

INTERNATIONAL TRADE ADMINISTRATION



INTERNATIONAL
T R A D E
ADMINISTRATION

BUDGET ESTIMATES

FISCAL YEAR 2009

CONGRESSIONAL SUBMISSION

PRIVILEGED

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**Department of Commerce
International Trade Administration
Budget Estimates, Fiscal Year 2009
President's Submission**

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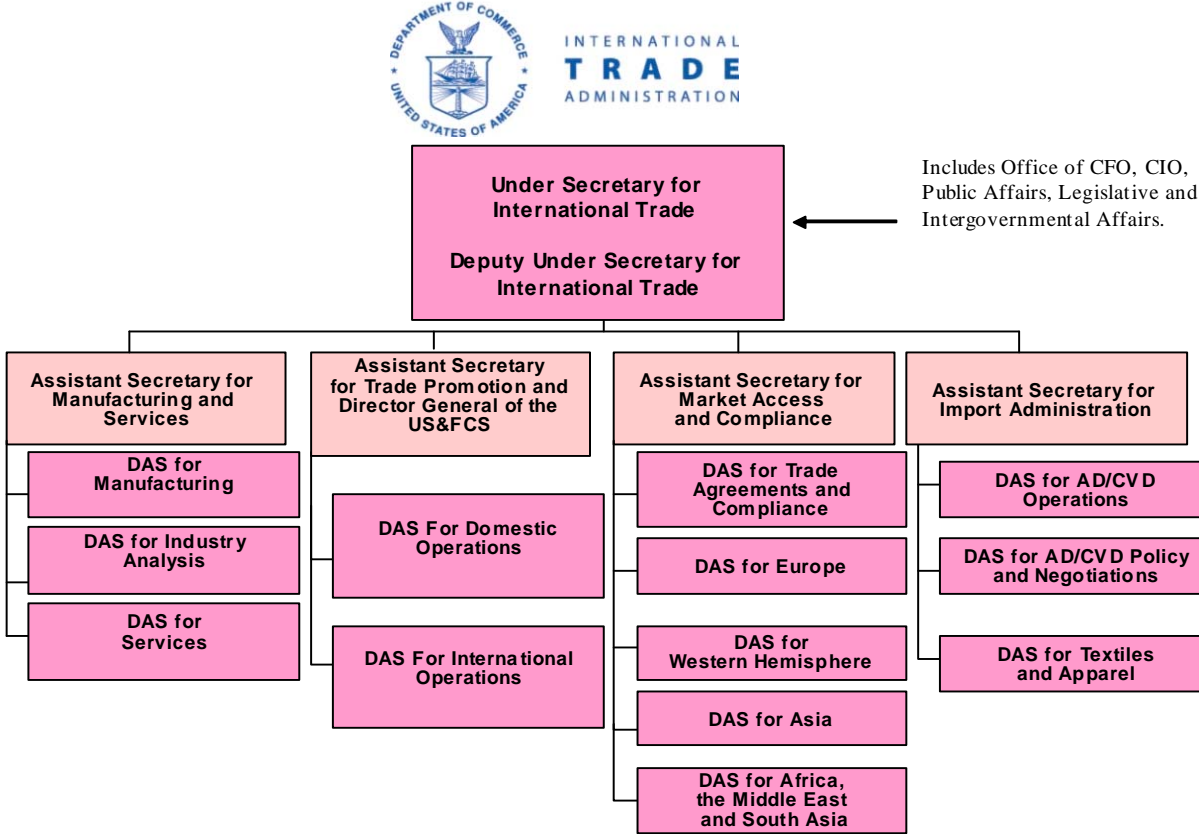
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ORGANIZATION STRUCTURE



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Executive Summary

FY 2009 President's Budget Submission

WHO WE ARE

“Open markets contribute to America's prosperity. Exports now account for a larger percentage of our GDP than at any other time in our history, which means that trade is a key driver for economic growth. Exports support higher-paying jobs for our workers.” President George W. Bush

Over the last 60 years, American trade has expanded nearly 60-fold, resulting in higher incomes, improved standards of living, increased productivity, and job creation. The United States has been a leader in promoting free trade, and both American workers and consumers are reaping its benefits. In FY 2007, American exports grew 12.7 percent to \$1.6 trillion. About 12 million Americans depend on exports for their jobs, and one out of every five factory jobs in America is related to global trade. American companies, and the goods and services that they market, remain among the most competitive in the world. While the strong growth in U.S. trade reflects these strengths, we are only just beginning to see their potential benefit to our country. Many innovative U.S. companies depend on sales to the 95 percent of the world's consumers who live outside the United States.

The mission of the International Trade Administration (ITA) is to help assure the continued ability of U.S. firms and workers to compete and win in the global marketplace and to “create prosperity by strengthening the competitiveness of U.S. industry, promoting trade and investment, and ensuring fair trade and compliance with trade laws and agreements.”¹

ITA plays a key role in supporting and advancing the Administration's trade agenda – seeking to expand commercial opportunities for American firms through free and fair trade at the bilateral, regional and multilateral levels. ITA employees work to promote U.S. exports, remove trade barriers, ensure foreign compliance with trade agreements, enforce trade laws, and enhance the competitiveness of U.S. industry at home and abroad. Employees are stationed in over 250 offices domestically and internationally and are organized into four program areas: Manufacturing and Services (MAS), Market Access Compliance (MAC), Import Administration (IA), and Trade Promotion and the U.S. & Foreign Commercial Service (Commercial Service). These program areas are led and supported by the Executive Direction and Administration (ExAd) unit.

¹ ITA Mission Statement

ITA's program areas work to accomplish these four overarching long-term DOC Outcomes:

1. Strengthen U.S. competitiveness in the global marketplace.
2. Increase exports to commercially significant markets, including FTA countries, China, and India
3. Broaden and deepen the U.S. exporter base.
4. Identify and resolve unfair trade practices.

The Annual Performance Plan (APP) [Exhibit 3a] included in this budget provides an in-depth road map for ITA's future plans in FY 2009 and a report on progress to date. As demonstrated in the APP, ITA's goals and objectives, further outlined in its strategic plan, drive the content and structure of this budget request and support the Department of Commerce's mission.

Resource Request

For FY 2009, the ITA requests budget authority of \$420.4 million and 2,028 Full-time Equivalent positions (FTE). This request funds core operations and a \$15.3 million increase over the FY 2008 Appropriation for the following new programmatic and base-level changes presented below in priority order:

- | | |
|--|----------------|
| 1. Adjustments to Base (ATB): | \$14.4 million |
| 2. China Countervailing Duty (CVD) Group Initiative: | \$4.2 million |
| 3. Close Trade Compliance Office in Seoul, Korea: | -\$0.4 million |
| 4. Streamline Domestic Office Structure: | -\$3.0 million |

Adjustments to Base (ATB): \$14.4 million

The FY 2009 ATB request provides a net \$14.4 million increase to fund uncontrollable inflationary adjustments, backfill unfunded vacancies and restore funding for MAS base activities. Within this amount is an increase of \$5.2 million for ITA's share of the Capital Security Cost Sharing (CSCS) program at the Department of State, \$8.5 million to support changes in personnel compensation costs such the enacted FY 2008 and proposed FY 2009 pay raises and \$0.7 million to support increased costs associated with the Department of Commerce Working Capital Fund. ITA proposes to absorb \$3.4 million in general inflationary changes. The FY 2009 budget does not contain \$6.5 million of funding for the unfunded Congressional earmarks directed in the FY 2008 appropriations.

China Countervailing Duty (CVD) Group Initiative: \$4.2 million

ITA requests an increase of 25 FTE and \$4.2 million to meet the increased workload associated with applying the CVD law to China and other non-market economies. Since March 30, 2007, when the Department of Commerce departed from its 23-year practice of not applying the CVD law to non-market economies, a total eight CVD investigations have been initiated on products from China. ITA will have to recruit additional staff and work to develop the expertise of existing staff, spend a substantial amount of time researching the Chinese economy to investigate allegations of illegal subsidization and continue monitoring the Chinese economy and the use of subsidies. Dedicating a separate group to these investigations will ensure the consistency of the application of the law, regulations, and policy given the limited knowledge the Administration has of the Chinese economy and the fact that it changes so quickly.

Close Trade Compliance Office in Seoul, Korea: -\$0.4 million

In efforts to reduce costs and streamline operations, ITA proposes to close Import Administration's Trade Compliance Office in Seoul, Korea. Workload previously handled by this office will be redistributed between headquarters staff and IA's Trade Compliance Office in Beijing, China. This office closure results in decrease of 2 FTE and savings of \$0.4 million.

Streamline Domestic Office Structure: -\$3.0 million

ITA proposes to streamline domestic operations of the Trade Promotion and U.S. & Foreign Commercial Service by building strategic relationships with state governments and other Federal agencies, by utilizing technology including Internet and phone-based services and by prioritizing initiatives. In FY 2008, ITA is conducting an extensive study of the domestic office operations and structure. This study will be used to ensure efficiency of operations and maximize the return on ITA's investment in domestic office operations and is expected to identify savings of \$3.0 million in FY 2009.

Why We Make this Request

ITA products and services have delivered substantial benefit to the American economy. In assisting over 60,000 companies in their efforts to export for the first time, export to new locations or increase exports to familiar foreign marketplaces, ITA has aided in the growth and development of the national economy.

American companies, farmers, workers, and consumers benefit significantly from liberalized trade. Free markets and open trade play an important role in the growth of the U.S. economy and spur economic growth throughout the world. The global economy is changing rapidly with the rise of new competitors, deeper economic integration, and rapid innovation. Adapting effectively to those changes requires a comprehensive effort to open and expand markets, while combating foreign unfair trade practices and reducing structural impediments to doing business in the United States. ITA plays a significant role when unfair market access barriers impede U.S. commercial interests and when U.S. businesses seek assistance and protection in both foreign and domestic markets. ITA supports and implements the Administration's trade agenda, ensuring open markets and expanding commercial opportunities for U.S. firms. To achieve this effort, ITA's strategy focuses on strengthening U.S. industry competitiveness, establishing an open trading environment, promoting trade and investment, and resolving unfair trade practices.



Commerce Under Secretary Christopher A. Padilla.

“We’ve reached billions of new consumers for our manufacturers, farmers, and service companies. Now more than ever, exports are a huge driver of American economic growth. In 2006, America exported an astounding \$1.4 trillion worth of goods and services. In 2007, exports accounted for almost one-third of our economic growth.” **Commerce Under Secretary for International Trade, Christopher A. Padilla.**

ITA strengthens U.S. industry competitiveness by improving domestic regulations, economic policies, and industry and trade data. Domestic regulations and legislation can create conditions that impede U.S. industry from being competitive in overseas markets. ITA conducts critical analysis of domestic regulations, as well as domestic production (like energy or healthcare costs) to identify and remove competitive barriers. By providing practical and actionable input to the policy debate, ITA contributes to the effort to decrease the premium U.S. businesses pay to operate in the United States (e.g., regulatory, energy, healthcare, environment, and legal). Through industry advisory committees, ITA coordinates public-private sector committees that represent most sectors of the U.S. economy and provides input to trade policy negotiations and in shaping economic domestic policies.

ITA strives to establish an open trading environment by developing policies and providing programs to remove foreign trade barriers and to capture industry recommendations and impacts for trade policy and negotiations. A key to ITA’s strategy is the negotiation of new free trade agreements (FTAs), which are a crucial vehicle for enabling America to compete freely and fairly in overseas markets. Since 2001, the United States has implemented free trade agreements with twelve countries; bringing the total number of countries with FTAs to 15. ITA is committed to ensuring that both large and small companies throughout the United States benefit from them. In the World Trade Organization Doha Development Round, we are making progress. The successful conclusion of the Doha Round would have a tremendous impact on U.S. exports as well as benefit the rest of the world. If Doha were to achieve even a one-third cut in global tariff barriers to trade in goods and services, the Council of Economic Advisors estimates that the real income gain to a U.S. family of four could be around \$2,500 annually.

ITA promotes trade and investment by providing counseling and advocacy through the export process, supplying industry and market research, facilitating international partner matchmaking, and conducting trade events and related services. ITA focuses its efforts on assisting small and medium sized enterprises’ (SMEs) participation in the global marketplace. SMEs are the engines of growth in the U.S. economy, leading the business sector in job and wealth creation. Continued SME success in domestic and world markets will fuel sustained growth in the U.S. economy. To help them reap the benefits of exporting, ITA’s Trade Information Center provides a single point of customer contact to government export assistance programs. In addition, ITA manages Export.gov, the Federal website dedicated to helping new-to-export firms get the assistance they need to succeed in world markets. To help expand U.S. commercial opportunities, ITA’s Advocacy Center supports U.S. companies bidding on major foreign contracts.

ITA helps resolve unfair trade practices by identifying and overcoming trade barriers, ensuring foreign compliance with trade agreements, and enforcing U.S. trade laws. ITA's Trade Compliance Center advances trade compliance and market access outreach to ensure compliance with bilateral and multilateral trade agreements including analysis and advancement of critical U.S. trade positions on standards, intellectual property and removal of non-tariff barriers. Through its antidumping (AD) and countervailing duty (CVD) program, ITA defends American industry against injurious trade practices by administering the AD/CVD laws of the United States efficiently, fairly and in a manner consistent with U.S. international obligations.

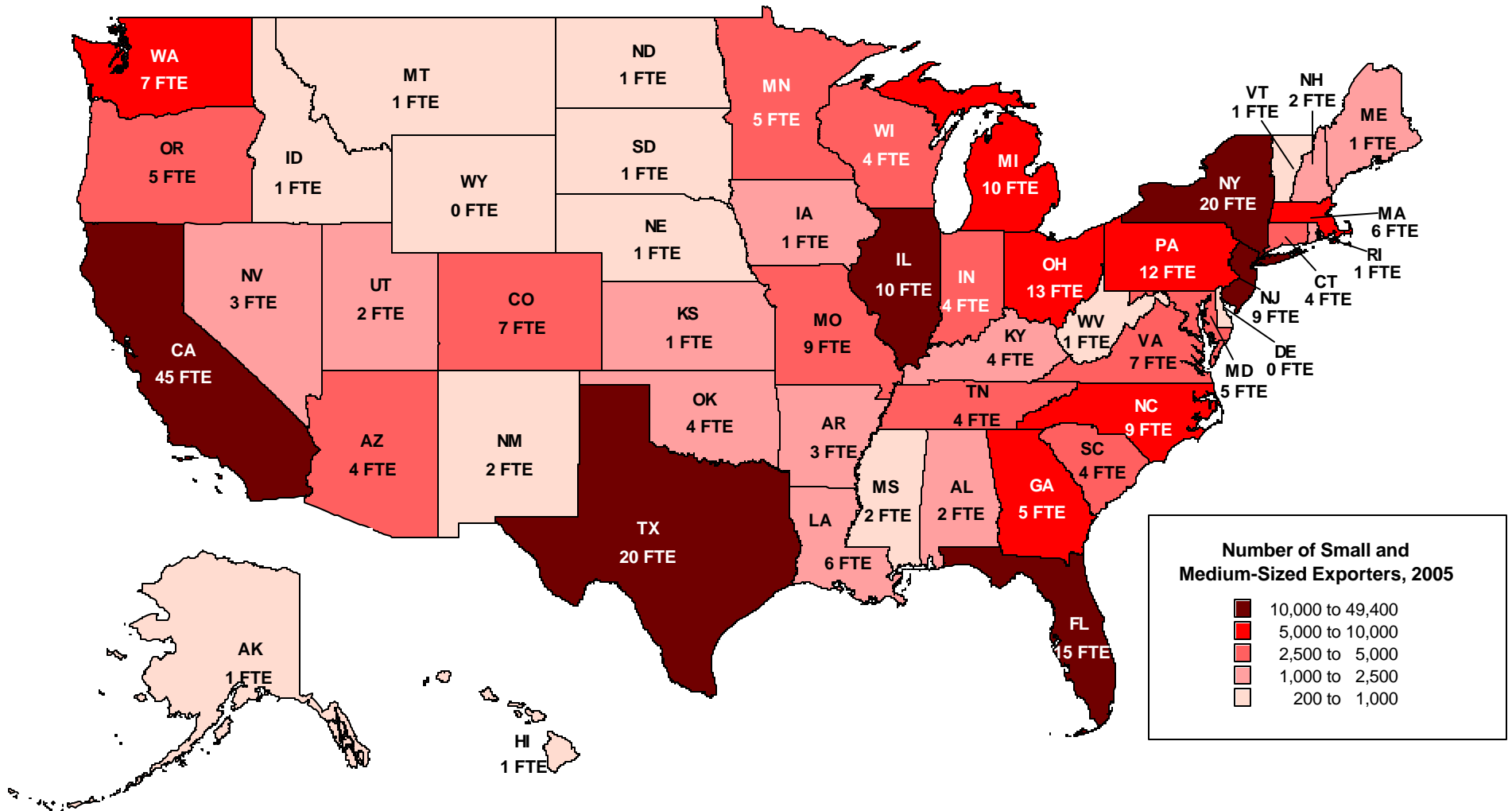
ITA's Integrated Performance Budget Supports the President's Management Agenda

In keeping with the objectives of the President's Management Agenda and the Government Performance and Results Act (GPRA), the performance measures identified in the APP and elsewhere in this document serve as the primary mechanism for holding ITA accountable for achieving its stated goals. This performance-based budget request is integrated with our planning and performance management processes and demonstrates how ITA distributes its resources in support of achieving its three primary performance goals.

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THIRTEEN STATES EACH HAVE MORE THAN 5,000 SME EXPORTERS

Number of Small and Medium-Sized Enterprises (SMEs) Exporting Merchandise and ITA Domestic Field Staffing by State



Notes: Small and medium-sized enterprises (SMEs) have fewer than 500 employees. A total of 232,612 SME firms exported merchandise from the U.S. in 2005. Firms sometimes export from more than one state location and therefore state totals cannot be summed to arrive at a U.S. total. Each state is labeled with the number of ITA's Full Time Equivalent (FTE) domestic field staff located in that state as of September 30, 2006. Not included are administrative staff, headquarters staff stationed in the field, and Personal Service Contractors (PSC). Also not included is Puerto Rico, which employs no FTEs.
 Source: U.S. Department of Commerce, Exporter Data Base.
 Prepared by the Office of Trade and Industry Information, International Trade Administration, Department of Commerce.

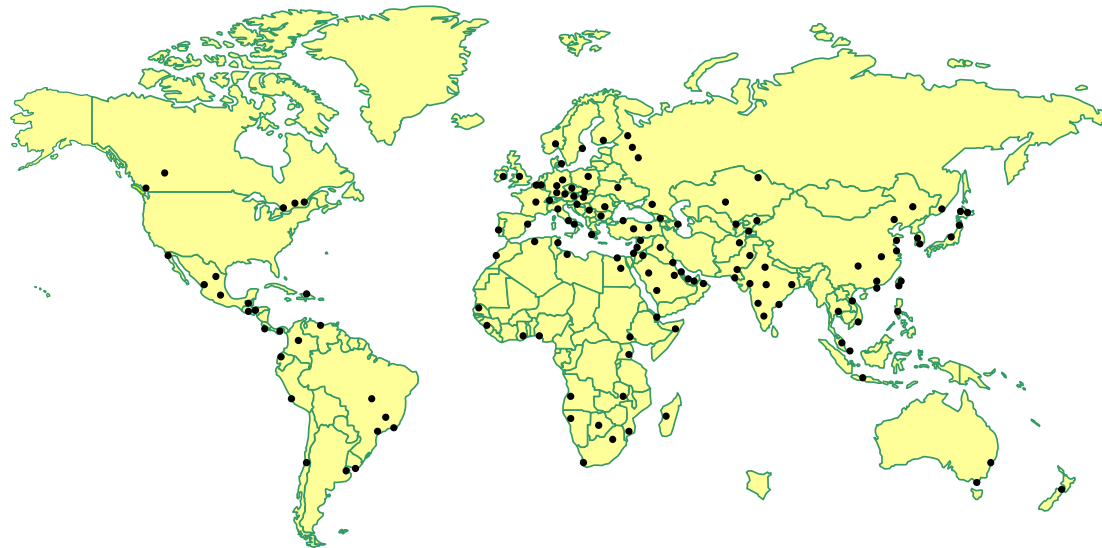
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ITA OVERSEAS OFFICES

Country	City	Country	City	Country	City
Afghanistan	Kabul	Czech Republic	Prague	Italy	Milan
Algeria	Algiers	Denmark	Copenhagen	Italy	Florence
Angola	Luanda	Dominican Republic	Santo Domingo	Italy	Rome
Argentina	Buenos Aires	Ecuador	Quito	Japan	Nagoya
Australia	Melbourne	Egypt	Alexandria	Japan	Osaka-Kobe
Australia	Sydney	Egypt	Cairo	Japan	Sapporo
Austria	Vienna	El Salvador	San Salvador	Japan	Tokyo
Azerbaijan	Baku	Finland	Helsinki	Jordan	Amman
Belgium	Brussels	France	Paris	Kazakhstan	Almaty
Belgium	USEU	Germany	Berlin	Kazakhstan	Astana
Brazil	Belo Horizonte	Germany	Dusseldorf	Kenya	Nairobi
Brazil	Brasilia	Germany	Frankfurt	Korea	Busan
Brazil	Rio de Janeiro	Germany	Munich	Korea	Seoul
Brazil	Sao Paulo	Georgia	Tbilisi	Kuwait	Kuwait City
Bulgaria	Sofia	Ghana	Accra	Kyrgyzstan	Bishkek
Canada	Calgary	Greece	Athens	Lebanon	Beirut
Canada	Montreal	Guatemala	Guatemala City	Libya	Tripoli
Canada	Ottawa	Honduras	Tegucigalpa	Malaysia	Kuala Lumpur
Canada	Toronto	Hungary	Budapest	Mexico	Guadalajara
Canada	Vancouver	India	Ahmadabad	Mexico	Mexico City
Chile	Santiago	India	Bangalore	Mexico	Monterrey
China	Beijing	India	Calcutta	Mexico	Tijuana
China	Chengdu	India	Chennai	Morocco	Casablanca
China	Guangzhou	India	Hyderabad	Mozambique	Maputo
China	Qingdao	India	Mumbai	Netherlands	The Hague
China	Shanghai	India	New Delhi	New Zealand	Wellington
China	Wuhan	Indonesia	Jakarta	Nigeria	Lagos
China	Shenyang	Iraq	Baghdad	Norway	Oslo
Colombia	Bogotá	Ireland	Dublin	Oman	Muscat
Costa Rica	San Jose	Israel	Jerusalem	Pakistan	Islamabad
Croatia	Zagreb	Israel	Tel Aviv	Pakistan	Karachi

ITA OVERSEAS OFFICES

Country	City	Country	City	Country	City
Pakistan	Lahore	Saudi Arabia	Jeddah	Thailand	Bangkok
Panama	Panama City	Saudi Arabia	Riyadh	Tunisia	Tunis
Peru	Lima	Special Administrative Region	Hong Kong	Turkey	Ankara
Philippines	Manila	Senegal	Dakar	Turkey	Istanbul
Poland	Warsaw	Serbia and Montenegro	Belgrade	Turkey	Izmir
Portugal	Lisbon	Singapore	Singapore	United Arab Emirates	Abu Dhabi
Qatar	Doha	Slovak Republic	Bratislava	United Arab Emirates	Dubai
Romania	Bucharest	South Africa	Cape Town	Ukraine	Kiev
Russia	Krasnodar	South Africa	Johannesburg	United Kingdom	London
Russia	Moscow	Spain	Madrid	Uruguay	Montevideo
Russia	Nizhny Novgorod	Sweden	Stockholm	Uzbekistan	Tashkent
Russia	St. Petersburg	Taiwan	Kaohsiung	Venezuela	Caracas
Russia	Vladivostok	Taiwan	Taipei	Vietnam	Ho Chi Minh City
Saudi Arabia	Dhahran	Tajikistan	Dushanbe		



**FY 2009 ANNUAL PERFORMANCE PLAN
International Trade Administration**

- Section 1. Mission
- Section 2. Corresponding Department of Commerce (DOC) Strategic Goal and Objective / Outcome
- Section 3. PART Summary
- Section 4. Priorities / Management Challenges
- Section 5. Target and Performance Summary Table (with brief measure descriptions)
- Section 6. FY 2009 Program Changes
- Section 7. Resource Requirements Summary
- Section 8. Data Validation and Verification Table / Internal Control Information

Section 1. Mission

ITA Mission: Create prosperity by strengthening the competitiveness of U.S. industry, promoting trade and investment, and ensuring fair trade and compliance with trade laws and agreements.

Section 2. Corresponding Department of Commerce (DOC) Strategic Goal and Objective / Outcome

DOC Strategic Goal 1: Maximize U.S. competitiveness and enable economic growth for American industries, workers, and consumers.

DOC Objective 1.1: Foster domestic economic development as well as export opportunities

ITA Performance Outcomes:

1. Strengthen U.S. competitiveness in the global marketplace
2. Increase exports to commercially significant markets including FTA countries, China and India
3. Broaden and deepen the U.S. exporter base

DOC Objective 1.2: Advance responsible economic growth and trade while protecting American security

ITA Performance Outcomes:

4. Identify and resolve unfair trade practices

DOC Management Integration Goal: Achieve organizational and management excellence

ITA Management Integration Outcome:

Achieve organizational and management excellence

Rationale:

ITA supports the Department of Commerce's (DOC) mission of creating the conditions for economic growth and opportunity. ITA works with other federal agencies by advancing trade policy initiatives to provide U.S. companies with market access in foreign countries. ITA's domestic and international staff works with an extensive network of public and private partnerships to open foreign markets and provide export opportunities for U.S. companies. ITA's four performance outcomes tie directly to the Department's strategic goals and objectives. ITA's management integration outcome ties directly to the Department's Management Integration Goal.

