

International Trade Administration

The mission of the International Trade Administration (ITA) is to create economic opportunity for U.S. workers and firms by promoting international trade, opening foreign markets, ensuring compliance with trade laws and agreements, and supporting U.S. commercial interests at home and abroad. ITA's goals and objectives are accomplished through five program areas:

Manufacturing and Services (MS) is ITA's industry-based program that focuses on the domestic and international aspects of U.S. industrial competitiveness. MS uses its unique industry sector expertise to counsel American businesses and to work with U.S. industry to evaluate the needs of American manufacturers. MS assesses the economic impact of new and existing government rules and regulations on U.S. manufacturing competitiveness. MS represents the interests of the U.S. manufacturing and services sectors in U.S. Government policy setting and regulatory programs. MS is responsible for negotiating and enforcing industry sector trade agreements such as those on autos, textiles and aircraft.

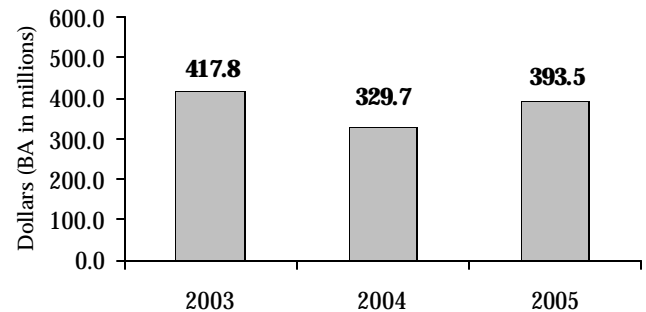
Market Access and Compliance (MAC) identifies market access barriers and the means to overcome them, assists in the formulation of U.S. bilateral and multilateral trade policies to achieve greater market access, and provides counseling and assistance to U.S. businesses seeking access to markets in specific countries or regions. Through the Trade Compliance Center (TCC), ITA systematically monitors, investigates, and evaluates foreign compliance with multilateral, bilateral, and other international trade agreements.

Import Administration (IA) defends American firms from injurious practices by administering the U.S. antidumping and countervailing duty laws in a manner consistent with U.S. international obligations. IA works extensively with U.S. businesses on a regular basis to help them understand U.S. trade laws related to dumping and foreign government subsidies and act if they are injured by those practices. IA is initiating an Unfair Trade Practices Team that will track, detect and confront unfair competition by monitoring economic data from our global competitors and vigorously investigating evidence of unfair subsidization and production distortions.

Trade Promotion and the U.S and Foreign Commercial Service (TP/USFCS) conducts a variety of trade promotion programs intended to broaden and deepen the base of U.S. exports particularly for small and medium-sized firms. TP/USFCS provides American companies with reliable advice on the range of public and private export assistance programs and offers knowledgeable support for all federal trade promotion services through such programs as the Trade Information Center (1-800-USA TRADE). TP/USFCS serves as the primary distribution source of federal trade finance programs for smaller firms. The program offers export assistance through information, referral and follow-up services through its integrated global field network. TP/USFCS leads interagency advocacy efforts for major overseas projects, including early involvement in project development and assistance to resolve post-transaction problems.

Executive Direction and Administration (ExAdmin) directs policy and planning to effectively plan and manage ITA. ExAdmin delivers administrative services to enable ITA's programs to advance their program goals. These administrative services include information technology support systems, strategic planning and performance management services, human capital planning, human resources services, financial management, and general administrative assistance.

ITA Funding



Summary of Appropriations

Funding Levels

Appropriation	2003 <u>Actual</u>	2004 <u>Estimate</u>	2005 <u>Estimate</u>	Increase <u>(Decrease)</u>
Operations and Administration	\$409,513	\$378,102	\$393,513	\$15,411
Transfer from USAID	8,285			
Unobligated balance, rescission		(48,386)	0	48,386
TOTAL BUDGET AUTHORITY	<hr/> 417,798	329,716	393,513	63,797

FTE

Operations and Administration	2,257	2,550	2,553	3
Reimbursable	28	49	49	0
Total	<hr/> 2,285	2,599	2,602	3

