



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, with average agricultural tariffs of 12% versus the allowed global level of tariffs of 62%, and with 90 percent of developing country agricultural imports entering duty free. But more can be done. President Bush seeks to:

- Eliminate trade distorting agriculture subsidies.
- Eliminate tariffs that restrict the opening of agriculture markets.
- Continue to support American farmers in WTO-consistent ways

Manufacturing --In 2004, the average bound tariffs for manufacturing goods into the U.S. was 3%; for other WTO members the average was 30%. To ensure the benefits of trade expand to all nations, President Bush seeks to:

- Eliminate tariffs on manufactured products in all sectors.
- Eliminate industrial subsidies that prop up uncompetitive industries.

Services--The United States has led the effort to develop comprehensive services transparency rules and proposed innovative approaches to secure new market access commitments. Trade in services -- such as in the financial, telecommunications, and computer-related sectors -- provides countries the infrastructure for modern economies necessary to support sustained growth and development. To expand the global trade in services, the President seeks to:

- Open markets for services including financial services, express delivery, energy, telecommunications, computer-related services, etc.
- Eliminate discriminatory treatment of investment.

Rules--WTO rules protect producers and workers against sales of products at less-than-fair value, and actions by governments that prop up uncompetitive industries. The U.S. seeks to:

- Eliminate market-distorting practices such as subsidies.
- Ensure open and transparent trade remedy proceedings.
- Expand disciplines to prevent over-fishing thereby contributing to the environment.

Development—It is time to eliminate barriers to goods and services in order to lift 300-500 million of the world's poor out of poverty over the next 15 years. The U.S. seeks to:

- Create new market access opportunities for the developing world.
- Open markets among developing countries – developing countries should remove trade barriers among themselves, providing their manufacturers and farmers the broader markets that will enhance their competitiveness as they integrate into the global economy
 - Nearly seventy percent of tariffs paid by developing countries are paid to other developing countries.
- Capacity building -- Fund trade capacity initiatives that facilitate the inclusion of the least developed countries 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 U.S. seeks to:

- Cut red tape that wipe out 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.