

DOC Morning News Clips for Monday, March 05, 2018

March 5, 2018 at 5:08 AM

From "Reinert, William (Federal)"

To Undisclosed recipients: ;

DOC Morning News Clips for Monday, March 05, 2018

Wilbur Ross: Tariff retaliation won't 'change the price of a can of beer'

NBC

Commerce Secretary Wilbur Ross tells Chuck Todd that trade retaliation won't amount to a significant shift in consumer prices.

Key US lawmaker wants exemptions for 'fairly traded' steel, aluminum

Fox

Kevin Brady, chairman of the U.S. House Ways and Means Committee, said on Sunday all fairly traded steel and aluminum, especially from Canada and Mexico, should be excluded from President Donald Trump's proposed tariffs.

'This Week' Transcript 2-11-18: Former White House Chief of Staff Reince Priebus, former Gov. Chris Christie, Sen. Chris Murphy, Wilbur Ross

ABC News

Was that the first strike in a trade war? Will you pay the price? And is the president's ambivalence burying new gun control again? We cover it all with Commerce Secretary Wilbur Ross, democratic Senator Chris Murphy, plus insight and analysis from our powerhouse round table.

Trump Administration Beats Back Warnings on Tariffs

WSJ

Trump administration officials are pushing back against overseas officials opposed to planned steel and aluminum tariffs and U.S. executives who warn the move could undermine a strengthening American economy. Manufacturing executives who use the metals to make beer cans, cars, refrigerators and other goods warn of price surges, shortages and retaliatory trade barriers on U.S. exports if the administration follows through on the plan, announced Thursday, to impose 25% tariffs on imported steel and 10% duties on aluminum imports. They also complain that a lack of detail about President Donald Trump's plan has injected unknowns into their business planning.

White House Defends Trump's Proposed Steel, Aluminum Tariffs

WSJ

Trump administration officials on Sunday defended the president's plan to levy tariffs on steel and aluminum imports and played down the likelihood the U.S. would allow for many exclusions from the proposals. The tariff plan would do little to hurt the broader U.S. economy, said the officials, who also minimized the potential impact of retaliation by U.S. trading partners.

Before Trump Announced Tariffs, Icahn Sold Off Millions In Steel-Related Stocks

NPR

A former adviser to President Trump sold off \$31.3 million in stocks he owned in a steel-dependent company, just days before the president announced hefty tariffs on foreign-made steel. Carl Icahn, a billionaire investor and Trump's former "special adviser to the president on regulatory reform," sold the shares between Feb. 12 and Feb. 22, according to an SEC filing that was first reported on by the left-leaning website ThinkProgress.

Trump Trade Crackdown Shows 'America First' Happening at Last

Bloomberg

“America First” is finally starting to bite. President Donald Trump’s March 1 announcement that he’ll slap stiff tariffs on imported steel and aluminum roiled markets, spurred warnings of harsh economic and political ramifications from some Republican lawmakers, and provoked threats of retaliation from allies such as the European Union.

China warns about attacks on free trade, even as it keeps its own barriers in place

Washington Post

China’s premier warned about rising global protectionism and vowed a “bolder” approach to reform in a key address to parliament Monday, but experts said his government’s actions belie such rhetoric. China’s Communist Party has barely missed an opportunity to claim the moral high ground over trade and globalization since President Trump set the United States on a more inward-looking and protectionist path.

Commerce Department pressing ahead with commercial space regulatory reform

Space News

Backed by a set of recommendations endorsed by the National Space Council, the Secretary of Commerce says he is moving ahead with efforts to improve the regulatory environment for commercial space. In an interview here shortly before the March 1 launch of the GOES-S weather satellite on an Atlas 5, Secretary of Commerce Wilbur Ross said he has support within his own department, and elsewhere in government, to start enacting reforms that would make the department a “one-stop shop” for most commercial space regulatory activities.

THE STEEL ELEPHANT IN THE ROOM AT NAFTA ROUND 7: The seventh round of talks to renegotiate NAFTA is set to wrap up in Mexico City today with the three countries having taken incremental steps forward on some lower-level, technical issues — but with trade negotiators, government officials and industry representatives alike acknowledging that the looming threat of U.S. tariffs on steel and aluminum has overshadowed any progress that was made.

"Every single meeting we had started with 232 and not NAFTA," one U.S. business source in Mexico City told Morning Trade, referring to President Donald Trump's announcement on Thursday that he planned to levy tariffs of 25 percent on steel imports and 10 percent on aluminum imports to protect U.S. national security interests. "It was referred to as the elephant in the room multiple times."

After Round 6 ended in Montreal with negotiators feeling hopeful that countries had finally begun to engage and work toward compromises on some of the pact's more contentious chapters, Round 7 has felt "anticlimactic," another business source said. That's in part because of the tariff news, which several sources said has "taken up a lot of energy" in Mexico City and required an inordinate amount of bandwidth from negotiating teams that were already stretched thin.

But the feeling of anticlimax also stems from the fact that some of the more contentious issues, most notably automotive rules of origin and investor-state dispute settlement, were only lightly discussed at the senior-negotiator level this round because of scheduling issues. Auto rules will be discussed during an intersessional round expected to be held in Washington before Round 8, while investment issues were mostly discussed the week before Round 7 began.

Overall progress report: Many of those involved in the talks are quick to point out progress that was made in areas such as good regulatory practices, a chapter that negotiators closed on Thursday, as well as on sanitary and phytosanitary measures and telecommunications. Roughly half of the chapters are now between 80 and 90 percent complete, a source close to the talks said. Others described the objective of Round 7 as "trying to clear out the underbrush," in the hopes that it will help negotiators show flexibility on thornier issues.

Still, much of the progress is still so low-profile that it's making few waves outside of individual negotiating rooms. At briefings on the talks, "I feel like I'm trapped in an episode of Groundhog Day," one congressional aide said, referring to the fact that the discussion often focuses on minute steps forward on lower-level issues. "It does kind of make me wonder, at what point will there be a breakthrough?"

BRACING FOR FIREWORKS AT ROUND 7 FINALE: The three NAFTA ministers — U.S. Trade Representative Robert Lighthizer, Canadian Foreign Minister Chrystia Freeland and Mexican Economy Minister Ildefonso Guajardo — are slated to sit down this morning for a series of bilateral gatherings followed by a trilateral meeting and press conference, which is scheduled to kick off around 3:15 p.m. Eastern.

The major open question going into the day's events is whether President Donald Trump will follow through on tariffs on steel and aluminum and just how forcefully both countries, but Canada in particular, will broach the subject either behind closed doors or at the press conference.

"I can't imagine a scenario in which it doesn't come up," a Canadian source close to the talks told Morning Trade. Freeland, who quickly denounced the planned tariffs last week as "absolutely unacceptable," discussed the matter with Commerce Secretary Wilbur Ross on Friday and has also been in contact with EU Commissioner for Trade Cecilia Malmstrom, the source said.

Will there be NAFTA partner exemptions? Both Canada and Mexico have tried to make the case that they should be exempt from any tariffs levied for national security reasons, a point that U.S. lawmakers who traveled to Mexico City for meetings on the sidelines of the seventh negotiating round also echoed. "Blanket tariffs that also sweep up fairly traded steel and aluminum, especially with trading partners like Canada and Mexico — they should be excluded from this tariff," House Ways and Means Chairman Kevin Brady (R-Texas) told reporters in Mexico City.

"This is an ally," added Rep. Bill Pascrell, top Democrat on the Ways and Means' subcommittee on trade, referring to Mexico and Canada. "If we can't make an exception there, then how are we going to get a NAFTA deal?" Read more from the lawmakers [here](#).

A BLEAK OUTLOOK FOR 232 CARVE-OUTS: Trump, in spite of other countries' best efforts, appears unlikely to exempt any nations from his proposed tariffs, a point two of his top advisers underscored on the political Sunday show circuit.

"As soon as he starts exempting countries, he has to raise the tariff on everybody else," White House trade adviser Peter Navarro said in a combative interview on "Fox News Sunday." "As soon as he exempts one country, his phone starts ringing from the heads of state of other countries."

Asked about potential exemptions for U.S. allies on ABC's "This Week," Ross said Trump has had conversations with a number of world leaders but that "as far as I know he's talking about a fairly broad brush." More [here](#).

Trump himself showed no signs of changing his mind, tweeting on Sunday night: "We are on the losing side of almost all trade deals. Our friends and enemies have taken advantage of the U.S. for many years. Our Steel and Aluminum industries are dead. Sorry, it's time for a change!"

Midterm backlash? Republicans are now beginning to worry that the trade war Trump could ignite if he doesn't narrow or soften his tariff stance could undermine the GOP's effort to keep their majorities in Congress in the midterm elections.

Members of the party had planned to counter the president's unpopularity by running primarily on economic issues, particularly the increasingly popular tax overhaul, but the steel and aluminum tariffs — as well as potential penalties on European cars, which Trump threatened on Saturday — could derail that strategy. POLITICO's Rachael Bade and Burgess Everett have more [here](#).

BUSINESS CHIEF: TARIFFS WON'T SOLVE CHINA PROBLEM: Trump's tariffs are a poor tool to go after the real problem — China's excess capacity — because steel imports from China only account for 2 percent of total imports, Josh Bolten, head of the Business Roundtable and a former White House Chief of Staff under George W. Bush, said on "Fox News Sunday."

"**You've got to get together with our friends and allies**, who all face the same problem, put pressure on the Chinese jointly, because you can't do this individually, and force the Chinese to reform their practices," Bolten said.

But, Navarro argued, "this is not a China problem." Instead, the blame rests with the total volume of imports from all suppliers, he said. Asked about the timetable for a final decision, Navarro told CBS's "Face the Nation" that the proposed tariffs were being reviewed by the Office of Legal Counsel "for form and legality" and would probably be signed "by the end of the week." But on another Sunday news show, he said it could slip into next week.

CANADA, MEXICO LOOK TO SIDESTEP U.S. ON PROCUREMENT: Outside of the tariff shadow hanging over the NAFTA talks, the seventh round saw little progress on any of the deal's most contentious issues in part because none of the three countries appear to be willing to compromise. On government procurement, for one, Canada and Mexico have begun to explore bilateral options for ways to preserve access to each other's markets while leaving out the U.S. out as the Trump administration continues to hold firm to a proposal that both countries find unworkable.

Washington has for months been pushing a "dollar-for-dollar" market access proposal, which both Ottawa and Mexico City argue would severely limit their businesses' ability to land U.S. government

contracts. Neither NAFTA partner will agree to any procurement offer that is not reciprocal, and the lead U.S. negotiator says he has not been given any instructions from USTR to soften the United States' position — leading Canada and Mexico to search for a workaround.

"Now that we're in the seventh round of negotiations, we don't want to be stuck because one of the players refuses to let go of the ball," a source close to the negotiations said. "So we are going to keep talking ... and try to see to what degree we are able to work bilaterally."

In Mexico City, there was no progress on the issue on a trilateral basis, because Canada and Mexico refuse to move forward on discussions until the U.S. shows some flexibility. "If we go down the slippery slope of restricting access, we might as well not have access at all to the U.S.," the source said. Read more on procurement [here](#).

LABOR'S NEW LEVERAGE IN NAFTA 2.0: Lighthizer's push to insert an enforceable, high-standards labor chapter to draw Democratic support has begun to have a parallel effect: giving union and labor groups new power and leverage as the talks head toward the eighth round.

Labor is another issue that was not discussed in depth during the Mexico City round as U.S. negotiators worked back in Washington to revamp its initial proposal and "workshop" it among labor groups, sources close to the talks said. That step, on top of a meeting last month at the White House that Lighthizer spearheaded between Trump and U.S. labor leaders, has led some in the business community to pay more attention to labor groups' demands as they recognize that the potential for wrapping up a deal could hinge on their support.

"There's been increasing interest from the business community in understanding what's going on with House Democrats and the labor chapter," one source familiar with the negotiations said. "Not necessarily because they have views on what's going on in the labor chapter or those elements ... but people are starting to observe that this is going to be a critical element in being able to get a successful resolution." Read the full story [here](#).

Looking to Trump for a breakthrough? Trump's aggressive rhetoric toward Mexico has made him few friends south of the border, but he may be the Mexican worker's best shot at getting a bigger paycheck. Sabrina Rodriguez explores the labor talks from the Mexican perspective [here](#).

THE SUNNY SIDE OF THE NAFTA ROAD: Among the most optimistic visitors to Mexico City for Round 7 were Republican House members — led by Brady, the Ways and Means chairman — who spent the weekend meeting with senior officials from all three countries as well as members of the U.S. business community. In a brief roundtable with reporters late Sunday morning, Brady told reporters he was "encouraged" by what he had heard over the past few days of meetings and described "real progress on the nuts and bolts of this free trade agreement."

"I gotta admit, coming here I had a lot of concerns about where this was going," added Rep. Roger Marshall (R-Kansas). "There's been so much progress in the last week or two ... I'm excited. I'm very optimistic."

ENERGY GETS A STANDALONE CHAPTER: NAFTA 2.0 will include a standalone chapter on energy, an addition that took Mexico and Canada a few rounds to get the U.S. to support, a source close to the negotiations confirmed. Over the last few rounds, there had been speculation over whether there would be a full energy chapter or whether energy-related issues would be addressed in other chapters. Both options will be realized.

The standalone chapter will focus on regional cooperation and integration, looking for "more interconnectivity across the networks of energy in North America," the source said. However, hard obligations on energy can go in other chapters such as state-owned enterprise, government procurement and investment.

Adding a standalone chapter on energy will help codify into a multinational agreement significant changes that Mexico has made to allow foreign direct investment in its energy sector, Rep. Will Hurd (R-Texas) told Morning Trade in Mexico City. That will be, "ultimately, a good thing," he said, adding that "being able to modernize how the rules and regulations around getting that molecule across the actual border is ultimately going to be helpful."

"NAFTA, as a region, we have an opportunity to really be ... the most important player when it comes to energy," he said.

DRIVING THE DAY — President **Donald Trump** huddles with Israeli Prime Minister **Benjamin Netanyahu** today. The meeting comes as Netanyahu faces allegations that he committed bribery, fraud and

breach of trust in his dealings with wealthy businessmen and newspaper publishers, The New York Times' David Halbfinger reports . During the sit-down, Netanyahu is expected to bring up Iran and the Trump administration's Israeli-Palestinian peace plan. He will also likely thank Trump for his decision to move the U.S. Embassy from Tel Aviv to Jerusalem.