Highlights of Budget Changes

Appropriation: Operations and Administration

Summary of Requirements

	<u>Detailed</u>		<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
2004 Appropriation			2,550	\$378,102
Adjustments to Base				
Other Changes				
2004 Pay raise		\$1,533		
2005 Pay raise		3,978		
Payment to Working Capital Fund		299		
Full year cost in FY 2005 of positions financed for part year in FY 2004	1	77		
Change in compensable day		(682)		
Civil Service Retirement System(CSRS)		(188)		
Federal Employees' Retirement System(FERS)		512		
Thrift Savings Plan		84		
Federal Insurance Contributions Act (FICA) -OASDI		200		
Health insurance		1,062		
Employees' Compensation Fund		(194)		
Travel: Mileage		(5)		
Rent payments to GSA		732		
Printing and reproduction		22		
Other services: Working Capital Fund		821		
Overseas wage increases		859		
Overseas price increases		129		
General Pricing Level Adjustment:				
Transportation of things		20		
Rent payments to others		65		
Communications, Utilities & misc.		4		
Other services		34		
Supplies		27		
Equipment		50		
In Flight Survey		29		
I-94 Processing		2		
Official Airlines Guide		1		
International Cooperative Administrative Support Services		1,715		
Subtotal, other cost changes			1	11,186
Less Amount Absorbed				(1,014)
TOTAL, ADJUSTMENTS TO BASE			1	10,172
2005 Base			2,551	388,274
Program Changes			2	5,239
2005 NET APPROPRIATION			2,553	393,513

Comparison by Activity

	2004 Currently Avail.		2005 Base		2005 Estimate		Increase / Decrease	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
DIRECT OBLIGATIONS								
Manufacturing and Services	320	\$52,328	320	\$47,509	320	\$47,509	0	\$0
Market Access and Compliance	273	48,606	273	38,887	275	39,087	2	200
Import Administration	406	67,533	406	69,044	406	69,044	0	0
Trade Promotion and U.S. Foreign Commercial Service	1,386	205,685	1,386	207,326	1,386	211,864	0	4,538
Executive Direction / Administration	165	24,811	166	25,508	166	26,009	0	501
TOTAL DIRECT OBLIGATIONS	2,550	398,963	2,551	388,274	2,553	393,513	2	5,239
REIMBURSABLE OBLIGATIONS	49	36,000	49	36,000	49	36,000	0	0
TOTAL OBLIGATIONS	2,599	434,963	2,600	424,274	2,602	429,513	2	5,239
FINANCING								
Unobligated balance, start of year		(69,247)						
Offsetting collections from:								
Federal funds		(4,650)				(4,650)		
Non-Federal sources		(31,350)				(31,350)		
Subtotal, financing	0	(105,247)			0	(36,000)		
TOTAL BUDGET AUTHORITY	2,599	329,716			2,602	393,513		
Unobligated balance, rescission		48,386						
TOTAL APPROPRIATION	2,599	378,102						

Highlights of Program Changes

	Base		Increase / Decrease	
	FTE	Amount	FTE	Amount
Trade Promotion and the U.S. and Foreign Commercial Service	1,386	\$207,326	0	+\$4,538

An increase for the **State Department's Capital Security Cost Sharing Program (CSCSP) (0 FTE/+\$4,538)** is requested to cover the State Department's capital security costs associated with building of new embassy compounds. CSCSP is scheduled to begin in FY 2005 and continue through FY 2018 and all agencies represented in embassies will be charged on a worldwide per capita basis. Since ITA's Trade Promotion and the U.S. and Foreign Commercial Service (TP&USFCS) has a large overseas presence, 152 offices in 89 countries, with a majority of the offices located in U.S. Consulates and Embassies, ITA's first year contribution will be approximately \$4.538 million with rent offsets. The costs in this program escalate between FY 2005 and FY 2008 where they level out to an annual "cost sharing" payment to the State Department of \$40 million until FY 2018. Without additional funding in subsequent years, ITA will be forced to pay for this activity within existing resources and face a severe and detrimental impact on ITA's overseas operation.

