Trade:

Bush Signs Andean Trade Preference Act

Press Release from the Office of the U.S. Trade Representative, October 2, 2008[1]

The governments of the United States and Uruguay today signed two protocols to their bilateral Trade and Investment Framework Agreement (TIFA). The protocols were signed by Uruguayan Minister of Foreign Affairs Gonzalo Fernández and Assistant U.S. Trade Representative Everett Eissenstat.

The two protocols signed today cover substantive commitments in the areas of trade facilitation and public participation in trade and environment. Both governments pledged continued cooperation in these areas and dialogue also progresses under the TIFA work program. This ongoing dialogue may result in the conclusion of additional protocols in the future.

"I am glad that today we signed two protocols on trade facilitation and trade and environment under the TIFA and a Memorandum of Understanding to advance cooperation on renewable energy and energy efficiency yesterday," expressed Minister of Foreign Affairs Gonzalo Fernández. "We are looking forward to continuing our work."

"I am pleased that we were able to conclude these protocols," said Assistant U.S. Trade Representative Everett Eissenstat. "Our joint commitment to strengthening our economic relations continues to yield results. These protocols represent a significant concrete step in deepening our bilateral economic relationship."

In addition to concluding the two protocols, the United States and Uruguay signed a Memorandum of Understanding to advance cooperation on renewable energy and energy efficiency.

Remarks by President Bush, October 16, 2008[2]

President George W. Bush delivered these remarks in Washington, DC

President Bush. Thank you, please be seated. Thank you all for coming. I am pleased that legislation extending the Andean Trade Preference Act has made it to my desk, and I'm looking forward to signing this piece of legislation.

With this bill, our nation is showing our commitment to economic growth in our hemisphere—and to a global system based upon free and open trade. And I want to thank the United States Congress for passing this bill with strong bipartisan support.

Appreciate members of my administration who worked hard on the bill: Condi Rice, Carlos Gutierrez, and Sue Schwab. I want to thank members of the Diplomatic Corps who have joined us. I welcome Luis Moreno, the President of the Inter-American Development Bank. I want to thank the members of the congressional staff who are here.

Across the world, citizens are concerned about the financial crisis—and they should be. And our governments are working together to address it. This past weekend, I met with the finance ministers from the G7 and G20—organizations representing some of the fastest- and largest-growing economies in the world. Yesterday, I joined other G8 leaders in a statement that reaffirms our commitment to resolve the crisis. In other words, we're working together. We want to make sure we're coordinated in our response. All our nations are carrying out a comprehensive plan of action to help unfreeze credit markets and restore confidence in our financial systems. These are urgent short-term steps. In the long run, one of the best ways to restore confidence in the global economy is by keeping markets open to trade and investment. Last year, America set a record by exporting more than $1.6 trillion of goods and services. Exports now make up a greater share of our gross domestic product than at any time in our history. People find good-paying jobs when they work for businesses that export.

Opening markets benefits our trading partners. For example, this deal, this law I'm signing, will help hardworking people in countries affected. It will help people have a better way of life. We want there to be a prosperous neighborhood. It's in the interest of the United States that prosperity spreads throughout our neighborhood.

So Congress was right to pass this bill ensuring duty-free access to the U.S. market for trading partners in South America, including our friends Colombia and Peru. The Andea[n] Trade Preference Act allows us to suspend trade preferences with countries that do not live up to their promises. And unfortunately, Bolivia has failed to cooperate with the United States on important efforts to fight drug trafficking. So, sadly, I have proposed to suspend Bolivia's trade preferences until it fulfills its obligations.

Now that members of Congress have ensured duty-free access for American—South American products entering our

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markets, they also need to ensure duty-free access for U.S. products entering South American markets. Congress has a good opportunity to take a step in that direction by approving our free trade agreement with Colombia. More than 90 percent of Colombia's exports currently enter the U.S. duty free. Yet American goods sold in Colombia continue to face high tariffs. The Colombia free trade agreement would eliminate these trade barriers. It will level the playing field for America's businesses and farmers and ranchers and workers.

Seems to me it would make a lot of sense to simply asking the Congress to sign a trade deal that allows us to be treated just like we've treated other people. Unfortunately, nearly two years have passed since the United States and Colombia signed our free trade agreement. During that time, an estimated $1.3 billion of tariffs have been levied on American products exported to Colombia. These tariffs reduce the competitiveness of thousands of American companies that do business in that nation. By approving our free trade agreement, Congress can directly benefit American workers and ranchers and farmers—and give them greater confidence about our economic future.

Congress is coming back to Washington next month. One of their top priorities should be to approve this vital agreement with Colombia—as well as with Panama and South Korea. These free trade agreements will strengthen our relationships with key allies. They will create new opportunities for our consumers and businesses. They will reassure our trading partners that America will not give in to pessimism or protectionism. They will show that we honor our commitments.

And now it's my honor to sign the Andean Trade Preference Act.

Press Release from the Office of the U.S. Trade Representative, October 16, 2008[3]

U.S. Trade Representative Susan C. Schwab announced today that the World Trade Organization (WTO) Appellate Body has concluded that the United States did not violate its WTO obligations by maintaining additional duties on certain EU products after the EU claimed it had come into compliance by amending its ban on beef from animals treated with growth-promoting hormones.

"Today's Appellate Body report is significant for the WTO dispute settlement system as a whole," Ambassador Schwab said. "The Appellate Body's report confirms that WTO Members that are subject to additional duties for failing to bring themselves into compliance with the WTO's rulings and recommendations must do more than simply claim compliance in order to obtain relief from such duties. We very much welcome these conclusions by the Appellate Body," Ambassador Schwab said.

Press Release from the Office of the U.S. Trade Representative, October 30, 2008[4]

U.S. Trade Representative Susan C. Schwab announced today that the World Trade Organization (WTO) Appellate Body has found in favor of the United States in its challenge against India's additional and extra-additional duties on wine, spirits and other agricultural and manufactured products. India imposed these duties on U.S. imports in addition to and on top of its basic customs duty, resulting in combined duties on imports of alcoholic beverages (beer, wine and spirits) of up to 550 percent. India argued that the duties were permitted because they simply offset certain internal taxes (such as value-added taxes). The Appellate Body reversed the panel, which had found that any import charge offsetting an internal tax need only "serve the same function" as the internal tax and need not be equivalent in amount to that internal tax. In reversing the panel, the Appellate Body agreed with the United States that any import charges aimed at offsetting internal taxes cannot result in a higher amount being charged to imports than to like domestic products.

"This is an important decision for all WTO Members, particularly at a time when they are negotiating tariff commitments," said Ambassador Schwab. "The Appellate Body reversed a deeply flawed panel report and reaffirmed a fundamental WTO rule that Members cannot impose duties on imports that exceed their tariff commitments."

After the United States initiated the dispute, and in response to U.S. concerns, India announced the withdrawal of the additional duty on alcoholic beverages and modifications to the extra-additional duty, which it represented to the panel eliminated any discrimination against U.S. imports. We continue to have concerns about whether these measures have eliminated India's abusive use of additional tariffs, particularly given India's refusal to produce information to support its claims that the duties merely offset internal state-level taxes. We continue to closely monitor the effect of both actions.

The Appellate Body considered that the additional duty on imports of alcoholic beverages and the extra-additional duty on imports of alcoholic beverages and other products would not be justified as offsetting excise duties and other internal taxes on like domestic products insofar as the duties result in charges on imports that exceed those on like domestic products, and consequently, that this would render both the additional duty and extra-additional duty inconsistent with India's tariff commitments. The Panel's interpretation would have opened a Pandora's box by inviting the widespread imposition of "additional" tariffs in violation of WTO commitments.

