

International Trade Administration

The mission of the International Trade Administration (ITA) is to create prosperity by promoting trade and investment, ensuring fair trade and compliance with trade laws and agreements, and strengthening the competitiveness of U.S. industry. ITA will use FY 2009 funding to implement the following priorities:

- Ensuring compliance with and enforcement of trade agreements;
- Supporting the conclusion of the Doha Round of World Trade Organization (WTO) negotiations;
- Supporting the development and implementation of Free Trade Agreements (FTAs) and other bilateral/regional initiatives;
- Strengthening public-private partnerships and implementing commercial strategies to promote exports;
- Improving the domestic business environment to ensure that U.S. firms remain globally competitive;
- Expanding market access and promoting U.S. exports in priority markets; and
- Advancing communication and outreach efforts to improve customer satisfaction.

ITA's goals and objectives are accomplished through five program areas:

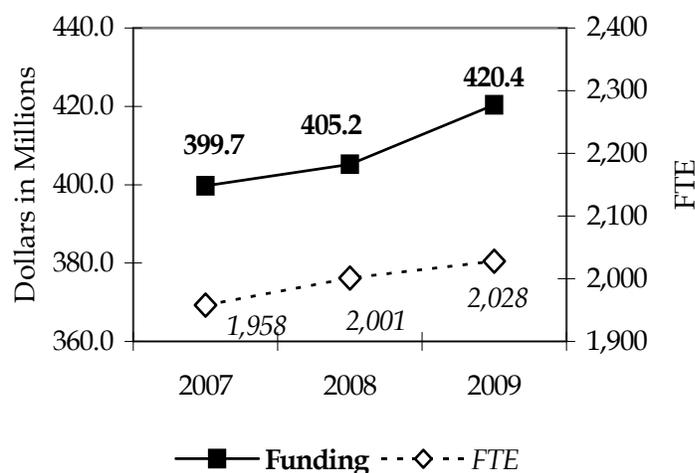
Trade Promotion and the U.S. & Foreign Commercial Service (US&FCS) broadens and deepens the base of U.S. exports, particularly small and medium-sized firms, by conducting trade promotion programs. US&FCS provides U.S. companies with reliable advice on the range of public and private assistance available and knowledgeable supports all other Federal trade promotion services. Specifically, US&FCS assists exporters by providing information, referral and follow-up services through an integrated global field network. US&FCS also leads interagency advocacy efforts for major overseas projects, including early involvement in project development and assistance to resolve post-export transaction problems.

Import Administration (IA) helps ensure fair trade 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 educate them about U.S. trade laws related to dumping and foreign government subsidies and how to act if they are injured by those practices. IA detects, and where appropriate, confronts unfair competition by monitoring economic data from our global competitors and investigates evidence of unfair subsidization and market distortions. IA also conducts any textile-related cases brought by U.S. industry in the area of textiles imports.

Manufacturing and Services (MAS) analyzes the domestic and international aspects of U.S. competitiveness by working with U.S. industries to evaluate the needs of the manufacturing and service sectors, conducting economic and regulatory studies aimed at strengthening U.S. industry, obtaining input and advice from U.S. industries for trade policy setting, and participating, as appropriate, with ITA trade policy and negotiation advancement initiatives.

Market Access and Compliance (MAC) concentrates on the development of strategies to overcome market access obstacles faced by U.S. businesses. MAC monitors foreign country compliance with numerous trade-related agreements and identifies compliance problems and other market access obstacles. MAC works with other U.S. Government agencies to rapidly address barriers and ensures that U.S. firms know how to use market opening agreements. It provides information on foreign trade and business practices to U.S. firms and works to find opportunities and to develop current and long-term market strategies in traditional and emerging markets, including information needed to conduct trade

Discretionary Appropriation and FTE



negotiations to open markets. MAC also continues to provide support for the operation of the established Free Trade Agreement Secretariats.

