



2021 Trade Policy Agenda and 2020 Annual Report

OF THE PRESIDENT OF THE UNITED STATES
ON THE TRADE AGREEMENTS PROGRAM

UNITED STATES TRADE REPRESENTATIVE

FOREWORD

The 2021 Trade Policy Agenda and 2020 Annual Report of the President of the United States on the Trade Agreements Program are submitted to the Congress pursuant to Section 163 of the Trade Act of 1974, as amended (19 U.S.C. § 2213). Chapter IV and Annex III of this document meet the requirements of Sections 122 and 124 of the Uruguay Round Agreements Act with respect to the World Trade Organization. The discussion on the Generalized System of Preferences in Chapter II satisfies the reporting requirement contained in the Consolidated Appropriations Act, 2018 (Pub. L. 115-141, div. M, title V, § 501(c)). This report includes an annex listing trade agreements entered into by the United States since 1984. Goods trade data are for full year 2020. Full-year services data by country are only available through 2019.

The Office of the United States Trade Representative is responsible for the preparation of this report and gratefully acknowledges the contributions of all USTR staff to its writing and production. We note, in particular, the contributions of Julie McNees and Spencer Smith. Appreciation is extended to partner Trade Policy Staff Committee agencies.

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LIST OF FREQUENTLY USED ACRONYMS

AGOA.....	African Growth and Opportunity Act
APEC.....	Asia-Pacific Economic Cooperation
ASEAN.....	Association of Southeast Asian Nations
CAFTA–DR.....	Dominican Republic–Central America–United States Free Trade Agreement
CBERA.....	Caribbean Basin Economic Recovery Act
CBI.....	Caribbean Basin Initiative
CVD.....	Countervailing Duty
DOL.....	U.S. Department of Labor
DSB.....	WTO Dispute Settlement Body
DSU.....	WTO Dispute Settlement Understanding
EU ¹	European Union
FOIA.....	Freedom of Information Act
GATT.....	General Agreement on Tariffs and Trade
GATS.....	General Agreement on Trade in Services
GDP.....	Gross Domestic Product
GI.....	Geographical Indications
GPA.....	WTO Agreement on Government Procurement
GSP.....	Generalized System of Preferences
ICTIME.....	Interagency Center on Trade Implementation, Monitoring, and Enforcement
ILO.....	International Labor Organization
IP.....	Intellectual Property
ITA.....	WTO Information Technology Agreement
KORUS.....	United States–Korea Free Trade Agreement
MFN.....	Most-Favored-Nation
MOU.....	Memorandum of Understanding
NAFTA.....	North American Free Trade Agreement
OECD.....	The Organization for Economic Cooperation and Development
SBA.....	U.S. Small Business Administration
SME.....	Small and Medium-Sized Enterprise
SPS.....	Sanitary and Phytosanitary
TAA.....	Trade Adjustment Assistance
TBT.....	Technical Barriers to Trade
TFA.....	WTO Trade Facilitation Agreement
TIFA.....	Trade and Investment Framework Agreement
TPSC.....	Trade Policy Staff Committee
TRIPS.....	Trade-Related Aspects of Intellectual Property Rights

¹ Unless specified otherwise, all references to the European Union refer to the EU-28.

TRQ	Tariff-Rate Quota
USAID	U.S. Agency for International Development
USDA.....	U.S. Department of Agriculture
USMCA	United States–Mexico–Canada Agreement
USTR	United States Trade Representative
WTO	World Trade Organization

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**THE PRESIDENT'S
2021 TRADE POLICY AGENDA**

THE PRESIDENT'S TRADE POLICY AGENDA

INTRODUCTION

President Biden is focused on ending the COVID-19 pandemic and strengthening the economy by taking bold steps to increase vaccine production and delivery, re-open our schools, and make landmark investments in our economy to put people back to work and deliver immediate relief to American families. The President's Build Back Better agenda will create millions of good-paying jobs and support America's working families by tackling four national challenges: building a stronger industrial and innovation base so the future is made in America; building sustainable infrastructure and a clean energy future; building a stronger, caring economy; and, advancing racial equity across the board.

The President's trade agenda is an essential component of the fight against COVID-19, the economic recovery, and the Build Back Better agenda. President Biden seeks a fair international trading system that promotes inclusive economic growth and reflects America's universal values. The President knows that trade policy should respect the dignity of work and value Americans as workers and wage-earners, not only as consumers. The President's trade agenda will restore U.S. global leadership on critical matters like combatting forced labor and exploitative labor conditions, corruption, and discrimination against women and minorities around the world. Through bilateral and multilateral engagement, the Biden Administration will seek to build consensus on how trade policies may address the climate crisis, bolster sustainable renewable energy supply chains, end unfair trade practices, discourage regulatory arbitrage, and foster innovation and creativity.

Central components of the 2021 trade agenda will be the development and reinforcement of resilient manufacturing supply chains, especially those made up of small businesses, to ensure that the United States is better prepared to confront future public health crises. Additionally, trade policies will thoughtfully address the opportunities and challenges posed by the digital economy and prepare for any potential future disruptions to the global trading system.

Opening markets and reducing trade barriers are fundamental to any trade agenda. This will be a priority for the Biden Administration, particularly since export-oriented producers, manufacturers, and businesses enjoy greater than average productivity and wages. Market opportunities reap the greatest economic benefits when they are pursued in alignment with the interests of American workers and innovators, manufacturers, farmers, ranchers, fishers, and underserved communities. Under the Biden Administration, trade policy will encourage domestic investment and innovation and increase economic security for American families, including through combatting unfair practices by our trading partners.

President Biden's comprehensive trade agenda will contribute to a strong domestic recovery and ensure future opportunities for American workers and businesses, including through opening international markets. The prioritized trade policies below support the President's work to end the pandemic and strengthen the economy, while looking toward a more sustainable future by tackling unfair trade practices, creating and retaining good-paying American jobs, implementing labor practices that protect workers, and promoting policies that protect our environment.

PRESIDENT BIDEN'S POLICY PRIORITIES

Tackling the COVID-19 Pandemic and Restoring the Economy

The COVID-19 pandemic continues to be the greatest threat to the U.S. economy. President Biden is pursuing domestic policies that will help to stop the spread of the virus, safely re-open the economy, and invest in a nationwide recovery. The Biden Administration is focused on increasing vaccine production and distribution so that every American can be vaccinated as soon as possible. In addition, the Biden Administration is committed to making the necessary long-term investments to strengthen domestic production of essential medical equipment that will expand industrial capacity and bolster preparation to tackle future public health crises. The trade agenda will support these domestic investments with the goal of ensuring that frontline workers have immediate access to necessary personal protective equipment and promoting long-term supply chain resiliency for equipment and supplies critical to protecting public health in the United States. Trade policy will also support the broader economic recovery by helping companies, including small businesses and entrepreneurs, put Americans to work by building world-class products for export to foreign markets.

The Biden Administration is also committed to advancing global health security to save lives, promote economic recovery, and develop resilience against future global pandemics or crises. It looks forward to working with trading partners to collaborate on initiatives to address the global health and humanitarian response.

Putting Workers at the Center of Trade Policy

The Biden Administration recognizes that trade policy is an essential part of the Build Back Better agenda, and the trade agenda must protect and empower workers, drive wage-driven growth, and lead to better economic outcomes for all Americans. A worker-centered trade policy requires extensive engagement with unions and other worker advocates. Under the Biden Administration, workers will have a seat at the table in the development of trade policies.

The Biden Administration will review past trade policies for their impacts on, and unintended consequences for, workers. Labor obligations under existing agreements will be fully enforced. The Biden Administration is committed to self-initiating and advancing petitions under the new Rapid Response Mechanism in the United States-Mexico-Canada Agreement (USMCA) to ensure workers receive relief through efficient, facility-level enforcement when there are violations of the USMCA.

New trade policies will be crafted to promote equitable economic growth through the inclusion in trade agreements of strong, enforceable labor standards that protect workers' rights and increase economic security. Trading partners will not be allowed to gain a competitive advantage by violating workers' rights and pursuing unfair trade practices. In addition, the Biden Administration will engage with allies to achieve commitments to fight forced labor and exploitative labor conditions, and increase transparency and accountability in global supply chains. President Biden opposes attempts by foreign countries to artificially manipulate currency values to gain unfair advantage over American workers. The Biden Administration will examine how Treasury, Commerce and USTR can work together to put effective pressure on countries that are intervening in the foreign exchange market to gain a trade advantage. The Biden Administration is prepared to use the full range of trade tools at its disposal to ensure that products that use forced labor and exploitative labor conditions are not imported into the United States, and fight back against other unfair labor practices.

Putting the World on a Sustainable Environment and Climate Path

The United States and the global community face a profound climate crisis, and the Biden Administration is committed to pursuing action at home and abroad to avoid the increasingly disruptive and potentially catastrophic impact of climate change. The United States will work with other countries, both bilaterally and multilaterally, toward environmental sustainability.

As part of this whole-of-government effort, the trade agenda will include the negotiation and implementation of strong environmental standards that are also critical to a sustainable climate pathway. These standards will include promoting sustainable stewardship of natural resources, such as sustainable fisheries management, and preventing harmful environmental practices, such as illegal logging and wildlife trafficking. This comprehensive approach may also entail leveraging our strong bilateral and multilateral trade relationships to raise global climate ambition.

The Biden Administration will work with allies and partners that are committed to fighting climate change. This will include exploring and developing market and regulatory approaches to address greenhouse gas emissions in the global trading system. As appropriate, and consistent with domestic approaches to reduce U.S. greenhouse gas emissions, this includes consideration of carbon border adjustments. Additionally, the Biden Administration will work with allies as they develop their own approaches and act against trading partners that fail to meet their environmental obligations under existing trade agreements.

The trade agenda will support the Biden Administration's comprehensive vision of reducing greenhouse gas emissions and achieving net-zero global emissions by 2050, or before, by fostering U.S. innovation and production of climate-related technology and promoting resilient renewable energy supply chains.

Advancing Racial Equity and Supporting Underserved Communities

The Biden Administration is committed to advancing racial equity and supporting underserved communities as part of the mission of all federal government agencies and offices. The trade agenda will support domestic initiatives that eliminate social and economic structural barriers to equality and economic opportunity and pursue the same objectives in negotiations with our trading partners.

In the past year, the COVID-19 pandemic exposed the devastating effect of persistent economic disparities on communities of color. The Biden Administration is committed to a trade agenda that acknowledges this grave reality and ensures that the concerns and perspectives of Black, Latino, Asian American and Pacific Islander (AAPI), and Native American workers, their families, and businesses are a cornerstone of proposed policies.

Through thoughtful, sustained engagement, and innovative data collection and sharing, the Biden Administration will seek to better understand the projected impact of proposed trade policies on communities of color and to ensure those impacts are considered before pursuing such policies. The trade agenda will be shaped by meaningful outreach to and engagement with community-based stakeholders, such as minority-owned businesses, business incubators, Historically Black Colleges and Universities (HBCUs), Hispanic Serving Institutions (HSIs), other minority serving institutions (MSIs), and local and national civil rights organizations.

Addressing China’s Coercive and Unfair Economic Trade Practices Through a Comprehensive Strategy

The Biden Administration recognizes that China's coercive and unfair trade practices harm American workers, threaten our technological edge, weaken our supply chain resiliency, and undermine our national interests. Addressing the China challenge will require a comprehensive strategy and more systematic approach than the piecemeal approach of the recent past. The Biden Administration is conducting a comprehensive review of U.S. trade policy toward China as part of its development of its overall China strategy.

The Biden Administration is committed to using all available tools to take on the range of China’s unfair trade practices that continue to harm U.S. workers and businesses. These detrimental actions include China’s tariffs and non-tariff barriers to restrict market access, government-sanctioned forced labor programs, overcapacity in numerous sectors, industrial policies utilizing unfair subsidies and favoring import substitution, and export subsidies (including through export financing). They also include coercive technology transfers, illicit acquisition and infringement of American intellectual property, censorship and other restrictions on the internet and digital economy, and a failure to provide treatment to American firms in numerous sectors comparable to the treatment Chinese firms receive in those sectors in the United States.

The Biden Administration will also make it a top priority to address the widespread human rights abuses of the Chinese Government’s forced labor program that targets the Uyghurs and other ethnic and religious minorities in the Xinjiang Uyghur Autonomous Region and elsewhere in the country. Americans and consumers around the world do not want products made with forced labor on store shelves, and workers should not be disadvantaged by competing with a state sponsored regime of systematic repression. The trade agenda will consider all options to combat forced labor and enhance corporate accountability in the global market.

The Biden Administration will pursue strengthened enforcement to ensure that China lives up to its existing trade obligations. Where gaps exist in international trade rules, the United States will work to address them, including through enhanced cooperation with our partners and allies. At the same time, the Biden Administration will make transformative investments at home in American workers, infrastructure, education, and innovation necessary to enhance U.S. competitiveness and put the United States in a stronger position to address the challenges arising out of Chinese economic policies.

Partnering with Friends and Allies

The Biden Administration will seek to repair partnerships and alliances and restore U.S. leadership around the world. The Biden Administration will reengage and be a leader in international organizations, including the World Trade Organization (WTO). The United States will work with Director-General Ngozi Okonjo-Iweala and like-minded trading partners to implement necessary reforms to the WTO's substantive rules and procedures to address the challenges facing the global trading system, including growing inequality, digital transformation, and impediments to small business trade. The Biden Administration will also work with allies and like-minded trading partners to establish high-standard global rules to govern the digital economy, in line with our shared democratic values.

The Biden Administration will also coordinate with friends and allies to pressure the Chinese Government to end its unfair trade practices and to hold China accountable, including for the extensive human rights abuses perpetrated by its state-sanctioned forced labor program. In addition, the trade agenda will seek to collaborate with friends and allies to address global market distortions created by industrial overcapacity in

sectors ranging from steel and aluminum to fiber optics, solar, and other sectors to which the Chinese Government has been a key contributor.

Standing Up for American Farmers, Ranchers, Food Manufacturers, and Fishers

U.S. farmers, ranchers, food manufacturers, and fishers compete in global markets, and expanded market access raises incomes, expands employment, and lets their farms, ranches, manufacturing plants, and fishing operations thrive. America's agricultural communities have been burdened in recent years by erratic trade actions that were taken without a broader strategy. These actions triggered retaliation by our trading partners, leading to billions of dollars in lost exports and precipitating unprecedented mitigation payments. The Biden Administration is committed to standing up for American farmers, ranchers, food manufacturers, and fishers by pursuing smarter trade policies that are inclusive and work for all producers. The trade agenda will seek to expand global market opportunities for American farmers, ranchers, food manufacturers, and fishers and will defend our producers by enforcing global agricultural trade rules.

Promoting Equitable Economic Growth Around the World

The Biden Administration is committed to leveraging the global leadership of the United States to promote economic stability and alleviate poverty in developing countries. The trade agenda plays an important role in creating economic opportunities abroad, but the Biden Administration knows that simply granting greater market access for corporations will not alone result in equitable economic growth or worker empowerment in our trading partners. Policies that promote equitable global economic growth and increase global demand benefit American workers, manufacturers, farmers, ranchers, fishers and service providers by expanding the customer base, and increasing global demand helps support better prices.

The trade agenda will include a review of existing trade programs to evaluate their contribution to equitable economic development, including whether they reduce wage gaps, increase worker unionization, promote safe workplaces, tackle forced labor and exploitative labor conditions, and lead to the economic empowerment of women and underrepresented communities. As part of this review, the Biden Administration will seek to incorporate corporate accountability and sustainability into trade policies. In addition, the Biden Administration is committed to engaging in robust technical assistance and trade capacity building with trading partners to ensure workers and small and medium-sized enterprises around the world benefit from U.S. trade policy.

Making the Rules Count

The Biden Administration will act when our trading partners break the trade rules. Strong trade enforcement is essential to making sure our trading partners live up to their commitments and that U.S. trade policy benefits American workers, manufacturers, farmers, businesses, families, and communities. President Biden will not hesitate to bring trade cases against trading partners that discriminate against American businesses or deny our producers market access. The trade agenda will include comprehensive enforcement of labor and environmental standards of existing trade agreements and will consider new ways of addressing the suppression of wages and workers' rights in other countries to the detriment of U.S. workers. Although unilateral action may be necessary in some instances, President Biden will make it a priority to work with friends and allies on trade enforcement and pursue meaningful change for U.S. workers and businesses in the global trading landscape.

CONCLUSION

The Biden Administration will pursue a trade policy that helps the U.S. economy recover from the COVID-19 pandemic and reinforces investments our country is making in the domestic economy. In addition, the President's trade agenda will be a critical component of the Biden Administration's plan to Build Back Better. Through a review of existing policies, negotiations of new standards, enforcement of our trade agreements, and partnership with our friends and allies, President Biden's trade agenda will support all workers, combat climate change, advance racial equity, increase supply chain resiliency, and expand market opportunities for American manufacturers, producers, farmers, fishers, and businesses of all sizes. The Biden Administration will prioritize trade policies that have tangible benefits for all working Americans, families, and communities.

**THE 2020 ANNUAL REPORT OF THE
PRESIDENT ON THE TRADE AGREEMENTS
PROGRAM**

I. AGREEMENTS AND NEGOTIATIONS

A. Agreements Notified for Negotiation

1. United States–European Union Trade Agreement

On October 16, 2018, at the direction of the President, the Office of the U.S. Trade Representative (USTR) notified Congress that the United States intended to enter into negotiations on a trade agreement with the European Union (EU). On November 15, 2018, USTR issued a *Federal Register* notice seeking public comment on a proposed U.S.–EU trade agreement, including U.S. interests and priorities, in order to develop U.S. negotiating positions. The period for submission of public comments closed on December 10, 2018. On December 14, 2018, USTR held a public hearing on the proposed U.S.–EU trade agreement. USTR also consulted extensively with relevant congressional and trade advisory committees on U.S. negotiating objectives and positions. On January 11, 2019, USTR published [detailed negotiating objectives for a U.S.–EU trade agreement](#).

For further discussion on the United States–European Union Trade Agreement, see Chapter I.D.2 Europe and the Middle East.

2. United States–Japan Trade Agreement and United States–Japan Digital Trade Agreement

On October 16, 2018, at the direction of the President, the Office of the U.S. Trade Representative (USTR) notified Congress that the United States intended to enter into negotiations on a trade agreement with Japan. On October 26, 2018, USTR issued a *Federal Register* notice seeking public comment on a proposed United States–Japan Trade Agreement (USJTA) including U.S. interests and priorities, in order to develop U.S. negotiating positions. The period for submission of public comments closed on November 26, 2018. On December 10, 2018, USTR held a public hearing on the proposed USJTA. USTR also consulted extensively with relevant congressional and trade advisory committees on U.S. negotiating objectives and positions. On December 21, 2018, USTR published detailed negotiating objectives for the USJTA.

The United States and Japan began negotiations for a phase-one agreement in April 2019, reached agreement in principle on early achievements in the areas of market access and digital trade in August 2019, and announced that the final agreements in these two areas had been reached in September 2019. On October 7, 2019, the United States and Japan signed the USJTA and the United States–Japan Digital Trade Agreement, reflecting those early achievements. Following the completion of respective domestic procedures, both agreements went into effect on January 1, 2020. The United States and Japan announced plans for additional negotiations for a phase-two agreement in September 2019.

For further discussion on the United States–Japan Trade Agreement and United States–Japan Digital Trade Agreement, see Chapter I.D.3 Japan, Korea, APEC and Chapter III.A Agriculture.

3. United States–Kenya Trade Agreement

In August 2018, the United States and Kenya established the U.S.–Kenya Trade and Investment Working Group in order to, *inter alia*, explore ways to deepen the trade and investment ties between the two countries

and lay the groundwork for a stronger future trade relationship, including by pursuing exploratory talks on a potential future bilateral trade and investment framework.

On February 6, 2020, the President announced that the United States intended to initiate trade agreement negotiations with Kenya following a meeting at the White House with Kenyan President Uhuru Kenyatta. On March 17, 2020, at the direction of the President, the Office of the U.S. Trade Representative (USTR) notified Congress that the United States intended to enter into negotiations on a trade agreement with Kenya.

On March 23, 2020, USTR issued a *Federal Register* notice seeking public comment on a proposed United States–Kenya trade agreement, including U.S. interests and priorities in order to develop U.S. negotiating positions. The period for submission of public comments initially closed on April 15, 2020. On April 13, 2020, USTR issued a separate *Federal Register* notice announcing the cancellation of a public hearing on the proposed United States–Kenya trade agreement, consistent with guidance issued by the Centers for Disease Control and Prevention concerning the COVID-19 pandemic, and extended the deadline for submission of public comments to April 28, 2020. USTR also consulted extensively with relevant congressional and trade advisory committees on U.S. negotiating objectives and positions. On May 22, 2020, USTR published [detailed negotiating objectives for a United States–Kenya Trade Agreement](#).

On July 8, 2020, the United States formally launched trade agreement negotiations with Kenya. U.S. and Kenyan negotiators held two sets of negotiating sessions in 2020.

For further discussion on the United States–Kenya Trade Agreement, see Chapter I.D.6 sub-Saharan Africa.

4. United States–United Kingdom Trade Agreement

Following a national referendum in 2016, the United Kingdom (UK) notified the European Union (EU) in March 2017 of its intention to leave the EU (known as “Brexit”).

In July 2017, the United States and the UK established the United States–United Kingdom Trade and Investment Working Group in order to, *inter alia*, lay the groundwork for a potential future free trade agreement once the UK has left the EU.

On October 16, 2018, at the direction of the President, the Office of the U.S. Trade Representative (USTR) notified Congress that the United States intended to enter into negotiations on a potential trade agreement with the UK after the UK had left the EU. On November 16, 2018, USTR issued a *Federal Register* notice seeking public comment on a proposed U.S.–UK trade agreement, including U.S. interests and priorities, in order to develop U.S. negotiating positions. The period for submission of public comments closed on January 15, 2019. On January 29, 2019, USTR held a public hearing on the proposed U.S.–UK trade agreement. USTR also consulted extensively with relevant congressional and trade advisory committees on U.S. negotiating objectives and positions. On February 28, 2019, USTR published [detailed negotiating objectives for a U.S.–UK trade agreement](#). On May 5, 2020, the U.S. Trade Representative and UK Secretary of State for International Trade announced the formal launch of trade agreement negotiations between the United States and the UK. U.S. and UK negotiators held five sets of negotiating sessions in 2020 and made considerable progress towards a comprehensive, ambitious trade agreement.

For further discussion of the United States–United Kingdom Trade Agreement, see Chapter I.D.2 Europe and Middle East.

B. Concluded Agreements

1. United States–China Economic and Trade Agreement

On January 15, 2020, the United States and China signed an historic economic and trade agreement, known as the “Phase One Agreement.” This Phase One Agreement requires structural reforms and other changes to China’s economic and trade regime in the areas of intellectual property, technology transfer, agriculture, financial services, and currency and foreign exchange. The Phase One Agreement also includes a commitment by China to make substantial additional purchases of U.S. goods and services in calendar years 2020 and 2021. Importantly, the Phase One Agreement establishes a strong dispute resolution system that ensures prompt and effective implementation and enforcement.

2. United States and European Union Trade Agreement Regarding Tariffs on Certain Products

On August 21, 2020, the United States and the European Union (EU) announced a trade agreement regarding reductions on tariffs on certain products of interest to each side. The agreed tariff modifications entered into effect on December 18, 2020 for the EU, with the publication in the [Official Journal of the EU of Regulation \(EU\) 2020/2131](#) of the European Parliament and of the Council, and on December 22 for the United States, with the issuance of a proclamation by the President. Under the agreement, the EU eliminated tariffs on imports of certain live and frozen lobster products on a Most-Favored-Nation (MFN) basis, retroactive to August 1, 2020. The EU tariffs will be eliminated for a period of five years, and the European Commission will initiate procedures aimed at making the tariff elimination permanent. The United States reduced by 50 percent its tariff rates on prepared meals, certain crystal glassware, surface preparations, propellant powders, cigarette lighters, and lighter parts. The U.S. tariff reductions are also on an MFN basis and retroactive to August 1, 2020.

For further discussion on the U.S. and EU reductions on tariffs on certain products, see Chapter I.D.2 Europe and the Middle East.

3. United States–Brazil Agreement on Trade and Economic Cooperation

On October 19, 2020, the United States and Brazil signed a Protocol Relating to Trade Rules and Transparency. The new Protocol is an update to the Agreement on Trade and Economic Cooperation (ATEC) of 2011, and is an integral part of that agreement. The Protocol with Brazil, the first of its kind, highlights the importance of openness and procedural fairness in trade rules. It comprises three annexes, each with state-of-the-art provisions for trade agreements: Trade Facilitation and Customs Administration, Good Regulatory Practices, and Anti-Corruption.

For further discussion on Brazil, see Chapter I.D.1 The Americas.

4. United States–Ecuador Protocol to the Trade and Investment Council Agreement Relating to Trade Rules and Transparency

On December 8, 2020, the United States and Ecuador signed a Protocol on Trade Rules and Transparency. The new Protocol is an update to the United States–Ecuador Trade and Investment Council Agreement (TIC) of 1990, and is an integral part of that agreement. The Protocol establishes high-standard trade rules with Ecuador, based on the United States–Mexico–Canada Agreement and a similar Protocol with Brazil. It comprises four annexes, each with state-of-the-art provisions for trade agreements: Customs

Administration and Trade Facilitation, Good Regulatory Practices, Anti-Corruption, and Small and Medium-Sized Enterprises.

For further discussion on Ecuador, see Chapter I.D.1 The Americas.

5. United States–Fiji Trade and Investment Framework Agreement

On October 15, 2020, the United States signed a Trade and Investment Framework Agreement (TIFA) with Fiji. The TIFA establishes a framework for discussing trade and investment issues to expand and deepen bilateral ties between the two countries. This is the United States’ first TIFA with a small island developing state in the Pacific, and it provides the opportunity, in select circumstances, for other small Pacific Island states to join as observers in TIFA discussions. This TIFA will help strengthen the United States’ economic commitment to the Indo-Pacific region.

For further discussion on the Indo-Pacific, see Chapter I.D.5 Southeast Asia and Pacific.

C. Free Trade Agreements in Force

1. Australia

The United States–Australia Free Trade Agreement (FTA) entered into force on January 1, 2005.

Operation of the United States–Australia Free Trade Agreement

The United States–Australia Joint Committee is the central oversight body for the FTA. The United States met regularly with Australia throughout 2020 to monitor implementation of the FTA and review concerns about market access. In April 2020, the Office of the U.S. Trade Representative and the U.S. Department of Agriculture engaged Australia under the United States–Australia FTA Sanitary and Phytosanitary Committee to discuss a range of issues, including U.S. market access for pork, turkey, beef, and horticulture products. The United States continued to work closely with Australia to deepen the bilateral trade relationship and coordinate on issues of regional and international importance.

Agriculture

For a discussion on agriculture-related activities, see Chapter III.A.3 Bilateral and Regional Activities.

2. Bahrain

The United States–Bahrain Free Trade Agreement (FTA) entered into force on August 1, 2006. Under the FTA, as of August 1, 2006, Bahrain provides duty-free access to 100 percent of the two-way trade in industrial and consumer products, and trade in most agricultural products. In addition, Bahrain opened its services market, creating important new opportunities for U.S. financial services providers and U.S. companies that offer telecommunication, audiovisual, express delivery, distribution, health care, architecture, and engineering services. Under the 2018 United States–Bahrain Memorandum of Understanding on Trade in Food and Agriculture Products, Bahrain continues to accept existing U.S. export certifications for food and agricultural products.

The United States–Bahrain Bilateral Investment Treaty, which took effect in May 2001, covers investment issues between the two countries.

Operation of the United States–Bahrain Free Trade Agreement

The United States–Bahrain Joint Committee (JC) is the central oversight body for the FTA. Meetings of the JC have addressed a broad range of trade issues, including: (1) efforts to increase bilateral trade and investment levels, (2) efforts to ensure effective implementation of the FTA’s customs, investment, and services chapters, (3) possible cooperation in the broader Middle East and North Africa region, and (4) additional cooperative efforts related to labor rights and environmental protection.

Labor

During 2020, USTR and the U.S. Department of Labor continued to monitor labor rights in Bahrain, in particular with respect to employment discrimination and freedom of association related concerns that had been highlighted initially during consultations that began in 2013 under the United States–Bahrain FTA.

For further discussion on labor-related activities, see Chapter III.G.1 Free Trade Agreements and Bilateral Activities.

3. Central America and the Dominican Republic

On August 5, 2004, the United States signed the Dominican Republic–Central America–United States Free Trade Agreement (CAFTA–DR) with five Central American countries (Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua) and the Dominican Republic. The Agreement has been in force since January 1, 2009 for all seven countries that signed the CAFTA–DR. It entered into force for the United States, El Salvador, Guatemala, Honduras, and Nicaragua in 2006, for the Dominican Republic on March 1, 2007, and for Costa Rica on January 1, 2009.

The CAFTA–DR eliminates tariffs, opens markets, reduces barriers to services, and promotes transparency, prosperity, and stability throughout the region. U.S. export and investment opportunities with Central America and the Dominican Republic have continued to grow under the CAFTA–DR. All the CAFTA–DR Parties have committed to strengthening trade facilitation, regional supply chains, and implementation of the Agreement. U.S. consumer and industrial goods may enter duty free in all of the other CAFTA–DR member country markets. Nearly all U.S. textile and apparel goods meeting the Agreement’s rules of origin enter the other CAFTA–DR countries’ markets duty free and quota free. Under the CAFTA–DR, one-third of U.S. agricultural exports to the region are currently subject to tariff-rate quotas (TRQs). However, these TRQs will increase annually through 2025, after which the TRQs will be eliminated and the affected products will enter other CAFTA–DR countries duty free.

Operation of the Dominican Republic–Central America–United States Free Trade Agreement

The CAFTA–DR Free Trade Commission (FTC) is the central oversight body for the CAFTA–DR. The CAFTA–DR Coordinators, who are technical level staff of the Parties, maintain ongoing communication to follow up on agreements reached by the FTC, to advance technical and administrative implementation issues under the CAFTA–DR, and to define the agenda for meetings of the FTC.

Agriculture

For a discussion on agriculture-related activities, see Chapter III.A.3 Bilateral and Regional Activities.

Environment

For a discussion on environment-related activities, see Chapter III.F.1 Free Trade Agreements and Bilateral Activities.

Labor

Ongoing labor capacity building activities, including the exchange of views on best practices, support efforts to promote labor rights and improve the enforcement of labor laws in the CAFTA–DR countries. In 2020, the U.S. Department of Labor (DOL) continued to fund technical assistance projects under the CAFTA–DR Labor Cooperation and Capacity Building Mechanism, the U.S. Agency for International Development continued to support activities focused on freedom of association and labor relations as part of its Global Labor Program, and the U.S. Department of State continued funding a program to combat labor violence in Guatemala and Honduras.

Dominican Republic

During 2020, the United States continued to engage with the Government of the Dominican Republic, the sugar industry, and civil society groups on the concerns identified in a [2013 DOL report](#). The report responds to allegations in a public submission that the Government of the Dominican Republic had failed to enforce the country’s labor laws in the sugar sector. Sugar producers have engaged in the process to varying degrees and have implemented some of the reforms raised in the public submission and recommended in the DOL report. The Dominican Ministry of Labor continued its direct outreach on labor rights to sugarcane cutters at all three major Dominican sugar companies and expanded the program to include the state-run sugar company. Additionally, the Ministries of Foreign Affairs and Labor discussed more formal collaboration to help build Creole language capacity in the labor inspectorate. Although progress has been made, procedural and methodological shortcomings in the labor inspections process still remain. Through a DOL-funded \$5 million technical assistance project designed to improve working conditions and address child labor in the Dominican agriculture sector, the Minister of Labor committed to sustaining an electronic case management system that could help systematize inspections, in line with the DOL report recommendations.

Honduras

In 2015, a [DOL report](#) issued in response to a 2012 public submission under the CAFTA–DR led to the signing of a Labor Rights Monitoring and Action Plan (MAP). Since that time, the United States and the Government of Honduras have been working together to fulfill commitments Honduras made in the MAP, including addressing legal and regulatory frameworks for labor rights, undertaking institutional improvements, intensifying targeted enforcement, and improving transparency. Honduras has made some significant progress in implementing the MAP over the past five years, including convening numerous tripartite meetings with private sector and labor stakeholders to discuss progress under the MAP, passing a comprehensive new labor inspection law in January 2017, issuing an implementing regulation for the law in July 2019, and adopting a child labor referral mechanism in August 2019. In 2020, the U.S. Government conducted one mission to Honduras to follow up on the MAP, with further missions postponed to 2021 as a result of the COVID-19 pandemic. In 2020, the U.S. Government and Government of Honduras agreed to extend the MAP for a period of nine months, once Honduras lifts its COVID-19 state of emergency. This should help ensure that required actions to improve Honduras’ capacity for collecting fines assessed under the new inspection law and resolving freedom of association cases in the melon and automotive parts sectors are completed before the MAP concludes.

The U.S. Government is providing a number of technical cooperation projects in Honduras to support employment and labor rights, including the Department of State-funded program to combat labor violence mentioned above. The DOL funds an \$11.6 million project to reduce child labor and improve labor rights in support of the Government of Honduras' implementation of MAP commitments, a \$2 million project to improve and expand a new electronic case management system for the labor inspectorate and to improve Honduras' technical capacity to collect fines, as well as a \$2 million project with the International Labor Organization to combat child labor in the coffee sector.

Costa Rica and El Salvador

In support of a recent labor law reform in Costa Rica, the DOL continued to fund a \$2 million technical assistance project to build the capacity of key Costa Rican agencies responsible for enforcing labor laws, particularly the labor inspectorate and the labor courts, with respect to minimum wages, hours of work, and occupational safety and health in the agricultural export sector. The project promotes access to labor rights by workers in the agricultural sector through new mechanisms to file complaints before national administrative and labor courts. The DOL continues to fund two technical assistance projects in Costa Rica that support vulnerable and marginalized youth in acquiring the skills to enter the job market, help companies develop apprenticeship or workplace-based training programs for vulnerable youth, and support efforts to strengthen the laws and policies for these programs. With support provided by the DOL, the Government of Costa Rica enacted legislation to align age requirements for employment programs with the legal age for employment.

In November 2020, the U.S. Government held a technical exchange between the Ministry of Labor of El Salvador and DOL's Bureau of Labor Statistics on labor market intelligence. This was the first technical exchange under the Labor Cooperative Dialogue, which seeks to design and implement cooperative activities such as technical exchanges on key topics of interest as a way to advance compliance with labor commitments under the CAFTA-DR, particularly effective enforcement of labor laws.

The DOL continued to fund labor capacity-building projects implemented by IMPAQ International, a research institute headquartered in Washington, DC. These projects included a \$4 million project on labor market information systems in El Salvador, Guatemala, and Honduras, and a \$17 million technical assistance project to support vocational training and skill-building for at-risk youth and to prevent exploitative child labor practices in El Salvador and Honduras.

For further discussion on labor-related activities, see Chapter III.G.1 Free Trade Agreements and Bilateral Activities.

Other Implementation Matters

The CAFTA-DR mechanisms continue to strengthen our trading relationships as we monitor and enforce the Agreement with Central America and the Dominican Republic and build U.S. export opportunities. During 2020, the United States held follow-on discussions on issues addressed during July and November 2019 meetings of CAFTA-DR Coordinators and other technical committees. Engagements have addressed issues related to the Committee on Sanitary and Phytosanitary (SPS) Matters; the Committee on Technical Barriers to Trade (TBT); and customs- and border-related matters to improve transparency, efficiency, and the operation of the Agreement to facilitate trade. Bilateral discussions during 2020 advanced the CAFTA-DR Parties' agreement from 2019 to further address SPS and TBT issues of priority interest to U.S. exporters and manufacturers.

In 2020, the CAFTA-DR Parties completed notifications that they had taken the respective domestic actions to implement the modifications to the product-specific rules of origin, which reflect the 2017 changes to

the Harmonized System (HS) nomenclature. The United States announced in the *Federal Register* the effective date of modifications to the Harmonized Tariff Schedule of the United States concerning the CAFTA–DR, which became applicable on November 1, 2020. These steps satisfy administrative requirements and facilitate customs processing for member countries.

During 2020, the CAFTA–DR Parties exchanged trade data reports under the Agricultural Review Commission (ARC) that was established in November 2019, in accordance with Article 3.18 of the CAFTA–DR, to review implementation and operation of the Agreement as it relates to trade in agricultural goods. The ARC is comprised of members of the Committee on Agricultural Trade under the CAFTA–DR.

In 2020, the United States also continued to work closely with CAFTA–DR Parties on bilateral and regional matters related to implementation of the Agreement. For example, the U.S. Government continued to work with several CAFTA–DR partners on implementation of agricultural and SPS trade matters. The U.S. Government worked to improve the transparency and effectiveness of regulatory and TRQ administration procedures, which has resulted in enhanced market access for U.S. exporters of several agricultural products, including U.S. dairy products and table eggs in El Salvador, Guatemala, and Honduras.

During 2020, the United States finalized a bilateral agreement with Costa Rica recognizing the U.S. Department of Transportation’s “Blue Ribbon” program as satisfying Costa Rica’s tire regulations, facilitating U.S. exports.

The U.S. Government also worked with several countries to ensure implementation of the Agreement’s provisions on intellectual property (IP), including those related to notice and takedown and safe harbor for Internet service providers, government use of unlicensed software, geographical indications, and IP enforcement, achieving comprehensive progress in Costa Rica.

Through the FTC, the CAFTA–DR Parties committed to addressing inefficiencies and obstacles to cross-border trade in the region to increase the transparency and predictability of trade and doing business. The CAFTA–DR Parties are poised to benefit from trade facilitation, and continue to make progress in this area, including reforms to customs practices that reduce the cost and time of transporting goods across borders within the region’s highly integrated manufacturing and supply-chain networks.

The FTC further emphasized the need for greater regional integration and agreed to support supply-chain systems in the region through several initiatives. The United States is supporting advances in this area through various trade capacity building efforts to promote economic prosperity. These initiatives include efforts to support the U.S. textile and apparel industry by strengthening utilization of the Agreement and regional supply chains.

Trade Capacity Building

Trade capacity building programs and planning in other areas continued throughout 2020 to promote economic prosperity to mitigate migration from Central America.

During 2020, USTR, along with USAID and other U.S. Government trade and donor agencies, such as the U.S. Departments of Agriculture (USDA), State, and Commerce, carried out bilateral and regional projects with the CAFTA–DR partner countries to promote economic prosperity and trade facilitation in the region and increase trade capacity within the CAFTA–DR countries.

During 2020, the U.S. Department of Commerce implemented the Central America Customs, Border Management, and Supply Chain trade facilitation program, which provides technical assistance to the

governments of El Salvador, Guatemala, and Honduras on implementing transparency reforms to improve and simplify customs clearance procedures. The program promotes economic prosperity objectives and compliance with the commitments outlined in both the CAFTA–DR and the WTO Trade Facilitation Agreement (TFA).

During 2020, USTR, as well as the U.S. Department of Commerce, through its Commercial Law Development Program (CLDP), continued implementing the Building El Salvador’s Trade and Competitiveness in Textiles and Apparel to Strengthen Trade and Regional Economic Prosperity program, which is aimed at improving human and institutional capacity to support the Salvadoran textile and apparel industry and enhance global competitiveness and supply-chain opportunities for the United States and throughout the CAFTA–DR region. In 2020, CLDP and USTR conducted several workshops (*e.g.*, “Benefitting from the CAFTA–DR”) on issues affecting the textile and apparel industry’s competitiveness in the context of the global supply chain, utilization of the CAFTA–DR, and the U.S. regional supply chain.

In 2020, USAID continued to implement the Central America Regional Trade Facilitation and Border Management project, which aims to enhance economic growth in Central America by strengthening the region’s trade capacity and competitiveness through increased regional integration and lower trade costs. The project also supports a Coordinated Regional Border Management Academy to certify border control officers, helping to ensure that procedures are followed according to a uniform standard. In addition, the project provides technical assistance to trade and regulatory agencies and regional business associations to comprehensively implement key elements of the WTO TFA.

USAID also has partnered with USDA during 2020 to continue supporting CAFTA–DR countries so that their private sectors can take advantage of the Agreement. USAID, in an interagency agreement with USDA, organized workshops on the U.S. regulatory system, internal standards, and WTO obligations for CAFTA–DR Parties. The purpose of these workshops was to highlight for the CAFTA–DR Parties how the U.S. regulatory system operates, as well as support resolution of a number of outstanding regulatory issues that disrupt trade between the United States and CAFTA–DR Parties.

For further discussion on trade capacity building, see Chapter III.H Trade Capacity Building.

4. Chile

The United States–Chile Free Trade Agreement (FTA) entered into force on January 1, 2004. Under the FTA, as of January 1, 2015, Chile provides duty-free access to all goods exports.

Operation of the United States–Chile Free Trade Agreement

The United States–Chile Free Trade Commission (FTC) is the central oversight body for the FTA. The FTC last met in October 2018. In 2020, the United States continued to engage with Chile on several topics, including longstanding intellectual property rights issues associated with the implementation of Chapter 17 (Intellectual Property Rights) of the U.S.–Chile FTA.

Labor

The United States strengthened its engagement with Chile on labor issues in 2020, including by continuing a cooperative dialogue under the FTA labor cooperation mechanism to exchange information and best practices on labor matters. Under the labor cooperative dialogue, the Office of the U.S. Trade Representative (USTR) and the U.S. Department of Labor (DOL) held technical exchanges with officials from the Chilean Ministries of Labor and Social Welfare and the Ministry of Women and Gender Equity

Affairs on the implementation of FTA labor chapters, strategies to advance women in the workplace, and labor policy responses to the COVID-19 pandemic. USTR and DOL have now held five technical exchanges under the labor cooperation mechanism.

For further discussion on labor-related activities, see Chapter III.G.1 Free Trade Agreements and Bilateral Activities.

5. Colombia

The United States–Colombia Trade Promotion Agreement (CTPA) entered into force on May 15, 2012. Under the CTPA, as of January 1, 2021, Colombia provides duty-free access to all U.S. consumer and industrial products (reflecting a 10-year phase-out period for certain goods). More than half of U.S. agricultural exports to Colombia became duty free immediately upon entry into force, with virtually all remaining tariffs on U.S. agriculture goods to be eliminated by 2026 (reflecting a 15-year phase-out period). Tariffs on a few most sensitive agricultural products will be phased out in 17 to 19 years.

Operation of the United States–Colombia Trade Promotion Agreement

The United States–Colombia Free Trade Commission (FTC) is the central oversight body for the CTPA. At its meeting in August 2018, the FTC reviewed implementation, including the July 2018 enactment of copyright law amendments, and operation of the CTPA. The CTPA Committees on Agriculture and Sanitary and Phytosanitary Measures met in 2020. In 2020, the United States and Colombia concluded work to update the CTPA’s rules of origin to reflect 2007, 2012, and 2017 changes to the Harmonized System (HS) nomenclature. The United States and Colombia signed an FTC Decision in February 2020 formalizing all three sets of updates and, as agreed, the modified rules of origin became effective on January 1, 2021.

Agriculture

For a discussion on agriculture-related activities, see Chapter III.A.3 Bilateral and Regional Activities.

Environment

For a discussion on environment-related activities, see Chapter III.F.1 Free Trade Agreements and Bilateral Activities.

Labor

The United States engaged with the Colombian Government on labor issues throughout 2020, including a focus on Colombia’s ongoing efforts to address issues identified in the U.S. Department of Labor’s (DOL) January 2017 report on the submission filed under the Labor Chapter of the CTPA in July 2016. The report focused on improving Colombia’s labor law inspection system; improving the application and collection of fines for employers who violate labor laws; combating abusive subcontracting and collective pacts; and, improving the investigation and prosecution of cases of violence and threats against unionists.

In 2020, the Colombian Government took some steps to address the issues raised in the report, including prosecuting cases of homicides of union leaders and members, which was also a key area of concern under the 2011 Colombian Action Plan Related to Labor Rights (Action Plan). From January 2011 to July 2020, Colombia’s judicial system investigated 217 cases of homicides of unionists, resulting in 60 convictions. Also in 2020, the Colombian Ministry of Labor advanced the implementation of an electronic case

management system, which modernizes the national system for tracking and monitoring the application and collection of fines for violations of the labor code. In compliance with national mandates related to the COVID-19 pandemic, from March to September 2020, the Ministry of Labor suspended field-based inspections and the review and adjudication of labor cases not directly related to the pandemic, affecting efforts to address key issues in the DOL report. The United States will continue to work closely with Colombia on remaining challenges, including the imposition and collection of fines for illegal subcontracting and inspections in priority sectors under the Action Plan.

In 2020, USTR and DOL officials frequently engaged with officials in Colombia and Washington, DC to discuss labor issues of interest and maintain close coordination, including through a sixth round of Department of Labor-led Contact Point Consultations under the Labor Chapter of the CTPA, which focused on efforts by the Colombian Government to address the issues in the DOL report. DOL maintained a labor attaché at the U.S. Embassy in Bogotá to monitor labor issues and engage with Colombian officials and labor stakeholders, highlighting the U.S. Government's commitment to ensuring close engagement with Colombia on labor rights.

In 2020, DOL managed technical assistance projects totaling approximately \$25 million in funding that aim to improve labor law enforcement in Colombia and promote labor rights covered by the CTPA. For example, these projects help build the capacity of Colombia's Ministry of Labor to improve enforcement of labor laws, engage workers and civil society to strengthen labor law enforcement, and address child labor and working conditions in artisanal and small-scale coal and gold mining. In its [2019 Report on the Findings on the Worst Forms of Child Labor](#), DOL recognized Colombia as having made "significant advancement" in its efforts to eliminate the worst forms of child labor.

For a discussion on labor-related activities, see Chapter III.G.1 Free Trade Agreements and Bilateral Activities.

6. Israel

The United States–Israel Free Trade Agreement (FTA) entered into force on September 1, 1985. The Agreement was the United States' first FTA, and continues to serve as the foundation for expanding trade and investment between the United States and Israel by reducing barriers and promoting regulatory transparency.

Operation of the United States–Israel Free Trade Agreement

The United States–Israel Joint Committee (JC) is the central oversight body for the FTA. At its meeting in December 2020, the JC explored potential new collaborative efforts to increase bilateral trade and investment. The United States and Israel noted Israel's progress in addressing a number of specific standards-related and customs impediments to bilateral trade and held in-depth discussions about possibilities for further cooperation in the area of services, investment, and digital trade. Also in 2020, a new FTA annex on certificates of origin entered into force, allowing for acceptance by Israeli customs authorities of a simple declaration of origin in place of prior requirements for more substantial documentation.

At a February 2016 JC meeting, Israel had proposed resuming negotiations on a permanent successor agreement to the current United States–Israel Agreement on Trade in Agricultural Products (ATAP). The current ATAP is the second of two temporary ATAPs that the United States and Israel have negotiated due to a disagreement over interpretation of the FTA that arose after the Uruguay Round was concluded. The first ATAP, negotiated in 1996, allowed for limited preferential tariff treatment. The 2004 successor ATAP

achieved modest additional market access for U.S. agricultural products. That ATAP was originally set to remain in effect until the end of 2008, but it has been continued each year since then through a series of one-year extensions. Under the 2004 ATAP, Israel provides the United States less advantageous tariff treatment than the United States provides Israel: the United States provides Israel with duty-free access to 90 percent of agricultural tariff lines, while Israel provides the United States with duty-free access to only 72 percent of agricultural tariff lines. Because of the existing disparities, the United States remains committed to negotiating a balanced permanent successor agreement. The first round of negotiations was held in November 2018 and a second round in March 2019. At the December 2020 JC meeting, the United States and Israel reaffirmed their commitment to the negotiation of a permanent ATAP.

Agriculture

For a discussion on agriculture-related activities, see Chapter III.A.3 Bilateral and Regional Activities.

7. Jordan

The United States–Jordan Free Trade Agreement (FTA) entered into force on December 17, 2001. Under the FTA, as of January 1, 2010, Jordan provides duty-free access to all U.S. exports.

Jordanian exporters further benefit from the Qualifying Industrial Zones (QIZs) program established by the U.S. Congress in 1996. The QIZ program allows products exported from Jordan with a specified amount of Israeli content to enter the United States duty free if manufactured in Jordan, Egypt, or the West Bank and Gaza. QIZ products account for about 1 percent of Jordanian exports to the United States. The QIZ share of Jordanian exports is declining relative to the share of Jordanian exports shipped to the United States under the FTA.

Operation of the United States–Jordan Free Trade Agreement

The United States–Jordan Joint Committee (JC) is the central oversight body for the FTA. At its meeting in July 2019, the United States had pressed Jordan to: (1) eliminate the ban on imports of U.S. genetically-engineered food products; (2) rely on international, instead of EU standards for manufactured and industrial products; and, (3) continue to protect geographical indications (GIs) through a trademark system instead of adopting EU GI barriers.

In 2020, Jordan followed through on its JC commitment to reduce a number of these barriers. Jordan issued regulations that allow for the importation of products containing genetically-engineered ingredients within guidelines negotiated at the JC, specifically establishing a 5 percent threshold for labeling purposes. Jordan also abolished the requirement for consularization or legalization of commercial invoices, certificates of origin, or any other customs documentation to facilitate trade.

Jordanian barriers in government procurement remain a concern. The FTA does not contain government procurement commitments, and Jordan is not a party to the WTO Agreement on Government Procurement.

Labor

The United States continued to monitor labor rights in Jordan pursuant to labor provisions of the FTA and to work with Jordan in the area of labor standards. The United States and Jordan have previously recognized serious labor concerns in Jordan’s garment factories, including anti-union discrimination against foreign workers, poor conditions of accommodations for foreign workers, and gender discrimination and harassment. To address these concerns, in 2013, the United States and Jordan developed the Implementation Plan Related to Working and

Living Conditions of Workers in Jordan (Implementation Plan). Pursuant to its commitments under the Implementation Plan, Jordan has improved the coordination of inspections in garment factory dormitories and continued those improvements in 2020 through additional technical support.

The U.S. Government continued to engage with the Jordanian Ministry of Labor (MOL) on Implementation Plan commitments in 2020, and the International Labor Organization (ILO) Better Work program continued to support Implementation Plan objectives.

The MOL continues to work with the U.S. Department of Labor (DOL)-funded ILO Better Work program to improve the understanding of internationally recognized labor standards and the process for conducting audits in the garment sector. Jordan also worked with the ILO Better Work program to ensure that factory-level audits are made publicly available. In 2020, the ILO Better Work program supported the conclusion of a new collective bargaining agreement and the establishment of a migrant liaison to enable the garment worker union to better reach the 75 percent migrant workforce. The ILO Better Work program also concluded an agreement with the MOL to develop a unit within the labor inspectorate to promote knowledge of labor standards and inspection best practices within the Ministry.

In 2020, DOL continued to fund the ILO to build central and regional government capacity to identify and address child labor.

For further discussion on labor-related activities, see Chapter III.G.1 Free Trade Agreements and Bilateral Activities.

8. Korea

The United States–Korea Free Trade Agreement (KORUS) entered into force on March 15, 2012. To rectify shortcomings in KORUS, the United States negotiated further amendments and modifications. These amendments and modifications, which entered into force on January 1, 2019, substantially improved market access for U.S. automotive products, while delaying the elimination of U.S. tariffs on trucks, including pickup trucks, until the year 2041. Another outcome of the negotiations included measures to address long-standing concerns regarding onerous and costly Korean customs verification procedures by agreeing on principles for conducting verification of origin of exports under KORUS and by establishing a working group to monitor and address any future issues that may arise.

Operation of the United States–Korea Free Trade Agreement

The Joint Committee (JC) is the central oversight body for KORUS. The JC met in April 2020.

The United States monitors and enforces implementation of KORUS commitments through the 21 committees and working groups established under the Agreement. Throughout 2020, the United States continued to use the committees and working groups to raise and resolve trade issues and ensure Korea is implementing its obligations under the Agreement. The Financial Services Committee met in May 2020, and the Medicines and Medical Devices Committee met in June 2020. The Automotive Working Group met in September 2020. In November 2020, the Services and Investment Committee meeting was held, followed by meetings of the Committee on Agricultural Trade and the Committee on Sanitary and Phytosanitary (SPS) Matters in December 2020.

Issues addressed in these meetings included: (1) Korea’s implementation of KORUS obligations related to cross-border data transfers by financial service providers; (2) transparency in pharmaceutical pricing and reimbursement policies and the appropriate valuation of innovation; (3) automotive-related regulations; (4)

regulations affecting fair market access for online content; (5) procurement of cloud computing services; (6) impediments to U.S. meat and poultry exports; (7) Korea’s approval process for genetically engineered products; (8) Korea’s positive list system for pesticides; and, (9) Korea’s administration of its tariff-rate quotas on agricultural products.

The United States also addressed KORUS compliance and other trade issues through regular inter-sessional meetings and other engagements with the Korean Government. In 2020, the United States continued to engage with Korea to address longstanding U.S. concerns regarding procedural fairness in competition hearings held by the Korea Fair Trade Commission (KFTC). In December 2020, the KFTC adopted administrative rules which would allow the outside counsel of respondents to review documents previously withheld as business confidential information. The United States will continue to monitor implementation of this reform to ensure that it complies with Korea’s KORUS commitments.

Throughout 2020, the Office of the U.S. Trade Representative led extensive U.S. Government engagement with Korea on agricultural biotechnology. This engagement provided the opportunity to share information on science-based policy and regulatory approaches in the United States that enable access to established and emerging technologies, while providing more meaningful opportunities for private sector technology innovators to engage with policymakers in Korea.

Through U.S. engagement with Korea, the United States succeeded in making significant progress in addressing issues in many areas of concern.

Agriculture

For a discussion on agriculture-related activities, see Chapter III.A.1 Opening Export Markets for American Agriculture and III.A.2 Negotiating Trade Agreements for American Agriculture.

Environment

For a discussion on environment-related activities, see Chapter III.F.1 Free Trade Agreements and Bilateral Activities.

Labor

For a discussion on labor-related activities, see Chapter III.G.1 Free Trade Agreements and Bilateral Activities.

9. Mexico and Canada

On January 29, 2020, the President signed legislation implementing the United States–Mexico–Canada Agreement (USMCA). The USMCA entered into force on July 1, 2020, modernizing and replacing the North American Free Trade Agreement (NAFTA). The USMCA maintains the zero tariffs between the three countries that were in place under the NAFTA.

The USMCA’s labor and environment provisions are fully incorporated into the main text of the agreement and subject to an updated dispute settlement mechanism. The USMCA also includes updated rules of origin for automobiles and automotive parts that create strong incentives to invest and manufacture in the United States and North America, ensuring that benefits of the Agreement accrue to the Parties.

The USMCA also includes important improvements over the NAFTA that benefit American farmers, ranchers, and agribusinesses, including expanded access into the Canadian market for U.S. dairy, poultry, and egg products. (*For further information, see Chapter III.A.2 Negotiating Trade Agreements for American Agriculture.*)

The USMCA's provisions reflect the realities of the 21st century economy through strong commitments on digital trade, financial services, and intellectual property rights. It also addresses non-tariff barriers that can hinder U.S. exports through new provisions on transparency and regulatory matters, including in chapters covering technical barriers to trade, sanitary and phytosanitary measures, and a new chapter on good regulatory practices. Finally, the USMCA contains provisions to combat subsidies and non-market practices that have the potential to disadvantage American workers and businesses, including a chapter to address unfair currency practices, rules on subsidies provided to state-owned enterprises (SOEs), and transparency obligations with respect to any USMCA Party's future trade negotiations with non-market economies.

Operation of the United States–Mexico–Canada Agreement

Automotive Rules

The USMCA contains new rules of origin for motor vehicles, which require a specific amount of North American content in the final vehicle. The USMCA raises regional value content requirements to 75 percent for automobiles, compared to 62.5 percent under the NAFTA. The USMCA also requires that at least 70 percent of a producer's steel and aluminum purchases originate in North America. The USMCA also introduced a new labor value content rule that requires that a certain percentage of qualifying vehicles be produced by employees making an average of \$16 per hour.

The USMCA implementing legislation required the establishment of an Interagency Committee on Trade in Automotive Goods (Interagency Autos Committee), which was established on February 28, 2020. The Committee has held regular meetings to prepare relevant information for implementation of the USMCA's automotive rules of origin, including information for the alternative staging regime, U.S. Department of Homeland Security Customs and Border Protection (CBP) guidance, and Uniform Regulations. On June 3, 2020, in coordination with Mexico and Canada, the United States published the trilaterally agreed Uniform Regulations for Chapter IV (Rules of Origin), including provisions related to the rules of origin for automotive goods. The Uniform Regulations will assist North American automotive producers, exporters, and importers by ensuring all USMCA countries share the same interpretation, application, and administration of the automotive rules contained in the USMCA.

In order to provide vehicle manufacturers time to adjust to these new requirements, the USMCA provides for an alternative staging regime that allows producers to gradually meet regional value content levels for up to five years before satisfying the standard requirements. On April 21, 2020, USTR, in consultation with the Interagency Autos Committee, published a *Federal Register* notice providing procedures and guidance for North American producers of vehicles intending to submit a petition for alternative staging to the standard staging regime for the rules of origin for automotive goods under the USMCA. Canada and Mexico published similar notices that invited producers to submit requests for alternative staging. Following publication of the notices, the Parties worked with petitioners to consider and approve their requests.

Agriculture

For a discussion on agriculture-related activities, see Chapter III.A.2 Negotiating Trade Agreements for American Agriculture and Chapter III.A.4 Enforcing Trade Agreements for American Agriculture.

Environment

The USMCA Environment Chapter obligations are fully enforceable under the USMCA’s dispute settlement mechanism and address key environmental challenges such as illegal, unreported, and unregulated (IUU) fishing and disciplining harmful fisheries subsidies. The USMCA commits the United States, Mexico, and Canada to take actions to combat, and cooperate to prevent, trafficking in timber, fish, and other wildlife, and includes provisions to address other environmental issues such as air quality and marine litter. The United States–Mexico–Canada Agreement Implementation Act (H.R. 5430 / P.L. 116-113) (USMCA Implementation Act) allocates over \$400 million in new resources to agencies to support cooperation and enhanced monitoring and enforcement of USMCA environment provisions, including resources to support the construction of high-priority wastewater facilities along the U.S.–Mexico border and cooperation to combat IUU fishing. USTR was allocated \$60 million of these resources over four years to bolster monitoring and enforcement of USMCA obligations. These resources were used to establish the new Interagency Environment Committee to monitor and enforce USMCA environment obligations and three new environment attaché positions in U.S. Embassy in Mexico City, Mexico to liaise directly with government, industry, and civil society counterparts to further assist with monitoring and enforcement of environment obligations. In addition, the Office of the U.S. Trade Representative selected a Senior U.S. Trade Representative to Mexico, a new position intended to support the coordination of USMCA labor and environmental issues in Mexico, as well as other USMCA implementation matters. Finally, the resources allocated to USTR will enable it to supplement other U.S. Government agencies’ capacity to collect and analyze data related to natural resource conservation and trade and bolster other enforcement activities, including prosecution of environmental crimes, relevant to USMCA environment obligations.

In parallel with the USMCA Environment Chapter, the United States, Mexico, and Canada agreed to continue their longstanding and successful history of environmental cooperation under a modernized Commission on Environmental Cooperation (CEC), as outlined in the new Environmental Cooperation Agreement (ECA), which entered into force on July 1, 2020. Among other objectives, the ECA supports the implementation of the USMCA Environment Chapter commitments. The ECA facilitates trilateral cooperation in a variety of areas, including efforts to reduce pollution, strengthen environmental governance, conserve biological diversity, and sustainably manage natural resources. The ECA updates and supersedes the North American Agreement on Environmental Cooperation.

The CEC Council met virtually in Montreal on June 26, 2020 to renew and expand trilateral environmental cooperation, specifically adopting 2021-2025 strategic priorities that include clean air, water, and land; prevention and reduction of pollution in the marine environment; circular economy and sustainable materials management; shared ecosystems and species; resilient economies and communities; and, effective enforcement of environmental laws. In 2020, the CEC Parties continued the practice of reporting on actions taken on public submissions on enforcement matters concluded over the previous year and continued advancing trade and environment priorities.

For further discussion on the USMCA Environment Chapter and the Environmental Cooperation Agreement, see Chapter III.F.1 Free Trade Agreements and Bilateral Activities.

Labor

The USMCA’s robust and comprehensive labor provisions are fully incorporated into the text of the Agreement and fully enforceable under the Agreement’s dispute settlement mechanism. The Labor Chapter of the USMCA requires the Parties to adopt and maintain in law and practice labor rights as recognized by the International Labor Organization’s Declaration on Fundamental Principles and Rights at Work, to effectively enforce their labor laws, and not to waive or derogate from their labor laws. It includes new provisions requiring Parties to take measures to prohibit the importation of goods produced by forced labor and to address violence against workers exercising their labor rights. The USMCA also includes an innovative Rapid Response Mechanism in the dispute settlement chapter to address protection of association and collective bargaining rights at the facility level. The new mechanism provides for the suspension of USMCA tariff benefits or the imposition of other penalties, such as blocking imports from businesses that are repeat offenders, in cases of non-compliance with key labor obligations.

The USMCA includes a Labor Chapter Annex on “Worker Representation in Collective Bargaining in Mexico” (Labor Annex) that requires Mexico to overhaul its system of labor justice to ensure that workers have the right to secret ballot votes to elect and challenge union leadership and to approve new and existing collective bargaining agreements. Mexico enacted these labor law reforms on May 1, 2019, and instituted a phased approach to initiating the operation of a new Federal Conciliation and Labor Registration Center and labor courts throughout the country. On November 18, 2020, the first phase of implementation began with eight Mexican states transitioning labor justice matters to the new institutions. In line with the terms of the USMCA Labor Annex, the reforms included specific provisions to prohibit the registration of so-called “protection contracts,” which are collective bargaining agreements entered into by non-representative unions, often without the knowledge of workers, and undermine legitimate collective bargaining and suppress wages. The Labor Annex also includes a commitment to require a review of existing collective bargaining agreements within a period of four years from enactment of the labor reform, by May 1, 2023, to verify that a majority of the workers covered by the collective bargaining agreement have expressed their support for the agreement through a personal, free, and secret vote. The United States consulted closely with the Mexican Government regarding the implementation of the reforms to ensure compliance with Mexico’s obligations under the USMCA, including through the Interagency Labor Committee for Monitoring and Enforcement (Interagency Labor Committee).

The Interagency Labor Committee, co-chaired by the U.S. Trade Representative and the Secretary of Labor, was established in April 2020 and met regularly in 2020 to review labor rights issues in Mexico and prepare reports to the U.S. Congress. The USMCA Implementation Act allocates \$30 million over four years for USTR to support monitoring compliance with labor obligations, including through the Interagency Labor Committee. These resources supported hiring three new employees in USTR’s Office of Labor Affairs and the designation of three attorneys to cover USMCA labor issues in the Office of the General Counsel. In addition, the Office of the U.S. Trade Representative selected a Senior U.S. Trade Representative to Mexico, a new position intended to support the coordination of USMCA labor and environmental issues in Mexico, as well as other USMCA implementation matters. This senior official began operating in Mexico in December 2020.

For further discussion on labor-related activities, see Chapter III.G.1 Free Trade Agreements and Bilateral Activities.

10. Morocco

The United States–Morocco Free Trade Agreement (FTA) entered into force on January 1, 2006. The FTA has supported the ongoing economic and political reforms in Morocco and has laid the groundwork for

improved commercial opportunities for U.S. exports to Morocco in a number of agricultural and industrial sectors.

Operation of the United States–Morocco Free Trade Agreement

The United States–Morocco Joint Committee (JC) is the central oversight body for the FTA. At its meeting on July 16, 2019, the JC explored customs, intellectual property protection and enforcement, the environment, and labor. Though the pandemic prevented a JC meeting in 2020, discussions with Morocco since the 2019 meeting have focused on various agricultural and sanitary and phytosanitary (SPS) issues, geographical indications, certain customs issues, intellectual property protection, and a number of textile and apparel matters.

Agriculture and Sanitary and Phytosanitary

At the United States–Morocco FTA Agriculture Subcommittee and SPS Subcommittee meetings held in January 2020, Morocco and the United States finalized export certificates for U.S. breeding and fattening cattle being shipped to Morocco, and discussed the use in Moroccan markets of common names for meats and cheeses. Morocco and the United States also reviewed access to Moroccan markets for U.S. wheat and meat products under the FTA’s tariff-rate quotas (TRQ). At the FTA Agriculture and SPS Subcommittee meeting held in 2019, Morocco and the United States had agreed to specific actions to improve access for U.S. wheat into Morocco by increasing tenders and improving the administration of the FTA’s wheat TRQ. Following this 2019 meeting, the United States and Morocco finalized certificates for the exportation to Morocco of bovine genetics and U.S. egg products and Morocco held technical discussions with the United States on food safety issues. In 2018, the United States and Morocco negotiated export certificates for U.S. beef and poultry, opening Morocco’s market for both products. Morocco also committed to accelerate the tariff phase out for approximately 40 tariff lines affecting wheat, beef, and poultry products where Morocco applies a lower duty on imports from the European Union.

For further discussion on agriculture-related activities, see Chapter III.A.3 Bilateral and Regional Activities.

Labor

During 2020, Morocco continued to implement a new domestic worker law despite complications posed by the COVID-19 pandemic. The law extends protections and benefits to domestic workers by setting a minimum wage, establishing a minimum age for employment, limiting weekly hours of work, and providing such workers with a day of rest. The law addresses an area of concern raised by the United States during the 2017 and 2019 FTA Joint Committee meetings. The U.S. Department of Labor also continued to fund a project under the FTA labor cooperation mechanism to support the government of Morocco’s efforts to implement and enforce the new domestic worker law. While Morocco made some progress in prosecuting cases related to the worst forms of child labor, enforcement remained inconsistent. During 2020, U.S. trade and labor officials continued to work through the U.S. Embassy to remain in contact with Moroccan labor stakeholders on existing labor priorities as well as those emerging from the impacts of the pandemic on workplaces.

For further discussion on labor-related activities, see Chapter III.G.1 Free Trade Agreements and Bilateral Activities.

11. Oman

The United States–Oman Free Trade Agreement (FTA) entered into force on January 1, 2009. The FTA along with other U.S. FTAs in the broader Middle East and North Africa (MENA) region promote economic reform and openness throughout the region. Under the FTA, Oman provides duty-free access on all industrial and consumer products, and comprehensive obligations for services and investment.

Operation of the United States–Oman Free Trade Agreement

The United States–Oman Joint Committee (JC) is the central oversight body for the FTA. Previous meetings of the JC have addressed a broad range of trade issues, including efforts to increase bilateral trade and investment levels; efforts to ensure effective implementation of the FTA’s customs, investment, and services chapters; possible cooperation in the broader MENA region; and, additional cooperative efforts related to labor rights and environmental protection.

Labor

As a result of the process for bringing the FTA into force, Oman enacted major labor reforms in 2006, allowing for the formation of trade unions in Oman for the first time. The new regulations provided for the establishment of the General Federation of Oman Trade Unions (now the General Federation of Oman Workers), which held its founding conference in 2010. Oman has since seen an increase in unionization with over 270 enterprise-level unions and several sectoral sub-federations for trade unions established by the beginning of 2020, including in the oil, gas, and industrial sectors. In 2020, USTR and the U.S. Department of Labor (DOL) continued to monitor labor rights in Oman pursuant to labor provisions of the FTA. The Government of Oman continued cooperation with the International Labor Organization, with a focus on three priority areas: social protection; employment, skills, and entrepreneurship development; and, international labor standards and labor governance. In 2020, Oman implemented its first unemployment insurance scheme for Omani workers. In its [2019 Report on the Findings on the Worst Forms of Child Labor](#), DOL recognized Oman as having made “moderate advancement” in its efforts to eliminate the worst forms of child labor. The report also noted positive measures that Oman took in the areas of labor and criminal law enforcement, coordination of government efforts, and government policies related to child labor.

12. Panama

The United States–Panama Trade Promotion Agreement entered into force on October 31, 2012. Under the Trade Promotion Agreement, as of January 1, 2021, Panama provides duty-free access to all U.S. consumer and industrial products (reflecting a 10-year phase-out period). Nearly half of U.S. agricultural exports immediately became duty free, with most remaining tariffs on U.S. agricultural goods to be eliminated by January 1, 2026 (15-year phase-out period). Tariffs on a few most sensitive agricultural products will be phased out in 18 to 20 years. The Trade Promotion Agreement also provides access to Panama’s estimated \$43 billion services market in 2019 (latest data available).

Operation of the United States–Panama Trade Promotion Agreement

The United States–Panama Free Trade Commission (FTC) is the central oversight body for the TPA. The United States and Panama continued to work cooperatively in 2020 to address the few remaining implementation issues, resulting in new opportunities for traders and investors. In addition, the United States and Panama are close to finalizing changes to the rules of origin to reflect the 2017 Harmonized

System (HS) nomenclature changes, with the expectation that modified rules of origin will enter into force in 2021.

Agriculture

For a discussion on agriculture-related activities, see Chapter III.A.3 Bilateral and Regional Activities.

Environment

For a discussion on environment-related activities, see Chapter III.F.1 Free Trade Agreements and Bilateral Activities.

Labor

The U.S. Government launched a cooperative labor dialogue with Panama in September 2020, during which officials from the U.S. Federal Mediation and Conciliation Service and Panama's Ministry of Labor exchanged information on mediation practices. In addition, the U.S. Department of Labor funded one active technical assistance project to combat child labor in Panama.

For further discussion on labor-related activities, see Chapter III.G.1 Free Trade Agreements and Bilateral Activities.

13. Peru

The United States–Peru Trade Promotion Agreement (PTPA) entered into force on February 1, 2009. Under the PTPA, customs duties for qualifying U.S. goods have been eliminated on substantially all Peruvian tariff lines. Peru will continue to reduce duties each January 1, with all remaining tariffs, which apply only to select agricultural products, to be eliminated by 2026.

Operation of the United States–Peru Trade Promotion Agreement

The United States–Peru Free Trade Commission (FTC) is the central oversight body for the PTPA. The Committee on Sanitary and Phytosanitary Matters met in September 2020 where Parties discussed, among other topics, the Peruvian moratorium on agricultural biotechnology. The United States has continued to work with Peru on logging issues under the Annex on Forest Sector Governance (Forest Annex). The Forest Annex includes concrete steps Peru must take to strengthen forest sector governance and combat illegal logging and illegal trade in timber and wildlife products. The Forest Annex also includes monitoring tools, such as a requirement that Peru conduct audits of producers and exporters, as well as verifications of particular timber shipments upon request from the United States.

Agriculture

In November 2018, Peru's National Institute for the Defense of Free Competition and the Protection of Intellectual Property (INDECOPI) concluded a countervailing duty investigation into the import of U.S. ethanol. While INDECOPI ruled in favor of the domestic industry and imposed countervailing duties of roughly 10 percent on imported U.S. ethanol, the United States successfully worked with U.S. industry to provide critical input for INDECOPI's investigation, resulting in a far lower rate than the roughly 25 percent duty that the Peruvian industry had petitioned for. INDECOPI, however, reversed the decision and on

February 6, 2021, revoked all duties, citing the lack of evidence that imports from the United States harmed domestic producers. U.S. exports of ethanol to Peru from January to October 2020 totaled \$54 million.

In July 2018, INDECOPI self-initiated a countervailing duty investigation into imports of U.S. corn. Following extensive U.S. government and stakeholder engagement, Peru issued its final ruling in late January 2020, determining that the imposition of duties was not justified in this case. U.S. exports of corn to Peru from January to October in 2020 totaled \$98.8 million.

For further discussion on agriculture-related activities, see Chapter III.A.3 Bilateral and Regional Activities.

Environment

In October 2020, the United States took action to continue to block timber imports from Inversiones La Oroza SRL (Oroza), a Peruvian exporter, based on illegally harvested timber found in its supply chain. The denial of entry order was set to expire in October 2020. However, the Government of Peru has not demonstrated that Oroza is complying with Peruvian laws and regulations governing the harvest and trade in timber and timber products. On October 16, 2020, the Interagency Committee on Trade in Timber Products from Peru directed the U.S. Department of Homeland Security Customs and Border Protection to continue to deny entry to timber products produced or exported by Oroza for an additional three year period, or until the Government of Peru completes an examination that demonstrates compliance.

In April 2020, the United States and Peru undertook a process to select and designate a new Executive Director of the U.S.–Peru Secretariat for Submissions on Environmental Enforcement Matters. In October 2020, the United States and Peruvian Government completed the hiring process for the new Executive Director, who will serve a term of two years.

In 2021, the Office of the U.S. Trade Representative and other agencies will continue to engage closely with Peru to address the range of challenges to combating illegal logging.

For further discussion on environment-related activities, see Chapter III.F.1 Free Trade Agreements and Bilateral Activities.

Labor

Throughout 2020, the U.S. Government continued to engage with the Government of Peru on the issues identified in the March 2016 U.S. Department of Labor (DOL) report in response to a July 2015 public submission under the PTPA Labor Chapter. The submission raised issues related to Peru’s adoption and maintenance of laws and practices that protect fundamental labor rights and the effective enforcement of labor laws, particularly with regard to Peru’s laws on non-traditional exports and the use of temporary contracts in the textiles and agricultural sectors.

In 2020, DOL funded over \$7.25 million in programming for four technical assistance projects to improve Peru’s enforcement of labor laws and compliance with the PTPA Labor Chapter, including one that engaged workers and civil society to strengthen labor law enforcement. The remaining projects focused on reducing child labor and forced labor, including by assisting the Peruvian Government and labor stakeholders to build their capacity to prevent, detect, and eliminate forced labor and labor trafficking in agricultural and rural areas.

In its [2019 Report on Findings on the Worst Forms of Child Labor](#), DOL recognized Peru as having made “significant advancement” in its efforts to eliminate the worst forms of child labor. The report noted that

the government published a law modifying the Penal Code to strengthen penalties for the sexual exploitation of women and minors, drafted an executive decree to establish a standardized government procedure to register adolescent workers, dismantled a human trafficking network in the Madre de Dios region, renewed the National Plan to Combat Forced Labor for the 2019–2022 period, and approved a guide for the reintegration of human trafficking victims. Additionally, the Ministry of Labor created the Child Labor Free Seal, which recognizes products and services whose supply chains are free of child labor.

For further discussion on labor-related activities, see Chapter III.G.1 Free Trade Agreements and Bilateral Activities.

14. Singapore

The United States–Singapore Free Trade Agreement (FTA) entered into force on January 1, 2004. The FTA has led to expanded trade, enhanced joint prosperity, and has strengthened broader relations for the benefit of both countries.

Operation of the United States–Singapore Free Trade Agreement

The United States–Singapore Joint Committee (JC) is the central oversight body for the FTA. The JC met in March 2019. In 2020, the United States continued to work closely with Singapore to deepen the bilateral trade relationship and coordinate on issues of regional and international importance.

D. Other Negotiating Initiatives

1. The Americas

Free Trade Agreements

The United States has 6 free trade agreements (FTAs) with 12 countries: Mexico and Canada under the United States–Mexico–Canada Agreement (2020), which replaced the North American Free Trade Agreement (1994); Chile (2004); Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, and the Dominican Republic under the Dominican Republic–Central America–United States Free Trade Agreement (2006–2009); Peru (2009); Colombia (2012); and, Panama (2012).

For a discussion on these trade agreements, see Chapter I.C Free Trade Agreements in Force.

Trade and Investment Framework Agreements and other Bilateral Trade Mechanisms

The Office of the U.S. Trade Representative chairs bilateral meetings with non-FTA partners in the Americas to discuss market opening opportunities, including improving access for small and medium-sized enterprises (SMEs), and resolving trade issues with those governments. The United States has Trade and Investment Framework Agreements (TIFAs) or Trade and Investment Council Agreements (TICs) in force with Argentina, the Caribbean Community, Ecuador, Uruguay, and Paraguay. In December 2020, the United States and Ecuador updated the TIC with a Protocol on Trade Rules and Transparency. With Brazil, the United States has in force an Agreement on Trade and Economic Cooperation (ATEC), which was updated in 2020 with a Protocol on Trade Rules and Transparency.

In 2020, the United States continued its engagement with its non-FTA partners in the region with the goal of fostering bilateral trade relations and resolving trade problems. The activities below describe the key outcomes that advance the U.S. trade and investment agenda with these countries.

Argentina

The United States–Argentina TIFA established the United States–Argentina Council on Trade and Investment which serves as a venue for engagement on a broad range of bilateral trade issues, such as market access, intellectual property (IP) rights and protection, and cooperation on shared objectives at the World Trade Organization (WTO) and other multilateral fora. The Council met in Washington, D.C. in October 2018.

The Council established the Innovation and Creativity Forum for Economic Development (the Forum) to discuss issues of mutual interest, including geographical indications, industrial designs, and the importance of IP protections for SMEs. In November 2020, the United States and Argentina held the sixth meeting of the Forum, by videoconference.

Brazil

Bilateral dialogue with Brazil is conducted through the United States–Brazil Commission on Economic and Trade Relations (the Commission), established by the ATEC. The ATEC is a forum to deepen bilateral engagement and expand the trade and investment relationship on a broad range of issues, including trade facilitation, IP rights and innovation, and technical barriers to trade. In March 2019, the United States and Brazilian Presidents directed enhanced work under the ATEC to explore new initiatives to facilitate trade, investment, and good regulatory practices. In October 2020, the United States and Brazil updated the ATEC by signing a Protocol on Trade Rules and Transparency. (*For further information, see Chapter I.B.3 Brazil Agreement on Trade and Economic Cooperation.*)

During 2020, the United States and Brazil also engaged in technical work in other areas, such as IP rights, and on agricultural market access issues.

Caribbean Community (CARICOM)

The United States and CARICOM met under the TIFA in June 2019 in Miami, attended by the United States, Antigua and Barbuda, The Bahamas, Barbados, Belize, Guyana, Haiti, Jamaica, Saint Lucia, St. Kitts and Nevis, St. Vincent and the Grenadines, Suriname, and Trinidad and Tobago.

Seventeen Caribbean countries and territories are beneficiaries of the Caribbean Basin Initiative (CBI), launched in 1983 through the Caribbean Basin Economic Recovery Act (CBERA). CBERA facilitates the development of stable Caribbean Basin economies by providing beneficiary countries with duty-free access to the U.S. market for many goods. CBERA was expanded in 2000 by the United States–Caribbean Basin Trade Partnership Act (CBTPA). Eight of the CBERA beneficiary countries and territories are also beneficiaries under CBTPA. CBTPA has been renewed by Congress several times since it was enacted, most recently on October 10, 2020 when the program was extended until September 30, 2030.

CBI benefits were further expanded with the Haitian Hemispheric Opportunity through Partnership Encouragement Act of 2006 (HOPE Act), the HOPE II Act of 2008 (HOPE II Act), and the Haitian Economic Lift Program Act of 2010 (HELP Act), which provided Haiti preferential treatment for its textile and apparel products. The Trade Preferences Extension Act of 2015 (TPEA) extended trade benefits provided to Haiti in the HOPE Act, HOPE II Act, and the HELP Act until September 30, 2025. The TPEA also extended the value-added rule for apparel articles wholly assembled or knit-to-shape in Haiti until December 19, 2025.

Ecuador

The United States-Ecuador TIC is the forum for discussing trade and investment priorities. Six working groups on: (1) intellectual property; (2) agriculture; (3) market access, customs, and trade facilitation; (4) labor; (5) environment; and, (6) investment, services, and digital trade met in-person or virtually throughout 2019 and 2020.

On November 10, 2020, the United States and Ecuador convened the third meeting of the TIC and shortly thereafter announced they would initiate negotiations on a Protocol as part of the TIC. On December 8, 2020 the United States and Ecuador signed a Protocol on Trade Rules and Transparency. (*For further information, see Chapter I.B.4 Ecuador Trade and Investment Council Agreement.*)

Paraguay

In December 2020, the United States and Paraguay convened technical discussions under the TIFA, including on a Work Plan on IP rights to replace the Memorandum of Understanding (MOU) on Intellectual Property Rights, which expired at the end of 2020. When the MOU was signed in June 2015, the United States removed Paraguay from the Special 301 Watch List. However, in 2019, Paraguay was returned to the Special 301 Watch List for failing to meet key commitments made in the MOU. In December 2019, during a visit to the White House, the Paraguayan President had reaffirmed his willingness to continue strengthening IP protections in Paraguay. In addition, the United States and Paraguay endorsed working within the TIFA in order to promote investment in Paraguay and to increase bilateral trade.

Uruguay

The United States hosted the most recent meeting under the United States–Uruguay TIFA in June 2019. During that meeting, the United States and Uruguay discussed a range of bilateral trade and investment issues, including trade facilitation, improving opportunities for SMEs, and market access matters.

2. Europe and the Middle East

The United States used free trade agreements (FTAs), bilateral investment treaties (BITs), negotiations on select issues, trade and investment framework agreements (TIFAs), enforcement tools, and other mechanisms to engage with the European Union (EU) and its 27 Member States, non-EU European countries, Russia, certain countries of western Eurasia, and countries in the Middle East and North Africa. The goals of this engagement were to eliminate trade barriers, increase U.S. exports, encourage the development of intraregional economic engagement, foster partner country policies grounded in the rule of law, improve protection of worker rights and, where relevant, advance countries' accessions to the World Trade Organization (WTO).

For a discussion on WTO accessions, see Chapter IV.J.6 Accessions to the World Trade Organization.

During 2020, the United States engaged with the EU to reduce tariff and regulatory barriers to U.S. exports and to strengthen cooperation on global trade issues and on third countries of common concern, especially China. The United States launched negotiations on a comprehensive trade agreement with the United Kingdom (UK), after the UK formally left the EU on January 31, 2020. In 2020, the United States also pressed Russia to implement fully its WTO commitments and promoted policies in Eurasia to open markets to U.S. exports and to support economic diversity and independence. U.S. efforts in the Middle East and North Africa region centered on promoting further economic reforms, with a view toward encouraging countries to open their markets to U.S. companies.

United States–European Union Trade and Investment Relations

The U.S. trade and investment relationship² with the EU is the largest and most complex economic relationship in the world. Transatlantic trade flows (goods and services trade plus earnings and payments on investment) averaged an estimated \$4.0 billion each day of 2020, based on the first three quarters of 2020. The total stock of transatlantic investment was \$5.8 trillion in 2019 (latest data available).

On July 25, 2018, the United States and the EU announced the formation of an Executive Working Group to work on a new and wide-ranging approach to eliminate tariff and non-tariff barriers and increase transatlantic trade and U.S.–EU cooperation on the unfair trading practices of other countries. On October 16, 2018, at the direction of the President, the Office of the U.S. Trade Representative (USTR) notified Congress that the United States intended to enter into negotiations on a trade agreement with the EU.

For further discussion on the United States–European Union Trade Agreement, see Chapter I.A.1 European Union.

Negotiations on tariffs did not make progress in 2019 because the EU would not agree to consider reductions in tariffs on agricultural products, which for the United States are an essential requirement in any comprehensive tariff negotiation. In early 2020, the U.S. Trade Representative initiated a series of discussions with the EU Trade Commissioner on the reduction of tariffs on selected products. On August 21, 2020 the United States and the EU announced agreement on tariff reductions for products of interest to each side.

For further discussion on U.S. and EU reductions on tariffs on certain products, see Chapter I.B.2 European Union Trade Agreement Regarding Tariffs on Certain Products.

During 2020, the United States and EU continued to consult with each other on issues involving China, including China’s policies to force technology transfer and its subsidies and support for state enterprises and shared concerns about a number of non-market features of China’s economy and policies.

United States–United Kingdom Trade Agreement

Following a national referendum in 2016, the UK notified the EU in March 2017 of its intention to leave the EU (known as “Brexit”). On January 31, 2020, the UK officially left the EU and entered into a transition period that lasted until December 31, 2020. During the transition period, the UK remained in the EU Customs Union and Single Market, but was no longer a Member State of the EU.

In July 2017, the United States and the UK established the United States–United Kingdom Trade and Investment Working Group in order to explore ways to strengthen trade and investment ties prior to Brexit; ensure that the terms of existing U.S.–EU agreements are transitioned to U.S.–UK agreements; lay the groundwork for a potential future free trade agreement once the UK has left the EU; and, collaborate on global trade issues. The Working Group met six times between 2017 and July 2019.

As part of the United States–United Kingdom Trade and Investment Working Group, the United States and the UK signed five agreements covering aspects of trade in specific products (wine, distilled spirits, telecommunication equipment, electromagnetic compatibility, pharmaceutical good manufacturing practices, marine equipment, and insurance and reinsurance). These products were covered by existing

² Transatlantic trade data for full year 2019 reflect EU-28 data because the UK did not officially leave the EU until January 31, 2020.

agreements the United States maintains with the EU, which covered trade with the UK by virtue of its membership in the EU. These new U.S.–UK agreements ensure that there is no disruption in trade of these specific products between the United States and the UK. In addition to these agreements, additional steps were taken to ensure continuity in U.S.–UK trade in organics products and recognition of veterinary inspections. On December 31, 2020, the agreements listed below entered into force through an exchange of letters between the United States and the UK:

- Agreement Between the United States of America and the United Kingdom of Great Britain and Northern Ireland on Trade in Wine
- Agreement Between the United States of America and the United Kingdom of Great Britain and Northern Ireland on the Mutual Recognition of Certain Distilled Spirits/Spirit Drinks
- Agreement on Mutual Recognition Between the United States of America and the United Kingdom of Great Britain and Northern Ireland
- Agreement Between the United States of America and the United Kingdom of Great Britain and Northern Ireland on the Mutual Recognition of Certificates of Conformity for Marine Equipment
- Bilateral Agreement Between the United States of America and the United Kingdom on Prudential Measures Regarding Insurance and Reinsurance

In October 2018, at the direction of the President, USTR notified Congress that the United States intended to enter into negotiations on a trade agreement with the UK after the UK exited the EU, and on February 28, 2019, USTR published [detailed negotiating objectives for a U.S.–UK trade agreement](#).

On May 5, 2020, the U.S. Trade Representative and the UK Secretary of State for International Trade announced the formal launch of trade agreement negotiations between the United States and the UK. Since the launch, U.S. and UK negotiators have held five sets of negotiating sessions in 2020 and made considerable progress towards a comprehensive, ambitious trade agreement.

For further discussion on the United States–United Kingdom Trade Agreement, see Chapter I.A.4 United Kingdom.

Turkey and the Middle East and North Africa

Rapid changes and political instability in the Middle East and North Africa (MENA) region over the past decade presented new opportunities and posed new challenges with respect to U.S. trade and investment relations with MENA countries. The region has seen uneven progress on economic and trade reforms, and many of the underlying economic drivers of political and social instability have yet to be addressed. USTR has coordinated with other U.S. Government agencies as well as with outside experts and stakeholders in both the United States and MENA countries to explore prospective areas for cooperation that could yield the quickest results in terms of increased trade and investment, in addition to developing long-term trade and investment ties with regional trading partners.

In 2020, the United States continued to monitor, implement, and enforce existing U.S. FTAs in the region (Bahrain, Israel, Jordan, Morocco, and Oman) and sought to engage various other MENA countries through existing TIFA mechanisms and preference program review processes.

The United States continued engagement with the Member States of the Gulf Cooperation Council (Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates). U.S. dialogue with these countries was aimed at ensuring that U.S. interests are fully represented as they pursue the modernization and diversification of their economies.

Due to the prominence of broader foreign policy issues in U.S.–Turkey engagement during 2020, progress on economic matters was limited, though both sides remained committed to furthering the goal to boost two-way trade. The openness of the digital economy, intellectual property protection and enforcement, and the reduction of various market access barriers for both goods and services all remained key issues of focus in the U.S.–Turkey trade relationship.

Eurasia

The year 2020 was challenging for most countries in Eurasia, as it was for countries around the globe. Those Eurasian countries continued to face economic challenges, which were compounded by the COVID-19 pandemic. In 2020, the United States supported those countries' efforts to broaden their economic base and pursue policies to create a predictable and transparent business environment, based on the rule of law.

In 2020, the United States worked with the countries located between the EU and Russia on a variety of initiatives to bolster mutually beneficial economic growth. The activities below describe the key outcomes that advance the U.S. trade and investment agenda with these countries.

The United States held various technical level meetings with Ukrainian experts to address market access concerns, particularly for agricultural products, and concerns about the protection and enforcement of intellectual property rights, particularly on the issue of collective management of copyrights. The United States also worked with officials of the Moldovan Government to expand access for U.S. agricultural exports to Moldova. The United States also maintained expert-level discussions with government officials of Georgia and Armenia on removing market access barriers in those countries.

