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Trade Briefs

USTR Releases 2009 Trade Agenda

Last week, the U.S. Trade Representative (USTR) released its 2009 Trade Policy Agenda and 2008 Annual Report. The USTR is required by law to submit an annual report to the Congress. This year's submission includes a summary of President Barack Obama's trade policy agenda and discussions of other trade topics. The document addresses ongoing developments regarding the World Trade Organization (WTO), bilateral and regional trade negotiations and agreements, other multilateral activities, trade enforcement activities, and trade policy development. The document is written by the USTR staff, but other agencies have contributed where relevant.

This year's report does not offer a great amount of detail on Obama's future trade policy. Indeed, the section that specifically addresses Obama's trade agenda, entitled "The President's Trade Agenda: Making Trade Work for American Families," is merely four and a half pages long. This is likely due to the fact that the Obama Administration has been in office for just a little over one month and is still making hiring decisions at USTR. Obama's nominee for USTR, Ron Kirk, has not been confirmed. Put simply, Obama's trade team is not in place. The rest of the report—the bulk of the 467 pages—was written by career civil servants and without much direction from the new Administration.

The President's Trade Agenda names a number of vague goals, which are listed below:

- advance the social accountability and political transparency of trade policy.
- make trade an important policy tool for achieving progress on national energy and environmental goals.
- make sure that trade agreements are addressing the major unresolved issues that are responsible for trade frictions
- build on existing Free Trade Agreements and Bilateral Investment Treaties in a responsible and transparent manner.
- uphold our commitment to be a strong partner to developing countries, especially the poorest developing countries.

While much of the agenda is heavy on rhetoric and light on tangible policy, there are a few revelations that would be of particular interest to followers of U.S. trade policy.

Obama's Agenda says some interesting things about how his Administration views trade. Like Bush, Obama views trade as a policy tool that can be useful in achieving a broader agenda. Unlike Bush, Obama says that he is interested in using trade to enhance global environmental conditions and to address the problem of climate change.

As in other areas of the document, the Administration speaks very generally on this topic. For instance, the Trade Agenda suggests that policymakers will work "to

examine how trade can advance these goals." It is unclear whether Obama will seek an ambitious goal like a global cap and trade system, or whether he will simply work around the edges to telegraph his concern about the environment to his constituency.

In the discussion of free trade agreements (FTAs), the report says that the Administration is formulating an action plan regarding the pending FTAs with Colombia, Panama, and Korea. The report indicates that the Administration is ready to move on the Panama FTA "relatively quickly." The report goes on to say that the Administration hopes to "establish benchmarks for progress" on the agreements with Colombia and Korea.

Thus, it appears that the Administration does not feel constrained by President Bush's artificial order of introducing pending FTAs. Bush steadfastly insisted on introducing FTAs in the order in which they were signed with foreign governments: Colombia first, Panama second, and Korea third. This led to all three FTAs languishing without congressional ratification, as the Democratic 110th Congress objected to Colombia's alleged failure to address labor violence concerns. Now, Obama appears to be indicating that his Administration will pluck the low-hanging fruit (the Panama FTA) despite the possible diplomatic discomfort caused by passing over thornier matters (the Colombia FTA). This indicates some pragmatism and flexibility in setting goals on the part of the new Administration.

Also, the Administration made mention of Trade Promotion Authority (TPA), or "Fast Track," saying that TPA is one of many tools Obama would use to address the current economic crisis. This signals a willingness to employ trade policy, on at least some level, in opening new markets in response to the shrinking U.S. economy. Congressional Republicans have long been calling for more liberal trade policy in response to the economic crisis, with some even suggesting that ratification of the Colombia FTA be included in the President's stimulus package. However, this is the first time the Administration has explicitly talked about the use of trade as a direct response to the struggling economy. The trade agenda does note, though, that TPA will be sought only after the Administration has a plan for using the authority and after the Administration consults with the Congress.

Dumping Watch

Extension for Preliminary Results in Review of AD Order on Pipe from Japan

On Tuesday, March 3, the Department of Commerce (DOC) gave notice that it was extending the time limit for preliminary results in the administrative review of the antidumping (AD) duty order on certain large diameter carbon and alloy seamless standard, line, and pressure pipe from Japan. On July 30, 2008, the DOC gave notice that it was initiating this administrative review and said that the preliminary results were due by March 2, 2009. Four producers—JFE Steel Corporation, Nippon Steel Corporation, NKK Tubes, and Sumitomo Metal Industries, Ltd.—submitted letters to the DOC saying that they made no shipments during the period of review. Upon investigation, Customs and Border Protection (CBP) data contradicted this claim and showed evidence of entries for consumption from one of these producers. The DOC has solicited more information and now requires more time to conduct analysis. Therefore, the DOC has extended the time limit 120 days to June 30, 2009.

