

**THE PRESIDENT'S EXPORT COUNCIL**  
WASHINGTON, D.C. 20230

September 14, 2016

President of the United States of America  
The White House  
Washington, DC 20500

Dear Mr. President,

During the past six years, the private sector appointed members of the PEC have worked diligently with your Administration to identify and advise you regarding policies and practices that best promote increased U.S. exports. We have presented you with over 60 letters and reports describing recommended actions for your consideration. Our work to date has complemented the priorities you set for your Administration through the National Export Initiative (NEI) and its successor, NEI/NEXT, to drive economic growth and prosperity for American businesses and workers competing in a globalized economy. Together, the PEC and its subcommittees have supported a number of significant accomplishments by your Administration, several of which we highlight below.

*Global Competitiveness*

From our earliest meetings in 2010, the PEC and its subcommittee on Global Competitiveness offered strong support for a positive and commercially driven approach to trade policy, including launching new negotiations such as the Trans-Pacific Partnership (TPP) as well as implementing then-pending free trade agreements with Colombia, Panama, and South Korea. Closing TPP and signing the three FTAs into law in October 2011 have been key achievements. Following entry into force of those three trade agreements in 2012, the total nominal value of U.S. goods exported to Colombia, Panama, and South Korea during the period 2013-2015 exceeded the 2012 baseline by over \$7.7 billion.

We further prioritized enactment of a new Trade Promotion Authority (TPA) in order to maintain momentum for a positive trade agenda and to build on prior achievements to break new ground in trade policy. We strongly supported your Administration's effort and outreach to Congress to secure a TPA inclusive of critical emerging areas of trade barriers and opportunities. We commend that engagement, which resulted in your signing the Bipartisan Congressional Trade Priorities and Accountability Act into law in June 2015.

Remaining priorities include the outstanding negotiations for a Trade in Services Agreement (TiSA); a bilateral investment treaty (BIT) with China; an Environmental Goods Agreement (EGA); and a Transatlantic Trade and Investment Partnership (TTIP). Each of these negotiations offer the potential of high-standard rules and standards that would promote increased exports from, and employment in, the United States. We urge your Administration to continue striving for progress on each of these priorities, and to ensure a smooth transition that maintains

momentum for these priorities to the extent they cannot be completed during your Administration.

### *Manufacturing, Services & Agriculture*

In January 2012, you signed an Executive Order directing your Administration to coordinate regulatory improvements for expediting visa processing for travel to, and arrival in, the United States, as well as establishing a Task Force for the purpose of developing a National Travel and Tourism Strategy (NTTS) for promoting domestic and international travel opportunities throughout the United States. In May 2012, you further set the ambitious goal of attracting 100 million visitors annually to the United States by 2021. The PEC and its subcommittee on Manufacturing, Services & Agriculture supported these important initiatives by providing multiple recommendations for improving implementation of the NTTS. When the Order went into effect in January 2012, only 63.6 percent of applicants could get an appointment for a visa interview within 21 days. In the four years following the announcement, an average of 90.8 percent of applicants have been able to get an appointment within 21 days, reflecting a significant reduction in wait times that exceeds the 80 percent target called for under the NTTS, in spite of a substantial increase in visa demand.

Additionally, in 2011 and again in 2013, the PEC and its subcommittee on Manufacturing, Services & Agriculture strongly recommended that your Administration prioritize expanding both the geographic scope and the product coverage under the Information Technology Agreement (ITA). We commend your Administration for maintaining its focus on that priority, which culminated in the adoption of an expanded agreement at the Nairobi Ministerial Conference of the World Trade Organization in December 2015. This expansion entered into force in July 2016, and the ITA now covers an additional 201 products with global trade valued at over \$1.3 trillion per year.

### *SME Business Engagement*

In March 2010, you signed an Executive Order launching the National Export Initiative (NEI). The PEC and its subcommittee on SME Business Engagement strongly supported this important initiative, and the subcommittee hosted multiple roundtables around the country at which it was recommended that the NEI be extended to the local level in coordination with the Department of Commerce. We commend the Commerce Department for its efforts in making that a priority, and today, more than two dozen major municipalities now boast integrated export and inbound investment plans for maximizing their participation in global commerce.

Separately, the PEC and its subcommittee on SME Business Engagement emphasized the need to simplify and clarify access to federal agency export assistance and to improve on-demand resources and education for exporters. We commend the Commerce Department and Small Business Administration for responding with a substantial overhaul to Export.gov which is now a practical one-stop shop for small, medium and large exporters alike, while investing in training and local expertise at the Small Business Development Centers (SBDCs). Your Administration has significantly improved coordination among federal, state and local export support services.