Throughout 2020, the United States maintained its limited bilateral engagement with Russia as a result of Russia's aggression in Ukraine and attempted annexation of Crimea. Nevertheless, as Russia sustained and expanded its pursuit of an industrial policy built on import substitution and local content requirements, the United States continued to identify and oppose those policies. The United States also exposed and challenged various other protectionist policies of Russia, including highlighting the potential WTO inconsistency of Russia's protectionist trade policies. For additional information on Russia's compliance with its WTO commitments, see the [2020 Report on the Implementation and Enforcement Russia's WTO Commitments](#). The United States also monitored the policies and practices of the Eurasian Economic Commission (the administrative arm of the Eurasian Economic Union, composed of Armenia, Belarus, Kazakhstan, Kyrgyzstan, and Russia) to ensure consistency with WTO rules.

3. Japan, Republic of Korea, and the Asia-Pacific Economic Cooperation Forum

Japan

On January 1, 2020, the United States–Japan Trade Agreement (USJTA) and the United States–Japan Digital Trade Agreement (USJDTA) entered into force.

For further discussion on the United States–Japan Trade Agreement and United States–Japan Digital Trade Agreement, see Chapter I.A.2 Japan and Chapter III.A Agriculture.

In addition, the United States actively engaged with Japan in 2020 on a range of important bilateral issues of concern to U.S. stakeholders, such as issues related to Japan's evolving regulation of the digital economy,

to ensure measures are non-discriminatory and do not impede market access for U.S. goods exporters and service providers.

The United States also worked closely with Japan in various fora during 2020 to address trade issues of common interest, including those in third-country markets. For example, the United States and Japan have been working together in the plurilateral Digital Trade Initiative negotiations at the World Trade Organization (WTO) as well as within the Asia-Pacific Economic Cooperation (APEC) forum to advance various issues, including digital trade. Additionally, the United States, Japan, and the European Union coordinated efforts to address non-market economic policies and practices that harm our workers and businesses.

Korea

The United States continued to engage actively with counterparts in the Korean Government through meetings of the committees and working groups established under the United States–Korea Free Trade Agreement (KORUS) in order to address trade issues as they arise. The United States also continued to hold bilateral consultations with Korea on an *ad hoc* basis as needed to address existing and emerging bilateral trade issues that may not be covered by KORUS provisions. These meetings were augmented by senior-level engagement. In 2020, the United States raised and addressed a number of outstanding issues with Korea, including certain issues related to automobiles, agriculture, pharmaceuticals, financial services, and information technology services.

For further discussion on the United States–Korea Free Trade Agreement, see Chapter I.C.8 Korea.

Asia-Pacific Economic Cooperation Forum

U.S. participation in the APEC forum, since its founding in 1989, has substantially contributed to steps that have led to lowering barriers to U.S. exports across the region.

Major outcomes for Malaysia’s 2020 APEC host year included the APEC Putrajaya Vision 2040, a strategic vision of priorities for over the next two decades, and new initiatives related to harnessing an APEC-wide response to the challenges posed by the COVID-19 pandemic. With respect to U.S. priorities in APEC, the activities below describe the key outcomes that advanced the U.S. trade and investment agenda in the region.

Digital Trade: The United States continued to support an ambitious digital trade agenda within APEC in 2020. This included seeking broader participation by APEC economies in the Building Blocks for Facilitating Digital Trade Pathfinder, championed by the United States. These building blocks aim to promote policies among APEC economies to prevent barriers to digital trade and is supported by a majority of APEC economies. The United States worked with other APEC economies to continue development of this initiative through policy dialogues and capacity building activities. Work in the digital trade area in 2020 also focused on globalizing the APEC Cross-Border Privacy Rules System as a stand-alone forum to reach non-APEC members and fostering support for the 2016 commitment by 13 APEC economies on a permanent customs duty moratorium on electronic transmissions.

Trade Facilitation: In 2020, the United States continued to support an array of trade facilitation efforts within APEC, including through initiatives that help support implementation of the WTO Trade Facilitation Agreement. APEC’s work in these areas helps make it significantly cheaper, easier, and faster for U.S. exporters to access markets across the Asia-Pacific region. In 2020, APEC economies participated in a number of projects such as the APEC Alliance for Supply Chain Connectivity (A2C2), which is a U.S.-led

public-private mechanism for stakeholders to formally engage in APEC's supply chain work. These projects are designed to improve efficiencies and reduce costs and delays that hinder U.S. exports.

Services: The United States continued to strongly support steady progress in APEC on implementing its Services Competitiveness Roadmap, primarily through the development of an APEC-wide Services Trade Restrictiveness Index (STRI), which is modeled after the existing Organization for Economic Cooperation and Development (OECD) STRI. This index includes data on thirteen APEC economies, and would be expanded to add new APEC economies. With respect to domestic services regulations, the United States continued to support work in APEC to implement the non-binding principles on domestic regulations in services endorsed in 2018.

Food and Agricultural Trade: In 2020, the United States worked with other APEC economies to promote transparency with respect to sanitary and phytosanitary measures and acceptance of new technologies, and to address unwarranted non-tariff measures that affect agricultural trade. The United States also served as the project overseer for three projects under the APEC Food Safety Cooperation Forum, an effort that strengthens capacity in food safety. The United States organized a virtual workshop on pesticide maximum residue level (MRL) harmonization and compliance, began a several year workstream on use of whole genome sequencing (WGS) for environmental safety testing for foodborne pathogens, and worked with Peru on implementing best practices with regard to use of risk-based food export certificates. Under the High-Level Policy Dialogue on Agricultural Biotechnology, the United States coordinated a workshop emphasizing to economies the importance of risk-proportionate regulatory policies to expand trade in products of innovative genetic technologies. Also, as of 2020, three APEC economies had issued the APEC Model Wine Export Certificate for wine exports which reduces administrative burdens on producers and traders.

Intellectual Property: In 2020, the United States continued to use its participation in APEC to build capacity and raise standards for the protection and enforcement of intellectual property in the Asia-Pacific region. This included a U.S.-led seminar on the benefits of a modern and robust industrial design protection and enforcement system in the APEC region.

Free Trade Area of the Asia-Pacific (FTAAP): The United States continued to advocate for work on topics designed to foster free and fair trade in the region, including addressing issues presented by state-owned enterprises and advancing high-standard labor provisions. Work related to the FTAAP has the potential to improve the ability of all APEC economies to participate in bilateral or other free trade agreements that achieve high standards by removing barriers and unfair practices while embracing more open markets.

4. China, Hong Kong, Taiwan, and Mongolia

China

For information on trade with China, see [2020 Report to Congress on China's WTO Compliance](#).

United States–Hong Kong Trade Relations

The United States continued its efforts to expand trade with Hong Kong, a Special Administrative Region of the People's Republic of China in 2020. At the same time, in a July 2020 Executive Order, the President determined, pursuant to Section 202 of the United States Hong Policy Act of 1992, that Hong Kong is no longer sufficiently autonomous to justify differential treatment in relation to the People's Republic of China under certain U.S. laws and regulations, including 19 U.S.C. § 1304. As a result imported goods that are produced in Hong Kong that are entered, or withdrawn from warehouse, for consumption in the United

States must now be marked to indicate that their origin is “China.” In addition, while Hong Kong generally provides robust protection and enforcement of intellectual property, the United States has continued to press Hong Kong to update its copyright system to address concerns regarding digital copyright piracy.

United States–Taiwan Trade Relations

The United States–Taiwan Trade and Investment Framework Agreement (TIFA) Council, which meets under the auspices of the American Institute in Taiwan (AIT) and the Taipei Economic and Cultural Representative Office in the United States (TECRO), is the key forum for both economies to resolve and make progress on a wide range of issues affecting the United States–Taiwan trade and investment relationship.

In 2020, the United States continued to follow-up on commitments that Taiwan made at the most recent TIFA meeting, held in October 2016, and also sought to address other issues that have arisen. Among other things, the United States continued to express serious concerns about Taiwan’s agricultural policies that are not based on science. Priorities for the United States included removing Taiwan’s various barriers to market access for U.S. pork and beef products. Other key areas of focus included Taiwan’s rice procurement systems, the regulatory process for setting pesticide maximum residue limits, and market access barriers facing U.S. agricultural biotechnology products. In addition, the United States engaged Taiwan on intellectual property issues and issues relating to transparency and predictability in pharmaceutical and medical device pricing and reimbursement. The United States also utilized the working groups under the TIFA such as the Investment Working Group for dialogue with Taiwan to address priority investment issues and to improve Taiwan’s investment climate as well as the Technical Barriers to Trade Working Group to ensure that technical regulations do not create excessive burdens for the industries that they affect, such as chemicals, cosmetics, and consumer products.

In June 2020, the United States and Taiwan, under the auspices of AIT and TECRO, completed a letter exchange confirming the completed equivalence determinations of each country’s organic system. Taiwan is the fifth largest market for U.S. organic products, with U.S. exports to Taiwan in 2020 totaling \$29 million. Taiwan has not been as significant a supplier to the United States, with imports from Taiwan totaling \$22,825 in 2020.

United States–Mongolia Trade Relations

The United States–Mongolia transparency agreement entered into force in March 2017. The agreement applies to matters relating to international trade and investment and includes joint commitments to provide opportunities for public comment on proposed laws and regulations and to publish final laws and regulations. The publication commitment includes the obligation to publish final laws and regulations in English, which should make it easier for U.S. and other foreign enterprises to do business in, and invest in, Mongolia. The transparency agreement also commits the two parties to ensure that administrative agencies apply fair, impartial, and reasonable procedures and that persons affected by the decisions of administrative agencies have a right to appeal those decisions. Additional commitments address the application of disciplines on bribery and corruption.

The United States and Mongolia held a sixth meeting under the United States–Mongolia Trade and Investment Framework (TIFA) in Washington, D.C., in April 2019. The two sides discussed a range of bilateral trade and investment issues, including transparency, the investment climate, intellectual property protection, trade in cashmere, the U.S. Generalized System of Preferences, trade facilitation, and trade promotion.

The United States will continue to work on trade and investment issues under the TIFA framework with Mongolia and is exploring the timing of the next TIFA meeting. A key agenda item of the next meeting will be a review of Mongolia's implementation of the transparency agreement.

5. Southeast Asia and the Pacific

Free Trade Agreements

Throughout 2020, the United States continued to monitor and enforce its free trade agreements (FTAs) with Australia and Singapore.

For further discussion on the Australia and Singapore Free Trade Agreements, see Chapter I.C.1 and I.C.14, respectively.

United States–Southeast Asia and Pacific Trade Relations

The United States continued to engage throughout 2020 with countries in Southeast Asia and the Pacific to pursue trade outcomes that would strengthen trade and economic relations.

In addition to the FTAs with Australia and Singapore, the United States has bilateral trade and investment framework agreements (TIFAs) with Brunei, Burma, Cambodia, Indonesia, Laos, Malaysia, New Zealand, Philippines, Thailand, Vietnam, and, most recently, Fiji. *(For further information, see Chapter I.B.5 United States–Fiji Trade and Investment Framework Agreement.)*

In 2020, the United States' activities in the region focused on: (1) confronting structural barriers to Association of Southeast Asian Nations (ASEAN) markets; (2) leveling the playing field for U.S. exporters; (3) countering China's economic influence in the region; (4) capacity building on enforcement against trademark counterfeit goods; (5) adapting IP laws to new technologies; (6) targeting unfair trade practices that underpin trade deficits; and, (7) promoting respect for internationally recognized worker rights. Notable engagements included:

- The United States closed the Generalized System of Preferences (GSP) market access eligibility review of Indonesia, which was opened in 2018, following positive steps that Indonesia took to address a broad range of trade and investment issues affecting market access for U.S. goods, services, and agricultural products. *(For further information, see Chapter II.E.1 Generalized System of Preferences.)*
- The United States revoked GSP eligibility for approximately one-sixth of Thailand's GSP exports to the United States based on its failure to provide equitable and reasonable market access for pork products. *(For further information, see Chapter II.E.1 Generalized System of Preferences.)*
- Following a lack of engagement by the Government of Laos on the worker rights eligibility criterion, the United States closed the GSP designation review of Laos without a change in status. *(For further information, see Chapter II.E.1 Generalized System of Preferences.)*
- The United States initiated an investigation under Section 301 of the Trade Act of 1974 into digital services taxes being considered by Indonesia. This investigation aims to determine whether Indonesia's acts, policies, or practices are unreasonable or discriminatory and burden or restrict U.S. commerce.

- The United States initiated two investigations with respect to Vietnam under Section 301 of the Trade Act of 1974. The United States is investigating (1) Vietnam’s acts, policies, and practices related to the import and use of timber that is illegally harvested or traded, and (2) Vietnam’s acts, policies, and practices that may contribute to the undervaluation of its currency.
- The United States worked to address priority market access issues in TIFA meetings and other engagements with nearly all other countries in Southeast Asia including Brunei, Burma, Cambodia, Indonesia, Laos, Malaysia, Philippines, Thailand, and Vietnam.

The United States also encouraged important trade policy reforms by partners in Southeast Asia at TIFA meetings and through other mechanisms in 2020. For example:

- As a result of a TIFA meeting, Cambodia finalized regulations to maintain a flexible system of automotive standards so that U.S. exporters could continue to export vehicles to Cambodia.
- The United States extended the Special 301 Out-of-Cycle Review of Malaysia in 2020 to consider the extent to which Malaysia is providing adequate and effective intellectual property (IP) protection and enforcement, particularly for patents.

United States–ASEAN Trade and Investment Framework Arrangement

The United States continued to work under the auspices of the United States–ASEAN TIFA to further enhance trade and investment ties between the United States and ASEAN, which collectively represents the United States’ fourth largest trading partner. In 2020, the United States launched a new dialogue on trade and labor, and continued cooperation with ASEAN on digital trade, IP, standards, trade facilitation, and agriculture biotechnology.

6. Sub-Saharan Africa

Throughout 2020, the Office of the U.S. Trade Representative (USTR) worked to strengthen U.S. trade and investment interests across sub-Saharan Africa. This work included: launching trade negotiations with Kenya; managing the annual interagency African Growth and Opportunity Act (AGOA) country eligibility review to ensure that countries receiving AGOA preferences were in compliance with the statutory requirements; conducting self-initiated reviews of the Generalized System of Preferences (GSP) eligible sub-Saharan African countries; providing technical assistance to support the African Continental Free Trade Area (AfCFTA); and working to resolve other major trade and investment barriers across the continent.

Total two-way goods trade with sub-Saharan Africa was almost \$33 billion in 2020, U.S. goods exports were \$13.6 billion, down 14 percent from 2019, while U.S. goods imports were \$19.2 billion, down 8.6 percent from 2019.

Launch of Trade Negotiations with Kenya

In August 2018, the United States and Kenya established the U.S.–Kenya Trade and Investment Working Group to explore ways to deepen the trade and investment ties between the two countries and lay the groundwork for a stronger future trade relationship, including by pursuing exploratory talks on a future bilateral trade and investment framework; maximizing the remaining years of the African Growth and Opportunity Act (AGOA); strengthening commercial cooperation; and developing short-term solutions to

reduce barriers to trade and investment. The Working Group met three times, most recently in February 2020.

On February 6, 2020, the President announced that the United States intended to initiate trade agreement negotiations with Kenya following a meeting at the White House with Kenyan President Uhuru Kenyatta. The United States indicated it was seeking to conclude an agreement with Kenya that could serve as a model for additional agreements with other African countries, leading to a network of agreements that could contribute to Africa's regional integration objectives. In addition, the United States indicated it was seeking to conclude an agreement that builds on the objectives of AGOA and serve as an enduring foundation to expand U.S.–African trade and investment across the continent.

On March 17, 2020, at the direction of the President, USTR notified Congress that the United States intended to enter into negotiations on a trade agreement with Kenya, and on May 22, 2020, USTR published detailed [negotiating objectives for a United States–Kenya Trade Agreement](#).

On July 8, 2020, the U.S Trade Representative and the Kenya Cabinet Secretary for Industrialization, Trade, and Enterprise Development formally launched trade agreement negotiations between the United States and Kenya. As of November 2020, two rounds of negotiations have taken place.

For further discussion on the United States–Kenya Trade Agreement, see Chapter I.A.3 Kenya.

The African Growth and Opportunity Act

As a result of the 2020 annual AGOA eligibility review, 39 sub-Saharan African countries are eligible for AGOA benefits in 2021, following the reinstatement of the Democratic Republic of the Congo's AGOA eligibility, which took effect January 1, 2021.

The United States-Sub-Saharan Africa Trade and Economic Cooperation Forum (AGOA Forum) meets annually, alternating between the United States and a country on the sub-Saharan continent. USTR planned to host the 2020 AGOA Forum in Washington, D.C. on June 24 to June 25, 2020. However, due to the COVID-19 pandemic, and in consultation with the sub-Saharan African Governments, it was decided to postpone the event. The United States emphasized that it remained deeply committed to supporting Africa's growth and prosperity and to building a strong trade and investment partnership with the continent.

For further discussion on the AGOA Program, see Chapter II.E.2 AGOA.

African Continental Free Trade Area

Following signature on August 5, 2019 of a joint statement concerning the development of the African Continental Free Trade Area (AfCFTA). The United States and the African Union (AU) had intended jointly to identify subject areas related to the ongoing negotiation and implementation of the AfCFTA as subjects for cooperation and for possible technical assistance and capacity building. Due to travel constraints during 2020, USTR held virtual events to engage with AU officials, U.S. stakeholders, and other U.S. federal agencies and embassies in advance of the start of trading under the AfCFTA on January 1, 2021.

In September 2019, USTR and the U.S. Department of State hosted AU Commission officials for an International Visitors Leadership Program focused on U.S. trade policy approaches. This engagement helped to steer follow-up support to the AfCFTA negotiations in 2020, which included organizing workshops on intellectual property, sanitary and phytosanitary rules, and digital trade, and hiring a long-

term technical advisor to support the technical barriers to trade component of the Goods Protocol. (*For further information, see III.H Trade Capacity Building.*)

Generalized System of Preferences Reviews

USTR self-initiated GSP eligibility reviews for Eritrea and Zimbabwe, based on concerns related to compliance with the GSP worker rights criterion. The concerns in Eritrea relate to forced labor associated with Eritrea's national service requirement, as well as concerns regarding freedom of association. Labor rights concerns in Zimbabwe relate to a lack of freedom of association, including the rights of independent trade unions to organize and bargain collectively, and government crackdowns on labor activists.

For further discussion on the GSP Program, see Chapter II.E.1 GSP.

U.S. Trade and Investment Interests

The United States sought to make progress on unwarranted barriers and market access obstacles across sub-Saharan Africa. For example, USTR worked to resolve South Africa's extensive import barriers on U.S. poultry and the U.S. exporters again filled the quota for bone-in chicken meat exports.

Furthermore, in June 2020, the South African President returned two copyright bills to the legislature for further deliberation. The United States viewed this as an encouraging development since the legislation contains some concerning provisions. USTR continued to engage with the South African Government on these issues. In March 2020, a U.S. Government technical team visited South Africa to consult with key stakeholders on intellectual property rights.

Throughout 2020, USTR also provided substantial support to the Prosper Africa Initiative, the goal of which is to substantially increase two-way trade and investment between the United States and Africa.

Trade and Investment Hubs

The U.S. Agency for International Development (USAID) maintains three Trade and Investment Hubs in sub-Saharan Africa that provide extensive support to the U.S.–Africa economic and commercial relationship: the Southern Africa Trade and Investment Hub in Pretoria, South Africa; the West Africa Trade and Investment Hub co-located in Abuja, Nigeria and Accra, Ghana; and, the East Africa Trade and Investment Hub in Nairobi, Kenya. The Hubs work to boost trade and investment between and within each region, as well as to promote two-way trade with the United States under AGOA. The Hubs, through a continent-wide approach under USAID's proposed Africa Trade and Investment Program, play a central role by providing well-coordinated services aligned with private sector needs.

7. South and Central Asia

U.S. engagement with countries across South and Central Asia in 2020 focused on advancing resolution of a range of issues related to market access, protection of intellectual property, and respect for internationally-recognized worker rights. In addition, issues related to digital trade continued to assume increasing prominence in 2020.

The United States has bilateral Trade and Investment Framework Agreements (TIFAs) with Afghanistan, Bangladesh, Iraq, Maldives, Nepal, Pakistan, Sri Lanka, and, collectively, the Central Asian republics of Kazakhstan, Kyrgyz Republic, Tajikistan, Turkmenistan, and Uzbekistan. A Trade Policy Forum exists to facilitate trade and investment dialogue between the United States and India.

U.S. trade policy engagement in South and Central Asia sought to foster regional trade and security through dialogue on and adherence to trade rules. The region encompasses approximately 1.9 billion people, and many countries have been experiencing rapid economic growth and progression up the development ladder, presenting important opportunities for U.S. exporters of goods, services, and agricultural products. At the same time, the COVID-19 pandemic presented considerable economic difficulties in 2020, generally suppressing the levels of bilateral trade.

United States–India Trade Relations

During 2020, the United States continued its engagement with India to try to resolve longstanding market access impediments affecting U.S. exporters. While India’s large market, economic growth, and progress towards development make it an essential market for many U.S. exporters, a general and consistent trend of trade-restrictive policies have inhibited the potential of the bilateral trade relationship. Recent Indian emphasis on import substitution through a “Make in India” campaign has epitomized the challenges facing the bilateral trade relationship.

Effective June 5, 2019, the United States terminated India’s eligibility under the Generalized System of Preferences (GSP) program, following a review of concerns related to India’s compliance with the GSP market access criterion.

Subsequent to the suspension of India’s GSP benefits, the United States and India resumed intensive work in the fall of 2019 aimed at producing a package of meaningful market access outcomes, and this engagement continued throughout 2020. U.S. objectives in this negotiation included resolution of various non-tariff barriers, targeted reduction of certain Indian tariffs, and other market access improvements.

The United States also engaged with India on an ongoing basis throughout 2020 in response to specific concerns affecting the full range of pressing bilateral trade issues, including intellectual property (IP) protection and enforcement, policy development affecting electronic commerce and digital trade, and market access for agricultural and non-agricultural goods and services.

Trade and Investment Framework Agreement Activity in South and Central Asia

The United States engaged in formal TIFA Council meetings during 2020 with Bangladesh and Nepal. In addition, substantive intersessional TIFA work was conducted with Pakistan, and ad hoc meetings were held with Central Asian trading partners including Kazakhstan and Uzbekistan. The activities below describe the key outcomes that advanced the U.S. trade and investment agenda with countries in the South and Central Asia region.

Bangladesh: The United States terminated Bangladesh’s GSP eligibility in 2013, following reviews of Bangladesh’s worker safety and worker rights deficiencies. The United States has continued to engage Bangladesh on these concerns, including during a March 2020 meeting of the United States–Bangladesh Trade and Investment Cooperation and Facilitation Agreement (TICFA) Council held in Dhaka. Despite sustained efforts in this area, there has not been significant progress in the areas of freedom of association and worker rights laws. While private sector entities have made some progress in the area of worker safety, those efforts continue to face resistance from Bangladeshi authorities.

In addition to the continued engagement on labor issues, the United States has engaged Bangladesh on a full range of pressing bilateral trade issues, including IP protection and enforcement, policy development affecting electronic commerce and digital trade, and market access for agricultural and non-agricultural goods and services.

Pakistan: The United States engaged with Pakistan bilaterally at intersessional meetings of the United States–Pakistan TIFA Council in May and November of 2020. U.S. bilateral engagement with Pakistan has focused in particular on IP protection and enforcement, labor, market access for agricultural and non-agricultural goods and services, technical barriers to trade (TBT), and regulatory developments affecting digital trade, data privacy, and electronic commerce.

Nepal: Following an intersessional meeting in November 2020, the United States held its fifth TIFA Council meeting with Nepal in December 2020. During the TIFA Council meeting, the United States engaged on a range of bilateral trade issues, including customs and trade facilitation, IP, digital trade and electronic commerce, labor, financial services, and market access for agricultural goods.

Central Asia (Kazakhstan, Kyrgyz Republic, Tajikistan, Turkmenistan, and Uzbekistan): The United States hosted the United States–Central Asia TIFA Council meeting in Washington, D.C. in October 2019. Along with the five Central Asian countries, two observer countries—Afghanistan and Pakistan—also participated. Five working groups operate under the auspices of the TIFA, covering customs, standards, sanitary and phytosanitary (SPS) issues, IP protection and enforcement, and women’s economic empowerment. In addition to the existing working group, the United States proposed launching a digital trade working group under the auspices of the TIFA. Implementation of the WTO Trade Facilitation Agreement has been a prominent subject within the work of this regional TIFA. A planned 2020 meeting of the TIFA Council was postponed.

Sri Lanka: Following a TIFA meeting held in June 2019, the United States continued to engage with Sri Lanka on trade issues related to IP protection and enforcement, labor, market access for agricultural and non-agricultural goods and services, TBT, and policy developments affecting digital trade and electronic commerce.

Maldives: After a five-year hiatus, the United States participated in the second United States–Maldives TIFA Council meeting in June 2019. The discussion focused on IP protection and enforcement, labor, TBT, business climate concerns, trade and environment, and arbitration of investment disputes.

Iraq: The United States convened the second meeting of the United States–Iraq TIFA Council in June 2019. The discussion focused on TBT, business climate concerns, arbitration of investment disputes, market access for agricultural and non-agricultural goods and services, and specific concerns relating to Iraq’s tariffs.

II. TRADE ENFORCEMENT ACTIVITIES

A. Overview

The Office of the United States Trade Representative (USTR) coordinates the U.S. Government monitoring and enforcement of foreign government compliance with trade agreements to which the United States is a party, including through the use of dispute settlement procedures and applying the full range of U.S. trade laws. Vigorous monitoring and investigation efforts by USTR and relevant expert agencies, including the U.S. Departments of Agriculture, Commerce, Homeland Security, Justice, Labor, and State, help ensure that these agreements yield the maximum benefits in terms of ensuring market access for Americans, advancing understanding and respect for international commitments, and creating a fair, open, and predictable trading environment.

Ensuring full implementation of U.S. trade agreements is one of the strategic priorities of the United States. USTR seeks to achieve this goal through a variety of means, including:

- Asserting U.S. rights through World Trade Organization (WTO) bodies and committees charged with monitoring implementation and surveillance of agreements and disciplines, and use of dispute settlement as appropriate;
- Promoting U.S. interests under free trade agreements (FTAs) through work programs, accelerated tariff reductions, and strategic use of dispute settlement mechanisms, including with respect to labor and environmental obligations;
- Vigorously monitoring and enforcing other bilateral and plurilateral agreements;
- Invoking U.S. trade laws to promote compliance, including in conjunction with bilateral, plurilateral, and WTO mechanisms when appropriate; and
- Providing technical assistance to trading partners, especially to developing countries, to ensure that key obligations are implemented on schedule.

Through the vigorous application of U.S. trade laws and strategic use of dispute settlement procedures, the United States opens foreign markets to U.S. goods and services, helps defend U.S. workers, businesses, and farmers against unfair practices, and promotes a level playing field through promoting respect for fair, market-oriented conditions. For example, USTR's Office of Monitoring and Enforcement leads U.S. efforts to defend U.S. interests in WTO and FTA disputes, and through investigations and actions under Section 301. The United States also has used the incentive of preferential access to the U.S. market to encourage improvements in the protection of workers' rights and reform of intellectual property laws and practices in other countries. These enforcement efforts have resulted in major benefits for U.S. firms, farmers, and workers, as well as workers around the world.

Favorable Resolutions or Settlements

Dispute settlement is one mechanism that the United States may use to secure benefits for U.S. stakeholders. Whenever possible, the United States has sought to reach favorable resolutions or settlements that eliminate the foreign breach without having to resort to engage in prolonged litigation.

The United States has been able to achieve this preferred result in 36 disputes concluded so far, involving: Argentina's protection and enforcement of patents; Australia's ban on salmon imports; Belgium's duties on rice imports; Brazil's automotive investment measures; Brazil's patent law; Canada's additional duties on certain products; Canada's antidumping and countervailing duty investigation on corn; China's value-added tax exemptions for certain domestically produced aircraft; China's Demonstration Base/Common Service Platform export subsidy program; China's Automobile and Automobile Parts Export Bases prohibited subsidy program; China's value-added tax on integrated circuits; China's use of prohibited subsidies for green technologies; China's treatment of foreign financial information suppliers; China's subsidies for so-called Famous Brands; China's support for wind power equipment; Denmark's civil procedures for intellectual property enforcement; Egypt's apparel tariffs; the European Union's (EU) market access for grains; an EU import surcharge on corn gluten feed; Greece's protection of copyrighted motion pictures and television programs; Hungary's agricultural export subsidies; India's compliance regarding its patent protection; Indonesia's barriers to the importation of horticultural products (two disputes); Ireland's protection of copyrights; Japan's protection of sound recordings; Korea's shelf life standards for beef and pork; Mexico's additional duties on certain products; Mexico's restrictions on hog imports; Pakistan's protection of patents; the Philippines' market access for pork and poultry; the Philippines' automotive regime; Portugal's protection of patents; Romania's customs valuation regime; Sweden's enforcement of intellectual property rights; and Turkey's box office taxes on motion pictures.

Litigation Successes

When U.S. trading partners have not been willing to negotiate settlements, USTR has pursued its offensive cases to conclusion, prevailing in 46 cases as of December 2020. The United States prevailed in complaints against foreign trade barriers involving: Argentina's import licensing restrictions and other trade-related requirements; Argentina's tax and duties on textiles, apparel, and footwear; Australia's export subsidies on automotive leather; Canada's barriers to the sale and distribution of magazines; Canada's export subsidies and an import barrier on dairy products; Canada's law protecting patents; China's provision of agricultural domestic support for grains producers in excess of its commitment levels; China's administration of its tariff-rate quotas for grains; China's charges on imported automobile parts; China's measures restricting trading rights and distribution services for certain publications and audiovisual entertainment products; China's enforcement and protection of intellectual property rights; China's measures related to the exportation of raw materials; China's countervailing and antidumping duties on grain oriented flat-rolled electrical steel from the United States; China's claim of compliance in the dispute involving China's countervailing and antidumping duties on grain oriented flat-rolled electrical steel from the United States; China's measures affecting electronic payment services; China's countervailing and antidumping duties on broiler parts from the United States; China's countervailing and antidumping duties on automobiles from the United States; China's export restrictions on rare earths and other materials; the EU's subsidies to Airbus for large civil aircraft; the EU's claim of compliance in the dispute involving subsidies to Airbus for large civil aircraft; the EU's import barriers on bananas; the EU's ban on imports of beef; the EU's regime for protecting geographical indications; the EU's moratorium on biotechnology products; the EU's non-uniform classification of LCD monitors; the EU's tariff treatment of certain information technology products; India's export subsidies on a variety of products; India's ban on poultry meat and various other U.S. agricultural products allegedly to protect against avian influenza; India's import bans and other restrictions on 2,700 items; India's protection of patents on pharmaceuticals and agricultural chemicals; India's discriminatory local content requirements for solar cells and modules under its National Solar Mission (two merged complaints); India's and Indonesia's discriminatory measures on imports of U.S. automobiles; Indonesia's barriers on the importation of horticultural products, beef, poultry, and animals (three complaints); Japan's restrictions affecting imports of apples, cherries, and other fruits; Japan's barriers to apple imports; Japan's and Korea's discriminatory taxes on distilled spirits; Korea's restrictions on beef imports; Mexico's antidumping duties on high fructose corn syrup; Mexico's telecommunications barriers; Mexico's antidumping duties on rice; Mexico's discriminatory soft drink tax; the Philippines'

discriminatory taxation of imported distilled spirits; and Turkey’s measures affecting the importation of rice.

USTR also works in consultation with other U.S. Government agencies to ensure the most effective use of U.S. trade laws to complement its litigation strategy and to address problems that are outside the scope of the WTO and U.S. free trade agreements.

USTR has applied Section 301 of the Trade Act of 1974 to address unfair foreign government measures, “Special 301” for intellectual property rights protection and enforcement, and Section 1377 of the Omnibus Trade and Competitiveness Act of 1988 for telecommunications trade problems.

For further discussion on the application of these trade law tools, see Chapters II.B, II.E.4, and II.E.5, respectively.

ICTIME

On February 24, 2016, the Trade Facilitation and Trade Enforcement Act of 2015 was signed into law. Section 604 of the law established the Interagency Center for Trade Implementation, Monitoring and Enforcement (ICTIME) in USTR to support the activities of USTR in: investigating potential disputes under the WTO and bilateral and regional trade agreements; monitoring and enforcing trade agreements to which the United States is a party; and monitoring implementation by foreign parties of trade agreements. The statute provided funding to USTR to staff ICTIME directly. ICTIME brings together research, analytical resources, and expertise from within USTR and across the federal government into one office within USTR to significantly enhance USTR’s capability to investigate foreign trade practices that are potentially unfair or adverse to U.S. commercial interests.

In 2020, ICTIME supported the implementation and monitoring of the China Phase One Agreement with research and analysis. On WTO matters, ICTIME provided research and analysis in support of multiple USTR enforcement actions including, additional import duties imposed on U.S. products by a number of trading partners (Canada, China, the EU, Mexico, Russia, and Turkey) as well as related cases on U.S. duties brought by a number of trading partners (the EU, India, Norway, Russia, Switzerland, and Turkey). In addition, ICTIME continued to provide research and analysis in support of USTR’s successful WTO enforcement actions involving China’s tariff rate quota administration and domestic support for corn, wheat, and rice, and India’s export subsidies. In the WTO committee context, ICTIME provided research and analysis within the Committee on Agriculture regarding India’s aggregate measurements of support for a variety of agricultural goods. As in previous years, ICTIME has acquired translations of, or directly translated, a large number of foreign laws, regulations, and other measures related to trading partners’ adherence to international trade obligations, including compliance in disputes brought by the United States.

B. Section 301

Section 301 of the Trade Act of 1974 (Trade Act) is designed to address foreign unfair practices affecting U.S. commerce. Section 301 may be used to enforce U.S. rights under bilateral and multilateral trade agreements or to respond to unreasonable, unjustifiable, or discriminatory foreign government practices that burden or restrict U.S. commerce. For example, Section 301 may be used to obtain improved market opportunities for U.S. goods and services, to provide more equitable conditions for U.S. investment abroad, and to obtain more effective protection worldwide for U.S. intellectual property.

Operation of the Statute

The Section 301 provisions of the Trade Act provide a domestic procedure through which interested persons may petition the U.S. Trade Representative to investigate a foreign government act, policy, or practice that may be burdening or restricting U.S. commerce and take appropriate action. The U.S. Trade Representative also may self-initiate an investigation.

In each investigation, the U.S. Trade Representative must seek consultations with the foreign government whose acts, policies, or practices are under investigation. If the acts, policies, or practices are determined to violate a trade agreement or to be unjustifiable, the U.S. Trade Representative must take action. If they are determined to be unreasonable or discriminatory and to burden or restrict U.S. commerce, the U.S. Trade Representative must determine whether action is appropriate and, if so, what action to take.

Actions that the U.S. Trade Representative may take under Section 301 include to: (1) suspend trade agreement concessions; (2) impose duties or other import restrictions; (3) impose fees or restrictions on services; (4) enter into agreements with the subject country to eliminate the offending practice or to provide compensatory benefits for the United States; and/or (5) restrict service sector authorizations. After a Section 301 investigation is concluded, the Office of the United States Trade Representative (USTR) is required to monitor a foreign country's implementation of any agreements entered into, or measures undertaken, to resolve a matter that was the subject of the investigation. If the foreign country fails to comply with an agreement or the U.S. Trade Representative considers that the country fails to implement a World Trade Organization (WTO) recommendation, the U.S. Trade Representative must determine what further action to take under Section 301.

1. China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation

Pursuant to the President's direction, the U.S. Trade Representative initiated in August 2017 an investigation under Section 302(b) of the Trade Act (19 U.S.C. 2412(b)) to determine whether acts, policies, and practices of the Government of the People's Republic of China related to technology transfer, intellectual property, and innovation are unreasonable or discriminatory and burden or restrict U.S. commerce.³ The findings of the investigation, along with advice from the Section 301 Committee, Trade Policy Staff Committee, and advisory committees, supported a determination that China's acts, policies, and practices are actionable under Section 301(b) of the Trade Act (19 U.S.C. 2411(b)). The findings of the investigation are reflected in an extensive 200-page [report](#), which USTR published on March 22, 2018.

Based on this report, the U.S. Trade Representative in April 2018 published a notice of a determination that the following acts, policies, and practices of China are unreasonable or discriminatory and burden or restrict U.S. commerce, and are thus actionable under Section 301(b) of the Trade Act:

- China uses foreign ownership restrictions, such as joint venture requirements and foreign equity limitations, and various administrative review and licensing processes, to require or pressure technology transfer from U.S. companies.
- China's regime of technology regulations forces U.S. companies seeking to license technologies to Chinese entities to do so on non-market-based terms that favor Chinese recipients.

³ 82 FR 39007 (August 14, 2017).

- China directs and unfairly facilitates the systematic investment in, and acquisition of, U.S. companies and assets by Chinese companies to obtain cutting-edge technologies and intellectual property and generate the transfer of technology to Chinese companies.
- China conducts and supports unauthorized intrusions into, and theft from, the computer networks of U.S. companies to access their sensitive commercial information and trade secrets.⁴

With respect to the second category of acts, policies, and practices (involving technology licensing regulations), the U.S. Trade Representative decided that relevant U.S. concerns could be appropriately addressed through recourse to WTO dispute settlement. Accordingly, on March 23, 2018, USTR initiated a WTO dispute by requesting consultations with the government of China regarding certain specific aspects of China's technology regulations.⁵ Following the consultations and the subsequent establishment of a panel, the proceedings have been suspended since June 2019, at the request of the United States. (*For further information, see Chapter II.D WTO Dispute Settlement.*)

Lists 1 and 2

With respect to the three other categories of acts, policies, and practices listed above, the U.S. Trade Representative, at the direction of the President, determined to impose an additional duty on certain products of China. The additional duties were imposed in two tranches, following public comment and hearings. In July 2018, an additional 25 percent duty was imposed on the first tranche, known as List 1, which covered 818 tariff subheadings with an approximate annual trade value of \$34 billion.⁶ Subsequently in August 2018, an additional 25 percent duty was imposed on the second tranche, known as List 2, which covered 279 tariff subheadings with an approximate annual trade value of \$16 billion.⁷

The U.S. Trade Representative also established processes by which stakeholders may request that particular products classified within a covered tariff subheading be excluded from the additional duties.⁸ USTR received and reviewed approximately 11,000 and 2,900 exclusion requests pertaining to Lists 1 and 2, respectively, approving approximately 3,700 and 1,100 of them.

List 3

In September 2018, the U.S. Trade Representative, at the direction of the President, determined to modify the prior action in the investigation by imposing additional duties on products of China classified under 5,733 tariff subheadings with an approximate annual trade value of \$200 billion.⁹ The rate of the additional duty on these List 3 products was initially 10 percent *ad valorem* and was later increased to 25 percent *ad valorem* in May 2019, following public comment and hearing.¹⁰

USTR also established an exclusion process for products of China covered under List 3.¹¹ USTR received approximately 30,300 exclusion requests under List 3. USTR approved approximately 1,500 requests.

⁴ 83 FR 14906 (April 6, 2018).

⁵ *China—Certain Measures Concerning the Protection of Intellectual Property Rights* (DS542).

⁶ 83 FR 28710 (June 20, 2018).

⁷ 83 FR 40823 (August 16, 2018).

⁸ 83 FR 32181 (July 11, 2018) and 83 FR 47236 (September 18, 2018).

⁹ 83 FR 47974 (September 21, 2018); 83 FR 49153 (September 28, 2018).

¹⁰ 84 FR 20459 (May 9, 2019).

¹¹ 84 FR 29576 (June 24, 2019).

List 4

In August 2019, the U.S. Trade Representative, at the direction of the President, determined to modify the prior action in the investigation by imposing additional 10 percent *ad valorem* duties on products of China classified under approximately 3,805 tariff subheadings with an approximate annual trade value of \$300 billion.¹² The tariff subheadings subject to the 10 percent additional duties were separated into two lists with different effective dates: September 1, 2019 for the list in Annex A, known as List 4A, and December 15, 2019 for the list in Annex C, known as List 4B. Subsequently, at the direction of the President, the U.S. Trade Representative determined to increase the rate of the additional duties from 10 percent to 15 percent.¹³

On December 18, 2019, following a December 13 announcement of the Phase One Agreement between the United States and China, and at the direction of the President, the U.S. Trade Representative determined to suspend indefinitely the imposition of the 15 percent additional duties on products of China covered by List 4B, which otherwise would have been effective on December 15, 2019.¹⁴ The Phase One Agreement requires structural reforms and other changes to China's economic and trade regime, including with respect to certain issues covered in the Section 301 investigation. Also in light of the Phase One Agreement, and at the direction of the President, the U.S. Trade Representative determined to reduce the rate of additional duties on products of China covered by List 4A, from 15 percent to 7.5 percent, effective February 14, 2020.¹⁵

USTR also established an exclusion process for products of China covered under List 4A.¹⁶ The deadline for submitting requests under this process was January 31, 2020. USTR received approximately 8,800 requests and approved 575 of them.

Extension of Exclusions and Response to the COVID-19 Pandemic

The first tranche of approved exclusions expired in December 2019 and the final tranche of approved exclusions expired in October 2020. Starting in November 2019, USTR established processes for submitting public comments on whether to extend particular exclusions.¹⁷ Pursuant to these processes, USTR determined to extend 137 exclusions covered under List 1, 59 exclusions on List 2, 266 exclusions on List 3, and 87 exclusions on List 4.

On March 25, 2020, USTR sought public comment on additional modifications in this investigation in order to address the COVID-19 pandemic. On December 22, 2020, USTR announced its determination to further extend certain product exclusions on medical-care products and to make further modifications to remove Section 301 duties from additional medical-care products to address the COVID-19 pandemic.¹⁸

2. European Union – Measures Concerning Meat and Meat Products (Hormones)

The European Union (EU) prohibits imports into the EU of animals and meat from animals to which certain hormones have been administered (the “hormone ban”). In 1996, the United States initiated a WTO dispute with respect to the hormone ban. A WTO panel and the Appellate Body found that the measure was

¹² 84 FR 43304 (August 20, 2019).

¹³ 84 FR 45821 (August 30, 2019).

¹⁴ 84 FR 69447 (December 18, 2019).

¹⁵ 85 FR 3741 (January 22, 2020).

¹⁶ 84 FR 57144 (October 24, 2019).

¹⁷ See, e.g. 85 FR 6687 (February 5, 2019) and 85 FR 38482 (June 26, 2020).

¹⁸ 85 FR 85831 (December 29, 2020)

inconsistent with WTO obligation, because the ban was not based on scientific evidence, a risk assessment, or relevant international standards. Under WTO procedures, the European Communities (EC), the predecessor to the EU, was to come into compliance with its obligations by May 13, 1999, but it failed to do so. Accordingly, in May 1999, the United States requested authorization from the Dispute Settlement Body (DSB) to suspend the application to the EC, and Member States thereof, of tariff concessions and related obligations under the General Agreement on Tariffs and Trade (GATT) 1994. The EC did not contest that it had failed to comply with its WTO obligations, but it objected to the level of suspension proposed by the United States.

On July 12, 1999, a WTO arbitrator determined that the level of nullification or impairment suffered by the United States as a result of the WTO inconsistent hormone ban was \$116.8 million per year. Accordingly, on July 26, 1999, the DSB authorized the United States to suspend the application to the EC and its Member States of tariff concessions and related obligations under the GATT 1994, covering trade up to \$116.8 million per year. In a notice published in July 1999, USTR announced that the United States was acting pursuant to this authorization by initiating proceedings under Section 301 to impose 100 percent *ad valorem* duties on certain products of certain EC Member States.

In February 2005, a WTO panel was established to consider the EU's claims that it had brought its hormone ban into compliance with its WTO obligations and that the increased duties imposed by the United States were no longer authorized by the DSB. In 2008, the panel and Appellate Body confirmed that the July 1999 DSB authorization remained in effect.

In January 2009, the U.S. Trade Representative: (1) removed certain products from the 1999 list of products subject to 100 percent *ad valorem* duties; (2) imposed 100 percent *ad valorem* duties on some new products from certain EU Member States; (3) modified the coverage with respect to particular EU Member States; and (4) raised the level of duties on one product. The trade value of the products subject to the modified list did not exceed the \$116.8 million per year authorized by the WTO.

In March 2009, the U.S. Trade Representative delayed the effective date of the additional duties (items two through four above) imposed under the January 2009 modifications in order to allow additional time for reaching an agreement with the EU. The effective date of the removal of duties under the January modifications remained March 23, 2009. Accordingly, subsequent to March 23, 2009, the additional duties put in place in July 1999 remained applicable to a reduced list of products.

In May 2009, the United States and the EU concluded a memorandum of understanding (MOU) which, under the first phase of the MOU scheduled to conclude in August 2012, obligated the EU to open a new duty-free tariff-rate quota (TRQ) for beef not produced with certain growth-promoting hormones. The United States in turn agreed not to impose duties above those in effect as of March 23, 2009.

On August 3, 2012, the United States and the EU, by mutual agreement, entered into a second phase of the MOU, to expire in one year. Under phase two, the U.S. Trade Representative terminated the remaining additional duties, and the EU expanded the TRQ from 20,000 to 45,000 metric tons. In August 2013, the United States and the EU extended phase two for an additional two years, until August 2015.

On December 9, 2016, representatives of the U.S. beef industry requested that the U.S. Trade Representative reinstate trade action against the EU because the TRQ was not providing benefits sufficient to compensate for the harm caused by the EU's hormone ban. On December 28, 2016, USTR published a *Federal Register* notice seeking public comments on specific EU products in order to consider possible reinstatement of duties. USTR held a public hearing on February 15, 2017.

In 2019, the United States and the European Union concluded successful negotiations to resolve concerns with the operation of the TRQ established by the MOU. On August 2, 2019, the EU and United States signed the *Agreement on the Allocation to the United States of a Share in the Tariff Rate Quota for High Quality Beef Referred to in the Revised MOU Regarding the Importation of Beef from Animals Not Treated with Certain Growth-promoting Hormones and Increased Duties Applied by the United States to Certain Products of the European Union*. The agreement establishes a duty-free TRQ exclusively for the United States. Under the agreement, American ranchers will have an initial TRQ of 18,500 metric tons annually, valued at approximately \$220 million. Over seven years, the TRQ will grow to 35,000 metric tons annually, valued at approximately \$420 million. On December 13, 2019, USTR published in the Federal Register notice of its determination not to reinstate action under Section 306(c) in connection with the European Union's measures.

The Section 306(c) proceeding was terminated effective January 1, 2020, the date the EU applied the U.S.-specific TRQ allocation.

3. Digital Services Taxes

France

On March 6, 2019, the Government of France released a proposal for a 3 percent levy on revenues that certain companies generate from providing certain digital services to, or aimed at, persons in France (the Digital Services Tax, or the DST). The President of France signed the bill into law on July 24, 2019.

On July 10, 2019, the U.S. Trade Representative initiated an investigation of the French DST pursuant to Section 302(b)(1)(A) of the Trade Act (84 FR 34042). Based on information obtained during the investigation, USTR, with the advice of the Section 301 Committee, prepared a report setting out factual findings of the investigation.

On December 6, 2019, the U.S. Trade Representative determined under Sections 301(b) and 304(a) of the Trade Act (19 U.S.C. 2411(b) and 2414(a)) that the act, policy, or practice covered in the investigation, namely the French DST, is unreasonable or discriminatory and burdens or restricts U.S. commerce, and is thus actionable under Section 301(b) of the Trade Act (84 FR 66956).

The December 6, 2019, Federal Register notice also solicited public comments on a proposed trade action consisting of additional duties of up to 100 percent on certain French products. Additionally, the notice sought comment on the option of imposing fees or restrictions on French services (84 FR 66956). The Section 301 Committee convened a public hearing on January 7, 2020 and January 8, 2020, in which witnesses provided testimony and responded.

On July 10, 2020, the U.S. Trade Representative determined that action was appropriate in this investigation and that the appropriate action was the imposition of *ad valorem* duties of 25 percent on certain products of France (85 FR 43292).

To allow additional time for bilateral and multilateral discussions, and in recognition of France's agreement to suspend collection of its DST during 2020, the U.S. Trade Representative further determined to suspend the additional duties for up to 180 days (that is, up to January 6, 2021), pursuant to Section 305(a) of the Trade Act (19 U.S.C. 2415(a)) (85 FR 43292).

The U.S. Trade Representative determined to suspend the action in this investigation as of January 6, 2021, to allow USTR to coordinate actions in all DST investigations (86 FR 2479).

Austria

In October 2019, Austria adopted a digital services tax (DST) that applies a five percent tax to revenues from online advertising services. The law went into force on January 1, 2020. The tax applies only to companies with at least €750 million (approximately \$850 million) in annual global revenues for all services and €25 million (approximately \$28 million) in in-country revenues for covered digital services (86 FR 6406).

On June 2, 2020, the U.S. Trade Representative initiated a Section 301 investigation of Austria's DST. On the same day, the U.S. Trade Representative requested consultations with the Government of Austria. The investigation's notice of initiation invited public comments on the issues covered by the investigation (85 FR 34709). The investigation is ongoing.

Brazil

As of early 2020, Brazil began considering legislative proposals that would provide for a DST. On June 2, 2020, the U.S. Trade Representative initiated a Section 301 investigation of the DST under consideration by Brazil. On the same day, the USTR requested consultations with the government of Brazil. The investigation's notice of initiation invited public comments on issues covered by the investigation (85 FR 34709). The investigation is ongoing.

The Czech Republic

As of early 2020, the Czech Republic began considering a legislative proposal that would provide for a DST. On June 2, 2020, the U.S. Trade Representative initiated a Section 301 investigation of the DST under consideration by the Czech Republic. On the same day, the U.S. Trade Representative requested consultations with the Czech government. The investigation's notice of initiation invited public comments on issues covered by the investigation (85 FR 34709). The investigation is ongoing.

The European Union

As of early 2020, the EU began considering the possible adoption of a DST, to be proposed by the European Commission. On June 2, 2020, the USTR initiated a Section 301 investigation of the DST under consideration by the EU. On the same day, the U.S. Trade Representative requested consultations with the EU. The investigation's notice of initiation invited public comments on issues covered by the investigation (85 FR 34709). The investigation is ongoing.

India

In March 2020, India adopted a two percent DST. The tax only applies to non-resident companies, and covers online sales of goods and services to, or aimed at, persons in India. The tax applies to companies with annual revenues in excess of approximately Rs. 20 million (approximately \$267,000). The tax went into effect on April 1, 2020 (85 FR 34709).

On June 2, 2020, the U.S. Trade Representative initiated a Section 301 investigation of India's DST. On the same day, the USTR requested consultations with the government of India. The investigation's notice of initiation invited public comments on issues covered by the investigation (85 FR 34709). The investigation is ongoing.

Indonesia

Indonesia adopted a DST; further legal measures are required for this tax to go into effect. On June 2, 2020, the USTR initiated a Section 301 investigation of Indonesia's DST. On the same day, the U.S. Trade Representative requested consultations with the Government of Indonesia. The investigation's notice of initiation invited public comments on issues covered by the investigation (85 FR 34709). The investigation is ongoing.

Italy

Italy adopted a DST, effective on January 1, 2020. Italy's DST applies to companies that generate €750 million (approximately \$850 million) or more in worldwide revenues and €5.5 million (approximately \$6.25 million) or more in revenues deriving from the provision of digital services in Italy. Italy's DST applies a three percent rate on the total amount of taxable revenues generated during the calendar year (86 FR 2477).

On June 2, 2020, the U.S. Trade Representative initiated a Section 301 investigation of Italy's DST. On the same day, the U.S. Trade Representative requested consultations with the Government of Italy. The investigation's notice of initiation invited public comments on issues covered by the investigation (85 FR 34709). The investigation is ongoing.

Spain

In early- to mid-2020, Spain was considering the adoption of DST. Spain proceeded to adopt a DST on October 7, 2020. Spain's DST applies a three percent tax to revenues from certain digital advertising, digital intermediation services, and data transmission services. The DST applies to companies generating at least €750 million (approximately \$850 million) in global revenues and €3 million (approximately \$3.4 million) in revenues attributable to Spain (86 FR 6407).

On June 2, 2020, the U.S. Trade Representative initiated a Section 301 investigation of Spain's proposed DST (subsequently adopted in October). On the same day, the U.S. Trade Representative requested consultations with the Government of Spain. The investigation's notice of initiation invited public comments on issues covered by the investigation (85 FR 34709). The investigation is ongoing.

Turkey

Turkey adopted a DST on December 7, 2019. The DST applies as of March 1, 2020. The DST covers companies that, during the previous calendar year, generated €750 million (approximately \$850 million) or more in worldwide revenues and TRY 20 million (approximately \$2.8 million) or more in revenues deriving from the provision of digital services in Turkey (86 FR 2480).

On June 2, 2020, the U.S. Trade Representative initiated a Section 301 investigation of Turkey's DST. On the same day, the U.S. Trade Representative requested consultations with the Government of Turkey. The investigation's notice of initiation invited public comments on issues covered by the investigation (85 FR 34709). The investigation is ongoing.

The United Kingdom

In early 2020, the United Kingdom (UK) DST was considering the adoption of a DST. In particular, a DST was introduced as part of the Finance Bill 2020, which was published on March 19, 2020. On July 22, 2020, the UK adopted the DST. The UK DST applies a two percent tax on the revenues of certain search

engines, social media platforms and online marketplaces. The UK DST applies only to companies with global digital services revenues exceeding £500 million (approximately \$641 million) and UK digital services revenues exceeding £25 million (approximately \$19.5 million). Companies became liable for this DST on April 1, 2020 (86 FR 6406).

On June 2, 2020, the U.S. Trade Representative initiated a Section 301 investigation of the UK's proposed DST, which (as noted) was subsequently adopted. On the same day, the U.S. Trade Representative requested consultations with the Government of the United Kingdom. The investigation's notice of initiation invited public comments on issues covered by the investigation (85 FR 34709). The investigation is ongoing.

4. Enforcement of U.S. WTO Rights in European Union Large Civil Aircraft Dispute

On October 6, 2004, the United States requested WTO dispute settlement consultations with the EC (now the EU), France, Germany, Spain, and the United Kingdom (certain member States) concerning certain subsidies granted by the EU and certain member States to the EU large civil aircraft (LCA) domestic industry, on the basis that the subsidies appeared to be inconsistent with their obligations under the GATT 1994 and the WTO Agreement on Subsidies and Countervailing Measures (SCM Agreement).

In May 2011, a WTO panel report, as amended by an Appellate Body report, confirmed that EU and certain member State subsidies on the manufacture of LCA breached the EU's obligations under the SCM Agreement. The DSB adopted the reports on June 1, 2011, and recommended that the EU and certain member States bring the WTO-inconsistent measures into compliance with WTO rules. The EU and certain member States had until December 1, 2011, to bring the measures into compliance. On December 1, 2011, the EU asserted that it had implemented the DSB recommendations. The United States did not agree, and requested authorization from the DSB to impose countermeasures commensurate with the adverse effects of the WTO-inconsistent measures. The EU objected to the request, referring the matter to arbitration to assess the proper level of any countermeasures.

In early 2012, the United States and the EU entered into a procedural agreement pursuant to which the arbitration would be suspended until after WTO compliance panel and any appellate proceedings determined whether the EU had implemented the DSB recommendations. On May 28, 2018, the DSB adopted compliance panel and Appellate Body reports confirming that launch aid to the Airbus A380 and A350 XWB aircraft continued to cause WTO-inconsistent adverse effects to U.S. interests.

At the request of the United States, and in accordance with the procedural agreement, on July 13, 2018, the WTO Arbitrator resumed its work in determining the level of countermeasures to be authorized as a result of the WTO inconsistencies.

On April 12, 2019, USTR announced the initiation of a Section 301 investigation to enforce U.S. rights in the dispute. The notice of initiation solicited written comments on several aspects of the investigation, as well as comments on a list of products with a value of \$21 billion being considered for additional duties of up to 100 percent. Public hearings were held on May 15 to May 16.

USTR issued a second notice on July 5, 2019, that requested public comments on a supplementary list of products with a value of \$4 billion for which additional duties of up to 100 percent were also being considered. A second hearing was held on August 5, 2019.

On October 2, 2019, the WTO Arbitrator issued a report that concluded that the appropriate level of countermeasures in response to the WTO-inconsistent launch aid provided by the EU or certain member States to their LCA domestic industry is approximately \$7.5 billion annually.

On October 9, 2019, the U.S. Trade Representative announced in the *Federal Register* (84 FR 54245) a determination that, based on the original panel and appellate reports, the compliance panel and appellate reports, the report of the WTO Arbitrator, and information obtained during the investigation, including public comments, the advice of the advisory committees, the Section 301 Committee, and the Trade Policy Staff Committee, U.S. rights under the GATT 1994 and Articles 5 and 6.3 of the SCM Agreement were being denied, that the subsidies provided by the EU and certain member States were inconsistent with these agreements, and that the EU and certain Members States had not satisfactorily implemented the recommendation of the WTO DSB. The October 9 notice also announced a list of the products with an annual trade value of approximately \$7.5 billion that would be subject to additional duties of 10 percent or 25 percent, effective October 18, 2019.

On December 12, 2019, USTR published a notice in the *Federal Register* (84 FR 67992) seeking comments on a review of the October 18 action. Pursuant to the Section 301 statute, the notice sought comments on whether products subject to additional duties should be removed or remain on the final list, whether the rate of additional duty on specific products should be increased up to a level of 100 percent, and whether additional duties should be imposed on products which had been subject to public comment but were not subject to the October 18 action and the rate of additional duty to be applied to such products. A periodic revision of the action was announced on February 14, 2020, and a notice published in the *Federal Register* on February 21, 2020 (85 FR 10204). The February notice also included a determination that the United States may take appropriate action upon any EU imposition of additional duties on U.S. products in connection with the EU LCA dispute or the U.S. LCA dispute brought by the EU.

The next review was announced June 26, 2020, and included a notice which sought comment on an additional list of products with a value of approximately \$3.1 billion being considered for additional duties (85 FR 38488, as amended by 85 FR 39661 on July 1, 2020). The revised action was announced August 12, 2020, and included the determination that the action may be revised on any EU retaliation (85 FR 50866).

On November 9, 2020, following a decision by the WTO arbitrator in the U.S. LCA dispute that Washington State tax rate reductions in a 2012 reference period caused \$4 billion per year in adverse effects, the EU announced that it would impose additional duties of 15 percent and 25 percent on goods of the United States, effective November 10, 2020. The Washington State measure was withdrawn in April 2020, and the EU has no legal basis to retaliate. Furthermore, in exercising its \$4 billion authorization, the EU relied on a benchmark reference period affected by the economic downturn caused by the COVID-19 pandemic, which enabled the EU to cover a greater volume of imports than if, like the United States, it had used data from a period when trade was not affected by the pandemic.

On December 31, 2020, in response to the EU's action, the United States announced certain revisions to the August 2020 action, including an adjustment to mirror the benchmark period used by the EU in exercising its authorization (86 FR 674 of January 6, 2021). Using the new benchmark period, coupled with appropriate adjustments, the December 31, 2020, revision remains consistent with the WTO arbitrator's award for the United States.

5. Vietnam’s Acts, Policies, and Practices Related to the Import and Use of Illegal Timber

On October 2, 2020, the U.S. Trade Representative initiated an investigation regarding whether Vietnam’s acts, policies and practices related to Vietnam’s import and use of illegally harvested or traded timber (“illegal timber”) are unreasonable or discriminatory and burden or restrict United States commerce. On the same day, the United States requested consultations with Vietnam. The notice of initiation (85 FR 63639) explained that Vietnam relies on imports of timber harvested in other countries to supply the timber inputs needed for its wood products manufacturing sector, and evidence suggests that a significant portion of that imported timber was illegally harvested or traded. Through the notice of initiation, USTR solicited written comments. USTR received 71 submissions in response.

USTR and the Section 301 Committee convened a virtual public hearing on December 28, 2020, during which 19 witnesses provided testimony and responded to questions. On January 8, 2021, the United States held consultations with the Government of Vietnam. The investigation is ongoing.

6. Vietnam’s Acts, Policies, and Practices Related to Currency Valuation

On October 2, 2020, the U.S. Trade Representative initiated an investigation regarding whether Vietnam’s acts, policies, and practices related to the valuation of its currency are unreasonable or discriminatory and burden or restrict United States commerce. On the same day, the United States requested consultations with Vietnam. The notice of initiation (85 FR 63637) explained that the State Bank of Vietnam’s management of its currency is closely tied to the U.S. dollar, and that available analysis indicated that Vietnam’s currency had been undervalued for the past three years. The notice further explained that available evidence indicated that the Government of Vietnam, through the State Bank of Vietnam, actively intervened in the exchange market which contributed to the dong’s undervaluation in 2019. Through the notice of initiation, USTR solicited public comments. USTR received 66 submissions in response.

On December 23, 2020, the United States held consultations with the Government of Vietnam. On December 29, 2020, USTR and the Section 301 Committee held a virtual public hearing on the investigation. During the hearing, 21 witnesses testified and responded to questions. The investigation is ongoing.

C. Section 201

Section 201 of the Trade Act of 1974 provides a procedure whereby the President may grant temporary import relief to a domestic industry if increased imports are a substantial cause of serious injury or the threat of serious injury. Relief may be granted for an initial period of up to four years, with the possibility of extending the relief to a maximum of eight years. Import relief is designed to redress the injury and to facilitate positive adjustment by the domestic industry; it may consist of increased tariffs, quantitative restrictions, or other forms of relief. Section 201 also authorizes the President to grant provisional relief in cases involving “critical circumstances” or certain perishable agricultural products.

For an industry to obtain relief under Section 201, the U.S. International Trade Commission (USITC) must first determine that a product is being imported into the United States in such increased quantities as to be a substantial cause (a cause which is important and not less than any other cause) of serious injury, or the threat thereof, to the U.S. industry producing a like or directly competitive product. If the USITC makes an affirmative injury determination (or is equally divided on injury) and recommends a remedy to the President, the President may provide relief either in the amount recommended by the USITC or in such

other amount as he finds appropriate. The criteria for import relief in Section 201 are based on Article XIX of the GATT 1994—the so-called “escape clause”—and the WTO Agreement on Safeguards.

In 2020, the USITC instituted a new investigation under Section 201 regarding fresh, chilled, or frozen blueberries, based on a request from the U.S. Trade Representative. Additionally, Section 204 of the Trade Act of 1974 requires the USITC to monitor developments with respect to the domestic industry following the President’s determination to impose a safeguard measure. When the duration of a safeguard measure is longer than three years, the USITC must submit a report to the President and Congress on the results of its monitoring no later than the midterm of the measure. The USITC announced midterm reviews during 2019 for the safeguard measure on large residential washers and on solar products. The USITC released its report regarding the former on August 7, 2019, and its report regarding the latter on February 7, 2020. Based on these reports and other considerations, the President took action on January 23, 2020, and October 10, 2020, to further facilitate the positive adjustment, respectively, to competition from imports of large residential washers and to competition from imports of solar products.

D. WTO and FTA Dispute Settlement

In 2020, the United States pursued its first action under the United States–Mexico–Canada Agreement (USMCA). In December 2020, the United States requested consultations with Canada regarding Canada’s administration of 14 of its dairy tariff-rate quotas (TRQs), including TRQs on milk, cream, skim milk powder, butter and cream powder, industrial cheeses, cheeses of all types, milk powders, concentrated or condensed milk, yogurt and buttermilk, powdered buttermilk, whey powder, products consisting of natural milk constituents, ice cream and ice cream mixes, and other dairy.

In 2020, the United States pursued action in one WTO proceeding. In July 2020, following China’s failure to comply with World Trade Organization (WTO) findings concerning excessive levels of domestic support provided to its grain producers by the agreed reasonable period of time, the United States requested authorization to suspend the application to China of tariff concessions and other obligations at an estimated level of \$1.3 billion for 2020. China objected to the U.S. request, automatically referring the matter to arbitration.

Other ongoing WTO dispute settlement actions include panel proceedings against China, the European Union, Russia, Turkey, and India challenging their additional duties imposed on U.S. products in retaliation for U.S. duties on steel and aluminum products; a compliance proceeding, initiated by China, to determine whether China has complied with the WTO’s recommendations regarding its excessive levels of annual domestic support provided to its grain producers between 2012 and 2015; an appeal by the European Union of the second compliance panel’s finding that the European Union failed to implement the WTO’s recommendations to bring its WTO-inconsistent launch aid subsidies to Airbus into compliance with WTO rules; and an appeal by India of the panel’s findings concerning the U.S. challenge of four export subsidy schemes benefitting numerous Indian exporters.

The cases described in Chapter II.D of this report provide further detail about U.S. involvement in WTO and FTA dispute settlement process. Further information on disputes to which the United States is a party and U.S. submissions are available on the [USTR website](#).

FTA Disputes Brought by the United States

USMCA: Canada – Allocation of Dairy Tariff-Rate Quotas

On December 9, 2020, the United States requested USMCA Chapter 31 consultations with Canada regarding Canada’s administration of its dairy tariff-rate quotas (“TRQs”). These consultations concern 14 TRQs on dairy products that Canada has the right to maintain under the USMCA, including milk, cream, skim milk powder, butter and cream powder, industrial cheeses, cheeses of all types, milk powders, concentrated or condensed milk, yogurt and buttermilk, powdered buttermilk, whey powder, products consisting of natural milk constituents, ice cream and ice cream mixes, and other dairy.

The United States is concerned about Canada’s allocation of dairy TRQs. In notices to importers that Canada published in June and October 2020 for dairy TRQs, Canada sets aside and limits access to a percentage of the quota for processors and for so-called “further processors”. By setting aside and limiting access to a percentage of each dairy TRQ exclusively for processors, Canada has undermined the ability of American dairy farmers and producers to utilize the agreed-upon TRQs and sell a wide range of dairy products to Canadian consumers. Canada’s measures appear to be inconsistent with Articles 3.A.2.4(b), 3.A.2.6(a), 3.A.2.11(b), 3.A.2.11(c), and 3.A.2.11(e) of the USMCA.

On December 21, 2020, Canada and the United States held consultations via videoconference.

FTA Disputes Brought Against the United States

USMCA: United States – Safeguard Measure on Solar Products

On December 22, 2020, Canada requested USMCA Chapter 31 consultations with the United States regarding implementation of a safeguard measure on certain crystalline silicon photovoltaic cells (whether or not partially or fully assembled into other products) that are imported into the United States. The increased duties and tariff-rate quota pursuant to the safeguard measure apply to imports of covered products from Canada.

On December 30, 2020, Mexico requested to join the consultations under USMCA Chapter 31 as a third party.

WTO Disputes Brought by the United States

In 2020, the United States continued to be one of the most active participants in the WTO dispute settlement process. This section includes brief summaries of dispute settlement activity in 2020 where the United States was a complainant (listed alphabetically by responding party, and then chronologically).

China – Measures Affecting Trading Rights and Distribution Services for Certain Publications and Audiovisual Entertainment Products (DS363)

On April 10, 2007, the United States requested consultations with China regarding certain measures related to the import and/or distribution of imported films for theatrical release, audiovisual home entertainment products (e.g., video cassettes and DVDs), sound recordings, and publications (e.g., books, magazines, newspapers, and electronic publications). On July 10, 2007, the United States requested supplemental consultations with China regarding certain measures pertaining to the distribution of imported films for theatrical release and sound recordings.

Specifically, the United States was concerned that certain Chinese measures: (1) restricted trading rights (such as the right to import goods into China) with respect to imported films for theatrical release, audiovisual home entertainment products, sound recordings, and publications; and (2) restricted market access for, or discriminated against, imported films for theatrical release and sound recordings in physical form, and foreign service providers seeking to engage in the distribution of certain publications, audiovisual home entertainment products, and sound recordings. The Chinese measures at issue appeared to be inconsistent with several WTO provisions, including provisions in the GATT 1994 and GATS, as well as specific commitments made by China in its WTO accession agreement.

The United States and China held consultations on June 5 and June 6, 2007 and July 31, 2007. At the U.S. request, the WTO established a panel on November 27, 2007, to examine the U.S. complaint. On March 27, 2008, the Director General composed the panel as follows: Mr. Florentino P. Feliciano, Chair; and Mr. Juan Antonio Dorantes and Mr. Christian Häberli, Members.

The report of the panel was circulated to WTO Members and made public on August 12, 2009. In the final report, the panel made three critical sets of findings. First, the panel found that China's restrictions on foreign invested enterprises (and in some cases foreign individuals) from importing films for theatrical release, audiovisual home entertainment products, sound recordings, and publications are inconsistent with China's trading rights commitments as set forth in China's protocol of accession to the WTO. The panel also found that China's restrictions on the right to import these products are not justified by Article XX(a) of the GATT 1994. Second, the panel found that China's prohibitions and discriminatory restrictions on foreign owned or controlled enterprises seeking to distribute publications and audiovisual home entertainment products and sound recordings over the Internet are inconsistent with China's obligations under the GATS. Third, the panel also found that China's treatment of imported publications is inconsistent with the national treatment obligation in Article III: 4 of the GATT 1994.

In September 2009, China filed a notice of appeal to the WTO Appellate Body, appealing certain of the panel's findings, and the United States filed an appeal on one aspect of the panel's analysis of China's defense under GATT Article XX(a). On December 21, 2009, the Appellate Body issued its report. The Appellate Body rejected each of China's claims on appeal. The Appellate Body also found that the Panel had erred in the aspect of the analysis that the United States had appealed. The DSB adopted the Appellate Body and panel reports on January 19, 2010. On July 12, 2010, the United States and China notified the DSB that they had agreed on a 14 month period of time for implementation, to end on March 19, 2011.

China subsequently issued several revised measures, and repealed other measures, relating to the market access restrictions on books, newspapers, journals, DVDs, and music. As China acknowledged, however, it did not issue any measures addressing theatrical films. Instead, China proposed bilateral discussions with the United States in order to seek an alternative solution. The United States and China reached agreement in February 2012 on a Memorandum of Understanding (MOU) providing for substantial increases in the number of foreign films imported and distributed in China each year and substantial additional revenue for foreign film producers. The MOU calls for China and the United States to engage in consultations in calendar year 2017 and, through this consultation process, to provide for further meaningful compensation to the United States. China and the United States initiated consultations in 2017; however, to date China has not agree to provide further meaningful compensation, as it committed under the MOU.

China – Measures Relating to the Exportation of Various Raw Materials (DS394)

On June 23, 2009, the United States requested consultations with China regarding China's export restraints on a number of important raw materials. The materials at issue are: bauxite, coke, fluor spar, magnesium,

manganese, silicon metal, silicon carbide, yellow phosphorus, and zinc. These materials are inputs for numerous downstream products in the steel, aluminum, and chemical sectors.

The United States challenged China's export restraints on these raw materials as inconsistent with several WTO provisions, including provisions in the GATT 1994, as well as specific commitments made by China in its WTO accession agreement. Specifically, the United States challenged certain Chinese measures that impose: (1) quantitative restrictions in the form of quotas on exports of bauxite, coke, fluorspar, silicon carbide, and zinc ores and concentrates, as well as certain intermediate products incorporating some of these inputs; and (2) export duties on several raw materials. The United States also challenged other related export restraints, including export licensing restrictions, minimum export price requirements, and requirements to pay certain charges before certain products can be exported, as well as China's failure to publish relevant measures.

The United States and China held consultations on July 30 and September 1 and 2, 2009, but did not resolve the dispute. The EU and Mexico also requested and held consultations with China on these measures. On November 19, 2009, the EU and Mexico joined the United States in requesting the establishment of a panel, and on December 21, 2009, the WTO established a single panel to examine all three complaints. On March 29, 2010, the Director General composed the panel as follows: Mr. Elbio Rosselli, Chair; Ms. Dell Higgins and Mr. Nugroho Wisnumurti, Members.

The panel's final report was circulated to Members on July 5, 2011. The panel found that the export duties and export quotas imposed by China on various forms of bauxite, coke, fluorspar, magnesium, manganese, silicon carbide, silicon metal, and zinc constitute a breach of WTO rules and that China failed to justify those measures as legitimate conservation measures, environmental protection measures, or short supply measures. The panel also found China's imposition of minimum export price, export licensing, and export quota administration requirements on these materials, as well as China's failure to publish certain measures related to these requirements inconsistent with WTO rules.

On January 30, 2012, the Appellate Body issued a report affirming the panel's findings on all significant claims, including that the Panel correctly made recommendations for China to bring its measures into conformity with its WTO commitments.

The DSB adopted the panel and Appellate Body reports on February 22, 2012. The United States, the EU, Mexico, and China agreed that China would have until December 31, 2012, to implement the WTO's recommendations.

At the conclusion of the RPT for China to comply, it appeared that China had eliminated the export duties and export quotas on the products at issue in this dispute, as of January 1, 2013. However, China maintains export licensing requirements for a number of the products. The United States continues to monitor actions by China that might operate to restrict exports of raw materials at issue in this dispute.

China – Certain Measures Affecting Electronic Payment Services (DS413)

On September 15, 2010, the United States requested consultations with China concerning issues relating to certain restrictions and requirements maintained by China pertaining to electronic payment services (EPS) for payment card transactions and the suppliers of those services. EPS enable transactions involving credit card, debit card, charge card, check card, automated teller machine (ATM) card, prepaid card, or other similar card or money transmission product, and manage and facilitate the transfers of funds between institutions participating in such card-based electronic payment transactions.

EPS provide the essential architecture for card-based electronic payment transactions, and EPS are supplied through complex electronic networks that streamline and process transactions and offer an efficient and reliable means to facilitate the movement of funds from the cardholders purchasing goods or services to the individuals or businesses that supply them. EPS consist of a network, rules and procedures, and an operating system that allow cardholders' banks to pay merchants' banks the amounts they are owed. EPS suppliers receive, check and transmit the information that processors need to conduct the transactions. The rules and procedures established by the EPS supplier give the payment system stability and integrity, and enable net payment flows among the institutions involved in card-based electronic transactions. The best known EPS suppliers are credit and debit card companies based in the United States.

China instituted and maintains measures that operate to block foreign EPS suppliers, including U.S. suppliers, from supplying these services, and that discriminate against foreign suppliers at every stage of a card-based electronic payment transaction. The United States challenged China's measures affecting EPS suppliers as inconsistent with China's national treatment and market access commitments under the GATS.

The United States and China held consultations on October 27 and 28, 2010, but these consultations did not resolve the dispute. At the U.S. request, on March 25, 2011, the WTO established a panel to examine the U.S. complaint. On July 4, 2011, the Director General composed the panel as follows: Mr. Virachai Plasai, Chair; and Ms. Elaine Feldman and Mr. Martín Redrado, Members.

The Panel circulated its report on July 16, 2012. China did not appeal the Panel's findings, and the Panel Report was adopted by the DSB on August 31, 2012.

The United States prevailed on significant threshold issues, including:

- EPS is a single service (or EPS are integrated services) and each element of EPS is necessary for a payment card transaction to occur;
- EPS is properly classified under the same subsector, item (viii) of the GATS Annex on Financial Services, which appears as subsector (d) of China's Schedule (All payment and money transmission services, including credit, charge, and debit cards) as the United States argued, and no element of EPS is classified as falling in item (xiv) of the GATS Annex on Financial Services (settlement and clearing of financial assets, including securities, derivative products, and other negotiable instruments), as China argued and for which China has no WTO commitments;
- In addition to the "four-party" model of EPS (*e.g.*, Visa and MasterCard), the "three-party" model (*e.g.*, American Express) and other variations, and third party issuer processor and merchant processors also are covered by subsector (d) of China's Schedule.

With respect to the U.S. GATS national treatment claims, the Panel found the following breaches:

- China imposes requirements on issuers of payment cards that payment cards issued in China bear the "Yin Lian/UnionPay logo," and therefore China requires issuers to become members of the China Union Pay (CUP) network; that the cards they issue in China meet certain uniform business specifications and technical standards; and that these requirements fail to accord to services and service suppliers of any other Member treatment no less favorable than China accords to its own like services and service suppliers;
- China imposes requirements that all terminals (ATMs, merchant processing devices, and point of sale (POS) terminals) in China that are part of the national card inter-bank processing network be

capable of accepting all payment cards bearing the Yin Lian/UnionPay logo, and that these requirements fail to accord to services and service suppliers of any other Member treatment no less favorable than China accords to its own like services and service suppliers;

- China imposes requirements on acquirers (those institutions that acquire payment card transactions and that maintain relationships with merchants) to post the Yin Lian/UnionPay logo, and furthermore, China imposes requirements that acquirers join the CUP network and comply with uniform business standards and technical specifications of inter-bank interoperability, and that terminal equipment operated or provided by acquirers be capable of accepting bank cards bearing the Yin Lian/UnionPay logo, and that these requirements fail to accord to services and service suppliers of any other Member treatment no less favorable than China accords to its own like services and service suppliers.

With respect to the U.S. GATS market access claims, the Panel found that China's requirements related to certain Hong Kong and Macau transactions are inconsistent with Article XVI: 2(a) of the GATS because, contrary to China's Sector 7B (d) mode 3 market access commitments, China maintains a limitation on the number of service suppliers in the form of a monopoly.

The United States and China agreed that a RPT for China to implement the DSB recommendations and rulings would be 11 months from the date of adoption of the recommendations and rulings, that is, until July 31, 2013.

In April 2015, the State Council of China issued a formal decision announcing that China's market would be open to foreign suppliers that seek to provide EPS for domestic currency payment card transactions. The People's Bank of China followed this in July 2015 by publishing a draft licensing regulation for public comment. This draft licensing regulation was finalized in June 2016. In June 2020, four months after the entry into force of the Phase One Agreement, American Express became the first foreign supplier of electronic payment services to secure a license to operate in China's market. The United States continues to urge China to ensure that approvals for foreign EPS suppliers to operate in China occur without delay, in accordance with China's WTO obligations, and continues to monitor the situation closely.

China – Measures Related to the Exportation of Rare Earths, Tungsten and Molybdenum (DS431)

On March 13, 2012, the United States requested consultations with China regarding China's export restraints on rare earths, tungsten, and molybdenum. These materials are vital inputs in the manufacture of electronics, automobiles, steel, petroleum products, and a variety of chemicals that are used to produce both everyday items and highly sophisticated, technologically advanced products, such as hybrid vehicle batteries, wind turbines, and energy efficient lighting.

The United States challenged China's export restraints on these materials as inconsistent with several WTO provisions, including provisions in the GATT 1994, as well as specific commitments made by China in its WTO accession agreement. Specifically, the United States challenged: (1) China's quantitative restrictions in the form of quotas on exports of rare earth, tungsten, and molybdenum ores and concentrates, as well as certain intermediate products incorporating some of these inputs; (2) China's export duties on rare earths, tungsten, and molybdenum; and (3) China's other export restraints on these materials, including prior export performance and minimum capital requirements.

The United States, together with the EU and Japan, held consultations with China on April 25 and April 26, 2012, but the consultations did not resolve the dispute.

On June 29, 2012, the EU and Japan joined the United States in requesting the establishment of a panel, and on July 23, 2012, the WTO DSB established a single panel to examine all three complaints. On September 24, 2012, the Director General composed the panel as follows: Mr. Nacer Benjelloun-Touimi, Chair; Mr. Hugo Cayrús and Mr. Darlington Mwape, Members. The panel held its meetings with the parties on February 26 through February 28, 2013, and June 18 and June 19, 2013.

On March 26, 2014, the panel circulated its report. The panel found that the export quotas and export duties imposed by China on various forms of rare earths, tungsten, and molybdenum constitute a breach of WTO rules and that China failed to justify those measures as legitimate conservation measures or environmental protection measures, respectively. The panel also found China's imposition of prior export performance and minimum capital requirements inconsistent with WTO rules.

On August 7, 2014, the Appellate Body issued a report affirming the panel's findings on all significant claims.

On August 29, 2014, the DSB adopted the panel and Appellate Body reports. In September 2014, China announced its intention to implement the DSB recommendations and rulings in the dispute, and stated that it would need a RPT in which to do so. The United States, the EU, Japan, and China agreed that China would have until May 2, 2015, to comply with the recommendations and rulings.

China announced that it had eliminated its export quotas on the products at issue in this dispute as of January 1, 2015, and its export duties as of May 1, 2015.

China maintains export licensing requirements for these products, however. Accordingly, the United States continues to monitor actions by China that might operate to restrict exports of the materials at issue in this dispute.

China – Measures Related to Demonstration Bases and Common Service Platform Programs (DS489)

On February 11, 2015, the United States requested consultations regarding China's "Demonstration Bases-Common Service Platform" export subsidy program. Under this program, China appears to provide prohibited export subsidies through "Common Service Platforms" to manufacturers and producers across seven economic sectors and dozens of sub-sectors located in more than 150 industrial clusters, known as "Demonstration Bases."

Pursuant to this Demonstration Bases-Common Service Platform program, China provides free and discounted services as well as cash grants and other incentives to enterprises that meet export performance criteria and are located in 179 Demonstration Bases throughout China. Each of these Demonstration Bases is comprised of enterprises from one of seven sectors: (1) textiles, apparel, and footwear; (2) advanced materials and metals (including specialty steel, titanium, and aluminum products); (3) light industry; (4) specialty chemicals; (5) medical products; (6) hardware and building materials; and (7) agriculture. China maintains and operates this extensive program through over 150 central government and sub-central government measures throughout China.

The United States held consultations with China on March 13 and April 1 and April 2, 2015. At the U.S. request, the WTO on April 22, 2015, established a panel to examine the U.S. complaint. The United States and China held additional consultations following the establishment of the panel and reached agreement in April 2016 on a Memorandum of Understanding (MOU). Pursuant to the MOU, China agreed to terminate the export subsidies it had provided through the Demonstration Bases-Common Service Platform program. The United States continues to monitor China's actions with respect to its compliance with the terms of the MOU.

China – Export Duties on Certain Raw Materials (DS508)

On July 13, 2016, and July 19, 2016, the United States requested consultations with China regarding China's restraints on the exportation of antimony, chromium, cobalt, copper, graphite, indium, lead, magnesia, talc, tantalum, and tin. These materials are critical to the production of downstream products made in the United States in industries including aerospace, automotive, construction, electronics, and steel.

The United States challenged China's export restraints on these materials as inconsistent with several WTO provisions, including provisions in the GATT 1994, as well as specific commitments made by China in its WTO accession agreement. The export restraints include export quotas, export duties, and additional requirements that impose restrictions on the trading rights of enterprises seeking to export various forms of the materials, such as prior export performance requirements.

The United States, together with the EU, held consultations with China on September 8 and September 9, 2016. Consultations did not resolve the dispute.

At the U.S. request, the WTO established a panel on November 8, 2016. In light of Chinese actions to cease to apply the export duties and quotas in 2017, the United States is continuing to monitor China's actions.

China – Domestic Supports for Agricultural Producers (DS511)

On September 13, 2016, the United States requested consultations with China concerning China's provision of domestic support in favor of agricultural producers, in particular, to those producing wheat, Indica rice, Japonica rice, and corn. It appears that China's level of domestic support is in excess of its commitment level of *nil* specified in Section I of Part IV of China's Schedule CLII because, for example, China provides domestic support in excess of its product-specific *de minimis* level of 8.5 percent for each of wheat, Indica rice, Japonica rice, and corn.

China's level of domestic support appears to be inconsistent with Articles 3.2, 6.3, and 7.2(b) of the Agriculture Agreement. The parties consulted on this matter on October 20, 2016, but the consultations did not resolve the dispute.

At the U.S. request, the WTO established a panel on January 25, 2017, to examine the U.S. complaint. Australia, Brazil, Canada, Colombia, Ecuador, Egypt, El Salvador, the EU, Guatemala, India, Indonesia, Israel, Japan, Kazakhstan, Korea, Norway, Pakistan, Paraguay, Philippines, Russia, Saudi Arabia, Singapore, Chinese Taipei, Thailand, Turkey, Ukraine, and Vietnam reserved their rights to participate in panel proceedings as third parties. On June 24, 2017, the parties agreed to compose the Panel as follows: Mr. Gudmundur Helgason, Chair; and Mr. Juan Antonio Dorantes Sánchez and Ms. Elaine Feldman, Members.

On February 28, 2019, the Panel circulated its report. The Panel found that China had breached Articles 3.2 and 6.3 of the Agriculture Agreement by exceeding, in each year from 2012 to 2015, its *de minimis* level of support for wheat, Indica rice, and Japonica rice. The DSB adopted the Panel report on April 26, 2019. The United States and China agreed that the reasonable period of time for China to come into compliance with WTO rules would end March 31, 2020.

In July 2020, the United States requested authorization to suspend the application to China of tariff concessions and other obligations at an estimated level of \$1.3 billion for 2020. China objected to the U.S. request, automatically referring the matter to arbitration.

China – Administration of Tariff-Rate Quotas for Certain Agricultural Products (DS517)

On December 15, 2016, the United States requested consultations with China regarding the administration of tariff-rate quotas for certain agricultural products, namely, wheat, corn, and rice.

The measures identified in the request establish a system by which the National Development and Reform Commission (NDRC) annually allocates quota to eligible enterprises, and reallocates quota returned unused, based on eligibility requirements and allocation principles that are not clearly specified. The tariff-rate quotas for these commodities have under filled, even in years where market conditions would suggest demand for imports. China's administration of these tariff-rate quotas inhibits the filling of the tariff-rate quotas, restricting opportunities for U.S. and other trading partners to export wheat, corn, and rice to China.

On February 9, 2017, the United States and China held consultations in Geneva. The EU, Canada, Australia, and Thailand requested to join the consultations, but China denied the third parties' requests.

The consultations failed to resolve the U.S. concerns, and at the U.S. request, the WTO established a panel on September 22, 2017. Australia, Brazil, Canada, Ecuador, the EU, Guatemala, India, Indonesia, Japan, Kazakhstan, Korea, Norway, Russia, Singapore, Chinese Taipei, Ukraine and Vietnam reserved third party rights. The Panel was composed on February 22, 2018, as follows: Mr. Mateo Diego-Fernandez, Chair; and Mr. Stefan H. Johannesson and Mr. Esteban B. Conejos, Jr., Members.

The Panel circulated its report on April 18, 2019. The Panel found that with respect to the United States' claims under Paragraph 116 of China's Working Party Report:

- The basic eligibility criteria used in China's administration of its TRQs for wheat, rice, and corn are inconsistent with the obligations to administer TRQs on a transparent, predictable, and fair basis, and to administer TRQs using clearly specified requirements;
- The allocation principles used in China's administration of its wheat, rice, and corn TRQs are inconsistent with the obligations to administer TRQs on a transparent, predictable, and fair basis, and to administer TRQs using clearly specified administrative procedures;
- The reallocation procedures used in China's administration of its wheat, rice, and corn TRQs are inconsistent with the obligation to administer TRQs using clearly specified administrative procedures;
- The public comment process used in China's administration of its wheat, rice, and corn TRQs is inconsistent with the obligations to administer TRQs on a transparent, predictable, and fair basis, and to administer TRQs using clearly specified administrative procedures;
- The administration of STE and non-STE portions of China's wheat, rice, and corn TRQs is inconsistent with the obligations to administer TRQs on a transparent, predictable, and fair basis, to administer TRQs using clearly specified administrative procedures, and to administer TRQs in a manner that would not inhibit the filling of each TRQ;
- The usage requirements for imported wheat and corn used in China's administration of its TRQ for wheat and corn are inconsistent with the obligations to administer TRQs on a predictable basis, to administer TRQs using clearly specified administrative procedures, and to administer TRQs in a manner that would not inhibit the filling of each TRQ.

The Panel also found that China's administration of its wheat, rice, and corn TRQs is, as a whole, inconsistent with the obligations to administer TRQs on a transparent, predictable, and fair basis, to administer TRQs using clearly specified requirements and administrative procedures, and to administer TRQs in a manner that would not inhibit the filling of each TRQ.

The DSB adopted the panel report on May 28, 2019. The United States and China agreed that the reasonable period of time for China to come into compliance with WTO rules ends March 31, 2020.