Trump is also slated to meet with U.N. Ambassador **Nikki Haley**.

HOUSE FLOOR

The House will meet at 2 p.m. for legislative business, with votes postponed until 6:30 p.m. Lawmakers will consider seven post office naming bills under suspension of the rules.

SENATE FLOOR

The Senate will convene at 3 p.m. and resume consideration of the nomination of **Karen Scholer** to be a U.S. District Judge for the Northern District of Texas. At 5:30 p.m., the chamber will vote on confirmation of three nominations: Scholer; **Tripp Self** to be a U.S. District Judge for the Middle District of Georgia; and **Terry Doughty** to be a U.S. District Judge for the Western District of Louisiana.

POTUS HAPPENINGS

Noon. Trump and **Melania Trump** greet Netanyahu and **Sara Netanyahu**. South Portico.

12:15 p.m. Trump meets with Netanyahu. Oval Office.

12:30 p.m. Trump participates in a working lunch with Netanyahu. Cabinet Room.

2 p.m. Trump meets with Haley. Oval Office.

3:20 p.m. Trump and Melania Trump see off Netanyahu and Sara Netanyahu. Oval Office.

VPOTUS DIGEST

Not provided.

DOC Daily News Clips March 6, 2017

March 6, 2017 at 5:15 AM

From "Reinert, William (Federal)"

To Undisclosed recipients: ;

DOC Daily News Clips March 6, 2017

HOUSE FLOOR

The House meets at 4 p.m. for a pro forma session.

SENATE FLOOR

The Senate convenes at 2 p.m.

After leader remarks, the chamber will resume consideration of H.J. Res. 37. The Congressional Review Act resolution would block Labor Department rules that require prospective federal contractors to disclose previous labor law violations when bidding for large contracts. The House passed the measure last month. At 6 p.m., the Senate will vote on the resolution.

Then, the Senate is expected to move to a vote on a motion to proceed to H.J. Res. 44, a CRA resolution that scraps changes to how the Bureau of Land Management develops resource management plans.

China, U.S. Would Both Be 'Wounded' by Trade War, Chen Says

Bloomberg News

China's former commerce minister said he worries a trade war with the U.S. is coming, warning it would hurt both countries and leave a trail of destruction across Asia. "I'm seriously preparing for a trade war," Chen Deming told reporters Monday on the sidelines of the annual National People's Congress in Beijing. "Trade volume between China and the U.S. is huge," he said. "Both of us will be weakened and wounded by a trade war, and the global community will also be damaged."

Republican tax reform could shake up global economy

Shawn Donnan, Financial Times

A proposal for a new levy on imports included in a Republican tax reform plan has set off a lobbying war in the US business community and raised fears of looming trade skirmishes. But economists have also begun focusing on another potentially worrying aspect: what it means for the global economy. The inclusion of a "border adjustable" tax system in the proposal being pushed by House Speaker Paul Ryan and other leading Republicans would, according to experts, amount to the biggest change in global taxation in almost a century.

Why the White House Worries About Trade Deficits

Peter Navarro, WSJ

Do trade deficits matter? The question is important because America's trade deficit in goods is large and persistent, about \$2 billion every day. The economic argument that trade deficits matter begins with the observation that growth in real GDP depends on only four factors: consumption, government spending, business investment and net exports (the difference between exports and imports). Reducing a trade deficit through tough, smart negotiations is a way to increase net exports – and boost the rate of economic growth.

Global Economy Week Ahead: ECB Meeting, China Inflation, U.S. Jobs

WSJ

The week will bring data on the U.S. labor market and Chinese inflation, while the European Central Bank holds a policy meeting. The U.S. Federal Reserve will remain quiet in the blackout period ahead of its mid-

March meeting, when investors have come to expect an interest-rate increase.

How China Could Dodge the Fallout From a Trade War With Trump

Bloomberg News

The collateral damage from any U.S.-China trade fight would likely spread far beyond the markets of Asia's largest economy, according to Nomura Holdings Inc. Among the top 25 exporters from China to the U.S., more than 80 percent are owned by companies outside the mainland, according to a study by the Tokyo-based bank. While some manufacturing stocks face greater risk, the diversity of ownership means China itself isn't as vulnerable as Japan was in the 1980s, when most of its big exporters were Japanese and Washington imposed curbs similar to those now being flagged by President Donald Trump, Nomura says.

China Trying To Crush South Korea's Economy

Gordon Chang, Forbes

Executives of South Korea's Lotte Group, after a meeting Sunday, asked Seoul for "active help." The retail giant's business has been under pressure in China this year as it first considered and then approved a swap of parcels with the South Korean Ministry of Defense. The Ministry plans to use the acquired land, a golf course south of Seoul, for the first battery of the Terminal High Altitude Area Defense system, which is designed to knock down missiles.

Comey Asks Justice Dept. to Reject Trump's Wiretapping Claim

Michael S. Schmidt and Michael D. Shear, NYT

The F.B.I. director, James B. Comey, asked the Justice Department this weekend to publicly reject President Trump's assertion that President Barack Obama ordered the tapping of Mr. Trump's phones, senior American officials said on Sunday. Mr. Comey has argued that the highly charged claim is false and must be corrected, they said, but the department has not released any such statement.

The Obamacare Sticking Points Behind Closed Doors

Margot Sanger-Katz, NYT

The debate over the future of Obamacare is taking place in secret meetings among Republican lawmakers. President Trump and House Speaker Paul Ryan have promised to bring forward a bill to modify the law soon. But before they do, they have to work out disagreements among their colleagues on the best way to proceed. There are, of course, many small issues that are likely to be discussed in committee hearings or in other open forums. But several disagreements are so fundamental that they probably need to be resolved behind closed doors before a bill can even be introduced. Here's a guide to the major sticking points that are holding up Republicans' quest to replace the Affordable Care Act.

DRIVING THE DAY — President Donald Trump is expected to sign a new immigration executive order at the Department of Homeland Security today. It was not clear over the weekend how extensively the new effort would make changes to the original immigration order — which a federal judge put on hold nationwide — or whether the White House would continue defending the initial order in court. POLITICO's Josh Dawsey and Nancy Cook have more.

Democrats on the House Judiciary Committee today will ask White House Counsel Donald McGahn to detail all communications between White House staffers and DOJ/FBI employees related to the investigation of Russia's alleged cyber-meddling during last year's election.

Also, more political fallout is likely over the president's demand that a congressional inquiry be launched into whether former President Barack Obama illegally wiretapped Trump Tower.

POTUS's Schedule

- 10:30 a.m.: Trump receives his daily intelligence briefing in the Oval Office.
- 12:30 p.m.: Trump has lunch with Vice President Mike Pence in the Presidential Dining Room.

- 1:35 p.m.: Trump meets with Secretary of State Rex Tillerson in the Oval Office.
- 3:00 p.m.: Trump meets with FCC Chairman Ajit Pai.
- 4:00 p.m.: Trump leads a National Economic Council meeting.
- 5:00 p.m.: Trump meets with VA Secretary David Shulkin.
- 6:30 p.m.: Trump has dinner with OMB Director Mick Mulvaney and HHS Secretary Tom Price.

LIGHTHIZER ALLY NAMED GENERAL COUNSEL, ACTING USTR: President Donald Trump has appointed Stephen Vaughn, a veteran trade litigator, to the key position of U.S. Trade Representative general counsel and asked him to serve as acting USTR, an official at the agency confirmed.

ON THE HORIZON

Trump, Merkel to meet: The White House confirmed that German Chancellor Angela Merkel will visit Washington on March 14 to meet with President Trump. It will be the president's second meeting with a European leader since taking office.

Mileage standards: EPA is expected to announce this week that it will reopen a review of the 2022-2025 mileage standards. U.S. automakers have pushed President Trump to find a way to reduce them.

Rate hike this month: Federal Reserve Chair Janet Yellen signaled on Friday that the central bank will raise its main borrowing rate at its meeting later this month. The Fed is slated to huddle March 14-15.

Obamacare repeal plan: House Republicans are expected to begin marking up repeal legislation this week, and Speaker Paul Ryan said the House will vote on a plan within three weeks.

Fwd: Staff and Guest Travel Instructions: 4/06-4/09

April 6, 2017 at 5:04 AM

From: hilary geary

To: Wilbur Ross

Presidential Record

Got your message about the Chargers and i will bring them
see below

Sent from my iPhone

Hilary Geary Ross

b(6)

Begin forwarded message:

From: "Alexander, Brooke (Federal)" <BAlexander@doc.gov>

Date: April 6, 2017 at 6:56:04 AM EDT

To: hilary geary; b(6)

Subject: FW: Staff and Guest Travel Instructions: 4/06-4/09

Mrs. Ross FYI

Mrs. Tillerson is attending but the b(5) - PCP

b(5) - PCP

From: Weiser, Benjamin S. EOP/WHO; b(6)

Sent: Thursday, April 06, 2017 12:30 AM

To: Assistant; b(6); Berkowitz, Avraham J. EOP/WHO; b(6)

Reince Priebus; b(6); Hunter, Mallory G. EOP/WHO; b(6)

Ambrosini, Michael J. EOP/WHO; b(6); Bannon, Stephen K. EOP/WHO

b(6); Nasim, Laura F. EOP/WHO; b(6); Joannou,

Thomas W. EOP/WHO; b(6); Cohn, Gary D. EOP/WHO

(b)(6) Marquis, Ashley H. EOP/WHO (b)(6)
Hagin, Joseph W. EOP/WHO (b)(6) Alexander, Brooke (Federal)
<BAlexander@doc.gov>; McMaster, H. R. EOP/WHO (b)(6) Reed, John
W. EOP/NSC (b)(6) Hagin, Joseph W. EOP/WHO (b)(6) Clifton,
Patrick A. EOP/WHO (b)(6) Porter, Robert R. EOP/WHO
(b)(6) Hicks, Hope C. EOP/WHO (b)(6) Spicer, Sean
M. EOP/WHO (b)(6) Morrone, Vanessa M. EOP/WHO
(b)(6) Scavino, Dan J. EOP/WHO (b)(6)
Grisham, Stephanie A. EOP/WHO (b)(6) Reynolds, Lindsay B.
EOP/WHO (b)(6) Anton, Michael N. EOP/NSC
(b)(6) (b)(6) & b7(C) Powell, Dina H. EOP/WHO
(b)(6) Baitel, Rachael EOP/WHO (b)(6) Lyons,
Derek S. EOP/WHO (b)(6) Craighead, Shealah D. EOP/WHO
(b)(6) Sands, Amy P. EOP/WHO (b)(6) Cullen,
Daniel M. EOP/WHO (b)(6) Cintron, Dan EOP/NSC
(b)(6) Pottinger, Matthew F. EOP/NSC (b)(6)
Lutkins, Cari G. EOP/NSC (b)(6) Ambrosini, Michael J. EOP/WHO
(b)(6) Gigicos, George D. EOP/WHO (b)(6)
Karem, Jordan J. EOP/WHO (b)(6) Caporale, Justin R. EOP/WHO
(b)(6) Salem, Hannah H. EOP/WHO (b)(6)
Forrest, Jordan J. EOP/WHO (b)(6) Kundinger, Kelly R. EOP/WHO
(b)(6) Coia, Giovanna EOP/WHO (b)(6)
Members WHMO MILAIDES (b)(6) Eisner-Poor, Kaitlyn E. EOP/WHO
(b)(6) McEntee, John D. EOP/WHO (b)(6) Schiller,
Keith W. EOP/WHO (b)(6) Miller, Stephen EOP/WHO
(b)(6) Klingler, McLaurine E. EOP/WHO
(b)(6) Gabriel, Robert EOP/WHO (b)(6)
Maguire, Victoria J. EOP/WHO (b)(6) Morrall, Kimberly E. EOP/WHO
(b)(6) Forrest, Jordan J. EOP/WHO (b)(6)
Caporale, Justin R. EOP/WHO (b)(6) Salem, Hannah H. EOP/WHO
(b)(6) Kushner, Jared C. EOP/WHO (b)(6) Baitel, Rachael
EOP/WHO (b)(6)

Subject: RE: Staff and Guest Travel Instructions: 4/06-4/09

Hi all,

Please find tomorrow and Friday's final travel schedule attached. Please let me know if you have any questions.

Thanks and have a great night,

Ben

Benjamin S. Weiser

Desk: **b(6)**

Cell: **b(6)**

From: Weiser, Benjamin S. EOP/WHO
Sent: Wednesday, April 5, 2017 9:04 PM
Subject: Staff and Guest Travel Instructions: 4/06-4/09

Good evening,

You are receiving this email as a confirmed staff member or guest accompanying The President on his upcoming trip to Palm Beach, FL. Attached please find tomorrow's Staff and Guest Instructions as well as the Staff Contact Sheet. A full travel schedule will be circulated through this email chain shortly.

Please note:

b7(E)

Tomorrow's full travel will be distributed shortly. Please let me know if you have any questions.

Thank you,
Ben

Benjamin Weiser

Desk: **b(6)**

Cell: **b(6)**

DOC Morning News Clips for Wednesday, April 05, 2017

April 5, 2017 at 4:21 AM

From "Reinert, William (Federal)"
To Undisclosed recipients: ;

DOC Morning News Clips for Wednesday, April 05, 2017

Trump Team Takes Steps to Keep Chinese Away From Westinghouse

Jenn Jacobs, Bloomberg

The Trump administration is so alarmed that Chinese investors may try to purchase Westinghouse Electric Co.'s nuclear business that U.S. officials are trying to find an American or allied buyer for the company instead, two people familiar with the matter said. Cabinet members including Energy Secretary Rick Perry and Treasury Secretary Steven Mnuchin have discussed preventing Westinghouse's purchase by a Chinese-linked company, three U.S. officials said... Perry, Mnuchin, Secretary of State Rex Tillerson and **Commerce Secretary Wilbur Ross** are involved in discussions about how the administration would address a sale of the business, the officials said.

Behind Trump's Trade Deficit Obsession: Deficient Analysis

Peter Goodman, NYT

In the world according to President Trump, trade deficits are among the clearest indication that Americans have become habitual chumps in the global marketplace. The United States sells fewer goods and services than it buys from the rest of the planet, and this is supposedly evidence that Americans are getting rolled. This is the central assumption behind Mr. Trump's repeated vow to take a meat cleaver to the North American Free Trade Agreement, redrawing the terms of commerce with Mexico.

