexico must work together to keep trade flowing. A strong trading relationship between the U.S. and Mexico will ensure economic growth for both countries for years to come."

While in Mexico City, Ambassadors Kirk and Sapiro also met with Mexican government officials and participated in a roundtable discussion with small and medium-sized business owners about the benefits of exporting to Mexico. They also talked to representatives from General Electric to learn more about GE's activities in the Mexican energy sector.

"I was very pleased to be making my first trip to Mexico as the DUSTR," said Ambassador Sapiro. "This was a chance to discuss the tremendous opportunities we have to deepen further our already strong commercial relationship."

Press Release from the Office of the U.S. Trade Representative, February 12, 2010[10]

On Sunday, February 7, representatives of the United States and the Sultanate of Oman convened a meeting of the Joint Committee of the United States-Oman Free Trade Agreement (FTA). Christopher Wilson, Assistant United States Trade Representative for Europe and the Middle East, led a U.S. delegation that included the Department of Commerce and the Small Business Administration. At the Joint Committee meeting, officials discussed a broad range of trade issues, including operation of the FTA and initiatives to increase cooperative efforts on labor rights and environmental protection, as well as trade initiatives by the Gulf Cooperation Council, of which Oman is a member.

"The meetings in Oman are an important example of the United States' commitment to ensuring that our trade agreements are an economic success for American workers, farmers, ranchers, businesses and consumers, and that they also promote enhanced protections for labor rights and the environment," said Wilson. "The FTA with Oman, along with the FTAs with Israel, Jordan, Morocco, and Bahrain, also demonstrates the U.S.' commitment to deepening our relationship with the Middle East region and to ensuring that the benefits of trade liberalization are spread broadly."

The two sides agreed to continue their work to strengthen cooperation in trade, investment and other economic issues. Both delegations also acknowledged the importance of engaging their respective private sectors, particularly small- to medium-sized enterprises, to take advantage of the FTA.

While in Oman, the U.S. delegation will also meet with officials from the Ministries of Manpower, Environment and Climate, and National Economy, as well as stakeholders from the private sector. These meetings follow a recent visit to Oman by a USTR-led delegation to increase engagement on labor issues.

In 2008, two way goods trade with Oman totaled $2.2 billion. The five largest import categories in 2008 were mineral fuel (crude oil), precious stones (jewelry), plastic, inorganic chemical, and iron and steel products. The top export categories in 2008 were vehicles, machinery, aircraft and electrical machinery.

Press Release from the Office of the U.S. Trade Representative, February 12, 2010[11]

United States Trade Representative Ron Kirk today signed a U.S.-Canada agreement on government procurement. The agreement was signed this week in Canada by Canadian Minister of International Trade Peter Van Loan. The new procurement agreement provides for permanent U.S. access to Canadian provincial and territorial procurement contracts in accordance with the World Trade Organization (WTO) Government Procurement Agreement (GPA). In addition, the agreement enables American companies to compete for Canadian provincial and municipal construction contracts not covered by the GPA through September 2011. The United States will provide reciprocal access for Canadian companies to 37 states already

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covered by the GPA and a limited number of Recovery Act programs. Taken together, these provisions strengthen an already robust U.S.-Canada trade relationship. The full text of the agreement is available here.

"The U.S.-Canada trade relationship supports many good jobs on both sides of the border," said Ambassador Kirk. "This agreement resolves key outstanding U.S.-Canada government procurement issues and creates tens of billions of dollars worth of new job-supporting export opportunities for American companies and workers. From February 16, American exporters can rest assured that they will be able to compete on a fair and equal basis in a wide range of Canadian provincial, territorial, and municipal procurement contracts."

Canada is the United States' largest goods trading partner, with a total two way goods trade of more than $430 billion in 2009. This agreement further cements the mutually beneficial U.S.-Canada trade relationship and provides American and Canadian businesses and workers alike with reliable opportunities for growth. Both countries agreed to continue a dialogue on mutually beneficial procurement opportunities.

Press Release from the Office of the U.S. Trade Representative, February 16, 2010[12]

United States and East African trade and development officials met today in Kampala, Uganda to discuss implementation of the United States-East African Community (EAC) Trade and Investment Framework Agreement (TIFA). The TIFA provides a forum for advancing cooperation on trade and investment issues between the United States and the five EAC member states—Burundi, Kenya, Rwanda, Tanzania and Uganda.

The meetings, which were co-led by Deputy United States Trade Representative Demetrios Marantis and Ugandan Minister of State for Trade Gagawala Wambuzi, were the first held under the TIFA's bilateral Trade and Investment Council (TIFA Council), which identifies opportunities and provides a forum for addressing challenges in the U.S.-EAC trade and investment relationship. The TIFA Council included trade ministers from EAC countries, senior representatives from the EAC Secretariat, and a U.S. delegation of senior officials from the Office of the United States Trade Representative, the Departments of State, Agriculture, and Transportation, and the U.S. Agency for International Development.

The TIFA Council examined U.S. and EAC work on implementation of the African Growth and Opportunity Act (AGOA) and issues related to market access, trade capacity building, the financial sector, agricultural trade, and the business environment.

"The EAC is one of the leading regional economic organizations in sub-Saharan Africa. It is making significant progress in opening up regional trade and advancing economic integration among its members," said Ambassador Marantis. "The EAC is an important partner on trade and development issues, and the United States is supporting its efforts to create a unified regional market and use trade to bolster economic development. Today's TIFA Council meeting was an important step toward deepening the U.S.-EAC trade and investment relationship, expanding and diversifying bilateral trade, and improving the climate for business between U.S. and East African firms."

The TIFA Council meeting provided the opportunity to set priorities, identify objectives, outline impediments, and chart the way forward for work under the TIFA. The TIFA Council adopted a common plan of work that the United States and the EAC will jointly undertake in order to implement the TIFA.

Background

On July 16, 2008, the United States and the EAC signed the United States-EAC TIFA in Washington, D.C. Trade ministers and other senior officials from the five EAC member states—Burundi, Kenya, Rwanda, Tanzania, and Uganda—witnessed the signing.

The U.S.-EAC TIFA establishes regular, high-level talks on the full spectrum of United States-EAC trade and investment topics, including AGOA, the World Trade Organization's Doha Round, trade facilitation issues, and trade capacity building assistance. The EAC has made great strides in recent years toward integrating the economies of its member states. It has established a free trade area and a customs union, and is working toward a common market.

Total two-way trade between the East African Community and the United States was valued at $1.4 billion in 2009, a 13.6 percent increase over 2008. The leading U.S. exports to the EAC are aircraft, machinery, vegetables, grains, and communications equipment. U.S. imports from the EAC include apparel, coffee, tea, and cashews. In 2009, U.S. imports from the EAC under AGOA, including its GSP provisions, were valued at $210.7 million, a 19.0 percent decrease over 2008.

Remarks by Deputy U.S. Trade Representative Marantis, February 16, 2010[13]

Ambassador Demetrios Marantis delivered these remarks in Kampala, Uganda at Makerere University

Ambassador Marantis. Thank you very much for welcoming me to Makerere University. I am here today as Deputy United States Trade Representative representing President Obama's Administration on my first trip to Uganda. But I am also completing a trip to Makerere University that I began more than twenty years ago.

In 1989, as a junior in college, I spent the fall semester reading through the Rockefeller Foundation archives in Sleepy Hollow, New York. I was researching a paper on philanthropic foundations and the development of higher education in Africa—and that paper was to be focused in part on Makerere University. I flipped through dusty files and read hundreds of pages of reports. Every word and every page about Makerere told a story—a story of intellectual rigor, quality, and discipline. And every report I read painted a picture—a picture of hope and optimism not just for this university, but for Uganda and Africa as a whole.

It has been two decades since I first encountered Makerere University in those dusty archives. And in that time, many of those hopeful images have come alive.

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But my mind is still full of questions about the future. I am still asking questions about this University, about Africa, about your potential, and about the future of Africa and the United States together. That's why I'm here today.

