

Ex-Im President Hochberg yesterday answered some of the criticism from conservative Republicans – including Tea Partiers. On the issue of corporate welfare, government subsidies to large corporations and picking “winners and losers,” he said the critics were simply wrong. The Bank operates to combat subsidized financing by competing nations. It also returns money to the US treasury through its repayments, fees and charges – amounting to more than its provides in financing. As a self-sustaining federal agency, there are no taxpayers’ funds involved, he told the Bank advisory committee.

Sen. John Thune (R-SD) told reporters prior to the votes that Senate Republicans wanted to help House Republican leaders, who are trying to come up with a compromise reauthorization that would be acceptable to their members.

Senate Republicans also objected to the floor process for considering the jobs bill. Sen. Reid last week filled the “amendment tree” – a process that essentially prevents senators from offering amendments. North Carolina Republican Lindsey Graham said in the Senate floor yesterday that he wants Ex-Im reauthorization on the jobs bill, but would vote against cloture because his fellow Republicans were being blocked from offering amendment. Ex-Im’s reauthorization should be approved – but only after a thorough debate, he argued.

Much of the new Boeing “Dreamliner” aircraft – which is a big user of Ex-Im – is assembled in South Carolina. “If America allows Ex-Im to go away,” Sen. Graham argued, “it would destroy the ability of many companies to grow their businesses.”

‘Shocked’

Sen. Reid told reporters he was shocked by Senate Republicans’ abrupt decision not to support reauthorization. Forcing the bank to stop financing exports will take a real toll on the economy in terms of lost jobs and competitiveness. US exporters will lose even more market share to their Chinese competitors, who now receive massive amounts of export financing, he said.

Banking Committee Chairman Tim Johnson (D-SD) said he could not understand how Republicans could block a measure supported by US business. “Today’s action by Senate Republicans threatens to put hundreds of thousands of American jobs at risk, showing once again their willingness to abandon American businesses and working families in pursuit of pointless partisan fights,” he said in a statement.

The Senate returns to consideration of the jobs bill today. Senate Democrats were caucusing yesterday evening to discuss how to move forward on the jobs measure and Ex-Im.

House Democratic Whip Steny Hoyer (Md) suggested to reporters yesterday that Ex-Im reauthorization might be attached to legislation the House must take up to reauthorize federal transportation funding, which is set to expire at the end of this month. Despite opposition from fiscally conservative Republicans, Mr. Hoyer said he believes Ex-Im reauthorization has bipartisan support.

Ex-Im’s Hochberg said he is confident Congress ultimately will approve a four-year reauthorization.

Now An ICT Plurilateral?

Geneva – At an “Enchilada” meeting yesterday, the European Union yesterday pushed its case for pursuing an information and communications technology services agreement in parallel with the ongoing Information Technology Agreement review, WTD has learned (WTD, 3/20/12).

EU trade envoy Angelo Pangratis said there is considerable interest among both industrialized and developing nations to proceed on a dual tract – for a new ITA goods agreement and an ICT services agreement, participants said afterwards.

Brussels, the EU ambassador suggested, is ready to pursue a plurilateral approach in both areas.

Doha services trade negotiations chair Fernando de Mateo invited senior officials and trade envoys from 33 countries to explore how members could proceed in the Doha services negotiations. Last December ministers directed members to fully explore different negotiating approaches while respecting the principles of transparency and inclusiveness. The chair said it is important to advance negotiations where progress can be achieved.

The “Enchilada” meeting came a day before capital-based senior officials from the “real good

friends" of services trade liberalization begins another session at the US mission.

Big emerging economies – including China, India, Brazil and South Africa, among others – raised several concerns about the plurilateral approach, suggesting it undermines efforts to restart the Doha negotiations. China wanted to know how any plurilateral process would be multilateralized.

A Beijing-based official said China is willing to participate in a reconvened services "signalling" conference and is amenable to discussing further offers.

Brazilian Ambassador Roberto Azevedo suggested that talking only about services disregards the work already done on agricultural and industrial market access, WTD was told. South Africa trade envoy Faizel Ismail insisted that there should be no selective approach to break the impasse in Doha trade negotiations. He pointed out that last December's ministerial conference committed members to explore all approaches – as long as they are inclusive, transparent and consistent with multilateral trade negotiations.

India trade envoy Jayant Dasgupta said New Delhi is ready to discuss any issue in services under the Doha mandate at the Committee on Trade in Services.

'Ambitious' Proposals on Environment

The United States has brought forth some "very ambitious" proposals on the environment and "green" growth to the table in the ongoing TransPacific Partnership negotiations, including the elimination of tariffs "from day-one" on environmental goods, a US trade official said yesterday (WTD, 3/16/12).

However Washington is not pushing for a specific list of environmental goods to be targeted for zero tariffs, Assistant US Trade Representative Mark Linscott told a program sponsored by the Brookings Institution. Rather, tariff elimination talks on "green" products are proceeding on a bilateral basis with the four TPP members that do not already have free trade agreements with the United States. They are New Zealand, Brunei, Vietnam and Malaysia. Washington also is seeking commitments for liberalization of trade in environmental services.

The United States also is seeking new provisions for the conservation of wildlife and wild plants, including strong disciplines on fisheries subsidies, Assistant US Trade Representative Mark Linscott said.

The aim is to curb illegal trade in endangered species, which is thought to be worth many billions of dollars, Mr. Linscott said. Trade in illegally harvested timber alone is estimated at \$6 billion annually. In the area of fisheries subsidies, the United States hopes to shift to the TPP work already done in the World Trade Organization's moribund Doha Development Agenda negotiations.

The proposals tabled by the United States in the TPP include the kinds of provisions contained in the most recently passed US free trade agreements. They include implementing multilateral environmental agreements, effective enforcement of domestic environmental laws and non-derogation of those laws and application of dispute settlement proceedings to environmental commitments.

A Slew of AD, CVD Decisions

The Commerce Department yesterday issued several antidumping and countervailing duty determinations, including three Chinese cases –

- an affirmative preliminary determination in the countervailing duty investigation of imports of solar cells from China (WTD, 10/31/11). Commerce preliminarily determined that Chinese producers/exporters have received countervailable subsidies ranging from 2.90 to 4.73 percent.

The department will make its final determination in June.

- affirmative final determinations in antidumping investigations of imports of galvanized steel wire from China and Mexico and the countervailing duty investigation of imports of galvanized steel wire from China (WTD, 3/9/12).

Commerce determined that producers/exporters from China and Mexico have sold galvanized