Why trade continues to make headlines under Trump

Roger Yu, USA Today

President Trump's attention has shifted to trade once again. During the presidential race, Trump talked tough on China, suggesting the country pushed down the value of its currency to help exporters and criticized trade deals including the North American Free Trade Agreement (NAFTA) as bad for the U.S.

Experts say China has been prepping its economy for Trump-Xi meeting

Huileng Tan, CNBC

It was just last week that details of the first meeting between President Donald Trump and his Chinese counterpart, Xi Jinping, were announced, but China has already been angling to position itself positively ahead of the encounter set for this week in Florida. With Trump having repeatedly suggested on the campaign trail that China manipulated its currency to the downside, experts are saying the East Asian giant has done its best to prevent the yuan from falling further against the greenback by putting in measures to stem capital flight.

Economy Will Miss That New-Car Smell

Justin LaHart, WSJ

If Americans don't buy so many cars and trucks, will they buy other things instead? The answer could matter a lot for the economy. The auto business is shifting into lower gear. The annual pace of light-vehicle sales fell to a seasonally adjusted 17.2 million in the first quarter from 18 million. That the decline has come despite generous incentives from car companies and still-low gasoline prices suggests that sales are past their peak.

TRUMP'S FULL-COURT PRESS: Trump is expected to be accompanied in Florida by a team of Cabinet officers and senior White House officials, including Secretary of State Rex Tillerson, Defense Secretary Jim Mattis, Treasury Secretary Steven Mnuchin, Commerce Secretary Wilbur Ross, chief of staff Reince Priebus, chief strategist Steve Bannon, senior adviser Jared Kushner, National Economic Council Director Gary Cohn, and National Security Adviser Lt. Gen. H.R. McMaster, Morning Trade has been told.

HATCH LOOKS TO GET THE LIGHTHIZER SHOW ON THE ROAD: Senate Finance Chairman [Orrin Hatch](#) took a step toward getting Robert Lighthizer confirmed as U.S. trade representative on Tuesday when he scheduled a committee vote to consider the nomination for later this week. That markup — which is currently slated for Thursday, though aides said that could slip until Friday because of scheduling conflicts for some lawmakers — comes despite Democrats' insistence that Lighthizer needs a waiver because of his past work representing a foreign government.

At this point, both parties seem to be working toward a solution, likely one that rolls both the waiver and an unrelated miners benefits bill — which Democrats had initially sought to attach to the waiver — into a must-pass government funding bill that will come up later this month. "The chairman's staff and my staff are talking now about how we might secure the necessary waiver and move the nomination forward and do it in a way that would address the concern of mine workers and others," Sen. [Ron Wyden](#), the panel's ranking Democrat, told Pro Trade's Adam Behsudi when leaving the Senate Democratic caucus lunch.

A Senate aide added that there is no sign there will be a separate vote on the waiver, as everyone expects it to be folded into that short-term continuing resolution.

Democrats largely support Lighthizer, but the ongoing unresolved issue involving the miners bill leaves open the question as to how they will vote in committee. Sen. [Ben Cardin](#), for example, told Morning Trade he would have to consult with his party before making a decision on how to vote in committee if that comes before there is agreement on the waiver issue. Sen. Tom Carper added he would only vote for Lighthizer if there is a path forward on the waiver and the miners bill.

Sen. [Sherrod Brown](#) told Morning Trade he would "likely" support Lighthizer in committee, and his office said in an email that he has secured a commitment from Hatch that the miners would be taken care of in the funding bill.

As for timing, Wyden signaled it remains unclear whether the committee vote will actually happen on Thursday, partly due to the amount of time and attention this week being devoted to an inter-party fight over the confirmation of Supreme Court nominee Neil Gorsuch. If the committee vote doesn't happen this week, it will get pushed to the end of the month, as Congress is set to take off on Friday for a two-week Easter break.

CORNYN POSITIVE ON TRUMP'S NAFTA DIRECTION: Sen. [John Cornyn](#) said his initial reaction to the objectives laid out by the Trump administration for a revamped NAFTA was "pretty positive." The administration last week circulated a draft letter notifying Congress of its intent to renegotiate the deal. The draft contained some new elements, such as a tougher safeguard measure and elimination of a chapter allowing Canada or Mexico to challenge U.S. trade remedy decisions, but it also included many concepts from the TPP and a commitment to expand U.S. exports.

"I'm for whatever keeps markets open for what we grow and we make and sell in other places," the Texas Republican said on Tuesday when pressed if he supported new bilateral deals or the continuation of a trilateral arrangement.

TRUMKA: ADMINISTRATION TAKES 'TIMID' NAFTA APPROACH: AFL-CIO President Richard Trumka took a less positive view of the direction the administration is taking on NAFTA, calling the [draft letter](#) "very, very timid." "NAFTA will be the real test, and despite the president having called it the worst trade deal in history, it appears that the Trump administration could leave its most oppressive pieces in place," he said in a speech at the National Press Club on Tuesday.

Trumka outlined a few things the labor group wants to see in an updated NAFTA, including the elimination of the deal's investor-state dispute settlement mechanism, enforceable labor and environmental rules and the elimination of loopholes to domestic content requirements in government projects.

Trumka also talked about changing the standard of injury in trade cases in a way that addresses unfair trade before it causes substantial injury to an industry. "We shouldn't have to fight to be fighting to get jobs back from Mexico. We should have been able to stop them from going to Mexico," he said.

PERDUE VOTE HELD UP OVER CUBA TRADE CONCERNS: Sen. [Bob Menendez](#) (D-N.J.), an outspoken hardliner on Cuba, has been holding up the final Senate vote on Agriculture secretary nominee Sonny Perdue over concerns regarding the former Georgia governor's stance toward trade with Cuba, Pro Agriculture's Catherine Boudreau [reports](#). Menendez's concern stemmed in part from Perdue's [statement](#) during his confirmation hearing that he supports lifting restrictions on financing for U.S. exports to Cuba to allow for increased trade between the two nations.

Perdue called the New Jersey Democrat on Tuesday to discuss the concern, and Menendez is expected to lift the hold, Senate Agriculture Chairman [Pat Roberts](#) and a spokesperson for Perdue told Boudreau.

"If there aren't any more objections, it is conceivable that we can ask for unanimous consent to move the vote," Roberts said Tuesday. "That's what I'd like to do." Roberts added that unless a final vote is

held by Friday, Perdue's nomination will be delayed at least a few more weeks because of the two-week recess, which starts at the end of this week.

ROSS, McMAHON GRAB EX-IM SPEAKING SLOTS: Ross and Small Business Administration chief Linda McMahon are late additions to the speaking schedule for the Export-Import Bank's annual conference later this week. Ross will give remarks by video at Thursday's luncheon and McMahon will be in the hall to deliver a keynote speech on Friday, according to the most recent schedule.

The thousands of attendees will be eager for any hints as to how soon Trump might nominate members to the bank's board since it can't approve transactions worth more than \$10 million until it has a quorum. Trump has told Sen. Heidi Heitkamp and other senators he intends to make nominations. But there's still no word on how soon that will happen.

Last year, the bank approved just \$5 billion in financing, the lowest in 40 years, as a result of wrangling over the bank's charter and Senate Banking Chairman [Richard Shelby](#)'s refusal to hold a vote on former President Barack Obama's nominee for an empty board slot.

AMERICANS VIEW CHINA MORE FAVORABLY: A summit between Trump and Xi may not be shaping up to be a game of patty cake, as the White House put it, but the average American's view toward China is not as bad as it used to be, according to a new survey from the Pew Research Center.

The survey found that 44 percent of Americans have a favorable view of China, which is up from 37 percent a year ago. The center speculates the reason may be due to declining concerns about China's economic threat. For example, 44 percent of Americans surveyed think the trade deficit is a very serious problem, compared to 61 percent in 2012.

The softening view toward China's economic threat could be linked to fact that 58 percent of Americans now think that the country's economic situation is either very or somewhat good. Still, 52 percent of Americans continue to see China as more of an economic threat than a military one.

ANOTHER CHANCE FOR TRUMP TO SHOWCASE THE ART OF THE DEAL: Two of the policy issues that Trump railed against the most on the campaign trail — and promised to clean up as president — were NAFTA and Obamacare, which last month became his first policy fiasco in the White House. As the administration moves on from health care, officials may be poised to repeat history with the proposed NAFTA rewrite, POLITICO Magazine's Michael Grunwald reports.

Beyond complexity and political sensitivity, trade and health care don't have much in common, except for Trump's "over-the-top dystopian attacks on their disastrous stupidity, his over-the-top utopian pledges to replace them with a terrific alternative to be named later, and his blithe confidence that his negotiating partners would give him what he wanted," Grunwald writes. But it's not safe to assume either Mexico or Canada will be willing to grant concessions to Trump — particularly the former, after he labeled Mexicans "rapists" and sailed to victory promising to build a wall to keep them out of the country.

And, Grunwald notes, congressional Republicans "scuttled repeal" of Obamacare even though they all opposed it — while with NAFTA, they are almost universally support it. (Many do say, however, that the 23-year-old pact could use "an update.")

Trump meets Xi: Great expectations, big-league pressure

Doug Palmer, Politico Pro

President Donald Trump has never faced a more significant meeting than his first with Chinese President Xi Jinping, where a diplomatic storm in sunny Florida or even an inadvertent slight could roil markets — and his presidency.

Trump's challenge when he takes Xi's measure on Thursday and Friday at his Mar-a-Lago resort is to demonstrate that he can make progress on a signature campaign promise — reining in China's unfair trade practices — without triggering a broader trade war that could leave U.S. businesses, farmers and the world's lesser economies caught in the crossfire.

Xi's task is to show people back home that he is a strong leader capable of managing China's most important foreign relationship. He needs to avoid any missteps with the unpredictable American president that could derail his plans to secure at least five more years as China's "core leader," a two-stage process that begins this fall.

A rocky meeting could reverberate for years to come, coloring relations between the two global heavyweights on issues ranging from North Korea's nuclear program to freedom of navigation through the South China Sea, with spillover effects for everyone else on the planet.

"Summits are filled with dangers and opportunities," said J. Stapleton Roy, a former U.S. diplomat and ambassador to China, sounding an ominous note at a recent event hosted by the Center for Strategic and International Studies to discuss the Xi-Trump meeting.

But even though there's plenty of reasons to think things could go badly between the leaders of the world's two biggest economies, Roy said the incentives are so strong for the meeting to go well that it probably will — assuming both Trump and Xi can discuss their concerns without being disrespectful.

Roy thinks there's reason to be hopeful that decorum could win out. Of course, actions speak louder than words — but Trump's words have magnified the challenge he faces in brokering any kind of deal with Xi, on trade or otherwise.

Trump bashed China throughout last year's campaign, blaming the Asian economic powerhouse for a host of trade and currency tricks that he says have resulted in the loss of millions of U.S. manufacturing jobs.

"We can't continue to allow China to rape our country, and that's what they're doing," Trump said at the height of his push for the GOP nomination last year. "It's the greatest theft in the history of the world."

Trump has also branded the U.S. agreement to let China into the WTO as one of the worst deals in history, promised to declare China a currency manipulator on his first day in office, and infuriated the Chinese after the election by suggesting the long-established "one China policy" relating to Taiwan could be used as a bargaining chip. He hasn't acted on his currency promise, but a semi-annual Treasury Department report on foreign exchange-rate practices is due out on April 15.

Trump has backpedaled on his threat to alter the delicate relationship between China and Taiwan, but since then he “has had two lengthy telephone conversations with Xi Jinping, and they have gone well,” Roy said.

Xi, for his part, seems to have learned something about dealing with the dealmaker in the White House after Chinese State Councilor Yang Jiechi came on too strong in a meeting with the new president, key advisers and members of his family after the election.

“It turned out that wasn’t very effective,” said Bonnie Glaser, a senior adviser at the Center for Strategic and International Studies. “And the Chinese rethought their approach and decided that a charm offensive, and working, particularly, directly through the family members, would be more effective.”

That paid off when Trump’s daughter, Ivanka, and granddaughter, Arabella, made a surprise appearance at the annual Spring Festival at the Chinese Embassy in Washington.

In addition, Ivanka’s husband and senior White House official Jared Kushner has established a regular dialogue with Chinese Ambassador Cui Tiankai as part of his broad responsibility as a top adviser to his father-in-law, analysts said.

The U.S. business community is not expecting any big breakthroughs at the meeting, but hopes for a cordial event that will help the two sides tackle problems down the road.

John Frisbie, president of the U.S.-China Business Council, said that one meeting can’t solve all problems, especially one being held at the outset of an administration. “I think one of the main goals, therefore, for this first early meeting should be for the two presidents to develop a working relationship — and that would be an important outcome.”

The business world would also like the sides to establish a framework for continued engagement along the lines of the annual U.S.-China Strategic and Economic Dialogue meetings used by the Obama administration, though not necessarily in the same form.

Trump and Japanese Prime Minister Shinzo Abe established a bilateral economic dialogue led by Vice President Mike Pence and Japanese Deputy Prime Minister Taro Aso, so it is possible a similar announcement could come out of the Xi-Trump meeting, Frisbie said.

There is also an unusual reversal of roles in that Trump is perceived by many as a threat to the rules-based international trading system the U.S. helped formulate in the wake of World War II. In contrast, Xi portrayed China as a guardian of globalization and international cooperation during a speech in January at the World Economic Forum in Davos, Switzerland, despite its market being far less open than that of the United States.

Trump’s decision to walk away from the 12-nation Trans-Pacific Partnership negotiated by his predecessor, Barack Obama, in favor of pursuing bilateral deals, gave China an opening on trade — and Xi’s nation is moving to take advantage via talks on the 16-nation Regional Comprehensive Economic Partnership, which includes many TPP members as well as India, South Korea and others.

And Beijing has positioned itself in recent years as a champion of the Free Trade Area of the Asia Pacific, a proposed pact between the U.S., China and the 19 other members of the Asia-Pacific Economic Cooperation group that was supposed to be built on the backs of the TPP and RCEP agreements.

Administration officials bridle at the suggestion that China is more of a free-trader than the U.S., while arming themselves for more aggressive trade policy courtesy of a new Trump executive order directing the Commerce Department and the Office of the U.S. Trade Representative to explore to what degree unfair trade practices are responsible for the U.S. trade deficit, which totaled just over \$500 billion last year.

At the same time, Trump's nominee to be USTR, Robert Lighthizer, has suggested the U.S. could seek help from other trading partners to deal with what the Trump administration sees as China's flagrant trade abuses.

