

**Sandler Trade, LLC. at the  
WITA-GWU Intensive Trade Seminar  
Trade Responsibilities in the  
Executive Branch**

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**Sandler Trade LLC**

# Sandler Trade, LLC.

- **Goal**: make international trade *really* happen from emerging markets
- **How**: strategic advisory services to expand exports into U.S. market to clients in 43 countries
- **EOP/USTR**: in the **Office of the President** under President Obama and President Bush
- **Specifics**:
  - preference programs (GSP, AGOA);
  - import regulations (CBP, FDA, FSMA);
  - advocacy (IPR, labor, Hill);
  - readying artisans and SMEs for the U.S. market;
  - buyer linkage; and
  - Ministry and business training



# Seminar Content

- **Alphabet soup: acronyms describe trade**
- **How the Executive Branch formulates and executes international trade policy**
- **Statutory foundation for responsibilities**
- **Trade-related agencies: what do they do?**
- **Current USTR priorities**
- **Free Trade Agreement negotiations, including private sector and Congressional roles**
- **Special: Power of the President (trade)**
- **Last words of advice**
- **Resources and links to know**



# Alphabet Soup



# Trade Acronyms

- POTUS
- NSC/NEC
- USTR
- DOL
- DOS
- USDA
- DOC
- DHS/CBP
- USITC
- TPRG/TPSC
- ACTPN
- ITAC
- ITEC
- FTA
- TPA
- TAA
- MTB
- BIT
- GSP
- AGOA
- FSMA
- TIER 1,2,3
- Child labor list
- IEEPA
- TPP
- TTIP
- TISA
- TF/AfT/TCB
- TIFA
- IPR
- Special 301
- WL/PWL
- AD/CVD
- **WITA**
- HTSUS
- FRN



# US GOVERNMENT

**Congress**

*Capitol buildings,  
Washington, D.C.*

**Senate**

Members: 100 (50\*2)  
Term: 6 years  
Limit: no  
Elected by: US citizens

**House of Representatives**

Speaker: John Boehner  
Members: 435 (district representatives)  
Term: 2 years  
Limit: no  
Elected by: US citizens

435 Districts

President		Cabinet	
<i>White House, Washington, D.C.</i>			
<b>President:</b>	Barack Obama	<b>Members: 15</b> (Secretary or other head of each department)	<b>Nominated by:</b> President
<b>Vice:</b>	Joseph Biden		
<b>Term:</b>	4 Years		
<b>Limit:</b>	2 years		
<b>Elected by:</b>	Electoral College		

**Supreme Court**

*Supreme Court building  
Washington, D.C.*

Chief Justice: John Roberts Jr.  
Members: 9  
Term: life  
Limit: no  
Appointed by: President

**Executive Office  
of the President:  
NSC, USTR,  
OMB, NEC, etc.**

**15 Departments under cabinet members**

- |      |     |     |     |     |     |             |     |
|------|-----|-----|-----|-----|-----|-------------|-----|
| USDA | DOC | DOD | ED  | DOE | HHS | DHS         | HUD |
| DOJ  | DOL | DOS | DOI | DOT | VA  | DO Treasury |     |



# The Congress, President and USTR

- In 1934, U.S. Congress delegated to President (**POTUS**) authority to lower or raise tariffs as part of agreements with nations (**FTAs**)
- International Economic Emergency Powers Act of 1977 (**IEEPA**) gives President authority to “deal with any unusual and extraordinary threat, which has its source in whole or substantial part outside the United States, to the national security, foreign policy, or economy of the United States, if the President declares a national emergency with respect to such threat
- President delegated to Office of the U.S. Trade Representative (**USTR**) the development, coordination and negotiation of U.S. international trade, commodity, and investment policies, negotiations, enforcement.
- USTR is in the Executive Office of the President (**EOP**)
- National Security Council (**NSC**) helps POTUS oversee trade policy



# USTR =

- The **USTR** is an Ambassador and Cabinet member who serves as President's principal trade advisor, negotiator, spokesperson, and representative to **WTO**.
- Through an interagency structure (**TPRG & TPSC**), **USTR coordinates trade policy within the Administration\***
- **USTR** frames issues for **POTUS** decisions through consultations with Congress and standing Congressional Committees (**SFC & HWM**)
- **USTR** consults with 28 appointed private-sector industry & special-interest advisory groups: **ACTPN, APAC, 16 ITACs, IGPAC, LAC, TEPAC, TACA: 700 people**
- **USTR's newer role: compliance and enforcement**