Standing in this center of academic excellence, I cannot imagine being in a more hopeful place to ask these questions about the future of Africa and to find the answers together. Not only am I inspired by Makerere, I am inspired by Uganda and its people. Makerere University has educated each of you, and it is the alma mater of many African leaders, including former Tanzanian president Julius Nyerere, Kenyan President Mwai Kibaki, and Congolese President Joseph Kabila.

Uganda's history of meeting challenges and its trajectory of recent progress reminds us all that anything is possible. Who would have thought that an army of 27 could liberate a country from the bush? Who could have imagined that in 16 years a new, inexperienced government could reduce poverty by nearly 20 percent? Uganda has propelled its economy from no economic growth to more than 4 percent annual economic growth, and from hyperinflation to relatively low inflation. Uganda is taking on the scourge of HIV and AIDS, and has reduced an HIV/AIDS rate of 30 percent to less than 6 percent today. This effort deserves accolades, but it also needs to be maintained.

The relationship between the United States and Africa has also produced many successes on which we can now build. For almost a decade, the African Growth and Opportunity Act (AGOA) has proven that support for African exports can grow jobs and promote economic development on this continent.

Under AGOA, the United States has eliminated tariffs on almost all products from Uganda and from 37 other sub-Saharan African nations. From the very beginning, President Museveni understood what AGOA trade could mean for Ugandans. He has reminded us time and again that when we open markets, we open opportunities. Through AGOA, we are empowering Africans to trade up and out of poverty.

Over the last eight years, U.S.-sub-Saharan African trade—both exports and imports—has more than doubled. That means that, all across the continent, more Africans are building their lives and their communities by exporting more of the goods Americans want—jewelry, fruits, nuts, fruit juices, leather, plastic, cocoa, and much more.

At the same time, American companies and workers have found new opportunities to do business in Africa—providing inputs and expertise to aspiring African entrepreneurs, participating in joint venture partnerships, and increasing American exports and investment.

We have also succeeded in building Africa's capacity to trade with the United States. Trade capacity building assistance is a critical element in the effort to help African countries turn trade opportunities like AGOA into exports. And the United States has worked hard to ensure that African nations have the resources they need to seize the benefits of trade. In 2008, the United States provided over one billion dollars in trade capacity building assistance to sub-Saharan Africa, more than double the amount of funding in 2001. And today, there are four regional American trade competitiveness hubs that are funded by USAID in sub-Saharan Africa.

The nearest of these, in Nairobi, Kenya, serves all of East Africa, including Uganda. At that hub, Ugandans can receive AGOA-related training and technical assistance. All told, the trade support provided by the Nairobi hub is estimated this year to have produced well over $14 million in export sales for East African businesses.

The Nairobi Hub has also worked to streamline trade and reduce costs by developing a one-stop border post at the joint railway station at Malaba on the Kenya-Ugandan border. Customs officials working side-by-side are now able to clear goods in a fraction of the time previously required—saving African companies tens of millions of dollars in transport costs every year.

Despite all of these successes, more work lies ahead for Ugandans, Africans, and Americans as well. Especially in trade and economic policy. Africa benefits too little from global trade. Because Africa lacks capacity, global capital is still too timid about most countries in Africa, fearing instability and uncertainty. While many African countries made significant progress in liberalizing trade and instituting market-oriented reforms during the 1980s and 1990s, Africa's overall trade policies remain the world's most protectionist. Average African tariffs are nearly 20 percent. This is compared to just over 10 percent for the rest of the world, and 5 percent for industrialized countries. Many African countries lack manufacturing capacity and face challenges such as high energy and transportation costs. This makes products less competitive in global markets. This region will have to continue down the path of reforms and open trade to enhance its ability to attract foreign capital. Success in this regard will address supply-side constraints, further integrate the region into the global economy, and pull millions out of poverty.

The changing global economic dynamic also demands that we do more. The world is emerging from an economic crisis. Last year, even the strongest trade relationships suffered. During the first 11 months of 2009, total imports under AGOA declined by over 50 percent. Other global trends are changing how Africa trades—such as the end of global textile and apparel quotas—and China and other Asian countries becoming more competitive than ever. Historic trade relationships now face a growing web of bilateral free trade and economic partnership agreements.

Ugandans, Africans, and Americans need to face these challenges. We must work together to find and implement the right policies that work for Uganda, Africa, and the United States. I am committed to doing just that. I will be honest with you that when I first turned in my paper on Makerere University, my professor rejected it. He did not like some of my ideas and he did not agree with some of my conclusions. So I worked with my professor to rewrite and rework my paper until I got it right. Today, just like 20 years ago, I am committed to working with you to get things right. Together we can find the right economic policies, the right trade policies, and the right solutions for Uganda's and America's mutual prosperity.

Together, we must look towards the future to realize a common vision for Africa. And in my many conversations with my African colleagues, they have affirmed that we share a common vision. We share a vision where African countries do their part by making trade a priority in

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their development programs. We see African governments, businesses, and civil society working together to maximize the potential of AGOA by promoting African competitiveness and regional integration.

You and I both see that Africans can become more globally competitive by improving their countries' business environments and nurturing entrepreneurial initiative to expand and diversify exports. Here in Uganda, that could mean efforts to add value to and increase exports of your plentiful raw materials—things like cotton, tea, tobacco, sugar, wood products, cereals, milk, and leather.

We also see Africans stimulating economic growth by improving economies of scale and reducing cross-border costs through regional economic groups. I am pleased that the leaders of more than two dozen African countries have committed to work toward a regional free trade area stretching from the Mediterranean to the Cape of Good Hope. A commitment that promises to boost regional trade, improve African competitiveness, and create opportunity for African workers and families.

But vision is not enough. Which is why the United States and the Obama Administration are working with African regional organizations and their member countries to support regional initiatives. Yesterday, I participated in the first-ever council meeting under the U.S.-East African Community (EAC) Trade and Investment Framework Agreement—or TIFA, as we call it. The purpose of our TIFA is to deepen U.S. economic engagement and cooperation with Uganda and the other four members of the EAC (Kenya, Tanzania, Rwanda, and Burundi). Under the TIFA, we now have regular, high-level talks on the full spectrum of U.S.-EAC trade and investment topics, including AGOA, the World Trade Organization's Doha Round, trade facilitation issues, and trade capacity building assistance.

This work with the EAC further increased my confidence in the potential of East Africa to realize even greater tangible benefits from trade. Together the United States and the EAC can work to lay the foundation, establish commercial and other linkages, and chart the future course for stronger trade and investment opportunities for Uganda and neighboring countries.

I realize that this is a time of great promise, challenge and choice for the region. I want to work with Africa as it moves from the margins to the mainstream of the global economy. Your progress is also in our national interest. And we are committed to working with you to write a new chapter in U.S. trade ties with this region.

When I finally turned in that paper on Makerere University at the end of my junior year in college, my professor read it and gave me a grade—a B+. While a B+ was good enough for me in college, the common challenges Ugandans, Africans, and Americans face today demand we do better. We need to get an A. And if we work together—patiently, cooperatively, and respectfully—I am certain that we will earn the highest marks.

Press Release from the Office of the U.S. Trade Representative, February 17, 2010[14]

Today representatives of the United States and the Government of Peru convened the first meeting of the Environmental Affairs Council (EAC) of the United States-Peru Trade Promotion Agreement (PTPA). Mara Burr, Deputy Assistant United States Trade Representative for Environment and Natural Resources, co-chaired with Dr. Willem H. Brakel, Acting Director of the Office of Environmental Policy, [Bureau of Oceans, International Environmental and Scientific Affairs,] Department of State, the EAC meeting for the United States. The U.S. delegation included representatives from other agencies, including the Forest Service.

At the EAC meeting, officials discussed implementation of the PTPA's Environment Chapter and Annex on Forest Sector Governance, and how to ensure proper monitoring of implementation of, and compliance with, Chapter and Annex obligations. Both governments acknowledged the progress and collaborative work that has taken place since entry into force of the PTPA.

Representatives of the U.S. Trade and Environment Policy Advisory Committee participated in the meeting to discuss the role and functioning of the committee and to exchange views on improving transparency, public participation and public knowledge of trade and environmental policy issues.