"I don't believe that the [World Trade Organization] is set up to effectively deal with a country like China and their industrial policy," Lighthizer said at his Senate confirmation hearing. "I just feel it was never really intended to deal with those kinds of situations. So, we have to use the tools we have and then I think we have to sit down with members and find a responsible way to deal with the problem by creating some new tools."

There is also the expectation that Xi, who is wrapping up his first terms as general secretary of China's communist party and president, will be better prepared than Trump. Regardless of who comes to Mar-a-Lago with a better A-game, Trump's bellicose trade rhetoric and insistence that China do more to put pressure on North Korea to end its nuclear weapons program has set the stage for their first encounter — and Xi could well come with offers on both counts.

On North Korea, for example, analysts said Xi may be willing to consider a U.S. demand that he clamp down on Pyongyang's access to the international financial system to make life harder for North Korean leader Kim Jong Un and other top officials.

"There are things that Xi Jinping can do," Glaser said. "The question is, what the ask will be. If the ask is to shut down energy supplies to North Korea, I think the answer will be no. China's policy, in my view, has not fundamentally changed. That is, there is a willingness to pressure North Korea under the condition that it does not cause instability within that country."

On the trade front, Xi "could easily talk about things like voluntary [export] restraint agreements on steel, autos, auto parts, other neuralgic sectors," said Kevin Nealer, a principle at the Scowcroft Group, which advises clients on investing in foreign markets. "He could tell a story about a transformed U.S.-China trade relationship and a conversation that's richer and better."

Xi also could tout the job-creating benefits of Chinese investment in the U.S., which grew from \$3 billion in 2005 to \$123 billion in 2015 and is expected to continue to rise sharply in coming years.

The U.S.-China Business Council has urged the Trump administration to help that along by concluding talks on a bilateral investment treaty that would also dismantle many of China's barriers to foreign businesses.

But in a recent report, the U.S. Chamber of Commerce expressed doubt that an investment pact is the right tool to address many of China's industrial trade policies. Industry officials also say there is the possibility of some deals being announced while Xi is in Florida, which is pretty much standard practice for Chinese leader visits.

In the end, even a consensus-building summit may not persuade Trump to completely drop plans to ratchet up the pressure on China on the economic front, given his responsibilities to his political base and decades-old passion on the subject.

“There’s every reason to think the administration’s going to move ahead,” Nealer said.

DRIVING THE DAY — Several members of President Donald Trump's cabinet, along with a potential new addition to the roster of agency leaders, are on Capitol Hill today.

The Senate HELP Committee is scheduled to hold a confirmation hearing this morning on Scott Gottlieb's nomination to lead the FDA. It's likely that Gottlieb's deep ties to the drug industry will draw criticism from lawmakers, although he is widely expected to be confirmed.

Homeland Security Secretary John Kelly will testify at a Senate Homeland Security hearing on improving border security, while Small Business Administration head Linda McMahon is on the witness list for a House Small Business huddle. In a closed meeting, CIA Director Mike Pompeo and NSA Director Admiral Mike Rogers are slated to speak to Senate appropriators.

Rounding out the day, House Ways and Means chair Kevin Brady will meet with ranking member Richard Neal and other Democrats on the panel today to talk tax overhaul.

POTUS’s Schedule — 10 a.m. Trump receives his daily intelligence briefing. Oval Office.

— 11:55 a.m. Trump and **Melania Trump** welcome King **Abdullah** and Queen **Rania** of Jordan. Stakeout.

— 12:10 p.m. Trump meets with Abdullah. Oval Office.

— 12:30 p.m. Trump leads an expanded bilateral meeting with Abdullah. Cabinet Room.

— 1:10 p.m. Trump and Abdullah hold a joint press conference. Rose Garden.

— 1:45 p.m. Trump has a working lunch with Abdullah. State Dining Room.

VPOTUS’s Schedule

None given.

HOUSE FLOOR

The House will meet at 10 a.m. for morning hour and at noon for legislative business. First votes are expected from 1:30 p.m. to 2:30 p.m. and last votes are expected from 4 p.m. to 5 p.m. Lawmakers are scheduled to consider three bills.

— H.R. 1667: It would make changes to Chapter 11 of the Bankruptcy Code.

— S. 544: It would extend the Veterans' Choice Program past its August expiration.

— H.R. 1304: It would exclude stop-loss insurance from the definition of health insurance coverage.

SENATE FLOOR

The Senate will convene at 9:30 a.m. to resume consideration of **Neil Gorsuch's** nomination to join the Supreme Court.

b(5) - DP / PCP

- March 15, 2017

March 10, 2017 at 8:03 AM

From "Eisner-Poor, Kaitlyn E. EOP/WHO"

Cc "Marquis, Ashley H. EOP/WHO"

Morning,

b(5) - DP / PCP

Please confirm your attendance by Tuesday at 10 AM.

Due to limited space we cannot accommodate plus ones or proxies.

Thank you,

Kaitlyn

(b)(5) - DPP

DOC Morning News Clips for Friday, June 09, 2017

June 9, 2017 at 4 33 AM

From "Reinert, William (Federal)"

To Undisclosed recipients: ;

DOC Morning News Clips for Friday, June 09, 2017

U.S. business group urges trade fixes ahead of China's party congress

Reuters

A U.S. business lobby in China said on Thursday that Washington should use leverage afforded by China's desire to avoid trade frictions with the United States ahead of its Communist Party Congress this fall in order to fix market access discrepancies. Beijing and Washington agreed to 100 days of trade talks after U.S. President Donald Trump met his counterpart Xi Jinping in April, aimed at cutting last year's \$347 billion U.S. trade in goods deficit with the world's second largest economy.

Canada's premiers leave D.C. hopeful

Hamilton Spectator

Canada's premiers have left a series of meetings in Washington expressing hope that the upcoming renegotiation of NAFTA will be quick and relatively pain-free, rather than a drawn-out bargaining slugfest. Eight provincial and territorial leaders were in town for meetings this week with U.S. administration officials, lawmakers, and businesses as they gathered insights on the upcoming North American Free Trade Agreement talks.

Ross regrets Trump proposal to cut 'effective' program

The Hill

Commerce Secretary Wilbur Ross on Thursday expressed regret that President Trump's budget proposal suggests cutting a program he said was "effective." At a Senate Appropriations Committee hearing on the administration's budget blueprint, Ross faced questions from both sides of the aisle on a variety of programs slated for elimination.

ITC TO ISSUE PRELIMINARY BOMBARDIER RULING: The U.S. International Trade Commission is scheduled to make a preliminary injury determination today in a case where Boeing has accused Canadian aircraft maker Bombardier of dumping and unfairly using government subsidies to sell its new C-Series jets in the U.S. at a lower price. The decision is sure to keep the heat on what has become a simmering trade relationship between the U.S. and Canada.

The ITC often issues affirmative preliminary injury determinations since the threshold of "reasonable indication" is an easy threshold for aggrieved companies to initially meet.

The case is already having a ripple effect on relations between the two countries. Canadian Prime Minister Justin Trudeau's new defense policy unveiled this week defers a plan to purchase 18 of Boeing's F/A-18E/F Super Hornet fighter jets. After Commerce initiated the investigation, Canadian Foreign Minister Chrystia Freeland said the government would review military procurement that relates to Boeing because of the case. The decision to hold back on the interim purchase puts in question Boeing's ability to capture the contract for the entire 88-jet fleet Canada hopes to acquire under its new defense policy. In the defense policy report released Wednesday, Canada said it was "continuing to explore" the acquisition of interim aircraft, reversing course on a decision to move ahead with the purchase. Stay tuned for more on this later today.

ROSS ROSY ON PROSPECTS TO RESTRICT STEEL IMPORTS: Commerce Secretary Wilbur Ross sees a strong argument to restrict steel imports on national security grounds, raising prospects that the results of a Section 232 import probe — which a source told POLITICO is likely to be sent to Trump next week — will result in steps to curb imports. In testimony before a Senate Appropriations subcommittee hearing on the Commerce Department budget on Thursday, Ross outlined three different ways Trump could move to ensure that the steel industry is healthy enough to meet U.S. military demands.

While he noted that it remains an open question whether the administration would move forward on this, he listed that the options would be imposing tariffs on top of any anti-dumping or countervailing duties already imposed on imports; setting quotas restricting the volume of imports from individual countries; or using a combination of the two, known as a tariff-rate quota.

"There is a genuine national security issue that must be considered," Ross said in response to a question from Sen. John Kennedy (R-La.) at the hearing. "Steel is used in over 10,000 different products that the military needs, and there's no steel mill in the country that can operate just on government business."

Ross, who made his fortune turning around companies in distressed industries like textiles and steel, seemed to indicate he preferred the last option because it would have a "relatively modest" impact on inflation. Quotas would be based on the historical shipment levels from individual countries and additional duties would be imposed on top of that, he said.

"We're very mindful of the need both to protect domestic steel producers from inappropriate behavior on the part of foreign dumpers, but also to protect the steel consumers, the steel fabricators, the auto companies, everybody else who uses steel," Ross said. "So in the event we come with a recommendation, it will be, I hope, a thoughtful one and one that reflects the balance of the needs of these various segments."

FINANCE TRADE COUNSEL JOINS WHITE HOUSE SENIOR STAFF: The White House formally announced Thursday evening that Everett Eissenstat, the chief Republican trade counsel on the Senate Finance Committee, will join senior staff at 1600 Pennsylvania Avenue as deputy director of the National Economic Council. This confirms a POLITICO report from June 1 detailing the move.

In addition to sitting as No. 2 on the NEC, Eissenstat, a former assistant U.S. trade representative for the Americas, will also serve as deputy assistant to the president for international economic affairs. He will be Trump's lead representative for international summits on economic affairs, including the G-7, G-20 and APEC.

– **Warren takes top trade spot on Finance:** Shane Warren, a USTR veteran who has worked as international trade counsel on the Finance Committee since 2013, will take Eissenstat's role at the panel, Senate Finance Committee Chairman Orrin Hatch announced later on Thursday. Warren led the team that worked to pass Trade Promotion Authority, also known as fast-track legislation, as well as customs, preferences and miscellaneous tariff laws, Hatch said.

"Shane's expertise and counsel will be critical to the committee as we navigate new challenges and push a strong, pro-growth trade agenda that will bring new opportunities for all Americans," the Utah Republican said.

Before joining Finance, Warren worked as assistant general counsel for USTR in Washington and Geneva, where he represented the U.S. at the WTO and also provided legal support for negotiations.

CANADIAN, U.S., MEXICAN GOVERNORS GATHERING TO TALK NAFTA: Governors and premiers from Mexico, Canada and the U.S. will hold a July 14 summit in Rhode Island to discuss their priorities for the renegotiation of NAFTA. The meeting will be critical in discussing the role that states and local governments play in the renegotiation of the trade deal, according to a statement from CONAGO, Mexico's National Conference of Governors.

"To paraphrase Mr. Trump, what we are looking for is to make the free trade agreement great again – for all three nations and their people," CONAGO President Miguel Angel Mancera said in a statement.

The announcement comes after a group of Canadian premiers from Ontario, Manitoba, Prince Edward Island, Newfoundland and Labrador and the Northwest Territories met with Mancera and Claudia Pavlovich, governor of Mexico's Sonora state.

BRADY PUSHES BACK ON VAT: A day after Hatch expressed an openness to considering a value-added tax system, House Ways and Means Chairman Kevin Brady (R-Texas) shut the door on the idea that such a provision could be used as a replacement for a border adjustment tax, Pro Tax's Colin Wilhelm reports.

"I'm not" open to a VAT, said Brady, who helped write the House GOP tax reform blueprint that centers on the controversial border adjustment provision. That puts him at odds not only with Hatch but also Trump and Treasury Secretary Steven Mnuchin, who have both spoken favorably of the concept, though Republicans have long opposed the idea in conjunction with traditional income taxes.

Brady added that his tax policy committee is still focused on finishing tax reform this year.

ENERGY-STATE SENATORS WANT NO TARIFFS ON ENERGY PRODUCTS IN NAFTA 2.0: A bipartisan group of senators with major energy interests in their states submitted a list of specific "principles" that the Trump administration should consider when it renegotiates NAFTA – demands that include the free flow of oil, gas and other energy-related products.

"NAFTA has played a key role in all North American energy markets including electricity, renewable, oil, and natural gas, as each market is highly integrated with and remains dependent on vital energy infrastructure and trade crossings that border the United States, Canada, and Mexico," eight lawmakers wrote in a letter organized by Sen. John Cornyn (R-Texas).

In the letter addressed to Lighthizer, the senators set out eight points that should be considered "to protect American energy consumers and producers and enhance U.S. energy security."

First on the list is the demand that any revised deal allow for the free flow of electricity, oil, natural gas, refined products, petrochemicals and other energy-intensive manufactured goods. The lawmakers also want zero tariffs on all energy products; competitive and transparent bidding for licenses; investor protections; and product-specific rules to allow the use of diluent, a lubricant added to crude oil for pipeline transit of oil, among other things.

U.S. STANDS ALONE AFTER OECD: A two-day meeting of the Organization for Economic Cooperation and Development's ministerial council ended on Thursday with a joint statement that avoided entirely the topics of trade, investment and climate — three areas where efforts to reach consensus on the text broke down after resistance from the United States.

Instead of addressing them in the joint text, OECD Chairman Lars Løkke Rasmussen of Denmark released a separate statement noting only that there was "near consensus" among members to "resist all forms of protectionism" and to fully implement the Paris climate agreement, though he did not point to any specific countries by name.

Other areas listed where members found near but incomplete consensus included committing to rules-based free international trade and investment; highlighting the importance of wrapping up the Environmental Goods Agreement and the Trade in Services Agreement; and addressing "the importance of reaffirming standstill and rollback commitments to resist all forms of protectionism, and to stand firm against unfair trade practices and urge all countries to abide by international trade rules."

— **U.S. focuses on enforcement:** The chairman's statement stood in contrast to one released by USTR in response, which discussed trade almost entirely in terms of how to combat trade barriers and enforce existing trade agreements. While the U.S. continues to believe in free and fair trade, it also believes unfair trading practices have "disadvantaged workers, farmers, ranchers and businesses in global markets and can result in large, persistent trade imbalances," it said.

In a clear sign that the administration has moved entirely beyond Trump's previous threats to withdraw from the WTO if it stood in his way, USTR also pledged to pursue trade remedy proceedings within the confines of the global trading body and emphasized the importance both of international trading systems generally and the need to work with trading partners to improve the institution's functioning.

