

INTERNATIONAL TRADE ADMINISTRATION



INTERNATIONAL
T R A D E
ADMINISTRATION

**BUDGET
ESTIMATES**

FISCAL YEAR 2016

**CONGRESSIONAL
SUBMISSION**

PRIVILEGED

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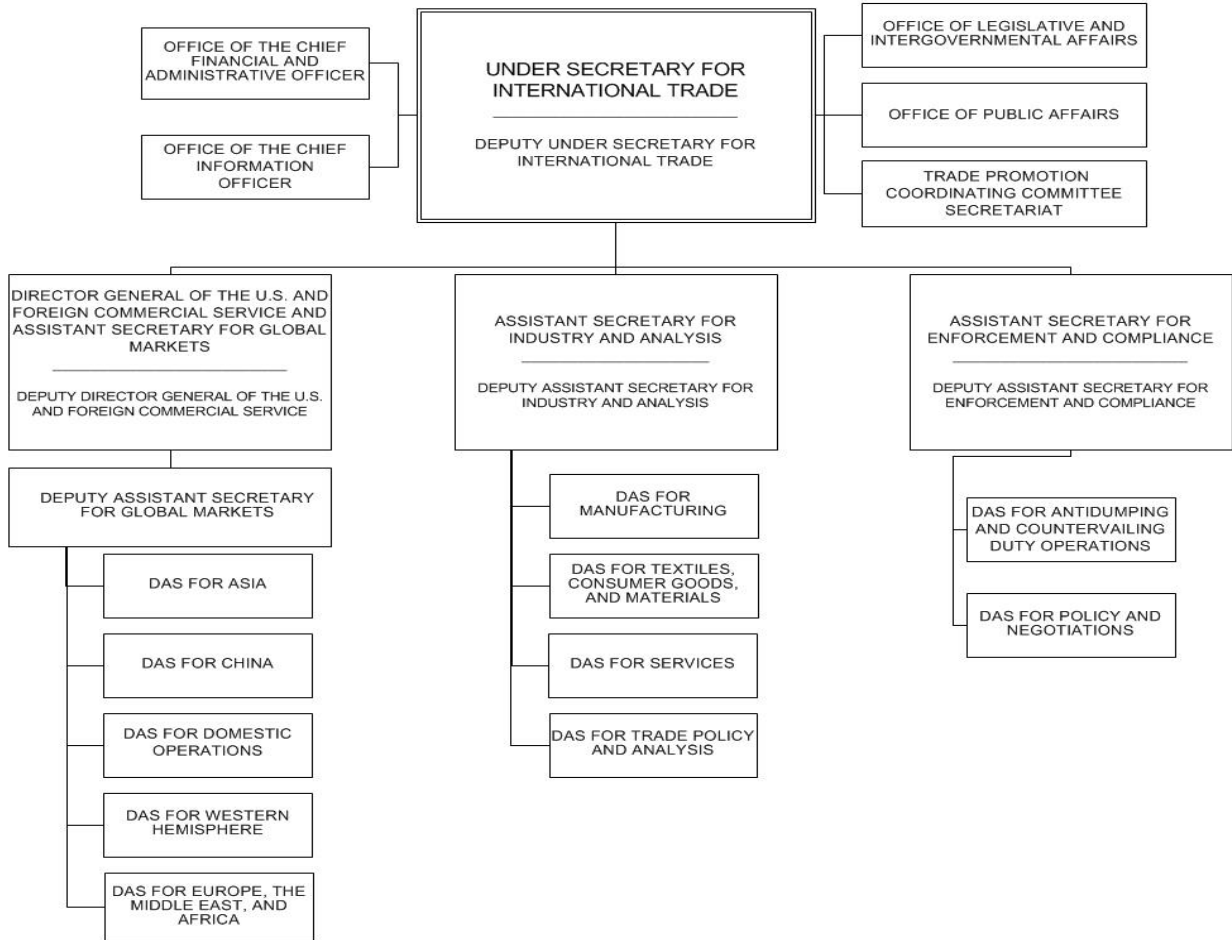
**Department of Commerce
International Trade Administration
Budget Estimates, Fiscal Year 2016
Congressional Submission
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**Department of Commerce
International Trade Administration
Budget Estimates, Fiscal Year 2016
Congressional Budget Submission**

Organization Structure



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EXECUTIVE SUMMARY

The global economy is changing rapidly with the rise of new foreign competitors, complex cross-border economic integration, and the fast pace of innovation. The strength of the U.S. economy continues to depend on a vibrant global marketplace. U.S. domestic consumption, which has driven economic growth in recent decades, will not be enough to ensure the competitiveness and health of our domestic industries. A sharpened focus on ensuring the success of U.S. companies in overseas markets and increasing U.S. foreign direct investment will not only help strengthen the long-term health of U.S. industries, but also directly stimulate domestic job creation.

The International Trade Administration's (ITA) mission is to create prosperity by strengthening the international competitiveness of U.S. industry, promoting trade and investment, and ensuring fair trade and compliance with trade laws and agreements. In support of the Administration's export and investment priorities, ITA is focusing resources on key export promotion programs; is optimizing support for export-ready industries; is targeting high-growth, emerging markets, including the removal of trade barriers and expanding market access; is vigorously enforcing trade rules and trade laws; and is promoting the United States as a premier destination for investment. ITA also leads the Department's trade and investment strategic goal, in collaboration with several other bureaus within and outside the Department.

ITA, through its programs, services, and workforce, leverages its relationships with and understanding of industry to serve a range of customers and stakeholders. The organization consists of three business units based in Washington D.C., and in cities across the United States and around the world that work together to achieve ITA's mission effectively and efficiently: (1) Industry and Analysis; (2) Enforcement and Compliance; and (3) Global Markets. The combination of industry sector, regional, and trade expertise, alongside export promotion, enforcement and compliance, and policy responsibilities, enables ITA to analyze customer issues and needs holistically; support export promotion and trade enforcement efforts in key, growing markets abroad; and promote the United States as a premier investment destination to support U.S. jobs.

Industry and Analysis advances the international competitiveness of U.S. industries by leveraging in-depth sector and analytical expertise and relationships with U.S. industry to develop and execute innovative international trade and investment policies and strategies; expand U.S. exports by utilizing relationships with industry stakeholders and strategic partners to design and conduct export promotion programs that provide higher value to private sector clients; and add value to U.S. trade and investment policies and programs through administration of industry advisory committees.

Enforcement and Compliance promotes the efficient and effective administration of U.S. antidumping (AD) /countervailing duty (CVD) trade law remedies; addresses and curtails trade-distorting practices; promotes adoption of disciplines and practices by U.S. trading partners that enhance transparency and impartiality in foreign trade law practices and administration; and administers the Foreign Trade Zone (FTZ) program and other import programs that support U.S. jobs. It also represents and advocates on behalf of U.S. industry interests with regard to the exercise and enforcement of U.S. rights under bilateral and multilateral trade agreements, including through the interagency mechanisms.

Global Markets advances U.S. commercial interests by engaging with foreign governments and U.S. businesses, identifying and resolving country-specific market barriers, and leading interagency efforts that advocate for U.S. firms with foreign governments. It also expands U.S. exports by developing

and implementing policies and programs to increase U.S. access to and presence in foreign markets; provides market contacts, knowledge, opportunities, and customized solutions to U.S. firms, especially small and medium-sized enterprises; and expands foreign investment into the United States by promoting the U.S. as an investment destination.

Adjustments to Base (ATBs): +\$23.3 million / +8 FTE

ITA requests an ATB net increase of \$23.3 million and 8 FTE to fund inflationary changes required to maintain current operations. This figure includes a net increase of \$7.3 million to fund labor-related changes such as the FY 2016 Federal pay raise of 1.3 percent; \$11.3 million in pricing adjustments associated with supporting ITA's overseas posts, including payments to the Department of State for the Capital Security Cost-Sharing Program (CSCSP) and International Cooperative Administrative Support Services (ICASS) costs; and a net increase of \$4.7 million to support cost changes for non-labor activities such as service contracts, utilities, the Department of Commerce Working Capital Fund, and rent charges from the General Service Administration (GSA). These inflationary adjustments are critical if ITA is to maintain staffing levels and level of performance.

SelectUSA: +\$10.0 million / +9 FTE

ITA is requesting an increase of \$10.0 million and 9 FTE to expand covered markets with dedicated SelectUSA personnel. Additional funding will enable SelectUSA to increase coverage to more than 20 focus markets representing the greatest opportunity for inward investment into the United States and provide resources needed to bolster U.S. export competitiveness. The SelectUSA program works with U.S. companies to re-locate manufacturing or service activities back to the United States; helps promote the United States as the best market for investment; serves as an ombudsman for U.S. industry; and serves as an investment advocate for U.S. cities, states, and regions.

Interagency Trade Enforcement Center (ITEC): +\$6.0 million / +11 FTE

ITA is requesting an increase of 11 FTE and \$6.0 million to support the Interagency Trade Enforcement Center (ITEC), led by the U.S. Trade Representative (USTR) and the Department of Commerce. The ITEC strengthens the U.S. Government's capacity to monitor and enforce U.S. trade rights under international agreements and other domestic and international trade enforcement authorities. Additional resources will enable ITEC to increase its staff to bring on additional language-proficient trade analysts and subject matter experts. ITEC will also be able to expand its use of data resources, provide translations that are key to understanding our trading partners' practices, and supplement, as needed, its in-house market research capabilities with expert staff contracted within the United States or abroad to undertake specialized work in particular areas or for particular projects on a time-limited basis. With these resources, ITEC will further develop and grow its ability to identify and, through an interagency program, address foreign trade practices and barriers of potential harm to U.S. commercial interests.

Survey of International Air Travelers: +\$2.0 million / 0 FTE

ITA requests an increase of \$2.0 million to increase the sample size of the Survey of International Air Travelers (SIAT) to make progress in meeting the mandate of the Travel Promotion Act to expand the SIAT's sample size to 1% of international travelers, and thereby increase data on the number of destinations and countries reported.

Enhanced New Shipper and Fraud Enforcement: +\$1.5 million / +7 FTE

ITA is requesting \$1.5 million and 7 FTE to combat fraudulent and evasive practices of dishonest new shippers seeking to avoid appropriate antidumping (AD) and countervailing duty (CVD) rates. ITA will execute this initiative through a team of dedicated staff that will closely scrutinize new shipper data and conduct on-site verifications.

Absorption of Costs to Meet Fiscal Targets: -\$8.0 million / 0 FTE

In order to meet overall funding targets for the organization, ITA is proposing to fund \$8.0 million of estimated FY 2016 pay and non-pay inflation costs with unobligated balances projected to be brought forward into FY 2016. Use of unobligated balances to offset inflationary growth will not impact staffing or services levels in FY 2016.

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Department of Commerce
International Trade Administration
Operations and Administration
SUMMARY OF RESOURCE REQUIREMENTS
(Dollar amounts in thousands)

	2014		2015		2016		Estimate	Direct	Budget
	Actual	Currently Available	Base	Estimate	Personnel	Amount			
	Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount	Authority
FY 2015 Enacted									
plus: change in unobligated balance, start of year									
plus: change in unobligated balance, end of year									
plus: 2016 Adjustments-to-Base									
ITA- 13									
FY 2016 Base									
plus/(minus): FY 2016 Program Changes									
Total FY 2016 Estimate									
Comparison by activity/subactivity									
ITA- 17 Industry and Analysis	255	54,947	258	55,522	258	57,287	258	58,253	0
FTE/Obl.	236	54,461	248	57,602	248	58,321	248	59,287	0
ITA- 31 Enforcement and Compliance	338	70,567	338	71,631	338	74,502	362	80,746	24
FTE/Obl.	285	69,067	326	77,297	330	75,758	348	82,002	18
ITA- 51 Global Markets	1,291	311,988	1,295	311,788	1,295	329,766	1,307	334,429	12
FTE/Obl.	1,021	310,684	1,109	324,142	1,113	335,103	1,122	339,766	9
ITA- 63 Executive Direction/Administration	114	23,059	114	23,059	114	23,733	114	23,322	0
FTE/Obl.	100	23,117	107	24,114	107	24,144	107	23,733	0
TOTALS	1,998	460,561	2,005	462,000	2,005	485,288	2,041	496,750	36
FTE/Obl.	1,642	457,329	1,790	483,155	1,798	493,326	1,825	504,788	27
Fees		9,439		10,000		10,000		10,000	
Adjustments for:									
Recoveries		(9,815)		0		0		0	0
Refunds		(981)		0		0		0	0
Unobligated balance, start of year		(15,095)		(30,922)		(9,767)		(9,767)	0
Unobligated balance, start of year transferred		(1,195)		0		0		0	0
Unobligated balance, expiring		773		0		0		0	0
Unobligated balance, end of year		28,882		9,767		1,729		1,729	0
Unobligated balance, end of year transferred		2,040		0		0		0	0
Fees collected		0		0		0		0	0
Rescission		0		0		0		0	0
Unobligated balance rescission		0		0		0		0	0
Financing from:									
Transfers to other accounts		0		0		0		0	0
Transfers from other accounts		(1,377)		0		0		0	0
Appropriation		460,561		462,000		485,288		496,750	11,462

Note: In order to simplify the budget presentation, prior year obligations in program activities eliminated as the result of the FY 2014 ITA reorganization are being displayed in the new program structure.

Department of Commerce
International Trade Administration
Operations and Administration
SUMMARY OF REIMBURSABLE OBLIGATIONS
 (Dollar amounts in thousands)

Comparison by activity:	2014		2015		2016		2016		Increase/ (Decrease)
	FTE	Amount	FTE	Amount	FTE	Amount	Estimate	Amount	
Industry and Analysis	1	1,339	4	1,950	4	1,950	4	1,950	0
Enforcement and Compliance	0	5	0	40	0	40	0	40	0
Global Markets	21	22,145	36	23,929	36	23,929	36	23,929	0
Executive Direction/Administration	2	397	2	530	2	530	2	530	0
Total	24	23,886	42	26,449	42	26,449	42	26,449	0

Exhibit 7

Department of Commerce
International Trade Administration
Operations and Administration
SUMMARY OF FINANCING
(Dollar amounts in thousands)

	2014 Actual	2015 Currently Available	2016 Base	2016 Estimate	Increase/ (Decrease)
Total Obligations	481,215	509,604	519,775	531,237	11,462
Financing:					
Offsetting collections from:					
Federal funds	(13,153)	(14,449)	(14,449)	(14,449)	0
Non-Federal funds	(10,733)	(12,000)	(12,000)	(12,000)	0
Recoveries	(9,815)	0	0	0	0
Refunds	(981)	0	0	0	0
Unobligated balance, start of year	(15,095)	(30,922)	(9,767)	(9,767)	0
Unobligated balance, start of year transferred	(1,195)	0	0	0	0
Unobligated balance, start of year (reimbursable)	0	0	0	0	0
Unobligated balance, expiring	773	0	0	0	0
Unobligated balance, end of year	28,882	9,767	1,729	1,729	0
Unobligated balance, end of year unavailable	2,040	0	0	0	0
Budget Authority	461,938	462,000	485,288	496,750	11,462
Financing:					
Transferred to other accounts	0	0	0	0	0
Transferred from other accounts	(1,377)	0	0	0	0
Appropriation	460,561	462,000	485,288	496,750	11,462

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**Department of Commerce
International Trade Administration
Operations and Administration
JUSTIFICATION OF ADJUSTMENTS TO BASE
(Dollar amounts in thousands)**

	<u>FTE</u>	<u>Amount</u>
<u>Other Changes:</u>		
Pay Raises	8	2,992
Full-year cost of 2016 pay increase and related costs:		
The 2015 President's budget assumes a pay raise of 1.0% effective January 1, 2015.		
Total cost in 2016 of 2015 pay raise		1,927,000
Less amount funded in 2015		(1,311,333)
Amount requested in 2016 to provide full-year costs of 2015 pay increase		615,667
A general pay raise of 1.3% is assumed to be effective January 1, 2016.		
Total adjustment for 2016 Pay Raise		2,376,000
Full year cost in 2016 of positions financed for part of year in 2015.....	8	0
One Extra Compensable Day in FY 2016.....		863
The number of compensable days in 2016 includes one extra day for a total of 262 days. The cost increase associated with compensable days in 2016 is \$863,230.		
Civil Service Retirement System (CSRS).....		(199)
The number of employees covered by the Civil Service Retirement System (CSRS) continues to drop as positions become vacant and are filled by employees who are covered by the Federal Employees Retirement System (FERS). The estimated percentage of payroll for employees covered by CSRS will drop from 3.7% in 2015 to 1.8% in 2016 for regular employees and from 1.6% in 2015 to 0.0% in 2016 for foreign service employees. Contribution rates will remain at 7.00% for regular employees and 7.25% for foreign service employees.		
Regular:		
2016 \$126,170,000 x .018 x .0700		158,974
2015 \$126,170,000 x .037 x .0700		326,780
Subtotal		(167,806)
Foreign Service:		
2016 \$27,297,000 x .000 x .0725		0
2015 \$27,297,000 x .016 x .0725		31,665
Subtotal		(31,665)
Total adjustment-to-base		(199,471)
Federal Employees Retirement System (FERS).....	8	3,076
The number of employees covered by FERS continues to rise as employees covered by CSRS leave and are replaced by employees covered by FERS. The estimated percentage of payroll for employees covered by FERS will rise from 96.3% in 2015 to 98.2% in 2016 for regular employees and from 98.4% to 100.0% for foreign service employees. The contribution rate will increase from 13.2% in 2015 to 13.7% in 2016 for regular employees, and increase from 25.08% in 2015 to 32.52% in 2016 for foreign service employees.		
Regular:		
2016 \$126,170,000 x .982 x .137		16,974,155
2015 \$126,170,000 x .963 x .132		16,038,226
Subtotal		935,929
Foreign Service:		
2016 \$27,297,000 x 1.0 x .3252		8,876,984
2015 \$27,297,000 x .984 x .2508		6,736,550
Subtotal		2,140,434
Total adjustment-to-base		3,076,363

	<u>FTE</u>	<u>Amount</u>
Thrift Savings Plan (TSP).....		57
The cost of ITA's contributions to the Thrift Savings Plan will also rise as FERS participation increases. The contribution rate is expected to remain at 2%.		
Regular:		
2016 \$126,170,000 x .982 x .02	2,477,979	
2015 \$126,170,000 x .963 x .02	2,430,034	
Subtotal	<u>47,945</u>	
Foreign Service:		
2016 \$27,297,000 x 1.0 x .02	545,940	
2015 \$27,297,000 x .984 x .02	537,205	
Subtotal	<u>8,735</u>	
Total adjustment-to-base		<u>56,680</u>
Federal Insurance Contribution Act (FICA).....		139
As the percentage of payroll covered by FERS rises, the cost of Old Age Survivor and Disability Insurance (OASDI) contributions will increase. The contribution rate will remain 6.2%.		
Regular:		
2016 \$126,170,000 x .982 x .98 x .062	7,528,100	
2015 \$126,170,000 x .963 x .982 x .062	7,397,510	
Subtotal	<u>130,590</u>	
Foreign Service:		
2016 \$27,297,000 x 1.0 x .878 x .062	1,485,939	
2015 \$27,297,000 x .984 x .887 x .062	1,477,152	
Subtotal	<u>8,787</u>	
Other Salaries; Regular Salaries		
2016 \$492,000 x .98 x .062	29,894	
2015 \$492,000 x .982 x .062	29,955	
Subtotal	<u>(61)</u>	
Total adjustment-to-base		<u>139,316</u>
Health Insurance.....		454
Effective January 2016, this Bureau's contribution to Federal employees' health insurance premiums increased by an average rate of 3.4%. Applied against the 2015 estimate of \$13,357,000, the additional amount required is \$454,138.		
Federal Employee's Compensation Act.....		(89)
The Employee's Compensation Fund bill for the year ending in June 30, 2016 is estimated to be \$604,608, which is \$89,227 less than FY 2015 payment. Upon enactment of the 2016 appropriation, ITA will reimburse the Department of Labor pursuant to 5 U.S.C. 8147.		
Travel (Mileage).....		(5)
The reimbursable rate for the use of a privately owned automobile decreased from \$0.57 to \$0.56 per mile. A rate decrease of 2.0% was applied to the 2015 estimate of \$274,000 to arrive at a decrease of \$5,480 for 2016.		
Domestic Per Diem.....		67
The average rate for domestic per diem increased 4.9% or \$67,135 from the 2015 estimate of \$1,370,100.		
Foreign Per Diem.....		45
The average rate for foreign per diem increased 1.4% or \$44,757 from the 2015 estimate of \$3,196,900.		
Rental Payments to GSA.....		348
GSA rates are projected to increase 1.875% for HCHB and 1.6% for non-HCHB rent in 2016. These percentages were applied to the 2015 estimates of \$15,615,741 for HCHB and \$3,468,259 for non-HCHB rent to arrive at a total increase of		
HCHB Steam.....		0
HCHB Steam costs are projected to stay the same in 2016.		
HCHB Water.....		0
HCHB Water costs are projected to stay the same in 2016.		

	<u>FTE</u>	<u>Amount</u>
HCHB Electricity		(39)
HCHB Electricity costs are projected to decrease 2% in 2016. This percentage was applied to a 2015 estimate of \$1,943,000 to arrive at a decrease of \$38,860.		
Postage (U.S.P.S.)		1
The Governors of the Postal Service approved a rate increase of 5.3%. This percentage was applied to the 2015 estimate of \$14,000 to arrive at an increase of \$742.		
General Printing Office (GPO) Printing		10
This request applies OMB economic assumptions for 2016 to areas where the prices that the government pays are established or influenced through the market system. A factor of 1.6% was applied to the 2015 printing estimate of \$641,000 to arrive at an increase of \$10,256.		
Working Capital Fund (WCF)		3,550
The amount of 3,550,000 to fund inflationary costs within the Departmental Working		
Commerce Business System (CBS)		27
An increase of \$27,000 is required to support ITA's continued use of the CBS accounting system.		
National Archives and Records Administration (NARA) Storage Costs		8
NARA has indicated the cost to administer ITA's records storage will increase from \$58,757 in 2015 to \$67,033 in 2016. The amount required to cover this increase is \$8,276.		
Capital Security Cost Sharing (CSCS) Program		10,360
ITA has offices located throughout the world; the majority of these offices are located in U.S. Consulates and Embassies. The Capital Security Cost Sharing (CSCS) Program, which is administered by the Department of State (DOS), is designed to generate \$1.4 billion annually for the construction of new secure, safe, functional diplomatic and consular facilities currently occupied by U.S. Government personnel overseas. All agencies represented in embassies will be charged on a worldwide per capita basis to support the construction. For FY 2016, the Department of State provided ITA with a Statement of Charges of \$22,099,609. This represents an increase of \$13,359,974 over the FY 2015 Statement of Charges, but ITA requires only an additional \$10,360,000 in FY 2016 when positions funded by SelectUSA and Global Expansion program increases are removed from the total.		
International Cooperative Administrative Support Services (ICASS)		525
The Department of State (DOS) is the primary provider for shared administrative support systems at embassies and other diplomatic and consular missions overseas. The Department of State coordinates the provision of such services and distribution of their costs via the International Common Administrative Support Services (ICASS) system. A rate increase of 1.6% was applied to the 2015 ICASS estimate of \$32,795,000 to arrive at an increase of \$524,720. This increase is		
Non International Cooperative Administrative Support Services (ICASS) Local Guard		22
This request applies OMB economic assumptions for 2016 to areas where the prices that the government pays are established through the market system. A rate increase of 1.6% was applied to the 2015 projected cost of \$1,345,850 to arrive at an increase of \$21,534. This increase is based on ICASS-related guard services cost increase and is driven by requirement for more expensive and increased number of security personnel.		
Military Pouch		13
This request applies OMB economic assumptions for 2016 to areas where the prices that the government pays are established or influenced through the market system. A rate of increase of 1.6% was applied to the 2015 projected cost of \$789,724 to arrive at an increase of \$12,636. The increase is needed for security and anthrax-related devices during pouch mail delivery.		

	<u>FTE</u>	<u>Amount</u>
General Pricing Level Adjustment.....		696
This request applies OMB economic assumptions for 2016 to sub-object classes where the prices that the Government pays are established through the market system. A factor of 1.6% was applied to: rental payment to others; transportation of things; communications, utilities, and miscellaneous charges (excluding postage); supplies and materials; equipment and other services (excluding DOC's Department of Management (DM) and Working Capital Fund (WCF) Payments).		
	Transportation of things	10
	Rental payment to others	8
	Com., utilities and misc. charges	11
	Other Services	559
	Supplies and materials	20
	Equipment	88
	Total	696
Overseas Price Increases.....		367
The overseas price increases are based upon anticipated overseas price increases in FY 2016 in countries in which ITA conducts operations. The percentage of 1.6% was applied to a base of \$22,962,000 to arrive at an increase of \$367,392.		
Subtotal, other changes	<u>8</u>	<u>23,288</u>
Less: amount absorbed	<u>0</u>	<u>0</u>
Total, Adjustments to Base	8	23,288

Department of Commerce
International Trade Administration
Operations and Administration
PROGRAM AND PERFORMANCE: DIRECT OBLIGATIONS
(Dollar amounts in thousands)

Activity: Subactivity: <u>Program</u>	2014 Actual	2015 Currently Available		2016 Base		2016 Estimate		Increase/ (Decrease) Personnel	Amount	
		Personnel	Amount	Personnel	Amount	Personnel	Amount			
Increase opportunities for U.S. companies by opening markets globally	194	41,065	197	41,640	197	42,968	197	44,198	0	1,210
FTE/Obl.	184	40,419	191	42,981	191	43,778	191	44,988	0	1,210
Increase U.S. exports by broadening and deepening the U.S. exporter base	1	2,160	1	2,160	1	2,167	1	2,163	0	(4)
FTE/Obl.	1	2,504	1	2,418	1	2,171	1	2,167	0	(4)
Increase high-impact inward foreign direct investment in the United States	0	0	0	0	0	0	0	0	0	0
FTE/Obl.	0	0	0	0	0	0	0	0	0	0
Strengthen fair competition in international trade for U.S. firms and workers by addressing and resolving foreign unfair trade practices and enforcing international trade agreements	60	11,722	60	11,722	60	12,132	60	11,892	0	(240)
FTE/Obl.	51	11,538	56	12,203	56	12,372	56	12,132	0	(240)
Total	255	54,947	258	55,822	258	57,287	258	58,253	0	966
FTE/Obl.	236	54,461	248	57,602	248	58,321	248	59,287	0	966

Note: In order to simplify the budget presentation, prior year obligations in program activities eliminated as the result of the FY 2014 ITA reorganization are being displayed in the new program structure.

Department of Commerce
International Trade Administration
Operations and Administration
PROGRAM AND PERFORMANCE: REIMBURSABLE OBLIGATIONS
(Dollar amounts in thousands)

Activity: International Trade Administration
Subactivity: Industry and Analysis

DoC Objective	2014 Actual		2015 Currently Available		2016 Base		2016 Estimate		Increase/ (Decrease)
	Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount	
Increase opportunities for U.S. companies by opening markets globally	2	365	2	650	2	650	2	650	0
	1	365	2	650	2	650	2	650	0
Increase U.S. exports by broadening and deepening the U.S. exporter base	2	974	2	1,300	2	1,300	2	1,300	0
	0	974	2	1,300	2	1,300	2	1,300	0
Increase high-impact inward foreign direct investment in the United States	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0
Strengthen fair competition in international trade for U.S. firms and workers by addressing and resolving foreign unfair trade practices and enforcing international trade agreements	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0
Total	4	1,339	4	1,950	4	1,950	4	1,950	0
	1	1,339	4	1,950	4	1,950	4	1,950	0

Note: In order to simplify the budget presentation, prior year obligations in program activities eliminated as the result of the FY 2014 ITA reorganization are being displayed in the new program structure.

APPROPRIATION ACCOUNT: OPERATIONS AND ADMINISTRATION

BUDGET PROGRAM: INDUSTRY AND ANALYSIS

For FY 2016, ITA requests a total of \$58,253,000 and 248 FTE for Industry and Analysis (including inflationary adjustments). This request includes 2 program changes that combine to a net increase of \$966,000 and 0 FTE.

BASE JUSTIFICATION:

Industry and Analysis Overview

The mission of Industry and Analysis (I&A) is to advance the international competitiveness of U.S. industries by leveraging its in-depth sector knowledge and analytical expertise in the development and execution of trade policy and strategies for export expansion and investment promotion.

I&A develops critical economic and international policy analysis used to improve global market access for U.S. businesses as well as design and implement innovative trade and investment promotion programs. I&A ensures appropriate stakeholder input into trade policy development, negotiations, and implementation through an extensive network of industry advisory groups and public-private partnerships, which include technical, matching grants assistance to U.S. exporters. The unit serves as the primary liaison between U.S. industry and the U.S. Government on industry-specific trade and U.S. investment promotion issues. I&A also administers programs that support small and medium-sized enterprises' (SMEs) access to global markets, such as the Market Development Cooperator Program (MDCP) and administration of the Export Trading Company Act.

I&A takes a strategic, data-driven approach to increasing exports out of and foreign direct investment into the U.S. (thereby supporting U.S. jobs). I&A facilitates the development of comprehensive export expansion and U.S. investment promotion strategies and action plans specifically tailored to client needs, especially small and medium-sized companies. These strategies recommend key policies tailored to industries and markets that are designed to capture commercial opportunities for U.S. industries. These action plans cover a broad spectrum of U.S. industries and markets where U.S. exports and foreign direct investment in the U.S. can grow with the assistance of coordinated public and private sector efforts.

Industry and Analysis Organization

The I&A unit is organized into eight sub-programs under the Operations and Administration appropriation:

- Manufacturing
- Services
- Textiles, Consumer Goods, and Materials
- Trade Policy and Analysis
- National Travel and Tourism Office
- Advisory Committees
- Trade Programs and Strategic Partnerships
- Trade Agreement Secretariat

INFLATIONARY ADJUSTMENTS:

ITA requests a net increase of \$1.8 million to fund inflationary adjustments to current programs for I&A activities. The figure reflects an increase to fund the estimated 2016 Federal pay raise of 1.3 percent as well as inflationary increases for non-labor activities, including service contracts, utilities, the Department of Commerce Working Capital Fund, and rent charges from the General Service Administration (GSA).

SUB-PROGRAM: MANUFACTURING

The Manufacturing unit supports U.S. manufacturers by utilizing its in-depth industry expertise to increase exports and promote job creation. The Manufacturing unit develops and implements policies to help U.S. businesses compete globally by focusing specifically on high growth export sectors and markets as well as opportunities for foreign direct investment.