Unfortunately, because of India's refusal to provide information to the panel on its internal taxes—including in response to direct questioning from the panel—and the panel's failure to make the necessary factual findings, the Appellate Body found itself unable to conclude whether in this particular case India's duties in fact exceeded the amount levied on domestic products.

The Appellate Body's report does, however, provide clear guidance that should help ensure that India does not impose

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either the additional duty or extra-additional duty to discriminate against U.S. imports. We note that the European Communities recently requested consultations regarding new duties and taxes being levied by Indian state governments on imported liquors.

Press Release from the Office of the U.S. Trade Representative, November 11, 2008[5]

With trade flows across the Atlantic worth around $2.15 billion (€1.7 billion) every day, EU Trade Commissioner Catherine Ashton and US Trade Representative Susan Schwab met in Brussels today to renew their commitment to the early conclusion of the world trade talks and discuss a number of bilateral trade issues, including beef hormones, poultry, and REACH.

Following the meeting, Commissioner Ashton said: "With leadership and determination, a Doha deal is within our grasp as the details of a final agreement could be agreed within weeks. The EU and the US will continue to provide leadership to maintain the openness that has brought growth and prosperity in the past decades. It's very important that the G20 meeting in Washington on 15 November send a clear signal to negotiators to achieve this objective."

USTR Schwab said, "At this critical time it is all the more important that we not only avoid retrenchment in market opening, but move ahead with an ambitious and balanced Doha Round that creates new trade flows and generates economic opportunities worldwide."

Remarks by President Bush, November 22, 2008[6]

President George W. Bush delivered these remarks in Lima, Peru

President Bush. Gracias, señor. What he forgot to say, Secretary Rice, is that he went to Notre Dame. She is a great supporter of Notre Dame. And thank you for having me. Laura and I are delighted to be back in your country.

This is my second trip as President. I have been looking forward to it. And I appreciate the opportunity to come and discuss the state of the financial situation with such an august group. I want to thank you for making the Asia Pacific region a vibrant part of the world.

I believe it is important for the world to recognize, and for our country to recognize, that the United States is a Pacific nation. And over the past eight years, I have made it a priority—I made APEC a priority. I've been to every single APEC summit. I want to send a clear signal that it's in our nation's interest that we engage actively and consistently with the nations of APEC.

My first international trip after September the 11th, 2001, was to an APEC summit in Shanghai. My first trip overseas after my reelection in 2004 was to the APEC summit in Chile. And now that I'm headed to retirement—my last trip as President is to APEC here in Lima.

This summit comes at a serious time during economic turmoil. And I'm looking forward to our discussions. It is—also comes at a time of unprecedented cooperation. A week ago in Washington, you might have heard that I had the honor of hosting a summit in what will be the series of international summits to address the financial crisis. I didn't believe we could solve all problems in one meeting, but I did believe it was important for us to host the initial summit to get it started, to lay the foundation for successful—for meetings.

I also didn't believe that the meeting ought to be with kind of a handful of countries. Some suggested, keep the meeting small. I didn't agree with that. And that's why we invited 20 leaders, including eight members of APEC—because I believe developed nations and developing nations needed to be sitting at the same table to have an honest, fruitful dialogue. After all, nations in Asia and Latin America now contribute more to the world economy than ever before. Nations are feeling the painful effects of the financial crisis; I understand that. And so all of us need to be involved in the solution. And we'll discuss this during our APEC meetings here, starting today.

At the summit, leaders from around the world sent a powerful message of unity and determination. We agreed on principles and actions to modernize the financial structures of the 21st century. There's a recognition that while our economies have changed, the financial structures that we are dealing with were primarily written in the 20th century. We believe in transparency and integrity in the markets that will make sure that firms and financial products are subject to proper regulation and oversight.

We agreed that the world's financial authorities must improve cooperation, that governments must keep their promises to the developing world. One point I'll make this morning at the APEC summit is to say that the United States is committing—committed to improving social justice, and we will not let this economic turmoil prevent us from helping nations educate their people, provide good health care, feed the hungry, and deal with diseases like HIV/AIDS and malaria.

We agreed that we must reform the International Monetary Fund and the World Bank to better reflect the important role of developing nations. And we agreed to keep our markets open and firmly reject protectionism. All these steps are essential to rebuilding confidence in our financial systems. Yet the only way to regain strength in the long term is sustained economic growth. And among the most powerful engines of that growth are the businesses and workers and entrepreneurs of the Asia Pacific region.

A few decades ago, a statement like this would have seemed unimaginable. Many Asia Pacific economies were mired in poverty; their governments pursued backward economic policies. Then leaders started to make bold decisions by opening up their markets, by welcoming invest-

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ment and trade, and by tapping the potential of the private sector. The results have astonished the world.

In the midst of all this turmoil, it's important to remember what has taken place as we chart our future. The APEC region's share of the global economy has grown nearly 55 percent. Isn't that interesting? When we meet today in Lima, Peru, about 55 percent of the total world's economy will be at that table. In a single generation, the percentage of East Asians living in poverty has plummeted from nearly 80 percent to 18 percent. We're witnessing a dramatic shift of history, as the center of the world economic stage moves from West to East—from the Atlantic to the Pacific.

Some view the rise of Asia Pacific with suspicion and fear. America doesn't. The United States welcomes the success of emerging economies throughout the region. We welcome the new hope that comes when people escape poverty and join a confident middle class. We welcome new buyers for our products, and new investors for American enterprise. We welcome new competition that leads our own workers and businesses to be more efficient. In an interconnected global economy, the gains of any advance the interests of all. So over the past eight years, America has engaged this vital region more closely than ever before.

Continuing that engagement is especially important during the times of economic strain. The policies of free enterprise that lifted up so many in this region can help chart a path to recovery for the whole world. That's what's important for people to know. That which enabled us to be successful in the past must be used to help us chart a more hopeful future for tomorrow. With confidence in our ideals, we can turn the challenge we face today to an opportunity—and lead the way toward a new era of prosperity for the Asia Pacific and beyond.

So I want to talk today about how to do that and I want to focus—and I think we ought to focus our efforts on three great forces for economic growth: free markets, free trade, and free people.

First, our nations must maintain confidence in the power of free markets. Now, I know in the wake of the financial crisis, free markets have been under very harsh criticism from the left and from the right. It's true the free market system is not perfect. It can be subject to excesses and abuse. As we've seen in recent months, there are times when government intervention is essential to restart frozen markets and to protect overall economic health. Yet it is also essential that nations resist the temptation to overcorrect by imposing regulations that would stifle innovation and choke off growth. The verdict of history is unmistakable: The greater threat to prosperity is not too little government involvement in the market—it is too much.

Over the decades, the free market system has proved the most efficient way and the just way of structuring an economy. Free markets offer people the freedom to choose where they work and what they want; offers people the opportunity to buy or sell products as they see fit; gives people the dignity that comes with profiting from their talent and their hard work. Free markets provide the incentives to lead to prosperity—the incentive to work, to innovate, to save and invest wisely, and to create jobs for others. And as millions of people pursue these incentives together, whole societies benefit.

No region of the world demonstrates the power of free markets more vividly than the Asia Pacific. Free markets helped Japan grow into the world's second-largest economy. Free markets helped South Korea make itself one of the most technologically advanced nations on Earth. Free markets helped Chile triple its economy and cut its poverty rate by more than two-thirds over the past two decades. And last year, free market policies helped make Peru's economy the second-fastest growing in APEC.

