

EXECUTIVE OFFICE OF THE PRESIDENT
THE UNITED STATES TRADE REPRESENTATIVE

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The Honorable Irving A. Williamson
Chairman
U.S. International Trade Commission
500 E Street, S.W.
Washington, DC 20436

Irving
Dear Chairman Williamson:

In the past three years since the Office of the U.S. Trade Representative (USTR) launched its Small Business initiative, we have intensified efforts to ensure the specific export challenges and priorities of small- and medium-sized enterprises (SMEs) and their workers are addressed in our trade policy and enforcement activities, and have enhanced cooperation with trading partners on small business trade initiatives. As previous studies by the U.S. International Trade Commission (USITC) have shown, small businesses benefit from trade agreements that expand their export opportunities. As indicated in those reports, trade agreements can particularly help SMEs boost exports by tackling tariff barriers, burdensome customs procedures, discriminatory or arbitrary standards, and a lack of transparency relating to relevant regulations in foreign markets. These agreements also enhance trade facilitation work, help strengthen and enforce intellectual property rights, and target services barriers that present difficult challenges for SMEs, such as requirements to staff a foreign office.

In the Transatlantic Trade and Investment Partnership (TTIP) negotiations, we will seek to strengthen U.S.-European Union (EU) cooperation to enhance the participation of SMEs in transatlantic trade, and to address trade barriers that may disproportionately impact small businesses. We are seeking broad input on these matters through our domestic consultation process. Building on previous USITC reports that investigated the role of U.S. SMEs in trade and generally identified trade barriers that may disproportionately impact U.S. SME export performance, I believe that the USITC can also be helpful to us in identifying such barriers in the EU.

Therefore, pursuant to authority delegated by the President to the United States Trade Representative (USTR) under section 332(g) of the Tariff Act of 1930 (19 U.S.C. 1332(g)), I request that the Commission conduct an investigation and prepare a report that catalogues trade-related barriers that SMEs perceive as disproportionately affecting U.S. SMEs exporting to the EU, compared to larger U.S. exporters to the EU.

In identifying these barriers to exporting, the Commission may consider information and definitions contained in the three Commission reports on SMEs released in 2010 (including the definitions of "SME," "disproportionate," and "barrier"), any relevant literature, and information gathered from SMEs and others throughout the investigation. The report should cover barriers faced by U.S. SMEs exporting both goods and services, focusing primarily on barriers identified by U.S. SMEs that have experience in exporting to the EU. To the degree practicable, the investigation should identify barriers by economic sector or by special issue and should focus on sectors with high concentrations of SMEs.

The report should be based on available information including information furnished by SMEs and interested parties following the Commission's notice of investigation. Where information is available, the investigation should also address specific trade barriers in individual EU member states. To the extent applicable, the Commission should provide qualitative distinctions among the identified trade-related barriers. Additionally, the report may also include suggestions gathered from SMEs or the relevant literature to strengthen U.S.-EU cooperation to enhance the participation of SMEs in transatlantic trade.

I request that the report be delivered by January 31, 2014. As we intend to make the Commission's report available to the public, the report should not include confidential business or national security classified information.

I appreciate the Commission's assistance and cooperation in this matter.

Sincerely,



Ambassador Miriam E. Sapiro
Acting United States Trade Representative

All the best