The Manufacturing unit represents ITA in the interagency process supporting the President's manufacturing agenda. The Manufacturing unit is comprised of three offices: The Office of Transportation and Machinery, The Office of Health and Information Technologies, and The Office of Energy and Environmental Industries. Each office ensures appropriate stakeholder input into trade and investment policy development, trade negotiations, and policy implementation.

To promote U.S. exports, the Manufacturing offices are in the process of expanding sector coverage of its Top Markets Studies. The studies provide a data-driven projection of top export markets at the sector and sub-sector level. They serve as in-depth market research and provide recommendations for U.S. Government actions to guide trade promotion activities toward the markets and sectors likely to generate the greatest return on investment. This program, piloted for several years in the energy and environmental sectors, is now being expanded to cover all priority sectors.

I&A reports were previously internal to the U.S. Government only, but I&A is now producing public versions that will be widely available. Manufacturing offices expect to complete additional Top Markets Studies in the information and communications technology (ICT) and health technologies sectors in FY 2015 and FY 2016.

The Office of Health and Information Technologies (OHIT) works to strengthen the global competitiveness of the U.S. health and information technologies (IT) industries by expanding their access to foreign markets and increasing U.S. exports. OHIT monitors business and economic trends, provides data and analysis, and consults with U.S. industry to influence the development of U.S. trade policy in these sectors. The office also participates in formal trade negotiations and other bilateral and multilateral dialog. OHIT evaluates the impact of international economic and regulatory policies on U.S. manufacturers in addition to providing industry and policy expertise to other units of ITA and the U.S. Government at large.

The Office of Transportation and Machinery (OTM) undertakes industry analysis, contributes to U.S. trade policy development, participates in trade negotiations, organizes trade capacity building programs, and evaluates the impact of domestic and international economic regulatory policies on the aerospace, automotive, and machinery industries. OTM has created innovative online tools to promote industry sectors, such as a vendors' guide for next generation air traffic management equipment; has organized trade missions to priority markets; and runs multiple programs under the Market Development Cooperator Program to increase exports from its assigned industry segments (with a focus on SME companies). OTM works with other Department of Commerce units and U.S.

agencies to develop a public policy environment that advances U.S. competitiveness at home and abroad.

The Office of Energy and Environmental Industries (OEEI) advances the competitiveness of U.S. industries by leveraging in-depth sector expertise to identify their most pressing trade challenges and top opportunities and coordinating public-private sector responses. OEEI responses include supporting immediate export opportunities, setting up broader market development efforts to create demand for U.S. exports, and developing whole-of-government initiatives to address systemic constraints on U.S. export competitiveness. To carry out this work, OEEI produces industry analysis, consults with industry, and spearheads both formal industry advisory committees and Trade Promotion Coordinating Committee Working Groups. The unit prioritizes areas of focus through Top Prospects Analyses – sector-specific, evidence-based analyses that reveal the markets that hold the greatest potential return on investment for USG export promotion resources. OEEI has launched major whole-of-government export initiatives focused on the civil nuclear, renewable energy and energy efficiency, and environmental technologies sectors. OEEI covers goods and services associated with the renewable energy (biofuel, biomass, geothermal, hydro, solar, wind), civil nuclear energy, fossil energy (oil, gas, and coal), smart grid, transmission and distribution, pollution prevention, air pollution control, water, and waste sectors.

SUB-PROGRAM: SERVICES

The Services unit covers services sectors and industries that account for 70% of total U.S. GDP and employment, including finance and insurance; shipping, transportation and logistics; professional and business services; education; engineering and construction; information, communications and digital services; media and entertainment; retail, wholesale, and franchising. Through its three offices -- Office of Finance and Insurance Industries (OFII); Office of Supply Chain, Professional and Business Services (OSCPBS); and Office of Digital Services Industries (ODSI) – the Services unit:

- Analyzes trends, identifies key factors affecting global competitiveness and barriers to services industry exports and investment, and develops strategies to strengthen the international competitiveness of the U.S. services industry, improve its access to foreign markets, and increase its exports.
- Monitors economic and commercial developments and maintains in-depth commercial and economic expertise to formulate sector-specific market access and promotion strategies that increase opportunities for U.S. services industries in foreign markets;
- Seeks and evaluates industry positions on international trade issues, and provides objective analysis of these issues to ITA, other DOC bureaus, and interagency policy makers as a basis for representing U.S. commercial interests in international fora;
- Identifies industry-specific foreign market barriers and develops and implements programs to improve access by U.S. industry exporters in those sectors;
- Provides support for the interagency trade policy process, and monitors and participates in international consultations and negotiations of multilateral, regional, and bilateral trade agreements;
- Formulates Departmental positions on multilateral, bilateral, and regional economic, commercial and trade policy issues with respect to services sectors;
- Develops and provides to U.S. businesses information and assistance on U.S. rights and opportunities under multilateral and other trade agreements.

The Services unit also supports DOC's involvement with, and is the Department's link to, U.S. Government export financing and lending organizations, such as the Export-Import Bank and the Overseas Private Investment Corporation, and with multilateral development banks (e.g., the World

Bank, InterAmerican Development Bank); serves as the principal Federal unit to implement and monitor the Safe Harbor program for U.S. industry's compliance with requirements of the European Union's (EU) Privacy Directive and relevant policies that affect the cross-border flows of data globally; and directs ITA's work to develop and implement policies and programs that streamline the process and reduce the cost of exporting. In 2009, ITA implemented a cost recovery program for Safe Harbor, which has generated funds to hire staff and cover certain travel, IT, and other expenses, allowing ITA to better serve its clients with enhanced website features, education, outreach, and counseling related to Safe Harbor.

SUB-PROGRAM: TEXTILES, CONSUMER GOODS AND MATERIALS (TCGM)

The Textiles, Consumer Goods and Materials sub-program coordinates with Trade Policy and Analysis in analyzing miscellaneous tariff bills for textile, apparel, footwear, consumer goods, and materials industries; develops and implements sector-specific export plans; provides industry expertise to assist International Buyer Program activities; and manages the largest Industry Trade Advisory Committees in support of the Advisory Committees program.

Within the sub-program, the Office of Textiles and Apparel (OTEXA) administers and enforces agreements and preference programs concerning the textile, apparel, footwear, and travel goods industries and works to ensure fair trade and a level playing field to enhance their competitiveness in international markets. OTEXA has an active export promotion program that assists small and medium-sized U.S. textile and apparel firms to develop and expand their export markets, helping job retention and creation. In FY 2013, OTEXA's export promotion efforts generated over 1,700 trade leads from trade show events in Colombia, Russia, Brazil, India, the United Arab Emirates, the United Kingdom, and France. OTEXA assisted 80 companies in business matchmaking projects in FY 2013, and business matchmaking efforts since 2008 contributed to sales of \$55 million by small textile firms to buyers in the Middle East, Europe, Russia, and South America.

OTEXA works closely with USTR in negotiating bilateral and multilateral trade agreements affecting these industries, by providing key technical support for textiles and apparel chapters in each Free Trade Agreement (FTA); seeking and evaluating industry views on international trade issues affecting these industries; and formulating textile policy positions on proposed trade agreements and legislative initiatives. In addition, the office administers textile and apparel-related provisions of U.S. trade agreement and preference programs and chairs the interagency Committee for the Implementation of Textile Agreements (CITA), which sets policy on textile safeguard actions, actions against illegal transshipment, and other related issues.

The Office of Consumer Goods (OCG) provides industry expertise, trade policy guidance, and market access advocacy for a wide variety of consumer goods sectors. OCG focuses on two NEI priority sectors: the \$60 billion (export value) processed foods industry, and the \$10 billion (export value) recreational transportation industry (boats, motorcycles, recreational vehicles, all-terrain vehicles, etc.). OCG's processed foods work focuses on 1) trade policy, trade facilitation, and standards and regulatory coherence through a long-term APEC food safety initiative, a long-term APEC wine regulatory forum, and industry advocacy within the Obama Administration's Feed the Future initiative. Work also continues on increasing global acceptance on U.S. processed foods incorporating genetically engineered raw materials. OCG's work on recreational transportation focuses on trade promotion and addressing foreign market barriers that limit exports of U.S. motorcycles, boats, recreational vehicles, and related products. OCG works with the Recreational Vehicle Manufacturers Association on a Market Development Coordinator Program (MDCP) award. MDCP awards include financial and technical assistance from ITA to support projects that enhance the global competitiveness of U.S. industries. An MDCP award establishes a partnership between

ITA and non-profit industry groups such as trade associations and chambers of commerce. The OCG MDCP award is focused on growing exports to China, Japan, and Korea. OCG will complete production of a Top Markets analysis for the recreational transportation industry during 2015. OCG works with the California Asia-Pacific Chamber of Commerce on an MDCP award focused on food exports to China.

Office of Materials Industries (OMI) experts identify issues of strategic and commercial interest to the chemicals, metals, materials and allied industry sectors and work with their stakeholders to enhance their international competitiveness. They also conduct economic analyses to determine the competitiveness impacts of domestic and international regulations, trade negotiations, and multilateral environmental agreements to provide policy advice to decision-makers and negotiators. OMI oversees two NEI/Next Sector Strategies: the \$88 billion (export value) building products industry and the \$185 billion (export value) chemicals industry. In FY 2015, OMI will produce a Top Markets report on U.S. exports for the green building materials industry. OMI will develop a list of worldwide processing facilities of conflict minerals, in order to fulfill DOC requirements under Section 1502(d)(3)(c) of the Dodd-Frank Act. OMI has an active trade promotion program and works with five MDCP cooperators to promote U.S. materials exports.

SUB-PROGRAM: TRADE POLICY AND ANALYSIS (TPA)

The Trade Policy and Analysis (TPA) unit supports U.S. Government trade policy formulation and negotiations by providing trade and economic analysis and issue expertise needed to expand exports and foreign direct investment in the United States. The unit also serves as the primary source of trade data within ITA.

The Office of Trade Negotiations and Analysis (OTNA) utilizes its policy expertise to lead the development of ITA positions on cross-sectorial international trade policy issues. The office provides guidance on trade negotiations for U.S. market access positions on industrial goods, rules of origin, and government procurement. The office also participates in public outreach efforts for completed trade agreements and provides analytical support on safeguard actions, trade remedy measures, trade sanctions, and miscellaneous tariff bills.

The Office of Standards and Investment Policy (OSIP) participates in the development of international standards and works to ensure that ITA stakeholders have an opportunity to shape standards affecting their interests in order to prevent them from acting as market access barriers. OSIP also leads standards work in regional and bilateral organizations, dialogues, and negotiations. The office monitors foreign investment policy to ensure that non-compliance issues do not negatively impact U.S. industry competitiveness. Additionally, OSIP coordinates and provides policy guidance on World Trade Organization issues to ensure that U.S. industry interests are fully reflected.

The Office of Intellectual Property Rights (OIPR) assists U.S. companies in resolving or overcoming Intellectual Property Rights-related trade barriers in foreign markets through negotiation of trade agreement obligations and provision of bilateral advocacy on systemic and company-specific challenges. The office is also responsible for public awareness and educational resources and programs, including management of the U.S. Government's STOPfakes.gov program.

The Office of Trade and Economic Analysis (OTEA) utilizes its expertise in economic analysis to provide policymakers and industry with information regarding the impacts of policy measures on U.S. business competitiveness. The office produces research, publicly releases trade data, and advocates for U.S. industry competitiveness in interagency forums. The office is responsible for the Jobs Supported by Exports Report, the Metropolitan Export Series, TradeStats Express, and the Trade

Policy Information System. The office also represents DOC on the Committee on Foreign Investment in the United States and administers certification for the Export Trading Company Act.

SUB-PROGRAM: NATIONAL TRAVEL AND TOURISM OFFICE

As provided in the President's National Travel and Tourism Strategy, the National Travel and Tourism Office (NTTO) coordinates government-wide activities in support of achieving the President's goal of promoting exports and investment in the U.S. travel and tourism industry. NTTO includes the Office of Travel and Tourism Industries, which serves as secretariat to the Tourism Policy Council; represents U.S. travel and tourism policy in international fora; serves as the principal liaison to the Corporation for Travel Promotion (CTP); and performs research and other functions delineated in the Travel Promotion Act of 2009. CTP, now doing business as BrandUSA, is a non-profit organization created by Congress to facilitate the expansion of U.S. travel and tourism exports.

NTTO provides the only data on international arrivals and air traffic that serves as a source for U.S. outbound travel, the Survey of International Air Travelers (SIAT), which provides key market intelligence to the government on over 35 key traveler characteristics of international travelers like country of origin, destinations visited, spending, trip planning information, in country activities, and demographics all broken out by world regions and countries excluding Canada. NTTO purchases data from a Canadian data program that provides similar data as the SIAT but is collected the Canadian government. The National Travel & Tourism Office also develops and issues a forecast of international travel to the U.S. to project the volume and rates of change for international arrivals from the top 20 countries and their rate of change for the next five years, federal estimates from the Travel & Tourism Satellite Accounts which measures the contribution of travel and tourism on our economy, and provides data to BEA to develop and release the travel and passenger fare exports and imports for the country. These interdependent and complementary data programs provide the information needed by the government and travel industry to work towards fulfilling the mandates of the Travel Promotion, provide information and metrics as required to support the National Travel & Tourism Strategy, and provide market research so travel businesses can develop research based marketing plans to keep the U.S. competitive in the global travel and tourism marketplace. The research data is especially meaningful as the U.S. seeks to develop new markets, spread the benefits of travel and tourism throughout the U.S., and support small business and rural development strategies. This data will enable more destinations to justify partnerships with Brand USA by providing insight on market opportunities and enabling the tracking of travelers to various destinations. In addition, this data will provide better economic analysis of policies and programs affecting travel and tourism, thereby enhancing U.S. competitiveness in the global travel market.

SUB-PROGRAM: ADVISORY COMMITTEES

I&A manages an extensive formal industry advisory program, which serves as a communications channel for U.S. companies and other organizations to provide advice to U.S. policymakers on trade and other economic policy issues. The twenty-four advisory committees have more than 500 appointed industry representatives, who provide a critical link between the economic interests of U.S. industries and the broader public policy concerns of the U.S. Government. The advisory committees include the President's Export Council, the Manufacturing Council, sixteen Industry Trade Advisory Committees and the Committee of Chairs (administered jointly with USTR), the Environmental Technologies Trade Advisory Committee, the Civil Nuclear Trade Advisory Committee, the Renewable Energy and Energy Efficiency Advisory Committee, the Advisory Committee on Supply Chain Competitiveness, and the Travel and Tourism Advisory Board.

SUB-PROGRAM: TRADE PROGRAMS AND STRATEGIC PARTNERSHIPS

Trade Programs

I&A manages an array of trade promotion programs designed to provide U.S. companies and organizations, including SMEs, with targeted, specialized opportunities to introduce their products or services to potential foreign buyers, agents, or distributors. Working alongside ITA's Global Markets units, I&A industry experts and Trade Program Staff integrate country and sector expertise into the execution of these programs. These programs include the International Buyer Program, the Trade Fair Certification Program, and Trade Missions. In FY14, the Trade Promotion Programs (helped U.S. companies generate \$1.673 billion in export sales.

International Buyer Program. The International Buyer Program is a fee-based service whereby ITA partners with U.S. trade show organizers and recruits and leads foreign buyer delegations to meet one-on-one with U.S. exhibitors at the trade show.

Trade Fair Certification Program. The Trade Fair Certification Program is a fee-based service for international trade show organizers that offers ITA/DOC endorsement and in-country/onsite business facilitation assistance, such as business matchmaking appointments, market briefings, U.S. Pavilions, and other services for U.S. exhibitors.

Trade Missions Program. The Trade Missions Program organizes and leads U.S. companies on business missions overseas to learn first-hand about foreign markets, make business connections, and advance policy objectives. Working alongside ITA's Global Markets units and I&A industry experts, program staff facilitate face-to-face meetings with foreign government officials and qualified potential buyers, agents, distributors, and other potential business partners. Additionally, the Trade Missions Program "certifies" or endorses trade missions organized by state and private sector multiplier organizations by providing in-country support, such as business matchmaking appointments, networking receptions, site visits, and seminars.

Strategic Partnership Program.

Through the Strategic Partnership Program, I&A develops formal partnerships with private corporations, trade associations, and other organizations to deepen the level of industry-client-government engagement to increase the efficiency and effectiveness of trade and investment promotion programs and policy initiatives.

Market Development Cooperator Program (MDCP)

The MDCP provides Federal financial assistance and technical support from ITA staff to trade associations, chambers of commerce, and other non-profit industry groups that are particularly effective in helping SMEs export. Such groups compete for a limited number of MDCP awards and must commit at least two-thirds of the project cost if they are selected. Since the program began in FY 1993, MDCP award winners have generated more than \$9 billion in U.S. exports. Between FY 1997 and FY 2014, the MDCP has helped generate \$335 in U.S. exports for every \$1 of the federal contribution to the MDCP award.

Trade Agreement Secretariat

The Trade Agreement Secretariat is responsible for the impartial administration of the dispute settlement provisions for nearly all of the free trade agreements to which the U.S. is party. Mirror-image offices are located in the national capitals of each free trade partner country, each headed by a national Secretary. ITA's Assistant Secretary for Industry Analysis is responsible for overseeing the U.S. Trade Agreement Secretariat. The implementing legislation of each free trade agreement contains a provision for the administration of the dispute settlement proceedings, with the Statement

of Administrative Action (SAA) serving as the link between the legislation and ITA's Departmental Organizational Order (DOO), which provides the funding authority for the Secretariat.

PROGRAM CHANGES FOR FY 2016:

Expansion of Survey of International Air Travelers & Other travel and tourism research (Base funding: \$2.0 million and 0 FTE; Program Change: +\$2.0 million and 0 FTE): ITA requests an increase of \$2,000,000 to increase the sample size of the Survey of International Air Travelers (SIAT) to make progress in meeting the mandate of the Travel Promotion Act to expand the SIAT's sample size to 1% of international travelers, thereby providing data on the economic contribution of international travel and tourism to a greater number of smaller states and cities, as well as market intelligence on a greater number of source markets.

- SIAT is the only source for international travel statistics, including travelers' spending, destinations visited, purpose of trip (e.g. medical or educational), and other key traveler characteristics. This data is used by the Bureau of Economic Analysis (BEA) to measure the contribution of international travel to the economy, and by Congress and the Executive branch to develop public policy. States, destinations, and travel businesses rely upon this data for their market intelligence. Global Markets and I&A Travel and Tourism Team members use the data extensively in order to provide consultation expertise to advise clients about markets and approaches to expanding travel exports.
- Expanding the survey would allow us to make progress towards complying with the Congressional mandate, which is not possible under current funding. The expansion of the survey will also allow a greater number of states and localities to benefit from SIAT data in expanding their markets and job creation strategies. In addition, the expansion will allow more robust data to be used by the private sector to analyze business opportunities and anticipate market shifts. The current methodology has been reviewed extensively by BEA, Census, and the private sector travel and tourism advisory board and has universally been acknowledged to be sound and cost effective given current collection methods. Additional funding will allow us to attract a larger pool of contractors, increasing competition and the variety of approaches that could provide economies of scale in collection methodologies.

Statement of Need and Economic Benefits – Cost Benefit Analysis

- Data from SIAT is needed to expand exports. Expanded data will allow a greater number of localities and companies to develop export strategies. In addition, all destinations and companies will have access to data to support entry into a greater number of export markets.
- This data will support the ability of the U.S. to meet the National Travel & Tourism Strategy goal of expanding travel and tourism exports by attracting 100 million visitors by 2021, who we expect will spend \$250 billion. Without more robust data on additional exporters and markets we may not reach this and the NEI/Next goal of expanding exports.
- Survey data is sold to clients in the form of custom reports. With an expanded sample size, additional reports may be sold, generating revenue that will be invested back into the program to help the program meet its goals and objectives.
- Additional businesses entering or expanding into travel and tourism exporting will also mean additional jobs as a result of increased travel exports generated.

Schedule and Milestones:

- New SIAT contract solicitation process will begin within 3 months of appropriation.
- New SIAT contract will be awarded within 6 months.

Deliverables:

- The following products will be produced annually:
 - Summary destination data;
 - Country reports; and
 - State and city analytical products.

Absorption of Costs to Meet Fiscal Targets (Base Funding: \$57.3 million and 248 FTE; Program Change: -\$1.0 million and 0 FTE): In order to meet overall funding targets for the organization, ITA is proposing to fund \$1.0 million of estimated FY 2016 pay and non-pay inflation costs with unobligated balances projected to be brought forward into FY 2016. Use of unobligated balances to offset inflationary growth will not impact staffing or services levels in FY 2016.

Performance Goals and Measurement Data:

Performance Measure: Exports generated annually from public/private partnerships (\$ in Millions)	FY 2013 Actual	FY 2014 Actual	FY 2015 Target	FY 2016 Target	FY 2017 Target	FY 2018 Target	FY 2019 Target
With Change	\$2,510	\$1,082	\$437	\$140	\$140	\$140	\$140
Without Change	\$2,510	\$1,082	\$437	\$140	\$140	\$140	\$140
Description: This measure represents the dollar value of exports generated by Market Development Cooperator Program (MDCP) project activity. The MDCP is a public/private partnership that provides technical and financial assistance to non-profit organization “cooperators” such as trade associations. The MDCP generates job-sustaining exports by providing a portion of the startup costs of new foreign market development projects. The elements of each project vary, but examples include establishing product demonstration centers abroad, underwriting the cost of participation in foreign trade shows, and educating foreign authorities about industry standards. The drop between FY2013 actual and the FY2014 target is due to the expiration in 2013 of full funding for a very successful project by the National Tour Association, which received a 2009 MDCP award.							

Performance Measure: Dollar value of textile sales generated (\$ in millions)	FY 2013 Actual	FY 2014 Actual	FY 2015 Target	FY 2016 Target	FY 2017 Target	FY 2018 Target	FY 2019 Target
With Change	\$22	\$25	\$30	\$30	\$30	\$30	TBD
Without Change	\$22	\$25	\$30	\$25	\$30	\$30	TBD
Description: This measure highlights I&A’s ability to assist U.S. textile and apparel companies with export sales. I&A calculates the dollar value of immediate and projected export sales through the participation of companies in international trade shows and match-making activities coordinated by I&A.							

Performance Measure: Export Impact of Prevention, Reduction or Removal of Trade Barriers – Dollars of Exports Created or Retained	FY 2013 Actual	FY 2014 Actual	FY 2015 Target	FY 2016 Target	FY 2017 Target	FY 2018 Target	FY 2019 Target
With Change	\$761M	\$151M	\$620M	\$650M	\$680M	\$715M	\$750M
Without Change	\$761M	\$151M	\$620M	\$650M	\$680M	\$715M	\$750M

Description: This measure captures the export impact of work done on trade barriers by I&A staff. Trade barriers can include tariffs and a variety of non-tariff measures such as: standards, domestic content requirements, foreign ownership requirements, regulations, and intellectual property rights. The goal of I&A activity is to eliminate, reduce or prevent such barriers in order to create or retain U.S. exports.

Performance Measure: Dollar Exports Generated from Export Trading Companies	FY 2013 Actual	FY 2014 Actual	FY 2015 Target	FY 2016 Target	FY 2017 Target	FY 2018 Target	FY 2019 Target
With Change	\$22.8B	\$24.5B	\$22.5B	\$23.5B	\$24.5B	\$25.5B	\$26.5B
Without Change	\$22.8B	\$24.5B	\$22.5B	\$23.5B	\$24.5B	\$25.5B	\$26.5B

Description: The Export Trading Company Act allows U.S. businesses to form export joint ventures called Export Trading Companies (ETC). Companies form ETCs for various purposes including, negotiating lower shipping rates, pooling resources to expand an export market base, avoiding export rivalry by coordinating an export strategy, and selling under a single label. ITA, with the concurrence of the Justice Department, issues a Certificate of Review under the act. This indicator captures the actual export sales in billions of dollars.

Performance Measure: Number of Destinations Visited (destinations)	FY 2013 Actual	FY 2014 Actual	FY 2015 Target	FY 2016 Target	FY 2017 Target	FY 2018 Target	FY 2019 Target
With Change		20	20	28	28	28	28
Without Change		20	20	20	20	20	20

Description: As the SIAT sample is increased, additional destination data in the form of visitation estimates from overseas travelers and specific countries to U.S, states, territories and cities will mean more localities and travel businesses will be able to justify entering the international travel market to increase travel exports because they now have the key market intelligence needed to develop marketing strategies that will allow them to create research-based marketing plans and strategies to entice additional visitors to their respective destinations.

Performance Measure: Number of Source Markets Reported (countries)	FY 2013 Actual	FY 2014 Actual	FY 2015 Target	FY 2016 Target	FY 2017 Target	FY 2018 Target	FY 2019 Target
With Change		22	22	32	32	32	32
Without Change		22	22	22	22	22	22

Description: As the SIAT sample is increased, additional countries will have a sufficient number of respondents so the NTTO can provide meaningful information on visitors from the additional markets. So, instead of just having market intelligence on 20 countries, the additional markets will mean that more localities and travel businesses will be able to justify expanding into other international travel markets to increase travel exports because they now have the key market intelligence needed to develop marketing strategies to attract visitors from these countries to the U.S. its destinations and businesses.

PROGRAM CHANGE DETAIL BY OBJECT CLASS
(Dollars in thousands)

Budget Program: Industry and Analysis
Sub-program: National Travel and Tourism Office
Program Change: Expansion of Survey of International Air Travelers

Object Class		FY 2016 Increase
11	Personnel compensation	
11.1	Full-time permanent	\$0
11.3	Other than full-time permanent	0
11.5	Other personnel compensation	0
11.8	Special personnel services payments	0
11.9	Total personnel compensation	<u>0</u>
12	Civilian personnel benefits	0
13	Benefits for former personnel	0
21	Travel and transportation of persons	0
22	Transportation of things	0
23.1	Rental payments to GSA	0
23.2	Rental Payments to others	0
23.3	Communications, utilities and miscellaneous charges	0
24	Printing and reproduction	0
25.1	Advisory and assistance services	2,000
25.2	Other services	0
25.3	Purchases of goods & services from Gov't accounts	0
25.4	Operation and maintenance of facilities	0
25.5	Research and development contracts	0
25.6	Medical care	0
25.7	Operation and maintenance of equipment	0
25.8	Subsistence and support of persons	0
26	Supplies and materials	0
31	Equipment	0
32	Lands and structures	0
33	Investments and loans	0
41	Grants, subsidies and contributions	0
42	Insurance claims and indemnities	0
43	Interest and dividends	0
44	Refunds	0
99	Total obligations	<u>2,000</u>

PROGRAM CHANGE DETAIL BY OBJECT CLASS
(Dollar amounts in thousands)

Budget Program: Industry and Analysis
Sub-program: Industry and Analysis
Program Change: Absorption of Costs to Meet Fiscal Targets

Object Class		FY 2016 Decrease
11	Personnel compensation	
11.1	Full-time permanent	(\$162)
11.3	Other than full-time permanent	0
11.5	Other personnel compensation	0
11.8	Special personnel services payments	0
11.9	Total personnel compensation	<u>(162)</u>
12	Civilian personnel benefits	0
13	Benefits for former personnel	0
21	Travel and transportation of persons	(18)
22	Transportation of things	0
23.1	Rental payments to GSA	(93)
23.2	Rental Payments to others	0
23.3	Communications, utilities and miscellaneous charges	0
24	Printing and reproduction	0
25.1	Advisory and assistance services	(522)
25.2	Other services	(118)
25.3	Purchases of goods & services from Gov't accounts	(107)
25.4	Operation and maintenance of facilities	0
25.5	Research and development contracts	(1)
25.6	Medical care	0
25.7	Operation and maintenance of equipment	(1)
25.8	Subsistence and support of persons	(3)
26	Supplies and materials	(2)
31	Equipment	(7)
32	Lands and structures	0
33	Investments and loans	0
41	Grants, subsidies and contributions	0
42	Insurance claims and indemnities	0
43	Interest and dividends	0
44	Refunds	0
99	Total obligations	<u>(1,034)</u>

Department of Commerce
International Trade Administration
Operations and Administration
PROGRAM AND PERFORMANCE: DIRECT OBLIGATIONS
(Dollar amounts in thousands)

Activity	Subactivity	Program	2014 Actual		2015 Currently Available		2016 Base		2016 Estimate		Increase/ (Decrease)	
			Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount		
		Increase opportunities for U.S. companies by opening markets globally	0	0	0	0	0	0	0	0	0	
			0	0	0	0	0	0	0	0	0	
		Increase U.S. exports by broadening and deepening the U.S. exporter base	0	0	0	0	0	0	0	0	0	
			0	0	0	0	0	0	0	0	0	
		Increase high-impact inward foreign direct investment in the United States	0	0	0	0	0	0	0	0	0	
			0	0	0	0	0	0	0	0	0	
		Strengthen fair competition in international trade for U.S. firms and workers by addressing and resolving foreign unfair trade practices and enforcing international trade agreements	338	70,567	338	71,631	338	74,502	362	80,746	24	6,244
			285	69,067	326	77,297	330	75,758	348	82,002	18	6,244
		Total	338	70,567	338	71,631	338	74,502	362	80,746	24	6,244
			285	69,067	326	77,297	330	75,758	348	82,002	18	6,244

Note: In order to simplify the budget presentation, prior year obligations in program activities eliminated as the result of the FY 2014 ITA reorganization are being displayed in the new program structure.

Department of Commerce
International Trade Administration
Operations and Administration
PROGRAM AND PERFORMANCE: REIMBURSABLE OBLIGATIONS
 (Dollar amounts in thousands)

Activity: Subactivity:	DoC Objective	2014 Actual		2015 Currently Available		2016 Base		2016 Estimate		Increase/ (Decrease)
		Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount	
International Trade Administration Enforcement and Compliance	Increase opportunities for U.S. companies by opening markets globally	0	0	0	0	0	0	0	0	0
		0	0	0	0	0	0	0	0	0
		0	0	0	0	0	0	0	0	0
		0	0	0	0	0	0	0	0	0
		0	0	0	0	0	0	0	0	0
		0	0	0	0	0	0	0	0	0
		0	0	0	0	0	0	0	0	0
		0	5	0	40	0	40	0	40	0
		0	5	0	40	0	40	0	40	0
Total		0	5	0	40	0	40	0	40	0
		0	5	0	40	0	40	0	40	0

Note: In order to simplify the budget presentation, prior year obligations in program activities eliminated as the result of the FY 2014 ITA reorganization are being displayed in the new program structure.

APPROPRIATION ACCOUNT: OPERATIONS AND ADMINISTRATION

BUDGET PROGRAM: ENFORCEMENT AND COMPLIANCE

For FY 2016, ITA requests a total of \$80,746,000 and 348 FTE for Enforcement and Compliance (including inflationary adjustments). This request includes 3 program changes that combine to a net increase of \$6,244,000 and 18 FTE.

