



## Agency Priority Goal Action Plan

# Remove Foreign Trade Barriers

### Goal Leaders:

\*Gary Taverman, Assistant Secretary for Enforcement & Compliance, Office of the Under Secretary for International Trade

\*Ian Steff, Assistant Secretary for Global Markets and Director General of the U.S. Foreign & Commercial Service, Office of the Under Secretary for International Trade

\*Performing the non-exclusive functions and duties of the position.

Nazak Nikakhtar, Assistant Secretary for Industry & Analysis, Office of the Under Secretary for International Trade

# Overview

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## Goal Statement

- **International Trade Administration (ITA) will facilitate fair competition in international trade for U.S. firms and workers by improving the number of trade barriers reduced, removed, or prevented by 10 percent annually in fiscal years 2018 and 2019.**

## Challenge

- The challenge in meeting this goal depends in part on convincing a foreign government to voluntarily end discriminatory practices and/or comply with trade agreement obligations. This often requires long term, sustained interactions that may not produce results within the timeframe of this goal.

## Opportunity

- Improving the numbers of successes hinges on ITA's ability to increase the number of foreign trade barriers identified. This will be accomplished through:
  - outreach, education, and prioritization of resources; and,
  - increased collaboration among ITA units and partners.

# Leadership

## International Trade Administration

Undersecretary  
**Gil Kaplan**

### Goal Leaders

#### Industry & Analysis

**Nazak Nikakhtar**, Assistant Secretary for Industry & Analysis

#### Global Markets

**\*Ian Steff**, Assistant Secretary for Global Markets and Director General of the U.S. Foreign & Commercial Service

\*Performing the non-exclusive functions and duties of the position.

#### Enforcement & Compliance

**\*Gary Taverman**, Assistant Secretary for Enforcement & Compliance

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# Goal Structure & Strategies

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ITA will leverage the unique roles and skill-sets of each ITA unit to remove current trade barriers and develop plans for heading off new and emerging barriers. The ITA-wide effort includes:

- 1) Senior ITA leadership communicating the organizational-wide focus of the APG to all staff across all offices worldwide. Office Directors or their equivalent will reinforce the new priority and clarify roles in support of the APG. Additional efforts will include:
  - Outreach and education of ITA-staff; and,
  - Written guidance on the use of ITA's customer relationship management system to capture trade barrier cases and data patterns that point to possible barriers.
- 2) Implementing a unified process across all offices to identify and communicate early warnings of existing and potential trade barriers to staff across the organization, U.S. industry, and other stakeholders;
- 3) Rolling-out a unified system to gather and implement best practices and continuously improve approaches to identifying barriers and potential barriers;

# Goal Structure & Strategies

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- 4) Leveraging the expertise of issue, industry, and country experts to develop and improve solutions through collaboration; and,
- 5) Deploying senior officials (in and outside ITA) to engage with our trading partners at critical junctures, using all available tools to engage with foreign governments on problem issues.

**Training and Outreach:** ITA coordinated education and training for all client-facing staff on their role in contributing to the Agency Priority Goal.

**Foreign Engagement:** Through multilateral/bilateral active engagement with foreign governments, ITA will endeavor to remove and/or mitigate foreign trade barriers adversely affecting U.S. exports in a commercially-meaningful timeframe that is faster and more cost-effective than pursuing formal legal dispute settlement proceedings.

# Summary of Progress – FY 18 Q4

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The cumulative number of cases successfully resolved through this fiscal year 2018 is 138, exceeding the cumulative target of 126 by 12. This beats the established goal by almost 10%, and exceeds last year's results by 20%.

- ITA recognizes the work on trade barriers, and related successes, is not a linear exercise and short-term gains provide no assurances of meeting year-end goals. Keys to success were tied to the identification of new cases and persistent work on enforcement. Overall case initiations in fiscal year 2018 were up by about 12%.
- To continue to achieve its objective, ITA remains vigilant in identifying trade barriers, developing strategies to overcome them, and continuing to apply all available resources to this priority.
- ITA has established a solid foundation for next year's work to achieve the FY19 goal of 136 successes. Next year will be equally challenging as ITA needs to continue to build upon its past achievements and reduce, remove or prevent 136 trade barriers in 2019, all while resources continue to be stretched and employees continue working on competing enforcement priorities.