This FY 2009 Annual Performance Plan (APP) reflects ITA's shift towards a more customer-focused organization that responds to client concerns and demands. This APP reflects a focus on effective planning and organizational management as described under ITA's management challenges section (See Section 4 of this document). This plan reflects the strategic direction outlined in ITA's FY 2007- FY 2012 Strategic Plan. This strategy enables ITA to improve all aspects of the global economic business life cycle.

Section 3. PART Summary

ITA Program Assessment Rating Tool (PART) findings, performance metrics and independent evaluations influence this budget submission. ITA has used the PART reviews to identify program strengths and vulnerabilities. PART reviews have helped to advance planning and performance management in ITA. ITA programs have defined their outcomes and results and are currently measuring their progress against meaningful performance metrics. PART action plans have been used to define where ITA must implement corrective action. All ITA PART reviews have recommended that ITA must still strengthen its business data, for example, through better collection and reporting of activity based costs. ITA will soon be positioned to achieve activity based costing due to its implementation to the Department's Commerce Business Systems (CBS). ITA intends to recast financial coding and capture costs that can be compared to outcomes and results over the next two years. ITA will determine the best approach to capture activity based cost data once the CBS system conversion is deemed stable and complete.

ITA is currently developing the capacity to conduct independent analysis and evaluation of its programs. This effort will help ITA to understand, verify and increase the impact of products or services on customers and clients. It will also improve delivery mechanisms and processes to become more efficient and less costly. During FY 2008, ITA plans to conduct an independent evaluation of Import Administration operations, outcomes and results. OMB has also requested a second PART review of the U.S. and Foreign Commercial Service (Commercial Service). This review will be completed during FY 2008. The results of this review will be reported to the Congress in the FY 2010 budget submission. ITA will also conduct an independent evaluation of the Commercial Service in conjunction with the OMB PART review.

During FY 2007, ITA completed two PART reviews. The Market Access and Compliance (MAC) program and the Import Administration program posted PART reviews in 2007. These reviews have enabled both programs to assess and improve their current metrics and to advance program efficiencies.

Program Assessment Rating Tool (PART) Measures

The following performance measures were either added to or discontinued from ITA programs as a result of the OMB PART reviews completed during FY 2007.

Import Administration Program

Added:

- Percentage reduction in trade-distorting foreign subsidy programs (Long-Term)
- Percent of Antidumping/countervailing duty (AD/CVD) determinations issued within statutory and/or regulatory deadlines (Long-Term/Annual)
- Percent of Import Administration (IA) decisions that were not rejected by U.S. courts (Annual)

Discontinued:

- Percent of AD/CVD proceedings completed within statutory deadlines (Annual/Long-Term)

Market Access and Compliance Program

Added:

Number of cases resolved within one year of initiation (Annual)

Program: Market Access and Compliance	Year	Score	2007 Funding Actual	2008 Funding Estimate	2009 Funding Request
	FY 2007	72	\$44.0M	\$46.1M	\$42.9M
Open recommendations:					
<ol style="list-style-type: none"> 1. Improving the efficiency and cost-effectiveness of the program. 2. Working with program partners to operate more effectively and report long-term results against shared goals regarding trade compliance and market access issues. 3. Implement a financial system to better track how resources are applied to key activities and goals. 					

Import Administration

Program: Import Administration	Year	Score	2007 Funding Actual	2008 Funding Estimate	2009 Funding Request
	FY 2007	52	\$66.6M	\$68.8M	\$72.4M
Open recommendations :					
<ol style="list-style-type: none"> 1. Pursue successful completion of a program evaluation to aid Import Administration in accomplishing its mission. 2. Continue to refine its long-term measure for AD/CVD trade law enforcement activities. 3. Implement a financial system to better track how resources are applied to key activities and goals. 					

Section 4. Priorities / Management Challenges

The Department of Commerce Departmental Management (DM) exercises oversight for Department-wide policies and procedures and works with ITA's Chief Financial Officer and ITA's Chief Information Officer to implement key government-wide management initiatives intended to achieve President Bush's vision of a citizen-centered, results-oriented, and market-based government.

ITA's efforts under the President's Management Agenda have identified several key management challenges that ITA is working to address. These challenges require both long-term and short term actions and initiatives. Addressing these challenges will make ITA a more accountable and effective organization. ITA's Chief Financial Officer and ITA's Chief Information Officer are responsible for working with program management to lead the way for ITA to become a better run organization. ITA's leadership works collaboratively with Departmental Management to ensure that administrative functions, such as budgeting and financial management, IT, procurement and financial assistance, and human resources management operate efficiently and uniformly across the organization. Progress and results in these efforts enables ITA to maximize the effectiveness of program service delivery and to carry out the organizations four overarching performance outcomes.

During the period of its new strategic plan from FY 2007 through FY 2012. ITA intends to:

- Improve financial management effectiveness;
- Ensure property and asset accountability;
- Strengthen the protection of personal information;
- Position human capital as a strategic asset;
- Establish client-focused /mission-driven IT systems and data integration;
- Optimize organizational flexibility and management capabilities; and
- Develop analytic and evaluative capabilities; and engage the ITA organization in continuous improvement efforts.

Several of the stated management challenges will impact the FY 2009 budget. During FY 2008, ITA converted to the Commerce Business Systems (CBS) accounting system and to the Department's "Sunflower®" property system. ITA believes that there may be unforeseen base expenditure in FY 2009 associated with these system conversions such as recurring training costs, system interface requirements with overseas State related financial systems and unexpected implementation costs associated with CBS alignment and other ITA legacy administrative systems. Other FY 2009 budget impacts might include IT security enhancements, and changes to DOC systems such as implementation of integrated e-travel requirements, upgrades to automated acquisition systems, or individual ID security upgrades required by Homeland Security Presidential Directive-12 (HSPD-12).

Section 5. Target and Performance Summary Table

Outcome 1 – Strengthen U.S. Competitiveness in the Global Marketplace.						
Measure 1A: Annual cost savings resulting from the adoption of MAS recommendations contained in MAS studies and analysis (Long-Term/Annual)	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
	Actual	Actual	Actual	Actual	Target	Target
	N/A	New	\$287M	\$413M	\$350M	\$350M
Description: This measure captures the work of MAS analysts who evaluate the upstream and downstream impact of various regulations on U.S. manufacturers and service providers with the ultimate goal of reducing the cost of regulation. For example, MAS provided extensive analysis and comments on the Environmental Protection Agency’s (EPA) Spill Prevention, Control, and Countermeasures (SPCC I) rule. Several other rules, including EPA’s Definition of Solid Waste, the Department of Transportation’s (DOT) Side Impact, and Federal Aviation Administration’s (FAA) Aeronautical Parts Marking (PAPM) are under review.						
Comments on Changes to Targets: The FY2008 target was \$394 million but has been adjusted to reflect resource limitations. ITA maintains the same target for FY 2009. (Note: Total cost savings is the long-term metric and represents cumulative annual saving targeted by \$1.9B by FY 2010)						
Relevant Program Change(s): None	Title: N/A				Exhibit 13 Page #: N/A	

Outcome 1 – Strengthen U.S. Competitiveness in the Global Marketplace.						
Measure 1B: Percent of industry-specific trade barriers that were removed or prevented (Long-Term)	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
	Actual	Actual	Actual	Actual	Target	Target
	N/A	N/A	N/A	New	15%	20%
Description: This measure quantifies progress toward the removal of foreign trade barriers that place U.S. companies at a disadvantage in trying to enter foreign markets over a five-year period. These efforts assist in leveling the playing field for U.S. businesses. This measure illustrates MAS’s involvement in addressing industry-specific trade barriers to U.S. companies. This captures the outcome of MAS’s efforts to address barriers to industry in foreign markets such as labeling requirements, foreign restrictions on U.S. investment, and spurious foreign standards. MAS also maintains annual measures that relate to the long term metrics and has an additional annual metric that captures the work of MAS industry analysts and trade negotiators who work on multi-year free trade agreements intended to enhance U.S. competitiveness.						
Comments on Changes to Targets: ITA expects to reach 30% by 2010. The FY 2009 target will be based off of the FY 2008 actual.						
Relevant Program Change(s): None	Title: N/A				Exhibit 13 Page #: N/A	

Outcome 1 – Strengthen U.S. Competitiveness in the Global Marketplace.

Measure 1C: Percent of industry-specific trade barrier milestones completed (Annual)	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Target	FY 2009 Target
		New	83%	81%	54%	55%

Description: This measure reports on the success of MAS’s ability to target and remove industry-specific trade barriers. MAS is measuring its progress in achieving market openings through the removal or prevention of these barriers. Key milestones are tracked for each barrier. Barriers have been identified by U.S. industry and assessed by MAS program staff to establish their commercial and strategic value. An example of this type of work includes MAS’s efforts to negotiate the adoption of a transparent and fair Organization for Economic Cooperation and Development (OECD) Aircraft Sector Understanding agreement to ensure that it would not adversely affect U.S. manufacturers of aircraft. MAS anticipates that its work on aircraft export financing negotiations will complete an ambitious number of milestones annually.

Comments on Changes to Targets: The FY2008 and FY 2009 targets were adjusted to reflect the FY 2007 actual and the likely impact of resource constraints during FY 2008. ITA maintains the same target at present for FY 2009.

Relevant Program Change(s): None	Title: N/A	Exhibit 13 Page #: N/A
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Outcome 1 – Strengthen U.S. Competitiveness in the Global Marketplace.

Measure 1D: Percent of agreement milestones completed (Annual)	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Target	FY 2009 Target
		New	57%	100%	100%	100%

Description: This performance measure captures the work of MAS 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 MAS’s efforts are aligned to the President’s Trade Agenda, as well as to the Department of Commerce Manufacturing and Standard’s Initiatives. Overall, these milestones assist in tracking the MAS program’s progress toward accomplishing key tasks associated with strengthening domestic and international competitiveness.

Comments on Changes to Targets: The target has been set at 100% for the next two fiscal years.

Relevant Program Change(s): None	Title: N/A	Exhibit 13 Page #: N/A
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Outcome 2 – Increase exports to commercially significant markets including FTA countries, China and India						
Measure 2A: Percent of Imports by China that are exported from the United States (Annual)	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Target	FY 2009 Target
		N/A	N/A	New	New	7.5%
Description: This performance measure captures the outcome of ITA’s efforts to increase the total percentage of goods and services exported from the United States into the Chinese market. It reflects U.S share of the Chinese import market (not including exports through Hong Kong) This outcome measures the U.S Commercial Service’s export promotion and commercial diplomacy activities.						
Comments on Changes to Targets: This is a newly reported measure although targets are based on historical trade trend data.						
Relevant Program Change(s):None	Title: N/A					Exhibit 13 Page #: N/A

Outcome 2 – Increase exports to commercially significant markets including FTA countries, China and India						
Measure 2B: Percent of Imports by India that are exported from the United States (Annual)	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Target	FY 2009 Target
		N/A	N/A	New	New	5.5%
Description: This performance measure captures the outcome of ITA’s efforts to increase the total percentage of goods and services exported from the United States into the Indian market. It reflects U.S share of the Indian import market This outcome measures the U.S Commercial Service’s export promotion and commercial diplomacy activities.						
Comments on Changes to Targets: This is a newly reported measure although targets are based on historical trade trend data.						
Relevant Program Change(s):None	Title: N/A					Exhibit 13 Page #: N/A

Outcome 3 – Broaden and Deepen the U.S. Exporter Base.

Measure 3A: Number of export transactions made as a result of ITA involvement (Long-Term/Annual)	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Target	FY 2009 Target
	11,382	12,518	11,919	11,974	11,385	12,600
<p>Description: This performance measure captures information on the number of export transactions executed by U.S. firms that resulted directly from Commercial Services' counseling, matchmaking, research, information products, or other export promotion activities. An export transaction occurs when the Commercial Service: facilitates an actual verifiable export sale, a shipment of goods or delivery of services; helps a client identify and sign with an agent or distributor or sign a contract that ensures the expectation of future sales, where there is a direct link between the assistance provided and the resulting outcome; and helps a U.S. firm avoid harm or loss, for example, by helping it obtain payment or resolve some other kind of trade dispute.</p>						
<p>Comments on Changes to Targets: The FY 2009 target was adjusted to 12,600 from 11,385 to reflect the summary of the three component targets for this metric (New- to-Export, New- to-Market and Increase-to-Market). Target setting anticipates shifts in CS mission and additional performance outcome may impact results.</p>						
Relevant Program Change(s): None	Title: N/A					Exhibit 13 Page #: N/A

Outcome 3 – Broaden and Deepen the U.S. Exporter Base.

Measure 3B: Number of new-to-export export successes (Long-Term/Annual)	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Target	FY 2009 Target
	704	620	551	721	700	700
<p>Description: The Commercial Service focuses on small businesses that are export-ready. Export-ready firms are those with competitive products or services and those that already possess a level of financial and managerial strength that should enable them to export. The Commercial Service will record and report on the number of U.S. firms exporting for the first time that transact an actual verifiable export sale. Additionally, the firm must not have exported in the last 24 months, have prior exports resulting from unsolicited orders, or have exports that were made through a U.S.-based intermediary.</p>						
<p>Comments on Changes to Targets: Although these metrics have missed their target during the past three years, concerted program efforts are focused on driving performance of this goal and resulted in achievement of the target in FY 2007. ITA has not lowered its targets but maintains ambitious targets to drive program performance under this goal.</p>						
Relevant Program Change(s): None	Title: N/A					Exhibit 13 Page #: N/A

Outcome 3 – Broaden and Deepen the U.S. Exporter Base.

Measure 3C: Number of new-to-market export successes (Long-Term/Annual)	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Target	FY 2009 Target
		4,759	4,888	4,110	4,299	4,760
Description: This measure helps to assess the Commercial Services' success in assisting U.S. exporters to export into a new overseas market. It measures the Commercial Services' effectiveness in promoting trade. The Commercial Service records and reports on the number of U.S. exporters entering new markets that transact actual verifiable export sales.						
Comments on Changes to Targets: Although these metrics have missed their target during the past three years, concerted program efforts are focused on driving performance of this goal. ITA has not lowered its targets but maintains ambitious targets to drive program performance under this goal.						
Relevant Program Change(s): None	Title: N/A					Exhibit 13 Page #: N/A

Outcome 3 – Broaden and Deepen the U.S. Exporter Base.

Measure 3D: Number of increase-to-market export successes (Long-Term/Annual)	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Target	FY 2009 Target
		N/A	N/A	7,258	6,954	5,925
Description: This measure gauges the success of ITA in helping U.S. suppliers expand their export transactions in markets where they have already sold U.S. products and services (the number of export sales or other significant export-related benefits achieved with the support of the Commercial Service by a U.S. exporter in a foreign market to which it has actively exported during the immediate preceding 24-month period).						
Comments on Changes to Targets: The FY 2009 target of 7,000 was derived from ITA's trend data, as well as ITA's expectation that export successes will increase in FY 2009.						
Relevant Program Change(s): None	Title: N/A					Exhibit 13 Page #: N/A

Outcome 3 – Broaden and Deepen the U.S. Exporter Base.

Measure 3E: Dollar value of advocacy cases completed successfully based on a three-year moving average (Annual)	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Target	FY 2009 Target
		\$9B	\$10.4B	\$47.1B	\$32.6B	\$30B
Description: The total dollar amount of advocacies completed successfully as evidenced by a contract award, signed contract or other significant export-related benefit. This measure determines ITA's success in providing U.S. companies the same level of coordinated, strategic government support as their foreign competitors receive from their governments in the procurement process for contracts. This measure is captured as a three-year moving average because the Advocacy Center's (AC) work spans over a number of years before a decision is rendered. Advocacy cases can carry over from one fiscal year to the next, which is a result of foreign government decision-making processes, which typically extend beyond any given fiscal year.						
Comments on Changes to Targets: AC target setting methodology was shifted during FY 2007 to reflect more ambitious targets by applying a three year moving average to target setting. Prior fiscal year targets were set at \$5B. Now, the average of the three prior year actual performance is averaged to set new annual targets.						
Relevant Program Change(s): None	Title: N/A					Exhibit 13 Page #: N/A

Outcome 3 – Broaden and Deepen the U.S. Exporter Base.

Measure 3F: Commercial Diplomacy Success (Annual)	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Target	FY 2009 Target
	N/A	N/A	New	New	160	160
<p>Description: This measure captures the results of US&FCS front-line diplomatic engagement with foreign governments based on three key factors:</p> <ul style="list-style-type: none"> • Actions directed towards a foreign government in support of a U.S. company or the U.S. national economic interest; • An action by the foreign government, and; • An outcome that benefits a U.S. company or the U.S. national economic interest. <p>This performance measure is not limited to export-related achievements but instead captures the full range of CS diplomatic efforts to advance U.S. interests. It serves as a valuable tool to gauge CS 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.</p>						
<p>Comments on Changes to Targets: This is a new ITA measure. The FY 2008 and FY 2009 targets are based off a pilot completed during FY 2007. FY 2009 targets may be adjusted as actual FY 2008 data becomes available.</p>						
Relevant Program Change(s): None	Title: N/A					Exhibit 13 Page #: N/A

Outcome 4 – Identify and Resolve Unfair Trade Practices.

Measure 4A: Percentage reduction in trade-distorting foreign subsidy programs (Long-Term)	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Target	FY 2009 Target
	N/A	N/A	N/A	New	3% (by 2012)	3% (by 2012)
<p>Description: The Import Administration (IA) has identified approximately 200 unfair trade practices. This measure shows IA's five-year target for the percentage reduction in unfair trade practices that were identified. The measure tracks IA's efforts to monitor and address unfair trade practices through negotiation or remedies provided under World Trade Organization (WTO) agreements or U.S. law. Many of the practices identified include preferential tax laws and subsidy programs.</p>						
<p>Comments on Changes to Targets: This is a new ITA long-term measure. ITA expects to reach 3% by 2012. The FY 2009 target will be based off of the FY 2008 actual.</p>						
Relevant Program Change(s): None	Title: China Countervailing Duty (CVD) Group Initiative Close Trade Compliance Office in Seoul, Korea					Exhibit 13 Page #: ITA – 77 ITA – 83

Outcome 4 – Identify and Resolve Unfair Trade Practices.

Measure 4B: Percent of AD/CVD determinations issued within statutory and/or regulatory deadlines (Long-Term/Annual)	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Target	FY 2009 Target
	N/A	84%	92%	89%	90%	90%

Description: This measure compares the number of determinations issued within statutory and/or regulatory deadlines to the total number of determinations issued in a fair and impartial manner consistent with the AD/CVD laws and regulations of the United States and international obligations. Nearly all, except for those in scope inquiries, determinations are published in the Federal Register.

Comments on Changes to Targets: The FY 2009 target was derived from ITA’s historical data trends. The FY 2009 target is 90%.

Relevant Program Change(s): None	Title: China Countervailing Duty (CVD) Group Initiative Close Trade Compliance Office in Seoul, Korea	Exhibit 13 Page #: ITA – 77 ITA – 83
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Outcome 4 – Identify and Resolve Unfair Trade Practices.

Measure 4C: Percent of ministerial errors in IA’s dumping and subsidy calculations (Long-Term/Annual)	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Target	FY 2009 Target
	N/A	23%	8%	<8%	<12%	<11%

Description: This measure reflects IA’s efforts to minimize/eliminate ministerial errors committed in the application of the specific methodology and programs used to calculate the dumping margins and subsidy rates that are published as preliminary or final determinations in investigations or as final results in administrative reviews in the Federal Register. The importing public relies on accurate margins in order to estimate the amount of duties they may be responsible for and to make well-informed business decisions. Foreign exporters rely on accurate margins in order to adjust their business practices to eliminate dumping. U.S. producers require accurate margins in order to make business decisions and remain competitive.

Comments on Changes to Targets: This is a new measure derived from the FY 2009 PART. ITA has used past trend data to derive the FY 2009 target of less than 11%.

Relevant Program Change(s): Import Administration	Title: China Countervailing Duty (CVD) Group Initiative Close Trade Compliance Office in Seoul, Korea	Exhibit 13 Page #: ITA – 77 ITA – 83
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Outcome 4 – Identify and Resolve Unfair Trade Practices.

Measure 4D: Percentage of MAC cases resolved successfully (Long-Term/Annual)	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Target	FY 2009 Target
	N/A	New	47%	54%	35%	35%
Description: This measure shows the number of cases concluded successfully by ITA as a percentage of cases concluded in a given year or a five-year period that are designated as having resulted in success. This measure ensures staff works to achieve outcomes that meet the client expectations and does not simply close cases. It measures the effectiveness of the organization to remove foreign trade barriers (or prevent their implementation) on behalf of U.S. industry.						
Comments on Changes to Targets: The FY 2009 target was derived from ITA's trend data from the number of cases resolved measure.						
Relevant Program Change(s): None	Title: N/A					Exhibit 13 Page #: N/A

Outcome 4 – Identify and Resolve Unfair Trade Practices.

Measure 4E: Value of MAC cases resolved successfully (Annual)	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Target	FY 2009 Target
	N/A	New	\$7.3B	\$8.8B	\$1.5B	\$2.0B
Description: This measure provides the estimated cost of a particular trade barrier removed. This measure tends to fluctuate over time. The estimated cost of a particular trade barrier as it relates to a specific company or industry. This measure gauges the impact of trade barriers removed on behalf of a specific company or industry.						
Comments on Changes to Targets: ITA trend data indicates that the value of ITA cases resolved successfully has increased every year. ITA expects the value of cases to increase by 20% on an annual basis till 2010.						
Relevant Program Change(s): None	Title: N/A					Exhibit 13 Page #: N/A

Section 6. FY 2009 Program Changes

(Dollars in Thousands)

	Accompanying GPRA and Internal Goals		Base		Increase/Decrease		Exhibit 13 Page for Detailed Discussion
	Goal #	Performance Measure # Support	FTE	Amount	FTE	Amount	
China Countervailing Duty (CVD) Group Initiative	1	<ul style="list-style-type: none"> • Percent of AD/CVD determinations issued within statutory and/or regulatory deadlines (GPRA) • Percent of ministerial errors in IA's dumping and subsidy calculations (GPRA) 	0	\$0	25	\$4,214	ITA – 77
Close Trade Compliance Office in Seoul, Korea	1	<ul style="list-style-type: none"> • Percent of AD/CVD determinations issued within statutory and/or regulatory deadlines (GPRA) • Percent of ministerial errors in IA's dumping and subsidy calculations (GPRA) 	2	\$400	-2	-\$400	ITA – 83
Streamline Domestic Office Structure	2		952	\$218,084	0	-\$3,000	ITA – 95

Section 7. Resource Requirements Summary

	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Enacted	FY 2009 Base	Increase/ Decrease	FY 2009 Request
ITA Performance Outcome 1: Strengthen U.S. Competitiveness in the Global Marketplace									
Manufacturing and Services	\$69.9	\$52.3	\$58.9	\$49.1	\$56.1	\$41.3	\$49.1	\$0.0	\$49.1
Executive Direction/Administration	\$2.8	\$3.7	\$3.7	\$3.7	\$3.6	\$3.3	\$3.4	\$0.0	\$3.4
Total Funding	\$72.7	\$56.0	\$62.6	\$52.8	\$59.7	\$44.6	\$52.5	\$0.0	\$52.5
Direct	\$70.6	\$54.3	\$62.2	\$52.1	\$59.0	\$43.8	\$51.7	\$0.0	\$51.7
Reimbursable	\$2.1	\$1.7	\$0.4	\$0.7	\$0.8	\$0.8	\$0.8	\$0.0	\$0.8
IT Funding	\$4.0	\$4.0	\$4.2	\$4.6	\$5.5	\$5.2	\$4.9	\$0.0	\$4.9
FTE	402	287	264	257	244	236	236	0	236
ITA Performance Outcome 2: Increase Exports to Commercially Significant Markets Including FTA Countries, China and India									
Commercial Service	\$0.0	\$0.0	\$0.0	\$0.0	\$18.3	\$19.2	\$19.7	\$0.0	\$19.7
Executive Direction/Administration	\$0.0	\$0.0	\$0.0	\$0.0	\$1.2	\$1.2	\$1.2	\$0.0	\$1.2
Total Funding	\$0.0	\$0.0	\$0.0	\$0.0	\$19.6	\$20.5	\$20.9	\$0.0	\$20.9
Direct	\$0.0	\$0.0	\$0.0	\$0.0	\$19.6	\$20.5	\$20.9	\$0.0	\$20.9
Reimbursable	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
IT Funding	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
FTE	0	0	0	0	176	192	192	0	192
ITA Performance Outcome 3: Broaden and Deepen the U.S. Exporter Base									
Commercial Service	\$208.6	\$212.9	\$236.1	\$247.5	\$227.5	\$233.9	\$238.1	-\$3.0	\$235.1
Executive Direction/Administration	\$9.1	\$13.5	\$16.6	\$16.6	\$15.9	\$15.1	\$15.2	\$0.0	\$15.2
Total Funding	\$217.7	\$226.4	\$252.7	\$264.1	\$243.4	\$249.0	\$253.3	-\$3.0	\$250.3
Direct	\$208.4	\$217.5	\$242.1	\$251.8	\$231.0	\$232.1	\$235.0	-\$3.0	\$232.0
Reimbursable	\$9.3	\$8.9	\$10.6	\$12.3	\$12.4	\$16.9	\$18.3	\$0.0	\$18.3
IT Funding	\$14.6	\$12.5	\$19.9	\$22.9	\$27.5	\$25.9	\$24.7	\$0.0	\$24.7
FTE	1,290	1,273	1,335	1,338	1,026	1,039	1,039	0	1,039

	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Enacted	FY 2009 Base	Increase/ Decrease	FY 2009 Request
ITA Performance Outcome 4: Identify and Resolve Unfair Trade Practices									
Market Access and Compliance	\$37.9	\$42.2	\$44.4	\$43.3	\$44.0	\$46.1	\$42.9	\$0.0	\$42.9
Import Administration	\$45.6	\$45.4	\$63.1	\$71.7	\$66.6	\$68.8	\$68.6	\$3.8	\$72.4
Executive Direction/Administration	\$4.6	\$7.0	\$8.3	\$8.3	\$7.5	\$7.7	\$7.8	\$0.0	\$7.8
Total Funding	\$88.1	\$94.6	\$115.8	\$123.3	\$118.2	\$122.7	\$119.2	\$3.8	\$123.1
Direct	\$87.6	\$92.7	\$114.7	\$122.0	\$116.9	\$120.9	\$117.4	\$3.8	\$121.2
Reimbursable	\$0.5	\$1.9	\$1.2	\$1.4	\$1.3	\$1.8	\$1.8	\$0.0	\$1.8
IT Funding	\$6.5	\$6.0	\$7.9	\$10.7	\$12.8	\$12.1	\$11.5	\$0.0	\$11.5
FTE	574	610	638	633	544	566	570	23	593
Grand Total									
Total Funding	\$378.5	\$377.0	\$431.1	\$440.2	\$440.8	\$436.7	\$445.9	\$0.8	\$446.7
Direct	\$366.6	\$364.5	\$419.0	\$425.9	\$426.5	\$417.2	\$425.0	\$0.8	\$425.8
Reimbursable	\$11.9	\$12.5	\$12.2	\$14.5	\$14.5	\$19.5	\$20.9	\$0.0	\$20.9
IT Funding	\$25.1	\$22.5	\$32.0	\$38.2	\$45.8	\$43.2	\$41.1	\$0.0	\$41.1
FTE	2,266	2,170	2,237	2,229	1,990	2,033	2,037	23	2,060

Data Validation and Verification

ITA uses PBViews®, a network-based performance-management data reporting software system to integrate the performance management approach into ITA’s day-to-day operations and annual planning cycle. Every performance measure has a designated measure owner who gathers data and validates collected information; maintains individual measure documentation; leads cross-organizational coordination of data collection; performs quality control, including error checking and elimination of duplicates; and acts as program unit point of contact. Individual program unit managers are held accountable for the quality of the data that their staff collects and the timeliness with which the data is input into the system. Every quarter, the ITA’s Strategic Planning Leadership Team, composed of senior ITA managers, reviews the reports published on PBViews® for data integrity and accomplishments, and recommends corrective actions as necessary. This peer review approach also serves as a validation process of whether data are appropriate for the performance measures.