Representatives of Peru provided an overview of the dialogue table process initiated by the government in August 2009 aimed at creating a new consensus-based Forestry and Wildlife Law.

Remarks by U.S. Trade Representative Kirk, February 18, 2010[15]

Ambassador Ron Kirk delivered these remarks in Washington, D.C. at the 2010 Agricultural Economic Outlook Forum

Ambassador Kirk. Thank you all for having me here today, and thanks especially to Secretary Tom Vilsack for hosting this event.

Around 10,000 years ago, the earliest farmers settled down. They stopped being nomads, and stayed in one place to tend to newly cultivated crops. They built permanent houses and communities. And successful farmers were able to barter their crops for their neighbors' goods and services. They no longer had to produce everything they needed—they could trade for what they couldn't produce themselves.

Those agricultural communities grew and prospered. Neighbor to neighbor exchanges grew into city to city trade. Long-distance commerce was born. Suddenly, people were able to purchase all kinds of goods they couldn't find or make locally.

It was a major breakthrough in world history. But today, international trade is commonplace. Almost anywhere in the world, you can walk into a store and purchase something not just from a nearby town, but from another country—household items, textiles, even food products.

In communities around the world, families rely on food from American ranches and farms thousands of miles away. Busy Mexican mothers make tortillas from American corn. Japanese children munch

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on American oranges.

And here in America, our supermarket shelves are stocked with wholesome, varied foods year-round, because we are able to import those foods from growers around the world.

The global flow of agricultural goods—from harvesting nations to hungry families—is a valuable slice of international trade. Last calendar year, the United States exported more than $100 billion worth of agricultural products, supporting a $30 billion agricultural trade surplus.

Now, like almost every other kind of trade, agricultural exports have suffered during the global economic downturn. But this year, American agricultural exports are expected to begin to grow again. USTR is committed to supporting that growth.

Here's why: in his State of the Union Address, the President set a goal to support two million new American jobs by doubling American exports in the next five years. And to achieve that goal, the United States must work to increase every kind of export—from goods to services to home-grown agricultural products. Because this country can't afford to leave any jobs on the table.

To that end, President Obama has called upon key federal agencies to participate in a National Export Initiative. Through that Initiative, the Office of the United States Trade Representative is teaming up with the Department of Agriculture, the Department of Commerce, the Small Business Administration, the Export-Import Bank, and other federal agencies. We are leveraging all our resources to help more American farmers, ranchers, businessmen, and workers to succeed through trade.

The National Export Initiative is an unprecedented whole-of-government approach to export-promotion and export growth. Over the next three months, every agency involved has been asked to develop a concrete plan to leverage its resources to deliver more export-sector jobs and opportunities.

So USTR is thinking strategically about how our office can help more Americans do business in more places. And that includes American ranchers and farmers.

To put it simply, our office is working across the board to help Americans sell more "Made in America" goods and services and more "Raised in America" crops and animal products in more places around that world. We are making that possible both by seizing new export opportunities and defending existing American trade rights.

USTR is doing critical market opening and market expanding work—not only by seeking out new agreements, but also by working to ensure that Americans can take full advantage of our existing agreements.

This year, American farmers and ranchers have new access to markets around the globe, because we were able to negotiate an end to long-standing trade disputes over beef and other agricultural products. And American pork producers can continue to sell their products around the world because we fought aggressively to keep global markets open to American pork in the aftermath of the H1N1 influenza outbreak, which was shown to have no connection to food safety.

And we are continuing to press our trading partners to address barriers that impede the sale of U.S. agricultural products in many overseas markets.

American agricultural exporters face a vast array of non-tariff measures that can be onerous trade barriers. Those non-tariff measures—including non-science-based import rules and overly burdensome product approval and labeling requirements—are often rooted in less than full implementation of existing trade rules.

So USTR has stepped up its enforcement efforts on behalf of agricultural exporters.

This spring, our office will release a new report identifying unjustified sanitary and phytosanitary barriers to trade and technical standards that keep our farmers, ranchers, and other exporters from receiving the full benefits of trade.

We are also continuing to working closely with China and Russia to address non-science-based rules and standards that are preventing American producers from taking full advantage of those markets.

We are moving forward with a World Trade Organization dispute settlement case against the European Union ban on U.S. poultry. American poultry exporters have been shut out of the EU market for far too long, and we are working hard to make sure they regain access to that market.

At the same time, USTR is pursuing new trade opportunities for American businesses, farmers, and ranchers in some of the fastest-growing 21st century markets—with single trade partners in bilateral agreements, with economically significant regions through multiparty talks, and with all our WTO partners, as in the Doha round.

USTR is seeking to resolve outstanding issues on the Colombian, Korean, and Panama Free Trade Agreements in an effort to move those forward at the appropriate time. Because we know these are already important markets for American farmers and ranchers. In 2008, the United States sold $430 million worth of corn, soybean meal, wheat, rice, and other agricultural products to Panama alone. That same year, Korea was the United States' fifth largest market for agricultural exports, and Colombia was the largest single market in Central and South America for American farm exports. The American Farm Bureau Federation estimates that U.S. farm exports to Korea, Colombia, and Panama will increase annually by almost $3 billion after full implementation of these FTAs, with gains spread across a wide range of U.S. agricultural products.

USTR is also taking the first steps toward a new Trans-Pacific Partnership that will expand U.S. trade in the Pacific under a high-standard, 21st century trade agreement that will ensure American farmers and ranchers have access to the burgeoning markets of the Asia-Pacific for decades to come.

And USTR remains committed to a balanced and ambitious Doha Round outcome that provides a meaningful market access package that lifts the economic prospects of the poorest countries even as it supports U.S. new economic opportunities for American farmers, ranchers, manufacturers, and service providers.

The success of the Doha Round will depend on every nation engaging and contributing—in particular, emerging markets such as China, Brazil, and India. In addition to the multilateral negotiating efforts in Geneva, the United States is seeking sustained bilateral engagement between key developed and developing countries in order to provide the market access necessary to achieve a successful outcome in agriculture, as well as in non-agricultural market access and services.

Even as USTR works to secure additional market access opportunities, we are

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thinking hard about how to make those opportunities accessible to more kinds of American businesses. In particular, USTR is reaching out to small- and medium-sized businesses to shape trade policy that works better for smaller American enterprises—and that includes small- and medium-sized American ranches, farms, and farm businesses. Because virtually every American farm or ranch is a small- or medium-sized business. And when smaller agricultural enterprises seek to take advantage of international markets, they face many of the same hurdles as small manufacturers or services providers—from pure market access issues to regulatory complications. So we are seeking to make trade policy that helps to eliminate or mitigate those difficulties.

Already this year we have held a major conference on small- and medium-sized business issues and designated a new Assistant United States Trade Representative for Small Business to ensure that our trade agreements make it possible for American ranches, farms, and businesses of all sizes to succeed in markets around the world.

These efforts are increasing agricultural export opportunities abroad and supporting agricultural growth here at home. Over the coming decades, that growth will be more important than ever.

Over the next fifty years, it is estimated that the world's food needs will be greater than the cumulative food needs of every person throughout human history. To meet this demand for food it is imperative that we use our land, water and other resources wisely and efficiently. And it is equally important that we continue to embrace innovation and adopt new technologies that boost agricultural productivity.

Some of the most difficult trade issues we face are regulatory barriers that interfere with trade in the products of new production technologies such as plant biotechnology, cloning and nanotechnology. So at USTR we are working hard to develop an effective dialogue with our counterparts in other countries to develop policies that support trade in products that are the result of new technologies and innovation. Because if we are going to meet the world's food needs over the next fifty years, we have to make sure that every ounce of what is grown on a farm or raised on a ranch can be transported, marketed, and sold efficiently around the world.

With smart trade policy, we can make that happen.

Thank you all. I look forward to working with you.

Press Release from the Office of the U.S. Trade Representative, February 22, 2010[16]

Deputy United States Trade Representative Miriam Sapiro announced today that the United States and Israel have reached an understanding that resolves several longstanding issues with Israel's intellectual property rights (IPR) regime for pharmaceutical products. These negotiations, opened in 2008 in connection with a Special 301 Out-of-Cycle Review, closed this week after an understanding was reached on improving data protection, the term of patents on pharmaceuticals, and provisions on publication of patent applications in Israel.