BASE JUSTIFICATION:

Enforcement and Compliance Overview

The mission of Enforcement and Compliance (E&C) is to take prompt, aggressive action against unfair foreign trade practices and foreign-government-imposed trade barriers by enforcing U.S. trade laws, monitoring compliance with existing trade agreements, and aiding in the negotiation of new trade agreements that address trade-impeding and trade-distorting practices.

The E&C unit:

- Promotes a level playing field for U.S. manufacturers, exporters, workers and farmers by addressing unfairly traded imports and foreign trade barriers;
- Promotes efficient and effective administration of U.S. antidumping duty (AD) and countervailing duty (CVD) laws through investigations, administrative reviews, suspension agreements and other AD/CVD proceedings;
- Administers the Foreign Trade Zones (FTZ) program and other import programs that support U.S. jobs;
- Promotes adoption of disciplines and practices by U.S. trading partners that enhance transparency and impartiality in foreign trade law practices and administration;
- Identifies and addresses foreign government subsidies programs that unfairly disadvantage U.S. exporters competing overseas;
- Develops policy recommendations and represents U.S. commercial interests in designated bilateral, multilateral and regional trade and investment negotiations;
- Monitors, investigates, evaluates, and works to secure foreign government compliance with international trade agreements, so that American workers, industries, and firms can derive the intended benefits;
- Identifies issues and provides in-depth research and analysis, through the Interagency Trade Enforcement Center (ITEC), in support of trade enforcement actions to reduce or eliminate foreign trade barriers and other unfair trade practices; and
- Represents and advocates on behalf of U.S. industry interests with regard to the exercise and enforcement of U.S. rights under bilateral and multilateral trade agreements, including through interagency mechanisms.

E&C is organized into three sub-programs under the Operations and Administration appropriation:

- AD/CVD Operations
- Policy and Negotiations
- Foreign Trade Zones

INFLATIONARY ADJUSTMENTS:

ITA requests a net increase of 4 FTE and \$2.9 million to fund inflationary adjustments to current programs for E&C activities. The figure reflects an increase to fund the estimated 2016 Federal pay raise of 1.3 percent as well as inflationary increases for non-labor activities, including service contracts, utilities, the Department of Commerce Working Capital Fund, and rent charges from the General Service Administration (GSA).

SUB-PROGRAM: AD/CVD OPERATIONS

The AD/CVD Operations sub-program vigorously enforces U.S. trade laws by conducting AD and CVD investigations, administrative reviews, new shipper reviews, sunset reviews, changed circumstances reviews, and scope and anti-circumvention inquiries within statutory and/or regulatory time limits. AD/CVD Operations also assists in the defense of E&C determinations, all of which are subject to judicial review in U.S. courts and before WTO and NAFTA Panels.

E&C conducts investigations under the AD/CVD laws in response to U.S. industry petitions alleging that imports are being dumped or unfairly subsidized and that those imports are materially injuring, or threatening material injury to, the competing U.S. industry. These investigations vary widely in scope and complexity. Each investigation requires the following:

- Intensive analysis of information provided by the petitioning U.S. industry to determine whether the legal standards for the initiation of an investigation have been satisfied;
- Preparation of extensive questionnaires sent to the relevant foreign governments and/or industry, requesting detailed (and, in most instances, proprietary) information about foreign government subsidy programs and the distribution of benefits, or individual firms' pricing and selling practices, corporate structures, affiliations, and production costs;
- Analysis of responses to the questionnaires and on-site verification of such responses in the foreign country at the relevant national, provincial, and local government sites or company offices, and, when appropriate, at U.S. affiliates' offices and production facilities;
- Calculation of subsidy rates or dumping margins and duty deposit rates;
- Preparation of preliminary and final determinations, including detailed analyses of the information obtained in the investigation and the arguments submitted by the U.S. industry and the affected foreign parties; and
- Preparation of detailed instructions so that Customs and Border Protection (CBP) can implement and enforce the Department's determinations.

E&C performs many of the same steps when it conducts administrative reviews of the AD/CVD orders that result from its investigations. Whereas investigations (1) determine whether imports are being dumped or unfairly subsidized, and (2) estimate the levels of dumping and unfair subsidization, administrative reviews determine the actual amount of duties to be collected to remedy those unfair practices. E&C routinely receives significantly more requests for review of individual exporters than its available resources permit it to conduct. Increased concerns about evasion of AD/CVD duties, discussed further below, and efforts undertaken to detect and stop such practices place additional demands on E&C resources. E&C also conducts several other types of reviews of outstanding AD/CVD orders as required by U.S. law and our international obligations, including "new shipper" reviews for exporters that begin shipping to the United States after an AD/CVD order is imposed; periodic "sunset reviews" to determine whether AD/CVD orders should remain in place; and scope and circumvention inquiries to determine whether particular imported products are covered by outstanding AD/CVD orders.

Some importers are increasingly resorting to illegal or inappropriate behavior to avoid or minimize the payment of AD/CVD duties. For example, some importers misreport the country of origin of products subject to AD/CVD orders or establish shell companies to import at lower duties. E&C is elevating its efforts to counter such activities by working collaboratively with CBP, the Department of Justice, and other Federal agencies to identify and address fraudulent activity, in some cases leading to fines, felony indictments, and imprisonment of offending parties.

In FY 2014, 52 AD and CVD investigations were initiated, and 387 preliminary or final AD/CVD determinations were issued. In FYs 2010 through 2013, 17, 16, 23, and 35 new investigations were initiated, respectively. While the number of new investigations has fluctuated over the past several years, the average number of AD/CVD determinations issued during this four-year period was approximately 350 per fiscal year.

SUB-PROGRAM: POLICY AND NEGOTIATIONS

The Policy and Negotiations sub-program oversees activities and policies regarding the negotiation of trade disciplines in international agreements, the administration of AD/CVD laws and international subsidies disciplines, the negotiation and administration of suspension agreements of U.S. AD/CVD investigations, and improvement of access to export markets for U.S. companies facing a range of foreign government practices and barriers that are inconsistent with international trade rules and agreements.

The major activities conducted by Policy and Negotiations include support for the administration of U.S. AD/CVD laws, including policy support and accounting expertise, as well as negotiation and administration of AD/CVD suspension agreements; negotiation of trade disciplines in international agreements (including rules on trade remedies, technical barriers to trade, customs/trade facilitation, investment, subsidies, government procurement, competition/state-owned enterprises, environment, labor, and other areas of particular expertise in negotiations) such as the Trans-Pacific Partnership (TPP), Transatlantic Trade and Investment Partnership (TTIP), Bilateral Investment Treaties (BITs) and initiatives in the World Trade Organization (WTO); outreach and assistance to U.S. industries and workers (especially SMEs) seeking to use U.S. AD/CVD laws to remedy injury from unfairly traded imports; outreach and assistance to U.S. companies or industries confronting foreign government trade actions or barriers that block or impede U.S. exports or investment, including barriers that are governed by trade agreement obligations vis-à-vis the United States; and supporting the Interagency Trade Enforcement Center (ITEC).

Enforcement of U.S. AD/CVD Laws

- Policy Support for AD/CVD Cases. E&C has staff dedicated to the consistent application of policies and procedures in AD/CVD proceedings, while ensuring that broader policy objectives and statutory and international obligations are respected. This staff strives to achieve consistency by reviewing case determinations and developing new policies for major or emerging issues. E&C policy staff are responsible for analyzing and informing case investigators and decision makers of the potential ramifications on AD/CVD proceedings posed by developments in the WTO and its associated agreements. This staff also supports the Office of the General Counsel in reviewing decisions made by the Court of International Trade, the Court of Appeals for the Federal Circuit, WTO dispute settlement panels, and the WTO Appellate Body, in addition to providing analytical support in drafting response briefs and argument in proceedings before such bodies.

- Accounting Expertise. Accounting staff work alongside investigators in vigorously enforcing U.S. AD/CVD laws. While the main areas of expertise are cost of production, constructed value, and factors of production calculations, the accounting staff are also actively involved in analyzing scope and circumvention inquiries, enforcing trade agreements, providing support to U.S. companies in defense of foreign trade remedy investigations, and addressing other technical accounting-related issues that arise throughout E&C. In FY 2014, the accounting staff worked on over 140 AD investigations and reviews.
- Bilateral AD/CVD Agreements. E&C is responsible for the negotiation and administration of AD and CVD suspension agreements and other bilateral agreements. E&C also administers various existing suspension agreements with Russia, Ukraine, Mexico, and Argentina, covering products such as steel, uranium, tomatoes, and lemon juice. Administering these agreements includes such responsibilities as calculating and monitoring export limits and reference prices under non-market economy agreements and calculating normal values, or “minimum prices,” for signatory producers/exporters under market economy agreements. This staff also conducts the five-year sunset reviews of these suspension agreements and any requested administrative reviews.

Trade Negotiations & Agreement Implementation. E&C leads the negotiating efforts relating to WTO AD rules and works closely with USTR on negotiations relating to a broad range of issues such as subsidies and countervailing measures, including fish subsidies, technical barriers to trade, sanitary and phytosanitary measures, regulatory coherence, customs and trade facilitation, import licensing, government procurement, anti-corruption, investment, competition, environment, and labor. In addition, E&C assists USTR and the Department of State in the negotiation of bilateral investment treaties and Free Trade Agreement (FTA) investment chapters. E&C also actively supports implementation of WTO and FTA trade and investment agreements, including through participating in the relevant WTO or FTA Committees and other bilateral or regional policy dialogues covering these agreement provisions. E&C is also actively involved, along with other ITA business units, in regional and bilateral trade negotiations, such as TPP and TTIP. In these negotiations, E&C staff help strengthen the trade and investment “rules of the road” so that U.S. exporters and investors face a more level playing field in international trade. E&C experts offer technical knowledge and detailed expertise regarding both the strengths and weaknesses of existing international trade and investment rules and implementation of agreement provisions in order to achieve more effective agreements and enhanced market access.

Outreach and Petition Counseling. E&C staff conduct outreach to U.S. businesses, workers, and trade associations to raise awareness of trade remedy laws and of ITA resources available to address foreign government-imposed barriers to trade. E&C experts, using their knowledge in trade remedy petitions and cases as well as of international trade agreement obligations, counsel U.S. companies, industries, and workers that express interest in seeking relief from unfairly traded imports or barriers to foreign market access. Staff members assist clients in drafting petitions by providing guidance documents, reviewing draft petitions, investigating trade barrier complaints, and maintaining a website and hotline designed to educate the public about trade remedy laws and international trade agreements.

E&C continues to expand its outreach efforts to U.S. industries and workers, particularly SMEs that may be unfamiliar with the remedies and rights available under trade laws or international trade agreements and who may be unable to afford legal or other appropriate assistance. In FY 2014, 318 petition counseling sessions were conducted with a wide variety of firms. In the same period, more than 35 trade barrier cases involving international trade agreements were initiated.

Enforcement Efforts to Address Foreign Trade Barriers and Unfair Trade Practices

- Trade Agreements Compliance Program. E&C works closely with other ITA programs to monitor foreign governments' implementation of international trade agreements signed with the U.S. to identify compliance problems. Working directly with U.S. businesses and trade associations, other DOC units, and U.S. embassies, E&C investigates potential failures by foreign governments to implement and adhere fully to trade agreements. Once a foreign government-imposed trade barrier is identified, a case is initiated and a team of experts is formed to reduce or eliminate the barrier, thus opening markets and reinstating the benefit of the trade agreement for American workers and firms. E&C also works with the USTR Monitoring and Enforcement Unit, which includes representing ITA on USTR task forces, to prioritize potential dispute settlement issues for interagency consideration and to develop cases for formal dispute settlement through the WTO, free trade agreement, or other dispute resolution mechanisms. E&C works with other ITA units to monitor whether existing agreement obligations are sufficient to open foreign markets or to ensure the anticipated U.S. industry access to these markets.
- Subsidies Enforcement. E&C staff implement an active subsidies enforcement program that provides monitoring, analysis, counseling, and advocacy services to U.S. parties harmed by unfair foreign government subsidization and related practices. As directed by law, these activities involve coordinating U.S. CVD and multilateral subsidies enforcement efforts; assisting the private sector by monitoring and identifying foreign subsidies that can be remedied under U.S. law and the WTO Subsidies Agreement; and producing an annual report to Congress on the Administration's subsidy monitoring and enforcement activities. The subsidies enforcement staff has identified and is currently evaluating over 1,020 foreign subsidies and government support practices, the largest portion of which relate to China. This staff works closely with USTR to coordinate the U.S. Government's response to foreign CVD investigations brought against U.S. exports, involving outreach to all relevant Federal, state, and local government agencies that administer alleged U.S. subsidy programs.
- Foreign Trade Remedy Compliance. E&C tracks other countries' use of trade remedies, including AD and safeguard laws, and provides assistance to U.S. companies facing potential obstacles in accessing export markets due to foreign trade remedy cases. E&C works with many U.S. companies targeted by other countries' trade remedy actions, including engaging the foreign governments when circumstances warrant and, if necessary, assisting USTR in addressing such problems at the WTO. Since 2001, over 160 companies, employing over 1.6 million U.S. workers have been assisted by E&C in such cases. These advocacy efforts helped bring about the successful termination of 10 of these types of measures in 2014, keeping open over \$6 billion in U.S. export markets.
- Interagency Trade Enforcement Center (ITEC). ITEC enhances the Administration's capabilities to aggressively challenge unfair trade practices and trade barriers around the world, including in China, by using a "whole -of -government" approach to identify and address barriers and unfair practices. ITA's work with ITEC, led and coordinated by E&C, enhances these efforts and supports activities intended to promote a level playing field for American companies and workers. ITEC facilitates the achievement of these and other related goals by leveraging resources and expertise from across the broad expanse of the Federal government. The coordinated use of those resources brings a sharper emphasis to the development and execution of trade enforcement actions, thereby advancing U.S. foreign policy and the national and economic security of the United States.

ITA works closely with ITEC to identify issues and develop information in several areas of strategic economic importance to U.S. industry and workers. ITA's expert staff bring unique, high-

value expertise to ITEC on a variety of issues, such as foreign government subsidies, trade remedies, and trade barriers. Various personnel hired under this initiative are also detailed to ITEC and/or assigned to pursue ITEC's program of work in order to provide foreign trade remedies and trade barrier expertise, as well as sophisticated understanding of foreign subsidy practices, to support WTO dispute settlement, as appropriate. Legal expertise supports USTR efforts in WTO dispute settlement. E&C representation on the ground in Geneva, Switzerland, and in Beijing, China, provides robust support for ITEC activities. ITA has established a liaison group of officials representing each of ITA's units. This group helps coordinate ITA's activities in support of ITEC and facilitates ITEC's research and development of strategic trade issues of concern to ITA through formal and informal issue referral.

Steel Import Monitoring and Analysis. E&C administers the Steel Import Monitoring and Analysis program, a web-based steel import licensing and monitoring program that provides government officials and the public with the earliest accurate information regarding imports of all basic steel mill products. As of September 30, 2014, more than 4 million import licenses have been issued by E&C's web-based system since its inception in March 2003.

SUB-PROGRAM: FOREIGN-TRADE ZONES

The Foreign Trade Zones (FTZ) sub-program helps encourage commercial activity at U.S. facilities in competition with foreign alternatives by allowing delayed or reduced duty payments on foreign merchandise, as well as other savings. FTZs help to reduce production, transaction, and logistics-related costs by lowering effective duty rates, allowing special entry procedures, and encouraging activity closer to market. Reducing costs through FTZ use can lead to more competitive U.S. operations, thereby helping to maintain U.S. commercial presence and jobs.

E&C's FTZ staff serves as the operational arm of the FTZ Board, an interagency body chaired by the Secretary of Commerce. The Board was established to license (through grants of authority) and regulate foreign trade zones under the FTZ Act of 1934 (19 USC 81) and the Board's regulations (15 CFR 400). The FTZ Board licenses public or public-type corporations to administer zones on a local level. Private corporations generally operate the zones under agreement with licensees. Each zone must publish a rate schedule and provide equal access to all companies seeking to use the zone. States and local communities use zones as an element of their economic development efforts. As of the end of 2014, there were 258 zones and over 550 subzones in the United States. In 2014, employment in U.S. foreign-trade zones and subzones exceeded 390,000 persons. The volume of exports leaving U.S. foreign-trade zones was \$79 billion in 2013.

FTZ Board action in FY 2014 included approvals for four new zone projects, 21 expansions or reorganizations of existing zones, and three new subzones. In addition, the Board issued decisions on 57 requests for manufacturing authority within existing zones and subzones. In reviewing new manufacturing applications in zones and subzones in terms of the public interest, the Board evaluates the net economic effect of the proposed operation, considering such factors as public policy, import penetration, export development, employment impact, and impact on domestic industry. In addition, the FTZ Act requires the FTZ Board to submit a report annually to Congress. The annual report provides information on the use of the program and summarizes FTZ operations for that year. E&C compiles information for the report directly from each zone through a web-based filing system. E&C monitors ongoing FTZ activity for compliance with applicable scope and FTZ Board grant restrictions. E&C is also involved in outreach to local communities to enhance awareness and understanding of the FTZ program as a tool in local economic development.

PROGRAM CHANGES FOR FY 2016:

Enhanced New Shipper and Fraud Enforcement (Base Funding: \$0 and 0 FTE; Program Change: +\$1.5 million and 7 FTE): E&C requests an increase of \$1,500,000 and 7 FTE to combat the fraudulent and evasive practices of certain exporters and importers through examination of the legitimacy of sales information submitted in antidumping (AD) and countervailing duty (CVD) "new shipper" reviews.

In recent years, resource constraints and a growing AD/CVD caseload have precluded E&C from conducting critical on-site verifications of information submitted by new shippers in reviews, thereby limiting the effectiveness of E&C's efforts to combat the actions of fraudulent exporters and further undermining the strength of domestic industries that seek relief through U.S. trade remedy laws. According to data from CBP, and based on the GAO's 2008 estimate of uncollected duties, the total amount of uncollected AD/CVD duties associated with importers purchasing from new shippers may well have climbed to \$920 million.

Upon conclusion of an AD/CVD investigation, if the Department issues an order, CBP is instructed to require from all importers of the dumped and/or unfairly-subsidized imports a cash deposit equal to the estimated dumping margins and/or subsidy rates. This process is designed to ensure that future duties are collected and entered into the general revenue of the U.S. Treasury. The exception to this cash deposit requirement applies to an exporter of subject merchandise referred to in the statute as a "new shipper." Importers of subject merchandise exported by a new shipper can post a bond in lieu of a cash deposits. New shippers are manufacturers/exporters which did not export the subject merchandise during the initial period of investigation and are not affiliated with any exporter which exported the subject merchandise. Under the statute, they may request that DOC conduct a review to establish the new shipper's own individual AD/CVD deposit rate.

Significant duty collection risk occurs where dishonest new shippers purposely make a one-time, high-priced commercial shipment to the U.S. to receive a low- or zero-percent AD/CVD deposit rate on subsequent shipments. After obtaining a lower rate, the new shipper may make high volumes of shipments at dumped or subsidized prices that represent an unfair advantage over other importers or domestic producers. In a substantial number of cases, most involving imports from China, these shipments are delivered at low, or no, deposit rates to importers who then fail to pay the often higher duties owed following E&C's review and duty assessment process. According to CBP, this problem has resulted in several hundreds of millions of dollars in lost duty revenues. Moreover, fraudulent new shipper practices undermine the relief from unfair foreign pricing and subsidization that is provided to U.S. industries by the AD/CVD laws.

E&C seeks the funding to significantly enhance its ability to identify and stop dishonest new shippers during AD/CVD reviews of the companies, before they can amass millions of dollars in uncollectible duties. Currently, because of resource constraints and the substantial number of AD/CVD investigations and administrative reviews it must conduct, E&C is unable to examine information submitted in new shipper reviews at a level that would consistently expose those companies whose intent it is to defraud the U.S. Government.

Instead, with its limited resources and without the benefit of on-site inspection and verification of that data, E&C can rely only on the legitimacy of pricing and other data submitted by new shippers in response to AD/CVD questionnaires in its analysis. Commerce's proposal seeks to provide the staff and funds necessary to fully and thoroughly examine information submitted in new shipper reviews through on-site verifications. Specifically, E&C proposes funding for nine new staff positions, eight to be employed in AD/CVD Enforcement Offices and committed to the thorough examination and verification of new shipper reviews and one employed as a liaison with CBP on new shipper fraud

issues. Funding would also help ensure on-site verification of information submitted by foreign exporters in new shipper reviews.

Bringing these new resources quickly to bear on the problems created by fraudulent new shippers will help prevent the loss of hundreds of millions in AD/CVD duty revenues to the U.S. Government and will serve our domestic manufacturers and their employees by working to address the flow of unfairly traded imports.

Interagency Trade Enforcement Center (ITEC) (Base Funding: \$9.0 million and 22 FTE; Program Change: +\$6.0 million and 11 FTE): ITA requests an increase of \$6,000,000 and 11 FTE. ITEC serves as the primary forum within the Federal government for executive departments and agencies to coordinate enforcement of U.S. trade rights under international trade agreements and domestic trade laws, in a manner consistent with existing regulatory and statutory authorities. ITEC brings a unique “whole of government” approach to addressing unfair trade practices and strengthening U.S. trade enforcement capacity.

To date, ITEC’s work has consisted largely of research and analysis, including helping in the development of recent WTO and FTA disputes and tracking foreign compliance with several previous WTO “wins.” ITEC has also supported WTO committee work, including providing research for counter-notifications of Chinese subsidies measures and Chinese state trading enterprises. The funding increase will build on this work by providing new personnel for detail to the ITEC and/or assigned to pursue the ITEC’s specialized and expanding program of work to research, analyze, and address a range of foreign barriers and practices of a priority nature. Additional resources will also support hiring additional language-proficient trade analysts and subject matter experts. ITEC will also be able to expand its use of data resources, provide translations that are key to understanding our trading partners’ practices, and supplement, as needed, its in-house market research capabilities with expert staff contracted within the U.S. or abroad to undertake specialized work in particular areas or for particular projects on a time-limited basis. With these resources ITEC will further develop and grow its ability to identify and, through the interagency process, address foreign trade practices and barriers of potential harm to U.S. commercial interests.

Absorption of Costs to Meet Fiscal Targets (Base Funding: \$74.5 million and 330 FTE; Program Change: -\$1.3 million and 0 FTE): In order to meet overall funding targets for the organization, ITA is proposing to fund \$1.3 million of estimated FY 2016 pay and non-pay inflation costs with unobligated balances projected to be brought forward into FY 2016. Use of unobligated balances to offset inflationary growth will not impact staffing or services levels in FY 2016.

Performance Goals and Measurement Data:

Performance Measure:	FY	FY	FY	FY	FY	FY	FY
Percent of AD/CVD determinations issued within statutory and/or regulatory deadlines	2013	2014	2015	2016	2017	2018	2019
	Actual	Actual	Target	Target	Target	Target	Target
With Change	96%	92%	91%	91%	91%	91%	91%
Without Change	96%	92%	91%	91%	91%	91%	91%
Description: This measure captures the timely completion of all AD/CVD determinations associated with on-going investigations, reviews (including administrative, new shipper and changed circumstance reviews), and scope and circumvention inquiries conducted pursuant to U.S. laws and regulations. The measure will increase certainty within the trade community as to which importers will be liable for the payment of antidumping and/or countervailing duties, the amount of the potential duties owed, and when those duties will be collected. It will also signal to domestic producers the level of potential relief provided to offset the unfair trading practices of foreign producers/exporters and governments.							

DRAFT Performance Measure:	FY	FY	FY	FY	FY	FY	FY
Percent of new shipper questionnaire responses verified	2013	2014	2015	2016	2017	2018	2019
	Actual	Actual	Target	Target	Target	Target	Target
With Change	N/A	N/A	N/A	75%	85%	90%	90%
Without Change	N/A	N/A	N/A	0%	0%	0%	0%
Description: This measure captures the percentage of new shipper questionnaire responses verified by AD/CVD Operations. On-site verification of information submitted by new shippers is critical to combat the actions of fraudulent exporters and to ensure the accuracy of the information considered by DOC when assigning to new shippers individual cash deposit rates.							

Performance Measure:	FY	FY	FY	FY	FY	FY	FY
Percent of antidumping and countervailing duty cash deposit and liquidation instructions issued accurately to U.S. Customs & Border Protection (CBP)	2013	2014	2015	2016	2017	2018	2019
	Actual	Actual	Target	Target	Target	Target	Target
With Change	N/A	97%	86%	86%	86%	86%	86%
Without Change	N/A	97%	86%	86%	86%	86%	86%
Description: This measure captures the accuracy of cash deposit and liquidation instructions issued by E&C to CBP to ensure collection of appropriate and accurate duties for merchandise subject to antidumping and countervailing duty proceedings.							

Performance Measure:	FY	FY	FY	FY	FY	FY	FY
Percent of antidumping and countervailing duty cash deposit and liquidation instructions issued timely to U.S. Customs & Border Protection (CBP)	2013	2014	2015	2016	2017	2018	2019
	Actual	Actual	Target	Target	Target	Target	Target
With Change	N/A	93%	88%	88%	88%	88%	88%
Without Change	N/A	93%	88%	88%	88%	88%	88%
Description: This measure captures the timeliness of cash deposit and liquidation instructions issued by E&C to CBP to ensure collection of appropriate duties for merchandise subject to antidumping and countervailing duty proceedings.							

Performance Measure:	FY	FY	FY	FY	FY	FY	FY
Percent of identified foreign trade remedy proceedings affecting and of interest to U.S. parties that are addressed through informal/formal intervention or dispute settlement	2013	2014	2015	2016	2017	2018	2019
	Actual	Actual	Target	Target	Target	Target	Target
With Change	95%	93%	90%	90%	90%	90%	90%
Without Change	95%	93%	90%	90%	90%	90%	90%
Description: This measure reports on E&C's success in addressing trade remedy actions undertaken by foreign governments including countervailing duty, antidumping, and safeguard proceedings involving U.S. interests. The misuse of trade remedy actions by foreign administering authorities can limit or entirely eliminate market opportunities for U.S. exports. E&C's advocacy as reflected by this measure helps to ensure that U.S. companies are given fair treatment under national trade remedy laws and international agreements.							

Performance Measure:	FY	FY	FY	FY	FY	FY	FY
Number of AD/CVD petition counseling sessions	2013	2014	2015	2016	2017	2018	2019
	Actual	Actual	Target	Target	Target	Target	Target
With Change	new	new	new	230	230	230	230
Without Change	new	new	new	230	230	230	230
Description: As of FY 2016 we are implementing a new measure that will capture all E&C petition counseling assistance to U.S. companies and their workers, including counseling resulting from contacts initiated by companies or their workers and E&C outreach to U.S. companies. Such counseling improves all companies' understanding of and access to the U.S. unfair trade laws dealing with injurious dumping and foreign government subsidies that can impede the competitiveness of U.S. companies and workers. After discussions with E&C's Petition Counseling and Analysis Unit, whether a U.S. industry ultimately files an AD or CVD petition or pursues other options, is a complex decision each party makes after considering the resources involved in participating in the AD or CVD process.							

Performance Measure:	FY	FY	FY	FY	FY	FY	FY
Percent of identified unfair trade practices affecting U.S. parties addressed through informal/formal intervention or dispute settlement	2013	2014	2015	2016	2017	2018	2019
	Actual	Actual	Target	Target	Target	Target	Target
With Change	25%	23%	22%	22%	22%	22%	22%
Without Change	25%	23%	22%	22%	22%	22%	22%
Description: This measure records E&C efforts regarding subsidies-related unfair foreign trade practices (UTPs) that may harm the interests of U.S. industries in the U.S. and international markets that are addressed through bilateral, WTO (World Trade Organization), or other multilateral consultations or negotiations. Performance of the measure depends to a significant extent on WTO-related avenues for addressing UTPs, and, therefore, can fluctuate according to WTO activity cycles. Some key venues in the WTO for addressing UTPs include the Subsidies Committee, the Trade Policy Reviews, and Accession negotiations – the scheduling for which is determined by the WTO Secretariat. UTPs are also often addressed through discussions that take place on the margins of these more formal meetings or in other bilateral context.							

Performance Measure:	FY	FY	FY	FY	FY	FY	FY
Percentage of FTZ Board authorizations completed in advance of regulatory timeframes	2013	2014	2015	2016	2017	2018	2019
	Actual	Actual	Target	Target	Target	Target	Target
With Change	89%	96%	92%	92%	92%	92%	92%
Without Change	89%	96%	92%	92%	92%	92%	92%
Description: This measure captures E&C's ability to respond to the trade community and assess new applications, which expand the physical boundary or scope of manufacturing activity occurring within approved zones space. FTZs can provide customs and logistical savings to help encourage activity in the U.S. in competition with facilities abroad.							

Performance Measure:	FY	FY	FY	FY	FY	FY	FY
Number of trade agreement compliance cases resolved successfully	2013	2014	2015	2016	2017	2018	2019
	Actual	Actual	Target	Target	Target	Target	Target
With Change	39	20	32	33	34	35	36
Without Change	39	20	32	33	34	35	36
Description: This measure provides the number of successful case conclusions (usually barriers removed) in trade agreements compliance cases, i.e., agreement relevant cases where E&C staff are the responsible Issue Experts. The measure tends to fluctuate over time as the outcome is dependent on the actions by sovereign nations.							

