

# Cross Agency Priority Goal: Exports

## FY2013 Q1 Status Update

### Cross-Agency Priority Goal Statement

Double U.S. exports by the end of 2014

### Goal Leader

Michael Froman, Assistant to the President and Deputy National Security Advisor for International Economic Affairs

#### ***About this document***

*The Cross-Agency Priority (CAP) Goals were a key innovation introduced in the FY2013 Federal Budget. These goals focus on 14 major issues that run across several Federal agencies. Each of these historic goals has a Goal Leader who is a senior level White House official and is fully accountable for the success and outcomes of the goal.*

*Historically, areas of shared responsibility for multiple government agencies have been resistant to real progress. Success in these areas requires a new kind of management approach – one that brings people together from across and outside the Federal Government to coordinate their work and combine their skills, insights, and resources. The CAP Goals represent Presidential priorities for which this approach is likeliest to bear fruit.*

*This report discusses one of these CAP Goals, the Exports Goal, in detail, describing the plan for achieving the goal and the current status of progress. To see the full list of CAP Goals and to find out more about them, we encourage you to visit [performance.gov](http://performance.gov).*

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## Overview

In January 2010, the President launched the National Export Initiative (NEI) with the ambitious goal of doubling U.S. exports over five years. While exports are fundamentally driven by the private sector, the Federal Government has an important role to play in helping U.S. exporters, especially small- and medium-sized exporters, overcome the obstacles that make it more difficult to sell their goods and services abroad. These challenges include lack of sufficient information about exporting and foreign markets, challenges to obtaining adequate export financing, and unfair competition from foreign trade partners. Through implementation of this goal, the Administration will continue to make progress on its commitment to improving advocacy and trade promotion efforts on behalf of U.S. exporters, increasing access to export financing, removing barriers to trade, enforcing our trade rules, and promoting strong, sustainable, and balanced growth in the global economy.

## Strategies

The National Export Initiative NEI, announced in the President's State of the Union address in 2010, is the cornerstone of the President's plan to double U.S. exports over five years. The Export Promotion Cabinet, established by Executive Order 13534 in March 2010 to implement the NEI, has already made significant progress. In the September 2010 Report to the President on the National Export Initiative, the Export Promotion Cabinet (EPC) and the Trade Promotion Coordinating Committee (TPCC) outlined 70 recommendations for Federal Government action along with a comprehensive set of NEI progress metrics. The priority areas of activities under the NEI over the next two years will include improving and streamlining the Federal Government's core trade promotion infrastructure to enhance the ability of U.S. companies to export, increasing export opportunities for and outreach to small and medium-sized enterprises, expanding access to export financing, and robustly enforcing international trade rules.

As part of this effort, some agencies have set priority goals to facilitate the implementation of the NEI in FY 2012 and FY 2013. Examples of these goals include:

- Department of Commerce priority goal to increase the number of new markets entered by client firms served by the International Trade Administration by 7 percent. To learn more, see the Department of Commerce (DOC) Priority Goal:

[http://my-goals.performance.gov/goal\\_detail/DOC/339](http://my-goals.performance.gov/goal_detail/DOC/339)

- Department of Agriculture priority goal to expand nominal U.S. agricultural exports to \$150 billion by FY 2013. To learn more, see the U.S. Department of Agriculture (USDA) Priority Goal:

[http://my-goals.performance.gov/goal\\_detail/USDA/341](http://my-goals.performance.gov/goal_detail/USDA/341)

- Department of State priority goal to increase its market oriented export activities in foreign markets by 15 percent. To learn more, see the Department of State Priority Goal:

[http://my-goals.performance.gov/goal\\_detail/DOSUSAID/399](http://my-goals.performance.gov/goal_detail/DOSUSAID/399)

To further support the goals of the NEI, the President issued a Memorandum on February 17, 2012, directing the EPC and the TPCC to develop strategies and initiatives to better facilitate the Administration's global trade and investment objectives, and in particular, to:

- (a) "evaluate the allocation of Federal Government resources to assist with trade financing, negotiation, enforcement, and promotion, as well as the encouragement of foreign investment in the United States;" and
- (b) "take steps to ensure the most efficient use of its members' domestic and foreign offices and distribution networks, including: co-locating offices wherever appropriate; and cross-training staff to better serve business customers at home and abroad by promoting exports to foreign countries and foreign investment in the United States."