"The United States and Israel have today strengthened their already close partnership through resolution of a longstanding trade issue of great importance to both sides," Ambassador Sapiro said. "I am pleased that we have found a path forward that will improve protection of intellectual property rights and help make innovative and generic medicines available to families and individuals in Israel."

This understanding both improves IPR protection in Israel for U.S. stakeholders and ensures that innovative and generic medicines are available in Israel as soon as possible. Both governments have worked closely with U.S. and Israeli pharmaceutical industries to develop and build consensus for solutions to these issues.

In recognition of Israel's agreement to move forward on legislation to amend its IPR laws, and once the appropriate legislation is submitted to the Knesset, the U.S. Trade Representative will move Israel from the Special 301 Priority Watch List to the Watch List. In addition, as soon as the legislation is fully implemented, Israel will be moved off the Special 301 list altogether.

Press Release from the Office of the U.S. Trade Representative, February 24, 2010[17]

The Office of the United States Trade Representative (USTR) today recognized Saudi Arabia's progress in the protection and enforcement of intellectual property rights by removing Saudi Arabia from the Special 301 Watch List.

"Saudi Arabia has made significant progress in improving protection for intellectual property rights during the past year," said Ambassador Ron Kirk. "Over the last several years, Saudi Arabia has stepped up its enforcement actions, strengthened its legal framework, and demonstrated a commitment to fostering innovation and creativity. This is a credit to the hard work done by Saudi Arabia as well as to our close bilateral cooperation."

The decision to remove Saudi Arabia from the Special 301 Watch List resulted from an "Out-of-Cycle Review" (OCR) announced last April in the 2009 Special 301 report. The review examined in detail the adequacy and effectiveness of IPR protection and enforcement in Saudi Arabia, with a focus on specific issues identified in the 2009 Special 301 Report.

The United States will continue to carefully monitor Saudi Arabia's progress in improving its IPR regime, including through the successful Trade and Investment Framework Agreement (TIFA) between the United States and Saudi Arabia.

Background

In recognition of progress Saudi Arabia had made toward improving IPR protection and enforcement, the United States announced last April in the annual Special 301 Report that it would conduct an OCR in 2009. Today's decision to remove Saudi Arabia from the Watch List is the result of that OCR.

The review focused on three specific issues identified in the 2009 Special 301 Report: 1) deterrent level penalties for violations of Saudi copyright law, 2) action to reduce the use of unauthorized

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copies of software within the Saudi Government, and 3) adequate protection for patented pharmaceutical products. The OCR concluded that during 2009 Saudi Arabia made further progress on improving its overall IPR enforcement climate, including with respect to these three specific issues.

Press Release from the Office of the U.S. Trade Representative, March 1, 2010[18]

United States Trade Representative Ron Kirk issued a statement today upon the delivery to Congress of President Obama's 2010 Trade Policy Agenda and 2009 Annual Report.

The United States Trade Representative is the President's principal trade advisor, negotiator and spokesperson on trade issues, and USTR is the lead agency responsible for the development of the President's Trade Policy Agenda, which by statute must be delivered to Congress by March 1 of each year.

The Agenda and Report released today review the Administration's progress on trade issues and outline future objectives.

The President has set a goal of doubling U.S. exports in the next five years to support another two million American jobs. The 2010 trade agenda explains how USTR will support this National Export Initiative through new market openings and trade enforcement, as part of a broader strategy that seeks to strengthen the global trading system and reflect American values as we uphold our commitments around the world.

"Ninety-five percent of the world's consumers live outside the United States, and the President's trade agenda will help to get American workers and businesses access to as many of those customers as possible—in ways that affirm our rights in the global trading system and that reflect American values on worker rights, the environment, and open dialogue here at home," said Ambassador Kirk. "The priorities in this Agenda can work to strengthen the rules-based global trading system on which the nations of the world depend, while opening markets and ensuring that American businesses and workers receive the economic benefits of trade."

Highlights of the Agenda include key commitments to:

Support and strengthen a rules-based trading system. The United States strongly supports an ambitious and balanced Doha agreement that liberalizes three core market access areas—agriculture, goods and services. An agreement that boosts the world economy, supports jobs here at home, and assists poor countries can be reached if all major economies come to the negotiating table.

Enforce American rights in the rules-based trading system. In 2009, the Obama Administration responded to Americans' calls for more vigilant enforcement of our trade rights. In 2010, USTR will strengthen further monitoring and enforcement, bringing cases at the WTO as necessary. We will increase focus on non-tariff barriers that hinder U.S. exports. We will fully enforce labor and environmental rights in trade agreements.

Enhance U.S. growth, job creation and innovation. Deeper engagement with major emerging markets is critical for American trade prospects and the realization of trade's benefits in terms of economic growth, well-paying jobs here at home, and support for American innovation. We will emphasize bilateral relations with such markets as well as with long-standing key partners, and will pursue regional engagement, particularly the President's intention to negotiate a Trans-Pacific Partnership Agreement to access key markets in the Asia-Pacific for decades to come.

Work to resolve outstanding issues with pending FTAs and build on existing agreements. Proper resolution and implementation of the pending FTAs with Panama, Colombia and Korea can bring significant economic benefits. In 2010, we will continue to consult with Congress and the public and to engage with these nations to address outstanding issues; we will also strengthen relationships with current partners such as Canada, Mexico, Japan, and the European Union, and seek to maximize returns on the economic opportunities of existing agreements.

Facilitate progress on national energy and environmental goals. Good trade policy can accelerate the success of sound energy and environmental initiatives and can complement sustainable growth. We support fast-tracking action with willing partners in the WTO's work on liberalizing trade in innovative, climate-friendly goods and services through tariff reductions, and other initiatives.

Foster Stronger Partnerships with Developing and Poor Nations. This administration supports expanding trade opportunities to stimulate market-led growth and help improve the lives of people in the least developed nations. Opportunities created by open markets and preferences such as the Generalized System of Preferences require complementary measures such as technical assistance, and market-based and rule of law reforms at home to maximize benefits.

Reflect American values in trade policy. USTR will consult with Congress, partner with small businesses, continue innovative outreach with new media tools, and widen the scope of stakeholder input to ensure as broad a cross-section of views as possible, consistent with our goals of openness in government.

Ambassador Kirk will testify before the Senate Finance Committee this week to discuss the Agenda with congressional leaders.

Press Release from the Office of the U.S. Trade Representative, March 8, 2010[19]

The Office of the United States Trade Representative issued a brief public statement today following the announcement of countermeasures by the Government of Brazil:

"We are disappointed to learn that Brazil's authorities have decided to proceed with countermeasures against U.S. trade in the WTO Cotton dispute," said spokeswoman Nefeterius McPherson. "USTR is working to reach a solution to the issues in this dispute without Brazil resorting to countermeasures and we continue to prefer a negotiated solution."

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Remarks by U.S. Trade Representative Kirk, March 9, 2010[20]

Ambassador Ron Kirk delivered these remarks in Washington, D.C. at the National Press Club

Ambassador Kirk. The day President Obama took the oath of office, he called on his Administration to take every action necessary to help Americans meet the challenges of the economic crisis. As this Administration has worked to address those challenges we have sought new ideas and 21st century solutions, but we have also relied on tried and true wisdom.

In 1934, President Franklin Roosevelt told Congress that, "Full and permanent domestic recovery depends in part upon a revived and strengthened international trade." That was true then and it is even truer now.

In the 75 years since President Roosevelt delivered that message, U.S. exports have increased exponentially.

Today, exports account for more than one in every 10 dollars of America's income. Exports support millions of jobs across the country. And in the last half of 2009, exports alone accounted for more than half of all U.S. economic growth.

In 2010, as the world economy recovers, export-driven growth opportunities will continue to multiply. And this Administration has laid out an aggressive Agenda to seize the full measure of those opportunities—one that supports the creation of more and better jobs and leads to fair prices and more choices for consumers.