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

Summary of Appropriations

Funding Levels

	2007 <u>Actual</u>	2008 <u>Estimate</u>	2009 <u>Estimate</u>	Increase <u>(Decrease)</u>
Discretionary Appropriation				
Operations and Administration	\$395,706	\$405,172	\$420,431	\$15,259
U. S. Travel and Tourism Promotion Advisory Board	3,949	0	0	0
Total, Discretionary Appropriation	399,655	405,172	420,431	15,259
Transfer from USAID	2,095			0
Mandatory Appropriation				
Grants to Manufacturers of worsted wool fabrics	5,332	5,332	5,332	0
TOTAL BUDGET AUTHORITY	407,082	410,504	425,763	15,259
FTE				
Operations and Administration	1,958	2,001	2,028	27
Reimbursable	32	32	32	0
Total	1,990	2,033	2,060	27

Highlights of Budget Changes

Summary of Requirements

	Detailed		Summary	
	FTE	Amount	FTE	Amount
2008 Appropriation			2,001	\$405,172
FY 2008 Fee Collections				8,000
FY 2008 Gross Appropriation			2,001	413,172

Adjustments to Base

Other Changes

2008 Pay raise		\$2,493		
2009 Pay raise		4,240		
Payment to Working Capital Fund		300		
Full year cost in 2009 of positions financed for part year in 2008	4	320		
Change in Compensable Days		(813)		
Civil Service Retirement System(CSRS)		(101)		
Federal Employees' Retirement System(FERS)		993		
Thrift Savings Plan		28		
Federal Insurance Contributions Act (FICA) - OASDI		100		
Health insurance		334		
Employees' Compensation Fund		(82)		
Travel:				
Mileage		25		
Domestic per diem		143		
Foreign per diem		277		
Rent payments to GSA		345		
Postage		2		
Printing and reproduction		27		
Other services: Working Capital Fund		715		
Commerce Business System (bureau specific)		46		
Capital Security Cost Sharing Program (CSCSP)		5,205		
International Cooperative Admin. Support Services (ICASS)		451		
Non ICASS local guard service		24		
Military pouch service		14		
General Pricing Level Adjustment:				
Transportation of things		36		
Rent payments to others		199		
Communications, utilities, and miscellaneous charges		76		
Other Services		300		
Supplies		68		
Equipment		102		
Overseas wage increases		650		
Currency loss		1,314		
Subtotal, other cost changes			4	17,831
Less Amount Absorbed			0	(1,947)
TOTAL, ADJUSTMENTS TO BASE			4	15,884
2009 Gross Base			2,005	429,056
Program Changes			23	814
2009 GROSS APPROPRIATION			2,028	429,870
FY 2009 Fee Collections			0	(9,439)
2009 NET APPROPRIATION			2,028	420,431

Comparison by Activity

	2008 Currently Avail.		2009 Base		2009 Estimate		Increase / Decrease	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
DIRECT OBLIGATIONS ¹								
Manufacturing and Services	219	\$40,692	219	\$48,592	219	\$48,592	0	\$0
Market Access and Compliance	203	45,572	207	42,332	207	42,332	0	0
Import Administration	322	62,784	322	62,543	345	66,357	23	3,814
Trade Promotion and U.S. Foreign Commercial Service	1,137	237,538	1,137	240,739	1,137	237,739	0	(3,000)
Executive Direction / Administration	120	25,209	120	25,411	120	25,411	0	0
TOTAL DIRECT OBLIGATIONS	2,001	411,795	2,005	419,617	2,028	420,431	23	814
REIMBURSABLE OBLIGATIONS	32	19,500	32	20,939	32	20,939	0	0
TOTAL OBLIGATIONS	2,033	431,295	2,037	440,556	2,060	441,370	23	814
FINANCING								
Unobligated balance, start of year (direct)		(6,623)						
Offsetting collections from:								
Federal funds	(27)	(11,500)			(27)	(11,500)		
Non-Federal sources	(5)	(8,000)			(5)	(9,439)		
Subtotal, financing	(32)	(19,500)			(32)	(20,939)		
TOTAL BUDGET AUTHORITY / APPROPRIATION	2,001	405,172			2,028	420,431		

¹ FY 2009 base funding for each program area has been reallocated as shown above. The reallocated amounts will allow all offices ITA to fund their base activities.

Highlights of Program Changes

	Base		Increase / Decrease	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
Import Administration	332	\$62,543	+23	+\$3,814

ITA requests an increase for Import Administration in order to meet the increased workload of applying Countervailing Duty Law to China and other non-market economies (+25 FTE; +\$4,214). In efforts to reduce costs and streamline operations, ITA proposes to close Import Administration’s Trade Compliance Office in Seoul, Korea, which is no longer needed because of greater investigative access in China in recent years from the regional office in Beijing. According to ITA analyses, workload previously handled by this office can be more cost-effectively handled if it is redistributed between headquarters and IA’s Trade Compliance Office in Beijing, China (-2 FTE; -\$400).