"We stress the importance of achieving access to markets through the elimination of barriers and unfair trading practices," the statement said, naming dumping, non-tariff barriers and subsidies as some trade-distorting practices the U.S. would like to combat.

We've seen this show before: This split-screen outcome is reminiscent of the Asia-Pacific Economic Cooperation leaders summit last month, when the meeting's chairman issued a separate statement after Lighthizer opposed a reference to "protectionist trends." At that gathering, which was Lighthizer's first trip abroad, ministers ultimately put out an action plan rather than the traditional joint statement, and Vietnamese Minister of Industry and Trade Tran Tuan Anh, the meeting's chairman, made his own statement that echoed the views of the 20 other APEC nations and reportedly countered the U.S. position.

Not to be forgotten, either, are the G-20 and G-7 statements, where phrases pledging to "resist all forms for protectionism" were removed at the urging of the United States.

TRUMP PICKS SCARAMUCCI FOR OECD AMBASSADOR: In other OECD news, financier Anthony Scaramucci is expected to be named ambassador to the organization, a Paris-based club of mostly rich countries, according to people familiar with the matter. Scaramucci, the founder of a hedge fund that he put up for sale after the election, worked on the Trump transition team.

He had been under consideration for a top West Wing director position, equivalent to the one held by Valerie Jarrett under President Barack Obama, but POLITICO reported in January that White House chief of staff Reince Priebus asked Scaramucci to pull out of consideration because of complications related to the sale of his stake in SkyBridge Capital, the investment firm he started. At the time, Scaramucci was offered an ambassadorship or other government role but declined it.

MERKEL SAYS 'HOLA' TO MEXICO: German Chancellor Angela Merkel is slated to arrive in Mexico today to help push forward negotiations surrounding the updating of a free-trade deal between the European

Union and Mexico, one that has taken on new urgency amid Trump's threats to pull out of NAFTA or hit the United States' southern neighbor with punitive tariffs or other barriers. The upgraded EU-Mexico deal would seek to boost a host of other sectors ranging from Mexican food exports – think bananas, avocados and tuna – to Spanish banking services, POLITICO Pro Europe's Florian Wicki and Jakob Hanke report.

The industrial and auto sectors in both Mexico and the EU benefit the most from the current trading arrangement, which was implemented in 2000. But mutual recognition of standards for medical technology products would make life easier for European producers, Björn Lisker, spokesman for the German chamber of commerce in Mexico, told Wicki and Hanke. Regulations surrounding European banks and restrictions surrounding trade in agricultural products could also both be removed, added Carlos Serrano, chief economist at BBVA Bancomer Mexico.

While the upgrade was already underway - it launched last year – it has recently become more pressing as trade ties with the United States have become more strained. "U.S. President Trump's threats to impose punitive tariffs on imports from Mexico are piling the pressure to quickly diversify the trade," Lisker said.

SCOTT BROWN HEADED TO AUCKLAND: The former Massachusetts Republican senator is on his way to New Zealand after the Senate voted on Thursday to confirm his nomination to be U.S. ambassador to New Zealand and the independent state of Samoa. The 94-4 vote comes about six weeks after Trump officially sent his appointment to the Senate in late April. An early Trump supporter who was once floated as a potential vice-presidential pick, Brown will become just the sixth confirmed ambassador in place at the Trump administration's State Department, according to a tracker by the nonpartisan Partnership for Public Service and The Washington Post.

Just four Democrats voted against Brown's nomination: Sens. Cory Booker (N.J.), Kirsten Gillibrand (N.Y.), Kamala Harris (Calif.) and Brian Schatz (Hawaii). Two senators did not vote: Lamar Alexander (R-Tenn.) and Robert Menendez (D-N.J.).

– **Hagerty one step closer to Tokyo:** The Brown vote came just a day after the Senate Foreign Relations panel voted to move to the Senate floor the nomination of Bill Hagerty, a Vanderbilt University graduate whom Trump tapped to serve as U.S. ambassador to Japan. Hagerty served as a White House fellow under President George H.W. Bush before launching a career in private equity.

DRIVING THE DAY – President **Donald Trump** is expected to wrap up his so-called infrastructure week today with a speech at the Department of Transportation about overhauling regulations around roads and rail, focusing on changes to the federal permitting process, Lauren Gardner reports.

Although the House (and the Senate) are out today, Secretary of State **Rex Tillerson** has a working breakfast with members of the House Foreign Affairs Committee at the State Department. Then later this afternoon at the agency, Tillerson will host a swearing-in ceremony for Deputy Secretary of State **John Sullivan**.

Some members of the House Freedom Caucus also won't leave town for the weekend just yet. Reps. **Mark Meadows, Dave Brat, Warren Davidson, Jim Jordan** and **Mark Sanford** will discuss tax reform at the conservative Heritage Foundation today.

HOUSE FLOOR

The House is not in session.

SENATE FLOOR

The Senate also is out.

POTUS HAPPENINGS

- 10 a.m. President Donald Trump receives his daily intelligence briefing. Oval Office.
- 11 a.m. Trump participates in the Roads, Rails, and Regulatory Relief Roundtable. Department of Transportation.
- 11:30 a.m. Trump delivers remarks. Department of Transportation.
- 11:55 a.m. Trump arrives at the White House.
- 2 p.m. Trump greets Romanian President **Klaus Iohannis**. Stakeout Area.
- 2:05 p.m. Trump holds a bilateral meeting with Iohannis. Oval Office.
- 2:15 p.m. Trump holds an expanded bilateral meeting with Iohannis. Cabinet Room.
- 2:45 p.m. Trump holds a joint press conference with Iohannis. Rose Garden.
- 5:10 p.m. Trump arrives in Newark, New Jersey. Newark Liberty Airport.
- 5:40 p.m. Trump arrives Bedminster, New Jersey.

VPOTUS DIGEST

- 10:50 a.m. Vice President **Mike Pence** arrives in Marietta, Georgia. Dobbins Air Reserve Base.

- 11:05 a.m. Pence delivers remarks to airmen, service members and their families. Dobbins Air Reserve Base.
- 12:55 p.m. Pence attends a Karen Handel for Congress luncheon. Cobb Energy Performing Arts Centre.
- 4:15 p.m. Pence arrives in D.C. Joint Base Andrews.

DOC Morning News Clips for Thursday, July 20, 2017

July 20, 2017 at 4:48 AM

From "Reinert, William (Federal)"

To Undisclosed recipients: ;

DOC Morning News Clips for Thursday, July 20, 2017

Russia-US trade up 21.25%

Global Trade Review

Trade between Russia and the US has increased by over 21.25% for the first five months of the year, despite ongoing sanctions against Russia. Trade between the two countries increased from US\$7.53bn to US\$9.13bn for January to May, when compared to the same period last year, according to a WorldCity analysis of latest US Census Bureau data. According to Russia's Federal Customs Service, as reported by Sputnik, trade between the two countries was up 24.6% to US\$8.7bn for the period.

US-China trade talks produce few concrete results

Financial Times

The US and China have ended two days of high-level economic talks with vows to co-operate on tackling their huge trade imbalance — but without producing any concrete measures to do so. The pledges followed negotiations that some experts said showed little progress had been made towards resolving the countries' economic differences. The meetings came after the 100-day period of negotiations launched in April by US President Donald Trump and his Chinese counterpart Xi Jinping.

U.S., China Fail to Agree on Trade Issues, Casting Doubt on Other Issues

NYT

The United States and China failed on Wednesday to agree on major new steps to reduce the U.S. trade deficit with China, casting doubt over President Donald Trump's economic and security relations with Beijing. The annual economic dialogue session in Washington ended with canceled news conferences, no joint statement and no new announcements on U.S. market access to China.

-
-
STEEL TOPPLES U.S.-CHINA TALKS: A disagreement over how much China should reduce its excess steel production capacity appears to have dominated the first meeting of the U.S.-China Comprehensive Economic Dialogue on Wednesday and blocked progress on other issues, sources following the talks said.

The U.S. government did not explain why the high-profile meeting produced just one result: China's acknowledgement "of our shared objective to reduce the trade deficit, which both sides will work cooperatively to achieve," according to Treasury Secretary Steven Mnuchin and Commerce Secretary Wilbur Ross' joint statement.

But China apparently balked at U.S. pressure to agree to specific cuts in production capacity and the United States was unwilling to move onto other concerns, industry sources said. An early sign that the talks were in trouble came in the morning, when the United States and then China canceled press conferences planned for the afternoon.

"We are disappointed the Comprehensive Economic Dialogue ended at an apparent impasse," John Frisbie, chairman of the U.S.-China Business Council, said in an email to Morning Trade. "It is important for governments to take tangible steps to address long-standing issues and ensure the commercial relationship remains a source of stability in the overall relationship."

The failure to make any meaningful progress on excess capacity could motivate President Donald Trump to accelerate his consideration of tariffs to restrict steel and aluminum imports. The next step

would be for Ross to give the White House his recommendations for curbing steel imports to protect national security – which could happen as soon as this week.

WANG: DIALOGUE NOT THE SAME AS NEGOTIATION: Chinese Vice Premier Wang Yang also sent an early signal that there could be no big breakthroughs on Wednesday. "Let me stress here that dialogue and negotiation are different from each other," he said during opening comments at the CED meeting. "The core objective of negotiation is to have visible and tangible results, but the primary task of dialogue is to increase mutual understanding, mutual trust and consensus."

"Dialogue cannot immediately address all differences, but confrontation will immediately damage the interests of both," Wang also said. He closed his speech by returning to his main theme of the benefits of slow-but-steady cooperation by quoting a passage from Trump's 2009 book "Think Like a Champion."

"President Trump said, 'Coming together is a beginning, keeping together is progress and working together is a success,'" Wang told Ross, Mnuchin and other top Trump administration aides. "China is ready to work together with the U.S. and make sure this CED will build on existing achievements and achieve win-win results."

MARK YOUR CALENDARS: A MID-AUGUST NAFTA LAUNCH: What we've been hearing for weeks was finally made official on Wednesday: The United States, Canada and Mexico will sit down together for the first round of talks to formally reopen NAFTA on Aug. 16 in Washington. That initial meeting will kick off a five-day round of talks scheduled to wrap up on Sunday, Aug. 20, USTR announced.

It also means USTR is wasting no time in getting started, as Aug. 16 marks the earliest possible day negotiations can begin after the mandatory 90-day consultation period with Congress concludes.

The three countries have yet to confirm subsequent rounds of talks, a USTR spokeswoman told Morning Trade. But a Reuters report quoted Mexican officials saying the three countries had agreed to hold seven rounds of negotiations at three-week intervals – a timeline that, assuming talks were concluded by the end of the seventh round, would allow officials to wrap up by Mexico's stated goal of early 2018, before its presidential elections are well underway. The report also said the location of talks would alternate among the three countries, and that the second round is set for Mexico. None of the three governments, however, would officially confirm the report to Morning Trade.

A MINI-MELEU OVER MELLE: Leading the NAFTA charge for the United States will be USTR career veteran John Melle, who's the assistant U.S. trade representative for the Western Hemisphere. (Of note: Morning Trade speculated back in May that if past is prologue, Melle was likely to take the head role given that his counterpart in the Asia-Pacific region had taken the lead on Trans-Pacific Partnership negotiations.)

Melle, who joined USTR in 1988, has for decades overseen trade policy in the North American region and has been in his current role since 2011. But his relatively unsurprising appointment as chief NAFTA negotiator angered some progressive groups who view his past involvement in implementation of the deal – plus comments from congressional testimony in 2006 that NAFTA has been a "tremendous success" – as indications that he would not push to make major changes.

"This administration is asking a fox to guard the henhouse by tapping a staunch NAFTA defender to renegotiate the corporate trade deal that he helped oversee," Sierra Club Trade Program Director Ben Beachy said in a statement. "With this announcement, Donald Trump has confirmed that he has no intention of fulfilling his promise to the American people that he would fix NAFTA. Mere tweaks will not suffice for a fundamentally flawed deal that has eroded wages and increased pollution."

– **Melle's company:** Melle's counterpart in Mexico City – Undersecretary for Foreign Trade Juan Carlos Baker – will be at the helm for Mexico throughout the negotiations, and he will also be working hand-in-hand with Mexican Economy Secretary Ildefonso Guajardo. Canada has appointed

veteran trade negotiator Steve Verheul to take the lead for Ottawa, according to multiple reports in Canadian media.

LIAM FOX TO LAY GROUNDWORK FOR U.K.-U.S. TRADE DEAL NEXT WEEK: The United Kingdom might not be able to formally negotiate trade deals until it completes its exit from the European Union, but U.K. International Trade Secretary Liam Fox will aim to get the ball rolling next week during a visit to Washington, where he will discuss his country's desire to reach a number of "continuity agreements" with the United States, business and government sources told Morning Trade.

Fox will be in Washington on July 24 and 25 for an initial meeting of a bilateral working trade and investment group.

"The early discussions will focus on laying the groundwork for commercial continuity for U.S. and U.K. businesses as the U.K. leaves the EU and exploring possible ways to strengthen trade and commercial ties, consistent with the EU's common commercial policy," a U.S. trade official said. "These discussions will also provide a mechanism for preparing the ground for a potential future trade agreement once the U.K. leaves the EU." Read more here.

PASCRELL PUSHES LIGHTHIZER OVER COLOMBIAN LABOR RIGHTS: House Democrats are seeking to put Colombia's labor rights issues back in the spotlight, sending a letter to Lighthizer and Labor Secretary Alexander Acosta on Wednesday calling attention to Bogota's "continued failure" to implement and enforce standards it agreed to under bilateral trade agreements.

The letter, which was also signed by nine other House Democrats and members of the Congressional Monitoring Group on Labor Rights in Colombia, called attention to a Labor Department report from January noting that it had "significant concerns" about the country's labor standards and committing to judge Colombia's progress within nine months.

"Does your administration agree with the findings in the report and does it intend to comply with the timeline established in the report?" the lawmakers asked. "Further, what are your specific plans and strategies to ensure that the Colombian government lives up to its labor commitments?"

The lawmakers also urged the Labor Department to act swiftly to fill two positions in the agency that it said are key to government efforts surrounding Colombian labor issues – the deputy undersecretary for international affairs and the labor attaché position.