The President has set a goal to double American exports in the next five years, an accomplishment which would support two million additional jobs. And he has asked agencies across the federal government to take part in a National Export Initiative to help Americans take advantage of export opportunities.

The Office of the United States Trade Representative will play a key role in achieving the President's goal by doing more of what we do best: creating new market access. We can do that in two ways, by enforcing Americans' existing trade rights and negotiating new trade opportunities within the broad trade policy framework described in the Trade Policy Agenda.

Our Trade Agenda outlines the United States' role in the community of trading nations, underscoring the Obama Administration's staunch support of the rules-based trading system as well as our intent to fully exercise and defend Americans' rights within that system.

Our Trade Agenda also acknowledges that this Administration has our work cut out for us at home if we hope to rebuild Americans' support for a trade policy that really works for us.

Our Trade Agenda steps up to the biggest opportunities and the thorniest challenges that we face in the global trading system.

And our Trade Agenda seeks to place trade in its proper role as a part of the President's broader strategy for economic reform.

Fundamentally, each of these objectives is anchored by a commitment to the global rules-based trading system.

When times are good, that system promotes international growth and multilateral cooperation. And when the global economy is suffering—as it was this past year—the rules-based system keeps trade flowing.

But the global trade system could support even more commercial and economic growth. This Administration is seeking to support that growth in a number of ways.

We are working to achieve a balanced and ambitious conclusion to the Doha Round that promotes meaningful market access for all nations and enhances economic development among the world's poorest nations.

We are also seeking to resolve outstanding issues on the Colombian, Korean, and Panamanian Free Trade Agreements in an effort to move those forward at the appropriate time. Those agreements have the potential to generate significant economic and strategic benefits for the United States.

At the same time, we are taking steps to expand on and deliver additional job-creating opportunities to American businesses and workers in accordance with America's trade rights under our existing agreements.

Beginning with frank negotiations and concluding in legal remedies when necessary, our enforcement efforts have already saved jobs in the American tire-industry, won direct distribution rights for American content companies in China, and challenged unjustified restrictions on U.S. exports of agricultural products.

USTR has expanded on these enforcement activities, and this month we will introduce a new comprehensive report that will help us to identify and address troublesome technical barriers to trade and unfair restrictions on agricultural exports known as sanitary and phytosanitary barriers.

As tariff barriers fall, these nontariff barriers are becoming some of the most difficult challenges our exporters face. The new reports will focus on specific SPS and TBT challenges confronting American exporters. And we will use those reports to guide our work in seeking to address each problem with an appropriate solution.

USTR is also taking steps to address the unfortunately common theft of American intellectual property—because Americans shouldn't have to compete with counterfeiters and thieves.

During a roundtable with small business exporters in Detroit, one businesswoman told me that foreign companies would order a shipment of her product, take delivery of the first item, rip off her technology, and cancel the rest of the order.

That kind of behavior is a plague on international commerce. And this Administration is confronting the problem head-on. We are working with trading partners around the world to develop a new Anti-Counterfeiting Trade Agreement that will support America's competitive advantage in cutting edge industries and protect the intellectual property that goes into new products and new services.

We hope to generate the beginning of a new international consensus—one that supports legitimate commerce and marginalizes, if not eliminates, illicit trade. Because intellectual property theft doesn't just hurt American creators and inventors. It can also harm the unwitting consumers of potentially harmful counterfeit goods.

Similarly, we are committed to upholding basic international labor rights. Because when our trading partners violate the labor obligations in our trade agreements or deny foreign workers their internationally recognized rights, that tilts the playing field away from American busi-

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nesses and workers.

Those enforcement efforts go hand in hand with the pursuit of new market openings as part of a balanced, comprehensive trade policy.

As President Obama has said, successful trade policy is made when we get beyond that idea that new market openings and enforcement are somehow oppositional, or that trade must always be a battle between international interests and domestic ones, business versus labor, trade versus jobs, those who believe in trade and those who hate it.

Trade policy best serves the American people when we recognize all of these elements as compelling interests for our trade policy, rather than competing interests in a zero-sum game.

Thoughtful responses to the interests of American families and of our trading partners, of business and of labor, of trade champions and of trade skeptics, can all be building blocks for a solid trade policy.

In the President's Trade Policy agenda, those building blocks rest on a solid foundation of belief in the ability of trade—and exports in particular—to produce the kinds of well-paying jobs that the American people want and need at this time.

This year, I have traveled across the United States and I have met with stakeholders on all sides of the trade debate—from small business owners in Nevada to auto workers in Michigan, from port workers in Florida to textile manufacturers in South Carolina.

Some of them were trade skeptics—people who worried that trade's negatives outweigh its positives. But in every case, they understood that a trade policy that opens markets, levels the playing field, and creates jobs could deliver real benefits to American workers and families.

The Obama Administration is committed to pursuing just such a policy.

As the Trade Policy Agenda makes clear, USTR is working around the clock to help American businesses and workers of all sizes to succeed in the global marketplace. Because the more we make and the more we sell, the more jobs we support in America. And we can't afford to leave any jobs on the table.

Through targeted trade policy initiatives at home, such as our small- and medium-sized business initiative, and targeted trade efforts around the world, we are seizing the biggest opportunities and tackling the biggest challenges.

Our focus on gaining market access in the Asia-Pacific is a great example.

The International Monetary Fund forecasts that the Asia-Pacific economies will grow faster than the world average through at least 2014. That makes the Asia-Pacific home to some of the world's fastest growing economies. And, as President Obama announced in November, the United States is working to negotiate an aspirational 21st century agreement that will guarantee American access to the dynamic markets and eager consumers of the Asia Pacific.

That agreement will be known as the Trans-Pacific Partnership. And we will begin our Partnership negotiations in just six days.

During our first round of negotiations, we will talk about how we can maximize export opportunities for small- and medium-sized businesses. We will discuss what can be done through the agreement to promote innovation and competitiveness. And we will exchange ideas on ways to promote regulatory coherence, which would make it easier for American companies to operate across the region.

We are also working to expand trade opportunities within the Asia Pacific Economic Cooperation (APEC) forum by putting forward an ambitious agenda to address issues related to U.S. objectives to grow jobs, expand exports, and stimulate the trade-driven growth of small- and medium-sized businesses.

Specifically, in 2010 we are looking to take specific steps to make it cheaper, easier, and faster to trade in the region. And we are working to address specific barriers to trade and investment in environmental goods and services. These steps will help American exporters to succeed in the Asia-Pacific region and they will help APEC economies to grow greener.

In 2011, the United States will host the APEC forum, and we plan to leverage this unique opportunity to demonstrate America's commitment to playing a stronger and more constructive role in the Asia-Pacific region, including on crucial trade and investment topics.

We are also working to further increase market access opportunities within the ten Southeast Asian countries that make up the Association of Southeast Asian Nations (ASEAN), collectively our fifth largest trade partner.

To that end, we are stepping up our work to strengthen our trade and investment relationship with this commercially and strategically important group. We have agreed to establish dialogues on trade and the environment and on trade finance, as well as to continue working on such important issues as trade facilitation and standards. And in May, I will join ASEAN trade ministers in a multi-city tour that will permit an exchange between government and business on ways to expand trade and investment opportunities in U.S. and ASEAN markets.

And that's just one area of the world. While we continue to explore these new markets, we are also seeking ways to strengthen existing trading relationships with our most dynamic trading partners.

We are continuing to work with our partners in the European Union to reduce non-tariff barriers between the European Union and the United States and to enhance bilateral and multilateral engagement.

And the United States is also working to further strengthen our relationship with Canada and Mexico on a broad range topics, including closer cooperation on labor and environmental issues and regulatory cooperation that better enables businesses, large and small, to take advantage of trade opportunities.

These efforts and others outlined in the Trade Policy Agenda are not merely paper commitments. USTR lawyers, negotiators, and trade specialists are already putting in the hard work necessary to bring home the benefits of trade. Doing so is a priority not only for my office, but also for the Obama Administration.