Performance Measure:	FY	FY	FY	FY	FY	FY	FY
Percentage of compliance and market access cases initiated that are reviewed for Agreement Relevancy within the established time frame	2013	2014	2015	2016	2017	2018	2019
	Actual	Actual	Target	Target	Target	Target	Target
With Change	89%	96%	90%	90%	90%	90%	90%
Without Change	89%	96%	90%	90%	90%	90%	90%
<p>Description: This measure captures the timely analysis and determination of whether a compliance and market access (C&MA) case is subject to a Relevant Agreement for cases in which E&C staff are responsible Issue Experts. E&C Issue Experts have 10 business days to examine a possible trade barrier, comparing it with any trade agreement obligation and determining if an agreement is “relevant” to helping solve the case. Making this determination is an important basis for forming an Action Plan, since it may or may not provide leverage to help carry out the plan. This determination also dictates if the trade barrier will be termed a “compliance” case. Cases for which the agreement expert has reviewed the facts obtained and has determined that sufficient information is not yet available, are marked pending while additional information is being obtained, extending the initial 10-day period for examination.</p>							

PROGRAM CHANGE PERSONNEL DETAIL
(Dollars in thousands)

Budget Program: Enforcement and Compliance
Sub-program: DAS for Policy and Negotiations
Program Change: Interagency Trade Enforcement Center (ITEC)

Title:	Location	Grade	Number of Positions	Annual Salary	Total Salaries
Senior Trade Enforcement Analysts	Washington, D.C.	GS-15	2	\$ 141,660	\$ 283,320
Senior Trade Enforcement Analysts	Washington, D.C.	GS-14	8	\$ 120,429	\$ 963,432
Trade Enforcement Analysts	Washington, D.C.	GS-13	5	\$ 101,914	\$ 509,570
Subtotal			<u>15</u>		<u>\$ 1,756,322</u>
Less Lapse	25%		<u>(4)</u>		<u>\$ (439,081)</u>
Total Full-time permanent:			11		\$ 1,317,241
2015 Pay Adjustment	1.0%				\$ 13,818
2016 Pay Adjustment	1.3%				<u>\$ 17,304</u>
Subtotal			11		<u>\$ 1,348,363</u>
Total					\$ 1,348,363

Personnel Data

Full-time Equivalent Employment	
Full-time permanent	11
Other than full-time permanent	<u>0</u>
Total	11

Authorized Positions:	
Full-time permanent	15
Other than full-time permanent	<u>0</u>
Total	15

PROGRAM CHANGE PERSONNEL DETAIL
(Dollars in thousands)

Budget Program: Enforcement and Compliance
Sub-program: DAS for Operations
Program Change: Enhanced New Shipper and Fraud Enforcement

Title:	Location	Grade	Number of Positions	Annual Salary	Total Salaries
International Trade Specialists	Washington, D.C.	GS-11	9	\$ 71,504	\$ 643,536
Subtotal			<u>9</u>		<u>\$ 643,536</u>
Less Lapse	25%		<u>(2)</u>		<u>\$ (160,884)</u>
Total Full-time permanent:			7		\$ 482,652
2015 Pay Adjustment	1.0%				\$ 5,063
2016 Pay Adjustment	1.3%				<u>\$ 6,340</u>
Subtotal			7		<u>\$ 494,055</u>
Total					<u>\$ 494,055</u>

Personnel Data

Full-time Equivalent Employment
 Full-time permanent
 Other than full-time permanent
Total

7
<u>0</u>
7

Authorized Positions:
 Full-time permanent
 Other than full-time permanent
Total

9
<u>0</u>
9

PROGRAM CHANGE DETAIL BY OBJECT CLASS
(Dollar amounts in thousands)

Budget Program: Enforcement and Compliance
Sub-program: DAS for Policy and Negotiations
Program Change: Interagency Trade Enforcement Center (ITEC)

Object Class		FY 2016 Increase
11	Personnel compensation	
11.1	Full-time permanent	\$1,348
11.3	Other than full-time permanent	0
11.5	Other personnel compensation	0
11.8	Special personnel services payments	0
11.9	Total personnel compensation	<u>1,348</u>
12	Civilian personnel benefits	475
13	Benefits for former personnel	0
21	Travel and transportation of persons	428
22	Transportation of things	11
23.1	Rental payments to GSA	160
23.2	Rental Payments to others	0
23.3	Communications, utilities and miscellaneous charges	9
24	Printing and reproduction	9
25.1	Advisory and assistance services	1,434
25.2	Other services	75
25.3	Purchases of goods & services from Gov't accounts	1,792
25.4	Operation and maintenance of facilities	0
25.5	Research and development contracts	0
25.6	Medical care	0
25.7	Operation and maintenance of equipment	0
25.8	Subsistence and support of persons	0
26	Supplies and materials	50
31	Equipment	209
32	Lands and structures	0
33	Investments and loans	0
41	Grants, subsidies and contributions	0
42	Insurance claims and indemnities	0
43	Interest and dividends	0
44	Refunds	0
99	Total obligations	<u>6,000</u>

PROGRAM CHANGE DETAIL BY OBJECT CLASS
(Dollar amounts in thousands)

Budget Program: Enforcement and Compliance
Sub-program: DAS for Operations
Program Change: Enhanced New Shipper and Fraud Enforcement

Object Class	FY 2016 Increase
11 Personnel compensation	
11.1 Full-time permanent	\$494
11.3 Other than full-time permanent	0
11.5 Other personnel compensation	0
11.8 Special personnel services payments	0
11.9 Total personnel compensation	<u>494</u>
12 Civilian personnel benefits	174
13 Benefits for former personnel	0
21 Travel and transportation of persons	228
22 Transportation of things	7
23.1 Rental payments to GSA	86
23.2 Rental Payments to others	0
23.3 Communications, utilities and miscellaneous charges	11
24 Printing and reproduction	6
25.1 Advisory and assistance services	149
25.2 Other services	116
25.3 Purchases of goods & services from Gov't accounts	186
25.4 Operation and maintenance of facilities	0
25.5 Research and development contracts	0
25.6 Medical care	0
25.7 Operation and maintenance of equipment	0
25.8 Subsistence and support of persons	0
26 Supplies and materials	14
31 Equipment	29
32 Lands and structures	0
33 Investments and loans	0
41 Grants, subsidies and contributions	0
42 Insurance claims and indemnities	0
43 Interest and dividends	0
44 Refunds	0
99 Total obligations	<u>1,500</u>

PROGRAM CHANGE DETAIL BY OBJECT CLASS
(Dollar amounts in thousands)

Budget Program: Enforcement and Compliance
Sub-program: Enforcement and Compliance
Program Change: Absorption of Costs to Meet Fiscal Targets

Object Class		FY 2016 Decrease
11	Personnel compensation	
11.1	Full-time permanent	(\$279)
11.3	Other than full-time permanent	0
11.5	Other personnel compensation	0
11.8	Special personnel services payments	0
11.9	Total personnel compensation	<u>(279)</u>
12	Civilian personnel benefits	(1)
13	Benefits for former personnel	0
21	Travel and transportation of persons	(10)
22	Transportation of things	0
23.1	Rental payments to GSA	0
23.2	Rental Payments to others	0
23.3	Communications, utilities and miscellaneous charges	0
24	Printing and reproduction	0
25.1	Advisory and assistance services	(420)
25.2	Other services	(197)
25.3	Purchases of goods & services from Gov't accounts	(346)
25.4	Operation and maintenance of facilities	0
25.5	Research and development contracts	(2)
25.6	Medical care	(1)
25.7	Operation and maintenance of equipment	0
25.8	Subsistence and support of persons	0
26	Supplies and materials	0
31	Equipment	0
32	Lands and structures	0
33	Investments and loans	0
41	Grants, subsidies and contributions	0
42	Insurance claims and indemnities	0
43	Interest and dividends	0
44	Refunds	0
99	Total obligations	<u>(1,256)</u>

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Department of Commerce
International Trade Administration
Operations and Administration
PROGRAM AND PERFORMANCE - DIRECT OBLIGATIONS
(Dollar amounts in thousands)

Activity: Subactivity:	Program	2014 Actual		2015 Currently Available		2016 Base		2016 Estimate		Increase/ (Decrease)	
		Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount		
International Trade Administration Global Markets											
	Increase opportunities for U.S. companies by opening markets globally										
		Pos./BA	0	0	0	0	0	0	0	0	
		FTE/Obl.	0	0	0	0	0	0	0	0	
	Increase U.S. exports by broadening and deepening the U.S. exporter base										
		Pos./BA	1,267	304,988	1,269	301,788	1,269	319,766	1,269	314,429	0
		FTE/Obl.	1,008	305,935	1,087	314,142	1,087	325,103	1,087	319,766	0
	Increase high-impact inward foreign direct investment in the United States										
		Pos./BA	24	7,000	26	10,000	26	10,000	38	20,000	12
		FTE/Obl.	13	4,749	22	10,000	26	10,000	35	20,000	9
	Strengthen fair competition in international trade for U.S. firms and workers by addressing and resolving foreign unfair trade practices and enforcing international trade agreements										
		Pos./BA	0	0	0	0	0	0	0	0	0
		FTE/Obl.	0	0	0	0	0	0	0	0	0
Total		Pos./BA	1,291	311,988	1,295	311,788	1,295	329,766	1,307	334,429	12
		FTE/Obl.	1,021	310,684	1,109	324,142	1,113	335,103	1,122	339,766	9

Note: In order to simplify the budget presentation, prior year obligations in program activities eliminated as the result of the FY 2014 ITA reorganization are being displayed in the new program structure.

**Department of Commerce
International Trade Administration
Operations and Administration
PROGRAM AND PERFORMANCE: REIMBURSABLE OBLIGATIONS**
(Dollar amounts in thousands)

Activity: Subactivity:	International Trade Administration Global Markets	DOC Objective	2014 Actual		2015 Currently Available		2016 Base		2016 Estimate		Increase/ (Decrease)
			Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount	
		Increase opportunities for U.S. companies by opening markets globally	0	0	0	0	0	0	0	0	0
		FTE/Obl.	0	0	0	0	0	0	0	0	0
		Increase U.S. exports by broadening and deepening the U.S. exporter base	36	22,145	36	23,929	36	23,929	36	23,929	0
		FTE/Obl.	21	22,145	36	23,929	36	23,929	36	23,929	0
		Increase high-impact inward foreign direct investment in the United States	0	0	0	0	0	0	0	0	0
		FTE/Obl.	0	0	0	0	0	0	0	0	0
		Strengthen fair competition in international trade for U.S. firms and workers by addressing and resolving foreign unfair trade practices and enforcing international trade agreements	0	0	0	0	0	0	0	0	0
		FTE/Obl.	0	0	0	0	0	0	0	0	0
Total			36	22,145	36	23,929	36	23,929	36	23,929	0
		Pos./BA	21	22,145	36	23,929	36	23,929	36	23,929	0
		FTE/Obl.									

Note: In order to simplify the budget presentation, prior year obligations in program activities eliminated as the result of the FY 2014 ITA reorganization are being displayed in the new program structure.

APPROPRIATION ACCOUNT: OPERATIONS AND ADMINISTRATION

BUDGET PROGRAM: GLOBAL MARKETS

For FY 2016, ITA requests a total of \$334,429,000 and 1,122 FTE for Global Markets (including inflationary adjustments). This request includes 2 program changes that combine to a net increase of \$4,663,000 and 9 FTE.

BASE JUSTIFICATION:

Global Markets Overview

Global Markets (GM) combines ITA's country/regional experts, overseas and domestic field staff, and certain trade promotion programs to support American jobs and competitiveness. This is accomplished by promoting U.S. exports, expanding market access for U.S. businesses, advancing U.S. commercial interests abroad, and facilitating inward U.S. investment. The Global Markets unit:

- Advances U.S. commercial interests by engaging foreign governments and businesses, identifying and resolving country-specific market barriers, and leading interagency efforts to advocate for U.S. firms;
- Expands U.S. exports by developing and implementing policies and programs to increase U.S. access to, and presence in, foreign markets;
- Provides market contacts, knowledge, opportunities, and customized client-driven solutions to U.S. firms, especially SMEs; and,
- Expands inward investment into the U.S. by promoting the U.S. as a prime investment destination.

GM will accomplish this through the following services:

- **Export Counseling** – GM staff guide U.S. companies through the export process from beginning to end on topics including how to develop new international sales, compliance with applicable laws and regulations, fulfilling documentation requirements, and overcoming trade problems in a given market;
- **Market Intelligence and Planning** – GM assists U.S. companies in identifying target markets and business opportunities and developing effective market entry and expansion strategies;
- **Matchmaking and Contacts** – GM promotes exports of U.S. goods and services around the world through trade shows, customized promotional events, online resources, and other media. GM provides customized services to help U.S. companies identify and engage prospective partners, agents, distributors, and customers;
- **Market Development Programs** – GM advances U.S. strategic commercial interests by fostering pro-growth trade policies that help expand access and opportunities for U.S. companies in foreign markets ;
- **Foreign Government Access and Advocacy** – GM initiates government action to systematically help U.S. businesses overcome market access barriers and unfair legal and regulatory issues. GM also coordinates USG efforts to ensure that foreign government procurements are based on full and fair evaluation of the commercial and technical merits of all offers;

- **Interagency Market Access Strategies** – Using a variety of tools and techniques from direct bilateral discussions to formal consultative mechanisms, GM coordinates Federal efforts to implement country and regional market access strategies for addressing broad market access barriers that keep U.S. exports out of foreign markets; and,
- **SelectUSA** – GM promotes the strength of the U.S. as an investment location and provides clients (e.g., foreign investors, state economic development organizations) with information, counseling, and advocacy/ombudsman assistance.

GM provides assistance to U.S. companies, foreign buyers, and inward investment clients through its web presence (www.trade.gov), public and private partnerships, and a global network of more than 1,500 global trade and investment experts and diplomatic staff in over 100 domestic and over 100 international offices, as well as in Washington, DC.

GM is organized into four sub-programs under the Operations and Administration appropriation:

- International Field
- U.S. Field
- Advocacy Center
- SelectUSA

INFLATIONARY ADJUSTMENTS:

ITA requests a net increase of 4 FTE and \$18.0 million to fund inflationary adjustments to current programs for GM activities. The figure reflects an increase to fund the estimated 2016 Federal pay raise of 1.3 percent as well as inflationary increases for non-labor activities, including service contracts, payments to the Department of State for Capital Security Cost-Sharing Program (CSCSP) and International Cooperative Administrative Support Services (ICASS) costs associated with ITA's overseas posts, utilities, the Department of Commerce Working Capital Fund and rent charges from the General Service Administration (GSA). These inflationary adjustments are critical if Global Markets is to maintain their staffing levels and level of performance.

SUB-PROGRAM: INTERNATIONAL FIELD

The International Field program includes Foreign Service Officers (FSOs) and Locally-Employed Staff (LES) located in markets of U.S. commercial significance worldwide and headquarters-based country and regional experts. These staff advance U.S. commercial interests, identify opportunities for U.S. exports, clarify local regulations and standards, resolve disputes with foreign local government officials, and counsel companies on the best strategies to succeed in overseas markets.

The program assists companies of all sizes to identify target markets for entry or expansion and develop effective strategies to succeed in those markets. This includes bringing foreign buyers and U.S. companies together through business matchmaking services, promotional support and representation at trade shows and fairs, trade events, product launches, and technical seminars. Program staff also conduct advocacy on behalf of U.S. firms, providing official support for U.S. companies bidding on government contracts in overseas markets. Staff also help U.S. companies find new foreign buyers, partners, or distributors resulting from rapid economic development, rising middle classes, and consumer expansion in key emerging markets such as India, China, and Brazil.

GM collaborates with U.S. businesses and trade associations, other DOC units, and U.S. embassies, to investigate transactional problems or market access barriers that could disrupt a U.S. company's

access to foreign markets. GM specialists work to resolve trade problems before companies have to resort to lengthy, formal dispute settlement procedures. The country and regional experts in GM provide technical knowledge and detailed country and issue expertise needed for addressing and resolving trade issues through formal and informal bilateral and regional discussions. GM analyzes market barriers, develops detailed data and information related to technical problems and obstacles, and conducts economic and commercial analyses necessary for U.S. business clients, as well as supports successful negotiation of trade agreements.

GM's regional units initiate a variety of public-private programs to promote pro-growth policies in foreign markets and pre-empt potential trade barriers. GM operates such programs through government-to-government and public/private dialogues seeking to improve the overall level of U.S. trade. These activities support increasing exports and building a stronger, market-oriented economic system in these areas of the world, which contributes to U.S. economic goals and global stability.

GM targets services to SMEs that lack resources to determine their rights under U.S. trade agreements or to resolve market access barriers on their own. GM recognizes that many U.S. firms, especially SMEs, may not be aware of their rights, obligations, and opportunities in foreign markets, nor are they aware of the assistance the ITA can provide in resolving trade problems. The International Field, working with the U.S. Field, continues to pursue an outreach program to U.S. businesses and industry associations across the country.

In addition, GM provides market research and services to the more than 300,000 U.S. exporters, to expand U.S. business opportunities in core market areas. GM uses local experts who identify market trends and opportunities as they develop, communicate that market intelligence to the U.S. business community, and provide targeted services so that more U.S. companies can find local partners/distributors and buyers for their exports in important markets. Key regional initiatives include a focus on Asia and Sub-Saharan Africa. GM will continue the requisite support domestically and abroad to expand and maintain its overseas presence. These actions aim to help U.S. exporters capture opportunities in important and growing markets.

SUB-PROGRAM: U.S. FIELD

The U.S. Field program includes a network of 108 U.S. Export Assistance Centers (USEACs) that focus primarily on the exporting needs of SMEs. Working alongside the International Field, U.S. Field trade specialists help identify opportunities for U.S. exporters, clarify foreign regulations and standards, provide support to clients who have business disputes abroad or encounter foreign market barriers, and counsel U.S. companies on the best strategies to succeed in overseas markets. The U.S. Field also plays a primary role in educating U.S. firms, especially SMEs, that may not be aware of their rights, obligations, and opportunities in foreign markets or of the assistance ITA can provide in resolving their trade problems. Working with other ITA programs, the U.S. Field organizes educational outreach programs to U.S. businesses and industry associations across the country.

Unlike large corporations, most U.S. SMEs do not possess internal international business expertise in critically important functional areas, such as marketing, global logistics, international strategy development, international taxation, and trade finance. Working with Trade Promotion Coordinating Committee (TPCC) partners, the U.S. Field's international trade specialists fill this gap, enabling SMEs to compete more effectively in the global marketplace. Staff help U.S. exporters develop international marketing strategies, find partners, and overcome a range of hurdles to exporting.

Since 58 percent of U.S. exporters ship to only one market, there is considerable potential for increased U.S. exports if these companies consider selling goods and services to additional markets.

Through market research, business matchmaking, and counseling, GM helps lower the fixed costs many exporters face when moving to additional markets. GM works collaboratively with the Small Business Administration (SBA) to serve SMEs. GM focuses on assisting New-to-Market (NTM) firms expand to new overseas markets and refers New-to-Export (NTE) firms to SBA for follow-up..

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SUB-PROGRAM: ADVOCACY CENTER

The Advocacy Center coordinates Federal resources and authority to help level the playing field on behalf of U.S. business interests as they compete against foreign firms for specific foreign government contracts. In doing so, the Advocacy Center helps support and retain U.S. jobs through exports and is an essential element in the success of GM initiatives. GM overseas staff provide counseling to companies on advocacy; perform and coordinate advocacy efforts overseas; and, provides key market intelligence that guides national interest determinations and advocacy campaigns. GM domestic staff provide outreach to clients and counsel companies on advocacy services.

In 2012, the Advocacy Center was given authority through Executive Order 13630 to call upon the resources of participants of the Interagency Task Force on Commercial Advocacy to carry out its duties internationally. The Advocacy Center was designated as the primary interagency coordinator across 14 different agencies to execute a “whole of government” approach to help U.S. exporters win business overseas.

Advocacy services include:

- Assessing advocacy requests, including formulating national interest determinations;
- Providing and facilitating government-to-government advocacy by overseas staff, U.S. Ambassadors, and senior Federal officials;
- Coordinating with other trade-related agencies (e.g., Department of State, USTR, Export-Import Bank, Overseas Private Investment Corporation, and the Trade Development Agency) to ensure coordinated U.S. Government advocacy on projects, including working with trade finance agencies to help U.S. companies successfully bid on major projects; and
- Assisting U.S. companies that are seeking business with Multilateral Development Banks (MDBs), including coordinating and leveraging Federal, MDB, and other resources to expand outreach; enhancing access; and leveling the playing field on behalf of U.S. business, thereby helping U.S. business win contracts and secure financing, increasing U.S. market share in developing countries, and expanding the national contribution to global economic development.

SUB-PROGRAM: SELECTUSA

Foreign direct investment (FDI) plays a vital role in supporting U.S. jobs and helping to bolster U.S. export competitiveness. U.S. subsidiaries of foreign-owned firms accounted for more than one-fifth of all U.S. goods exported in 2012. In the same year, these subsidiaries spent \$48 billion in U.S. research and development and employed approximately 5.8 million U.S. workers, with an average compensation of \$78,900.

Since its creation in 2011, SelectUSA has assisted hundreds of U.S. economic development organizations (EDOs) and foreign firms, facilitating more than \$18 billion in FDI and creating and/or retaining thousands of U.S. jobs. In addition, SelectUSA works with U.S. companies to locate manufacturing or service activities back into the U.S. (i.e. “re-shoring”).

SelectUSA coordinates investment-related resources across more than 20 Federal agencies and operates as a complement to state and local economic development efforts to promote the U.S. as the best market for investment in the world, as well as addressing business climate concerns that may impede investment. SelectUSA serves as an information clearinghouse for the global investment community, serves as an ombudsman for investors, and advocates for U.S. cities, states, and regions.

SelectUSA provides information on the benefits of establishing operations in the U.S., as well as information needed to move investments forward, including Federal programs and services available to the investment community. Through the Interagency Investment Working Group, SelectUSA coordinates Federal agencies to address investor concerns relating to a wide range of Federal regulatory issues – helping investors navigate an unfamiliar system.

SelectUSA also works closely with EDOs at the state, regional, and local levels to provide counseling on strategy and best practices. SelectUSA can leverage resources from across the U.S. Commercial Service network in over 70 international markets to connect EDOs with information and on-the-ground assistance through promotional events and investment missions that bring EDOs and investors face to face. When U.S. state and local governments find themselves competing with a foreign location for a project, SelectUSA coordinates the advocacy of senior U.S. government officials on behalf of the U.S. location in order to bring jobs to the U.S. This is done with strict geographical neutrality; SelectUSA does not promote one U.S. location over another.

The SelectUSA program also leverages the resources of GM's International Operations and the U.S. Department of State around the world to deliver on its mission of promoting inward investment in the United States. With the cooperation of U.S. commercial and economic teams overseas, coordinated, global teams actively work with current and potential investors, EDOs, service providers, foreign governments, and multiplier organizations to facilitate FDI and create U.S. jobs...

PROGRAM CHANGES FOR FY 2016:

SelectUSA (Base Funding: \$10.0 million and 26 FTE; Program Change: \$10.0 million and 9 FTE): ITA is requesting an increase of 9 FTE and \$10,000,000 to further implement the SelectUSA program. SelectUSA promotes and facilitates business investment in the United States to create jobs and spur economic growth through a coordinated Federal government-wide effort. Dedicated SelectUSA personnel facilitate the creation of “Investment Promotion Teams” that target high-impact, high-growth businesses wishing to invest, expand, or return to the United States. Increased funding will enable SelectUSA to deploy additional investment education and counseling, ombudsman regulatory assistance, and advocacy services to more than 20 markets. Finally, increased funding

will provide new information technology capabilities to aggregate, analyze, and communicate data and information generated at the Federal, state, and local levels.

Absorption of Costs to Meet Fiscal Targets (Base Funding: \$329.8 million and 1,113 FTE; Program Change: -\$5.3 million and 0 FTE): In order to meet overall funding targets for the organization, ITA is proposing to fund \$5.3 million of estimated FY 2016 pay and non-pay inflation costs with unobligated balances projected to be brought forward into FY 2016. Use of unobligated balances to offset inflationary growth will not impact staffing or services levels in FY 2016.

PERFORMANCE GOALS AND MEASUREMENT DATA:

Performance Measure:	FY	FY	FY	FY	FY	FY	FY
Percentage of GM clients that achieved their export objectives with GM assistance	2013	2014	2015	2016	2017	2018	2019
	Actual	Actual	Target	Target	Target	Target	Target
With Change	66%	73%	71%	71%	71%	71%	71%
Without Change	66%	73%	71%	71%	71%	71%	71%
Description: This measure evaluates Global Markets’ effectiveness in helping companies achieve their export objectives. GM offers U.S. companies a robust set of capabilities to help them achieve their international exporting goals, whether those goals are to set up an overseas distribution channel, gain easier access to challenging markets, or meet additional foreign buyers for their goods. Global Markets focuses on understanding clients’ exporting needs, and providing services to meet those needs.							

Performance Measure: Number of GM clients assisted	FY	FY	FY	FY	FY	FY	FY
	2013	2014	2015	2016	2017	2018	2019
	Actual	Actual	Target	Target	Target	Target	Target
With Change	18,126	17,593	23,000	23,000	23,000	23,000	23,000
Without Change	18,126	17,593	23,000	23,000	23,000	23,000	23,000
Description: This measure illustrates GM’s annual effectiveness in providing export counseling and assistance to additional U.S. companies. Historical data indicates that over 75 percent of companies assisted are small and medium-sized enterprises.							

Performance Measure:	FY	FY	FY	FY	FY	FY	FY
Number of Commercial Diplomacy Cases Successfully Closed (annual)	2013	2014	2015	2016	2017	2018	2019
	Actual	Actual	Target	Target	Target	Target	Target
With Change	N/A	343	250	300	300	300	300
Without Change	N/A	343	250	300	300	300	300
Description: This measure captures the results of Global Markets’ front-line diplomatic engagement with foreign governments based on actions directed towards a foreign government in support of a U.S. company or the U.S. national economic interest. In order to qualify as a success, this engagement requires an action by the foreign government, and an outcome that benefits a U.S. company or the U.S. national economic interest. It serves as a valuable tool to gauge Global Markets’ performance in its government-to-government work and captures a critical component of the program’s fundamental mandate to protect U.S. business interests abroad.							

Performance Measure: Number of investment clients assisted	FY 2013 Actual	FY 2014 Actual	FY 2015 Target	FY 2016 Target	FY 2017 Target	FY 2018 Target	FY 2019 Target
With Change	N/A	1,006	1,600	2,400	2,400	2,400	2,400
Without Change	N/A	1,006	1,000	1,000	1,000	1,000	1,000
Description: This measure captures the number of domestic and foreign firms, as well as domestic and foreign Economic Development Organizations, assisted by the Department of Commerce to attract inward investment into the United States. This is a new metric in FY14.							

Performance Measure: Percentage of clients highly likely to recommend GM assistance	FY 2013 Actual	FY 2014 Actual	FY 2015 Target	FY 2016 Target	FY 2017 Target	FY 2018 Target	FY 2019 Target
With Change	78%	83%	71%	73%	73%	73%	73%
Without Change	78%	83%	71%	73%	73%	73%	73%
Description: This measure illustrates the level of client satisfaction with Global Markets and will be used to improve the quality and efficiency of service delivery.							

PROGRAM CHANGE PERSONNEL DETAIL
(Dollars in thousands)

Budget Program: Global Markets
Sub-program: Global Markets
Program Change: SelectUSA

Title:	Location	Grade	Number of Positions	Annual Salary	Total Salaries
Locally Employed Staff	Overseas		9	\$ 56,710	\$ 510,390
Subtotal			<u>9</u>		<u>\$ 510,390</u>
Less Lapse	25%		<u>(2)</u>		<u>\$ (127,598)</u>
Total Full-time permanent:			9		\$ 382,792
2015 Pay Adjustment	1.0%				\$ 4,015
2016 Pay Adjustment	1.3%				<u>\$ 5,028</u>
Subtotal					\$ 391,835
Foreign Service Officer	Overseas	FS-01	4	\$ 131,962	\$ 527,848
Foreign Service Officer	Overseas	FS-03	5	\$ 86,643	\$ 433,215
Foreign Service Officer	Overseas	FS-04	3	\$ 70,207	\$ 210,621
Subtotal			<u>12</u>		<u>\$ 1,171,684</u>
Less Lapse	25%		<u>(3)</u>		<u>\$ (292,921)</u>
Total Full-time permanent:			9		\$ 878,763
2015 Pay Adjustment	1.0%				\$ 9,218
2016 Pay Adjustment	1.3%				<u>\$ 11,544</u>
Subtotal			9		\$ 899,525
Total					\$ 1,291,360
Personnel Data					
Full-time Equivalent Employment					
Full-time permanent			9		
Other than full-time permanent			<u>0</u>		
Total			9		
Authorized Positions:					
Full-time permanent			12		
Other than full-time permanent			<u>0</u>		
Total			12		

PROGRAM CHANGE DETAIL BY OBJECT CLASS
(Dollars in thousands)

Budget Program: Global Markets
Sub-program: Global Markets
Program Change: SelectUSA

Object Class		FY 2016 Increase
11	Personnel compensation	
11.1	Full-time permanent	\$1,291
11.3	Other than full-time permanent	0
11.5	Other personnel compensation	0
11.8	Special personnel services payments	0
11.9	Total personnel compensation	<u>1,291</u>
12	Civilian personnel benefits	679
13	Benefits for former personnel	0
21	Travel and transportation of persons	762
22	Transportation of things	331
23.1	Rental payments to GSA	0
23.2	Rental Payments to others	1,039
23.3	Communications, utilities and miscellaneous charges	146
24	Printing and reproduction	1
25.1	Advisory and assistance services	207
25.2	Other services	3,507
25.3	Purchases of goods & services from Gov't accounts	1,942
25.4	Operation and maintenance of facilities	0
25.5	Research and development contracts	0
25.6	Medical care	0
25.7	Operation and maintenance of equipment	0
25.8	Subsistence and support of persons	0
26	Supplies and materials	18
31	Equipment	71
32	Lands and structures	0
33	Investments and loans	0
41	Grants, subsidies and contributions	6
42	Insurance claims and indemnities	0
43	Interest and dividends	0
44	Refunds	0
99	Total obligations	<u>10,000</u>

PROGRAM CHANGE DETAIL BY OBJECT CLASS
(Dollar amounts in thousands)

Budget Program: Global Markets
Sub-program: Global Markets
Program Change: Absorption of Costs to Meet Fiscal Targets

Object Class	FY 2016 Decrease
11 Personnel compensation	
11.1 Full-time permanent	(\$1,484)
11.3 Other than full-time permanent	0
11.5 Other personnel compensation	0
11.8 Special personnel services payments	0
11.9 Total personnel compensation	<u>(1,484)</u>
12 Civilian personnel benefits	0
13 Benefits for former personnel	0
21 Travel and transportation of persons	(48)
22 Transportation of things	0
23.1 Rental payments to GSA	0
23.2 Rental Payments to others	0
23.3 Communications, utilities and miscellaneous charges	0
24 Printing and reproduction	(2,750)
25.1 Advisory and assistance services	(404)
25.2 Other services	(448)
25.3 Purchases of goods & services from Gov't accounts	0
25.4 Operation and maintenance of facilities	(2)
25.5 Research and development contracts	(1)
25.6 Medical care	(4)
25.7 Operation and maintenance of equipment	(9)
25.8 Subsistence and support of persons	(29)
26 Supplies and materials	(158)
31 Equipment	0
32 Lands and structures	0
33 Investments and loans	0
41 Grants, subsidies and contributions	0
42 Insurance claims and indemnities	0
43 Interest and dividends	0
44 Refunds	0
99 Total obligations	<u>(5,337)</u>

Department of Commerce
International Trade Administration
Operations and Administration
PROGRAM AND PERFORMANCE: DIRECT OBLIGATIONS
(Dollar amounts in thousands)

Activity: Subactivity: Executive Direction/Administration	Program	2014 Actual		2015 Currently Available		2016 Base Estimate		2016 Estimate		Increase/ (Decrease) Personnel	Amount
		Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount		
Increase opportunities for U.S. companies by opening markets globally	Pos./BA	11	2,214	11	2,214	11	2,283	11	2,241	0	(42)
	FTE/Obl.	10	2,381	11	2,484	11	2,325	11	2,283	0	(42)
Increase U.S. exports by broadening and deepening the U.S. exporter base	Pos./BA	79	15,817	79	15,817	79	16,277	79	15,996	0	(281)
	FTE/Obl.	68	15,696	73	16,374	73	16,557	73	16,276	0	(281)
Increase high-impact inward foreign direct investment in the United States	Pos./BA	1	300	1	300	1	306	1	302	0	(4)
	FTE/Obl.	1	301	1	313	1	310	1	306	0	(4)
Strengthen fair competition in international trade for U.S. firms and workers by addressing and resolving foreign unfair trade practices and enforcing international trade agreements	Pos./BA	23	4,728	23	4,728	23	4,867	23	4,783	0	(84)
	FTE/Obl.	21	4,739	22	4,943	22	4,952	22	4,868	0	(84)
Total		114	23,059	114	23,059	114	23,733	114	23,322	0	(411)
		100	23,117	107	24,114	107	24,144	107	23,733	0	(411)

Note: In order to simplify the budget presentation, prior year obligations in program activities eliminated as the result of the FY 2014 ITA reorganization are being displayed in the new program structure.