Secondly, our nations must keep our commitment to free trade. When nations open their markets to trade and investment, businesses and farmers and workers find new buyers for their products. Consumers benefit because they have more choices and better prices. Entrepreneurs get their ideas off the ground with funding from anywhere in the world.

Trade is seen as controversial in some places, but here in the Asia Pacific region its benefits are beyond doubt. Trade transformed the economies of the "Asian Tigers"—Singapore, South Korea, Hong Kong, and Taiwan—into global powerhouses. Trade fueled the rise of a new generation of Tigers—nations like Malaysia, Indonesia, Thailand, and Vietnam. And in the most dramatic case of all, trade helped lift China out of isolation and poverty—and into three decades of rapid economic growth and closer engagement with the world.

Over the decades, the free market system has proved the most efficient way and the just way of structuring an economy.

Expanding trade and investment has been one of the highest priorities of my administration. When I took office, America had free trade agreements in force with only three nations. Today, we have agreements in force with 14—including [Chile], Singapore, and Australia. We have agreements that will soon take effect with three more countries, including Peru. We concluded agreements with Colombia, Panama, and South Korea. And it is extremely disappointing that the United States Congress adjourned without passing these three agreements. And I urge all those who support free trade to continuing pressing the case for the Congress to pass free trade agreements with Colombia and Panama and South Korea.

I just had a chance to have a cup of coffee with President Uribe. He is a strong leader. He's a good friend. And our Congress and our government must never turn our back on such a friend as Uribe.

In addition to negotiating these free trade agreements, my administration supported the accession of China, Taiwan, and Vietnam into the World Trade Organization. We're negotiating bilateral investment treaties with China and Vietnam. We're discussing similar agreements with Taiwan, Indonesia, and Russia.

These steps have brought benefits to America, and they brought benefits to our trading partners. Since I took office, America's trade with the world has grown from $2.5 trillion to $4 trillion—an

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increase of nearly 60 percent. Trade with Chile and the United States has more than doubled. Trade between Peru and the United States has more than doubled. And trade between China and the United States has more than tripled. Overall, America's trade with APEC nations now accounts for nearly two-thirds of our trade in the world.

Greater economic integration in the Asia Pacific advances the interests of all. So earlier this year, America began discussions on a new regional free trade agreement with Brunei and Chile, New Zealand and Singapore. This agreement has the potential to open up new opportunities across the region. And we welcome other APEC members to join, and we appreciate Australia and Peru's recent announcements that they will join. Eventually, this agreement could be the foundation of something even more promising—a free trade area of the Asia Pacific, where goods and services and capital flow across borders without barriers.

The nations in this region must also continuing to work—must continue to work down—continue working to break down trade barriers at the global level. We have an immediate opportunity to do so through the Doha Round at the WTO. One of the enduring lessons of the Great Depression is that global protectionism is a path to global economic ruin.

At our summit in Washington last weekend, leaders from around the world expressed strong support for completing Doha. Isn't that interesting? Over 20 nations at the table, from all different kinds of backgrounds, expressed solidarity with the idea of completing Doha. And now we've got to put those words into action. I recognize I'm leaving office in two months, but nevertheless, this administration will push hard to put the modalities in place so that Doha can be completed, and so we can send a message: We refuse to accept protectionism in the 21st century.

The third great force for economic growth in this region is the limitless potential of free people. As the business leaders in this room understand, the greatest resource any country has is the creativity of its citizens. That's what economists call "human capital." And the best way to unleash that resource is, is to build healthy, educated, and democratic societies.

One requirement of any free and prosperous society is accountable and effective government. The United States launched the Millennium Challenge Account to invest in nations that fight corruption, pursue wise economic policies, and invest in the health and education of their citizens. Today, Millennium Challenge programs support some of the world's most promising developing nations—from Indonesia to the Philippines to Peru. This initiative demonstrates a larger truth: Whether it leans left or right, any government that is honest with its people, that exists to serve the people, that advances social justice and desires peace, will have a partner in the United States of America.

America is helping build—helping governments lift the daily burdens that hold their people back, such as hunger and ignorance and disease. We're cooperating with APEC nations to adopt better farming practices and build up local agriculture markets. We're partnering with leaders to defeat the AIDS epidemic in places like Papua New Guinea and Vietnam. We're supporting countries like Indonesia that invest in basic education. We're committed to these efforts. And as I said earlier, we'll be committed to these efforts regardless of the ebb and flow of the markets, and our partners can be confident that the compassion agenda of the United States of America will continue.

Ultimately, the only way for a nation to realize its full potential is for its people to live in freedom—it includes both economic and political freedom. When people are free to profit from their abilities, they prosper. When people prosper, they demand more liberty in other areas of their lives. And we have seen this story unfold throughout this region. To continue freedom's momentum, the United States and other free nations are taking practical steps to support young democracies through the Asia Pacific Democracy Partnership. We recognize that democracies develop at their own speeds, consistent with their own cultures. But when people experience the dignity and the opportunity that freedom brings, they never turn back.

I've told people a lot since my presidency this truth: I believe there is an Almighty. And I believe a gift of that Almighty to every man, woman and child on the face of the Earth is freedom.

As we look to the future, the tasks facing our nations are no doubt demanding. Recovering from the financial crisis is going to take time. But we'll recover, and in so doing, begin a new era of prosperity.

The nations of APEC have faced tests before. We have risen to meet them together, and we will do so again. Over the past eight years, we've taken measures to protect our people from terror and the proliferation of weapons of mass destruction. We've responded to natural disasters. We've worked to prevent the spread of potential pandemic diseases like avian flu and SARS. We've worked to confront climate change and usher in a new age of clean energy. We're standing for a Korean Peninsula free of nuclear weapons—and with a Burma free of repression.

Above all, we can be confident in the future of this region because we know the spirit of its people. And I've seen it firsthand. When I attended my first APEC summit in Shanghai—just a few weeks after September the 11th, 2001—I said that America would always remember the signs of support from our friends in the region. I remember the American flag flying from every fire truck in Montreal, Canada. I remember children kneeling in silent prayer outside our embassy in Seoul. I remember baseball players in Japan observing moments of silence. I remember a sign handwritten in English at a candlelight vigil in Beijing that read, "Freedom and justice will not be stopped."

The bonds of unity we felt then remain today, and they will always remain. Long after this crisis has passed, the United States of America will stay engaged in this region. We will continue working with our partners to build an Asia Pacific where people can work and worship and trade in freedom, where children grow up with hope and pursue their dreams, and where thriving, prosperous nations continue to inspire the world.

Thanks for letting me come by. Que Dios le bendiga. God bless.

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Press Release from the Office of the U.S. Trade Representative, November 26, 2008[7]

U.S. Trade Representative Susan C. Schwab announced today that the WTO Appellate Body has found against the European Union (EU) in the compliance proceeding brought by the United States against the EU's bananas import regime. The Appellate Body also found against the EU in the parallel proceeding brought by Ecuador.

"It is time for the EU to do the right thing and implement a tariff-only regime for bananas that meets the interests of all parties involved," said Ambassador Schwab.

The United States brought this proceeding in June 2007 to challenge the EU's import regime for bananas, which included a discriminatory tariff rate quota that allowed duty-free imports of bananas from only some countries. On May 19, 2008, a WTO dispute settlement panel found in favor of the United States. The EC appealed. Today, the Appellate Body issued its report and upheld all of the Panel's findings. The Appellate Body rejected all of the EU's procedural claims alleging the United States was barred from bringing this proceeding and agreed with the Panel that the EU's duty-free tariff rate quota reserved only for some countries was inconsistent with Article XIII of the General Agreement on Tariffs and Trade 1994.