SMEs constitute 98 percent of the nation's exporting businesses; they are key to the U.S. economy, employment, and innovation, and have substantial opportunities for growth through exporting. Continued focus and progress is needed to ensure SME access to finance and to provide appropriate assistance with foreign market assessment, export logistics, and compliance with U.S. and foreign regulations and certifications, to accelerate our national economic potential.

### *Trade Promotion and Advocacy*

In December 2013, the members of the World Trade Organization (WTO) concluded their negotiation of a Trade Facilitation Agreement (TFA), the first new multilateral trade agreement in the WTO's history. In December 2014, the WTO adopted a protocol enabling full implementation of the TFA. The PEC and its subcommittee on Trade Promotion and Advocacy supported these negotiations throughout, and we commend your Administration for its leadership in concluding these negotiations successfully. According to the WTO, the TFA has the potential to increase global merchandise exports by up to \$1 trillion annually by reforming global customs practices and substantially reducing the costs and times associated with goods crossing borders.

Prior to that, in March 2011, the PEC and its subcommittee on Trade Promotion and Advocacy recommended that your Administration collaborate among federal departments and agencies to prioritize the establishment of a single window to create a seamless customs clearance and reporting process for U.S. exporters as well as importers. In February 2014, you signed an Executive Order directing participating agencies in the International Trade Data System (ITDS) to utilize ITDS and the Automated Commercial Environment (ACE) by the end of 2016 as the primary means of receiving data and documentation required for clearing exports and for releasing imports. Your decisive action prepared the United States to comply with the TFA and set an example for other WTO members to emulate in facilitating cross-border trade.

These successes have smoothed trade facilitation for U.S.-made goods abroad, but more work remains to be done at home. The backbone of the U.S. economy is a vibrant, efficient and technologically advanced infrastructure network of roads, rails, waterways, ports, and transit systems that serve as gateways for all U.S. exporters. Substantial investments in infrastructure are needed for U.S. companies to grow and remain globally competitive.

### *Workforce Readiness*

The PEC and its subcommittee on Workforce Readiness have emphasized repeatedly that effective career and technical education programs are vital to addressing the shortage of skilled workers needed to fill in-demand positions in the United States. We commend your Administration for supporting such initiatives, including efforts to promote and expand apprenticeship training programs throughout various sectors of the U.S. economy as an effective solution for meeting the changing needs of both businesses and workers. We also applaud your work with Congress on enactment and implementation of the Workforce Innovation and Opportunity Act (2014) and the Trade Adjustment Reauthorization Act (2015), as well as its

ongoing work with Congress to reauthorize the Carl D. Perkins Career and Technical Education Act.

Separately, in March 2013, the PEC and its subcommittee on Workforce Readiness highlighted the shortage of students graduating with degrees in science, technology, engineering and mathematics (STEM), and underscored the associated challenges for meeting the hiring needs of American businesses. We strongly supported the 2012 goal of the President's Council of Advisors on Science and Technology (PCAST) to increase the number of STEM graduates by one million over the ensuing decade in order to meet expected employment needs, and we endorsed the five recommendations offered by PCAST for achieving that goal. Since then, STEM enrollments are reportedly growing, particularly at two-year colleges, and we commend your Administration for its ongoing prioritization and support for promoting STEM education.

### *Export Administration*

In August 2009, you announced the launch of a comprehensive review of the U.S. export control system, and in April 2010, your Administration outlined key elements of a reform agenda. The PEC and its subcommittee on Export Administration (PECSEA) provided meaningful input throughout your Administration's implementation of this reform agenda, including several successful PECSEA field hearings and most recently at the subcommittee's June 2016 meeting. We congratulate the Departments of State, Commerce, and Defense for their successful collaboration in this effort, and we commend your Administration for its continuing focus on harmonizing definitions and completing the transfer of items from the U.S. Munitions List (USML) to the Commerce Control List (CCL).

We believe the creation of an interagency advisory committee sponsored by the Departments of Commerce and State could help institutionalize the joint approach exercised in the regulatory reviews leading to the aforementioned achievements, and promote the long-term sustainability of Export Control Reform by allowing for improved engagement with industry on the full range of dual use and military technologies.

Thank you again for your consideration of each of our recommendations, and thank you for the privilege of your appointment to serve as private sector members of the PEC.<sup>1</sup>

Sincerely,



Ursula Burns

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<sup>1</sup> Please note that this letter was prepared by the private sector appointed members of the PEC.