Department of Commerce
International Trade Administration
Operations and Administration
PROGRAM AND PERFORMANCE: REIMBURSABLE OBLIGATIONS
(Dollar amounts in thousands)

Activity: Subactivity: Executive Direction/Administration	DoC Objective	2014 Actual	2015 Currently Available		2016 Base		2016 Estimate		Increase/ (Decrease) Personnel	Amount
			Personnel	Amount	Personnel	Amount	Personnel	Amount		
Increase opportunities for U.S. companies by opening markets globally	Pos./BA	0	38	0	40	0	40	0	40	0
	FTE/Obl.	0	38	0	40	0	40	0	40	0
Increase U.S. exports by broadening and deepening the U.S. exporter base	Pos./BA	2	277	2	400	2	400	2	400	0
	FTE/Obl.	2	277	2	400	2	400	2	400	0
Increase high-impact inward foreign direct investment in the United States	Pos./BA	0	0	0	0	0	0	0	0	0
	FTE/Obl.	0	0	0	0	0	0	0	0	0
Strengthen fair competition in international trade for U.S. firms and workers by addressing and resolving foreign unfair trade practices and enforcing international trade agreements	Pos./BA	0	82	0	90	0	90	0	90	0
	FTE/Obl.	0	82	0	90	0	90	0	90	0
Total	Pos./BA	2	397	2	530	2	530	2	530	0
	FTE/Obl.	2	397	2	530	2	530	2	530	0

Note: In order to simplify the budget presentation, prior year obligations in program activities eliminated as the result of the FY 2014 ITA reorganization are being displayed in the new program structure.

APPROPRIATION ACCOUNT: OPERATIONS AND ADMINISTRATION

BUDGET PROGRAM: EXECUTIVE DIRECTION AND ADMINISTRATION

For FY 2016, ITA requests a total of \$23,322,000 and 107 FTE for Executive Direction and Administration (including inflationary adjustments). This request includes 1 program change for a decrease of \$411,000 and 0 FTE.

BASE JUSTIFICATION:

Executive Direction and Administration Overview

The mission of the Executive Direction and Administration (ExAd) unit is to achieve U.S. trade expansion and economic growth through executive leadership; well-conceived policy guidance; and, efficient and effective management of ITA resources. This unit coordinates policy; directs programmatic activities; oversees the agency's budget, financial and internal control requirements; conducts program and performance evaluation; and, provides centralized strategic and operational management of information technology (IT) resources.

The ExAd budget is organized into the following three main units that support the Management & Corporate Services sub-program under the Operations and Administration appropriation:

- Executive Direction
- The Office of the Chief Financial and Administrative Officer (OCFAO)
- The Office of the Chief Information Officer (OCIO)

INFLATIONARY ADJUSTMENTS:

ITA requests a net increase of 0 FTE and \$0.7 million to fund inflationary adjustments to current programs for Executive Direction and Administration activities. The increase will fund the estimated 2016 Federal pay raise of 1.3 percent as well as inflationary increases for non-labor activities, including service contracts, utilities, the Department of Commerce Working Capital Fund, and rent charges from the General Service Administration (GSA).

SUB-PROGRAM: MANAGEMENT & CORPORATE SERVICES

Executive Direction

Executive Direction includes the Office of the Under Secretary, the Office of the Deputy Under Secretary, the Office of Public Affairs, the Office of Legislative and Intergovernmental Affairs, and the Trade Promotion Coordinating Committee.

The Offices of the Under Secretary and Deputy Under Secretary provide overall executive leadership and guidance to ITA through: the planning, determination, and coordination of policy; direction on strategic priorities; and, the development and implementation of a government-wide strategy for

Federal trade and investment promotion efforts. Executive Direction represents ITA on the National Economic Council, the Trade Policy Review Group, and other Secretarial level boards, committees, or panels for which the primary focus is international trade and/or investment. The Office of the Deputy Under Secretary is also responsible for the day-to-day management of ITA.

The Office of Public Affairs communicates to the public the importance of exports and the Administration's trade and investment agenda to strengthen the U.S. economy and U.S. global competitiveness. The office also communicates ITA's services and successes to the appropriate press and business audiences in the U.S. and around the world; provides increased visibility to the ITA brand; enhances customer service to internal and external stakeholders; and provides information to the public and the press on issues related to the activities of the ITA.

The Office of Legislative and Intergovernmental Affairs acts as a liaison to the Legislative branch; informs legislative and intergovernmental stakeholders about current international trade and investment matters as well as export opportunities; and keeps ITA aware of new trade-related legislative initiatives.

The Trade Promotion Coordinating Committee (TPCC) Secretariat convenes the Principals and Deputies meetings of the TPCC member agencies and working groups that contribute to export promotion. Additionally, the TPCC Secretariat coordinates and manages initiatives at the programmatic level to ensure all export-promotion agencies are working together for the benefit of U.S. exporters.

TPCC FEDERAL AGENCIES		
Department of Commerce	Department of Energy	Department of the Treasury
Department of State	National Economic Council	United States Trade Representative
Department of Agriculture	Department of the Interior	U.S. Trade and Development Agency
U.S. Agency for International Development	Department of Defense	Council of Economic Advisors
Small Business Administration	Office of Management and Budget	Department of Transportation
Export-Import Bank of the United States	Department of Labor	Overseas Private Investment Corporation
Environmental Protection Agency	United States Information Agency	

Office of the Chief Financial and Administrative Officer (OCFAO)

OCFAO oversees the agency's resources and coordinates measurement of program performance to ensure ITA's success in achieving its strategic goals. The office provides shared services solutions to ITA programs; manages the budgetary, financial, and administrative aspects of ITA; and ensures that the needs of ITA clients and employees are fulfilled. OCFAO enables ITA programs to operate at maximum efficiency and improves overall effectiveness through the use of integrated systems, program analysis and evaluation, strategic planning, employee engagement activities, and continuous business process improvement. In addition, OCFAO maintains strong links between performance and budgets to ensure that strategic objectives are met.

Office of the Chief Information Officer (OCIO)

OCIO provides enterprise-wide leadership for ITA's strategic and operational use of information technology resources. OCIO develops and implements IT policy, manages ITA's IT planning activities, oversees IT investments through the capital planning and review process, and delivers IT services and solutions that empower ITA and partner organizations to execute their missions efficiently and effectively. By providing the necessary IT tools and maintenance, the OCIO provides a platform that ITA employees and customers around the world use to research trade issues, understand trade agreements, and collaborate on export promotion activities. OCIO integrates many facets of ITA's organizational efforts into one seamless and unified informational space by managing

ITA's global network infrastructure spanning over 70 countries and 200 locations; hosting ITA Central, ITA's enterprise-wide collaborative intranet; and providing technical leadership and supporting key enterprise systems. These systems include ITA's public facing web infrastructure, which supports ITA outreach and initiatives such as export promotion through ITA's public web venue of trade.gov, and ITA's Client Tracking System (CTS) that provides the ITA workforce with a comprehensive view of all client and customer interactions. OCIO also ensures the security of information and technology assets by operating a comprehensive world-wide cyber security program.

Base Resources Assessment:

ExAd will continue to focus on its core mission of achieving U.S. trade expansion and economic growth through executive leadership, well-conceived policy guidance, and effective management of ITA's resources.

PROGRAM CHANGES FOR FY 2016:

Absorption of Costs to Meet Fiscal Targets (Base Funding: \$23.7 million and 107 FTE; Program Change: -\$0.4 million and 0 FTE): In order to meet overall funding targets, ITA is proposing to fund \$0.4 million of estimated FY 2016 pay and non-pay inflation costs with unobligated balances projected to be brought forward into FY 2016. Use of unobligated balances to offset inflationary growth will not impact staffing or service levels in FY 2016.

PERFORMANCE GOALS AND MEASUREMENT DATA:

Performance Measure:	FY	FY	FY	FY	FY	FY	FY
Percent of Clean Audit Opinion	2013	2014	2015	2016	2017	2018	2019
	Actual	Actual	Target	Target	Target	Target	Target
With Change	100%	100%	100%	100%	100%	100%	100%
Without Change	100%	100%	100%	100%	100%	100%	100%
Description: This measure illustrates that ITA's financial statements are presented fairly, in all material respects, and in conformity with U.S. generally accepted accounting principles.							

Performance Measure:	FY	FY	FY	FY	FY	FY	FY
Percent of the 80-day hiring model deadlines within the bureaus span of control that are met.	2013	2014	2015	2016	2017	2018	2019
	Actual	Actual	Target	Target	Target	Target	Target
With Change	28%	80%	80%	80%	80%	80%	80%
Without Change	28%	80%	80%	80%	80%	80%	80%
Description: This measure illustrates the percent of deadlines, as defined by the 80-day hiring model, that ITA meets that are within its control. This number takes into account both the amount of transactions and the overall time taken on them.							

PROGRAM CHANGE DETAIL BY OBJECT CLASS
(Dollar amounts in thousands)

Budget Program: Executive Direction and Administration
Sub-program: Executive Direction and Administration
Program Change: Absorption of Costs to Meet Fiscal Targets

Object Class	FY 2016 Decrease
11 Personnel compensation	
11.1 Full-time permanent	(\$23)
11.3 Other than full-time permanent	0
11.5 Other personnel compensation	0
11.8 Special personnel services payments	0
11.9 Total personnel compensation	<u>(23)</u>
12 Civilian personnel benefits	0
13 Benefits for former personnel	0
21 Travel and transportation of persons	0
22 Transportation of things	0
23.1 Rental payments to GSA	0
23.2 Rental Payments to others	0
23.3 Communications, utilities and miscellaneous charges	0
24 Printing and reproduction	0
25.1 Advisory and assistance services	(255)
25.2 Other services	(67)
25.3 Purchases of goods & services from Gov't accounts	(45)
25.4 Operation and maintenance of facilities	0
25.5 Research and development contracts	(1)
25.6 Medical care	0
25.7 Operation and maintenance of equipment	(2)
25.8 Subsistence and support of persons	(3)
26 Supplies and materials	(6)
31 Equipment	(9)
32 Lands and structures	0
33 Investments and loans	0
41 Grants, subsidies and contributions	0
42 Insurance claims and indemnities	0
43 Interest and dividends	0
44 Refunds	0
99 Total obligations	<u>(411)</u>

**Department of Commerce
International Trade Administration
Operations and Administration
SUMMARY OF REQUIREMENTS BY OBJECT CLASS**
(Dollar amounts in thousands)

Object Class	2014 Actual	2015 Enacted	2016 Adjustments to Base	2016 Base	2016 Estimate	Increase/ (Decrease)
Personnel compensation						
11.1 Full-time permanent	156,482	170,540	3,316	173,856	175,041	1,185
11.3 Other than full-time permanent	27,722	24,730	337	25,067	25,067	0
11.5 Other personnel compensation	6,530	7,769	(400)	7,369	7,369	0
11.8 Special personnel services payments	0	280	0	280	280	0
11.9 Total personnel compensation	190,734	203,319	3,253	206,572	207,757	1,185
12.1 Civilian personnel benefits	65,801	71,101	4,541	75,642	76,969	1,327
13 Benefits for former personnel	1,495	2,443	(589)	1,854	1,854	0
21 Travel and transportation of persons	16,702	18,149	(5,243)	12,906	14,248	1,342
22 Transportation of things	4,449	3,719	(1,872)	1,747	2,086	349
23.1 Rental payments to GSA	18,327	19,084	348	19,432	19,585	153
23.2 Rental payments to others	11,096	12,910	206	13,116	14,155	1,039
23.3 Communications, utilities and miscellaneous charges	8,824	11,178	(367)	10,811	10,977	166
24 Printing and reproduction	1,538	1,168	(490)	678	694	16
25.1 Advisory and assistance services	23,760	17,707	1,902	19,609	19,452	(157)
25.2 Other services	17,403	21,621	(4,279)	17,342	20,254	2,912
25.3 Purchase of goods and services from Gov't accounts	81,288	84,996	16,764	101,760	104,734	2,974
25.4 Operations and maintenance of facilities	19	29	0	29	29	0
25.5 Research and development contracts	0	164	2	166	162	(4)
25.6 Medical Care	124	122	1	123	122	(1)
25.7 Operations and maintenance of equipment	316	396	5	401	394	(7)
25.8 Substance and support of persons	1,295	1,132	(290)	842	827	(15)
26 Supplies and materials	3,155	2,859	(1,020)	1,839	1,882	43
31 Equipment	8,470	8,684	(2,401)	6,283	6,417	134
32 Lands and structures	0	0	0	0	0	0
33 Investments and loans	0	0	0	0	0	0
41 Grants, subsidies and contributions	2,551	2,374	(200)	2,174	2,180	6
42 Insurance claims and indemnities	0	0	0	0	0	0
43 Interest and dividends	0	0	0	0	0	0
44 Refunds	2	0	0	0	0	0
99 Total Direct Obligations	457,329	483,155	10,171	493,326	504,788	11,462
Less Prior Year Recoveries	(9,815)	0	0	0	0	0
Less Refunds	(981)	0	0	0	0	0
Less Unobligated balance, start of year	(15,095)	(30,922)	21,155	(9,767)	(9,767)	0
Less Unobligated balance, transferred	(1,195)	0	0	0	0	0
Plus Unobligated Balance, expiring	773	0	0	0	0	0
Plus Unobligated balance, end of year	28,882	9,767	(8,038)	0	0	0
Plus Unobligated balance, end of year transferred	2,040	0	0	1,729	1,729	0
Less Transfers from other accounts	(1,377)	0	0	0	0	0
Net Budget Authority	460,561	462,000	23,288	485,288	496,750	11,462

Department of Commerce
International Trade Administration
Operations and Administration
SUMMARY OF REQUIREMENTS BY OBJECT CLASS
(Dollar amounts in thousands)

	2014 Actual	2015 Enacted	2016 Adjustments to Base	2016 Base	2016 Estimate	Increase/ (Decrease)
Personnel Data						
Full-Time equivalent Employment:						
Full-time permanent	1,564	1,665	8	1,673	1,700	27
Other than full-time permanent	83	125	0	125	125	0
Total	1,647	1,790	8	1,798	1,825	27
Authorized Positions:						
Full-time permanent	1,807	1,812	0	1,812	1,848	36
Other than full-time permanent	191	191	0	191	191	0
Total	1,998	2,003	0	2,003	2,039	36

**DEPARTMENT OF COMMERCE
International Trade Administration
Operations and Administration
JUSTIFICATION OF PROPOSED LANGUAGE CHANGES**

After the phrase “For necessary expenses for international trade activities of the Department of Commerce provided for by law,” insert the following: “for activities associated with facilitating, attracting, and retaining business investment in the United States.”

This language provides ITA the authority required to fully implement the SelectUSA initiative consistent with Executive Order 13577. SelectUSA is a Government wide initiative to attract and retain investment in the American economy. The retention of investment—addressing U.S. firms that are considering whether to expand or retain a domestic investment, or instead to invest overseas—is not an “international trade activity” of ITA as that term is used in the annual appropriations act. As a result, moneys appropriated under that heading cannot be used to address the retention of U.S. investment.

ITA is currently required to conduct activities involving retention of U.S. investment using the Economic Development Agency’s (EDA’s) legal authority. The requested language change would allow the SelectUSA program to fully carry out its mandate.

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**Department of Commerce
International Trade Administration
Operations and Administration
Advisory and Assistance Services**
(Dollar amounts in thousands)

	2014 Actual	2015 Estimate	2016 Estimate
Management and professional support services..	\$3,857	\$3,953	\$3,909
Special studies and analyses.....	0	0	0
Engineering and technical service.....	0	0	0
Total.....	<u>\$3,857</u>	<u>\$3,953</u>	<u>\$3,909</u>

ITA uses consulting services to meet relatively short-term requirements for industry and/or economic expertise, and to focus on specific areas such as export promotion events, negotiations, and antidumping and countervailing duty cases. It is more economical to employ intermittent short-term expertise to meet these demands rather than maintain a permanent staff.

Management and professional support services: These services include sector specific market research studies, interpretation and stenographic support services.

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Department of Commerce
International Trade Administration
Operations and Administration
PERIODICALS, PAMPHLETS, AND AUDIOVISUAL PRODUCTS
(Dollar amounts in thousands)

	2014	2015	2016
	Actual	Estimate	Estimate
Periodicals.....	\$0	\$0	\$0
Pamphlets.....	94	99	102
Audiovisual.....	116	119	117
Total.....	<u>\$210</u>	<u>\$218</u>	<u>\$219</u>

ITA publications and pamphlets are essential tools that the organization uses to fulfill its mission to carry out the U.S. Government's non-agricultural trade activities, to encourage and promote U.S. exports of manufactured goods, to administer U.S. statutes and agreements dealing with foreign trade, and to advise on U.S. international and domestic trade and commercial policy.

Individual publications include economic and market research studies and inward investment reports. ITA plays an essential role in disseminating these publications to keep the business public informed on particular aspects of the global business picture.

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**Department of Commerce
International Trade Administration
Operations and Administration
AVERAGE GRADE AND SALARIES**

	2014	2015	2016
	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>
Direct			
Average ES	\$163,660	\$165,377	\$167,527
Average GS grade	12.8	12.8	12.8
Average GS salary	\$104,026	\$105,117	\$106,484
Average grade and salary established by the Foreign Service Act of 1980 (U.S.C. 801-1158):			
Average Senior Foreign Service salary	\$167,300	\$169,055	\$171,253
Average Foreign Service Officer grade	1.9	1.9	1.9
Average Foreign Service Officer salary	\$126,923	\$128,254	\$129,922
Average Foreign Service Staff salary	\$98,586	\$99,618	\$100,913
Average Foreign Service salary in foreign countries	\$122,200	\$123,482	\$125,087

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Department of Commerce
International Trade Administration
Grants to Manufacturers of Worsted Wool Fabrics
SUMMARY OF RESOURCE REQUIREMENTS
(Dollar amounts in thousands)

FY 2015 Enacted	Positions	FTE	Budget Authority	Direct Obligations
less: Obligations from prior years	0	0	\$0	\$4,948
plus: 2016 Adjustments-to-Base	0	0	0	(4,948)
	0	0	0	0
FY 2016 Base	0	0	0	0
plus/(minus): FY 2016 Program Changes	0	0	0	0
Total FY 2016 Estimate	0	0	0	0

Comparison by activity/subactivity

	2014 Actual		2015 Currently Available		2016 Base		2016 Estimate		Increase/ (Decrease)
	Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount	
ITA- 17 Industry and Analysis	0	\$5,332	0	\$0	0	\$0	0	\$0	\$0
	0	5,060	0	4,948	0	0	0	0	0
TOTALS	0	5,332	0	0	0	0	0	0	0
	0	5,060	0	4,948	0	0	0	0	0
Adjustments for:									
Recoveries		0		0		0		0	0
Unobligated balance, start of year	(5,060)			(5,332)		0		0	0
Unobligated balance, carryover	5,332			0		0		0	0
Unobligated balance, expiring	0			0		0		0	0
Unobligated balance, end of year	0			0		0		0	0
Fees collected	0			0		0		0	0
Rescission	0			0		0		0	0
Unobligated balance (temporarily reduced)	0			384		0		0	0
Financing from:									
Transfers to other accounts	0			0		0		0	0
Transfers from other accounts	(5,332)			0		0		0	0
Appropriation	0			0		0		0	0

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Exhibit 7

Department of Commerce
 International Trade Administration
 Grants to Manufacturers of Worsted Wool Fabrics
SUMMARY OF FINANCING
 (Dollar amounts in thousands)

	2014 Actual	2015 Currently Available	2016 Base	2016 Estimate	Increase/ (Decrease)
Total Obligations	\$5,060	\$4,948	\$0	\$0	\$0
Financing:					
Offsetting collections from:					
Federal funds	0	0	0	0	0
Trust funds	0	0	0	0	0
Non-Federal funds, fee collections	0	0	0	0	0
Recoveries	0	0	0	0	0
Unobligated balance, start of year	0	0	0	0	0
Unobligated balance, carryover	0	0	0	0	0
Unobligated balance, expiring	(5,060)	(5,332)	0	0	0
Unobligated balance, end of year	5,332	0	0	0	0
Rescission	0	0	0	0	0
Unobligated balance (temporarily reduced)	0	384	0	0	0
Budget Authority	5,332	0	0	0	0
Financing:					
Transferred to other accounts	0	0	0	0	0
Transferred from other accounts	(5,332)	0	0	0	0
Appropriation	0	0	0	0	0

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Department of Commerce
International Trade Administration
Grants to Manufacturers of Worsted Wool Fabrics
PROGRAM AND PERFORMANCE: DIRECT OBLIGATIONS
 (Dollar amounts in thousands)

Activity: International Trade Administration
Subactivity: Industry and Analysis

	2014 Actual		2015 Currently Available		2016 Base		2016 Estimate		Increase/ (Decrease)
	Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount	
Performance Goal									
Identify and Resolve Unfair Trade Practices	0	\$5,332	0	\$0	0	\$0	0	\$0	0
	0	5,060	0	4,948	0	0	0	0	0
Total	0	5,332	0	0	0	0	0	0	0
	0	5,060	0	4,948	0	0	0	0	0

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APPROPRIATION ACCOUNT: GRANTS TO MANUFACTURERS OF WORSTED WOOL FABRICS

BUDGET ACTIVITY: INDUSTRY AND ANALYSIS

For FY 2016, the International Trade Administration (ITA) requests no funding for Grants to Manufacturers of Worsted Wool Fabrics.

INFLATIONARY ADJUSTMENTS:

In ITA's FY 2015 budget, ITA requested a net decrease of \$5,332,000 from the Grants to Manufacturers of Worsted Wool Fabrics account to recognize expiration of the authorizing legislation at the end of FY 2014.

BASE JUSTIFICATION:

Title V of the Trade and Development Act of 2000 created tariff rate quotas, providing reduced and duty-free treatment for a specified quantity of imports of certain worsted wool fabrics suitable for use in manufacturing certain tailored garments. Authority for the Tariff Rate Quota program has been extended several times and now legislatively is slated to terminate at the end of 2014.

The Miscellaneous Trade and Technical Corrections Act of 2004 provided authority to the Secretary of Commerce to promote domestic employment by issuing grants to manufacturers of worsted wool fabrics. The grant program is paid for by the Wool Apparel Manufacturers Trust Fund, maintained by Treasury, which receives a portion of the duties collected from importers of certain wool products. Each year, Treasury is required to transfer approximately \$5.3M from the Trust Fund to the ITA, so that ITA can distribute those funds through grants to a small number of firms in the worsted wool fabric manufacturing industry, allocated through a six-year-old formula according to each company's share of the relevant market in 1999, 2000, and 2001. The program was originally slated to expire in 2007, but was extended multiple times and legislatively expired at the end of 2014.

This program has been renewed in the Agricultural Act of 2014 (P.L. 113-79). Related funding has now been switched to the Commodity Credit Corporation administered by the Secretary of Agriculture.

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Department of Commerce
International Trade Administration
Grants to Manufacturers of Worsted Wool Fabrics
SUMMARY OF REQUIREMENTS BY OBJECT CLASS
(Dollar amounts in thousands)

Object Class	2014 Actual	2015 Currently Available	2016 Base	2016 Estimate	Increase/ (Decrease)
11 Personnel compensation	\$0	\$0	\$0	\$0	\$0
11.1 Full-time permanent	0	0	0	0	0
11.3 Other than full-time permanent	0	0	0	0	0
11.5 Other personnel compensation	0	0	0	0	0
11.8 Special personnel services payments	0	0	0	0	0
11.9 Total personnel compensation	0	0	0	0	0
12.1 Civilian personnel benefits	0	0	0	0	0
13 Benefits for former personnel	0	0	0	0	0
21 Travel and transportation of persons	0	0	0	0	0
22 Transportation of things	0	0	0	0	0
23.1 Rental payments to GSA	0	0	0	0	0
23.3 Communications, utilities and miscellaneous	0	0	0	0	0
23.2 Rental payments to others	0	0	0	0	0
24 Printing and reproduction	0	0	0	0	0
25.1 Consulting services	0	0	0	0	0
25.2 Other services	0	0	0	0	0
25.3 Purchase of goods and services from Gov't	0	0	0	0	0
25.4 Operations and maintenance of facilities	0	0	0	0	0
25.7 Operations and maintenance of equipment	0	0	0	0	0
26 Supplies and materials	0	0	0	0	0
31 Equipment	0	0	0	0	0
32 Lands and structures	0	0	0	0	0
33 Investments and loans	0	0	0	0	0
41 Grants, subsidies and contributions	5,060	4,948	0	0	0
42 Insurance claims and indemnities	0	0	0	0	0
43 Interest and dividends	0	0	0	0	0
81 Advances	0	0	0	0	0
44 Refunds	0	0	0	0	0
99 Total Direct Obligations	5,060	4,948	0	0	0
Less Prior Year Recoveries	0	0	0	0	0
Less Unobligated balance, start of year	(5,060)	(5,332)	0	0	0
Less Unobligated balance, start of year cas	0	0	0	0	0
Plus Unobligated balance, expiring	0	0	0	0	0
Plus Unobligated balance, end of year	5,332	0	0	0	0
Unobligated balance (temporarily reduced)	0	384	0	0	0
Less Transfers from other accounts	(5,332)	0	0	0	0
Net Budget Authority	0	0	0	0	0

Department of Commerce
International Trade Administration
Grants to Manufacturers of Worsted Wool Fabrics
SUMMARY OF REQUIREMENTS BY OBJECT CLASS
 (Dollar amounts in thousands)

	2014 Actual	2015 Currently Available	2016 Base	2016 Estimate	Increase/ (Decrease)
Personnel Data					
Full-Time equivalent Employment:					
Full-time permanent	0	0	0	0	0
Other than full-time permanent	0	0	0	0	0
Total	0	0	0	0	0
Authorized Positions:					
Full-time permanent	0	0	0	0	0
Other than full-time permanent	0	0	0	0	0
Total	0	0	0	0	0

FY 2016 Annual Performance Plan / FY 2014 Annual Performance Report

International Trade Administration

Part 1: Agency and Mission Information

Section 1.1: Overview

The global economy is changing rapidly with the rise of new foreign competitors, complex cross-border economic integration, and the fast pace of innovation. Moreover, the global recession has demonstrated how interdependent the world has become and underscores the need for the United States to compete globally. U.S. domestic consumption, which has driven economic growth in recent decades, will not be enough to ensure the competitiveness and health of our domestic industries.

The strength of the U.S. economy continues to depend on a vibrant global marketplace. A renewed focus on ensuring U.S. companies' success in overseas markets and increasing foreign direct investment in the United States will not only help strengthen the long-term health of U.S. industries, but also directly stimulate domestic job creation.

ITA's mission is to create prosperity by strengthening the international competitiveness of U.S. industry, promoting trade and investment, and ensuring fair trade and compliance with trade laws and agreements. In support of the Administration's export and investment priorities, ITA has redirected resources to key export promotion programs; optimized its support to export-ready industries; targeted high-growth, emerging markets, including the removal of trade barriers and expanding market access, vigorously enforced trade rules and trade laws, and promoted the United States as a premier destination for investment. ITA also leads the Department's export and investment platform, working with several other bureaus both within and outside the Department to achieve this goal.

ITA, through its programs, services, and workforce leverages its relationships with, and understanding of, industry to better serve its range of customers and stakeholders. The organization consists of three business units that will work together to achieve ITA's mission effectively and efficiently: (1) Industry and Analysis; (2) Enforcement and Compliance; and (3) Global Markets. The combination of its industry sector, regional, and trade expertise alongside its export promotion, enforcement and compliance, and policy responsibilities enables ITA to analyze its customers' issues and needs holistically, make recommendations, and take actions.

Industry and Analysis advances the international competitiveness of U.S. industries by leveraging in-depth sector and analytical expertise and relationships with U.S. industry in the development and execution of innovative international trade and investment policies and strategies; expands U.S. exports by utilizing relationships with industry stakeholders and strategic partners in the design and conduct of export promotion programs that provide higher value to private sector clients; and adds value to U.S. trade and investment policies and programs through administration of industry advisory committees.

Enforcement and Compliance promotes the efficient and effective administration of U.S. antidumping (AD) / countervailing (CVD) trade law remedies; addresses and curtails trade-distorting practices; promotes adoption of disciplines and practices by U.S. trading partners that enhance transparency and impartiality in foreign trade law practices and administration; and administers the Foreign Trade Zone (FTZ) program and other import programs that support U.S. jobs. It also represents and advocates on behalf of U.S. industry interests with regard to the exercise and enforcement of U.S.

rights under bilateral and multilateral trade agreements, including through the interagency mechanisms.