# Key Milestones

Senior ITA leadership communicating the organizational-wide focus of the APG to all staff across all offices worldwide.

Milestone Summary					
Key Milestones	Milestone Due Date	Milestone status	Change from last month	Owner	Anticipated Barriers or other Issues Related to Milestone Completion
Establish roles and responsibilities of ITA staff in addressing trade barriers	January – March 2018	Complete		ITA Taskforce	
Plan ITA-wide communication and messaging by senior leadership to reinforce the new priority and convey roles and responsibilities	Continuous throughout FY18/FY19	In progress	Status change to continuous	ITA Taskforce	This remains an ongoing effort to reinforce the new priority and to provide proper direction as ITA manages competing priorities related to enforcement.
Provide outreach and education to ITA-staff by the Trade Barrier Taskforce	Continuous throughout FY18/FY19	In progress	APG Announced; outreach & training underway (needs to be a continuous effort throughout FY18/19)	ITA Taskforce	This remains an ongoing effort throughout FY18/19 to ensure that all parts of ITA are fully briefed and properly trained in trade barrier identification, monitoring, and enforcement.
Provide written guidance on the use of ITA's customer relationship management system and identify any changes therein	Continuous throughout FY18/FY19	Ongoing		ITA Taskforce	Occasional updates to be provided on an ongoing basis to reflect feedback and improvements.

# Key Milestones

Implement a unified process across all business units to identify and communicate early warnings of existing and potential trade barriers to staff across the organization, U.S. industry, and other stakeholders.

Milestone Summary					
Key Milestones	Milestone Due Date	Milestone status	Change from last month	Owner	Anticipated Barriers or other Issues Related to Milestone Completion
Roll-out a unified system to identify and communicate early warning signals of existing or potential trade barriers across the organization, industry and our partners	February/ March 2018 (Continuous throughout FY18/FY19)	In progress		ITA Taskforce	This remains an ongoing effort throughout FY18/19 to ensure that all parts of ITA are fully briefed and properly trained in using the system to identify trade barriers, monitor them, and develop strategies for enforcement.
Develop external communications plan – to educate stakeholders about the existence of ITA’s trade barrier teams and resources available to industry	March 2018	Complete		ITA Taskforce	External communication plan has been developed and is being implemented. This includes materials and an outreach schedule that will be updated as improvements and opportunities arise to provide further outreach and education.
Create brochures and infographics	Jan 2019	In progress		ITA Taskforce	Draft brochure for agreements compliance element of trade barrier work has been developed; Team is exploring ways to expand brochure to encompass market access element.
Create promotional video and updates for ITA’s website	August 2018	Complete	Video Complete	ITA Taskforce	Trade barrier video has been created and will be used for websites/training/education.

# Key Milestones

Roll-out a unified system to gather and implement best practices and continuously improve approaches to identifying barriers and potential barriers.

