



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

May 14, 2015
(Senate)

STATEMENT OF ADMINISTRATION POLICY

Senate Amendments to H.R. 644 – Trade Facilitation and Trade Enforcement Act of 2015

(Sen. Hatch, R-UT)

The Obama Administration has made rigorous trade enforcement a central pillar of U.S. trade policy. The Administration welcomes and supports most provisions of the Senate Amendments to H.R. 644 – Trade Facilitation and Trade Enforcement Act of 2015, which would reauthorize trade facilitation and trade enforcement functions and activities, and for other purposes. Most of the provisions included in this bill will strengthen the Administration's ability to both facilitate trade and improve enforcement of the rules. These new tools will strengthen the Administration's ability to level the playing field for U.S. workers, businesses and farmers. The Administration strongly supports the enactment of these provisions.

The Administration strongly supports enactment of the provisions of Title III, Import-Related Protection of Intellectual Property Rights, within the bill. These provisions will strengthen the authority and capacity of the Department of Homeland Security, including U.S. Customs and Border Protection and U.S. Immigration and Customs Enforcement, to combat the importation of infringing articles at the border.

The Administration appreciates the need for swift action in response to those who attempt to circumvent our trade laws. But we have concerns with a specific provision that would grant the violator or alleged the ability to file a complaint in the Court of International Trade. This would undermine enforcement of antidumping/countervailing duty (AD/CVD) laws, going against a core objective of the bill. The Administration welcomes the opportunity to work with Congress on these proposals going forward.

The Administration welcomes new enforcement provisions contained in the legislation which will strengthen the Commerce Department's ability to address non-cooperative foreign companies and governments in trade remedy proceedings. This provision and others contained in the legislation will enhance the Commerce Department's implementation of U.S. AD/CVD laws.

The Administration supports constructive tools to address unfair currency practices. We support sections 711 and 712 of the bill, which target unfair currency practices and would establish objective standards and strong potential remedies that can further our goal of leveling the playing field for American workers and firms. These provisions targeting currency practices in this manner would be the strongest in history if enacted. But the Administration opposes the way the bill uses the countervailing duty process to address currency undervaluation. Those provisions would undermine our international efforts to address this issue, raise highly problematic questions about consistency with our international obligations, lead to other countries pursuing retaliatory measures that could hurt our exporters, and be difficult to administer.

The Administration supports a more transparent process for considering duty suspensions, but

has concerns that trade policy considerations, such as the effect of duty suspensions on U.S. preference programs and current and future free trade agreement partners, have not been included in the bill.

The Administration looks forward to working with Congress to address these concerns and advancing the policies set forth in this bill.

* * * * *