China – Certain Measures Concerning the Protection of Intellectual Property Rights (DS542)

On March 23, 2018, the United States requested consultations with China concerning China's discriminatory technology licensing requirements. The U.S. consultations request details how China breaches WTO rules by denying foreign patent holders, including U.S. companies, basic patent rights to stop a Chinese entity from using the technology after a licensing contract ends. China also breaks WTO rules by imposing mandatory adverse contract terms that discriminate against and are less favorable for imported foreign technology. These Chinese policies hurt innovators in the United States and worldwide by interfering with the ability of foreign technology holders to set market-based terms in licensing and other technology-related contracts.

In July 2018, the United States consulted with China, with Japan and the EU joining the consultations, but the consultations did not resolve the dispute.

At the U.S. request, the WTO established a panel on November 21, 2018, to examine the U.S. complaint. On January 16, 2019, the Director-General composed the panel as follows: Mr. Mateo Diego Fernández, Chair; and Ms. Esmé Du Plessis and Mr. Maximiliano Santa Cruz, Members. The United States filed its first written submission on March 6, 2019. On March 18, 2019, China's State Council issued a Decision Revising Some Administrative Regulations, revising certain of the technology licensing requirements cited in the U.S. complaint. Subsequently, the United States made requests that the panel suspend its work to review these revisions. The United States made its latest request for suspension on June 8, 2020, and the panel granted the request.

China – Additional Duties on Certain Products from the United States (DS558)

On July 16, 2018, the United States requested consultations with China with respect to its imposition of additional duties on certain products originating in the United States. China imposed the additional duties in retaliation for the action the President took under Section 232 of the Trade Expansion Act of 1962, as amended, on imports of steel and aluminum products that threaten to impair U.S. national security. The U.S. consultations request alleges that the additional duties contravene China's obligations under the WTO Agreement because they: (1) fail to extend to U.S. products an advantage, favor, privilege or immunity granted by China to products originating in the territory of other WTO Members; (2) accord less favorable treatment to products originating in the United States; and (3) impose duties in excess of those set forth in China's schedule.

The United States held consultations with China on August 29, 2018, but these consultations did not resolve the dispute. At the U.S. request, the WTO established a panel on November 21, 2018, to examine the U.S. complaint. On January 25, 2019, the Director-General composed the panel as follows: Mr. William Ehlers, Chair; and Mr. Cristian Espinosa Cañizares and Ms. Mónica Rolong, Members. Panel proceedings are ongoing.

European Union – Measures concerning meat and meat products (hormones) (DS26, 48)

The United States and Canada challenged the EU ban on imports of meat from animals to which any of six hormones for growth promotional purposes had been administered. The panel found that the EU ban is inconsistent with the EU's obligations under the SPS Agreement, and that the ban is not based on science, a risk assessment, or relevant international standards.

Upon appeal, the Appellate Body affirmed the panel's findings that the EU ban fails to satisfy the requirements of the SPS Agreement. The Appellate Body also found that, while a country has broad discretion in electing what level of protection it wishes to implement, in doing so it must fulfill the requirements of the SPS Agreement. In this case, the ban imposed is not rationally related to the conclusions of the risk assessments the EU had performed.

Because the EU did not comply with the recommendations and rulings of the DSB by May 13, 1999, the final date of its compliance period as set by arbitration, the United States sought WTO authorization to suspend concessions with respect to certain products of the EU. The value of the suspension of concessions represents an estimate of the annual harm to U.S. exports resulting from the EU's failure to lift its ban on imports of U.S. meat. The EU exercised its right to request arbitration concerning the amount of the suspension. On July 12, 1999, the arbitrators determined the level of suspension to be \$116.8 million. On July 26, 1999, the DSB authorized the United States to suspend such concessions and the United States proceeded to impose 100 percent *ad valorem* duties on a list of EU products with an annual trade value of \$116.8 million.

On November 3, 2003, the EU notified the WTO that it had amended its hormones ban. On November 8, 2004, the EU requested consultations with respect to "the United States continued suspension of concessions and other obligations under the covered agreements" in the EU-Hormones dispute. The Appellate Body issued its report in the *U.S. – Continued Suspension (WT/DS320)* dispute on October 16, 2008.

On October 31, 2008, USTR announced that it was considering changes to the list of EU products on which 100 percent *ad valorem* duties had been imposed in 1999. A modified list of EU products was announced by USTR on January 15, 2009.

On December 22, 2008, the EU requested consultations with the United States and Canada pursuant to Articles 4 and 21.5 of the DSU, regarding the EU's implementation of the DSB's recommendations and rulings in the EU-Hormones dispute. In its consultations request, the EU stated that it considered that it has brought into compliance the measures found inconsistent in EU-Hormones by, among other things, adopting its revised ban in 2003. Consultations took place in February 2009.

Pursuant to a Memorandum of Understanding (MOU) between the United States and the EU, further litigation in the EU-Hormones compliance proceeding has been suspended.

In 2016, industry representatives requested that the United States reinstate suspension of concessions, as authorized by the DSB. USTR accordingly initiated proceedings under Section 306 of the Trade Act. In 2019, the United States and the EU concluded successful negotiations to resolve concerns with the operation of the TRQ established by the MOU. On August 2, 2019 the United States and the EU signed the *Agreement on the Allocation to the United States of a Share in the Tariff Rate Quota for High Quality Beef Referred to in the Revised MOU Regarding the Importation of Beef from Animals Not Treated with Certain Growth-promoting Hormones and Increased Duties Applied by the United States to Certain Products of the European Union*. On December 13, 2019, USTR published in the *Federal Register* notice of its

determination not to reinstate action in connection with the EU's measures concerning meat and meat products.

For further discussion on the U.S. suspension of concessions and the MOU, see Chapter II.B Section 301.

European Union – Measures affecting the approval and marketing of biotechnology products (DS291)

Since the late 1990s, the EU has pursued policies that undermine the commercialization and trade of agricultural biotechnology products. After approving a number of agricultural biotechnology products through October 1998, the EU adopted an across-the-board moratorium under which no further biotechnology applications were allowed to reach final approval. In addition, six Member States (Austria, France, Germany, Greece, Italy, and Luxemburg) adopted unjustified bans on certain biotechnology crops that had been approved by the EU prior to the adoption of the moratorium. These measures have caused a growing portion of U.S. agricultural exports to be excluded from EU markets and unfairly cast concerns about biotechnology products around the world, particularly in developing countries.

On May 13, 2003, the United States filed a consultation request with respect to: (1) the EU's moratorium on all new biotechnology approvals; (2) delays in the processing of specific biotech product applications; and (3) the product-specific bans adopted by six EU Member States (Austria, France, Germany, Greece, Italy, and Luxembourg). The United States requested the establishment of a panel on August 7, 2003. Argentina and Canada submitted similar consultation and panel requests. On August 29, 2003, the DSB established a panel to consider the claims of the United States, Argentina, and Canada. On March 4, 2003, the Director General composed the panel as follows: Mr. Christian Häberli, Chair; and Mr. Mohan Kumar and Mr. Akio Shimizu, Members.

The panel issued its report on September 29, 2006. The panel agreed with the United States, Argentina, and Canada that the disputed measures of the E, Austria, France, Germany, Greece, Italy, and Luxembourg are inconsistent with the obligations set out in the SPS Agreement. In particular:

- The panel found that the EU adopted a *de facto*, across-the-board moratorium on the final approval of biotechnological products, starting in 1999 up through the time the panel was established in August 2003;
- The panel found that the EU had presented no scientific or regulatory justification for the moratorium, and thus that the moratorium resulted in “undue delays” in violation of the EU's obligations under the SPS Agreement;
- The panel identified specific, WTO inconsistent “undue delays” with regard to 24 of the 27 pending product applications that were listed in the U.S. panel request;
- The panel upheld the United States' claims that, in light of positive safety assessments issued by the EU's own scientists, the bans adopted by six EU Member States on products approved in the EU prior to the moratorium were not supported by scientific evidence, and were thus inconsistent with WTO rules.

The DSB adopted the panel report on November 21, 2006. At the meeting of the DSB held on December 19, 2006, the EU notified the DSB that the EU intended to implement the recommendations and rulings of the DSB in these disputes, and stated that it would need a RPT for implementation. On June 21, 2006, the United States, Argentina, and Canada notified the DSB that they had agreed with the EU on a one-year period of time for implementation, to end on November 21, 2007. On November 21, 2007, the United

States, Argentina, and Canada notified the DSB that they had agreed with the EU to extend the implementation period to January 11, 2008.

On January 17, 2008, the United States submitted a request for authorization to suspend concessions and other obligations with respect to the EU under the covered agreements at an annual level equivalent to the annual level of nullification or impairment of benefits accruing to the United States resulting from the EU's failure to bring measures concerning the approval and marketing of biotechnology products into compliance with the recommendations and rulings of the DSB. On February 6, 2008, the EU objected under Article 22.6 of the DSU, claiming that the level of suspension proposed by the United States was not equivalent to the level of nullification or impairment, referring the matter to arbitration. The United States and the EU mutually agreed to suspend the Article 22.6 arbitration proceedings on February 18, 2008.

Subsequent to the suspension of the Article 22.6 proceeding, the United States continues monitoring EU developments and has been engaging with the EU in discussions with the goal of normalizing trade in biotechnology products.

European Communities and certain Member States – Measures affecting trade in large civil aircraft (DS316)

On October 6, 2004, the United States requested consultations with the EU, as well as with Germany, France, the United Kingdom, and Spain, with respect to subsidies provided to Airbus, a manufacturer of large civil aircraft. The United States alleged that such subsidies violated various provisions of the SCM Agreement, as well as Article XVI:1 of the GATT 1994. Consultations were held on November 4, 2004. On January 11, 2005, the United States and the EU agreed to a framework for the negotiation of a new agreement to end subsidies for large civil aircraft. The parties set a three month time frame for the negotiations and agreed that, during negotiations, they would not request panel proceedings.

The United States and the EU were unable to reach an agreement within the 90 day time frame. Therefore, the United States filed a request for a panel on May 31, 2005. The panel was established on July 20, 2005. The U.S. request challenged several types of EU subsidies that appear to be prohibited, actionable, or both.

On October 17, 2005, the Deputy Director General composed the panel as follows: Mr. Carlos Pérez del Castillo, Chair; and Mr. John Adank and Mr. Thinus Jacobsz, Members. The panel met with the parties on March 20 and March 21, 2007, and July 25 to July 26, 2007, and met with the parties and third parties on July 24, 2007. The panel granted the parties' request to hold part of its meetings with the parties in public session. This portion of the panel's meetings was videotaped and reviewed by the parties to ensure that business confidential information had not been disclosed before being shown in public on March 22 and July 27, 2007.

The Panel issued its report on June 30, 2010. It agreed with the United States that the disputed measures of the EU, France, Germany, Spain, and the United Kingdom were inconsistent with the SCM Agreement. In particular:

- Every instance of “launch aid” provided to Airbus was a subsidy because in each case, the terms charged for this unique low interest, success-dependent financing were more favorable than were available in the market;
- Some of the launch aid provided for the A380, Airbus's newest and largest aircraft, was contingent on exports and, therefore, a prohibited subsidy;

- Several instances in which German and French government entities created infrastructure for Airbus were subsidies because the infrastructure was not general, and the price charged to Airbus for use resulted in less than adequate remuneration to the government;
- Several government equity infusions into the Airbus companies were subsidies because they were on more favorable terms than available in the market;
- Several EU and Member State research programs provided grants to Airbus to develop technologies used in its aircraft;
- These subsidies caused adverse effects to the interests of the United States in the form of lost sales, displacement of U.S. imports into the EU market, and displacement of U.S. exports into the markets of Australia, Brazil, China, Korea, Mexico, Singapore, and Chinese Taipei.

The EU filed a notice of appeal on July 21, 2010. The WTO Appellate Body conducted an initial hearing on August 3, 2010, to discuss procedural issues related to the need to protect business confidential information and highly sensitive business information and issued additional working procedures to that end on August 10, 2010. The Appellate Body held two hearings on the issues raised in the EU's appeal of the Panel's findings of WTO inconsistent subsidization of Airbus. The first hearing, held November 11 through November 17, 2010, addressed issues associated with the main subsidy to Airbus, launch aid, and the other subsidies challenged by the United States. The second hearing held December 9 through December 14, 2010, focused on the Panel's findings that the European subsidies caused serious prejudice to the interests of the United States in the form of lost sales and declining market share in the EU and other third country markets. On May 18, 2011, the Appellate Body issued its report. The Appellate Body affirmed the Panel's central findings that European government launch aid had been used to support the creation of every model of large civil aircraft produced by Airbus. The Appellate Body also confirmed that launch aid and other challenged subsidies to Airbus have directly resulted in Boeing losing sales involving purchases of Airbus aircraft by EasyJet, Air Berlin, Czech Airlines, Air Asia, Iberia, South African Airways, Thai Airways International, Singapore Airlines, Emirates Airlines, and Qantas, as well as lost market share, with Airbus gaining market share in the EU and in third country markets, including China and South Korea, at the expense of Boeing. The Appellate Body also found that the Panel applied the wrong standard for evaluating whether subsidies are export subsidies, and that the Panel record did not have enough information to allow application of the correct standard.

On December 1, 2011, the EU provided a notification in which it claimed to have complied with the DSB recommendations and rulings. On December 9, 2011, the United States requested consultations regarding the notification and also requested authorization from the DSB to impose countermeasures. The United States and the EU held consultations on January 13, 2012. On December 22, 2011, the European Union objected to the level of suspension of concessions requested by the United States, and the matter was referred to arbitration pursuant to Article 22.6 of the DSU. On January 19, 2012, the United States and the EU requested that the arbitration be suspended pending the conclusion of the compliance proceeding.

On March 30, 2012, in light of the parties' disagreement over whether the EU had complied with the DSB's recommendations and rulings, the United States requested that the DSB refer the matter to the original Panel pursuant to Article 21.5 of the DSU. The DSB did so at a meeting held on April 13, 2012. On April 25, 2012, the compliance Panel was composed with the members of the original Panel: Mr. Carlos Pérez del Castillo, Chair; Mr. John Adank and Mr. Thinus Jacobsz, Members.

On September 22, 2016, the report of the Article 21.5 Panel was circulated to the Members. The panel found that the EU breached Articles 5(c) and 6.3(a), (b), and (c) of the SCM agreement, and that the EU

and certain Member States failed to comply with the DSB recommendations under Article 7.8 of the SCM Agreement to “take appropriate steps to remove the adverse effects or ... withdraw the subsidy.”

Significant findings by the compliance panel against the EU include:

- 34 out of 36 alleged compliance “steps” notified by the EU did not amount to “actions” with respect to the subsidies provided to the Airbus or the adverse effects that those subsidies were to have caused in the original proceeding;
- As a result, the EU failed to withdraw the subsidies, as recommended by the DSB;
- Those subsidies were a genuine and substantial cause of lost sales to U.S. aircraft, and displacement and impedance of exports of U.S. aircraft to Australia, China, India, Korea, Singapore, and the United Arab Emirates.

On October 13, 2016, the EU notified the DSB of its decision to appeal certain issues of law and legal interpretations developed by the compliance panel. The Division hearing the appeal was composed of Ricardo Ramirez-Hernandez as Presiding Member, and Peter van den Bossche and Ujal Singh Bhatia.

On May 15, 2018, the Appellate Body issued its report. The Appellate Body confirmed that the EU and certain Member States failed to comply with the earlier WTO determination finding launch aid inconsistent with their WTO obligations. The Appellate Body further confirmed that almost \$5 billion in new launch aid for the A350 XWB was WTO-inconsistent. The Appellate Body found that the WTO-inconsistent subsidies continue to cause significant lost sales of Boeing aircraft in the twin-aisle and very large aircraft markets, and that these subsidies impede exports of Boeing 747 aircraft to numerous geographic markets. The Appellate Body also found that, due to the passage of time, the EU no longer needed to take action regarding some of the earlier (*i.e.*, pre-A380) launch aid subsidies previously found to be WTO-inconsistent.

On July 13, 2018, at the request of the United States, the arbitration regarding the level of countermeasures (suspended in January 2012) was resumed. On October 2, 2019, the arbitrator issued its decision that the level of countermeasures commensurate with the degree and nature of the adverse effects determined to exist is up to \$7.50 billion annually. On October 14, 2019, the WTO accordingly authorized the United States to take countermeasures consistent with the award of the Arbitrator. The United States imposed tariffs on certain imports from the involved EU member states pursuant to Section 301 of the Trade Act.

On May 17, 2018, the EU represented to the DSB that it had taken new steps to achieve compliance with its WTO obligations. However, following consultations, the United States did not agree that the EU had achieved compliance. At the request of the EU, the WTO established a second compliance panel on August 27, 2018.

On December 2, 2019, the second compliance panel issued its report. The panel found that the EU continued to be in breach of Articles 5(c) and 6.3(a), (b), and (c) of the SCM agreement, and that the EU and certain Member States had accordingly failed to comply with the DSB recommendations under Article 7.8 of the SCM Agreement to “take appropriate steps to remove the adverse effects or ... withdraw the subsidy.” The panel agreed with the United States that none of the measures taken by the four EU Member States amounted to a withdrawal of the launch aid for the A350XWB and A380. The panel also found that that launch aid for the A380 and A350XWB continue to be a genuine and substantial cause of lost sales to U.S. aircraft, and impedance of exports of U.S. aircraft to China, India, Korea, Singapore, and the United Arab Emirates.

On December 6, 2019, the EU notified the DSB of its decision to appeal certain findings of the compliance Panel.

For further discussion on the U.S. countermeasures, see Chapter II.B Section 301.

European Union – Additional Duties on Certain Products from the United States (DS559)

On July 16, 2018, the United States requested consultations with the European Union (EU) with respect to its imposition of additional duties on certain products originating in the United States. The EU imposed the additional duties in retaliation for the action the President took under Section 232 of the Trade Expansion Act of 1962, as amended, on imports of steel and aluminum products that threaten to impair U.S. national security. The U.S. consultations request alleges that the additional duties contravene the EU's obligations under the WTO Agreement because they: (1) fail to extend to U.S. products an advantage, favor, privilege or immunity granted by the EU to products originating in the territory of other WTO Members; (2) accord less favorable treatment to products originating in the United States; and (3) impose duties in excess of those set forth in the EU's schedule.

The United States held consultations with the EU on August 28, 2018, but these consultations did not resolve the dispute. At the U.S. request, the WTO established a panel on November 21, 2018, to examine the U.S. complaint. On January 25, 2019, the Director-General composed the panel as follows: Mr. William Ehlers, Chair; and Ms. Olga Lucía Lozano Ferro and Mr. Anwar Zaheer Jamali, Members. Panel proceedings are ongoing.

India – Measures Concerning the Importation of Certain Agricultural Products from the United States (DS430)

On March 6, 2012, the United States requested consultations with India regarding its import prohibitions on various agricultural products from the United States. India asserts these import prohibitions are necessary to prevent the entry of avian influenza into India. However, the United States has not had an outbreak of highly pathogenic avian influenza since 2004. With respect to low pathogenic avian influenza (LPAI), the only kind of avian influenza found in the United States since 2004, international standards do not support the imposition of import prohibitions, including the type maintained by India. The United States considers that India's restrictions are inconsistent with numerous provisions of the SPS Agreement, including Articles 2.2, 2.3, 3.1, 5.1, 5.2, 5.5, 5.6, 5.7, 6.1, 6.2, 7, and Annex B, and Articles I and XI of GATT 1994.

The United States and India held consultations on April 16 and April 17, 2012, but were unable to resolve the dispute. At the U.S. request, the WTO established a panel to examine the U.S. complaint on June 25, 2012. On February 18, 2014, the WTO Director General composed the Panel as follows: Mr. Stuart Harbinson, Chair; and Ms. Delilah Cabb and Mr. Didrik Tønseth, Members.

The Panel issued its report on October 14, 2014. In its report, the panel found in favor of the United States. Specifically, the Panel found that India's restrictions breach its WTO obligations because they: are not based on international standards or a risk assessment that takes into account available scientific evidence; arbitrarily discriminate against U.S. products because India blocks imports while not similarly blocking domestic products; constitute a disguised restriction on international trade; are more trade restrictive than necessary since India could reasonably adopt international standards for the control of avian influenza instead of imposing an import ban; fail to recognize the concept of disease free areas and are not adapted to the characteristics of the areas from which products originate and to which they are destined; and were not properly notified in a manner that would allow the United States and other WTO Members to comment on India's restrictions before they went into effect. India filed its notice of appeal on January 26, 2015.

On June 4, 2015, the Appellate Body issued its report in this dispute, upholding the Panel’s findings that India’s restrictions: are not based on international standards or a risk assessment that takes into account available scientific evidence; arbitrarily discriminate against U.S. products because India blocks imports while not similarly blocking domestic products; are more trade restrictive than necessary since India could reasonably adopt international standards for the control of avian influenza instead of imposing an import ban; and fail to recognize the concept of disease-free areas and are not adapted to the characteristics of the areas from which products originate and to which they are destined.

On July 13, 2015, India informed the DSB that it intended to implement the DSB’s recommendations and rulings and would need a RPT to do so. On December 8, 2015, the United States and India agreed that the RPT would be 12 months, ending on June 19, 2016.

On July 7, 2016, the United States requested the authorization of the DSB to suspend concessions or other obligations pursuant to Article 22.2 of the DSU. India objected to the request, referring the matter to arbitration. The Arbitrator was composed by the original panel panelists. The arbitration proceedings are ongoing.

On April 6, 2017, India requested the establishment of a compliance panel. India asserted that it had enacted a revised avian influenza measure that complied with India’s WTO obligations. The compliance panel was composed by the original panelists. The compliance panel proceeds are ongoing.

In 2018, 2019, and 2020, the United States and India on several occasions postponed both the release of the Arbitrator’s decision on the level of suspension of concessions and the remaining steps in the compliance panel proceeding while the two sides discuss potential resolution of the dispute. In March 2018, the United States and India agreed to veterinary export certificates for the shipment to India of U.S. poultry and poultry products.

India – Solar Local Content I / II (DS456)

In February 2013, the United States requested WTO consultations with India concerning domestic-content requirements for participation in an Indian solar power generation program known as the National Solar Mission (NSM). Under Phase I of the NSM, which India initiated in 2010, India provided guaranteed long-term payments to solar power developers contingent on the purchase and use of solar cells and solar modules of domestic origin. India continued to impose domestic content requirements for solar cells and modules under Phase II of the NSM, which India launched in October 2013. In March 2014, the United States held consultations with India on Phase II of the NSM. In April 2014, after two rounds of unsuccessful consultations with India, the United States requested that the WTO DSB establish a dispute settlement panel. In May 2014, the DSB established a WTO panel to examine India’s domestic content requirements under its NSM program. On September 24, 2014, the parties agreed to compose the Panel as follows: Mr. David Walker, Chair; and Mr. Pornchai Danvivathana and Mr. Marco Tulio Molina Tejada, Members. The Panel held meetings with the Parties on February 3 and February 4, 2015, and April 28 and April 29, 2015.

The Panel issued its final public report on February 24, 2016, finding in favor of the United States on all claims. The Panel found that India’s domestic content requirements under its National Solar Mission are inconsistent with India’s national treatment obligations under Article III:4 of the GATT 1994, and Article 2.1 of the Agreement on Trade-related Investment Measures (TRIMS Agreement). Because an Indian solar power developer may bid for and maintain certain power generation contracts only by using domestically produced equipment, and not by using imported equipment, India’s requirements accord “less favorable” treatment to imported solar cells and modules than that accorded to like products of Indian origin. India appealed this decision to the WTO Appellate Body on April 20, 2016. The Appellate Body issued its report

on September 16, 2016. The Appellate Body affirmed the Panel's finding that India's domestic content requirements (DCR measures) under its National Solar Mission are inconsistent with India's national treatment obligations under Article III:4 of the GATT 1994 and Article 2.1 of the TRIMS Agreement. The Appellate Body also affirmed that Panel's rejection of India's defensive claims under Articles III:8(a), XX(j) and XX(d) of the GATT 1994.

The DSB adopted the panel and Appellate Body reports during a special meeting of the DSB on October 14, 2016. At that meeting, India informed the DSB that India intended to implement the DSB's recommendations and rulings in a manner that respects its WTO obligations, and that it would need an RPT to do so. India and the United States agreed that India would complete implementation of the DSB recommendations and rulings by December 14, 2017.

On December 14, 2017 India submitted a status report to DSB indicating that India had implemented the rulings and recommendations of the DSB. On December 19, 2017 the United States requested authorization from the DSB to suspend trade concessions under Article 22.2 of the DSU on grounds that India had not, in fact, brought its measures into conformity with WTO rules. India objected to the United States' request on January 3, 2018, referring the matter to arbitration.

On January 23, 2018, India requested the establishment of a compliance panel under Article 21.5 of the DSU to determine whether the measures that India has purportedly taken to comply with the recommendations and rulings of the DSB are consistent with WTO rules. At its meeting on February 28, 2018, the DSB agreed to establish a compliance panel.

India – Export Related Measures (DS541)

On March 14, 2018, the United States requested consultations with India concerning certain Indian measures relating to export subsidy programs including: (1) the Export Oriented Units Scheme and sector specific schemes, including Electronics Hardware Technology Parks Scheme; (2) the Merchandise Exports from India Scheme; (3) the Export Promotion Capital Goods Scheme; (4) Special Economic Zones, and; (5) a duty-free imports for exporters program. The United States alleges that these programs are inconsistent with Articles 3.1(a) and 3.2 of the Agreement on Subsidies and Countervailing Measures because they provide prohibited subsidies contingent upon export performance. Consultations were held on April 11, 2018, but failed to resolve the dispute.

On May 17, 2018, the United States requested the establishment of a panel to examine the complaint. On July 16, 2018, the United States requested the Director General to determine the composition of the panel, and on July 23, 2018, the Director General composed the panel as follows: Mr. Jose Antonio S. Buencamino, Chair; and Ms. Leora Blumberg and Mr. Serge Pannatier, Members.

On October 31, 2019, the Panel issued its report. The Panel found all of the challenged export subsidy programs inconsistent with Articles 3.1 (a) and 3.2 of the Agreement on Subsidies and Countervailing Measures. The Panel rejected India's two principal defenses of its programs. First, the Panel disagreed with India's argument that India continued to have an exemption, based on a certain developing country status designation, to provide subsidies contingent upon export performance. Second, the Panel rejected India's defense that the export subsidy programs qualified as "duty-drawback" schemes. With respect to certain product lines under the duty-free imports for exporters program, the panel found language for those lines limited the import duty exemption at issue to products used in the manufacture/processing of final products for export. Those product lines were exempted and were not deemed to be subsidies. However, the remaining product lines did not qualify for duty-drawback protection and were found to be subsidies.

On November 19, 2019, India notified the DSB of its decision to appeal the Panel's report.

India – Additional Duties on Certain Products from the United States (DS585)

On July 3, 2019, the United States requested consultations with India with respect to its imposition of additional duties on certain products originating in the United States. India imposed the additional duties in retaliation for the action the President took under Section 232 of the Trade Expansion Act of 1962, as amended, on imports of steel and aluminum products that threaten to impair U.S. national security. The U.S. consultations request alleges that the additional duties contravene India’s obligations under the WTO Agreement because they: (1) fail to extend to U.S. products an advantage, favor, privilege or immunity granted by India to products originating in the territory of other WTO Members; (2) accord less favorable treatment to products originating in the United States; and (3) impose duties in excess of those set forth in India’s schedule.

The United States held consultations with India on August 1, 2019, but these consultations did not resolve the dispute. At the U.S. request, the WTO established a panel on October 28, 2019, to examine the U.S. complaint. On January 7, 2020, following the agreement of the parties, the panel was composed as follows: Mr. Hugo Cayrús, Chair; and Mr. Anthony Abad and Mr. César Montaña Huerta, Members. Panel proceedings are ongoing.

Indonesia – Import Restrictions on Horticultural Products, Animals, and Animal Products (DS455, DS465 and DS478)

On May 8, 2014, the United States, joined by New Zealand, requested consultations with Indonesia concerning certain measures affecting the importation of horticultural products, animals, and animal products into Indonesia. The measures on which consultations were requested include Indonesia’s import licensing regimes for horticultural products and for animals and animal products, as well as certain prohibitions and restrictions that Indonesia imposes through these regimes.

The United States had previously requested consultations on prior versions of Indonesia’s import licensing regimes governing the importation of horticultural products and animals and animal products, including the regime established in 2012. The United States was concerned about these regimes and certain measures imposed through them and, on January 10, 2013, requested consultations with Indonesia. Indonesia subsequently amended or replaced its import licensing regulations changing their structure and requirements. The United States requested consultations again, this time joined by New Zealand, on August 30, 2013. Indonesia again amended its import licensing regimes shortly thereafter, and the consultation request in the current dispute (DS478) followed.

The United States was concerned that Indonesia, through its import licensing regimes, imposes numerous prohibitions and restrictions on the importation of covered products, including: 1) prohibiting the importation of certain products altogether; 2) imposing strict application windows and validity periods for import permits; 3) restricting the type, quantity, and country of origin of products that may be imported; 4) requiring that importers actually import a certain percentage of the volume of products allowed under their permits; 5) restricting the uses for which products may be imported; 6) imposing local content requirements; 7) restricting imports on a seasonal basis; and 8) setting a “reference price” below which products may not be imported. The Indonesian measures at issue appeared to be inconsistent with several WTO provisions, including Article XI:1 of the GATT 1994 and Article 4.2 of the Agriculture Agreement.

The United States and New Zealand held consultations with Indonesia on June 19, 2014, but these consultations failed to resolve the dispute. On March 18, 2015, the United States, together with New Zealand, requested the WTO to establish a dispute settlement panel to examine Indonesia’s import restrictions. A panel was established on May 20, 2015. The Director General Composed the panel as

follows: Mr. Christian Espinoza Cañizares, Chair; and Mr. Gudmundur Helgason and Ms. Angela Maria Orozco Gómez, Members. The panel held meetings with the Parties on February 1 and February 2, 2016 and April 13 to April 14, 2016.

The Panel circulated its report on December 22, 2016. The Panel found that all of Indonesia's import restricting measures for horticultural products and animal products are inconsistent with Article XI:1 of the GATT 1994. The Panel also found that Indonesia has failed to demonstrate that the challenged measures are justified under any general exception available under the GATT 1994. Indonesia appealed the Panel's report on February 17, 2017. An appellate report was issued on November 9, 2017, affirming the finding of the Panel that all of Indonesia's measures are inconsistent with Article XI:1 of the GATT 1994 and that Indonesia had not established an affirmative defense with respect to any measure.

The WTO adopted the appellate report and the Panel report on November 22, 2017. A WTO arbitrator set the reasonable period of time for Indonesia to bring its measures into compliance with WTO rules to expire on July 22, 2018. On August 2, 2018, the United States requested WTO authorization to suspend concessions of other obligations pursuant to Article 22.2 of the DSU. On August 14, 2018, Indonesia objected to the United States' proposed level of suspension of concessions pursuant to Article 22.6 of the DSU, referring the matter to arbitration. The United States paused the arbitration on August 20, 2018, to provide more time for the parties to discuss a resolution to the dispute. Indonesia notified the DSB on December 18, 2020, that a new law that aims to address one of the inconsistent measures has entered into force on November 2, 2020.

Russia – Additional Duties on Certain Products from the United States (DS566)

On July 16, 2018, the United States requested consultations with Russia with respect to its imposition of additional duties on certain products originating in the United States. Russia imposed the additional duties in retaliation for the action the President took under Section 232 of the Trade Expansion Act of 1962, as amended, on imports of steel and aluminum products that threaten to impair U.S. national security. The U.S. consultations request alleges that the additional duties contravene Russia's obligations under the WTO Agreement because they: (1) fail to extend to U.S. products an advantage, favor, privilege or immunity granted by Russia to products originating in the territory of other WTO Members; (2) accord less favorable treatment to products originating in the United States; and (3) impose duties in excess of those set forth in Russia's schedule.

The United States held consultations with Russia on August 28, 2018, but these consultations did not resolve the dispute. At the U.S. request, the WTO established a panel on December 18, 2018 to examine the U.S. complaint. On January 25, 2019, the Director General composed the panel as follows: Mr. William Ehlers, Chair; and Ms. Petina Gappah and Mr. Syed Tauquir Hussain Shah, Members. Panel proceedings are ongoing.

Turkey – Additional Duties on Certain Products from the United States (DS561)

On July 16, 2018, the United States requested consultations with Turkey with respect to its imposition of additional duties on certain products originating in the United States. Turkey imposed the additional duties in retaliation for the action the President took under Section 232 of the Trade Expansion Act of 1962, as amended, on imports of steel and aluminum products that threaten to impair U.S. national security. The U.S. consultations request alleges that the additional duties contravene Turkey's obligations under the WTO Agreement because they: (1) fail to extend to U.S. products an advantage, favor, privilege or immunity granted by Turkey to products originating in the territory of other WTO Members; (2) accord less favorable

treatment to products originating in the United States; and (3) impose duties in excess of those set forth in Turkey's schedule.

The United States held consultations with Turkey on August 29, 2018, as well as supplemental consultations on November 14, 2018, regarding an amendment to Turkey's measure imposing the additional duties. These consultations, however, did not resolve the dispute. At the request of the United States, on January 28, 2019 the WTO established a panel to examine the matter. On February 29, 2019, the Director General composed the panel as follows: Mr. William Ehlers, Chair; and Mr. Johannes Bernabe and Mr. Homero Larrea, Members. Panel proceedings are ongoing.

Disputes Brought Against the United States

This section includes summaries of dispute settlement activity for disputes in which the United States was a responding party (listed by DS number).

United States – Section 110(5) of the Copyright Act (DS160)

As amended in 1998 by the Fairness in Music Licensing Act, section 110(5) of the U.S. Copyright Act exempts certain retail and restaurant establishments that play radio or television music from paying royalties to songwriters and music publishers. The EU claimed that, as a result of this exception, the United States was in violation of its TRIPS obligations. Consultations with the EU took place on March 2, 1999. A panel on this matter was established on May 26, 1999. On August 6, 1999, the Director General composed the panel as follows: Ms. Carmen Luz Guarda, Chair; and Mr. Arumugamangalam V. Ganesan and Mr. Ian F. Sheppard, Members. The Panel issued its final report on June 15, 2000, and found that one of the two exemptions provided by section 110(5) is inconsistent with the U.S. WTO obligations. The Panel report was adopted by the DSB on July 27, 2000, and the United States has informed the DSB of its intention to respect its WTO obligations. On October 23, 2000, the EU requested arbitration to determine the period of time to be given to the United States to implement the Panel's recommendation. By mutual agreement of the parties, Mr. J. Lacarte-Muró was appointed to serve as arbitrator. He determined that the deadline for implementation should be July 27, 2001. On July 24, 2001, the DSB approved a U.S. proposal to extend the deadline until the earlier of the end of the then current session of the U.S. Congress or December 31, 2001.

On July 23, 2001, the United States and the EU requested arbitration to determine the level of nullification or impairment of benefits to the EU as a result of section 110(5)(B). In a decision circulated to WTO Members on November 9, 2001, the arbitrators determined that the value of the benefits lost to the EU in this case was \$1.1 million per year. On January 7, 2002, the EU sought authorization from the DSB to suspend its obligations *vis-à-vis* the United States. The United States objected to the details of the EU request, thereby causing the matter to be referred to arbitration.

However, because the United States and the EU had been engaged in discussions to find a mutually acceptable resolution of the dispute, the arbitrators suspended the proceeding pursuant to a joint request by the parties filed on February 26, 2002.

On June 23, 2003, the United States and the EU notified the WTO of a mutually satisfactory temporary arrangement regarding the dispute. Pursuant to this arrangement, the United States made a lump sum payment of \$3.3 million to the EU, to a fund established to finance activities of general interest to music copyright holders, in particular, awareness raising campaigns at the national and international level and activities to combat piracy in the digital network. The arrangement covered a three year period, which ended on December 21, 2004.

United States – Section 211 Omnibus Appropriations Act (DS176)

Section 211 addresses the ability to register or enforce, without the consent of previous owners, trademarks or trade names associated with businesses confiscated without compensation by the Cuban government. The EU questioned the consistency of Section 211 with the TRIPS Agreement and requested consultations on July 7, 1999. Consultations were held September 13 and December 13, 1999. On June 30, 2000, the EU requested a panel. A panel was established on September 26, 2000, and at the request of the EU, the WTO Director General composed the panel on October 26, 2000. The Director General composed the panel as follows: Mr. Wade Armstrong, Chair; and Mr. François Dessemontet and Mr. Armand de Mestral, Members. The Panel report was circulated on August 6, 2001, rejecting 13 of the EU's 14 claims and finding that, in most respects, section 211 is not inconsistent with the obligations of the United States under the TRIPS Agreement. The EU appealed the decision on October 4, 2001. The Appellate Body issued its report on January 2, 2002.

The Appellate Body reversed the Panel's one finding against the United States and upheld the Panel's favorable findings that WTO Members are entitled to determine trademark and trade name ownership criteria. The Appellate Body found certain instances, however, in which section 211 might breach the national treatment and Most-Favored-Nation obligations of the TRIPS Agreement. The Panel and Appellate Body reports were adopted on February 1, 2002, and the United States informed the DSB of its intention to implement the recommendations and rulings. The RPT for implementation ended on June 30, 2005. On June 30, 2005, the United States and the EU agreed that the EU would not request authorization to suspend concessions at that time and that the United States would not object to a future request on grounds of lack of timeliness.

In January 2016, the United States notified the EU of positive developments that resolved a longstanding issue of concern to the EU and others, which helped moved this dispute into a more cooperative phase.

United States – Antidumping measures on certain hot-rolled steel products from Japan (DS184)

Japan alleged that the U.S. Department of Commerce (Commerce) and the U.S. International Trade Commission's preliminary and final determinations in their antidumping investigations of certain hot-rolled steel products from Japan issued on November 25 and 30, 1998, February 12, 1999, April 28, 1999, and June 23, 1999, were erroneous and based on deficient procedures under the U.S. Tariff Act of 1930 and related regulations. Japan claimed that these procedures and regulations violate the GATT 1994, as well as the Antidumping Agreement and the Agreement Establishing the WTO. Consultations were held on January 13, 2000, and a panel was established on March 20, 2000. In May 2000, the Director General composed the panel as follows: Mr. Harsha V. Singh, Chair; and Mr. Yanyong Phuangrath and Ms. Lidia di Vico, Members. On February 28, 2001, the Panel circulated its report, in which it rejected most of Japan's claims, but found that, *inter alia*, particular aspects of the antidumping duty calculation, as well as one aspect of the U.S. antidumping duty law, were inconsistent with the WTO Antidumping Agreement. On April 25, 2001, the United States filed a notice of appeal on certain issues in the Panel report.

The Appellate Body report was issued on July 24, 2001, reversing in part and affirming in part. The reports were adopted on August 23, 2001. Pursuant to a February 19, 2002 arbitral award, the United States was given 15 months, or until November 23, 2002, to implement the DSB's recommendations and rulings. On November 22, 2002, Commerce issued a new final determination in the hot-rolled steel antidumping duty investigation, which implemented the recommendations and rulings of the DSB with respect to the calculation of antidumping margins in that investigation. The RPT ended on July 31, 2005. With respect to the outstanding implementation issue, on July 7, 2005, the United States and Japan agreed that Japan would not request authorization to suspend concessions at that time and that the United States would not object to a future request on grounds of lack of timeliness.

United States – Continued Dumping and Subsidy Offset Act of 2000 (CDSOA) (DS217/234)

On December 21, 2000, Australia, Brazil, Chile, the EU, India, Indonesia, Japan, South Korea, and Thailand requested consultations with the United States regarding the Continued Dumping and Subsidy Offset Act of 2000 (19 U.S.C. § 754), which amended Title VII of the Tariff Act of 1930 to transfer import duties collected under U.S. antidumping and countervailing duty orders from the U.S. Treasury to the companies that filed the antidumping and countervailing duty petitions. Consultations were held on February 6, 2001. On May 21, 2001, Canada and Mexico also requested consultations on the same matter, which were held on June 29, 2001. On July 12, 2001, the original nine complaining parties requested the establishment of a panel, which was established on August 23, 2001. On September 10, 2001, a panel was established at the request of Canada and Mexico, and all complaints were consolidated into one panel. The panel was composed of: Mr. Luzius Wasescha, Chair; and Mr. Maamoun Abdel-Fattah and Mr. William Falconer, Members.

The Panel issued its report on September 2, 2002, finding against the United States on three of the five principal claims brought by the complaining parties. Specifically, the Panel found that the CDSOA constitutes a specific action against dumping and subsidies and, therefore, is inconsistent with the Antidumping and SCM Agreements as well as Article VI of the GATT 1994. The Panel also found that the CDSOA distorts the standing determination conducted by Commerce and, therefore, is inconsistent with the standing provisions in the Antidumping and SCM Agreements. The United States prevailed against the complainants' claims under the Antidumping and SCM Agreements that the CDSOA distorts Commerce's consideration of price undertakings (agreements to settle antidumping and countervailing duty investigations). The Panel also rejected Mexico's actionable subsidy claim brought under the SCM Agreement. Finally, the Panel rejected the complainants' claims under Article X:3 of the GATT, Article 15 of the Antidumping Agreement, and Articles 4.10 and 7.9 of the SCM Agreement. The United States appealed the Panel's adverse findings on October 1, 2002.

The Appellate Body issued its report on January 16, 2003, upholding the Panel's finding that the CDSOA is an impermissible action against dumping and subsidies, but reversing the Panel's finding on standing. The DSB adopted the Panel and Appellate Body reports on January 27, 2003. At the meeting, the United States stated its intention to implement the DSB recommendations and rulings. On June 13, 2003, the arbitrator determined that this period would end on December 27, 2003. On June 19, 2003, legislation to bring the Continued Dumping and Subsidy Offset Act into conformity with U.S. obligations under the Antidumping Agreement, the SCM Agreement, and the GATT of 1994 was introduced in the U.S. Senate (S. 1299).

On January 15, 2004, eight complaining parties (Brazil, Canada, Chile, the EU, India, Japan, South Korea, and Mexico) requested WTO authorization to retaliate. The remaining three complaining parties (Australia, Indonesia, and Thailand) agreed to extend to December 27, 2004, the period of time in which the United States had to comply with the WTO rulings and recommendations in this dispute. On January 23, 2004, the United States objected to the requests from the eight complaining parties to retaliate, thereby referring the matter to arbitration. On August 31, 2004, the Arbitrators issued their awards in each of the eight arbitrations. They determined that each complaining party could retaliate, on a yearly basis, covering the total value of trade not exceeding, in U.S. dollars, the amount resulting from the following equation: amount of disbursements under CDSOA for the most recent year for which data are available relating to antidumping or countervailing duties paid on imports from each party at that time, as published by the U.S. authorities, multiplied by 0.72.

Based on requests from Brazil, the EU, India, Japan, South Korea, Canada, and Mexico, on November 26, 2004, the DSB granted these Members authorization to suspend concessions or other obligations, as

provided in DSU Article 22.7 and in the Decisions of the Arbitrators. The DSB granted Chile authorization to suspend concessions or other obligations on December 17, 2004. On December 23, 2004, January 7, 2005, and January 11, 2005, the United States reached agreements with Australia, Thailand, and Indonesia that these three complaining parties would not request authorization to suspend concessions at that time, and that the United States would not object to a future request on grounds of lack of timeliness.

On February 8, 2006, U.S. President George W. Bush signed the Deficit Reduction Act into law. That Act included a provision repealing the CDSOA. Certain of the complaining parties nevertheless continued to impose retaliatory measures because they considered that the Deficit Reduction Act failed to bring the United States into immediate compliance.

The United States has informed WTO Members that it has withdrawn the challenged measure and come into compliance in this dispute. Nonetheless, on June 26, 2020, the EU notified the DSB that it would continue imposing countermeasures, maintaining unchanged the list of products subject to retaliation but increasing the duty on those products from 0.001 percent to 0.012 percent.

United States – Measures Affecting the Cross-Border Supply of Gambling and Betting Services (DS285)

On March 13, 2003, Antigua and Barbuda (Antigua) requested consultations regarding its claim that U.S. Federal, State, and territorial laws on gambling violate U.S. specific commitments under the GATS, as well as Articles VI, XI, XVI, and XVII of the GATS, to the extent that such laws prevent or can prevent operators from Antigua from lawfully offering gambling and betting services in the United States. Consultations were held on April 30, 2003.

Antigua requested the establishment of a panel on June 12, 2003. The DSB established a panel on July 21, 2003. At the request of Antigua, the WTO Director General composed the panel on August 25, 2003, as follows: Mr. B. K. Zutshi, Chair; and Mr. Virachai Plasai and Mr. Richard Plender, Members. The Panel's final report, circulated on November 10, 2004, found that the United States breached Article XVI (Market Access) of the GATS by maintaining three U.S. Federal laws (18 U.S.C. §§ 1084, 1952, and 1955) and certain statutes of Louisiana, Massachusetts, South Dakota, and Utah. It also found that these measures were not justified under exceptions in Article XIV of the GATS.

The United States filed a notice of appeal on January 7, 2005. The Appellate Body issued its report on April 7, 2005, in which it reversed and/or modified several Panel findings. The Appellate Body overturned the Panel's findings regarding the state statutes, and found that the three U.S. Federal gambling laws at issue "fall within the scope of 'public morals' and/or 'public order'" under Article XIV. To meet the requirements of the Article XIV chapeau, the Appellate Body found that the United States needed to clarify an issue concerning Internet gambling on horse racing.

The DSB adopted the Panel and Appellate Body reports on April 20, 2005. On May 19, 2005, the United States stated its intention to implement the DSB recommendations and rulings. On August 19, 2005, an Article 21.3(c) arbitrator determined that the RPT for implementation would expire on April 3, 2006.

At the DSB meeting of April 21, 2006, the United States informed the DSB that the United States was in compliance with the recommendations and rulings of the DSB in the dispute. On June 8, 2006, Antigua requested consultations with the United States regarding U.S. compliance with the DSB recommendations and rulings. The parties held consultations on June 26, 2006. On July 5, 2006, Antigua requested the DSB to establish a panel pursuant to Article 21.5 of the DSU, and a panel was established on July 19, 2006. The chair of the original panel and one of the panelists were unavailable to serve. The parties agreed on their replacements, and the panel was composed as follows: Mr. Lars Anell, Chair; and Mr. Mathias Francke and Mr. Virachai Plasai, Members. The report of the Article 21.5 Panel, which was circulated on March

30, 2007, found that the United States had not complied with the recommendations and rulings of the DSB in this dispute.

On May 4, 2007, the United States initiated the procedure provided for under Article XXI of the GATS to modify the schedule of U.S. commitments so as to reflect the original U.S. intent of excluding gambling and betting services.

The DSB adopted the report of the Article 21.5 panel on May 22, 2007. On June 21, 2007, Antigua submitted a request, pursuant to Article 22.2 of the DSU, for authorization from the DSB to suspend the application to the United States of concessions and related obligations of Antigua under the GATS and the TRIPS Agreement. On July 23, 2007, the United States referred this matter to arbitration under Article 22.6 of the DSU. The arbitration was carried out by the three panelists who served on the Article 21.5 Panel.

On December 21, 2007, the Article 22.6 arbitration award was circulated. The arbitrator concluded that Antigua's annual level of nullification or impairment of benefits is \$21 million, and that Antigua may request authorization from the DSB to suspend its obligations under the TRIPS Agreement in this amount. On December 6, 2012, Antigua submitted a request under Article 22.7 of the DSU for authorization to suspend concessions or other obligations under the TRIPS Agreement consistent with the award of the Arbitrator. At the DSB meeting of January 28, 2013, the DSB authorized Antigua to suspend concessions or other obligations under the TRIPS Agreement consistent with the award of the Arbitrator.

During 2007 and early 2008, the United States reached agreement with every WTO Member, aside from Antigua, that had pursued a claim of interest in the GATS Article XXI process of modifying the U.S. schedule of GATS commitments so as to exclude gambling and betting services. Antigua and the United States have engaged in efforts to achieve a mutually agreeable resolution to this matter.

United States – Subsidies on large civil aircraft (DS317)

On October 6, 2004, the EU requested consultations with respect to “prohibited and actionable subsidies provided to U.S. producers of large civil aircraft.” The EU alleged that such subsidies violated several provisions of the SCM Agreement, as well as Article III:4 of the GATT. Consultations were held on November 5, 2004. On January 11, 2005, the United States and the EU agreed to a framework for the negotiation of a new agreement to end subsidies for large civil aircraft. The parties set a three month timeframe for the negotiations and agreed that, during negotiations, they would not request panel proceedings. These discussions did not produce an agreement. On May 31, 2005, the EU requested the establishment of a panel to consider its claims. The EU filed a second request for consultations regarding large civil aircraft subsidies on June 27, 2005. This request covered many of the measures covered in the initial consultations, as well as many additional measures that were not covered.

A panel was established with regard to the October claims on July 20, 2005. On October 17, 2005, the Deputy Director General established the panel as follows: Ms. Marta Lucía Ramírez de Rincón, Chair; and Ms. Gloria Peña and Mr. David Unterhalter, Members. Since that time, Ms. Ramírez and Mr. Unterhalter have resigned from the Panel. They have not been replaced.

The EU requested establishment of a panel with regard to its second panel request on January 20, 2006. That panel was established on February 17, 2006. On December 8, 2006, the WTO issued notices changing the designation of this panel to DS353. The summary below of *United States – Subsidies on large civil aircraft (Second Complaint) (DS353)* discusses developments with regard to this panel.

United States – Measures Affecting Trade in Large Civil Aircraft (Second Complaint) (DS353)

On June 27, 2005, the EU filed a second request for consultations regarding large civil aircraft subsidies allegedly applied by the United States. The section above on *United States – Subsidies on large civil aircraft (DS317)* discusses developments with regard to the dispute arising from the initial request for consultations. The June 2005 request covered many of the measures in the initial consultations, as well as many additional measures that were not covered. The EU requested establishment of a panel with regard to its second panel request on January 20, 2006. That panel was established on February 17, 2006. On November 22, 2006, the Deputy Director General composed the panel as follows: Mr. Crawford Falconer, Chair; and Mr. Francisco Orrego Vicuña and Mr. Virachai Plasai, Members.

The Panel granted the parties' request to open the substantive meetings with the parties to the public via a screening of a videotape of the public session. The sessions of the Panel meeting that involved business confidential information and the Panel's meeting with third parties were closed to the public.

On March 31, 2011, the Panel circulated its report with the following findings:

Findings against the EU

- Most of the NASA research spending challenged by the EU did not go to Boeing;
- Most of the U.S. Department of Defense (DoD) research payments to Boeing were not subsidies or did not cause adverse effects to Airbus;
- Treatment of patent rights under U.S. Government contracts is not a subsidy specific to the aircraft industry;
- Treatment of certain overhead expenses in U.S. Government contracts is not a subsidy;
- Washington State infrastructure and plant location incentives were not a subsidy or did not cause adverse effects;
- Commerce research programs were not a subsidy specific to the aircraft industry;
- The U.S. Department of Labor payments to Edmonds Community College in Snohomish County, Washington, were not specific subsidies;
- Kansas and Illinois tax programs were not subsidies or did not cause adverse effects;
- The Foreign Sales Corporation/Extraterritorial Income tax measures were a WTO inconsistent subsidy, but as the United States removed the subsidy in 2006, there was no need for any further recommendation.

Findings against the United States

- NASA research programs conferred a subsidy to Boeing of \$2.6 billion that caused adverse effects to Airbus;
- Tax programs and other incentives offered by the State of Washington and some of its municipalities conferred a subsidy of \$16 million that caused adverse effects to Airbus;

- Certain types of research projects funded under the U.S. Department of Defense’s Manufacturing Technology and Dual Use Science and Technology programs were a subsidy to Boeing of approximately \$112 million that caused adverse effects to Airbus.

On April 1, 2011, the EU filed a notice of appeal on certain findings, and on April 28, 2011, the United States filed a notice of other appeal. On March 12, 2012, the Appellate Body circulated its report with the following findings:

- The Panel erred in its analysis of whether NASA and DoD research funding was a subsidy. However, the Appellate Body affirmed the Panel’s subsidy finding with regard to NASA research funding and DoD research funding through assistance instruments on other grounds. The Appellate Body declared the Panel’s findings with regard to DoD procurement contracts moot, but made no further findings.
- The Panel correctly found that NASA and DoD rules regarding the allocation of patent rights were not, on their face, specific subsidies. The Appellate Body found that Panel should have addressed the EU allegations of de facto specificity, but was unable to complete the Panel’s analysis of this issue.
- The Panel correctly found that Washington State tax measures and industrial revenue bonds issued by the City of Wichita were subsidies.
- The Panel erred in concluding that the WTO DSB was not obligated to initiate information-gathering procedures requested by the EU, but this error did not require any modification in the panel’s ultimate findings.
- The Panel correctly concluded that NASA research funding and DoD funding of research through assistance instruments caused adverse effects to Airbus.
- The Panel erred in analyzing the effects of the Wichita industrial revenue bonds separately from other tax measures. The Appellate Body grouped the Wichita measure with the other tax benefits.
- The Panel erred in concluding that Washington State tax benefits, in tandem with FSC/ETI tax benefits, caused lost sales, lost market share, and price depression of the Airbus A320 and A340 product lines. The Appellate Body found that the evidence before it justified a finding of lost sales only in two instances, involving 50 A320 airplanes.

On March 23, 2012, the DSB adopted its recommendations and rulings in this dispute. At the following DSB meeting, on April 13, 2012, the United States informed the DSB of its intention to implement the recommendations and rulings of the DSB in connection with this matter. On September 23, 2012, the United States notified the DSB that it has brought the challenged measures into compliance with the recommendations and rulings of the DSB.

On September 25, 2012, the EU requested consultations regarding the U.S. notification. On October 11, 2012, the EU requested that the DSB refer the matter to the original Panel pursuant to Article 21.5 of the DSU. The DSB did so at a meeting held on October 23, 2012. On October 30, 2012, the compliance Panel was composed with the members of the original Panel: Mr. Crawford Falconer, Chair; and Mr. Francisco Orrego Vicuña and Mr. Virachai Plasai, Members.

The compliance Panel circulated its report on June 9, 2017, with the following findings:

Findings against the EU

- The EU alleged that DoD provided Boeing with funding and other resources worth \$2.9 billion to conduct research that assisted Boeing's development of large civil aircraft. The Panel rejected most of the EU claims for procedural reasons. It found that the remaining claims were worth only \$41 million, that most of those programs were not subsidies. The Panel subsequently found that the DoD funding found to constitute subsidies did not cause adverse effects to Airbus.
- The Panel found that NASA R&D programs were subsidies, but only conferred benefits of approximately \$158 million. It found that these subsidies did not cause adverse effects to Airbus.
- The EU alleged that the Federal Aviation Administration (FAA) provided funding and resources worth \$28 million to Boeing. The Panel found that the FAA program in question was a subsidy, and agreed that it was worth \$28 million. However, it found that these subsidies did not cause adverse effects to Airbus.
- The EU alleged that Boeing received \$51 million in tax benefits from 2007 through 2014 under the FSC/ETI program that Congress discontinued in 2006. The Panel found that there was no evidence that Boeing benefitted this program in the 2007 to 2014 period.
- The EU asserted that the City of Wichita issued "industrial revenue bonds" in a way that gave Boeing tax subsidies. The Panel found that this program was a subsidy, but that it did not constitute a WTO breach because it was not "specific," *i.e.*, targeted toward particular entities or industries.
- The EU brought claims with respect to a number of Washington State programs. The Panel rejected one of the EU claims for procedural reasons. The Panel found that all of the remaining programs were subsidies. However, with one exception, the Panel found that these programs did not cause any adverse effects to Airbus.
- The EU alleged that several South Carolina programs worth a total of \$1.7 billion caused adverse effects to Airbus. The Panel found that all but three of these programs either were not subsidies or were not "specific," *i.e.*, did not involve the type of targeting needed to establish a WTO breach. Although it found that three South Carolina programs, worth a total of \$78 million, were subsidies, the Panel concluded that they did not cause adverse effects to Airbus.

Findings against the United States

- The EU argued that Washington State's adjustment to its Business and Occupation ("B&O") tax applicable to aerospace manufacturing foregoes revenue that could otherwise be collected from Boeing, making it a subsidy for WTO purposes. The Panel found that this program confers a subsidy on Boeing, worth an average value of \$100-\$110 million per year during the period of review. The Panel further found that these subsidies cause adverse effects, but only with respect to certain sales of the Airbus A320 aircraft.

On June 29, 2017, the EU filed a notice of appeal on certain findings, and the United States filed a notice of other appeal on August 10, 2017. The Division assigned to hear the appeal consisted of Mr. Peter Van

den Bossche, Mr. Thomas R. Graham, and Mr. Shree B.C. Servansing. On March 28, 2019, the Division circulated its report with the following relevant findings:

- The panel did not err in including DoD procurement contracts within its terms of reference, but the panel did not sufficiently engage with evidence and arguments regarding whether the funding conferred a benefit. However, there were insufficient factual findings by the panel or undisputed facts on the record for the Appellate Body to complete the analysis in this respect.
- The panel erred when considering whether revenue was “foregone” with respect to the FSC/ETI tax concessions by focusing on the conduct of eligible taxpayers rather than the government. The Appellate Body completed the legal analysis and found that the measure was inconsistent with the SCM Agreement to the extent that Boeing remains entitled to FSC/ETI tax concessions.
- The panel did not err in using the period following the end of the implementation period to assess whether Wichita industrial revenue bonds were specific because of the granting of disproportionately large amounts of subsidy to certain enterprises, but the panel erred in finding that no disparity existed between the expected and actual distribution of the subsidy. However, there were insufficient factual findings by the panel or undisputed facts on the record for the Appellate Body to complete its legal analysis in this respect.
- The panel did not err in its interpretation of the term “limited number” of certain enterprises with respect to the specificity of the South Carolina economic development bonds, but the panel erred by excluding evidence as to the percentage of bonds by value used by certain enterprises from its evaluation of whether the subsidy was specific by reason of predominant use by certain enterprises. However, there were insufficient factual findings by the panel or undisputed facts on the record for the Appellate Body to complete its legal analysis in this respect.
- The panel erred in the application of the term “designated geographical region” in assessing the specificity of the South Carolina MCIP job tax credits. The Appellate Body completed the legal analysis with respect to this and found that the subsidy was specific.
- The panel correctly found that the EU had failed to establish that there was a continuation of the original adverse effects of the pre-2007 aeronautics R&D subsidies into the post-implementation period in the form of present serious prejudice in relation to the A330 and A350XWB.
- The panel erred in its analysis of whether the technology effects of the pre-2007 aeronautics R&D subsidies in relation to certain U.S. aircraft continued into the post-implementation period, and therefore, the panel’s finding that the EU failed to establish that the pre-2007 R&D subsidies was a genuine and substantial cause of adverse effects to the A350XWB and A320neo in the post-implementation period was reversed. However, there were insufficient factual findings by the panel or undisputed facts on the record for the Appellate Body to complete its legal analysis in this respect, and there was no basis to conclude that the original adverse effects, in the form of technology effects, continued into the post-implementation period.
- The panel correctly found that the EU failed to establish that the tied tax subsidies cause adverse effects in the twin-aisle LCA market in the post-implementation period, but that there were adverse effects in the post-implementation period in the form of significant lost sales in the single-aisle LCA and in the form of threat of impedance of imports of Airbus single-aisle LCA in the U.S. and United Arab Emirates markets.

On September 27, 2012, the EU requested authorization from the DSB to impose countermeasures. On October 22, 2012, the United States objected to the level of suspension of concessions requested by the EU, referring the matter to arbitration pursuant to Article 22.6 of the DSU. On November 27, 2012, the United States and the EU each requested that the arbitration be suspended pending the conclusion of the compliance proceeding. On June 5, 2019, at the request of the EU, the arbitration regarding the level of countermeasures was resumed. On October 13, 2020, the arbitrator issued its decision with respect to the adverse effects caused by the Washington State tax rate reduction during an historical 2012 reference period. The arbitrator determined the level of countermeasures commensurate with the degree and nature of the adverse effects determined to exist is approximately \$3.99 billion annually. On October 26, 2020, the WTO granted the EU authorization to take countermeasures consistent with the arbitrator's decision. Because the Washington State tax rate reduction was repealed effective April 1, 2020, the EU has no legal basis to maintain countermeasures on U.S. goods.

United States — Countervailing Measures on Certain Hot-Rolled Carbon Steel Flat Products from India (DS436)

On April 24, 2012, India requested consultations concerning countervailing measures on certain hot-rolled carbon steel flat products from India. India challenged the Tariff Act of 1930, in particular: sections 771(7)(G) regarding the cumulation of imports for purposes of an injury determination and 776(b) regarding the use of “facts available.” India also challenged Title 19 of the Code of Federal Regulations, sections 351.308 regarding “facts available” and 351.511(a)(2)(i)-(iv), which relates to Commerce's calculation of benchmarks. In addition, India challenged the application of these and other measures in the U.S. Commerce's countervailing duty determinations and the U.S. International Trade Commission's injury determination. Specifically, India argued that these determinations were inconsistent with Articles I and IV of the GATT 1994 and Articles 1, 2, 10, 11, 12, 13, 14, 15, 19, 21, 22, and 32 of the SCM Agreement. The DSB established a panel to examine the matter on August 31, 2012. The panel was composed by the Director General on February 18, 2013, as follows: Mr. Hugh McPhail, Chair; Mr. Anthony Abad and Mr. Hanspeter Tschaeni, Members.

The Panel met with the parties on July 9 and July 10, 2013, and on October 8 and October 9, 2013. The Panel circulated its report on July 14, 2014. The Panel rejected India's claims against the U.S. statutes and regulations concerning facts available and benchmarks under Articles 12.7 and 14(d) of the SCM Agreement, respectively. It also rejected India's “as such” claim regarding the U.S. statutory cumulation provision for five-year reviews, but found that the U.S. statute governing cumulation in the original investigations was inconsistent with Article 15 of the SCM Agreement because it required the cumulation of subsidized imports with dumped non-subsidized imports in the context of countervailing duty investigations. Applying this reasoning, the Panel also found that the U.S. International Trade Commission's injury determination breached U.S. obligations under Article 15.

The Panel rejected India's challenges under Article 1.1(a)(1) of the SCM Agreement to Commerce's “public body” findings in two instances, as well as most of India's claims with respect to Commerce's application of facts available under Article 12.7 in the determination at issue. The Panel also rejected most of India's claims against Commerce's specificity determinations under Article 2.1, and its calculation of certain benchmarks used in the proceedings under Article 14(d). The Panel found that Commerce's determination that certain low-interest loans constituted “direct transfers” of funds was consistent with Article 1.1(a)(1), but that Commerce's determination that a captive mining program constituted a financial contribution was not consistent with Article 1.1(a). Finally, the Panel found that Commerce did not act inconsistently with Articles 11, 13, 21 and 22 of the SCM Agreement when it analyzed new subsidy allegations in the context of review proceedings.

On August 8, 2014, India appealed the Panel’s findings; on August 13, 2014, the United States also appealed certain of the Panel’s findings. The Appellate Body released its report on December 8, 2014.

The Appellate Body upheld the Panel’s findings regarding the U.S. benchmarks regulation, but found that certain instances of Commerce’s application of these regulations were inconsistent with Article 14(d). The Appellate Body rejected India’s interpretation of “public body” under Article 1.1(a)(1), but reversed the Panel’s finding that Commerce acted consistently in making the public body determination at issue on appeal. Regarding specificity, the Appellate Body rejected each of India’s appeals under Article 2.1(c), as it did with respect to India’s challenge to the Panel’s finding under Article 1.1(a)(1)(i) relating to “direct transfers of funds.” The Appellate Body also reversed the Panel’s finding that Commerce had acted inconsistently with Article 1.1(a)(1)(iii) in finding that captive mining program constituted a provision of goods. Finally, the Appellate Body upheld the Panel’s rejection of India’s claims under Articles 11, 13, and 21 regarding new subsidy allegations. The Appellate Body reversed the Panel’s findings under Article 22 of the SCM Agreement, but was unable to complete the analysis. The DSB adopted the Appellate Body report and the Panel report, as modified by the Appellate Body report, on December 19, 2014.

The Appellate Body found that the Panel had failed to conduct an objective examination of the U.S. cumulation statute. Without any relevant Panel factual findings or arguments by the parties, however, the Appellate Body erroneously found that one subsection of the cumulation provision—1677(7)(G)(i)(III)—is inconsistent with the SCM Agreement because it requires cumulation of subsidized imports with dumped non-subsidized imports in the context of countervailing duty investigations, without considering that this subsection could apply only if Commerce self-initiated an investigation on the same day that a petition was filed covering the same products.

At the DSB meeting held on January 16, 2015, the United States notified the DSB of its intention to comply with the recommendations and rulings and indicated it would need a RPT to do so. On March 24, 2015, the United States and India informed the DSB that they had agreed on a RPT of 15 months, ending on March 19, 2016. At the United States’ request, India then agreed to a 30 day extension to April 18, 2016.

On March 7, 2016, the USITC issued a Section 129 determination in the hot-rolled steel from India countervailing duty (CVD) proceeding to comply with the findings of the Appellate Body. On March 18, 2016, Commerce issued its preliminary determination memos in the Section 129 proceedings, and on April 14, 2016, Commerce issued its final Section 129 determinations. On April 22, 2016, the United States informed the DSB that it had complied with the recommendations and rulings in this dispute.

On June 5, 2017, India requested consultations regarding the U.S. implementation, and on March 28, 2018, India requested the establishment of a compliance panel. On May 31, 2018, the Panel was composed of the original panel members. The compliance Panel circulated its panel report on November 15, 2019. The compliance Panel rejected the majority of India’s claims that the United States failed to bring its countervailing duty determination and injury determination into compliance. The United States prevailed on eight sets of claims, including with respect to Commerce’s determination that the National Mineral Development Corporation is a public body, rejection of in-country benchmarks, use of out-of-country benchmarks, the calculation of benefit under the Steel Development Fund program, the inclusion of new subsidies in a review proceeding, disclosure of essential facts, the “appropriateness” of exceeding a terminated domestic settlement rate in a Section 129 proceeding, and all but one aspect of the injury determination. The compliance Panel found in favor of India on one specificity claim and on one injury issue. The compliance Panel also found that the United States’ failure to amend one portion of the cumulation statute (19 USC § 1677(7)(G)(i)(III)) was inconsistent with the DSB recommendation made in the original proceedings of the dispute.

On December 18, 2019, the United States notified the DSB of its decision to appeal issues of law covered in the report of the compliance Panel and legal interpretations developed by the compliance Panel. Because no division of the Appellate Body can be established to hear this appeal, the United States has sought to confer with India to seek a positive solution to this dispute.

United States — Countervailing Duty Measures on Certain Products from China (DS437)

On May 25, 2012, China requested consultations regarding numerous U.S. countervailing duty determinations in which Commerce had determined that various Chinese state-owned enterprises were “public bodies” under Article 1.1(a)(1) of the SCM Agreement, with a view towards extending the Appellate Body’s analysis in DS379 to those determinations. China challenged various other aspects of these investigations as well, including but not limited to Commerce’s calculation of benchmarks, initiation standard, determination of specificity of the subsidies, use of facts available, and finding that export restraints were a countervailable subsidy.

Consultations were held in July 2012, and a panel was established in September 2012. The Panel was composed by the Director-General on November 26, 2012, as follows: Mr. Mario Matus, Chair; Mr. Scott Gallacher and Mr. Hugo Perezcano Díaz, Members. The Panel met with the parties on April 30 through May 1, 2013, and on June 18 and June 19, 2013. The panel circulated its report on July 14, 2014. The Panel found that Commerce’s determinations in 12 investigations that certain state-owned enterprises were “public bodies” were inconsistent with Article 1.1(a)(1) of the SCM Agreement, based on the Appellate Body’s analysis in DS379. However, the Panel found in favor of the United States with respect to China’s claims regarding Commerce’s calculation of benchmarks, initiation of investigations, and use of facts available, and the Panel upheld most of Commerce’s specificity determinations. The Panel also found that China established that Commerce acted inconsistently with Article 11.3 of the SCM Agreement by initiating countervailing duty investigations of export restraints.

On August 22, 2014, China appealed the Panel’s findings regarding Commerce’s calculation of benchmarks, specificity determinations, and use of facts available. On August 27, 2014, the United States appealed the Panel’s finding that a section of China’s panel request setting forth claims related to Commerce’s use of facts available was within the panel’s terms of reference. The Appellate Body held a hearing in Geneva on October 16 and October 17, 2014, with Ujal Singh Battia and Seung Wha Chang as Members, and Peter Van den Bossche as Chair.

On December 18, 2014, the Appellate Body circulated its report. On benchmarks, the Appellate Body reversed the Panel and found that Commerce’s determination to use out-of-country benchmarks in four countervailing duty investigations was inconsistent with Articles 1.1(b) and 14(d) of the SCM Agreement. On specificity, the Appellate Body rejected one of China’s claims with respect to the order of analysis in *de facto* specificity determinations. However, the Appellate Body reversed the Panel’s findings that Commerce did not act inconsistently with Article 2.1 when it failed to identify the “jurisdiction of the granting authority” and “subsidy programme” before finding the subsidy specific. On facts available, the Appellate Body accepted China’s claim that the Panel’s findings regarding facts available were inconsistent with Article 11 of the DSU, and reversed the Panel’s finding that Commerce’s application of facts available was not inconsistent with Article 12.7 of the SCM Agreement. Lastly, the Appellate Body rejected the U.S. appeal of the Panel’s finding that China’s panel request failed to meet the requirement of Article 6.2 of the DSU to present an adequate summary of the legal basis of its claim sufficient to present the problem clearly.

The DSB adopted the Appellate Body report and the Panel report, as modified by the Appellate Body report, on January 16, 2015. In a letter dated February 13, 2015, the United States notified the DSB of its intention to comply with its WTO obligations and indicated it would need a RPT to do so.

On June 26, 2015, China requested that the RPT be determined through arbitration pursuant to Article 21.3(c) of the DSU. On July 17, 2015, the Director General appointed Mr. Georges M. Abi-Saab as the arbitrator. On October 9, 2015, the arbitrator issued his award, deciding that the RPT would be 14 months and 16 days, ending on April 1, 2016.

Commerce subsequently issued redeterminations in 15 separate countervailing duty investigations and with respect to one “as such” finding of the DSB. Commerce implemented these determinations on April 1, 2016, and May 26, 2016. On June 22, 2016, the United States notified the DSB that it had brought the challenged measures into compliance with the recommendations and rulings of the DSB.

On May 13, 2016, China requested consultations regarding the U.S. implementation. The United States and China held consultations on May 27, 2016. On July 8, 2016, China requested that the DSB refer the matter to the original Panel pursuant to Article 21.5 of the DSU. The DSB did so at a meeting held on July 21, 2016. On October 5, 2016, the compliance Panel was composed with one member of the original Panel: Mr. Hugo Perezcano Diaz, Chair; and with two additional panelists selected to replace unavailable members of the original panel: Mr. Luis Catibayan and Mr. Thinus Jacobsz, Members. The compliance Panel circulated its report on March 21, 2018. The compliance Panel found that Commerce’s redeterminations that certain state-owned enterprises were “public bodies” were not inconsistent with Article 1.1(a)(1) of the SCM Agreement, and Commerce’s Public Bodies Memorandum is not inconsistent with the SCM Agreement, “as such”. The compliance Panel also upheld Commerce’s redetermination concerning regional specificity. However, the compliance Panel found in favor of China with respect to China’s claims regarding Commerce’s calculation of benchmarks and its input specificity analysis.

On April 27, 2018, the United States appealed certain findings of the compliance Panel regarding the Public Bodies Memorandum, Commerce’s benchmark and input specificity redeterminations, and whether certain Commerce determinations were within the compliance Panel’s terms of reference. On May 2, 2018, China appealed certain findings of the compliance Panel regarding Commerce’s redeterminations that certain state-owned enterprises were “public bodies”, the Public Bodies Memorandum, and the legal interpretation of Articles 1.1(b) and 14(d) of the SCM Agreement. The three persons hearing the appeal were Thomas R. Graham as Presiding Member, and Ujal Singh Battia and Shree B.C. Servansing. An appellate report was circulated on July 16, 2019. The appellate majority upheld the findings of the compliance Panel. The appellate report includes a lengthy dissent that calls into question the reasoning and interpretative analysis of the appellate majority and prior Appellate Body reports.

The DSB considered the appellate report and the compliance Panel report, as modified by the appellate report, at its meeting on August 15, 2019. The United States noted in its DSB statement that, through the interpretations applied in this proceeding, based primarily on erroneous approaches by the Appellate Body in past reports, the WTO dispute settlement system is weakening the ability of WTO Members to use WTO tools to discipline injurious subsidies. The Subsidies Agreement is not meant to provide cover for, and render untouchable, one Member’s policy of providing massive subsidies to its industries through a complex web of laws, regulations, policies, and industrial plans. Finding that the kinds of subsidies at issue in this dispute cannot be addressed using existing WTO remedies, such as countervailing duties, calls into question the usefulness of the WTO to help WTO Members address the most urgent economic problems in today’s world economy. The United States noted specific aspects of the findings of the appellate report that are erroneous and undermine the interests of all WTO Members in a fair trading system, including erroneous interpretations of “public body” and out-of-country benchmark, diminishing U.S. rights and adding to U.S. obligations, engaging in fact-finding, and treating prior reports as “precedent.”

On October 17, 2019, China requested authorization to suspend concessions and other obligations pursuant to Article 22.2 of the DSU. On October 25, 2019, the United States objected to China’s request, referring the matter to arbitration pursuant to Article 22.6 of the DSU. On November 15, 2019, the WTO notified

the parties that the arbitration would be carried out by the panelists who served during the compliance proceeding: Mr. Hugo Perezcano Diaz, Chair; and Mr. Luis Catibayan and Mr. Thinus Jacobsz, Members. The arbitration proceedings are ongoing.

United States – Anti-Dumping and Countervailing Measures on Large Residential Washers from Korea (DS464)

On August 29, 2013, the United States received from Korea a request for consultations pertaining to antidumping and countervailing duty measures imposed by the United States pursuant to final determinations issued by Commerce following antidumping and countervailing duty investigations regarding large residential washers (washers) from Korea. Korea claimed that Commerce’s determinations, as well as certain methodologies used by Commerce, were inconsistent with U.S. commitments and obligations under Articles 1, 2, 2.1, 2.4, 2.4.2, 5.8, 9.3, 9.4, 9.5, 11, and 18.4 of the AD Agreement, Articles 1.1, 1.2, 2.1, 2.2, 10, 14, and 19.4 of the SCM Agreement; Articles VI, VI:1, VI:2, and VI:3 of the GATT 1994; and Article XVI:4 of the WTO Agreement. Specifically, Korea challenged Commerce’s alleged use of “zeroing” and application of the second sentence of Article 2.4.2 of the AD Agreement, as applied in the washers antidumping investigation and “as such.” Korea also challenged Commerce’s determinations in the washers countervailing duty investigation that Article 10(1)(3) of Korea’s Restriction of Special Taxation Act (RSTA) is a subsidy that is specific within the meaning of Article 2.1 of the SCM Agreement, Commerce’s determination of the amount of subsidy benefit received by a respondent under Article 10(1)(3) of the RSTA, Commerce’s determination that Article 26 of the RSTA is a regionally specific subsidy, and Commerce’s imposition of countervailing duties on one respondent that were attributable to tax credits that the respondent received for investments that it made under Article 26 of the RSTA.

The United States and Korea held consultations on October 3, 2013. On December 5, 2013, Korea requested that the DSB establish a panel. On January 22, 2014, a panel was established. On June 20, 2014, the Director General composed the panel as follows: Ms. Claudia Orozco, Chair; and Mr. Mazhar Bangash and Mr. Hanspeter Tschaeni, Members.

The panel circulated its report on March 11, 2016. The panel found that aspects of Commerce’s antidumping determination were inconsistent with the second sentence of Article 2.4.2 of the AD Agreement, including the determination to apply an alternative, average-to-transaction comparison methodology and the application of that methodology to all transactions rather than just to so-called pattern transactions. The panel rejected other claims asserted by Korea, including Korea’s argument that Commerce acted inconsistently with Article 2.4.2 by determining the existence of a pattern exclusively on the basis of quantitative criteria.

The panel found that aspects of Commerce’s differential pricing methodology are inconsistent “as such” with the second sentence of Article 2.4.2 of the AD Agreement. The panel also found that the United States’ use of zeroing when applying the average-to-transaction comparison methodology is inconsistent with the second sentence of Article 2.4.2 and Article 2.4, both “as such” and as applied in the washers antidumping investigation.

In addition, the panel made several findings on the CVD issues raised by Korea. The Panel found that Commerce’s disproportionality analysis, in its original and remand determinations, was inconsistent with Article 2.1(c) of the SCM Agreement. But the panel rejected Korea’s remaining claims – *i.e.*, its claim that Commerce’s regional specificity determination was inconsistent with Article 2.2 of the SCM Agreement, and its claims concerning the proper quantification of subsidy ratios.

On April 19, 2016, the United States appealed certain of the panel’s findings. Korea filed another appeal on April 25, 2016.

On September 7, 2016, the Appellate Body circulated its report. The Appellate Body upheld several of the panel's findings under the AD Agreement, including the panel's finding that the average-to-transaction comparison methodology should be applied only to so-called pattern transactions, the panel's finding that the use of zeroing is inconsistent with the second sentence of Article 2.4.2 and Article 2.4, both "as such" and as applied, and the panel's finding that the differential pricing methodology is inconsistent "as such" with the second sentence of Article 2.4.2 of the AD Agreement. The Appellate Body reversed other findings made by the panel. For instance, the Appellate Body found that an investigating authority must assess the price differences at issue on both a quantitative and qualitative basis, and the Appellate Body mooted the panel's finding concerning systemic disregarding, finding instead that the combined application of comparison methodologies is impermissible. With respect to the CVD issues, the Appellate Body upheld the panel's rejection of Korea's regional specificity claim, but found that certain aspects of Commerce's calculation of subsidy rates were inconsistent with Article 19.4 of the SCM Agreement and Article VI:3 of the GATT 1994.

On September 26, 2016, the DSB adopted the panel and Appellate Body reports. On October 26, 2016, the United States stated that it intends to implement the recommendations of the DSB in this dispute in a manner that respects U.S. WTO obligations, and that it will need a reasonable period of time in which to do so. On April 13, 2017, an Article 21.3(c) arbitrator determined that the RPT for implementation would expire on December 26, 2017.

On January 11, 2018, Korea requested authorization to suspend concessions and other obligations pursuant to Article 22.2 of the DSU. On January 19, 2018, the United States objected to Korea's request, referring the matter to arbitration pursuant to Article 22.6 of the DSU. On February 6, 2018, the WTO notified the parties that the arbitration would be carried out by the original panelists: Ms. Claudia Orozco, Chair; and Mr. Mazhar Bangash and Mr. Hanspeter Tschaeni, Members. The arbitrator circulated its decision on February 8, 2019. The arbitrator determined that the level of nullification or impairment to Korea from U.S. noncompliance with respect to the antidumping and countervailing duty measures on washers totaled no more than \$84.81 million per year, and the arbitrator further specified a formula for calculating the nullification or impairment for products other than washers.

On May 6, 2019, Commerce published a notice in the U.S. *Federal Register* announcing the revocation of the antidumping and countervailing duty orders on washers (84 Fed. Reg. 19,763 (May 6, 2019)). With this action, the United States has completed implementation of the DSB recommendations concerning those antidumping and countervailing duty orders.

United States – Certain Methodologies and their Application to Anti-Dumping Proceedings Involving China (DS471)

On December 3, 2013, the United States received from China a request for consultations pertaining to antidumping measures imposed by the United States pursuant to final determinations issued by Commerce following antidumping investigations regarding a number of products from China, including certain coated paper suitable for high-quality print graphics using sheet-fed presses, certain oil country tubular goods, high pressure steel cylinders, polyethylene terephthalate film, sheet, and strip; aluminum extrusions; certain frozen and canned warm water shrimp; certain new pneumatic off-the-road tires; crystalline silicon photovoltaic cells, whether or not assembled into modules; diamond sawblades and parts thereof; multilayered wood flooring; narrow woven ribbons with woven selvage; polyethylene retail carrier bags; and wooden bedroom furniture. China claimed that Commerce's determinations, as well as certain methodologies used by Commerce, are inconsistent with U.S. obligations under Articles 2.4.2, 6.1, 6.8, 6.10, 9.2, 9.3, 9.4, and Annex II of the AD Agreement; and Article VI:2 of the GATT 1994. Specifically, China challenges Commerce's application in certain investigations and administrative reviews of a

“targeted dumping methodology,” “zeroing” in connection with such methodology, a “single rate presumption for non-market economies,” and a “NME-wide methodology” including certain “features”. China also challenges a “single rate presumption” and the use of “adverse facts available” “as such.”

The United States and China held consultations on January 23, 2014. On February 13, 2014, China requested that the DSB establish a panel, and a panel was established on March 26, 2014. On August 28, 2014, the Director General composed the panel as follows: Mr. José Pérez Gabilondo, Chair; and Ms. Beatriz Leycegui Gardoqui and Ms. Enie Neri de Ross, Members.

The panel circulated its report on October 19, 2016. The panel found that a number of aspects of the “targeted dumping methodology” applied by Commerce in three challenged investigations were not inconsistent with the requirements of the AD Agreement, including certain quantitative aspects of Commerce’s methodology. However, the Panel found fault with other aspects of Commerce’s methodology and with Commerce’s explanation of why resort to the alternative methodology was necessary. The panel also found that Commerce’s application of the alternative methodology to all sales, rather than only to so-called pattern sales, and Commerce’s use of “zeroing” in connection with the alternative methodology, were inconsistent with the second sentence of Article 2.4.2 of the AD Agreement. The panel found that Commerce’s use of a rebuttable presumption that all producers and exporters in China comprise a single entity under common government control – the China-government entity – to which a single antidumping margin is assigned, both as used in specific proceedings and generally, is inconsistent with certain obligations in the WTO Antidumping Agreement concerning when exporters and producers are entitled to a unique antidumping margin or rate. Finally, the Panel agreed with the United States that China had not established that Commerce has a general norm whereby it uses adverse inferences to pick information that is adverse to the interests of the China-government entity in calculating its antidumping margin or rate. The panel also decided to exercise judicial economy with respect to the information Commerce utilized in particular proceedings.

On November 18, 2016, China appealed certain of the panel’s findings regarding Commerce’s “targeted dumping methodology,” use of “adverse facts available,” and the “single rate presumption.” The Appellate Body held a hearing in Geneva on February 27 and February 28, 2017, and issued a report on May 11, 2017. The Appellate Body rejected virtually all of China’s claims on appeal and did not make any additional findings of inconsistency against the United States.

On May 22, 2017, the DSB adopted the panel and Appellate Body reports. On June 19, 2017, the United States stated that it intends to implement the recommendations of the DSB in this dispute in a manner that respects U.S. WTO obligations, and that it will need a reasonable period of time in which to do so. On October 17, 2017, China requested that an Article 21.3(c) arbitrator determine the RPT for implementation. The Arbitrator determined the reasonable period of time to be 15 months, expiring on August 22, 2018.

On September 9, 2018, China requested authorization to suspend concessions and other obligations pursuant to Article 22.2 of the DSU. On September 19, 2018, the United States objected to China’s request, referring the matter to arbitration. On October 5, 2018, the WTO notified the parties that the arbitration would be carried out by the original panelists: Mr. José Pérez Gabilondo, Chair; and Ms. Beatriz Leycegui Gardoqui and Ms. Enie Neri de Ross, Members. The arbitrator circulated its decision on November 1, 2019. The arbitrator determined that the level of nullification or impairment to China from U.S. noncompliance with respect to determinations made by Commerce in a number of antidumping proceedings involving goods from China, as well as certain methodologies China claimed Commerce applies in antidumping proceedings, totaled no more than \$3.579 billion per year.

United States – Anti-Dumping Measures on Oil Country Tubular Goods from Korea (DS488)

On December 22, 2014, the United States received from Korea a request for consultations pertaining to antidumping duties imposed on oil country tubular goods from Korea. Korea claimed that the calculation by Commerce of the constructed value profit rate for Korean respondents was inconsistent with U.S. obligations under Articles 2.2, 2.2.2, 2.4, 6.2, 6.4, 6.9, and 12.2.2 of the Antidumping Agreement and Articles I and X:3 of the GATT 1994. Korea also claimed that Commerce’s decision regarding the affiliation of a certain Korean respondent to a supplier, and the effects of that decision, was inconsistent with Articles 2.2.1.1 and 2.3 of the Antidumping Agreement and that its selection of two mandatory respondents was inconsistent with Article 6.10, including Articles 6.10.1 and 6.10.2. Korea further claimed that Commerce’s methodology for disregarding a respondent’s exports to third-country markets was inconsistent “as such” and “as applied” in the investigation at issue with Article 2.2 of the Antidumping Agreement.

The United States and Korea held consultations on January 21, 2015. On February 23, 2015 Korea requested the establishment of a panel. The DSB established a panel on March 25, 2015, and the Parties agreed to the composition of the panel on July 13, 2015 as follows: Mr. John Adank, Chair; and Mr. Abd El Rahman Ezz El Din Fawzy and Mr. Gustav Brink, Members. Subsequently, Mr. Adank withdrew as Chair prior to the second substantive meeting of the Panel, and the Parties agreed that Mr. Crawford Falconer would replace Mr. Adank as Chair. The panel met with the parties on July 20 and July 21, 2016, and November 1 and November 2, 2016.

The panel circulated its report on November 14, 2017. The panel found that the United States had acted inconsistently with the chapeau of Article 2.2.2 of the Antidumping Agreement because Commerce did not determine profit for constructed value based on actual data pertaining to sales of the like product in the home market. The panel also found that the United States had acted inconsistently with Articles 2.2.2(i) and (iii) because Commerce relied on a narrow definition of the “same general category of products” in concluding it could not determine profit under Article 2.2.2(i) and in concluding that it could not calculate a profit cap under Article 2.2.2(iii). The panel further found that the United States had acted inconsistently with Article 2.2.2(iii) because Commerce failed to calculate and apply a profit cap. The panel exercised judicial economy with respect to Korea’s claims that the United States acted inconsistently the chapeau of Article 2.2.2 because Commerce did not determine profit for constructed value based on actual data pertaining to sales of the like product in third-country markets and with respect to Articles 1 and 9.3 as a consequence of substantive violations of Articles 2.2.2, 2.2.2(i), and 2.2.2(iii). Finally, the panel found two of Korea’s claims with respect to profit for constructed value to be outside its terms of reference, specifically its claim that the United States had violated Article 2.2.2(iii) because Commerce had determined the profit rate based on a certain company’s financial statements and its claim that the United States had violated Article X.3(a) of the GATT 1994, because Commerce had purportedly acted contrary to its agency practice of determining profit.

The panel otherwise rejected the remaining claims asserted by Korea with respect to the investigation at issue, including claims regarding the use of constructed export price and the selection of costs for calculation of constructed normal value; found such claims to be outside its terms of reference; or exercised judicial discretion. For example, the panel specifically found that Korea failed to demonstrate that the United States acted inconsistently with Articles 6.10 and 6.10.2 of the Antidumping Agreement in its selection of mandatory respondents. The panel also specifically rejected Korea’s claims that Commerce’s methodology for disregarding a respondent’s exports to third-country markets was inconsistent “as such” and “as applied” in the investigation with Article 2.2 of the Antidumping Agreement. Finally, the panel exercised judicial economy with respect to Korea’s claim that the United States had acted inconsistently with Article 2.4.

On January 12, 2018, the DSB adopted the panel report in this dispute. On February 26, 2018, the United States and Korea informed the DSB that they had agreed that the reasonable period of time to implement the DSB's recommendations and rulings would be 12 months, expiring on January 12, 2019. On November 23, 2018, Commerce published a notice in the *Federal Register* commencing a proceeding to gather information, analyze record evidence, and consider the determinations which would be necessary to bring its measures into conformity with the DSB recommendations and rulings. On January 11, 2019, the United States and Korea informed the DSB that they had mutually agreed to extend the reasonable period of time for an additional six months, expiring on July 12, 2019.

On July 5, 2019, Commerce published a final decision memorandum, addressed all comments submitted by interested parties, and implemented the recommendations and rulings of the DSB in a manner that respects U.S. WTO obligations. On July 11, 2019, the United States informed the DSB that these actions brought the United States into compliance with the panel findings in this dispute.