PERFORMANCE MEASURE	DATA SOURCE	FREQUENCY	DATA STORAGE	INTERNAL CONTROL PROCEDURES	DATA LIMITATIONS
Annual Cost Savings Resulting from the Adoption of MAS Recommendations Contained in MAS Studies and Analysis	MAS Analytical Reports and Studies	Annual	PBViews®	CFO staff will perform analysis to verify results and data sources	A number of factors, including U.S. business cooperation, global trade trends, political developments, and other federal regulatory agencies may impact the actual numbers.
Percent of industry specific trade barriers that were removed or prevented	MAS Sector Analysts	Long-term	PBViews®	CFO staff will perform analysis to verify results and data sources	A number of factors, including U.S. business cooperation, global trade trends, political developments, and the extent to which foreign governments create barriers or act inconsistently with trade obligations (an exogenous factor) will impact the actual numbers.
Percent of industry-specific trade barrier milestones completed	MAS Sector Analysts	Annual	PBViews®	CFO staff will perform analysis to verify results and data sources	These industry specific trade barrier milestones are occasionally subject to externalities such as delays in trade meetings with foreign governments.
Percent of agreement milestones completed	MAS Sector Analysts	Annual	PBViews®	CFO staff will perform analysis to verify results and data sources	These agreement milestones are occasionally subject to externalities such as delays in trade meetings with foreign governments.

PERFORMANCE MEASURE	DATA SOURCE	FREQUENCY	DATA STORAGE	INTERNAL CONTROL PROCEDURES	DATA LIMITATIONS
Increase exports to commercially significant markets including FTA countries, China and India	China Customs through the World Trade Atlas	Annual	PBViews®	ITA performs quality control through review of verifiable trade trend data documentation.	A number of factors, including U.S. business cooperation, global trade trends, political developments, and the extent to which foreign governments create and remove barriers or act inconsistently with trade obligations (an exogenous factor) will impact the actual numbers.
Increase exports to commercially significant markets including FTA countries, China and India	India Ministry of Commerce through the World Trade Atlas	Annual	PBViews®	ITA performs quality control through review of verifiable trade trend data documentation.	A number of factors, including U.S. business cooperation, global trade trends, political developments, and the extent to which foreign governments create and remove barriers or act inconsistently with trade obligations (an exogenous factor) will impact the actual numbers.
Number of export transactions successes made as a result of ITA Involvement	U.S. exporters	Quarterly	Client Management System and PBViews®	ITA performs quality control, including error checking and elimination of duplicates, and verifies results through peer review of verifiable documentation.	Data reported is wholly dependent on a client's willingness to provide such information and underreporting is likely.
Number of new-to-export export successes	U.S. exporters	Quarterly	Client Management System and PBViews®	ITA performs quality control, including error checking and elimination of duplicates, and verifies results through peer review of verifiable documentation.	Data reported is wholly dependent on a client's willingness to provide such information and underreporting is likely.

PERFORMANCE MEASURE	DATA SOURCE	FREQUENCY	DATA STORAGE	INTERNAL CONTROL PROCEDURES	DATA LIMITATIONS
Number of new-to-market export success	U.S. exporters	Quarterly	Client Management System and PBViews®	ITA performs quality control, including error checking and elimination of duplicates, and verifies results through peer review of verifiable documentation.	Data reported is wholly dependent on a client's willingness to provide such information and underreporting is likely.
Number of increase-to-market export successes	U.S. exporters	Quarterly	Client Management System and PBViews®	ITA performs quality control, including error checking and elimination of duplicates, and verifies results through peer review of verifiable documentation.	Data reported is wholly dependent on a client's willingness to provide such information and underreporting is likely.
Dollar value of advocacy cases completed successfully based on a three-year moving average	Information is reported from the Trade Advocacy Center's database and verified with U.S. firms on annual basis.	Annually/ Long-Term-	Advocacy Center Database and PBViews®	The Advocacy Center conducts annual verifications with customers to confirm the dollar value of exports generated through the support of U.S. government effort.	In some cases a host government overturns awards, and the winning U.S. company then loses the project. Quality of data is dependent on client's willingness to provide the data. Some clients elect not to provide information to ITA due to business proprietary concerns. U.S. embassies in some instances do not report all advocacy projects they have worked on in a given fiscal year.
Commercial Diplomacy Success	U.S. exporters	Quarterly	Client Management System	ITA performs quality control, including error checking and elimination of duplicates, and verifies results through peer review of verifiable documentation.	Data reported is wholly dependent on a client's willingness to provide such information and underreporting is likely.
Percentage reduction in trade-distorting foreign subsidy programs	U.S. companies and foreign company financial statements	Long-Term	Data from the AD/CVD Case Management System and PBViews®	Each case is supported by final determinations, including Federal Register notices.	None

PERFORMANCE MEASURE	DATA SOURCE	FREQUENCY	DATA STORAGE	INTERNAL CONTROL PROCEDURES	DATA LIMITATIONS
Percentage of AD/CVD determinations issued within statutory and/or regulatory deadlines	IA cases completed in accordance with the statutory deadline	Annual/Long-Term	Data from the AD/CVD Case Management System and PBViews®	Each case is supported by final determinations, including Federal Register notices.	None
Percent of ministerial errors in IA's dumping and subsidy calculation	U.S. Customs	Annual/ Long-Term	Data from the AD/CVD Case Management System and PBViews®	Case reviews for errors by senior management.	None
Percentage of market access and compliance cases resolved successfully (reduction or elimination of the market barriers)	ITA Compliance and Market Access Management System database	Annual/ Long-Term	MAC case database and PBViews®	Each month, MAC office managers review case data relevant to their areas in the MAC database.	ITA cannot control the outcome of the measure. In most cases, ITA must persuade a sovereign foreign government to change or remove a law or regulatory standard in order to declare a case a success.
Value of market access and compliance cases resolved successfully	ITA Compliance and Market Access Management System database	Annual/ Long-Term	MAC case database and PBViews®	Each month, MAC office managers review case data relevant to their areas in the MAC database.	None

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

	Positions	FTE	Direct Obligations	Budget Authority
FY 2008 Appropriation	2,305	2,001	411,795	405,172
less: Obligations from prior years	0	0	(6,623)	0
ITA - 41 plus: 2009 Adjustments-to-Base	0	4	14,445	14,445
FY 2009 Base	2,305	2,005	419,617	419,617
plus: FY 2009 Program Changes	31	23	814	814
Total FY 2009 Estimate	2,336	2,028	420,431	420,431

Comparison by activity/subactivity		2007		2008		2009		2009		Increase/	
		Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount
ITA- 49 Manufacturing and Services	Pos./BA	242	47,085	242	40,521	242	48,592	242	48,592	0	0
	FTE/Obl.	225	47,753	219	40,692	219	48,592	219	48,592	0	0
ITA- 57 Market Access and Compliance	Pos./BA	214	41,626	226	41,384	226	42,332	226	42,332	0	0
	FTE/Obl.	195	43,493	203	45,572	207	42,332	207	42,332	0	0
ITA- 65 Import Administration	Pos./BA	384	59,778	384	62,713	384	62,543	415	66,357	31	3,814
	FTE/Obl.	312	61,041	322	62,784	322	62,543	345	66,357	23	3,814
ITA- 87 Trade Promotion and U.S. & Foreign Commercial Service	Pos./BA	1,301	223,657	1,304	235,408	1,304	240,739	1,304	237,739	0	(3,000)
	FTE/Obl.	1,106	234,646	1,137	237,538	1,137	240,739	1,137	237,739	0	(3,000)
ITA- 99 Executive Direction/Administration	Pos./BA	152	25,655	149	25,146	149	25,411	149	25,411	0	0
	FTE/Obl.	120	26,320	120	25,209	120	25,411	120	25,411	0	0
TOTALS	Pos./BA	2,293	397,801	2,305	405,172	2,305	419,617	2,336	420,431	31	814
	FTE/Obl.	1,958	413,253	2,001	411,795	2,005	419,617	2,028	420,431	23	814
	Fees		9,175		8,000		9,439		9,439		
Adjustments for:											
Recoveries			(14,041)		0		0		0		0
Unobligated balance, start of year			(6,752)		(6,623)		0		0		0
Unobligated balance, start of year transferred			(1,425)		0		0		0		0
Unobligated balance, expiring			143		0		0		0		0
Unobligated balance, end of year			4,528		0		0		0		0
Unobligated balance, end of year unavailable			2,095		0		0		0		0
Financing from:											
Transfers to other accounts			0		0		0		0		0
Transfers from other accounts			(2,095)		0		0		0		0
Appropriation			395,706		405,172		419,617		420,431		814

1. Position and FTE numbers for FY 2008 and FY 2009 are derived from the FY 2009 FTE and Staffing Plan and the FY 2009 FTE Guidance submitted to DOC.

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

	2007 Actual	2008 Enacted	2009 Base	2009 Estimate	Increase/ (Decrease)
Total Obligations	427,705	431,295	440,556	441,370	814
Financing:					
Offsetting collections from:					
Federal funds	(1,692)	(11,500)	(11,500)	(11,500)	0
Trust funds	0	0			0
Non-Federal funds, fee collections	(12,760)	(8,000)	(9,439)	(9,439)	0
Recoveries	(14,041)	(6,623)	0	0	0
Unobligated balance, start of year	(6,752)	0	0	0	0
Unobligated balance, start of year transferred	(1,425)	0	0	0	0
Unobligated balance, expiring	143	0	0	0	0
Unobligated balance, end of year	4,528	0	0	0	0
Unobligated balance, end of year unavailable	2,095	0	0	0	0
Budget Authority	397,800	405,172	419,617	420,431	814
Financing:					
Transferred to other accounts	0	0	0	0	0
Transferred from other accounts	(2,095)	0	0	0	0
Appropriation	395,705	405,172	419,617	420,431	814

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**Department of Commerce
International Trade Administration
Operations and Administration
Adjustments To Base**
(Dollar amounts in thousands)

<u>Adjustments:</u>	<u>FTE</u>	<u>Amount</u>
<u>Other Changes:</u>		
Annualization of 2008 Pay Raise	0	2,493
2009 Pay Raise	0	4,240
Payment to the Working Capital Fund	0	300
Full-year cost in 2009 of positions financed for part year in 2008	4	320
Change in compensable days	0	(813)
Civil Service Retirement System (CSRS)	0	(101)
Federal Employees' Retirement System (FERS)	0	993
Thrift Savings Plan	0	28
Federal Insurance Contribution Act (FICA)-OASDI	0	100
Health insurance	0	334
Employee's Compensation Fund		(82)
Travel		
Mileage	0	25
Domestic Per diem	0	143
Foreign Per diem	0	277
Rent payments to GSA	0	345
Postage	0	2
Printing and reproduction.	0	27
Other services: (Itemized)		
Working capital fund.	0	715
Commerce Business Systems (bureau specific)	0	46
National Archives and Records Administration (NARA)	0	0
Capital Security Cost Sharing (CSCS) Program	0	5,205
International Cooperative Administrative Support Services (ICASS)	0	451
Non ICASS local guard service	0	24
Military pouch	0	14
General Pricing Level Adjustment:		
Transportation of things.	0	36
Rent payments to others	0	199
Communications, Utilities and Miscellaneous	0	76
Other Services	0	300
Supplies and materials.	0	68
Equipment	0	102
Overseas wage increases	0	650
Currency Loss	0	1,314
Subtotal, other changes	4	17,831
Less amount absorbed		(3,386)
Total, Adjustments to Base	4	14,445

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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>Adjustments:</u>			
<u>Other Changes:</u>			
Pay Raises.....			7,033
Full-year cost of 2008 pay increase and related costs:			
The 2008 President's budget assumes a pay raise of 3.5% effective January, 2007.			
Total cost in 2009 of 2008 pay raise		7,103,111	
Less amount funded in 2008		<u>(4,610,000)</u>	
Amount requested in 2009 to provide full-year costs of 2008 pay increase		2,493,111	
A general pay raise of 2.9% is assumed to be effective January 1, 2009			
Total cost of 2009 of pay increase		4,240,000	
Payment to Working Capital Fund		<u>300,000</u>	
Total, adjustment for 2009 Pay Raise		4,540,000	
Full year cost in 2009 of positions financed for part of year in 2008.....	4		320
An increase of \$345,404 is required to fund full time cost in 2009 of positions financed for part-year in 2008. The computation follows:			
Annual salary of new positions in 2008	12	839,172	
Less 5 percent Lapse	<u>0</u>	<u>(41,959)</u>	
Full year cost of personnel compensation	12	797,213	
Less personnel compensation in 2008	<u>(8)</u>	<u>(567,163)</u>	
Cost of personnel compensation in 2009	4	230,050	
Adjustment for 2009 pay raise		<u>6,671</u>	
Additional amount required for personnel compensation	4	236,721	
Benefits		<u>83,450</u>	
Total Adjustment to Base for positions financed in 2008	4	320,171	

One Less Compensable Day in FY 2009..... **(813)**

The decreased cost of one less compensable day in 2009 compared to 2008 is calculated by dividing the 2008 estimated personnel compensation (\$184,180,000) and applicable benefits (\$28,729,000) by 262 compensable days. The cost decrease of one less compensable day is (\$812,630).

Civil Service Retirement System (CSRS)..... **(101)**

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 14.8% in 2008 to 14.4% in 2009 for regular employees and foreign service employees will be 16.3% to 12.5%. Contribution rates will remain at 7.00% for regular employees and 7.25% for foreign service

Regular:

2009 \$139,077,000 x .144 x .0700	1,401,896
2008 \$139,077,000 x .148 x .0700	1,440,838
Subtotal	(38,942)

Foreign Service:

2009 \$22,678,000 x .125 x .0725	205,528
2008 \$22,678,000 x .163 x .0725	268,009
Subtotal	(62,481)

Total adjustment-to-base (101,422)

Federal Employees Retirement System (FERS)..... **993**

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 85.2% in 2008 to 85.6% in 2009 for regular and from 83.7% to 87.5% for foreign service employees. The contribution rate will remain at 11.2% in 2009 for regular employees. For foreign service employees, the contribution rate will increase from 20.22% to 24% in 2009.

Regular:

2009 \$139,077,000 x .856 x .112	13,333,590
2008 \$139,077,000 x .852 x .112	13,271,284
Subtotal	62,306

Foreign Service:

2009 \$22,679,000 x .875 x .2403	4,768,543
2008 \$22,679,000 x .837 x .2022	3,838,226
Subtotal	930,318

Total adjustment-to-base 992,624

Thrift Savings Plan (TSP)..... **28**

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:

2009 \$139,077,000 x .856 x .02		2,380,998
2008 \$139,077,000 x .852 x .02		2,369,872
Subtotal		11,126

Foreign Service:

2009 \$22,679,000 x .875 x .02		396,883
2008 \$22,679,000 x .837 x .02		379,646
Subtotal		17,236

Total adjustment-to-base		28,362
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Federal Insurance Contribution Act (FICA)..... **100**

As the percentage of payroll covered by FERS rises, the cost of Old Age Survivor and Disability Insurance (OASDI) contributions will increase. In addition, the maximum salary subject to OASDI tax will increase from \$102,300 in 2008 to \$106,425 in 2009. The contribution rate will remain 6.2% in 2009.

Regular:

2009 \$139,077,000 x .856 x .9550 x .062		7,048,945
2008 \$139,077,000 x .852 x .9550 x .062		7,016,006
Subtotal		32,939

Foreign Service:

2009 \$22,679,000 x .8750 x .908 x .062		1,117,145
2008 \$22,679,000 x .837 x .8920 x .062		1,049,798
Subtotal		67,346

Other Salaries; Regular Salaries

2009 \$2,615,000 x .9550 x .062		154,834
2008 \$2,615,000 x .9550 x .062		154,834
Subtotal		0

Total adjustment-to-base		100,285
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Health Insurance..... **334**

Effective January 2007, this bureau's contribution to Federal employees' health insurance premiums increased by an average rate of 3.1%. Applied against the 2008 estimate of \$10,762,000, the additional amount required is \$333,622.

	<u>FTE</u>	<u>Amount</u>
Employee's Compensation Fund		(82)
<p>The Employee's Compensation Fund bill for the year ending June 30, 2007 is estimated \$82,000 lower than the bill for June 30, 2006. The changes will be reimbursed to the Department of Labor pursuant to 5 U.S.C 8147.</p>		
Travel (Mileage)		25
<p>Effective February 1, 2007 the reimbursable rate for the use of a privately owned automobile increased from \$0.445 to \$0.485 per mile. A rate increase of 9% was applied to the 2008 estimate of \$275,000 to arrive at an increase of \$24,750 for 2009.</p>		
Domestic Per Diem		143
<p>Effective March 2007, the General Services Administration raised per diem rates. The average rate for domestic per diem increased by 4.7%. This percentage was applied to the 2008 estimate of \$3,036,960 to arrive at an increase of \$143,095.</p>		
Foreign Per Diem		277
<p>Effective March 2007, the General Services Administration raised per diem rates. The average rate for foreign per diem increased by 8.4%. This percentage was applied to the 2008 estimate of \$3,290,040 to arrive at an increase of \$277,362.</p>		
Rental Payments to GSA		345
<p>GSA rates are projected to increase 2.4% in 2008. This percentage was applied to the 2008 estimate of \$14,360,000 to arrive at an increase of \$344,640.</p>		
Postage (U.S.P.S.)		2
<p>Effective May 14, 2007, the Governors of the Postal Service approved a rate increase 5.1%. This percentage was applied to the 2008 estimate of \$38,000 to arrive at an increase of \$1,938.</p>		
General Printing Office (GPO) Printing		27
<p>This request applies OMB economic assumptions for 2009 to areas where the prices that the government pays are established or influenced through the market system. A factor of 1.9% was applied to the 2008 printing estimate of \$1,413,000 to arrive at an increase of \$26,847.</p>		
Working Capital Fund		715
<p>An increase of \$715,000 is required to fund cost increases in the Department's Working Capital Fund to maintain the current level of operations.</p>		
Commerce Business System (CBS)		46
<p>An increase of \$46,000 is required to support ITA's continued use of the CBS accounting system.</p>		

	<u>FTE</u>	<u>Amount</u>
National Archives and Records Administration (NARA) Storage Costs.....		0
<p>NARA has indicated the cost to administer ITA's records storage will increase from \$17,700 in 2008 to \$17,877 in 2009. The amount required to cover this increase is \$177.</p>		
Capital Security Cost Sharing (CSCS) Program.....		5,205
<p>ITA has 118 offices in 78 countries overseas. The majority of the offices are located in U.S. Consulates and Embassies. The Department of State (DOS) plans to build 150 new embassy compounds over a 14-year period with a total cost of \$17.5 billion. Under the Capital Security Cost Sharing (CSCS) Program, all agencies represented in embassies will be charged on a worldwide per capita basis of \$28,144 per non-controlled access employee. The ITA share of the CSCS Program will be approximately \$23.7 million for FY 2009. This share is expected to rise to \$40.8 million in FY 2010 and continue at this rate through FY 2018. Without the requested funds, ITA would have to significantly reduce its overseas presence. The 2008 estimate is currently \$18,469,107. In order to meet the \$23,673,959 estimate provided by the State Department, an additional \$5,204,852 is required.</p>		
International Cooperative Administrative Support Services (ICASS).....		451
<p>This request applies OMB economic assumptions for 2009 to areas where the prices that the government pays are established through the market system. A general inflationary rate increase of 1.9% was applied to the 2008 ICASS estimate of \$23,762,893 to arrive at an increase of \$451,495. The Department of State 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. This increase is required to maintain current level of ICASS support at ITA's existing overseas offices.</p>		
Non International Cooperative Administrative Support Services (ICASS) Local Guard.....		24
<p>This request applies OMB economic assumptions for 2009 to areas where the prices that the government pays are established through the market system. A rate increase of 1.9 % was applied to the 2008 projected cost of \$1,253,854 to arrive at an increase of \$23,823. 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.</p>		
Military Pouch.....		14
<p>This request applies OMB economic assumptions for 2009 to areas where the prices that the government pays are established or influenced through the market system. A rate of increase of 1.9% was applied to the 2008 projected cost of \$736,480 to arrive at an increase of \$13,993. The increase is needed for security and anthrax-related devices during pouch mail delivery.</p>		

	<u>FTE</u>	<u>Amount</u>
General Pricing Level Adjustment.....		781
<p>This request applies OMB economic assumptions for 2009 to sub-object classes where the prices that the Government pays are established through the market system. A factor of 1.9% 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).</p>		
Transportation of things	36	
Rental payment to others	199	
Communications, utilities and misc charge	76	
Other Services	300	
Supplies and materials	68	
Equipment	102	
Total	781	
Overseas Wage Increases.....		650
<p>The Foreign Service National (FSN) Salary increase is for wage adjustments overseas based on calculations using a 2.9% increase applied to total FSN salaries and other overseas salary costs. This percentage was applied to the 2008 estimate of \$22,421,000 to arrive at an increase of \$650,209.</p>		
Currency Exposure.....		1,314
<p>As the U.S. dollar loses value when converted to foreign currency, operating costs increase. As a result of these exchange losses, the cost of base operations has increased. An ATB of \$1,314,000 is required in order to maintain the level of current operations.</p>		
Subtotal, other changes	4	17,831
Less: amount absorbed	0	(3,386)
Total, Adjustments to Base	4	14,445

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

Activity: International Trade Administration
Subactivity: Manufacturing and Services

<u>Performance Goal</u>	2007 Actual		2008 Enacted		2009 Base		2009 Estimate		Increase/ (Decrease)		
	Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount	
Strengthen U.S. Competitiveness in the Global Marketplace	Pos./BA	242	47,085	242	40,521	242	48,592	242	48,592	0	0
	FTE/Obl.	225	47,753	219	40,692	219	48,592	219	48,592	0	0
Total	Pos./BA	242	47,085	242	40,521	242	48,592	242	48,592	0	0
	FTE/Obl.	225	47,753	219	40,692	219	48,592	219	48,592	0	0

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**Department Of Commerce
International Trade Administration
JUSTIFICATION OF PROGRAM AND PERFORMANCE
Manufacturing and Services**

Enhancing American Industry's Competitiveness

Department of Commerce Goal

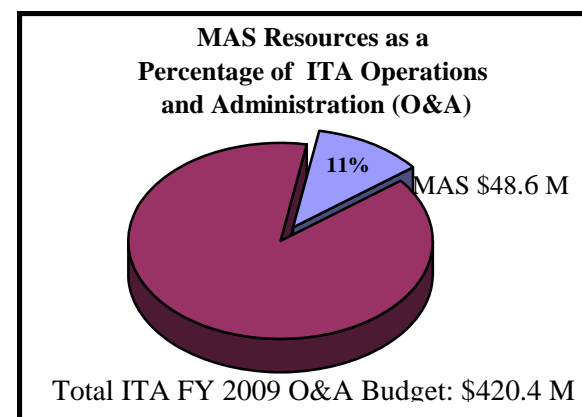
Strengthen U.S. Competitiveness in the Global Marketplace.

Mission and Goals for FY 2009

Strengthen the domestic and international competitiveness of U.S. industry by eliminating and/or preventing barriers and expanding foreign market access to increase U.S. exports. Manufacturing and Services (MAS) supports several of the ITA-wide strategic goals and is the primary unit responsible for the goal entitled "Strengthen U.S. Competitiveness in the Global Marketplace."