THE AWKWARD BALANCING ACT OF SECTION 232 RESTRICTIONS: As the Section 232 case examining whether to limit imports of steel for national security reasons rumbles on, U.S. manufacturers and companies are somewhat at odds over what the ideal outcome would be. Domestic steelmakers are largely supportive of potential import restrictions that would keep cheap overseas products out of the U.S. market, while companies that use the material in their products say limits could backfire and hurt them economically,

One industry that could suffer as collateral damage in the event that Commerce does decide to implement restrictions is the canning industry, where companies use steel in cans to package food. For example, Pacific Coast Producers, a fruit and vegetable canning cooperative owned by over 150 family farms, cans its produce with tin-covered steel known as tinfoil. The firm gets two-thirds of its tinfoil from domestic sources, but its executives still worry that tightening the supply will raise prices and potentially make it impossible to produce enough cans.

That company and others in the sector have lobbied the administration not to restrict the imports or to make sure they do not affect U.S. industries that need access to the material in order to remain competitive internationally. The Trump administration, however, hasn't signaled that it would make any exceptions.

STEEL INDUSTRY: 'WTF' IS HAPPENING WITH 232 REPORT? Steel industry sources reported nothing earth shattering from meetings company executives had on Tuesday with Ross and White House chief of staff Reince Priebus. The meetings were requested by steel companies eagerly awaiting the results of a national security investigation that could lead to trade restrictions on steel imports.

The group of steel company executives received no details on the timeline and no specifics on the remedies that might result from the investigations, sources said. With the focus on health care and the bilateral economic dialogue with China this week, sources said they were doubtful the report, made possible by Section 232 of the Trade Expansion Act of 1962, would be submitted by Friday. The report on whether steel imports pose a national security risk is the subject of intense debate within the administration as Trump's nationalists square off with the globalists over the scope and nature of any trade action to be recommended to the president.

Meanwhile, sources told Morning Trade that the industry is managing its expectations that the report's delay means Trump might temper any trade action. Opponents of any trade restrictions, which includes major agriculture groups and the U.S. Chamber of Commerce, are also using the extra time to hammer their message about the negative consequences any major action might have.

"A lot of people are beginning to have a WTF attitude," one steel industry source said.

CONGRESS GIVES CLARITY ON DIGITAL TRADE PRIORITIES: House lawmakers' priorities for specific digital trade provisions to be included in NAFTA 2.0 are beginning to come into focus, with 18 members of the digital trade caucus asking Lighthizer to push for rules surrounding cross-border data flows and localization requirements in the renegotiated deal.

"As you begin negotiations to modernize NAFTA later this year, we encourage you to include a digital trade framework that will strengthen the North American market and set important precedents for future trade agreements around the world," members of the bipartisan caucus, led by Reps. Erik Paulsen (R-Minn.) and Suzan DelBene (D-Wash.), wrote in a letter, which was obtained by POLITICO. Specifically, they asked Lighthizer to push to limit restrictions on cross-border data flows and eliminate data localization requirements. They also listed as priorities streamlined customs procedures, "meaningful" de minimis thresholds and reduced regulations, like licensing requirements.

The intellectual property chapter should also be updated, they wrote, and a clear legal framework be implemented to address so-called "safe harbors" and liability for third-party content.

"Through these modernizations, we believe trade can work for more Americans, while increasing U.S. innovation, competitiveness, economic growth and job creation," the lawmakers wrote. "We look forward to partnering closely with you on these critical negotiations."

DRIVING THE DAY — Exactly six months ago today, President **Donald Trump** was sworn into office. OMB will mark the occasion by releasing the Trump administration's first update of the "Unified Agenda," a twice-a-year compilation of planned or expected regulatory actions across the executive branch.

On Capitol Hill, congressional panels will consider a pair of Trump nominees to the FBI and Treasury Department this morning. Here's what's on the schedule:

First up: The Senate Judiciary Committee will vote on **Christopher Wray's** nomination to be FBI director. A spokesperson for Senate Majority Leader **Mitch McConnell** said the Kentucky Republican plans to install Wray as head of the FBI before senators leave for the August recess, .

Shortly after: The Senate Finance Committee will vote on **David Kautter** , Trump's pick to be Treasury assistant secretary for tax policy. If ultimately confirmed by the full Senate, Kautter would get to work on tax reform.

HOUSE FLOOR

The House will meet at 9 a.m. for legislative business. First and last votes are expected from 11 a.m. to 12 p.m. Lawmakers will complete consideration of H.R. 218 (115), a bill that would authorize the transfer of federal land to Alaska to build the state's road between an isolated Alaskan village and a neighboring community with an all-weather airport. Members also will consider H.R. 2825 (115), which would reauthorize the Department of Homeland Security, under suspension of the rules.

SENATE FLOOR

The Senate will convene at 10 a.m. and resume consideration of **John Bush**'s nomination to be U.S Circuit Court Judge for the 6th Circuit. At 12:15 p.m., lawmakers will vote on Bush's confirmation. Then at 1:45 p.m., senators will vote on the motion to invoke cloture on **David Bernhardt**'s nomination to be deputy Interior secretary.

POTUS HAPPENINGS

- 10:05 a.m. Trump participates in a Pol-Mil session. Pentagon.
- 3 p.m. Pence makes an announcement regarding a pharmaceutical glass packaging initiative. Roosevelt Room.

VPOTUS DIGEST

- 10 a.m. Pence joins Trump to participate in a Pol-Mil session.
- 1:30 p.m. Pence participates in an interview with Fox News' **Tucker Carlson**. Vice President's Ceremonial Office.
- 2:10 p.m. Pence participates in an interview with **Sean Hannity** of The Sean Hannity Show. West Wing Office.

DOC Morning News Clips for Wednesday, July 12, 2017

July 12, 2017 at 4 36 AM

From "Reinert, William (Federal)"

To Undisclosed recipients: ;

DOC Morning News Clips for Wednesday, July 12, 2017

Merkel reiterates support for US-EU trade deal

St Louis Post Dispatch

German Chancellor Angela Merkel says she's open to restarting talks with the United States on a trade deal with the European Union. The dpa news agency reported Tuesday that Merkel told a business audience in Bavaria that President Donald Trump's administration had signaled it is ready to negotiate and that "for me a Trans-Atlantic agreement remains on the daily agenda."

Canadian Nursing Home Deal Spurs Questions About Chinese Money

NYT

No nursing home wants to be known for uncertainty and intrigue. So a Canadian retirement home chain found itself in an uncomfortable position last year when it agreed to be bought by a politically connected Chinese company with a shadowy group of owners. Regulators approved the deal even though the buyer was under regulatory scrutiny in the United States, and while critics in Canada questioned the identities of its local representatives.

How Trump administration ended great Jersey fish fight

NJ.com

President Donald Trump's administration sided with New Jersey Tuesday in a dispute over catch limits for summer flounder that threatened to shut down the entire fishing season. Commerce Secretary Wilbur Ross approved the state's Marine Fisheries Council proposal for 24 fewer fishing days but a smaller minimum size for fish, rather than the limits imposed by the Atlantic States Marine Fisheries Commission.

Ross, New Brunswick's premier to talk softwood lumber and NAFTA on Wednesday

Inside US Trade

New Brunswick's premier will meet on Wednesday with Commerce Secretary Wilbur Ross to discuss the U.S.-Canadian softwood lumber dispute, according to Canadian media reports. Brian Gallant said in a statement that NAFTA will also be on the agenda, the Canadian Press reported. Gallant has said he wants his province to be exempt from duties imposed by the U.S. on softwood lumber. Commerce announced in late June that it would exempt Newfoundland and Labrador, Nova Scotia, and Prince Edward Island.

Trump nominates China critic as deputy U.S. trade representative

Reuters

U.S. President Donald Trump has nominated Dennis Shea, vice chairman of a congressional commission that has been highly critical of China, as deputy U.S. Trade Representative, the White House said on Tuesday. The move adds another China trade hawk to Trump's trade policy team, joining USTR Robert Lighthizer, Commerce Secretary Wilbur Ross and Peter Navarro, the White House director of trade and industrial policy.

OPINION: Provinces can complicate Ottawa's Trump strategy

Chronicle Herald

Canada needs to be firing on all diplomatic cylinders in negotiating with the Donald Trump White House. It requires a concerted, sophisticated effort from Canadian diplomats in Washington, officials

in Global Affairs Canada, senior PMO strategists and business people with corporate contacts in the United States.

Census pares down critical dress rehearsal

FCW

The Census Bureau's decisions to pare down operations and tests of IT systems to manage its finances in advance of the decennial count have extended to the critical 2018 dress rehearsal. The 2018 end-to-end test, for which preparations and hiring are set to begin in less than a month, serves as the final, large-scale test of census operations before the 2020 main event.

NAFTA BACK IN THE CAPITOL HILL CROSSHAIRS: With the Trump administration expected to release its list of negotiating objectives for the renegotiation of NAFTA on Monday, lawmakers on Capitol Hill expect a briefing sometime this week on what exactly U.S. officials will be pushing for, a Senate Finance Committee aide told Morning Trade.

On the House side, the Ways and Means Trade Subcommittee will hold a hearing Tuesday to examine the administration's plan to modernize the deal and to evaluate how successful the agreement has been for the U.S. economy and job market.

"NAFTA has been remarkably successful for American workers, businesses, farmers, and consumers, but the world has changed so much since it was negotiated in 1993," Trade Subcommittee Chairman Dave Reichert (R-Wash.) said in a statement announcing the hearing. "We have an opportunity now to improve and update NAFTA to make it a stronger agreement that opens markets for U.S. goods and services and holds other countries accountable with strict and enforceable rules."

While he did not provide a list of witnesses for the hearing, Reichert said it would "provide an opportunity for American agricultural producers, manufacturers, and services providers to share their views on how we can modernize NAFTA to create more jobs and opportunities for all Americans."

TRUMP TAPS CHINA WATCHDOG FOR GENEVA TRADE POST: The Office of the U.S. Trade Representative is one step closer to being fully staffed after President Donald Trump announced his intent to nominate Dennis Shea, the current vice chairman of a China watchdog panel, to serve as U.S. ambassador to the World Trade Organization.

Shea, whose nomination was announced Tuesday evening, has served on the U.S.-China Economic and Security Review Commission since 2007 and has been either chairman or vice chairman since 2012. He was appointed to his most recent term by Senate Majority Leader Mitch McConnell.

Like U.S. Trade Representative Robert Lighthizer, Shea also worked on Capitol Hill for former Senate Majority Leader Bob Dole, who raised concerns about the potential for WTO rulings to infringe on U.S. sovereignty during the 1994 debate on approving the Uruguay Round world trade agreement that created the WTO in 1995.

TRUDEAU, FREELAND PRESSED TRUMP ON STEEL AT G-20: Canadian Prime Minister Justin Trudeau and Foreign Minister Chrystia Freeland continued to urge Trump and other senior U.S. officials during last week's G-20 summit to exclude Canada from any trade action that might result from an investigation into the national security impacts of steel imports, a Canadian government official told Morning Trade.

The Canadian pressure on the White House comes as Trump considers hitting steel imports with tariffs, quotas or other restrictions on the basis of national security concerns. Administration officials are still fine-tuning a report the Commerce Department's Bureau of Industry and Security has sent up for interagency review, industry sources said.

The exemption of Canada and Mexico is expected, industry sources said, but it's still unclear the extent to which those countries will be let off the hook.

The Canadian government has been quick to point out that the U.S. has a more than \$2 billion trade surplus in iron and steel trade with Canada. When it comes to trade in products coming directly out of steel mills, the U.S. also has a surplus of about \$500 million, the Canadian government said, citing Commerce Department data.

NEW BRUNSWICK PREMIER TO PUSH ROSS ON LUMBER EXCLUSION: Regarding another requested Canadian exemption, New Brunswick Premier Brian Gallant meets today with Commerce Secretary Wilbur Ross to ask that the province be excluded from a trade case that is hitting imports of Canadian softwood lumber with a fresh round of tariffs.

"New Brunswick is Canada's most export-oriented province, so robust trade between the United States and Canada is crucial for our economy," Gallant said in a statement. "Exports of softwood lumber to the United States create jobs in Canada and helps keep construction costs competitive for American families."

New Brunswick is the only Atlantic province not being considered for exclusion. Commerce will likely exempt imports from Newfoundland and Labrador, Nova Scotia and Prince Edward Island from retaliatory tariffs. Lumber produced in those Atlantic provinces are widely seen to benefit less from provincial government pricing schemes on timber since most lumber in those provinces is harvested from private lands. New Brunswick is home to J.D. Irving Ltd., one of the Canadian lumber companies targeted in the trade case.

U.S., CANADA AUTO UNIONS TEAM UP ON NAFTA: Labor unions representing auto workers in the U.S. and Canada on Tuesday issued a joint set of priorities they said must be addressed in a NAFTA renegotiation. The four priorities include strengthening labor standards and raising wages, balanced trade, real "made in North America" rules and a fair share of benefits for workers in each country, according to a statement from the United Automobile Workers and UNIFOR.

The labor groups highlight the fact that U.S. and Canadian vehicle and auto parts trade deficits with Mexico have grown since NAFTA went into effect. Elevating labor standards and wages in Mexico "are the key," according to a joint statement from the two unions, which represent 245,000 workers in the U.S. and Canada.

"We would have welcomed the participation of representatives from Mexican free trade unions in the auto sector but there are none that can speak for Mexican workers - and that is at the core of the problem," the statement said.

CFTC TALKS WITH PEOPLE'S BANK OF CHINA WON'T BE QUICK: In the run-up to next week's U.S.-China Comprehensive Economic Dialogue meeting, Morning Trade has been checking on progress made on the 10 items contained in the joint action plan for improving bilateral trade that was announced by the Commerce Department on May 11.

The sixth item said the CFTC would extend "no-action relief" to Shanghai Clearing House for another six months, with further extensions of up to three years if appropriate. That essentially renewed a decision made during the Obama administration not to take enforcement action against SHCH for failing to register as a derivatives clearing organization as required by the Commodity Exchange Act.

The CFTC took the promised step on May 16, exactly one year after the initial decision. However, another element of the same action item — negotiating a memorandum of understanding between CFTC and the People's Bank of China to cooperate and exchange information related to the oversight of cross-border clearing organizations — is more complicated, CFTC spokeswoman Donna Faulk White said, ruling out any chance of a final MOU next week.

"The 100-day plan did not set any deadline for completion of the MOU, only a commitment to be working on an MOU ... and we are," she told Morning Trade in an email.

FURTHER DELAY EXPECTED IN CHINA ELECTRONIC PAYMENTS CASE: Meanwhile, the People's Bank of China has issued new guidelines on how foreign companies can gain long-awaited access to its electronic payments market, as promised in point 7 of the joint action plan. But those guidelines suggest it could be two or more years before U.S. firms can provide those services on equal footing with the domestic champion, UnionPay, industry sources said. The United States has already been waiting 11 years for China to open the market, including 5 years for it to abide by a World Trade Organization ruling in the U.S.'s favor.