On July 29, 2019, Korea requested the authorization of the DSB to suspend concessions or other obligations pursuant to Article 22.2 of the DSU on the grounds that the United States had failed to comply with the DSB's recommendations and rulings within the reasonable period of time. On August 8, 2019, the United States objected to Korea's proposed level of suspension of concessions pursuant to Article 22.6 of the DSU, referring the matter to arbitration. On February 6, 2020, Korea and the United States reached an understanding regarding procedures under Articles 21 and 22 of the DSU, under which each party agreed it would accept a report by the compliance panel without appeal.

United States – Countervailing Measures on Supercalendered Paper from Canada (DS505)

On March 30, 2016, Canada requested consultations with the United States to consider claims related to U.S. countervailing duties on supercalendered paper from Canada (Investigation C-122-854). Consultations between the United States and Canada took place in Washington, D.C. on May 4, 2016.

On June 9, 2016, Canada requested the establishment of a panel challenging certain actions of Commerce with respect to the countervailing duty investigation and final determination, the countervailing duty order, and an expedited review of that order. The panel request also presented claims with respect to alleged U.S. “ongoing conduct” or, in the alternative, a purported rule or norm, with respect to the application of facts available in relation to subsidies discovered during the course of a countervailing duty investigation.

Canada alleged that the U.S. measures at issue were inconsistent with obligations under Articles 1.1(a)(1), 1.1(b), 2, 10, 11.1, 11.2, 11.3, 11.6, 12.1, 12.2, 12.3, 12.7, 12.8, 14, 14(d), 19.1, 19.3, 19.4, 22.3, 22.5, and 32.1 of the Agreement on Subsidies and Countervailing Measures (SCM Agreement); and Article VI:3 of the General Agreement on Tariffs and Trade 1994 (GATT 1994).

A panel was established on July 21, 2016. On August 31, 2016, the Panel was composed by the Director-General to include: Mr. Paul O'Connor, Chair; and Mr. David Evans and Mr. Colin McCarthy, Members. The panel met with the parties on March 21 and March 22, 2017 and on June 13 and June 14, 2017. The panel report was circulated on July 5, 2018. The panel report, among other things, upheld Canada's claims that there was “ongoing conduct” with respect to Commerce's treatment of subsidies that Canadian respondents refused to disclose in response to Commerce questionnaires, but which Commerce subsequently discovered during verification in the course of the countervailing duty investigation. The panel report also found that such treatment was inconsistent with Article 12.7 of the SCM Agreement. Commerce terminated the countervailing duties on July 5, 2018.

On August 27, 2018, the United States notified the DSB of its decision to appeal the Panel's findings related to the alleged “ongoing conduct” and to the treatment of undisclosed subsidies discovered during the course

of a countervailing duty investigation. The persons hearing the appeal were Ujal Singh Battia as Presiding Member, and Thomas R. Graham and Hong Zhao. A hearing was held in Geneva on November 4 and November 5, 2019, and an appellate report was issued on February 6, 2020. The document contains a majority view upholding the findings of the Panel and also a separate opinion that calls into question the reasoning and interpretative analysis of the appellate majority concerning “ongoing conduct”.

The DSB considered the appellate document and panel report at its meeting on March 5, 2020. The United States noted in its DSB statement that there were serious procedural and substantive concerns with the appellate document, and objected to the adoption of the document as an Appellate Body Report. The United States explained that the document cannot be an Appellate Body report because the Chinese national who served on the appeal was not a valid member of the Appellate Body given that the individual is affiliated with the Government of China, in breach of Article 17.3 of the DSU. The concern related to the individual’s service was further compounded because the appeal directly implicated the interests of the Government of China. The United States also reiterated its concerns of ex-Appellate Body members’ continuation of service without authorization by the DSB, and the failure to adhere to the deadline in Article 17.5 of the DSU. Accordingly, the United States did not join in a consensus to adopt the document and report that were before the DSB. The United States explained that because there was no valid Appellate Body report in this dispute, the document and report could only be adopted by positive consensus. Because there was no consensus on adoption, the DSB did not validly adopt any document and report in this dispute, and therefore there was no valid recommendation of the DSB with which to bring a measure into conformity with a covered agreement.

On June 18, 2020, Canada requested authorization to suspend concessions and other obligations pursuant to Article 22.2 of the DSU. On June 26, 2020, the United States objected to Canada’s request, referring the matter to arbitration pursuant to Article 22.6 of the DSU. On August 6, 2020, the WTO notified the parties that the arbitration would be carried out by the panelists who served during the panel proceeding: Mr. Paul O’Connor, Chair; and Mr. David Evans and Mr. Colin McCarthy. The arbitration proceedings are ongoing.

United States – Certain Measures Relating to the Renewable Energy Sector (DS510)

On September 9, 2016, India requested WTO consultations regarding alleged domestic content requirement and subsidy measures maintained under renewable energy programs in the States of California, Connecticut, Delaware, Massachusetts, Michigan, Minnesota, Montana, and Washington.

India’s request alleges the U.S.-state measures are inconsistent with: Articles III:4, XVI:1, and XVI:4 of the GATT 1994; Article 2.1 and 2.2 of the TRIMS Agreement; and, Articles 3.1(b), 3.2, 5(a), 5(c), 6.3(a), 6.3(c), and 25 of the SCM Agreement. Consultations between India and the United States took place in Geneva on November 16 and November 17, 2016.

A panel was established on March 21, 2017. On April 11, 2018, India requested the Director-General to compose the panel. On April 21, 2018, the Panel was composed by the Director-General to include: Mr. Alberto Juan Dumont, Chair; and Ms. Penelope Jane Ridings and Mr. Miguel Rodriguez Mendoza, Members.

The panel circulated its report on June 27, 2019. The Panel found that certain measures maintained by the States of California, Massachusetts, Minnesota, and Washington were not within its terms of reference. With respect to the other measures, the panel found that each of the measures was inconsistent with Article III:4 of the GATT 1994 because it accorded less favorable treatment to imported products as compared to like domestic products. The Panel exercised judicial economy on India’s claims under Articles 2.1 and 2.2 of the TRIMS Agreement and Articles 3.1(b) and 3.2 of the SCM Agreement.

On August 15, 2019, the United States notified the DSB of its decision to appeal certain issues of law and legal interpretations in the panel report. On August 20, 2019, India notified the DSB of its decision to appeal.

United States – Measures Related to Price Comparison Methodologies (DS515)

On December 12, 2016, China requested consultations with the United States regarding its use of a non-market economy (NME) methodology in the context of antidumping investigations involving Chinese producers. In its request, China asserts that WTO Members were required to terminate the use of an NME methodology by December 11, 2016, and thereafter apply the provisions of the AD Agreement and the GATT 1994 to determine normal value.

Specifically, China alleges that the following “measures” are inconsistent with Articles 2.1, 2.2, 9.2, 18.1, and 18.4 of the Antidumping Agreement and Articles I:1, VI:1, and VI:2 of GATT 1994:

- Sections 771(18) and 773 of the Tariff Act of 1930, as amended;
- Part 351.408 of Commerce’s regulations, 19 C.F.R. § 351.408;
- Commerce’s 2006 determination that China is a ‘non-market economy’ for purposes of the Tariff Act of 1930, as amended;
- The failure of the United States, by way of omission, to revoke the 2006 determination or otherwise modify its laws with respect to antidumping investigations and reviews of Chinese products initiated and/or resulting in preliminary or final determinations after December 11, 2016.

China also challenged Section 773(e) of the Tariff Act of 1930 – the constructed value provision that applies to market economies – to the extent that it permits the use of “surrogate values.” Consultations took place on February 7 and February 8, 2017, in Geneva.

China requested supplemental consultations on November 3, 2017, which took place on January 4, 2018, in Geneva. As part of its supplemental consultations request, China further alleged that certain of the following “measures” were also inconsistent with: Articles 2.1, 2.2, 5.2, 5.3, 7.1(ii), 9.2, 9.3, 11.1, 11.2, 11.3, 18.1, and 18.4 of the Antidumping Agreement; Articles I:1, VI:1, and VI:2 of GATT 1994; and Article XVI:4 of the Marrakesh Agreement Establishing the World Trade Organization:

- Commerce’s 2017 determination that China is a “non-market economy” for purposes of the Tariff Act of 1930, as amended;
- The policy or practice of using surrogate values to determine normal value in both original and administrative review determinations in antidumping proceedings involving Chinese products, whether that conduct is pursuant to Section 773(c) of the Tariff Act, Section 773(e), or any other provision of U.S. law;
- Certain named Commerce final determinations of normal value in antidumping investigations or administrative reviews of Chinese imports made subsequent to December 11, 2016, which were based on the use of “surrogate values”;
- Commerce’s preliminary affirmative determinations in *Certain Hardwood Plywood Products From the People's Republic of China* (June 23, 2017); *Certain Aluminum Foil From the People's*

Republic of China (October 26, 2017); and *Carton-Closing Staples from the People's Republic of China* (October 27, 2017);

- Certain named Commerce final determinations in sunset reviews in which Commerce relied on margins of dumping calculated on the basis of “surrogate values”;
- The policy or practice of making final determinations in sunset reviews of antidumping orders applicable to Chinese products relying on margins of dumping calculated on the basis of surrogate values, whether pursuant to Section 773(c) of the Tariff Act of 1930, Section 773(e), or any other provision of U.S. law;
- The failure of Commerce, by way of omission, to conduct “reviews based on changed circumstances” pursuant to Section 751(b) of the Tariff Act in the antidumping investigations of Chinese products, by virtue of the expiration of Section 15(a)(ii) of China’s Accession Protocol.

China further added that the “measures at issue are “not justifiable” under the second Supplementary Provision of Article VI:1 of GATT 1994, as referenced in Article 2.7 of the Antidumping Agreement. The parties consulted in December 2016 and November 2017, but China has not moved forward with panel proceedings.

United States – Countervailing Measures on Certain Pipe and Tube Products from Turkey (DS523)

On March 8, 2017, Turkey requested consultations concerning countervailing duty measures imposed by the United States pursuant to four final countervailing duty determinations issued by Commerce pertaining to certain pipe and tubes products. Turkey alleges inconsistencies with Articles 1.1(a)(1), 1.1(b), 2.1(c), 2.4, 10, 12.7, 14(d), 15.3, 19.4, and 32.1 of the SCM Agreement; and Article VI:3 of the GATT 1994.

Turkey challenges the application of measures in four final countervailing duty determinations with respect to the provision of hot-rolled steel for less than adequate remuneration. Specifically, Turkey challenges Commerce’s “public bodies” determination, use of facts available, and determination of specificity of the subsidy program. Turkey also challenges Commerce’s calculation of benchmarks, both as applied and “as such.” With respect to injury, Turkey challenges the U.S. International Trade Commission’s “practice” of cross-cumulating imports, as well as the application of that practice in the underlying determinations.

Consultations between the United States and Turkey took place in Geneva on April 28, 2017. A panel was established on June 19, 2017, and on September 14, 2017, the Director-General composed the panel as follows: Mr. Guillermo Valles, Chair; and Ms. Luz Elena Reyes de la Torre and Mr. Jose Antonio de la Puente Leon, Members.

The panel circulated its report on December 18, 2018. With respect to public body, the panel found that the Commerce acted inconsistently with Article 1.1(a)(1) by failing to apply the standard set out previously by the Appellate Body, and failing to establish based on record evidence that the relevant entities were public bodies. With respect to benchmarks as such, the panel rejected Turkey’s claims that Commerce has a practice of rejecting in-country benchmarks solely based on majority or substantial government ownership or control of the market. For benchmarks as applied, the panel declined to make a finding under Article 14(d) of the SCM Agreement because the relevant determination had ceased to have legal effect prior to the panel’s establishment. With respect to specificity, the panel found that Commerce acted inconsistently with Articles 2.1(c) and 2.4 of the SCM Agreement by failing to identify and clearly substantiate the existence of a subsidy program, and failing to take into account the extent of diversification of Turkey’s economy and the length of time in which the program had been in place. With respect to facts available, the panel found Commerce acted inconsistently with Article 12.7 of the SCM Agreement by failing to do a

comparative process of reasoning and evaluation before selecting from the facts available in certain circumstances. With respect to injury, the panel found that Article 15.3 of the SCM Agreement does not permit the U.S. International Trade Commission (USITC) to assess cumulatively the effects of imports not subject to countervailing duty investigations with the effects of imports subject to countervailing duty investigations. The panel thus found cross-cumulation by the USITC, both in the original investigations at issue and as a practice, to be inconsistent with Article 15.3. With respect to cross-cumulation in sunset reviews, the panel found the USITC did not act inconsistently with Article 15.3 of the SCM Agreement, either “as such” or in connection with the sunset review at issue.

On January 25, 2019, the United States notified the DSB of its decision to appeal certain legal conclusions and interpretations of the panel. On January 30, 2019, Turkey also filed an appeal. The persons hearing this appeal were Ujal Singh Bhatia as Presiding Member, and Thomas Graham and Hong Zhao.

United States – Countervailing Measures on Softwood Lumber from Canada (DS533)

On November 28, 2017, the United States received from Canada a request for consultations pertaining to the final determination issued by Commerce following a countervailing duty investigation regarding softwood lumber from Canada. Canada claimed that Commerce’s determination is inconsistent with U.S. commitments and obligations under Articles 1.1(a), 1.1(b), 2.1(a), 2.1(b), 10, 11.2, 11.3, 14(d), 19.1, 19.3, 19.4, 21.1, 21.2, 32.1, and 32.5 of the SCM Agreement; and Article VI:3 of the GATT 1994. Specifically, Canada challenged Commerce’s determinations regarding benchmarks for stumpage, log export permitting processes, and non-stumpage programs.

The United States and Canada held consultations on January 17, 2018. At Canada’s request, the WTO established a panel on April 9, 2018. On July 6, 2018, the Director General composed the panel as follows: Ms. Enie Neri de Ross, Chair; and Mr. Gustav Brink and Mr. Alberto Trejos, Members. Panel proceedings are ongoing.

The panel circulated its report on August 24, 2020. The panel found that Commerce’s determinations regarding benchmarks for stumpage, log export permitting processes, and non-stumpage programs were inconsistent with the SCM Agreement. The panel effectively applied the WTO Appellate Body’s flawed test for using out-of-country benchmarks in its analysis of benchmarks from within Canada that Commerce used to measure the benefit of subsidies. The panel also applied a heightened level of scrutiny in its review of Commerce’s determination, in essence putting itself in the place of the investigating authority, contrary to the terms of the SCM Agreement.

On September 28, 2020, the United States notified the DSB of its decision to appeal certain issues of law covered in the panel report.

United States – Anti-Dumping Measures Applying Differential Pricing Methodology to Softwood Lumber from Canada (DS534)

On November 28, 2017, the United States received from Canada a request for consultations pertaining to the final determination issued by Commerce following an antidumping investigation regarding softwood lumber from Canada. Canada claimed that Commerce’s determination is inconsistent with U.S. commitments and obligations under Articles 1, 2.1, 2.4, and 2.4.2 of the AD Agreement; and Articles VI:1 and VI:2 of the GATT 1994. Specifically, Canada challenged Commerce’s application of a differential pricing methodology, including the United States’ use of zeroing when applying the average-to-transaction comparison methodology.

The United States and Canada held consultations on January 17, 2018. At Canada's request, the WTO established a panel on April 9, 2018. On May 22, 2018, the Director General composed the panel as follows: Mr. Thinus Jacobsz, Chair; and Ms. María Valeria Raiteri and Mr. Guillermo Valles, Members.

The panel circulated its report on April 9, 2019. The panel found that Commerce's use of zeroing when applying the average-to-transaction comparison methodology was not inconsistent with the AD Agreement or the GATT 1994. Among other things, the panel reasoned that nothing in the text of the Antidumping Agreement directly addresses the use of zeroing. The panel agreed with the United States that, if the use of zeroing were prohibited in connection with the alternative, targeted dumping methodology, then the alternative calculation methodology necessarily always would result in a margin of dumping that is mathematically equivalent to that calculated using the normal calculation methodology, which would render the alternative methodology useless. In coming to its conclusion, the panel also examined and disagreed with findings in prior WTO panel and Appellate Body reports. The panel explained why it found the approach of those reports not persuasive.

The panel also found that one aspect of Commerce's differential pricing analysis – in which Commerce aggregated differences in export prices across categories (*i.e.*, purchasers, regions, and time periods) to find a single pattern of export prices which differed significantly among different purchasers, regions, and time periods – was inconsistent with the requirements of the WTO Antidumping Agreement.

On June 4, 2019, Canada notified the DSB of its decision to appeal certain of the panel's findings. The persons hearing this appeal had been Hong Zhao as Presiding Member, and Ujal Singh Bhatia and Thomas Graham.

United States – Certain Systemic Trade Remedies Measures from Canada (DS535)

On December 20, 2017, Canada requested consultations with the United States concerning certain laws, regulations, and practices that Canada claims are maintained by the U.S. in its AD and CVD proceedings. Specifically, Canada alleges that the United States: (1) fails to implement WTO-inconsistent findings by liquidating final duties in excess of WTO-consistent rates, and failing to refund cash deposits collected in excess of WTO-consistent rates; (2) retroactively collects provisional AD and CVD duties following preliminary affirmative critical circumstances determinations; (3) treats export controls as a financial contribution and improperly initiates investigations into and/or imposes duties; (4) improperly calculates the benefit in determining whether there is a provision of goods for less than adequate remuneration; (5) effectively closes the evidentiary record before the preliminary determination and fails to exercise its discretion to accept additional factual information; and, (6) creates an institutional bias in favor of affirmative results in injury, threat of injury, or material retardation when the commissioners of the U.S. International Trade Commission are evenly divided on whether a determination should be affirmative or negative.

Canada claims these alleged measures are inconsistent with Articles VI (in particular, VI:2 and VI:3) and X:3(a) of the GATT 1994; Articles 1, 3.1, 6 (in particular, 6.1, 6.2, and 6.9), 7 (in particular, 7.4 and 7.5), 9 (in particular, 9.2, 9.3, 9.3.1, and 9.4), 10 (in particular, 10.1 and 10.6), 11 (in particular 11.1 and 11.2), 18 (in particular, 18.1 and 18.4) of the AD Agreement; Articles 1 (in particular, 1.1(a) and 1.1(b)), 10, 11 (in particular, 11.2, 11.3, and 11.6), 12 (in particular, 12.1 and 12.8), 14(d), 15.1, 17 (in particular, 17.3, 17.4, and 17.5), 19 (in particular, 19.1, 19.3 and 19.4), 20 (in particular, 20.1 and 20.6), 21 (in particular, 21.1 and 21.2), and 32 (in particular, 32.1 and 32.5) of the SCM Agreement; and Articles 21.1 and 21.3 of the DSU.

Consultations between the United States and Canada took place on February 6, 2018.

United States — Anti-Dumping Measures on Fish Fillets from Vietnam (DS536)

On January 8, 2018, Vietnam requested consultations concerning anti-dumping measures on fish fillets from Vietnam. Vietnam claimed that Commerce’s determinations, as well as certain methodologies used by Commerce, are inconsistent with U.S. obligations under Articles 1, 2.1, 2.4, 2.4.2, 6, 9, 11, 17.6, and Annex II of the AD Agreement; Articles I:1, VI:1, VI:2, and X:3(a) of the GATT 1994; and Vietnam’s Protocol of Accession. The United States and Vietnam held consultations on March 1, 2018, but were unable to resolve the dispute. On June 8, 2018, Vietnam requested the establishment of a panel. The DSB established a panel on July 20, 2018. On December 3, 2018, the WTO Director General composed the panel as follows: Mr. José Alfredo Graça Lima, Chair; and Mr. Shahid Bashir and Mr. Greg Weppner, Members. The panel met with the parties on May 8 and May 9, 2019, and August 6 and August 7, 2019.

In 2020, the United States and Vietnam jointly informed the panel that they remained engaged in discussions with respect to the resolution of this dispute and requested that the panel postpone circulation of the final report and the panel accepted this request.

United States – Anti-Dumping and Countervailing Duties on Certain Products and the Use of Facts Available (DS539)

In February 2018, Korea requested WTO dispute settlement consultations regarding Commerce’s use of facts available in certain antidumping and countervailing duty measures against Korea, and certain laws, regulations, and other measures maintained by the United States with respect to the use of facts available in antidumping and countervailing duty proceedings. The United States and Korea held consultations in March 2018, but those consultations failed to resolve the dispute. On April 27, 2018, Korea requested the establishment of a panel. On May 28, 2018, the DSB established a panel. Following agreement of the parties, a panel was composed on December 5, 2018, as follows: Ms. Marta Calmon Lemme, Chair; and Ms. Leora Blumberg and Mr. Matthew Kennedy, Members. Panel proceedings are ongoing.

United States – Tariff Measures on Certain Goods from China (DS543)

On April 4, 2018, China requested consultations with the United States concerning certain tariff measures on Chinese goods that the United States might implement under Section 301-310 of the U.S. Trade Act of 1974. China alleged that the tariff measures are inconsistent with U.S. commitments and obligations under the Articles I:1, II:1(a), and II:1(b) of the GATT 1994 and Article 23 of the DSU. On July 6, July 16, and September 18, respectively, China requested additional consultations regarding tariff measures imposed under Section 301 that supplemented its original consultations request of April 4, 2018. The United States and China held consultations in Geneva on August 28 and October 22, 2018.

On December 6, 2018, China requested the establishment of a panel. A panel was established on January 28, 2019. The Panel was composed on June 3, 2019. Following the resignation of a panelist on September 25, 2019, the Director-General appointed a new panelist on October 17, 2019. The panel includes: Mr. Alberto Juan Dumont, Chair; and Mr. Álvaro Espinoza and Ms. Athaliah Lesiba Molokomme, Members.

The panel circulated its report on September 15, 2020. The panel concluded that the tariff measures at issue are inconsistent with Article I:1 of the GATT 1994 (MFN), because they fail to provide treatment for Chinese products that is no less favorable than that granted to like products originating from other WTO Members, and with Articles II:1(a) and (b) of the GATT 1994, because the additional duties are in excess of the bound rates found in the U.S. Schedule.

On October 27, 2020, the United States notified the DSB of its decision to appeal certain issues of law covered in the panel report.

United States – Certain Measures on Steel and Aluminum Products (DS544)

On April 5, 2018, China requested consultations concerning certain duties that the United States had imposed under Section 232 of the Trade Expansion Act of 1962, as amended, on imports of steel and aluminum products that threaten to impair U.S. national security. China claimed that imposition of the duties breached various provisions of the GATT 1994, and the Agreement on Safeguards. The United States and China held consultations on July 19, 2018, but the consultations failed to resolve the dispute. At China's request, the WTO established a panel on November 21, 2018. On January 25, 2019, the Panel was composed by the Director-General to include: Mr. Elbio Rosselli, Chair; and Mr. Esteban B. Conejos, Jr. and Mr. Rodrigo Valenzuela, Members. Panel proceedings are ongoing.

United States – Safeguard Measure on Imports of Crystalline Silicon Photovoltaic Products (DS545)

On May 14, 2018, Korea requested consultations with the United States concerning a safeguard measure imposed by the United States on imports of certain crystalline silicon photovoltaic (CSPV) cells, whether or not partially or fully assembled into other products, such as modules. Korea claimed that the measure appears to be inconsistent with Articles 1, 2.1, 3.1, 3.2, 4.1, 4.2, 5.1, 5.2, 7.1, 7.4, 8.1, 12.1, 12.2, and 12.3 of the Agreement on Safeguards; and Articles II:1, X:3, XIII, and XIX:1(a) of the GATT 1994. China, the EU, Malaysia, and Thailand requested to join the consultations, and the United States accepted each request. Consultations were held on June 26, 2018.

At Korea's request, the WTO established a panel on September 26, 2018.

United States – Safeguard Measure on Imports of Large Residential Washers (DS546)

On May 14, 2018, Korea requested consultations with the United States concerning a safeguard measure imposed by the United States on imports of large residential washers. Korea claimed that the measure appears to be inconsistent with Articles 1, 2.1, 2.2, 3.1, 3.2, 4.1, 4.2, 5.1, 7.1, 7.4, 8.1, 12.1, 12.2, and 12.3 of the Agreement on Safeguards; and Articles I:1, II, X:3 and XIX:1(a) of the GATT 1994. Thailand requested to join consultations, and the United States accepted Thailand's request. Consultations were held on June 26, 2018.

At Korea's request, the WTO established a panel on September 26, 2018. On July 1, 2019, the Panel was composed by the Director-General to include: Mr. Alexander Hugh McPhail, Chair; and Mr. Welber Oliveira Barral and Ms. Stephanie Sin Far Lee, Members. Panel proceedings are ongoing.

United States – Certain Measures on Steel and Aluminum Products (DS547)

On May 18, 2018, India requested consultations concerning certain duties that the United States had imposed under Section 232 of the Trade Expansion Act of 1962, as amended, on imports of steel and aluminum products that threaten to impair U.S. national security. India claimed that imposition of the duties breached various provisions of the GATT 1994, and the Agreement on Safeguards. The United States and India held consultations on July 20, 2018, but the consultations failed to resolve the dispute. At India's request, the WTO established a panel on December 4, 2018. On January 25, 2019, the Panel was composed by the Director-General to include: Mr. Elbio Rosselli, Chair; and Mr. Esteban B. Conejos, Jr. and Mr. Rodrigo Valenzuela, Members. Panel proceedings are ongoing.

United States – Certain Measures on Steel and Aluminum Products (DS548)

On June 1, 2018, the EU requested consultations concerning certain duties that the United States had imposed under Section 232 of the Trade Expansion Act of 1962, as amended, on imports of steel and aluminum products that threaten to impair U.S. national security. The EU claimed that imposition of the duties breached various provisions of the GATT 1994, and the Agreement on Safeguards. The United States and the EU held consultations on July 19, 2018, but the consultations failed to resolve the dispute. At the EU's request, the WTO established a panel on November 21, 2018. On January 25, 2019, the Panel was composed by the Director-General to include: Mr. Elbio Rosselli, Chair; and Mr. Esteban B. Conejos, Jr. and Mr. Rodrigo Valenzuela, Members. Panel proceedings are ongoing.

United States – Certain Measures on Steel and Aluminum Products (DS552)

On June 13, 2018, Norway requested consultations concerning certain duties that the United States had imposed under Section 232 of the Trade Expansion Act of 1962, as amended, on imports of steel and aluminum products that threaten to impair U.S. national security. Norway claimed that imposition of the duties breached various provisions of the GATT 1994, and the Agreement on Safeguards. The United States and Norway did not hold consultations. At Norway's request, the WTO established a panel on November 21, 2018. On January 25, 2019, the Panel was composed by the Director-General to include: Mr. Elbio Rosselli, Chair; and Mr. Esteban B. Conejos, Jr. and Mr. Rodrigo Valenzuela, Members. Panel proceedings are ongoing.

United States – Certain Measures on Steel and Aluminum Products (DS554)

On June 29, 2018, Russia requested consultations concerning certain duties that the United States had imposed under Section 232 of the Trade Expansion Act of 1962, as amended, on imports of steel and aluminum products that threaten to impair U.S. national security. Russia claimed that imposition of the duties breached various provisions of the GATT 1994, and the Agreement on Safeguards. The United States and Russia held consultations on August 30, 2018, but the consultations failed to resolve the dispute. At Russia's request, the WTO established a panel on November 21, 2018. On January 25, 2019, the Panel was composed by the Director-General to include: Mr. Elbio Rosselli, Chair; and Mr. Esteban B. Conejos, Jr. and Mr. Rodrigo Valenzuela, Members. Panel proceedings are ongoing.

United States – Certain Measures on Steel and Aluminum Products (DS556)

On July 9, 2018, Switzerland requested consultations concerning certain duties that the United States had imposed under Section 232 of the Trade Expansion Act of 1962, as amended, on imports of steel and aluminum products that threaten to impair U.S. national security. Switzerland claimed that imposition of the duties breached various provisions of the GATT 1994, and the Agreement on Safeguards. The United States and Switzerland held consultations on August 30, 2018, but the consultations failed to resolve the dispute. At Switzerland's request, the WTO established a panel on December 4, 2018. On January 25, 2019, the Panel was composed by the Director-General to include: Mr. Elbio Rosselli, Chair; and Mr. Esteban B. Conejos, Jr. and Mr. Rodrigo Valenzuela, Members. Panel proceedings are ongoing.

United States – Safeguard Measure on Imports of Crystalline Silicon Photovoltaic Products (DS562)

On August 14, 2018, China requested consultations with the United States concerning a safeguard measure imposed by the United States on imports of certain crystalline silicon photovoltaic (CSPV) cells, whether or not partially or fully assembled into other products, such as modules. China claimed that the measure appears to be inconsistent with Articles 2.1, 2.2, 3.1, 3.2, 4.1, 4.2, 5.1, 7.1, 7.4, 8.1, 12.1, 12.2, and 12.3 of the Agreement on Safeguards; and Articles X:3, XIII, XIX:1(a), and XIX:2 of the GATT 1994. The EU

and Thailand requested to join the consultations, and the United States accepted each request. Consultations were held on October 22, 2018.

At China's request, the WTO established a panel on August 15, 2019. On October 24, 2019, the Panel was composed by the Director-General to include: Mr. Guillermo Valles, Chair; and Mr. José Antonio de la Puente León and Ms. Chantal Ononaiwu, Members. Panel proceedings are ongoing.

United States — Certain Measures Related to Renewable Energy (DS563)

On August 2018, China requested consultations with the United States concerning certain measures adopted and maintained in the States of California, Michigan, and Washington in relation to alleged subsidies or domestic content requirements in the energy sector. China alleges that the measures appear to be inconsistent with U.S. obligations under Articles 3.1(b) and 3.2 of the SCM Agreement, Articles 2.1 and 2.2 of the TRIMS Agreement, and Article III:4 of the GATT 1994. The United States and China held consultations in Geneva on October 23, 2018.

United States – Certain Measures on Steel and Aluminum Products (DS564)

On August 15, 2018, Turkey requested consultations concerning certain duties that the United States had imposed under Section 232 of the Trade Expansion Act of 1962, as amended, on imports of steel and aluminum products that threaten to impair U.S. national security. Turkey claimed that imposition of the duties breached various provisions of the GATT 1994, and the Agreement on Safeguards. The United States and Turkey held consultations on October 10, 2018, but the consultations failed to resolve the dispute. At Turkey's request, the WTO established a panel on November 21, 2018. On January 25, 2019, the Panel was composed by the Director-General to include: Mr. Elbio Rosselli, Chair; and Mr. Esteban B. Conejos, Jr. and Mr. Rodrigo Valenzuela, Members. Panel proceedings are ongoing.

United States – Tariff Measures on Certain Goods from China II (DS565)

On August 23, 2018, China requested consultations with the United States concerning certain tariff measures on Chinese goods that the United States might implement under Section 301-310 of the U.S. Trade Act of 1974. China alleges that the tariff measures are inconsistent with United States' commitments and obligations under Articles I:1, II:1(a), and II:1(b) of the GATT 1994 and Article 23 of the DSU. The United States and China held consultations in Geneva on October 22, 2018.

United States – Anti-Dumping and Countervailing Duties on Ripe Olives from Spain (DS577)

On January 29, 2019, the EU requested consultations with the United States concerning the imposition of antidumping and countervailing duties on ripe olives from Spain. The EU alleges that the duties imposed, as well as the administrative acts and legislation that were the basis for the imposition of those duties, appear to be inconsistent with various provisions of the Antidumping Agreement, the Agreement on Subsidies and Countervailing Measures and the GATT 1994. The United States and the EU held consultations on March 20, 2019, but the consultations failed to resolve the dispute. At the EU's request, the WTO established a panel on June 24, 2019. The Director-General of the WTO composed the panel on October 18, 2019, as follows: Mr. Daniel Moulis, Chair; and Mr. Martin Garcia and Ms. Charis Tan, Members. Panel proceedings are ongoing.

United States – Anti-Dumping Measures on Carbon-Quality Steel from Russia (DS586)

On July 5, 2019, Russia requested consultations with the United States concerning antidumping duty measures pertaining to hot-rolled flat-rolled carbon quality steel products from Russia. Russia alleges that

the measures appear to be inconsistent with various provisions of the Antidumping Agreement and the GATT 1994. The United States and Russia held consultations in Geneva on September 11, 2019.

United States – Origin Marking Requirement (DS597)

On October 30, 2020, Hong Kong, China, requested consultations concerning certain measures affecting marks of origin with respect to imported goods produced in Hong Kong, China. Hong Kong, China alleges that the measures are inconsistent with Articles I:1, IX:1, and X:3(a) of the GATT 1994, Articles 2(c), 2(d), and 2(e) of the Agreement on Rules of Origin, and Article 2.1 of the Agreement on Technical Barriers to Trade. The United States and Hong Kong, China, held consultations on November 24, 2020.

E. Other Activities

1. Generalized System of Preferences

The following section also serves as the annual report on enforcement of eligibility criteria to the Committee on Ways and Means of the U.S. House of Representatives and the Committee on Finance of the U.S. Senate, as required by Public Law No. 115-141, division M, title V, section 501(c).

History and Purposes

The U.S. Generalized System of Preferences (GSP) program was authorized by the Trade Act of 1974 (19 U.S.C. §§ 2461 *et seq.*) initially for a 10-year period, beginning on January 1, 1976. Congress has reauthorized the program 14 times since then. The most recent reauthorization, in March 2018, authorized the program through December 31, 2020. Authorization to provide duty-free treatment under the GSP program lapsed on January 1, 2021.

The GSP program is a non-reciprocal trade preference program that allows eligible exports from designated developing countries to enter the United States duty free. It was designed to support the creation of trade opportunities for developing countries, encouraging broad-based economic development and sustaining momentum for economic reform and liberalization in beneficiary countries. As of December 31, 2020, there were 119 designated GSP beneficiary developing countries (BDCs) and territories. Forty-four countries and territories are designated least-developed beneficiary developing countries (LDBDCs) under the GSP program and, as such, are eligible for a broader range of duty-free benefits.

Enforcement of Generalized System of Preferences Eligibility Criteria

During the most recent authorization of the GSP program, the Office of the U.S. Trade Representative (USTR) placed a significant focus on enforcing the 15 GSP eligibility criteria established by Congress, and ensuring that all countries that receive GSP benefits meet these criteria. These criteria included, but are not limited to, enforcing arbitral awards in favor of U.S. citizens or corporations, taking steps to respect internationally recognized worker rights, providing the United States with equitable and reasonable market access, reducing trade-distorting investment practices, and providing adequate and effective protection of intellectual property (IP) rights to U.S. rights holders.

USTR's multipronged effort to enforce the 15 GSP eligibility criteria included: (1) assessing all GSP beneficiary countries' eligibility through an interagency process over a three-year period; (2) encouraging countries to address issues in existing GSP eligibility reviews on an expedited basis or face loss of GSP benefits; and, (3) engaging with beneficiary countries that are not currently subject to an eligibility review to emphasize the need to comply with all of the GSP eligibility criteria.

The heightened focus on enforcement provided a valuable trade policy tool to improve compliance with GSP criteria and assist the United States in reaching trade policy goals to benefit U.S. producers, farmers, ranchers, and workers.

Triennial Assessment Process

The triennial assessment process systematically examined each GSP beneficiary country's compliance with the statutory eligibility criteria, with the potential that assessment of a beneficiary country which raised concerns regarding compliance with an eligibility criterion could require self-initiation of a review of GSP eligibility. Each year, USTR and other relevant agencies assessed beneficiary countries in particular regions of the world. In 2018, USTR conducted the first round of assessments for the 25 GSP beneficiary countries in Asia and the Pacific, leading to self-initiations of eligibility reviews under the market access criterion for India and Indonesia. In 2019, USTR conducted the second round of assessments, covering the 25 GSP beneficiary countries in the Western Hemisphere and Europe, with self-initiation of a review of Azerbaijan under the labor criterion. In 2020, USTR conducted the third and final round of assessments for the 2017 to 2020 triennial assessment process, covering 53 GSP beneficiary countries in the Middle East and Africa. As a result of this final assessment round, USTR self-initiated country eligibility reviews of Eritrea and Zimbabwe under the worker rights criterion in November 2020.

Engagement on Outstanding Country Practice Reviews

USTR intensified action to press countries with existing country eligibility reviews to address their compliance with the GSP eligibility criteria. In early 2020, there were 10 such outstanding reviews, including reviews of Indonesia and South Africa regarding intellectual property (IP) protection and IP enforcement concerns; reviews of Azerbaijan, Georgia, Kazakhstan, and Uzbekistan regarding worker rights or child labor concerns; a review of Ecuador regarding arbitral awards; a review of Thailand regarding market access; a review of Indonesia regarding services and investment market access; and, a review of Laos for designation as a GSP country.

In January 2020, USTR held a public hearing on all on-going country eligibility reviews. More than 90 written submissions were received in connection with the hearing and 38 parties testified at the hearing. A full transcript of the hearing and written submissions are available [online](#). For each country eligibility review, USTR also held multiple bilateral engagements with the country's government to outline specific steps that the country could take to comply with the GSP eligibility criteria.

On October 30, 2020, the President removed \$817 million of Thailand's GSP benefits, effective on December 30, 2020, following a determination that Thailand was not complying with the GSP market access criterion. (*For further information, see Chapter I.D.5 Southeast Asia and Pacific.*)

USTR closed GSP eligibility reviews with no loss of GSP eligibility for three countries: Georgia and Uzbekistan, based on improvements in the protection of worker rights in those countries; and, Indonesia, based on improvements aimed at providing the United States with equitable and reasonable market access. In addition, USTR announced the closure of the GSP designation review of Laos with no change in status. A complete list of the country practice and country eligibility petitions that remained under review as of December 31, 2020, is available [online](#). (*For further information, see Chapter I.D.5 Southeast Asia and Pacific and Chapter III.G.1 Trade and Labor.*)

Engagement with other Generalized System of Preferences Beneficiary Countries

USTR emphasized to GSP beneficiary countries not under review the importance of complying with GSP eligibility criteria during trade and investment framework agreement (TIFA) and other bilateral meetings, including with Armenia, Ecuador, Egypt, Georgia, Mongolia, Nepal, Pakistan, Paraguay, and Uruguay.

Eligible Products

As of December 31, 2020, approximately 3,500 non-import sensitive products—as defined at the Harmonized Tariff Schedule 8-digit level—were eligible for duty-free treatment under the GSP program, with approximately 1,500 additional products reserved for eligibility from LDBDCs only. The list of GSP-eligible products from all beneficiaries included: certain manufactured goods and semi-manufactured goods; selected agricultural and fishery products; and, many types of chemicals, minerals, and building materials that are not otherwise duty free. Products receiving preferential market access only when imported from LDBDCs include crude petroleum, certain refined petroleum products, certain chemicals, plastics, animal and plant products, prepared foods, beverages, and rum, as well as many other products. The GSP statute precluded certain import-sensitive articles from receiving GSP treatment, including textiles and apparel, watches, most footwear, certain glassware, and certain gloves and leather products.

Annual Generalized System of Preferences Product Review

Each year, USTR led the Trade Policy Staff Committee (TPSC) Subcommittee on GSP in reviewing the list of products eligible for GSP benefits and provides recommendations on appropriate actions based on statutory criteria. The 2020 Annual GSP Product Review considered whether to: (1) add new products to the list of GSP eligible products; (2) remove products from the list of GSP-eligible products; (3) waive “competitive needs limitations” (CNLs) for certain countries that have reached statutory thresholds related to competitiveness; (4) reinstate (“redesignate”) products that exceeded the CNL threshold in earlier years; and, (5) grant CNL waivers for products below the *de minimis* limit.

USTR received 47 petitions to add 36 products to the list of GSP-eligible products, 1 petition to remove 6 products from the list of GSP-eligible products, 6 petitions to waive CNLs for 3 products, and 10 petitions to redesignate 22 products. The United States accepted for review three petitions to add fresh cut roses to, and one petition to remove six rice products from, the list of GSP eligible products. The United States declined to review the remaining 43 petitions.

The President granted the petitions to add fresh cut roses (HTS 0603.11.00) to GSP, therefore allowing fresh cut roses to enter into the United States duty free, effective November 1, 2020. The President partially granted the petition to remove rice products by removing parboiled rice (HTS 1006.30.10) from the list of goods eligible for GSP duty-free benefits. The other five rice products were eligible only for LDBDCs, and GSP imports of these products made up only a negligible fraction of U.S. rice imports. Thus, the five rice products remained GSP-eligible.

The President also removed GSP eligibility for 6 products from Argentina, Brazil, Ecuador, and Indonesia that exceeded the \$190 million CNL threshold for imports from a single country, above which the GSP statute requires removal of the product from eligibility. The President granted one-year *de minimis* waivers to 24 products that exceeded the 50 percent import-share CNL, but for which the aggregate value of all U.S. imports of that article was below the 2019 *de minimis* level of \$24.5 million. These products continued to enter the United States duty free.

Due to the COVID-19 pandemic, USTR held public hearings or fostered public participation by inviting written submissions and responses to questions from the TPSC, as appropriate. USTR held a public hearing,

via a written format, during the period of May 27 to August 5, 2020 for the 2020 Annual GSP Product Review. Written submissions were received from 27 parties and are available [online](#).

Value of Trade Entering the United States under the U.S. Generalized System of Preferences Program

U.S. imports claimed under the U.S. GSP program were \$16.8 billion in 2020, down 20.1 percent from 2019 (\$21.0 billion) and down 30.0 percent from 2018 (\$24.0 billion). The decline in GSP import totals likely reflects in part the overall drop in U.S. imports during the COVID-19 pandemic, but also the removal of India and Turkey from the program in 2019, and the removal of benefits for some Thai products.

During 2020, imports under GSP accounted for less than 1 percent of all U.S. imports of goods. Imports from BDCs and LDBDCs coming in under GSP accounted for 11.1 percent of total imports from those countries during the same period. GSP imports from LDBDCs, rose from \$2.1 billion to \$2.4 billion, or by 16.9 percent, and accounted for 14.6 percent of GSP imports.

Top U.S. imports under the GSP program during 2020 were travel and sports bags, rubber gloves, gold necklaces, rubber or plastic mattresses, and precious metal jewelry.

The top five GSP users in 2020 were, in order: Thailand, Indonesia, Brazil, Cambodia, and the Philippines. The five leading LDBDC GSP users were: Cambodia, Burma, Nepal, Malawi, and Ethiopia.

2. The African Growth and Opportunity Act

The African Growth and Opportunity Act (AGOA), enacted in 2000, provides eligible sub-Saharan African countries with duty-free access to the U.S. market for over 1,800 products beyond those eligible for duty-free access under the Generalized System of Preferences (GSP) program. The additional products include value-added agricultural and manufactured goods such as processed food products, apparel, and footwear. In 2020, 38 sub-Saharan African countries were eligible for AGOA benefits. As a result of the 2020 annual AGOA eligibility review, 39 sub-Saharan African countries are eligible for AGOA benefits in 2021, following the reinstatement of the Democratic Republic of the Congo's (DRC) AGOA eligibility, which took effect on January 1, 2021.

In response to AGOA's scheduled end in 2025, the Office of the U.S. Trade Representative (USTR) launched a free trade agreement (FTA) initiative designed to build on the program's successes and aimed to establish a model agreement that could be replicated across the continent, unlocking economic opportunity for mutual benefit. A model FTA would accord with Congress' statement of policy, set out in Section 103(4) of the AGOA, to negotiate reciprocal and mutually beneficial trade agreements, including the possibility of establishing free trade areas that serve the interests of both the United States and the countries of sub-Saharan Africa.

The African Growth and Opportunity Act Eligibility Review

AGOA requires the President to determine annually which of the sub-Saharan African countries listed in the Act are eligible to receive benefits under the legislation. These decisions are supported by an annual interagency review, chaired by USTR, that examines whether each country already eligible for AGOA has continued to meet the eligibility criteria and whether circumstances in ineligible countries have improved sufficiently to warrant their designation as an AGOA beneficiary country. The AGOA eligibility criteria include establishing or making continual progress in establishing: (1) a market-based economy; (2) rule of law; (3) poverty-reduction policies; (4) a system to combat corruption and bribery; and, (5) protection of

internationally recognized worker rights. AGOA also requires that eligible countries do not engage in activities that undermine U.S. national security or foreign policy interests, or engage in gross violations of internationally recognized human rights.

The annual review takes into account information drawn from U.S. Government agencies, the private sector, civil society, African governments, and other interested stakeholders. Through the AGOA eligibility review process, the annual AGOA Forum meeting, and ongoing dialogue with AGOA partners, AGOA provides incentives to promote economic and political reform as well as trade expansion in AGOA-eligible countries in support of broad-based economic development.

The annual review conducted in 2020 resulted in the reinstatement of the DRC's AGOA eligibility, which took effect on January 1, 2021. The President determined that the DRC made demonstrable progress in meeting the program's eligibility criteria.

Due to the COVID-19 pandemic, the 2020 AGOA Forum was postponed.

For further discussion on the AGOA Program, see Chapter I.D.6 Sub-Saharan Africa.

Value of Trade Entering the United States under the African Growth and Opportunity Act

U.S. imports claimed under the AGOA program (including under the U.S. GSP program) declined to \$4.1 billion in 2020, compared to \$8.4 billion in 2019, mostly due to a decrease in imports of oil (down 85 percent) to \$695 million in 2020, compared to \$4.6 billion in 2019. AGOA non-oil trade declined by 8.5 percent to \$3.4 billion in 2020, compared to \$3.8 billion in 2019. There was a 30.2 percent increase in transportation equipment imports under AGOA to \$651.6 million in 2020 from \$500.5 million in 2019 and a 15.8 percent decrease in AGOA apparel trade to \$1.18 billion in 2020 compared to \$1.40 billion in 2019.

Top U.S. imports under the AGOA program in 2020 were mineral fuels, woven apparel, knit apparel, motor vehicles and parts, ferroalloys, and macadamia nuts.

The top five AGOA users in 2020 were, in order: South Africa, Nigeria, Kenya, Lesotho, and Ethiopia.

3. Other Monitoring and Enforcement Activities

Subsidies Enforcement

The WTO Agreement on Subsidies and Countervailing Measures (Subsidies Agreement) establishes multilateral disciplines on subsidies. Among its various disciplines, the Subsidies Agreement provides remedies for subsidies that have adverse effects not only in the importing country's market, but also in the subsidizing government's market and in third-country markets. Prior to the Subsidies Agreement coming into effect in 1995, the U.S. countervailing duty (CVD) law was, in effect, the only practical mechanism for U.S. companies to address subsidized foreign competition. However, the CVD law focuses exclusively on the effects of foreign subsidized competition in the United States. Although the procedures and remedies are different, the multilateral remedies of the Subsidies Agreement provide an alternative tool to address foreign subsidies that affect U.S. businesses in an increasingly global marketplace.

Section 281 of the Uruguay Round Agreements Act of 1994 (URAA) and other authorities set out the responsibilities of USTR and the U.S. Department of Commerce (Commerce) in enforcing U.S. rights in the WTO under the Subsidies Agreement. USTR coordinates the development and implementation of overall U.S. trade policy with respect to subsidy matters; represents the United States in the WTO, including

the WTO Committee on Subsidies and Countervailing Measures and in WTO dispute settlement relating to subsidies disciplines; and leads the interagency team on matters of policy. The role of Commerce's Enforcement and Compliance (E&C) is to enforce the CVD law and, in accordance with responsibilities assigned by the Congress in the URAA, to pursue certain subsidies enforcement activities of the United States with respect to the disciplines embodied in the Subsidies Agreement. The E&C's Subsidies Enforcement Office (SEO) is the specific office charged with carrying out these duties.

The primary mandate of the SEO is to examine subsidy complaints and concerns raised by U.S. exporting companies and to monitor foreign subsidy practices to determine whether there is reason to believe they are impeding U.S. exports to foreign markets and are inconsistent with the Subsidies Agreement. Once sufficient information about a subsidy practice has been gathered to permit it to be reliably evaluated, USTR and Commerce confer with an interagency team to determine the most effective way to proceed. It is frequently advantageous to pursue resolution of these problems through a combination of informal and formal contacts, including, where warranted, dispute settlement action in the WTO. Remedies for violations of the Subsidies Agreement may, under certain circumstances, involve the withdrawal of a subsidy program or the elimination of the adverse effects of the program.

During 2020, USTR and E&C staff addressed numerous inquiries and met with representatives of U.S. industries concerned with the subsidization of foreign competitors. These efforts continued to be importantly enhanced by E&C officers stationed overseas (*e.g.*, in China), who help gather, clarify, and check the accuracy of information concerning foreign subsidy practices. U.S. Government officers stationed at U.S. embassies where E&C staff are not present also handled such inquiries.

The SEO's electronic subsidies database continued to fulfill the goal of providing the U.S. trading community with a centralized location to obtain information about the remedies available under the Subsidies Agreement and much of the information that is needed to develop a CVD case or a WTO subsidies complaint. Accessible to the public through [the SEO website](#). The website includes an overview of the SEO, helpful links, and an easily navigable tool that provides information about each subsidy program investigated by Commerce in CVD cases since 1980. This database is frequently updated, making information on subsidy programs quickly available to the public.

Monitoring and Challenging Foreign Antidumping, Countervailing Duty, and Safeguard Actions

The WTO Agreement on Implementation of Article VI (Antidumping Agreement) and the WTO Subsidies Agreement permit WTO Members to impose antidumping (AD) duties or CVDs to offset injurious dumping or subsidization of products exported from one Member to another. The United States actively monitors, evaluates, and where appropriate, participates in ongoing AD and CVD cases conducted by foreign countries in order to safeguard the interests of U.S. industry and to ensure that Members abide by their WTO obligations in conducting such proceedings.

To this end, the United States works closely with U.S. companies affected by foreign countries' AD and CVD investigations in an effort to help them better understand WTO Members' AD and CVD systems. The United States also advocates on their behalf in connection with ongoing investigations, with the goal of obtaining fair and objective treatment that is consistent with the WTO Agreements. In addition, with regard to CVD cases, the United States provides extensive information in response to questions from foreign governments regarding the subsidy allegations at issue in a particular case.

USTR and E&C play an active coordinating role in preparing the U.S. submissions in CVD investigations. In particular, USTR ensures that questionnaires issued to the United States Government are timely and accurately completed by the appropriate federal and state agencies. In addition, USTR ensures that written submissions effectively advocate for affected U.S. companies and are consistent with U.S. positions

concerning the WTO Agreements. USTR also leads in evaluating whether, in conducting these investigations, other Members' practices or policies could be WTO-inconsistent.

Further, E&C tracks foreign AD and CVD actions, as well as safeguard actions involving U.S. exporters, enabling U.S. companies and U.S. Government agencies to monitor other WTO Members' administration of such actions. Information about foreign trade remedy actions affecting U.S. exports is accessible to the public through this [E&C website](#). The stationing of E&C officers to certain overseas locations and close contacts with U.S. Government officers stationed in U.S. embassies worldwide has contributed to the Administration's efforts to monitor the application of foreign trade remedy laws with respect to U.S. exports. In addition, E&C promotes fair treatment, transparency, and consistency with WTO obligations through technical exchanges and other bilateral engagements.

During 2020, over 50 trade remedy actions involving exports from the United States were closely monitored, notable examples of which include: (1) (AD) China's separate investigations of ethylene propylene diene rubber, n-propanol, m-cresol, polyphenylene sulfide, polyphenylene ether, glycol ethers, and polyvinyl chloride; Australia's investigation of kraft paperboard; Argentina's investigation of toluene diisocyanate; and India's separate investigations of PX-13 and soda ash; (2) (CVD) China's investigation of n-propanol, glycol ethers, polyphenylene ether and polyvinyl chloride; and, Colombia's investigation of ethanol; and (3) (Safeguards) Ukraine's investigation of polymeric material, the Gulf Cooperation Council's investigation of certain steel products, Peru's investigation of clothing, and the United Kingdom's transitional review of the European Union's measure on certain steel products.

WTO Members must notify, on an ongoing basis and without delay, their preliminary and final determinations to the WTO. Twice a year, WTO Members also must notify the WTO of all AD and CVD actions they have taken during the preceding six-month period. The actions are identified in semiannual reports submitted for discussion in meetings of the relevant WTO committees. Finally, Members are required to notify the WTO of changes in their AD and CVD laws and regulations. These notifications are accessible to the public through the [WTO website](#).

4. Special 301

Pursuant to Section 182 of the Trade Act of 1974, as amended by the Omnibus Trade and Competitiveness Act of 1988, the Uruguay Round Agreements Act (enacted in 1994), and the Trade Facilitation and Trade Enforcement Act of 2015 (19 U.S.C. § 2242), the Office of the U.S. Trade Representative (USTR) must identify those countries that deny adequate and effective protection for intellectual property (IP) rights or deny fair and equitable market access for persons that rely on IP protection. Countries that have the most onerous or egregious acts, policies, or practices and whose acts, policies, or practices have the greatest adverse impact (actual or potential) on relevant U.S. products are designated as "Priority Foreign Countries" (PFC), unless those countries are entering into good faith negotiations or are making significant progress in bilateral or multilateral negotiations to provide adequate and effective protection of IP.

In addition, USTR has created a Special 301 "Priority Watch List" (PWL) and "Watch List" (WL). Placement of a trading partner on the PWL or WL indicates that particular problems exist in that country with respect to IP protection, enforcement, or market access for persons relying on IP. Countries placed on the PWL receive increased attention in bilateral discussions with the United States concerning the identified problem areas. USTR develops an action plan for each foreign country identified on the PWL for at least one year.

Additionally, under Section 306 of the Trade Act of 1974, USTR monitors whether U.S. trading partners are in compliance with bilateral IP agreements with the United States that are the basis for resolving

investigations under Section 301. USTR may take action if a country fails to satisfactorily implement such an agreement.

The Special 301 list not only indicates those trading partners whose IP protection and enforcement regimes most concern the United States, but also alerts firms considering trade or investment relationships with such countries that their IP may not be adequately protected.

2020 Special 301 Review Results

On April 29, 2020, USTR announced the results of the 2020 Special 301 Review. The 2020 Special 301 Report was the result of stakeholder input and interagency consultation.

USTR had requested written submissions from the public through a [Federal Register notice](#) published on December 23, 2019. On February 26, 2020, USTR conducted a public hearing that provided the opportunity for interested persons to testify before the Special 301 Subcommittee of the Trade Policy Staff Committee about issues relevant to the review. The hearing featured testimony from representatives of foreign governments, industry groups, and nongovernmental organizations. USTR posted the transcript of the Special 301 public hearing on its website and also offered a post-hearing comment period during which hearing participants could submit additional written comments in support of, or in response to, hearing testimony. The *Federal Register* notice for the 2020 review cycle and post hearing comment period drew submissions from 51 non-government stakeholders and 21 trading partner governments. The submissions that USTR received are available to the public [online](#).

For more than 30 years, the Special 301 Report has identified positive advances as well as areas of continued concern. The Report has reflected changing technologies, promoted best practices, and situated these critical issues in their policy context, underscoring the importance of IP protection and enforcement to the United States and its trading partners. During this period, there has been significant progress in a variety of countries, including in Australia, Costa Rica, Israel, Italy, Japan, the Philippines, Qatar, Korea, Spain, Taiwan, and Uruguay.

Considerable concerns still remain. In 2020, USTR received stakeholder input on more than 100 trading partners, but focused the review on the nominations contained in submissions that complied with the requirement in the *Federal Register* notice to identify whether a particular trading partner should be designated as PFC, or placed on the PWL or WL, or not listed in the Special 301 Report, and that were filed by the deadlines provided in the notice. Following extensive research and analysis, USTR listed 10 countries on the PWL and 23 countries on the WL. Several countries, including Chile, China, India, Indonesia, Thailand, and Turkey, have been listed every year since the Report's inception. The 2020 listings were as follows:

Priority Watch List: Algeria, Argentina, Chile, China, India, Indonesia, Russia, Saudi Arabia, Ukraine, and Venezuela.

Watch List: Barbados, Bolivia, Brazil, Canada, Colombia, Dominican Republic, Ecuador, Egypt, Guatemala, Kuwait, Lebanon, Mexico, Pakistan, Paraguay, Peru, Romania, Thailand, Trinidad and Tobago, Turkey, Turkmenistan, the United Arab Emirates, Uzbekistan, and Vietnam.

When appropriate, USTR may conduct an Out-of-Cycle Review (OCR) to encourage progress on IP issues of concern. OCRs provide an opportunity for heightened engagement with trading partners and others to address and remedy such issues. In the case of a country-specific OCR, successful resolution of identified IP concerns can lead to a change in a trading partner's status on the Special 301 list outside of the typical time frame for the annual Special 301 Report. In some cases, USTR calls for the OCR; in others, the trading

partner governments can request an OCR based on projections for improvements in IP protection and enforcement. In the 2020 report, USTR called for an OCR of Malaysia, which was not listed in the 2020 Special 301 Report, and an OCR of Saudi Arabia.

USTR also conducts a review focused on prominent and illustrative examples of online and physical markets in which pirated or counterfeit products and services reportedly are available or that facilitate substantial piracy and counterfeiting. USTR started identifying notorious markets in the Special 301 Report in 2006. In 2011, USTR began publishing the Notorious Markets List (NML) separately from the Special 301 Report in order to increase public awareness and guide related enforcement efforts. Since publication of the first NML, several online markets closed or saw their business models disrupted as a result of enforcement efforts. In some instances, in an effort to legitimize their overall business, companies made the decision to close down problematic aspects of their operations; while others cooperated with authorities to address unauthorized conduct on their sites. Notwithstanding the progress that has occurred, online piracy and counterfeiting continue to grow, requiring robust, sustained, and coordinated responses by governments, private sector stakeholders, and consumers.

The Special 301 Review and NML serve a critical function by identifying opportunities and challenges in foreign markets related to adequate and effective IP protection and enforcement facing U.S. innovative and creative industries, which are key industries for job creation and economic development. The Special 301 Report and NML inform the public and U.S. trading partners and serve as a positive catalyst for change. USTR remains committed to meaningful and sustained engagement with U.S. trading partners, with the goal of resolving these challenges. Information related to Special 301 (including public hearing transcripts and videos), the NML, and USTR's overall IP efforts can be found [online](#).

5. Section 1377 Review of Telecommunications Agreements

Section 1377 of the Omnibus Trade and Competitiveness Act of 1988 requires USTR to review by March 31 of each year the operation and effectiveness of U.S. telecommunications trade agreements. The purpose of this review is to determine whether any act, policy, or practice of a foreign country that has entered into a telecommunications-related agreement with the United States: (1) is not in compliance with the terms of the agreement, or (2) otherwise denies, within the context of the agreement, to telecommunications products and services of U.S. firms, mutually advantageous market opportunities in that country.

USTR addresses these issues in its annual National Trade Estimate Report. This approach allows USTR to describe, in one comprehensive report, all of the overlapping barriers concerning telecommunications services and goods, along with related digital trade issues.

In its 2020 Section 1377 Review, USTR focused on issues related to: limits on foreign investment, barriers to competition and licensing issues, international termination rates, satellite services, telecommunications equipment trade, and local content requirements.

6. Antidumping Actions

Under the U.S. antidumping law, duties are imposed on imported merchandise when the U.S. Department of Commerce (Commerce) determines that the merchandise is being dumped (sold at “less than fair value”) and the U.S. International Trade Commission (USITC) determines that there is material injury or threat of material injury to the domestic industry, or material retardation of the establishment of an industry, “by reason of” those imports. The antidumping law’s provisions are incorporated in Title VII of the Tariff Act of 1930 and have been substantially amended by the Trade Agreements Act of 1979, the Trade and Tariff

Act of 1984, the Trade and Competiveness Act of 1988, the 1994 Uruguay Round Agreements Act, and the Trade Facilitation and Trade Enforcement Act of 2015.

An antidumping investigation usually begins when a U.S. industry, or an entity filing on its behalf, submits a petition alleging, with respect to certain imports, the dumping and injury elements described above. If the petition meets the applicable requirements, Commerce will initiate an antidumping investigation. In special circumstances, Commerce also may self-initiate an investigation.

After initiation, the USITC decides, generally within 45 days of the filing of the petition, whether there is a “reasonable indication” of material injury or threat of material injury to a domestic industry, or material retardation of an industry’s establishment, “by reason of” the allegedly dumped imports. If this preliminary injury determination by the USITC is negative, the investigation is terminated and no duties are imposed; if it is affirmative, Commerce will make preliminary and final determinations concerning the allegedly dumped sales into the U.S. market. If Commerce’s preliminary determination is affirmative, it will direct U.S. Customs and Border Protection (CBP) to suspend liquidation of entries and require importers to post a cash deposit equal to the estimated weighted-average dumping margin. If Commerce’s preliminary determination is negative, there is no suspension of liquidation of entries. In either scenario, Commerce will complete its investigation and issue a final determination.

If Commerce’s final determination regarding dumping is negative, the investigation is terminated and no duties are imposed. If affirmative, the USITC makes a final injury determination. If the USITC determines that there is material injury or threat of material injury, or material retardation of an industry’s establishment, “by reason of” the dumped imports, then Commerce will issue an antidumping order and direct CBP to assess, upon further instruction by Commerce, antidumping duties and require cash deposits on imported goods. If the USITC’s final injury determination is negative, the investigation is terminated and the cash deposits are refunded.

Upon request of an interested party, Commerce conducts annual reviews of dumping margins pursuant to Section 751 of the Tariff Act of 1930, as amended. Section 751 also provides for Commerce and USITC review in cases of changed circumstances and periodic review in conformity with the five-year “sunset” provisions of the U.S. antidumping law.

Antidumping determinations may be appealed to the U.S. Court of International Trade, with further judicial review possible in the U.S. Court of Appeals for the Federal Circuit and the U.S. Supreme Court. For certain investigations involving Canadian or Mexican merchandise, final determinations may be reviewed by a binational panel established under the USMCA.

The United States initiated 89 antidumping investigations in 2020 and imposed 21 antidumping orders.

7. Countervailing Duty Actions

The U.S. countervailing duty (CVD) law dates back to late 19th century legislation authorizing the imposition of CVDs on subsidized sugar imports. The current CVD provisions are contained in Title VII of the Tariff Act of 1930, as amended by subsequent legislation including the Uruguay Round Agreements Act. As with the antidumping law, the U.S. International Trade Commission (USITC) and the U.S. Department of Commerce (Commerce) jointly administer the CVD law, and the U.S. Department of Homeland Security Customs and Border Protection (CBP) collects duties and enforces CVD orders on imported goods.

The CVD law's purpose is to offset certain foreign government subsidies that benefit imports into the United States. CVD procedures under Title VII are very similar to antidumping procedures, and CVD determinations by Commerce and the USITC are subject to the same system of judicial review as antidumping determinations. Commerce normally initiates investigations based upon a petition submitted by a U.S. industry or an entity filing on its behalf. The USITC is responsible for investigating material injury issues. The USITC makes a preliminary finding as to whether there is a reasonable indication of material injury or threat of material injury, or material retardation of an industry's establishment, by reason of imports subject to investigation. If the USITC's preliminary determination is negative, the investigation terminates; otherwise, Commerce issues preliminary and final determinations on subsidization. If Commerce's final determination of subsidization is affirmative, the USITC proceeds with its final injury determination of whether a domestic industry is materially injured, threatened with material injury, or the establishment of an industry in the United States is materially retarded, by reason of imports for which Commerce has made an affirmative determination. If the USITC's final determination is affirmative, Commerce will issue a CVD order. CBP collects CVDs on imported goods.

The United States initiated 30 CVD investigations and imposed 13 new CVD orders in 2020.

8. Section 337

Section 337 of the Tariff Act of 1930, as amended, makes it unlawful to engage in unfair acts or unfair methods of competition in the importation of goods or sale of imported goods. Most Section 337 investigations concern alleged infringement of intellectual property rights, such as U.S. patents.

The U.S. International Trade Commission (USITC) conducts Section 337 investigations through adjudicatory proceedings under the Administrative Procedure Act. The proceedings normally involve an evidentiary hearing before a USITC administrative law judge who issues an Initial Determination that is subject to review by the USITC (all sitting commissioners). If the USITC finds a violation, it can order that imported infringing goods be excluded from entry into the United States, issue cease and desist orders requiring firms to stop unlawful conduct in the United States, such as the sale or other distribution of imported infringing goods in the United States, or both. A limited exclusion order covers only certain infringing imports from particular sources, namely some or all of the parties who are respondents in the proceeding. A general exclusion order, on the other hand, covers certain infringing products from all sources. Cease and desist orders are generally issued when, with respect to the imported infringing products, the respondents maintain commercially significant inventories in the United States or have significant domestic operations that could undercut the remedy provided by an exclusion order. The USITC also is authorized to issue temporary exclusion or cease and desist orders before it completes an investigation if it determines that there is reason to believe there has been a violation of Section 337. Additionally, seizure and forfeiture orders can be issued for repeat or multiple attempts to import merchandise already subject to a general or limited exclusion order. Many Section 337 investigations are terminated after the parties reach settlement agreements or agree to the entry of consent orders. In cases in which the USITC finds a violation of Section 337, it must decide whether certain public interest factors nevertheless preclude the issuance of a remedial order. The four public interest considerations are the order's effect on: (1) public health and welfare, (2) competitive conditions in the U.S. economy, (3) the production of like or directly competitive articles in the United States, and (4) U.S. consumers. USITC Section 337 determinations are subject to judicial review on the merits in the U.S. Court of Appeals for the Federal Circuit, with possible appeal to the U.S. Supreme Court. The Department of Homeland Security U.S. Customs and Border Protection enforces USITC exclusion and seizure orders.

If the USITC issues an affirmative determination and concomitant remedial order(s), it transmits the determination, order(s), and the record upon which the determination is based to the President for policy

review. In July 2005, President Bush assigned these policy review functions, which are set out in Section 337(j)(1)(B), Section 337(j)(2), and Section 337(j)(4) of the Tariff Act of 1930, to the United States Trade Representative (USTR). The USTR conducts these reviews in consultation with other agencies. Importation of the subject goods may continue during this review process if the importer pays a bond in an amount determined by the USITC. If the President, or the USTR, exercising the functions assigned by the President, does not disapprove the USITC's determination within 60 days, the USITC's determination and order(s) become final. If the President or the USTR disapproves a determination before the end of the 60-day review period, the determination and order(s) have no force or effect as of the date the President or the USTR notifies the USITC. If the President or the USTR formally approves the determination before the end of the 60-day review period, the determination and order(s) become final on the date that the President or the USTR notifies the USITC.

During 2020, the USITC instituted 48 new Section 337 investigations and commenced 9 ancillary proceedings. The USITC also issued affirmative determinations and remedial orders in the following 21 investigations in calendar year 2020:

Certain Height-Adjustable Desk Platforms and Components Thereof, 337-TA-1125;
Certain Microfluidic Systems and Components Thereof and Products Containing Same, 337-TA-1100
(*Microfluidic Devices (II)*);

Certain Gas Spring Nailer Products and Components Thereof, 337-TA-1082;

Certain Beverage Dispensing Systems and Components Thereof, 337-TA-1130;

Certain Cartridges for Electronic Nicotine Delivery Systems and Components Thereof, 337-TA-1141;

Certain Blood Cholesterol Testing Strips and Associated Systems Containing the Same, 337-TA-1116;

Certain Electronic Nicotine Delivery Systems and Components Thereof, 337-TA-1139;

Certain Digital Video Receivers and Related Hardware and Software Components, 337-TA-1103;

Certain Human Milk Oligosaccharides and Methods of Producing the Same, 337-TA-1120;

Certain Motorized Vehicles and Components Thereof, 337-TA-1132;

Certain Powered Cover Plates, 337-TA-1124;

Certain Food Processing Equipment and Packaging Materials Thereof, 337-TA-1161;

Certain Pocket Lighters, 337-TA-1142;

Certain Fish-Handling Pliers and Packaging Thereof, 337-TA-1169;

Certain Replacement Automotive Service and Collision Parts and Components Thereof, 337-TA-1160;

Certain Unmanned Aerial Vehicles and Components Thereof, 337-TA-1133;

Certain Unmanned Aerial Vehicles and Components Thereof, 337-TA-1171;

Certain Footwear Products (Remand), 337-TA-936;

Certain Luxury Vinyl Tile and Components Thereof, 337-TA-1155; *Certain Toner Cartridges, Components Thereof, and Systems Containing Same*, 337-TA-1174;

Certain Movable Barrier Operator Systems and Components Thereof, 337-TA-1118; and

Certain Botulinum Toxin Products, Processes for Manufacturing or Relating to Same and Certain Products Containing Same, 337-TA-1145.

In addition, Presidential review of *Microfluidic Devices (I)*, 337-TA-1068, from 2019, was completed in 2020. All determinations and orders became final after Presidential review. Presidential reviews of the last three investigations, *Toner Cartridges*, *Movable Barrier Operators*, and *Botulinum Toxin*, were completed in early 2021.

III. OTHER TRADE ACTIVITIES

A. Agriculture and Trade

The United States is the world's largest exporter and importer of agricultural products. U.S. agriculture has posted an annual trade surplus for well over 50 years. Agricultural exports support more than an estimated one million American jobs, with roughly 70 percent of these jobs in the non-farm sector, such as in processing and agricultural manufacturing. In 2020, U.S. agricultural domestic exports reached \$150 billion¹⁹ and created an estimated \$195 billion in additional U.S. economic activity, for a total U.S. economic output of \$345 billion.

The United States is among the world's top producers of food and agricultural products and is widely recognized as one of the most efficient. The COVID-19 pandemic created challenges and uncertainty for agricultural producers, food manufacturers and food distributors worldwide, particularly in the Spring of 2020. Further, continued disruptions to export markets in 2020, caused by unjustified, retaliatory tariffs on U.S. farm goods, presented difficult financial conditions for many U.S. agricultural producers. Despite these multiple, complex challenges, U.S. agricultural producers maintained high levels of efficiency and production, and continued to provide safe and high-quality foods and beverages to U.S. and global consumers.

1. Opening Export Markets for American Agriculture

Successful expansion of market opportunities abroad for U.S. food and agricultural products requires close coordination among a number of U.S. Government agencies. The Office of the U.S. Trade Representative (USTR), through the Trade Policy Staff Committee (TPSC), leads the U.S. Government's approach to develop and implement trade policy. U.S. regulatory agencies such as the U.S. Department of Health and Human Services' Food and Drug Administration (FDA); the U.S. Environmental Protection Agency (EPA); the U.S. Department of Commerce's National Oceanic and Atmospheric Administration (NOAA); and the U.S. Department of Agriculture's (USDA) Food Safety and Inspection Service (FSIS), Animal and Plant Health Inspection Service (APHIS), and Agricultural Marketing Service (AMS) work together to ensure that American food and agricultural products are among the safest in the world. USTR works with USDA's Foreign Agricultural Service (FAS), the U.S. Department of State, and U.S. embassies around the world to engage foreign governments to implement policies and regulations that are supported by science, are minimally trade distorting, and are consistent with international trade obligations.

Significant accomplishments opening and maintaining export markets in 2020 include:

Mexico Extends Market Access for U.S. Organic Exports: On December 28, 2020, Mexico delayed the entry into force of its new organic requirements, thereby providing U.S. organic products continued market access while the United States and Mexico negotiate organic equivalence. Mexico's new organic requirements were scheduled to enter into force on January 1, 2021, but the U.S. Government and industry requested a delay. U.S. exports of organic products to Mexico in 2020 were valued at approximately \$118 million.

Egypt Adopts Veterinary Drug Standards: On November 15, 2020, Egypt's National Food Safety Authority (NFSA) set new maximum residue levels (MRLs) for veterinary drugs, including ractopamine.

¹⁹ Total U.S. agricultural (WTO definition) exports were \$155.4 billion in 2020, U.S. domestic exports were \$150 billion, and U.S. re-exports were \$5.4 billion.

For each of the new MRLs, NFSA followed guidelines of Codex Alimentarius Commission or performed a risk assessment. Egypt's use of science-based MRLs will reduce barriers to U.S. beef exports. U.S. exports of beef and beef products to Egypt were valued at approximately \$57 million in 2020.

Agreement with Korea on Market Access for U.S. Rice: After five years of negotiation, an agreement with Korea on market access for U.S. rice entered into force on January 1, 2020. The agreement establishes an annual country specific quota (CSQ) for the United States of 132,304 metric tons (MT), and disciplines on administration of the CSQ to ensure transparency and predictability for U.S. rice exporters. The agreement provides U.S. rice producers with the largest volume of guaranteed rice market access since Korea's accession to the WTO. U.S. exports of rice to Korea were valued at approximately \$162 million, surpassing U.S. exports in 2019 valued at approximately \$120 million.

Advocacy for Science-Based Agricultural Biotechnology Policies in Korea: Following extensive technical and policy-level engagement in 2020 with Korea's Ministry of Trade, Industry and Energy, the Ministry began hosting industry consultations regarding Korea's regulation of products of agricultural biotechnology. Industry consultations represent a first step in advocacy for reform of Korea's policies and procedures to enable access to these technologies, and the trade of products derived from them.

Administration of KORUS Tariff Rate Quota for Potatoes, Fresh or Chilled: In April 2020, after engagement by USTR regarding the United States–Korea Free Trade Agreement (KORUS) tariff rate quota (TRQ) auctions for potatoes, fresh and chilled, Korea's Ministry of Agriculture, Food and Rural Affairs agreed to revise its administration of these TRQs, specifically with respect to the timing of its announcements of these TRQ auctions. The previous practice was to announce the TRQ auctions in the latter half of a calendar year to fill TRQ volumes in that same calendar year. Instead, Korea has agreed to announce the TRQ auctions prior to the start of the calendar year for the subsequent year's TRQs. This change in TRQ administration should address very low TRQ volume fill rates in previous years – averaging only 10 percent in 2016 through 2019. Full utilization of the TRQ volume will result in approximately \$2.3 million worth of additional potato exports.

Saudi Arabia Provides Additional Market Access for U.S. Beef: In May 2020, the United States and Saudi Arabia agreed on new terms and conditions that eliminate Saudi Arabia's longstanding age restrictions on U.S. beef exports, paving the way for expanded U.S. beef sales. In 2020, U.S. beef exports to Saudi Arabia were valued at approximately \$10 million.

China Imports Record Amounts of U.S. Meat and Poultry Products: Following entry into force of the United States–China Phase One Agreement on February 15, 2020, Chinese imports of U.S. pork, beef, and poultry hit all-time highs. Low domestic pork supply in China due to an outbreak of African Swine Fever in China's domestic swine herd, along with new and expanded market access for U.S. beef and poultry secured through the Phase One Agreement, led to the increased imports of these U.S. products.

China Opens Market to New U.S. Agricultural Products: Throughout 2020 China opened its market to new U.S. agricultural products. The United States and China signed phytosanitary protocols to allow the import of U.S. fresh potatoes for processing, California nectarines, blueberries, California Hass avocados, barley, alfalfa hay pellets and cubes, almond meal pellets and cubes, and timothy hay. China also published new domestic standards for and opened its market to new U.S. dairy products, including extended shelf life milk, fortified milk, ultra-filtered fluid milk, and dairy permeate powder. Additionally, over 4,000 U.S. facilities are now eligible to export beef, pork, poultry, processed meat, seafood, dairy, infant formula, feed additives, and pet food products to China.

Brazil Implements WTO Wheat TRQ: On November 12, 2019, after substantial high-level engagement, Brazil implemented a duty-free TRQ for 750,000 MT of wheat. The United States had long pressed Brazil

to implement its WTO commitment, in order to enable U.S. wheat exporters to compete on a level playing field with imports of wheat from Argentina, which enter Brazil duty-free under the Southern Common Market (MERCOSUR) customs union. Prior to implementation of the TRQ, U.S. wheat was typically subject to a 10 percent MERCOSUR common external tariff. Under the TRQ, U.S. wheat exports to Brazil increased significantly in 2020, valued at approximately \$159 million, compared to approximately \$86 million in 2019.

South Africa Increases U.S. Poultry TRQ Access: USTR and USDA worked with South Africa to clarify and improve its guidelines for the utilization of TRQ allocations for U.S. bone-in chicken imports. For the 2019/2020 period, total U.S. poultry exports to South Africa were valued at approximately \$95 million. In the spring of 2020, U.S. exports of bone-in poultry meat to South Africa exceeded the quota levels of 68,000 MT for the 2019/2020 quota year by over 30 percent.

Australia Ensures Continuity of U.S. Fruit Exports: At the April 2020 meeting of the Australia–United States Free Trade Agreement Committee on Sanitary and Phytosanitary Measures, USTR and USDA pressed Australia to address outstanding concerns regarding its new onshore inspection program. In the meeting, Australia confirmed that California table grapes would be included in a program to expedite importation into Australia of certain products. There were no detentions of U.S. fruit exports to Australia during the 2020 U.S. harvest and shipping season. In 2020, U.S. exports of fresh fruit to Australia were valued at approximately \$95 million.

Japan Expands Access for U.S. Chipping Potatoes: In February 2020, following technical work by both the United States and Japan, Japan completed regulatory revisions to allow year-round access to U.S. chipping potatoes. The United States exports chipping potatoes to Japan from 16 States. Japan previously permitted imports of U.S. chipping potatoes only during a six-month window. In 2020, U.S. exports of chipping potatoes to Japan were valued at approximately \$13 million.

Japan and United States Expand Organic Equivalence to Cover Livestock Products: In July 2020, the United States and Japan expanded their organic equivalence arrangement to livestock products. The arrangement reduces costs and streamlines the process for anyone involved in the organic livestock supply chain by requiring only one organic certification. This recognition adds livestock products to the existing organic equivalence arrangement that has allowed plant-based products to be certified to either country’s organic standards since 2014. Japan is the third largest market for U.S. organic products, with U.S. exports valued at approximately \$47 million in 2020.

Peru Corn Countervailing Duties Investigation: On January 17, 2020, Peru’s trade remedies investigating authority announced a final determination declining to impose countervailing duties (CVD) on imports of U.S. corn. USTR and USDA led extensive engagement efforts with Peruvian officials following an investigation that the Government of Peru self-initiated in July 2018. The final determination preserves access to an important export market for U.S. corn.

Ecuador Extends Tariff Exemptions on Wheat and Soybean Meal: Following engagement in the U.S.–Ecuador Trade and Investment Working Group, Ecuador announced that it would extend for five years tariff exemptions on imports of wheat and soybean meal, as of December 26, 2019. Ecuador’s tariffs for these products are bound in the WTO at 38.7 percent and 23.1 percent, respectively. U.S. exports to Ecuador of these products had declined in previous years due to uncertainty around applied tariff rates and competition from South American suppliers. The certainty provided by the five-year tariff exemptions will benefit U.S. exporters, who offer competitive commodity prices and have established relationships with importers. In 2020, U.S. exports of soybean meal to Ecuador were valued at approximately \$245 million, while U.S. exports of wheat were valued at approximately \$95 million.

Guatemala Implements Trade Facilitative Customs Procedures: In 2020, following significant engagement by the United States, Guatemala implemented a significant policy change, allowing for corrections to CAFTA–DR Certificates of Origin. This change helped expedite Guatemalan Customs clearance of U.S. exported products claiming CAFTA–DR benefits, saving time and money and making the import process more transparent.

United Kingdom and United States Ensure Continuity of Wine and Spirits Trade: On December 31, 2020, the United States and the United Kingdom (UK) agreements to ensure the continuation of commitments in existing U.S.–EU agreements entered into force. The U.S.–UK Agreement on trade in wine includes commitments regarding wine-making practices and labeling requirements. The U.S.–UK Agreement on distilled spirits/spirits drinks will continue the recognition of the names Scotch whisky, Irish whisky, Tennessee whisky, Bourbon whisky, and Bourbon in bilateral trade. The UK is the second largest market for U.S. wine products exports and the fourth largest market for U.S. distilled spirits exports.

India Releases Detained U.S. Dairy Shipments: In July 2020, in response to outreach by USTR, India released U.S. shipments of lactose and whey protein concentrate (WPC) that had been blocked since April 2020 when India began enforcing a requirement that those products be accompanied by a dairy certificate. Prior to this shift in practice, U.S. exports of lactose and WPC to India had grown steadily for years, reaching a high of approximately \$54 million in 2019 before falling to approximately \$32 million in 2020.

Kenya Approves Protocol Permitting the Import of U.S. Wheat from the Pacific Northwest: In 2020, after extensive engagement by USTR and USDA, Kenya approved and signed a certification protocol to allow for the export of wheat grown in Washington, Oregon, and Idaho to Kenya. Kenya had previously banned wheat from the Pacific Northwest (PNW) over concerns with flag smut fungus.

Taiwan and United States Recognize Trade in Organic Products: In June 2020, the American Institute of Taiwan and the Taiwan Economic and Cultural Representative Office exchanged letters in recognition of the completion of equivalence determinations of the organic systems in the United States and Taiwan. Taiwan is the fifth largest market for U.S. organic products exports, with U.S. exports in 2020 valued at approximately \$29 million.

Vietnam Delays Regulation Restricting Imports of U.S. Animal Feed: In June 2020, following intensive engagement from the U.S. Government, Vietnam delayed by one year the implementation of a regulation that would have established new requirements for imported animal feed inputs including soybeans and corn. The United States continued to engage technically with Vietnam to discuss changes to the measure, which as originally drafted, threatened to disrupt roughly 30 percent of U.S. agricultural exports to Vietnam, valued at approximately \$1.2 billion annually.

Philippines Opens Market to U.S. Blueberries: In May 2020, the Philippines opened its market to U.S. fresh blueberries. Since the United States is the only country with official access to the Philippine market, U.S. suppliers are well positioned to supply the Philippine retail and food service sectors. Traders estimate sales of U.S. fresh blueberries could reach \$500,000 in 2021, with greater potential in future years.

Thailand Revises Onerous Testing Requirements of Fresh Produce: In July 2020, following engagement from the U.S. Government, the Thai Food and Drug Administration revised its new guidelines for pesticide residue testing on imports of fresh produce, implementing a risk-based approach in lieu of testing every shipment. The revised guidelines also give exporters the option of providing a certificate of analysis rather than undergoing testing on arrival. U.S. exports of fresh fruit to Thailand in 2020 were valued at approximately \$35 million.

Vietnam Opens Market to U.S. Sorghum: On May 7, 2020, the United States and Vietnam reached agreement to allow U.S. sorghum to be imported into Vietnam. USDA estimates the value of U.S. sorghum exports to Vietnam could reach \$120 million annually.

Jordan Adopts Science-Based Policies Related to Agricultural Biotechnology: In April 2020, Jordan implemented measures that relaxed allowable genetically engineered content from one percent to the U.S. requested level of five percent. In addition, Jordan now allows food products approved for consumption in the United States to enter Jordan without the provision of a safety test date. In 2020, U.S. exports of agricultural products to Jordan were valued at approximately \$207 million.

Market Access to Morocco for U.S. Cattle Exports: In January 2020, after discussions under the U.S.–Morocco FTA SPS Committee, Morocco and the United States finalized agreement on export certificates for U.S. breeding and fattening cattle to Morocco, completing negotiations spanning over a decade. Morocco is an approximately \$30 million to \$40 million market for annual imports of live cattle.

2. Negotiating Trade Agreements for American Agriculture

United States–Mexico–Canada Agreement

On July 1, 2020, the United States–Mexico–Canada Agreement (USMCA) entered into force, replacing the North American Free Trade Agreement (NAFTA) thereby establishing modernized and rebalanced rules of trade for North America that will better serve the interests of U.S. farmers, ranchers, businesses, and workers.

Agriculture

Under the USMCA, U.S. dairy products gain significant new access to the Canadian market. In addition, U.S. poultry and egg products gain improved access into Canada. In exchange, the United States provides new access to Canada for dairy products, peanuts, processed peanut products, and a limited amount of sugar and sugar-containing products. All agricultural products that entered duty-free under the NAFTA remain duty-free under the USMCA. The USMCA also includes strong rules for administration of TRQs. Canada has implemented measures through which it allocates its dairy TRQs that appear to be inconsistent with several USMCA provisions on TRQ administration. (*For further information, see Chapter III.A.4 Enforcing Trade Agreements for American Agriculture.*)

The USMCA requires Canada to change certain aspects of its milk pricing policy, which decreased exports of U.S. dairy ingredients to Canada and increased Canada’s exports of skim milk powder and other products to the world. The United States will carefully monitor Canada’s implementation of the USMCA commitments. The USMCA contains other obligations to help ensure the Parties avoid trade-distorting policies. Canada changed its system for grading U.S. wheat to eliminate discriminatory treatment. In a side letter, Mexico confirms that market access of U.S. cheeses in Mexico is not restricted due to the mere use of certain individual terms. The USMCA contains new and important provisions to support agricultural biotechnology in 21st century agriculture.

Sanitary and Phytosanitary Measures

The USMCA contains new and enforceable commitments that elaborate and expand on the Parties’ WTO SPS obligations, while continuing to maintain the Parties’ sovereign right to protect human, animal, and plant life or health, while also committing to avoid unnecessary barriers to trade. The Parties agreed to increase transparency in the development and implementation of SPS measures, advance science-based

decision making, and work together to enhance compatibility of SPS measures. Provisions enhance the processes and bases for conducting SPS audits; making equivalency and regionalization decisions; ensuring certification requirements are tied to risk; and enhancing information exchange and cooperation. The SPS chapter also creates a new mechanism for regulatory agency officials to cooperatively resolve issues.

For further discussion on the United States–Mexico–Canada Agreement, see Chapter I.C.9 Mexico and Canada (USMCA).

United States–Japan Trade Agreement

The United States–Japan Trade Agreement entered into force on January 1, 2020. The Agreement provides America’s farmers and ranchers enhanced market access in the United States’ fourth largest agricultural export market. This Agreement enables American producers to compete effectively with countries that have preferential tariffs in the Japanese market through other bilateral and regional agreements. Pursuant to this Agreement, Japan committed to provide substantial market access to American food and agricultural products by eliminating tariffs, enacting meaningful tariff reductions, or allowing a specific quantity of imports at a low duty (generally zero). Importantly, the tariff treatment for the products covered in this agreement match the tariffs that Japan provides preferentially to countries in the Comprehensive and Progressive Agreement for Trans-Pacific Partnership. Over 90 percent of U.S. food and agricultural imports into Japan receive either duty free treatment or receive preferential tariff access under the Agreement.

For further discussion on the United States–Japan Trade Agreement, see Chapter I.A.2 Japan and Chapter I.D.3 Japan, Korea, and Asia-Pacific Economic Cooperation.

Economic and Trade Agreement between the United States of America and The People’s Republic of China

On January 15, 2020, the United States and China signed an historic and enforceable Phase One Agreement that, in part, further opens China’s food and agriculture market to American products. The Phase One Agreement addresses structural barriers to trade and will support a dramatic expansion of U.S. food, agriculture, and seafood product exports, increase American farm and fishery income, generate more rural economic activity, and promote job growth. China committed to purchase and import a total of at least \$80 billion of U.S. food, agricultural, and seafood products from 2020 through 2021. In 2020, U.S. exports to China of agricultural products subject to purchase commitments totaled \$23.6 billion.

The Phase One Agreement also includes structural commitments, including to improve China’s agricultural biotechnology review process, TRQ administration for grains, and a range of sanitary and phytosanitary measures affecting U.S. exports of beef, poultry, pork, dairy, rice, seafood, fruits and vegetables, animal feed, and pet food. USTR continues to monitor China’s implementation of Phase One commitments to ensure China adheres to its commitments and U.S. agricultural producers reap the benefits of the Agreement.

For further discussion on the Phase One Agreement, see Chapter I.B.1 United States–China Economic and Trade Agreement and I.D.4 China, Hong Kong, Taiwan, and Mongolia.

3. Bilateral and Regional Activities

United States–Australia Free Trade Agreement

In 2020, the United States and Australia agreed to continue work under the United States–Australia Free Trade Agreement (AUSFTA) to make progress on the U.S. requests for agricultural products. At the April, 2020 meeting of the AUSFTA SPS Committee, the United States and Australia agreed to technical requirements for cooked turkey meat. Australia will continue to review animal health information for turkey meat imports. Australia also agreed to continue work on U.S. requests for apple and stone fruit access, and confirmed that California table grapes would be included in Australia’s new program to expedite clearance of U.S. fruit exports. Australia’s review of access for U.S. fresh and frozen beef was completed in December 2019. USDA continues to work with Australia to give U.S. beef suppliers full access to the market.

For further discussion on the United States–Australia Free Trade Agreement, see Chapter I.C.1 Australia.

