

Bingaman Amendment #1 to the “United States-Panama Trade Promotion Agreement Implementing Act”

Short Title: Require USITC to report on the economy-wide effect of the Colombia FTA after 10 years.

Description of Amendment:

(Identical amendments are filed for Korea and Colombia.)

USITC reports on the *potential* economy-wide effects of pending free trade agreements, but does not report on the actual economic effects after the agreements are passed.

This provision requires USITC to report on the actual economy-wide effects of the Panama FTA in 10 years. The reason for enacting this requirement now is to allow USITC to prepare; advance notice allows USITC to collect in the years ahead the data it needs to conduct the analysis.

Snowe #1 Countervailing Duties to Offset Effects of Undervalued Currency

Snowe Amendment #1 to legislation implementing U.S.-Panama Trade Promotion Agreement

Short Title: Countervailing Duties to Offset Effects of Undervalued Currency

Description of Amendment: Under U.S. countervailing duty law, remedial tariffs can be imposed on imports benefitting from foreign government subsidies, if it is shown that imports benefitting from such subsidies cause or threaten injury to a U.S. industry producing the same or similar products. To date, however, the Department of Commerce has declined to investigate foreign government currency practices as a countervailable subsidy. Specifically, in the past, Commerce has resisted finding an export subsidy if the subsidy is not limited exclusively to circumstances of export (i.e., when non-exporters may benefit).

This amendment precludes Commerce from imposing this bright-line rule and, instead, requires Commerce to determine on a case-by-case basis whether currency undervaluation constitutes a prohibited export subsidy.

Snowe #2 (Rockefeller cosponsor) Currency Manipulation Certification

Snowe Amendment #2 (Rockefeller cosponsor) to legislation implementing U.S.-Panama Trade Promotion Agreement

Short Title: Currency Manipulation Certification

Description of Amendment: Currency exchange rate manipulation can undercut market competition and diminish potential benefits of trade agreements. This amendment would require that, before Congress approves any bill implementing a free trade agreement or extending permanent normal trade relations to another country, the President must first certify to Congress that the government of the potential trading partner has not, in the ten years preceding the certification, manipulated its currency for the purposes of gaining an unfair advantage in international trade. To enforce this requirement, the amendment would allow any Senator to raise a point of order against a bill implementing a trade agreement if it is not accompanied by the certification from the President.