LOOKING AHEAD: PROGRESS ON CHINESE AG SUBSIDIES? One of the items that appears to be up for discussion at next week's CED meeting is China's massive agricultural subsidies, Morning Trade has learned. Last year, the Obama administration filed a case at the World Trade Organization that accused Beijing of exceeding its allowable limits for rice, wheat and corn. And last month, U.S. Trade Representative Robert Lighthizer told the Senate Finance Committee the Trump administration had decided to pursue that complaint.

China has a history of settling some disputes before they go to a WTO panel, but agricultural subsidies are a particularly sensitive issue so a deal would likely be hard to reach. Another item where the United States is said to be looking for progress next week are draft Chinese regulations that require a certain percentage of domestic car production to be electric vehicles. There's a perception that Chinese car companies were given a heads-up before the regs were announced and are in a better position to ramp up electric-vehicle production.

In a similar vein, U.S. officials are expected to press China to scale back subsidies for electric-battery production. There also could be a nod to U.S. concerns about China's excess capacity in steel and aluminum, as well as some discussion of how Beijing regulates data.

Another big question: Will the two sides announce their intention to work on a one-year plan, similar to the 100-day effort that came out of the Mar-a-Lago summit? China is believed to favor that idea because it would lock the Trump administration into a process that holds out the promise of some result, making it less likely the United States would take rash action to rein in its huge bilateral trade deficit.

SMALL BUSINESSES URGE TRUMP TO DROP ISDS IN NAFTA 2.0: Leading small and medium-size companies are issuing a united call for the Trump administration to abandon in an updated NAFTA dispute settlement clauses that they say "grant greater rights to foreign corporations than to domestic businesses" and pose a challenge to local, state and federal policies.

The 100 businesses, which include groups like Ben & Jerry's ice cream and eco-friendly clothing maker Silk Oak, are asking Trump in a letter today to eliminate investor-state dispute settlement clauses from all current trade deals — "beginning with the NAFTA renegotiation" — while also removing the U.S. from any negotiations that would expand the clauses. It named the Bilateral Investment Treaty with China and the Transatlantic Trade and Investment Partnership with the European Union as two such negotiations that would expand ISDS.

"As business owners who are dedicated to creating jobs in our communities, we also oppose these special privileges for multinational corporations because they incentivize job offshoring," the groups wrote. "The special treatment for foreign investors that the ISDS system allows eliminates many of the costs and risks that make firms think twice about moving to low-wage countries. We are therefore alarmed that your administration has indicated that it might not eliminate the ISDS provisions from NAFTA when you renegotiate the agreement." Read the full letter here.

SURVEY: BUSINESS EXECUTIVES ADAPTING TO VOLATILE WORLD: Global business executives seem to have accepted that volatility in the world economy will reign over the next year and many are shifting their strategies to account for greater political and technological risk, according to a new C-suite survey by consultant A.T. Kearney.

The survey found that 76 percent of the 400 executives questioned believe that financial and economic volatility will be higher over the next 12 months compared to the past year. About three-fourths of the respondents agreed that global trade will decline as a result of rising protectionism. The dim outlook on trade was largely influenced by the prospect of further electoral success by populist politicians. But 67 percent of executives still felt Trump's pro-business rhetoric and push to deregulate will support U.S. economic growth and 66 percent of respondents believed geopolitical tension among the U.S., China and Russia would decrease.

The survey found that 69 percent of executives believe that government policies have a greater influence on their decision-making in the current environment, but that globalization strategies are still viable. Read the full report here.

TRADE REMEDY CORNER — COMMERCE RULES TO PROTECT U.S. RUBBER INDUSTRY: The Commerce Department found evidence on Tuesday of dumping of certain rubber imports from Brazil, South Korea, Mexico and Poland. In a win for petitioners Lion Elastomers LLC and East West Copolymer LLC, the department voted to levy anti-dumping margins ranging from 9.7 percent to 44.3 percent on imports of the product, emulsion styrene-butadiene rubber. Imports of the product —

which is primarily used in tires but is also found in things like shoe soles and hoses – totaled about \$57 million last year from all four countries. The case now heads to the International Trade Commission for a final determination slated for late August.

Trump is rethinking aviation agreements with Gulf countries

The Trump administration is rethinking a pair of international aviation agreements with the United Arab Emirates and Qatar amid allegations that the Persian Gulf nations are unfairly subsidizing their state-run airlines, three administration officials told POLITICO.

The administration is facing increasing pressure from three of the biggest American airlines – Delta, United and American – to do something about the Gulf carriers' low ticket prices, with the U.S. airlines arguing they can't compete with the UAE and Qatar's deep pockets.

National Economic Council Director Gary Cohn, White House trade adviser Peter Navarro, chief of staff Reince Priebus and other senior administration officials have been discussing the issue behind the scenes for months, the officials said. Staffers from the NEC, NSC, DOT and other agencies huddled for the latest strategy meeting on the aviation agreements last week while President Donald Trump's senior aides were in Europe.

The aviation deal being debated – called Open Skies agreements – allows airlines to operate internationally with limited government interference. The United States has signed more than 100 such pacts, including with Qatar and the UAE.

Administration officials cautioned that they have not yet reached a consensus about what they should do, if anything, and a final decision is not imminent. Options on the table include informal talks with the UAE and Qatar to limit the number of flights into the U.S. or restrict certain routes. Another option is terminating the agreements with those countries and using the one-year period before the termination goes into effect to negotiate better terms.

The internal debate comes amid a broader discussion within the administration on trade that has sometimes divided Trump's team, with Navarro and other nationalists pushing for aggressive trade restrictions and others, like Cohn, urging caution.

Administration officials said Cohn and Navarro are working together closely on the aviation issue, but others said their broad philosophical differences on trade have caused some disagreements.

"This is Peter Navarro versus Gary Cohn, protectionism versus not," said one senior administration official familiar with the issue. "The 'big three' carriers want us to step in, and we have to decide whether to give them what they want."

A White House spokeswoman declined to comment, though other administration officials strongly rejected the notion that Cohn and Navarro are at odds.

Navarro, a protectionist who has argued for imposing steep tariffs on imports, is said to favor an aggressive approach that would include renegotiating the agreements. Navarro did not respond to a request for comment.

The Obama administration held informal discussions with the UAE and Qatar over the aviation agreements, but ultimately decided not to take action.

Trump, for his part, has long made enforcing trade agreements and scrapping bad trade deals a core part of his policy message. And some in the White House believe that taking a strong stance on the Gulf airlines' practices could help make good on his campaign promises.

The ongoing tension in the Gulf between Saudi Arabia and Qatar only heightens the political stakes of any decision on aviation, and it makes it less likely the United States will act in the near future.

Secretary of State Rex Tillerson is traveling to Kuwait, Qatar and Saudi Arabia this week in a bid to help ease tensions in the region.

Since Trump took office, Delta, American and United have been aggressively lobbying the administration to do something about Qatar and UAE's state-owned airlines: Etihad Airways, Emirates and Qatar Airways. The U.S. carriers argue that Qatar and the UAE are spending tens of billions of dollars to boost their airlines, rapidly put in place lucrative new international routes and send passengers through the Gulf in a push to increase tourism. That, in turn, makes it more difficult for the American airlines to compete, they say.

"While the Gulf carriers and their allies want to destabilize the global aviation industry and risk the livelihoods of American workers, we believe that fair-playing businesses and their employees should have an equal opportunity to compete," said Jill Zuckman, the spokeswoman for the Partnership for

Open & Fair Skies, a trade group funded by Delta, United, American and several unions representing airline workers.

But not all U.S. airlines support rethinking the Open Skies agreements. JetBlue and others have partnered with the Gulf carriers, and they benefit from the increasing number of passengers who need to be shuttled to U.S. airports that have cheap flights abroad. Plus, they say, consumers like lower prices.

They also warn that any attempt to renegotiate the Open Skies agreements could cause a domino effect, making room for other countries to do the same on a larger scale.

"What the legacy carriers are asking the administration to do would reduce competition and jeopardize our entire network of Open Skies agreements and the benefits they bring to American workers, travelers and local economies," said Andrea Christianson, spokeswoman for U.S. Airlines for Open Skies, a trade group funded by Atlas Air Worldwide, FedEx, Hawaiian Airlines and JetBlue that opposes renegotiating the Open Skies agreements.

The Gulf airlines have also pushed back against the allegations that they are being unfairly subsidized, countering that they contribute billions to the U.S. economy.

DRIVING THE DAY – Today is a busy day on the Hill, let's dive in.

– The Senate Judiciary Committee will hold a confirmation hearing for **Christopher Wray**, President **Donald Trump**'s pick to be the next FBI director. Wray's confirmation hearing is almost certain to stir up hot-button political issues.

– Federal Reserve Chair **Janet Yellen** testifies before the House Financial Services Committee on monetary policy. Yellen will likely face questions about the central bank's promises of another rate hike and plans to start shrinking its \$4.5 trillion asset holdings.

– Senate Majority Leader **Mitch McConnell** will brief the full GOP caucus on the CBO's analysis of proposed changes to the Senate's draft Obamacare repeal bill.

POTUS watch: Vice President **Mike Pence** travels to Kentucky today to meet with small businesses and participate in an Obamacare listening session. Pence will be joined by Reps. **Andy Barr** (R-Ky.) and **Brett Guthrie** (R-Ky.), and Kentucky Gov. **Matt Bevin**. The vice president will wrap up his visit with a speech at a party equipment rental company.

POTUS HAPPENINGS

– 7:30 p.m. Trump and **Melania Trump** depart Washington, D.C. on their way to Paris, France. Joint Base Andrews.

VPOTUS DIGEST

– 9:40 a.m. Pence delivers remarks at the National Student Leadership Conference. American University, Ward Circle Auditorium.

– 2:10 p.m. Pence arrives in Lexington, Ky. Blue Grass Airport.

– 3:20 p.m. Pence participates in a healthcare listening session with small business owners. Bryant's Rent-All.

– 3:55 p.m. Pence participates in a tour of Bryant's Rent-All.

– 4:20 p.m. Pence delivers remarks at Bryant's Rent-All.

– 8:40 p.m. Pence arrives in D.C. Joint Base Andrews.

HOUSE FLOOR

The House will meet at 10 a.m. for morning hour debate and noon for legislative business. First votes are expected from 2 p.m. to 3 p.m. and last votes are expected from 5:30 p.m. to 6:30 p.m. Lawmakers will consider a California drought relief bill H.R. 23 (115) and begin consideration of the National Defense Authorization Act H.R. 2810 (115). The House also will consider five bills under suspension of the rules, including one bill H.R. 2430 (115) that would reauthorize FDA's user fee programs for drugs and medical devices.

SENATE FLOOR

The Senate will convene at noon and resume consideration of **David Nye's** nomination to be a U.S. District Judge for the District of Idaho. At around 12:10 p.m., members will take a vote on whether to confirm Nye, followed by cloture on **William Hagerty's** nomination to be ambassador to Japan.

How to save Trump

May 17, 2017 at 2:39 AM

From Charles Johnson

To "Ross, Wilbur L" Wilbur Ross
Dear Secretary Ross,

These are recommendations I'm giving only to you.

1. Fire his family members, Steve Bannon, Sean Spicer, and Reince Priebus. Bannon is needed on the outside helping Trump keep his promises. Bannon is also not very good at running things. He's tactical, not strategic. I worked for him for years and can confirm this. The family members need to go because they are being used by Trump's adversaries against him.
2. Rely on Peter Thiel and Tom Barrack to help staff up. Remove or demote Johnny DeStefano at office of presidential personnel. Bring in Dennis Stephens and others to help run it. He ran transitions. The most important pick Trump can do is for the FTC when it comes to regulating the tech companies and the media companies. He should pick **b(6)**.
3. Cancel White House press corps. Fuck 'em. They are the enemy and need to be treated accordingly. Pick several individual journalists who are friendly and only communicate with them.
4. Bring **b(6)** in as Chief of Staff. **b(6)** is the only person in Trump's orbit who has an interest in helping and knows Congress.
5. Pardon **b(6)**. It'll anger the deep state so thoroughly that they won't know what to do. It will buy Trump tremendous support online. It's bold. It's daring and it'll work.
6. Appoint **b(6)** National Security Advisor. **b(6)** knows the score when it comes to the Chinese, the Russians, and failed states.

--

Charles C. Johnson

Founder, CEO of WeSearchr.com: Crowdfunding the Truth

Founder of Gotnews.com

b(6)

Author of *Why Coolidge Matters: Leadership Lessons from America's Most Underrated President*. <http://t.co/OsY5s6vD> and *The Truth About the IRS Scandals*. <http://tinyurl.com/o4t3mb7>.

FW: UPDATED SCHEDULES

March 13, 2017 at 5:51 PM

From Dina Beaumont

To Wendy Teramoto, Wilbur Ross

image001.png 20.65 KB, THE SCHEDU... 17, 2017.pdf 133.13 KB,
THE SCHEDU...H 16, 2017.pdf 136.75 KB, THE SCHEDU...H 15, 2017.pdf 135.93 KB,
Scheduling... - FORWARD.pdf 88.07 KB, THE SCHEDU...H 14, 2017.pdf 281.23 KB

Good evening Wendy and Sec. Ross,

Please see the extended updated calendars attached.

Thank you,

Dina

b(6)

cell

From: Beaumont, Dina [mailto:DBeaumont@doc.gov]

Sent: Monday, March 13, 2017 7:42 PM

To: Rockas, James (Federal) <JRockas@doc.gov>; Smith, William (Federal) <wsmith2@doc.gov>; Price, Ollice (Federal) <OPrice@doc.gov>; OSY-ATD-Protection [b(6)]@doc.gov>; Murnane, Barbara (Federal) <bmurnane@doc.gov>; Schufreider, Jim (Federal) <JSchufreider@doc.gov>; Elouaradia, Lesley <Lesley.Elouaradia@trade.gov>; McNeill, Valerie <Valerie.McNeill@trade.gov>; Dubik, Rick (Federal) <RDubik@doc.gov>; Guido, John (Federal) <JGuido@doc.gov>; Alexander, Brooke (Federal) <BAlexander@doc.gov>; [b(6) - Wendy Teramoto]
Branstad, Eric (Federal) <EBranstad@doc.gov>; Comstock, Earl (Federal) <EComstock@doc.gov>; Herbst, Ellen (Federal) <EHerbst@doc.gov>; Burgess, Michael (Federal) <MBurgess@doc.gov>; ExecSecBriefingBook [b(6)]@doc.gov>; McClelland, Michelle (Federal) <mMcClelland@doc.gov>; Rzendzian, Kelly (Federal) <KRzendzian@doc.gov>; Uthmeier, James (Federal) <JUthmeier@doc.gov>; Kiefaber, Clay (Federal) <CKiefaber@doc.gov>; Abrajano, Todd <TAbrajano@doc.gov>; Emergency Operations Center [b(6)]@doc.gov>; Norton, Barbara <BNorton@doc.gov>; Andberg, Jennifer (Federal) <JAndberg@doc.gov>; [b(6) - Dina Beaumont]

Subject: UPDATED SCHEDULES

Hi TEAM,

Massive changes to the schedule, please review this weeks updated schedules attached.