United States–Colombia Trade Promotion Agreement

The United States–Colombia Trade Promotion Agreement (CTPA) entered into force on May 15, 2012. More than half of U.S. agricultural exports became duty-free upon entry into force, with most remaining tariffs phased out over 15 years. Colombia eliminated duties on wheat, barley, soybeans, soybean meal and flour, high-quality beef, bacon, almost all fruit and vegetable products, peanuts, whey, cotton, and the vast majority of processed products. The CTPA also provides duty-free access for specified volumes of standard grade beef cuts, chicken leg quarters, pork, corn, sorghum, animal feeds, rice, soybean oil, and dairy products through TRQs. The United States engages extensively with Colombia on a regular basis and in annual meetings of the TPA SPS and Agriculture committees. The two committees convened virtually in December 2020, to discuss preferential treatment under the CTPA corn TRQ (Colombia was the fourth largest export destination for U.S. corn, with U.S. exports of corn valued at approximately \$876 million in 2020), cooperation on biotechnology, and other SPS-related market access issues.

For further discussion on the United States–Colombia Trade Promotion Agreement, see Chapter I.C.5 Colombia.

Dominican Republic–Central American Free Trade Agreement

Agricultural export and investment opportunities with Central America and the Dominican Republic have continued to grow under the Dominican Republic–Central American Free Trade Agreement (CAFTA–DR). All of the CAFTA–DR partners have committed to strengthening trade facilitation, regional supply chains, and implementation of the Agreement. Under the CAFTA–DR, exports of import-sensitive agricultural products are imported under TRQs. These quotas will continue to increase annually until all tariffs are eliminated by no later than 2025.

During 2020, the CAFTA–DR Agriculture Review Commission, created in 2019 to review implementation and operation of the Agreement, exchanged data and started a technical review of the impact of the agreement on trade between the members. The United States will continue to press for progress on SPS and TBT barriers and address cumbersome regulatory requirements to trade to facilitate U.S. market access in Central America and the Dominican Republic.

In 2020, U.S. exports of agricultural products to the CAFTA–DR region were valued at approximately \$5.1 billion.

For further discussion on the Dominican Republic–Central America Free Trade Agreement, see Chapter I.C.3 Central America and the Dominican Republic (CAFTA–DR).

United States–European Union Consultations on Agricultural Biotechnology

In accordance with the 2008 decision by the United States and the EU to suspend Article 22.6 arbitration proceedings associated with WTO DS291, the EU agreed to hold semiannual consultations with the United States to normalize trade in agricultural biotechnology products. During the U.S.-EU consultation on October 22, 2020, the United States reiterated concerns with the continued delays that applicants face while navigating the EU’s biotechnology approval procedures. Significant delays in the EU for agricultural biotechnology approvals continue to represent a major barrier to the commercialization and trade of safe products.

United States–Israel Agreement on Trade in Agricultural Products

The United States–Israel FTA entered into force in 1985 and was the United States’ first FTA. It continues to serve as the foundation for expanding trade and investment between the United States and Israel by reducing barriers and promoting regulatory transparency.

The FTA’s Joint Committee (JC) is the central oversight body for the FTA. At the February 2016 JC meeting, Israel proposed resuming negotiations on a permanent successor agreement to the current United States-Israel Agreement on Trade in Agricultural Products. The first round of negotiations was held in November 2018 and a second round of negotiations took place in March 2019. At the November 2020 JC, the United States and Israel agreed to continue these discussions in 2021.

In 2020, U.S. exports of agricultural products to Israel were valued at approximately \$621 million.

For further discussion on the United States–Israel Free Trade Agreement, see Chapter I.C.6 Israel.

United States–Korea Free Trade Agreement

KORUS has been an economic boon to U.S. agricultural exporters since it entered into force in March 2012. U.S. exports of agricultural products to Korea in 2020 were valued at approximately \$7.7 billion, making Korea the U.S. fifth largest agricultural export market. Exports of U.S. beef to Korea have soared from approximately \$539 million in 2012, when KORUS entered into force, to approximately \$1.8 billion in 2020, making Korea the second largest export destination for U.S. beef and beef products, behind only Japan. However, various issues impede the export of other U.S. agricultural products, particularly for exports of apples, pears, and other horticultural products. The United States engages extensively with Korea on a regular bilateral basis through the WTO, and in annual meetings of the KORUS SPS and Agriculture committees. The two committees convened virtually in December 2020, to discuss beef market access issues, biotechnology approvals, pesticide registration, other SPS-related market access issues, and more effective administration by Korea of several KORUS TRQs.

For further discussion on the United States–Korea Free Trade Agreement, see Chapter I.C.8 Korea (KORUS).

United States–Morocco Free Trade Agreement

The United States-Morocco FTA entered into force on January 1, 2006. Under the FTA, the Agriculture and SPS subcommittee held meetings in January 2020. In 2020, Morocco and the United States finalized

export certificates for U.S. breeding and fattening cattle to Morocco, and discussed the use of common names for meats and cheeses. Morocco and the United States also reviewed access for U.S. wheat and meat products under the FTA TRQs. The United States and Morocco have discussed these issues since 2017, when Morocco signaled its willingness to resolve agricultural market access issues that had been outstanding since the FTA entered into force.

For further discussion on the United States–Morocco Free Trade Agreement, see Chapter I.C.10 Morocco.

United States–Panama Trade Promotion Agreement

The United States–Panama Trade Promotion Agreement (TPA) entered into force on October 31, 2012. Under the TPA, nearly half of U.S. agricultural exports immediately became duty free, with most remaining tariffs to be phased out within 15 years. Tariffs on a few of the most sensitive agricultural products will be phased out in 18 to 20 years. Following the first tariff reduction under the TPA on October 31, 2012, subsequent tariff reductions occur on January 1 of each year; the tenth round of tariff reductions took place on January 1, 2021. The United States and Panama continued to work cooperatively during 2020 to continue to implement the provisions of the TPA and to address issues of concern that arose during the year.

For further discussion on the United States–Panama Trade Promotion Agreement, see Chapter I.C.12 Panama.

United States–Paraguay Trade and Investment Framework Agreement

At technical discussions on December 18, 2020, the United States discussed with Paraguay certain opportunities for the countries to continue cooperation on issues of common interest in the WTO and Codex Alimentarius Commission, including agricultural biotechnology and SPS issues. The United States and Paraguay also exchanged views on Paraguayan market access for agricultural products.

For further discussion on the United States–Paraguay Trade and Investment Framework Agreement, see Chapter I.D.1 The Americas.

United States–Peru Free Trade Agreement

The United States–Peru Free Trade Agreement (PTPA) entered into force in February 2009. More than two-thirds of current U.S. farm exports became duty-free immediately after the PTPA entered into force. Tariffs on most U.S. farm products will be phased out within 15 years, with all tariffs eliminated in 17 years. Issues impacting bilateral agricultural trade are addressed in the Agriculture and SPS Committees that were established under the PTPA, as well as in the PTPA Free Trade Commission, as needed. The SPS Committee met in September 2020. Among other issues affecting agricultural trade, the United States continued to raise concerns with Peru’s longstanding moratorium on the use of biotechnology for cultivation in Peru and offered technical assistance to develop a science-based regulatory framework for biotechnology as the moratorium nears its conclusion in 2021.

For further discussion on the United States–Peru Free Trade Agreement, see Chapter I.C.13 Peru.

United States–Pakistan Trade and Investment Framework Agreement

At the United States–Pakistan Trade and Investment Framework Agreement intercessional meetings on June 11 and December 8, 2020, the United States raised issues related to market access for several U.S.

agricultural products including soybeans, pulses, and beef, along with issues related to Halal labeling and agricultural biotechnology.

For further discussion on the United States–Pakistan Trade and Investment Framework Agreement, see Chapter I.D.7 South and Central Asia.

United States–Bangladesh Trade and Investment Council Framework Agreement

At the United States–Bangladesh Trade and Investment Council Framework Agreement meeting on March 5, 2020 and the subsequent intersessional meeting on August 25, 2020, the United States raised concerns with Bangladesh’s fumigation requirement for imports of U.S. cotton and on-going judicial proceedings related to the use of glyphosate in Bangladesh.

For further discussion on the United States–Bangladesh Trade and Investment Council Framework Agreement, see Chapter I.D.7 South and Central Asia.

United States–Nepal Trade and Investment Framework Agreement

Following an intersessional meeting in November, on December 15, 2020, the United States–Nepal Council on Trade and Investment met. At the meeting, the United States raised issues related to access for U.S. meat and poultry products, quality standards for fruit juices, and Nepal’s import bans on certain products, including agricultural products.

For further discussion on the United States–Nepal Trade and Investment Framework Agreement, see Chapter I.D.7 South and Central Asia.

3. Agriculture in the World Trade Organization

For a discussion on the Committee on Agriculture and Committee on the Application of Sanitary and Phytosanitary Measures, see Chapter IV.E Council for Trade in Goods; for a discussion on the, Committee on Agriculture, Special Session, see Chapter IV.B Negotiating Groups.

4. Enforcing Trade Agreements for American Agriculture

Enforcement and monitoring cover a broad expanse of activities in support of American agriculture. Every day the U.S. Government works to monitor other countries’ compliance with trade obligations. In addition to participating in dispute settlement, either at the WTO or through available mechanisms under relevant trade agreements, the U.S. Government works to resolve specific trade concerns, reviews and comments on proposed regulations that could unnecessarily impede trade, and advocates for elimination of unwarranted barriers.

In 2020, meaningful progress was made on a number of WTO disputes brought by the United States. Pending disputes involving agricultural products include:

- *Canada - Measures Governing the Sale of Wine in Grocery Stores (DS531);*
- *China - Domestic Support for Agricultural Producers (DS511);*
- *China - Tariff Rate Quotas for Certain Agricultural Products (DS517);*
- *European Union - Measures Concerning Meat and Meat Products (Hormones) (DS26, DS48);*
- *European Union - Measures Affecting the Approval and Marketing of Biotechnology Products (DS291);*

- *India - Measures Concerning the Importation of Certain Agricultural Products from the United States* (DS430); and
- *Indonesia - Import Restrictions on Horticultural Products, Animals, and Animal Products* (DS455, DS465, and DS478).

USMCA: Canada – Allocation of Dairy Tariff-Rate Quotas

On December 9, 2020, the United States requested USMCA Chapter 31 consultations with Canada regarding Canada’s administration of its dairy TRQs. On December 21, 2020, Canada and the United States held consultations via videoconference.

For further discussion on USMCA consultations, see II.D WTO and FTA Dispute Settlement.

B. Digital Trade

The Internet and other digital technologies play a crucial role in strengthening and supporting firms in every sector of the U.S. economy. In 2020, USTR advanced U.S. digital trade interests across a range of fora and worked to combat a rising tide of barriers to digital trade around the world. USTR highlighted some of those barriers in a [Digital Trade Fact Sheet](#), which was released concurrently with the release of the annual National Trade Estimate Report in March 2020.

At the World Trade Organization (WTO), the United States has participated actively in the Joint Statement Initiative on Electronic Commerce (or “digital trade”). In January 2019, the United States and 75 other WTO Members issued a second Joint Statement on the margins of the World Economic Forum confirming their intent to commence negotiations and committing to seek a high-standard outcome with the participation of as many Members as possible. Throughout 2019 and 2020, the United States and other participating governments engaged in negotiations on the basis of Members’ proposals. By the end of 2020, this work resulted in the development of a consolidated text.

In December 2019, the United States joined a consensus in the WTO General Council to continue the longstanding Work Program on Electronic Commerce and to maintain a moratorium on duties on electronic transmissions. This decision will remain effective until the Twelfth Ministerial Conference, which had yet to be rescheduled as of December 31, 2020. The United States continued to work to develop support for making this moratorium permanent and binding under the WTO.

USTR raised digital trade issues in many bilateral engagements throughout 2020, including in consultations with free trade agreement partners and formal Trade and Investment Framework Agreement meetings. USTR took the opportunity, both in the WTO and through extensive bilateral engagement, to address numerous trade-restrictive aspects of proposed implementing decrees of cybersecurity laws in Vietnam and China and pressed Indonesia to implement amendments to a highly restrictive data localization law. USTR also continued to advocate for U.S. digital trade interests in international fora such as the G20 and the Organization for Economic Cooperation and Development.

C. Intellectual Property

During 2020, the United States used all possible sources of leverage to encourage other countries to open their markets to U.S. exports of goods and services and to provide adequate and effective protection and

enforcement of U.S. intellectual property (IP) rights.²⁰ Toward this end, the United States worked to ensure that U.S. owners of IP have a full and fair opportunity to use and profit from their IP around the globe.

To protect U.S. innovation and employment, the U.S. Government called to account foreign countries and exposed the laws, policies, and practices that fail to provide adequate and effective IP protection and enforcement for U.S. inventors, creators, brands, manufacturers, and service providers.²¹ Challenges included copyright piracy, which particularly threatens U.S. exports in media and other creative content. U.S. innovators, including pharmaceutical manufacturers, face unbalanced patent systems and other unfair market access barriers. Counterfeit products undermine U.S. trademark rights and can also pose serious threats to consumer health and safety. According to the Organization for Economic Cooperation and Development (OECD), data on customs seizures indicates that the country whose goods are most counterfeited and pirated is the United States (almost 24 percent of total seizures around the world are of pirated and counterfeit goods whose right holders originate in the United States). Inappropriate protection of geographical indications (GIs), including the lack of transparency and due process in some systems, limits the scope of trademarks and other IP rights held by U.S. producers and imposes barriers on market access for U.S.-made goods and services that rely on the use of common names, such as “feta” cheese. In addition, the theft of trade secrets, often among a company’s core business assets and key to a company’s competitiveness, hurts U.S. businesses, including small and medium-sized businesses (SMEs). The reach of trade secret theft into critical commercial and defense technologies poses threats to U.S. national security interests as well.

The United States deployed a wide range of bilateral and multilateral trade tools to promote strong IP laws and effective enforcement worldwide, reflecting the importance of IP and innovation to the future growth of the U.S. economy. The United States sought strong protection and enforcement for IP rights during the negotiation, implementation, and monitoring of IP provisions of trade agreements. The United States also pressed trading partners on innovation and IP issues through bilateral engagement and other means, including with: Argentina, Australia, Brazil, Canada, Chile, China, Colombia, Costa Rica, Ecuador, Egypt, India, Indonesia, Mexico, Moldova, Pakistan, Paraguay, the Philippines, Romania, Saudi Arabia, South Africa, Thailand, Ukraine, Uzbekistan, the United Arab Emirates, and Vietnam. The United States also engaged bilaterally and regionally with other countries through the annual “Special 301” review and Notorious Markets report. (*For further information, see Chapter II.E.4 Special 301.*)

To elaborate on endemic concerns in just one of these countries, China is home to widespread infringing activity, including trade secret theft, rampant online piracy and counterfeiting, and high-volume manufacturing and export of pirated and counterfeit goods to markets around the globe. Combined, shipments and goods coming from or through China and Hong Kong in Fiscal Year 2019 accounted for the overwhelming majority (92 percent) of all U.S. Customs and Border Protection (CBP) border seizures of IP rights infringing merchandise. Structural impediments to civil and criminal IP rights enforcement are also problematic, as are obstacles to protecting trademarks and impediments to pharmaceutical innovation. China also has engaged in practices that require or pressure technology transfer from U.S. firms. Over the course of 2020, the United States’ engagement of China began to demonstrate key progress with the signing of the United States–China Economic and Trade Agreement in January 2020. The Office of the U.S. Trade Representative (USTR) will vigilantly monitor China’s progress in eliminating its unfair trade practices and implementing these obligations. (*For further information, see Chapter I.B.1 United States–China Economic and Trade Agreement.*)

²⁰ Intellectual property rights include copyrights, patents, industrial designs, trademarks, and trade secrets.

²¹ In 2014 (latest data available), IP-intensive industries directly or indirectly accounted for 45.5 million jobs in the United States, nearly one third of all U.S. employment.

Finally, USTR leads multilateral engagement on IP issues in the World Trade Organization (WTO) through the Council for Trade-Related Aspects of Intellectual Property Rights (TRIPS Council). The TRIPS Council has been considering a proposal by India and South Africa to waive the implementation, application, and enforcement of commitments on patents, copyright, industrial designs, and undisclosed information (including trade secrets) under the WTO TRIPS Agreement in relation to prevention, containment, or treatment of the COVID-19 pandemic. The U.S. Government and a number of other countries maintain common positions on the subject of GIs. These positions aim to help ensure that overseas markets remain open to a wide array of U.S. agricultural exports. Furthermore, the United States led a group of like-minded Members in discussing the positive role of IP in promoting innovation at the 2020 WTO TRIPS Council, under the theme: Making MSME's Competitive. (*For further information, see Chapter IV.B.5 Council for Trade-Related Aspects of Intellectual Property Rights, Special Session.*)

Special 301

For a discussion on Special 301, see Chapter II.E.4 Special 301.

D. Manufacturing and Trade

Manufacturing Is a Key Driver of the U.S. Economy and U.S. Exports

Manufacturing is a vital sector of the overall U.S. economy, with a gross domestic product (GDP) of \$2.4 trillion in 2020, comprising 11 percent of U.S. GDP. If the U.S. manufacturing sector were a country, it would be the seventh largest country in the world (excluding the United States). The manufacturing sector employment was down 582,000 (from December 2019 to December 2020), and the unemployment rate for manufacturing workers in 2020 ranged between 13.2 percent in April to 4.3 percent in December. Average hourly earnings of manufacturing employees were \$28.77 in 2020, up from \$27.70 in 2019.

Manufacturing is a key driver of U.S. exports. U.S. manufacturing exports totaled \$1.2 trillion in 2020, and accounted for 82 percent of total U.S. goods exports to the world. The United States is the second largest country exporter of manufactured goods.

Pursuing Fair Trade

The U.S. Government has used a broad range of available trade policy tools to leverage more open markets and level the playing field for U.S. manufactured goods exports in countries around the globe. In 2020, The Office of the United States Trade Representative (USTR) advanced American manufactured goods trade interests through active engagement in an array of trade policy initiatives and activities. Key activities to expand U.S. manufactured goods exports included actions in each of the following issue areas.

United States–Mexico–Canada Agreement

The United States–Mexico–Canada Agreement (USMCA) entered into force on July 1, 2020, updating the provisions of the North American Free Trade Agreement (NAFTA) to reflect 21st century standards and rebalance the benefits of the deal. The USMCA maintains the NAFTA duty-free treatment for originating industrial goods; expands market access opportunities for U.S. manufactured goods; and strengthens disciplines to address non-tariff barriers that constrain U.S. exports to Canada and Mexico. The USMCA also modifies the rules of origin, as necessary, to ensure that the benefits of the agreement go to products genuinely made in the United States and elsewhere in North America, and to incentivize production in North America as well as specifically in the United States. In addition, the Parties to the USMCA seek to achieve greater regulatory compatibility in key manufactured goods sectors, including automobiles,

pharmaceuticals, medical devices, and chemicals to reduce burdens associated with differences in regulation between the Parties.

Bilateral Market Access Barriers

Over the course of 2020, USTR continued to address a broad range of manufactured goods market access barriers and non-tariff barriers through extensive engagement with our trade partners, including through formal trade and investment framework agreement meetings, free trade agreement and trade promotion agreement meetings, and various bilateral trade policy initiatives and activities. Among such activities in 2020 were efforts to address: India's barriers to U.S. manufactured goods exports, including medical devices and high-technology products; barriers to U.S. automobile exports in Southeast Asia; and barriers resulting from a range of China's industrial policies, such as "Made in China 2025," which is designed to create or accelerate artificially China's ability to become a manufacturing leader in several high technology, high value-added industries, including information technology, aviation, electric vehicles, and medical devices. USTR utilized the full range of U.S. trade tools to address China's strategic plans.

Excess Capacity in Key Industrial Sectors

Industrial policies in certain trading partners, particularly China, have led to growth in select industry sectors, including steel and aluminum, that is far out of line with market realities. These policies have adversely affected U.S. industry and workers as well as global trade. USTR continued to seek opportunities to work with like-minded trading partners to build international consensus on the challenges of excess capacity, including in fora such as the Global Forum on Steel Excess Capacity and the Organization for Economic Cooperation and Development Steel Committee. While actively participating in the work of these fora, USTR made clear to partners that the United States would not sit idly by while the effects of the excess capacity crisis imperil industries critical to our national security.

Strong Enforcement

Throughout all of these policy activities relating to manufacturing and trade, the U.S. Government aggressively stood up for American interests and protecting American economic security by taking tough enforcement action against countries that break the rules and applying the full range of tools, including WTO rules, negotiations, litigation, and other mechanisms under U.S. law. *(For further information, see Chapter II: Trade Enforcement Activities.)*

E. Small and Medium-Sized Business Initiative

The Office of the U.S. Trade Representative (USTR) has implemented a Small and Medium-Sized Business Initiative to increase export opportunities for U.S. small and medium-sized businesses (SMEs) and has expanded efforts to address the specific export challenges and priorities of SMEs and their workers in U.S. trade policy and enforcement activities. In 2020, USTR continued to engage with its interagency partners and with trading partners to develop and implement new and ongoing initiatives that support small business exports.

U.S. small businesses are key engines for our economic growth, jobs, and innovation. USTR focused on making trade work for the benefit of U.S. SMEs, helping them take advantage of new markets abroad, access and participate in global supply chains, and support jobs at home. USTR negotiated with foreign governments to open their markets and enforced existing U.S. trade agreements to ensure a level playing field for U.S. workers and businesses of all sizes. USTR worked to better integrate specific SME issues

and priorities into trade policy development, increased outreach to SMEs around the country, and expanded interagency collaboration and coordination.

USTR supported efforts to help more SMEs reach overseas markets by improving information availability, leveraging new technology applications, and empowering local export efforts. USTR worked closely with the U.S. Small Business Administration (SBA), the U.S. Departments of Agriculture and Commerce, and other agencies that help provide U.S. SMEs information, assistance, and counselling on specific export opportunities. In 2020, USTR undertook a range of actions in support of the SME Initiative.

Small and Medium-Sized Enterprise-Related Trade Policy Activities

Tariff barriers, burdensome customs procedures, discriminatory or arbitrary standards, lack of transparency relating to relevant regulations, and insufficient intellectual property (IP) rights protection in foreign markets present particular challenges for U.S. SMEs selling abroad. Under the SME Initiative, USTR's small business office, regional offices, and functional offices pursued initiatives and advanced efforts to address these issues.

U.S. trade agreements, as well as other trade dialogues and fora, provided a critical opportunity to address specific concerns of U.S. SMEs and facilitate their participation in export markets. For example:

- For the first time in a U.S. trade agreement, the United States included a dedicated chapter on SMEs in the United States–Mexico–Canada Agreement (USMCA), in recognition of the fundamental role of SMEs as engines of the North American economy. Mexico and Canada are the top two export destinations for U.S. SME goods. In 2018 (latest data available), 89,492 U.S. SMEs exported \$61.0 billion in goods to Canada, and 53,682 U.S. SMEs exported \$85.9 billion in goods to Mexico. The USMCA also contains key provisions supporting SMEs throughout the Agreement. The SME chapter promotes cooperation among the Parties to increase SME trade and investment opportunities. It establishes information-sharing tools that will help SMEs better understand the benefits of the trade agreement and provides other information useful for SMEs doing business in the region. The chapter also establishes a committee on SME issues comprised of government officials from each country. Furthermore, the chapter launches a new framework for an ongoing SME Dialogue, which is open to participation by SMEs, including those owned by diverse and under-represented groups. The Dialogue will enable participants to provide views and information to government officials on the implementation of the agreement to help ensure that SMEs continue to benefit. Other provisions throughout the USMCA benefitting SMEs include customs and trade facilitation provisions to cut red tape and reduce costs, and a new chapter on digital trade that contains the strongest provisions of any international agreement, including: (1) supporting Internet-enabled small businesses and electronic commerce exports; (2) protecting the intellectual property of innovators; (3) supporting cross border trade in services for small business; and, (4) supporting small businesses through good regulatory practices to promote transparency and accountability when developing and implementing regulations.
- Following the entry into force of the USMCA on July 1, 2020, the USMCA SME Committee convened to review the implementation of information sharing and SME cooperation provisions in the Agreement. As a result, the SME Committee developed an online webinar on taking advantage of advance customs rulings under the USMCA, with several hundred small businesses participating from the United States, Mexico, and Canada. The Committee also began preparing to launch a pilot network of small business development center (SBDC)/SME counselors among the United States, Mexico, and Canada to share best practices and help SME clients prepare for new trade opportunities under the USMCA. Pilot founding members from the U.S. SBDC network supported by SBA include SBDCs from Arizona, California, Idaho, Illinois, New Mexico, North Dakota,

Oregon, Texas, Virginia, and Washington, including women, minority, and Native American business centers. USMCA information for SMEs may be found at the SBA [Trade Tools for International Sales](#) and the [International Trade Administration](#) websites.

- Following the launch of United States–United Kingdom trade negotiations in May 2020, the SME chapter discussions built upon the groundwork of the U.S.–UK Trade and Investment Working Group and the U.S.–UK SME Dialogues since 2018, which brought together hundreds of U.S. and UK SME stakeholders to discuss opportunities and challenges in U.S.–UK trade. As a result of the SME Dialogues, the U.S. and UK Governments jointly released the guide [Doing Business in the U.S. and UK: Resources for Small Business](#) as a key resource for SMEs seeking to benefit from U.S.–UK trade. The United States and UK also released IP toolkits for SMEs and electronic commerce resource guides.
- The United States and European Union (EU) continued their exchanges on SME objectives. The United States had hosted the 10th U.S.–EU SME Workshop in Little Rock, Arkansas in 2019, focusing on rural economic development and transatlantic supply chains.
- Following the publication of U.S. negotiating objectives for the United States–Japan negotiations, including SME objectives, USTR worked with SBA’s Office of Advocacy in 2020 on an analysis of the impact of a comprehensive trade agreement on SMEs in agriculture, manufacturing and services, as required by the Trade Facilitation and Trade Enforcement Act of 2015.
- In the Asia-Pacific Economic Cooperation (APEC) forum, APEC economies continued to advance initiatives to facilitate SME access to global markets, including in the digital economy, by enhancing policy makers’ understanding of the impact on SMEs of forced localization requirements and blocking cross-border data flows. The United States, through the APEC Alliance for Supply Chain Connectivity and other mechanisms, continued capacity building activities closely linked to the World Trade Organization (WTO) Trade Facilitation Agreement. These activities included assistance for economies to further simplify customs procedures and document requirements that will benefit SMEs that often lack the resources necessary to navigate overly complex requirements to deliver their goods to overseas markets in the region. Economies also continued to update the [APEC Trade Repository](#) to help SMEs seeking information on tariff rates, customs procedures, and other information for doing business in the APEC region.
- In parallel with the United States–Kenya Trade and Investment Working Group in Washington D.C. in February 2020, USTR, the Department of Commerce, and SBA convened a U.S.–Kenya SME Roundtable at USTR with Cabinet-level participation and over 90 U.S. and Kenya SME stakeholders, highlighting the importance of high standard trade policy provisions benefitting SMEs and opportunities for U.S.–Kenya SME commercial cooperation. USTR and SBA organized a site visit for the Kenya delegation to the Howard University School of Business SBDC to hear from U.S. SBDCs regarding best practices in export training for SME counselors. With the launch of United States–Kenya Free Trade Agreement (FTA) negotiations in July 2020, USTR staff led an interagency team to participate in two rounds of negotiations to lay the groundwork for SME chapter discussions and organized with SBA a U.S.–Kenya SME technical exchange to discuss best practices for SMEs in recovering economically from the COVID-19 pandemic. USTR worked with the USAID Mission in Nairobi to develop USAID’s pilot program with the Government of Kenya to explore establishing SBDCs with Kenyan universities based on the U.S. SBDC model. Additionally, USTR and SBA worked with America’s SBDC (ASBDC), an association of Small Business Development Centers, to encourage Kenya’s participation in the ASBDC annual meeting.

- In the WTO context, USTR explored the development of further work with other Members on issues of interest to SME stakeholders, such as electronic commerce, transparency of regulatory processes, and implementation of trade facilitation measures.
- In the G20 context, the G20 Trade and Investment Working Group endorsed non-binding and voluntary policy guidelines to boost Micro, Small and Medium-Sized Enterprises' competitiveness.
- In the recently negotiated United States–Ecuador Protocol on Trade Rules and Transparency, the United States negotiated an Annex on SMEs. The Annex fosters cooperation to increase trade and investment opportunities for SMEs, provides online information useful for SMEs doing business and trading between the United States and Ecuador, and creates a periodic SME dialogue to engage SMEs, including those owned by diverse and underrepresented groups, private sector, non-government organizations, and academic experts.
- Under the United States–Paraguay Trade and Investment Framework Agreement, experts from the United States and Paraguay discussed best practices for SME competitiveness. Paraguay explored the establishment of SBDCs based on the U.S. model and considered linkages to the Small Business Network of the Americas.

USTR Interagency Small and Medium-Sized Enterprise Activities

USTR participated in the Trade Promotion Coordinating Committee's (TPCC) Small Business Working Group, collaborating with agencies such as the U.S. Departments of Agriculture, Commerce, and State, SBA, and the U.S. Export-Import Bank to promote small business exports. The TPCC Small Business Working Group connects SMEs to trade information and resources to help them begin or expand their exports and take advantage of existing trade agreements. USTR participated in the TPCC Small Business Working Group's Digital Client Engagement (DCE) Task Force to improve interagency collaboration on digital outreach and engage potential small business exporters with online tools. USTR also participated in the Interagency Working Group convened by SBA's Office of Advocacy under the Trade Facilitation and Trade Enforcement Act of 2015 to conduct outreach to SMEs in manufacturing, services, and agriculture and to prepare a report to Congress on the priorities, opportunities, and challenges for SME exports in the prospective FTA partner markets for agreements previously notified to Congress.

Small and Medium-Sized Enterprise Outreach and Consultations

In 2020, USTR participated in engagements around the country to hear from local stakeholders about the trade opportunities and challenges they face.

USTR staff regularly consulted with the Industry Trade Advisory Committee for Small and Minority Business (ITAC 9) to seek its advice and input on U.S. trade policy negotiations and initiatives, and met frequently with individual SMEs and associations representing SME members on specific issues. USTR staff spoke at several SME events in 2020 regarding the U.S. trade agenda, including: (1) the annual America's Small Business Development Center Conference, which took place virtually for the first time; (2) the National Association of Small Business International Trade Educators Exporter Summit; (3) the National Association of District Export Councils Trade Policy Committee meetings; (4) the Wichita Kansas Rotary meeting; (5) the Ohio State University Fisher College of Business; and, (6) other events aimed at apprising SMEs of the U.S. trade agenda and encouraging them to begin or expand their exports.

F. Trade and the Environment

The United States has continued to prioritize monitoring and enforcement of environmental obligations under existing free trade agreements (FTAs), as well as negotiating new commitments by trading partners in bilateral and multilateral fora. In particular, USTR was active in monitoring and enforcing the United States–Peru Trade Promotion Agreement (PTPA) and its landmark Forest Annex. In October 2020, the United States took action to continue to block timber from a Peruvian exporter based on illegally harvested timber found in its supply chain. Throughout 2020, the United States also continued to monitor Korea’s steady progress implementing the amendments to Korea’s Distant Water Fisheries Development Act, which passed in November 2019 following the first ever environment consultations under the United States–Korea Free Trade Agreement (KORUS). As a result, Korea has continued to strengthen its regime to combat and punish illegal, unreported, and unregulated (IUU) fishing. The United States also held meetings of the environment committees established under our trade agreements to monitor and enforce the Environment Chapter obligations, including with officials from Central American countries and the Dominican Republic, Panama, and Peru, and held discussions with other FTA partners such as Chile and Israel on pressing environmental issues. On July 1, 2020, the United States–Mexico–Canada Agreement (USMCA) entered into force. In the USMCA, the United States, Canada, and Mexico agreed to the strongest and most comprehensive set of environmental commitments of any U.S. free trade agreement.

The United States also continued to work with trading partners under Trade and Investment Framework Agreements (TIFAs) on a range of trade-related environmental issues such as wildlife trafficking and IUU fishing, in particular with Bangladesh, Ecuador, Malaysia, and Uruguay.

At the World Trade Organization (WTO), the United States continued its leadership role in advancing the negotiations on a new multilateral agreement to prohibit harmful fisheries subsidies by introducing multiple new and revised proposals, including proposals to prohibit subsidies for fishing on the high seas and for fishing vessels not flying the flag of the subsidizing country.

1. Free Trade Agreements and Bilateral Activities

Free Trade Agreements

USTR secured concrete achievements supporting U.S. trade and environment objectives during 2020. USTR continued to engage with the TPSC Subcommittee on FTA Environment Chapter Monitoring and Implementation to monitor actions taken by U.S. FTA partners, in accordance with the Subcommittee’s plan for monitoring implementation of FTA environment chapter obligations. The monitoring plan forms part of the U.S. Government’s ongoing efforts to ensure that U.S. trading partners comply with their FTA environmental obligations and to monitor progress achieved.

For further discussion on free trade agreements, see Chapter I.C Free Trade Agreements in Force.

United States–Mexico–Canada Agreement

The USMCA modernizes the existing framework under the former North American Agreement on Environmental Cooperation (NAAEC) by bringing environmental obligations into the core of Chapter 24 of the USMCA, rather than in a side agreement, and by making the obligations fully enforceable under the USMCA’s dispute resolution provisions. Importantly, a breach of an environmental obligation is now presumed to affect trade and investment. The USMCA Environment Chapter includes the most comprehensive set of enforceable environmental obligations of any previous U.S. free trade agreement. The USMCA includes commitments to implement key multilateral environmental agreements, such as the

Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) and the Montreal Protocol on Ozone Depleting Substances. The USMCA also addresses key environmental challenges such as IUU fishing and harmful fisheries subsidies. USMCA commits the three Parties to take actions to combat and cooperate to prevent trafficking in timber and fish and other wildlife. For the first time in a U.S. free trade agreement, the USMCA addresses other pressing environmental issues such as air quality and marine litter.

In parallel with the USMCA Environment Chapter, a new Agreement on Environmental Cooperation (ECA) among the United States, Mexico, and Canada entered into force on the same day that the USMCA entered into force, July 1, 2020. The ECA updates and supersedes the NAAEC, modernizing and enhancing the effectiveness of environmental cooperation between the Parties, and supporting the implementation of USMCA environment chapter commitments. The ECA retains the Commission for Environmental Cooperation (CEC), which was originally established under the former NAAEC. Areas of cooperation under the ECA include efforts to reduce pollution, strengthen environmental governance, conserve biological diversity, and sustainably manage natural resources. Articles 24.27 and 24.28 of the USMCA and Article 5(5) of the ECA also maintain the process for Submissions on Enforcement Matters (SEMs), which allows a citizen or group of any USMCA or ECA Party to file a submission to the CEC Secretariat asserting that a Party is failing to effectively enforce its environmental laws.

Title VIII (Environment Monitoring and Enforcement) of the United States–Mexico–Canada Agreement Implementation Act (H.R. 5430 / P.L. 116-113) (USMCA Implementation Act) provides additional environmental monitoring and enforcement tools to enforce USMCA environmental obligations under U.S. law. Section 811 of the USMCA Implementation Act provides for the establishment of the Interagency Environment Committee for Monitoring and Enforcement (IECME), and an Executive Order established the IECME on February 29, 2020. In addition to USTR’s independent authority to take enforcement action under the USMCA, the IECME, chaired by USTR, is mandated to: (1) coordinate U.S. efforts to monitor and enforce USMCA environmental obligations generally; and (2) with respect to Mexico and Canada, (a) carry out an assessment of their environmental laws and policies; (b) carry out monitoring actions with respect to the implementation and maintenance of their environmental obligations; and, (c) request enforcement actions provided under section 814 of the USMCA Implementation act with respect to USMCA countries that are not in compliance with their environmental obligations.

In May 2020, pursuant to its mandate under section 812 of the USMCA Implementation Act, the IECME assessed Mexico’s and Canada’s environmental laws and policies, and submitted an environmental assessment report to the appropriate congressional committees and the Trade and Environment Policy Advisory Committee. Throughout 2020, the IECME met regularly to discuss the issues related to monitoring and enforcement of Canada’s and Mexico’s USMCA environmental obligations.

The USMCA received strong bipartisan support in the U.S. Congress, and the USMCA Implementation Act includes over \$400 million in new resources for U.S. Government agencies to support cooperation and enhanced monitoring and enforcement of USMCA environment provisions. The USMCA Implementation Act allocates \$60 million over four years for USTR to support monitoring and enforcing USMCA environment obligations. These resources supported hiring three new employees in USTR’s Office of Environment and Natural Resources, and establishing three new environment attaché positions for posting in the U.S. Embassy in Mexico City, Mexico to liaise directly with government, industry, and civil society counterparts to further assist with monitoring and enforcement of environment obligations. In addition, the Office of the U.S. Trade Representative selected a Senior U.S. Trade Representative to Mexico, a new position intended to support the coordination of USMCA labor and environmental issues in Mexico, as well as other USMCA implementation matters. Throughout 2020, USTR worked together with other IECME member agencies to develop and implement projects that will be funded using the USMCA supplemental appropriations. This work will continue in 2021.

For further discussion on the United States–Mexico–Canada Agreement, see Chapter I.C.9 Mexico and Canada (USMCA).

Dominican Republic–Central America–United States Free Trade Agreement

The Parties to CAFTA–DR continued efforts to strengthen environmental protection and implement the commitments of the CAFTA–DR Environment Chapter. In 2020, CAFTA–DR trade and environment officials met virtually four times to continue to advance the work of monitoring and implementation of the Environment Chapter obligations. These officials received presentations on implementation of cooperation programs and projects, and reviewed outcomes. The officials also received an update from the Organization for American States (OAS) on the report of monitoring of environmental cooperation activities. The Environmental Affairs Council (EAC) established under the CAFTA–DR planned to meet in November 2020, but this session was delayed due to the COVID-19 pandemic.

Officials also received an update from the Secretariat for Environmental Matters (Secretariat), which has received 44 submissions from the public regarding effective enforcement of environmental laws since its establishment in 2007. That Secretariat reported on the active submissions and updated the EAC on the factual record related to the animal welfare at a zoo in the Dominican Republic. In 2020, the Secretariat received one new submission from the public alleging a CAFTA–DR Party’s failure to effectively enforce its environmental laws, which is being reviewed by the Secretariat. The Secretariat also conducted outreach through virtual workshops to inform the public about this monitoring mechanism, reaching hundreds of people, including through legal clinics to promote participation in the Secretariat submissions mechanism, resulting in the first submission from clinic participants.

The United States continued to provide capacity-building support to its CAFTA–DR partners. In 2020, the U.S. Government implemented trade-related environmental cooperation programs to strengthen CAFTA–DR countries’ implementation of the FTA environment obligations, such as enforcement of environmental laws, regulations, and policies in critical areas, including combating the illegal trade of wild flora and fauna, air quality, solid waste management, and public participation. Many program activities were adapted to a virtual format due to the COVID-19 pandemic. The U.S. Government also carried out virtual study tours for CAFTA–DR stakeholders to train participants on a range of issues, including CITES electronic permitting systems.

For further discussion on the Dominican Republic–Central America–United States Free Trade Agreement, see Chapter I.C.3 Central America and the Dominican Republic (CAFTA–DR).

United States–Colombia Trade Promotion Agreement

The United States continued to work closely with Colombia to monitor implementation of the United States–Colombia Trade Promotion Agreement (CTPA) Environment Chapter and oversee the operation of the independent Secretariat for Environmental Enforcement Matters (Secretariat). The Secretariat is located in Bogotá, Colombia and receives and considers submissions from the public on matters regarding enforcement of environmental laws pursuant to the CTPA. In 2020, the United States and Colombia worked with the Secretariat Executive Director to develop outreach materials to support the Secretariat in its work. The Executive Director conducted virtual and in-person outreach to the public in Colombia to promote awareness of the Secretariat and the public submission mechanism in the CTPA. The United States and Colombia negotiated a Council Decision to govern hiring and management of Secretariat personnel and operations, along with a preliminary update to the work program under the United States–Colombia Environmental Cooperation Agreement to support Colombia’s implementation of its environmental

obligations under the CTPA, including programs aimed at improving enforcement of environmental laws and combatting illegal logging and illegal mining.

For further discussion on the United States–Colombia Trade Promotion Agreement, see Chapter I.C.5 Colombia.

United States–Panama Trade Promotion Agreement

The United States and Panama continued efforts to strengthen environmental protection and monitor implementation of the Trade Promotion Agreement Environment Chapter, including through the Secretariat for Environmental Enforcement Matters (Secretariat). The Secretariat promotes public participation in the identification and resolution of environmental enforcement issues by receiving and considering submissions from the public on matters regarding enforcement of environmental laws. In 2020, the Secretariat received one submission, alleging that Panama had failed to comply with its environmental laws related to the evaluation and determination of environmental impact during the development and approval of two wind farm projects in the Province of Coclé. The Secretariat determined that the submission did not meet all the criteria necessary to be considered.

In support of the United States–Panama Environmental Cooperation Commission Work Program for 2018 through 2022, the United States provided capacity-building assistance through virtual engagement to Panama to help it to implement environmental obligations under the Panama Trade Promotion Agreement, including by supporting efforts to combat wildlife trafficking, strengthen CITES implementation, combat illegal logging, and improve forest management.

For further discussion on the United States–Panama Trade Promotion Agreement, see Chapter I.C.12 Panama.

United States–Peru Trade Promotion Agreement

The United States continued to prioritize monitoring and enforcement of the United States–Peru Trade Promotion Agreement (PTPA) and its landmark Forest Annex, including by convening meetings of the Interagency Committee on Trade in Timber Products from Peru (Timber Committee) to discuss and monitor developments in Peru to combat illegal logging.

In October 2020, the United States took action to continue to block timber from Inversiones La Oroza SRL (Oroza), a Peruvian exporter, based on illegally harvested timber found in its supply chain. In 2016, the Timber Committee had requested that Peru verify that a specific timber shipment from Oroza complied with all applicable Peruvian laws and regulations. The verification process conducted by Peru revealed that significant portions of the shipment were not compliant with applicable laws, regulations, and other measures on harvest and trade in timber products. As a result of the verification process, in October 2017, the United States took unprecedented action to deny entry of timber products produced or exported by Oroza. The denial of entry order was scheduled to lapse in October 2020. However, as of that date, Peru had not demonstrated to the satisfaction of the Timber Committee that Oroza is complying with the laws and regulations governing harvest of and trade in timber products. Accordingly, the Timber Committee directed U.S. Customs and Border Protection to deny entry to timber products originating from Peru that were produced or exported by Oroza for whichever period is shorter: an additional three years or until Peru has completed that examination that demonstrates that Oroza has complied with applicable laws and regulations.

USTR and other U.S. Government agencies will continue to engage closely with Peru to combat illegal logging and work toward improving forest sector governance. USTR and the Timber Committee will continue to monitor Peru's implementation of the commitments in the Environment Chapter of the PTPA.

In addition, the United States and Peru held regular bilateral discussions on the implementation of obligations under the PTPA's Environmental Chapter and Forest Annex, including discussions related to the Secretariat for Submissions on Environmental Enforcement Matters established in Article 18.8 of the PTPA. In April 2020, the United States and Peru undertook a process to select and designate a new Executive Director of the Secretariat. In October 2020, the United States and Peru completed the hiring process for the new Executive Director who will serve a term of two years.

On July 13, 2020, the Secretariat informed the Environmental Affairs Council that it considered a public submission alleging a failure to effectively enforce environmental laws to warrant the development of a factual record. On October 1, 2020, the United States instructed the Secretariat to prepare a factual record concerning the submission.

For further discussion on the United States–Peru Trade Promotion Agreement, see Chapter I.C.13 Peru.

United States–Korea Free Trade Agreement

The United States and Korea continued efforts to monitor and enforce implementation of the KORUS Environment Chapter. In April 2020, the two countries held a virtual meeting of the KORUS Joint Committee to review implementation of the Agreement and to address areas of concern. The United States welcomed recent progress in certain areas, including Korea's new measures against illegal fishing. The United States continued to receive updates throughout 2020 on Korea's steady progress implementing the amendments to the Distant Water Fisheries Development Act in an effort to strengthen its regime to deter and penalize IUU fishing.

For further discussion on the United States–Korea Free Trade Agreement, see Chapter I.C.8 Korea (KORUS).

Trade Agreement Negotiations with Kenya and the United Kingdom

The United States launched trade agreement negotiations with Kenya and the United Kingdom (UK), respectively, in 2020. The United States aimed in these negotiations to achieve ambitious, fully enforceable environment chapters that safeguard terrestrial and marine environments from environmental challenges and threats, and that simultaneously facilitate free and fair trade in environmental goods and services. In furtherance of that objective, the United States engaged in multiple rounds of discussions and negotiations with Kenyan and UK counterparts, respectively, in particular focused on the importance of including enforceable environment obligations building on the high standard of provisions in USMCA.

For further discussion on the United States–United Kingdom and United States–Kenya Trade Agreement negotiations, see Chapter I.A.3. and I.A.4, Agreements Notified for Negotiation, respectively.

United States–Ecuador Trade and Investment Council

In November 2020, USTR held the third meeting of the United States-Ecuador Trade and Investment Council. With respect to trade and environment issues, the United States and Ecuador focused on the importance of countering IUU fishing, promoting sustainable fisheries management, and cooperating to

achieve a meaningful outcome of the WTO fisheries subsidies negotiations. The United States and Ecuador committed to advancing technical-level discussions on a full range of environment and trade issues in 2021.

Vietnam’s Import and Use of Illegal Timber

In October 2020, USTR initiated an investigation, pursuant to section 302(b)(1)(A) of the Trade Act of 1974, of Vietnam’s acts, policies, and practices related to the import and use of timber that is illegally harvested or traded.

For further discussion on the investigation, see Chapter II.B Section 301.

2. Regional Engagement and Multilateral Fora

Regional Engagement

In the Asia–Pacific Economic Cooperation (APEC) forum, the United States continued to work with other Asia-Pacific economies through the Experts Group on Illegal Logging and Associated Trade to improve the capacity of APEC economies to combat illegal logging and associated trade and promote the trade in legally harvested forest products within the APEC region. In addition, the APEC economies agreed to and began to implement the U.S.-proposed Recyclable Materials Policy Program, which aims to develop the capacity of APEC economies to identify and frame domestic policies that promote waste management and recycling infrastructure.

WTO and Other Multilateral Engagement

The United States has continued to explore and advance fresh and innovative approaches to all aspects of the WTO’s trade and environment work.

In particular, the United States continued its leadership role in advancing the WTO fisheries subsidies negotiations, including by tabling strong and innovative new proposals to prohibit some of the most harmful subsidies that go to industrial fishing fleets. The United States will continue to constructively advance the work to reach a new meaningful and effective WTO agreement to discipline harmful fisheries subsidies.

Additionally, the United States continued to advocate for a trade facilitative approach to sustainable materials management and resource efficiency both through discussions in the Organization for Economic Cooperation and Development (OECD) and during meetings of the WTO Committee on Trade and Environment. Through this engagement, the United States pressed for a circular economy model that improves recycling and reuse infrastructure capacity as well as promotes trade in recoverable and recyclable commodities, rather than pursuit of import restrictions or other regulatory measures that prohibit the flow of trade in commodity-grade scrap materials. (*For further information on the OECD and WTO Committee on Trade and Environment, see Chapter III.I Organization for Economic Cooperation and Development and Chapter IV.J.1 Committee on Trade and Environment, respectively.*)

In 2020, USTR participated in negotiations under the OECD to ensure that the Basel-adopted framework for trade in plastic waste and scrap did not further disrupt trade for OECD Members, a distinct set of countries with strong capacity for solid waste management and plastic recycling. USTR also participated in the implementation of a number of multilateral environmental agreements and multilateral initiatives to ensure consistency with international trade obligations, including CITES, the Strategic Approach to International Chemicals Management, and relevant regional fisheries management organizations. For example, in October 2020, USTR participated in the 39th meeting of the Commission for the Conservation

of Antarctic Marine Living Resources (CCAMLR), where discussions included review of Parties' compliance with conservation measures and monitoring implementation of the *Dissostichus* Catch Documentation Scheme. This scheme is a tool for tracking toothfish from the point of landing through the trade cycle and used to determine if toothfish was caught in a manner consistent with CCAMLR conservation measures as well as prevent illegally caught toothfish from entering the market.

G. Trade and Labor

The United States promoted respect for labor rights as part of engagement with trade partners in 2020 through the formal mechanisms of trade agreements and trade preference programs, as well as through country-specific initiatives, capacity building, and technical assistance. Throughout the year, labor issues were an aspect of trade and investment negotiations and dialogue with African, Asia-Pacific, South and Central Asian, Latin American, and European countries, including through trade agreement mechanisms, trade and investment framework agreements (TIFAs), and multilateral fora, such as the International Labor Organization (ILO), the Asia-Pacific Economic Cooperation (APEC), Association of Southeast Asian Nations (ASEAN), and the Organization for Economic Cooperation and Development (OECD).

The United States has used available trade policy tools to hold trading partners accountable for protecting labor rights, including by working closely with the Government of Mexico regarding extensive legislative and regulatory reform initiatives to improve respect for labor rights. Labor reform commitments by Mexico were a key aspect of building broad support for the United States–Mexico–Canada Agreement (USMCA) (*for further information, see Chapter I.C.9 Mexico and Canada*). Under trade preference programs, the Office of the U.S. Trade Representative (USTR) suspended one-third of Thailand's Generalized System of Preferences (GSP) benefits as of April 25, 2020 based on its failure to provide internationally recognized worker rights. The United States self-initiated GSP eligibility reviews for Eritrea and Zimbabwe based on worker rights concerns and closed reviews of Uzbekistan and Georgia based on improvements in the protection of worker rights in those countries.

The U.S. Government also has supported the Trade Adjustment Assistance (TAA) program, which assists American workers adversely affected by global competition and helps to ensure that they are given the best opportunity to acquire skills and credentials to get good jobs, as an essential component of trade policy.

For further discussion on Trade Adjustment Assistance, see Chapter III.G.3 Trade Adjustment Assistance.

1. Free Trade Agreements and Bilateral Activities

Free Trade Agreements

Since 2007, U.S. trade agreements have included obligations to ensure the consistency of each party's labor laws with fundamental labor rights as stated in the 1998 ILO *Declaration on Fundamental Principles and Rights at Work*. These agreements include obligations not to fail to effectively enforce each party's labor laws and not to waive or derogate from those laws in a manner affecting trade or investment.

The agreements also provide for the receipt and consideration of submissions from the public on matters related to the labor chapters, which can be submitted through the U.S. Department of Labor's (DOL) Bureau of International Labor Affairs (ILAB). For additional information on public submissions and the process for filing, see the [ILAB website](#).

As part of the ongoing effort to monitor and implement existing U.S. trade agreements, the United States has worked with trading partners to advance respect for labor rights through technical cooperation and other

efforts, including in, Chile, Colombia, Jordan, Korea, Mexico, Morocco, Panama, Peru, and the Dominican Republic–Central America–United States Free Trade Agreement (CAFTA–DR) countries.

For further discussion on free trade agreements, see Chapter I.C Free Trade Agreements in Force.

Examples of U.S. Government engagement on labor issues under free trade agreements include:

- USTR officials met with Colombian Government officials and stakeholders to follow up on the labor commitments under the United States–Colombia Trade Promotion Agreement (CTPA). Discussions were held with respect to commitments by the Government of Colombia to improve labor law enforcement and protect the rights of freedom of association and collective bargaining for workers that are subcontracted or hired under temporary contracts. *(For further information, see Chapter I.C.5 Colombia.)*
- USTR officials met with Korean officials under the United States–Korea Free Trade Agreement (KORUS) to discuss Korea’s compliance with labor rights obligations. Those discussions centered on commitments to protect the rights of freedom of association and collective bargaining and, in particular, regulatory protection against criminal sanctions when engaging in protected, concerted activities. In addition, officials from the U.S. Government and Government of Korea considered how to work together to advance shared commitments on labor rights among trading partners. *(For further information, see Chapter I.C.8 Korea (KORUS).)*
- U.S. Government officials met virtually with Honduran officials to discuss the impact of the COVID-19 pandemic on the country and agreed to a nine-month extension of the timeframe for Honduras to fulfill its outstanding commitments on fine collection and freedom of association under the Monitoring and Action Plan, once the government lifts its public health emergency due to the COVID-19 pandemic. *(For further information, see Chapter I.C.3 Central America and the Dominican Republic (CAFTA–DR).)*
- U.S. Government officials continued to work closely with Jordanian officials during 2020 to monitor implementation of labor reforms planned under the auspices of the United States–Jordan Free Trade Agreement, particularly with respect to protections from anti-union animus, the finalization of new guidelines on sexual harassment and discrimination in the workplace, the health and safety of workplace dormitories, and technical cooperation on industrial relations. *(For further information, see Chapter I.C.7 Jordan.)*
- U.S. Government officials strengthened cooperative engagement with Chile in 2020, including utilizing the FTA labor cooperation mechanism to exchange information and best practices on labor matters. The U.S. Government held technical exchanges with Chilean officials on the implementation of FTA labor chapters, strategies to advance women in the workplace, and labor policy responses to the COVID-19 pandemic. *(For further information, see Chapter I.C.4 Chile.)*
- USTR continued to negotiate the United States–United Kingdom and United States–Kenya Free Trade Agreements. USTR worked to ensure strong and enforceable labor provisions would be included in both agreements. *(For further information, see Chapter I.A.3. and I.A.4, Agreements Notified for Negotiation.)*

United States–Mexico–Canada Agreement

As part of the implementation of the USMCA in 2020, USTR continued to work closely with Mexican trade and labor officials to ensure effective implementation of landmark constitutional and legislative reforms, which mandate the creation of new labor courts and overhaul Mexico’s system of labor justice administration. The Mexican Congress enacted the constitutional reforms in 2017, and it enacted a comprehensive legislative package to implement those reforms in 2019. The legislation included detailed provisions to address longstanding concerns regarding negotiation of collective bargaining agreements, as well as the voting process to decide union representation challenges. The USMCA Labor Chapter includes an Annex on Worker Representation in Collective Bargaining in Mexico to ensure that Mexico enacts and implements legislation that strengthens its labor standards, bolsters its system of labor justice administration, and provides for the effective recognition of collective bargaining rights.

The USMCA also includes an innovative Rapid Response Mechanism, a dispute settlement mechanism with Mexico to address protection of association and collective bargaining rights at the facility level. The mechanism provides for panelists to assess complaints about conditions at specific facilities, and, in cases of non-compliance with key labor obligations, provides for the suspension of USMCA tariff benefits or the imposition of other penalties, such as denial of entry of goods from businesses that are repeat offenders. In order to ensure adequate monitoring and enforcement resources for these labor obligations, The United States–Mexico–Canada Agreement Implementation Act (H.R. 5430 / P.L. 116-113) (USMCA Implementation Act) allocates \$30 million each over four years for USTR and DOL for enforcement, as well as for the posting of five labor attachés to the U.S. Embassy in Mexico City, Mexico. The first labor attaché arrived in Mexico in October 2020, and the second attaché arrived in December 2020.

The new resources also supported the creation and operation of an Interagency Labor Committee for Monitoring and Enforcement (the Committee) to coordinate monitoring and request enforcement of USMCA’s labor provisions, with a particular focus on Mexico’s historic labor reform process. The Committee, co-chaired by the U.S. Trade Representative and the Secretary of Labor, began operating in April 2020 and meets regularly to review labor rights issues in Mexico. Pursuant to the USMCA Implementation Act, the Committee prepares reports every 180 days to the Senate Finance Committee and the House Committee on Ways and Means. In addition, the USMCA Implementation Act allocated \$180 million to DOL for technical assistance programs to support reforms of the labor justice system in Mexico, including grants to support worker-focused capacity building, combat forced labor and child labor, and to reduce workplace discrimination in Mexico. USTR also participated in discussions between officials from the U.S. Department of Homeland Security (DHS) Immigration and Customs Enforcement, DHS Customs and Border Protection, and Mexican customs agencies on the provisions requiring USMCA countries to implement measures to prohibit trade in goods produced by forced labor. In 2020, the U.S. Government continued to monitor Mexico’s labor reform effort and the implementation of the 2019 legislative package, including issues related to budget resources for the reforms, to ensure that Mexico fulfills its USMCA commitments so that American workers and businesses fully benefit from the Agreement.

For further discussion on the United States–Mexico–Canada Agreement, see Chapter I.C.9 Mexico and Canada (USMCA).

Dominican Republic–Central America–United States Free Trade Agreement

In 2020, the United States continued to monitor and assess progress toward addressing the labor concerns in the Dominican Republic and Honduras outlined in public reports issued by DOL in [2013](#) and [2015](#), respectively in response to public submissions under the CAFTA–DR.

The United States continued to discuss the recommendations in the 2013 report regarding the Dominican Republic for improving labor inspections with the Government of the Dominican Republic, as well as with the sugar industry and civil society. Despite the COVID-19 pandemic, the Dominican Government made meaningful progress on the recommendations in 2020. The United States continued to work with the Dominican Republic on remaining shortcomings in the labor inspections process.

The United States and Honduras signed a labor Monitoring and Action Plan (MAP) in December 2015 that includes comprehensive commitments by Honduras to improve legal and regulatory systems that protect labor rights, intensify targeted enforcement efforts, and improve transparency. Honduras's ability to make significant progress on the MAP was hampered by the COVID-19 pandemic and the widespread destruction suffered after two hurricanes hit the country within two weeks. Nevertheless, the Honduran Government took additional steps to implement the MAP in 2020, and has committed to continue to tackle the ongoing problems related to fine collection and freedom of association in emblematic cases. The United States continued to work with Honduras on these matters.

For further discussion on the Dominican Republic–Central America–United States Free Trade Agreement, see Chapter I.C.3 Central America and the Dominican Republic (CAFTA–DR).

United States–Colombia Trade Promotion Agreement

In 2020, the United States worked closely with Colombia to follow up on DOL's 2017 report on a public submission under the Labor Chapter of the United States–Colombia Trade Promotion Agreement (CTPA) and to continue implementation of the Colombian Action Plan Related to Labor Rights (Action Plan), which focuses on improving protection of labor rights, preventing violence against trade unionists, and prosecuting perpetrators of such violence. The submission, filed in 2016, alleged that the Government of Colombia failed to effectively enforce its labor laws and to adopt and maintain laws that protect fundamental labor rights. Based on its review, DOL issued in January 2017 a public report, which recommended undertaking consultations between the contact points designated under the Labor Chapter to address concerns raised in the report, including with respect to labor inspections and improving labor law enforcement. DOL issued a review statement on the submission in January 2018 noting the steps the Colombian Government had taken to improve labor law enforcement and address areas of concern raised in both the submission report and the 2011 Action Plan. In 2020, the Colombian Ministry of Labor continued to expand the national coverage of an electronic case management system, which modernizes the national system for tracking labor complaints and the application and collection of fines; the Prosecutor General's Office (Fiscalía) increased the resolution rate in criminal cases of employers infringing on certain labor rights.

In November 2020, USTR and DOL held a sixth round of Contact Point Consultations under the Labor Chapter of the CTPA to discuss efforts to improve Colombia's labor law inspection system, improve the application and collection of fines, and combat abusive subcontracting and the misuse of collective pacts. DOL maintained a labor attaché at the U.S. Embassy in Bogotá to monitor labor issues and engage with Colombian officials and labor stakeholders. USTR and DOL will continue to engage closely with the Government of Colombia to ensure continued progress on labor rights issues.

For further discussion on the United States–Colombia Trade Promotion Agreement, see Chapter I.C.5 Colombia.

United States–Peru Trade Promotion Agreement

USTR and DOL continued to engage with the Government of Peru on concerns that were raised in a 2016 DOL report on a public submission under the United States–Peru Trade Promotion Agreement. DOL's 2016 report recommended that the Government of Peru take steps to address problems with temporary

contracts in special government export-promotion regimes (with tax and other benefits for exporters), primarily textiles and agriculture, where there were ongoing concerns that employers use these arrangements to undermine the free exercise of labor rights.

For further discussion on the United States–Peru Trade Promotion Agreement, see Chapter I.C.13 Peru.

Other Bilateral Engagement

The United States also engaged with several countries in 2020 on labor issues in the context of trade and investment framework (TIFA) meetings and other bilateral trade mechanisms. In November 2020, the United States hosted a Trade and Investment Council meeting with Ecuador in which the governments discussed potential child labor in the rose sector, labor law enforcement, Ecuador’s technical cooperation with the ILO related to freedom of association, and recent law reforms in Ecuador. The United States also highlighted the importance of ensuring that labor laws fully protect internationally recognized worker rights and that government agencies have the capacity to enforce domestic labor laws in TIFA meetings, or similar bilateral discussions, with Bangladesh, Cambodia, Iraq, Nepal, Pakistan, and Paraguay.

In 2020, USTR continued to engage with the Government of Vietnam on labor reform following its 2019 adoption of an amended Labor Code, which included provisions to allow for the formation of independent unions in the country for the first time. In October 2020, the Department of State and DOL raised these issues during the annual Human Rights Dialogue with Vietnam. Engagement included review and comments on Vietnam’s proposed regulatory framework and other labor reform proposals, as well as promotion of U.S. Government-funded technical assistance projects for Vietnam to address consistency with international labor standards within its system of industrial relations more broadly. For example, DOL is funding a \$5.1 million project to implement a New Industrial Relations Framework in Vietnam, which aims to support Vietnam’s Ministry of Labor, Invalids, and Social Affairs in reforming laws. U.S. Government engagement will continue as Vietnam drafts and issues implementing regulations.

In 2020, USTR continued engagement with Burma through the Initiative to Promote Fundamental Labor Rights and Practices in Myanmar (the Initiative). The Initiative, a multi-stakeholder effort launched by the Government of Burma and the United States in 2014, aims to improve the respect for and protection of labor rights in Burma, with development assistance and advice from interested governments, worker organizations, business interests, and civil society. In support of the Initiative, DOL and the Department of State continued to implement technical assistance programs aimed at assisting Burma’s labor reforms and efforts to establish productive industrial relations.

2. Preference Programs

U.S. trade preference programs, including the Generalized System of Preferences (GSP), African Growth and Opportunity Act (AGOA), and trade preferences for Haiti and Nepal, require beneficiaries to meet statutory eligibility criteria pertaining to internationally recognized worker rights and child labor. This section describes labor engagement under these programs as well as other bilateral trade mechanisms.

Generalized System of Preferences

During 2020, USTR continued to implement a new effort to ensure beneficiary countries are meeting the eligibility criteria of the GSP program, including the worker rights criterion. USTR, in consultation with the GSP Subcommittee of the Trade Policy Staff Committee, assessed countries in the Middle East and African regions during 2020. As a result of the assessments, USTR self-initiated eligibility reviews for Eritrea and Zimbabwe based on worker rights. The United States also continued engagement with

governments and stakeholders involved in ongoing GSP worker rights reviews, including Azerbaijan, Georgia, Kazakhstan, and Uzbekistan.

USTR closed worker rights reviews for Georgia and Uzbekistan in 2020 with no loss of eligibility. In Georgia, the government made significant progress to address worker rights concerns raised in a 2012 petition from the AFL-CIO. The parliament of Georgia passed legislation to improve occupational safety and health (OSH) protections and provide labor officials with authority to enforce the new OSH laws. The parliament also passed legislation granting labor officials the necessary authority to conduct inspections—including unannounced inspections—in all sectors of the economy and to enforce all of the internationally recognized worker rights. In Uzbekistan, the government made significant progress toward eliminating systemic forced adult and forced child labor during its annual cotton harvest, as alleged in a 2008 petition from the International Labor Rights Fund (ILRF). In addition to eliminating forced child labor in the cotton harvest, the government also criminalized adult forced labor, raised wages for cotton pickers, and abolished cotton production quotas.

The U.S. Government has provided technical assistance to a number of countries to help them address the concerns raised under GSP worker rights reviews. For example, DOL provided technical assistance to Georgia during the year to help re-establish a labor inspectorate in that country and funded a decent work country program in Uzbekistan to help address forced and child labor in the cotton sector. Both of these programs promote fundamental principles and rights at work. DOL also announced in 2020 its intent to provide technical assistance to Armenia to assist in the re-establishment of its labor inspectorate. During the year, the U.S. Government engaged closely with all three countries, noting enforcement improvements in Georgia and Armenia, and advances made by the Government of Uzbekistan to eradicate forced child labor and reduce forced adult labor in the annual cotton harvest. Kazakhstan passed a reform of its Trade Union Law based on consultations with the United States, domestic stakeholders and the ILO, to help address problematic amendments enacted in 2014 and the subsequent arrests of independent trade union leaders.

USTR closed the review of Laos's request to join GSP based on lack of engagement and progress on the worker rights criterion. On April 25, 2020, approximately one-third of Thailand's GSP benefits, amounting to nearly \$1.3 billion, were suspended because of its failure to take steps to afford internationally recognized worker rights. This action was the result of a 2019 determination that the Government of Thailand had not addressed long-standing U.S. Government concerns regarding labor laws and enforcement practices, despite the provision of technical assistance and engagement under the GSP review.

For further discussion on the Generalized System of Preferences program, see Chapter II.E.1 Generalized System of Preferences.

African Growth and Opportunity Act

The United States continued to engage with African countries on AGOA worker rights criteria through the AGOA annual eligibility review and bilateral and multilateral fora. In 2020, the U.S. Government held virtual meetings with the Democratic Republic of the Congo's (DRC) AGOA Task Force to discuss labor law implementation and strengthening the national labor inspection strategy. During 2020, the DRC Government made demonstrable progress towards meeting the AGOA worker rights criteria, including by addressing the unlawful recruitment and use of child soldiers, taking significant steps to prevent and fight against trafficking in persons, and outlining steps to develop a country-wide labor inspection strategy (including with respect to child labor). As a result of these and other efforts, the DRC's eligibility for AGOA benefits was reinstated on January 1, 2021. The U.S. Government also engaged with the ILO in

Malawi on the relationship between tenancy farming in the tobacco sector and forced and hazardous child labor risks.

For further discussion on the African Growth and Opportunity Act, see Chapter II.E.2 African Growth and Opportunity Act.

Other Preference Programs

Pursuant to requirements of the Haitian Hemispheric Opportunity through the Partnership Encouragement Act of 2008 (HOPE II), producers eligible for duty-free treatment under HOPE II must comply with internationally recognized worker rights. DOL, in consultation with USTR, is charged with publicly identifying noncompliant producers on a biennial basis and providing assistance to such producers to comply with the standards. In addition, DOL provides support to at-risk producers to help ensure that they do not fall out of compliance. A new biennial reporting period started in 2020, during which DOL continued to monitor producer-level compliance with worker rights criteria. During the year, DOL worked with several producers to address concerns related to sexual harassment in order to ensure continued compliance with HOPE II labor requirements. USTR and DOL also continued to work closely with the Government of Haiti, the ILO, and other U.S. Government agencies on implementation of the Technical Assistance Improvement and Compliance Needs Assessment and Remediation (TAICNAR) program to monitor factories' compliance with internationally recognized worker rights.

For additional information, see the [2020 USTR Annual Report on the Implementation of the TAICNAR Program](#).

3. International Organizations

The United States furthered its efforts to broaden international consensus on the relationship between trade and labor and the benefit of ensuring protection of labor rights as part of trade policy. In the Ministerial Declaration adopted during the WTO Ministerial Conference in Singapore in 1996 and reaffirmed in Ministerial Declarations adopted during Ministerial Conferences in Doha, Qatar in 2001 and in Hong Kong in 2005, WTO Members renewed their commitment to observe internationally recognized core labor standards and took note of collaboration between the WTO and the ILO Secretariats. In 2020, USTR met with ILO experts to discuss the implementation of labor standards in trade partner countries and to discuss broader labor themes such as the labor market impacts of the COVID-19 pandemic, labor inspection, gender, global supply chains, and the ILO Better Work program.

The United States also continued to promote labor rights as one of the topics to strengthen economic integration and build high-quality trade agreements in the Asia-Pacific region. In the Asia-Pacific Economic Cooperation (APEC), the United States has continued to support inclusion of labor issues by APEC economies in the next generation of trade agreements. To support this goal, USTR proposed a five-year project that aims to examine labor-related technical assistance and capacity building provisions in Regional Trade Arrangements/Free Trade Agreements.

USTR and the Association of Southeast Asian Nations (ASEAN) agreed at the 2020 ASEAN Economic Ministers–United States Trade Representative Consultations to hold the first United States–ASEAN Trade and Labor Dialogue for capacity building around the integration of labor commitments in trade agreements. USTR continued to support U.S. Government efforts to address forced labor in the illegal, unregulated, and unreported fishing industry, including in the context of work with ASEAN governments, industry, and other stakeholders.

4. Trade Adjustment Assistance

Overview and Assistance for Workers

The Trade Adjustment Assistance (TAA) for Workers Program is authorized under Chapter 2 of Title II of the Trade Act of 1974, as amended. The TAA Program provides assistance to workers who have been adversely affected by foreign trade.

The Trade Adjustment Assistance Reauthorization Act of 2015 (TAARA 2015), Title IV of the Trade Preferences Extension Act of 2015 (Public Law 114-27) reauthorized the TAA Program. The TAA Program offers trade-affected workers opportunities to obtain the skills, credentials, resources and support necessary for in-demand jobs.

The TAA Program currently offers the following services to eligible workers: employment and case management services, training, out of area job search and relocation allowances, weekly income support through Trade Readjustment Allowances (TRA), ATAA/RTAA wage supplements for older workers, and a health coverage tax credit for eligible TAA recipients.

In 2020, \$553 million was allocated to State Governments to fund aspects of the TAA program. This included approximately \$410 million for “Training and Other Activities”, which includes funds for training, job search allowances, relocation allowances, employment and case management services, and related state administration; approximately \$128 million for TRA benefits; and approximately \$15 million for ATAA/RTAA benefits.

For a worker to be eligible to apply for TAA, the worker must be part of a group of workers that is the subject of a petition filed with the U.S. Department of Labor (DOL). Two workers of a company, a company official, a union or a duly authorized representative, or the American Job Center operator or partner may file a petition with DOL. In response to the filing, DOL conducts an investigation to determine whether foreign trade was an important cause of the workers’ job loss or threat of job loss. If DOL determines that the workers meet the statutory criteria for group certification of eligibility for the workers in the firm to apply for TAA, DOL will issue a certification. In 2020, an estimated 96,111 workers became eligible for the program.

DOL administers the TAA Program through the Employment and Training Administration (ETA), with State Governments administering TAA benefits on behalf of the United States for members of TAA-certified worker groups. Once covered by a certification, individual workers apply for benefits and services through the American Job Center network. American Job Centers can be located at the [CareerOneStop website](#) or by calling 1-877-US2-JOBS. Most benefits and services have specific individual eligibility criteria that must be met, such as prior work history, unemployment insurance eligibility, and individual skill levels.

On November 7, 2019, DOL posted a Notice of Proposed Rulemaking (NPRM) to the *Federal Register* that would both expand worker access to support opportunities, such as apprenticeships, and make it easier for States to administer the TAA Program. The TAA Final Rule was published in the Federal Register on August 21, 2020, and became effective on September 21, 2020. This Final Rule marks the first significant regulatory update to the TAA Program in more than two decades.

Trade Adjustment Assistance for Farmers

The TAA for Farmers Program is authorized under Chapter 6 of Title II of the Trade Act of 1974, as amended, and was reauthorized by the Trade Preferences Extension Act of 2015 for FY 2015 through FY 2021. However, Congress did not appropriate funding for new participants for FY 2020. As a result, the U.S. Department of Agriculture did not accept any new petitions or applications for benefits in FY 2020.

Assistance for Firms and Industries

The U.S. Economic Development Administration's (EDA) Trade Adjustment Assistance for Firms Program (TAAF Program) is authorized by Chapters 3 and 5 of Title II of the Trade Act of 1974, as amended (19 U.S.C. § 2341 et seq.) (Trade Act). Public Law 93-618, as amended, provides for trade adjustment assistance for firms and industries (19 USC §§2341-2355; 2391). The Trade Preferences Extension Act, Title IV of the Act, entitled the "Trade Adjustment Assistance Reauthorization Act of 2015," authorizes the TAAF Program through June 30, 2022.

The TAAF Program provides technical assistance to help U.S. firms experiencing a decline in sales and employment to become more competitive in the global marketplace. To be certified for the program, a firm must show that an increase in imports of like or directly competitive articles contributed importantly to the decline in sales or production and to the separation or threat of separation of a significant portion of the firm's workers. The Secretary of Commerce is responsible for administering the TAAF Program and has delegated the statutory authority and responsibility under the Trade Act to EDA. EDA's regulations implementing the TAAF Program are codified at 13 CFR Part 315 and available on [EDA's website](#).

In FY 2020, EDA awarded a total of \$13 million in TAAF Program funds to its national network of 11 Trade Adjustment Assistance Centers, each of which is assigned a different geographic service area. During 2020, EDA certified 80 petitions for eligibility and approved 70 adjustment protocols.

For additional information (including eligibility criteria and application process), see the [EDA's website](#).

H. Trade Capacity Building

Historically, the United States has provided training and technical assistance to help developing countries reap the benefits of international trade. Trade capacity building (TCB) is intended to facilitate effective integration of developing countries into the international trading system and enable them to benefit further from global trade while promoting economic growth and alleviation of poverty. This section reports on these efforts.

1. The Enhanced Integrated Framework

The Enhanced Integrated Framework (EIF) is a technical assistance, multi-donor trust fund that operates as a coordination mechanism for trade-related assistance exclusively to least-developed countries (LDCs), with the overall objective of integrating trade into national development plans and integrating LDCs into the multilateral trading system. Participating organizations include the World Trade Organization (WTO), the World Bank Group, the International Monetary Fund (IMF), the United Nations Conference on Trade Development (UNCTAD), the United Nations Development Program (UNDP), United Nations Industrial Development Organization (UNIDO), the United Nations Office for Project Services (UNOPS), the World Tourism Organization (UNWTO), and the International Trade Center (ITC) as a joint agency of the WTO and UNCTAD. The EIF incorporates a country-specific diagnostic assessment, the Diagnostic Trade Integration Study (DTIS), which aims to identify constraints to competitiveness, supply chain weaknesses,

and sectors of greatest growth or export potential. The DTIS includes an action plan, consisting of a list of identified priority reforms, which is offered to multilateral and bilateral donors. Project design and implementation can be accomplished through the resources of the EIF Trust Fund or through multilateral, or bilateral donor programs in the field.

Phase Two of the EIF (2016–2022), covers 48 countries with the goal to integrate trade into their development plans, assist micro, small and medium-sized enterprises (MSMEs) to integrate into global trade, and help countries leverage technology to enhance exports. Phase Two is intended to produce a more dynamic and results-driven outcome, demonstrating increased efficiency, effectiveness, sustainability, and value for money. The United States has supported the EIF primarily through complementary bilateral assistance to LDC countries by the U.S. Agency for International Development (USAID).

2. U.S. Trade-Related Assistance under the World Trade Organization Framework

The United States directly supports the WTO’s trade-related technical assistance.

Global Trust Fund

The United States has long supported the trade-related assistance activities of the WTO Secretariat through voluntary contributions to the Doha Development Agenda Global Trust Fund. Overall, the United States has contributed more than \$21 million since 2001.

WTO’s Aid-for-Trade Initiative

The Sixth Ministerial Declaration in 2005 in Hong Kong, China created a new WTO framework to discuss and prioritize Aid-for-Trade. In 2006, the Aid-for-Trade Task Force was created to operationalize Aid-for-Trade efforts and offer recommendations to improve the efficacy and efficiency of these efforts among WTO Members and other international organizations. The United States has been an active partner in the Aid-for-Trade discussion.

The Standards and Trade Development Facility

The Standards and Trade Development Facility (STDF) is a global partnership whose overall goal is to promote the increased capacity of developing countries to implement international sanitary and phytosanitary (SPS) standards, guidelines and recommendations and hence improve their ability to gain and maintain access to markets. Founding organizations include the United Nations Food and Agriculture Organization (FAO), the World Organization for Animal Health (OIE), the World Bank Group, the World Health Organization (WHO), and the WTO. The Codex Alimentarius Commission and the International Plant Protection Convention (IPPC) Secretariats participate in the STDF Working Group, which reviews and approves the STDF’s work program and funding requests, and oversees operation of the STDF Secretariat. The partnership convenes and connects SPS stakeholders and supports and implements innovative pilot projects in developing countries.

Since its launch in 2004, the STDF has supported more than 160 projects and project preparation grants across Africa, Asia-Pacific and Latin America and the Caribbean totaling more than \$50 million. Close to 60 percent of STDF funded activities benefit least-developed countries and other low-income countries. The United States has supported the STDF primarily through the U.S. Department of Agriculture (USDA) and the U.S. Food and Drug Administration. The United States, along with other donor countries and international organizations, participates in the STDF Working Group.

The STDF's SPS capacity building complements broader U.S. Government trade capacity building and SPS technical assistance. The United States regularly reports SPS capacity building activities to the WTO through the WTO SPS Committee.

WTO and Trade Facilitation

The United States has provided substantial assistance over the years in the areas of customs and trade facilitation and remains committed to continued support for comprehensive implementation of the WTO Trade Facilitation Agreement (TFA). Since the conclusion of the TFA negotiations in December 2013, U.S. assistance has helped prepare a number of countries to understand and implement the TFA. During the period 2019 through 2020, USAID supported more than 20 countries in implementing recommendations from WTO Trade Facilitation Needs Assessments. Working with the Southern African Development Community, USAID assisted in creating a comprehensive trade facilitation plan for the regional economic community. USAID provided assistance to a number of the National Trade Facilitation Committees that are required under the TFA, such as in Ghana, Guatemala, Honduras, and Vietnam. Direct assistance in support of simplifying customs procedures also was provided in countries such as Cote d'Ivoire, Mozambique, Senegal, Ukraine, Vietnam, and Zambia. Several governments also have received assistance with implementing single window customs procedures throughout the Association of Southeast Asian Nations (ASEAN) and Southern Africa.

The Global Alliance for Trade Facilitation (the Alliance) was launched on December 17, 2015, during the Tenth Ministerial Conference of the WTO in Nairobi, Kenya, as a unique, multi-stakeholder platform that leverages business and development expertise for commercially meaningful reforms. The United States catalyzed the creation of this initiative and was a founding donor, joined by the Governments of Australia, Canada, Germany, and the United Kingdom. In 2019, Denmark joined the Alliance. The Secretariat of the Alliance is hosted by the Center for International Private Enterprise, the International Chamber of Commerce, and the World Economic Forum. The Alliance aims to accelerate ambitious trade facilitation reforms for robust economic growth and poverty reduction. The Alliance's in-country projects leverage the expertise and resources of the private sector to work collaboratively with governments to support effective reforms. The Alliance is currently operating nine implementation projects (in Brazil, Colombia, Ghana, Kenya, Malawi, Morocco, Sri Lanka, Vietnam, and Zambia) and is developing scoping activities in five additional countries: Costa Rica, India, Jordan, Tunisia, and Uganda. In addition, pre-scoping activities are underway in Jordan, Madagascar, Senegal, and the South Pacific (Papua New Guinea, Solomon Islands, and Vanuatu).

WTO Accessions

For a discussion on technical assistance during the WTO accession process, see Chapter IV.J.6 Accessions to the World Trade Organization.

3. TCB Initiatives for Africa

Through bilateral and multilateral channels, the United States has invested or obligated more than \$7 billion in trade-related projects in sub-Saharan Africa since 2001 to spur economic growth and alleviate poverty.

The African Continental Free Trade Area

Numerous U.S. Government agencies have provided targeted technical assistance in support of the African Continental Free Trade Area (AfCFTA). In March 2020, the Office of the U.S. Trade Representative

(USTR), the U.S. Patent and Trademark Office, and the U.S. Copyright Office conducted a Department of State-sponsored workshop in Addis Ababa, Ethiopia, on intellectual property rights for AfCFTA negotiators and for stakeholders from the public and private sector. USAID and the American National Standards Institute have sponsored a technical advisor who has been supporting the African Union Commission since July 2020 in its preparations to implement the Technical Barriers to Trade (TBT) Annex of the AfCFTA Goods Protocol. In September 2020, USAID in collaboration with the eTrade Alliance organized a digital trade workshop for African Union Commission staff. Throughout 2020, USDA continued to support the African Union's efforts to implement the Sanitary and Phytosanitary (SPS) Policy Framework, a document intended to guide Member States on the SPS Annex of AfCFTA. Specifically, USDA facilitated the AfCFTA SPS Committee Meeting in October 2020.

4. Free Trade Agreements

In addition to the WTO programs, the United States has helped U.S. FTA partners implement FTA commitments and reap the benefits of such agreements over the long term through TCB working groups and other FTA-related projects. USAID and USDA, both in Washington, D.C. and overseas, along with a number of other U.S. Government assistance providers, actively participate in these working groups so that identified TCB needs can be quickly and efficiently incorporated into ongoing regional and country assistance programs. The FTA working groups on TCB also invite non-governmental organizations, representatives from the private sector, and international institutions to join in building the trade capacity of countries in each region. USTR works closely with USAID, the U.S. Department of State, and other agencies to track and guide the delivery of TCB assistance related to FTA commitments.

For further discussion, see the individual country sections in Chapter I.C, regional sections in Chapter I.D, environment in Chapter III.F.1, and labor in Chapter III.G.1.

5. Standards Alliance

The Standards Alliance is a public-private partnership between USAID and the American National Standards Institute (ANSI), the official U.S. representative to the International Organization for Standardization (ISO). The goal of this partnership is to build capacity among developing countries to implement the WTO Agreement on Technical Barriers to Trade (TBT Agreement). Priority areas of intervention in developing countries are shaped through an interagency process guided by USTR and USAID and include efforts to: improve practices related to notification of technical regulations and conformity assessment procedures to the WTO; strengthen domestic practices related to adopting relevant international standards; and, clarification and streamlining of regulatory processes for products. This program aims to reduce the costs and bureaucratic hurdles U.S. exporters face in foreign markets and increase the competitiveness of U.S. products, particularly in developing markets.

As the implementing partner of the Standards Alliance, ANSI coordinates private sector subject matter experts from its member organizations in the delivery of training and other technical exchange with eligible and interested Standards Alliance countries on international standards, best practices, and other subjects supporting implementation of the TBT Agreement. Since 2018, Standard Alliance activities have focused on five African countries: Côte d'Ivoire, Ghana, Mozambique, Senegal, and Zambia. In consultation with Trade Policy Staff Committee (TPSC) agencies and private sector experts, ANSI requested and reviewed applications for assistance based on consideration of: (1) bilateral trade opportunities; (2) available private sector expertise that may be leveraged; (3) demonstrated commitment and readiness for assistance; and, (4) potential development impact.

Highlights of the program's activities in 2020 include:

- Selection of a TBT Advisor to the African Union to support the implementation of the Assistance to the African Continental Free Trade Area
- Launch of a Pilot Program to Implement ISO 37101: Sustainable City Planning in Cote d'Ivoire (ongoing)
- Analysis of Cote d'Ivoire's National Quality Infrastructure Reform Plan (August 2020)
- Development of a methodology tool to assess countries' National Quality Infrastructure (July 2020)
- Provision of virtual training for Senegalese energy professionals (September 2020)
- Training for Senegalese energy technicians led by the Remote Energy and Dakar American University (December 2020).

In 2019, USAID and ANSI announced the launch of Standards Alliance: Phase 2 (2019–2024). Building on the success of Phase 1, Phase 2 commits funds to promote regulatory convergence in the context of the COVID-19 pandemic, good regulatory practice, and the adoption of international standards for medical devices while enhancing the critical role of standards and conformity assessment in supporting public health and safety. Ultimately, the goal is to establish an efficient medical device regulatory environment and framework that will facilitate the response to the COVID-19 pandemic and diminish technical barriers to trade, thus promoting the exportation of quality U.S. medical devices.

I. Organization for Economic Cooperation and Development

The Organization for Economic Cooperation and Development (OECD) is a grouping of economically significant countries that serves as a policy forum covering a broad spectrum of economic, social, environmental, and scientific areas, from macroeconomic analysis to education to biotechnology. Thirty-seven democracies in Europe, the Americas, the Middle East, and the Pacific Rim comprise the OECD, established in 1961 and headquartered in Paris. The OECD helps countries and economies, both OECD Members and non-Members, reap the benefits and confront the challenges of a global economy by promoting economic growth and the efficient use of global resources. A committee of Member government officials, supported by Secretariat staff, covers each substantive area. The emphasis is on discussion and peer review rather than negotiation. However, some OECD instruments, such as the Anti-Bribery Convention, are legally binding. Most OECD decisions require consensus among Member governments. The like-mindedness of the OECD's membership on the core values of democratic institutions, the rule of law, and open markets uniquely positions the OECD to serve as a valuable policy forum to address real world issues. In the past, analysis of issues in the OECD has often been instrumental in forging a consensus among OECD countries to pursue specific negotiating goals in other international fora, such as the WTO.

The United States has a longstanding interest in trade issues studied by the OECD. On trade and trade policy, the OECD engages in meaningful research and provides a forum in which OECD Members can discuss complex and sometimes difficult issues. The OECD is also active in studying the balance between domestic objectives and international trade.

1. Trade Committee Work Program

In 2020 the OECD Trade Committee, its subsidiary Working Party, and its joint working parties on environment and agriculture, continued to address a number of significant issues impacting trade including the impacts of the COVID pandemic. The Trade Committee met in April and November 2020, and its Working Party met in March, June, October, and December 2020. The Trade Committee and its subsidiary groups paid significant attention to technology transfer; digital trade, including principles for market openness in the digital age and barriers to cross-border data flows; trade facilitation; services trade; and

trade and investment in global value chains. The [trade page on the OECD website](#) contains up-to-date information on published analytical work and other trade-related activities.

The Trade Committee continued its analysis and work surrounding barriers affecting trade in services, including an update to the OECD's Services Trade Restrictiveness Index (STRI), a quantitative assessment of policy-based restrictions on services trade, based on OECD Member and [Key Partner](#) data on 22 services sectors, and the introduction of the Digital STRI to catalog barriers that affect trade in digitally enabled services across 44 countries. Among other activities in 2020, the Committee finalized [several reports on global value chains](#) and continued work on trade policy-making in the digital economy in line with the OECD-wide horizontal project on Digital Policy.

The OECD Virtual Ministerial Council Meeting took place in October 2020. USTR participated in the Trade Session of the Ministerial, which focused on globalization and the recovery from the COVID-19 pandemic.

2. Trade Committee Dialogue with Non-OECD Members

The OECD conducts wide-ranging activities to reach out to non-Member countries and economies, business, and civil society, in particular through its series of workshops and “Global Forum” events held around the world each year. Non-Member countries and economies may participate as committee observers when Members believe that participation will be mutually beneficial. Key partners – Brazil, China, India, Indonesia, and South Africa – participate to varying degrees in OECD activities through the Enhanced Engagement program, which seeks to establish a more structured and coherent partnership, based on mutual interest, between these five major economies and OECD Members. Argentina, Brazil, and Hong Kong (China) are regular invitees to the Trade Committee and its Working Party, with the Russian Federation invited on an *ad hoc* basis. The OECD also carries out a number of regional and bilateral cooperation programs with non-Members.

The OECD Trade Committee continued its contacts with non-Member countries and economies in 2020. The Committee continued its supportive efforts with G20 countries as well as major economies in Southeast Asia. Contributing to trade-related discussions at the G20 and other relevant international fora (*e.g.*, G7, Asia-Pacific Economic Cooperation (APEC), Association of Southeast Asian Nations (ASEAN)), through the timely use of the Committee’s evidence-based analysis and policy insights, remained a priority.

In 2020, the OECD published a study of services imports and labor issues in Vietnam. The Trade Committee continued to build on its relationship with Southeast Asia through various means, including the extension of coverage of key OECD tools and analytics to additional countries in Southeast Asia.

In 2020, Colombia became the 37th Member of the OECD. The OECD also finalized Costa Rica’s accession to the OECD, which will become the 38th Member after it takes the appropriate steps at the national level and deposits its instrument of accession with the OECD.

The OECD Trade Committee also continued to discuss aspects of its work and issues of concern with representatives of the private sector and civil society, including Members of Business at OECD (formerly Business and Industry Advisory Council) and the Trade Union Advisory Council.

3. Other OECD Work Related to Trade

Representatives of the OECD Member countries meet in specialized committees to advance ideas and review progress in specific policy areas, such as economics, trade, regulatory policy, science, employment,

education, countering illicit trade, and financial markets. There are about 300 committees, working groups, and expert groups at the OECD.

IV. THE WORLD TRADE ORGANIZATION

A. Introduction

This chapter outlines the work of the World Trade Organization (WTO) in 2020, to include the work of WTO Standing Committees and their subsidiary bodies, WTO Negotiating Groups, the implementation and enforcement of the WTO Agreement, and accessions of new Members.