Press Release from the Office of the U.S. Trade Representative, December 1, 2008[8]

The Office of the United States Trade Representative welcomes the completion of negotiations on Taiwan's accession to the WTO Agreement on Government Procurement (GPA). Last Friday Taiwan submitted to the WTO Secretariat in Geneva its final offer of the procurement that it will cover under the GPA, which reflects the conclusion of long and intense negotiations. It is expected that the WTO Committee on Government Procurement will give formal approval to Taiwan's accession to the GPA at its next meeting, scheduled for December 9, in Geneva.

Gretchen Hamel, a spokesperson for USTR, said "The United States is pleased that the long negotiations have been completed and looks forward to joining other GPA signatories in approving Taiwan's accession to the GPA next week."

The GPA is a plurilateral WTO agreement, which currently applies to 40 WTO Members. Taiwan will become the 41st WTO Member to join the plurilateral Agreement. The GPA requires its signatories to give national treatment to the goods, services and suppliers of the other signatories. The Agreement also requires procurements to be conducted in a fair, transparent and predictable manner in accordance with specified principles and procedures.

With its accession to the GPA, Taiwan will have fulfilled a commitment that it made when it became a WTO member in 2002.

Taiwan's accession will mean U.S. firms will gain access to the extensive procurement that Taiwan will cover under the GPA. Chinese Taipei's government procurement market was valued at more than $18 billion in 2006 and $21 billion in 2007. When Taiwan accedes to the GPA, its firms will also gain access to more than $300 billion in U.S. government procurement, which is open only to GPA Members and bilateral free trade agreement partners.

Statement by the Treasury Department, December 5, 2008[9]

Consistent with the direction of G-20 Leaders to improve trade finance for emerging markets, Secretary Henry M. Paulson, Jr. and Chinese Vice Premier Wang Qishan today announced a new partnership for increasing trade related finance to emerging markets. Together, the United States and China expect that their efforts will generate total trade financing for up to $38 billion in exports over the next year.

Trade finance is credit to allow exporters and importers to ship their goods and services. Companies involved with trade finance include importers, exporters, financiers, insurers and other service providers. Everyday trade in raw materials, intermediate goods and consumer goods is dependent upon the availability of trade financing. Shortages of trade finance can immediately retard economic output and employment through reductions in trade flows, and can restrict financing for capital goods necessary for world economic growth.

Current financial stresses have impaired access to trade finance to help emerging market businesses and consumers purchase imports. To support exports of products from the U.S. and China to emerging economies, both countries are making additional resources available to increase access to affordable trade finance.

Secretary Paulson stated: "These new sources of financing will send an important signal to emerging markets that we are committed to sustaining trade flows, the lifeblood of the global economy. China's decision to play a central role in supporting trade finance reflects its stature in the global financial system and its commitment to help reinforce growth in economies around the world. I also appreciate the leadership of Bob Zoellick at the World Bank and Luis Alberto Moreno at the Inter-American Development Bank for increasing the amount of trade finance that their respective institutions are prepared to back. As the largest shareholder of both institutions, we are supportive of their efforts."

Specifically, the United States, through the U.S. Export-Import Bank, announced its intention to provide $4 billion in new short-term trade finance facilities and $8 billion in new medium- and long-term trade finance facilities for export of U.S. goods and services to emerging markets. China, through the Export-Import Bank of China, is providing $8 billion in short-, medium-, and long-term trade finance

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facilities for export of Chinese goods and services to emerging markets. Short term trade financing, typically 90 to 180 days in maturity, effectively supports three or more times the value of financing in trade volume during a year. Both countries will also coordinate with the International Finance Corporation and the Regional Development Banks to complement existing emerging market liquidity efforts.

The program will be implemented through bilateral export credit agencies in the form of direct loans, guarantees or insurance to creditworthy banks. Both the U.S. Export-Import Bank and the Export-Import Bank of China will identify transactions for financing according to their respective views of the importance of the transaction and its need for financing.

Statement by U.S. Trade Representative Schwab, December 12, 2008[10]

The US has shown flexibility repeatedly in the past several weeks to achieve the convergence among WTO members necessary to convene a ministerial. I am therefore disappointed, but respect the decision by the Director General to not call a ministerial at this time.

Due to numerous outstanding issues voiced by several WTO members, it became apparent that the gaps were too large to bridge at this time. There were several significant unresolved issues on the table that needed to be addressed for a deal on modalities to come together.

The US remains committed to working with the WTO and our trading partners to reach a successful Doha outcome, one that fulfills the promise of this round.

Press Release from the Office of the U.S. Trade Representative, December 15, 2008[11]

U.S. Trade Representative Susan C. Schwab announced today that, in the first World Trade Organization (WTO) dispute to be litigated against China, the WTO Appellate Body confirmed that China's treatment of U.S. and other imported auto parts is inconsistent with China's WTO obligations.

"Today the WTO Appellate Body confirmed that China's discriminatory taxation of U.S. auto parts is fundamentally at odds with core WTO principles," Ambassador Schwab said. "Especially in light of the current problems faced by the U.S. auto industry, I expect China to comply promptly with its WTO obligations by removing an unlawful and unfair trade barrier that is harming U.S. workers and manufacturers."

"International trade must be a two-way street. Both the United States and China benefit from our trade relationship, but as this dispute makes clear, when China adopts measures that unfairly restrict U.S. exports, we will not hesitate to use all available tools to ensure that China complies with the rules of the international trading system. Formal dispute resolution ultimately proved necessary in this case because of China's failure to respond to earlier efforts to resolve this problem through dialogue."

The Appellate Body also confirmed similar findings in favor of Canada and the European Union, which had brought companion disputes against the Chinese measures.

Press Release from the Office of the U.S. Trade Representative, December 16, 2008[12]

U.S. Trade Representative Susan C. Schwab announced today that the United States increased its annual spending on Aid for Trade programs, also known as trade capacity building, to $2.3 billion in the 2008 fiscal year, an increase of 60 percent from the 2007 fiscal year. Since 2000, the United States has provided more than $9.7 billion in total trade related assistance to our less developed trading partners.

"We continue to work to meet the $2.7 billion target in annual Aid for Trade initiatives by 2010, a commitment we made at the 2005 World Trade Organization's Hong Kong Ministerial Meeting," said Ambassador Schwab. "This is another example of the ongoing U.S. commitment to promoting development and achieving a successful conclusion to the Doha Round negotiations."

The United States is the largest single-country provider of trade-related assistance, including development of trade-related physical infrastructure. This assistance is aimed at helping developing countries take advantage of the opportunities of the global trading system, and more broadly, harness trade as an engine of growth and development.

The U.S. approach to trade capacity building emphasizes grants—rather than loans—and allocates funds based largely on local needs as determined by recipient countries. For example, U.S. trade capacity building projects help small and medium size businesses and farmers enter markets and promote diversified economic growth around the world. The U.S. Agency for International Development and the Millennium Challenge Corporation are the largest U.S. providers of Aid for Trade programs.

"Our ability to provide effective programs that help countries harness the growth potential of trade relies on developing countries, particularly the least-developed, including trade in their development programs," Ambassador Schwab said. "Our commitment to our developing country partners remains unwavering, and we recognize the growing importance of these countries' contributions to the global trading system. Aid for Trade is a shared responsibility between recipient countries and donors."

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White House Statement, December 19, 2008[13]

To Take Certain Actions Under the African Growth and Opportunity Act and the Generalized System of Preferences

1. Section 506A(a)(1) of the Trade Act of 1974, as amended (the "1974 Act") (19 U.S.C. 2466a(a)(1)), as added by section 111(a) of the African Growth and Opportunity Act (title I of Public Law 106-200) (AGOA), authorizes the President to designate a country listed in section 107 of the AGOA (19 U.S.C. 3706) as a beneficiary sub-Saharan African country if the President determines that the country meets the eligibility requirements set forth in section 104 of the AGOA (19 U.S.C. 3703) and the eligibility criteria set forth in section 502 of the 1974 Act (19 U.S.C. 2462).