The President has made it clear—trade is an essential element of the Administration's overall economic recovery efforts. He has talked about the importance of increasing exports—through WTO negotiations, through the conclusion of our pending Free Trade Agreements, and through new market access opportunities.

From the State of the Union Address to, most recently, the White House Business Roundtable, the President has been clear: to create jobs here at home, to boost economic recovery, and to remain globally competitive the United States needs to export more American goods and services

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to other nations.

But trade policy alone won't carry us over the finish line. Health care reform, educational investments, and infrastructure projects will not only make America stronger, they will help more American businesses to grow the talent and build the resources necessary to succeed in the international marketplace.

Without any one of those efforts, the Administration-wide approach to economic recovery would be incomplete. In the words of President Roosevelt, we must "revive and strengthen" not only our exports, but all parts of our economy.

That is a big job, but USTR is not working alone. And we will continue to do our part to boost American exports, to support export-sector entrepreneurs, and to increase export-sector hiring.

As we do so, we will maintain an ongoing conversation with the American people. As I said to the Senate Finance Committee when I testified on the President's Trade Policy Agenda last week, we can use common sense to find common ground on trade. And on that common ground, we can move forward together toward new jobs, new opportunities, and a brighter future for American workers, businesses, farmers, and ranchers.

I look forward to having that conversation with you.

Press Release from the Office of the U.S. Trade Representative, March 15, 2010[21]

A United States negotiating team has begun the first round of talks on the Trans-Pacific Partnership (TPP) Agreement in Melbourne, Australia today. The 22-member team, led by Assistant U.S. Trade Representative for Southeast Asia and the Pacific Barbara Weisel, will engage counterparts from Australia, Brunei Darussalam, Chile, New Zealand, Peru, Singapore, and Vietnam on creating a regional Asia-Pacific trade agreement.

"Trans-Pacific Partnership negotiations offer a unique opportunity to shape a high-standard, broad-based regional pact. In line with the President's goal of supporting two million additional American jobs through exports, a robust TPP agreement would expand our exports to one of the world's fastest-growing regions," said U.S. Trade Representative Ron Kirk. "Our team's aim is to achieve the biggest economic benefits for the American people, and these negotiators will be working to set a new standard for 21st century trade pacts."

Weisel is joined by four additional Assistant U.S. Trade Representatives: Lewis Karesh (Labor), Mark Linscott (Environment and Natural Resources), Stanford McCoy (Intellectual Property Rights), and Gail Strickler (Textiles). During the first round of negotiations, the U.S. team expects to gather facts and exchange views on negotiating approaches and new cross-cutting issues with the other TPP participants. They do not expect to discuss text or market access offers during this round. The week-long negotiations will conclude on Friday, March 19.

Press Release from the Office of the U.S. Trade Representative, March 17, 2010[22]

U.S. Trade Representative Ron Kirk and Indian Minister of Commerce and Industry Anand Sharma today signed a "Framework for Cooperation on Trade and Investment." This agreement strengthens bilateral cooperation and seeks to build on recent rapid growth in U.S.-India trade, which has more than doubled over the past five years. In the first significant step taken under the Framework, Ambassador Kirk and Minister Sharma today also announced the launch of an initiative called "Integrating U.S. and Indian Small Businesses into the Global Supply Chain," which will expand trade and job-creating opportunities for U.S. and Indian companies, big and small, and will directly support both President Obama's National Export Initiative and Prime Minister Singh's recently-introduced budget objectives.

"There is almost limitless potential for growth in trade between our two countries, and that can contribute to economic recovery and job creation in the United States and continued economic growth in India," said Ambassador Kirk. "We can realize that potential by working together toward the goals set forth in the Framework agreement, such as developing and enforcing policies that encourage technological innovation, increasing agriculture, services, and industrial goods, and increasing investment flows. Closer collaboration with entrepreneurs and private sector leaders in both our countries will enhance our work."

"The trade and investment between our two countries has been growing steadily and is broadly balanced. It has benefitted both countries. However, the numerous synergies which link our two economies have not been tapped fully as yet. By signing this Framework for Cooperation on Trade and Investment we want to create the right environment to ensure that the relationship brings maximum benefit to the maximum number of people. We will do so by promoting inclusive growth," said Minister Sharma. "We also intend to use this Framework to encourage the development and deployment of clean energy and environmental technologies as well as to support India's infrastructure growth. Further, we have recognized the contribution and potential of Small and Medium Enterprises in our Trade and Investment agenda by adopting the SME initiative to create fresh opportunities for small and medium enterprises in both the countries and help in integrating them in the Global supply chain."

Ambassador Kirk and Minister Sharma announced their intent to finalize the "Framework for Cooperation on Trade and Investment" when they co-chaired the U.S.-India Trade Policy Forum meeting in New Delhi on October 26, 2009. The two governments agreed to work together to support greater involvement by small and medium-sized enterprises in each other's markets, and to pursue initiatives in the further development of India's infrastructure, and collaboration on clean energy and environmental services, information and communications technologies (ICT), and other key sectors.

Under the "Framework for Cooperation on Trade and Investment," the United States and India intend to meet the objectives of developing and enforcing trade policies and fostering a trade-enhancing

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environment by undertaking initiatives to help us meet those goals. Examples include increasing opportunities for private sector partnerships in infrastructure projects; enhancing IPR awareness and enforcement; promoting increased bilateral cooperation in the healthcare, education, information technology, energy and environmental services industries; working to empower women and disadvantaged groups; creating greater mutual understanding of respective approaches to government procurement; and SME development.

The "Integrating U.S. and Indian Small Businesses into the Global Supply Chain" initiative could create new opportunities for U.S. and Indian SMEs as well as large firms in the dynamic U.S.-India commercial relationship through greater public awareness, enhanced public-private collaboration, and a sharper focus on the benefits of large company and SME collaboration.

Ambassador Kirk and Minister Sharma also hosted a meeting of a restructured Private Sector Advisory Group (PSAG) to the Trade Policy Forum. This group of American and Indian trade experts will provide strategic counsel to enhance the two governments' efforts to increase bilateral trade and investment. The members of the PSAG also offered to work as implementing partners for initiatives undertaken by the Trade Policy Forum, including the small business initiative announced today.

Press Release from the Office of the U.S. Trade Representative, March 18, 2010[23]

The United States and China have reached an agreement to reopen the Chinese market to U.S. pork and pork products, U.S. Trade Representative Ron Kirk and Agriculture Secretary Tom Vilsack announced today.

"This agreement is a win for America's pork producers, whose safe and high-quality exports can now flow freely into China and support agriculture jobs here at home," Ambassador Kirk said. Kirk further stated, "I am also pleased that China affirmed in our meetings that they will base their decisions on international science-based guidelines. We look forward to working cooperatively to resolve additional issues, including a resumption of trade in beef."

"When I traveled to China with U.S. Trade Representative Kirk in October, our discussions with Chinese officials laid the groundwork for reopening this market," said Secretary Vilsack. "This resolution is excellent news for American hog producers."

Twenty percent of U.S. pork production was exported in 2009. Prior to H1N1 trade constraints, U.S. pork and pork variety meats exports to China were valued at nearly $275 million in 2008. China was the United States' seventh largest market, accounting for six percent of U.S. pork and pork variety meat exports.

On March 17, the Administration of Quality Supervision, Inspection and Quarantine of the People's Republic of China (AQSIQ) accepted the U.S. proposal to resume exports of U.S. pork, following meetings between Under Secretary for Farm and Foreign Agricultural Services James Miller, Assistant U.S. Trade Representative for Agricultural Affairs Jim Murphy, and Chinese officials in Beijing earlier this week. Pork trade will resume immediately once both sides finalize the export documentation.

In October 2009, Secretary Vilsack, Ambassador Kirk and Commerce Secretary Gary Locke participated in the meeting of the U.S.-China Joint Commission on Commerce and Trade (JCCT) in Hangzhou, China, where China agreed to remove its ban on pork products. Since that time, the United States and China have worked to implement this commitment. The United States has repeatedly stressed the need for China to remove all restrictions on trade in pork products related to the H1N1 virus, given clear guidance from international bodies like the World Organization for Animal Health (OIE), World Health Organization (WHO), and Food and Agriculture Organization (FAO), that there is no risk to humans from consuming properly prepared pork and pork products.