The WTO provides a forum for enforcing U.S. rights under the various WTO agreements to ensure that the United States receives the full benefits of WTO membership. On a day-to-day basis, the WTO operates through its more than 20 standing committees (not including numerous additional working groups, working parties, and negotiating bodies). These groups meet regularly to permit WTO Members to exchange views, work to resolve questions of Members' compliance with commitments, and develop initiatives aimed at systemic improvements. They also are supposed to promote transparency in Members' trade policies, and they provide a forum for monitoring and resisting market-distorting pressures. Through discussions in these fora, Members sought detailed information on individual Members' trade policy actions and collectively considered them in light of WTO rules and their impact on individual Members and the trading system as a whole. The discussions enabled Members to assess their trade-related actions and policies in light of concerns that other Members raised and to consider and address those concerns in domestic policymaking. The United States also took advantage of opportunities in standing committees to consider how implementation of existing WTO provisions can be enhanced and to discuss areas that may hold potential for developing future rules.

This chapter contains highlights of work carried out in WTO Committees, other bodies, and plurilateral configurations, including:

- Committee on Agriculture;
- Committee on Anti-dumping Practices;
- Committee on Market Access;
- Committee on Application of Sanitary and Phytosanitary Measures;
- Committee on Subsidies and Countervailing Measures;
- Committee on Technical Barriers to Trade;
- Committee on Safeguards;
- Committee on Trade Facilitation;
- Working Party on State Trading Enterprises;
- Negotiating Group on Rules, Fisheries Subsidies;
- Committee on Agriculture, Special Session;
- Committee on Trade and Development, Special Session;
- Plurilateral work on E-Commerce and Digital Trade; and
- Plurilateral work on Domestic Regulation.

In terms of WTO negotiations, Members sought to advance work in line with the results from the Eleventh Ministerial Conference of the WTO in Buenos Aires, Argentina in December 2017, with the goal of achieving substantive outcomes prior to the Twelfth Ministerial Conference that was expected to take place in 2019, but was initially moved to 2020, then postponed indefinitely due to the COVID-19 pandemic. Negotiations in 2020 have focused on fisheries subsidies; a work program on electronic commerce, including an extension of the moratorium on customs duties on electronic transmissions; and, the advancement of WTO accessions, among other issues. The United States has also worked with like-minded

WTO Members to advance plurilateral work on digital trade and contribute to plurilateral discussions on domestic regulations. In Trade Negotiations Committee meetings, the United States has stated clearly that Members must rethink how development is approached at the WTO and that it is time to move beyond the outdated, failed framework of the Doha Development Agenda.

In 2020, the United States focused on mechanisms to improve the overall functioning of the WTO, to include implementation of existing WTO Agreements.

In advance of the Twelfth Ministerial Conference, which had yet to be rescheduled as of December 31, 2020, the United States worked through various WTO standing committees to advance reform ideas, including that Members should begin the process of identifying opportunities to achieve results, even if incremental ones, and avoid buying into the predictable, and often risky, formula of leaving everything to a package of Ministerial statements and decisions. To remain a viable institution that can fulfill all facets of its work, the WTO must focus its work on structural reform, find a means of achieving trade liberalization between Ministerial Conferences, and must adapt to address the challenges faced by traders today.

B. WTO Negotiating Groups

1. Committee on Agriculture, Special Session

WTO Members agreed to initiate negotiations for continuing the agricultural trade reform process one year before the end of the Uruguay Round implementation period, *i.e.*, by the end of 1999. Talks in the Special Session of the Committee on Agriculture (CoA-SS) began in early 2000 under the original mandate of Article 20 of the Agreement on Agriculture. At the Fourth Ministerial Conference in Doha, Qatar in November 2001, the agriculture negotiations became part of the single undertaking. Negotiations in the Special Session of the Committee on Agriculture were conducted under the mandate agreed upon at Doha, which called for: “substantial improvements in market access; reductions of, with a view to phasing out, all forms of export subsidies; and substantial reductions in trade-distorting domestic support.” This mandate, which called for ambitious results in three areas (so called “pillars”), was augmented with specific provisions for agriculture in the framework agreed by the General Council on August 1, 2004, and at the Sixth Ministerial Conference in Hong Kong in December 2005. However, at the Tenth Ministerial Conference in Nairobi, Kenya in December 2015, Members acknowledged in the Ministerial Declaration that there was no consensus to reaffirm Doha mandates. The Nairobi Ministerial package included a new decision adopted by WTO Ministers related to export competition, in which Members agreed to the elimination of all forms of export subsidies, as well as new disciplines on export financing and international food aid. At the Eleventh Ministerial Conference in Buenos Aires, Argentina in December 2017, Members did not agree to a Ministerial Declaration or any decision on agriculture due to Members’ divergent views. The United States provided important leadership, calling for a reset of the agriculture negotiations in light of the fact that Members’ agriculture policies and agricultural trade had changed significantly over the previous 15 years.

In 2020, the COVID-19 pandemic, which resulted in the indefinite postponement of the Twelfth Ministerial Conference, slowed CoA-SS activities, particularly during the spring and summer. Throughout 2020, the Chair of the CoA-SS negotiations held informal meetings, many of which were held virtually. In September, the Chair launched facilitator-led, small-group, technical discussions focused on seven areas of the negotiations: market access, domestic support, export competition, export restrictions, special safeguard mechanisms, cotton trade, and public stockholding for food security. The United States sought to focus agriculture discussions on efforts to improve transparency and emphasized the need for Members to work toward realistic and doable outcomes. In addition, the United States submitted a paper on domestic support, while other Members submitted papers on domestic support and export restrictions.

2. Council for Trade in Services, Special Session

The Special Session of the Council for Trade in Services (CTS-SS) was formed in 2000 pursuant to the Uruguay Round mandate of the General Agreement on Trade in Services (GATS) to undertake new multi-sectoral services negotiations. The Doha Declaration of November 2001 recognized the work already undertaken in the services negotiations and set deadlines for initial market access requests and offers. The services negotiations thus became one of the core market access pillars of the Doha Round, along with agriculture and nonagricultural goods.

The CTS-SS held informal meetings in October and December 2020. The focus of the meetings was on submissions by groups of Members proposing discussions on market access for environmental services, agricultural-related services, logistics, and financial services, respectively.

3. Negotiating Group on Rules

In December 2017, at the Eleventh Ministerial Conference in Buenos Aires, Argentina, Ministers issued a Decision in which they committed to “continue to engage constructively in the fisheries subsidies negotiations, with a view to adopting, by the Ministerial Conference in 2019, an agreement on comprehensive and effective disciplines that prohibit certain forms of fisheries subsidies that contribute to overcapacity and overfishing, and eliminate subsidies that contribute to illegal, unreported and unregulated (IUU)-fishing.”

Since the 2017 Ministerial Conference, the Rules Negotiating Group (RNG) has held regular meetings in various configurations to advance the fisheries subsidies negotiations. However, the Twelfth Ministerial Conference that was expected to take place in 2019 was initially moved to 2020, then postponed indefinitely due to the COVID-19 pandemic. Nonetheless, Members aim to conclude the negotiations in 2021. Following resumption of WTO activities in Geneva in early summer 2020, negotiations have proceeded on the basis of a rigorous schedule, with negotiating rounds every few weeks along with extensive intersessional work, on the basis of a slim “draft consolidated text” prepared by the Chair in June, and twice revised.

In 2020, the United States continued to play a leadership role in seeking a meaningful outcome by working with other Members such as Australia, Argentina, Chile, New Zealand, and Uruguay to develop new proposals and bridging ideas, including submitting a revised proposal for transparency and notification requirements. The United States continues to advocate for strong fisheries subsidies constraints, such as a proposal to “cap and reduce” subsidies to limit the total value of subsidies provided by major producers (including the European Union (EU) and China), and prohibitions on subsidies to vessels determined to be engaged in IUU fishing, subsidies regarding overfished stocks, subsidies contingent on fishing outside the Member’s exclusive economic zone, and subsidies to vessels not flying the Member’s own flag. While these proposals directly address the worst forms of industrial fishing subsidies, Members at all levels of development continued to press for exceptions and other carve-outs from the prohibitions, and top subsidizers argued that their own fisheries subsidies are beneficial and should be excluded from any disciplines.

4. Dispute Settlement Body, Special Session

Following the Fourth Ministerial Conference in Doha, Qatar in November 2001, the Trade Negotiations Committee (TNC), a subsidiary body to the General Council, established the Special Session of the Dispute Settlement Body (DSB-SS) to fulfill the Ministerial mandate found in paragraph 30 of the Doha

Declaration, which provides: “We agree to negotiations on improvements and clarifications of the Dispute Settlement Understanding. The negotiations should be based on the work done thus far, as well as any additional proposals by Members, and aim to agree on improvements and clarifications not later than May 2003, at which time we will take steps to ensure that the results enter into force as soon as possible thereafter.” In July 2003, the General Council decided that: (1) the timeframe for conclusion of the negotiations on clarifications and improvements of the Understanding on Rules and Procedures Governing the Settlement of Disputes (DSU) would be extended by one year (*i.e.*, to aim to conclude the work by May 2004 at the latest); (2) this continued work would build on the work done to date and take into account proposals put forward by Members as well as the text put forward by the Chair of the DSB-SS; and, (3) the first meeting of the DSB-SS when it resumed its work would be devoted to a discussion of conceptual ideas. Due to complexities in negotiations, deadlines were not met. In August 2004, the General Council decided that Members should continue work toward clarification and improvement of the DSU, without establishing a deadline, and these negotiations have continued since.

Over the course of the DSB-SS, the United States has advanced two proposals. One would expand transparency and public access to dispute settlement proceedings, including by opening WTO dispute settlement proceedings to the public as the norm and giving greater public access to submissions and panel reports. In addition to open hearings, public submissions, and early public release of panel reports, the U.S. transparency proposal also calls on WTO Members to consider rules for *amicus curiae* submissions, submissions by nonparties to a dispute. WTO rules currently do not provide guidelines on how *amicus* submissions are to be considered.

In 2003, the United States and Chile submitted a proposal to improve the effectiveness of WTO dispute settlement in resolving trade disputes among Members. The joint proposal contained procedural tools aimed at giving parties to a dispute more control over the process and greater flexibility to settle disputes. As part of this proposal, in 2005 the United States also proposed interpretive guidance for WTO Members to provide to WTO adjudicators in areas where important questions have arisen in the course of various disputes.

In previous phases of the review of the DSU, Members had engaged in a general discussion of the issues. Following that general discussion, Members tabled proposals to clarify or improve the DSU. Members then reviewed each proposal submitted and requested explanations and posed questions to the Member(s) making the proposal. Members also had an opportunity to discuss each issue raised by the various proposals. The Chair of the review had issued a Chair’s text in July 2008 “to take stock of” the work to date and to provide a basis for its continuation. In July 2019, the Chair issued a report on the activities of the DSB-SS from November 2016 to July 2019, which included the Chair’s summary of the discussions of the issues by Members. The DSB-SS did not meet in 2020.

5. Council for Trade-Related Aspects of Intellectual Property Rights, Special Session

In 2020, the Council for Trade-Related Aspects of Intellectual Property Rights (TRIPS Council) Special Session held one informal consultation to exchange views regarding the negotiations on the establishment of a multilateral system of notification and registration of geographical indications (GI) for wines and spirits. There were no material developments during 2020.

In 2020, the United States and a group of other Members (the Joint Proposal group²²) continued to maintain their position that the establishment of a multilateral system for notification and registration of GIs for wines and spirits must: (1) be voluntary and have no legal effects for non-participating members; (2) be simple and transparent; (3) respect different systems of protection of GIs; (4) respect the principle of territoriality; (5) preserve the balance of the Uruguay Round; and, (6) consistent with the mandate, be limited to the protection of wines and spirits. The Joint Proposal group continued to maintain that the mandate of the TRIPS Council Special Session is clearly limited to the establishment of a system of notification and registration of GIs for wines and spirits and that discussions cannot move forward on any other basis. The Joint Proposal group supports a process under which Members would voluntarily notify the WTO of their GIs for wines and spirits for incorporation into a registration system.

If discussions resume in 2021, Members will discuss whether negotiations are limited to GIs for wines and spirits (the position of the Joint Proposal proponents, based on the unambiguous text of Article 23.4 of the TRIPS Agreement) or whether these negotiations should be extended to cover GIs for goods other than wines and spirits (the position of the EU and certain other WTO Members). The United States will continue to aggressively oppose expanding negotiations and will continue to pursue additional support for the Joint Proposal in the coming year.

6. Committee on Trade and Development, Special Session

The Special Session of the Committee on Trade and Development (CTD-SS) was established by the Trade Negotiations Committee in February 2002 to review all WTO special and differential treatment (S&D) provisions with a view to improving them. Under existing S&D provisions, Members provide developing country Members with technical assistance and transitional arrangements toward implementation of WTO agreements. The provisions also enable Members to provide developing country Members with better-than-Most-Favored-Nation (MFN) access to markets.

As part of the S&D review, developing country Members submitted 88 Agreement-Specific Proposals (ASPs). Thirty-eight of these proposals were referred to other negotiating groups and WTO bodies for consideration (Category II proposals). Members reached an “in principle” agreement on draft decisions for 28 of the remaining 50 proposals at the Fifth Ministerial Conference in Cancun, Mexico, in September 2003, the so-called “Cancun 28”. Although these proposals were intended to be a part of a larger package of agreements, they were never adopted due to the breakdown of the ministerial negotiations.

At the Sixth Ministerial Conference in Hong Kong in December 2005, Members reached agreement on five ASPs: (1) access to WTO waivers; (2) coherence; (3) duty-free and quota-free treatment (DFQF) for least-developed countries (LDCs); (4) Trade-Related Investment Measures; and, (5) flexibility for LDCs that have difficulty implementing their WTO obligations. The decisions on these proposals are contained in Annex F of the Hong Kong Ministerial Declaration. Negotiations continued periodically on the Cancun 28 until the proponents dropped them from consideration for the Ninth Ministerial Conference in Bali, Indonesia, in December 2013.

In the run-up to the Tenth Ministerial Conference in Nairobi, Kenya, in December 2015, the G90 Group (the African, Caribbean and Pacific Group, the African Group, and LDC Group) proposed 25 ASPs; none achieved consensus at the Ministerial Conference. Prior to the Eleventh Ministerial Conference in Buenos Aires, Argentina in December 2017, the G90 resubmitted 10 of the 25 ASPs with minor revisions, but no change in overall approach. As was the case in 2015, none achieved consensus. The G90 resubmitted the

²² The Members of this group include the United States, Argentina, Australia, Canada, Chile, Costa Rica, the Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Israel, Japan, Korea, Mexico, New Zealand, Nicaragua, Paraguay, South Africa, and the Separate Customs Territory of Taiwan, Penghu, Kinmen, and Matsu.

10 ASPs in 2019, with minor revisions, and again in early 2020. Since 2017, including during informal consultations by the CTD-SS chair in 2020, the United States and several other WTO Members have consistently maintained that the 10 ASPs are not a basis for work, and no outcome is possible on them.

These discussions in the CTD-SS have revealed a profound and often contentious disagreement among Members about the relationship between trade rules and development. This disagreement is further complicated by Members' divergent views on the need for greater differentiation among self-declared developing country Members. Although this disagreement will not be resolved in the CTD-SS, it is certain to affect any attempt to undertake work in this body.

7. Negotiating Group on Non-Agricultural Market Access

The Non-Agricultural Market Access negotiations have remained at an impasse since the Eighth Ministerial Conference in Geneva, Switzerland in December 2011, and there were no meetings of the Negotiating Group on Non-Agricultural Market Access in 2020. The United States continues to seek credible approaches to broad and meaningful trade liberalization for industrial goods.

C. Work Programs Established in the Doha Development Agenda

1. Working Group on Trade, Debt, and Finance

Ministers at the Fourth Ministerial Conference of the WTO in Doha, Qatar in 2001 established the mandate for the Working Group on Trade, Debt, and Finance (WGTDF). Ministers instructed the WGTDF to examine the relationship between trade, debt, and finance and to make recommendations on possible steps, within the mandate and competence of the WTO, to enhance the capacity of the multilateral trading system to contribute to a durable solution to the problem of external indebtedness of developing and least-developed country Members. Ministers further instructed the WGTDF to consider possible steps to strengthen the coherence of international trade and financial policies, with a view to safeguarding the multilateral trading system from the effects of financial and monetary instability.

The WGTDF met twice in 2020, in July and November. The discussion at both meetings focused on the challenges in accessing affordable trade finance, in particular by small and medium-sized enterprises in developing countries.

For more information on the Working Group on Trade, Debt, and Finance, see the [Report of the Meeting of 2 July 2020](#) and the [Report of the Meeting of 10 November 2020](#).

2. Working Group on Trade and Transfer of Technology

During the 2001 Doha Ministerial Conference, WTO Ministers agreed to an “examination ... of the relationship between trade and transfer of technology, and of any possible recommendations on steps that might be taken within the mandate of the WTO to increase flows of technology to developing countries.” To fulfill that mandate, the Trade Negotiations Committee established the Working Group on Trade and Transfer of Technology (WGTTT), under the auspices of the General Council, and tasked the WGTTT to report on its progress. The timeline for completing this work has been subject to several extensions by Ministers.

The WGTTT met twice in 2020. WTO Members continued their consideration of the relationship between trade and transfer of technology and of any possible recommendations. However, the WGTTT did not reach any conclusions on these issues.

For more information on the Working Group on Trade and Transfer of Technology, see the [2020 Annual Report](#).

3. Work Program on Electronic Commerce

In December 2019, Members agreed to extend the longstanding WTO moratorium on customs duties on electronic transmissions until the Twelfth Ministerial Conference. In 2020, Members engaged in several dedicated discussions on electronic commerce issues, both in the context of the Work Program on Electronic Commerce and informal sessions involving outside experts. (*For further information on that initiative, see Chapter III.B, Digital Trade*).

D. General Council Activities

The WTO General Council is the highest level decision-making body in the WTO that meets on a regular basis each year. It exercises all of the authority of the Ministerial Conference, which is expected to meet no less than once every two years. Only the Ministerial Conference and the General Council have the authority to adopt authoritative interpretations of the WTO Agreement, submit amendments to the WTO Agreement for consideration by Members, and grant waivers of obligations. The General Council or the Ministerial Conference must approve the terms for all accessions to the WTO.

The General Council uses both formal and informal processes to conduct the business of the WTO. Informal groupings, which generally include the United States, play an important role in consensus building. Throughout 2020, the Chairperson of the General Council, together with the WTO Director-General and, following the resignation of the Director-General, the Deputy Directors-General as appropriate, conducted informal consultations with large groupings comprising the Heads of Delegation of the entire WTO membership, as well as a wide variety of smaller groupings of WTO Members at various levels. These consultations were convened with a view to resolving outstanding issues on the General Council's agenda. The Office of the U.S. Trade Representative participated in all General Council meetings and consultations in order to advance U.S. interests at the WTO.

For more information on the General Council, see the [2020 Annual Report](#).

E. Council for Trade in Goods

The WTO Council for Trade in Goods (CTG) oversees the activities of 12 committees (Agriculture, Antidumping Practices, Customs Valuation, Import Licensing, Information Technology, Market Access, Rules of Origin, Safeguards, Sanitary and Phytosanitary Measures, Subsidies and Countervailing Measures, Technical Barriers to Trade, and Trade-Related Investment Measures) and the Working Party on State Trading Enterprises.

The CTG is the central oversight body in the WTO for all agreements related to trade in goods. It is the forum for discussing issues and decisions that may ultimately require the attention of the General Council for resolution or a higher-level discussion, and for putting issues in a broader context of the rules and disciplines that apply to trade in goods.

In 2020, the CTG held two formal meetings, in June and November. The CTG also met informally twice, in February and July.

For more information on the Council for Trade in Goods, see the [2020 Annual Report](#).

1. Committee on Agriculture

The WTO Committee on Agriculture (CoA) oversees the implementation of the Agreement on Agriculture (AoA) and provides a forum for Members to consult on matters related to provisions of the AoA. In many cases, the CoA resolves problems of implementation, permitting Members to avoid invoking dispute settlement procedures. The CoA also has responsibility for monitoring the possible negative effects of agricultural reform on least-developed countries (LDCs) and net food importing developing country (NFIDC) Members.

Since its inception, the CoA has proven to be a vital instrument for the United States to monitor and enforce the agricultural trade commitments undertaken by Members in the Uruguay Round. Under the AoA, Members agreed to provide notifications of progress in meeting their commitments in agriculture, and the CoA has met frequently to review the notifications and monitor activities of Members to ensure that trading partners honor their commitments.

In 2020, the CoA held three regular meetings and one special meeting on “Covid-19 and Agriculture.” During the three regular meetings in July, September, and November, Members reviewed progress on the implementation of commitments negotiated in the Uruguay Round, and the United States raised 165 questions (or sets of questions) to other Members. During the special meeting in June, as well as during the regular meetings, Members reviewed the impact of COVID-19 on global agriculture and food systems within the framework of the AoA. The United States also participated in several informal meetings to review the implementation of the decision at the Tenth Ministerial Conference in Nairobi, Kenya, in 2015 to eliminate export subsidies for agricultural products, and to review the decision at the Ninth Ministerial Conference in Bali, Indonesia in 2013 on Tariff Rate Quota Administration. The United States also engaged in the CoA’s discussion on enhancing transparency and the CoA review process.

For more information on the Committee on Agriculture, see the [2020 Annual Report](#).

2. Committee on Market Access

The Committee on Market Access (MA Committee) is responsible for the implementation of concessions related to tariffs and non-tariff measures that are not explicitly covered by another WTO body. The MA Committee’s work includes the verification of new concessions on market access in the goods area, the monitoring of quantitative restrictions on goods, and the operation of the WTO’s Integrated Data Base (IDB) of tariff and trade data. The MA Committee also provides a forum for Members to address market access issues they find problematic, to exchange information and clarify issues, and to aim to resolve trade concerns.

In 2020, the MA Committee held two formal meetings in which the United States raised specific market access concerns with Angola, the EU, the members of the Gulf Cooperation Council, India, Indonesia, Russia, and the United Kingdom. The United States also used the formal meetings to stress the importance of timely and complete notifications of Members’ quantitative restrictions. The MA Committee also reviewed various trade measures taken by WTO Members in 2020 to combat the COVID-19 pandemic.

The MA Committee also held several informal meetings to review technical transpositions of Members' tariff schedules to ensure tariff commitments are maintained as schedules are updated and modernized.

For more information on the Committee on Market Access, see the [2020 Annual Report](#).

3. Committee on the Application of Sanitary and Phytosanitary Measures

The Committee on the Application of Sanitary and Phytosanitary Measures (the SPS Committee) provides a forum for review of the implementation and operation of the Agreement on the Application of Sanitary and Phytosanitary Measures (the SPS Agreement), consultation on Members' existing and proposed SPS measures, technical assistance, other informational exchanges, and the participation of the international standard setting bodies recognized in the SPS Agreement. These international standard setting bodies are: for food safety, the Codex Alimentarius Commission (Codex); for animal health, the World Organization for Animal Health (OIE); and for plant health, the International Plant Protection Convention (IPPC).

The SPS Committee also discusses and provides guidelines on specific provisions of the SPS Agreement. These discussions provide an opportunity to assist Members in meeting specific SPS obligations. For example, the SPS Committee has issued procedures or guidelines regarding: notification of SPS measures; the "consistency" provision of Article 5.5 of the SPS Agreement; equivalence; transparency regarding the provisions for Special & Differential Treatment (S&D); and, regionalization. Representatives from a number of international organizations attend SPS Committee meetings as observers on an *ad hoc* basis, including: Codex; the United Nations Food and Agriculture Organization; the Inter-American Institute for Cooperation on Agriculture; the International Trade Center; the IPPC; the OIE; the World Bank; and, the World Health Organization.

In 2020, the SPS Committee held meetings in June and November. The United States raised concerns in the SPS Committee regarding the adverse impact on U.S. food and agricultural exports resulting from SPS measures of other WTO Members. The United States continues to join a broad coalition of countries raising concerns with the EU's hazard-based pesticide policies, including the withdrawal of several pesticide maximum residue levels (MRLs) critical to international agricultural trade. The United States also raised concerns about several of China's actions in response to the COVID-19 pandemic that affect trade.

The WTO SPS Committee adopted its report on the 5th Review on the implementation of the SPS Agreement. The Report's recommendations, adopted by consensus, underscore the importance of science-based procedures to develop and implement SPS measures, including the need for continued discussions on the topic of risk and procedural management of situations involving insufficient scientific evidence. The proposal for an SPS Declaration to be adopted at the Twelfth Ministerial Conference, which had yet to be rescheduled as of December 31, 2020, gained significant momentum in 2020. Originally proposed by Brazil, Canada, and the United States, the proposal now has 22 cosponsors from diverse economic and geographic perspectives.

For more information on the Committee on the Application of Sanitary and Phytosanitary Measures, see the [2020 Annual Report](#).

4. Committee on Trade-Related Investment Measures

The Agreement on Trade-Related Investment Measures (TRIMS) prohibits investment measures that are inconsistent with national treatment obligations under Article III:4 of the General Agreement on Tariffs and Trade (GATT) 1994 and reinforces the prohibitions on quantitative restrictions set out in Article XI:1 of the GATT 1994. The TRIMS Agreement requires the elimination of certain measures imposing

requirements on, or linking advantages to, certain actions of foreign investors, such as measures that require, or provide benefits for, the use of local inputs (local content requirements) or measures that restrict a firm's imports to an amount related to the quantity of its exports or foreign exchange earnings (trade balancing requirements). The Agreement includes an illustrative list of measures that are inconsistent with Articles III:4 and XI:1 of the GATT 1994.

Developments relating to TRIMS are monitored and discussed both in the Council for Trade in Goods (CTG) and in the Committee on Trade-Related Investment Measures (TRIMS Committee). Since its establishment in 1995, the TRIMS Committee has been a forum for the United States and other Members to address concerns, gather information, and raise questions about the maintenance, introduction, or modification of trade-related investment measures by Members.

In 2020 the TRIMS Committee held one formal meeting, in September, during which the United States and other Members continued to discuss particular Members' local content measures of concern to the United States. Key issues related to the proliferation of local content measures by Indonesia, and measures by the Russian Federation relating to state-owned enterprise (SOE) purchases.

For more information on the Committee on Trade-Related Investment Measures, see the [2020 Annual Report](#).

5. Committee on Subsidies and Countervailing Measures

The Agreement on Subsidies and Countervailing Measures provides rules and disciplines for the use of government subsidies and the application of remedies, through either WTO dispute settlement or countervailing duty action taken by individual WTO Members, to address subsidized trade that causes harmful commercial effects. Subsidies contingent upon export performance or the use of domestic over imported goods are prohibited. All other subsidies are permitted but are actionable (through countervailing duty or WTO dispute settlement actions) if they are (i) "specific", *i.e.*, limited to a firm, industry, or group thereof within the territory of a WTO Member; and (ii) found to cause adverse trade effects, such as material injury to a domestic industry or serious prejudice to the trade interests of another Member.

The Committee on Subsidies and Countervailing Measures held only one regular meeting and one special meeting in October 2020. Particularly noteworthy was an agenda item sponsored by the United States, the European Union, and Japan on the topic of how government subsidies have led to overcapacity in certain sectors and the need to develop stronger and more effective subsidy rules to confront this problem. At the October meeting, Members discussed the issue of subsidies and overcapacity in the steel and semiconductors sectors.

For more information on the Committee on Subsidies and Countervailing Measures, see the [2020 Annual Report](#).

6. Committee on Customs Valuation

The Agreement on the Implementation of GATT Article VII, commonly referred to as the Customs Valuation Agreement (CVA), ensures that determinations of customs value for the calculation of duties on imported products are made in a fair, neutral, and uniform manner, precluding the use of arbitrary or fictitious values. The CVA prevents market access opportunities achieved through tariff reductions from being negated by unwarranted and unreasonable "uplifts" in the customs value of goods, which would otherwise increase total import duties.

In 2020, the Committee on Customs Valuation (CCV) held one formal meeting, in October. The United States raised concerns on behalf of U.S. exporters across all sectors that have experienced difficulties with foreign customs agencies' application of their customs valuation and pre-shipment inspection regimes. The CCV also held an informal meeting in June 2020 to discuss the COVID-19 pandemic's impact on the CCV's work. Finally, in November 2020, the United States participated in the commemoration of the 25th anniversary of the CVA and emphasized the importance of notifications, transparency, risk management, and advance rulings.

As of December 31, 2020, 104 Members have notified their national legislation on customs valuation and 74 Members have provided responses to the "Implementation and Administration of the Agreement on Customs Valuation" checklist of issues. The United States continued to request that all Members fulfill these notification requirements for the proper functioning of the CVA.

For more information on the Committee on Customs Valuation, see the [2020 Annual Report](#).

7. Committee on Rules of Origin

The Agreement on Rules of Origin (ROO Agreement) is administered by the Committee on Rules of Origin (ROO Committee), which held meetings in March and November 2020. The ROO Committee serves as a forum to exchange views on notifications by Members concerning their national rules of origin along with relevant judicial decisions and administrative rulings of general application.

In March 2020, the ROO Committee held a conference to mark the 25th anniversary of the Agreement on Rules of Origin. The ROO Committee continued its discussions of a proposal to enhance transparency of non-preferential rules of origin. At the November 2020 meeting, the ROO Committee heard an update on the Origin Facilitator tool (developed by the WTO, WCO and ITC), discussed the role of rules of origin in the utilization rates of unilateral preference programs, and continued to discuss enhanced transparency for non-preferential rules.

For more information on the Committee on Rules of Origin, see the [2020 Annual Report](#).

8. Committee on Technical Barriers to Trade

The Agreement on Technical Barriers to Trade (the TBT Agreement) establishes rules and procedures regarding the development, adoption, and application of standards, technical regulations, and conformity assessment procedures for all products. One of the main objectives of the TBT Agreement is to prevent the use of standards, technical regulations, and conformity assessment procedures as unnecessary barriers to trade while ensuring that Members retain the right to regulate for legitimate purposes, including for the protection of health, safety, or the environment, at the levels they consider appropriate.

The Committee on Technical Barriers to Trade (the TBT Committee) serves as a Member forum for consultation on issues associated with implementation and administration of the TBT Agreement. The TBT Committee provides an opportunity for Members to discuss specific trade concerns regarding measures a Member proposes or maintains. The TBT Committee also allows Members to discuss systemic issues affecting implementation of the TBT Agreement (*e.g.*, transparency, use of good regulatory practices, regulatory cooperation), and to exchange information on Members' practices related to implementing the TBT Agreement and updates from observing international organizations.

In 2020, the TBT Committee held three formal and four informal meetings. The formal meetings were held in February, May, and October and focused on raising specific trade concerns and implementing the TBT

Committee’s work plan as laid out in the Eighth Triennial Review of the TBT Agreement. Due to the COVID-19 pandemic, the May meeting was held by “written procedure,” and only exchanged information on specific trade concerns. The October meeting was held in person and via a virtual platform. In all, the United States formally raised 61 specific trade concerns; some of the same concerns were raised in more than one meeting. Informally and on a bilateral basis, the United States raised another 50 concerns. The TBT Committee’s informal thematic discussions included topics such as regulatory cooperation, conformity assessment procedures, technical assistance related to quality infrastructure, exchange of experiences on marking and labeling, exchange of experiences on implementation of COVID-19 measures, and the role of gender in standards development. The WTO Secretariat hosted the TBT@40 Series including the virtual book launch, “Transparency in the WTO TBT and SPS Agreements – the Real Jewel in the Crown,” a virtual discussion on Member use of the TBT Committee to raise specific trade concerns, and a virtual expert discussion on the relevance of the WTO TBT Committee Decision on the Principles of International Standards.

For more information on the Committee on Technical Barriers to Trade, see the [2020 Annual Report](#).

9. Committee on Antidumping Practices

The Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade 1994 (the Antidumping Agreement) sets forth detailed rules and disciplines prescribing the manner and basis on which Members may take action to offset the injurious dumping of products imported from another Member. Implementation of the Antidumping Agreement is overseen by the Committee on Antidumping Practices (the Antidumping Committee), which operates in conjunction with two subsidiary bodies: the Working Group on Implementation (the Working Group) and the Informal Group on Anticircumvention (the Informal Group).

In 2020, the Antidumping Committee held one formal meeting, in October.

For more information regarding the Committee on Antidumping Practices, see the [2020 Annual Report](#).

10. Committee on Import Licensing

The Committee on Import Licensing (Import Licensing Committee) was established to administer the Agreement on Import Licensing Procedures (Import Licensing Agreement) and to monitor compliance with the mutually agreed rules on import licensing procedures. The Import Licensing Committee normally meets twice a year to review information on import licensing submitted by WTO Members in accordance with the obligations set out in the Import Licensing Agreement. The Committee also serves as a forum for Members to submit questions on the licensing regimes of other Members, whether or not those regimes have been notified to the Committee, and to address specific observations and complaints concerning Members’ licensing systems. The Committee activities are not intended to substitute for dispute settlement procedures; rather, they offer Members an opportunity to focus multilateral attention on licensing measures and procedures that they find problematic, to receive information on specific issues and to clarify problems, and possibly to resolve concerns.

In 2020, the Import Licensing Committee held one formal committee meeting, in October, in which the United States raised specific concerns with licensing in Argentina, China, Egypt, India, and Indonesia. The United States continued to stress the importance of timely and complete notifications and Member transparency within the Committee. Additionally, the Import Licensing Committee held two informal meetings to discuss future meeting arrangements in light of the COVID-19 pandemic, the low compliance

rate of Member notifications under Article 7.3 (the Reply to the Annual Questionnaire), and the launch of the WTO import licensing [website](#).

For more information on the Committee on Import Licensing, see the [2020 Annual Report](#).

11. Committee on Safeguards

The Committee on Safeguards (the Safeguards Committee) was established to administer the WTO Agreement on Safeguards (the Safeguards Agreement). The Safeguards Agreement establishes rules for the application of safeguard measures as provided in Article XIX of the GATT 1994. Effective rules on safeguards are important to the viability and integrity of the multilateral trading system. The availability of a safeguard mechanism gives WTO Members the assurance that they can act quickly to help industries adjust to import surges, providing them with flexibility they would not otherwise have to open their markets to international competition. At the same time, WTO rules on safeguards ensure that such actions are of limited duration and are gradually less restrictive over time.

The Safeguards Agreement requires Members to notify the Safeguards Committee of their laws, regulations, and administrative procedures relating to safeguard measures. The Agreement also requires Members to notify the Safeguards Committee of various safeguards actions, such as: (1) the initiation of an investigatory process; (2) a finding by a Member's investigating authority of serious injury or threat thereof caused by increased imports; (3) the taking of a decision to apply or extend a safeguard measure; and, (4) the proposed application of a provisional safeguard measure.

In 2020, the Safeguards Committee held one formal meeting in October and three informal meetings in March, July, and September.

For more information regarding the Committee on Safeguards, see the [2020 Annual Report](#).

12. Committee on Trade Facilitation

The Trade Facilitation Agreement (TFA) entered into force on February 22, 2017, in accordance with Article X of the WTO Agreement, upon the ratification by two-thirds (118 Members) of the WTO. As of December 31, 2020, 153 of the 164 WTO Members have ratified the TFA. The TFA establishes transparent and predictable multilateral trade rules under the WTO to reduce opaque customs and border procedures and unwarranted delays at the border. Burdensome red tape and delays can add costs that are the equivalent of significant tariffs and are often cited by U.S. exporters as barriers to trade.

The TFA brings improved transparency and an enhanced rules-based approach to border regimes, and it is an important element of broader domestic strategies of many WTO Members to increase economic output and attract greater investment. The TFA also provides new opportunities to address factors holding back increased regional integration and south-south trade. Implementation of the TFA is expected to bring particular benefits to small and medium-sized businesses, enabling them to increase participation in the global trading system.

In 2020, the Committee on Trade Facilitation (TFC) held five formal and informal meetings, in February, September, and October that focused on reviewing Section II notifications submitted by developing countries setting forth implementation dates and capacity building needs for implementation. The TFC also focused on experience sharing and held a dedicated session on special and differential treatment on the margins of the October 2020 meeting. At the informal TFC meeting in September 2020, Members discussed the trade facilitation measures that Members had implemented in the context of the COVID-19

pandemic. The United States submitted to the TFC an updated Article 22 notification and a draft Communication on Supporting the Timely and Efficient Release of Global Goods through Accelerated Implementation of the WTO Trade Facilitation Agreement. As of December 31, 2020, co-sponsors included: Australia; Brazil; Colombia; the European Union; Iceland; Japan; Norway; the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu; and, the United States.

For more information on the Committee on Trade Facilitation, see the [2020 Annual Report](#).

13. Working Party on State Trading Enterprises

Article XVII of the GATT 1994 requires Members, *inter alia*, to ensure that state-trading enterprises (STEs), as defined in that Article, act in a manner consistent with the general principles of nondiscriminatory treatment, and make purchases or sales solely in accordance with commercial considerations. The Understanding on the Interpretation of Article XVII of the GATT 1994 defines an STE for the purposes of providing a notification. Members are required to submit new and full notifications to the Working Party on State Trading Enterprises (WP-STE) for review every two years.

The WP-STE was established in 1995 to review, *inter alia*, Member notifications of STEs and the coverage of STEs that are notified, and to develop an illustrative list of relationships between Members and their STEs and the kinds of activities engaged in by these enterprises.

In 2020, the WP-STE held one meeting in November.

For more information regarding the Working Party on State Trading Enterprises, see the [2020 Annual Report](#).

F. Council for Trade-Related Aspects of Intellectual Property Rights

The WTO Council for Trade-Related Aspects of Intellectual Property Rights (TRIPS Council) monitors the implementation of the TRIPS Agreement, provides a forum in which WTO Members can consult on intellectual property matters, and carries out the specific responsibilities assigned to the Council in the TRIPS Agreement. The TRIPS Agreement sets minimum standards of protection for copyrights and related rights, trademarks, geographical indications, industrial designs, patents, integrated circuit layout designs, and undisclosed information. The TRIPS Agreement also establishes minimum standards for the enforcement of intellectual property rights through civil actions for infringement, actions at the border and, at least with respect to copyright piracy and trademark counterfeiting, in criminal actions.

In 2020, the Council held four formal meetings, in February, July, October, and December.

For more information on the Council for Trade-Related Aspects of Intellectual Property Rights, see the [2020 Annual Report](#).

G. Council for Trade in Services

The Council for Trade in Services (CTS) oversees implementation of the General Agreement on Trade in Services (GATS) and reports to the General Council. This includes a technical review of GATS Article XX:2 provisions; review of waivers from specific commitments pursuant to paragraphs 3 and 4 of Article IX of the Marrakesh Agreement Establishing the WTO; a periodic review of developments in the air transport sector; the transitional review mechanism under Section 18 of China's Protocol of Accession;

implementation of GATS Article VII; a review of Article II exemptions (to Most-Favored-Nation treatment); and, notifications made to the General Council pursuant to GATS Articles III:3, V:5, V:7, and VII:4. Four subsidiary bodies report to the CTS: the Committee on Specific Commitments, the Committee on Trade in Financial Services, the Working Party on Domestic Regulation, and the Working Party on GATS Rules.

In 2020, in the CTS held three formal meetings, in July, October, and December.

In addition to technical review of the implementation of various articles of the GATS, the CTS also examines issues under the Work Programme on Electronic Commerce. Members briefed the Council and shared their experiences on policy developments in this area. As in past years, at the request of the United States and Japan, the Council continued to discuss cybersecurity measures of China and Vietnam. Several Members joined the discussion to express concern about such measures and their potentially adverse effect on trade. In addition, the United States raised concerns related to certain measures adopted by the Russian Federation related to fixed satellite services, software pre-installation mandates, and certain tax preferences offered to Russian software and information technology companies.

For more information on the Council for Trade in Services, see the [2020 Annual Report](#).

1. Committee on Trade in Financial Services

The Committee on Trade in Financial Services (CTFS) provides a forum for Members to explore financial services market access issues, including implementation of existing trade commitments.

In 2020, the CTFS held one formal meeting, in July. Members discussed their views on a thematic seminar held earlier that day on technologies used to automate and improve delivery of financial services. That thematic seminar, proposed by China, was titled “Fintech: Trade, Financial Inclusion and Development.” As of December 31, 2020, no other issues had been identified for work under this Committee.

For more information on the Committee on Trade in Financial Services, see the [2020 Annual Report](#).

2. Working Party on Domestic Regulation

GATS Article VI:4 on Domestic Regulation provides for Members to develop any necessary disciplines relating to qualification requirements and procedures, technical standards, and licensing requirements and procedures. In May 1999, the CTS established the Working Party on Domestic Regulation (WPDR), which took on the mandate of GATS VI:4.

The WPDR did not meet in 2020.

For more information on the Working Party on Domestic Regulation, see the [2020 Annual Report](#).

In addition to the work within the WPDR, a group of Members met throughout 2020 in informal open-ended sessions to continue negotiation of a text of disciplines on authorization requirements and procedures for service suppliers and technical standards on services. This initiative is based upon the [Joint Ministerial Statement on Services Domestic Regulations \(WT/MIN\(17\)/61\)](#) as complemented during 2019 by a second [Ministerial Statement \(WT/L/1059\)](#). Although not a signatory to the Joint Ministerial Statement, the United States has participated in these informal open-ended sessions at the technical level with the goal of ensuring that any resulting text is consistent with U.S. policy objectives, including respecting the right of WTO

Members to regulate, as recognized in the GATS. Further discussion of the text will continue during 2021 in informal open-ended meetings.

3. Working Party on General Agreement on Trade in Services Rules

The Working Party on GATS Rules (WPGR) provides a forum to discuss the possibility of new disciplines on emergency safeguard measures, government procurement, and subsidies under GATS Articles X, XIII and XV, respectively. The WPGR did not meet during 2020 and has not met since 2016.

For more information on the Working Party on GATS Rules, see the [2020 Annual Report](#).

4. Committee on Specific Commitments

The Committee on Specific Commitments (CSC) examines ways to improve the technical accuracy of scheduling commitments, primarily in preparation for the GATS negotiations, and oversees the application of the procedures for the modification of schedules under GATS Article XXI. The CSC also oversees implementation of commitments in Members' schedules in sectors for which there is no sectoral committee, which is currently the case for all sectors except financial services.

In 2020, the CSC held three formal meetings. The Committee approved a proposal from the United States for the WTO Secretariat to compile a list of WTO Members' GATS Schedule of Commitments that contain conditional language. The Committee reviewed the list with the aim of receiving updates from Members who conditioned their commitments on policy reviews or pending legislation at the time of entry into force of their schedules. That review will continue in 2021.

For more information on the Committee on Specific Commitments, see the [2020 Annual Report](#).

H. Dispute Settlement Understanding

Status

The Understanding on Rules and Procedures Governing the Settlement of Disputes (Dispute Settlement Understanding or DSU), which is annexed to the WTO Agreement, provides a mechanism to settle disputes under the Uruguay Round Agreements.

The DSU is administered by the Dispute Settlement Body (DSB), which consists of representatives of the entire membership of the WTO and is empowered to establish dispute settlement panels, adopt panel and Appellate Body reports, oversee the implementation of panel recommendations adopted by the DSB, and authorize countermeasures. The DSB makes all its decisions by consensus unless the DSU provides otherwise.

Major Issues in 2020

The DSB met 9 times in 2020 to oversee disputes, to consider issues such as U.S. systemic concerns with Appellate Body overreaching and proposals to appoint members to the Appellate Body, and to consider proposed additions to the roster of governmental and nongovernmental panelists.

Roster of Governmental and Non-Governmental Panelists

Article 8 of the DSU makes it clear that panelists may be drawn from either the public or private sector and must be “well-qualified,” such as persons who have served on or presented a case to a panel, represented a government in the WTO or the General Agreement on Tariffs and Trade (GATT), served with the Secretariat, taught or published in the international trade field, or served as a senior trade policy official. Since 1985, the Secretariat has maintained a roster of nongovernmental experts for GATT 1947 dispute settlement, which has been available for use by parties in selecting panelists. In 1995, the DSB agreed on procedures for renewing and maintaining the roster, and expanding it to include governmental experts. In response to a U.S. proposal, the DSB also adopted standards increasing and systematizing the information submitted by roster candidates. These modifications aid in evaluating candidates’ qualifications and encouraging the appointment of well-qualified candidates who have expertise in the subject matters of the Uruguay Round Agreements. In 2020, the DSB approved by consensus a number of additional names for the roster. The United States scrutinized the credentials of these candidates to assure the quality of the roster.

Pursuant to the requirements of the Uruguay Round Agreements Act (URAA), the present WTO panel roster appears in the background information in Annex III. The list in the roster notes the areas of expertise of each roster member (goods, services, or TRIPS).

Rules of Conduct for the DSU

The DSB completed work on a code of ethical conduct for WTO dispute settlement and, on December 3, 1996, adopted the Rules of Conduct for the Understanding on Rules and Procedures Governing the Settlement of Disputes. A copy of the Rules of Conduct was printed in the Annual Report for 1996 and is available on the WTO and USTR websites. There were no changes to these Rules in 2020.

The Rules of Conduct elaborate on the ethical standards built into the DSU to maintain the integrity, impartiality, and confidentiality of proceedings conducted under the DSU. The Rules of Conduct require all individuals called upon to participate in dispute settlement proceedings to disclose direct or indirect conflicts of interest prior to their involvement in the proceedings and to conduct themselves during their involvement in the proceedings so as to avoid such conflicts.

The Rules of Conduct also provide parties an opportunity to address potential material violations of these ethical standards. The coverage of the Rules of Conduct exceeds the goals established by the U.S. Congress in section 123(c) of the URAA, which directed USTR to seek conflict of interest rules applicable to persons serving on panels and members of the Appellate Body. The Rules of Conduct cover not only panelists and Appellate Body members, but also: (1) arbitrators; (2) experts participating in the dispute settlement mechanism (*e.g.*, the Permanent Group of Experts under the SCM Agreement); (3) members of the WTO Secretariat assisting a panel or assisting in a formal arbitration proceeding; and (4) members of the Secretariat supporting the Appellate Body.

As noted above, the Rules of Conduct established a disclosure based system. Examples of the types of information that covered persons must disclose are set forth in Annex II to the Rules, and include: (1) financial interests, business interests, and property interests relevant to the dispute in question; (2) professional interests; (3) other active interests; (4) considered statements of personal opinion on issues relevant to the dispute in question; and (5) employment or family interests.

Appellate Body

In 2020, the United States made a series of statements at DSB meetings explaining that, for more than 17 years and across multiple U.S. Administrations, the United States has been raising serious concerns with the Appellate Body's disregard for the rules set by WTO Members and adding to or diminishing rights or obligations under the WTO Agreement.²³ Many WTO Members share these concerns, whether on the mandatory 90-day deadline for appeals, review of panel fact finding, issuing advisory opinions on issues not necessary to resolve a dispute, the treatment of Appellate Body reports as precedent, or persons serving on appeals after their term has ended. The United States has also explained that when the Appellate Body abused the authority it had been given within the dispute settlement system, it undermined the legitimacy of the system and damaged the interests of all WTO Members who cared about having the agreements respected as they had been negotiated and agreed. If WTO Members support a rules-based trading system, then the Appellate Body must follow the rules to which WTO Members agreed in 1995.

For many years, the United States and other WTO Members have raised repeated concerns about appellate reports going far beyond the text setting out WTO rules in areas as varied as subsidies, antidumping and countervailing duties, standards under the TBT Agreement, and safeguards. Such overreach restricts the ability of the United States to regulate in the public interest or protect U.S. workers and businesses against unfair trading practices.

As a result, the United States was not prepared to agree to launch the process to fill vacancies on the WTO Appellate Body without WTO Members engaging with and addressing these critical issues.

In 2020, three appellate reports were issued in the following disputes: (1) a challenge by Ukraine to Russia's measures affecting the importation of railway equipment and parts thereof; (2) a challenge by Canada to U.S. countervailing duty measures on supercalendered paper; and (3) a challenge by Honduras and the Dominican Republic to certain Australian measures concerning trademarks, geographical indications, and other plain packaging requirements applicable to tobacco products and plain packaging. In the disputes in which it was not a party, the United States participated as a third party.

Dispute Settlement Activity in 2020

During the DSB's first 25 years in operation, WTO Members filed 598 requests for consultations (25 in 1995, 42 in 1996, 46 in 1997, 44 in 1998, 31 in 1999, 30 in 2000, 27 in 2001, 37 in 2002, 26 in 2003, 19 in 2004, 11 in 2005, 20 in 2006, 14 in 2007, 19 in 2008, 14 in 2009, 17 in 2010, 8 in 2011, 27 in 2012, 17 in 2013, 14 in 2014, 13 in 2015, 16 in 2016, 18 in 2017, 39 in 2018, 19 in 2019, and 5 in 2020). During that period, the United States filed 121 complaints against other Members' measures and received 152 complaints on U.S. measures. Several of these complaints involved the same issues as other complaints. A number of disputes commenced in earlier years remained active in 2020.

For a discussion on those disputes in which the United States was a complainant or defendant during 2020, see Chapter II.D WTO Dispute Settlement.

I. Trade Policy Review Body

The Trade Policy Review Body (TPRB) is the subsidiary body of the General Council, created by the Marrakesh Agreement Establishing the WTO, to administer the Trade Policy Review Mechanism (TPRM). The TPRM examines domestic trade policies of each Member on a schedule designed to review the policies

²³ See, e.g., [Minutes of the DSB meeting held on Oct. 26, 2020 \(WT/DSB/M/446\)](#).

of the full WTO Membership on a timetable determined by trade volume. The express purpose of the review process is to strengthen Members' adherence to WTO provisions and to contribute to the smoother functioning of the WTO. Moreover, the review mechanism serves as a valuable resource for improving the transparency of Members' trade and investment regimes. Members continue to value the review process, because it informs each government's own trade policy formulation and coordination.

The Member under review works closely with the WTO Secretariat to provide pertinent information for the process. The Secretariat produces an independent report on the trade policies and practices of the Member under review. Accompanying the Secretariat's report is the Member's own report. In a TPRB session, the WTO Membership discusses these reports together, and the Member under review addresses issues raised in the reports and answers questions about its trade policies and practices. Reports cover the range of WTO agreements—including those relating to goods, services, and intellectual property—and are available to the public on the WTO's "[Documents Online](#)" database under the document symbol "WT/TPR."

Trade Policy Reviews (TPRs) of least-developed country (LDC) Members often perform a technical assistance function, helping them improve their understanding of their trade policy structure's relationship with the WTO agreements. The reviews have also enhanced these countries' understanding of the WTO agreements, thereby better enabling them to comply and integrate into the multilateral trading system. In some cases, the reviews have spurred better interaction among government agencies. The wide coverage provided by Secretariat's and Members' reports of Members' policies also enables Members to identify any shortcomings in policy and specific areas where further technical assistance may be appropriate.

The TPRM requires Members, in between their reviews, to provide information on significant trade policy changes. The WTO Secretariat uses this and other information to prepare reports by the Director General on a regular basis on the trade and trade-related developments of Members and Observer Governments. The reports are discussed at informal meetings of the TPRB. The Secretariat consolidates the information it collects and presents it in the Director General's Annual Report on Developments in the International Trading Environment.

While each review highlights the specific issues and measures concerning the individual Member, common themes that typically emerge during the course of the reviews include:

- transparency in policy making and implementation;
- economic environment and trade liberalization;
- implementation of the WTO agreements (including acceptance and implementation of the WTO Trade Facilitation Agreement);
- regional trade agreements and their relationship with the multilateral trading system;
- tariff issues, including the differences between applied and bound rates;
- customs valuation and customs clearance procedures;
- the use of trade remedy measures such as antidumping and countervailing duties;
- technical regulations and standards and their alignment with international standards;
- sanitary and phytosanitary measures;
- intellectual property rights legislation and enforcement;
- government procurement policies and practices;
- trade-related investment policy issues;
- sectoral trade policy issues, particularly liberalization in agriculture and certain services sectors; and
- technical assistance in implementing the WTO agreements and experience with Aid for Trade, and the Enhanced Integrated Framework.

During the 2020 review cycle, the TPRB conducted seven reviews: Australia; the European Union; Indonesia; Japan; Macao, China; Thailand; and, Zimbabwe. By the end of the 2020 cycle, the TPRB had conducted 508 reviews since its inception in 1989, taking place over the course of 396 review meetings and covering 157 out of 164 WTO Members.

For more information on the 2020 Trade Policy Review cycle, see the [2020 Annual Report](#).

J. Other General Council Bodies and Activities

1. Committee on Trade and Environment

The WTO General Council created the Committee on Trade and Environment (CTE) on January 31, 1995, pursuant to the Marrakesh Ministerial Decision on Trade and Environment. Since then, the CTE has discussed a broad range of important trade and environment issues. These issues include: market access associated with environmental measures; the Trade-Related Aspects of Intellectual Property Rights (TRIPS) Agreement and the environment; labeling for environmental purposes; and, capacity-building and environmental reviews.

In 2020, the Committee met twice. The United States worked to advance priorities related to trade in recyclable and recoverable materials, and to focus Members' attention on post-consumer "reverse supply chains" to lower barriers to trade and support resource efficiency in production models.

For more information on the Committee on Trade and Environment, see the [2020 Annual Report](#).

2. Committee on Trade and Development

The Committee on Trade and Development – Regular Session (CTD-RS) addresses trade issues of interest to Members with a particular emphasis on the operation of the "Enabling Clause" (the 1979 Decision on Differential and More Favorable Treatment, Reciprocity, and Fuller Participation of Developing Countries). In this context, the CTD-RS focuses on the Generalized System of Preferences (GSP) programs, the Global System of Trade Preferences among developing country Members, and regional integration efforts among developing country Members. In addition, the CTD-RS focuses on issues related to the fuller integration of all developing country Members into the international trading system, technical cooperation and training, trade in commodities, market access in products of interest to developing countries, and the special concerns of least-developed countries (LDCs), landlocked developing countries, and small economies.

The CTD-RS has been the primary forum for discussion of broad issues related to the nexus between trade and development. The CTD-RS has focused on issues such as transparency in preferential trade agreements, expanding trade in products of interest to developing country Members, and the WTO's technical assistance and capacity building activities.

In 2020, the CTD-RS held three formal meetings in May, September, and November. The United States encouraged necessary but difficult conversations amongst Members on issues pertaining to trade and development at these meetings.

For more information on the Committee on Trade and Development – Regular Session and its subsidiary bodies, see the [2020 Annual Report](#).

3. Committee on Balance-of-Payments Restrictions

The Uruguay Round Understanding on Balance-of-Payments (BOP) clarified GATT disciplines on balance-of-payments-related trade measures. The Committee on Balance-of-Payments Restrictions works closely with the International Monetary Fund (IMF) in conducting consultations on balance of payments issues. Full consultations involve examining a Member's trade restrictions and BOP situation, while simplified consultations provide for more general reviews. Full consultations are held when restrictive measures are introduced or modified, or at the request of a Member in view of improvements in its BOP.

No WTO Members attempted to use GATT disciplines as a justification for balance-of-payments-related trade measures in 2020. As a result, the Committee did not meet. It approved a chair and adopted its annual report by written procedure.

For more information on the Committee on Balance-of-Payments, see the [2020 Annual Report](#).

4. Committee on Budget, Finance and Administration

The Committee on Budget, Finance and Administration (the Budget Committee) is responsible for establishing and presenting the budget for the WTO Secretariat to the General Council for Members' approval. The Budget Committee meets throughout the year to address the financial requirements of the WTO. The budget process in the WTO operates on a biennial basis; the WTO is currently in the tenth consecutive year of zero nominal growth budgets. As is the practice in the WTO, decisions on budgetary issues are taken by consensus. The United States is an active participant in the Budget Committee.

In the WTO, the assessed contribution of each Member is based on the share of that Member's trade in goods, services, and intellectual property. The United States, as the Member with the largest share of world trade, makes the largest contribution to the WTO budget. For the 2021 budget, the U.S. assessed contribution was 11.74 percent of the total budget assessment, or CHF 22,949,745 (approximately \$26 million).

For further information on details required by Section 124 of the Uruguay Round Agreements Act on the WTO's consolidated budget, see Annex III: Background to the WTO.

5. Committee on Regional Trade Agreements

The Committee on Regional Trade Agreements (CRTA), a subsidiary body of the General Council, was established in early 1996 as a central body to oversee all regional agreements to which Members are party. The CRTA is charged with conducting reviews of individual agreements, seeking ways to facilitate and improve the review process, and considering the systemic implications of such agreements and regional initiatives for the multilateral trading system.

GATT Article XXIV is the principal provision governing free trade areas (FTAs), customs unions (CUs), and interim agreements leading to an FTA or CU concerning goods. Additionally, the 1979 Decision on Differential and More Favorable Treatment, Reciprocity and Fuller Participation of Developing Countries, commonly known as the "Enabling Clause," provides a basis for certain agreements between or among developing country Members, also concerning trade in goods. The Uruguay Round added three more provisions: the Understanding on the Interpretation of Article XXIV, which clarifies and enhances the requirements of Article XXIV of GATT 1994; and Articles V and V *bis* of the GATS, which govern services and labor markets integration agreements. FTAs and CUs are authorized departures from the principle of MFN treatment, if relevant requirements are met.

In 2020, the CRTA met four times in April, July, September and November. The United States pushed for transparency from Members on their regional and bilateral trade agreements at these meetings.

For more information on the Committee on Regional Trade Agreements, see the [2020 Annual Report](#).

6. Accessions to the World Trade Organization

There were 23 applicants for WTO Membership, as of December 31, 2020. Of these 23 applicants,²⁴ 7 were engaged in the WTO accession process at some point during 2020. Notably, four applicants resumed work after long dormancies. The Working Party (WP) for Ethiopia met in January, for the first time since March 2012; the WP for Uzbekistan met in July, for the first time since October 2005; the WP for the Union of the Comoros met in September, for the first time since March 2018; and the WP for Timor-Leste convened for the first time in October, three years after Members submitted questions on Timor-Leste's Memorandum of Foreign Trade Regime (MFTR). In March 2020, the General Council established a WP to negotiate the terms of accession of Curaçao, which is now drafting its MFTR. In addition, Somalia submitted its MFTR, and Belarus submitted some technical inputs for its accession process.

As of December 31, 2020, three applicants (Azerbaijan, Iraq, and Sudan) appeared to be taking steps internally to restart work on their accession processes. Bosnia and Herzegovina's accession process is advanced and could finish relatively quickly once its outstanding market access negotiation is concluded and it addresses a few substantive issues in the multilateral rules track of the accession process.

Of the remaining 12 WTO accession applicants, four (Equatorial Guinea, Libya, Sao Tome and Principe, and Syria) had not submitted the initial documents describing their respective foreign trade regimes as of December 31, 2020. As a result, negotiations on their accessions had not commenced. Accession negotiations with the other eight applicants (Algeria, Andorra, the Bahamas, Bhutan, Iran, Lebanon, Serbia, and South Sudan) remained dormant in 2020. In July 2020, the General Council granted Observer Status to Turkmenistan, which stated its intention to initiate negotiations within five years to accede to the WTO.

U.S. Leadership and Technical Assistance

The United States has traditionally taken a leadership role in all aspects of the accession negotiations, including in the bilateral, plurilateral, and multilateral aspects of the negotiations. The U.S. objectives are to ensure that the applicant fully implements WTO provisions when it becomes a Member, to encourage trade liberalization and market-oriented policies in developing and transforming economies, and to use the opportunities provided in these negotiations to expand market access for U.S. exports. The United States also has provided technical assistance to countries seeking accession to the WTO to help them meet the requirements and challenges presented, both by the negotiations and the process of implementing WTO provisions in their trade regimes. The U.S. Agency for International Development, the U.S. Department of Agriculture, the Commercial Law Development Program of the U.S. Department of Commerce, and the U.S. Trade and Development Agency have provided this assistance on behalf of the United States.

The U.S. assistance can include providing short term technical expertise focused on specific issues (*e.g.*, customs procedures, intellectual property rights protection, or sanitary and phytosanitary matters and technical barriers to trade), or a WTO expert in residence in the acceding country or customs territory. A number of the WTO Members that have acceded since 1995 received technical assistance in their accession

²⁴ Accession Working Parties have been established for Algeria, Andorra, Azerbaijan, the Bahamas, Belarus, Bhutan*, Bosnia and Herzegovina, Comoros*, Curaçao, Equatorial Guinea, Ethiopia*, Iran, Iraq, Lebanon, Libya, Sao Tome and Principe*, Serbia, Somalia*, South Sudan*, Sudan*, Syria, Timor-Leste*, and Uzbekistan. (The eight countries marked with an asterisk are LDCs.)

process from the United States at one time or another, including Afghanistan, Albania, Armenia, Bulgaria, Cape Verde, Croatia, Estonia, Georgia, Jordan, Kazakhstan, Kyrgyz Republic, Latvia, Laos, Liberia, Lithuania, Macedonia, Moldova, Montenegro, Nepal, Russian Federation, Tajikistan, Ukraine, Vietnam, and Yemen. The United States provided resident experts for most of these countries for some portion of the accession process.

Among current accession applicants, Algeria, Azerbaijan, Belarus, Bosnia and Herzegovina, Ethiopia, Iraq, Lebanon, Serbia, and Uzbekistan have received U.S. technical assistance in their accession processes. In addition, in 2019 to 2020, Afghanistan, Armenia, Georgia, Jordan, Kazakhstan, Lao PDR, Moldova, Ukraine, and Vietnam continued to receive assistance that supports their implementation of their membership commitments.

K. Plurilateral Agreements

1. Committee on Trade in Civil Aircraft

The Agreement on Trade in Civil Aircraft (Aircraft Agreement) entered into force on January 1, 1980, and is one of four WTO plurilateral agreements that are in force only for those WTO Members who have accepted it.²⁵

The Aircraft Agreement requires Signatories to eliminate tariffs on civil aircraft, engines, flight simulators, and related parts and components. It also establishes various obligations aimed at fostering free-market forces. For example, signatory governments pledge that they will base their purchasing decisions strictly on technical and commercial factors.

There are currently 32 Signatories to the Aircraft Agreement: Albania, Canada, Egypt, the European Union (the following 19 EU Member States are also signatories in their own right: Austria; Belgium; Bulgaria; Denmark; Estonia; France; Germany; Greece; Ireland; Italy; Latvia; Lithuania; Luxembourg; Malta; the Netherlands; Portugal; Romania; Spain; and, Sweden), Georgia, Japan, Macau, Montenegro, Norway, Switzerland, Chinese Taipei, the United Kingdom, and the United States. WTO Members with observer status in the Committee are: Argentina, Australia, Bangladesh, Brazil, Cameroon, China, Colombia, Gabon, Ghana, India, Indonesia, Israel, Mauritius, Nigeria, Oman, the Russian Federation, Saudi Arabia, Singapore, South Korea, Sri Lanka, Chinese Taipei, Tajikistan, Trinidad and Tobago, Tunisia, Turkey, and Ukraine. The International Monetary Fund and the United Nations Conference on Trade and Development are also observers.

In 2020, the Committee held one formal meeting to discuss how to proceed with updating the Aircraft Agreement's product coverage to reflect the most recent version of the Harmonized System; and to adopt new guidance regarding Article 9.1.3 of the Agreement, which establish procedures for current WTO Members to accede to the Agreement. Additionally, the United States participated in informal consultations held by the Chair on the development of the guidance note regarding Article 9.1.3 and other matters related to WTO Members potentially joining the Agreement on Trade in Civil Aircraft.

For more information on the Committee on Trade in Civil Aircraft, see the [2020 Annual Report](#).

²⁵ Additional information on this agreement can be found on the [WTO's website](#).

2. Committee on Government Procurement

The WTO Agreement on Government Procurement (GPA) is a plurilateral agreement included in Annex IV of the WTO Agreement. As such, it is not part of the WTO's single undertaking and its membership is limited to WTO Members that specifically signed the GPA in Marrakesh or that have subsequently acceded to it.

Forty-eight WTO Members are parties to the GPA: Armenia; Australia; Canada; the EU and its 27 Member States; Hong Kong, China; Iceland; Israel; Japan; Liechtenstein; Moldova; Montenegro; the Netherlands with respect to Aruba; New Zealand; Norway; Singapore; South Korea, Switzerland; Chinese Taipei; Ukraine; the United Kingdom; and the United States (collectively the GPA Parties).

In 2020, the Committee held four formal and informal GPA meetings (in February, July, October, and November) focusing on accessions and Work Programs. The GPA Committee held further discussions at the informal meetings on the accessions to the GPA of China, Brazil, the Kyrgyz Republic, North Macedonia, the Russian Federation, Tajikistan, and the United Kingdom.

For more information on the Committee on Government Procurement, see the [2020 Annual Report](#).

3. The Information Technology Agreement and the Expansion of Trade in Information Technology Products

The Information Technology Agreement (ITA)²⁶ is a plurilateral agreement to eliminate tariffs on certain information and communications technology (ICT) products. The ITA covers a wide range of ICT products, including computers and computer peripheral equipment, electronic components including semiconductors, computer software, telecommunications equipment, semiconductor manufacturing equipment, and computer-based analytical instruments. As of January 2, 2021, 82 WTO Members are ITA participants. Among these 82 ITA participants, however, Morocco has yet to submit the formal documentation to implement its ITA commitments, and El Salvador has indicated that implementation would begin after the completion of domestic legal procedural requirements.

In 2020, the Committee of the Participants on the Expansion of the Trade in Information Technology Products (better known as the ITA Committee) held one informal meeting in February and one formal meeting in October, focusing on the status of implementation, as well as reducing divergences of certain product classifications. The Committee also discussed holding a workshop on the ITA in 2021 with participation from global stakeholders.

For more information on the ITA Committee, see the [2020 Annual Report](#).

A subset of ITA participants concluded negotiations to expand significantly the product coverage of the ITA in 2015. Under the agreement, each Party agreed to implement its initial tariff reductions for covered products beginning on July 1, 2016, subject to completion of its domestic procedural requirements.

In 2020, the Parties continued to implement the ITA Expansion.²⁷ For a very limited number of sensitive products, tariffs will continue to be phased out over a period of five or seven years and will be eliminated in 2021 and 2023, respectively. In addition, the majority of Parties have submitted, in accordance with the

²⁶ More formally known as the “WTO Ministerial Declaration on Trade in Information Technology Products” (WT/MIN(96)/16).

²⁷ “Declaration on the Expansion of Trade in Information Technology Products” (WT/L/956).

relevant WTO procedures,²⁸ modifications to their WTO tariff schedules of concessions, which will incorporate these duty-free tariff commitments into their overall WTO tariff commitments.

The ITA Committee does not cover the ITA Expansion Agreement; however, the ITA Expansion Parties met periodically in 2020 and provided regular updates to the ITA Committee on the status of implementation.

²⁸ The relevant procedures are detailed in the [“Decision on 26 March 1980 on Procedures for Modification and Rectification of Schedules of Tariff Concessions” \(BISD 27S/25\)](#).

V. TRADE POLICY DEVELOPMENT

A. Policy Coordination

The Office of the United States Trade Representative (USTR) has primary responsibility, with the advice of the interagency trade policy organization, for developing and coordinating the implementation of U.S. trade policy, including on commodity matters (*e.g.*, coffee and rubber) and, to the extent they are related to trade, direct investment matters. Under the Trade Expansion Act of 1962, the U.S. Congress established an interagency trade policy mechanism to assist with the implementation of these responsibilities. This organization, as it has evolved, consists of three tiers of committees that constitute the principal mechanism for developing and coordinating U.S. Government positions on international trade and trade-related investment issues.

The Trade Policy Review Group (TPRG) and the Trade Policy Staff Committee (TPSC), both administered and chaired by USTR, are the subcabinet interagency trade policy coordination groups central to this process. The TPSC is the first-line operating group, with representation at the senior civil servant level. Supporting the TPSC are over 90 subcommittees responsible for specialized issues. The TPSC regularly seeks advice from the public on policy decisions and negotiations through *Federal Register* notices and public hearings. Due to the COVID-19 pandemic, USTR held public hearings or fostered public participation by inviting written submissions and responses to questions from the TPSC, as appropriate, during the course of the year. In 2020, the TPSC held public hearings or invited public comment on: the Section 301 Investigation of France's Digital Services Tax (January 2020); the Generalized System of Preferences (GSP) country eligibility reviews (January 2020); the Special 301 Review (February 2020); the Negotiating Objectives for a United States–Republic of Kenya Trade Agreement (March 2020); the GSP product review (May 2020); the Initiation of Section 301 Investigations into Digital Services Taxes Adopted or Under Consideration by Austria, Brazil, the Czech Republic, the European Union, India, Indonesia, Italy, Spain, Turkey, and the United Kingdom (June 2020); the African Growth and Opportunity Act annual country eligibility review (August 2020); Russia's Implementation of Its WTO Commitments (October 2020); China's Compliance With WTO Commitments (October 2020); the Section 301 Investigation of Vietnam's Acts, Policies, and Practices Related to Currency Valuation (December 2020); and, the Section 301 Investigation of Vietnam's Acts, Policies, and Practices Related to the Import and Use of Illegal Timber (December 2020).

Through the interagency process, USTR requests input and analysis from members of the appropriate TPSC subcommittee or task force. The conclusions and recommendations of the subcommittee or task force are presented to the full TPSC and serve as the basis for reaching interagency consensus. In cases where the TPSC does not reach consensus on a topic, or if the issue under consideration involves particularly significant policy questions, the issue may be referred to the TPRG (whose membership is at the Deputy USTR/Under Secretary level) or to Cabinet Principals.

The Office of the U.S. Trade Representative chairs the TPSC and the TPRG. The other 20 voting member agencies of the TPSC and the TPRG are the U.S. Departments of Commerce, Agriculture, State, Treasury, Labor, Justice, Defense, Interior, Transportation, Energy, Health and Human Services, and Homeland Security; the Environmental Protection Agency; the Office of Management and Budget; the Council of Economic Advisers; the Council on Environmental Quality; the U.S. Agency for International Development; the Small Business Administration; the National Economic Council; and the National Security Council. The U.S. International Trade Commission is a nonvoting member of the TPSC and an observer at TPRG meetings. USTR may invite representatives of other agencies to attend meetings depending on the specific issues discussed.

B. Public Input and Transparency

Reflecting Congressional direction and to draw advice from the widest array of stakeholders including business, labor, agriculture, civil society, and the general public, the Office of the U.S. Trade Representative (USTR) has broadened opportunities for public input and worked to ensure the transparency of trade policy through various initiatives carried out by USTR's Office of Intergovernmental Affairs and Public Engagement (IAPE).

IAPE works with USTR's Offices of Public and Media Affairs and Congressional Affairs, coordinating with the agency's 13 regional and functional offices, the Office of WTO and Multilateral Affairs, Office of General Counsel, and the Office of Trade Policy and Economics to ensure that timely trade information is available to the public and disseminated widely to stakeholders. This is accomplished in part via USTR's interactive website; online postings of *Federal Register* notices soliciting public comment and input and publicizing public hearings held by the Trade Policy Staff Committee (TPSC); offering opportunities for public comment and interaction with negotiators during trade negotiations; managing the agency's outreach and engagement to a diverse set of all stakeholder sectors including State and local governments, business and trade associations, small and medium-sized businesses, agriculture groups, environmental organizations, industry groups, labor unions, consumer advocacy groups, non-governmental organizations, academia, think tanks, and others; providing regular data updates to help the public understand and evaluate the role of trade; and, participating in discussions of trade policy at major domestic trade events and academic conferences. In addition to public outreach, IAPE is responsible for administering USTR's statutory advisory committee system, created by the U.S. Congress under the Trade Act of 1974, as amended, as well as facilitating consultations with State and local governments regarding the President's trade priorities and the status of current trade negotiations which may affect them or touch upon State and local government policies. Each of these elements is discussed below.

1. Transparency Guidelines and Chief Transparency Officer

The Bipartisan Congressional Trade Priorities and Accountability Act of 2015 set a goal of improving Congressional oversight of negotiations and enforcement, encouraging public participation in policymaking, broadening stakeholder access and input, and ensuring senior-level institutional attention to transparency across the range of USTR work.

- *Chief Transparency Officer:* The Act directed the U.S. Trade Representative to appoint a senior agency official to serve as Chief Transparency Officer (CTO), charged with taking concrete steps to increase transparency in trade negotiations, engage with the public, and consult with Congress on transparency policy. The Obama Administration named the General Counsel as Chief Transparency Officer.

As part of the Trump Administration's goals for raising the stature and accountability of the position, the U.S. Trade Representative designated Ambassador C.J. Mahoney, Deputy United States Trade Representative for Investment, Services, Labor, Environment, Africa, China, and the Western Hemisphere, as Chief Transparency Officer. By elevating the Chief Transparency Officer to a presidentially appointed, Senate confirmed post, the Administration sought to promote stronger accountability and facilitate closer coordination with Congress.

- *Consultation with Congress:* To broaden access to negotiating texts and further encourage Congressional participation, USTR provides hard copies of classified text to the House and Senate Security offices. This includes access to U.S. text proposals and consolidated text of agreements

under negotiation to all Members of Congress, professional staff with an appropriate security clearance of the Committees on Finance and Ways and Means, to professional staff with an appropriate security clearance from other Committees interested in reviewing text relevant to that Committee's jurisdiction, to personal office staffers with an appropriate security clearance of any Member of the Committees on Finance and Ways and Means, and to personal office staff with an appropriate security clearance accompanying his or her Member of Congress. Any Member of the House or Senate Advisory Group on Negotiations, or any Member designated a congressional advisor on trade policy and negotiations by the Speaker of the House or the President *pro tempore* of the Senate (in both cases after consultation with the Chairman and Ranking Member of the appropriate committees of jurisdiction), and up to three professional staff with an appropriate security clearance from each of the Committees on Finance and Ways and Means will be accredited to negotiating rounds. In response to the COVID-19 pandemic and at the request of the Congress, USTR improved access to classified text using a secure website.

- *Public Engagement:* USTR also provides information to the public and interested stakeholders regarding trade agreement negotiations and other trade developments by releasing information on the schedules of negotiating rounds, publishing summaries of negotiating objectives issued at least 30 days before initiating negotiations for a trade agreement, updating negotiating objectives during negotiations, publishing *Federal Register* notices for each agreement under consideration, and holding public hearings on negotiations and other trade priorities; holding regular public events during negotiations, in which stakeholders and the public can meet directly with USTR negotiators directly involved in particular agreements; and other means.

2. Public Outreach

***Federal Register* Notices Seeking Public Input/Comments and Public Hearings**

In 2020, USTR published approximately 115 *Federal Register* notices to solicit public comment on negotiations and policy decisions on a wide range of issues, including the annual Special 301 review including the Out-of-Cycle Review of Notorious Markets, implementation of the United States–Mexico–Canada Agreement, the China 301 Investigation, digital services taxation, the Section 201 proceeding involving solar products, Generalized System of Preferences product coverage, market opportunities for U.S. producers in overseas airport construction, and other topics. Public comments received in response to *Federal Register* notices are available for inspection [online](#).

USTR also held public hearings or fostered public participation by inviting written submissions and responses to questions from the TPSC, as appropriate, regarding a variety of trade policy initiatives, including the Negotiating Objectives for a United States–Republic of Kenya Trade Agreement, the Special 301 Review, Section 301 Investigations into Digital Services Taxes, China's Compliance with WTO Commitments, beneficiary country compliance with Generalized System of Preferences eligibility criteria, and other topics. Before the beginning of the COVID-19 pandemic, these hearings were web-cast live. Submissions of all parties in all hearings are posted online.

Open Door Policy

USTR officials, including the U.S. Trade Representative, and professional staff from regional, functional, and multilateral offices as well as the Office of Intergovernmental Affairs and Public Engagement, conduct outreach with a broad array of stakeholders, including agricultural commodity groups and farm associations, labor unions, environmental organizations, consumer groups, large and small businesses, trade associations, consumer advocacy groups, faith groups, development and poverty relief organizations, other

public interest groups, State and local governments, non-governmental organizations, think tanks, and academics to discuss specific trade policy issues, subject to negotiator availability and scheduling.

3. The Trade Advisory Committee System

The trade advisory committee system, established by the U.S. Congress by statute in 1974, was created to ensure that U.S. trade policy and trade negotiating objectives adequately reflect U.S. public and private sector interests. Substantially broadened and reformed over the subsequent four decades, the system remains in the 21st century a central means of ensuring that USTR's senior officers and line negotiators receive ideas, input, and critiques from a wide range of public interests. The system now consists of 26 advisory committees, with a total membership of up to approximately 700 advisors. Advisory committee members represent the full span of interests, including manufacturing; agriculture; digital trade; intellectual property; services; small businesses; labor; environmental, consumer and public health organizations; and, State and local governments. USTR manages the advisory committee system, in collaboration with the U.S. Departments of Agriculture, Commerce, and Labor, to ensure compliance with legal requirements. The advisory committee system is organized into three tiers: the President's Advisory Committee for Trade Policy and Negotiations (ACTPN); five policy advisory committees, dealing with environment, labor, agriculture, Africa, and State and local governments; and, 20 technical advisory committees in the areas of industry (ITACs) and agriculture (ATACs).

The trade advisory committees provide information and advice on U.S. negotiating objectives, the operation of trade agreements, and other matters arising in connection with the development, implementation, and administration of U.S. trade policy.

In cooperation with the other agencies served by the advisory committees, USTR continues to look for ways to broaden the participation on committees to include a more diverse group of stakeholders and to represent new interests and fresh perspectives, and USTR continues exploring ways to expand representation while ensuring the committees remain effective.

Recommendations for candidates for committee membership are collected from a number of sources, including associations and organizations, publications, other Federal agencies, responses to *Federal Register* notices, and self-nominated individuals who have demonstrated an interest in, and knowledge of, U.S. trade policy. Membership selection is based on qualifications, diversity of sectors represented and geography, and the needs of the specific committee to maintain a balance of the perspectives represented. Committee members are required to have a security clearance in order to serve and have access to confidential trade documents on a secure encrypted website. Committees meet regularly in Washington, D.C., as well as in conference call meetings, to provide input and advice to USTR and other agencies. Members pay for their own travel and related expenses.

For additional information on the advisory committees, see the [USTR website](#).

Tier I: President's Advisory Committee on Trade Policy and Negotiations

As the highest-level committee in the system, the President's Advisory Committee on Trade Policy and Negotiations (ACTPN) examines U.S. trade policy and agreements from the broad context of the overall national interest. The ACTPN consists of no more than 45 members, who are broadly representative of the key economic sectors of the economy affected by trade, including non-Federal governments, labor, industry, agriculture, small business, service industries, retailers, and consumer interests. The President appoints ACTPN members to four-year terms not to exceed the duration of the charter.

A current roster of ACTPN members and the interests they represent is available on the [USTR website](#).

Tier II: Policy Advisory Committees

Members of the five policy advisory committees are appointed by USTR or in conjunction with other Cabinet officers. The Intergovernmental Policy Advisory Committee on Trade (IGPAC), the Trade and Environment Policy Advisory Committee (TEPAC), and the Trade Advisory Committee on Africa (TACA) are appointed and managed solely by USTR. The Agricultural Policy Advisory Committee (APAC) and the Labor Advisory Committee for Trade Negotiations and Trade Policy (LAC) are managed jointly with, respectively, the U.S. Departments of Agriculture and Labor. Each committee provides advice based upon the perspective of its specific area, and its members are chosen to represent the diversity of interests in those areas.

A list of all the members of the Committees and the diverse interests they represent is available on the [USTR website](#).

Agricultural Policy Advisory Committee

The Agricultural Policy Advisory Committee (APAC) is designed to represent a broad spectrum of agricultural interests including the interests of farmers, ranchers, processors, renderers, and public advocates, for the range of food and agricultural products grown and produced in the United States. Members serve at the discretion of the U.S. Secretary of Agriculture and the U.S. Trade Representative. The Secretary of Agriculture and the U.S. Trade Representative jointly appoint the maximum of 40 members to four-year terms.

Intergovernmental Policy Advisory Committee on Trade

The Intergovernmental Policy Advisory Committee on Trade (IGPAC) consists of not more than 35 members appointed from, and representative of, the various States and other non-Federal Governmental entities within the jurisdiction of the United States. These entities include, but are not limited to, the executive and legislative branches of State, county, and municipal governments. Members may hold elective or appointive office. Members are appointed by, and serve at the discretion of, the U.S. Trade Representative.

Labor Advisory Committee

The Labor Advisory Committee (LAC) consists of not more than 30 members from the U.S. labor community, appointed by the U.S. Trade Representative and the U.S. Secretary of Labor, acting jointly. Members represent unions from all sectors of the economy including steel, automotive, aerospace, farmworkers, teachers, pilots, artists, machinists, service workers, and food and commercial workers. Members are appointed by, and serve at the discretion of, the U.S. Secretary of Labor and the U.S. Trade Representative.

Trade Advisory Committee on Africa

Trade Advisory Committee on Africa (TACA) consists of not more than 30 members, including, but not limited to, representatives from industry, labor, investment, agriculture, services, academia, and nonprofit development organizations. The members of the Committee are appointed to be broadly representative of key sectors and groups with an interest in trade and development in sub-Saharan Africa, including non-

profit organizations, producers, and retailers. Members of the committee are appointed by, and serve at the discretion of, the U.S. Trade Representative.

Trade and Environment Policy Advisory Committee

The Trade and Environment Policy Advisory Committee (TEPAC) consists of not more than 35 members, including, but not limited to, representatives from environmental interest groups, industry, services, academia, and non-Federal Governments. The Committee is designed to be broadly representative of key sectors and groups of the economy with an interest in trade and environmental policy issues. Members of the Committee are appointed by, and serve at the discretion of, the U.S. Trade Representative.

Tier III: Technical and Sectoral Committees

The 20 technical and sectoral advisory committees are organized into two areas: agriculture and industry. Representatives are appointed jointly by the U.S. Trade Representative and the U.S. Secretaries of Agriculture or Commerce, respectively. Each sectoral or technical committee represents a specific sector, commodity group, or functional area and provides specific technical advice concerning the effect that trade policy decisions may have on its sector or issue.

Agricultural Technical Advisory Committees

There are six Agricultural Technical Advisory Committees (ATACs), focusing on the following products: (1) Animals and Animal Products; (2) Fruits and Vegetables; (3) Grains, Feed, Oilseeds, and Planting Seeds; (4) Processed Foods; (5) Sweeteners and Sweetener Products; and, (6) Tobacco, Cotton, and Peanuts. Members of each committee are appointed by, and serve at the discretion of, the U.S. Secretary of Agriculture and the U.S. Trade Representative. Members must represent a U.S. entity with an interest in agricultural trade and should have expertise and knowledge of agricultural trade as it relates to policy and commodity-specific products. In appointing members to the committees, balance is achieved and maintained by assuring that the members appointed represent entities across the range of agricultural interests that will be directly affected by the trade policies of concern to the committee (for example, farm producers, farm and commodity organizations, processors, traders, and consumers). Geographical balance on each committee is also sought.

A list of all the members of the committees and the diverse interests they represent is available on the [U.S. Department of Agriculture website](#).

Industry Trade Advisory Committees

There are 14 industry trade advisory committees (ITACs). These committees are: Aerospace Equipment (ITAC 1); Automotive Equipment and Capital Goods (ITAC 2); Chemicals, Pharmaceuticals, Health/Science Products and Services (ITAC 3); Consumer Goods (ITAC 4); Forest Products, Building Materials, Construction and Nonferrous Metals (ITAC 5); Energy and Energy Services (ITAC 6); Steel (ITAC 7); Digital Economy (ITAC 8); Small and Minority Business (ITAC 9); Services (ITAC 10); Textiles and Clothing (ITAC 11); Customs Matters and Trade Facilitation (ITAC 12); Intellectual Property Rights (ITAC 13); and, Standards and Technical Trade Barriers (ITAC 14).

Members of the ITACs are appointed jointly by the U.S. Secretary of Commerce and the U.S. Trade Representative and serve at their discretion. Each of the committees consists of not more than 50 members representing diverse interests and perspectives including, but not limited to, labor unions, manufacturers, exporters, importers, service suppliers, producers, and representatives of small and large business. Committee members should have knowledge and experience in their industry or interest area, and represent

a U.S. entity that has an interest in trade matters related to the sectors or subject matters of concern to the individual committees. In appointing members to the committees, balance is achieved and maintained by assuring that the members appointed represent private businesses, labor unions, and other U.S. entities across the range of interests as provided in law in a particular sector, commodity group, or functional area that will be directly affected by the trade policies of concern to the committee.

A list of all the members of the committees and the diverse interests the committees and their respective memberships represent is available on the [U.S. Department of Commerce website](#).

4. State and Local Government Relations

USTR maintains consultative procedures between Federal trade officials and State and local governments. USTR informs the states, on an ongoing basis, of trade-related matters that directly relate to, or that may have a direct effect on, them. U.S. territories may also participate in this process. USTR also serves as a liaison point in the Executive Branch for State and local government and Federal agencies to transmit information to interested State and local governments, and relay advice and information from the states on trade-related matters. This is accomplished through a number of mechanisms, detailed below.

State Single Point of Contact System and IGPAC

State Single Point of Contact System

For day-to-day communications, USTR operates a State Single Point of Contact (SPOC) system. The Governor's office in each state designates a single contact point to disseminate information received from USTR to relevant State and local offices and assist in relaying specific information and advice from the states to USTR on trade-related matters. Through the SPOC network, State governments are promptly informed of Administration trade initiatives so that they can provide companies and workers with information in order to take full advantage of increased foreign market access and reduced trade barriers. It also enables USTR to consult with states and localities directly on trade matters which may affect them.

Intergovernmental Policy Advisory Committee on Trade

Additionally, USTR works closely with the Intergovernmental Policy Advisory Committee on Trade (IGPAC) made up of various State and local officials. The IGPAC makes recommendations to USTR and the Administration on trade policy matters from the perspective of State and local governments. The IGPAC was briefed and consulted on trade priorities of interest to states and localities, including the negotiation of the USMCA, China Phase One Agreement, and enforcement actions at the WTO. IGPAC members are also invited to participate in periodic teleconference briefings, similar to teleconference calls held for SPOC and chairs of the advisory committees.

Meetings of State and Local Associations and Local Chambers of Commerce

USTR officials participate frequently in meetings of State and local government associations and local chambers of commerce to apprise them of relevant trade policy issues and solicit their views. USTR senior officials have met with the National Governors' Association and other State and local commissions and organizations. Additionally, USTR officials have addressed gatherings of State and local officials around the country.

Consultations Regarding Specific Trade Issues

USTR consults with particular states and localities on issues arising under the WTO and other U.S. trade agreements and frequently responds to requests for information from State and local governments. Topics of interest include the USMCA, the China Section 301 Investigation, enforcement of trade agreements, and consultations with individual states regarding certain trade remedy investigations.

5. Freedom of Information Act

USTR is subject to the Freedom of Information Act (FOIA), a law that provides the public with a right of access to federal agency records except to the extent those records are protected from disclosure under particular FOIA exemptions or exceptions. Detailed information about the USTR FOIA program is available on the [USTR website](#). USTR had 12 requests pending at the start of fiscal year 2020, and over the course of the fiscal year received 155 new FOIA requests and processed 155 FOIA requests. The USTR FOIA Office demonstrated its ongoing commitment to transparency by, among other things, closing its 12 oldest FOIA requests while also improving the timeliness of responses. In addition, the USTR FOIA Office proactively added links to certain materials in anticipation of high public interest in particular topics, such as the United States–China negotiations and ongoing congressional correspondence. The USTR FOIA Office has also updated frequently requested records including USTR’s FOIA logs on a quarterly basis, and the calendars of senior level officials and visitor logs on a bimonthly basis. Proactively disclosed information is available in the [USTR FOIA Library](#).

C. Congressional Consultations

To broaden access to negotiating texts and further encourage Congressional participation, the Office of the U.S. Trade Representative (USTR) provides hard copies of classified text to the House and Senate security offices. This includes access to U.S. text proposals and consolidated text of agreements under negotiation to all Members of Congress, professional staff with an appropriate security clearance of the Committees on Finance and Ways and Means, to professional staff with an appropriate security clearance from other Committees interested in reviewing text relevant to that Committee’s jurisdiction, to personal office staffers with an appropriate security clearance of a Member of the Committees on Finance and Ways and Means, and to personal office staff with an appropriate security clearance accompanying his or her Member of Congress. Any Member of the House or Senate Advisory Group on Negotiations, any Member designated a congressional advisor on trade policy and negotiations by the Speaker of the House or the President *pro tempore* of the Senate (in both cases after consultation with the Chairman and Ranking member of the appropriate committees of jurisdiction), and up to three professional staff with an appropriate security clearance from each of the Committees on Finance and Ways and Means will be accredited to negotiating rounds. In response to the COVID-19 pandemic and at the request of the Congress, USTR improved access to classified text using a secure website.