Federal Register Notices

International Trade Administration

[A-570-846] Brake Rotors From the People's Republic of China: Extension of Time Limit for Preliminary Results of the Antidumping Duty Administrative Review *74 FR 9787*, March 6, 2009.

[A-533-810] Stainless Steel Bar From India: Preliminary Results of Antidumping Duty Administrative Review *74 FR 9787-9792*, March 6, 2009.

Office of Insular Affairs; Allocation of Duty Exemptions for Calendar Year 2009 for Watch Producers Located in the United States Virgin Islands *74 FR 9589-9590*, March 5, 2009.

[A-583-816] Stainless Steel Butt-Weld Pipe Fittings From Taiwan: Notice of Extension of Time Limit for Preliminary Results of Antidumping Duty Administrative Review *74 FR 9590*, March 5, 2009.

[A-570-849] Certain Cut-to-Length Carbon Steel Plate From the People's Republic of China: Notice of Extension of Time Limit for Final Results of New Shipper Review *74 FR 9590-9591*, March 5, 2009.

[A-570-941] Certain Kitchen Appliance Shelving and Racks From the People's Republic of China: Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination *74 FR 9591-9604*, March 5, 2009.

[A-570-898] Chlorinated Isocyanurates from the People's Republic of China: Notice of Extension of Time Limit for the Preliminary Results of the Antidumping Duty Administrative Review *74 FR 9386*, March 4, 2009.

[A-570-868] Folding Metal Tables and Chairs from the People's Republic of China: Notice of Extension of Time Limit for the Preliminary Results of the Antidumping Duty Administrative Review *74 FR 9385-9386*, March 4, 2009.

[A-570-890] Wooden Bedroom Furniture from the People's Republic of China: Amended Final Results of the January 1, 2007, through July 31, 2007, New Shipper Reviews 74 FR 9386-9387, March 4, 2009.

[A-469-814] Chlorinated Isocyanurates from Spain: Extension of Time Limit for Preliminary Results of Antidumping Duty Administrative Review 74 FR 9218, March 3, 2009.

[A-588-850] Certain Large Diameter Carbon and Alloy Seamless Standard, Line, and Pressure Pipe From Japan: Extension of Time Limit for Preliminary Results of Antidumping Duty Administrative Review 74 FR 9218-9219, March 3, 2009.

Application(s) for Duty-Free Entry of Scientific Instruments 74 FR 9219, March 3, 2009.

[Application No. 87-8A001] Export Trade Certificate of Review 74 FR 9219-9222, March 3, 2009.

Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity To Request Administrative Review 74 FR 9077-9079, March 2, 2009.

Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Advance Notification of Sunset Reviews 74 FR 9077, March 2, 2009.

[A-201-822] Stainless Steel Sheet and Strip in Coils from Mexico; Extension of Time Limit for Preliminary Results of Antidumping Duty Administrative Review 74 FR 9079, March 2, 2009.

International Trade Commission

[Investigation No. 731-TA-1022 (Review)] Refined Brown Aluminum Oxide From China; Determination 74 FR 9830, March 6, 2009.

[Inv. No. 337-TA-541] In the Matter of Certain Power Supply Controllers and Products Containing Same; Limited Exclusion Order 74 FR 9635-9636, March 5, 2009.

[Inv. No. 337-TA-668]

In the Matter of Certain Non-Shellfish Derived Glucosamine and Products Containing Same; Notice of Investigation 74 FR 9428-9429, March 4, 2009.

[USITC SE-09-005] Government in the Sunshine Act Meeting Notice 74 FR 9429, March 4, 2009.

[USITC SE-09-006] Government in the Sunshine Act Meeting Notice 74 FR 9429-9430, March 4, 2009.

[Investigation No. 337-TA-601] In the Matter of Certain 3G Wideband Code Division Multiple Access (WCDMA) Handsets and Components Thereof; Notice of Commission Determination Not To Review an Initial Determination Terminating the Investigation in Its Entirety Based on a Settlement Agreement 74 FR 9105-9106, March 2, 2009.

[Inv. No. 337-TA-640] In the Matter of: Certain Short-Wavelength Light Emitting Diodes, Laser Diodes and Products Containing Same; Notice of Commission Determination Not To Review an Initial Determination Granting Complainant's Motion To Amend the Complaint and the Notice of Investigation 74 FR 9106, March 2, 2009.

The Week Ahead

- On Tuesday, March 10, the ITC will hold a hearing on the final phase antidumping investigation into frontseating service valves from China.
- On Wednesday, March 11, the ITC will hold a vote on the preliminary phase countervailing duty investigations into Ni-resist piston inserts from Korea and Argentina.
- On Thursday, March 12, the ITC will hold a vote on the five-year sunset review of the antidumping duty orders on polyvinyl alcohol from China, Japan, and Korea.