Trade Promotion and U.S. & Foreign Commercial Service	1,137	\$240,739	0	-\$3,000
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ITA proposes to streamline the Trade Promotion and U.S. & Foreign Commercial Service domestic office operations by building strategic relationships with state governments and other Federal agencies, by utilizing technology including Internet and phone-based services and by prioritizing initiatives (0 FTE; -\$3,000).

Appropriation: U.S. Travel and Tourism Promotion Advisory Board

Summary of Requirements

	<u>Detailed</u>		<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
2008 Appropriation			0	\$0
Adjustments to Base			0	0
2009 Base			<u>0</u>	<u>0</u>
Program Changes			0	0
2009 APPROPRIATION			<u>0</u>	<u>0</u>

	2008 Currently Avail.		2009 Base		2009 Estimate		Increase / Decrease	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
DIRECT OBLIGATIONS								
U.S. Travel & Tourism Promotion	0	\$36	0	\$0	0	\$0	0	\$0
TOTAL DIRECT OBLIGATIONS	<u>0</u>	<u>36</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
FINANCING								
Unobligated balance, start of year		(36)						
Unobligated balance, expiring		<u>0</u>						
TOTAL BUDGET AUTHORITY	<u>0</u>	<u>0</u>			<u>0</u>	<u>0</u>		

Highlights of Program Changes

	<u>FTE</u>	<u>Base</u>	<u>Increase / Decrease</u>	
		<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
U.S. Travel and Tourism Promotion Advisory Board	0	\$0	0	\$0

No funding is requested for this program in FY 2009, as travel promotion activities can be funded through a variety of non-Federal sources.

ITA Performance Measures

ITA supports the Department's strategic goal to provide information and tools to "Maximize U.S. competitiveness and enable economic growth for American industries, workers, and consumers." The following table shows the measures that ITA uses to track its performance. A more detailed description of these outcomes and measures can be found in the ITA section of the Department of Commerce budget.

Performance Outcomes and Measures

(Dollars reflect obligations in Millions)

	2007 Actual*	2008 Estimate / Target*	2009 Estimate / Target
Outcome 1: Strengthen U.S. Competitiveness in the Global Marketplace	\$59.7	\$44.6	\$52.5
Annual cost savings resulting from the adoption of MAS recommendations contained in MAS studies and analysis	\$413M	\$350M	\$350M
Percent of industry-specific trade barriers addressed that were removed or prevented	New	15%	20%
Percent of industry-specific trade barrier milestones completed	54%	55%	55%
Percent of agreement milestones completed	100%	100%	100%
Outcome 2: Increase Exports to Commercially Significant Markets Including FTA Countries, China and India	\$19.6	\$20.5	\$20.9
Percent of imports by China that are exported from the United States	New	7.5%	7.5%
Percent of imports by India that are exported from the United States	New	5.5%	5.5%
Outcome 3: Broaden and Deepen the U.S. Exporter Base	\$243.4	\$249.0	\$250.3
Number of export transactions made as a result of ITA involvement	11,974	11,385	12,600
Number of new to export successes	721	700	700
Number of new to market export successes	4,299	4,760	4,900
Number of increase to market export successes	6,954	5,925	7,000
Dollar value of advocacy cases completed successfully based on three-year moving average	\$32.6B	\$30.0B	\$30.0B
Commercial diplomacy success	New	160	160
Outcome 4: Identify and Resolve Unfair Trade Practices	\$118.2	\$122.7	\$123.1
Percent reduction in trade-distorting foreign subsidy programs	New	3% (by 2012)	3% (by 2012)
Percent AD/CVD determinations issued within statutory and/or regulatory deadlines	89%	90%	90%
Percent of ministerial errors in IA's dumping and subsidy calculations	8%	< 12%	< 11%
Percent of market access and compliance cases resolved successfully (reduction or elimination of the market barrier)	54%	35%	35%
Value of market access and compliance cases resolved successfully	\$8.8B	\$1.5B	\$2B
Total:	\$440.8	\$436.7	\$446.7

* Amount for FY 2007 and FY 2008 includes funding for Travel and Tourism Advisory Board. All Fiscal Years include funding for grants to manufacturers of worsted wool fabrics.