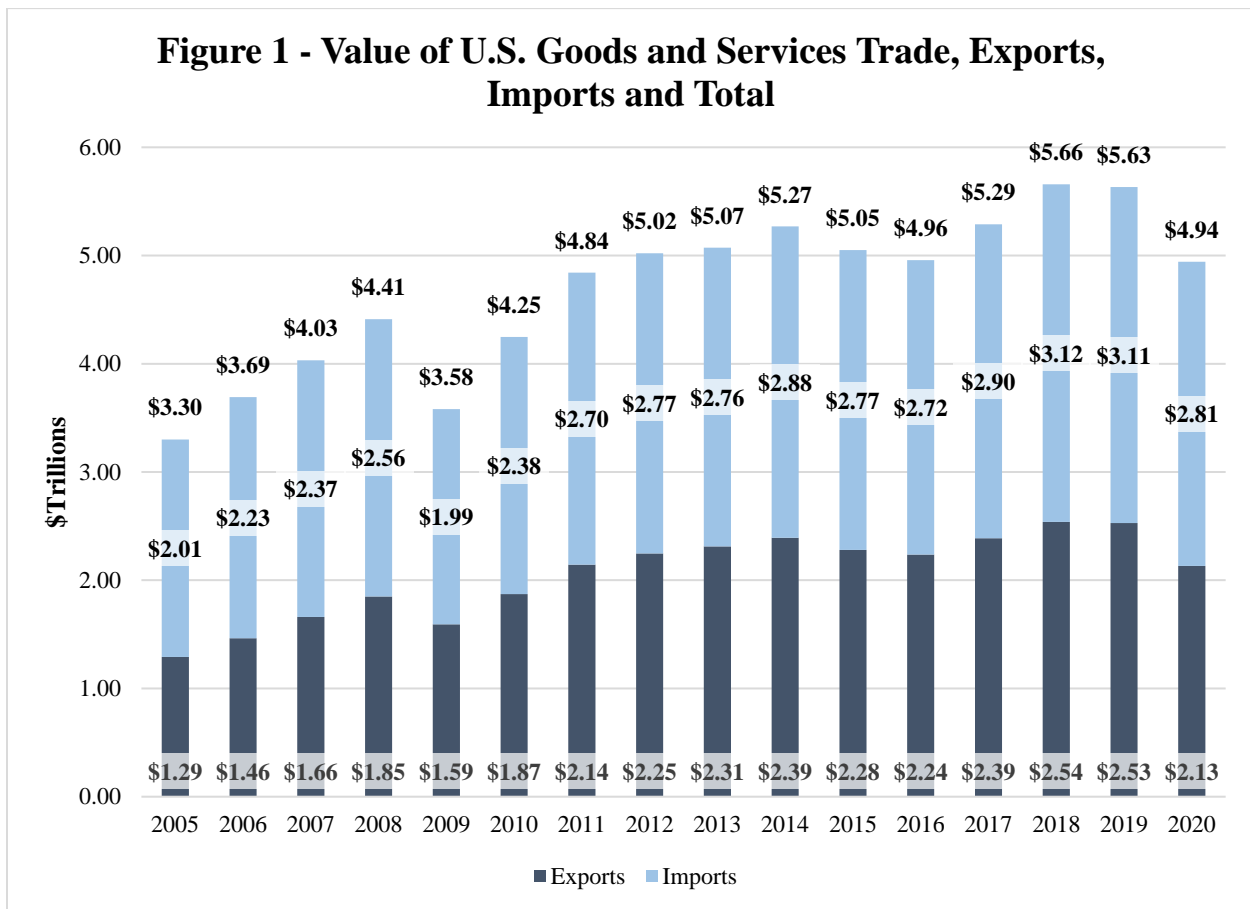
The year presented many challenges due to the COVID-19 pandemic; however, USTR continued robust consultations with the U.S. Congress. In person meetings were altered to comply with social distancing guidance and many meetings were shifted to calls. USTR consulted with Congressional Committees and the leadership of both parties in the U.S. Senate and U.S. House of Representatives, held nearly 600 meetings and calls with Members and their staff, and held two formal hearings before USTR’s committees of jurisdiction. These meetings covered issues ranging from negotiation and Congressional passage of the United States—Mexico—Canada Agreement (USMCA); negotiation of the United States–China Trade Agreement; consultations on a free trade agreement with the United Kingdom; continued discussions with the European Union; and, consultations on a free trade agreement with Kenya.

ANNEX I

U.S. TRADE IN 2020

I. 2020 Overview

U.S. trade (exports and imports of goods and services) decreased 12.3 percent to \$4.9 trillion in 2020,²⁹ the largest nominal decrease since 2009 (*Figure 1*). U.S. exports of goods and services decreased by 15.7 percent while U.S. imports of goods and services decreased by 9.5 percent. As a percent of GDP, total trade (exports plus imports) decreased as well, representing 23.6 percent of GDP in 2020, down from 26.3 percent in 2019 (*Figure 2*). Exports represented 10.2 percent of GDP in 2020, down from 11.8 percent in 2019. Imports represented 13.4 percent of GDP in 2020, down from 14.5 percent in 2020.³⁰

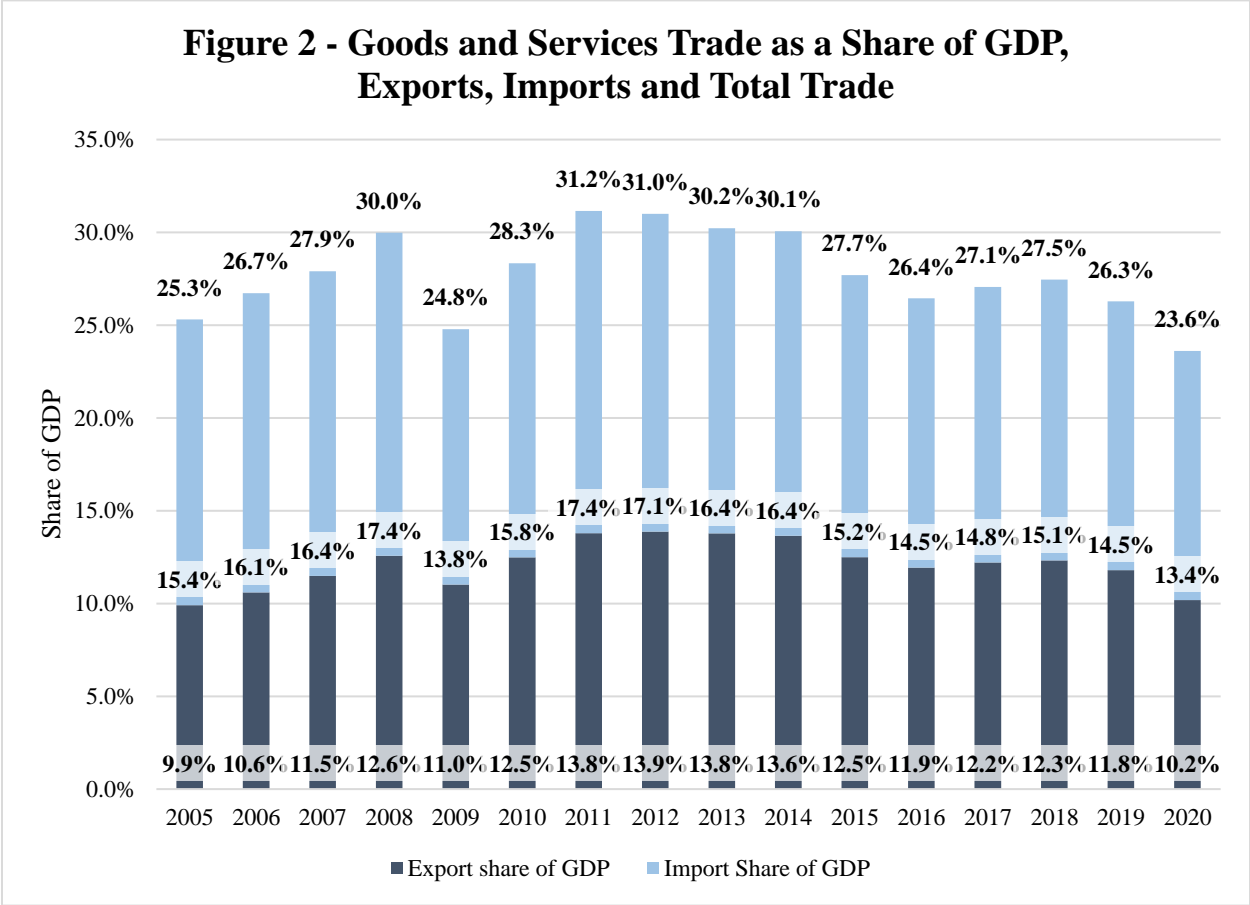


Source: U.S. Department of Commerce

²⁹ On a balance of payments (BOP) basis.

³⁰ The broadest measure of commercial trade is from the Current Account and includes goods and services as well as earnings/payments on foreign investment and current transfers. Earnings are considered trade because they are the payment made/received to foreign/U.S. residents for the service rendered by the use of foreign/U.S. capital. Based on the Current Account, trade decreased by 14.1 percent in the first three quarters of 2020 (latest data available) and represent an estimated 33.2 percent of GDP, down from 37.8 percent in 2019. Data are annualized based on the first 3 quarters of 2020.

In real terms, trade was down by 10.8 percent, a decrease from the 0.6 percent growth rate increase in 2019.³¹ Real exports of goods and services were down 13.0 percent (down from a decline of 0.1 percent in 2019), while real imports of goods and services were down 9.3 percent (down from an increase of 1.1 percent in 2019). The decline in real exports deducted 1.47 percentage points from U.S. real economic growth (down 3.5 percent) in 2020.



Source: U.S. Department of Commerce

The U.S. deficit in goods and services trade increased by \$101.9 billion (17.7 percent) in 2020 to \$678.7 billion. The 2020 goods and services deficit was the highest since 2008 (\$712.4 billion). As a share of GDP, the deficit increased from 2.7 percent in 2019 to 3.2 percent in 2020, but is down from its high of 5.5 percent in 2006.

The U.S. deficit in goods trade alone increased by \$51.5 billion (6.0 percent), from \$864.3 billion in 2019 to \$915.8 billion in 2020. The U.S. services trade surplus decreased by \$50.4 billion (17.5 percent), from \$287.5 billion in 2019 to \$237.1 billion in 2020. As a share of GDP, the goods deficit increased from 4.0 percent in 2019 to 4.4 percent in 2020, and the services surplus decreased from 1.3 percent in 2019 to 1.1 percent in 2020.

³¹ On a National Income Products Account basis.

II. Export Growth

U.S. exports of goods and services were down by 15.7 percent to \$2.1 trillion in 2020, the lowest value since 2010 (\$1.9 trillion) (*Table 1*). Goods exports were down 13.2 percent (\$217.7 billion) to \$1.4 trillion, while services exports were down 20.4 percent (\$178.7 billion) to \$697.1 billion.

Table 1 - U.S. Exports					
	Value (\$Billions)			% Change	
	2015	2019	2020	15-20	19-20
Total Goods and Services	2,279.7	2,528.3	2,131.9	-6.5%	-15.7%
Goods on a BOP Basis	1,511.4	1,652.4	1,434.8	-5.1%	-13.2%
Foods, Feeds, Beverages	127.7	131.1	139.8	9.4%	6.6%
Industrial Supplies	427.0	529.8	470.6	10.2%	-11.2%
Capital Goods	539.5	547.9	460.4	-14.7%	-16.0%
Automotive Vehicles	151.9	162.5	127.2	-16.3%	-21.7%
Consumer Goods	197.7	205.7	174.9	-11.6%	-15.0%
Other Goods	59.4	66.3	58.9	-0.9%	-11.2%
Petroleum	98.1	179.4	134.5	37.1%	-25.0%
Manufacturing	1,317.0	1,365.3	1,171.4	-11.1%	-14.2%
Agriculture	137.3	141.4	150.5	9.6%	6.4%
Services	768.4	875.8	697.1	-9.3%	-20.4%
Maintenance and repair services	19.8	27.9	15.1	-23.7%	-45.7%
Transport	84.4	91.1	56.4	-33.2%	-38.1%
Travel	192.6	193.3	76.1	-60.5%	-60.6%
Construction	2.8	3.2	2.3	-15.2%	-26.7%
Insurance services	15.5	16.2	14.7	-4.8%	-9.3%
Financial services	115.0	135.7	135.8	18.1%	0.1%
Charges for the use of intellectual property	111.2	117.4	115.3	3.8%	-1.8%
Telecom, computer, and information services	41.4	55.7	54.3	31.0%	-2.5%
Other business services	141.4	189.4	185.7	31.3%	-2.0%
Personal, cultural, and recreational services	24.2	23.4	18.2	-24.8%	-22.1%
Government goods and services	20.1	22.6	23.1	15.1%	2.5%

Source: U.S. Department of Commerce, Balance of Payments basis for total, Census basis for goods sectors

A. U.S. Goods Exports

U.S. goods exports decreased in 2020, by 13.2 percent to \$1.4 trillion (*Table 1*). This was the lowest level for goods exports since 2010 (\$1.3 trillion). Manufacturing exports, which accounted for 81.8 percent of total goods exports, were down 14.2 percent in 2020, its lowest level since 2010 (\$1.1 trillion). Agricultural exports, which accounted for 10.5 percent of total goods exports, were up 6.4 percent in 2020 to \$150.5 billion.

Of the major goods sectors, only foods, feeds, and beverages showed export gains. Exports of foods feeds, and beverages were up 6.6 percent to \$139.8 billion and were the highest since 2014 (\$143.7 billion). All of the other major goods sectors showed export declines. Industrial supplies, capital goods, automobiles and parts, and consumer goods decreased 11.2 percent, 16.0 percent, 21.7 percent and 15.0 percent, respectively. Exports of capital goods, automobile and parts, and consumer goods exports were at their lowest level since 2010.

Over the last 5 years, between 2015 and 2020, U.S. goods exports have decreased by 5.1 percent (\$76.6 billion). Over the same time period U.S. agricultural exports increased by 9.6 percent (\$13.2 billion), while manufacturing exports decreased by 11.1 percent (\$145.6 billion). Of the major end-use categories, industrial supplies had the largest increase in value, up \$43.5 billion (10.2 percent) while U.S. petroleum exports, a subset of industrial supplies and materials, increased by \$36.4 billion (37.1 percent), and foods, feeds, and beverages increased \$12.0 billion (9.4 percent). Goods sectors with the largest export declines in value included capital goods down \$79.2 billion (14.7 percent), automobiles and parts down \$24.7 billion (16.3 percent), and consumer goods down \$22.9 billion (11.6 percent).

	Value (\$Billions)			% Change	
	2015	2019	2020	15-20	19-20
Canada	280.9	292.6	255.4	-9.1%	-12.7%
Mexico	236.5	256.6	212.7	-10.1%	-17.1%
China	115.9	106.4	124.6	7.6%	17.1%
Japan	62.4	74.4	64.1	2.7%	-13.8%
European Union (27)	215.8	267.6	232.1	7.5%	-13.3%
Latin America (excluding Mexico)	152.6	161.6	130.5	-14.5%	-19.3%
Pacific Rim (excluding Japan and China)	191.8	210.3	187.5	-2.2%	-10.8%
FTA Countries	711.3	766.0	651.2	-8.5%	-15.0%
Advanced Economies	812.2	910.9	792.6	-2.4%	-13.0%
Emerging Markets and Developing Economies	684.1	725.3	633.9	-7.3%	-12.6%

Source: U.S. Department of Commerce, Census basis
Advanced Economies and Emerging Markets as defined by the IMF

In 2020, U.S. goods exports to four of the top five export markets were down: Canada (down 12.7 percent), Mexico (down 17.1 percent), Japan (down 13.8 percent), and the European Union (27) (down 13.3 percent) (*Table 2*). U.S. goods exports to China, the third largest U.S. export market, increased by 17.1 percent. U.S. goods exports to our 20 FTA partners³² decreased by 15.0 percent³³. U.S. goods exports to advanced economies, accounting for 55.3 percent of U.S. total goods exports, decreased by 13.2 percent, while goods exports to emerging markets and developing economies decreased by 12.6 percent.

³² The United States has FTAs in force with 20 countries: Australia, Bahrain, Canada, Chile, Colombia, Costa Rica, Dominican Republic, El Salvador, Guatemala, Honduras, Israel, Jordan, Korea, Mexico, Morocco, Nicaragua, Oman, Panama, Peru, and Singapore.

³³ The 20 FTA countries currently entered into force accounted for a 45.5 percent share of total U.S. goods exports in 2020.

B. U.S. Services Exports

U.S. exports of services decreased by 20.4 percent to \$697.1 billion in 2020, its lowest level since 2012 (\$684.8 billion) (*Table 1*). U.S. services exports accounted for 32.7 percent of the level of U.S. goods and services exports in 2020.

Of the major services sectors, only financial services showed export gains. Exports of financial services were up 0.1 percent (\$115 million). All other major service sectors showed export declines ranging from negative 60.6 percent (travel services – down \$117.2 billion) to negative 1.8 percent (intellectual property – down \$2.1 billion). The government goods and services category (considered part of overall services) increased by 2.5 percent.

Over the last 5 years, between 2015 and 2020, U.S. services exports decreased 9.3 percent (\$71.2 billion). U.S. service sectors with the largest export decline included travel services down 60.5 percent (\$116.5 billion); transportation services down 33.2 percent (\$28.6 billion); personal, cultural, and recreational services down 24.8 percent (\$6.0 billion); and, maintenance and repair services down 23.7 percent (\$4.7 billion). Somewhat offsetting these export declines, export gains included other business services up 31.3 percent (\$44.3 billion); financial services up 18 percent (\$20.9 billion); telecom, computer, and information services up 31.0 percent (\$12.8 billion); and, intellectual property up 3.8 percent (\$4.2 billion).

The United Kingdom was the largest purchaser of U.S. services exports in 2019 (latest data available), accounting for \$78.3 billion of total U.S. services exports. The next 4 largest purchasers of services exports in 2019 were: Canada (\$67.7 billion), Ireland (\$57.5 billion), China (\$56.5 billion), and Japan (\$50.1 billion). Regionally, in 2019 the United States exported \$279.0 billion in services to the European Union (27) (\$200.3 billion excluding the United Kingdom), \$253.2 billion to the Pacific Rim region (\$146.6 billion excluding Japan and China), \$125.3 billion to Latin America (excluding Mexico), and \$100.7 billion to our two USMCA partners (Canada and Mexico).

III. Imports

U.S. imports of goods and services were down by 9.5 percent in 2020, to \$2.8 trillion (its lowest level since 2016 (\$2.7 trillion). Goods imports were down 6.6 percent (\$166.2 billion) to \$2.3 trillion and services imports were down 21.8 percent (\$128.3 billion) to \$460.1 billion (*Table 3*).

Table 3 - U.S. Imports					
	Value (\$Billions)			% Change	
	2015	2019	2020	15-20	19-20
Total Goods and Services	2,771.0	3,105.1	2,810.6	1.4%	-9.5%
Goods on a BOP Basis	2,273.2	2,516.8	2,350.6	3.4%	-6.6%
Foods, Feeds, Beverages	127.8	150.5	154.4	20.8%	2.6%
Industrial Supplies	486.0	521.5	479.2	-1.4%	-8.1%
Capital Goods	602.5	677.8	646.5	7.3%	-4.6%
Automotive Vehicles	349.2	375.9	310.7	-11.0%	-17.4%
Consumer Goods	594.2	653.6	639.3	7.6%	-2.2%
Other Goods	89.3	118.2	106.4	19.3%	-9.9%
Petroleum	182.0	193.8	116.4	-36.0%	-39.9%
Manufacturing	1,946.8	2,158.7	2,069.1	6.3%	-4.2%
Agriculture	113.8	131.2	135.9	19.4%	3.6%
Services	497.8	588.4	460.1	-7.6%	-21.8%
Maintenance and repair services	8.1	7.8	5.7	-30.1%	-27.8%
Transport	99.6	107.5	71.5	-28.1%	-33.4%
Travel	102.7	134.6	39.3	-61.7%	-70.8%
Construction	3.0	1.3	0.9	-68.9%	-29.4%
Insurance services	49.8	51.5	60.4	21.2%	17.2%
Financial services	32.6	40.4	39.5	21.3%	-2.0%
Charges for the use of intellectual property	35.2	42.7	44.0	25.0%	2.9%
Telecom, computer, and information services	38.8	43.7	35.8	-7.6%	-18.0%
Other business services	95.1	113.6	114.2	20.1%	0.6%
Personal, cultural, and recreational services	11.4	21.1	24.1	112.0%	13.9%
Government goods and services	21.5	24.1	24.6	14.4%	2.3%

Source: U.S. Department of Commerce, Balance of Payments basis, Census basis for goods sectors

A. U.S. Goods Imports

U.S. goods imports decreased by 6.6 percent in 2020 to \$2.3 trillion, accounting for 83.6 percent of total imports (*Table 3*), the lowest level since 2016 (\$2.2 trillion). U.S. manufacturing imports, which accounted for 88.0 percent of total goods imports, decreased by 4.2 percent in 2020. U.S. agriculture imports, accounting for 5.8 percent of total goods imports, increased by 3.6 percent.

Of the major goods sectors, most showed export declines. Imports of automobiles and parts decreased 17.4 percent to \$310.7 billion, the lowest since 2013 (\$308.8 billion); imports of industrial supplies and materials were down 8.1 percent to \$479.2 billion, the lowest since 2016 (\$443.3 billion); and petroleum imports, a subset of industrial goods imports, decreased by 39.9 percent to \$116.4 billion, the lowest since 2002 (\$103.5 billion). However, imports of food, feeds, and beverages showed export gains, increasing by 2.6 percent to a record \$154.4 billion.

Over the last 5 years, between 2015 and 2020, U.S. goods imports increased by 3.4 percent (\$77.3 billion). Over this same time period, U.S. agricultural imports increased by 19.4 percent (\$22.1 billion), while manufacturing imports increased 6.3 percent (\$122.3 billion). Goods sectors with import gains included foods, feeds, and beverages up 20.8 percent (\$26.6 billion), consumer goods up 7.6 percent (\$45.1 billion), and capital goods up 7.3 percent (\$44.1 billion). Goods sectors with import declines included automotive vehicles and parts down 11.0 percent (\$38.5 billion) and industrial supplies down 1.4 percent (\$6.7 billion). Petroleum products, a subset of industrial supplies declined 36.0 percent (\$65.6 billion).

	Value (\$Billions)			% Change	
	2015	2019	2020	15-20	19-20
Canada	296.3	319.4	270.4	-8.7%	-15.4%
Mexico	296.4	358.0	325.4	9.8%	-9.1%
China	483.2	451.7	435.4	-9.9%	-3.6%
Japan	131.4	143.6	119.5	-9.1%	-16.8%
European Union (27)	369.8	452.0	415.5	12.4%	-8.1%
Latin America (excluding Mexico)	115.9	108.9	90.7	-21.8%	-16.7%
Pacific Rim (excluding Japan and China)	217.0	251.5	269.7	24.3%	7.2%
FTA Countries	774.6	874.6	787.6	1.7%	-10.0%
Advanced Economies	1,055.0	1,209.8	1,126.5	6.8%	-6.9%
Emerging Markets and Developing Economies	1,192.5	1,286.8	1,209.3	1.4%	-6.0%

Source: U.S. Department of Commerce, Census basis
Advanced Economies and Emerging Markets as defined by the IMF

In 2020, U.S. goods imports decreased from all of our top 4 import suppliers, Canada (down 15.4 percent), Mexico (down 9.1 percent), China (down 3.6 percent), and Japan (down 16.8 percent) (*Table 4*). U.S. goods imports from our 20 FTA partners decreased by 10.0 percent in 2020.³⁴ U.S. goods imports from advanced economies, accounting for 48.2 percent of U.S. total goods imports, decreased by 6.9 percent, while goods imports from emerging markets and developing economies decreased by 6.0 percent.

B. U.S. Services Imports

U.S. services imports decreased by 21.8 percent (\$128.3 billion) to \$460.1 billion in 2020, its lowest level since 2011 (\$458.2 billion) (*Table 3*). Declines in services imports were led by travel services (down 70.8 percent/\$95.3 billion) and transportation services (down 33.4 percent/\$35.9 billion). Telecom, computer, and information services, maintenance and repair services, and construction declined, by 18.0 percent (\$7.9 billion), 27.8 percent (\$2.2 billion), and 29.4 percent (\$390 million), respectively. Offsetting these declines

³⁴ The 20 FTA countries currently entered into force accounted for 33.7 percent of total goods imports in 2020.

somewhat, included import gains in insurance services up 17.2 percent (\$8.9 billion) and personal, cultural, and recreational services up 13.9 percent (\$2.9 billion).

Over the last 5 years, between 2015 and 2020, U.S. services imports decreased 7.6 percent (\$37.7 billion). Service sectors with the largest import decline included travel services down 61.7 percent (\$63.4 billion) and transport services down 28.1 percent (\$28.0 billion). The decrease was offset somewhat by import gains in other business services. For example, professional and management consulting services, and research and development services up 20.1 percent (\$19.1 billion); personal, cultural, and recreational services up 112.0 percent (\$12.7 billion); insurance services up 21.2 percent (\$10.6 billion); intellectual property up 25.0 percent (\$8.8 billion); and, financial services up 21.3 percent (\$6.9 billion).

The United Kingdom remained our largest supplier of services, accounting for \$62.3 billion of total U.S. services imports in 2019 (latest data available). The next 5 largest suppliers of U.S. services imports in 2019 were: Canada (38.6 billion), Japan (\$35.8 billion), Germany (\$34.9 billion), Mexico (\$29.8 billion), and India (\$29.7 billion). Regionally, in 2019 the United States imported \$208.3 billion of services from the European Union (27) (\$145.9 billion excluding the United Kingdom), \$154.2 billion from the Pacific Rim region (\$98.3 billion, excluding Japan and China), \$68.4 billion from our USMCA partners (Canada and Mexico), and \$93.4 billion from Latin America (excluding Mexico).

IV. The U.S. Trade Balance

The total U.S. deficit in goods and services trade³⁵ increased by \$101.9 billion in 2020 to \$678.7 billion. The deficit was the highest since 2008 (\$712.4 billion). While the deficit increased as a share of GDP, from 2.7 percent of GDP in 2019 to 3.2 percent of GDP in 2020, this is still substantially lower than its high of 5.5 percent in 2006.

The U.S. deficit in goods trade alone increased by \$51.5 billion from \$864.3 billion in 2019 (4.0 percent of GDP) to a record \$915.8 billion in 2020 (4.4 percent of GDP), while the services trade surplus decreased by \$50.4 billion, from \$287.5 billion in 2019 (1.3 percent of GDP) to \$237.0 billion in 2020 (1.1 percent of GDP). The services surplus was the lowest since 2012 (\$215.2 billion).

Table 5 - U.S. Trade Balances						
	2015	2016	2017	2018	2019	2020
U.S. Trade Balances as a share of GDP						
Goods and Services	-2.7%	-2.6%	-2.6%	-2.8%	-2.7%	-3.2%
Goods	-4.2%	-4.0%	-4.1%	-4.3%	-4.0%	-4.4%
Services	1.5%	1.4%	1.5%	1.5%	1.3%	1.1%
U.S. Trade Balances with the World (\$Billions)						
Goods and Services	-491.3	-481.2	-513.8	-579.9	-576.9	-678.7
Goods	-761.9	-749.8	-799.3	-880.3	-864.3	-915.8
Services	270.6	268.6	285.6	300.4	287.5	237.1

Source: U.S. Department of Commerce

³⁵ On a balance of payments basis.

ANNEX II

U.S. TRADE-RELATED AGREEMENTS AND DECLARATIONS

I. Agreements That Have Entered Into Force

Following is a list of trade agreements entered into by the United States since 1984 and monitored by the Office of the United States Trade Representative for compliance.

Multilateral and Plurilateral Agreements

- Marrakesh Agreement Establishing the World Trade Organization (WTO) (signed April 15, 1994), the Ministerial Decisions and Declarations adopted by the Uruguay Round Trade Negotiations Committee on December 15, 1993, and subsequent WTO agreements.
 - a. Multilateral Agreements on Trade in Goods
 - i. General Agreement on Tariffs and Trade 1994
 - ii. Agreement on Agriculture
 - iii. Agreement on the Application of Sanitary and Phyto-sanitary Measures
 - iv. Agreement on Technical Barriers to Trade
 - v. Agreement on Trade-Related Investment Measures
 - vi. Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade 1994
 - vii. Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade 1994
 - viii. Agreement on Preshipment Inspection
 - ix. Agreement on Rules of Origin
 - x. Agreement on Import Licensing Procedures
 - xi. Agreement on Subsidies and Countervailing Measures
 - xii. Agreement on Safeguards
 - xiii. Agreement on Trade Facilitation (entered into force on February 22, 2017 for those Members that had accepted it by then (two-thirds of the WTO Members); thereafter to take effect for other Members upon acceptance)
 - b. General Agreement on Trade in Services (GATS)
 - i. Fourth Protocol to the GATS (Basic Telecommunication Services) (February 5, 1998)
 - ii. Fifth Protocol to the GATS (Financial Services) (March 1, 1999)
 - c. Agreement on Trade-Related Aspects of Intellectual Property Rights (amended in 2017)
 - d. Plurilateral Trade Agreements
 - i. Agreement on Trade in Civil Aircraft (April 12, 1979; amended in 1986)
 - ii. Agreement on Government Procurement (April 15, 1994; amended in 2014)
- WTO Ministerial Declaration on Trade in Information Technology Products (Information Technology Agreement (ITA)) (March 26, 1997)

- Declaration on the Expansion of Trade in Information Technology Products (July 28, 2015)
- International Tropical Timber Agreement (successor to the 1994 International Tropical Timber Agreement, December 7, 2011)
- Agreement between the United States of America, the United Mexican States, and Canada (July 1, 2020)
- Agreement on Environmental Cooperation between the Governments of the United States of America, the United Mexican States, and Canada (July 1, 2020)
- Environment Cooperation and Customs Verification Agreement between the United States and Mexico (July 1, 2020)
- Statement Concerning Semiconductors by the European Commission and the Governments of the United States, Japan, and Korea (June 10, 1999)
- Agreement on Mutual Acceptance of Oenological Practices (December 18, 2001)
- The Dominican Republic–Central America–United States Free Trade Agreement (Costa Rica (January 1, 2009); the Dominican Republic (March 1, 2007); El Salvador (March 1, 2006); Guatemala (July 1, 2006); Honduras (April 1, 2006); and Nicaragua (April 1, 2006))
 - i. Amendment to the Dominican Republic–Central America–United States Free Trade Agreement relating to Article 22.5 (March 29, 2006)
 - ii. Amendment to the Dominican Republic–Central America–United States Free Trade Agreement relating to Textiles Matters (August 15, 2008)
 - iii. Amendment to the Dominican Republic–Central America–United States Free Trade Agreement relating to Guatemala Tariffs on Beer (February 4, 2009)
 - iv. Decision Regarding the Rules of Origin for Textile and Apparel Goods (Feb. 23, 2011)
 - v. Decision Regarding Appendix 4.1-B (Feb. 23, 2011)
 - vi. Decision Regarding Annex 9.1.2(b)(i) (Feb. 23, 2011)
 - vii. Decision Regarding Common Guidelines for the Interpretation, Application and Administration of Chapter Four (October 27, 2012)
 - viii. Decision Regarding the Specific Rules of Origin of Annex 4.1 (March 26, 2015)
 - ix. Decision Regarding the Special Rules of Origin of Appendix 3.3.6 (March 26, 2015)
 - x. Decision Regarding The Tariff Elimination for Lines 15071000, 15121100 and 15152100 of Annex 3.3 (Tariff Schedule of Costa Rica) (March 26, 2015)
 - xi. Decision Concerning the Tariff Elimination for Tariff Lines 0207 13 99B and 0207 14 99B (Tariff Schedule of Guatemala to Annex 3.3) (April 11, 2017)
 - xii. Decision Regarding the Specific Rules of Origin of Annex 4.1 (July 7, 2017)
 - xiii. Decision Regarding The Determination Of The Chicken Tariff Rate Quota Volumes For Years 13 To 17 As Provided For In Appendix I Of The General Notes To The Tariff Schedule To Annex 3.3 Of El Salvador, Honduras And Nicaragua (September 17, 2017)
 - xiv. Exchange of Letters between the United States and Guatemala Regarding Tariff Elimination for Tariff Lines 0207 13 99B and 0207 14 99B (Tariff Schedule of Guatemala) (January 1, 2018)
 - xv. Exchange of Letters between the United States and Nicaragua Regarding Tariff Rate Quotas for Tariff Lines 0207139920, 0207149920 and 16023200A (Tariff Schedule of Nicaragua to Annex 3.3) (January 1, 2018)

- xvi. Exchange of Letters between the United States and Honduras Regarding Tariff Rate Quotas for Tariff Lines 02071399B, 02071499B and 16023200A (Tariff Schedule of Honduras to Annex 3.3) (January 1, 2018)
 - xvii. Exchange of Letters between the United States and El Salvador Regarding Tariff Rate Quotas for Tariff Lines 02071399B, 02071499B and 16023200A (Tariff Schedule of El Salvador to Annex 3.3) (January 1, 2018)
 - xviii. Exchange of letters between the United States and Costa Rica regarding Costa Rica's conformity assessment procedures for new pneumatic tires (July 31, 2020)
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- Agreement Establishing a Secretariat for Environmental Matters Under the Dominican Republic–Central America–United States Free Trade Agreement (August 25, 2006)
 - Agreement on Duty-Free Treatment of Multi-Chips Integrated Circuits (MCPs) (January 18, 2006) (Korea, Taiwan, Japan, European Union, and the United States)
 - Agreement on Requirements for Wine Labeling (January 23, 2007) (Australia, Argentina, Canada, Chile, New Zealand, and the United States)
 - Agreement Between the Governments of Australia, the People's Republic of China, the Republic of Korea, the Kingdom of Thailand, the United States of America, and the Socialist Republic of Viet Nam concerning the importation by Korea of rice (December 30, 2019)

Bilateral Agreements

Albania

- Agreement on Bilateral Trade Relations (May 14, 1992)
- Bilateral Investment Treaty (January 4, 1998)

Argentina

- Private Courier Mail Agreement (May 25, 1989)
- Bilateral Investment Treaty (October 20, 1994)

Armenia

- Agreement on Bilateral Trade Relations (April 7, 1992)
- Bilateral Investment Treaty (March 29, 1996)

Australia

- Settlement on Leather Products Trade (November 25, 1996)
- Understanding on Automotive Leather Subsidies (June 20, 2000)
- Agreement to Implement Phase I of the Asia Pacific Economic Cooperation (APEC) Mutual Recognition Arrangement for Conformity Assessment of Telecommunications Equipment (October 19, 2002)
- United States–Australia Free Trade Agreement (January 1, 2005)

Azerbaijan

- Agreement on Bilateral Trade Relations (April 21, 1995)
- Bilateral Investment Treaty (August 2, 2001)

Bahrain

- Bilateral Investment Treaty (May 30, 2001)
- United States–Bahrain Free Trade Agreement (August 1, 2006)
- Memorandum of Understanding Between the United States of America and the Kingdom of Bahrain on Trade in Food and Agricultural Products (March 30, 2018)

Bangladesh

- Bilateral Investment Treaty (July 25, 1989)

Belarus

- Agreement on Bilateral Trade Relations (February 16, 1993)

Bolivia

- Bilateral Investment Treaty (June 6, 2001) (Bolivia terminated the treaty in June 2012; investments established or acquired before the termination will continue to be protected under the treaty for 10 years following the date of termination.)
- Exchange of Letters between the United States and Bolivia Regarding Certain Distinctive Products (January 6, 2020)

Brazil

- Memorandum of Understanding Between the Government of Brazil and the Government of the United States Concerning Trade Measures in the Automotive Sector (March 16, 1998)
- Agreement on trade and economic cooperation between the Government of the Federative Republic of Brazil and the Government of the United States of America (March 19, 2011)
- Exchange of Letters between the United States and Brazil Regarding Certain Distinctive Products (April 9, 2012)
- Memorandum of Understanding Between the Government of the United States and the Government of the Federative Republic of Brazil Related to the Cotton Dispute (WT/DS267) (October 1, 2014)

Bulgaria

- Agreement on Trade Relations (November 22, 1991)
- Bilateral Investment Treaty (June 2, 1994; amended January 1, 2007)
- Agreement Concerning Intellectual Property Rights (July 6, 1994)

Cambodia

- Agreement between the United States of America and the Kingdom of Cambodia on Trade Relations and Intellectual Property Rights Protection (October 8, 1996)

Cameroon

- Bilateral Investment Treaty (April 6, 1989)

Canada

- Agreement on Salmon & Herring (May 11, 1993)
- Agreement Regarding Tires (May 25, 1993)
- Memorandum of Understanding on Provincial Beer Marketing Practices (August 5, 1993)
- Agreement on Ultra-High Temperature Milk (September 1993)
- Agreement on Beer Market Access in Quebec and British Columbia Beer Antidumping Cases (April 4, 1994)
- Agreement on Salmon & Herring (April 1994)

- Agreement on Barley Tariff-Rate Quota (September 8, 1997)
- Record of Understanding on Agriculture (December 1998)
- Agreement on Magazines (Periodicals) (May 1999)
- Agreement on Implementation of the WTO Decision on Canada's Dairy Support Programs (December 1999)
- Agreement to Implement Phase I of the Asia Pacific Economic Cooperation (APEC) Mutual Recognition Arrangement for Conformity Assessment of Telecommunications Equipment (January 17, 2002)
- Agreement to Implement Phase II of the Asia Pacific Economic Cooperation (APEC) Mutual Recognition Arrangement for Conformity Assessment of Telecommunications Equipment (January 28, 2003)
- United States–Canada Understanding on Implementation of the Decision of the WTO General Council of August 30, 2003, on “Implementation of Paragraph 6 of the Doha Declaration on the TRIPS Agreement and Public Health” as Interpreted by the Accompanying Statement of the Chairman of the General Council of the Same Date (July 16, 2004)
- Technical Arrangement between the United States and Canada concerning Trade in Potatoes (November 1, 2007)
- Agreement Between the Government of the United States and the Government of Canada on Government Procurement (February 16, 2010)
- United States–Canada Exchange of Letters on Milk Equivalence (February 4, 2016)
- United States–Canada Exchange of Letters on the Sale of Wine (November 30, 2018)
- United States–Canada Exchange of Letters on Trade in Automotive Goods (November 30, 2018)
- United States–Canada Exchange of Letters on Research and Development Expenditures (November 30, 2018)
- United States–Canada Exchange of Letters on Measures Taken Under Section 232 of the Trade Expansion Act of 1962 (November 30, 2018)
- United States–Canada Exchange of Letters on Energy (July 1, 2020)
- United States–Canada Exchange of Letters on Natural Water Resources (July 1, 2020)

Caribbean Community (CARICOM)

- Trade and Investment Council Agreement (July 22, 1991)
- Trade and Investment Framework Agreement (May 28, 2013)

Chile

- United States–Chile Free Trade Agreement (January 1, 2004)
- United States–Chile Agreement on Accelerated Tariff Elimination (November 14, 2008)

- United States–Chile Agreement on Trade in Table Grapes (November 21, 2008)
- United States–Chile Agreement on Beef Grade Labeling (March 26, 2009)
- United States–Chile Exchange of Letters on Chapter 17 of United States-Chile Free Trade Agreement (March 17, 2011)
- United States–Chile Exchange of Letters on Salmonid Eggs (February 4, 2016)

China

- Accord on Industrial and Technological Cooperation (January 12, 1984)
- Memorandum of Understanding on the Protection of Intellectual Property Rights (January 17, 1992)
- Memorandum of Understanding on Prohibiting Import and Export in Prison Labor Products (June 18, 1992)
- Memorandum of Understanding Concerning Market Access (October 10, 1992)
- Agreement on Trade Relations between the United States of America and the People’s Republic of China (February 1, 1980)
- Agreement on Providing Intellectual Property Rights Protection (February 26, 1995)
- Report on China’s Measures to Enforce Intellectual Property Protections and Other Measures (June 17, 1996)
- Interim Agreement on Market Access for Foreign Financial Information Companies (Xinhua) (October 24, 1997)
- Agreement on U.S.–China Agricultural Cooperation (April 10, 1999)
- Memorandum of Understanding between China and the United States Regarding China’s Value-Added Tax on Integrated Circuits (July 14, 2004)
- Memorandum of Understanding between the Governments of the United States of America and the People’s Republic of China Concerning Trade in Textile and Apparel Products (November 8, 2005)
- Memorandum of Understanding between the United States of America and the People’s Republic of China Regarding Certain Measures Granting Refunds, Reductions, or Exemptions from Taxes or Other Payments (November 29, 2007)
- Memorandum of Understanding between the United States of America and the People’s Republic of China Regarding Certain Measures Affecting Foreign Suppliers of Financial Information Services (November 13, 2008)
- Memorandum of Understanding between the People’s Republic of China and the United States of America Regarding Films for Theatrical Release (April 25, 2012)
- Economic and Trade Agreement between the Government of the United States of America and the Government of the People’s Republic of China (February 14, 2020)

Colombia

- Memorandum of Understanding on Trade in Bananas (January 9, 1996)
- Exchange of Letters between the United States and Colombia on Sanitary and Phyto-sanitary Measures and Technical Barriers to Trade Issues (February 27, 2006)
- Exchange of Letters between the United States and Colombia on Beef Sanitary and Phyto-sanitary Issues (August 21, 2006)
- Exchange of Letters between United States and Colombia on Control Measures on Avian Influenza (April 15, 2012)
- Exchange of Letters between United States and Colombia on Control Measures on Salmonella in Poultry and Poultry Products (April 15, 2012)
- Exchange of Letters between United States and Colombia on Phyto-sanitary Measures for Paddy Rice (April 15, 2012)
- Exchange of Letters between United States and Colombia related to Constitutional Court Review of Certain IPR Treaties (April 15, 2012)
- United States–Colombia Trade Promotion Agreement (May 15, 2012)
 - i. Decision of the Free Trade Commission of the United States–Colombia Trade Promotion Agreement Regarding Clarification of the Definition of Poultry in the Context of Appendix I, Paragraph 6, of Colombia’s Tariff Schedule (September 25, 2012)
 - ii. Decision No. 2 of Free Trade Commission of the United States–Colombia Trade Promotion Agreement by which ECOPETROL Qualifies as a Special Covered Entity Under Section D of Annex 9.1 (November 19, 2012)
 - iii. Decision No. 3 of the Free Trade Commission of the United States–Colombia Trade Promotion Agreement; Decision on Tariff-Rate Quotas Covering Yellow Corn (November 2017)
 - iv. Decision No. 4 of the Free Trade Commission of the United States – Colombia Trade Promotion Agreement; Decision on Tariff-Rate Quotas Covering Variety Meats (December 2017)
 - v. Decision No. 5 of the Free Trade Commission of the United States – Colombia Trade Promotion Agreement; Decision to Establish the Remuneration of Panelists, Assistants, and Experts, and the Payment of Expenses in Dispute Settlement Proceedings Under Chapter Twenty-One (Dispute Settlement) (July 2018)
 - vi. Decision No. 6 of the Free Trade Commission of the United States – Colombia Trade Promotion Agreement; Decision Establishing the Model Rules of Procedure (July 2018)
 - vii. Decision No. 7 of the Free Trade Commission of the United States – Colombia Trade Promotion Agreement; Decision Establishing a Code of Conduct (July 2018)
- Exchange of Letters between the United States and Colombia Establishing the Committee of Sanitary and Phyto-Sanitary (SPS) and SPS Committee Terms of Reference (June 14, 2012)

- Exchange of Letters between the United States and Colombia Rescinding the 2012 SPS Letter Exchange on Paddy Rice (August 2017)
- Exchange of Letters between the United States and Colombia Regarding Chapter 16 of the United States – Colombia Trade Promotion Agreement and Truck Scrappage Program (April 2018)
- Agreement Establishing a Secretariat for Environmental Matters (April 2019)

Congo, Democratic Republic of the (formerly Zaire)

- Bilateral Investment Treaty (July 28, 1989)

Congo, Republic of the

- Bilateral Investment Treaty (August 13, 1994)

Costa Rica

- Memorandum of Understanding on Trade in Bananas (January 9, 1996)

Croatia

- Memorandum of Understanding on Intellectual Property Rights (May 26, 1998)
- Bilateral Investment Treaty (June 20, 2001)

Czech Republic

- Bilateral Investment Treaty (December 19, 1992; amended May 1, 2004)

Dominican Republic

- Exchange of Letters on Trade in Textile and Apparel Goods (October 21, 2006)

Ecuador

- Trade and Investment Council Agreement (July 23, 1990)
- Agreement on Intellectual Property Rights Protection (October 15, 1993) (Ecuador notified the United States on January 19, 2017 of its intent to withdraw from this treaty).
- Bilateral Investment Treaty (May 11, 1997) (Ecuador had notified the United States that it would terminate the treaty effective May 18, 2018; investments established or acquired before the termination will continue to be protected under the treaty for 10 years following the date of termination).

Egypt

- Bilateral Investment Treaty (June 27, 1992)

Estonia

- Bilateral Investment Treaty (February 16, 1997; amended May 1, 2004)

European Economic Area – European Free Trade Association (EEA EFTA States – Norway, Iceland, and Liechtenstein)

- Agreement on Mutual Recognition between the United States of America and the EEA EFTA States Regarding Telecommunications Equipment, Electromagnetic Compatibility and Recreational Craft (March 1, 2006)
- Agreement between the United States of America and the EEA EFTA States on the Mutual Recognition of Certificates of Conformity for Marine Equipment (March 1, 2006)

European Union

- Wine Accord (July 1983)
- Agreement for the Conclusion of Negotiations between the United States and the European Community under GATT Article XXIV:6 (January 30, 1987)
- Agreement on Exports of Pasta with Settlement, Annex and Related Letter (September 15, 1987)
- Agreement on Canned Fruit (updated) (April 14, 1992)
- Agreement on Meat Inspection Standards (November 13, 1992)
- Corn Gluten Feed Exchange of Letters (December 4 and 8, 1992)
- Malt-Barley Sprouts Exchange of Letters (December 4 and 8, 1992)
- Oilseeds Agreement (December 4 and 8, 1992)
- Agreement on Recognition of Bourbon Whiskey and Tennessee Whiskey as Distinctive U.S. Products (March 28, 1994)
- Memorandum of Understanding on Government Procurement (April 15, 1994)
- Letter on Financial Services Confirming Assurances to Provide Full MFN and National Treatment (July 14, 1995)
- Agreement on EU Grains Margin of Preference (signed July 22, 1996; retroactively effective December 30, 1995)
- Exchange of Letters Concerning Implementation of the Marrakesh Agreement Establishing the World Trade Organization and Related Matters (June 26, 1996)
- Exchange of Letters between the United States of America and the European Community on a Settlement for Cereals and Rice, and Accompanying Exchange of Letters on Rice Prices (July 22, 1996)
- Agreement for the Conclusion of Negotiations between the United States of America and the European Community under GATT Article XXIV:6, and Accompanying Exchange of Letters (signed July 22, 1996; retroactively effective December 30, 1995)
- Tariff Initiative on Distilled Spirits (February 28, 1997)
- Agreement on Global Electronic Commerce (December 9, 1997)

- Agreed Minute on Humane Trapping Standards (December 18, 1997)
- Agreement on Mutual Recognition between the United States of America and the European Community (December 1, 1998) and United States – European Union Amended Sectoral Annex for Pharmaceutical Good Manufacturing Practices (March 1, 2017)
- Agreement between the United States and the European Community on Sanitary Measures to Protect Public and Animal Health in Trade in Live Animals and Animal Products (July 20, 1999)
- Understanding on Bananas (April 11, 2001)
- Agreement between the United States of America and the European Community on the Mutual Recognition of Certificates of Conformity for Marine Equipment (July 1, 2004)
- Agreement in the Form of an Exchange of Letters between the United States and the European Community Relating to the Method of Calculation of Applied Duties for Husked Rice (June 30, 2005; retroactively effective March 1, 2005)
- Agreement between the United States and European Community on Trade in Wine (March 10, 2006)
- Agreement in the Form of an Exchange of Letters between the United States and the European Union pursuant to Article XXIV:6 and Article XXVIII of the GATT 1994 Relating to the Modification of Concessions in the Schedules of the Czech Republic, the Republic of Estonia, the Republic of Cyprus, the Republic of Latvia, the Republic of Lithuania, the Republic of Hungary, the Republic of Malta, the Republic of Poland, the Republic of Slovenia and the Slovak Republic in the Course of their Accession to the European Union (March 22, 2006)
- Joint Letter from the United States and the European Communities on implementation of GATS Article XXI procedures relating to the accession to the European Communities of the Czech Republic, Estonia, Cyprus, Latvia, Lithuania, Hungary, Malta, Austria, Poland, Slovenia, the Slovak Republic, Finland, and Sweden (August 7, 2006)
- Memorandum of Understanding Between the United States and European Commission Regarding the Importation of Beef from Animals Not Treated with Certain Growth-Promoting Hormones and Increased Duties Applied to Certain Products of the European Communities (May 13, 2009)
- Agreement on Trade in Bananas Between the United States of America and the European Union (January 24, 2013)
- Agreement in the Form of an Exchange of Letters Between the United States of America and the European Union Pursuant to Articles XXIV:6 and XXVIII of the GATT 1994 (July 1, 2013)
- Bilateral Agreement Between the European Union and the United States of America on Prudential Measures Regarding Insurance and Reinsurance (April 4, 2018)
- Agreement Related to the Revised Memorandum of Understanding between the United States of America and the European Commission in Connection with the *EC – Hormones* Dispute (December 14, 2019)
- Agreement between the United States of America and the European Union regarding tariffs on certain products (November 20, 2020)

Georgia

- Agreement on Bilateral Trade Relations (August 13, 1993)
- Bilateral Investment Treaty (August 17, 1997)

Grenada

- Bilateral Investment Treaty (March 3, 1989)

Haiti

- Exchange of Letters on Trade in Textile and Apparel Goods (September 18, 2008)

Hong Kong

- Agreement to Implement Phase I and Phase II of the Asia Pacific Economic Cooperation (APEC) Mutual Recognition Arrangement for Conformity Assessment of Telecommunications Equipment (April 4, 2005)
- Memorandum of Understanding between the United States of America and the Hong Kong Special Administrative Region Concerning Cooperation in Trade in Textile and Apparel Goods (August 1, 2005)

Honduras

- Memorandum of Understanding on Worker Rights (November 15, 1995)
- Bilateral Investment Treaty (July 11, 2001)

Hungary

- Agreement on Trade Relations (July 7, 1978)
- Agreement on Intellectual Property Rights Protection (September 29, 1993)

India

- Agreement Regarding Indian Import Policy for Motion Pictures (February 5, 1992)
- Reduction of Tariffs on In-Shell Almonds (May 27, 1992)
- Agreement on Intellectual Property Rights Protections (March 1993)
- Agreement on Import Restrictions (December 28, 1999)
- Agreement on Textile Tariff Bindings (September 15, 2000)

Indonesia

- Conditions for Market Access for Films and Videos into Indonesia (April 19, 1992)
- Memorandum of Understanding with Indonesia Concerning Cooperation in Trade in Textile and Apparel Goods (September 26, 2006)

Israel

- United States–Israel Free Trade Agreement (August 19, 1985)
- United States–Israel Agreement Concerning Certain Aspects of Trade in Agricultural Products (July 27, 2004; extended by Exchange of Letters (This agreement has been extended on a yearly basis since December 2008, with the last extension on December 3, 2020)
- Mutual Recognition Agreement between the Government of the United States of America and the Government of the State of Israel for Conformity Assessment of Telecommunications Equipment (December 12, 2013)

Jamaica

- Agreement on Intellectual Property (February 1994)
- Bilateral Investment Treaty (March 7, 1997)

Japan

- Market-Oriented Sector-Selective (MOSS) Agreement on Medical Equipment and Pharmaceuticals (January 9, 1986)
- Exchange of Letters Regarding Tobacco (October 6, 1986)
- Foreign Lawyers Agreement (February 27, 1987)
- Science and Technology Agreement (June 20, 1988; extended June 16, 1993)
- Exchange of Letters on Procedures to Introduce Supercomputers (August 7, 1987)
- Measures Relating to Wood Products (June 15, 1990)
- Policies and Procedures Regarding Satellite Research and Development/Procurement (June 15, 1990)
- Policies and Procedures Regarding International Value-Added Network Services and Network Channel Terminating Equipment (July 31, 1990)
- Joint Announcement on Amorphous Metals (September 21, 1990)
- Measures Further to 1990 Policies and Procedures regarding International Value-Added Network Services (April 27, 1991)
- Measures Regarding International Value-Added Network Services Investigation Mechanisms (June 25, 1991)
- United States–Japan Major Projects Arrangement (July 31, 1991; originally negotiated 1988)
- Measures Related to Japanese Public Sector Procurement of Computer Products and Services (January 22, 1992)
- United States–Japan Framework for a New Economic Partnership (July 10, 1993)
- Exchange of Letters Regarding Apples (September 13, 1993)

- United States–Japan Public Works Agreement (January 18, 1994)
- Mutual Understanding on Intellectual Property Rights between the Japanese Patent Office and the U.S. Patent and Trademark Office (January 20, 1994)
- Rice (April 15, 1994)
- Harmonized Chemical Tariffs (April 15, 1994)
- Copper (April 15, 1994)
- Market Access (April 15, 1994)
- Actions to be Taken by the Japanese Patent Office and the U.S. Patents and Trademark Office pursuant to the January 20, 1994, Mutual Understanding on Intellectual Property Rights (August 16, 1994)
- Measures by the Government of the United States and the Government of Japan Regarding Insurance (October 11, 1994)
- Measures on Japanese Public Sector Procurement of Telecommunications Products and Services (November 1, 1994)
- Measures Related to Japanese Public Sector Procurement of Medical Technology Products and Services (November 1, 1994)
- Measures Regarding Financial Services (February 13, 1995)
- Policies and Measures Regarding Inward Direct Investment and Buyer-Supplier Relationships (June 20, 1995)
- Exchange of Letters on Financial Services (July 26 and 27, 1995)
- Interim Understanding for the Continuation of Japan–United States Insurance Talks (September 30, 1996)
- United States–Japan Insurance Agreement (December 24, 1996)
- Japan’s Recognition of United States-Grade marked Lumber (January 13, 1997)
- Resolution of WTO dispute with Japan on Sound Recordings (January 13, 1997)
- National Policy Agency Procurement of VHF Radio Communications System (March 31, 1997)
- United States–Japan Enhanced Initiative on Deregulation and Competition Policy (June 19, 1997)
- United States–Japan Agreement on Distilled Spirits (December 17, 1997)
- First Joint Status Report on Deregulation and Competition Policy (May 29, 1998)
- United States–Japan Joint Report on Investment (April 28, 1999)
- Second Joint Status Report on Deregulation and Competition Policy (May 3, 1999)
- United States–Japan Agreement on NTT Procurement Procedures (July 1, 1999)
- Third Joint Status Report on Deregulation and Competition Policy (July 19, 2000)

- Fourth Joint Status Report on Deregulation and Competition Policy (June 30, 2001)
- United States–Japan Economic Partnership for Growth (June 30, 2001)
- First Report to the Leaders on the United States–Japan Regulatory Reform and Competition Policy Initiative (June 25, 2002)
- Second Report to the Leaders on the United States–Japan Regulatory Reform and Competition Policy Initiative (May 23, 2003)
- Third Report to the Leaders on the United States–Japan Regulatory Reform and Competition Policy Initiative (June 8, 2004)
- Fourth Report to the Leaders on the United States–Japan Regulatory Reform and Competition Policy Initiative (November 2, 2005)
- Fifth Report to the Leaders on the United States–Japan Regulatory Reform and Competition Policy Initiative (June 29, 2006)
- Sixth Report to the Leaders on the United States–Japan Regulatory Reform and Competition Policy Initiative (June 6, 2007)
- Agreement on Mutual Recognition of Results of Conformity Assessment Procedures between the United States of America and Japan (United States–Japan Telecom MRA) (January 1, 2008)
- Seventh Report to the Leaders on the United States–Japan Regulatory Reform and Competition Policy Initiative (July 5, 2008)
- Eighth Report to the Leaders on the United States–Japan Regulatory Reform and Competition Policy Initiative (July 6, 2009)
- Memorandum Between the Relevant Authorities of the United States and the Ministry of Health, Labour and Welfare of Japan Concerning Enforcement of Japan’s Pesticide Maximum Residue Levels (July 28, 2009)
- Record of Discussion, United States–Japan Economic Harmonization Initiative (January 27, 2012)
- United States–Japan Exchange of Letters on certain distilled spirits and wine (February 4, 2016)
- United States–Japan Exchange of Letters on copyright term (April 13, 2018)
- Trade Agreement between the United States of America and Japan (January 1, 2020)
- United States–Japan Exchange of Letters regarding alcoholic beverages (January 1, 2020)
- United States–Japan Exchange of Letters regarding beef (January 1, 2020)
- United States–Japan Exchange of Letters regarding rice (January 1, 2020)
- United States–Japan Exchange of Letters regarding agricultural safeguard measures (January 1, 2020)
- United States–Japan Exchange of Letters regarding skimmed milk powder (January 1, 2020)
- United States–Japan Exchange of Letters regarding whey (January 1, 2020)

- Agreement between the United States of America and Japan concerning Digital Trade (January 1, 2020)
- United States–Japan Exchange of Letters regarding Interactive Computer Services (January 1, 2020)

Jordan

- Agreement between the United States and Hashemite Kingdom of Jordan on the Establishment of a Free Trade Area (December 17, 2001)
- Bilateral Investment Treaty (June 12, 2003)

Kazakhstan

- Agreement on Bilateral Trade Relations (February 18, 1993)
- Bilateral Investment Treaty (January 12, 1994)

Korea

- Record of Understanding on Intellectual Property Rights (August 28, 1986)
- Agreement on Access of U.S. Firms to Korea's Insurance Markets (August 28, 1986)
- Record of Understanding Concerning Market Access for Cigarettes (May 27, 1988; amended October 16, 1989)
- Agreement Concerning the Korean Capital Market Promotion Law (September 1, 1988)
- Agreement on the Importation and Distribution of Foreign Motion Pictures (December 30, 1988)
- Agreement on Market Access for Wine and Wine Products (January 18, 1989)
- Investment Agreement (May 19, 1989)
- Agreement on Liberalization of Agricultural Imports (May 25, 1989)
- Record of Understanding on Telecommunications (January 23, 1990)
- Record of Understanding on Telecommunications (February 15, 1990)
- Exchange of Letters Regarding the 1986 Intellectual Property Rights Agreement: Product Pipeline Protection (February 22, 1990)
- Record of Understanding on Beef (March 21, 1990)
- Exchange of Letters on Beef (April 26 and 27, 1990)
- Agreement on Wine Access (December 19, 1990)
- Record of Understanding on Telecommunications (February 7, 1991)
- Agreement on International Value-Added Services (June 20, 1991)
- Understanding on Telecommunications (February 17, 1992)

- Exchange of Letters Relating to Korea Telecom Company's Procurement of AT&T Switches (March 31, 1993)
- Beef Agreements (June 26, 1993; December 29, 1993)
- Record of Understanding on Agricultural Market Access in the Uruguay Round (December 13, 1993)
- Exchange of Letters on Telecommunications Issues Relating to Equipment Authorization and Korea Telecom Company's Procurement (March 29, 1995)
- Agreement on Steel (July 14, 1995)
- Shelf-Life Agreement (July 20, 1995)
- Revised Cigarette Agreement (August 25, 1995)
- Memorandum of Understanding to Increase Market Access for Foreign Passenger Vehicles in Korea (September 28, 1995)
- Exchange of Letters on Implementation of the 1992 Telecommunications Agreement (April 12, 1996)
- Korean Commitments on Trade in Telecommunications Goods and Services (July 23, 1997)
- Agreement on Korean Motor Vehicle Market (October 20, 1998)
- Exchange of Letters Regarding Tobacco Sector Related Issues (June 14, 2001)
- Exchange of Letters on Data Protection (March 12, 2002)
- Record of Understanding between the Governments of the United States and the Republic of Korea Regarding the Extension of Special Treatment for Rice (February 2005)
- Agreement to Implement Phase I of the Asia Pacific Economic Cooperation (APEC) Mutual Recognition Arrangement for Conformity Assessment of Telecommunications Equipment (May 10, 2005)
- Agreed Minutes on Fuel Economy and Greenhouse Gas Emissions Regulations (February 10, 2011)
- Agreed Minutes on Visa Validity Period (February 10, 2011)
- Exchange of Letters between the United States and Korea related to the United States-Korea Free Trade Agreement (February 10, 2011)
- United States–Korea Free Trade Agreement (March 15, 2012)
- Agreed Minutes on Korea Certification Mark and Korea's Motor Vehicle Fuel Economy and Greenhouse Gas Emissions Regulations (September 24, 2018)
- Interpretation by the Joint Committee of the Free Trade Agreement between the United States of America and the Republic of Korea Regarding the June 30, 2007 Exchange of Letters (September 24, 2018)
- Exchange of Letters between the United States and Korea Regarding Entry Into Force of the Protocol between the Government of the United States of America and the Government of the Republic of Korea Amending the Free Trade Agreement between the United States of America and the Republic

of Korea (September 24, 2018)

- Exchange of Letters between the United States and Korea Regarding the Confirmation of Customs Principles and the Establishment of the Rules of Origin Verification Working Group under the Free Trade Agreement between the United States of America and the Republic of Korea (September 24, 2018)
- Exchange of Letters between the United States and Korea Regarding Amendments to Korea's Premium Pricing Policy for Global Innovative New Drugs (September 24, 2018)
- Exchange of Letters between the United States and Korea Regarding Korea's Request to Modify the Rules of Origin under the Free Trade Agreement between the United States of America and the Republic of Korea (September 24, 2018)
- Protocol between the Government of the United States of America and the Government of the Republic of Korea Amending the February 10, 2011 Exchange of Letters (January 1, 2019)
- Protocol between the Government of the United States of America and the Government of the Republic of Korea Amending the Free Trade Agreement between the United States of America and the Republic of Korea (January 1, 2019)
- Exchange of Letters concerning Korea's World Trade Organization tariff-rate quota for rice and the country-specific quota for the United States established within that tariff-rate quota (December 30, 2019).

Kyrgyzstan

- Agreement on Bilateral Trade Relations (May 8, 1992)
- Bilateral Investment Treaty (January 12, 1994)

Latvia

- Agreement on Bilateral Trade Relations (August 21, 1992)
- Bilateral Investment Treaty (November 26, 1996; amended May 1, 2004)
- Agreement on Trade & Intellectual Property Rights Protection (January 20, 1995)

Lithuania

- Bilateral Investment Treaty (November 22, 2001; amended May 1, 2004)

Laos

- Bilateral Trade Agreement (February 4, 2005)

Macao

- Memorandum of Understanding with Macao Concerning Cooperation in Trade in Textile and Apparel Goods (August 8, 2005)

Marshall Islands

- Compact of Free Association Agreement Between the United States of America and the Marshall Islands (June 25, 1983)

Mexico

- Agreement with Mexico on Tire Certification (March 8, 1996)
- Memorandum of Understanding between the United States and Mexico Regarding Areas of Food and Agriculture Trade (April 4, 2002)
- United States–Mexico Exchange of Letters Regarding Mexico’s NAFTA Safeguard on Certain Poultry Products (July 24-25, 2003)
- Understanding Regarding the Implementation of the WTO Decision on Mexico’s Telecommunications Services (June 1, 2004)
- Agreement between the U.S. Trade Representative and Secretaria de Economia of the United Mexican State on Trade in Tequila (January 17, 2006)
- Agreement between the U.S. Trade Representative and Secretaria de Economia of the United Mexican State on Trade in Cement (April 3, 2006)
- United States–Mexico Exchange of Letters Regarding Trade in Sweetener Goods (July 27, 2006)
- Bilateral Agreement on Customs Cooperation regarding Claims of Origin Under FTA Cumulation Provisions (January 26, 2007)
- Customs Cooperation Agreement with Mexico relating to Textiles Matters (August 15, 2008)
- Mutual Recognition Agreement between the Government of the United States of America and the Government of the United Mexican States for Conformity Assessment of Telecommunications Equipment (June 10, 2011)
- United States–Mexico Exchange of Letters on Measures Taken Under Section 232 of the Trade Expansion Act of 1962 (November 30, 2018)
- United States–Mexico Exchange of Letters on Trade in Automotive Goods (November 30, 2018)
- United States–Mexico Exchange of Letters on Dispute Settlement Regarding Trade in Automotive Goods Exchange (November 30, 2018)
- United States–Mexico Exchange of Letters on the Ramsar Convention (December 10, 2019)
- United States–Mexico Exchange of Letters on Safety Standards in the Automotive Sector (July 1, 2020)
- United States–Mexico Exchange of Letters on Prior Users (July 1, 2020)
- United States–Mexico Exchange of Letters on Distilled Spirits (July 1, 2020)
- United States–Mexico Exchange of Letters on Cheeses (July 1, 2020)

Micronesia

- Compact of Free Association with the Federated States of Micronesia (November 3, 1986)

Moldova

- Agreement on Bilateral Trade Relations (July 2, 1992)
- Bilateral Investment Treaty (November 25, 1994)

Mongolia

- Agreement on Bilateral Trade Relations (January 23, 1991)
- Bilateral Investment Treaty (January 1, 1997)
- Agreement on Transparency in Matters Related to International Trade and Investment between the United States of America and Mongolia (March 20, 2017)

Morocco

- Bilateral Investment Treaty (May 29, 1991)
- United States–Morocco Free Trade Agreement (January 1, 2006)
- Agreement between the Government of the United States of America and the Government of the Kingdom of Morocco Concerning Customs Administration and Trade Facilitation (November 21, 2013)

Mozambique

- Bilateral Investment Treaty (March 2, 2005)

Nicaragua

- Bilateral Intellectual Property Rights Agreement with Nicaragua (December 22, 1997)
- Exchange of Letters on Trade in Textile and Apparel Goods (March 24, 2006)

Norway

- Agreement on Procurement of Toll Equipment (April 26, 1990)

Oman

- United States–Oman Free Trade Agreement (January 1, 2009)

Palau

- Compact of Free Association with the Republic of Palau (October 1, 1994)

Panama

- Bilateral Investment Treaty (May 30, 1991)
- Agreement on Bilateral Trade Relations (1994)

- Agreement on Cooperation in Agricultural Trade (December 20, 2006)
- Agreement regarding Certain Sanitary and Phyto-sanitary Measures and Technical Standards Affecting Agricultural Products (December 20, 2006)
- Exchange of Letters Regarding Autos (June 28, 2007)
- Confirmation Letter Regarding Ship Repairs (June 28, 2007)
- Confirmation Letter Regarding Panama Joining the ITA (June 28, 2007)
- Exchange of Letters Regarding Free Trade Zones (June 28, 2007)
- Exchange of Letters Regarding Article 9.15 (June 28, 2007)
- Exchange of Letters Regarding Investment in Specified Sectors (June 28, 2007)
- Exchange of Letters Regarding Retail Sales (June 28, 2007)
- Exchange of Letters Regarding Cross Border Financial Service (June 28, 2007)
- Exchange of Letters Regarding Insurance (June 28, 2007)
- Exchange of Letters Regarding Pensions (June 28, 2007)
- Exchange of Letters Regarding Traditional Knowledge (June 28, 2007)
- Exchange of Letters Regarding Taxation (June 28, 2007)
- United States–Panama Trade Promotion Agreement (October 31, 2012)
 - i. Decision of the Free Trade Commission Regarding Article 3.20 and Article 6.3 (March 19, 2013)
 - ii. Decision No. 2 of the Free Trade Commission Establishing a Code of Conduct (May 28, 2014)
 - iii. Decision No. 3 of the Free Trade Commission to Establish the Remuneration of Panelists, Assistants, and Experts, and the Payment of Expenses in Dispute Settlement Proceedings under Chapter 20 (Dispute Settlement) (May 28, 2014)
 - iv. Decision No. 4 of the Free Trade Commission Establishing Model Rules of Procedure (May 28, 2014)
 - v. Decision No. 5 of the Free Trade Commission to Amend Annex 4.1 (December 6, 2016)
- Exchange of Letters Regarding Multiple Services Businesses (October 31, 2012)
- Exchange of Letters Regarding Beef and Beef Product Imports (March 27, 2013)
- Exchange of Letters on Free Trade Zones (October 2, 2013)
- Exchange of Letters Regarding Pet Food Containing Animal Origin Ingredients Imports (June 24, 2014)
- Agreement Establishing a Secretariat for Environmental Enforcement Matters Under the United States – Panama Trade Promotion Agreement (December 21, 2015)

Peru

- Memorandum of Understanding on Intellectual Property Rights (May 23, 1997)
- Exchange of Letters on Sanitary and Phyto-sanitary Measures and Technical Barriers to Trade Issues (January 5, 2006)
- Additional Letter Exchange on Sanitary and Phyto-sanitary Measures and Technical Barriers to Trade Issues (April 10, 2006)
- United States–Peru Trade Promotion Agreement (February 1, 2009)
- Understanding for Implementing Article 18.8 of the United States–Peru Trade Promotion Agreement (March 20, 2016)
- Memorandum of Understanding (MOU) between the Government of the United States of America, the Government of the Republic of Peru, and the General Secretariat of the Organization of American States regarding a Secretariat for Submissions on Environmental Enforcement Matters under the United States–Peru Trade Promotion Agreement (March 23, 2016)

Philippines

- Protection and Enforcement of Intellectual Property Rights (April 6, 1993)
- Agreement regarding Pork and Poultry Meat (February 13, 1998)
- Memorandum of Understanding with the Philippines Concerning Cooperation in Trade in Textile and Apparel Goods (August 23, 2006)
- Exchange of Letters on Special Treatment for Rice and Related Agricultural Concessions (June 5, 2014)

Poland

- Business and Economic Relations Treaty (August 6, 1994; amended May 1, 2004)

Romania

- Agreement on Bilateral Trade Relations (April 3, 1992)
- Bilateral Investment Treaty (January 15, 1994; amended January 1, 2007)

Russia

- Trade Agreement Concerning Most-Favored-Nation and Nondiscriminatory Treatment (June 17, 1992)
- Joint Memorandum of Understanding on Market Access for Aircraft (January 30, 1996)
- Agreed Minutes regarding exports of poultry products from the United States to Russia (March 15, March 25, and March 29, 1996)
- Agreement on Russian Firearms & Ammunition (April 3, 1996; amended 2003)
- Protocol of the Negotiations between the Experts of Russia and the United States of America on the

Issue of U.S. Poultry Meat Imports into the Russian Federation (March 31, 2002)

- Agreement between the Government of the United States of America and the Government of the Russian Federation on Trade in Certain Types of Poultry, Beef and Pork (June 15, 2005; amended December 29, 2008)
- Agreement between the Government of the United States of America and the Government of the Russian Federation on Protection and Enforcement of Intellectual Property Rights (November 19, 2006)
- Agreement between the Government of the United States of America and the Government of the Russian Federation on Market Access for Beef and Beef By-Products (November 19, 2006)
- Agreement between the Government of the United States of America and the Government of the Russian Federation on Importation of Pork and Pork By-Products into the Russian Federation (November 19, 2006)
- Agreement between the Government of the United States of America and the Government of the Russian Federation on Inspection of Facilities for Exporting Pork and Poultry to the Russian Federation (November 19, 2006)
- Agreement between the Government of the United States of America and the Government of the Russian Federation on Agricultural Biotechnology (November 19, 2006)
- Agreement between the Government of the United States of America and the Government of the Russian Federation on Establishment of Import licensing Procedures for Imports of Goods Containing Encryption Technology (November 19, 2006)
- Exchange of Letters between the Government of the United States of America and the Government of the Russian Federation on Tariff Treatment of Certain Aircraft Imported Under Operational Lease (November 19, 2006)
- Exchange of Letters between the Ministry of Economic Development and Trade of the Russian Federation and the Office of the United States Trade Representative on Tariff Treatment of Certain Combine Harvester-Threshers and Self-Propelled Forage Harvesters (November 19, 2006)
- Letter on Market Access between the United States and the Russian Federation for Service Suppliers in Certain Energy Related Sectors (November 19, 2006)
- Letter on Market Access between the United States and the Russian Federation for Certain Insurance Firms (November 19, 2006)
- Bilateral Agreement on Verification of Pathogen Reduction Treatments and Resumption of Trade in Poultry (July 14, 2010)
- Bilateral Agreement on Pre-Notification Requirements Applied to Certain Imports of Meat Products from the United States (applied provisionally as of December 14, 2011)
- Agreement between the Government of the United States of America and the Government of the Russian Federation on Trade in Parts and Components of Motor Vehicles between the United States of America and the Russian Federation (July 12, 2013)

Rwanda

- Bilateral Investment Treaty (January 1, 2012)

Senegal

- Bilateral Investment Treaty (October 25, 1990)

Singapore

- Agreement on Intellectual Property Rights Protection (April 27, 1987)
- Agreement to Implement Phase I and Phase II of the Asia Pacific Economic Cooperation (APEC) Mutual Recognition Arrangement for Conformity Assessment of Telecommunications Equipment (October 8, 2003)
- United States–Singapore Free Trade Agreement (January 1, 2004)

Slovakia

- Bilateral Investment Treaty (December 19, 1992; amended May 1, 2004)

Sri Lanka

- Agreement on the Protection and Enforcement of Intellectual Property Rights (September 20, 1991)
- Bilateral Investment Treaty (May 1, 1993)

Suriname

- Agreement on Bilateral Trade Relations (1993)

Switzerland

- Exchange of Letters on Financial Services (November 9 and 27, 1995)

Taiwan

- Agreement on Customs Valuation (August 22, 1986)
- Agreement on Export Performance Requirements (August 1986)
- Agreement Concerning Beer, Wine, and Cigarettes (1987)
- Agreement on Turkeys and Turkey Parts (March 16, 1989)
- Agreement on Beef (June 18, 1990)
- Agreement on Intellectual Property Protection (June 5, 1992)
- Agreement on Intellectual Property Protection (Trademark) (April 1993)
- Agreement on Intellectual Property Protection (Copyright) (July 16, 1993)
- Agreement on Market Access (April 27, 1994)
- Telecommunications Liberalization by Taiwan (July 19, 1996)

- United States–Taiwan Medical Device Issue: List of Principles (September 30, 1996)
- Agreement on Market Access (February 20, 1998)
- Agreement to Implement Phase I of the Asia Pacific Economic Cooperation (APEC) Mutual Recognition Arrangement for Conformity Assessment of Telecommunications Equipment (March 16, 1999)
- Understanding on Government Procurement (August 23, 2001)
- Protocol of Bovine Spongiform Encephalopathy (BSE)-Related Measures for the Importation of Beef and Beef Products for Human Consumption from the Territory of the Authorities Represented by the American Institute in Taiwan (November 2, 2009)

Tajikistan

- Agreement on Bilateral Trade Relations (November 24, 1993)

Thailand

- Agreement on Cigarette Imports (November 23, 1990)
- Agreement on Intellectual Property Protection and Enforcement (December 19, 1991)

Trinidad and Tobago

- Agreement on Intellectual Property Protection and Enforcement (September 26, 1994)
- Bilateral Investment Treaty (December 26, 1996)

Tunisia

- Bilateral Investment Treaty (February 7, 1993)

Turkey

- Bilateral Investment Treaty (May 18, 1990)
- WTO Settlement Concerning Taxation of Foreign Film Revenues (July 14, 1997)

Turkmenistan

- Agreement on Bilateral Trade Relations (October 25, 1993)

Ukraine

- Agreement on Bilateral Trade Relations (June 23, 1992)
- Bilateral Investment Treaty (November 16, 1996)
- Agreement between the Government of the United States of America and the Government of the Republic of Ukraine on Sanitary and Phyto-sanitary Measures (February 21, 2007)
- Agreement between the United States and the Ukraine on Export Duties on Ferrous and Non-Ferrous Scrap Metal (February 22, 2007)

United Kingdom

- Agreement on Trade in Wine (December 31, 2020)
- Agreement on Mutual Recognition of Certain Distilled Spirits/Spirits Drinks (December 31, 2020)
- Agreement on Mutual Recognition (including sectoral annexes on Telecommunications Equipment, Electromagnetic Compatibility, and Pharmaceutical Good Manufacturing Practices) (December 31, 2020)
- Agreement on the Mutual Recognition of Certificates of Conformity for Marine Equipment (December 31, 2020)
- Bilateral Agreement on Prudential Measures Regarding Insurance and Reinsurance (December 31, 2020)

Uruguay

- Bilateral Investment Treaty (November 1, 2006)

Uzbekistan

- Agreement on Bilateral Trade Relations (January 13, 1994)

Vietnam

- Agreement between the United States and Vietnam on Trade Relations (December 10, 2001)
- Copyright Agreement (June 27, 1997)
- Exchange of Letters on Equivalence of Food Safety Inspection Systems (May 31, 2006)
- Exchange of Letters on Beef (May 31, 2006)
- Exchange of Letters on Biotechnology (May 31, 2006)
- Exchange of Letters on Energy Services (May 31, 2006)
- Exchange of Letters on Elimination of Prohibited Subsidies to Textile and Garment Sector (May 31, 2006)
- Bilateral Agreement on Export Duties on Ferrous and Nonferrous Scrap Metals (May 31, 2006)
- Exchange of Letters on Shelf Life (May 31, 2006)
- Acceptance of U.S. Certificates for Exports of Poultry Meat and Meat Products (May 31, 2006)
- Agreement to Implement Phase I of the Asia Pacific Economic Cooperation (APEC) Mutual Recognition Arrangement for Conformity Assessment of Telecommunications Equipment (June 19, 2008)

II. Agreements That Have Been Negotiated, But Have Not Yet Entered Into Force

Following is a list of trade agreements concluded by the United States since 1984 that have not yet entered into force.

Multilateral and Plurilateral Agreements

- OECD Agreement on Shipbuilding (December 21, 1994; interested parties evaluating implementing legislation)
- Anti-Counterfeiting Trade Agreement (signed by the United States on October 1, 2011)
- The Dominican Republic–Central America–United States Free Trade Agreement Decision Regarding the Specific Rules of Origin of Annex 4.1 (signed by the United States on July 6, 2017)

Bilateral Agreements

Belarus

- Bilateral Investment Treaty (signed January 15, 1994)

Brazil

- Protocol to the Agreement on Trade and Economic Cooperation Between the Government of the United States of America and the Federative Republic of Brazil Relating to Trade Rules and Transparency (signed October 19, 2020)

Ecuador

- Protocol to the Trade and Investment Council Agreement Between the Government of the United States of America and the Government of the Republic of Ecuador Relating to Trade Rules and Transparency (signed December 8, 2020)

El Salvador

- Bilateral Investment Treaty (signed March 10, 1999)

Estonia

- Trade and Intellectual Property Rights Agreement (April 19, 1994; requires approval by Estonian legislature)

Israel

- Decision of the Joint Committee of the Agreement on the Establishment of a Free Trade Area Between the Government of Israel and the Government of the United States of America on Annex III (Rules of Origin) (signed May 10, 2017)

Kazakhstan

- Exchange of Letters on Sanitary and Phyto-sanitary Measures of Kazakhstan (signed July 2, 2015)

Lithuania

- Trade and Intellectual Property Rights Agreement (April 26, 1994; requires approval by Lithuanian legislature)

Nicaragua

- Bilateral Investment Treaty (signed July 1, 1995)

Paraguay

- United States–Paraguay Trade and Investment Framework Agreement (January 13, 2017)

Russia

- Bilateral Investment Treaty (signed June 17, 1992)

Uzbekistan

- Bilateral Investment Treaty (signed December 16, 1994)

III. Other Trade-Related Agreements, Understandings and Declarations

Following is a list of other trade-related agreements, understandings and declarations negotiated by the Office of the United States Trade Representative from January 1993. These documents provide the framework for negotiations leading to future trade agreements or establish mechanisms for structured dialogue in order to develop specific steps and strategies for addressing and resolving trade, investment, intellectual property, and other issues among the signatories.