MAS pursues its mission and goals by combining its analytical capabilities and its in-depth industry knowledge to provide assessments and recommendations to improve U.S. business competitiveness. MAS is the key ITA program unit focused on these issues from a business perspective. Specifically, MAS:

- Serves as the government's foremost industry sector experts;
- Provides critical economic and policy analysis and information;
- Ensures appropriate industry and other stakeholder input into domestic policy development, assessment and implementation;
- Ensures appropriate industry and other stakeholder input into trade policy development, negotiation, implementation, and compliance;
- Supports the Manufacturing Council, the President's Export Council, the Travel and Tourism Advisory Board, the Industry Trade Advisory Committees, the Environmental Technologies Trade Advisory Committee, and the Tourism Policy Council;
- Advocates for the interests of the manufacturing and services sectors on standards issues;
- Compiles and disseminates data on U.S. and world trade, economic performance, and industry competitiveness, as well as travel and tourism market intelligence;



- Implements two high-profile Presidential initiatives – the Asia-Pacific Partnership and the Major Economies process; and
- Supports industry market access issues in key foreign markets through industry analysis, bilateral activities, leading industry delegations to key markets, and leading industry-focused subgroups.

Base Program

This budget restores the FY 2008 base reduction that resulted from the FY 2008 Omnibus appropriation. This reallocation will allow MAS to fund base activities at a level consistent with program requirements and prior year actual spending.

MAS advances the competitiveness of U.S. industry by researching and analyzing U.S. industries and their operating environments to identify the opportunities and challenges that face them. MAS consults with U.S. industry on challenges and opportunities identified and combines industries' input with MAS's analysis to develop policy recommendations on issues such as standards regarding occupational exposure to chemicals and the definition of solid waste to promote U.S. competitiveness. U.S. manufacturers have outlined significant factors that are eroding competitiveness, contributing to higher production costs, retarding innovation, and impeding trade. These concerns form the foundation for generating policy recommendations that ensure the U.S. government is creating conditions where U.S. manufacturers and service providers prosper and maximize competitiveness. Further, MAS works with trade associations to sponsor events (e.g., conferences and roundtables) on issues affecting service and manufacturing firms. These events provide U.S. exporters access to senior U.S. government policymakers and offer firms the opportunity to explain significant factors that affect competitiveness, innovation, and impediments to trade in manufacturing and services. The concerns of manufacturing and services firms are an important building block for generating policy recommendations as the United States moves forward with an aggressive, market opening, trade agreement agenda.

The program evaluates the effects of domestic and international economic and regulatory policies on the ability of U.S. manufacturing and service industries to compete in world markets. It conducts analyses of the economic environment for manufacturing and services industries and makes recommendations to enhance that environment. The program analyzes regulations such as health, safety, or environmental regulations. The organization also reviews proposed governmental policies to determine their impact on cost competitiveness of U.S. firms and their technical and economic feasibility. It works with other U.S. agencies to reduce the impact of proposed and existing policies and regulations on U.S. industries. It serves as the primary liaison with U.S. industry and works with industry to identify key issues affecting competitiveness. MAS analyzes trends in manufacturing and service industries, including productivity growth, employment, structural changes and evolving business models. It collects original data, which is used by the Department of Commerce to perform analysis and report on U.S. imports and exports of international travel. This information is also used by the travel and tourism industry for planning purposes.

With renewed activity in the World Trade Organization Doha Round negotiations, MAS's expertise in trade analysis and its database tools enable the Department of Commerce to provide critical input not elsewhere available throughout all phases of negotiations which is heavily relied upon by the United States Trade Representative. Through analysis, coordination with country desk officers, and consultation with private-sector representatives, MAS develops industry-specific recommendations for trade policy. MAS develops negotiating priorities and recommends strategies to overcome tariff and non-tariff barriers, open markets, promote mutual recognition, and to deal with other sensitive issues that affect trade in manufactured goods and services. Further, MAS manages the Industry Trade Advisory Committees program, which serves as a communications channel for U.S. companies to express their views to U.S. negotiators on trade discussions and other policy issues.

MAS's knowledge of, and relationship with, U.S. industry enables it to take a unique leadership role in multilateral and bilateral negotiations on trade in goods and services. One example of the program's contribution lies in its efforts to address the impact of divergent standards, redundant testing and compliance procedures on U.S. competitiveness, and unilateral and non-transparent standard setting exercises that combine to increase manufacturers' costs and decrease their competitiveness. These standards issues are now recognized as major impediments to free trade – estimated to affect 80 percent of global merchandise trade.

MAS is spearheading ITA's standards efforts. In response to industry concerns, MAS continues to focus its efforts on:

- Reinforcing expertise in key markets;
- Devising an effective training and outreach program;
- Creating a best practices database;
- Expanding the early warning system to alert industry of potential changes in international regulations before they are adopted;
- Partnering with the President's Export Council on standards leadership; and
- Reaching out to U.S. industry.

MAS is particularly active in pursuing standards activities in China. Specifically, MAS is working closely with the U.S. Trade and Development Agency on its U.S.-China Standards and Conformity Assessment Cooperation Program (SCACP). The SCACP is an innovative public-private initiative that enables U.S. industry and government representatives to engage their Chinese counterparts in: 1) collaborating on standards development and conformity assessment processes and policies; 2) building relationships that will facilitate U.S.-China technical cooperation in the area of standards, technical regulations and conformity assessment procedures; and 3) keeping U.S. industry informed of the latest issues regarding standards and regulatory developments in China.

Other U.S. government agencies, such as the Food and Drug Administration (FDA) and the Environmental Protection Agency (EPA), rely on MAS as the key resource for setting trade policy priorities affecting certain U.S. industries. The MAS program takes a leading role in providing a forum for industry and government to come together in the international arena to discuss expanding exports and investment. MAS trade specialists use their industry expertise to support multilateral and bilateral trade negotiations. For example, in environmental services, MAS took a lead role with the U.S. Trade Representative in developing data for the General Agreement on Trade in Services plurilateral negotiations in this sector. This work helped move these discussions forward, offering gains for environmental services firms.

MAS acts in support of the National Oceanic and Atmospheric Administration (NOAA), the Departmental lead, and represents ITA on the Homeland Security Council/National Security Council (HSC/NSC) Maritime Security Policy Coordinating Committee (MSPCC). Similarly, MAS acts in support of the Office of the Secretary, and represents ITA on the HSC/NSC Border and Transportation Security Policy Coordinating Committee (BTSPCC). In both cases, ITA participates in the interagency work on transportation and border security and in the expanded maritime and aviation security policy efforts directed by the National Security Council and the Homeland Security Council. In terms of e-commerce, MAS promotes growth through bilateral and multilateral discussions as well as with agreements with foreign governments, including Free Trade Agreements and the U.S.-European Union Safe Harbor Agreement.

MAS travel and tourism data serves as the sole source of government statistics on the travel industry. This information feeds Gross Domestic Product estimates as well as balance of payments and trade data in an industry exporting more than \$90 billion annually and running a trade surplus. The Bureau of Labor Statistics uses MAS data to develop and report an international airfare price index. The Department of State uses MAS data for air service negotiations to determine the impact of travel and tourism to and from the U.S.

MAS manages a state-of-the-art information-delivery system for trade information – TradeStats Express. MAS continues its initiative to improve the usefulness of U.S. export data as a tool for helping U.S. firms realize their export potential. Working with the Census Bureau, MAS supported the development of economic profiles of the U.S. exporting community, detailed statistics on U.S. exports at the state level, and information on the role of exports in supporting jobs in each state. This data provides critical information to U.S. firms considering the initiation or expansion of exporting activities, as well as, Federal, state, and local government entities involved in supporting the realization of export potential by their constituent business entities.

MAS also has accelerated the process of unlocking Department of Commerce data now residing on in-house systems by expanding the use of the Internet for delivering applications like the TradeStats Express (www.tse.export.gov). This technology, which features interactive data retrieval, user customization, data visualization on map-based interfaces, and flexible downloading and printing, vastly expands data accessibility while sharply reducing the costs of serving ITA customers. For example, there were over 430,000 unique data downloads from TradeStats Express in 2006.

Since the inception of the Asia-Pacific Partnership (APP), MAS has led the Department's involvement in USG interagency activities and planning, and has acted as the Department's Secretariat and policy lead on APP activities. The APP is a joint effort by the United States and six Asian-Pacific nations (Australia, Canada, China, India, Japan, and the Republic of Korea) to promote the development and deployment of cleaner and more efficient energy technologies to curtail the growth of greenhouse gas emissions worldwide. As part of the initiative, MAS's industry specialists work on eight task forces to identify and remove barriers to the spread of cleaner more efficient technologies. MAS is the U.S. Government lead on aluminum, power generation, steel, and renewable energy task forces. MAS also provides substantial support to the buildings and appliances, cement, and cleaner fossil energy task forces. In addition, MAS's industry specialists and senior staff help develop and will participate in U.S. industry outreach events in conjunction with the Commercial Service. MAS has worked to integrate a trade policy and industry competitiveness focus into Commercial Service trade promotion events, in order to help create a proper enabling environment for U.S. firms to do business in partner countries.

MAS works both multilaterally and bilaterally. Examples of multilateral work include the Asia-Pacific Economic Cooperation (APEC) Auto Dialogue and the APEC-funded medical device regulatory training seminars. Examples of our bilateral work include MAS-led industry delegations to key markets to discuss market issues with foreign officials. There is also a special manufacturing focus on China and India, with manufacturing subgroups under the U.S.- China Joint Commission on Commerce and Trade, and major manufacturing industries represented on the U.S.-India High Technology Cooperation Group and the U.S.-India Standards Dialogue.

MAS manages the Market Development Cooperator Program (MDCP). The MDCP is a competitive matching funds program that provides Federal assistance to trade associations, chambers of commerce and other industry groups that are particularly effective in reaching and assisting small-and medium-sized enterprises. MDCP partnerships help to underwrite the start-up costs of competitiveness-enhancement projects which these groups are often reluctant to undertake without federal government support. Much of the competitiveness that MDCP projects engender can be measured in terms of exports. Since FY 1997, MDCP award winners have generated more than \$2.5 billion in exports, an average of \$230 million annually. When funded projects are completed, the private sector will have invested more than \$75 million to increase global competitiveness as a result of the U.S. government's \$27 million expenditure.

MAS also coordinates the Committee for Foreign Investment in the United States (CFIUS) activities for the Department and administers the Export Trading Company Act in coordination with the Department of Justice.

Summary of Workload and Performance Data

	FY 2006 Actual	FY 2007 Actual	FY 2008 Estimate	FY 2009 Estimate
Annual cost savings resulting from the adoption of MAS recommendations contained in MAS studies and analysis	\$287 million	\$413 million	\$350 million	\$350 million
Percent of industry-specific trade barriers addressed that were removed or prevented	N/A	New	15%	20%
Percent of industry-specific trade barrier milestones completed	81%	54%	55%	55%
Percent of agreement milestones completed	100%	100%	100%	100%

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

Activity: International Trade Administration
Subactivity: Market Access and Compliance

		2007		2008		2009		2009		Increase/ (Decrease)	
		Actual		Enacted		Base		Estimate		Personnel	Amount
<u>Performance Goal</u>		Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount
Identify and Resolve Unfair Trade Practices	Pos./BA	214	41,626	226	41,384	226	42,332	226	42,332	0	0
	FTE/Obl.	195	43,493	203	45,572	207	42,332	207	42,332	0	0
Total	Pos./BA	214	41,626	226	41,384	226	42,332	226	42,332	0	0
	FTE/Obl.	195	43,493	203	45,572	207	42,332	207	42,332	0	0

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**Department Of Commerce
International Trade Administration
JUSTIFICATION OF PROGRAM AND PERFORMANCE
Market Access and Compliance**

Increasing Access to Foreign Markets for U.S. Industry

Department of Commerce Goal

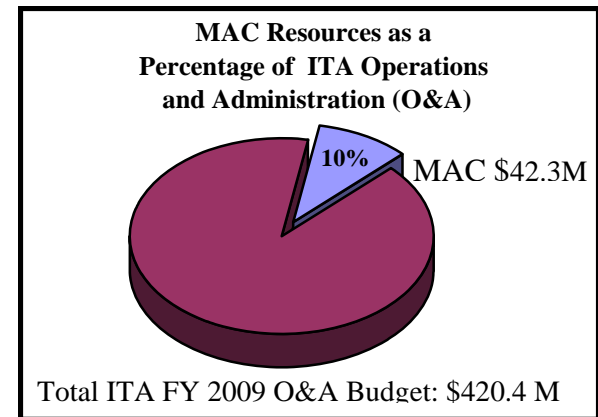
Maximize U.S. competitiveness and enable economic growth for American industries, workers and consumers.

Mission and Goals for FY 2009

Market Access and Compliance (MAC) is charged with obtaining greater access to foreign markets for U.S. companies by combating barriers to U.S. exports overseas and ensuring foreign compliance with trade agreements. MAC activities support the ITA-wide strategic goal titled “Identify & Resolve Unfair Trade Practices.”

MAC’s strategic goals and objectives are to:

- Identify, analyze and prioritize market barriers to U.S. exports;
- Develop and implement strategies for combating market access barriers;
- Monitor foreign compliance with all U.S. non-agricultural trade agreements to ensure that other governments implement and maintain their market access obligations;
- Work with the U.S. Trade Representative (USTR) and other agencies to negotiate trade agreements and coordinate strategies to overcome trade barriers;
- Increase the number of market access and compliance investigations initiated; and
- Increase the number of market access and compliance investigations resolved.



Base Program

The Secretary and the Congress have both stressed the importance of ensuring compliance by foreign nations with trade agreements so that U.S. business receives the full benefit of negotiated trade agreements. MAC monitors, investigates, and evaluates foreign compliance with more than 270 trade agreements signed by the United States. As President Bush stated in his address to the Detroit Economic Club on February 8, 2005, “We will vigorously enforce trade laws...with a level playing field, our businesses, our entrepreneurs, and our workers can compete with anybody, anytime in the world.” MAC is an integral part of the U.S. Government’s interagency effort to develop and implement market access strategies and to remove foreign trade barriers.

MAC is organized into four regional units; 1) Africa, the Middle East and South Asia; 2) Asia; 3) Europe; and 4) the Western Hemisphere; and the Trade Agreements and Compliance (TAC) unit. MAC country experts in the regional units collaborate closely with issue experts (standards, customs, intellectual property rights, etc.) in the TAC on identifying and resolving trade barriers facing U.S. firms and exporters. MAC’s specialists devise strategies for remedying broad market access deficiencies, such as restrictive standards and other regulatory measures designed to keep U.S. exports out of foreign markets. Using a variety of tools and techniques from direct bilateral discussion to formal, regional consultative mechanisms, MAC coordinates U.S. government efforts to implement market access strategies. MAC’s regional units also participate in international trade conferences, events, and missions to assess trade barriers, combat threats that impede trade, and develop trade opportunities for U.S. exports.

MAC's Trade Compliance Center (TCC), within the TAC unit, works in close collaboration with country and regional experts to monitor foreign governments' implementation of trade agreements signed with the U.S. to identify any compliance problems. The TCC obtains information directly from U.S. businesses, MAC regional units, other Department of Commerce units, and U.S. embassies regarding potential failures by foreign governments to implement and adhere fully to agreements. Once a problem is identified, a case is initiated and a team of experts is formed to resolve the problem. These teams include MAC’s country desk officers, compliance specialists from the TCC, industry experts from Manufacturing and Services (MAS), as well as officers (both foreign and domestic) from the Commercial Service. Teams work to resolve compliance problems without having to resort to lengthy, formal dispute settlement procedures. MAC’s staff works cooperatively with the industry experts in MAS if the issue does or potentially could affect an entire industry, and also with appropriate Import Administration (IA) offices when illegal subsidies by foreign governments and/or dumping by foreign companies is suspected. When compliance cannot be attained in this manner, the TCC works with the USTR Trade Enforcement Center to develop effective cases for formal dispute settlement through the WTO, NAFTA, or by other means. MAC’s specialists contribute to regular reports on possible compliance violations for use by the USTR and other agencies.

MAC has significantly expanded its tools and activities in aggressively combating non-tariff barriers imposed on U.S. firms. For example, MAC has placed four permanent, full-time compliance officers in Brussels, China (2), and Japan to work on-the-ground in resolving the most difficult trade compliance and market access problems for U.S. firms. These specialists have immediate access to foreign government officials in order to resolve compliance cases, as well as monitor laws and regulations that may impede U.S. exports to these markets. ITA’s global network of

Commercial Service and MAC officers provides feedback to the TCC and intervention in the field when necessary, protecting U.S. business interests abroad.

Intellectual Property Rights

In FY 2005, MAC established a new Intellectual Property Rights office to investigate allegations of trade agreement violations and support policies by foreign governments to enhance and protect Intellectual Property Rights (IPR) for U.S. firms and artists. Through rigorous investigation of trade compliance cases, and aggressively pursuing enforcement policies on IPR issues, the office will continue to level the playing field for U.S. exporters by ensuring that foreign governments address burgeoning IPR violations. Additionally, the unit will improve coordination efforts with other U.S. Government agencies to improve respect for and improvement of IPR. The increased focus on compliance will enhance MAC's efforts to curb piracy and actions that violate U.S. trade agreements or distort markets to the disadvantage of American companies.

MAC is a key contributor to the Strategy Targeting Organized Piracy (STOP) initiative, and works to overcome global piracy issues and lack of effective enforcement of IPR in other countries. Piracy causes widespread economic damage in both the United States and abroad and has resulted in an estimated \$10 billion in losses for U.S. firms in records and music, motion pictures, and other media - a trend that shows no sign of slowing down around the world. Foreign sales and exports by copyright industries continue to be a driving force in long-term economic growth. It is estimated that income generated by U.S. recording artist, motion picture, and other copyright industries accounts for over \$535 billion in GDP annually, and U.S. employment of 4.7 million workers (3.5 percent of total U.S. workforce). China is of particular concern as there continues to be serious shortcomings in basic IPR protection even after more than five years since their WTO accession.

MAC works closely with U.S. industry, trade associations, and foreign officials to halt piracy and ensure that intellectual property rights are respected and enforced by other governments. For many countries this process starts with negotiating strong IPR rules in bilateral free trade agreements. MAC also utilizes existing international accords and ongoing multilateral negotiations on copyright protection to hold signatory countries to their obligations in ensuring enforcement of IPR laws. Furthermore, MAC's IPR office seeks out violations abroad and presents specific evidence of abuse, forcing action by foreign governments to enforce their laws.

Trade Negotiation Support

MAC supports the U.S. Government's trade negotiations by providing the analysis, expertise, and staff support needed to achieve negotiation objectives. The country and regional experts in MAC provide technical knowledge and detailed expertise needed for U.S. trade agreement negotiating teams. MAC analyzes market barriers, develops detailed data and information related to technical problems and obstacles, and conducts economic and commercial analyses necessary for successfully negotiating trade agreements.

MAC has increasingly been called upon to provide substantial support to USTR-led trade negotiations in recent years. MAC specialists are heavily involved in multi-lateral negotiations the Doha Round of the WTO. Working to obtain enhanced market access for U.S. exports, MAC's support of and participation in trade negotiations, as well as monitoring the implementation of trade agreements, has grown dramatically and will remain at a high level through FY 2009.

Outreach to SMEs

MAC is oriented to help small and medium-sized enterprises (SMEs) that lack the resources to determine their rights under U.S. trade agreements. MAC recognizes that many U.S. firms, especially SMEs, may not be aware of their rights under trade agreements signed by the United States, nor are they aware of the assistance the U.S. government can provide in resolving their trade problems. MAC's representatives continue to pursue an aggressive outreach program to U.S. businesses and industry associations across the country, including important business centers. These business centers are located throughout the country, including, but not limited to, Alabama, Ohio, Texas, New Mexico, Pennsylvania, and Michigan. These visits are designed to alert businesses to the assistance MAC can provide in overcoming trade barriers, as well as how ITA can assist companies enter new markets. MAC participates in manufacturing roundtables, as well as giving speeches and information sessions on exporting and compliance. This initiative also provides MAC's specialists with insight into the local business community and new trade barriers that may be plaguing U.S. firms.

Companies are encouraged to use MAC as the U.S. Government assistance source when they need to combat unfair barriers to trade. MAC's TCC maintains a trade agreements database on the Internet (www.export.gov/tcc) that explains U.S. trade agreements and enables companies to compare the market access they are receiving with what they should be receiving. Thus, they are in a better position to identify probable violations or failure to implement agreements. U.S. businesses can then register complaints regarding market access barriers at www.export.gov/tcc, thereby initiating an investigation by MAC's specialists.

Advance the U.S. International Commercial and Strategic Interests

MAC is actively engaged in trade-related programs around the world that enhance commercial and strategic interests of the United States and for U.S. firms. For example, MAC runs the Iraq and Afghanistan Task Forces, which are staffed by an interdisciplinary team of trade specialists from across ITA. Their mission is not only to assist in the reconstruction efforts for these two countries – thereby supporting the development of stable governments and economic growth – but also to pave the way for increased U.S. participation in these markets. MAC's experts in trade agreements and international trade regulations are working to create a fair and open framework of trade policy in Iraq and Afghanistan. At the same time, trade promotion and commercial development experts are working to uncover opportunities for U.S. firms in Iraq and Afghanistan, increasing the overall level of trade and promoting economic prosperity for the United States and the region.

In addition to supporting U.S. bilateral and multilateral trade negotiators, MAC works in additional areas to support other Presidential trade policy objectives. MAC works with Commerce officials and other U.S. Government agencies to encourage foreign policy and assistance programs to include a role for expanding U.S. business in economic development programs.

MAC supports aggressive outreach through seminars and the Internet to alert U.S. businesses to specific opportunities opened through U.S. policy and assistance programs. MAC has also had significant success in expanding U.S. exports while supporting U.S. Government foreign policy initiatives in China, Russia and the other Newly Independent States, Central America, and Eastern Europe. In addition, MAC has operated important new programs through government-to-government and public-private dialogs that seek to raise the overall level of U.S. trade. These activities are increasing exports and supporting a stronger, market-oriented economic system in these areas of the world, which contributes both to U.S. economic goals and global stability.

Summary of Workload and Performance Data

	FY 2006 Actual	FY 2007 Actual	FY 2008 Estimate	FY 2009 Estimate
Percentage of cases resolved successfully	47%	54%	35%	35%
Value of cases resolved successfully (in U.S. Dollars)	\$7.30B	\$8.8B	\$1.5B	\$2.0B
Number of market access and compliance cases initiated	178	187	190	200
Number of market access cases resolved	140	158	150	155
Percentage of MAC cases that have an action plan/success definition within 10 business days of initiation	64%	84%	80%	80%
Percentage of MAC cases initiated on behalf of SME's	28%	24.1%	32%	33%
Number of MAC cases resolved successfully	66	82	38	38
Percentage of MAC cases resolved annually	24%	25.7%	39%	30%
Annual average cost per case resolved	\$180,000	\$183,000	\$180,000	\$180,000

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

Activity: International Trade Administration
Subactivity: Import Administration

<u>Performance Goal</u>		2007		2008		2009		2009		Increase/ (Decrease)	
		Actual	Amount	Enacted	Amount	Base	Amount	Estimate	Amount	Personnel	Amount
Identify and Resolve Unfair Trade Practices	Pos./BA	384	59,778	384	62,713	384	62,543	415	66,357	31	3,814
	FTE/Obl.	312	61,041	322	62,784	322	62,543	345	66,357	23	3,814
Total	Pos./BA	384	59,778	384	62,713	384	62,543	415	66,357	31	3,814
	FTE/Obl.	312	61,041	322	62,784	322	62,543	345	66,357	23	3,814

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**Department Of Commerce
International Trade Administration
JUSTIFICATION OF PROGRAM AND PERFORMANCE
Import Administration**

Safeguard U.S. Industries and Jobs Against Unfair Trade

Department of Commerce Goal

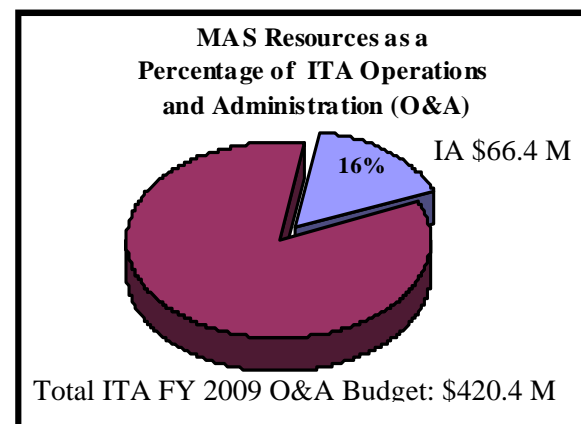
Maximize U.S. competitiveness and enable economic growth for U.S. industries, workers and consumers.

Mission and Goals for FY 2009

Import Administration's (IA) mission is to take prompt and aggressive action against unfair foreign trade practices by enforcing the U.S. trade laws and trade agreements negotiated to address trade-distorting practices. IA activities support the ITA-wide strategic goal titled "Identify & Resolve Unfair Trade Practices."

IA achieves its mission and goals by:

- Conducting statutorily mandated antidumping (AD) and countervailing duty (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, and negotiating and enforcing suspension and other bilateral agreements, which address injurious dumping or subsidization;
- Defending the determinations of the agency in the WTO and NAFTA dispute settlement proceedings and domestic courts;
- Closely working with Customs and Border Protection (CBP) and other agencies to identify and counter evasion of AD and CVD duties;
- Negotiating strong, effective and transparent disciplines on unfair trade practices in multilateral fora, such as the WTO, and various FTAs;
- Analyzing market trends and foreign government and business practices to identify potential unfair trade problems at the earliest stage possible and provide assistance to U.S. businesses harmed by these practices through subsidy enforcement efforts, trade remedy compliance activities and pre-petition counseling;
- Monitoring persistent and fundamental structural problems affecting major industries,



such as the steel industry, through a variety of forums (e.g., the North American Steel Trade Committee under the auspices of the North American Security and Prosperity Partnership);

- Implementing trade enforcement activities, such as textile safeguards with respect to China’s WTO accession and the textile provisions of U.S. preferential programs and agreements, and monitoring market access and trade compliance issues for U.S. companies;
- Supporting monitoring and enforcement of the 2006 softwood lumber agreement with Canada;
- Administering textile commercial availability provisions, wool fabric and cotton shirting fabric tariff rate quotas, and other provisions of U.S. preference programs and Free Trade Agreements (FTA);
- Developing new business opportunities to enhance U.S. textile and apparel industry competitiveness in international markets; and
- Managing and supporting the Foreign Trade Zones Program and the Statutory Import Programs Staff programs.

