



SEP 15 2014



The Honorable Ron Kind
U.S. House of Representatives
Washington, DC 20515

Dear Representative Kind:

Thank you for your letter expressing support for a pro-growth and pro-worker trade strategy that combines pursuit of high-standard trade agreements and continued, strong enforcement of U.S. rights under our international trade agreements. From the outset, President Obama's trade enforcement agenda has recognized that U.S. commercial competitiveness and the full potential of U.S. workers, manufacturers, ranchers, farmers, and services and other businesses can be thwarted by unfair trade practices of governments and firms abroad. Only with a level playing field can U.S. companies compete effectively in the global market.

From day one, the President has elevated trade enforcement to be on par with market-opening efforts as a top priority for U.S. trade policy. Vigilant monitoring and rigorous enforcement of U.S. trade rights are necessary to ensure that American workers are able to seize all of the job-supporting opportunities available under U.S. trade agreements.

Since 2009, the United States has brought 18 World Trade Organization (WTO) complaints, with a focus on opening large, strategic markets, and combatting policies and practices of greatest concern. We have brought disputes in areas such as trade-distorting subsidies; export restraints on raw materials and key inputs into green technologies, such as rare earths; import licensing barriers for industrial and agricultural products; local content requirements; retaliatory use of trade remedies; and non-science-based sanitary and phytosanitary measures. Those disputes involve major trading partners and markets, such as China, India, Indonesia, and Argentina.

Those enforcement efforts have brought significant successes, obtaining three successive WTO findings on China's misuse of trade remedies on autos, chicken broiler products, and specialty steel; Chinese export duties and quotas on key raw materials; and China's market access barriers to U.S. suppliers of electronic payment services. The United States recently prevailed in a significant dispute finding that China breached WTO rules when it restricted the export of rare earth minerals important to numerous high-tech products, including in the

green energy sector. And a WTO panel recently agreed with the United States in a dispute challenging widespread import restrictions maintained by Argentina that those import licensing and other requirements breach international trade rules, potentially affecting billions of dollars in U.S. exports each year.

This robust enforcement agenda has led to challenging and numerous disputes, both on offense and defense. We will continue to prosecute and defend those disputes, launch new disputes as appropriate, and insist that WTO members live up to their obligations so that U.S. workers and businesses can compete on a level playing field. And just as we vigorously enforce our WTO rights and insist that others play by the rules, others will seek to hold the United States to its end of the bargain.

In addition to challenging the misuse of trade remedies by our trading partners, the Obama Administration has an unparalleled record of both enforcing our trade-remedy laws domestically and of defending our trade remedy actions in the WTO. For example, the Administration took a China-specific safeguard action on tires and successfully defended the safeguard when challenged in the WTO.

As you note, the Obama Administration created the Interagency Trade Enforcement Center (ITEC) to level the playing field for American workers and businesses by bringing a more aggressive “whole-of-government” approach to addressing unfair trade practices, significantly enhancing the United States’ capabilities to challenge such practices around the world. ITEC works to leverage existing resources more efficiently across the Administration by engaging analytical support, diverse language skills, and other substantive expertise from various contributing Government agencies in support of the United States’ enforcement efforts. Since its creation, ITEC has played a critical role in providing research and analysis regarding new and ongoing WTO disputes, as well as other efforts to address unfair foreign trade practices and import barriers.

The Obama Administration is actively enforcing U.S. trade laws and takes seriously unfair trade practices that impact the economic health of U.S. industry. Currently, the Department of Commerce is conducting a total of 48 antidumping and countervailing duty investigations covering a variety of products from a number of countries. We have devoted significant resources to these cases to ensure that any unfair trade practice is identified and remedied at the border in accordance with our laws. In addition, we currently have in place 288 antidumping and countervailing duty orders covering 36 countries. Staff in the Department of Commerce’s Enforcement and Compliance unit diligently scrutinize the information provided by both the U.S. industry and the foreign exporters to identify all instances of injurious dumping and unfair subsidization.

Your letter referenced the Department of Commerce’s investigation of imports of oil country tubular goods (OCTG) from Korea. The Department recently announced affirmative

final determinations in several antidumping duty investigations of imports of OCTG from India, Korea, the Philippines, Taiwan, Thailand, Turkey, Ukraine, and Vietnam, as well as countervailing duty investigations of imports of OCTG from India and Turkey. The duties resulting from these investigations ranged from 0 to 118 percent, with the Department of Commerce entering into an agreement under U.S. law to suspend the antidumping duty investigation of imports of OCTG from Ukraine. On August 22, 2014, the U.S. International Trade Commission made its affirmative final injury determinations with respect to the India, Korea, Taiwan, Turkey, Ukraine, and Vietnam investigations. As a result, the Department of Commerce will issue antidumping and countervailing duty orders for the countries listed above, as applicable, and suspend its investigation for Ukraine.

The Obama Administration will continue to pursue the most efficient and productive pathways to expand trade and support economic growth. In addition to launching significant, groundbreaking trade negotiations in 2013, specifically the Transatlantic Trade and Investment Partnership and the Trade in Services Agreement, we have made substantial progress in the Trans-Pacific Partnership negotiations. We are also focused on strengthening the multilateral trading system and promoting trade liberalization by maintaining America's leadership role at the WTO, expanding the Information Technology Agreement, and launching the Environmental Goods Agreement. These are just some of the pathways the Administration is pursuing to increase U.S. exports while supporting job growth here at home. The Obama Administration is fully committed to enforcing U.S. rights under our international trade agreements and to addressing unfair trade practices in accordance with our statutes, regulations, and obligations in order to help ensure that U.S. firms and workers have the opportunity to compete on a level playing field both in the United States and throughout the world. If you have any comments or questions, please contact either of us directly or our senior legislative office directors, Margaret Cummisky, Assistant Secretary of Commerce for Legislative and Intergovernmental Affairs, at (202) 482-3663 or Hun Quach, Assistant U.S. Trade Representative for Legislative Affairs, at (202) 395-6951.

Sincerely,



Penny Pritzker
Secretary of Commerce



Michael B.G. Froman
United States Trade Representative

cc:

Representative Gerald E. Connolly
Representative James A. Himes
Representative Rick Larsen

Representative Ron Barber
Representative Tony Cárdenas
Representative John C. Carney, Jr.

Representative Joe Courtney
Representative John K. Delaney
Representative Suzan DelBene
Representative Elizabeth Esty
Representative Bill Foster
Representative Pete Gallego
Representative Colleen Hanabusa
Representative Denny Heck
Representative Derek Kilmer
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Representative David Scott
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