Multilateral Agreements and Declarations

- Second Ministerial of the World Trade Organization, Ministerial Declaration on Global Electronic Commerce (May 20, 1998)
- WTO Guidelines for the Negotiation of Mutual Recognition Agreements on Accountancy (May 29, 1997)
- Asia Pacific Economic Cooperation
 - 1st Joint Ministerial Statement (November 6-7, 1989)
 - 2nd Joint Ministerial Statement (July 29-31, 1990)
 - 3rd Joint Ministerial Statement (November 12-14, 1991)
 - 4th Joint Ministerial Statement (September 10-11, 1992)
 - 5th Joint Ministerial Statement (November 17-19, 1993)
 - Leaders' Economic Vision Statement (November 20, 1993)
 - Ministers Responsible for Trade Statement (October 6, 1994)
 - 6th Joint Ministerial Statement (November 11-12, 199)
 - Leaders' Declaration of Common Resolve (November 15, 1994)
 - 7th Joint Ministerial Statement (November 16-17, 1995)
 - Leaders' Declaration for Action (November 19, 1995)
 - Ministers Responsible for Trade Statement (July 15-16, 1996)
 - 8th Joint Ministerial Statement (November 22-23, 1996)
 - Leaders' Declaration: From Vision to Action (November 25, 1996)
 - Ministers Responsible for Trade Statement (May 8-10, 1997)
 - 9th Joint Ministerial Statement (November 21-22, 1997)

- Leaders' Declaration on Connecting the APEC Community (November 25, 1997)
- Asia Pacific Economic Cooperation (APEC) Mutual Recognition Arrangement for Conformity Assessment of Telecommunications Agreement (June 5, 1998)
- Ministers Responsible for Trade Statement (June 22-23, 1998)
- 10th Joint Ministerial Statement (November 14-15, 1998)
- Leaders' Declaration on Strengthening the Foundations for Growth (November 18, 1998)
- Ministers Responsible for Trade Statement (June 29-30, 1999)
- 11th Joint Ministerial Statement (September 9-10, 1999)
- Leaders' Declaration: The Auckland Challenge (September 13, 1999)
- Ministers Responsible for Trade Statement (June 6-7, 2000)
- 12th Joint Ministerial Statement (November 12-13, 2000)
- Leaders' Declaration: Delivering to the Community (November 16, 2000)
- Ministers Responsible for Trade Statement (June 6-7, 2001)
- 13th Joint Ministerial Statement (October 17-18, 2001)
- Leaders' Declaration: Meeting New Challenges in the New Century (October 21, 2001)
- Ministers Responsible for Trade Statement (May 29-30, 2002)
- 14th Joint Ministerial Statement (October 23-24, 2002)
- Leaders' Declaration: Expanding the Benefits of Cooperation for Economic Growth and Development-Implementing the Vision (October 27, 2002)
- Ministers Responsible for Trade Statement (June 2-3, 2003)
- 15th Joint Ministerial Statement (October 17-18, 2003)
- Declaration: A World of Differences-Partnership for the Future (October 21, 2003)
- Ministers Responsible for Trade Statement (June 4-5, 2004)
- 16th Joint Ministerial Statement (November 17-18, 2004)
- Leaders' Declaration: One Community, Our Future (November 20-21, 2004)
- Ministers Responsible for Trade Statement (June 2-3, 2005)
- 17th Joint Ministerial Statement (November 15-16, 2005)

- Leaders' Declaration: Towards One Community: Meet the Challenge, Make the Change (November 18-19, 2005)
- Ministers Responsible for Trade Statement (June 1-2, 2006)
- 18th Joint Ministerial Statement (November 15-16, 2006)
- Leaders' Declaration: Towards a Dynamic Community for Sustainable Development and Prosperity (November 18-19, 2006)
- Ministers Responsible for Trade Statement (July 5-6, 2007)
- 19th Joint Ministerial Statement (September 5-6, 2007)
- Leaders' Declaration: Strengthening our Community, Building a Sustainable Future (September 9, 2007)
- Ministers Responsible for Trade Statement (May 31-June 1, 2008)
- 20th Joint Ministerial Statement (November 19-20, 2008)
- Leaders' Declaration: A New Commitment to Asia-Pacific Development (November 22-23, 2008)
- Ministers Responsible for Trade Statement (July 21-22, 2009)
- 21st Joint Ministerial Statement (November 11-12, 2009)
- Leaders' Declaration: Sustaining Growth, Connecting The Region (November 14-15, 2009)
- Ministers Responsible for Trade Statement (June 5-6, 2010)
- 22nd Joint Ministerial Statement (November 10-11, 2010)
- Leaders' Declaration: The Yokohama Vision-Bogor and Beyond (November 13-14, 2010)
- Ministers' Responsible for Trade Statement (May 19-20, 2011)
- 23rd Joint Ministerial Statement (November 11, 2011)
- Leaders' Declaration: Toward a Seamless Regional Economy (November 12-13, 2011)
- Ministers' Responsible for Trade Statement (June 4-5, 2012)
- 24th Joint Ministerial Statement (September 5-6, 2012)
- Leaders' Declaration: Integrate to Grow, Innovate to Prosper (September 8-9, 2012)
- Ministers' Responsible for Trade Statement (April 20-21, 2013)
- 25th Joint Ministerial Statement (October 5, 2013)

- Leaders' Declaration: Resilient Asia-Pacific, Engine of Global Growth (October 8, 2013)
- Cooperation Agreement Among the Partner States of the East African Community and the United States of America on Trade Facilitation, Sanitary and Phyto-sanitary Measures, and Technical Barriers to Trade (February 26, 2015)
- Organization of American States (OAS), Inter-American Telecommunications Commission (CITEL) Mutual Recognition Agreement for Conformity Assessment of Telecommunications Equipment (October 29, 1999)
- United States–Association of Southeast Asian Nations Trade and Investment Framework Arrangement (August 25, 2006)
- World Wine Trade Group Memorandum of Understanding on Certification Requirements (October 20, 2011)
- Understanding Between the United States, Mexico, and Canada regarding Article 23.6 of the Agreement Between the United States of America, the United Mexican States, and Canada, done at Mexico City, on November 30, 2018 (December 10, 2019)

Bilateral Agreements and Declarations

Afghanistan

- United States–Afghanistan Trade and Investment Framework Agreement (September 21, 2004)
- Memorandum of Understanding on Joint Efforts to Enable the Economic Empowerment of Women and to Promote Women's Entrepreneurship (June 16, 2013)

Algeria

- United States–Algeria Trade and Investment Framework Agreement (July 13, 2001)

Angola

- United States–Angola Trade and Investment Framework Agreement (May 19, 2009)

Argentina

- Bilateral Council on Trade and Investment (February 2002)
- United States–Argentina Trade and Investment Framework Agreement (March 23, 2016)

Armenia

- United States–Armenia Trade and Investment Framework Agreement (signed November 13, 2015)

Association of Southeast Asian Nations (ASEAN)

- United States–ASEAN Trade and Investment Framework Arrangement (August 25, 2006)

Bangladesh

- United States–Bangladesh Trade and Investment Cooperation Forum Agreement (signed November 25, 2013)

Bolivia

- Agreement between the Government of the United States of America and the Government of the Republic of Bolivia concerning a United States-Bolivia Council on Trade and Investment (May 8, 1990)

Brazil

- United States–Brazil Agreement on Trade and Economic Cooperation (March 19, 2011)

Brunei Darussalam

- United States–Brunei Darussalam Trade and Investment Framework Agreement (December 16, 2002)

Burma

- United States–Myanmar Trade and Investment Framework Agreement (May 13, 2013)

Cambodia

- United States–Cambodia Trade and Investment Framework Agreement (July 14, 2006)

Canada

- The Canada–United States Organic Equivalency Arrangement (June 17, 2009)

Caribbean Community (CARICOM)

- United States–CARICOM Trade and Investment Framework Agreement (2013)

Central Asian Economies

- United States–Central Asian Trade and Investment Framework Agreement (June 1, 2004)

China

- United States-China Joint Commission on Commerce and Trade Agreements (April 21, 2004)
- United States–China Joint Commission on Commerce and Trade Agreements (July 11, 2005)
- Memorandum of Understanding on Combating Illegal Logging and Associated Trade (May 5, 2008)

Common Market for Eastern and Southern Africa

- United States–Common Market for Eastern and Southern Africa Trade and Investment Framework Agreement (October 2001)

East African Community

- United States–East African Community Trade and Investment Framework Agreement (July 16, 2008)
- Cooperation Agreement Among the Partner States of the East African Community and the United States of America on Trade Facilitation, Sanitary and Phyto-sanitary Measures, and Technical Barriers to Trade (February 26, 2015)

Economic Community of West African States

- United States–Economic Community of West African States Trade and Investment Cooperation Forum Agreement (signed August 5, 2014)

Ecuador

- Agreement between the Government of the United States of America and the Government of the Republic of Ecuador concerning a United States-Ecuador Council on Trade and Investment (July 23, 1990)

Egypt

- United States–Egypt Trade and Investment Framework Agreement (July 1, 1999)

European Union

- United States–EU Transatlantic Economic Partnership (May 18, 1998)
- United States–EU Joint Action Plan for the Transatlantic Economic Partnership (November 9, 1998)
- Decision to Establish the United States–EU High Level Working Group on Jobs and Growth, Joint Statement of the United States-EU Summit (November 28, 2010)
- United States–EU Organic Equivalency Arrangement (February 15, 2012)

Fiji

- United States–Fiji Trade and Investment Framework Agreement (October 15, 2020)

Georgia

- United States–Georgia Trade and Investment Framework Agreement (June 20, 2007)
- United States–Georgia Trade Principles for Information and Communication Technology Services (October 30, 2015)

Ghana

- United States–Ghana Trade and Investment Framework Agreement (February 26, 1999)

Gulf Cooperation Council

- Framework Agreement for Trade, Economic, Investment and Technical Cooperation (signed September 25, 2012)

Iceland

- United States–Iceland Trade and Investment Cooperation Forum Agreement (January 15, 2009)

India

- United States–India Trade Policy Forum, Framework for Cooperation on Trade and Investment (March 17, 2010)

Indonesia

- United States–Indonesia Memorandum of Understanding on the Establishment of the Council on Trade and Investment (July 16, 1996)
- Memorandum of Understanding on Combating Illegal Logging and Associated Trade (November 16, 2006)
- Memorandum of Understanding Between the Government of the United States of American and the Government of the Republic of Indonesia to resolve certain outstanding issues in order to enhance the Parties' bilateral trade relationship (October 3, 2014)

Israel

- Understanding regarding Israel's intellectual property regime for pharmaceutical products (February 18, 2010)

Iraq

- United States–Iraq Trade and Investment Framework Agreement (July 11, 2005)

Japan

- United States–Japan Joint Statement on the Bilateral Steel Dialogue (September 24, 1999)
- Exchange of Letters between the United States and Japan—Letters Regarding Electro-Magnetic Compatibility (EMC) Testing of Unintentional Radiators and Industrial Scientific and Medical (ISM) Equipment (February 26, 2007)
- Requirements for Beef and Beef Products to be Exported to Japan from the United States of America (January 25, 2013)
- United States–Japan Organic Equivalency Arrangement (September 26, 2013)

- United States–Japan Organic Equivalency Arrangement Appendix 1, for organic livestock products and organic processed food products containing livestock ingredients (July 16, 2020)

Korea

- United States–Korea Organic Equivalency Arrangement (June 30, 2014)

Kuwait

- United States–Kuwait Trade and Investment Framework Agreement (February 6, 2004)

Laos

- United States–Lao People’s Democratic Republic Trade and Investment Framework Agreement (February 17, 2016)

Lebanon

- United States–Lebanon Trade and Investment Framework Agreement (November 30, 2006)

Liberia

- United States–Liberia Trade and Investment Framework Agreement (February 15, 2007)

Libya

- United States–Libya Trade and Investment Framework Agreement (signed December 18, 2013)

Malaysia

- United States–Malaysia Trade and Investment Framework Agreement (May 10, 2004)
- Agreement to Implement Phase I of the Asia Pacific Economic Cooperation (APEC) Mutual Recognition Arrangement for Conformity Assessment of Telecommunications Equipment (June 28, 2016)

Maldives

- United States–Maldives Trade and Investment Framework Agreement (October 17, 2009)

Mauritius

- United States–Mauritius Trade and Investment Framework Agreement (September 18, 2006)
- United States–Mauritius Trade Principles for Information and Communication Technology Services (June 18, 2012)

Mongolia

- United States–Mongolia Trade and Investment Framework Agreement (July 15, 2004)

Morocco

- Kingdom of Morocco–United States Trade Principles for Information and Communication Technology Services (December 5, 2012)
- Statement of Principles for International Investment (December 5, 2012)

Mozambique

- United States–Mozambique Trade and Investment Framework Agreement (June 21, 2005)

Nepal

- United States–Nepal Trade and Investment Framework Agreement (April 15, 2011)

New Zealand

- United States–New Zealand Trade and Investment Framework Agreement (October 2, 1992)

Nigeria

- United States–Nigeria Trade and Investment Framework Agreement (February 16, 2000)

Oman

- United States–Oman Trade and Investment Framework Agreement (July 7, 2004)

Pakistan

- United States–Pakistan Trade and Investment Framework Agreement (June 25, 2003)

Paraguay

- Joint Commission on Trade and Investment (September 26, 2003)

Philippines

- United States–Philippines Trade and Investment Framework Agreement (1989)
- United States–Philippines Trade and Investment Framework Agreement Protocol Concerning Customs Administration and Trade Facilitation (November 13, 2011)

Qatar

- United States–Qatar Trade and Investment Framework Agreement (March 19, 2004)

Rwanda

- United States–Rwanda Trade and Investment Framework Agreement (June 7, 2006)

Saudi Arabia

- United States–Saudi Arabia Trade and Investment Framework Agreement (July 31, 2003)

South Africa

- United States–South Africa Agreement Concerning the Development of Trade and Investment (June 18, 2012)

Southern Africa Customs Union

- United States–Southern Africa Customs Union Trade, Investment, and Development Cooperative Agreement (July 16, 2008)

Sri Lanka

- United States–Sri Lanka Trade and Investment Framework Agreement (July 25, 2002)

Switzerland

- United States–Switzerland Trade and Investment Cooperation Forum Agreement (May 25, 2006)
- United States–Switzerland Organic Equivalency Arrangement (July 10, 2015)

Taiwan

- Agreement Between the American Institute in Taiwan and the Coordination Council for North American Affairs Concerning a Framework of Principles and Procedures for Consultations Regarding Trade and Investment (September 19, 1994)
- United States–Taiwan Organic Equivalency Arrangement (May 30, 2020)

Thailand

- United States–Thailand Trade and Investment Framework Agreement (October 23, 2002)

Tunisia

- United States–Tunisia Trade and Investment Framework Agreement (October 2, 2002)

Turkey

- United States–Turkey Trade and Investment Framework Agreement (September 29, 1999)

Ukraine

- United States–Ukraine Trade and Investment Cooperation Agreement (March 28, 2008)

United Arab Emirates (UAE)

- United States–United Arab Emirates Trade and Investment Framework Agreement (March 15, 2004)

United Kingdom

- United States–United Kingdom Organic Equivalency Arrangement (January 1, 2021)

Uruguay

- United States–Uruguay Bilateral and Commercial Trade Review (May 20, 1999)
- Joint Commission on Trade and Investment (January 25, 2007)
- United States–Uruguay Trade and Investment Framework Agreement (January 25, 2007)
 - United States–Uruguay Trade and Investment Framework Agreement Protocol Concerning Trade and Environment Public Participation (October 2, 2008)
 - United States–Uruguay Trade and Investment Framework Agreement Protocol Concerning Trade Facilitation (October 2, 2008)

Vietnam

- United States–Vietnam Trade and Investment Framework Agreement (June 21, 2007)

West African Economic and Monetary Union

- United States–West African Economic and Monetary Union Trade and Investment Framework Agreement (April 24, 2002)

Yemen

- United States–Yemen Trade and Investment Framework Agreement (February 6, 2004)

ANNEX III

BACKGROUND INFORMATION ON THE WTO

MEMBERSHIP OF THE WORLD TRADE ORGANIZATION

As of December 31, 2020 (164 Members)

Government	Entry Into Force	Government	Entry Into Force
Afghanistan	July 29, 2016	Latvia	February 10, 1999
Albania	September 8, 2000	Lesotho	May 31, 1995
Angola	November 23, 1996	Liberia	July 14, 2016
Antigua and Barbuda	January 1, 1995	Luxembourg	January 1, 1995
Argentina	January 1, 1995	Macao, China	January 1, 1995
Armenia	February 5, 2003	Republic of Macedonia	April 4, 2003
Australia	January 1, 1995	Madagascar	November 17, 1995
Austria	January 1, 1995	Malawi	May 31, 1995
Bahrain	January 1, 1995	Malaysia	January 1, 1995
Bangladesh	January 1, 1995	Maldives	May 31, 1995
Barbados	January 1, 1995	Mali	May 31, 1995
Belgium	January 1, 1995	Malta	January 1, 1995
Belize	January 1, 1995	Mauritania	May 31, 1995
Benin	February 22, 1996	Mauritius	January 1, 1995
Bolivia	September 12, 1995	Mexico	January 1, 1995

Botswana	May 31, 1995	Moldova	July 26, 2001
Brazil	January 1, 1995	Mongolia	January 29, 1997
Brunei Darussalam	January 1, 1995	Montenegro	April 29, 2012
Bulgaria	December 1, 1996	Morocco	January 1, 1995
Burkina Faso	June 3, 1995	Mozambique	August 26, 1995
Burundi	July 23, 1995	Myanmar	January 1, 1995
Cambodia	October 12, 2004	Namibia	January 1, 1995
Cameroon	December 13, 1995	Nepal	April 23, 2004
Canada	January 1, 1995	The Netherlands	January 1, 1995
Cape Verde	July 23, 2008	New Zealand	January 1, 1995
Central African Republic	May 31, 1995	Nicaragua	September 3, 1995
Chad	October 19, 1996	Niger	December 13, 1996
Chile	January 1, 1995	Nigeria	January 1, 1995
China	December 11, 2001	Norway	January 1, 1995
Colombia	April 30, 1995	Oman	November 9, 2000
Democratic Republic of the Congo	January 1, 1997	Pakistan	January 1, 1995
Republic of the Congo	March 27, 1997	Panama	September 6, 1997

Costa Rica	January 1, 1995	Papua New Guinea	June 9, 1996
Côte d'Ivoire	January 1, 1995	Paraguay	January 1, 1995
Croatia	November 30, 2000	Peru	January 1, 1995
Cuba	April 20, 1995	Philippines	January 1, 1995
Cyprus	July 30, 1995	Poland	July 1, 1995
Czech Republic	January 1, 1995	Portugal	January 1, 1995
Denmark	January 1, 1995	Qatar	January 13, 1996
Djibouti	May 31, 1995	Romania	January 1, 1995
Dominica	January 1, 1995	Russia	August 22, 2012
Dominican Republic	March 9, 1995	Rwanda	May 22, 1996
Ecuador	January 21, 1996	Saint Kitts and Nevis	February 21, 1996
Egypt	June 30, 1995	Saint Lucia	January 1, 1995
El Salvador	May 7, 1995	Saint Vincent and the Grenadines	January 1, 1995
Estonia	November 13, 1999	Samoa	May 10, 2012
Eswatini	January 1, 1995	Saudi Arabia	December 11, 2005
European Union	January 1, 1995	Senegal	January 1, 1995
Fiji	January 14, 1996	Seychelles	April 26, 2015
Finland	January 1, 1995	Sierra Leone	July 23, 1995

France	January 1, 1995	Singapore	January 1, 1995
Gabon	January 1, 1995	Slovak Republic	January 1, 1995
The Gambia	October 23, 1996	Slovenia	July 30, 1995
Georgia	June 14, 2000	Solomon Islands	July 26, 1996
Germany	January 1, 1995	South Africa	January 1, 1995
Ghana	January 1, 1995	Spain	January 1, 1995
Greece	January 1, 1995	Sri Lanka	January 1, 1995
Grenada	February 22, 1996	Suriname	January 1, 1995
Guatemala	July 21, 1995	Sweden	January 1, 1995
Guinea	October 25, 1995	Switzerland	July 1, 1995
Guinea Bissau	May 31, 1995	Taiwan (referred to in the WTO as Chinese Taipei)	January 1, 2002
Guyana	January 1, 1995	Tajikistan	March 2, 2013
Haiti	January 30, 1996	Tanzania	January 1, 1995
Honduras	January 1, 1995	Thailand	January 1, 1995
Hong Kong, China	January 1, 1995	Togo	May 31, 1995
Hungary	January 1, 1995	Tonga	July 27, 2007
Iceland	January 1, 1995	Trinidad and Tobago	March 1, 1995
India	January 1, 1995	Tunisia	March 29, 1995

Indonesia	January 1, 1995	Turkey	March 26, 1995
Ireland	January 1, 1995	Uganda	January 1, 1995
Israel	April 21, 1995	Ukraine	May 16, 2008
Italy	January 1, 1995	United Arab Emirates	April 10, 1996
Jamaica	March 9, 1995	United Kingdom	January 1, 1995
Japan	January 1, 1995	United States of America	January 1, 1995
Jordan	April 11, 2000	Uruguay	January 1, 1995
Kazakhstan	November 30, 2015	Vanuatu	August 24, 2012
Kenya	January 1, 1995	Venezuela	January 1, 1995
Republic of Korea	January 1, 1995	Vietnam	January 11, 2007
Kuwait	January 1, 1995	Yemen	June 26, 2014
Kyrgyz Republic	December 20, 1998	Zambia	January 1, 1995
Laos	February 2, 2013	Zimbabwe	March 5, 1995

2021 Budget for the WTO Secretariat
(in thousand Swiss francs)

Part	Section	Budget Line	2021 Budget	
A Staffing Resources	1. Staff Expenditure	i) Staff Remuneration	88,520	
		ii) Staff Pension & Post-Employment Benefits	23,380	
		iii) Staff Health & Invalidation Insurance	6,794	
		iv) Staff Family & International Benefits	10,971	
		v) Other Staff Expenditure	1,900	
	2. Temporary Assistance	i) Short-Term Staff	9,850	
		ii) Consulting	6,124	
		iii) Panellists ³⁶	1,300	
	A Staffing Resources Total			148,840
	B Other Resources	3. General Services	i) Telecommunication & Post	641
ii) Contractual Services & Maintenance			11,613	
iii) Energy & Supplies			2,066	
iv) Documentation & Publication			1,458	
v) Other / Miscellaneous			48	
4. Travel & Hospitality		i) Travel	7,993	
		ii) Hospitality	214	
5. Implementing Partners		i) Implementing Partners	213	
6. Capital Expenditure		i) Procurement of Fixed Assets	2,255	
		ii) Rental & Leasing of Equipment	640	
7. Financial Expenditure		i) Bank & Interest Charges	580	
		ii) Building Loan Reimbursement	1,200	
B Other Resources Total			28,921	
C Operating Funds and ITC		8. Contributions to ITC & Special Reserves	i) Contribution to ITC	18,243
	ii) Appellate Body Operating Fund		0	
	iii) Ministerial Conference Operating Fund		600	
	iv) Building Renovation Fund		600	
C Operating Funds and ITC Total			19,443	

³⁶ For details, please refer to Table 14.

Scale of Contributions for 2020-2021

(in Swiss francs and with a minimum contribution of 0.015 percent)

Member	2020 Contribution CHF	2020 Contribution %	2021 Contribution CHF	2021 Contribution %
Afghanistan	44,965	0.023%	41,055	0.021%
Albania	41,055	0.021%	43,010	0.022%
Angola	379,270	0.194%	326,485	0.167%
Antigua and Barbuda	29,325	0.015%	29,325	0.015%
Argentina	719,440	0.368%	692,070	0.354%
Armenia	39,100	0.020%	41,055	0.021%
Australia	2,553,230	1.306%	2,521,950	1.290%
Austria	1,917,855	0.981%	1,927,630	0.986%
Bahrain, Kingdom of	238,510	0.122%	230,690	0.118%
Bangladesh	365,585	0.187%	391,000	0.200%
Barbados	29,325	0.015%	29,325	0.015%
Belgium	3,663,670	1.874%	3,587,425	1.835%
Belize	29,325	0.015%	29,325	0.015%
Benin	29,325	0.015%	31,280	0.016%
Bolivia, Plurinational State of	101,660	0.052%	99,705	0.051%
Botswana	72,335	0.037%	68,425	0.035%
Brazil	2,287,350	1.170%	2,189,600	1.120%
Brunei Darussalam	62,560	0.032%	54,740	0.028%
Bulgaria	318,665	0.163%	324,530	0.166%
Burkina Faso	33,235	0.017%	35,190	0.018%
Burundi	29,325	0.015%	29,325	0.015%
Cabo Verde	29,325	0.015%	29,325	0.015%
Cambodia	129,030	0.066%	140,760	0.072%
Cameroon	68,425	0.035%	66,470	0.034%
Canada	4,838,625	2.475%	4,779,975	2.445%
Central African Republic	29,325	0.015%	29,325	0.015%
Chad	39,100	0.020%	39,100	0.020%
Chile	703,800	0.360%	684,250	0.350%
China	20,142,365	10.303%	20,419,975	10.445%
Colombia	531,760	0.272%	502,435	0.257%
Congo	70,380	0.036%	70,380	0.036%

Member	2020 Contribution CHF	2020 Contribution %	2021 Contribution CHF	2021 Contribution %
Costa Rica	158,355	0.081%	162,265	0.083%
Côte d'Ivoire	109,480	0.056%	107,525	0.055%
Croatia	230,690	0.118%	232,645	0.119%
Cuba	129,030	0.066%	121,210	0.062%
Cyprus	123,165	0.063%	136,850	0.070%
Czech Republic	1,405,645	0.719%	1,431,060	0.732%
Democratic Republic of the Congo	113,390	0.058%	119,255	0.061%
Denmark	1,515,125	0.775%	1,509,260	0.772%
Djibouti	29,325	0.015%	31,280	0.016%
Dominica	29,325	0.015%	29,325	0.015%
Dominican Republic	168,130	0.086%	172,040	0.088%
Ecuador	218,960	0.112%	213,095	0.109%
Egypt	490,705	0.251%	496,570	0.254%
El Salvador	80,155	0.041%	80,155	0.041%
Estonia	175,950	0.090%	175,950	0.090%
Eswatini	29,325	0.015%	29,325	0.015%
European Union ³⁷	0	0.000%	0	0.000%
Fiji	29,325	0.015%	29,325	0.015%
Finland	862,155	0.441%	850,425	0.435%
France	7,466,145	3.819%	7,458,325	3.815%
Gabon	66,470	0.034%	64,515	0.033%
The Gambia	29,325	0.015%	29,325	0.015%
Georgia	70,380	0.036%	72,335	0.037%
Germany	13,976,295	7.149%	14,031,035	7.177%
Ghana	168,130	0.086%	172,040	0.088%
Greece	631,465	0.323%	635,375	0.325%
Grenada	29,325	0.015%	29,325	0.015%
Guatemala	148,580	0.076%	142,715	0.073%
Guinea	29,325	0.015%	31,280	0.016%
Guinea-Bissau	29,325	0.015%	29,325	0.015%
Guyana	29,325	0.015%	29,325	0.015%
Haiti	29,325	0.015%	29,325	0.015%

³⁷ The European Union is not subject to contributions. However, its 27 Members are assessed individually. The total share of Members of the European Union represents 30.45 % of the total assessed contributions for 2021.

Member	2020 Contribution CHF	2020 Contribution %	2021 Contribution CHF	2021 Contribution %
Honduras	76,245	0.039%	78,200	0.040%
Hong Kong, China	5,548,290	2.838%	5,575,660	2.852%
Hungary	1,008,780	0.516%	1,024,420	0.524%
Iceland	80,155	0.041%	86,020	0.044%
India	4,455,445	2.279%	4,510,185	2.307%
Indonesia	1,673,480	0.856%	1,657,840	0.848%
Ireland	2,619,700	1.340%	2,955,960	1.512%
Israel	856,290	0.438%	860,200	0.440%
Italy	5,075,180	2.596%	5,034,125	2.575%
Jamaica	50,830	0.026%	52,785	0.027%
Japan	7,673,375	3.925%	7,599,085	3.887%
Jordan	168,130	0.086%	164,220	0.084%
Kazakhstan	508,300	0.260%	461,380	0.236%
Kenya	125,120	0.064%	123,165	0.063%
Korea, Republic of	5,669,500	2.900%	5,577,615	2.853%
Kuwait, the State of	594,320	0.304%	568,905	0.291%
Kyrgyz Republic	37,145	0.019%	35,190	0.018%
Lao People's Democratic Republic	46,920	0.024%	52,785	0.027%
Latvia	160,310	0.082%	164,220	0.084%
Lesotho	29,325	0.015%	29,325	0.015%
Liberia	29,325	0.015%	29,325	0.015%
Liechtenstein	64,515	0.033%	62,560	0.032%
Lithuania	322,575	0.165%	310,845	0.159%
Luxembourg	999,005	0.511%	1,018,555	0.521%
Macao, China	258,060	0.132%	256,105	0.131%
Madagascar	33,235	0.017%	33,235	0.017%
Malawi	29,325	0.015%	29,325	0.015%
Malaysia	1,923,720	0.984%	1,896,350	0.970%
Maldives	29,325	0.015%	29,325	0.015%
Mali	35,190	0.018%	35,190	0.018%
Malta	148,580	0.076%	152,490	0.078%
Mauritania	29,325	0.015%	29,325	0.015%
Mauritius	56,695	0.029%	54,740	0.028%

Member	2020 Contribution CHF	2020 Contribution %	2021 Contribution CHF	2021 Contribution %
Mexico	3,802,475	1.945%	3,884,585	1.987%
Moldova, Republic of	35,190	0.018%	37,145	0.019%
Mongolia	54,740	0.028%	56,695	0.029%
Montenegro	29,325	0.015%	29,325	0.015%
Morocco	361,675	0.185%	371,450	0.190%
Mozambique	66,470	0.034%	64,515	0.033%
Myanmar	127,075	0.065%	134,895	0.069%
Namibia	48,875	0.025%	48,875	0.025%
Nepal	50,830	0.026%	56,695	0.029%
Netherlands	5,732,060	2.932%	5,741,835	2.937%
New Zealand	465,290	0.238%	467,245	0.239%
Nicaragua	56,695	0.029%	54,740	0.028%
Niger	29,325	0.015%	29,325	0.015%
Nigeria	586,500	0.300%	543,490	0.278%
North Macedonia	56,695	0.029%	60,605	0.031%
Norway	1,348,950	0.690%	1,282,480	0.656%
Oman	365,585	0.187%	342,125	0.175%
Pakistan	357,765	0.183%	369,495	0.189%
Panama	252,195	0.129%	242,420	0.124%
Papua New Guinea	62,560	0.032%	60,605	0.031%
Paraguay	113,390	0.058%	113,390	0.058%
Peru	416,415	0.213%	418,370	0.214%
Philippines	768,315	0.393%	821,100	0.420%
Poland	2,228,700	1.140%	2,326,450	1.190%
Portugal	787,865	0.403%	803,505	0.411%
Qatar	746,810	0.382%	703,800	0.360%
Romania	725,305	0.371%	766,360	0.392%
Russian Federation	3,657,805	1.871%	3,407,565	1.743%
Rwanda	29,325	0.015%	29,325	0.015%
Saint Kitts and Nevis	29,325	0.015%	29,325	0.015%
Saint Lucia	29,325	0.015%	29,325	0.015%
Saint Vincent and the Grenadines	29,325	0.015%	29,325	0.015%
Samoa	29,325	0.015%	29,325	0.015%

Member	2020 Contribution CHF	2020 Contribution %	2021 Contribution CHF	2021 Contribution %
Saudi Arabia, Kingdom of	2,162,230	1.106%	2,037,110	1.042%
Senegal	48,875	0.025%	50,830	0.026%
Seychelles	29,325	0.015%	29,325	0.015%
Sierra Leone	29,325	0.015%	29,325	0.015%
Singapore	4,744,785	2.427%	4,803,435	2.457%
Slovak Republic	780,045	0.399%	783,955	0.401%
Slovenia	310,845	0.159%	324,530	0.166%
Solomon Islands	29,325	0.015%	29,325	0.015%
South Africa	936,445	0.479%	905,165	0.463%
Spain	3,714,500	1.900%	3,782,925	1.935%
Sri Lanka	181,815	0.093%	187,680	0.096%
Suriname	29,325	0.015%	29,325	0.015%
Sweden	2,056,660	1.052%	2,037,110	1.042%
Switzerland	3,687,130	1.886%	3,573,740	1.828%
Chinese Taipei	3,286,355	1.681%	3,165,145	1.619%
Tajikistan	29,325	0.015%	29,325	0.015%
Tanzania	93,840	0.048%	87,975	0.045%
Thailand	2,404,650	1.230%	2,389,010	1.222%
Togo	29,325	0.015%	29,325	0.015%
Tonga	29,325	0.015%	29,325	0.015%
Trinidad and Tobago	107,525	0.055%	97,750	0.050%
Tunisia	191,590	0.098%	183,770	0.094%
Turkey	2,009,740	1.028%	2,050,795	1.049%
Uganda	52,785	0.027%	54,740	0.028%
Ukraine	561,085	0.287%	508,300	0.260%
United Arab Emirates	3,102,585	1.587%	3,059,575	1.565%
United Kingdom	7,399,675	3.785%	7,473,965	3.823%
United States of America	22,855,905	11.691%	22,949,745	11.739%
Uruguay	138,805	0.071%	130,985	0.067%
Vanuatu	29,325	0.015%	29,325	0.015%
Venezuela, Bolivarian Republic of	568,905	0.291%	559,130	0.286%
Viet Nam	1,583,550	0.810%	1,757,545	0.899%
Yemen	80,155	0.041%	78,200	0.040%

Member	2020 Contribution CHF	2020 Contribution %	2021 Contribution CHF	2021 Contribution %
Zambia	86,020	0.044%	80,155	0.041%
Zimbabwe	52,785	0.027%	50,830	0.026%
TOTAL	195,500,000	100.0000%	195,500,000	100.000%

**WTO Professional Staff Members by Nationality
(Excluding Linguistic Staff)**

(as per information available on January 1, 2021)

	Member	Total Nbr	%
1	France	42	11.2%
2	United States of America	28	7.4%
3	Germany	21	5.6%
4	Italy	20	5.3%
5	Canada	18	4.8%
6	China	16	4.3%
6	United Kingdom	16	4.3%
8	India	13	3.5%
9	Brazil	12	3.2%
9	Spain	12	3.2%
11	Philippines	10	2.7%
11	Switzerland	10	2.7%
13	Australia	8	2.1%
14	Mexico	7	1.9%
15	Bulgaria	6	1.6%
15	Colombia	6	1.6%
17	Ireland	5	1.3%
17	Japan	5	1.3%
17	Netherlands	5	1.3%
17	Peru	5	1.3%
17	Russian Federation	5	1.3%
22	Austria	4	1.1%
22	Egypt	4	1.1%
22	Korea, Republic of	4	1.1%
22	Turkey	4	1.1%
26	Bolivia, Plurinational State of	3	0.8%
26	Finland	3	0.8%
26	Greece	3	0.8%

	Member	Total Nbr	%
26	Hungary	3	0.8%
26	Morocco	3	0.8%
26	Pakistan	3	0.8%
26	Sweden	3	0.8%
26	Tunisia	3	0.8%
26	Uganda	3	0.8%
35	Belgium	2	0.5%
35	Benin	2	0.5%
35	Costa Rica	2	0.5%
35	Denmark	2	0.5%
35	Ecuador	2	0.5%
35	Guinea	2	0.5%
35	Jamaica	2	0.5%
35	Malaysia	2	0.5%
35	Nepal	2	0.5%
35	Poland	2	0.5%
35	Ukraine	2	0.5%
35	Uruguay	2	0.5%
35	Venezuela, Bolivarian Republic of	2	0.5%
35	Zimbabwe	2	0.5%
49	Argentina	1	0.3%
49	Bangladesh	1	0.3%
49	Barbados	1	0.3%
49	Botswana	1	0.3%
49	Burkina Faso	1	0.3%
49	Burundi	1	0.3%
49	Cameroon	1	0.3%
49	Chad	1	0.3%
49	Chile	1	0.3%
49	Croatia	1	0.3%

	Member	Total Nbr	%
49	Czech Republic	1	0.3%
49	Democratic Republic of the Congo	1	0.3%
49	Estonia	1	0.3%
49	Guatemala	1	0.3%
49	Jordan	1	0.3%
49	Kenya	1	0.3%
49	Lithuania	1	0.3%
49	Malawi	1	0.3%
49	Mauritius	1	0.3%
49	Moldova, Republic of	1	0.3%
49	New Zealand	1	0.3%
49	Nigeria	1	0.3%
49	Norway	1	0.3%
49	Portugal	1	0.3%
49	Romania	1	0.3%
49	Rwanda	1	0.3%
49	Senegal	1	0.3%
49	Sierra Leone	1	0.3%
49	South Africa	1	0.3%
49	Sri Lanka	1	0.3%
49	Tanzania	1	0.3%
49	The Gambia	1	0.3%
49	Trinidad and Tobago	1	0.3%
49	Viet Nam	1	0.3%
49	Zambia	1	0.3%
	Total	376	100.0%

WAIVERS CURRENTLY IN FORCE
(as of December 31, 2020)

WAIVER	DECISION	DATE of ADOPTION of DECISION	GRANTED UNTIL	REPORT in 2020 ³⁸
Granted in 2020				
Introduction of Harmonized System 2002 Changes into WTO Schedules of Tariff Concessions ³⁹	WT/L/1104	18 December 2020	31 December 2021	-
Introduction of Harmonized System 2007 Changes into WTO Schedules of Tariff Concessions ⁴⁰	WT/L/1105	18 December 2020	31 December 2021	-
Introduction of Harmonized System 2012 Changes into WTO Schedules of Tariff Concessions ⁴¹	WT/L/1106	18 December 2020	31 December 2021	-
Introduction of Harmonized System 2017 Changes into WTO Schedules of Tariff Concessions ⁴²	WT/L/1107	18 December 2020	31 December 2021	-
Preferential Tariff Treatment for Least-Developed Countries – Decision on Extension of waiver	WT/L/1069	16 October 2019	30 June 2029	-
United States – Caribbean Basin Economic Recovery Act	WT/L/1070	16 October 2019	30 September 2025	WT/L/1096

³⁸ Applicable if so stipulated in the corresponding waiver Decision.

³⁹ The Member which has requested to be covered under this waiver is: China.

⁴⁰ The Members which have requested to be covered under this waiver are: Argentina; Brazil; China; Dominican Republic; European Union; Malaysia; Philippines; and Thailand.

⁴¹ The Members which have requested to be covered under this waiver are: Argentina; Australia; Brazil; China; Colombia; Costa Rica; Dominican Republic; European Union; Guatemala; India; Kazakhstan; Republic of Korea; Malaysia; Mexico; New Zealand; Norway; Philippines; Russian Federation; Singapore; Switzerland; Thailand; and United States.

⁴² The Members which have requested to be covered under this waiver are: Argentina; Australia; Brazil; Canada; China; Colombia; Costa Rica; Dominican Republic; El Salvador; European Union; Guatemala; Honduras; Hong Kong, China; India; Israel; Kazakhstan; Republic of Korea; Macao, China; Montenegro; New Zealand; Norway; Pakistan; Paraguay; The Philippines; Russian Federation; Switzerland; Thailand; The Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu; United States; and Uruguay.

WAIVER	DECISION	DATE of ADOPTION of DECISION	GRANTED UNTIL	REPORT in 2020 ⁴³
Previously granted – in force in 2020				
Introduction of Harmonized System 2002 Changes into WTO Schedules of Tariff Concessions ⁴⁴	WT/L/1082	10 December 2019	31 December 2020	-
Introduction of Harmonized System 2007 Changes into WTO Schedules of Tariff Concessions ⁴⁵	WT/L/1083	10 December 2019	31 December 2020	-
Introduction of Harmonized System 2012 Changes into WTO Schedules of Tariff Concessions ⁴⁶	WT/L/1084	10 December 2019	31 December 2020	-
Introduction of Harmonized System 2017 Changes into WTO Schedules of Tariff Concessions ⁴⁷	WT/L/1085	10 December 2019	31 December 2020	-
Kimberly Process Certification Scheme for Rough Diamonds - Extension of Waiver ⁴⁸	WT/L/1039	26 July 2018	31 December 2024	-
United States – Former Trust Territory of the Pacific Islands	WT/L/1000	7 December 2016	31 December 2026	WT/L/1098
United States – Trade Preferences granted to Nepal	WT/L/1001	7 December 2016	31 December 2025	WT/L/1099
European Union – Application of Autonomous Preferential Treatment to the Western Balkans	WT/L/1002	7 December 2016	31 December 2021	WT/L/1077
Cuba – Article XV:6 – Extension of waiver	WT/L/1003	7 December 2016	31 December 2021	WT/L/1076
Implementation of Preferential Treatment in favour of Services and Service Suppliers of LDCs and Increasing LDC Participation in Services Trade ⁴⁹	WT/L/982 WT/MIN(15)/48	19 December 2015	31 December 2030 ⁵⁰	-

⁴³ Applicable if so stipulated in the corresponding waiver Decision.

⁴⁴ The Member which has requested to be covered under this waiver is: China.

⁴⁵ The Members which have requested to be covered under this waiver are: Argentina; Brazil; China; Dominican Republic; European Union; Malaysia; Philippines; and Thailand.

⁴⁶ The Members which have requested to be covered under this waiver are: Argentina; Australia; Brazil; Canada; China; Colombia; Costa Rica; Dominican Republic; El Salvador; European Union; Guatemala; Hong Kong, China; India; Kazakhstan; Republic of Korea; Macao, China; Malaysia; Mexico; New Zealand; Norway; Philippines; Russian Federation; Singapore; Switzerland; Thailand; Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu; and United States.

⁴⁷ The Members which have requested to be covered under this waiver are: Argentina; Brazil; Canada; China; Colombia; Costa Rica; Dominican Republic; El Salvador; European Union; Guatemala; Honduras; Hong Kong, China; India; Israel; Kazakhstan; Republic of Korea; Macao, China; Montenegro; New Zealand; Norway; Pakistan; Paraguay; Philippines; Russian Federation; Switzerland; Thailand; Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu; United States; and Uruguay.

⁴⁸ Annex: Australia; Botswana; Brazil; Cambodia; Canada; European Union; Guyana; India; Japan; Kazakhstan; Republic of Korea; Malaysia; Mauritius; Montenegro; Namibia; Norway; Panama; Russian Federation; Sierra Leone; Singapore; South Africa; Sri Lanka; Switzerland; Thailand; Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu; Turkey; Ukraine; and United States.

⁴⁹ This Ministerial Decision was adopted in furtherance of the waiver on Preferential Treatment to Services and Service Suppliers of Least-Developed Countries adopted in 2011 (WT/L/847) and of the subsequently operationalized in the Decision on the Operationalization of the Waiver Concerning Preferential Treatment to Services and Service Suppliers of Least-Developed Countries (WT/MIN(13)/43 - WT/L/918).

⁵⁰ At the Nairobi Ministerial Conference (WT/MIN(15)/48 – WT/L/982), Ministers decided to extend the 2011 waiver on Preferential Treatment to Services and Service Suppliers of Least-Developed Countries (WT/L/847).

WAIVER	DECISION	DATE of ADOPTION of DECISION	GRANTED UNTIL	REPORT in 2020 ⁴³
Previously granted – in force in 2020				
United States – African Growth and Opportunity Act	WT/L/970	30 November 2015	30 September 2025	WT/L/1097
Least-Developed Country Members – Obligations under Article 70.8 and Article 70.9 of the TRIPS Agreement with respect to Pharmaceutical Products	WT/L/971	30 November 2015	1 January 2033	-
Canada - CARIBCAN	WT/L/958	28 July 2015	31 December 2023	WT/L/1065
United States – Caribbean Basin Economic Recovery Act	WT/L/950	5 May 2015	31 December 2019	WT/L/1096
Operationalization of the Waiver concerning Preferential Treatment to Services and Service Suppliers of Least-Developed Countries ⁵¹	WT/MIN(13)/43 WT/L/918	7 December 2013	-	-
Preferential Treatment to Services and Service Suppliers of Least-developed countries ⁵²	WT/L/847	17 December 2011	15 years from the date of its adoption ⁵³	-
Preferential Tariff Treatment for Least-Developed Countries – Decision on Extension of waiver	WT/L/759	27 May 2009	30 June 2019	-
Implementation of Para. 6 of the Doha Declaration on the TRIPS Agreement and Public Health ⁵⁴	WT/L/540 and WT/L/540/Corr.1	30 August 2003	See WT/L/540 and WT/L/540/Corr.1	IP/C/84

⁵¹ This Ministerial Decision was adopted in furtherance of the waiver on Preferential Treatment to Services and Service Suppliers of Least-Developed Countries adopted in 2011 (WT/L/847). It does not represent a new waiver.

⁵² Two decisions were subsequently adopted at the Bali and Nairobi Ministerial Conferences in furtherance of this waiver: in 2013 (WT/MIN(13)/43 – WT/L/918) and in 2015 (WT/MIN(15)/48 – WT/L/982).

⁵³ At the Nairobi Ministerial Conference, Ministers decided to extend the waiver until 31 December 2030 (WT/MIN(15)/48 – WT/L/982).

⁵⁴ Pursuant to the General Council Decision of 30 August 2003 (WT/L/540 and Corr.1), a Protocol Amending the TRIPS Agreement was adopted by the General Council on 6 December 2005 (WT/L/641) and submitted to Members for acceptance. In accordance with Article X:3 of the WTO Agreement, the Protocol entered into force on 23 January 2017. Since then, the amended TRIPS Agreement applies to those Members who have accepted it. For each other Member, the Protocol will take effect upon acceptance by it. In the meantime, the 2003 Decision continues to apply to those Members. For the purposes of the 2003 Decision, the Annual Review of the Special Compulsory Licensing System is deemed to fulfil the review requirements of Article IX:4 of the WTO Agreement.

WT/DSB/44/Rev.51

28 October 2020

INDICATIVE LIST OF GOVERNMENTAL AND NON-GOVERNMENTAL PANELISTS

Revision

1. To assist in the selection of panelists, the DSU provides in Article 8.4 that the Secretariat shall maintain an indicative list of governmental and non-governmental individuals.
2. The attached is a revised consolidated list of governmental and non-governmental panelists.⁵⁵ The list is based on the previous Indicative List issued on 2 October 2020 (WT/DSB/44/Rev.50). It includes an additional name approved by the DSB at its meeting on 26 October 2020⁵⁶. Any future modifications or additions to this list submitted by Members will be circulated in periodic revisions of this list.
3. For practical purposes, the proposals for the administration of the indicative list approved by the DSB on 31 May 1995 are reproduced as an Annex to this document.

⁵⁵ Curricula Vitae containing more detailed information are available to WTO Members upon request from the Secretariat (Council & TNC Division).

⁵⁶ See document [WT/DSB/W/671](#).

MEMBER	NAME	SECTORAL EXPERIENCE
ARGENTINA	BARDONESCHI, Mr. Rodrigo C.	Trade in Goods and Services; TRIPS
	BÉRAUD, Mr. Alan Claudio	Trade in Goods
	BERTONI, Mr. Ramiro	Trade in Goods
	CHIARADIA, Mr. Alfredo Vicente	Trade in Goods; TRIPS
	CIMA, Mr. Marcelo	Trade in Goods and Services
	CURI, Mr. Alfredo Esteban	Trade in Goods
	DUMONT, Mr. Alberto Juan	Trade in Goods
	FORADORI, Mr. Carlos M.	Trade in Goods
	LAVOPA, Mr. Federico	Trade in Goods and Services
	LUNAZZI, Mr. Gustavo Nerio	Trade in Goods
	MAKUC, Mr. Adrián Jorge	Trade in Goods
	MALVAREZ, Mr. Martín	Trade in Goods
	MÉNDEZ, Mr. Gustavo Héctor	Trade in Goods and Services
	MONNER SANS, Mr. Alejo	Trade in Goods
	NEGUELOAETCHEVERRY, Mr. Pedro	Trade in Goods
	NISCOVOLOS, Mr. Luis Pablo	Trade in Goods and Services
	RAITERI, Ms. María Valeria	Trade in Goods
	SERRA, Mr. Adrián	Trade in Goods and Services
	TABOADA, Mr. Gabriel Gaspar	Trade in Goods
	TEMPONE, Mr. Eduardo	Trade in Goods; TRIPS
	VICIEN-MILBURN, Ms. Rosa María	Trade in Goods and Services; TRIPS
AUSTRALIA	BENNETT, Ms. Annabelle	Trade in Goods and Services
	CHURCHE, Mr. Milton	Trade in Goods
	FARBENBLOOM, Mr. Simon	Trade in Goods and Services
	GALLAGHER, Mr. Peter	Trade in Goods; TRIPS
	GOSPER, Mr. Bruce	Trade in Goods
	HOLMES, Ms. Patricia Ann	Trade in Goods
	JENNINGS, Mr. Mark	Trade in Goods; TRIPS
	MITCHELL, Mr. Andrew	Trade in Goods and Services; TRIPS
	MORETTA, Mr. Remo	Trade in Goods and Services

MEMBER	NAME	SECTORAL EXPERIENCE
AUSTRALIA (cont'd)	MULGREW, Mr. Michael	Trade in Goods
	MYLER, Mr. Paul	Trade in Goods and Services
	O'CONNOR, Mr. Paul Richard	Trade in Goods
	RAPER, Ms. Cathy	Trade in Goods and Services
	SIN FAR LEE, Ms. Stephanie	Trade in Goods
	STOLER, Mr. Andrew	Trade in Goods and Services
	VOON, Ms. Tania Su Lien	Trade in Goods and Services; TRIPS
	WITBREUK, Ms. Trudy	Trade in Goods and Services
	YOUNG, Ms. Elizabeth	Trade in Goods
BOLIVIA, PLURINATIONAL STATE OF	ZELADA CASTEDO, Mr. Alberto	Trade in Goods
BRAZIL	AMARAL DE ANDRADE JUNQUEIRA, Ms. Carla	Trade in Goods
	BARRAL, Mr. Welber Oliveira	Trade in Goods
	BASSO, Ms. Maristela	Trade in Goods; TRIPS
	BENTES, Mr. Pablo M.	Trade in Goods and Services; TRIPS
	BERENHOLC, Mr. Mauro	Trade in Goods
	CAETANO DE MARINIS, Ms. Ana Teresa	Trade in Goods
	CASTAÑON PENHA VALLE, Ms. Marília	Trade in Goods
	CELLI JUNIOR, Mr. Umberto	Trade in Goods and Services
	DE CAMARGO VIDIGAL NETO, Mr. Geraldo	Trade in Goods
	DO AMARAL JÚNIOR, Mr. Alberto	Trade in Goods and Services; TRIPS
	KANAS GRITZ, Ms. Vera	Trade in Goods
	KANITZ, Mr. Roberto H.	Trade in Goods
	KRAMER, Ms. Cynthia	Trade in Goods; TRIPS
	MANZANO SAYEG, Ms. Fernanda	Trade in Goods and Services
	MEDRADO, Mr. Renê Guilherme S.	Trade in Goods
	NASSER, Mr. Rabih	Trade in Goods
	PUPO, Mr. Rodrigo Luís	Trade in Goods

MEMBER	NAME	SECTORAL EXPERIENCE
BRAZIL (cont'd)	SALDANHA-URES, Ms. Carolina	Trade in Goods
	SETTI DIAZ, Mr. José	Trade in Goods
	THORSTENSEN, Ms. Vera Helena	Trade in Goods
CAMEROON	NGANGJOH HODU, Mr. Yenkong	Trade in Goods and Services; TRIPS
CANADA	BERNIER, Mr. Ivan	Trade in Goods and Services
	BRADFORD, Mr. Meriel V. M.	Trade in Goods and Services
	BROWN, Ms. Catherine Anne	Trade in Goods and Services; TRIPS
	CLARK, Mr. Peter James	Trade in Goods and Services
	CLOSE, Ms. Patricia Margaret	Trade in Goods
	DE MESTRAL, Mr. Armand	Trade in Goods
	EYTON, Mr. Anthony T.	Trade in Goods
	GHERSON, Mr. Randolph	Trade in Goods
	GOODWIN, Ms. Kirsten M.	Trade in Goods and Services; TRIPS
	HALLIDAY, Mr. Anthony L.	Trade in Goods and Services
	HERMAN, Mr. Lawrence L.	Trade in Goods
	HINES, Mr. Wilfred Roy	Trade in Goods
	MacMILLAN, Ms. Kathleen E.	Trade in Goods
	McRAE, Mr. Donald Malcolm	Trade in Goods
	OSTRY, Ms. Sylvia	Trade in Goods
	RITCHIE, Mr. Gordon	Trade in Goods
	THOMAS, Mr. Christopher	Trade in Goods and Services
	WINHAM, Mr. Gilbert R.	Trade in Goods
CHILE	BIGGS, Mr. Gonzalo	Trade in Goods
	ERNST, Mr. Felipe	Trade in Goods and Services
	ESCUDERO, Mr. Sergio	TRIPS
	ESPINOZA, Mr. Alvaro	Trade in Goods
	JANA, Mr. Álvaro	Trade in Goods
	MATUS, Mr. Mario	Trade in Goods

MEMBER	NAME	SECTORAL EXPERIENCE
CHILE (cont'd)	MLADINIC, Mr. Carlos	Trade in Goods
	PEÑA, Ms. Gloria	Trade in Goods
	SAEZ, Mr. Sebastián	Trade in Goods and Services
	SATELER, Mr. Ricardo	TRIPS
	SOSA, Ms. Luz	Trade in Goods and Services
	TIRONI, Mr. Ernesto	Trade in Goods
CHINA	CHEN, Mr. Yusong	Trade in Goods and Services; TRIPS
	DONG, Mr. Shizhong	Trade in Goods and Services; TRIPS
	E, Mr. Defeng	Trade in Goods
	GONG, Mr. Baihua	Trade in Goods and Services; TRIPS
	HAN, Mr. Liyu	Trade in Goods; TRIPS
	HONG, Mr. Xiaodong	Trade in Services
	HUANG, Mr. Dongli	Trade in Goods; TRIPS
	LI, Mr. Enheng	Trade in Goods and Services
	LI, Ms. Yongjie	Trade in Goods and Services
	LI, Mr. Zhongzhou	Trade in Goods
	SHI, Ms. Xiaoli	Trade in Goods
	SUO, Mr. Bicheng	Trade in Goods
	YANG, Mr. Guohua	Trade in Goods; TRIPS
	ZHANG, Ms. Liping	Trade in Goods and Services
	ZHANG, Mr. Naigen	TRIPS
	ZHANG, Mr. Xiangchen	Trade in Goods and Services; TRIPS
	ZHANG, Mr. Yuqing	Trade in Goods and Services; TRIPS
	ZHU, Ms. Lanye	Trade in Services; TRIPS
COLOMBIA	IBARRA PARDO, Mr. Gabriel	Trade in Goods
	JARAMILLO, Mr. Felipe	Trade in Goods and Services
	LOZANO FERRO, Ms. Olga Lucia	Trade in Goods; TRIPS
	OROZCO GOMEZ, Ms. Angela María	Trade in Goods
	OROZCO, Ms. Claudia	Trade in Goods

MEMBER	NAME	SECTORAL EXPERIENCE
COLOMBIA (cont'd)	PRIETO, Mr. Diego	Trade in Goods and Services
	ROJAS ARROYO, Mr. Santiago	Trade in Goods; TRIPS
	TANGARIFE, Mr. Marcel	Trade in Goods; TRIPS
CÔTE D'IVOIRE	GOSSET, Ms. Marie	Trade in Goods; TRIPS
CUBA	COBO ROURA, Mr. Narciso A.	Trade in Goods
	LABORA RODRÍGUEZ, Ms. Celia M.	Trade in Goods and Services
	VÁZQUEZ De ALVARÉ, Ms. Dánice	TRIPS
DJIBOUTI	PIQUEMAL, Mr. Alain	Trade in Goods and Services; TRIPS
DOMINICAN REPUBLIC	DE LOS SANTOS DE PIANTINI, Ms. Roxana	Trade in Goods; TRIPS
	NAUT, Ms. Katrina	Trade in Goods and Services; TRIPS
ECUADOR	ESPINOSA CAÑIZARES, Mr. Cristian	Trade in Goods and Services; TRIPS
	MONTAÑO HUERTA, Mr. César	Trade in Goods and Services; TRIPS
EGYPT	EL-SEGINY, Mr. Ibrahim	Trade in Goods
	FARAHAT, Mr. Magdi Ahmed	Trade in Goods
	FAWZY, Mr. Abdelrahman	Trade in Goods and Services
	GAWAD ALLAM, Mr. Mohamed. A.	Trade in Goods and Services
	HATEM, Mr. Samy Affify	Trade in Goods
	RIAD, Mr. Tarek Fouad	Trade in Goods and Services; TRIPS
	SHAHIN, Ms. Magda	Trade in Goods and Services; TRIPS
	SHARAF ELDIN, Mr. Ahmed	Trade in Goods; TRIPS
	ZHRAN, Mr. Mohamed Mounir	Trade in Goods and Services; TRIPS
AUSTRIA	BENEDEK, Mr. Wolfgang	Trade in Goods
	REITERER, Mr. Michael G. K.	Trade in Goods and Services; TRIPS
	ZEHETNER, Mr. Franz	Trade in Goods

MEMBER	NAME	SECTORAL EXPERIENCE
BELGIUM	DIDIER, Mr. Pierre	Trade in Goods
	PAUWELYN, Mr. Joost	Trade in Goods and Services; TRIPS
	VAN CALSTER, Mr. Geert	Trade in Goods
	VAN DER BORGHT, Mr. Kim	Trade in Goods
	VANDER SCHUEREN, Ms. Paulette	Trade in Goods and Services
	WOUTERS, Mr. Jan	Trade in Goods and Services
	ZONNEKEYN, Mr. Geert A.	Trade in Goods
CZECH REPUBLIC	PALEČKA, Mr. Peter	Trade in Goods and Services
DENMARK	NIELSEN, Ms. Laura	Trade in Goods and Services
	OLSEN, Ms. Birgitte Egelund	Trade in Goods
	SMIDT, Mr. Steffen	Trade in Goods and Services
	WEGENER, Mr. Christian	Trade in Goods and Services; TRIPS
EUROPEAN UNION	BRAKELAND, Mr. Jean-François	Trade in Goods and Services
	CARL, Mr. Mogens Peter	Trade in Goods and Services; TRIPS
	KUIJPER, Mr. Pieter Jan	Trade in Goods and Services; TRIPS
	WHITE, Mr. Eric	Trade in Goods and Services; TRIPS
FINLAND	HIMANEN, Mr. Vesa	Trade in Goods
	LUOTONEN, Mr. Yrjö Kim David	Trade in Goods
	PYYSALO, Mr. Tapio	Trade in Goods
FRANCE	ARMAIGNAC, Ms. Marie-Christine	Trade in Services; TRIPS
	BOISSON DE CHAZOURNES, Mrs. Laurence	Trade in Goods and Services
	JENNY, Mr. Frédéric Yves	Trade in Goods and Services; TRIPS
	METZGER, Mr. Jean-Marie	Trade in Goods
	MONNIER, Mr. Pierre	Trade in Goods and Services; TRIPS
	RIEGERT, Mr. François	Trade in Goods

MEMBER	NAME	SECTORAL EXPERIENCE
FRANCE (cont'd)	RUIZ-FABRI, Ms. Hélène	Trade in Goods and Services
	STERN, Ms. Brigitte	Trade in Goods
GERMANY	DELBRÜCK, Mr. Kilian	Trade in Goods
	HERRMANN, Mr. Christoph Walter	Trade in Goods; TRIPS
	HILF, Mr. Meinhard	Trade in Goods and Services
	MENG, Mr. Werner	Trade in Goods, TRIPS
	PETERSMANN, Mr. Ernst-Ulrich	Trade in Goods and Services; TRIPS
	STEINBACH, Mr. Armin	Trade in Goods and Services
	TANGERMANN, Mr. Stefan	Trade in Goods
GREECE	STANGOS, Mr. Petros N.	Trade in Goods and Services; TRIPS
HUNGARY	HALGAND DANI, Ms. Virág	Trade in Goods and Services; TRIPS
	LAKATOS, Mr. Andrés	Trade in Goods and Services
IRELAND	MATTHEWS, Mr. Alan Henry	Trade in Goods
ITALY	GIARDINA, Mr. Andrea	Trade in Goods and Services
	MALAGUTI, Ms. Maria Chiara	Trade in Goods and Services; TRIPS
	MENSI, Mr. Maurizio	Trade in Goods
LITHUANIA	ALISAUSKAS, Mr. Raimondas	Trade in Goods and Services
MALTA	BONELLO, Mr. Michael C.	Trade in Services
NETHERLANDS	BRONCKERS, Mr. Marco	Trade in Goods and Services; TRIPS
	GENEE, Mr. Otto	Trade in Goods; TRIPS
	HOEKMAN, Mr. Bernard Marco	Trade in Goods and Services; TRIPS
POLAND	PIETRAS, Mr. Jaroslaw	Trade in Services

MEMBER	NAME	SECTORAL EXPERIENCE
PORTUGAL	CALHEIROS DA GAMA, Mr. José Sérgio	TRIPS
ROMANIA	BERINDE, Mr. Mihai	Trade in Goods
	CAMPEANU, Ms. Victoria	Trade in Goods
	FRATITA, Ms. Carmen Florina	Trade in Goods
SPAIN	LÓPEZ DE SILANES MARTÍNEZ, Mr. Juan Pablo	Trade in Goods and Services
	PÉREZ SANCHEZ, Mr. José Luis	Trade in Goods and Services; TRIPS
	RIGO, Mr. Andrés	Trade in Services
SWEDEN	AHNLID, Mr. Anders Gustav Ragnar	Trade in Goods and Services; TRIPS
	JOHANSSON, Ms. Lena	Trade in Goods and Services
	REITER, Mr. Joakim H.	Trade in Goods and Services
	STELLINGER, Ms. Anna	Trade in Goods and Services; TRIPS
	WALDER, Ms. Eva	Trade in Goods and Services
GHANA	NIMAKO-BOATENG, Ms. Gertrude	Trade in Goods and Services
	OPOKU AWUKU, Mr. Emmanuel	Trade in Goods and Services; TRIPS
HONG KONG, CHINA	CARTLAND, Mr. Michael David	Trade in Goods and Services
	CHEUNG, Mr. Peter Kam Fai	TRIPS
	LEUNG, Ms. Ada Ka Lai	TRIPS
	LITTLE, Mr. David	Trade in Goods and Services
	MILLER, Mr. Tony J.A.	Trade in Goods and Services
ICELAND	BJÖRGVINSSON, Mr. David Thór	Trade in Goods and Services
	JÓHANNSSON, Mr. Einar M.	Trade in Goods
	SANDHOLT, Mr. Brynjolfur	Trade in Goods

MEMBER	NAME	SECTORAL EXPERIENCE
INDIA	AGARWAL, Mr. Vinod Kumar	Trade in Goods; TRIPS
	AGRAWAL, Mr. Rameshwar Pal	Trade in Goods and Services; TRIPS
	BHANSALI, Mr. Sharad	Trade in Goods
	BHATNAGAR, Mr. Mukesh	Trade in Goods
	BHATTACHARYA, Mr. G. C.	Trade in Goods
	CHANDRASEKHAR, Mr. Kesava Menon	Trade in Goods and Services; TRIPS
	CHAUDHURI, Mr. Sumanta	Trade in Goods and Services; TRIPS
	DAS, Mr. Abhijit	Trade in Goods
	DAS, Mr. Bhagirath Lal	Trade in Goods
	DASGUPTA, Mr. Jayant	Trade in Goods
	GOPALAN, Mr. Rajarangamani	Trade in Goods
	GOYAL, Mr. Arun	Trade in Services
	KAUSHIK, Mr. Atul	Trade in Goods; TRIPS
	KHER, Mr. Rajeev	Trade in Goods and Services; TRIPS
	KHULLAR, Mr. Rahul	Trade in Goods and Services; TRIPS
	KUMAR, Mr. Mohan	Trade in Goods and Services
	MOHANTY, Mr. Prasant Kumar	Trade in Goods
	MUKERJI, Mr. Asoke Kumar	Trade in Goods and Services; TRIPS
	NARAYANAN, Mr. Srinivasan	Trade in Goods; TRIPS
	PARTHASARATHY, Mr. R.	Trade in Goods; TRIPS
	PRABHU, Mr. Pandurang Palimar	Trade in Goods; TRIPS
	PRASAD, Ms. Anjali	Trade in Goods and Services; TRIPS
	RAMAKRISHNAN, Mr. N.	Trade in Goods
	RAO, Mr. Pemmaraju Sreenivasa	Trade in Goods
	REGE, Mr. Narayan Vinod	Trade in Goods
	SABHARWAL, Mr. Narendra	TRIPS
	SAJJANHAR, Mr. Ashok	Trade in Goods
	SESHADRI, Mr. V.S.	Trade in Goods
	SHARMA, Mr. Lalit	Trade in Goods and Services; TRIPS
	VENUGOPAL, Mr. Krishnan	Trade in Goods; TRIPS
	YADAV, Mr. Amit	Trade in Services

MEMBER	NAME	SECTORAL EXPERIENCE
INDIA (cont'd)	ZUTSHI, Mr. B. K.	Trade in Goods and Services; TRIPS
INDONESIA	KOESNAIDI, Mr. Joseph Wira	Trade in Goods
	LIMENTA, Ms. Michelle Engel	Trade in Goods; TRIPS
	WINANTI, Ms. Poppy Sulistyaning	Trade in Services; TRIPS
ISRAEL	ALTUVIA, Mr. Magen	Trade in Goods
	BROUDE, Mr. Tomer	Trade in Goods and Services; TRIPS
	FRID DE VRIES, Ms. Rachel	Trade in Goods and Services; TRIPS
	GABAY, Mr. Mayer	TRIPS
	HARAN, Mr. Ephraim F.	Trade in Services
	HARPAZ, Mr. Guy	Trade in Goods and Services; TRIPS
	HOROVITZ, Mr. Dan	Trade in Goods and Services
	POLINER, Mr. Howard Zvi	TRIPS
	REICH, Mr. Arie	Trade in Goods and Services; TRIPS
	RIVAS, Mr. Rodolfo C.	Trade in Goods; TRIPS
	SEMADAR, Mr. Moshe	Trade in Goods
	SHATON, Mr. Michael Marcel	Trade in Goods and Services
	TALBAR, Mr. Michael Adin	Trade in Goods
	WEILER, Mr. Joseph H.H.	Trade in Goods
JAMAICA	ROBINSON, Mr. Patrick L.	Trade in Goods and Services; TRIPS
JAPAN	ARAKI, Mr. Ichiro	Trade in Goods and Services; TRIPS
	ASAKAI, Mr. Kazuo	Trade in Goods
	ASAKURA, Mr. Hironori	Trade in Goods
	HASEBE, Mr. Masamichi	Trade in Goods and Services
	ISHIGE, Mr. Hiroyuki	Trade in Goods
	ISHIGURO, Mr. Kazunori	Trade in Goods and Services; TRIPS
	IWASAWA, Mr. Yuji	Trade in Goods
	KANDA, Mr. Hideki	Trade in Services

MEMBER	NAME	SECTORAL EXPERIENCE
JAPAN (cont'd)	KAZEKI, Mr. Jun	Trade in Goods and Services
	KEMMOCHI, Mr. Nobuaki	Trade in Goods and Services
	KOMETANI, Mr. Kazumochi	Trade in Goods and Services; TRIPS
	OHARA, Mr. Yoshio	Trade in Goods; TRIPS
	OSHIMA, Mr. Shotaro	Trade in Goods and Services; TRIPS
	SAITO, Mr. Koji	Trade in Goods
	SANO, Mr. Tadakatsu	Trade in Goods
	SHIMIZU, Mr. Akio	Trade in Goods
	SUZUKI, Mr. Masabumi	Trade in Goods; TRIPS
	TAKAHASHI, Ms. Misako	Trade in Services
	TSURUOKA, Mr. Koji	Trade in Services
	YAMANE, Ms. Hiroko	Trade in Goods; TRIPS
KENYA	GATHII, Mr. James T.	Trade in Goods and Services; TRIPS
KOREA	AHN, Mr. Dukgeun	Trade in Goods
	AHN, Mr. Ho-Young	Trade in Goods
	BARK, Mr. Taeho	Trade in Goods
	CHO, Mr. Tae-Yul	Trade in Goods
	CHOI, Mr. Byung-il	Trade in Services
	CHOI, Mr. Seung-Hwan	Trade in Goods
	CHOI, Mr. Won-Mog	Trade in Goods and Services; TRIPS
	CHUNG, Mr. Chan-Mo	Trade in Goods
	KIM, Mr. Jong Bum	Trade in Goods
	KANG, Mr. Junha	Trade in Goods
	KIM, Mr. Doo-Sik	Trade in Goods
	KIM, Mr. Youngjae	Trade in Goods
	LEE, Mr. Jaehyoung	Trade in Goods
	LEE, Mr. Jaemin	Trade in Goods
	WANG, Mr. Sanghan	Trade in Goods

MEMBER	NAME	SECTORAL EXPERIENCE
KYRGYZ REPUBLIC	DJUMALIEV, Mr. Muktar	Trade in Goods and Services
LIECHTENSTEIN	ZIEGLER, Mr. Andreas R.	Trade in Services; TRIPS
MADAGASCAR	ANDRIANARIVONY, Mr. Minoarison	Trade in Goods and Services; TRIPS
MALAYSIA	HARUN, Mrs. Hiswani	Trade in Goods
	KASIMIR, Mr. Merlyn	Trade in Goods and Services
	YACOB, Mr. Muhammad Noor	Trade in Goods
MAURITIUS	BEEKARRY, Mr. Navin	Trade in Goods and Services
	BHUGLAH, Mr. Achad	Trade in Goods and Services
MEXICO	DE LA PEÑA, Mr. Alejandro	Trade in Goods and Services; TRIPS
	DE MATEO VENTURINI, Mr. Fernando	Trade in Goods and Services; TRIPS
	DE ROSENZWEIG, Mr. Francisco	Trade in Goods and Services; TRIPS
	FERRARI, Mr. Bruno	Trade in Goods and Services; TRIPS
	JASSO TORRES, Mr. Humberto	Trade in Goods
	LEYCEGUI, Ms. Beatriz	Trade in Goods and Services; TRIPS
	MALPICA SOTO, Mr. Guillermo	Trade in Services
	PEREZCANO DÍAZ, Mr. Hugo Manuel	Trade in Goods and Services; TRIPS
	PÉREZ GÁRATE, Mr. Orlando	Trade in Goods and Services; TRIPS
	POBLANO, Mr. José F.	Trade in Services; TRIPS
	REYES, Ms. Luz Elena	Trade in Goods
	TRASLOSHEROS HERNÁNDEZ, Mr. José Gerardo	Trade in Goods and Services; TRIPS
	VÉJAR, Mr. Carlos	Trade in Goods and Services; TRIPS
	ZABLUDOVSKY KUPER, Mr. Jaime	Trade in Goods and Services; TRIPS
MOLDOVA, REP. OF	FOLTEA, Ms. Marina	Trade in Goods; TRIPS
MONTENEGRO	SCEPANOVIC, Mr. Goran	Trade in Goods

MEMBER	NAME	SECTORAL EXPERIENCE
MONTENEGRO (cont'd)	VUJANOVIC, Ms. Snezana	Trade in Goods
NEPAL	PANDEY, Mr. Posh Raj	Trade in Goods and Services
	SUBEDI, Mr. Surya P.	Trade in Goods and Services; TRIPS
NEW ZEALAND	CARSON, Mr. Christopher Barr	Trade in Goods
	EVANS, Mr. David	Trade in Goods
	GALLACHER, Mr. Scott	Trade in Goods and Services; TRIPS
	GARCIA, Mr. Martin	Trade in Goods
	GROSER, Mr. Tim	Trade in Goods
	HALLUM, Ms. Victoria	Trade in Services
	HARVEY, Mr. Martin Wilfred	Trade in Goods
	HIGGIE, Ms. Dell Clark	Trade in Goods
	HONEY, Ms. Stephanie	Trade in Goods
	KELLY, Ms. Clare	Trade in Goods and Services
	MACEY, Mr. Adrian	Trade in Goods; TRIPS
	McPHAIL, Mr. Alexander Hugh	Trade in Goods
	NOTTAGE, Mr. Hunter	Trade in Goods and Services; TRIPS
	PATERSON, Ms. Sarah	Trade in Goods
	SANDFORD, Mr. Iain	Trade in Goods and Services; TRIPS
	SLADE, Ms. Michelle	Trade in Goods and Services; TRIPS
	TRAINOR, Mr. Mark Julian	Trade in Goods; TRIPS
	WALKER, Mr. David John	Trade in Goods and Services
	VITALIS, Mr. Vangelis	Trade in Goods and Services
NIGER	TANKOANO, Mr. Amadou	Trade in Goods and Services; TRIPS
NIGERIA	AGAH, Mr. Yonov Frederick	Trade in Goods and Services; TRIPS
	NNONA, Mr. George C.	Trade in Goods and Services; TRIPS
NORWAY	ANDREASSEN, Mr. Harald	Trade in Goods and Services; TRIPS

MEMBER	NAME	SECTORAL EXPERIENCE
NORWAY (cont'd)	BLOM, Ms. Camilla	Trade in Goods and Services
	EDVARTSEN, Ms. Linn	Trade in Goods
	FLEISCHER, Ms. Benedicte	Trade in Goods and Services
	HANSEN, Ms. Kristin	Trade in Goods and Services
	HOLTEN, Ms. Inger	Trade in Goods; TRIPS
	LILLERUD, Mr. Kjell	Trade in Goods and Services
	MIDTBØ STADSHAUG, Ms. Kaja	TRIPS
	NEPLE, Mr. Harald	Trade in Goods and Services
	SANDVIK, Mr. Jostein	TRIPS
	SELAND, Mr. Helge A.	Trade in Goods and Services; TRIPS
	SKEI, Mr. Jonas	Trade in Goods
	VEDERHUS, Mr. Alf	Trade in Goods
PAKISTAN	ARIF, Mr. Muhammad Ikram	Trade in Goods
	BASHIR, Mr. Shahid	Trade in Goods
	HAMID ALLI, Mr. Muhammad	Trade in Goods; TRIPS
	HAYAT, Mr. Khizar	Trade in Goods
	HUSAIN, Mr. Ishrat	Trade in Services
	KHAN, Mr. Mujeeb Ahmed	Trade in Goods; TRIPS
	MALIK, Mr. Riaz Ahmad	Trade in Goods
	MUKHTAR, Mr. Ahmad	Trade in Goods and Services; TRIPS
	NAYYAR, Mr. Syed I. M.	Trade in Goods and Services; TRIPS
PANAMA	ALVAREZ DE SOTO, Mr. Francisco	Trade in Goods and Services; TRIPS
	FERRER, Mr. Alejandro	Trade in Goods and Services
	FRANCIS LANUZA, Ms. Yavel Mireya	Trade in Goods and Services
	GONZALEZ, Mr. Carlos Ernesto	Trade in Goods and Services
	HARRIS ROTKIN, Mr. Norman	Trade in Goods and Services
	SALAZAR FONG, Ms. Diana Alejandrina	Trade in Goods
	SHEFFER MONTES, Mr. Leroy Jhon	Trade in Goods and Services

MEMBER	NAME	SECTORAL EXPERIENCE
PERU	BELAÚNDE G., Mr. Victor Andres	TRIPS
	DE LA PUENTE LEON, Mr. Jose A.	Trade in Goods and Services
	DIEZ LIZARDO, Mr. Juan	Trade in Goods
	LEÓN-THORNE, Mr. Raúl	Trade in Goods and Services
PHILIPPINES	CONEJOS, Mr. Esteban B.	Trade in Goods
	TEEHANKEE, Mr. Manuel A. J.	Trade in Goods and Services; TRIPS
QATAR	AL-ADBA, Mr. Nasser M.	Trade in Goods and Services
	MAKKI, Mr. Fadi	Trade in Goods and Services
SINGAPORE	GAFOOR, Mr. Burhan	TRIPS
	GOVINDASAMY, Mr. Peter Mari	Trade in Goods and Services
	HONG, Ms. Fan Sin Daphne	Trade in Services; TRIPS
	ITHNAIN, Mr. Rossman	Trade in Goods
	KWOK, Mr. Fook Seng	Trade in Goods
	LOH, Mr. K. Y. Derek	Trade in Goods and Services; TRIPS
	NG, Ms. Bee Kim	Trade in Goods
	ONG, Mr. Chin Heng	Trade in Goods and Services
	TAN, Mr. T. K. Jason	Trade in Goods and Services
	YEOW, Ms. P. L. Danielle	Trade in Goods and Services; TRIPS
SRI LANKA	JAYASEKERA, Mr. Douglas	Trade in Goods; TRIPS
SWITZERLAND	ADDOR, Mr. Felix	TRIPS
	CHAMBOVEY, Mr. Didier	Trade in Goods
	COTTIER, Mr. Thomas	Trade in Goods and Services; TRIPS
	HÄBERLI, Mr. Christian	Trade in Goods
	HOLZER, Mr. Patrick Edgar	Trade in Goods; TRIPS
	INEICHEN-FLEISCH, Ms. Marie-Gabrielle	Trade in Goods and Services
	KAUFMANN, Ms. Christine	Trade in Services

MEMBER	NAME	SECTORAL EXPERIENCE
SWITZERLAND (cont'd)	LEGLER, Mr. Thomas	TRIPS
	MÄCHLER, Ms. Monica	Trade in Goods and Services; TRIPS
	MEYER, Mr. Matthias	Trade in Goods and Services; TRIPS
	PANNATIER, Mr. Serge Nicolas	Trade in Goods
	SCHMID, Mr. Michael	Trade in Goods and Services
	TSCHÄENI, Mr. Hanspeter	Trade in Goods
	WEBER, Mr. Rolf H.	Trade in Services
	ZULAUF, Mr. Daniel	Trade in Goods and Services; TRIPS
THE SEPARATE CUSTOMS TERRITORY OF TAIWAN, PENGHU, KINMEN AND MATSU	CHANG, Ms. Yie-Yun	TRIPS
	KAO, Mr. Pei-Huan	Trade in Goods and Services; TRIPS
	LI, Ms. Catherine	Trade in Goods
	LIN, Ms. Tsai-Yu	Trade in Goods
	LO, Mr. Chang-Fa	Trade in Goods and Services
	NI, Mr. Kuei-Jung	Trade in Goods; TRIPS
	PENG, Ms. Shin-Yi	Trade in Goods and Services
	YANG, Ms. Guang-Hwa	Trade in Goods and Services
	YANG, Ms. Jen-Ni	Trade in Goods and Services
TURKEY	DILEMRE, Mr. Hüsnü	Trade in Goods
	GÜRAKAN, Ms. Tulû	Trade in Goods
	KABAALIOĞLU, Mr. A. Haluk	Trade in Goods and Services
	KAÇAR, Mr. Bayram	Trade in Goods
	MOLLASALİHOĞLU, Mr. Yavuz	Trade in Goods
	YAMAN, Mr. Şahin	Trade in Goods
	YAPICI, Mr. Murat	Trade in Goods
	YENAL, Mr. Aytaç	Trade in Goods
UNITED KINGDOM	BETHLEHEM, Mr. Daniel	Trade in Goods and Services; TRIPS
	JOHNSON, Mr. Michael David Clarke	Trade in Goods
	MUIR, Mr. Tom	Trade in Goods and Services; TRIPS

MEMBER	NAME	SECTORAL EXPERIENCE
UNITED KINGDOM (cont'd)	PLENDER, Mr. Richard	Trade in Goods
	QURESHI, Mr. Asif Hasan	Trade in Goods
	ROBERTS, Mr. Christopher William	Trade in Goods and Services
	ROBERTS, Mr. David F.	Trade in Goods
	SAROOSHI, Mr. Dan	Trade in Services
	TOULMIN, Mr. John Kelvin	Trade in Services
UNITED STATES	BROWN-WEISS, Ms. Edith	Trade in Goods and Services
	CONNELLY, Mr. Warren	Trade in Goods
	GANTZ, Mr. David A.	Trade in Goods
	GORDON, Mr. Michael Wallace	Trade in Goods
	HODGSON, Ms. Mérida	Trade in Goods and Services
	KASSINGER, Mr. Theodore W.	Trade in Goods and Services
	KHO, Mr. Stephen	Trade in Goods and Services; TRIPS
	LAYTON, Mr. Duane	Trade in Goods
	LICHTENSTEIN, Ms. Cynthia Crawford	Trade in Services
	McGINNIS, Mr. John Oldham	Trade in Goods; TRIPS
	PARTAN, Mr. Daniel G.	Trade in Goods
	POWELL, Mr. Stephen J.	Trade in Goods
	SANDSTROM, Mr. Mark R.	Trade in Goods and Services
	THOMPSON, Mr. George W.	Trade in Goods
	TROSSEVIN, Ms. Marguerite	Trade in Goods
	VERRILL, Jr. Mr. Charles Owen	Trade in Goods
URUGUAY	AMORÍN, Mr. Carlos	Trade in Goods; TRIPS
	CAYRÚS, Mr. Hugo	Trade in Goods and Services
	EHLERS, Mr. William	Trade in Goods
	ROSSELLI, Mr. Elbio	Trade in Goods
	VANERIO, Mr. Gustavo	Trade in Goods and Services

MEMBER	NAME	SECTORAL EXPERIENCE
VENEZUELA, BOLIVARIAN REPUBLIC OF	ESCOBAR, Mr. José Benjamín	Trade in Services
	MARQUEZ, Mr. Guillermo	Trade in Services
	ROJAS PENSO, Mr. Juan Francisco	Trade in Goods and Services

ANNEX
Administration of the Indicative List

1. To assist in the selection of panelists, the DSU provides in Article 8.4 that the Secretariat shall maintain an indicative list of qualified governmental and non-governmental individuals. Accordingly, the Chairman of the DSB proposed at the 10 February meeting that WTO Members review the roster of non-governmental panelists established on 30 November 1984 (BISD 31S/9) (hereinafter referred to as the "1984 GATT Roster") and submit nominations for the indicative list by mid-June 1995. On 14 March, The United States delegation submitted an informal paper discussing, amongst other issues, what information should accompany the nomination of individuals, and how names might be removed from the list. The DSB further discussed the matter in informal consultations on 15 and 24 March, and at the DSB meeting on 29 March. This note puts forward some proposals for the administration of the indicative list, based on the previous discussions in the DSB.

General DSU requirements

2. The DSU requires that the indicative list initially include "the roster of governmental and non-governmental panelists established on 30 November 1984 (BISD 31S/9) and other rosters and indicative lists established under any of the covered agreements, and shall retain names of persons on those rosters and indicative lists at the time of entry into force of the WTO Agreement" (DSU 8.4). Additions to the indicative list are to be made by Members who may "periodically suggest names of governmental and non-governmental individuals for inclusion on the indicative list, providing relevant information on their knowledge of international trade and of the sectors or subject matter of the covered agreements". The names "shall be added to the list upon approval by the DSB" (DSU 8.4).

Submission of information

3. As a minimum, the information to be submitted regarding each nomination should clearly reflect the requirements of the DSU. These provide that the list "shall indicate specific areas of experience or expertise of the individuals in the sectors or subject matter of the covered agreements" (DSU 8.4). The DSU also requires that panelists be "well-qualified governmental and/or non-governmental individuals, including persons who have served on or presented a case to a panel, served as a representative of a Member or of a contracting party to GATT 1947 or as a representative to the Council or Committee of any covered agreement or its predecessor agreement, or in the Secretariat, taught or published on international trade law or policy, or served as a senior trade policy official of a Member" (DSU 8.1).

4. The basic information required for the indicative list could best be collected by use of a standardized form. Such a form, which could be called a Summary Curriculum Vitae, would be filled out by all nominees to ensure that relevant information is obtained. This would also permit information on the indicative list to be stored in an electronic database, making the list easily updateable and readily available to Members and the Secretariat. As well as supplying a completed Summary Curriculum Vitae form, persons proposed for inclusion on the indicative list could also, if they wished, supply a full Curriculum Vitae. This would not, however, be entered into the electronic part of the database.

Updating of indicative list

5. The DSU does not specifically provide for the regular updating of the indicative list. In order to maintain the credibility of the list, it should however be completely updated every two years. Within the first month of each two-year period, Members would forward updated Curricula Vitae of persons appearing on the indicative list. At any time, Members would be free to modify the indicative list by proposing new names

for inclusion, or specifically requesting removal of names of persons proposed by the Member who were no longer in a position to serve, or by updating the summary Curriculum Vitae.

6. Names on the 1984 GATT Roster that are not specifically resubmitted, together with up-to-date summary Curriculum Vitae, by a Member before 31 July 1995 would not appear after that date on the indicative list.

Other rosters

7. The Decision on Certain Dispute Settlement Procedures for the GATS (S/L/2 of 4 April 1995), adopted by the Council for Trade in Services on 1 March 1995, provides for a special roster of panelists with sectoral expertise. It states that "panels for disputes regarding sectoral matters shall have the necessary expertise relevant to the specific services sectors which the dispute concerns". It directs the Secretariat to maintain the roster and "develop procedures for its administration in consultation with the Chairman of the Council". A working document (S/C/W/1 of 15 February 1995) noted by the Council for Trade in Services states that "the roster to be established under the GATS pursuant to this Decision would form part of the indicative list referred to in the DSU". The specialized roster of panelists under the GATS should therefore be integrated into the indicative list, taking care that the latter provides for a mention of any service sectoral expertise of persons on the list.

8. A suggested format for the Summary Curriculum Vitae form for the purposes of maintaining the Indicative List is attached.

**SUMMARY CURRICULUM VITAE
FOR PERSONS PROPOSED FOR THE INDICATIVE LIST¹**

1. **Name:** full name
2. **Sectoral Experience**
List here any particular sectors of expertise:
(e.g. technical barriers, dumping, financial services, intellectual property, etc.)
3. **Nationality(ies)** all citizenships
4. **Nominating Member:** the nominating Member
5. **Date of birth:** full date of birth
6. **Current occupations:** year beginning, employer, title, responsibilities
7. **Post-secondary education** year, degree, name of institution
8. **Professional qualifications** year, title
9. **Trade-related experience in Geneva in the WTO/GATT system**
 - a. Served as a panelist year, dispute name, role as chairperson/member
 - b. Presented a case to a panel year, dispute name, representing which party
 - c. Served as a representative of a contracting party or member to a WTO or GATT body, or as an officer thereof year, body, role
 - d. Worked for the WTO or GATT Secretariat year, title, activity
10. **Other trade-related experience**
 - a. Government trade work year, employer, activity

¹ Members putting forward an individual for inclusion on the indicative list are requested to provide full contact details for this individual separately. The Summary Curriculum Vitae and the contact details should be sent electronically to the Secretariat.

b. Private sector trade work year, employer, activity

11. Teaching and publications

a. Teaching in trade law and policy year, institution, course title

b. Publications in trade law and policy year, title, name of periodical/book, author/editor
(if book)

12. Language capabilities

ability to work as a panelist in WTO-official
languages and any other language capability

a. English

b. French

c. Spanish

d. Other language(s)

MEMBERSHIP OF THE WTO APPELLATE BODY

As of December 31, 2020

Pursuant to the DSU, the DSB envisions seven persons to serve on an Appellate Body, which is to be a standing body with members serving four year terms, except for three initial appointees determined by lot whose terms expired at the end of two years. At its first meeting on February 10, 1995, the DSB formally established the Appellate Body, and agreed to arrangements for selecting its members and staff. The DSB also agreed that Appellate Body members would serve on a part-time basis and sit periodically in Geneva. The original seven Appellate Body members were Mr. James Bacchus of the United States, Mr. Christopher Beeby of New Zealand, Mr. Claus-Dieter Ehlermann of Germany, Mr. Said El-Naggar of Egypt, Mr. Florentino Feliciano of the Philippines, Mr. Julio Lacarte-Muró of Uruguay, and Mr. Mitsuo Matsushita of Japan. On June 25, 1997, it was determined by lot that the terms of Messrs. Ehlermann, Feliciano, and Lacarte-Muró would expire in December 1997. The DSB agreed on the same date to reappoint them for a final term of four years commencing on December 11, 1997.

At its meeting held on October 27, 1999 and November 3, 1999, the DSB agreed to renew the terms of Messrs. Bacchus, and Beeby for a final term of four years, commencing on December 11, 1999, and to extend the terms of Mr. El-Naggar and Mr. Matsushita until the end of March 2000. On April 7, 2000, the DSB agreed to appoint Mr. Georges Michel Abi-Saab of Egypt and Mr. A.V. Ganesan of India to a term of four years commencing on June 1, 2000. On May 25, 2000, the DSB agreed to the appointment of Mr. Yasuhei Taniguchi of Japan to serve through December 10, 2003, the remainder of the term of Mr. Beeby, who passed away on March 19, 2000. On September 25, 2001, the DSB agreed to appoint Mr. Luiz Olavo Baptista of Brazil, Mr. John S. Lockhart of Australia, and Mr. Giorgio Sacerdoti of Italy to a term of four years commencing on December 11, 2001.

On November 7, 2003, the DSB agreed to appoint Ms. Merit Janow of the United States to a term of four years commencing on December 11, 2003, to reappoint Mr. Taniguchi for a final term of four years commencing on December 11, 2003, and to reappoint Mr. Abi-Saab and Mr. Ganesan for a final term of four years commencing on June 1, 2004. On September 27, 2005, the DSB agreed to reappoint Mr. Baptista, Mr. Lockhart, and Mr. Sacerdoti for a final term of four years commencing on December 12, 2005. On July 31, 2006, the DSB agreed to the appointment of Mr. David Unterhalter of South Africa to serve through December 11, 2009, the remainder of the term of Mr. Lockhart, who passed away on January 13, 2006.

At its meeting held on November 19 and 27, 2007, the DSB agreed to appoint Ms. Lilia R. Bautista of the Philippines and Ms. Jennifer Hillman of the United States as members of the Appellate Body for four years commencing on December 11, 2007, and to appoint Mr. Shotaro Oshima of Japan and Ms. Yuejiao Zhang of China as members of the Appellate Body for four years commencing on June 1, 2008. On November 12, 2008, Mr. Baptista notified the DSB that he was resigning for health reasons, effective in 90 days. On December 22, 2008, the DSB decided to deem the term of the position to which Mr. Baptista was appointed to expire on June 30, 1999, and to fill the position previously held by Mr. Baptista for a four year term. On June 19, 2009, the DSB agreed to appoint Mr. Ricardo Ramírez Hernández of Mexico as a member of the Appellate Body for four years commencing on July 1, 2009, to appoint Mr. Peter Van den Bossche of Belgium as a member of the Appellate Body for four years commencing on December 12, 2009, and to reappoint Mr. Unterhalter for a final term of four years commencing on December 12, 2009.

On November 18, 2011, the DSB agreed to appoint Mr. Thomas Graham of the United States and Mr. Ujal Bhatia of India as members of the Appellate Body for four years commencing on December 11, 2011. On May 24, 2012, the DSB agreed to appoint Mr. Seung Wha Chang of Korea as a member of the Appellate Body for four years commencing on June 1, 2012, and to reappoint Ms. Zhang for a final term of four years commencing on June 1, 2012. On March 26, 2013, the DSB agreed to reappoint Mr. Ramírez Hernández

of Mexico for a final term of four years commencing on July 1, 2013. On November 25, 2013, the DSB agreed to reappoint Mr. Van den Bossche of Belgium for a final term of four years commencing on December 12, 2013.

On September 26, 2014, the DSB agreed to appoint Mr. Shree Baboo Chekitan Servansing of Mauritius to a term of four years commencing on October 1, 2014. On November 25, 2015, the DSB agreed to reappoint Mr. Bhatia of India and Mr. Graham of the United States for a final term of four years each commencing on December 11, 2015. On November 23, 2016, the DSB agreed to appoint Ms. Hong Zhao of China and Mr. Hyun Chong Kim of Korea to a term of four years commencing on December 1, 2016. On August 1, 2017, Mr. Kim tendered his resignation, effective immediately.

The Appellate Body has also adopted Working Procedures for Appellate Review. On February 28, 1997, the Appellate Body issued a revision of the Working Procedures, providing for a two year term for the first Chairperson, and one year terms for subsequent Chairpersons. In 2001, the Appellate Body amended its working procedures to provide for no more than two consecutive terms for a Chairperson.

Mr. Lacarte-Muró, the first Chairperson, served until February 7, 1998; Mr. Beeby served as Chairperson from February 7, 1998 to February 6, 1999; Mr. El-Naggar served as Chairperson from February 7, 1999 to February 6, 2000; Mr. Feliciano served as Chairperson from February 7, 2000 to February 6, 2001; Mr. Ehlermann served as Chairperson from February 7, 2001 to December 10, 2001; Mr. Bacchus served as Chairperson from December 15, 2001 to December 10, 2003; Mr. Abi-Saab served as Chairperson from December 13, 2003 to December 12, 2004; Mr. Taniguchi served as Chairperson from December 17, 2004 to December 16, 2005; Mr. Ganesan served as Chairperson from December 17, 2005 to December 16, 2006; Mr. Sacerdoti served as Chairperson from December 17, 2006 to December 17, 2007; Mr. Baptista served as Chairperson from December 18, 2007, to December 17, 2008; Mr. Unterhalter served as Chairperson from December 18, 2008 to December 16, 2010; Ms. Bautista served as Chairperson from December 17, 2010 to June 14, 2011; Ms. Hillman served as Chairperson from June 15, 2011 until December 10, 2011; Ms. Zhang served as Chairperson from December 11, 2011 to December 31, 2012; Mr. Ramirez served as Chairperson from January 1, 2013 to December 31, 2014; Mr. Van den Bossche served as Chairperson from January 1, 2015 to December 31, 2015; Mr. Graham served as Chairperson from January 1, 2016 to December 31, 2016 and from July 1, 2019 to December 10, 2019, Mr. Bhatia served as Chairperson from January 1, 2017 to December 31, 2018, and Ms. Hong Zhao served as Chairperson from January 1, 2019 to June 30, 2019 and from December 11, 2019 to December 31, 2019.

From January 1, 2019 to December 10, 2019, the membership of the WTO Appellate Body was as follows (in alphabetical order): Mr. Ujal Singh Bhatia (India), Mr. Thomas Graham (United States), and Ms. Hong Zhao (China).

On December 10, 2019, the final four year terms of Mr. Bhatia and Mr. Graham expired. As indicated in the U.S. statement delivered at the DSB meeting held on February 28, 2020 and reconvened on March 5, 2020, because Ms. Zhao was affiliated with the Government of the People's Republic of China during her service, Ms. Zhao was not a valid member of the WTO Appellate Body prior to November 30, 2020, the date her four year term was originally scheduled to expire. Accordingly, there were no Appellate Body members from January 1, 2020 to December 31, 2020.

Where to Find More Information on the WTO

Information about the WTO and trends in international trade is available to the public at the following websites:

The USTR home page: <http://www.ustr.gov>

The WTO home page: <http://www.wto.org>

U.S. communications to WTO Members are available electronically on the WTO website using Documents Online, which can retrieve an electronic copy by the document symbol. Electronic copies of U.S. submissions in WTO disputes are available at the USTR website.

Examples of Information Available on the WTO Home Page

- WTO Organizational Chart
- Biographic backgrounds
- Budgets for the WTO
- WTO Budget Contributions
- Membership
- General Council activities
- WTO Secretariat Statistics

WTO News, such as:

- Status of dispute settlement cases
- Press Releases on Appointments to WTO Bodies, Appellate Body Reports and Panel Reports, and others
- Trade Policy Review Mechanism reports on individual Members' trade practices
- Schedules of future WTO meetings

Resources including Official Documents, such as:

- Notifications required by the Uruguay Round Agreements
- Working Procedures for Appellate Review
- Special Studies on key WTO issues
- On-line document database where one can find and download official documents
- Legal Texts of the WTO agreements
- WTO Annual Reports

Community and other Fora, such as:

- Media and NGOs
- General public news and chat rooms
- Facebook, YouTube, Twitter, Flickr, Google+, and Pinterest

Trade Topics, such as:

- Briefing Papers on WTO activities in individual sectors, including goods, services, intellectual property, and other topics
- Disputes and Dispute Reports

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