Press Release from the Office of the U.S. Trade Representative, March 19, 2010[24]

U.S. negotiators have finished their fifth and final day of Trans-Pacific Partnership (TPP) negotiations with their counterparts from Australia, Brunei Darussalam, Chile, New Zealand, Peru, Singapore, and Vietnam. During the week of talks in Melbourne, U.S. negotiators exchanged views with their counterparts on how best to develop the framework for a high-quality, broad-based 21st century free trade agreement that will give American businesses and workers access to the world's most dynamic and growing markets, supporting well-paying jobs here in the United States.

"USTR negotiators report that today's meetings in Australia capped off an extremely productive first round, which has set the negotiations off to a strong start. TPP members have exchanged views openly and started thinking creatively about how best to ensure a high-standard, regional agreement," said Ambassador Ron Kirk. "Based on this, U.S. negotiators will now seek further input from Congress and U.S. stakeholders on negotiating objectives and approaches to key issues as we prepare for the second round of TPP negotiations in June."

This week, negotiators considered possible approaches to further open markets between TPP members, expand trade and support good jobs. They also had robust discussions on how to design the agreement so that it promotes regional integration, regulatory coherence, competitiveness, transparency and development, as well as ways to encourage the participation of small- and medium-sized businesses in trade and advance other key issues, such as labor and the environment.

U.S. negotiators and their TPP counterparts agreed on detailed work plans in each negotiating group in order to lay the groundwork for a productive second round. Ahead of the next round, they will draft papers on a variety of issues, including papers on specific issues that emerged during this week's discussions, new areas that the TPP members may be able to incorporate in the agreement, and how methods of incorporating issues that cut

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across the agreement. They also agreed to exchange a wide range of information, including on their respective legal and regulatory systems as well as other matters.

The United States and its TPP partners discussed the goal of expanding the agreement to countries throughout the Asia Pacific. They will brief APEC members on the initiative at the APEC ministerial meeting in June.

Press Release from the Office of the U.S. Trade Representative, March 19, 2010[25]

United States Trade Representative Ron Kirk announced today that the 2011 Asia-Pacific Economic Cooperation (APEC) Trade Ministerial will be held in Big Sky, Montana during the week of May 23, 2011. The APEC Ministers Responsible for Trade meeting ("MRT") is held annually by the APEC host economy for that year, in order to advance APEC's trade and investment and regional economic integration agenda, and provide support for the multilateral trading system. The United States views hosting APEC in 2011, including the trade ministers' meeting, as a unique opportunity to work with our Asia-Pacific partners to address issues related to U.S. objectives to grow jobs, expand exports, and stimulate the trade-driven growth of small- and medium-sized businesses.

"The American West has always been a place of limitless possibility. Bringing the APEC Trade Ministers to Montana will broaden our horizons both literally and figuratively, giving our partners a fresh perspective on the diverse places from which America's entrepreneurs and exports can spring," said Ambassador Kirk. "As we welcome our 20 APEC partners, USTR will seek to further the President's goal of supporting jobs through exports, while increasing cooperation and economic integration across the Asia-Pacific. USTR extends its deep appreciation to the Big Sky community and to Montana's leaders for opening their doors to the world in 2011."

USTR will work with the Big Sky Chamber of Commerce, the National Center for APEC, and other partners to plan the meeting.

The United States first proposed the idea of an APEC meeting specifically for Trade Ministers during our 1993 host year, to develop a more robust trade agenda in APEC that would support the multilateral trading system. The first APEC trade ministers' meeting was held in October 1994 in Indonesia, and regular meetings began in 1996. Since then, the trade ministers' meeting has become a cornerstone of APEC's annual agenda. In addition to providing a forum for in-depth discussion on WTO negotiations, the Trade Ministers' meeting also plays a key role in APEC's work to break down barriers to trade and investment, and strengthen economic integration in the Asia-Pacific region. This year's APEC MRT will be held in Sapporo, Japan on June 5-6, 2010. Ambassador Kirk is looking forward to working closely with his Japanese colleagues to ensure that the meeting will be a success.

Excerpts of Remarks by U.S. Trade Representative Kirk and Egyptian Minister of Trade and Industry Rachid, March 22, 2010[26]

Ambassador Ron Kirk and Minister Rachid Mohamed Rachid delivered these remarks in Cairo, Egypt

Minister Rachid. First of all, I would like to thank Mr. Ron Kirk, US Trade Representative for his first visit to Egypt in light of President Obama's initiative to increase US exports in the coming five years. Egypt and the US have important strategic relations on all levels. We are happy that these relations are in steady growth on economic, trade and investment levels.

The size of trade in 2004 was nearly US$ 4 billion. This number rose to $8.5 billion in 2008. It may have been affected by last year's crisis and dropped to $7.5 billion. Yet, we see a big chance to increase investment, economic and commercial cooperation between the two states.

I had the honor to meet with Mr. Ron Kirk last year. In May, an economic and strategic cooperation agreement was signed between Egypt and the US. The treaty aims to increase exports and trade between the two states over a period of four years, as well as to foster Egyptian-American investments. The two parties were keen to form a work group to create an adequate atmosphere, removing the obstacles, and to find the tools to achieve their goals.

The visit comes in light of this agreement as well as our unique bilateral relations. We hope we will conclude the treaty soon. We talked about many issues today, including issues of bilateral cooperation with regard to trade, the QIZ and environmental initiative launched by the US, in addition to promoting US exports in Egypt's market, as well as other markets surrounding us, and WTO negotiations.

All these are important issues between the two parties. Many decisions were made with regard to these issues aimed to boost bilateral relations.

I will leave the floor now to the US Trade Representative Mr. Ron Kirk. Then we will take questions from both sides.

Ambassador Kirk. First of all, let me thank my colleague Minister Rachid for his extraordinary hospitality not only in welcoming me here to Cairo, Egypt for my first visit as the United States Trade Representative but also in welcoming me to the world of international economic diplomacy. I was sworn in almost a year ago and one of the very first ministers to make the effort to come to Washington and welcome me to my new position and visit me was Minister Rachid.

And over the last year we've had the opportunity to visit and to get to know one another on three or four occasions through many of our multilateral fora in Geneva and others. But the Minister has quickly become a very trusted counselor and advisor and friend.

That has been easy because we share a very firm belief that the extraordinary partnership between the United States and Egypt in promoting peace and stability in the Middle East is a great foundation on which to build a much stronger economic and commercial relationship between our two very strong countries.

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As Minister Rachid noted President Obama announced during his State of the Union address and later that part of our economic recovery strategy is a goal to double our exports over the next five years. Likewise President Mubarak has also announced a similar goal for Egypt.

And on a personal note I would like to say to the Minister, all of us in the United States have been praying for and are thrilled with the news of your President's recovery and we look forward, as I know you do, to him returning to Egypt and resuming his full level of activities.

But each of our Presidents has wisely focused on exports for simple reasons. Countries that invest in and create a business environment, in which business can create products, can be entrepreneurs; can come up with the services and goods that the world wants are countries and businesses that will grow.

Businesses that export tend to grow faster, at least in the United States. They grow faster, they hire more people quickly and in the United States our businesses that export pay wages higher than businesses who don't.

So having export driven economic policies as part of the overall economic recovery strategy makes sense not only for the United States but for Egypt as well.

So my being here is both personal and practical. It is, one, to follow up on the work that Minister Rachid and I began in Washington last May with the strategic partnership, but to work in a much more focused way to see what we can do to help improve the environment to increase commercial activities between our two countries.

The Minister mentioned our collective desire to see the Qualifying Industrial Zones be much more robust opportunity for growth and he has my commitment to work with him to make sure that we have the right framework for that. We also share a very strong belief that if we can come up with the right mechanism to bring the Doha round talks to a conclusion, as President Obama said, this would not only be an extraordinary gift to the least developed countries of the world, it would be a great shot for all of the economies of the world for their economic recovery.