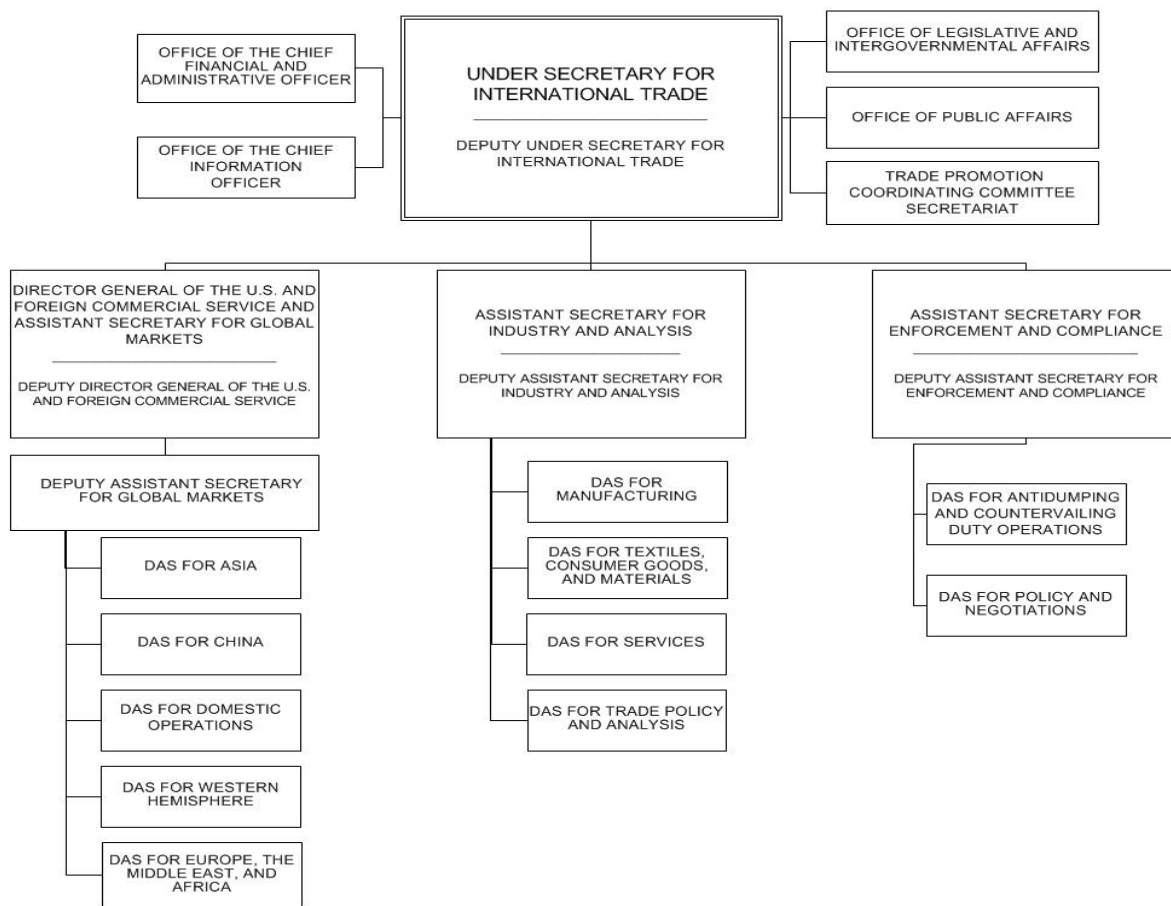
Global Markets advances U.S. commercial interests by engaging with foreign governments and U.S. businesses, identifying and resolving country-specific market barriers, and leading interagency efforts advocating for U.S. firms with foreign governments; expands U.S. exports by developing and implementing policies and programs to increase U.S. access to and presence in foreign markets; provides market contacts, knowledge, opportunities and customized solutions to U.S. firms, especially small and medium-sized enterprises; and, expands foreign investment into the United States by promoting the United States as an investment destination.

Section 1.2: Mission Statement

ITA's mission is to create prosperity by strengthening the international competitiveness of U.S. industry, promoting trade and investment, and ensuring fair trade and compliance with trade laws and agreements.

Section 1.3: Organizational Structure

International Trade Administration



Part 2: Cross-Agency Priority Goals

Section 2.1: Overview

Per the GPRA Modernization Act requirement to address Cross-Agency Priority Goals in the agency strategic plan, the annual performance plan, and the annual performance report, please refer to [www.Performance.gov](http://www.performance.gov) for the agency's contributions to those goals and progress, where applicable. ITA currently contributes to the following CAP Goal: Job-Creating Investment. The website where these are located is: <http://www.performance.gov/cap-goals-list?view=public>.

Part 3: Strategic Goals and Objectives

Section 3.1: Corresponding DoC Strategic Goals, and Objectives

Goal	Objective Number	Objective Name	Leader
TRADE AND INVESTMENT: Expand the U.S. economy through increased exports and inward foreign investment	1.1	Increase opportunities for U.S. companies by opening markets globally	ITA – Ken Hyatt, Deputy Under Secretary for International Trade
	1.2	Increase U.S. exports by broadening and deepening the U.S. exporter base	
	1.3	Increase high-impact inward foreign direct investment into the United States	
	1.4	Strengthen fair competition in international trade for U.S. firms and workers by addressing and resolving foreign unfair trade practices and enforcing international trade agreements	
INNOVATION: Foster a more innovative U.S. economy	2.3	Strengthen the Nation's digital economy by championing policies that will maximize the potential of the Internet, expanding broadband capacity, and enhancing cybersecurity	NTIA – Larry Strickland
ENVIRONMENT: Help communities and businesses prepare for and prosper in a changing environment	3.5	Enable U.S. businesses to adapt and prosper by developing environmental and climate-informed solutions	NIST – Willie May
DATA: Maximize the positive impacts of Commerce data on society	4.3	Collaborate with the business community to provide more timely, accurate, and relevant data products and services for customers	ESA – Mark Doms

Section 3.2: Strategies for Objectives

Key Strategies for Objective 1.1 include:

- Advance U.S. commercial and economic interests in negotiating and implementing trade and other international agreements
- Engage foreign governments to address government actions and policies that impede the export of U.S. goods and services
- Promote open and transparent procurement that facilitates the selection of U.S. suppliers in foreign civilian and defense acquisitions

Key Indicators used to track progress for Objective 1.1 include:

- Number of advocacy wins
- Dollar value of U.S. contracts from advocacy wins
- Number of foreign trade barriers prevented, reduced, or removed

ITA has key indicators and annual performance measures that demonstrate progress towards achieving its long-term goals of representing the interests of U.S. industry in trade negotiations, and advocating on behalf of industry with foreign governments. ITA measures its progress towards achieving the long-term goal of making measurable improvements through the number of target foreign trade barriers prevented, reduced or removed.

GM measures and captures the number of Advocacy wins and dollar value of U.S. contracts from advocacy wins by the Advocacy Center's internal tracking system, which tracks and records all Advocacy cases, wins, and dollar value of U.S. exports of those wins. This information is presented to senior leadership at the end of each fiscal quarter by use of a dashboard.

ITA measures and captures the number of target foreign trade barriers prevented, reduced, or removed as part of GM's Commercial Diplomacy Success (CDS) metric, I&A's trade barrier metric, and E&C's case metric. This metric is recorded in ITA's Client Tracking System (CTS), and in I&A's Planning Coordination and Management Office Records, and includes former Market Access & Compliance transformational CDSs. This information is presented to senior leadership at the end of the fiscal year.

Key Strategies for Objective 1.2 include:

- Educate U.S. companies and communities on benefits and best practices of exporting
- Connect U.S. companies to foreign markets and qualified buyers and partners
- Reduce the transaction costs and complexities of exporting
- Utilize partnerships to increase U.S. exports worldwide

Key Indicators used to track progress for Objective 1.2 include:

- **Percentage of Global Markets clients that achieved their export objectives (Agency Priority Goal for FY 2014-2015)**
- Number of clients assisted

The percentage of GM clients that achieved their export objectives metric is captured and measured by GM's Comment Cards system, whereby a client's response of a 9 or 10 (on a scale of 1-10) to the question "How well did we meet your export objectives?" is divided by the total number of responses received during the quarter. This information is presented to senior leadership at the end of each fiscal quarter by use of a dashboard, and it is reported on performance.gov.

The number of clients assisted is measured and captured by GM's Client Tracking System (CTS), and counts the number of clients that received any counseling sessions, or paid for a service, within each quarter. This information is also presented to senior leadership at the end of each fiscal quarter by use of a dashboard, and it is reported on performance.gov as a supporting indicator for ITA's Agency Priority Goal.

Key Strategies for Objective 1.3 include:

- Lead coordinated investment
- Provide tailored assistance to investors
- Provide coordinated support to states and localities to attract investment
- Advocate globally for the United States as a destination for investment

Key Indicators used to track progress for Objective 1.3 include:

- Number of investment clients assisted by the Department

GM measures and captures the number of investment clients assisted by the Department through SelectUSA's Investment Success Portal on ITA's intranet. This information is presented to senior leadership at the end of each fiscal quarter by use of a dashboard as well as reported on performance.gov.

Key Strategies for Objective 1.4 include:

- Enforce U.S. antidumping and countervailing duty trade remedy laws
- Enhance partnership with other U.S. enforcement agencies and private sector stakeholders to identify and thwart evasion of border measures
- Monitor and ensure compliance with trade agreements

Key Indicators for Objective 1.4 include:

- Percent of antidumping and countervailing duty determinations issued within statutory and/or regulatory deadlines
- Number of antidumping and countervailing duty petition counseling sessions
- Number of trade agreement compliance cases resolved successfully

E&C has key indicators and annual performance measures that demonstrate progress towards achieving its long-term goal of ensuring fair competition in international trade for U.S. firms and workers by addressing and resolving foreign unfair trade practices, enforcing international trade agreements, and administering the foreign trade zone program. E&C ascertains that its processes are transparent, timely and open, and ensures participants in the process receive fair and open treatment and due process under the law. These metrics demonstrate E&C's progress towards achieving the long-term goal of making measurable improvements to the integrity of its administrative processes. This information is presented to senior leadership at the end of each fiscal quarter.

Section 3.3: Progress Update for Strategic Objectives

In June 2014, the Department began its first Annual Strategic Review of the FY 2014-2018 Strategic Objectives. The action plan for the Strategic Review consisted of the following steps: a survey of the appointed and career executives on the risks, challenges and opportunities accruing to each Strategic Objective (late June); a full day Strategic Leadership Retreat to discuss key issues identified in the survey (July); and lastly revision of the Strategic Plan narrative and upgrade of Action Plans (target completion mid-October).

The central findings of the review have inspired a near top-to-bottom overhaul of the March 2014 version of the Department's 2014-18 Strategic Plan. A significant number of key strategies will likely be redrafted, and others removed and added as a result of strategic planning efforts over the coming months.

According to the Department's review of Trade and Investment Strategic Objectives 1.1 and 1.3, ITA has made some noteworthy progress yet has areas for improvement. In FY 2014, ITA's Advocacy Center made strong gains in leveling the playing field on behalf of U.S. companies competing for international government contracts: 90 foreign government contracts were won by U.S. businesses with Department assistance, totaling approximately \$79.8 billion in export content (more than the value won in FY 2012 and FY 2013 combined). The U.S.-Mexico High Level Economic Dialogue (HLED) has begun to produce measureable progress since its launch one year ago, and the Department's Doing Business In Africa (DBIA) campaign is likewise building rapid momentum. The Department has also been credited with elevating the commercial aspect of bilateral engagement within the fifth and most recent U.S.-India Strategic Dialogue.

Renewal of the Trade Promotion Authority (TPA) will also be critical to the Administration's Trade Policy Agenda. Foundational TPA legislation will lay the oversight and procedural groundwork necessary for the success of ambitious, high-standard, comprehensive trade agreements currently being negotiated, such as the 11-country Trans-Pacific Partnership (TPP) and the Transatlantic Trade and Investment Partnership (T-TIP) between the U.S. and the European Union (EU). TPP and T-TIP together would account for 65 percent of the world's goods and services trade and 69 percent of U.S. goods exports, and are considered crucial to the competitive expansion of American trade and investment.

The Department of Commerce and the Department of State have established processes for collaborating on strategies to increase Foreign Direct Investment as part of the Administration Cross-Agency Priority Goal. Outreach events have been numerous, targeted, and well-attended. The annual target for businesses assisted has been exceeded (1038 actual; 900 target). However, building capacity, sustainability, and scaling up of investment promotion will require significant focus. Despite these challenges, ITA continues to serve its customers through its significant industry sector and regional trade expertise alongside its export promotion, enforcement and compliance, and policy activities.

Benefits:

Global Markets (GM) benefits U.S. exporters by providing tailored export assistance to U.S. companies and communities to connect U.S. companies to foreign markets, qualified buyers, and partners. GM provides foreign market intelligence, identifies industry-specific opportunities and best market prospects, and helps U.S. companies develop market entry strategies. In addition, reducing foreign trade barriers is another significant benefit to the American public. Foreign government-imposed trade barriers such as inadequate protections for intellectual property rights, discriminatory regulations and lack of transparency in foreign government procurements cost U.S. exporters billions of dollars each year. Because the global trading system and the international agreements that govern it have become more complex, effective U.S. Government participation in bilateral, regional, and multilateral trade agreements is critical to reducing these costly barriers.

GM, through SelectUSA, increases high-impact inward foreign direct investment into the United States by leading coordinated investment promotion for the United States. GM investment teams work to develop country and industry-specific strategies in 32 economies with substantial potential for investments in the United States. Another substantial benefit is providing tailored investment assistance to investors. Through SelectUSA's enhanced outreach efforts, GM is able to proactively engage the foreign investment community to identify the information and services they need to invest in the United States. Finally, GM advocates globally for the United States as a destination for investment. Through SelectUSA, GM coordinates actions by senior federal officials, including the

President of the United States, to increase foreign direct investment in the United States resulting in new U.S. jobs and investment.

I&A continues to provide value to the American public through its various activities and programs. The Market Development Cooperator Program (MDCP) is a public/private partnership that provides technical and financial assistance to non-profit organization “cooperators”, such as trade associations. The MDCP enhances the competitiveness of U.S. industries by reducing the startup costs of new foreign market development projects. I&A is also working to preserve the U.S.-EU Safe Harbor Framework Agreement, which is critically important to companies on both sides of the Atlantic, as it enables these companies to comply with EU data protection requirements while transferring data to the United States, and is therefore vital to maintaining vibrant trade and commercial relations with our major trade partner. Another important effort is I&A’s work to reduce the cost and complexity of exporting by helping implement the International Trade Data System (ITDS) (under the Executive Order of February 19, 2014). ITA also helps in implementing the WTO Trade Facilitation Agreement, and implementing the recommendations of the Advisory Committee on Supply Chain Competitiveness.

I&A performs industry specific analysis to increase opportunities for U.S. companies by producing the Top Market Prospects Reports and other reports which deepen the U.S. exporter base. ITA conducts a series of outreach and educational initiatives/activities aimed, principally, at informing small and medium-sized enterprises about the benefits and availability of trade finance programs and tools, which are essential to increasing U.S. exports and expanding the number of new U.S. exporters. ITA produced the *Trade Finance Guide* (TFG), which has become one of its most popular publications. I&A has distributed approximately 300,000 copies of the TFG, in English and Spanish, to ITA’s customers, many through private sector partners. I&A industry teams provide increased opportunities for U.S. exporters through their work on trade agreements and negotiations such as the WTO Information Technology Agreement and Government Agreement on Semiconductors. . I&A supports U.S. Industry in protecting and enforcing intellectual property rights in foreign markets through direct counseling, and outreach initiatives. In addition, the Office of Intellectual Property Rights advances intellectual property protections and enforcements in countries through involvement in several bilateral and multilateral agreements including, TTIP, TPP and the U.S.-China Joint Commission on Commerce and Trade.

E&C helps U.S. manufacturers, exporters, workers, and farmers compete on a level playing field against injuriously dumped and unfairly subsidized imports by administering the U.S. antidumping duty (AD) and countervailing duty (CVD) laws, and develops and executes other programs and policies designed to reduce the prevalence of market distorting foreign government activities that can lead to such unfair trade practices. The unit also assists U.S. exporters and investors subject to foreign government barriers by working to ensure foreign government compliance with international trade agreement obligations. In addition, E&C coordinates the representation of U.S. commercial interests in designated bilateral, multilateral and regional trade and investment negotiations, and oversees formulation and implementation of policies related to a wide range of areas covered by trade agreement disciplines, as well as areas where agreement disciplines are still being created.

FY 2014 Accomplishments:

Global Markets

In FY 2014, Global Markets (GM) began its first year of consolidated operations, successfully integrating export promotion, trade policy and commercial diplomacy, and inward investment functions into one organization.

In FY2014, GM was successful in assisting U.S. companies with their exporting needs. These needs include providing market intelligence, developing export/market entry strategies, identifying foreign partners/buyers, and advising on export mechanics such as compliance with regulations and standards. GM exceeded the first year target of the Agency Priority Goal of helping clients achieve their export objectives. In addition, 83 percent of clients said they are highly likely to recommend GM assistance. For example, GM helped a small business client expand their international business in four markets. The company stated, "Our global growth as a direct result of our comprehensive cooperation with [GM]... has led to expanding our manufacturing staff."

GM exceeded its target for Commercial Diplomacy Successes by 52 percent. These successes include helping U.S. businesses and industries reduce, eliminate or prevent foreign government-imposed trade barriers such as inadequate protections for intellectual property rights, discriminatory regulations and lack of transparency in foreign government procurements all of which contribute to U.S. businesses being more competitive and increasing sales abroad. For example, together with Enforcement and Compliance and Industry and Analysis, GM helped a U.S. sporting goods manufacturer re-gain ownership of their trademark in Russia to maintain \$100 million of market share. The company stated, "We owe an enormous debt of gratitude to our government for this favorable outcome. Our sincere thanks to the International Trade Administration." In addition, GM leads and supports formal government dialogues on trade barriers. This year positive progress was made at the U.S.-China Joint Commission on Commerce and Trade, and GM actively represented U.S. business interests in on-going negotiations for the Transatlantic Trade and Investment Partnership (T-TIP) and the Trans Pacific Partnership (TPP). In addition, GM had a record year helping U.S. companies win foreign government procurements. Its coordination of U.S. government-wide Advocacy efforts on behalf of U.S. companies resulted in 90 contracts awarded to U.S. companies, which included nearly \$80 billion in U.S. export content. For example, TCI International, a Fremont, California-based subsidiary of SPX Corporation, bid on a procurement with the Macedonian government. Coordinated through the Advocacy Center, representatives of the U.S. government stressed the importance of a fair and transparent tender process to the Macedonian government directly, and the team provided consultation to TCI International regarding Macedonia's economic conditions, and its telecommunications and IT sector. In addition, U.S. Ambassador to Macedonia, Paul Wohlers, advocated on behalf of TCI International. As a result, TCI won the procurement and signed a contract to supply a national spectrum monitoring system in Macedonia. The total value of this procurement is \$12.5 million with 100 percent of that revenue staying in the United States and supporting 63 American jobs.

GM also expanded its ability to serve U.S. businesses overseas and support the President's Trade Africa, Power Africa, and Asia Rebalance initiatives. GM opened new offices in markets in Africa and Asia (including Wuhan, China), Angola, Ethiopia, Mozambique, Tanzania, and Burma. . This expansion puts Commercial Service officers into some of the world's most rapidly developing economies to help find partners and navigate the regulatory hurdles for U.S. companies.

Lastly, GM's SelectUSA program successfully procured a comprehensive, accurate, and updated web-based database of all business incentives offered by U.S. states. The State Business Incentives Database will assist SelectUSA clients, including international firms, considering locating in the United States and will directly encourage, facilitate and accelerate business investment in the United States. Access to such intelligence is necessary to adequately fulfill SelectUSA's role and mission as a Government-wide initiative to promote direct investment the U.S. economy.

Industry and Analysis

In FY 2014, Industry and Analysis (I&A) continued to integrate industry expertise with the planning, management, and execution of specific ITA trade promotion programs (e.g., trade missions and trade shows), trade negotiations, and partnerships with industry. With the transfer of the Trade Promotion

and Strategic Partnerships Program from the U.S. and Foreign Commercial Service into Industry and Analysis in FY14, this model is designed to ensure that industry input, data and analytics, and partnership relationships are more closely integrated into ITA trade and investment programs and strategies.

In FY 2014 I&A demonstrated successful export results through partnerships with U.S. industry. At \$1.08 billion exports generated by the Market Development Cooperator Program (MDCP), MDCP projects exceeded the \$389 million target for FY 2014. In particular, the top export-generating project by the National Tour Association reported \$527 million dollars in exports generated. Furthermore, I&A-supported Export Trading Companies generated \$24.5 billion in exports sales. More than 2,000 firms participate in the program; sales under the program support over 75,000 jobs annually. I&A's Trade Promotion Program organized and managed 20 Trade Missions and 27 certified (industry-organized) trade mission visiting 26 countries. More than 640 companies participated in these missions, which generated export sales of close to \$700 million.

I&A's role in trade negotiations and trade policy is to bring input from private sector Advisory Committees, analytics and industry expertise to bear on sector- specific elements of trade agreements to maximize resultant opportunities for U.S. business. In FY 2014, I&A served as the ITA lead for several chapters of the Transatlantic Trade and Investment Partnership (T-TIP) and the Trans-Pacific Partnership (TPP) agreements. I&A's offices also participated in sector-specific trade negotiations including the Information Technology Agreement expansion, and the Environmental Goods Agreement. I&A continued to deeply engage in negotiations with the European Commission on the future of the Safe Harbor program to ensure cross border data flows and trade between the United States and the European Union.

In FY 2014, I&A continued to lead ITA efforts to support Intellectual Property (IP) protection by leading the Department's efforts on the annual Special 301 review that assessed the effectiveness of the Intellectual Property Rights Regime of over 80 trading partners. I&A also completed the Congressionally-mandated report that identified the Department's efforts to address trade secret thefts, particularly with respect to China.

Furthermore, the newly created National Travel and Tourism Office conducted the economic analysis that resulted in the extension of visa validity with China from 1 to 10 years, which sets the stage for significant growth for the U.S. travel and tourism industry moving forward in China, our fastest growing travel and tourism market.

I&A continued the development of trade data analysis tools to aid policy makers in measuring trade activity and helping exporters identify new market export potential. In FY 2014, I&A expanded the product coverage of the Free Trade Agreement (FTA) Tariff Tool to include agricultural products. With the addition of 51,000 new records for agricultural goods, the FTA Tariff Tool now includes tariff information for all products (agricultural, textiles and apparel, and industrial goods) for 20 countries with which the United States has an FTA. I&A also introduced a new suite of products on jobs supported by exports that is used by economic development organizations around the United States and supports the Department's efforts to educate U.S. companies about the benefits of exporting.

Enforcement and Compliance

In FY 2014, Enforcement and Compliance (E&C) conducted 64 Antidumping and Countervailing (AD/CVD) investigations covering a number of diverse products ranging from Chinese solar cells to Mexican sugar, and oil country tubular goods from seven countries. In FY 2014, E&C initiated 52 AD and CVD investigations based on petitions from U.S. industries, impacting trade valued at an estimated \$8.2 billion (based on 2013 import values). This is the largest number of new

investigations initiated in one fiscal year over a ten year period. In FY 2014, E&C completed 387 determinations compared to an annual average of 335 determinations over each of the prior three fiscal years. Even with this unprecedented workload, E&C lowered its ministerial error rate for the second consecutive year.

In FY 2014, the Foreign-Trade Zones (FTZ) staff completed processing on 85 cases for action by the interagency FTZ Board and an additional 164 cases for staff-level action within E&C. Manufacturing-related FTZ cases covered industries as diverse as automobiles, pharmaceuticals, electronics, and construction equipment.

In FY 2014, E&C led Commerce's efforts to ensure that our foreign trading partners comply with the obligations in our multilateral, bilateral, and regional trade agreements. The ITA Trade Agreements Compliance Program, led by E&C, initiated 56 investigations into trade agreement non-compliance by 20 foreign governments, with 20 (36 percent) of those investigations undertaken on behalf of small and medium enterprises. E&C closed 25 investigations successfully, resulting in the reduction or removal of foreign government-imposed trade barriers in 16 countries on behalf of a range of industries. E&C also helped maintain important export markets by advocating for U.S. companies facing 46 trade remedy (antidumping, countervailing duty, and safeguard) actions conducted by 18 countries in FY 2014. Among other things, this assistance helped ensure that U.S. exporters of solar products to India were not subject to antidumping duties and thus could compete on a level playing field for India's \$100 million solar export market.

E&C conducted 15 outreach events to improve awareness of E&C's services to help ensure a level playing field for U.S. exporters. In addition, E&C led capacity-building efforts to improve and promote foreign government trade agreement compliance, such as leading the U.S.-Brazil Regulatory Coherence talks in August, and conducting technical exchanges with Brazil and Turkey on trade remedies in July and September respectively. E&C also supported trade agreement compliance efforts through its participation in 20 WTO Committee meetings.

E&C's role in trade negotiations is to advocate for strong, enforceable disciplines. During FY 2014, E&C served as ITA lead for certain chapters during five rounds of Transatlantic Trade and Investment Partnership (T-TIP) trade agreement negotiations, during the end-game of the Trans-Pacific Partnership (TPP) negotiations, and for the U.S.-China Bilateral Investment Treaty negotiations. E&C also worked with USTR and other U.S. Government agencies to secure implementation of the WTO Trade Facilitation Agreement and to conclude the accession of New Zealand and Montenegro to the WTO Agreement on Government Procurement, both of which will improve U.S. industry's access to and rights within foreign markets.

In May 2014, E&C and USTR collaboration resulted in a WTO dispute settlement finding upholding key U.S. complaints in a challenge of China's AD and CVD measures imposed on U.S. exports of automobiles, a market worth over \$6 billion. Similar enforcement efforts contributed to the termination of 25 foreign trade remedy measures in FY 2014, affecting more than \$6.7 billion in U.S. exports.

On July 10, 2014, E&C entered into a suspension agreement with Interpipe, a Ukrainian exporter of oil country tubular goods (OCTG), suspending the antidumping investigation of imports of OCTG from Ukraine. Such agreements are exceedingly rare. The Department administers approximately 300 trade remedy orders and, before this agreement, the Department administered just 6 suspension agreements; this is the 7th.

Section 3.4: Next Steps

STRATEGIC GOAL 1: TRADE AND INVESTMENT

Expand the U.S. economy through increased exports and inward foreign investment

Trade and investment are critical to the Nation's prosperity. The United States is the world's largest economy—the largest exporter and importer of goods and services and the world's largest recipient of foreign direct investment. In 2013, the United States exported more than \$2.3 trillion worth of goods and services. Exports fuel U.S. economic growth; support good jobs; and spread ideas, innovation, and American values.

Being the leader, however, is not enough. Too few U.S. companies export to too few markets. Of the more than 300,000 U.S. exporters, the top one percent account for approximately 80 percent of the value of U.S. merchandise exports, underscoring the tremendous opportunity for U.S. companies to export more.

Increasing trade will help the U.S. economy continue to rebalance from one mostly driven by domestic consumption to one increasingly engaged with the 95 percent of consumers who live outside U.S. borders. Encouraging investment will help the United States compete for global foreign direct investment which will continue to increase as emerging markets mature. As the lead trade and investment promotion agency in the federal government, the Department's goal is to increase the global fluency of U.S. businesses and make trade and investment a bigger part of the U.S. economy's DNA.

The following key initiatives support the strategies set forth under the Department's strategic objective 1.1:

- Assist U.S. companies competing for foreign procurements using the Interagency Taskforce on Commercial Advocacy.
- Advance the economic pillar of the Administration's Ukraine strategy, including engaging U.S. businesses, as appropriate, on the Ukrainian Government's economic reforms, and developing complimentary programs such as a business summit and Special American Business Internship Training (SABIT).
- Support U.S. businesses' interests in the Transatlantic Trade and Investment Partnership (T-TIP) and the Trans-Pacific Partnership (TPP); Conduct outreach on the benefits of trade and specific benefits of T-TIP and TPP.
- Conclude market-opening agreements in the Trans-Pacific region and in global trade for information technology products.
- Make significant progress in trade agreement talks with the European Union and on global trade in environmental technologies.
- Execute the work plan for the Mexico High Level Economic Dialogue promoting competitiveness, economic growth, and global leadership.
- Participate in the U.S.-East African Communities (U.S-EAC) Commercial Dialogue.
- Conduct Trade Agreement-Related Industry Impact Analysis when Congress introduces tariff suspension legislation.

The following key initiatives support the strategies set forth under the Department's strategic objective 1.2:

- Continue pilot with Census Bureau on examining the long-term impact on U.S. businesses assisted by Global Markets versus those not assisted by Global Markets.

- Test new tools to assist companies with finding their next export market under the National Export Initiative (NEI)/NEXTtext.
- Continue executing the Discover Global Markets conference series, accomplishing trade missions and continue work to develop application programming interface (API) list on website.
- Execute activities related to the Doing Business in Africa (DBIA) campaign including communicating commercial opportunities on the DBIA website, counseling businesses, and executing a Discover Global Markets conference and other events.
- Implement the FY 2015 National Travel and Tourism Strategy.
- Continue to support external engagement objectives with the technical and regulatory system implementation under the International Trade Data System (ITDS) Executive Order.
- Engage in the ITDS rollout and assist in identifying needs and concerns of supply chain operators through the Advisory Committee on Supply Chain Competitiveness (ACSCC). The ACSCC will focus on North American supply chain, freight movement, and infrastructure issues, including regional versions of the ITDS platform in FY 2015.

The following key initiatives support the strategies set forth under the Department's strategic objective 1.3:

- Successfully host a SelectUSA Investment Summit in March 2015.
- Engage economic development organizations (EDOs) to provide state-by-state information and investment opportunities to stakeholders.
- Develop a digital, online web presence and social media strategy that includes a range of tools and resources.
- Identify Interagency Investment Working Group (IIWG) priorities, objectives, capabilities, and strategic federal investment barriers to optimize client assistance.

The following key initiatives support the strategies set forth under the Department's strategic objective 1.4:

- Design and implement a new system to monitor and manage the AD/CVD case load.
- Develop a trade enforcement outreach plan to make U.S. industries, with a focus on small- and medium-sized enterprises (SMEs), aware of services E&C provides to help companies understand their rights under trade agreements, and the U.S. Government services available to address foreign government-imposed trade and investment barriers, or provide relief from injurious, unfair trade under the U.S. trade remedy laws.
- Deepen collaboration with U.S. Customs and Border Protection, Immigration and Customs Enforcement (ICE), Department of Homeland Security (DHS), Department of Justice (DOJ), and other enforcement and prosecutorial agencies by exchanging of information pertaining to AD/CVD issues, conducting training webinars, and meetings to enhance understanding and maintain the flow of information between agencies.
- Identify, investigate, and attempt removal/mitigation of foreign government imposed trade and investment barriers that contravene trade agreement obligations.
- Conduct trade agreement-related industry impact analysis to identify and develop U.S. policy concerning the effects on U.S. industry of: 1) WTO dispute settlement cases approaching retaliation; and 2) implementation of U.S. trade laws concerning trade agreement market access (e.g., Generalized System of Preferences (GSP) laws, Miscellaneous Tariff Bills).