2. Section 104 of the AGOA authorizes the President to designate a country listed in section 107 of the AGOA as an eligible sub-Saharan African country if the President determines that the country meets certain eligibility requirements.

3. Section 112(c) of the AGOA (19 U.S.C. 3721(c)), as added by section 6002(a) of the Africa Investment Incentive Act of 2006 (division D, title VI of Public Law 109-432), provides special rules for certain apparel articles imported from lesser developed beneficiary sub-Saharan African countries.

4. In Proclamation 8157 of June 28, 2007, I designated the Islamic Republic of Mauritania (Mauritania) as an eligible sub-Saharan African country and a beneficiary sub-Saharan African country pursuant to section 104 of the AGOA and section 506A(a)(1) of the 1974 Act and provided that it would be considered a lesser developed beneficiary sub-Saharan African country for purposes of section 112(c) of the AGOA.

5. Section 506A(a)(3) of the 1974 Act (19 U.S.C. 2466a(a)(3)) authorizes the President to terminate the designation of a country as a beneficiary sub-Saharan African country for purposes of section 506A if he determines that the country is not making continual progress in meeting the requirements described in section 506A(a)(1) of the 1974 Act.

6. Pursuant to section 506A(a)(3) of the 1974 Act, I have determined that Mauritania is not making continual progress in meeting the requirements described in section 506A(a)(1) of the 1974 Act. Accordingly, I have decided to terminate the designation of Mauritania as a beneficiary sub-Saharan African country for purposes of section 506A of the 1974 Act, effective on January 1, 2009.

7. Pursuant to sections 501 and 502(a) of the 1974 Act (19 U.S.C. 2461, 2462(a)), the President is authorized to designate countries as beneficiary developing countries for purposes of the Generalized System of Preferences (GSP) program.

8. Pursuant to section 502(a)(1) of the 1974 Act, and having considered the factors set forth in sections 501 and 502(c) (19 U.S.C. 2462(c)), I have determined that the Republic of Kosovo (Kosovo) should be designated as a beneficiary developing country for purposes of the GSP program.

9. Pursuant to section 502 of the 1974 Act, and having considered the factors set forth in sections 501 and 502(c), I have determined that the Republic of Azerbaijan (Azerbaijan) should be designated as a beneficiary developing country for purposes of the GSP program.

10. Section 604 of the 1974 Act (19 U.S.C. 2483), as amended, authorizes the President to embody in the Harmonized Tariff Schedule of the United States (HTS) the substance of relevant provisions of that Act, or other acts affecting import treatment, and of actions taken thereunder.

NOW, THEREFORE, I, GEORGE W. BUSH, President of the United States of America, acting under the authority vested in me by the Constitution and the laws of the United States, including but not limited to section 104 of the AGOA (19 U.S.C. 3703), and title V and section 604 of the 1974 Act (19 U.S.C. 2461-67, 2483), do proclaim that:

(1) The designation of Mauritania as a beneficiary sub-Saharan African country for purposes of section 506A of the 1974 Act is terminated, effective on January 1, 2009.

(2) In order to reflect in the HTS that beginning on January 1, 2009, Mauritania shall no longer be designated as a beneficiary sub-Saharan African country, general note 16(a) to the HTS is modified by deleting "Islamic Republic of Mauritania" from the list of beneficiary sub-Saharan African countries.

(3) Kosovo is designated as a beneficiary developing country for purposes of the GSP program.

(4) In order to reflect this designation in the HTS, general note 4(a) to the HTS is modified by adding in alphabetical order "Kosovo," effective with respect to articles entered, or withdrawn from warehouse for consumption, on or after February 1, 2009.

(5) Azerbaijan is designated as a beneficiary developing country for purposes of the GSP program.

(6) In order to reflect this designation in the HTS, general note 4(a) to the HTS is modified by adding in alphabetical order "Azerbaijan," effective with respect to articles entered, or withdrawn from warehouse for consumption, on or after February 1, 2009.

(7) Any provisions of previous proclamations and Executive Orders that are inconsistent with the actions taken in this proclamation are superseded to the extent of such inconsistency.

Press Release from the Office of the U.S. Trade Representative, December 19, 2008[14]

U.S. Trade Representative Susan C. Schwab announced today that the United States has requested World Trade Organization (WTO) dispute settlement consultations with the People's Republic of China regarding China's "Famous Brands" programs. These programs appear designed to promote the development of global Chinese brand names and to increase sales of Chinese-branded merchandise around the world. The United States is concerned not only because these programs appear to incorporate export subsidies (which are generally prohibited by applicable WTO

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rules), but also because of the protectionist industrial policy apparently underlying these programs.

"We were disturbed to find that China still appears to be using WTO-illegal measures to promote its exports, ranging from textiles and refrigerators to beer and peanuts. We are going to the WTO today because we are determined to use all resources available to fight industrial policies that aim to unfairly promote Chinese branded products at the expense of American workers, farmers, ranchers, manufacturers and intellectual property owners," said Ambassador Schwab.

USTR worked closely with the Commerce Department to uncover and analyze the dozens of Chinese programs at both the central and local government level. Secretary of Commerce Carlos Gutierrez stated, "While dialogue is always our preferred option, we have always stated our willingness to use WTO rules and our own laws to ensure that our workers and businesses are not subject to unfair practices. This is one of these instances. We will continue to use all of the tools at our disposal to ensure that China plays by the rules."

The United States has discovered that China, as part of its industrial policy aimed at promoting the sale of Chinese products abroad and encouraging worldwide recognition of Chinese brand names, apparently provides numerous subsidies at multiple levels of government. The subsidies appear to include cash grant rewards for exporting, preferential loans for exporters, research and development funding to develop new products for export, and payments to lower the cost of export credit insurance. The designated Chinese brands represent a wide range of sectors, including household electronic appliances, textiles and apparel, a range of light manufacturing industries, agricultural and food products, metal and chemical products, medicines, and health products. These subsidies apply across the economy and therefore may unfairly alter the competitive landscape around the world for any industry competing with these Chinese products. The United States also has found other apparent export subsidies for Chinese products in particular sectors of the Chinese economy, available whether or not the products are famous brands. These sectors include textiles, agricultural products and products with high-technology content.

Such industrial policies promoting Chinese exports to the United States and other countries unfairly disadvantage U.S. manufacturers, farmers, ranchers and workers. China's policies favoring domestic brands also raise questions regarding China's commitment to providing a level playing field for foreign owners of important intellectual property rights, namely the trademark rights of U.S. brand owners.

Elimination of the unfair and what appear to be WTO inconsistent aspects of the famous brands programs, as well as the sector-specific export subsidies, will help restore a level playing field for U.S. products sold in the United States and in markets throughout the world.

Mexico has also requested formal WTO consultations with China on this matter today.

White House Statement, December 23, 2008[15]

To Implement the Dominican Republic-Central America-United States Free Trade Agreement with Respect to Costa Rica and for Other Purposes

1. On August 5, 2004, the United States entered into the Dominican Republic-Central America-United States Free Trade Agreement (the "Agreement") with Costa Rica, the Dominican Republic, El Salvador, Guatemala, Honduras, and Nicaragua (the "Agreement countries"). The Agreement was approved by the Congress in section 101(a) of the Dominican Republic-Central America-United States Free Trade Agreement Implementation Act (the "Act") (19 U.S.C. 4011).