## Progress Update

Since the President's 2010 call for the doubling of exports in five years, exports hit a record level of \$2.1 trillion in 2011, supporting almost 10 million American jobs. In 2012, we again achieved record exports, with 2012 totaling \$2.2 trillion, up by approximately \$100 billion from the same period of 2011. A record 293,000 U.S. companies exported in 2010 (latest available data) —16,500 more than in 2009. Small businesses—the country's biggest job creators and the primary customers of Federal export assistance—continue to steadily grow their share of overall U.S. exports to 34 percent in 2010 (latest available data), up from 27 percent in 2002. The end result is employment for Americans, with exports supporting 1.2 million more jobs in 2011 than in 2009. While we continue to make progress in facilitating jobs supported by exports in 2012, U.S. export growth faces headwinds, primarily from the slowdown in Europe and the depreciation of the euro. These developments have underscored the importance of doing whatever we can – short of reorganizing government functions – to maximize trade promotion.

In February 2012, the President signed an Executive Order launching the Interagency Trade Enforcement Center (ITEC). ITEC brings a "whole-of-government" approach to addressing unfair trade practices and has the following core missions: (1) to serve as the primary forum within the Cross-Agency Priority Goal: Exports, FY2013 Quarter 1 Update

Federal government for the Office of the U.S. Trade Representative (USTR), Department of Commerce and other agencies to coordinate the enforcement of U.S. trade rights under international trade agreements and enforcement of domestic trade laws; (2) to coordinate among USTR, Department of Commerce, and other agencies with trade-related responsibilities and the U.S. Intelligence Community the exchange of information related to potential violations of international trade agreements by the United States' foreign trade partners; and (3) to conduct outreach to U.S. workers, businesses and other interested persons to foster greater participation in the identification and reduction or elimination of foreign trade barriers and unfair foreign trade practices. The ITEC continues to ramp up, and it is expected to be fully operational by the end of 2013. ITEC is designed to help leverage and mobilize resources and expertise across the federal government to develop trade enforcement actions that will address unfair foreign trade practices and barriers. The ITEC's interagency personnel constitute an expanded team of language-proficient researchers, subject matter experts, and economic analysts. ITEC played a critical role in developing the WTO consultations request regarding China's export subsidies on autos and auto parts (the China Export Bases matter) by providing Chinese-language research, subsidies analysis, and translation support.

Finally, in February 2012, the President submitted a proposal to Congress seeking the authority to reorganize and consolidate agencies and functions to make government more efficient and effective, and better serve the American people. The President announced that the first thing he would do with such authority would be to propose consolidating the six agencies focused primarily on business and trade, along with related programs at other agencies, into a single department. In the absence of reorganization authority, the President issued a Memorandum tasking Michael Froman, Assistant to the President and Deputy National Security Advisor for International Economic Affairs, with coordinating the efforts of the Export Promotion Cabinet (EPC) to develop cross-agency strategies and initiatives to make the most efficient and effective use of Federal export and investment promotion programs in support of the NEI.

In the months that followed, the EPC worked closely with the TPCC, chaired by Commerce, to develop a three-part, whole-of-government action plan to make it easier for America's small businesses to increase their global sales and to ensure the most efficient use of Federal trade and business development offices to better serve American exporters. The EPC plan, encompassed in the Report of the Export Promotion Cabinet: Maximizing the Effectiveness of Federal Programs that Support Trade and Investment (July 2012), lays out the following goals and objectives:

- Increase the national base of small business exporters by 50,000 firms through a national marketing campaign, new trade finance products accompanied by the training of thousands of community banks, and targeted trade promotion programs to lower the costs of finding foreign buyers.
- Expand the reach of Federal export assistance by ensuring that all 1,500 domestic business development offices – Commerce, Small Business Administration, the Export-Import Bank and USDA – are trained to counsel small businesses about exporting and how to access the

most appropriate Federal resources, as well as by developing a state-of-the-art web-based “one-stop-shop” for export assistance through Business.USA.gov.

- Better utilize the Federal footprint abroad by requiring U.S. Missions to put together interagency trade and investment promotion strategies and by piloting several new approaches for delivering export promotion services in the field that better leverage public-private partnerships and more aggressively integrate Federal resources with private sector service providers.