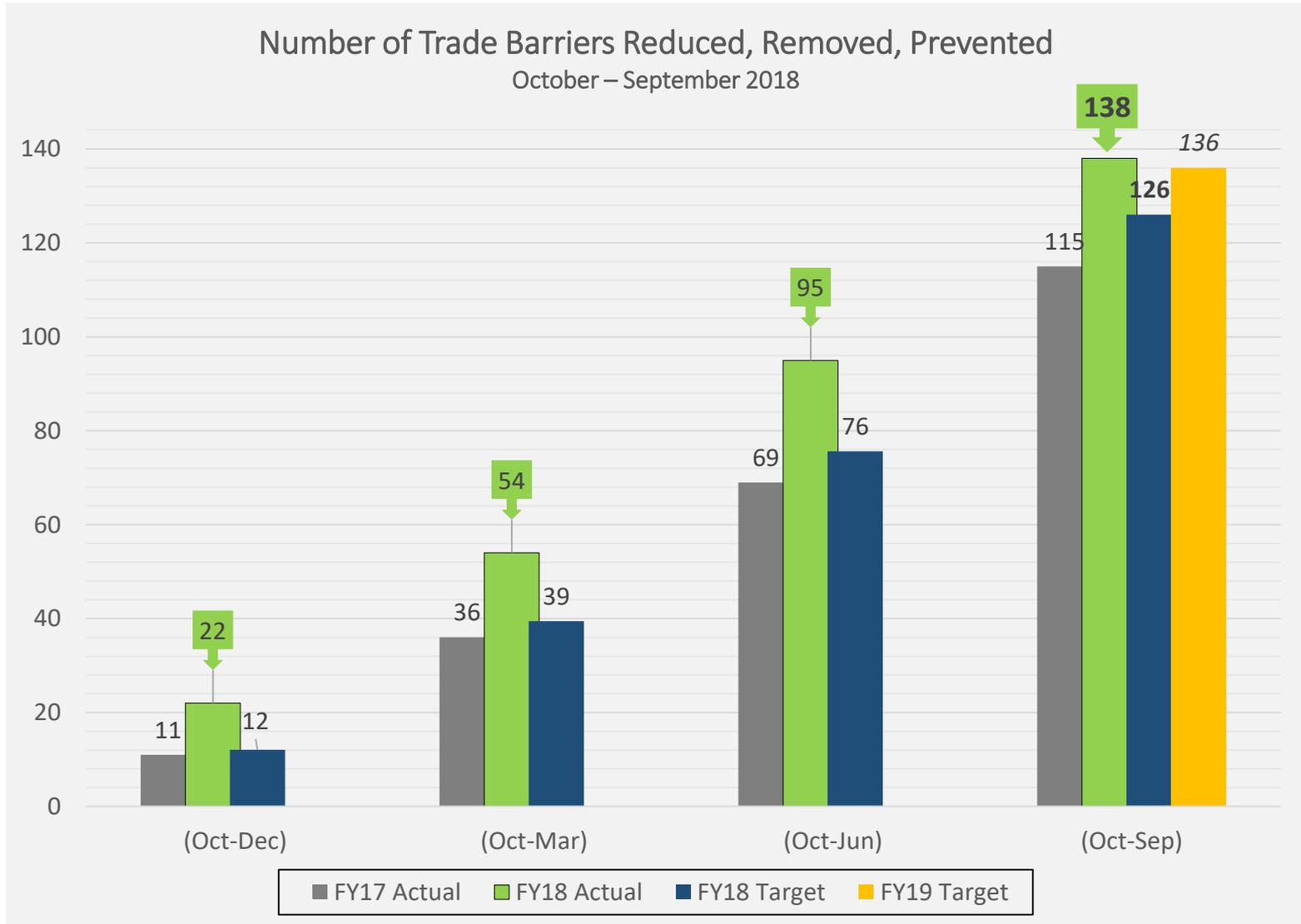
Milestone Summary					
Key Milestones	Milestone Due Date	Milestone status	Change from last month	Owner	Anticipated Barriers or other Issues Related to Milestone Completion
Develop PowerPoint Training Materials – Trade Barrier 101 Trade Barrier 201	January/ February 2018	Complete  In progress		ITA Taskforce	Draft 201 training materials were developed based on current feedback and results from the Trade Barrier 101 training. Additional feedback from the 101 training is needed to further inform second level training.
Create online Training Module – 101, 201, specialized portfolio/issue training (IPR, Digital, Services, etc.)	April 2018/July 2018	Not started		ITA Taskforce	Delay in developing online Training Module as the Team is awaiting feedback and results from the Trade Barrier 101 training and subsequent 201 training. Feedback from outreach and training is needed to inform the online Training Module.

# Key Milestones

Leverage the expertise of issue, industry, and country experts to develop and improve solutions through collaboration.