2. The Parties to the Agreement entered into an amendment of the Agreement on July 27, August 6, and August 14, 2007 (the "Amendment"). The Amendment provides for temporary duty-free treatment for certain goods of Costa Rica. The terms of the Amendment with respect to Costa Rica are contained in letters of understanding described in section 1634(b)(2) of the Pension Protection Act of 2006 (Public Law 109-280, 120 Stat. 780).

3. Section 201(a)(1) of the Act (19 U.S.C. 4031(a)(1)) authorizes the President to proclaim such modifications or continuation of any duty, such continuation of duty free or excise treatment, or such additional duties, as the President determines to be necessary or appropriate to carry out or apply Articles 3.3 and 3.27, and Annexes 3.3 (including the schedule of United States duty reductions with respect to originating goods) and 3.27 of the Agreement.

4. Consistent with section 201(a)(2) of the Act (19 U.S.C. 4031(a)(2)), each Agreement country is to be removed from the enumeration of designated beneficiary developing countries eligible for the benefits of the Generalized System of Preferences (GSP) on the date the Agreement enters into force with respect to that country.

5. Consistent with section 201(a)(3) of the Act (19 U.S.C. 4031(a)(3)), each Agreement country is to be removed from the enumeration of designated beneficiary countries under the Caribbean Basin Economic Recovery Act (CBERA) (19 U.S.C. 2701 et seq.) on the date the Agreement enters into force with respect to that country, subject to the exceptions set out in section 201(a)(3)(B) of the Act (19 U.S.C. 4031(a)(3)(B)).

6. Consistent with section 213(b)(5)(D) of the CBERA (19 U.S.C. 2703(b)(5)(D)), as amended by the United States-Caribbean Basin Trade Partnership Act (CBTPA) (Public Law 106-200), each Agreement country is to be removed from the enumeration of designated CBTPA beneficiary countries on the date the Agreement enters into force with respect to that country.

7. Section 201(b) of the Act (19 U.S.C. 4031(b)) authorizes the President, subject to the consultation and layover requirements of section 104(a) of the Act (19 U.S.C. 4014(a)), to proclaim such modifications or continuation of any duty, such modifications as the United States may agree to with an Agreement country regarding the staging of any duty treatment set forth in Annex 3.3 of the Agreement, such continuation of duty-free or

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excise treatment, or such additional duties, as the President determines to be necessary or appropriate to maintain the general level of reciprocal and mutually advantageous concessions provided for by the Agreement. The consultation and layover requirements of section 104(a) of the Act have been satisfied with respect to providing temporary duty free treatment for certain goods of Costa Rica as set forth in the Amendment.

8. Pursuant to section 201(b) of the Act, I have determined that the modifications herein proclaimed of duties on goods of Costa Rica are necessary or appropriate to maintain the general level of reciprocal and mutually advantageous concessions with respect to Costa Rica provided for by the Agreement.

9. In Proclamation 8095 of December 29, 2006, consistent with the authority set out in section 111(b) of the Uruguay Round Agreements Act (19 U.S.C. 3521(b)), I modified the Harmonized Tariff Schedule of the United States (HTS) to implement the multilateral agreement negotiated under the auspices of the World Trade Organization to eliminate tariffs on certain pharmaceutical products and chemical intermediates. I have determined that technical corrections to the pharmaceuticals annex to the HTS are necessary to ensure that certain products receive the intended duty treatment.

10. Section 604 of the Trade Act of 1974 (the "1974 Act") (19 U.S.C. 2483), as amended, authorizes the President to embody in the HTS the substance of relevant provisions of that Act, and of other Acts affecting import treatment, and of actions taken thereunder.

NOW, THEREFORE, I, GEORGE W. BUSH, President of the United States of America, acting under the authority vested in me by the Constitution and the laws of the United States of America, including but not limited to section 201 of the Act and section 604 of the 1974 Act, and the Act having taken effect pursuant to section 107, do proclaim that:

(1) In order to provide generally for the preferential tariff treatment being accorded to Costa Rica under the Agreement, as amended, to provide certain other treatment to originating goods for the purposes of the Agreement, to provide tariff-rate quotas with respect to certain goods, to reflect the removal of Costa Rica from the enumeration of designated beneficiary developing countries for purposes of the GSP, to reflect the removal of Costa Rica from the enumeration of designated beneficiary countries for purposes of the CBERA and the CBTPA, and to make technical and conforming changes in the general notes to the HTS, the HTS is modified as set forth in Annexes I and II of Publication 4038 of the United States International Trade Commission, entitled Modifications to the Harmonized Tariff Schedule of the United States to Implement the Dominican Republic-Central America-United States Free Trade Agreement With Respect to Costa Rica (Publication 4038), which is incorporated by reference into this proclamation.

(2) In order to make technical corrections necessary to provide the intended duty treatment to certain pharmaceutical products and chemical intermediaries, the HTS is modified as set forth in Annex III of Publication 4038.

(3) The amendments to the HTS made by paragraphs (1) and (2) of this proclamation shall be effective with respect to goods entered, or withdrawn from warehouse for consumption, on or after the relevant dates indicated in Annex I, II, or III of Publication 4038.

(4) Except as provided in paragraph (3) of this proclamation, this proclamation shall be effective with respect to goods entered, or withdrawn from warehouse for consumption, on or after January 1, 2009.

(5) Any provisions of previous proclamations and executive orders that are inconsistent with the actions taken in this proclamation are superseded to the extent of such inconsistency.

Statement by U.S. Trade Representative Schwab, December 23, 2008[16]

Regarding Entry into Force of the CAFTA-DR for Costa Rica

U.S. Trade Representative Susan C. Schwab made the following statement today regarding the entry into force of the Dominican Republic-Central America United States Free Trade Agreement (CAFTA-DR) for Costa Rica:

"With the President's issuance of a proclamation to implement the CAFTA-DR for Costa Rica as of January 1, 2009, I am very pleased to be able to celebrate the entry into force of this important multi-country agreement.

"We have worked closely with Costa Rica, as we have with our other CAFTA-DR partners, to ensure they meet their obligations and responsibilities under the agreement. Costa Rica is now ready to join the Dominican Republic, El Salvador, Guatemala, Honduras and Nicaragua in putting the agreement into force, ensuring that the benefits of this agreement continue to spread. U.S. trade with CAFTA-DR partners—and among CAFTA-DR partners—has increased as the countries have put the agreement into force.

"I greatly appreciate the diligent effort by President Arias and his government to adopt legislation and regulations to implement Costa Rica's commitments under the CAFTA-DR. This step marks an important milestone in our relationship with Costa Rica, building on our strong economic and political partnership. With the addition of Costa Rica, this important regional free trade agreement will be in effect—as of January 1, 2009—for all of the countries that signed the agreement."

White House Statement, December 29, 2008[17]

To Implement the United States-Oman Free Trade Agreement

1. On January 19, 2006, the United States entered into the United States-Oman Free Trade Agreement (the "Agreement"). The Congress approved the Agreement in section 101(a) of the United States-Oman Free Trade Agreement Implementation Act (the "Implementation Act") (Public Law 109-283, 120 Stat. 1191) (19 U.S.C. 3805 note).

2. Section 105(a) of the Implementation

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Act authorizes the President to establish or designate within the Department of Commerce an office that shall be responsible for providing administrative assistance to panels established under chapter 20 of the Agreement.