But to do that we need a balanced and ambitious result that has meaningful market access for all of the economies involved. And we believe that it is not only in the interest of the United States, but it's in the interest of the least developed economies in the world that all countries have access to these extraordinary new advanced developing markets like China, India, Brazil and South Africa.

But the important thing is the Minister and I have moved to follow up on what was our initial meeting and commitment to set the tone and the framework for a much more robust commercial relationship between our two great countries and we look forward to continuing to work with the Minister and others to make that happen. And finally I might also like to express my gratitude to our U.S. Ambassador here, Ambassador Scobey, for her assistance in helping us with this trip and her commitment to also working with us to make that export initiative a reality. Thank you.

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Q. There is a mutual interest from both the Egyptian and the American sides to double the Egyptian and the American exports. I want to know what can the American side offer the Egyptian side to achieve double its exports. Is there a concrete response for the Egyptian request with regards adding new regions in the QIZs agreement?

Also the Egyptian request to add a new commodity to the system of preferential treatment? Is there a response from the American side? And what does the American side require from Egypt in order for Egypt to double its exports?

Ambassador Kirk. Briefly, what I referred to in our remarks is what Minister Rachid and I have agreed that our teams will begin to work immediately to resolve the issues regarding a more active expansion of exports from the QIZs. We believe that serves the United States' interest for the reasons that the QIZs were initially put in the place and that it helps our strategic initiative by helping provide stability when people have access to gainful employment.

We will come up with an approach, an acceptable resolution to whether there should be more activity within them as well as the product mix. Part of that has to be working in concert with the Minister to find out what meets Egypt's objectives. I know the Minister he can speak for himself, but he wisely believes that the diversifying the exports through the Industrial Zones is one smart way to achieve that objective.

Minister Rachid. I agree with what Mr. Ron Kirk has said regarding the QIZs. There is a strategic goal between Egypt and the US to make these zones a success, and the increase of Egyptian exports under this protocol over the past period proved that this system is effective in developing the Egyptian economy, and that it has become a cornerstone in the Egyptian-American economic relations.

We agreed to expand our work in these zones and there is an agreement to have a work group of the two parties to help introduce new sectors. We have the textile industry, which is very successful and will continue and expand, but we are keen to add new industrial sectors to the QIZs.

Hence, we have agreed to have work group and to involve the business sector or the business community through the Egyptian- American Council to promote new industries in the QIZs, such as electronics, environmental industries, equipments, and leather industries. All these industries are part of our goal.

We have also agreed that all mechanisms to expand and activate the QIZs will be settled in the upcoming period in order to have flexibility in the newly approved Upper Egyptian areas, including Beni Seuf and Minya, so we achieve our goal from these zones in the QIZs and increase the investments.

Q. Sir, you said you would like to increase the exports to Egypt. Wheat and corn, especially wheat, is a big area that the U.S. used to export a lot to Egypt. But recently because of price, freight and different issues, the U.S. has been losing a great deal of market share in Egyptian imports, and Egypt is the world biggest wheat buyer, we are just wondering what you think about this and how you see the outlook on that particular one and whether there are any bilateral long term or agreements like mutual agreements on this issue, thank you.

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Ambassador Kirk. Well, you are correct. Our agricultural exports make up a very important part of the overall U.S. 5 billion dollar exports to Egypt. Agricultures about a half a billion dollars of that. Egypt is a very important and attractive agriculture market.

We would love nothing more than to resume the levels that we had before. And we very much welcome the openness of Minister Rachid and his team to working with this to see what we can do to address whether it is our competitiveness or whether there are other issues that might stand in the way of doing that.

We do understand that with our not having frankly a free trade agreement and Egypt wisely moving for free trade agreement with other countries, to some degree this is of our own doing. But I will tell you this, that President Obama and I firmly believe that if we have a level playing field and if our exporters can compete equally with others, then we will do just fine.

Q. There was an agreement between Egypt and the United States for Egypt to be committed to the Qualifying Industrial Zones and the United States to be committed to implement the free trade agreement. But what we saw that Egypt kept its commitment but the United States did not. Why?

Ambassador Kirk. Minister Rachid and I had to make a judgment very early on whether we would rehash the past challenges that did not allow us to have a free trade agreement or whether we would look forward and come up with a more appropriate mechanism to meet the desired objective of both of our leaders to have a more robust commercial relationship between our two countries.

And recognizing the challenges with FTA, we signed an agreement in May for the strategic economic partnership that we think allows us to meet many of those objectives. I am very pleased that we have been able, not only with my being here today, but that Minister Rachid and his team, have worked very aggressively to follow up with our agreement last May to see if we can use this mechanism as a way to increase trade.

And the QIZs have been a success. The exports in those regions have doubled over the last couple of years, but they are still we both believe an unacceptably low level. So we think working together we can not only increase the exports from the QIZs but also come up with an acceptable framework for more robust trade between Egypt and the United States.

Press Release from the U.S. Trade and Development Agency, March 24, 2010[27]

USTDA Director Leocadia I. Zak, a member of President Obama's newly created Export Promotion Cabinet, met with the business community in Denver on Monday to talk about the Administration's plan to increase exports that support the creation of high-paying jobs in the manufacturing, services and agricultural sectors. As part of the recently announced National Export Initiative (NEI), President Obama has directed his cabinet to make export promotion one of its highest priorities and to work across agencies to support the doubling of U.S. exports over the next five years.

The program highlighted steps the Obama Administration is taking to help businesses sell more U.S.-made goods and services abroad, and local businesses learned about how they can take advantage of resources that can help them break into new markets—boosting exports and expanding employment.

Director Zak told the audience that under the National Export Initiative, there is going to be more credit available for exporters, increased government trade promotion and a sharper focus on knocking down the barriers that prevent U.S. companies from getting free and open access to foreign markets. She also explained how important it is for U.S. businesses to look beyond traditional domestic markets.

"With traditional drivers of U.S. economic growth like consumer and business spending facing stiff headwinds, it has never been more important for our companies to increase their sales to the 95 percent of the world's consumers who live outside the United States," Zak told the business community. "Emerging economies present an awesome array of export opportunities, and these opportunities represent a path for U.S. industry to create high-paying export-related jobs."

"To further this goal, USTDA launched the International Business Partnership Program that will introduce exporters to procurement officials visiting the United States so that they may see firsthand U.S. technology and ingenuity," said Zak.

Announced by President Obama during the State of the Union on January 27, 2010, the National Export Initiative ensures that U.S. firms can actively participate in international markets by increasing their exports of goods, services and agricultural products. With the NEI, American businesses that want to export—especially small and medium-size enterprises—are going to have a more vigorous partner in the U.S. government.

Press Release from the U.S. Trade and Development Agency, March 29, 2010[28]

As the East African Community (EAC) moves to implement a unified common market, the U.S. Trade and Development Agency kicked off a three day workshop today in Mombasa designed to provide member countries with assistance in developing integrated systems for border management. The workshop, which includes delegates from Kenya, Burundi, Rwanda, Tanzania and Uganda, will address the challenges, policy solutions and procedural remedies for implementing a single window customs.

U.S. Ambassador to Kenya Michael E. Ranneberger encouraged customs officials who attended the workshop to focus on what the single window customs system could mean for the expedited movement of goods within the EAC, which faces a July 2010 deadline for implementing a common market.

"I'm certain that the benefits of regional economic integration are by now clear to all of us." said Ambassador Ranneberger. "I congratulate the East African Community, and each of your governments, for

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your vision in deciding to capture these advantages for your people and for your economies."

"USTDA hopes that U.S. firms and technologies will help the EAC members meet its July 2010 deadline for regional integration," said USTDA's Regional Director for sub-Saharan Africa Paul Marin, who spoke at the workshop. "This workshop as well as our support of other initiatives in transportation and ICT sectors, confirms USTDA's commitment to being a partner in the EAC's economic development."

Launched in 2006, USTDA's Global Customs Initiative addresses critical customs training requirements in emerging economies and incorporates proactive private sector-driven approaches to customs-related technical assistance.

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3. Office of the U.S. Trade Representative Press Release, January 19, 2010.
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