Milestone Summary					
	Milestone Due Date	Milestone status	Change from last month	Owner	Anticipated Barriers or other Issues Related to Milestone Completion
Coordinate the expertise of issue, industry and market experts, from both government and the private sector to develop solutions to reduce, remove or prevent trade barriers	FY18-FY19	In progress		ITA Taskforce; case teams	
Provide education and outreach to ITA constituents about ITA services and about existing or potential trade barriers	FY18-FY19	In progress		ITA Taskforce	

# Key Indicators



# Data Accuracy and Reliability

**MEASUREMENT:** the number of trade barriers removed, reduced, or prevented. For additional insights into the impact of the APG, ITA will estimate the increase in U.S. export revenue for the first year after a barrier is removed and report this dollar value figure on an annual, lagging basis. This analysis will not extrapolate or estimate any longer-term or jobs impact of this work.

All numbers provided by industry sources will include Harmonized Tariff Schedule (HTS) coverage, export values, and valuation formulae. ITA economists will be responsible for evaluating and analyzing all trade barrier activities, particularly those that cannot be evaluated using a partial-equilibrium approximation formula, to ensure consistency and accuracy in valuation.

Three options can be used to estimate the export impact on the removal of the trade barrier:

- 1) Company sourced estimates – Industry will provide estimates of the dollar value of exports that will occur as a result of the removal of the trade barrier and the HTS numbers associated with its exports.
- 2) Use of a partial-equilibrium approximation formula – elasticity data will be sourced from the World Bank. The following formula will calculate the dollar impact of the removal of the trade barrier:

*Initial Export Value x Import Demand Elasticity x Ad Valorem Equivalent Tariff Rate = \$ Change in Exports*

- 3) Case-specific or tailored estimations (to be used in circumstances where the previous two options are not available) will be determined and calculated by ITA's economists.

# Contributing Programs

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## Organizations:

- International Trade Administration (Industry & Analysis, Global Markets, and Enforcement & Compliance)
- Other Department of Commerce Bureaus (National Oceanic and Atmospheric Administration (NOAA), National Institute of Standards and Technology (NIST), United States Patent and Trademark Office (USPTO), Bureau of Industry and Security (BIS))
- Other U.S. Government agencies involved in trade (i.e., U.S. Trade Representative (USTR), U.S. Department of State, U.S. Department of Agriculture (USDA))

## Program Activities:

- Achieve full implementation of the ITA Global Compliance Strategy
- Liaise with Industry Trade Advisory Committees (ITAC) that provide detailed policy and technical advice and recommendations

## Other Federal Activities:

- Interagency Compliance Taskforce
- USDA Trade Barrier Team
- Executive Order on [Trade Agreement Violations and Abuses](#)
- [National Trade Estimate Report](#)
- World Trade Organization (WTO)/North American Free Trade Agreement Dispute Settlement
- Relevant Trade Law (e.g., Section 301) Enforcement

# Stakeholders

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- Efforts are underway to continue the roll-out of a unified system to identify and communicate early warning signals of existing or potential trade barriers across the organization, industry and our partners.
- ITA needs to leverage its resources and coordinate the expertise of issue, industry and market experts, from both government and the private sector, to develop solutions to reduce, remove or prevent trade barriers. A key role will be continued education and outreach to ITA constituents about ITA services and about existing or potential trade barriers.
- Important stakeholders include:
  - U.S. companies (including overseas affiliates)
  - American workers and their representatives
  - U.S. exporters (goods and services)
  - U.S. industry associations
  - Congressional representatives / constituents
  - Other U.S. government agencies (i.e., USTR, State Department, USDA)

# External Communications Plan

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## External communications plan to include:

- Informing stakeholders about the existence of ITA's trade barrier teams and the resources that are available to industry to help them address barriers;
- Developing standard brochures and promotional materials to include videos and a streamlined website presence to support outreach and education on our trade barrier work;
- Issuing press releases and promotional pieces to share approved successes and highlight the benefits of ITA assistance;
- Conducting outreach and education for Congressional offices to share the work being done on behalf of their constituents;
- Conducting outreach and education to other U.S. government agencies about ITA's trade barrier work and how we can collaborate to address trade barriers globally; and,
- Educating and leveraging support from international organizations like WTO, Asia-Pacific Economic Cooperation, The Organisation for Economic Co-operation and Development, The World Intellectual Property Organization, etc.