Base Program

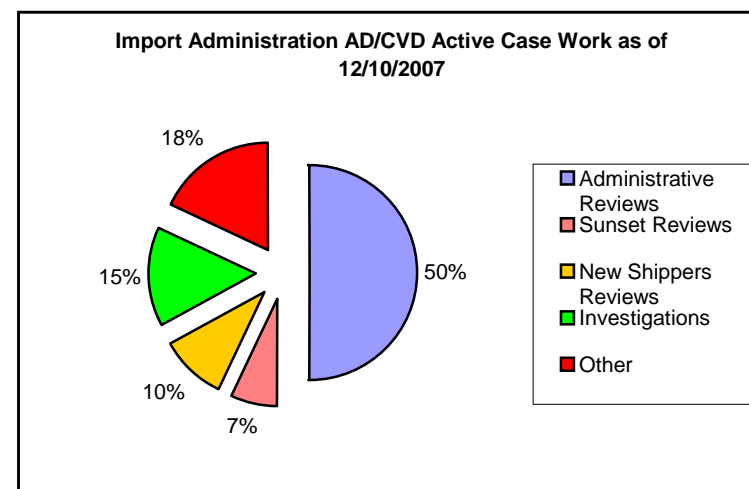
Antidumping and Countervailing Duty Program

IA is committed to vigorously enforcing U.S. trade laws. IA promotes freer and fairer trade by administering the U.S. AD and CVD laws in the most transparent and impartial manner by ensuring compliance of foreign governments and exporters with AD/CVD sections of the international trade agreements and applicable U.S. statutes. AD/CVD laws provide domestic industries the opportunity to obtain relief from injury caused by imports of foreign products that are sold at less than fair value or that benefit from foreign government subsidies.

AD/CVD Operations

IA continues to enhance uniformity and consistency in the application of the U.S. trade laws. The China/Non Market Economy (China/NME) unit, which managed 75 of the 261 statutory cases that IA completed in FY 2006, is dedicated to the enforcement of the AD law with respect to China and other non-market economy (NME) countries. This unit continues to experience an increase in workload as trade cases involving China grow in number and become more complex. The China/NME Unit enables IA to consolidate and cultivate the expertise necessary to address the unique trade problems associated with conducting unfair trade proceedings involving NME countries, such as irregular financial reporting, fraudulent filings, opaque company relations, and close ties to local and provincial governments. IA has also experienced an increase in workload with respect to AD/CVD investigations. In FY 2007, IA initiated 28 new investigations, compared to six investigations in all of FY 2006 and 11 in FY 2005. Included in those 28 are five CVD investigations of products from China. In the first two months of FY 2008, IA initiated three additional CVD investigations against China. These are particularly notable given IA’s recent departure from its 23-year long practice of not applying the CVD law to NMEs such as China.

IA conducts an investigation under the AD/CVD laws when there is reason to believe imports are being unfairly subsidized or sold in the United States at less than fair market value and a U.S. industry is materially injured, or threatened with



material injury by such imports. Each investigation must be completed within strict statutory deadlines, and the investigations vary widely in terms of scope and complexity. Each investigation requires:

- Intensive analysis of information provided by the petitioning U.S. industry to determine whether an investigation should be initiated;
- Preparation of extensive questionnaires, which are sent to the relevant foreign governments and/or industry and request information about foreign government subsidy programs or individual firms' prices and costs;
- Analysis of responses to the questionnaires and verification of such responses on-site in the foreign country at the relevant government site or company offices;
- Calculation of subsidy rates or dumping margins and duty deposit rates; and
- Preparation of preliminary and final determinations, including extensive memoranda and *Federal Register* notices that detail the full analysis of the information and address all comments from U.S. and foreign industry.

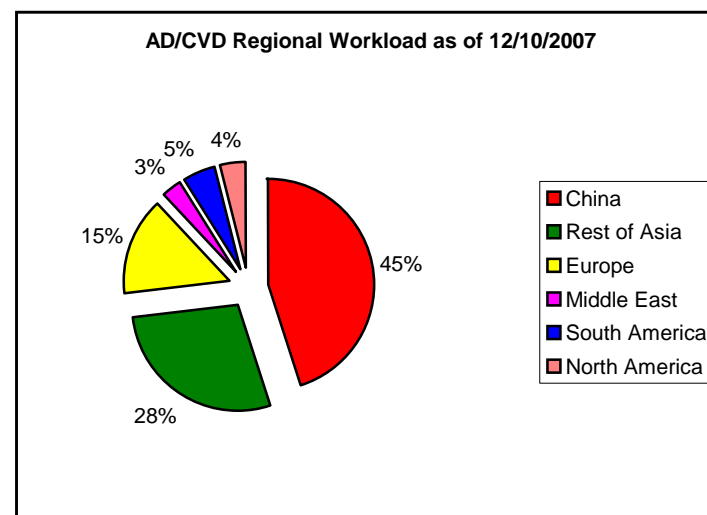
IA performs many of the same steps when it subsequently conducts administrative and new shipper reviews. Whereas investigations determine whether imports are being unfairly subsidized or sold at less than fair market value, reviews determine the amount of duties to be collected to remedy those unfair practices. Thus, reviews are equally as important as investigations because they determine the actual relief to domestic industries. In recent years, the number of reviews has increased, as has their complexity.

When the results of a final determination are challenged in the U.S. Court of International Trade, the U.S. Court of Appeals for the Federal Circuit, NAFTA and/or the WTO, IA's staff provides support to the Chief Counsel for IA, the Justice Department and/or the Office of the U.S.-Trade Representative (USTR). If a case is remanded to IA by any of the reviewing authorities, the proceeding is re-conducted in accordance with the Court's or Panel's instructions.

Some importers are increasingly attempting to avoid or minimize AD and CVD duties through misreporting the name or country of origin of products subject to AD and CVD duties, establishing shell companies to import at lower duties, and other means. IA is increasing its efforts to counter such activities. IA often identifies such schemes through analyzing information and documents provided during administrative reviews and conducting on-site audits. IA also cooperates with CBP and other agencies to prosecute fraudulent activity. IA's efforts have resulted in such importers being subject to fines, penalties and felony indictments.

Major program activities include:

- Analyzing petitions submitted by domestic industries alleging dumping or unfair subsidization with respect to imports into the United States;
- Conducting subsequent investigations of alleged unfair foreign trade practices that were adequately alleged and documented in such petitions;
- Conducting administrative reviews of AD/CVD orders to determine actual amount of AD and CVD liability;



- Conducting reviews to provide legitimate new shippers the opportunity to secure their own AD and CVD rates;
- Conducting five-year sunset reviews of AD/CVD orders;
- Conducting scope and anticircumvention inquiries as well as changed circumstance reviews to ensure adequate enforcement of AD/CVD orders and accommodate evolving market conditions;
- Issuing instructions to CBP to impose duties at the border to provide relief to domestic industries when dumping or subsidization has been found to be causing them injury;
- Working closely with CBP and Immigration and Customs Enforcement on investigations of fraudulent activity pertaining to AD/CVD matters; and
- IA plays an integral role with the Office of the United States Trade Representative and other agencies in monitoring and ensuring the enforcement of the 2006 Softwood Lumber Agreement with Canada (2006 SLA). The 2006 SLA settled litigation regarding AD and CVD orders administered by IA on imports of Canadian softwood lumber and resulted in the termination of those orders. IA provides expertise in analyzing Canada's implementation of the SLA to ensure that the SLA is fully enforced. This involves monitoring Canada's collection of export taxes and implementation of export quotas on softwood lumber exports per the requirements of the 2006 SLA and Canada's commitment to not provide new assistance to its lumber industry.

AD/CVD Policy and Negotiations

IA oversees a variety of programs and policies, including the provision of crosscutting and case-specific policy advice regarding the administration of the AD/CVD laws. This includes: 1) the negotiation and administration of all suspension agreements and other bilateral agreements related to AD/CVD cases; 2) analysis and support on cost accounting and financial analysis matters in AD/CVD cases; 3) negotiation of trade remedy disciplines in the ongoing WTO Rules negotiations and in other bilateral trade agreements, such as FTAs; and 4) involvement in broader policy issues regarding unfair trade matters.

IA's role is to steer the application of policies and procedures in AD/CVD proceedings in a consistent manner, bearing in mind the agency's and Administration's broader policy objectives and statutory and international obligations. IA strives to achieve such consistency not only by contributing to and reviewing case determinations issued by IA, but also through in-depth analysis of major or emerging issues and development of new policies to address such issues. IA is responsible for analyzing and informing case investigators and decision makers of the potential ramifications on AD/CVD proceedings posed by developments in the General Agreement on Tariffs and Trade (GATT) and its successor, the WTO. IA represents U.S. interests in international negotiations, such as the WTO or those being conducted to establish free trade agreements. Finally, the organization pro-actively monitors and analyzes market trends and imports in various industries (e.g., steel, cement and textiles and apparel) and foreign government and business practices to identify potential unfair trade problems at the earliest stage.

Major program activities within AD/CVD Policy and Negotiations Office of Policy include:

- Subsidies enforcement: The Subsidies Enforcement Office (SEO) spearheads the subsidies enforcement activities of the U.S. Government. The primary role of the SEO is to confront unfair foreign government subsidization and unfair trade practices by providing monitoring, analysis, counseling and advocacy services to U.S. parties harmed by such trade-distorting practices. The main activities of the SEO are mandated by law. Specifically, Section 281 of the Uruguay Round Agreements Act, as further clarified in the Statement of Administrative Action, stipulates the following SEO responsibilities: (1) coordinate U.S. countervailing duty and multilateral subsidies enforcement efforts; (2) assist the private sector by monitoring foreign subsidies and identifying instances of subsidization which can be

remedied under the WTO Subsidies Agreement; and (3) submit an Annual Report to Congress. (The 2007 report was the twelfth such report to Congress). The SEO serves as a focal point for responding to private-sector inquiries regarding subsidies disciplines and remedies, and assists the U.S. private-sector by monitoring foreign subsidies and identifying instances of subsidization that can be addressed under the provisions of the WTO Subsidies Agreement or U.S. law. The SEO identifies and/or evaluates on average about 500 unfair trade practices each fiscal year, of which approximately 200 relate to China.

- All aspects of the WTO related to trade remedies: IA works actively to advance U.S. interests in the WTO rules negotiations by supporting strong, effective, and transparent trade remedy disciplines that address injurious dumping and unfair subsidization in the marketplace. The office's primary objective in these negotiations is to maintain and enhance the U.S. ability to address and curtail trade-distorting practices that interfere with and undermine the optimal operation of a liberalized trading system, thereby denying U.S. firms and workers their full share of benefits under such a system. In addition, the office participates in the antidumping committee, the subsidies committee, the safeguard committee and any other committee that could affect U.S. trade remedy interests, including the rules of origin committee. A key role in participating in these committees is to closely monitor China's compliance with its WTO accession protocol, which includes investigating China's antidumping and subsidies practices through mechanisms such as the annual transitional review. The office also assists countries to meet WTO obligations through technical assistance. These efforts are greatly enhanced by a senior IA official permanently stationed in Geneva, Switzerland, who works directly with the USTR and WTO staff on the ground to advance U.S. priorities in this area.
- Free Trade Agreement (FTA) negotiations: IA is actively involved in FTA negotiations. IA supports the USTR in ensuring that the objectives outlined in Trade Promotion Authority with respect to trade remedies are met. Specifically, IA supports bilateral safeguard negotiations and works to maintain the effectiveness of U.S. AD/CVD laws. Further, IA closely monitors negotiations in areas such as competition, agriculture and market access, providing input where needed to maintain consistency on issues such as subsidies, the role of state trading enterprises and monopolies.
- Trade remedy compliance: The Trade Remedy Compliance Staff (TRCS) tracks other countries' use of trade remedies, including AD and CVD laws, and provides a point of contact for U.S. companies facing potential unfair trade problems arising from such activities. These efforts are led both by a team of technical experts in Washington, D.C., and overseas-based Import Administration officers – currently stationed in Beijing, China, Seoul, Korea and Geneva, Switzerland – who coordinate closely with other agencies of the U.S. Government and the business community in an effort to pro-actively identify and resolve problems before they develop into trade disputes. TRCS works with many U.S. companies experiencing difficulties with other countries' antidumping actions, including engaging the foreign governments when circumstances warrant and, if necessary, assisting the USTR in addressing such problems at the WTO. A key facet of the TRCS is to promote, through technical exchanges and other outreach programs, improved transparency and fairness on the part of foreign governments in administering their unfair trade laws, and a greater awareness of the administration and rationale of U.S. antidumping proceedings.
- Bilateral agreements: The Bilateral Agreements Unit has the responsibility for the negotiation and administration of AD and CVD suspension agreements and other bilateral agreements. The unit's technical experts ensure the effective monitoring of compliance with the agreements as well as consistency across agreements. This unit administers several existing suspension agreements with Russia, Ukraine,

Mexico, and Argentina, covering products ranging from steel to uranium to tomatoes. In 2007, IA negotiated antidumping suspension agreements on lemon juice from Mexico and Argentina, and is spearheading the interagency effort to negotiate an amendment to the Suspension Agreement on uranium from Russia as well as the potential renegotiation of the Russian ammonium nitrate and Ukrainian cut-to-length plate agreements into market-economy agreements.

- Pre-petition counseling: IA continued to expand its outreach efforts to industries and workers harmed by unfair foreign trade –particularly small- and medium-sized firms that may be unfamiliar with the remedies available under the trade laws or that may be unable to afford legal assistance. Pre-petition counseling staff meets with U.S. companies and industries that express an interest in filing an AD or CVD petition, provide materials to assist such companies/industries in drafting a petition, review draft petitions, and maintain a website and hot line geared toward educating the public about the unfair foreign trade laws. In the past two years, more than 295 initial and follow-up petition-counseling sessions were conducted with a wide variety of firms, including numerous small and medium-sized businesses.
- Steel import monitoring and analysis: The Steel Import Monitoring and Analysis (SIMA) system was created as part of the President’s Steel Initiative to address persistent and fundamental structural problems in the global steel industry, such as overcapacity and market-distorting government practices that resulted in trade frictions and instability. The SIMA system is a web-based steel import licensing and monitoring program that provides the Administration and the public with the earliest accurate information possible regarding steel imports. The system has been extended until March 2009 and expanded to cover imports of all basic steel mill products. More than 1.8 million import licenses have been issued by IA’s web-based system since its inception in March 2003. The SIMA group has also developed a web-based NAFTA steel monitoring system as part of the North American Steel Trade Committee’s Steel Strategy under the North American Security and Prosperity Partnership.
- Vietnam textile import monitoring program: On January 11, 2007, IA began monitoring imports of textile and apparel products from Vietnam, concurrent with Vietnam’s accession to the WTO. This monitoring program is in effect until the end of the current Administration. IA is currently monitoring five sensitive product categories – trousers, shirts, sweaters, underwear and swimwear.

The Office of Accounting is responsible for ensuring that IA uses acceptable, sound accounting and financial principles in administering the AD/CVD laws. In this role, the office supports all IA offices involved with the AD/CVD program. The office performs all investigative aspects of casework, including on-site verifications related to the cost of production and the constructed value areas of AD investigations. The complexities of this area require expert knowledge in both U.S. and foreign accounting practices. The office also provides litigation support to the Office of the Chief Counsel. The expertise provided by the Office of Accounting applies to a large number of AD/CVD cases and litigation and supports many other program and administrative aspects of IA.

The Statutory Import Program Staff (SIPS) administers and regulates the U.S. Insular Possessions Watch and Jewelry Programs authorized by P.L. 97-446, as amended by P.L. 103-465, P.L. 106-36 and P.L. 108-429 and the Educational Scientific and Cultural Materials Importation Act (Florence Agreement) authorized by P.L. 89-651, as amended by P.L. 106-36. The Insular Watch Program provides duty-exemption allocations for watches and watch movements entering the U.S.. The Insular Watch and Jewelry Programs provide duty-refund benefits, based on creditable wages and fringe benefits, to watch producers located in the U.S. Insular Possessions (Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands). The Florence Agreement Program implements U.S. treaty obligations under Annex D of the UNESCO sponsored Florence

Agreement by determining whether scientific instruments imported into the U.S. by non-profit institutions qualify for duty-free entry. This program allows the duty-free flow of scientific instruments to universities and other non-profit institutions to encourage research and education, as long as equivalent scientific instruments are not being produced in the United States. The staff also record and tabulate data on the duty-free entry of articles for the handicapped under Annex E (ii) of the Nairobi Protocol in accordance with the safeguard provision of P.L. 100-418, as amended by P.L. 100-647. The safeguard provision allows U.S. companies or industries to petition to have the duties reinstated if U.S. companies or industries are being adversely impacted by the duty-free entry of certain articles for the handicapped. Also, SIPS provides input on trade policy issues involving watches, jewelry, scientific instruments and articles for the handicapped.

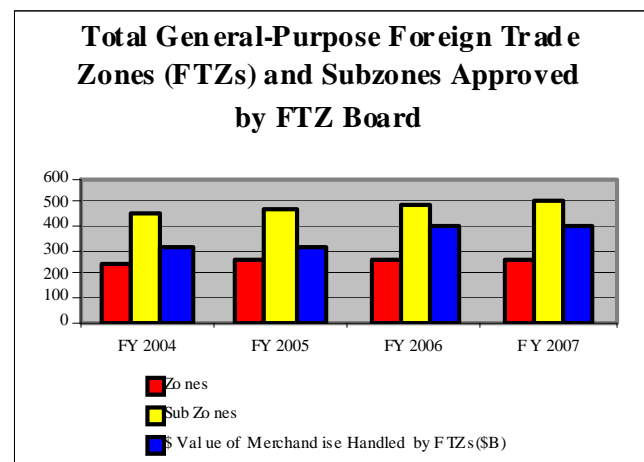
Textiles and Apparel Program

IA administers and enforces agreements concerning textile and apparel products and an array of responsibilities with respect to ensuring fair trade and a level playing field for the U.S. fiber, textile, and apparel industries. The staff seeks and evaluates industry views on international trade issues affecting the textile and apparel industries; formulates textile policy positions on proposed trade agreements and legislative initiatives; provides key technical support to the USTR for negotiating the textiles and apparel chapter in each FTA; and participates in the negotiation of multilateral and bilateral agreements. Furthermore, this organization administers provisions of U.S. trade agreements and preference programs, such as commercial availability provisions, wool fabric and cotton shirt fabric tariff rate quotas, handloom/folklore, and other provisions; 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 textile related issues. It also has the responsibility of monitoring and enforcing the U.S.-China Textile Agreement, which expires on December 31, 2008. The organization 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. In FY 2007, the staff generated more than 3,700 trade leads for U.S. textile and apparel firms resulting in projected sales of more than \$59 million. The staff works closely with other IA personnel responsible for subsidies and IPR, concerning China and other countries, to ensure coordinated and well-supported responses to issues affecting textile and apparel trade.

Foreign-Trade Zones Program

IA administers the Foreign-Trade Zones (FTZ) Program. The 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 (grants of authority) and regulate foreign trade zones (customs free zones) under the FTZ Act of 1934 (19 USC 81) and the Board's regulations (15 CFR 400). Foreign-Trade Zones are sponsored by public or public-type corporations, with some operated by private corporations under agreement with licensees. The Act's public utility requirement calls for reasonable and non-discriminatory rates. As of the end of FY 2006, there were 255 zones and 488 sub-zones in the United States employing over 300,000 persons. The volume of exports leaving U.S. foreign-trade zones exceeded \$30 billion in FY 2006.

The formal applications approved for FY 2006 included six for new general-purpose zones (GPZ) projects, 20 for expansions of existing GPZ and 18 for new sub-zones. One of the reviews was withdrawn and terminated prior to final action. In reviewing new manufacturing in zones and sub-zones 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. Zone savings are designed to help improve the international competitiveness of U.S. industries. States and local communities use zones as an element of their economic development efforts. FTZ activity is monitored for compliance with application scope and compliance with FTZ Board grant restrictions.

Summary of Workload and Performance Data

	FY 2006 Actual	FY 2007 Actual	FY 2008 Estimate	FY 2009 Estimate
Percent reduction in trade-distorting foreign subsidy program	N/A	New	3% (by 2012)	3% (by 2012)
Percent of Import Administration antidumping and countervailing duty decisions overturned by U.S. Courts	N/A	New	<2% (by 2012)	<2% (by 2012)
Percentage of AD/CVD determinations issued within statutory and/or regulatory deadlines	92%	89 %	90%	90%
Number of investigation determinations issued	20	16	**	**
Number of administrative review determinations issued	179	170	**	**
Number of new shipper review determinations issued	18	30	**	**
Number of sunset review determinations issued	97	50	**	**
Number of scope/anticircumvention determinations issued	18	40	**	**
Number of changed circumstances determinations issued	28	30	**	**
Percent of ministerial errors in IA's dumping and subsidy calculations	8%	<8 %	<12%	<11%
Percent of instructions sent to U.S. CBP within five business days	76%	93 %	82%	82%
Cost Per Workload Unit – Administrative Protective Order Staff Function	\$67	\$72	\$59	\$59
Number of trade negotiations led and/or supported by IA	42	47	**	**
Average time to post to the Internet final decisions in IA proceedings	1.2 days	.7 day	1day	1 day
Number of new AD/CVD petition counseling sessions conducted by IA staff	40	78	**	**
Number of continued AD/CVD petition counseling sessions conducted by IA staff	54	118	**	**
Number of potential unfair trade practices identified and/or under evaluation	439	684	**	**
Percent of identified unfair trade practices affecting U.S. parties addressed through informal/formal intervention or dispute settlement	59%	60%	**	**
Number of identified market access and trade compliance issues for U.S. textile firms under review	50	35	40	40

**As these measures are highly influenced by outside trade factors, it is not possible to develop reliable estimates.

	FY 2006 Actual	FY 2007 Actual	FY 2008 Estimate	FY 2009 Estimate
Percent of identified market access and trade compliance issues for U.S. textile firms resolved	82%	88%	60%	60%
Number of textile events/seminars planned/supported	10	22	15	15
Dollar value of textile and apparel sales generated (\$ in millions)	88	59	70	70
Number of new to export textile and apparel companies	16	10	15	15
Number of new to market textile and apparel companies	34	45	35	35
Percent of wool/cotton shirting baric tariff rate quota licenses issued on time	100%	100%	100%	100%
Average time to process new Foreign Trade Zones (FTZ) applications	11 months	8 months	10 months	10 months
Number of FTZ and FTZ subzones in operation (estimates)	380	385	385	385
Dollar value of merchandise handled by FTZs (\$ in billions) (estimates)	\$491	\$450	\$450	\$450
Dollar value of exports (\$ in billions) (estimates)	\$30	\$30	\$30	\$30
Percent of applications for duty-free treatment of scientific instruments processed in 60 days	82%	70%	60%	60%
Percent of insular watch duty exemptions and insular watch and jewelry duty-refund benefits issued to the U.S. companies within the statutory and regulatory deadlines	100%	100%	90%	90%
Number of duty-free applications processed	63	63	60	60

Note: These estimates can be affected by a variety of factors affecting trade (such as commodity prices and international agreements.)

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**Department Of Commerce
International Trade Administration
Operations and Administration
PROGRAM INCREASE FOR FY 2009**
(Dollar amounts in thousands)

		FY 2009 Base		FY 2009 Estimate		Increase (Decrease)	
		<u>Personnel</u>	<u>Amount</u>	<u>Personnel</u>	<u>Amount</u>	<u>Personnel</u>	<u>Amount</u>
Import Administration	Pos./BA	0	\$0	33	\$4,214	33	\$4,214
	FTE/Obl.	0	0	25	\$4,214	25	\$4,214

China Countervailing Duty (CVD) Group Initiative (+25 FTE, +\$4,214,000): ITA is requesting 25 FTE and \$4.2 million in support of providing the necessary tools for IA employees to meet the expected increased countervailing duty (CVD) workload associated with challenging and changing market conditions in China. This budget proposal directly supports ITA’s strategic goal of “Identifying and Resolving Unfair Trade Practices” and ITA’s objectives of “Enforce U.S. Trade Laws,” which address injurious dumping or subsidization, and “Identification of Distortions in Foreign [China] Markets.”

Statement of Need

On March 30, 2007, Commerce departed from its 23-year practice of not applying the countervailing duty law (CVD) to non-market economies such as China, and announced a preliminary determination in the CVD investigation of coated free sheet paper from China, finding that Chinese producers/manufacturers received countervailable subsidies from the Chinese government. It is expected that the workload within Import Administration (IA) will increase measurably in response to this change in policy. Following the announcement, numerous press articles and industry statements strongly indicated that this China CVD case is just the first of many more petitions from U.S. industries for CVD investigations on products from China.¹ In fact, Commerce has since received petitions for and initiated seven additional CVD investigations

¹ http://trade.gov/press/speeches/lavin_040207.asp
<http://select.nytimes.com/gst/abstract.html?res=FA0B14F73B540C738FDDAA0894DF404482>
<http://www.busrep.co.za/index.php?fSectionId=565&fArticleId=3762963>
<http://www.bloomberg.com/apps/news?pid=newsarchive&sid=afwdIYwBdEWQ>
<http://www.washingtonpost.com/wp-dyn/content/article/2007/04/02/AR2007040201496.html>
<http://www.textileworld.com/News.htm?CD=5&ID=12851>
<http://www.prnewswire.com/cgi-bin/stories.pl?ACCT=104&STORY=/www/story/04-02-2007/0004557943&EDATE=>
<http://www.pr-inside.com/the-committee-to-support-u-s-trade-r83644.htm>

covering standard pipe, rectangular pipe, laminated woven sacks, off-road tires, thermal paper, flexible magnets, and sodium nitrite from China. The need for this proposed initiative is, in part, contingent on the United States prevailing in court challenges to the new policy.² It is both significant and telling that members of Congress have stated that lawmakers intend to enact legislation codifying the new policy in case the courts overturn it.

