

Questions from Rep. Wenstrup and Del. Plaskett to United States Trade Representative Katherine Tai during the March 30, 2022 House Ways and Means Committee Hearing entitled “Biden Administration’s 2022 Trade Policy Agenda”

Rep. Wenstrup: I do want to bring up another issue that’s of importance, and I hope it’s important to the administration and that’s the US-Haiti trade and economic relationship. We’re talking about the HOPE/HELP trade preferences legislation. Haiti everyone knows faces a series of political and economic challenges. Congress hopefully will act with urgency on this key trade measures. But one of the areas that shines forward there is the apparel sector that does well. And the apparel sector support 50,000 direct jobs – not to mention indirect jobs and how it affects families. I’ve been able to work with Representative Sewell and Representative Plaskett on this. It’s an issue that we’re all in favor of; so reauthorizing that will give Haiti the opportunity to retain current investment in the sector, as well as create additional desperately needed jobs there. Can you discuss the Biden Administration’s priorities with respect to this trade and economic relationship?

Amb. Tai: Certainly. I think with respect to the Caribbean these are our neighbors. They are close to us not just in importance and strategic importance but also they literally are close to us. And one of the lessons of the past couple years on supply chains – and also the current disruption in Eastern Europe – is that geography really matters.

On Haiti, the HOPE/HELP programs, again I think that the spirit we are bringing to our trade policies, which was to examine how we can make them more effective, how we can overall make them champion the interests of regular people.

With respect to a program that we have with Haiti, that extends to our development programs or trade and development programs. I think again this is consistent with what I said to Mr. Davis an area where we have pursued a really attractive policy that these preference programs are intended to facilitate trade, to stimulate development in our partner countries but over time we do not have a good sense for how successful we are being. Absolutely, we need to continue to be attentive to the needs of our neighbors here, but I’m also very open to thinking through and working with you and others on how we can make existing programs that we’ve had even more effective because I think there is a delta there that we could and should really exploit.

Del. Plaskett: Madam Ambassador, I wanted to ask you about some issues of course related to the area that's very dear to me, which is the Caribbean. The United States has provided unilateral trade preferences to many countries as part of its foreign economic and trade policy. The Caribbean basin has been the beneficiary of numerous preferential trade programs, beginning with those linked to the Caribbean Basin Initiative in 1984. Some economists state that the trade policy with the Caribbean shifted as the number of US free trade agreements in the region began to increase, adversely affecting Caribbean countries. How has USMCA, CAFTA-DR, and other trade agreements with countries in Latin America affected the Caribbean region? And with that question, how can the president utilize or modify Caribbean trade preference programs to enhance regional development in the Caribbean, especially in those poorer countries such as Haiti, as well as promote regional economic integrity?

Amb. Tai: Congresswoman, thank you for that question. The Caribbean as I mentioned earlier in an answer to another colleague is a critical part of our geography, our neighborhood, and a really important trading relationship. In terms of the impacts of our trade agreements on our trade with the Caribbean, I have no doubt that that has evolved over time as our trade arrangements have evolved. I want to affirm the commitment and values on the part of the administration for ensuring that our trade relationships are robust and are delivering on wins for, and opportunities for development for the countries of the Caribbean.

To your question about what the Administration can do more of, I would be happy to go back and explore that specific question. And I think that with respect to all of our trade preference programs, Congressional ownership of these programs I know is felt very proudly up here, and so that is my commitment also to continue to work with you to make our existing programs more effective and also to work with you on looking at the future of our programs.

Del. Plaskett: Thank you. With that, I know that the United States and CARICOM, the Caribbean community, signed a trade investment framework agreement in 2013. I have no doubt in your commitment and your engagement in ensuring that trade agreements are in fact kept up. But short of a free trade agreement, what other approaches might facilitate US trade and investment beyond current unilateral trade preference programs for the Caribbean countries?

Amb. Tai: Congresswoman that's an excellent question. In fact, I had a meeting earlier this week with the director of the International Trade Center. It's an organization Sorini, Samet, & Associates is registered as an agent on behalf of the Government of Haiti. Additional information is available at the Department of Justice, Washington, D.C.

that's based in Geneva that is cofounded by the WTO and the United Nations and they're focused specifically on this area of trade and development. And I had a really productive conversation with Ms. Koch-Hamilton around the missed opportunities in a lot of our trade arrangements, whether they're preference programs or even trade agreements where the utilization of those agreements is leaving a lot on the table. And so I think you're asking exactly the right question with respect to these sets of arrangements, whether they're TIFAs or trade preference programs or full on FTAs. What more can we do to ensure that those who are supposed to be benefitting from these policies actually have the tools and then are able to access the opportunities that we've intended to set up. We've got some ideas and there's a lot more that we can do here and I would be very, very excited to work on this with you.

Del. Plaskett: Thank you. I'm hoping that that engagement will also include – you know we've had concerns, of course, at the committee level and in the United States with regard to HELP/HOPE. We know that these programs are vitally important – that trade preference programs are really vital to Haiti as well as Cambodia and that they've known to be effective and do the work that's necessary. My concern, of course, is the labor issues that we've noted. And so where do you see opportunities for us in – the administration has any proposed changes that would facilitate this moving along to support labor compliance and labor institution building in Haiti so that we can move this along and ensure that this preference and that this agreement moves forward.

Amb. Tai: I'll answer quickly. I think that there is a lot we can do. I think there is a lot of inspiration we can take from the types of things that we have already done and I look forward to working with you on it Congresswoman