



Trade Facts

Office of the United States Trade Representative
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United States Leads the World to Liberalize Trade Through The Doha Round

“Today I broaden the challenge by making this pledge: the United States is ready to eliminate tariffs, subsidies and other barriers to free flow of goods and services as other nations do the same... It's the key to overcoming poverty in the world's poorest nations. It's essential we promote prosperity and opportunity for all nations. By expanding trade we spread hope and opportunity to the corners of the world and we strike a blow against the terrorists who feed on anger and resentment.”

Excerpt of Speech by President George W. Bush
delivered at the United Nations General Assembly Meeting, September 14, 2005

Agriculture -- The United States is already one of the most open markets in the world, with average agricultural tariffs of 12 percent (compared to the global average bound tariff of 62 percent) and with 90 percent of developing country agricultural imports entering duty free. But more can be done. The United States seeks to:

- Cut trade-distorting agriculture subsidies using formulas that ensure countries with the largest allowable subsidies make the biggest cuts;
- Open agriculture markets through ambitious tariff cutting formulas while avoiding the use of loopholes by advanced developing countries that would limit real market openings; and
- Continue to support American farmers in WTO-consistent ways.

Manufacturing -- In 2007, the average bound tariff for manufactured goods entering the United States was 4 percent. The average for goods entering all developing country WTO members was over 30 percent. To ensure the benefits of trade are experienced by all nations, the United States seeks to:

- Significantly reduce tariffs on manufactured goods to produce commercially meaningful new market access;
- Eliminate tariffs in key sectors where other major producers and traders agree to do so as well; and
- Reduce or eliminate non-tariff barriers that hinder market access for manufactured goods.

Services -- The United States continues to lead the effort to liberalize market access for services. Trade in services -- such as financial, telecommunications, computer, energy, express delivery and distribution services -- provides the necessary infrastructure to support economic growth and development. To expand global trade in services, the United States seeks to:

- Lock in current practice to foster greater stability and establish a baseline from which to pursue future liberalization; and
- Create new market access by eliminating significant impediments, such as discriminatory treatment of investment in service sectors.

Rules -- WTO rules protect producers and workers against sales of products at less-than-fair value, and actions by governments to support uncompetitive industries. The United States seeks to:

- Maintain the integrity of U.S. trade remedy laws;
- Ensure open and transparent trade remedy proceedings abroad;
- Expand disciplines to prevent over-fishing thereby contributing to the global environment; and
- Eliminate market-distorting practices such as subsidies.

Development -- The elimination of barriers to goods and services provides an opportunity to lift millions of the world's poor out of poverty. The United States seeks to:

- Create new market access opportunities for the developing world;
- Open markets among developing countries, with developing countries removing trade barriers among themselves, providing their manufacturers and farmers the broader market access that will enhance their competitiveness as they integrate into the global economy.
 - The World Bank estimates that 70 percent of the burden on developing countries' manufactured exports results from trade barriers of other developing countries.
- Fund trade capacity initiatives that help bring countries that are less-trade active, particularly the least developed, into a rules-based global trading system.

Trade Facilitation -- The United States has led the effort to cut red tape, improve the transparency and efficiency of how goods cross borders, and advance reforms that will contribute to anti-corruption efforts in many countries, but more must be done. The United States seeks to:

- Cut the red tape that reduces the benefits of tariff liberalization by adding the equivalent of an extra 5 to 15 percent tariff. Small and medium-sized exporters, including those in the developing world, are particularly affected by opaque customs procedures.