Proposed Actions

A new group will need to be created within IA to handle the new CVD investigations and subsequent reviews regarding China and possibly other non-market economy countries. To accomplish this, IA will have to recruit additional staff and work to develop the expertise of existing staff, spend a substantial amount of time researching the Chinese economy to investigate allegations of illegal subsidization and continue monitoring the Chinese economy and the use of subsidies. Dedicating a separate group to these investigations will ensure the consistency of the application of the law, regulations, and policy given the limited knowledge IA has of the Chinese economy and the fact that it changes so quickly. The need for this group is somewhat analogous to the specialized unit created within IA pursuant to Congressional recommendation in 2004 to handle China antidumping (AD) cases exclusively.

Conducting a CVD investigation regarding China is very different from one regarding market economy countries such as Korea, Indonesia and India, for which IA has over the years developed a detailed knowledgebase of countervailable subsidy programs provided by those countries' governments. For China, IA has had to start from the beginning. Furthermore, in a typical CVD investigation, IA relies in large part on the information regarding programs submitted to it by the foreign government itself as well as information that is publicly available. From this first China CVD case, IA has discovered that such information is not readily available, be it in the public domain or in the Chinese government's response to IA's questionnaire. In such instances, IA will have to do a great deal of its own research and investigation to uncover the details of alleged countervailable subsidies, including investigation that can only be done in China.

This budget estimate is based on the addition of an office to AD/CVD Operations, which we estimate will need to handle approximately ten new investigations in FY 2009. To complete these investigations within statutory deadlines, IA requires at least an additional 25 staff members. In a typical CVD investigation, a fully staffed team consists of a director, manager, four analysts, two attorneys, and two policy analysts. Each team could potentially complete two CVD investigations each year. IA expects China CVD investigations to be more complex than a typical CVD case. Once investigations are completed, AD/CVD case work continues in subsequent years with administrative reviews, new shipper reviews, sunset reviews, changed circumstances reviews, and scope and anti-circumvention inquiries that must be completed within statutory and/or regulatory time limits; negotiation and enforcement of suspension and other bilateral agreements, which address injurious dumping or subsidization; defense of the determinations of the agency in the World Trade Organization (WTO) and North American Free Trade Agreement (NAFTA) dispute settlement proceedings and domestic courts; and close interagency collaboration with U.S. Customs and Border Protection (CBP) and other agencies to identify and counter evasion of AD and CVD duties.

² We note that the initiation of the CVD investigations on coated free sheet paper from China was challenged at the Court of International Trade, and IA prevailed.

The work done under this new proposal will be related to the current program activities, but will involve a new application of CVD methodology and a substantial increase in ongoing work. Over one-third of the existing AD/CVD caseload is related to China AD cases. Currently, only about 15 percent of the analysts that conduct AD/CVD cases have the knowledge and experience to conduct a CVD case. The addition of CVD casework related to China will significantly increase the workload, thereby necessitating retraining of current staff and recruitment of additional staff. ITA will respond to the FY 2008 increase in workload by adapting workload and funding to meet the requirement using all available authorities. However, the increased funding in FY 2009 is needed to sustain quality investigations and meet statutory and regulatory deadlines.

Benefits

China represents the United States' second largest source of imports totaling \$288 billion in 2006. IA is charged with providing the necessary information and tools to help the U.S. economy by enforcing U.S. trade laws and trade agreements to address trade-distorting practices. As of October 2007, IA has identified and/or is evaluating 297 potential unfair trade practices in China, a 56 percent increase from FY 2006. Additionally, in April 2006, China submitted its first subsidies notification to the WTO. The report identified over 70 subsidy programs. USTR, working together with IA, challenged six export subsidy programs and three import substitution subsidies that are prohibited under the WTO agreement on Subsidies and Countervailing Measures. On November 30, 2007, the United States entered into a Memorandum of Understanding with China, in which China agreed to eliminate these prohibited subsidy practices. We will closely monitor China's compliance with this agreement. These also will contribute to additional workload for IA staff when U.S. industries seek redress against subsidized foreign imports. As of December 10, 2007, China cases represent 44% of IA's AD/CVD duty work. China cases are projected to increase to 50% by the end of FY 2009. Currently, IA is administering 62 AD orders against China. This number is projected to jump to 80 AD/CVD orders by the end of FY 2009.

IA's investigations, particularly those with respect to China, have consistently attracted increased Congressional interest. Enforcement of AD/CVD trade laws ensures a level playing field for U.S. manufacturers, in particular small and medium producers, when competing against exports from other countries. Through this specialized and focused office, IA can cultivate the expertise necessary to address the unique problems encountered in CVD cases regarding China and help domestic industries combat unfair trade practices.

ITA-Wide Performance Goal Supported: This initiative supports ITA's "Identify and Resolve Unfair Trade Practices" performance goal.

Performance Measures:	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Percent reduction in trade-distorting foreign subsidy program		3% (by 2012)			3%
Percentage of AD/CVD determinations issued within statutory and/or regulatory deadlines	90%	90%	90%	90%	90%
Number of China CVD investigation determinations issued	20	10	10	10	10
Number of China CVD administrative and new shipper review determinations issued	0	30	40	50	60
Percent of ministerial errors in IA's dumping and subsidy calculations	11%	10%	9%	9%	8%
Percent of instructions sent to U.S. Customs and Border Protection within five business days	84%	86%	88%	90%	92%
Cost and Benefits:					
Direct Obligations:					
	4,214	4,413	4,413	4,413	4,413
Capitalized	0	0	0	0	0
Budget Authority	4,214	4,413	4,413	4,413	4,413
Outlays	2,950	3,932	4,393	4,413	4,413
FTE	25	31	31	31	31

**Department of Commerce
International Trade Administration
Operations and Administration
PROGRAM CHANGE PERSONNEL DETAIL**
(Dollar amounts in thousands)

Activity: Import Administration
Subactivity: Import Administration
Program Change: Create a China CVD Group
Title:

	Grade	Number	Salary	Salaries
Supervisory International Trade Compliance Analyst	GS-15	1	\$115,317	\$115,317
Supervisory International Trade Compliance Analyst	GS-14	3	98,033	294,099
General Attorney/international	GS-14	1	98,033	98,033
General Attorney/international	GS-13	1	82,961	82,961
International Trade Compliance Analyst	GS-13	5	82,961	414,805
Import Policy Analysts	GS-13	2	82,961	165,922
Senior Accountants	GS-13	2	82,961	165,922
International Trade Compliance Analyst	GS-12	2	69,764	139,528
International Trade Compliance Analyst	GS-11	5	58,206	291,030
International Trade Compliance Analyst	GS-9	9	48,108	432,972
Secretary	GS-7	1	40,641	40,641
Import Compliance Assistant	GS-7	1	40,641	40,641
Subtotal		33		2,281,871
Less Lapse (25.0%)		(8)		(570,468)
Total Full-time permanent:		25		1,711,403
2009 Pay Adjustment		2.9%		49,631
Total		25		1,761,034

Personnel Data

Full-time Equivalent Employment	
Full-time permanent	25
Other than full-time permanent	0
Total	25
Authorized Positions:	
Full-time permanent	33
Other than full-time permanent	0
Total	33

**Department of Commerce
International Trade Administration
Operations and Administration
PROGRAM CHANGE DETAIL BY OBJECT CLASS**
(Dollar amounts in thousands)

Activity: Import Administration
Subactivity: Import Administration
Program Changes: Create a China CVD Group

Object Class	2009 Increase
11 Personnel compensation	
11.1 Full-time permanent	1,761
11.3 Other than full-time permanent	0
11.5 Other personnel compensation	53
11.8 Special personnel services payments	0
11.9 Total personnel compensation	1,814
12.1 Civilian personnel benefits	518
13 Benefits for former personnel	0
21 Travel and transportation of persons	480
22 Transportation of things	5
23.1 Rental payments to GSA	250
23.2 Rental payments to others	7
23.3 Communications, Utilities and miscellaneous charges	0
24 Printing and reproduction	75
25.1 Consulting services	0
25.2 Other services	100
25.3 Purchase of goods and services	345
26 Supplies and materials	155
31 Equipment	465
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	4,214

**Department Of Commerce
International Trade Administration
Operations and Administration
PROGRAM DECREASE FOR FY 2009**
(Dollar amounts in thousands)

		FY 2009 Base		FY 2009 Estimate		Increase (Decrease)	
		<u>Personnel</u>	<u>Amount</u>	<u>Personnel</u>	<u>Amount</u>	<u>Personnel</u>	<u>Amount</u>
Import Administration	Pos./BA	2	\$400	0	0	(2)	(\$400)
	FTE/Obl.	2	\$400	0	0	(2)	(\$400)

Close Trade Compliance Office in Seoul, Korea (-2 FTE, -\$400,000): In efforts to reduce costs and streamline operations, ITA proposes to close Import Administration’s Trade Compliance Office in Seoul, Korea. Workload previously handled by this office will be redistributed between headquarters staff and IA’s Trade Compliance Office in Beijing, China.

	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Cost and Benefits:					
Direct Obligations:					
Uncapitalized	(400)	(400)	(400)	(400)	(400)
Capitalized	0	0	0	0	0
Budget Authority	(400)	(400)	(400)	(400)	(400)
Outlays	(280)	(360)	(400)	(400)	(400)
FTE	(2)	(2)	(2)	(2)	(2)

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**Department of Commerce
International Trade Administration
Operations and Administration
PROGRAM CHANGE PERSONNEL DETAIL**
(Dollar amounts in thousands)

Activity: Import Administration
Subactivity: Import Administration
Program Change: Close Trade Compliance Office in Seoul, Korea
Title:

	Grade	Number	Salary	Salaries
Import Policy Analysts	GS-14	(1)	\$ 107,836	\$ (107,836)
Foreign Service National (FSN)	FSN	(1)	93,202	(93,202)
Subtotal		(2)		(201,038)
Total Full-time permanent:		(2)		(201,038)
2009 Pay Adjustment			2.9%	(5,830)
Total		(2)		(206,868)

Personnel Data

Full-time Equivalent Employment
 Full-time permanent (2)
 Other than full-time permanent 0
Total (2)

Authorized Positions:
 Full-time permanent (2)
 Other than full-time permanent 0
Total (2)

**Department of Commerce
International Trade Administration
Operations and Administration
PROGRAM CHANGE DETAIL BY OBJECT CLASS**
(Dollar amounts in thousands)

Activity: Import Administration
Subactivity: Import Administration
Program Changes: Close Trade Compliance Office in Seoul, Korea

Object Class	2009 (Decrease)
11 Personnel compensation	
11.1 Full-time permanent	(207)
11.3 Other than full-time permanent	0
11.5 Other personnel compensation	(6)
11.8 Special personnel services payments	0
11.9 Total personnel compensation	(213)
12.1 Civilian personnel benefits	(28)
12.4 Benefits for foreign service national	(6)
21 Travel and transportation of persons	(8)
22 Transportation of things	0
23.1 Rental payments to GSA	0
23.2 Rental payments to others	(127)
23.3 Communications, Utilities and miscellaneous charges	0
24 Printing and reproduction	0
25.1 Consulting services	0
25.2 Other services	(18)
25.3 Purchase of goods and services	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	(400)

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

Activity: International Trade Administration
Subactivity: Trade Promotion and U.S. & Foreign Commercial Service

<u>Performance Goal</u>		2007		2008		2009		2009		Increase/ (Decrease)	
		Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount
Increase Exports to Commercially Significant Markets Including FTA Countries, China and India	Pos./BA	182	18,323	185	19,239	185	19,655	185	19,655	0	0
	FTE/Obl.	169	18,323	185	19,239	185	19,655	185	19,655	0	0
Broaden and Deepen the U.S. Exporter Base	Pos./BA	1,119	205,334	1,119	216,169	1,119	221,084	1,119	218,084	0	(3,000)
	FTE/Obl.	937	216,323	952	218,299	952	221,084	952	218,084	0	(3,000)
Total	Pos./BA	1,301	223,657	1,304	235,408	1,304	240,739	1,304	237,739	0	(3,000)
	FTE/Obl.	1,106	234,646	1,137	237,538	1,137	240,739	1,137	237,739	0	(3,000)

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**Department Of Commerce
International Trade Administration
JUSTIFICATION OF PROGRAM AND PERFORMANCE
Trade Promotion and the U.S and Foreign Commercial Service**

America's Global Business Partner

Department of Commerce Goal

Maximize U.S. competitiveness and enable economic growth for American industries, workers and consumers.

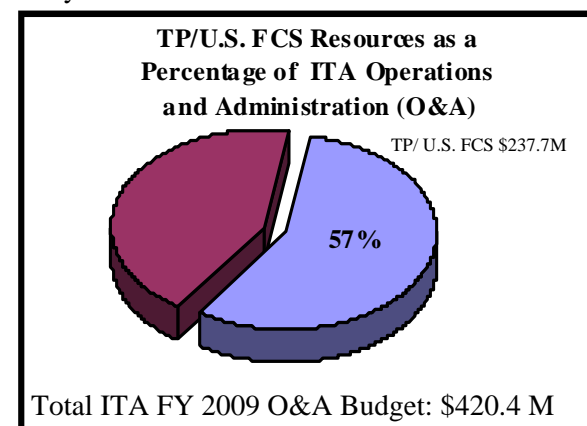
Mission and Goals for FY 2009

President Bush has declared that the United States remains committed to increasing free and fair trade and to improving the standard of living of its citizens. As part of this effort, one of Secretary Gutierrez's top priorities for the Department of Commerce is to help the United States economy become an exporting powerhouse. The Trade Promotion and U.S. & Foreign Commercial Service (Commercial Service) mission to promote exports, particularly by assisting small and medium sized enterprises (SMEs), and to protect U.S. business interests abroad plays an important role in achieving both of the President's goals.¹

The Commercial Service's mission is aligned with the Department's outcomes to "Broaden and Deepen the U.S. Exporter Base," "Increase Exports to Commercially Significant Markets Including FTA countries, China and India" and "Identify and Resolve Unfair Trade Practices." The Commercial Service achieves its mission and goals by:

- Increasing the number of U.S. companies exporting;
- Helping current exporters enter additional markets;
- Helping current exporters expand their presence within markets;
- Providing diplomatic support for U.S. firms operating in foreign markets;
- Creating market access through policy advocacy and the support of trade negotiations;
- Leveraging commercial programs to support U.S. foreign economic policy priorities;
- Ensuring compliance with trade agreements; and
- Protecting U.S. business interests abroad.

¹ Source: The Omnibus Trade and Competitiveness Act of 1988



In FY 2007, the Commercial Service facilitated 11,974 export transactions, a nine percent increase from 2001. Of these transactions, 83 percent were for small and medium sized businesses, six percent were for companies exporting for the first time, and 36 percent were for companies exporting to new markets. The Commercial Service’s work with traditionally underserved communities resulted in 237 transactions for rural companies, 94 transactions for minority owned businesses, and 96 transactions for women owned businesses. The Advocacy Center’s results increased 38 percent between FY 2003 and mid-year FY 2007.

Base Program

The Commercial Service is a front-line trade unit that fulfills its mission through a unique global network of trade professionals located in over 250 domestic and international offices. The Commercial Service uses its resources to help U.S businesses capitalize on export opportunities, especially for small and medium sized businesses, facilitate outreach to traditionally under-served rural and minority communities, coordinate with multiplier organizations², and provide diplomatic support for trade compliance, advocacy, and trade policy initiatives (e.g., Free Trade Agreements and manufacturing initiatives).

The organization coordinates its efforts with state, local, and other Federal partners to multiply its impact and ensure there is no overlap in services. The Commercial Service includes the Trade Promotion Coordinating Committee (TPCC) secretariat and the Advocacy Center. The TPCC is chaired by the Secretary of Commerce and is composed of 19 Federal agencies that work together to coordinate and streamline trade promotion and financing services. The TPCC develops and implements a government-wide strategic plan for Federal trade promotion efforts, and submits the annual National Export Strategy report to Congress. The Advocacy Center coordinates U.S. Government advocacy support to level the playing field on behalf of U.S. business interests (including defense trade) as they compete against foreign firms for specific international contracts or other U.S. export opportunities.

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

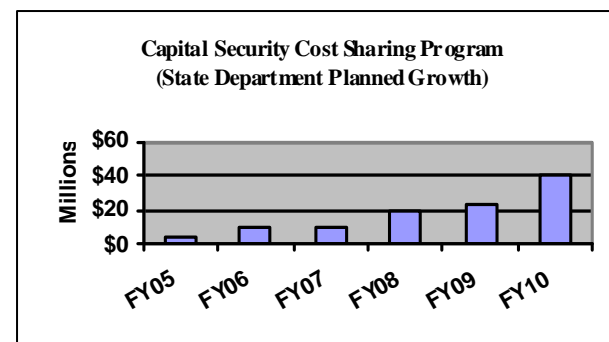
In order to increase its ability to reach more exporters, the Commercial Service began establishing strategic partnerships with the private sector in FY 2003. To date, the Commercial Service has partnerships with FedEx, Google eBay, PNC Bank, UPS and M&T Bank. The Commercial Service is working toward establishing partnerships with several other private sector entities. These partnerships help the Commercial Service by leveraging the resources and expertise of its partners to raise awareness of Commercial Service programs and services. The partners assist in the development and support of outreach events such as U.S. export education seminars and conferences, and in the joint development of marketing and direct mail materials for Commercial Service programs.

² More than two-thirds of domestic offices are co-located with other Federal, state, and local partners to provide clients access to one-stop shops and prevent duplication of services. Many of these organizations provide the continuum of services to ensure all clients’ needs are met (e.g., from how to start a business, to how-to-export seminars, to sophisticated Federal export-finance assistance).

The Commercial Service maintains a strategic professional development program. This program includes trade compliance training, human rights and customer service training, commercial tradecraft training, and leadership development to ensure that Commercial Service trade professionals remain in touch with developments in the global economy. The Commercial Service supplements core e-commerce tools with worldwide videoconferencing, designed to lower the cost of doing business for U.S. small and medium sized businesses, and instant internet meetings to improve coordination, improve training opportunities, and lower travel costs.

In FY 2007, the Commercial Service implemented Phase I of the Transformational Commercial Diplomacy Initiative which represents a long-term strategic effort that responds to a changing global marketplace in which emerging markets are of increasing importance to future opportunities for U.S. business. Similar to the State Department’s Transformational Diplomacy initiative, the Commercial Service restructuring shifts certain resources from well-developed markets to enhance its diplomatic and program support for U.S. businesses in emerging markets. Savings generated by closing of offices in this first phase will be used to fund the establishment of new Commercial Service offices intentionally focusing on areas where the commercial environment is more difficult and more government support is needed for U.S. business, especially small and medium sized companies to compete.

The Commercial Service’s overseas offices cover areas encompassing 94 percent of global Gross Domestic Product (GDP) outside the United States. About 75 percent of these offices are located in U.S. embassies and consulates. The Department of State plans to build 155 new embassy compounds over a fourteen year period for a total of \$17.5 billion. Under the Capital Security Cost Sharing (CSCS) program, the Department of State charges agencies represented in these compounds on a per capita basis. The Commercial Service’s share for FY 2009 will be approximately \$23.7 million, an increase of \$5.2 million over FY 2008. The CSCS charges began in FY 2005 and are projected to increase to \$40.8 million in FY 2010 and continue at that rate through FY 2018. Without these requested funds, ITA will be required to reduce significantly its overseas presence.



The Commercial Service provides an array of services and customized solutions to help U.S. companies export goods and services:

Export Promotion

- *Counseling*, which assists U.S. companies to understand foreign markets and develop export-marketing plans, including overseas product pricing, best prospects, market entry strategies, distribution channels, export financing, and access to the full range of public and private trade promotion assistance;
- *Market intelligence*, which includes alerts about export opportunities created through international trade agreements and negotiations, and industry- and market-specific research; and
- *Matchmaking*, which includes identifying and introducing qualified overseas agents, distributors, and other partners and end users; market-sensitive trade events; and business forums.

Advocacy

- *Interagency coordination*, which includes assessing advocacy requests, providing overseas government-to-government advocacy, and supporting other trade-related agencies (e.g., Department of State, USTR, Export-Import Bank, Overseas Private Investment Corporation, and the Trade Development Agency);
- *Major projects*, which includes identifying major overseas projects and procurement opportunities (including those funded by multilateral development banks), alerting U.S. firms to these opportunities, and advocating on behalf of U.S. firms bidding on projects; and
- *Finance*, which includes working with trade-finance agencies to help U.S. companies successfully bid on major projects.

Compliance

- *Trade barriers*, which includes working with ITA's compliance offices and the USTR to identify and resolve barriers affecting U.S. small- and medium sized businesses and ensuring overseas compliance with trade law and regulations;
- *Public outreach*, which identifies overseas market access, dumping, and subsidy problems, and works with ITA compliance offices for resolution; and
- *Analysis*, which identifies violations and access problems, and conveys market information to specialists for policy direction and coordination.

e-Commerce

The Commercial Service is leading ITA's upgrade of its client relationship management system to create a unified, enterprise-wide view of the customer and present a single face to U.S. businesses. This system will ensure that communication with U.S. businesses is handled in a timely manner through customer-preferred channels. The Commercial Service uses two major e-commerce tools to help U.S. business evaluate new overseas markets and take advantage of foreign sales opportunities:

- Export.gov, which distributes Commercial Service public information about export markets, including business opportunities, regulatory issues, and trade policy;
- BuyUSA.gov, the Commercial Service's field-based web presence for U.S. exporters and foreign buyers.

Summary of Workload and Performance Data

The Commercial Service is developing new performance measures that will better illustrate the results of its work promoting exports and protecting U.S. business interests abroad:

	FY 2006	FY 2007	FY 2008	FY 2009
	Actual	Actual	Estimate	Estimate
Percent of imports by China that are exported from the United States	New	New	7.5%	7.5%
Percent of imports by India that are exported from the United States	New	New	5.5%	5.5%
Number of export transactions made as a result of ITA involvement	11,919	11,974	11,385	12,600
Number of new to export successes	551	721	700	700
Number of new-to-market export successes	4,110	4,299	4,760	4,900
Number of increase-to-market export successes	7,258	6,954	5,925	7,000
Dollar value of advocacy cases completed successfully based on a three-year moving average	\$47.1B	\$32.56B	\$30.00B	\$30.00B
Number of advocacy cases completed successfully based on a three-year moving average	N/A	41	36	36
Commercial diplomacy success	New	New	160	160
Net promoter score	N/A	New	65%	65%
Customer Satisfaction	N/A	New	86%	86%

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**Department Of Commerce
International Trade Administration
Operations and Administration
PROGRAM DECREASE FOR FY 2009**
(Dollar amounts in thousands)

		FY 2009 Base		FY 2009 Estimate		Increase (Decrease)	
		<u>Personnel</u>	<u>Amount</u>	<u>Personnel</u>	<u>Amount</u>	<u>Personnel</u>	<u>Amount</u>
	Pos./BA	1,119	\$221,084	1,119	\$218,084	0	(\$3,000)
Trade Promotion and U.S. & Foreign Commercial Service	FTE/Obl.	952	\$221,084	952	\$218,084	0	(\$3,000)

Streamline Domestic Office Structure: (0 FTE, -\$3,000,000): ITA proposes to streamline domestic operations of the Trade Promotion and U.S. & Foreign and Commercial Service by building strategic relationships with state governments and other Federal agencies, by utilizing technology including internet and phone-based services and by prioritizing initiatives. In FY 2008, ITA is conducting an extensive study of the domestic office operations and structure. This study will be used to ensure efficiency of operations and maximize the return on ITA's investment in domestic office operations and is expected to identify savings of \$3.0 million in FY 2009.

	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Cost and Benefits:					
Direct Obligations:					
Uncapitalized	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)
Capitalized	0	0	0	0	0
Budget Authority	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)
Outlays	(2,100)	(2,700)	(3,000)	(3,000)	(3,000)
FTE					

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Department of Commerce
International Trade Administration
Operations and Administration
PROGRAM CHANGE DETAIL BY OBJECT CLASS
(Dollar amounts in thousands)

Activity: Trade Promotion and U.S. and Foreign Commercial Service
Subactivity: Trade Promotion and U.S. and Foreign Commercial Service
Program Changes: Streamline Domestic Office Structure

Object Class	2009 (Decrease)
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	0
12.1 Civilian personnel benefits	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 Consulting services	0
25.2 Other services	(1,662)
25.3 Purchase of goods and services	(539)
26 Supplies and materials	(599)
31 Equipment	(200)
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	(3,000)

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

Activity: International Trade Administration
Subactivity: Executive Direction/Administration

		2007		2008		2009		2009		Increase/ (Decrease)	
		Actual		Enacted		Base		Estimate			
<u>Management Integration Goal</u>		Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount
Achieve Organizational and Management Excellence	Pos./BA	152	25,655	149	25,146	149	25,411	149	25,411	0	0
	FTE/Obl.	120	26,320	120	25,209	120	25,411	120	25,411	0	0
<u>Distribution by Performance Goal</u>											
Strengthen U.S. Competitiveness in the Global Marketplace	Pos./BA	19	3,286	18	3,063	18	3,097	18	3,097	0	0
	FTE/Obl.	15	3,372	13	3,070	13	3,097	13	3,097	0	0
Increase Exports to Commercially Significant Markets Including FTA Countries, China and India	Pos./BA	7	1,214	7	1,210	7	1,223	7	1,223	0	0
	FTE/Obl.	7	1,245	7	1,213	7	1,223	7	1,223	0	0
Broaden and Deepen the U.S. Exporter Base	Pos./BA	85	14,331	82	13,729	82	13,877	82	13,877	0	0
	FTE/Obl.	67	14,702	65	13,764	65	13,877	65	13,877	0	0
Identify and Resolve Unfair Trade Practices	Pos./BA	40	6,824	42	7,144	42	7,214	42	7,214	0	0
	FTE/Obl.	31	7,001	35	7,162	35	7,214	35	7,214	0	0
Total	Pos./BA	152	25,655	149	25,146	149	25,411	149	25,411	0	0
	FTE/Obl.	120	26,320	120	25,209	120	25,411	120	25,411	0	0

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**Department Of Commerce
International Trade Administration
JUSTIFICATION OF PROGRAM AND PERFORMANCE
Executive Direction and Administration**

Supporting Trade Through Leadership and Effective Resource Management

Department of Commerce Goal

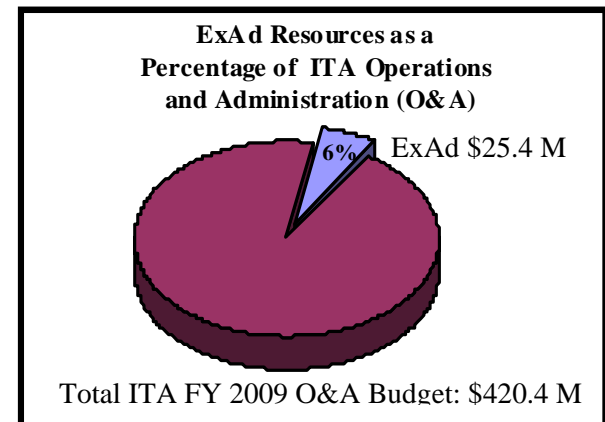
Achieve Organizational and Management Excellence.