# Department of Commerce

- **Mission: make U.S. businesses more innovative at home and more competitive internationally**
- **Multiple bureaus & functions to, e.g., promote U.S. exports, monitor weather, manage fish, assist small businesses, collect data, take the census, etc.**
- **Key trade-related functions:**
  - **Antidumping and countervailing duty investigations**
  - **Sectoral and functional support for USTR trade negotiations**
  - **Trade compliance monitoring (along with USTR)**
  - **Management of industry trade advisory committees**
  - **Export promotion and trade missions – NEI<sup>2</sup>**



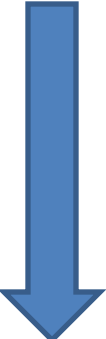
# Other Agencies with Trade Responsibilities

- Department of State (DOS)
- Department of Labor (DOL)
- Department of Agriculture (USDA)
- Department of Treasury (Treas)
- Ex-Officio: U.S. International Trade Commission (USITC or ITC): an independent agency
  - Administers U.S. trade laws within its mandate
  - “Dataweb” with U.S. export and import data
  - U.S. Harmonized Tariff Schedule (HTSUS)
  - Completes independent trade studies on FTAs, GSP changes, U.S. competitiveness
  - Staff are industry experts



# *(Opaque)* Interagency Review Process: Led by USTR

**19 agencies provide advice to USTR in developing and coordinating implementation of U.S. trade policy; operates by reaching consensus on issues/decisions:**

- 
- **90 Subcommittees** (e.g., Special 301, GSP) recommend to:
  - Trade Policy Staff Committee (**AUSTR/DAS**): if consensus on the decision - is final determination; if not goes to...
  - **Trade Policy Review Group** (Deputy USTR/Deputy or Assistant Secretary): if consensus, is final decision; if not, goes to...
  - **Principals** (Cabinet): if consensus, is final decision; if not goes to the...
  - **President** for THE final decision



# President's Trade Agenda - 2016

- 1. Trans Pacific Partnership**
- 2. Shaping Tomorrow's Global Economy: *TTIP, FTAs, IPR, enforcement, partnerships including with the Pacific, assistance and preferences***
- 3. Promises Delivered: *jobs, growth, strengthen middle class; worker rights enforcement***



# USTR Trade Initiatives

- Reciprocal Free Trade Agreements (**FTAs**): w/20 countries
- Trade and Investment Framework Agreements (**TIFAs**): 47 TIFAs (and many other agreements)
- Unilateral Preferences: Generalized System of Preferences (**GSP**), African Growth & Opportunity Act (**AGOA**), Caribbean Basin Initiative (**CBI**), **Haiti/HOPE**
- Bilateral Investment Treaties (**BITs**): with 42 countries
- Compliance monitoring and enforcement (**ITEC**)
- **WTO** Agreements (TISA, Envmtal Goods, Doha)



# Enforcement Mechanisms

- **WTO cases (China, Indonesia, European Union...)**
- **FTA consultations and dispute settlement**
  - **CAFTA Enforcement Mechanisms:** IPR, Worker Rights, Env. Protection, Transparency, Investor Protections
  - **Columbian (FTA) Labor Action Plan**
- **Special 301 (Intellectual Property Rights (IPR) Review):** Notorious Markets; Priority Watch List (**PWL**) 10; Watch List (**WL**) 27 (including Guatemala)
- **Other Trade Barrier Reports:** 1) all Foreign Trade Barriers (**NTE**); 2) Technical Barriers to Trade (**TBT**); 3) Sanitary and Phyto-Sanitary Measures (**SPS**).
- **Mandatory GSP Criteria:** Worker Rights, IPR, Investor Protections



# FTA Negotiation Process

- **Country requests FTA; need support by business & labor**
- **Interagency consensus to launch negotiations (assess FTA impacts, likelihood of success, etc.)**
- **President notifies Congress of intent to negotiate: 90 days**
- **During wait, USITC report; Hill & ITAC consultations begin**
- **Negotiations occur in rounds between the parties**
- **TPA-mandated consultations with House and Senate Advisory Groups from committees with jurisdiction**
- **Administration must publish updates specific to how objectives are being met in the negotiations**
- **Chief Transparency Officer (Timothy Reif) to advise USTR on transparency with Congress and public**