3. Section 201 of the Implementation Act authorizes the President to proclaim such modifications or continuation of any duty, such continuation of duty-free or excise treatment, or such additional duties, as the President determines to be necessary or appropriate to carry out or apply Articles 2.3, 2.5, 2.6, 3.2.8, and 3.2.9, and the schedule of duty reductions with respect to Oman set forth in Annex 2-B of the Agreement.

4. Consistent with section 201(a)(2) of the Implementation Act, Oman is to be removed from the enumeration of designated beneficiary developing countries eligible for the benefits of the Generalized System of Preferences (GSP) on the date the Agreement entered into force. Further, consistent with section 604 of the Trade Act of 1974, as amended (the "1974 Act") (19 U.S.C. 2483), I have determined that other technical and conforming changes to the Harmonized Tariff Schedule of the United States (HTS) are necessary to reflect that Oman is no longer eligible to receive the benefits of the GSP.

5. Section 202 of the Implementation Act sets forth certain rules for determining whether a good is an originating good for the purpose of implementing preferential tariff treatment provided for under the Agreement. I have decided that it is necessary to include these rules of origin, together with particular rules applicable to certain other goods, in the HTS.

6. Section 204 of the Implementation Act authorizes the President to take certain enforcement actions relating to trade with Oman in textile and apparel goods.

7. Subtitle B of title III of the Implementation Act authorizes the President to take certain actions in response to a request by an interested party for relief from serious damage or actual threat thereof to a domestic industry producing certain textile or apparel articles.

8. Executive Order 11651 of March 3, 1972, as amended, established the Committee for the Implementation of Textile Agreements (CITA), consisting of representatives of the Departments of State, the Treasury, Commerce and Labor, and the Office of the United States Trade Representative, with the representative of the Department of Commerce as Chairman, to supervise the implementation of textile trade agreements. Consistent with section 301 of title 3, United States Code, when carrying out functions vested in the President by statute and assigned by the President to CITA, the officials collectively exercising those functions are all to be officers required to be appointed by the President with the advice and consent of the Senate.

9. Section 604 of the 1974 Act, as amended, authorizes the President to embody in the HTS the substance of relevant provisions of that Act, or other Acts affecting import treatment, and of actions taken thereunder, including the removal, modification, continuance, or imposition of any rate of duty or other import restriction.

NOW, THEREFORE, I, GEORGE W. BUSH, President of the United States of America, acting under the authority vested in me by the Constitution and the laws of the United States of America, including but not limited to section 604 of the 1974 Act; sections 105(a), 201, 202, and 204, and subtitle B of title III, of the Implementation Act; and section 301 of title 3, United States Code, and having made the determination under section 101(b) of the Implementation Act necessary for the exchange of notes, do hereby proclaim:

(1) In order to provide generally for the preferential tariff treatment being accorded under the Agreement, to set forth rules for determining whether goods imported into the customs territory of the United States are eligible for preferential tariff treatment under the Agreement, to provide certain other treatment to originating goods of Oman for the purposes of the Agreement, to provide tariff-rate quotas with respect to certain originating goods of Oman, to reflect Oman's removal from the enumeration of designated beneficiary developing countries for purposes of the GSP, and to make technical and conforming changes in the general notes to the HTS, the HTS is modified as set forth in Annex I of Publication 4050 of the United States International Trade Commission, entitled, Modifications to the Harmonized Tariff Schedule of the United States Implementing the United States-Oman Free Trade Agreement (Publication 4050), which is incorporated by reference into this proclamation.

(2) In order to implement the initial stage of duty elimination provided for in the Agreement and to provide for future staged reductions in duties for originating goods of Oman for purposes of the Agreement, the HTS is modified as provided in Annex II of Publication 4050, effective on the dates specified in the relevant sections of such publication and on any subsequent dates set forth for such duty reductions in that publication.

(3) The amendments to the HTS made by paragraphs (1) and (2) of this proclamation shall be effective with respect to goods entered, or withdrawn from warehouse for consumption, on or after the relevant dates indicated in Annex II of Publication 4050.

(4) The Secretary of Commerce is authorized to exercise my authority under section 105(a) of the Implementation Act to establish or designate an office within the Department of Commerce to carry out the functions set forth in that section.

(5) The CITA is authorized to exercise my authority under section 204 of the Implementation Act to exclude textile and apparel goods from the customs territory of the United States; to determine whether an enterprise's production of, and capability to produce, goods are consistent with statements by the enterprise; to find that an enterprise has knowingly or willfully engaged in circumvention; and to deny preferential tariff treatment to textile and apparel goods.

(6) The CITA is authorized to exercise the functions of the President under subtitle B of title III of the Implementation Act to review requests, and to determine whether to commence consideration of such requests; to cause to be published in the Federal Register a notice of commencement of consideration of a request and notice seeking public comment thereon; to determine whether imports of an Omani textile or apparel article are causing serious damage, or actual threat thereof, to a domestic industry producing an

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article that is like, or directly competitive with, the imported article; and to provide relief from imports of an article that is the subject of such a determination.

(7) All provisions of previous proclamations and Executive Orders that are inconsistent with the actions taken in this proclamation are superseded to the extent of such inconsistency.

Press Release from the Office of the U.S. Trade Representative, December 29, 2008[18]

The Office of the United States Trade Representative welcomes today's signing of the protocol to the 2005 U.S.-Russia Agreement on Trade in Certain Types of Poultry, Beef, and Pork. The protocol makes adjustments to the in-quota quantity and out-of-quota tariff for U.S. pork and poultry exports to the Russia Federation.

Sean Spicer, a spokesperson for USTR, said "The United States is very pleased that our USTR/USDA negotiating team was able to reach agreement so U.S. exporters can continue supplying this important market. This protocol will provide certainty to our trade in poultry and pork in 2009."

The Russian Federation is the number one export market for U.S. poultry meat and the fourth largest market for U.S. pork. U.S. exports of poultry and pork to the Russian Federation reached $720 million and $191 million, respectively, in 2007.

Statement by U.S. Trade Representative Schwab, December 29, 2008[19]

U.S. Trade Representative Susan C. Schwab made the following statement today regarding the entry into force of the Oman Free Trade Agreement (FTA):

"I am very pleased to note the President's proclamation to implement the U.S.-Oman FTA as of January 1, 2009.

"We have worked closely with the Government of Oman to ensure that the obligations and responsibilities of each party under the agreement have been met. We have engaged in this effort as true partners, and I want to thank the Omani Minister of Commerce and Industry Maqbool Bin Ali Bin Sultan, Oman's Ambassador to the United States Hunaina Al-Mughairy, and their staffs for all of their hard work. I would also offer a special note of appreciation for the leadership and guidance from His Majesty Sultan Qaboos, as both nations worked to reach this historic milestone.

"The U.S.-Oman FTA advances the President's vision for economic integration and development in the Middle East and holds important promise for the people of both Oman and the United States.

"Soon U.S. workers, farmers and entrepreneurs will enjoy new opportunities in this growing market. The agreement also marks a milestone in strengthening ties and promoting freedom in the Middle East and is an important step in advancing President Bush's Middle East Free Trade Area (MEFTA) initiative. The Oman agreement builds on U.S. free trade agreements concluded with Israel, Jordan, Morocco and Bahrain, Trade and Investment Framework Agreements with 10 countries in the region and the 2005 World Trade Organization accessions of Saudi Arabia. MEFTA is aimed at spurring economic growth and reform in the Middle East—an area of almost 330 million people and with a $158 billion trading relationship with the United States."

White House Statement, December 31, 2008[20]

To Extend Duty-Free Treatment for Certain Agricultural Products of Israel and for Other Purposes

1. On April 22, 1985, the United States and Israel entered into the Agreement on the Establishment of a Free Trade Area between the Government of the United States of America and the Government of Israel (USIFTA), which the Congress approved in the United States-Israel Free Trade Area Implementation Act of 1985 (the "USIFTA Act") (19 U.S.C. 2112 note).