Mission and Goals for FY 2009

The mission of the Executive Direction and Administration (Ex/Ad) unit is to achieve U.S. trade expansion and economic growth through leadership, well-conceived policy guidance, and efficient and effective management of ITA resources. In FY 2009, Ex/Ad will provide the necessary support services, program oversight, and overall policy leadership to allow ITA program units to operate at their full potential. Information Technology (IT) will continue to make technological improvements to its systems and provide IT solutions in order to help make ITA’s services seamless and ITA’s processes more efficient.

Through the Management Integration Goal: Achieve Organizational and Management Excellence; Ex/Ad supports the four Department of Commerce Outcomes:

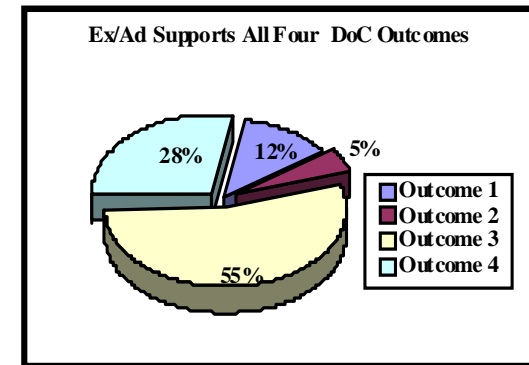
- Strengthen U.S. Competitiveness in the Global Marketplace
- Increase Exports to Commercially Significant Markets Including FTA Countries, China and India
- Broaden and Deepen the U.S. Exporter Base
- Identify and Resolve Unfair Trade Practices



Base Program

The Executive Direction and Administration program includes offices under the Under Secretary of International Trade, the Chief Financial Officer and Director of Administration, and the Chief Information Officer. Programs and issues concerning trade administration, commercial policy, and trade development are coordinated with the Department of Commerce, ITA customers and stakeholders, trade organizations, foreign entities, and Federal, state and local governments through the Office of the Under Secretary and Deputy Under Secretary for International Trade, the Office of Legislative and Intergovernmental Affairs (OLIA), and the Office of Public Affairs (OPA). For example, Executive Direction represents ITA on the National Economic Council Deputies, the Trade Policy Review Group, and serves as ex-officio member of the Board of the Export-Import Bank of the United States, and on other Secretarial-level boards, committees or panels for which the primary focus is international trade. OLIA acts as a liaison to the U.S. government's legislative branch. Through its work, OLIA informs Congress of the important successes ITA makes and keeps ITA aware of new, trade-related legislative initiatives. OPA broadcasts ITA's services and successes to the appropriate press and business audiences in the U.S. and around the world. OPA publishes a monthly electronic newsletter, International Trade Update, which highlights ITA's efforts, its clients' successes, and provides a resource for small- and medium-sized enterprises interested in exporting.

The Chief Financial Officer and Director of Administration, through the Offices of Financial Management, Organization and Management Support, and Human Resources Management, oversees the agency's resources and measures program performance to ensure ITA's success in achieving its strategic goals. These offices provide shared services solutions to ITA program unit issues and manage the administrative aspects of ITA, and thus ensure that the needs of ITA clients and employees are fulfilled. ITA understands the importance of using reliable and accurate financial data, as well as the ability of this data to demonstrate the proud achievements of the organization. Through the use of integrated systems, program analysis and evaluation, and continuous business process improvement, the offices of CFO and Administration enable ITA programs to operate at maximum efficiency and improve overall effectiveness. In addition, strong links between performance and budgets are maintained ensuring that strategic objectives are met.



Ex/Ad also contributes to ITA's efforts by providing advanced, technical solutions to problems. The Office of the Chief Information Officer (OCIO) provides centralized strategic and operational management of information technology (IT) resources, maximizes information control and security on a global basis, and oversees platform standardization, training and life cycle management. In addition, the OCIO oversees the administration of ITA's advanced internet portal Export.gov (www.export.gov). By providing the necessary IT tools and maintenance, the CIO provides a link that customers around the world may use to research trade issues, understand trade agreements and become knowledgeable about the export process. Not only does the Chief Information Officer's office provide ITA's customers with an important and useful tool to learn about exporting, and thus champion trade, but it also integrates many of the facets of ITA's organizational efforts into one seamless and unified informational space.

Summary of Workload and Performance Data

	FY 2006 Actual	FY 2007 Estimate	FY 2008 Estimate	FY 2009 Estimate
Customer satisfaction survey score	70	70	70	72
Customer perception for ease of access to export and trade information and data	73	73	75	76

*Measure data is reported annually and/or aggregated to demonstrate progress over three to five years.

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

<u>Object Class</u>	<u>2007</u> <u>Actual</u>	<u>2008</u> <u>Enacted</u>	<u>2009</u> <u>Base</u>	<u>2009</u> <u>Estimate</u>	<u>Increase/</u> <u>(Decrease)</u>
11 Personnel compensation					
11.1 Full-time permanent	153,203	164,546	170,930	172,484	1,554
11.3 Other than full-time permanent	19,433	19,634	20,232	20,232	0
11.5 Other personnel compensation	6,532	6,667	6,675	6,722	47
11.8 Special personnel services payments	1,016	7	7	7	0
11.9 Total personnel compensation	180,184	190,854	197,844	199,445	1,601
12.1 Civilian personnel benefits	51,925	54,564	57,054	57,538	484
13 Benefits for former personnel	3,752	3,580	3,498	3,498	0
21 Travel and transportation of persons	16,741	14,102	11,691	12,163	472
22 Transportation of things	1,904	1,899	1,909	1,914	5
23.1 Rental payments to GSA	14,197	14,360	14,360	14,610	250
23.2 Rental payments to others	10,314	10,483	10,483	10,356	(127)
23.3 Communications, utilities and miscellaneous charges	5,529	5,529	5,624	5,631	7
24 Printing and reproduction	1,684	1,773	1,788	1,863	75
25.1 Consulting services	3,569	2,650	2,600	2,600	0
25.2 Other services	30,490	17,158	17,008	15,428	(1,580)
25.3 Purchase of goods and services from Gov't accounts	77,107	78,911	86,552	86,397	(155)
25.4 Operations and maintenance of facilities	0	15	15	15	0
25.7 Operations and maintenance of equipment	378	339	339	300	(39)
26 Supplies and materials	2,661	3,605	2,827	2,383	(444)
31 Equipment	12,073	5,393	5,408	5,673	265
32 Lands and structures	2	0	0	0	0
33 Investments and loans	0	0	0	0	0
41 Grants, subsidies and contributions	683	6,463	500	500	0
42 Insurance claims and indemnities	56	26	26	26	0
43 Interest and dividends	1	0	0	0	0
44 Refunds	3	91	91	91	0
99 Total Direct Obligations	413,253	411,795	419,617	420,431	814
Less Prior Year Recoveries	(14,041)	0	0	0	0
Less Unobligated balance, start of year	(6,752)	(6,623)	0	0	0
Less Unobligated balance, start of year transferred	(1,425)	0	0	0	0
Plus Unobligated Balance, expiring	143	0	0	0	0
Plus Unobligated balance, end of year	4,528	0	0	0	0
Plus Unobligated balance, end of year unavailable	2,095	0	0	0	0
Less Transfers from other accounts	(2,095)	0	0	0	0
Net Budget Authority	395,706	405,172	419,617	420,431	814

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

	2007 Actual	2008 Enacted	2009 Base	2009 Estimate	Increase/ (Decrease)
Personnel Data					
Full-Time equivalent Employment:					
Full-time permanent	1,796	1,828	1,832	1,855	23
Other than full-time permanent	162	172	172	172	0
Total	1,958	2,000	2,004	2,027	23
Authorized Positions:					
Full-time permanent	2,067	2,079	2,079	2,110	31
Other than full-time permanent	226	226	226	226	0
Total	2,293	2,305	2,305	2,336	31

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

Object Class	2009 Adjustments to Base	2009 Base	2009 Estimate	Increase/ (Decrease)
13.0				
Benefits for former personnel				
Severance pay	0	2,777	2,777	0
Unemployment compensation	(82)	721	721	0
Subtotal	(82)	3,498	3,498	0
21				
Travel and transportation of persons				
Common carrier	(784)	4,318	4,518	200
Mileage	(36)	239	244	5
Per diem/actual	(953)	5,374	5,638	264
Vehicular	(16)	88	88	0
Other	(622)	1,672	1,675	3
[Overseas estimates]	[(1,168)]	[4,570]	[4,834]	[264]
Subtotal	(2,411)	11,691	12,163	472
22				
Transportation of things	10	1,909	1,914	5
[Overseas estimates]	[0]	[458]	[458]	[0]
Subtotal	10	1,909	1,914	5
23.1				
Rental payments to GSA	0	14,360	14,610	250
23.2				
Rental payments to others	0	10,483	10,356	(127)
23.3				
Communications, utilities and miscellaneous charges				
Rental of ADP equipment	0	0	0	0
Rental of office copying equipment	0	16	16	0
Other equipment rental	0	887	887	0
Federal telecommunications system	0	2,247	2,247	0
Other telecommunications services	0	922	925	3
Postal services by USPS	0	38	38	0
Other	95	1,514	1,518	4
[Overseas estimates]	[0]	[11,927]	[11,928]	[1]
Subtotal	95	5,624	5,631	7

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

Object Class	2009 Adjustments to Base	2009 Base	2009 Estimate	Increase/ (Decrease)
24				
Printing and reproduction				
Publications	15	1,384	1,384	0
Public use forms	0	3	3	0
Envelopes	0	48	48	0
Other	0	353	428	75
[Payments to DM, WCF]	[0]	[360]	[360]	[0]
[Overseas estimates]	[0]	[68]	[68]	[0]
Subtotal	15	1,788	1,863	75
25.1				
Consulting services	(50)	2,600	2,600	0
25.2				
Other services				
Training:	0			
University training	0	26	26	0
Other	20	1,066	1,066	0
Maintenance of equipment	0	112	92	(20)
Other non-governmental contracts	(70)	10,314	9,195	(1,119)
Representation	0	327	327	0
Other	(100)	5,163	4,722	(441)
[Overseas estimates]	[0]	[5,500]	[5,600]	[100]
Subtotal	(150)	17,008	15,428	(1,580)
25.3				
Purchases of goods & services from Gov't accounts				
Office of Personnel Management training	0	378	378	0
GSA reimbursable services	0	168	168	0
Commerce Business System (CBS)	20	3,923	3,923	0
Department of Interior	(1,350)	0	0	0
Department of State Capital Security Cost Sharing Program	5,205	23,674	23,674	0
Payment to DM, WCF	1,240	29,477	29,727	250
Other Misc. services by other Federal Agencies	2,483	5,126	4,721	(405)
International Cooperative Administrative Support Services (ICASS)	43	23,806	23,806	0
Subtotal	7,641	86,552	86,397	(155)
25.4				
Operations and maintenance of facilities	0	15	15	0
25.7				
Operations and maintenance of equipment	0	339	300	(39)

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

Object Class	2009 Adjustments to Base	2009 Base	2009 Estimate	Increase/ (Decrease)	
26	Supplies and materials				
	Office supplies	(260)	1,737	1,529	(208)
	ADP supplies	(57)	65	76	11
	Other	(461)	1,025	778	(247)
	[Overseas estimates]	[(200)]	[1,176]	[947]	[(229)]
	Subtotal	-778	2,827	2,383	(444)
31	Equipment				
	Office machines and equipment	5	1,135	1,403	268
	ADP hardware	5	80	77	(3)
	ADP software	5	1,796	1,885	89
	Other	0	2,397	2,308	(89)
	[Overseas estimates]	[0]	[895]	[862]	[(33)]
	Subtotal	15	5,408	5,673	265
32	Lands and structures	0	0	0	0
33	Investments	0	0	0	0
41	Grants, subsidies and contributions	(5,963)	500	500	0
42	Insurance claims and indemnities	0	26	26	0
43	Interest/dividends	0	0	0	0
44	Refunds	0	91	91	0
99	Total Obligations	7,822	419,617	420,431	814
99	Total Obligations	7,822	419,617	420,431	814
	Less Prior Year Recoveries	0	0		
	Less Unobligated balance, start of year	6,623			
	Less Unobligated balance, start of year transferred				
	Plus Unobligated Balance, expiring	0			
	Plus Unobligated balance, end of year	0			
	Plus Unobligated balance, end of year unavailable	0	0	0	0
	Less Transfers from other accounts	0	0	0	0
	Net Budget Authority	14,445	419,617	420,431	814

**Department of Commerce
International Trade Administration
United States Travel and Tourism Promotion
SUMMARY OF RESOURCE REQUIREMENTS**
(Dollar amounts in thousands)

	Positions	FTE	Budget Authority	Direct Obligations
FY 2008 Appropriation	0	0	0	36
less: Obligations from prior years	0	0	0	(36)
plus: 2009 Adjustments-to-Base	0	0	0	0
FY 2009 Base	0	0	0	0
plus: FY 2009 Program Changes	0	0	0	0
Total FY 2009 Estimate	0	0	0	0

Comparison by activity/subactivity	2007		2008		2009		2009		Increase/ (Decrease)	
	Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount
ITA- 115 Travel and Tourism Promotion:										
Manufacturing and Services	0	3,949	0	0	0	0	0	0	0	0
	0	7,847	0	36	0	0	0	0	0	0
TOTALS	0	3,949	0	0	0	0	0	0	0	0
	0	7,847	0	36	0	0	0	0	0	0
Adjustments for:										
Recoveries		0		0		0		0		0
Unobligated balance, start of year		(3,949)		(36)		0		0		0
Unobligated balance, expiring		15		0		0		0		0
Unobligated balance, end of year		36		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		0		0		0		0		0
Appropriation		3,949		0		0		0		0

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Department of Commerce
International Trade Administration
United States Travel and Tourism Promotion
SUMMARY OF FINANCING
(Dollar amounts in thousands)

	2007 Actual	2008 Enacted	2009 Base	2009 Estimate	Increase/ (Decrease)
Total Obligations	7,847	36	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	(3,949)	(36)	0	0	0
Unobligated balance, expiring	15	0	0	0	0
Unobligated balance, end of year	36	0	0	0	0
Rescission	0	0	0	0	0
Unobligated balance rescission	0	0	0	0	0
Budget Authority	3,949	0	0	0	0
Financing:					
Transferred to other accounts	0	0	0	0	0
Transferred from other accounts	0	0	0	0	0
Appropriation	3,949	0	0	0	0

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**Department Of Commerce
International Trade Administration
United States Travel and Tourism Promotion
JUSTIFICATION OF PROGRAM AND PERFORMANCE**

Enhancing American Industry's Competitiveness

Department of Commerce Goal

Maximize U.S. competitiveness and enable economic growth for American industries, workers and consumers.

Mission and Goals for FY 2009

Strengthen the domestic and international competitiveness of U.S. industry by eliminating and/or preventing barriers and expanding foreign market access to increase U.S. exports. MAS supports several of the ITA-wide strategic goals and is the primary unit responsible for the goal entitled "Strengthen U.S. Competitiveness in the Global Marketplace."

The FY 2007 Appropriations Act provided funding for a Travel and Tourism program within the Department of Commerce. This program will be administered by the International Trade Administration. Funding for the program is available through Fiscal Year 2008. No further funding is requested for this program.

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Department of Commerce
International Trade Administration
United States Travel and Tourism Promotion
SUMMARY OF REQUIREMENTS BY OBJECT CLASS
(Dollar amounts in thousands)

<u>Object Class</u>	<u>2007</u> Actual	<u>2008</u> Enacted	<u>2009</u> Base	<u>2009</u> Estimate	<u>Increase/ (Decrease)</u>
11 Personnel compensation					
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	8	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 charges	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	3,912	0	0	0	0
25.3 Purchase of goods and services from Gov't accounts	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	3,926	36	0	0	0
42 Insurance claims and indemnities	0	0	0	0	0
43 Interest and dividends	0	0	0	0	0
44 Refunds	0	0	0	0	0
99 Total Direct Obligations	7,847	36	0	0	0
Less Prior Year Recoveries	0	0	0	0	0
Less Unobligated balance, start of year	(3,949)	(36)	0	0	0
Plus Unobligated balance, expiring	15	0	0	0	0
Plus Unobligated balance, end of year	36	0	0	0	0
Less Transfers from other accounts	0	0	0	0	0
Net Budget Authority	3,949	0	0	0	0

Department of Commerce
International Trade Administration
United States Travel and Tourism Promotion
SUMMARY OF REQUIREMENTS BY OBJECT CLASS
(Dollar amounts in thousands)

	2007 Actual	2008 Enacted	2009 Base	2009 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

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

	Positions	FTE	Budget Authority	Direct Obligations
FY 2008 Appropriation	0	0	5,332	5,332
less: Obligations from prior years	0	0	0	0
plus: 2009 Adjustments-to-Base	0	0	0	0
FY 2009 Base	0	0	5,332	5,332
plus: FY 2009 Program Changes	0	0	0	0
Total FY 2009 Estimate	0	0	5,332	5,332

Comparison by activity/subactivity	2007		2008		2009		2009		Increase/ (Decrease)	
	Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount
ITA-123 Import Administration	0	5,332	0	5,332	0	5,332	0	5,332	0	0
	0	5,332	0	5,332	0	5,332	0	5,332	0	0
TOTALS	0	5,332	0	5,332	0	5,332	0	5,332	0	0
	0	5,332	0	5,332	0	5,332	0	5,332	0	0
Adjustments for:										
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		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 rescission		0		0		0		0		0
Financing from:										
Transfers to other accounts		(5,332)		(5,332)		(5,332)		(5,332)		0
Transfers from other accounts		0		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
SUMMARY OF FINANCING
(Dollar amounts in thousands)

	2007 Actual	2008 Enacted	2009 Base	2009 Estimate	Increase/ (Decrease)
Total Obligations	5,332	5,332	5,332	5,332	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	0	0	0	0	0
Unobligated balance, end of year	0	0	0	0	0
Rescission	0	0	0	0	0
Unobligated balance rescission	0	0	0	0	0
Budget Authority	5,332	5,332	5,332	5,332	0
Financing:					
Transferred to other accounts	(5,332)	(5,332)	(5,332)	(5,332)	0
Transferred from other accounts	0	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
JUSTIFICATION OF PROGRAM AND PERFORMANCE**

Safeguard U.S. Industries and Jobs Against Unfair Trade

Department of Commerce Goal

Maximize U.S. competitiveness and enable economic growth for American industries, workers and consumers.

Mission and Goals for FY 2009

Import Administration's (IA) mission is to take prompt and aggressive action against unfair trade practices by enforcing the U.S. trade laws and trade agreements to address trade-distorting practices. IA activities support the ITA-wide strategic goal titled "Identify & Resolve Unfair Trade Practices."

Title V of the Trade and Development Act of 2000 (The Act) as amended by the Trade Act of 2002 and the Miscellaneous Trade and Technical Corrections Act of 2004, H.R. 1047, http://otexa.ita.doc.gov/wool_trust_fund.pdf, and the Pension Protection Act of 2006¹ creates tariff rate quotas, providing for temporary reductions in the import duties on two categories of worsted wool fabrics suitable for use in making suits or suite-type jackets or trousers. The tariff relief (duty savings) provided is intended to benefit U.S. worsted wool fabric producers, as well as U.S. tailored clothing manufacturers that use imported fabrics as inputs. The fabrics are made of combed wool that is processed into yarns on the worsted system and, hence, are known as worsted wool fabrics. Section 4002(c)(6) of the Miscellaneous Trade and Technical Corrections Act of 2004 provides authority to the Secretary of Commerce to promote domestic employment by issuing grants to manufacturers of worsted wool fabrics to persons who are manufacturers of worsted wool fabrics. Funds for the grants are provided by the Department of Treasury. The Act directs the Department of Treasury to establish a trust fund to be known as the Wool Apparel Manufacturers Trust fund consisting of amounts received from duties collected on imports of certain wool products. The Department of Treasury transfers the funds to the Department to Commerce. The Department of Commerce issues grants to manufactures of worsted wool fabrics on the basis of the percentage of each manufacturer's production of the fabric in 1999, 2000 and 2001. **The total amount of grants to manufacturers is \$5,332,000 each calendar year (the statute establishes two grant amounts of \$2,666,000 each for two types of worsted wool fabrics).** Any grant awarded by the Secretary is final and not subject to appeal or protest. The grant authority expires in calendar year 2009.

¹ http://www.cookco.us/pension_protection_act_2006.htm

Summary of Workload and Performance Data

	FY 2006	FY 2007	FY 2008	FY 2009
Percent of wool/cotton fabric tariff rate quota licenses issued on time	100%	100%	100%	100%

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

<u>Object Class</u>	<u>2007</u> <u>Actual</u>	<u>2008</u> <u>Enacted</u>	<u>2009</u> <u>Base</u>	<u>2009</u> <u>Estimate</u>	<u>Increase/</u> <u>(Decrease)</u>
11 Personnel compensation					
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 charges	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 accounts	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	5,332	5,332	5,332	5,332	0
42 Insurance claims and indemnities	0	0	0	0	0
43 Interest and dividends	0	0	0	0	0
44 Refunds	0	0	0	0	0
99 Total Direct Obligations	5,332	5,332	5,332	5,332	0
Less Prior Year Recoveries	0	0	0	0	0
Less Unobligated balance, start of year	0	0	0	0	0
Plus Unobligated balance, expiring	0	0	0	0	0
Plus Unobligated balance, end of year	0	0	0	0	0
Less Transfers from other accounts	0	0	0	0	0
Net Budget Authority	5,332	5,332	5,332	5,332	0

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

	2007	2008	2009	2009	Increase/ (Decrease)
	Estimate	Enacted	Base	Estimate	
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

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

Object Class	2009 Adjustments to Base	2009 Base	2009 Estimate	Increase/ (Decrease)
11 Personnel compensation				
11.1 Full-time permanent				
Executive level	0	0	0	0
Senior Executive Service	0	0	0	0
General schedule	0	0	0	0
Senior Foreign Service	0	0	0	0
Foreign Service Staff	0	0	0	0
Foreign Service Nationals	0	0	0	0
Subtotal	0	0	0	0
11.3 Other than full-time permanent				
General schedule	0	0	0	0
Experts & consultants	0	0	0	0
Subtotal	0	0	0	0
11.5 Other personnel compensation				
Overtime	0	0	0	0
Cash awards	0	0	0	0
Differentials	0	0	0	0
Subtotal	0	0	0	0
11.8 Special personnel services payments				
Foreign service officers (State)	0	0	0	0
Other	0	0	0	0
Subtotal	0	0	0	0
11.9 Total personnel compensation	0	0	0	0
12.1 Civilian personnel benefits				
Civil service retirement	0	0	0	0
Federal Employee Retirement	0	0	0	0
Thrift savings plan	0	0	0	0
Federal insurance contribution act	0	0	0	0
Health insurance	0	0	0	0
Life insurance	0	0	0	0
Employees comp fund	0	0	0	0
Other	0	0	0	0
Subtotal	0	0	0	0

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

Object Class	2009 Adjustments to Base	2009 Base	2009 Estimate	Increase/ (Decrease)
13.0				
Benefits for former personnel				
Severance pay	0	0	0	0
Unemployment compensation	0	0	0	0
Subtotal	0	0	0	0
21				
Travel and transportation of persons				
Common Carrier	0	0	0	0
Mileage	0	0	0	0
Per diem/actual	0	0	0	0
Vehicular	0	0	0	0
Other	0	0	0	0
[Overseas estimates]	[0]	[0]	[0]	[0]
Subtotal	0	0	0	0
22				
Transportation of things	0	0	0	0
[Overseas estimates]	[0]	[0]	[0]	[0]
Subtotal	0	0	0	0
23.1				
Rental payments to GSA	0	0	0	0
23.2				
Rental payments to others	0	0	0	0
23.3				
Communications, utilities and miscellaneous charges				
Rental of ADP equipment	0	0	0	0
Rental of office copying equipment	0	0	0	0
Other equipment rental	0	0	0	0
Federal telecommunications system	0	0	0	0
Other telecommunications services	0	0	0	0
Postal services by USPS	0	0	0	0
Other	0	0	0	0
[Overseas estimates]	[0]	[0]	[0]	[0]
Subtotal	0	0	0	0

