

# President Obama Releases 2011 Trade Policy Agenda

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On March 1, United States Trade Representative (USTR) Ron Kirk delivered President Obama's 2011 Trade Policy Agenda <sup>[1]</sup> and 2010 Annual Report to Congress. The 2011 Trade Policy Agenda reviews the Obama Administration's accomplishments in trade policy in 2010, outlines how it will build on such progress with its trade-related plans and goals for 2011 and identifies a number of priority areas, which are discussed below.

## Trade as a Source of American Jobs

This year's Trade Policy 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" as a means to enhancing American economic growth and employment. As part of this job-creation strategy, the Obama Administration will continue in 2011 to build on its 2010 success in implementing the National Export Initiative (NEI), with a special emphasis on expanding exports by small- and medium-sized businesses. This year, the President's Export Promotion Cabinet will deliver to Congress the first comprehensive report on the progress of the NEI's implementation.

The theme of supporting American jobs through trade can be found throughout the Trade Policy Agenda, which emphasizes how each of the identified trade policy priorities have connections to American job creation.

## Pending Trade Agreements and Continuing WTO Negotiations

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## Practice Areas

International Trade

Trade Policy and Trade Negotiations

World Trade Organization (WTO)

The Trade Policy Agenda identifies the U.S.-Korea Free Trade Agreement (FTA) 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 which will open the Korean services market to American companies. The Administration intends to work with Congress in 2011 to secure approval of the FTA as soon as possible. The Agenda also discusses the pending Colombia and Panama FTAs, identifying a number of outstanding issues with the agreements that must be resolved before they can be moved forward for Congressional consideration.

The Agenda reviews 2010 negotiations on the Trans-Pacific Partnership (TPP), a proposed regional trade agreement among nine countries, including the United States, Australia, Brunei Darussalam, Chile, Malaysia, New Zealand, Peru, Singapore and Vietnam. The first of five TPP negotiating rounds planned for this year took place in February, and the conclusion of the TPP in 2011 is a key goal of the President's trade policy. Moreover, in 2011, the United States will host representatives from 21 countries at the Asia-Pacific Economic Cooperation (APEC) forum, during which the Administration plans to make gains to aid U.S. exporters to the region.

The President's 2011 Agenda also notes the Administration's focus on continuing Doha Development Agenda negotiations at the World Trade Organization (WTO). According to the Agenda, the U.S. negotiating team will push to ensure that emerging economies (such as China and Brazil) accept greater responsibility and open their markets, in accordance with their expanded roles in the global economy. Other identified priorities for the Doha negotiations include sectoral liberalization in non-agricultural market access (NAMA) and market access for services trade.

According to the Agenda, the Obama Administration is also focused on Russia's and other countries' WTO accession negotiations. This year will likely be significant with respect to Russia's WTO accession negotiations, and, because Russia is an important potential market for U.S. exporters, the United States plans to exert leadership in the effort. In connection with Russia's WTO accession, the Administration seeks to work with Congress to extend permanent normal trade relations status to Russian goods.

### **Trade Law Enforcement**

In addition to the development and conclusion of new trade agreements, the Trade Policy Agenda focuses on ensuring that Americans receive the full benefit of already-enacted trade agreements. To this end, the Agenda identifies the WTO dispute settlement system as one means of protecting America's trade rights. In 2010, the United States won several key victories at the WTO, including in cases on European Union (EU) subsidies to Airbus and on the U.S. right to act against Chinese tire imports. The Agenda also outlines trade enforcement actions instituted under other trade agreements in 2010. For example, under the Dominican Republic-Central America-United States FTA, the Administration filed the United States' first ever labor case under a trade agreement. The Agenda explains that, when negotiation proves inadequate, enforcement initiatives will continue to be a "hallmark of the Administration's trade regime" in 2011.

Another Administration goal outlined in the Agenda is the protection of American intellectual property, so that the United States can continue to foster innovation. In this regard, the Anti-Counterfeiting Trade Agreement (ACTA) was finalized in 2010 and will come into force in 2011. The Administration also plans to pay special attention to intellectual property rights in all future trade negotiations and enforcement efforts.

### **Develop and Strengthen Global Trade Relationships**

In 2011, the Administration seeks to use the North American Free Trade Agreement (NAFTA) to enhance U.S. trade relationships with Canada and Mexico. Monitoring and enforcement will remain a priority in the Americas. The Trade Policy Agenda also describes the President's goal to expand and diversify U.S. relationships with Latin American countries, as 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 further develop the strong U.S. trading relationship with the EU in 2011, the United States will seek to identify new approaches to the reduction or elimination of barriers to trade and investment, especially those non-tariff barriers which result from differences in U.S. and EU regulatory approaches. The President's Agenda also includes plans to intensify cooperation with the EU to address common concerns in third-country markets, such as those with respect to market access barriers and intellectual property rights protection.

With regard to China, the Agenda envisions continued negotiations under the auspices of the Joint Commission on Commerce and Trade (JCCT), 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 continue to employ WTO dispute settlement procedures against China where dialogue fails to satisfactorily 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).

In the Middle East, the Administration plans to improve implementation of U.S. FTAs with Israel, Jordan, Morocco, Bahrain and Oman in 2011. According to the Agenda, the United States will also work to increase trade with non-FTA partners in the region, including Saudi Arabia. With regard to trade relationships with Africa, the Administration will work with Congress to increase U.S.-African two-way trade and encourage further economic development in Africa.

Under the President's trade policy, the Administration will also work to open markets with great potential for U.S. exporters and investors (such as Turkey, Ukraine and South Africa), many of which are still characterized by significant barriers to trade and investment. The Agenda discusses continuing the review of the U.S. "Model Bilateral Investment Treaty" in order to strengthen investment tools in 2011.

### **Work on Trade and Development Issues with Developing Countries**

The Trade Policy Agenda expresses the Administration's belief that trade liberalization can boost economic development in the poorest parts of the world. In 2011, the Administration plans to continue to stress the importance of transparency, good governance and accountability in trade and development programs. Preference programs such as the Generalized System of Preferences (GSP) retain an important role in the Agenda, and the Administration seeks to work with Congress to secure long-term reauthorization of several expired preference programs. In connection with its global development policy, the United States 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.

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[i] The full text of the President's 2011 Trade Agenda is available at [here](#). USTR is the lead agency responsible for the development of the President's Trade Policy Agenda, which must be delivered to Congress by March 1 of each year.