2. In order to maintain the general level of reciprocal and mutually advantageous concessions with respect to agricultural trade with Israel, on July 27, 2004, the United States entered into an agreement with Israel concerning certain aspects of trade in agricultural products during the period January 1, 2004, through December 31, 2008 (the "2004 Agreement"). The 2004 Agreement reflects an effort by the United States and Israel to address, through 2008, their continuing differences over the meaning of certain provisions in the USIFTA governing access for U.S. agricultural products to Israel's market.

3. Section 4(b) of the USIFTA Act provides that, whenever the President determines that it is necessary to maintain the general level of reciprocal and mutually advantageous concessions with respect to Israel provided for by the USIFTA, the President may proclaim such withdrawal, suspension, modification, or continuance of any duty, or such continuance of existing duty-free or excise treatment, or such additional duties as the President determines to be required or appropriate to carry out the USIFTA.

4. In Proclamation 7826 of October 4, 2004, consistent with the 2004 Agreement, I proclaimed modifications to the Harmonized Tariff Schedule of the United States (HTS) to provide duty-free access into the United States through December 31, 2008, for specified quantities of certain agricultural products of Israel.

5. On December 10, 2008, the United States entered into an agreement with Israel to extend the period that the 2004 Agreement is in force through December 31, 2009, to allow additional time for the two governments to conclude an agreement to replace the 2004 Agreement.

6. Pursuant to section 4(b) of the USIFTA Act, I have determined that it is necessary, in order to maintain the general level of reciprocal and mutually advantageous

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concessions with respect to Israel provided for by the USIFTA, to provide duty-free access into the United States through the close of December 31, 2009, for specified quantities of certain agricultural products of Israel.

7. On June 6, 2003, the United States and Chile entered into the United States-Chile Free Trade Agreement (USCFTA). The Congress approved the USCFTA in section 101(a) of the United States-Chile Free Trade Agreement Implementation Act (the "USCFTA Act") (19 U.S.C. 3805 note). In Proclamation 7746 of December 30, 2003, I proclaimed the tariff treatment called for under the USCFTA.

8. Section 201(b) of the USCFTA Act authorizes the President, subject to the consultation and layover requirements of section 103(a) of the USCFTA Act, to proclaim such modifications to the staging of duty treatment set forth in Annex 3.3 of the USCFTA as the United States may agree to with Chile, as the President determines to be necessary or appropriate to maintain the general level of reciprocal and mutually advantageous concessions with respect to Chile provided for by the USCFTA.

9. On November 26, 2008, the United States entered into an agreement with Chile that includes an accelerated schedule of duty elimination under the USCFTA for specific originating goods of Chile. The consultation and layover requirements of section 103(a) of the USCFTA Act with respect to the accelerated schedule of duty elimination were satisfied as of November 8, 2008.

10. Pursuant to section 201(b) of the USCFTA Act, I have determined that modifications hereinafter proclaimed of rates of duties on originating goods of Chile are necessary or appropriate to maintain the general level of reciprocal and mutually advantageous concessions with respect to Chile provided for by the USCFTA and to carry out the agreement with Chile on an accelerated schedule of duty elimination for specific originating goods of Chile.

11. On May 18, 2004, the United States and Australia entered into the United States-Australia Free Trade Agreement (USAFTA). The Congress approved the USAFTA in section 101(a) of the United States-Australia Free Trade Agreement Implementation Act (the "USAFTA Act") (19 U.S.C. 3805 note). In Proclamation 7857 of December 20, 2004, I proclaimed the rules of origin called for under the USAFTA.

12. Section 203(o) of the USAFTA Act authorizes the President, subject to the consultation and layover requirements of section 104 of the USAFTA Act, to proclaim such modifications to the rules of origin as are necessary to implement an agreement with Australia pursuant to article 4.2.5 of the USAFTA.

13. On October 10, 2008, the United States entered into an agreement with Australia pursuant to article 4.2.5 of the USAFTA to amend the USAFTA rule of origin for certain yarns of viscose rayon fiber. The consultation and layover requirements of section 104 of the USAFTA Act with respect to the proposed modification of the USAFTA rules of origin were satisfied as of December 24, 2008.

14. Section 604 of the Trade Act of 1974, as amended (the "1974 Act") (19 U.S.C. 2483), authorizes the President to embody in the HTS the substance of relevant provisions of that Act, or other acts affecting import treatment, and of actions taken thereunder.

NOW, THEREFORE, I, GEORGE W. BUSH, President of the United States of America, acting under the authority vested in me by the Constitution and the laws of the United States of America, including section 4 of the USIFTA Act, section 201(b) of the USCFTA Act, section 203(o) of the USAFTA Act, section 604 of the 1974 Act, and section 301 of title 3, United States Code, do proclaim that:

(1) In order to implement U.S. tariff commitments under the 2004 Agreement through December 31, 2009, the HTS is modified as provided in Annex I to this proclamation.

(2)(a) The modifications to the HTS made by Annex I to this proclamation shall be effective with respect to goods that are the product of Israel and are entered, or withdrawn from warehouse for consumption, on or after January 1, 2009.

(b) The provisions of subchapter VIII of chapter 99 of the HTS, as modified by Annex I to this proclamation, shall continue in effect through December 31, 2009.

(3) In order to provide for an accelerated schedule of duty elimination for specific originating goods of Chile, the tariff treatment set forth in the HTS is modified as provided in Annex II to this proclamation.

(4) The modifications made to the HTS by Annex II to this proclamation shall be effective with respect to goods entered, or withdrawn from warehouse for consumption, on or after January 1, 2009.

(5) In order to implement the agreement with Australia to change the USAFTA rules of origin for certain yarns of viscose rayon fiber, the HTS is modified as provided in Annex III to this proclamation.

(6) The modifications made to the HTS by Annex III to this proclamation shall enter into effect on the date that the United States Trade Representative announces in a notice published in the Federal Register that Australia has completed its applicable domestic procedures to give effect to the agreement to change the USAFTA rules of origin for certain yarns of viscose rayon fiber and shall be effective with respect to originating goods of Australia entered, or withdrawn from warehouse for consumption, on or after the date indicated in the notice.

(7) Any provisions of previous proclamations and Executive Orders that are inconsistent with the actions taken in this proclamation are superseded to the extent of such inconsistency.

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1 Office of the U.S. Trade Representative, October 2, 2008.
2 White House Press Release, October 16, 2008.
3 Office of the U.S. Trade Representative, October 16, 2008.
4 Office of the U.S. Trade Representative, October 30, 2008.
5 Office of the U.S. Trade Representative, November 11, 2008.
6 White House Press Release, November 22, 2008.
7 Office of the U.S. Trade Representative, November 26, 2008.
8 Office of the U.S. Trade Representative, December 1, 2008.
9 Treasury Department Press Release, December 5, 2008.
10 Office of the U.S. Trade Representative, December 12, 2008.

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11 Office of the U.S. Trade Representative, December 15, 2008.
12 Office of the U.S. Trade Representative, December 16, 2008.
13 White House Press Release, December 19, 2008.
14 Office of the U.S. Trade Representative, December 19, 2008.
15 White House Press Release, December 23, 2008.
16 Office of the U.S. Trade Representative, December 23, 2008.
17 White House Press Release, December 29, 2008.
18 Office of the U.S. Trade Representative, December 29, 2008.
19 Office of the U.S. Trade Representative, December 29, 2008.
20 White House Press Release, December 31, 2008.

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