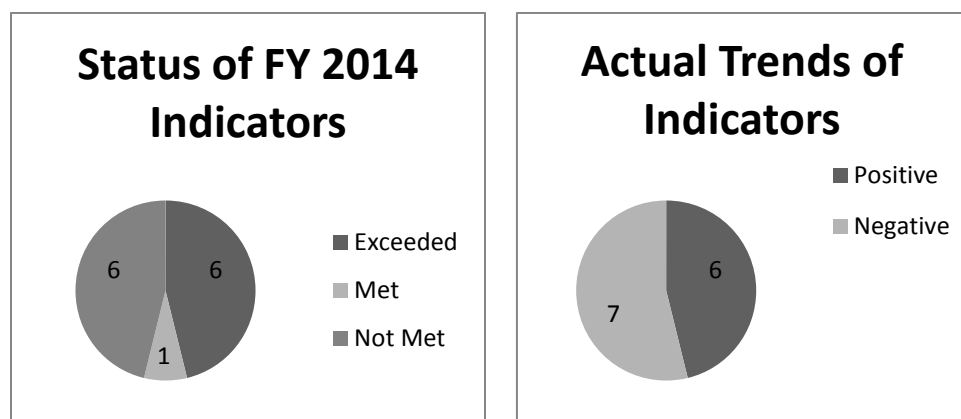
Part 4 Performance Goals / Indicators

Section 4.1: Summary of Performance

Status is based on the following standard:

Exceeded	More than 100 percent of target
Met	90 - 100 percent of target
Not Met	Below 90% of target

An indicator with a positive trend is one in which performance is improving over time while a negative trend is an indicator that has declining performance. A stable trend is one in which the goal is to maintain a standard, and that that is occurring. A varying trend in one in which the data fluctuates too much to indicate a trend. At a minimum these indicators must have three years of data.



Section 4.2: Summary of Indicator Performance

Objective 1.1: Increase opportunities for U.S. companies by opening markets globally

Indicator	Target	Actual	Status	Trend
<u>Recurring</u>				
Number of Commercial Diplomacy Cases Successfully Closed (annual)	225	343	Exceeded	Not enough data
<u>Non-Recurring</u>				
Annual cost savings resulting from the adoption of I&A recommendations contained in I&A studies and analysis	\$250M	\$0	Not met	Maintain Standard, negative
Percentage reduction in the per unit cost of data distribution	1.4%	0.2%	Not met	Directional, negative
Percent of industry-specific trade barriers that were removed or prevented	35%	10%	Not met	Variable, negative
Percent of industry-specific trade barrier milestones completed	70%	70%	Met	Variable, negative
Percent of trade agreement milestones completed	90%	69%	Not met	Not enough data

Objective 1.2: Increase U.S. exports by broadening and deepening the U.S. exporter base

Indicator	Target	Actual	Status	Trend
<u>Recurring</u>				
Exports generated annually from public/private partnerships	\$389M	\$1,082M	Exceeded	Variable, positive
Percentage of clients highly likely to recommend Global Markets assistance	69%	83%	Exceeded	Directional, positive
Number of clients assisted	22,150	17,593	Not Met	Variable, negative
Percentage of Global Markets clients that achieved their export objectives	69%	73%	Exceeded	Directional, positive
<u>Non-Recurring</u>				
Number of export transactions that U.S. exporters achieve with GM assistance	14,600	12,386	Not Met	Variable, negative

Objective 1.3: Increase high-impact inward foreign direct investment in the United States

Indicator	Target	Actual	Status	Trend
<u>Recurring</u>				
Number of investment clients assisted	900	1,006	Exceeded	Not Enough Data

Objective 1.4: Strengthen fair competition in international trade for U.S. firms and workers by addressing and resolving foreign unfair trade practices and enforcing international trade agreements

Indicator	Target	Actual	Status	Trend
<u>Recurring</u>				
Percent of AD/CVD petition counseling involving small and medium-sized enterprises (SMEs)	55%	60%	Exceeded	Maintain Standard, negative

Section 4.3 Detailed Indicator Plans and Performance

Strategic Goal 1: Expand the U.S. economy through increased exports and inward foreign investment that lead to more and better American jobs

Objective 1.1: Increase opportunities for U.S. companies by opening markets globally

New and Recurring Indicators:

Indicator	Export impact of prevention, reduction or removal of trade barriers – Dollars of exports created or retained (millions)							
Description	This indicator captures the export impact of work done on trade barriers by I&A staff. Trade barriers can include tariffs and a variety of non-tariff indicators such as: standards, domestic content requirements, foreign ownership requirements, regulations, and intellectual property rights. The goal of I&A activity is to eliminate, reduce or prevent such barriers to create or retain U.S. exports.							
	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Target	N/A	N/A	N/A	N/A	N/A	N/A	\$620	\$650
Actual	N/A	N/A	N/A	N/A	\$761	\$151		
Status	N/A	N/A	N/A	N/A	N/A	N/A		
Trend	Not enough data							
Actions to be taken / Future Plans	This indicator will be introduced in FY 2015. The FY 2016 target is largely dependent on the conclusion of several major trade agreements including the Information Technology Agreement and the Trans Pacific Partnership.							

Indicator	Export impact of prevention, reduction or removal of trade barriers – Dollars of exports created or retained (millions)
Validation and Verification	
Data Source	Calculations by I&A staff using data from Census, international sources (e.g., IMF, World Bank, United Nations), and economic models
Frequency	Quarterly
Data Storage	I&A Planning Coordination and Management Office Records; ITA Central
Internal Control Procedures	I&A trade barrier metric administration team ensures the validity and consistency of metric measurement and calculation
Data Limitations	To be determined on a case-by-case basis
Actions to be Taken	None

Indicator	Dollar exports generated from Export Trading Companies (billions)							
Description	The Export Trading Company Act allows U.S. businesses to form export joint ventures called Export Trading Companies (ETC). Companies form ETCs for various purposes including, negotiating lower shipping rates, pooling resources to expand an export market base, avoiding export rivalry by coordinating an export strategy, and selling under a single label. ITA, with the concurrence of the Justice Department, issues a Certificate of Review under the act. This indicator captures the actual export sales in billions of dollars.							
	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Target	N/A	N/A	N/A	N/A	N/A	N/A	\$22.5	\$23.5
Actual	\$15.9	\$17.3	\$23.9	\$21.1	\$22.8	\$24.5		
Status	N/A	N/A	N/A	N/A	N/A	N/A		
Trend	6 years of data, variable trend line, positive trend, some variability							
Actions to be taken / Future Plans	This indicator will be introduced in FY 2015. ITA possesses, however, actual data from FY 2009 to current date.							
Validation and Verification								
Data Source	Annual Report of Export Trading Companies							
Frequency	Annual							
Data Storage	I&A Planning Coordination and Management Office Records							
Internal Control Procedures	Export Trading Company Act staff ensures the validity and consistency of reported export sales by Export Trading Companies.							
Data Limitations	Timely reporting of export sales by Export Trading Companies. Pursuant to 15 CFR Part 325, full receipt by ITA of all current participating ETC's reported export sales generally lags 12-15 months from reporting year.							
Actions to be Taken	None							

Indicator	Number of Commercial Diplomacy Cases Successfully Closed (annual)							
Description	This indicator captures the results of Global Markets' front-line diplomatic engagement with foreign governments based on actions directed towards a foreign government in support of a U.S. company or the U.S. national economic interest. In order to qualify as a success, this engagement requires an action by the foreign government, and an outcome that benefits a U.S. company or the U.S. national economic interest. Situations that may lead to a successfully closed commercial diplomacy case include, but are not limited to, formal USG Advocacy on foreign official procurements, discriminatory legal and regulatory framework, a hostile business environment, customs and taxation issues, unfair or nontransparent procedures, and excessive fees or penalties. It serves as a valuable tool to gauge Global Markets' performance in its government-to-government work and captures a critical component of the program's fundamental mandate to protect U.S. business interests abroad.							
	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Target	N/A	N/A	N/A	N/A	N/A	225	250	300
Actual	N/A	N/A	N/A	N/A	N/A	343		
Status	N/A	N/A	N/A	N/A	N/A	Exceeded		

Indicator	Number of Commercial Diplomacy Cases Successfully Closed (annual)
Trend	Not enough data. GM started measuring this metric in FY 2014, after consolidating the former Commercial Service's (CS) Commercial Diplomacy Successes with the former Market, Access, & Compliance's (MAC) compliance and market access (C&MA) successes and Advocacy Center wins.
Actions to be taken / Future Plans	This indicator was introduced in FY 2014.
Notes	The number of Commercial Diplomacy Successes includes the former MAC C&MA successes and Advocacy Center wins.
Validation and Verification	
Data Source	ITA Client Tracking System
Frequency	Quarterly
Data Storage	Customer Relationship Management (CRM) System
Internal Control Procedures	ITA utilizes Inspector General reviews, the annual independent financial audit, and DOC/ITA verification and validation reviews to assess actual indicator data. In addition, each month, Global Markets Commercial Officers review case data relevant to their areas in the ITA Client Tracking System case database. All ITA indicators are stored on ITA's knowledge management database – ITA Central.
Data Limitations	The integration of former Market Access and Compliance (MAC) and U.S. and Foreign Commercial Service (US&FCS) databases and quality control processes into one system for Global Markets is needed to ensure accurate reporting. Some of the commercial issues Global Markets professionals work on require extensive negotiation with a foreign government lasting over 12 months, which results in fluctuation from year-to-year in the results Global Markets reports.
Actions to be Taken	Integration of database and quality control processes across former MAC and US&FCS units into one database and quality control process for Global Markets.

Indicator	Number of foreign trade barriers removed, reduced, or avoided							
Description	This indicator captures the results of ITA's efforts remove trade barriers and open markets to U.S. exports of goods and services. It is an indicator that is shared by all three ITA operating units and therefore, also serves as a unifying collaborative goal.							
	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Target	N/A	N/A	N/A	N/A	N/A	N/A	70	75
Actual	N/A	N/A	N/A	N/A	N/A	74		
Status	N/A	N/A	N/A	N/A	N/A	N/A		
Trend	Not enough data. ITA started measuring this metric in FY 2014 to track its performance on trade barrier removal work, which cuts across all three ITA business units.							
Validation and Verification								
Data Source	Staff Reporting							
Frequency	Quarterly							
Data Storage	ITA's Client Tracking System/Customer Relationship Management and ITA Central							
Internal Control Procedures	ITA utilizes Inspector General reviews and DOC/ITA verification and validation reviews to confirm data accuracy and validity.							
Data Limitations	This indicator requires the compilation of data from three units that do not all share common data platforms or collection and analytical methodologies. The CTS/CRM system has deficiencies that impact data collection and will be replaced by a new system in FY 2015.							
Actions to be Taken	Operating units will develop data collection and analysis methodologies. CTS/CRM will be replaced and implemented by the end of FY 2015.							

Non-recurring indicators

Indicator	Annual cost savings resulting from the adoption of I&A recommendations contained in I&A studies and analysis (millions)					
Description	This indicator captures the value added by I&A analysts in interagency policy discussions (e.g., interagency regulatory review). Analysts determine the cost impacts of various regulations on export-dependent U.S. manufacturing and services industries (including indirect upstream and downstream effects). For example, I&A provided analysis and comments on the Environmental Protection Agency's "Industrial Boiler" rule, as well as the Department of Homeland Security's "10+2" rule, resulting in cost savings to industries regulated by those rules.					
	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Target	\$350	\$350	\$350	\$250	\$250	\$250
Actual	\$552	\$647	\$1,800	\$0	\$262	\$0
Status	Exceeded	Exceeded	Exceeded	Not met	Exceeded	Not met
Trend	6 years of data, variable trend line, huge variability.					
Explanation (if not met in FY 2014)	I&A has shifted its focus away from domestic regulatory issues since FY 2010 with President Obama's announcement of the National Export Initiative, to allow for greater focus on global competitiveness of U.S. industry.					
Notes	This indicator will be discontinued in FY 2015 because I&A has shifted its focus away from domestic regulatory issues to allow for greater focus on global competitiveness of U.S. industry.					

Indicator	Percentage reduction in the per unit cost of data distribution					
Description	The indicator provides the percentage reduction in cost of distributing data through TradeStats Express. TradeStats Express is a data analytical tool that displays the latest trade data. The database provides national, state and regional data which can be displayed in maps, graphs, and tables. The database also provides export, import, and trade balances, and can be customized.					
	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Target	N/A	N/A	N/A	1.2%	1.4%	1.4%
Actual	14.4%	0.9%	1.0%	0.9%	0.2%	0.2%
Status	N/A	N/A	N/A	Not met	Not met	Not met
Trend	6 years of data, directional trend line, negative trend, some variability.					
Explanation (if not met in FY 2014)	Maximum cost savings have been achieved since new additions to the website expand the base data and lower the savings achieved. This program was initiated more than 10 years ago and maximum efficiencies have been realized.					
Notes	This indicator will be discontinued in FY 2015. This program was initiated more than 10 years ago and maximum efficiencies have been realized.					

Indicator	Percent of industry-specific trade barriers that were removed or prevented					
Description	This indicator quantifies the success of I&A's involvement in removing industry-specific foreign trade barriers. This enables U.S. companies to bring more of their products and services to previously closed foreign markets. This indicator captures on a rolling basis the outcome of I&A's efforts to address barriers in foreign markets such as labeling requirements, foreign restrictions on U.S. investment, and foreign standards.					
	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Target	20%	30%	30%	20%	20%	35%
Actual	30%	35%	35%	37%	52%	10%
Status	Exceeded	Met	Met	Exceeded	Exceeded	Not met
Trend	6 years of data, variable trend line, negative trend, huge variability.					
Explanation (if not met in FY 2014)	This measure is superseded by a new I&A metric that tracks the dollars of exports created or retained due to the prevention, reduction or removal of trade barriers. I&A's focus on the Trans-Pacific Partnership primarily and the Transatlantic Trade and Investment Partnership secondarily consumed much of ITA's trade barrier resources in FY 2014, and limited I&A's ability to meet its FY 2014 target.					
Notes	This indicator will be discontinued in FY 2015 because this measure is superseded by a new I&A metric that tracks the dollars of exports created or retained due to the prevention, reduction or removal of trade barriers.					

Indicator	Percent of industry-specific trade barrier milestones completed					
Description	This indicator reports on the success of ITA to target and remove industry-specific trade barriers. ITA measures its long term outcomes through the removal or prevention of industry specific barriers (see indicator entitled "Percent of industry-specific trade barriers that were removed or prevented"). Key milestones track annual progress toward removal or elimination of each identified barrier. Barriers have been identified by U.S. industry and assessed by I&A program staff to determine their commercial and strategic value.					
	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Target	55%	55%	70%	55%	55%	70%
Actual	72%	75%	75%	72%	77%	70%
Status	Exceeded	Met	Met	Exceeded	Exceeded	Met
Trend	6 years of data, variable trend line, negative trend, huge variability.					
Notes	This indicator will be discontinued in FY 2015 because this measure is superseded by a new I&A metric that tracks the dollars of exports created or retained due to the prevention, reduction or removal of trade barriers.					

Indicator	Percent of trade agreement milestones completed					
Description	This indicator captures the work of I&A industry analysts and trade negotiators who work on multi-year free trade agreements that benefit U.S. exporters and are intended to enhance U.S. competitiveness. In addition, these agreement milestones ensure that I&A's efforts are aligned to the President's Trade Agenda, as well as to the Department of Commerce priorities.					
	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Target	N/A	N/A	N/A	N/A	90%	90%
Actual	N/A	N/A	N/A	N/A	74%	69%
Status	N/A	N/A	N/A	N/A	Not met	Not met
Trend	Not enough data					
Explanation (if not met in FY 2014)	This measure is superseded by a new I&A metric that tracks the dollars of exports created or retained due to the prevention, reduction or removal of trade barriers. I&A's focus on the Trans-Pacific Partnership primarily and the Transatlantic Trade and Investment Partnership secondarily consumed much of ITA's trade barrier resources in FY 2014, and limited I&A's ability to meet its FY 2014 target.					
Notes	This indicator will be discontinued in FY 2015 because this measure is superseded by a new I&A metric that tracks the dollars of exports created or retained due to the prevention, reduction or removal of trade barriers.					

Objective 1.2: Increase U.S. exports by broadening and deepening the U.S. exporter base

New and Recurring Indicators

Indicator	Exports generated annually from public/private partnerships (millions)							
Description	This measure represents the dollar value of exports generated by Market Development Cooperator Program (MDCP) project activity. The MDCP is a public/private partnership that provides technical and financial assistance to non-profit organization "cooperators" such as trade associations. The MDCP generates job-sustaining exports by providing a portion of the startup costs of new foreign market development projects. The elements of each project vary, but examples include establishing product demonstration centers abroad, underwriting the cost of participation in foreign trade shows, and educating foreign authorities about industry standards. The drop between FY2013 actual and the FY2014 target is due to the expiration in 2013 of full funding for a very successful project by the National Tour Association, which received a 2009 MDCP award.							
	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Target	N/A	N/A	\$86	\$1,900	\$467	\$389	\$437	\$140
Actual	\$73.7	\$86	\$2,400	\$1,500	\$2,510	\$1,082		
Status	N/A	N/A	Exceeded	Not met	Exceeded	Exceeded		
Trend	6 years of data, variable trend line, positive trend.							

Indicator	Exports generated annually from public/private partnerships (millions)
Adjustments to targets	<p>The export results for FY 2011 and 2012 are exceptionally high due to the unanticipated successful results of the National Tour Association (NTA) MDCP grant. For FY 2011, NTA estimated that its focus on increasing tourism in China would yield about \$20 million in tourism exports that it helped to broker. At \$2.3 billion, NTA's actual tourism exports to China in FY 2011 far exceeded the estimate. Accordingly, the FY 2012 estimate was increased to account for NTA's success. However, in late 2012, NTA noticed that fewer U.S. firms were registering their exports with NTA. To account for this trend NTA lowered its estimate of MDCP-generated exports that it would be able to report for FY 2013. Also, the NTA project was due to expire before the end of FY 2013 but was extended through the first quarter of FY 2014. Cooperators usually have their highest reporting toward the end of the project period. And a longer project period allows the project activity more time to generate exports that can be reported. (ITA is not allowed to ask for post-project-period reporting.)</p> <p>The FY 2015 target of \$437 was based on two assumptions (1) the USTA tourism project, which generated just over \$400 M in FY 2014 would continue through FY 2015, but at about \$300 M, 25% lower than FY 2014 to account for less robust results expected from the Nordic/Baltic markets that did so well in FY 2014; and (2) non-tourism exports would continue at about the same amount as for FY 2013, \$137 M (later adjusted to \$138 M). USTA's top-performing travel/tourism project will have expired by FY 2016, so the target for that year is \$140 M, based on the average of the export results of the non-travel/tourism MDCP projects in FY 2013 (\$138 M) and FY 2014 (\$142 M).</p>
Validation and Verification	
Data Source	I&A Analytical Reports and Studies and MDCP award recipients
Frequency	Annual
Data Storage	I&A Planning Coordination and Management Office Records
Internal Control Procedures	Reported quarterly by each cooperator. Each report is reviewed by an ITA team including an I&A industry specialist, a GM country specialist, and additional GM staff – usually both foreign and domestic. The MDCP manager approves results after they are finalized. All quarterly performance measurement reports are maintained in one database on ITA's local area network. Copies of individual reports are uploaded onto Grants Online, the system ITA uses to manage financial assistance awards to non-federal entities.
Data Limitations	None
Actions to be Taken	None

Indicator	Percentage of clients highly likely to recommend Global Markets assistance							
Description	This indicator illustrates the level of client satisfaction with Global Markets (GM) and will be used to improve the quality and efficiency of service delivery. This indicator was adopted in FY 2013. These targets were set using government customer satisfaction benchmarks from the American Customer Satisfaction Index (ACSI). ACSI results have hovered between 65-68% over the last five years, making the targets set reasonable ones.							
	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Target	N/A	N/A	N/A	N/A	66%	69%	71%	73%
Actual	75%	77%	79%	82%	78%	83%		
Status	N/A	N/A	N/A	N/A	Exceeded	Exceeded		
Trend	6 years of data, directional trend line, positive trend, some variability.							
Actions to be taken / Future Plans	GM will start piloting a comment card survey for non-fee-based assistance and events to expand GM's client survey population in FY 2015 and 2016. Because this is a new business process for the organization and a new set of data, GM is not re-adjusting FY16 targets. GM will use the data gathered from the FY2015-2016 pilot to establish a more precise target in FY2017. Gathering two years of pilot data is consistent with the methodology GM used to calculate its previous targets for this measure and follows survey best practices.							
Information Gaps	Comment card data are from fee-based services only.							

Indicator	Percentage of clients highly likely to recommend Global Markets assistance
Validation and Verification	
Data Source	U.S. Exporters
Frequency	Quarterly
Data Storage	Client Comment Cards (Survey)
Internal Control Procedures	ITA utilizes Inspector General reviews and DOC/ITA verification and validation reviews to assess actual indicator data. All ITA indicators are stored on ITA's knowledge management database—ITA Central.
Data Limitations	If/when survey functionality is transitioned to the new ITA Client Relationship Management (CRM) system to be implemented in late FY15-FY16, data inconsistencies may occur.
Actions to be Taken	To be determined after implementation of the new CRM system.

Indicator	Number of clients assisted							
Description	This indicator illustrates GM's annual effectiveness in providing export counseling and assistance to additional U.S. companies. Historical data indicates that over 75 percent of companies assisted are small and medium-sized enterprises.							
	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Target	N/A	N/A	19,723	20,709	20,800	22,150	23,000	23,000
Actual	N/A	18,784	20,143	18,945	18,126	17,593		
Status	N/A	N/A	Exceeded	Not met	Not met	Not met		
Trend	5 years of data, variable trend line, negative trend, and some variability.							
Explanation (if not met in FY 2014)	GM fell short of meeting its FY 2014 target largely due to under-reporting of client engagement data in CTS, GM's current customer relationship management (CRM) system.							
Actions to be taken / Future Plans	In FY 2015 GM will introduce a new CRM system, which is expected to significantly reduce the data entry burden, and thereby enable GM to provide a much more accurate accounting of clients assisted starting in FY 2016.							
Validation and Verification								
Data Source	ITA Client Tracking System							
Frequency	Annual							
Data Storage	Customer Relationship Management (CRM) System							
Internal Control Procedures	ITA utilizes Inspector General reviews, the annual independent financial audit, and DOC/ITA verification and validation reviews to assess actual indicator data. In addition, each month, Commercial Service officers review case data relevant to their areas in the ITA Client Tracking System case database. All ITA indicators are stored on ITA's knowledge management database—ITA Central.							
Data Limitations	CRM database used enterprise-wide by staff in offices in over 70 countries and 100 U.S. cities that is undergoing a review to improve the stability and performance of this system. Furthermore, internal controls are needed to ensure company size is accurately recorded.							
Actions to be Taken	Review and deploy enhancements to CRM database, IT infrastructure, and internal controls.							

Indicator	Percentage of Global Markets clients that achieved their export objectives							
Description	This indicator evaluates Global Markets' effectiveness in helping companies achieve their export objectives. GM offers U.S. companies a robust set of capabilities to help them achieve their international exporting goals, whether those goals are to set up an overseas distribution channel, gain easier access to challenging markets, or meet additional foreign buyers for their goods. Global Markets focuses on understanding clients' exporting needs, and providing services to meet those needs.							
	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Target	N/A	N/A	N/A	N/A	N/A	69%	71%	71%
Actual	N/A	N/A	67%	68%	66%	73%		
Status	N/A	N/A	N/A	N/A	N/A	Exceeded		
Trend	4 years of data, directional trend line, positive trend, some variability.							
Actions to be taken / Future Plans	GM will start piloting a comment card survey for non-fee-based assistance and events to expand GM's client survey population in FY 2015 and 2016. Because this is a new business process for the organization and a new set of data, GM is not re-adjusting FY16 targets. GM will use the data gathered from the FY2015-2016 pilot to establish a more precise target in FY2017. Gathering two years of pilot data is consistent with the methodology GM used to calculate its previous targets for this measure and follows survey best practices.							
Information	Comment card data are from fee-based services only.							

Indicator	Percentage of Global Markets clients that achieved their export objectives
Gaps	
Validation and Verification	
Data Source	U.S. Exporters
Frequency	Quarterly
Data Storage	Client Comment Cards (Survey)
Internal Control Procedures	ITA utilizes Inspector General reviews and DOC/ITA verification and validation reviews to assess actual indicator data. All ITA indicators are stored on ITA's knowledge management database—ITA Central
Data Limitations	If/when survey functionality is transitioned to the new ITA Client Relationship Management (CRM) system to be implemented in late FY15-FY16, data inconsistencies may occur.
Actions to be Taken	To be determined after implementation of the new CRM system.

Non-recurring indicators

Indicator	Number of export transactions that U.S. exporters achieve with Global Markets (GM) assistance					
Description	This indicator measures GM's effectiveness in helping companies achieve export transactions in foreign markets. An export transaction is achieved by a U.S. firm in a foreign market as a result of GM assistance and verified by the U.S. exporter, or foreign buyer or other party to the transaction. An export transaction is defined as an international trade transaction between two commercial entities documented or evidenced by such things as a shipment of goods, a bill of lading, a sales invoice, a sales contract, or a leasing contract that involves the export of goods or services, distributor/sales agent agreement, or other reportable outcome, as defined in GM policy guidance.					
	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Target	N/A	N/A	N/A	N/A	N/A	14,600
Actual	12,329	12,370	14,643	14,231	14,735	12,386
Status	N/A	N/A	N/A	N/A	N/A	Not met
Trend	6 years of data, variable trend line, negative trend, huge variability.					
Explanation (if not met in FY 2014)	GM fell short of meeting its FY 2014 target primarily due to performance issues with GM's customer relationship management system, which led to underreporting as staff avoided the data collection and entry burden. Although the target for the number of export transactions was not met, the dollar value of the export transactions reported increased 64 percent to \$35.75 billion.					
Notes	This indicator will be discontinued in FY 2015 since GM is planning to use alternative data collection methods for evaluating the economic impact of GM's assistance that employ best practices recommended by outside experts and reduce the reporting burden on clients.					

Objective 1.3: Increase high-impact inward foreign direct investment in the United States

New and Recurring Indicators

Indicator	Number of investment clients assisted							
Description	This measure captures the number of domestic and foreign firms, as well as domestic and foreign Economic Development Organizations, assisted by the Department of Commerce to attract inward investment into the United States.							
	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Target	N/A	N/A	N/A	N/A	N/A	900	1,600	2,400
Actual	N/A	N/A	N/A	N/A	N/A	1,006		
Status	N/A	N/A	N/A	N/A	N/A	Exceeded		
Trend	Not enough data							
Actions to be taken / Future Plans	This indicator was introduced in FY 2014.							
Validation and Verification								
Data Source	ITA Client Tracking System and SelectUSA's NextGen internal tracking system							
Frequency	Quarterly							
Data Storage	Customer Relationship Management (CRM) System							

Indicator	Number of investment clients assisted
Internal Control Procedures	ITA utilizes Inspector General reviews, the annual independent financial audit, and DOC/ITA verification and validation reviews to assess actual indicator data. In addition, each month, Global Markets Commercial Officers review case data relevant to their areas in the ITA Client Tracking System case database. All ITA indicators are stored on ITA's knowledge management database—ITA Central.
Data Limitations	CRM database used enterprise-wide by staff in offices in over 70 countries and 100 U.S. cities is undergoing a review to improve the stability and performance of this system.
Actions to be Taken	Review and deploy enhancements to CRM database, IT infrastructure, and internal controls.

Objective 1.4: Strengthen fair competition in international trade for U.S. firms and workers by addressing and resolving foreign unfair trade practices and enforcing international trade agreements

New and Recurring Indicators

Indicator	Percentage of Compliance and Market Access cases initiated that are reviewed for Agreement Relevancy within the established time frame																																				
Description	This indicator captures the timely analysis and determination of whether a Compliance and Market Access (C&MA) case is subject to a Relevant Agreement for cases in which E&C staff are the responsible Issue Experts. E&C Issue Experts have 10 business days in which to examine a possible trade barrier, comparing it with any trade agreement obligations and determining if an agreement is "relevant" to helping to solve the case. Making this determination is an important basis for forming an action plan, since it may or may not provide leverage to help carry out the plan. This determination also dictates if the trade barrier will be termed a "compliance" case. Cases for which the agreement expert has reviewed the facts obtained and has determined that sufficient information is not yet available will be marked pending while additional information is being obtained.																																				
	<table border="1"> <thead> <tr> <th></th> <th>FY 2009</th> <th>FY 2010</th> <th>FY 2011</th> <th>FY 2012</th> <th>FY 2013</th> <th>FY 2014</th> <th>FY 2015</th> <th>FY 2016</th> </tr> </thead> <tbody> <tr> <td>Target</td> <td>N/A</td> <td>N/A</td> <td>N/A</td> <td>N/A</td> <td>N/A</td> <td>N/A</td> <td>90%</td> <td>90%</td> </tr> <tr> <td>Actual</td> <td>N/A</td> <td>91%*</td> <td>93%*</td> <td>91%*</td> <td>89%*</td> <td>96%</td> <td></td> <td></td> </tr> <tr> <td>Status</td> <td>N/A</td> <td>N/A</td> <td>N/A</td> <td>N/A</td> <td>N/A</td> <td>N/A</td> <td></td> <td></td> </tr> </tbody> </table>		FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Target	N/A	N/A	N/A	N/A	N/A	N/A	90%	90%	Actual	N/A	91%*	93%*	91%*	89%*	96%			Status	N/A	N/A	N/A	N/A	N/A	N/A		
	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016																													
Target	N/A	N/A	N/A	N/A	N/A	N/A	90%	90%																													
Actual	N/A	91%*	93%*	91%*	89%*	96%																															
Status	N/A	N/A	N/A	N/A	N/A	N/A																															
Trend	Data collected from FY 2010 – 2014. Variable trend line, positive trend, huge variability.																																				
Actions to be taken / Future Plans	This indicator will be introduced in FY 2015.																																				
Notes	*E&C staff members are responsible for Relevant Agreement determinations for cases where they are the designated Issue Experts. This indicator pertains only to cases where the issues are handled by E&C.																																				
Validation and Verification																																					
Data Source	ITA/E&C's Trade Agreements Compliance maintains the Case Module framework of the Client Tracking System for use by ITA teams in documenting and communicating about casework.																																				
Frequency	Quarterly – this is an annual indicator, but reported quarterly for progress reporting.																																				
Data Storage	ITA Client Tracking System.																																				
Internal Control Procedures	Determinations of Agreement Relevancy are entered into each case record of the ITA Client Tracking System (CTS) by the case team's designated Issue Expert from the Office of the DAS Policy and Negotiations. Automated reports are run from CTS data weekly to monitor the timeliness of these entries and weekly case meetings are held to ensure that all staff are reminded of deadlines.																																				
Data Limitations	Since the indicator is an annual indicator, there will be some cases at the end of the year for which the ten business days allotted to make Agreement Relevant determinations has not entirely elapsed. Thus, the data may not completely match the number of cases initiated.																																				
Actions to be Taken	None. Determinations pending will be noted.																																				