Executive Direction/Administration	166	\$25,508	0	+\$501
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An increase for the **Activity-Based Cost (ABC) Accounting and Management System: (0 FTE/+\$501)** is requested to allow for more precise management and planning of resources, as well as, a better understanding of ITA's performance and commitment to priority activities. An ABC Accounting and Management System is expected to deliver numerous benefits to ITA, such as, meeting JFMIP requirements and certifications, allowing users significant flexibility in report development and transfer of data to other ITA application software, and tracking financial data in an efficient and more

accurate manner than in the past. ITA has begun implementing this system, with existing resources, and requires these funds to complete the project.

	Base		Increase / Decrease	
	FTE	Amount	FTE	Amount
Market Access and Compliance	273	\$38,887	2	+\$200

An increase for the **Free Trade Agreement Secretariats (0 FTE/+ \$200)** is requested to enable ITA to meet a requirement under the Singapore and Chile Free Trade Agreements. Each agreement calls for the establishment of a dispute settlement mechanism, or Secretariat. The Secretariat will provide administrative support for dispute settlement proceedings related to disputes brought by industry in each country on possible violations of the terms of the agreement. ITA currently supports the NAFTA Secretariat and its predecessor, the U.S.- Canada Bi-national Secretariat.

ITA Performance Measures

For FY 2005, ITA continues to refine the series of performance measures implemented in FY 2002. These measures are used to assess and substantiate the impact of ITA's program activities. This list of measures concentrates on ITA's priority programs and activities while focusing on outcomes and results. These current measures cut across ITA organizational lines and indicate results and performance that are ITA-wide in scope. The following table shows the measures that ITA uses to measure its performance. A more detailed description of these goals and measures can be found in the ITA section of the Department of Commerce budget.

Performance Goals (Obligations) and Measures (Targets)

(Dollars in millions)

	2003 Actual	2004 Estimate / Target	2005 Estimate / Target
Goal 1: Increase Trade Opportunities for U.S. Firms to Advance the U.S.' International Commercial and Strategic Interest	\$106.7	\$101.3	\$103.7
Number of new or enhanced ITA partnerships with public and private sector entities to promote U.S. exports	88	45	45
Dollar exports in targeted products and markets	\$165.6B	\$160 – 180B	\$170 – 190B
Goal 2: Expand U.S. Exporter Base	\$97.2	\$93.1	\$91.8
% of undertaken advocacy actions completed successfully	10%	10% – 15%	10% – 15%
Dollar value of completed advocacies (U.S. Export Content)	\$5.9B	\$4B to \$6B	\$4B to \$6B
Number of U.S. exporters entering new market	6,278	6,200 to 6,300	6,400 to 6,500
Number of U.S. firms exporting for the first time	896	880 to 900	920 to 940
Number of export transactions made as a result of ITA involvement	14,090	14,000 to 14,500	14,300 to 14,800
% funded of TP/USFCS Program Fee	New	1%	2%
Goal 3: Ensure Fair Competition in International Trade	\$85.8	\$117.5	\$112.6
% of antidumping or countervailing duty cases completed on time	100%	100%	100%
Number of market access and compliance cases initiated	144	150 to 160	160 to 170
Number of market access and compliance cases concluded	158	70 to 80	90 to 100

	2003 <u>Actual</u>	2004 Estimate / <u>Target</u>	2005 Estimate / <u>Target</u>
Goal 4: Improve Customer and Stakeholder Satisfaction	\$81.4	\$82.8	\$82.6
Customer satisfaction with ITA products and services	70	70	70
Customer perception of ease of access to export and trade information and data	74	74	74
Level of awareness of ITA products and services	77%	77%	77%
Number of U.S. exporter activities undertaken per customer surveyed	1	1	1
Goal 5: Improve the U.S. Competitive Advantage Through Global E-Commerce	\$22.6	\$40.3	\$38.8
Number of new subscribers using BuyUSA.com e-services	2,078	5,000 to 5,500	5,200 to 5,700
Customer perception of portal ease of use	69%	>70%	>70%
% of ITA's significant products and services provided electronically to external customers	82%	>85%	>90%
Total:	\$393.7	\$435.0	\$429.5

* The amounts published in the FY 2003 Performance and Accountability Report (PAR) for ITA's resources by goal were incorrect, due to several errors. The Budget reflects updated funding for each goal. ITA is instituting a number of procedural changes that will improve the accuracy of the data contained in the PAR for FY 2004.