By the end of 2012, the President issued Executive Order 13630 on commercial diplomacy and reported to Congress on the latest [National Export Strategy](#) (NES). In December, the President created a new whole-of-government commercial advocacy task force that will provide enhanced Federal support for U.S. businesses competing for international contracts, coordinate the efforts of executive branch leadership in engaging their foreign counterparts on commercial advocacy issues, and increase the availability of information to the U.S. business community about these kinds of export opportunities, will ensure that U.S. exporters have more support for selling their goods and services in global markets.

- Also in December, Congress received the NES, which recounts the trade promotion and trade policy results of the Obama Administration in the third year of the National Export Initiative. Moreover, the Report lays out ambitious new plans of the Federal Government, including partnering with metropolitan areas, improving outreach and service delivery to small businesses, targeting efforts on infrastructure projects and in the regions Asia and Africa, and supporting the work of SelectUSA to attract and retain more investment. On January 14, 2013, Export.gov was re-launched with a new customized client experience as part of the BusinessUSA network.

## Indicators

Timeframe	CY2010	CY2011	CY2012					CY2013	CY2014	
	Total	Total	Q1	Q2	Q3	Q4	Total	Total	Total	Target
Total U.S. Exports	\$1.8T	\$2.1T	\$544B	\$551B	\$552B	\$550B	\$2.2T			\$3.6T

Source: DOC, Bureau of Economic Analysis

## Next Steps

- By June 30, 2013, agencies will have adopted technical standards that will allow their content to be dynamically integrated into a planned re-launch of Business.USA.gov.

## Future Actions

- By September 30, 2013, increase Small and Medium-sized Enterprises (SME) usage of the Export.gov and Business.USA.gov websites by approximately 20 percent.
- By September 30, 2013, reach 100,000 SMEs through a partner outreach guide.
- By December 31, 2015, the EPC/TPCC agencies will target increasing the number of small businesses participating in domestic and overseas trade shows by 20 percent, increase the number of foreign buyers attending U.S. trade shows by 10 percent, and increase number of small businesses participating in overseas trade shows by 20 percent.

## Contributing Programs and Other Factors

Programs contributing in part or in whole to this goal include the following. Other programs with potential to contribute to this goal may be identified over time.

Department of Agriculture:

- Foreign Agriculture Service
- Foreign Market Development Program
- Market Access Program
- Export Credit Guarantee Program
- Emerging Markets Program
- Supplier Credit Export Program
- Agricultural Marketing Service

Department of Commerce:

- International Trade Administration;
- Market Access and Compliance
- Import Administration
- Manufacturing and Services
- U.S. and Foreign Commercial Service
- Trade Promotion Programs
- District Export Councils
- SelectUSA
- Strategic Partnership Programs
- Market Development Cooperator Program
- Advocacy Center

Department of Defense

Department of Energy

Department of Homeland Security

Department of Interior

Department of State:

- U.S. Embassies and Consulates
- Bureau of Economic and Business Affairs
- Trade Policy and Programs
- Commercial and Business Affairs

Department of Transportation

Environmental Protection Agency

Export-Import Bank:

- Working Capital Guarantee Program
- Export Credit Insurance
- Loan Guarantee & Direct Loan Program
- Finance Lease Guarantees Program

Overseas Private Investment Corporation:

- Small and Medium-Enterprise Financing
- Structured Financing
- Investment Insurance
- Investment Funds
- Enterprise Development Network

Small Business Administration:

- Office of International Trade
- Small Business Development Centers
- Export Legal Assistance Network
- Export Express and International Trade Loan Programs
- Export Working Capital Program
- State Trade and Export Promotion Grants

U.S. Agency for International Development

U.S. Trade and Development Agency:

- Project Development Program
  - o Feasibility Studies
  - o Pilot Projects
  - o Technical Assistance
- International Business Partnership Program
  - o Reverse Trade Missions
  - o Conferences
  - o Workshops

Office of the U.S. Trade Representative

In addition, the Office of Management and Budget, White House Council of Economic Advisors, White House National Security Council, and White House National Economic Council act as policy and oversight agencies that contribute with analysis and direction.

## **Additional References**

“National Export Initiative” - [http://www.whitehouse.gov/sites/default/files/nei\\_report\\_9-16-10\\_full.pdf](http://www.whitehouse.gov/sites/default/files/nei_report_9-16-10_full.pdf).

Export Portal – [Export.gov](http://Export.gov)

“National Export Strategy 2012” - <http://www.trade.gov/publications/abstracts/national-export-strategy-2012.asp>