# FTA Approval Process

- **President notifies Congress: intent to sign (90 days)**
- **Environmental reviews, advisory committee reports, USITC FTA economic impact report**
- **Once FTA negotiations end, attorneys do legal text scrub, Presidential announcement, and signing**
- **During course of FTA negotiation and especially after signing, Embassies, private sector associations, NGOs lobby Congress**
- **Getting FTAs through Congress: “little to do with agreement substance and everything to do with U.S. politics”**
- **Fast track or TPA: up/down vote approval authority, must occur within 90 days of submission**





# President Obama's Actions=Legacy

Since being in office, President Obama has:

- Pushed through approval of three FTAs (Panama, Colombia, Korea)
- Re-launched Trans Pacific Partnership (TPP) and added partners – Malaysia, Mexico, Canada, Japan – approval?
- Launched the Trans Atlantic Trade and Investment Partnership Agreement (TTIP) between the U.S. and EU
- Launched Trade in Services Agreement (TISA) talks
- GSP, AGOA, Haiti preferences renewed (some for 10 yrs)
- Trade Promotion Authority passed
- Emphasis on enforcement and access for U.S. business
- WTO Trade Facilitation Agreement
- WTO Environmental Goods Agreement



# President's Trade Agenda Stretches Available USTR Resources

- Trans Pacific Partnership Agreement (TPP)
- Transatlantic Trade and Investment Partnership (TTIP)
- Trade in Services Agreement (TISA)
- Implementing Bali Trade Facilitation Agreement (TF)
- Implementing Information Technology Agreement (ITA)
- Launching Environmental Goods Agreement (EGA)
- Participating in Strategic and Economic Dialogue (S&ED) and Joint Commission on Commerce and Trade (JCCT) with China
- Inform U.S. public that FTAs strengthen U.S. businesses & jobs through expanding exports (for TPP passage)



# Key 2016 Trade Reports: USTR & USITC

- [Digital 2 Dozen](#): Promotes TPP
- [2016 Trade Policy Agenda and 2015 Annual Report](#)
- [2016 National Trade Estimate Report](#): **U.S. exporters' problems with their target markets**
- [The Colombian Labor Action Plan: A Five Year Update](#): labor enforcement
- [2016 Special 301 Report](#): **IPR enforcement (by country)**
- [U.S. Trade Preference Programs: Reducing Poverty and Hunger in Developing Nations Through Economic Growth](#): Congressionally mandated
- [Impacts of TPP \(USITC\)](#)
- [Nepal Preferences \(USITC\)](#)
- [GSP-specific, HOPE, AGOA, and Beyond AGOA](#)

# U.S. Trade Policy and Doing Business Tips

- **“How are you?” really means “What do you know? What can you tell me? What’s the latest?”**
- **Ask questions, even if you know the answer; you’ll find out more than the answer you sought**
- **Keep your promises**
- **Meet the published deadlines**
- **U.S. trade folk often are not “relationship” people**
- **Keep current: e-newsletters (agencies and companies), Facebook, LinkedIn, Twitter, blogs**
- **Know which agency or person *really* is in charge or makes the decision (despite others’ claims)**
- **What you see is not always what it is, so....**
- **Keep asking questions and solicit opinions**



# Web Resources

- Glossary of Acronyms: <http://www.ustr.gov/about-us/trade-toolbox/glossary-trade-terms>
- U.S. Trade Representative's e-newsletter
- *World Trade Online; Washington Trade Daily; Politico Pro (trade)*
- Who is importing from your country: Panjiva, etc.
- U.S. International Trade Commission: [www.usitc.gov](http://www.usitc.gov)
- Congressional Research Service: <https://opencrs.com>  
(also: J.F. Hornbeck paper on "Congress & Trade," April 2011)
- Guide to U.S. Government: <http://bensguide.gpo.gov/>
- Other: [sandlertrade.com](http://sandlertrade.com), [wita.org](http://wita.org)



# Where to Look For...

- Trade policy – [ustr.gov](http://ustr.gov); [trade.gov](http://trade.gov)
- Import regulations – [cbp.gov](http://cbp.gov)
- Import data:  
[http://dataweb.usitc.gov/scripts/tariff\\_current.asp](http://dataweb.usitc.gov/scripts/tariff_current.asp)
- Tariff schedules, trade studies - [USITC.gov](http://USITC.gov);  
[census.gov](http://census.gov); CROSS rulings
- Legislation -- [thomas.loc.gov](http://thomas.loc.gov)
- Submitting comments -- [regs.gov](http://regs.gov)
- Federal notices -- [federalregister.gov](http://federalregister.gov)
- Can't attend a hearing but want to listen - hearings are webcast – go to Committee websites



# Thank you!



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