

# The President's Trade Agenda

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On March 1, U.S. Trade Representative Ron Kirk delivered President Obama's 2011 Trade Policy Agenda and 2010 Annual Report to Congress. For the trade community, the agenda provides a road map for administration priorities and concerns over the coming year, so its messages merit a closer look.

This year's agenda focuses on creating a comprehensive trade policy that will support more and better American jobs and a robust, rules-based global trading system. The agenda points to the expansion of "smart, responsible trade" to enhance U.S. economic growth and employment. As part of this job-creation strategy, the Obama administration will build on its 2010 National Export Initiative, with a specific emphasis on expanding exports by small and medium-sized businesses.

The president's Export Promotion Cabinet this year will deliver to Congress the first comprehensive report on the progress of the NEI's implementation. The theme of supporting U.S. jobs through trade appears throughout the agenda, which emphasizes how each of the identified trade policy priorities has connections to American job creation. The agenda identifies the U.S.-Korea Free Trade Agreement as an important vehicle to expand U.S. trade. In 2010, the United States and Korea reached agreement on important issues for the automotive sector and on provisions that will open the Korean services market to U.S. companies. The administration intends to work with Congress to secure approval of the FTA as soon as possible.

The agenda also discusses the pending Colombia and Panama FTAs, identifying outstanding issues with the agreements that must be resolved before they can be sent to Congress.

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## Practice Areas

International Trade

Trade Policy and Trade Negotiations

World Trade Organization (WTO)

The agenda reviews 2010 negotiations on the Trans-Pacific Partnership, a proposed regional trade agreement among nine countries, including the United States, Australia, Brunei Darussalam, Chile, Malaysia, New Zealand, Peru, Singapore and Vietnam. The conclusion of the TPP in 2011 is a key goal of the president's trade policy. The United States also will host representatives from 21 countries at the Asia-Pacific Economic Cooperation forum, where the administration hopes to make gains to aid U.S. exporters to the region.

The president's 2011 agenda also notes U.S. negotiators at the Doha Round of World Trade Organization talks will push to ensure emerging economies such as China and Brazil open their markets in accordance with their expanded roles in the global economy. The next two months will be critical in determining whether the Doha Round can be concluded this year, particularly on agriculture, market access, services and rules.

This year also will be significant with respect to Russia's WTO accession negotiations. In connection with Russia's WTO accession, the administration seeks to work with Congress to extend permanent normal trade relations status to Russian goods.

The agenda also focuses on enforcement of existing trade agreements. In 2010, the U.S. won several key victories at the WTO, including cases on European Union subsidies to Airbus and on the U.S. right to act against Chinese tire imports. A pending case involving Chinese export restrictions on raw materials will be important to U.S. manufacturers.

In 2011, the administration seeks to use the North American Free Trade Agreement to enhance U.S. trade relationships with Canada and Mexico. Monitoring and enforcement will remain a priority in the Americas. The agenda also describes the president's goal to expand and diversify U.S. relationships with Latin American countries, because they represent large markets for U.S. exports. Also with regard to the Americas, the agenda notes the intention to re-engage with FTA partners in Central America and the Dominican Republic, as well as to expand trade relations with Brazil.

To enhance the strong U.S. trading relationship with the EU in 2011, the United States will seek to identify new approaches to reduce or eliminate barriers to trade and investment, especially those non-tariff barriers that result from differences in U.S. and EU regulatory approaches.

With regard to China, the agenda envisions continued negotiations under the Joint Commission on Commerce and Trade, as well as other levels of engagement. Talks will focus on concerns in the areas of Chinese intellectual property rights, industrial policies, trading rights, agriculture, services and transparency. The agenda also notes the United States' willingness to bring WTO dispute-settlement cases when dialogue with China fails to resolve issues.

In addition, the Economic Harmonization Initiative, an agreement with Japan designed to facilitate trade and address other issues, will be launched in 2011. In South Asia, India represents an important potential market for U.S. exports, and the United States will work in 2011 to eliminate a number of trade barriers, including those prohibiting the entry of some U.S. agricultural products into India.

The agenda expresses the administration's belief that trade liberalization can boost economic development in the poorest parts of the world. In connection with its global development policy, the United States this year also plans to fulfill its commitment to provide broad duty-free and quota-free market access to least developed countries as part of the implementation of a successful WTO Doha Round.