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

Object Class	2009 Adjustments to Base	2009 Base	2009 Estimate	Increase/ (Decrease)
24				
Printing and reproduction				
Publications	0	0	0	0
Public use forms	0	0	0	0
Envelopes	0	0	0	0
Other	0	0	0	0
[Payments to DM, WCF]	[0]	[0]	[0]	[0]
[Overseas estimates]	[0]	[0]	[0]	[0]
Subtotal	0	0	0	0
25.1				
Consulting services	0	0	0	0
25.2				
Other services				
Training:				
University training	0	0	0	0
Other	0	0	0	0
Maintenance of equipment	0	0	0	0
Other non-governmental contracts	0	0	0	0
Representation	0	0	0	0
Other	0	0	0	0
[Overseas estimates]	[0]	[0]	[0]	[0]
Subtotal	0	0	0	0
25.3				
Purchases of goods & services from Gov't accounts				
Office of Personnel Management Training	0	0	0	0
GSA reimbursable services	0	0	0	0
Commerce Business System (CBS)	0	0	0	0
Department of Interior	0	0	0	0
Department of State Capital Security Cost Sharing Program	0	0	0	0
Payment to DM, WCF	0	0	0	0
Other Misc. services by other Federal Agencies	0	0	0	0
International Cooperative Support Services (ICASS)	0	0	0	0
Subtotal	0	0	0	0
25.4				
Operations and maintenance of facilities	0	0	0	0
25.7				
Operations and maintenance of equipment	0	0	0	0

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

Object Class	2009 Adjustments to Base	2009 Base	2009 Estimate	Increase/ (Decrease)
26	Supplies and materials			
	Office Supplies	0	0	0
	ADP supplies	0	0	0
	Other	0	0	0
	[Overseas estimates]	[0]	[0]	[0]
	Subtotal	0	0	0
31	Equipment			
	Office machines and equipment	0	0	0
	ADP hardware	0	0	0
	ADP software	0	0	0
	Other	0	0	0
	[Overseas estimates]	[0]	[0]	[0]
	Subtotal	0	0	0
32	Lands and structures	0	0	0
33	Investments	0	0	0
41	Grants, subsidies and contributions	0	5,332	5,332
42	Insurance claims and indemnities	0	0	0
43	Interest/dividends	0	0	0
44	Refunds	0	0	0
99	Total Obligations	0	5,332	5,332
99	Total Obligations	0	5,332	5,332
	Less Prior Year Recoveries	0	0	
	Less Unobligated balance, start of year			
	Plus Unobligated Balance, expiring			
	Plus Unobligated balance, end of year	0	0	0
	Less Transfers from other accounts	0	0	0
	Net Budget Authority	0	5,332	5,332

Appropriation Language and Code Citations:

Exhibit 33

1. "For necessary expenses for international trade activities of the Department of Commerce provided for by law, and for engaging in trade promotional activities abroad, including expenses of grants and cooperative agreements for the purpose of promoting exports of United States firms,

13 U.S.C. 301(a) and 305
15 U.S.C. 141 et seq.
15 U.S.C. 649b-649d
15 U.S.C. 1151 et seq.
15 U.S.C. 1501 et seq. and 15 U.S.C. 172 et seq.
15 U.S.C. 4001 et seq.
15 U.S.C. 4011 et seq.
15 U.S.C. 4721 and 22 U.S.C. 262s-2
15 U.S.C. 4723
15 U.S.C. 4724
15 U.S.C. 4725
15 U.S.C. 4726
15 U.S.C. 4727
15 U.S.C. 4728
15 U.S.C. 4729
19 U.S.C. 81a et seq.
19 U.S.C. 1202
19 U.S.C. 1318 and 1502(a)
19 U.S.C. 1339(b)
19 U.S.C. 1514-1516
19 U.S.C. 1592A(b)
19 U.S.C. 1617
19 U.S.C. 1671 et seq.
19 U.S.C. 1673 et seq.
19 U.S.C. 1677k and 1677n
19 U.S.C. 1862
19 U.S.C. 2031
19 U.S.C. 2114 and 2155
19 U.S.C. 2114b
19 U.S.C. 2171 nt.
19 U.S.C. 2252(h)(3)(A)
19 U.S.C. 2354
19 U.S.C. 2411 et seq.
19 U.S.C. 3201 nt.

19 U.S.C. 3538(b), (c), and (d)
19 U.S.C. 3571(a), (b), (c), (e), and (f), and 3572(d)
19 U.S.C. 3721(b)(3)(C)
19 U.S.C. 3802(c)(3)
22 U.S.C. 262s-2 nt.
22 U.S.C. 1471 nt.
22 U.S.C. 2351(b)(1)
22 U.S.C. 2451 et seq.
22 U.S.C. 2651 et seq.
22 U.S.C. 3101 et seq.
22 U.S.C. 3901 et seq.
22 U.S.C. 4723a
22 U.S.C. 5462
22 U.S.C. 5812(b)
22 U.S.C. 5821
22 U.S.C. 5823(b)
22 U.S.C. 5824
22 U.S.C. 5872
26 U.S.C. 4221 and 19 U.S.C. 1309
28 U.S.C. 2631 et seq.
42 U.S.C. 6951 et seq.
46 U.S.C. 1122b
50 U.S.C. 98-98h
50 U.S.C. 401 et seq

13 U.S.C. 301(a) and (305) authorizes the Secretary of Commerce to collect, compile, and publish real-time, detailed, steel imports statistics pertaining to, and acquired through, the steel licensing program called the Steel Import Monitoring and Analysis (SIMA) System, as well as the authority to make such rules, regulations, and orders necessary to administer the program.

15 U.S.C. 141 et seq. provides for the formation, regulation and termination of China Trade Act corporations.

15 U.S.C. 649b-649d authorizes the Secretary of Commerce to award grants (including contracts and cooperative agreements) to encourage the development and implementation of small business international marketing programs.

15 U.S.C. 1151 et seq. provides for the Department of Commerce to serve as a clearinghouse for technical information, as is necessary for the preparation and dissemination of business and international economic information.

15 U.S.C. 1501 et seq. and 15 U.S.C. 172 et seq. provide the basic authority for performance of those functions and activities of ITA which promote an improved trade posture for United States industry.

15 U.S.C. 4001 et seq. provides for the development and promotion of U.S. export trading companies and associations.

15 U.S.C. 4011 et seq. authorizes the Secretary of Commerce to promote and encourage export trade, the Secretary may issue certificates of review and advise and assist any person with respect to applying for certificates of review.

15 U.S.C. 4721 and 22 U.S.C. 262s-2 provides the basic authorities for the United States and Foreign Commercial Service.

15 U.S.C. 4723 provides the basic authorities for the Market Development Cooperator Program.

15 U.S.C. 4723a authorizes United States Commercial Centers in Asia, Latin America, and Africa.

15 U.S.C. 4724 provides for Department of Commerce support of Trade Shows.

15 U.S.C. 4725 provides for the United States and Foreign Commercial Service Pacific Rim Initiative.

15 U.S.C. 4726 provides for the Indian Tribes Export Program.

15 U.S.C. 4727 establishes the Trade Promotion Coordinating Committee.

15 U.S.C. 4728 authorizes Department of Commerce environmental trade promotion activities.

15 U.S.C. 4729 provides for a Department of Commerce report on export policy.

19 U.S.C. 81a et seq. establishes the Foreign-Trade Zones Board and designates the Secretary of Commerce as chairman and executive officer of the Board.

19 U.S.C. 1202 general note provides the Department of Commerce with the authority to develop, maintain, and publish a list of bona fide motor-vehicle manufacturers.

19 U.S.C. 1202 notes provides authority for two import control programs, the Watch Quota program and the Florence Agreement program.

19 U.S.C. 1318 and 1502(a) relates to antidumping and countervailing duty investigations and the assessment of duties.

19 U.S.C. 1339(b) relates to technical assistance to eligible small businesses as to the antidumping and countervailing duty laws.

19 U.S.C. 1514-1516 [and section 5(a)(1)(D) of Reorganization Plan No. 3 of 1979] relate to any protest, petition, or notice of desire to contest described in section 1002(b)(1) of the Trade Agreements Act of 1979.

19 U.S.C. 1592A(b) relates to providing advice to the President or his or her designee regarding a listing of countries in which illegal activities have occurred regarding transshipped textiles or apparel products.

19 U.S.C. 1617 relates to any compromise of a claim for antidumping or countervailing duties upon recommendation by the Department of Commerce's General Counsel.

19 U.S.C. 1671 et seq. authorizes the investigation as to whether a foreign government has paid or pays a subsidy upon the manufacture, production, or export of merchandise imported into the United States, and if the International Trade Commission finds requisite injury, requires the determination and imposition of countervailing duties upon such merchandise. This section applies to merchandise from countries covered by the Agreement on Subsidies and Countervailing Measures or from countries which have assumed obligations similar to those contained in the Agreement.

19 U.S.C. 1673 et seq. authorizes the investigations as to whether foreign merchandise is, or is likely to be, sold in the United States at less than fair value and if the International Trade Commission finds requisite injury, requires the determination and imposition of antidumping duties upon such merchandise.

19 U.S.C. 1677k and 1677n relate to actions by the "administering authority" or the Department of Commerce concerning third-country dumping.

19 U.S.C. 1862 with respect to consultations *with* the Bureau of Industry and Security regarding the development of recommendations on proposed remedies if there is a finding of threat to impair the national security, and regarding implementation issues, including consultation prior to discussions with foreign governments on implementations issues.

19 U.S. C. 2031 provides the authority to promulgate rules and regulations pertaining thereto under the Automotive Products Trade Act of 1965 (19 U. S. C. 2001 et seq.).

19 U.S.C. 2114 and 2155 authorizes the President to organize through the U.S. Trade Representative and the Secretaries of Commerce, Labor, Agriculture, the Treasury, or other executive departments, as appropriate, general policy advisory committees composed of representatives of all industry, labor, agricultural, service, investment, defense, and other interests.

19 U.S.C. 2155 [regarding the industry consultation program] also authorizes the President to organize, through the U.S. Trade Representative and the Secretaries of Commerce, Labor, Agriculture, the Treasury, or other executive departments, as appropriate, sectoral or functional advisory committees composed of representatives from industry, labor, agriculture, and services. These committees provide policy and technical advice on international trade negotiating objectives and bargaining positions, the operation of trade agreements, and with respect to other matters involving the development, implementation, and administration of U.S. trade policy.

19 U.S.C. 2114b establishes a service industries development program.

19 U.S.C. 2171 nt. [Section 2(a) of Reorganization Plan No. 3 of 1979] provides the Secretary of Commerce with "general operational responsibilities for major non-agricultural international trade functions of the United States Government," including "export development," "commercial representation abroad," "research and analysis," and "monitoring compliance with international trade agreements to which the United States is a party".

19 U.S.C. 2252(h)(3)(A) relates to the integration of articles subject to the WTO Agreement on Textiles and Clothing.

19 U.S.C. 2354 provides for studies, reports and information activities in response to investigations and findings of the International Trade Commission.

19 U.S.C. 2411 et seq. provides procedures for determinations and actions to be taken to enforce the rights of the United States under any trade agreement, or to respond to any act, policy, or practice of a foreign country that is inconsistent with the provisions or any trade agreement, that burdens or restricts United States commerce.

19 U.S.C. 3201 nt. [as delegated by section 2(a) of E.O. 13277,] relates to consultations with the United States Trade Representative regarding the authorities and functions thereof.

19 U.S.C. 3538(a), (b) and (c) relate to actions by the "administering authority" as to World Trade Organization (WTO) dispute settlement panel reports.

19 U.S.C. 3571(a), (b), (c), (e), and (f), and 3572(d) relate to enforcement of the WTO Subsidies Agreement by the "administering authority" and conduct by the Secretary of Commerce of ongoing review of, and report to the Congress on, the WTO Subsidies Agreement.

19 U.S.C. 3721(b)(3)(C) relates to monitoring of imports and addressing a surge in imports.

19 U.S.C. 3802(c)(3) [as delegated by section 1(c)(ii) of E.O. 13277,] relates to advice to the Secretary of State regarding the establishment of consultative mechanisms among parties to trade agreements.

22 U.S.C. 262s-2 nt. authorizes the appointment of additional procurement officers for each multilateral development bank.

22 U.S.C. 1471 nt. with respect to a contract requirement for Voice of America modernization projects, provides for certification by the Secretary of Commerce that a foreign bidder is not in receipt of direct subsidies from any government which would disadvantage the competitive position of U.S. bidders competing on the same project.

22 U.S.C. 2351(b)(1) authorizes the Secretary of Commerce [under E.O. 12163 of September 29, 1979,] to draw the attention of private enterprise to opportunities for investment and development in less developed friendly countries and areas.

22 U.S.C. 2451 et seq. relates to the promotion of international trade and collection of contributions under the Mutual Educational and Cultural Exchange Act of 1961.

22 U.S.C. 2651 et seq. establishes the Department of State and provides authority for a number of overseas operations. Reorganization Plan No. 3 of 1979 and Executive Order 12188 authorize the utilization of certain of these authorities in connection with the operation of the Foreign Commercial Service.

22 U.S.C. 3101 et seq. authorizes the President to conduct surveys and studies of both United States direct investments abroad as well as foreign direct and portfolio investment in the United States. ITA monitors, analyzes, and reports to Congress on specific aspects of international investment, which may have significant implications for the economic welfare, and national security of the United States.

22 U.S.C. 3901 et seq. [and such laws the exercise of which are authorized to the Secretary of Commerce under section 5(b)(2) of Reorganization Plan No. 3 of 1979 and by section 1-104 of E.O. 12188 of January 2, 1989, as amended] relate to the Foreign Service of the United States.

22 U.S.C. 5462 [and Section 3 of E.O. 12703 of February 20, 1990,] establishes a Support for East European Democracy Information Center System.

22 U.S.C. 5812(b) relates to the coordination of export promotion activities.

22 U.S.C. 5821 relates to the establishment and operation of American Business Centers.

22 U.S.C. 5823(b) relates to the design and implementation of programs to provide adequate commercial and technical assistance to U.S. businesses seeking markets in the independent states of the former Soviet Union.

22 U.S.C. 5824 relates to the interagency working group on energy of the Trade Promotion Coordinating Committee.

22 U.S.C. 5872 relates to the Office of Space Commerce.

26 U.S.C. 4221 and 19 U.S.C. 1309 relate to findings regarding exemptions from taxes and import duties on supplies and equipment for aircraft.

28 U.S.C. 2631 et seq. relates to actions taken by the Secretary of Commerce reviewable under section 516A of the Tariff Act of 1930, as amended (19 U.S.C. 1516a).

40 U.S.C. 512 provides authority for the administration of the Foreign Excess Property program.

42 U.S.C. 6951 et seq. provides for the stimulation of development of markets for recovered materials, promotion of proven technology, and a forum for the exchange of technical and economic data regarding resource recovery facilities.

46 U.S.C. 1122b relates to foreign shipping practices.

2. “ without regard to the provisions of law set forth in 44 U.S.C. 3702 and 3703;

No Specific Authority

44 U.S.C. 3702 specifies that an executive department may not publish or pay for advertisements without written authority from the head of that department.

The nature of ITA's overseas exhibition program requires maximum flexibility in advertising requirements since exhibitions may be changed, added, or canceled. When such changes take place, advertisements must be placed as soon as possible to inform the local business community. This exception from 44 U.S.C. 3702 will provide the flexibility, which is required to effectively advertise for these exhibitions.

44 U.S.C. 3703 stipulates that prices paid for advertising may not exceed the commercial rates charged to provide individuals, with the usual discounts. Since the United States Government does not have sovereign status in other countries and is charged commercial rates without the discounts required by 44 U.S.C. 3703, this exception is necessary to permit contracting in a manner which conforms to the realities of foreign advertising markets.

3. "full medical coverage for dependent members of immediate families of employees stationed overseas and employees temporarily posted overseas;"

No Specific Authority

This language permits the International Trade Administration to extend to certain of its overseas employees the same benefits afforded domestically employed Federal employees and employees of ITA's Foreign Commercial Service in equivalent positions overseas.

4. "travel and transportation of employees of the United States and Foreign Commercial Service between two points abroad, without regard to 49 U.S.C. 40118;"

No Specific Authority

In 1979, the Congress exempted Foreign Service agencies from the requirement that government travel between two points outside the United States be accomplished by U.S. air carrier. This phrase clarifies that the U.S. and Foreign Commercial Service is included in the exemption and overturns a Comptroller General decision to the contrary.

5. "employment of Americans and aliens by contract for services;"

No Specific Authority

44 CG 761, OPM guidance, and House Report 89-188 have concluded that Federal agencies must have specific authority to employ personnel by contract. In order to present its overseas exhibitions ITA often requires the use of narrators, demonstrators, receptionists, clerical, and facilities maintenance personnel who speak the language of the host country; are familiar with local practices and procedures; or who only need to be employed for a short period of time. In some cases, however, it is more advantageous to employ U.S. citizens in the host country (generally members of an employee's family) because they have greater familiarity with American methods and, therefore, require less effort to train.

6. “rental of space abroad for periods not exceeding 10 years, and expenses of alternation, repair, or improvement;”

No Specific Authority

Buildings, pavilions, and space in such structures must be rented for exhibitions. Rental terms are established by fair authorities. The program may desire to exhibit at certain fairs, which support ITA's trade development objectives. The installation of exhibits in rented buildings requires that certain alterations and improvements be made. To limit expenditures for such alterations and improvements would seriously restrict the quality and effectiveness of the exhibitions.

7. “purchase or construction of temporary demountable exhibition structures for use abroad;”

No Specific Authority

40 U.S.C. 601 prohibits the construction of public buildings except by the Administrator of the General Services Administration. Authority to purchase or construct such demountable structures is necessary to allow ITA to present exhibitions overseas when permanent exhibition facilities is not available. 41 U.S.C. 10a permits the purchase of articles, materials, or supplies in foreign countries when they are to be used in that country.

8. “ payment of tort claims, in the manner authorized in the first paragraph of 28 U.S.C. 2672 when such claims arise in foreign countries;”

No Specific Authority

28 U.S. C. 2672 provides for settlement of tort claims for money damages of \$25,000 or less against the Unites States by the head of each federal agency for loss of property or personal injury or death caused by a negligent or wrongful act of any employee of the Government while acting within the scope of his employment in circumstances where the Unites States, if a private person, would be liable under local law. However, 28 U.S.C. 2680 exempts the

settlement of tort claims which arise abroad from the provisions of 28 U.S.C. 2672. The language requested would exempt ITA from 22 U.S.C. 2680 and would cover the settlement of tort claims against the United States, which arise in connection with the ITA's trade promotion activities abroad.

9. “ not to exceed \$327,000 for official representation expenses abroad;”

No Specific Authority

5 U.S.C. 5536 prohibits additional pay, extra allowances, or compensation unless the appropriation explicitly states that it is for such additional pay, extra allowances, or compensation.

10. “ purchase of passenger motor vehicles for official use abroad, not to exceed \$45,000 per vehicle; obtaining insurance on official motor vehicles, and rental of tie lines;”

No Specific Authority

31 U.S.C. 1343 authorizes the purchase of passenger motor vehicles and purchase of motor vehicles for law enforcement use of the U.S. Capitol Police without regard to any price limitation otherwise established by law.

This section also prohibits the purchase of passenger motor vehicles unless specifically authorized by the appropriation concerned or other law with the exception of those for the use of the President of the United States, the secretaries to the President or the head of certain executive departments.

11. “\$408,925,000 to remain available until expended, of which \$13,000,000 is to be derived from fees to be retained and used by the International Trade Administration, notwithstanding 31 U.S.C. 3302”

No Specific Authority

31 U.S.C. 1301(c) provides that an appropriation in a regular, annual appropriation law may be construed to be permanent or available continuously if the appropriation expressly provides that it is available after the fiscal year covered by the law in which it appears.

31 U.S.C. 3302 provides ITA administrative flexibility to retain and use fees collected without the need to follow the restrictions of 31 U.S.C. 3302, which requires fees collected to be deposited in the US Treasury.

12. “That the provisions of the first sentence of section 105(f) and all of section 108(c) of the Mutual Educational and Cultural Exchange Act of 1961 (22 U.S.C. 2455(f) and 2458(c)) shall apply in carrying out these activities without regard to section 5412 of the Omnibus Trade and Competitiveness Act of 1988 (15 U.S.C. 4912);”

No Specific Authority

22 U.S.C. 2455(f) provides authority to accept contributions of funds, property and services from foreign governments, international organizations and private individuals, firms, associations, agencies, and other groups in carrying out the activities concerned with exhibits pursuant to the Mutual Educational and Cultural Exchange Act of 1961.

22 U.S.C. 2458(c) provides authorization for all necessary expenditures involved in the selection, purchase, rental, construction, or other acquisition of exhibitions and the necessary supplies.

15 U.S.C. 4912 The Secretary shall provide reasonable public services and access (including electronic access) to any information maintained as part of the Data Bank and may charge reasonable fees consistent with section 552 of title 5.

13. “and that for the purpose of this Act, contributions under the provisions of the Mutual Educational and Cultural Exchange Act shall include payment for assessments for services provided as part of these activities.”

This phrase provides for extension of this authority and permits ITA to collect funds for use in conducting trade promotion events abroad.

**Department of Commerce
International Trade Administration
Operations and Administration
CONSULTING AND RELATED SERVICES**
(Dollar amounts in thousands)

	2007	2008	2009
	Actual	Enacted	Estimate
Management and professional support services.....	\$3,058	\$2,327	\$2,377
Studies, and analysis evaluations.....	0	0	0
Engineering and technical service.....	0	0	0
Total.....	<u>\$3,058</u>	<u>\$2,327</u>	<u>\$2,377</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, 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
(Obligations in thousands)**

	2007 Actual	2008 Enacted	2009 Estimate
Periodicals.....	\$163	\$147	\$149
Pamphlets.....	241	217	219
Audiovisuals.....	50	45	45
Total.....	\$454	\$412	\$431

ITA publications, periodicals, as well as pamphlets, are some of the most essential tools with which the organization fulfills 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 foreign direct 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**

	2007 Actual	2008 Enacted	2009 Estimate
Direct			
Average ES salary	\$145,269	\$150,600	\$154,967
Average GS grade	12.4	12.4	12.4
Average GS salary	\$86,256	\$89,466	\$92,061
Average grade and salary established by the Foreign Service Act of 1980 (U.S.C. 801-1158):			
Average Senior Foreign Service salary	\$150,354	\$155,601	\$160,114
Average Foreign Service Officer grade	1.8	1.7	1.7
Average Foreign Service Officer salary	\$103,346	\$106,953	\$110,054
Average Foreign Service Staff salary	\$78,509	\$81,249	\$83,605
Average Foreign Service salary in foreign countries	\$102,003	\$107,143	\$110,250

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**Department of Commerce
International Trade Administration
Operations and Administration
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
ATC	American Trading Center
BEA	Bureau of Economic Analysis
BIC	Business Information Center
BISNIS	Business Information for the Newly Independent States
BY	Budget Year
CBP	Customs and Border Protection
CBS	Commerce Business System (Accounting)
CEE	Central and Eastern Europe
CEEBC	Central and Eastern Europe Business Information Center
CFO	Chief Financial Officer
CMIC	China Market Information Center
CIT	Court of International Trade
CITA	Committee for the Implementation of Textile Agreements
CSRS	Civil Service Retirement System
CVD	Countervailing Duty
CS	Commercial Service
DAS	Deputy Assistant Secretary
DEC	District Export Council
DM	Departmental Management
DOA	Director of Administration

**Department of Commerce
International Trade Administration
Operations and Administration
GLOSSARY OF BUDGET ACRONYMS AND TERMS**

DOS	Department of State
ECF	Employees Compensation Fund
EFM	Export Finance Matchmaker
EPA	Environmental Protection Agency
EU	European Union
EX/AD	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
FTAA	Free Trade Area of the Americas
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
GPO	Government Printing Office

**Department of Commerce
International Trade Administration
Operations and Administration
GLOSSARY OF BUDGET ACRONYMS AND TERMS**

GPLA	General Pricing Level Adjustment
GPRA	Government Performance and Results Act
GPZ	General Purpose Zones
GSA	General Services Administration
GTP	Global Trade Programs
HHS	Health and Human Services
IA	Import Administration
ICAO	International Civil Aviation Organization
ICASS	International Cooperative Administrative Support Services
IMF	International Monetary Fund
ISACs	Industry Sector Advisory Committees
IFS	In-Flight Survey
IIPA	International Intellectual Property Association
IPR	Intellectual Property Rights
IT	Information Technology
ITA	International Trade Administration
ITAC	Industry Trade Advisory Committees
ITC	International Trade Center
IWG	Interagency Working Group
JCCT	Joint Commission on Commerce and Trade (China & U.S.)
JFMIA	Joint Federal Management Improvement Act
JFMIP	Joint Financial Management Improvement Program
MAC	Market Access and Compliance
MAS	Manufacturing and Services
MDCP	Market Development Cooperator Program
MEP	Market Entry Program
MEPI	Middle East Partnership Initiative

**Department of Commerce
International Trade Administration
Operations and Administration
GLOSSARY OF BUDGET ACRONYMS AND TERMS**

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
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
PBViews®	Panorama Business Views
PMA	President's Management Agenda
PSC	Personal Service Contractors
QEC	Quality Enhancement and Control
REI	Rural Export Initiative
SIPS	Statutory Import Program Staff
SMEs	Small- and medium-sized Enterprises
SPLT	Strategic Planning Leadership Team
SPP	Security and Prosperity Partnership

**Department of Commerce
International Trade Administration
Operations and Administration
GLOSSARY OF BUDGET ACRONYMS AND TERMS**

STOP	Strategy Targeting Organized Piracy
TABD	Transatlantic Business Dialogue
TCC	Trade Compliance Center
TCG	Textiles Consultative Group
TCI	Trade Compliance Initiative
TDA	Trade Development Agency
TIC	Trade Information Center
TNIS	Trade Negotiation Information System
TP/CS	Trade Promotion / United States & Foreign Commercial Service
TPA	Trade Promotion Authority
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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