Indicator	Percent of antidumping duty (AD) and countervailing duty (CVD) determinations issued within statutory and/or regulatory deadlines							
Description	This indicator captures the timely completion of all AD/CVD determinations associated with on-going investigations, reviews (including administrative, new shipper and changed circumstance reviews), and scope and circumvention inquiries conducted pursuant to U.S. laws and regulations. The indicator will increase certainty within the trade community as to which importers will be liable for the payment of antidumping and/or countervailing duties, the amount of the potential duties owed, and when those duties will be collected. It will also signal to domestic producers the level of potential relief provided to offset the unfair trading practices of foreign producers/exporters and governments.							
	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Target	N/A	N/A	N/A	N/A	N/A	N/A	91%	91%
Actual	N/A	94%	99%	95%	96%	92%		
Status	N/A	N/A	N/A	N/A	N/A	N/A		
Trend	Performance data is available from FY 2010. Maintain Standard trend line, negative trend, huge variability.							
Actions to be taken / Future Plans	This indicator will be introduced in FY 2015. There is data collected from FY 2010-FY 2012 that will serve as a baseline for establishing targets.							
Validation and Verification								
Data Source	ITA/E&C's AD/CVD Operations maintains a case management database.							
Frequency	Quarterly							
Data Storage	AD/CVD Operations case management database.							
Internal Control Procedures	The case management database is maintained and updated daily by staff in the Office of the DAS for AD/CVD Operations. The staff responsible for the database ensures its accuracy by cross-checking the relevant signed Federal Register notices and decision memoranda.							
Data Limitations	None							
Actions to be Taken	None							

Indicator	Percent of antidumping (AD) and countervailing duty (CVD) cash deposit and liquidation instructions issued accurately to U.S. Customs & Border Protection (CBP)							
Description	This indicator captures the accuracy of cash deposit and liquidation instructions issued by E&C to CBP to ensure collection of appropriate and accurate duties for merchandise subject to antidumping and countervailing duty proceedings.							
	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Target	N/A	N/A	N/A	N/A	N/A	N/A	86%	86%
Actual	N/A	N/A	N/A	N/A	N/A	97%		
Status	N/A	N/A	N/A	N/A	N/A	N/A		
Trend	Not enough data							
Actions to be taken / Future Plans	This indicator will be introduced in FY 2015.							
Validation and Verification								
Data Source	ITA/E&C's AD/CVD Operations maintains a management database that tracks the accuracy of the instructions.							
Frequency	Quarterly							
Data Storage	AD/CVD Operations internal database.							
Internal Control Procedures	The management database is maintained by an assigned group from each office in AD/CVD Operations. It is monitored and reviewed regularly by the AD/CVD Operations Customs Liaison Unit, which in turn cross checks it with 1) information contained in the electronic data system used to transmit the instructions to CBP, and 2) information retained by the offices responsible for populating the database.							
Data Limitations	None							
Actions to be Taken	None							

Indicator	Percent of antidumping (AD) and countervailing duty (CVD) cash deposit and liquidation instructions issued timely to U.S. Customs & Border Protection (CBP)							
Description	This indicator captures the timeliness of cash deposit and liquidation instructions issued by E&C to CBP to ensure collection of appropriate duties for merchandise subject to AD and CVD proceedings.							
	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Target	N/A	N/A	N/A	N/A	N/A	N/A	88%	88%
Actual	N/A	N/A	N/A	N/A	N/A	93%		
Status	N/A	N/A	N/A	N/A	N/A	N/A		
Trend	Not enough data							
Actions to be taken / Future Plans	This indicator will be introduced in FY 2015.							
Validation and Verification								
Data Source	ITA/E&C's AD/CVD Operations maintains a management database that tracks the timeliness of the instructions.							
Frequency	Quarterly							
Data Storage	AD/CVD Operations internal database.							
Internal Control Procedures	The management database is maintained by an assigned group from each office in AD/CVD Operations. It is monitored and reviewed regularly by the AD/CVD Operations Customs Liaison Unit, which in turn cross checks it with 1) information contained in the electronic data system used to transmit the instructions to CBP, and 2) information retained by the offices responsible for populating the database.							
Data Limitations	None							
Actions to be Taken	None							

Indicator	Percent of antidumping (AD) and countervailing duty (CVD) petition counseling involving small and medium-sized enterprises (SMEs)							
Description	This indicator captures E&C counseling assistance to U.S. small and medium-sized enterprises (SMEs) and their workers, including counseling resulting from contacts initiated by SMEs or their workers, and E&C outreach to SMEs. Such counseling improves SME's understanding of and access to the U.S. unfair trade laws dealing with injurious dumping and foreign government subsidies that can impede the competitiveness of U.S. companies and workers. After discussions with E&C's Petition Counseling and Analysis Unit (PCAU), whether a U.S. industry ultimately files an AD or CVD petition, or pursues other options, is a complex decision each party makes after considering the resources involved in participating in the AD or CVD process.							
	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Target	N/A	N/A	N/A	N/A	N/A	55%	55%	Discontinued
Actual	N/A	N/A	65%	61%	30%	60%		
Status	N/A	N/A	N/A	N/A	N/A	Exceeded		
Trend	Four years of data, maintain standard trend line, negative trend, huge variability.							
Actions to be taken / Future Plans	This indicator will be discontinued in FY 2016. It will be replaced by a new measure ("Number of antidumping (AD) and countervailing duty (CVD) petition counseling sessions").							
Validation and Verification								
Data Source	PCAU maintains a database of its communications with U.S. companies							
Frequency	Annual.							
Data Storage	PCAU internal database.							
Internal Control Procedures	Analysts entering the data review the database to ensure accuracy.							
Data Limitations	Data reflect the number of companies or law firms that have contacted the PCAU. These figures may fluctuate depending on economic circumstances outside the control of the PCAU.							
Actions to be Taken	None							

Indicator	Number of antidumping (AD) and countervailing duty (CVD) Petition Counseling Sessions							
Description	As of FY 2016, we are implementing a new measure that will capture all E&C petition counseling assistance to U.S. companies and their workers, including counseling resulting from contacts initiated by companies or their workers, and E&C outreach to U.S. companies. Such counseling improves all companies' understanding of and access to the U.S. unfair trade laws dealing with injurious dumping and foreign government subsidies that can impede the competitiveness of U.S. companies and workers. After discussions with E&C's Petition Counseling and Analysis Unit (PCAU), whether or not a U.S. industry ultimately files an AD or CVD petition, or pursues other options, is a complex decision each party makes after considering the resources involved in participating in the AD or CVD process.							
	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Target	N/A	N/A	N/A	N/A	N/A	N/A	N/A	230
Actual	N/A	N/A	N/A	N/A	N/A	318		
Status	N/A	N/A	N/A	N/A	N/A	N/A		
Trend	Not enough data							
Actions to be taken / Future Plans	This indicator will be introduced in FY 2016.							
Validation and Verification								
Data Source	PCAU maintains a database of its communications with U.S. companies							
Frequency	Annual.							
Data Storage	PCAU internal database.							
Internal Control Procedures	Analysts entering the data review the database to ensure accuracy.							
Data Limitations	Data reflect the number of companies, organizations (such as labor unions, trade associations, etc.), or law firms (or other representatives) that have contacted the PCAU. These figures may fluctuate depending on economic circumstances outside the control of the PCAU.							
Actions to be Taken	None							

Part 5: Other Indicators

Section 5.1: Description

Indicator	Dollar value of textile sales generated (millions)							
Description	This measure highlights I&A's ability to assist U.S. textile and apparel companies with export sales. I&A calculates the dollar value of immediate and projected textile sales generated from I&A's direct involvement with companies at international trade shows and through business to business match-making activities coordinated by I&A.							
	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Actual	N/A	N/A	N/A	N/A	\$22	\$25*	\$30*	\$30*
Notes	*These figures are projected amounts.							

Part 6: Agency Priority Goals

Section 6.1: APG Statement, Overview and Goal Leader

APG Statement: By September 30, 2015, the Department of Commerce will increase the percentage of companies assisted by Global Markets that achieve their export objectives to 71%.

Overview: Exports are important to fostering U.S. economic prosperity. The International Trade Administration (ITA) is committed to providing high-quality assistance that helps U.S. companies achieve their export objectives. This priority goal focuses on improving the quality of assistance ITA's trade and commercial specialists provides to companies. ITA's delivery of substantive, high value-

added assistance is affirmed when companies receiving this assistance respond that they have achieved their export objectives.

This increased emphasis on improving the quality of services provided is representative of ITA's shift in focus and strategy as the organization embarked on a major consolidation, which took effect October 1, 2013. This consolidation combines ITA's largest business unit, the U.S. and Foreign Commercial Service (US&FCS), with the Market Access and Compliance unit to form a new unit called Global Markets (GM). GM is the business unit responsible for achieving this priority goal.

With the launch of the new GM business unit, it is imperative that GM staff worldwide—all of whom interact with U.S. companies—are unified behind a common goal that focuses on the customer's unique needs. The FY2012-2013 baseline average percentage of companies assisted that achieved their export objectives is 67% for ITA's fee-for-service clients. To achieve this priority goal, GM will seek to understand individual U.S. companies' needs to be successful internationally and, subsequently, offer a customized approach that draws on the full resources available across ITA and the federal government to meet those needs. This strategic shift towards offering a more consultative approach steers ITA professionals towards identifying the problems and challenges with exporting, and designing holistic solutions for those problems. It focuses ITA on engaging with clients to offer substantive, high value-added assistance, such as helping companies select the best markets to enter, overcome trade barriers they encounter when exporting, or find suitable international business partners.

Possible barriers and challenges to achieving this priority goal include the following: ITA's current Customer Relationship Management (CRM) system is outdated, and ITA is currently in the process of replacing this system with a more modern one that will better allow tracking of activities in support of this goal. Also, GM faced challenges communicating this new priority goal and accompanying policy instructions to ITA's Global Markets field staff in FY 2014 given other organizational changes which were occurring concurrently, including a major programmatic consolidation/reorganization.

Goal Leader: Arun Kumar, Assistant Secretary and Director General of Global Markets

Section 6.2: Strategies

Continued training for client-facing staff: To improve ITA's APG performance, Global Markets will continue to train client-facing staff across the country and around the world on how to develop, document and achieve a client's export objectives; this includes training staff on best practices and standard operating procedures.

Expand data collection: Global Markets will expand usage of Comment Cards to include non-fee-based services in order to collect more client feedback data. Additionally, ITA will procure and implement a new Customer Relationship Management system in FY 2015 that will enable surveys to be sent out to all clients that receive substantive assistance during the year; this includes counseling and other assistance that currently is not tracked in a way that can be surveyed efficiently and effectively.

Section 6.3 Indicators

The following table provides information on ITA's Priority Goal indicators:

Goal	Percentage of Global Markets clients that achieved their export objectives					
Performance Indicators	Companies assisted by Global Markets that achieve export objectives		Number of clients assisted by Global Markets		Percentage of clients highly likely to recommend Global Markets	
Description	See Section 6.1 above		This indicator illustrates ITA's reach into the U.S. business community. Historical data indicates that over 75 percent of companies assisted are small and medium-sized enterprises.		This indicator illustrates the level of client satisfaction with Global Markets and will be used to improve the quality and efficiency of service delivery. This indicator was adopted in FY 2013. These targets were set using government customer satisfaction benchmarks from the American Customer Satisfaction Index (ACSI). ACSI results have hovered between 65-68% over the last five years, making the targets set reasonable ones.	
	Target	Actual	Target	Actual	Target	Actual
FY 2014	69%	73%	22,150	17,593	69%	83%

Section 6.4: Progress Update

In FY14 Q4, 76 percent of (GM) clients reported that they achieved their export objectives. FY14's total mark is 73 percent. As a result, GM exceeded its annual target goal of 69 percent.

For FY14, ITA's Agency Priority Goal (APG) was captured and measured by GM's current "Comment Cards" system for fee-based services. A client's response of a 9 or 10 (on a scale of 1-10) to the question "How well did we meet your export objectives?" measures a positive response. This use of 9 and 10 represents a "top two box score" and is consistent with survey industry standards. A fee-based service requires a Participation Agreement (PA) between the client and GM. In FY14 Q2, GM added an "objective" box to the PA. A mutually agreed to objective is documented in the mandatory open text field. Once GM closes a PA, this mutually agreed upon objective populates in the comment card which is sent to the client. The client indicates on the card if their objective was met and returns it to GM.

Section 6.5: Next Steps

Starting in FY15, GM will expand the Comment Card system to include non-fee based services. This will enable GM to capture client feedback on a broader range of services in order to help improve and measure the full breadth of GM assistance to its clients.

In addition, in FY15 GM will pilot measuring the service delivery time for its fee-based services in an effort to address wait times (the time it takes to complete a fee-based service such as a Gold Key). These two measures will help improve customer satisfaction.

GM is conducting two pilots aimed at improving its knowledge management. The first is the Export Consulting Group pilot, which aims to offer clients a team consulting approach to assist with their export objectives. Three Export Consulting Groups (ECGs) are currently under way, each finalizing its strategic and comprehensive global business solution for the target client. The ECG pilot represents clients in services, manufacturing, urban and rural firms. The second pilot is the Knowledge Management pilot, which aims to leverage technology to create a repository of

knowledge/commercial intelligence across GM. This pilot is in the technology acquisition phase. Technology acquired as part of this pilot will assist GM employees, but also US exporters, partners, and multipliers. The goal of these pilots remains to identify knowledge, expertise, and commercial intelligence, and deliver it to the people and clients who need it.

Section 6.6: Contributing Programs

ITA—Industry and Analysis, Enforcement and Compliance, Trade Promotion Coordinating Committee member agencies, and programs including, but not limited to counseling, export financing, trade advocacy, commercial diplomacy, business matchmaking, and the National Export Initiative.

Part 7: Resource Requirements Table

Funding for the Resource Requirements table reflects total direct obligations. Reimbursable obligations are included insofar that amounts can be reasonably be predicted with little variance from year to year, and could reasonably affect the performance of indicators. Funding and FTE appear at the objective level.

DOC Trade and Investment Objective #1 Increase opportunities for U.S. companies by opening markets globally									
	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Base	Increase/Decrease	FY 2016 Request
Manufacturing and Services	\$33.9	\$35.4	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Market Access and Compliance	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Import Administration	\$10.7	\$10.5	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Commercial Service	\$3.1	\$3.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Industry and Analysis	\$0.0	\$0.0	\$49.9	\$42.4	\$45.8	\$48.6	\$44.4	\$1.2	\$45.6
Executive Direction/Administration	\$2.8	\$2.7	\$2.8	\$2.4	\$2.4	\$2.5	\$2.4	\$0.0	\$2.4
Total Funding	\$50.5	\$51.6	\$52.7	\$44.8	\$48.3	\$51.1	\$46.8	\$1.2	\$48.0
Direct	\$49.2	\$50.6	\$51.5	\$44.1	\$47.9	\$50.4	\$46.1	\$1.2	\$47.3
Reimbursable	\$1.3	\$1.0	\$1.3	\$0.7	\$0.4	\$0.7	\$0.7	\$0.0	\$0.7
FTE	198	190	199	184	195	204	204	0	204

DOC Trade and Investment Objective #2 Increase U.S. exports by broadening and deepening the U.S. exporter base									
	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Base	Increase/Decrease	FY 2016 Request
Manufacturing and Services	\$5.7	\$2.9	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Market Access and Compliance	\$23.8	\$27.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Import Administration	\$8.3	\$8.4	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Commercial Service	\$273.3	\$272.5	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Industry and Analysis	\$0.0	\$0.0	\$7.7	\$3.4	\$3.5	\$3.7	\$3.5	\$0.0	\$3.5
Global Markets	\$0.0	\$0.0	\$325.0	\$319.9	\$328.1	\$338.1	\$349.0	-\$5.3	\$343.7
Executive Direction/Administration	\$18.0	\$19.6	\$18.4	\$17.2	\$16.0	\$16.8	\$17.0	-\$0.3	\$16.7
Total Funding	\$329.1	\$330.5	\$351.1	\$340.4	\$347.5	\$358.6	\$369.5	-\$5.6	\$363.9
Direct	\$310.1	\$309.0	\$329.7	\$317.4	\$324.1	\$332.9	\$343.8	-\$5.6	\$338.2
Reimbursable	\$18.6	\$21.5	\$21.4	\$23.0	\$23.4	\$25.6	\$25.6	\$0.0	\$25.6
FTE	1,184	1,155	1,185	1,148	1,100	1,201	1,201	0	1,201

DOC Trade and Investment Objective #3 Increase high-impact inward foreign direct investment in the United States									
	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Base	Increase/Decrease	FY 2016 Request
Manufacturing and Services	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Market Access and Compliance	\$0.5	\$0.5	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Import Administration	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Commercial Service	\$0.0	\$0.3	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Global Markets	\$0.0	\$0.0	\$0.6	\$0.8	\$4.7	\$10.0	\$10.0	\$10.0	\$20.0
Executive Direction/Administration	\$0.0	\$0.0	\$0.0	\$0.3	\$0.3	\$0.3	\$0.3	\$0.0	\$0.3
Total Funding	\$0.5	\$0.7	\$0.6	\$1.2	\$5.1	\$10.3	\$10.3	\$10.0	\$20.3
Direct	\$0.5	\$0.7	\$0.6	\$1.2	\$5.1	\$10.3	\$10.3	\$10.0	\$20.3
Reimbursable	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
FTE	3	4	4	6	14	23	27	9	36

DOC Trade and Investment Objective #4 Strengthen fair competition in international trade for U.S. firms and workers by addressing and resolving foreign unfair trade practices and enforcing international trade agreements									
	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Base	Increase/Decrease	FY 2016 Request
Manufacturing and Services	\$11.6	\$11.6	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Market Access and Compliance	\$22.9	\$21.4	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Import Administration	\$56.5	\$55.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Commercial Service	\$4.7	\$4.6	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Industry and Analysis	\$0.0	\$0.0	\$12.4	\$11.9	\$11.5	\$12.2	\$12.4	-\$0.2	\$12.2
Enforcement and Compliance	\$0.0	\$0.0	\$70.5	\$70.7	\$69.1	\$77.3	\$75.8	\$6.2	\$82.0
Executive Direction/Administration	\$6.7	\$6.5	\$5.4	\$5.1	\$4.8	\$5.0	\$5.0	-\$0.1	\$4.9
Total Funding	\$102.4	\$99.1	\$88.2	\$87.7	\$85.4	\$94.6	\$93.2	\$5.9	\$99.1
Direct	\$101.9	\$98.7	\$87.4	\$87.6	\$85.3	\$94.4	\$93.1	\$5.9	\$99.0
Reimbursable	\$0.5	\$0.4	\$0.8	\$0.1	\$0.1	\$0.1	\$0.1	\$0.0	\$0.1
FTE	498	501	390	358	357	404	408	18	426

Grand Total									
Total Funding	\$482.5	\$481.9	\$492.6	\$474.1	\$486.3	\$514.6	\$519.8	\$11.5	\$531.3
Direct	\$461.7	\$459.0	\$469.2	\$450.3	\$462.4	\$488.0	\$493.3	\$11.5	\$504.8
Reimbursable	\$20.4	\$22.9	\$23.5	\$23.8	\$23.9	\$26.4	\$26.4	\$0.0	\$26.4
FTE	1,883	1,850	1,778	1,696	1,666	1,832	1,840	27	1,867

Note: Worsted Wool account included in IA/I&A.

Part 8: Other Information

Section 8.1: Major Management Priorities, Challenges, and Risks

In its FY 2014 Top Management Challenges report, the Department's OIG identified the following area for management attention: "Promoting U.S. exports while protecting national security interests."

More specifically, the OIG stated that ITA's challenge is to sustain the momentum to increase exports while managing an internal reorganization at the same time.

International Trade Administration's Response to the OIG Top Management Challenges

ITA's official responsible for OIG's Management Challenge is Ken Hyatt, Deputy Under Secretary for International Trade. ITA's Response to the OIG FY 2014 Top Management Challenge, "Implementing the National Export Initiative Under a New Organizational Structure" noted the following:

- By all measures, the National Export Initiative (NEI) has been catalytic.
 - American businesses achieved record exports for four consecutive years, with exports supporting a record 11.3 million jobs in 2013, an increase of 1.6 million jobs since 2009.
 - Thousands of companies across the country made exporting a strategy to growing their business.
 - Dozens of states and communities turned to exports as a path for economic growth to support additional jobs.
- Starting from a base of \$1.58 trillion of exports in 2009, the United States has reached an all-time high of \$2.28 trillion in 2013; the year-over-year growth rate of U.S. exports was about 3 percent through the first half of 2014.
- We cannot control the ups and downs of the global economy, but we can and must remain vigilant to maximize the potential of our free trade agreements and of every American company that wants to grow, hire and compete through exporting.
- Building on progress of the NEI, Secretary Pritzker announced NEI/NEXT in mid-May. NEI/NEXT is new customer service-driven strategies with improved information resources that will help American businesses capitalize on existing and new opportunities to sell Made-in-America goods and services abroad.
- The five objectives of NEI/NEXT are rooted in the lessons we have learned, and include:
 1. Connecting more U.S. businesses to their NEXT global customer with tailored industry-specific information and assistance.
 2. Making the NEXT international shipment easier and less expensive, through efforts to streamline U.S. government export-related services, reporting requirements and processes, and speeding American goods to more markets through domestic infrastructure improvements.
 3. Expanding access to finance for U.S. businesses' NEXT export transaction, helping more exporters obtain financing to meet international demand, and ensuring more companies know what products and services are available to reduce risk and export to new markets with confidence.
 4. Promoting exports and foreign direct investment attraction as the NEXT economic development priority in communities and regions across the country by enhancing partnerships with local and state leaders and by coordinating with SelectUSA.
 5. Creating, fostering and ensuring U.S. business' NEXT global opportunity by helping developed and developing economies improve their business environments, by opening new markets, and by establishing conditions and addressing barriers to allow more American exporters to compete and win abroad.

NEI/Next Objectives 1 and 4 are chaired by ITA and are a part of the Department of Commerce's management plan. The United States is poised to capitalize on an increasingly favorable global macroeconomic outlook, and through NEI/NEXT ITA will continue to support economic growth and create opportunities for U.S. businesses and the American workforce to sell Made-in-America goods and services to more countries.

Section 8.2: Cross-Agency Priority Goals / Collaborations

CAP Goal: Job Creating Investment

Goal leaders: Jason Miller (NEC), Bruce Andrews (DOC), Heather Higginbottom (State Department)

Deputy Goal leaders: Ken Hyatt (ITA), Arun Kumar (ITA) Charles Rivkin (State Department), Jason Miller (NEC)

Goal Statement: Improve federal investment tools and resources, while also increasing interagency coordination, to encourage foreign direct investment, spurring job growth.

Key Agency Partners: Collaboration across the Interagency Investment Working Group Members (IIWG): Departments of State, Treasury, Defense, Justice, Interior, Agriculture, Commerce, Labor, Veterans Affairs, Health and Human Services, Housing and Urban Development, Transportation, Energy, Education, and Homeland Security, the Environmental Protection Agency, the Small Business Administration, the Export Import Bank of the United States, the Office of the United States Trade Representative, the Domestic Policy Council, the National Economic Council, the National Security Staff, the Office of Management and Budget, and the Council of Economic Advisers, Federal Aviation Administration

Contribution to CAP Goal/Objectives:

- Promote and market the United States as the premier investment destination
- Improve federal services, tools and resources that facilitate inward investment
- Improve and execute federal business processes that assist potential investors and community initiatives to attract, retain, expand, and reshore investment
- Create a more attractive investment environment by identifying and initiating processes with appropriate agencies to address barriers and disincentives

Key Indicators:

- Number of investment clients assisted
- Number of EDOs counseled

Collaborations

U.S.-European Union Safe Harbor Framework Agreement: ITA leads the Safe Harbor negotiations in coordination with the Department of Justice, the Federal Trade Commission, the Office of the Director for National Security, and the National Security Council.

International Trade Data System (ITDS): ITA leads the external engagement work of the interagency program to implement the ITDS single window system in the United States by the end of 2016. In that process ITA works closely with the U.S. Department of Homeland Security, the National Security Council, U.S. Customs and Border Protection, multiple Department of Commerce bureaus (including

other parts of ITA, the Bureau of Industry and Security, the National Oceanic and Atmospheric Administration, the Economics and Statistics Administration, and the Census Bureau), plus 45 other Federal agencies engaged in data collection and customs processing at the U.S. border.

Trade Finance Education: ITA conducts its program on trade finance education in close cooperation with several U.S. government agencies and private sector organizations, including the U.S. Export-Import Bank, Small Business Administration, Department of Agriculture, Trade and Development Agency, and the Finance, Credit and International Business Association.

Section 8.3: Evidence Building

Global Markets (GM) and the Census Bureau's Center for Economic Studies (CES) established an interagency agreement to pilot a study to evaluate the long-term economic impact of GM assistance by comparing the performance of companies GM assisted versus the general business population. The pilot will be completed in Q1 of FY 2015 and similar studies will be conducted every three years. In addition, Global Markets conducted a pilot to assess the economic impact of trade barriers eliminated or reduced overseas with GM commercial diplomacy assistance. The pilot will be completed in Q1 of FY 2015 and similar economic impact assessments will be conducted annually in FY 2015 and beyond. Lastly, Global Markets streamlined a survey instrument piloted in FY 2013 to collect annual economic impact data from clients that receive in-depth export assistance from GM. The survey will be submitted in the first part of Q1 of FY 2015 to the Office of Management and Budget as part of the Paperwork Reduction Act requirement so that GM can conduct the survey annually starting in FY 2015.

ITA understands the importance of using program evaluations to assess its activities and programs and support informed programmatic and management decision-making. ITA is considering the expanded use of program evaluations as possible within available resources and will undertake an assessment during FY 2015 to determine priority evaluation areas based on strategic needs and existing information gaps. Where possible, ITA will begin new program evaluations during FY 2015.

Section 8.4: Hyperlinks

None at this time.

Section 8.5: Data Validation and Verification

The FY 2014 Summary of Performance and Finance Information includes in the Secretary's Statement, an assessment of the reliability and completeness of the Department's performance data.

Section 8.6: Lower-Priority Program Activities

The President's Budget identifies the lower-priority program activities, where applicable, as required under the GPRA Modernization Act, 31 U.S.C. 1115(b)(10). The public can access the volume at: <http://www.whitehouse.gov/omb/budget>.

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GLOSSARY OF BUDGET ACRONYMS AND TERMS**

ABC	Activity-Based Cost
AC	Advocacy Center
AD	Antidumping
AGOA	African Growth and Opportunities Act
APEC	Asia/Pacific Economic Cooperation
ASEAN	Association of Southeast Asian Nations
ATB	Adjustment to Base
BEA	Bureau of Economic Analysis
BY	Budget Year
CBP	Customs and Border Protection
CBS	Commerce Business System (Accounting System)
CEE	Central and Eastern Europe
CEEBIC	Central and Eastern Europe Business Information Center
CFAO	Chief Financial and Administrative Officer
CIT	Court of International Trade
CITA	Committee for the Implementation of Textile Agreements
CSRS	Civil Service Retirement System
CTP	Corporation for Travel Promotion
CVD	Countervailing Duty
CS	Commercial Service
DAS	Deputy Assistant Secretary
DEC	District Export Council
DM	Departmental Management
DOA	Director of Administration
DOS	Department of State
E&C	Enforcement and Compliance
ECF	Employees Compensation Fund
EFM	Export Finance Matchmaker
EPA	Environmental Protection Agency
EU	European Union
ExAd	Executive Direction and Administration
FCC	Federal Communications Commission
FCIB	Finance, Credit and International Business
FDA	Food and Drug Administration
FDI	Foreign Direct Investment
FERS	Federal Employees Retirement System
FFMIA	Federal Financial Management Improvement Act
FFS	Federal Financial System
FICA	Federal Insurance Contribution Act
FSN	Foreign Service National
FTA	Free Trade Agreement

**Department of Commerce
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GLOSSARY OF BUDGET ACRONYMS AND TERMS**

FTE	Full Time Equivalent
FTZ	Foreign Trade Zones
FY	Fiscal Year
GATS	General Agreement on Trade in Services
GATT	General Agreement on Tariffs and Trade
GBDe	Global Business Dialogue on electronic commerce
GCC	Gulf Cooperation Council
GDI	Global Diversity Initiative
GDP	Gross Domestic Product
GM	Global Markets
GPO	Government Printing Office
I&A	Industry and Analysis
LES	Locally Employed Staff
MOU	Memorandum of Understanding
MRA	Mutual Recognition Arrangement
NACC	North American Competitiveness Council
NAFTA	North American Free Trade Agreement
NARA	National Archives and Records Administration
NEI	National Export Initiative
NES	National Export Strategy
NME	Non-Market Economy
NSC	National Security Council
NTBs	Non-Tariff Barriers
OASDI	Old Age Survivor and Disability Insurance
OECD	Organization for Economic Cooperation and Development
OGC	Office of General Counsel
OIG	Office of Inspector General
OLIA	Office of Legislative and Intergovernmental Affairs
OMB	Office of Management and Budget
OPA	Office of Public Affairs
OPIC	Overseas Private Investment Corporation
PART	Program Assessment Rating Tool
PMA	President's Management Agenda
PSC	Personal Service Contractors
QEC	Quality Enhancement and Control
SIPS	Statutory Import Program Staff
SMEs	Small and medium-sized Enterprises
STOP	Strategy Targeting Organized Piracy
TABD	Transatlantic Business Dialogue
TCC	Trade Compliance Center
TCG	Textiles Consultative Group

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GLOSSARY OF BUDGET ACRONYMS AND TERMS**

TCI	Trade Compliance Initiative
TDA	Trade Development Agency
TIC	Trade Information Center
TNIS	Trade Negotiation Information System
TP/US&FCS	Trade Promotion / United States & Foreign Commercial Service
TPA	Trade Promotion Authority
Trusted IC	Trusted Internet Connection
TSP	Thrift Savings Plan
TTAB	Travel and Tourism Advisory Board
U.K.	United Kingdom
USAID	U.S. Agency for International Development
USDOC	U.S. Department of Commerce
USCIS	U.S. Citizenship and Immigration Services (Formerly known as the INS)
USEAC	U.S. Export Assistance Centers
USG	United States Government
USPTO	U.S. Patent and Trademark Office
USTR	U.S. Trade Representative
WCF	Working Capital Fund
WTO	World Trade Organization

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