



**EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503**

October 11, 2011
(House)

STATEMENT OF ADMINISTRATION POLICY

H.R. 3080 – United States-Korea Free Trade Agreement Implementation Act

(Reps. Cantor, R-Virginia, and Levin, D-Michigan)

The Administration strongly supports H.R. 3080, which approves and implements the United States – Korea Free Trade Agreement, signed by the United States and the Republic of Korea on June 30, 2007, and carries out provisions of the exchange of letters concluded between the United States and Korea in February 2011. Increased U.S. exports expected under the Agreement will support more than 70,000 American jobs. The Agreement will bolster our economic competitiveness in the Asia-Pacific region and strengthen our ties with a key U.S. ally.

The Agreement will level the playing field for U.S. businesses, workers, farmers, ranchers, manufacturers, investors and service providers by offering them unprecedented access to Korea's nearly \$1 trillion economy, and meets the negotiating principles and objectives set out by Congress in the Trade Act of 2002. The Agreement eliminates tariffs on over 95 percent of U.S. exports of industrial and consumer goods to Korea within the first five years and, together with the agreement entered into through an exchange of letters in February 2011, addresses the concerns of American automakers and workers regarding the lack of a level playing field in Korea's auto market. The Agreement also ensures that almost two-thirds of current U.S. agricultural exports will enter Korea duty-free immediately. In addition, the Agreement will give American service providers greater access to Korea's \$580 billion services market.

The Agreement forms an integral part of the Administration's larger strategy of doubling exports by the end of 2014. The Agreement contains state of the art provisions to help protect and enforce intellectual property rights, reduce regulatory red tape, and eliminate regulatory barriers to U.S. exports. The Agreement also contains high standards for protecting labor rights, carrying out covered environmental agreements, and ensuring that key domestic labor and environmental laws are enforced, combined with strong remedies for non-compliance.

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