If you have any questions/concerns, please let me know.

Thank you and have a great night.

Dina

Dina M. Beaumont
Director of Scheduling and Advance
Department of Commerce | Office of the Secretary
dbeaumont@doc.gov | (202)482-7452 (o)





THE SCHEDULE OF SECRETARY WILBUR ROSS

At a Glance

Washington, DC

Friday, March 17, 2017

- 8:30 – 8:40am THE SECRETARY DEPARTS **b(6)**
- 8:45 – 9:05 am THE SECRETARY participates in INTELLIGENCE BRIEFING
- 9:30 – 10:00 am THE SECRETARY participates in CALL with The European Union Trade Commissioner Cecilia Malmstrom
Call: They will call us
Staff: Dale Tasharski, DAS for European Affairs

b(5) - DP

- 10:40 – 10:55 am THE SECRETARY participates in a PRE-BRIEF with ITA STAFF for the call with Ambassador of Argentina to the US Martin Lousteau
Secretary's Conference Room
Staff: John Andersen, DAS for Western Hemisphere
Dakshina Voetsch, Argentina Desk
- 11:00 – 11:20 am THE SECRETARY participates in a CALL with Ambassador of Argentina to the US Martin Lousteau
Secretary's Office
Staff: TBD
- 12:00 – 12:45 pm THE SECRETARY participates in WHITE HOUSE ROUNDTABLE ON VOCATIONAL TRAINING – Angela Merkel Visit
Location: The Cabinet Room
- 1:00 – 1:30 PM THE SECRETARY participates in WHITE HOUSE PRESS CONFERENCE - Angela Merkel Visit
Location: The East Room

1:30 – 2:30 PM

THE SECRETARY participates in WORKING LUNCH AT WHITE
HOUSE – Angela Merkel Visit
Location: The State Dining Room

12:35 pm

THE SECRETARY departs for Ronald Regan Washington National Airport

SPECIFICS / NOTES

Thursday March 7, 2017

CALL with Ambassador of Argentina to the US Martin Lousteau.

POC: Rosario Cabrera – Secretaria Privada, Embajada Argentina

1600 New Hampshire Avenue, NW, Washington, D.C. 20009

Tel: **b(6)**



THE SCHEDULE OF SECRETARY WILBUR ROSS

At a Glance

Washington, DC

Thursday, March 16, 2017

- 8:30 – 8:40am THE SECRETARY DEPARTS **b(6)**
- 8:45 – 9:05 am THE SECRETARY participates in INTELLIGENCE BRIEFING
- 9:10– 9:40 am THE SECRETARY participates in a CALL with Canada’s Minister of Innovation, Science and Economic Development, Minister Navdeep Bains
Secretary’s Office
Staff: Christine Gomes, Canada Desk
Rich Steffens, Executive Director, Western Hemisphere
Stevan Mitchell, Director, OIPR
E&C (probably Ron Lorentzen)
- 9:45 – 10:10 am THE SECRETARY participates in a MEETING with US CHAMBER OF COMMERCE CEO, Tom Donohue
Secretary’s Office
Meeting participants: Tom Donohue and Neil Bradley
Staff: Jennifer Andberg, Eric Branstad, Earl Comstock
- 10:15 – 10:40 am THE SECRETARY participates in PRE-BRIEF for meeting with JAPANESE MINISTER OF ECONOMY, TRADE AND INDUSTRY SEKO
Secretary’s Conference Room
Staff: Holly Vineyard, PDAS for Global Markets
Diane Farrell, DAS for Asia
Carole Showers, Director of the Office of Policy and Negotiations
Keith Roth, Officer Director for Japan and Korea
Danius Barzdukas, Japan Desk
- 10:45 – 11:15 am THE SECRETARY participates in a MEETING with Tom Barrack
Secretary’s Office
Staff: Wendy Teramoto, Eric Branstad
- 12:30 – 12:50 pm THE SECRETARY participates in PRE-BRIEF for OPIC Board Meeting
Secretary’s Office
Staff: Michael Fuchs

1:00 – 1:25 pm THE SECRETARY participates in a MEETING with Wendell Weeks, CEO of Corning Incorporated
The Secretary's Office
Meeting Participants: Wendell Weeks, Gilbert Kaplan
Staff: Wendy Teramoto

1:30 – 2:00 pm THE SECRETARY participates in MEETING JAPANESE MINISTER OF ECONOMY, TRADE AND INDUSTRY HIROSHIGE SEKO
Secretary's Conference Room
Meeting Participants:
Ministry of Economy, Trade, and Industry (METI)

- Hiroshige Seko, Minister of Economy Trade and Industry
- Takashi Shimada, Director-General, Trade Policy Bureau
- Hiromi Adachi, Interpreter
- Takashi Kume, Executive Assistant to the Minister
- Tetsuya Watanabe, Dir. General, Multilateral Trade System Dept.
- Yasujia Komiyama, Director, Americas Division
- Junichiro Kuroda, Minister, Embassy of Japan

Staff: Diane Farrell, DAS for Asia
Carole Showers, Director of the Office of Policy and Negotiations
Keith Roth, Officer Director for Japan and Korea
Danius Barzdukas, Japan Desk

2:15 – 3:00 pm THE SECRETARY participates in Overseas Private Investment Corporation (OPIC) Board Meeting CALL
1100 New York Avenue, NW, WDC 20527
Meeting Participants:
Staff: TBD

3:15 – 3:30 pm THE SECRETARY participates in Pre-Brief for CALL with The European Union Trade Commissioner Cecilia Malmstrom
Staff: Marie Geiger, EU Desk Officer
David De Falco, Executive Director for European Affairs
Dale Tasharski, DAS for European Affairs
Holly Vineyard, PDAS for Global Markets

3:30 – 3:45 pm THE SECRETARY participates in a CALL with Rep. Tom Emmer (MN-06). Emmer staff on the call Chris Maneval, Leg. Dir. and David Fitzsimmons, COS
Staff: Earl Comstock

5:00 – 6:00 pm THE SECRETARY participates in a Ways and Means Committee full committee members meeting
1102 Longworth House Office Building
Staff: Earl Comstock, Stephen Payne and Jason Greenblatt

6:15 – TBD pm THE SECRETARY participates in RECEPTION at the WHITE HOUSE
St. Patrick's Day Reception – East Wing



THE SCHEDULE OF SECRETARY WILBUR ROSS

At a Glance

Washington, DC

Tuesday, March 14, 2017

- 9:30 – 9:40 am THE SECRETARY DEPARTS **b(6)**
- 10:00 – 10:30 am THE SECRETARY to MEET with BP CEO, Bob Dudley
Secretary's Office
Meeting Participants: Bob Dudley
Staff: Jennifer Andberg, Julius Svoboda (Senior Oil and Gas Trade Specialist, ITA/I&A)
- 11:20 – 11:30 am THE SECRETARY participates in a PRE-BRIEF for CALL with Senator Brian Schatz (D-HI)
Staff: Ellen Herbst and Earl Comstock
- 11:30 – 11:40 am THE SECRETARY participates in a CALL with Senator Brian Schatz (D-HI) to discuss NOAA appropriations and DoC funding
Staff: Ellen Herbst and Earl Comstock
- 3:00 – 3:25 pm THE SECRETARY participates in a meeting with Dr. Nouriel Roubini, Roubini Macro Associates.
Secretary's Office
Meeting Participants: Dr. Roubini
Staff: Earl Comstock
- 3:30 – 3:50 pm PRE-BRIEF with ITA staff for Meeting with Japanese Minister Seko
Secretary's Conference Room
Meeting Participants: ITA Staff **TBD**
- 3:50 – 4:10 pm THE SECRETARY participates in a MEETING with S&P Global President and CEO Doug Peterson
Secretary's Conference Room
Meeting Participants: Doug Peterson, Courtney Geduldig and John Lipsey (DC office of S & P), and Dan Meyer of the Duberstein Group
- TBD THE SECRETARY departs **TBD**

Meeting with BP CEO, Bob Dudley

For your reference

- Following the 2010 BP Deepwater horizon oil spill, NOAA, along with five Gulf states, the Departments of Interior and Agriculture, and the U.S. EPA, served as Trustees for natural resource damages claims related to the spill.
- On April 4, 2016, the court approved an approximately \$20 Billion settlement between BP and the United States for various claims arising from the spill. Under the settlement, BP will pay the Trustees up to \$8.8 billion for damages to natural resources. This money will be paid out in installments over a period of fifteen years.
- The settlement funds are already being put to use in the Gulf area to implement dozens of restoration projects. Some examples include the creation of barrier islands in Louisiana, oyster cultch restoration in Alabama, and seagrass recovery in Florida.

Cancelled Meetings:

10:35 – 11:00 am
Cancelled THE SECRETARY participates in a MEETING with President and CEO of Sempra Energy, Debra Reed
Secretary's Office
Meeting Participants: Debra Reed, Maryam Brown, VP of Gov. Affairs
Staff: TBD

4:15 – 4:45 pm
Cancelled THE SECRETARY participates in a MEETING with President and CEO of BMW AG with Harald Kruger
Secretary's Conference Room
Meeting Participants: Harald Kruger and Maximilian Schoeberl, Exec. VP of Corporate Affairs, Tomas Becker, VP of Global Gov. Affairs, Bryan Jacobs, VP of Gov. Affairs
Staff: David Campbell, Select USA, Andres Castrillon

SPECIFICS / NOTES

Tuesday March 14, 2017

Meeting with Dr. Nouriel Roubini, Roubini Macro Associates.

POC: Kim Nisbet, COS, **b(6)**

To discuss recent trade talks and overall global economy

Meeting with Bob Dudley, CEO of BP. He is an American but based in London. BP is eager to support the President and Secretary Ross in fostering a healthy business climate and unleashing the full potential of our energy sector and the entire economy.

POC: Joe Ellis, **b(6)**@bp.com

Secretary Ross Schedule - March 12 Forward

Confirmed	Mar 14, Tue	10:00 AM	Meet with BP CEO Bob Dudley
Confirmed	Mar 14, Tue	11:20 - 11:30 am	Pre-Brief for Call with Sen. Schatz
Confirmed	Mar 14, Tue	11:30 AM	Call with US Senator Brian Schatz (D-HI)
Confirmed	Mar 14, Tue	3:00 PM	Meeting with Dr. Nouriel Roubini, Economist
Confirmed	Mar 14, Tue	3:30 - 3:50 pm	PRE-BRIEF with ITA staff for meeting with Japanese Minister Seko
Confirmed	Mar 14, Tue	3:50 - 4:10 pm	Meeting with S&P CEO Doug Peterson
Confirmed	Mar 15, Wed	12:30 - 1:40 PM	Luncheon Speaker at Business Roundtable CEO Quarterly Meeting
Confirmed	Mar 15, Wed	2:00 PM	Meeting with MetLife CEO Steve Kandarian
Confirmed	Mar 15, Wed	2:30 PM	Meeting with Whirlpool CEO Jeff Fettig
Confirmed	Mar 15, Wed	3:00 PM	Meeting with BNSF Exec. Chairman Matt Rose
Confirmed	Mar 15, Wed	3:30 PM	Meeting with AT&T CEO Randall Stephenson
Confirmed	Mar 15, Wed	5:00 PM	ITA Pre-Brief for meeting with Canada's Minister Bains
Confirmed	Mar 16, Thu	9:10 AM	Call with Canada Minister Bains
Confirmed	Mar 16, Thu	9:45 AM	Meeting with US Chamber of Commerce CEO Tom Donohue
Confirmed	Mar 16, Thu	10:15 - 10:40 am	ITA PRE-BRIEF for meeting with Japanese Minister Seko
Confirmed	Mar 16, Thu	10:45 - 11-15 am	Meeting with Tom Barrack
Confirmed	Mar 16, Thu	12:30 - 12:50	PRE-BRIEF for OPIC Board Meeting
Confirmed	Mar 16, Thu	1:00 PM	Meeting with Corning CEO, Wendell Weeks, Meeting
Confirmed	Mar 16, Thu	1:30 PM	Meeting with Japanese METI Minister, Hiroshige Seko
Scheduling	Mar 16, Thu	2:15 - 3:15 PM	OPIC Board Meeting or Call
Confirmed	Mar 16, Thu	3:15 - 3:30 pm	ITA Pre-Brief for EU Call on March 17th

Confirmed	Mar 16, Thu	3:30 - 3:45 pm	Call with Representative Tom Emmers (MN-06)
Confirmed	Mar 16, Thu	5:00 - 6:00 pm	Meeting with Ways and Means Committee - Longwoth Building
Confirmed	Mar 16, Thu	6:15 PM	Reception at the White House
Scheduling	March 17, Fri	TBD	Diplomatic White House meetings with Chancellor Merkel of Germany Official Wo
Confirmed	Mar 17, Fri	9:30 - 9:50 am	Call with EU Trade Commissioner Cecilia Malmstrom
Confirmed	Mar 17, Fri	10:40 AM	Pre-Brief with ITA staff for Call with Abassador of Argentina to the US
Confirmed	Mar 17, Fri	11:00 AM	Call with Martin Lousteau, Ambassador of Argentina to US
Confirmed	March 20, Mom	11:00 - 12:00 pm	Meeting with Pepe Fanjul, Sr. - Sugar Industry
Confirmed	March 21, Tues	5:00 PM	Meeting with Senator Sherrod Brown
Scheduling	March 21, Tues	1:00 - 2:00 pm	Contract Award Press Conference - FirstNet
Scheduleing	Mar 22, Wed.	TBD	Meeting with Ways and Means Committee - Longwoth Building
Scheduleing	Mar 22, Wed.	12:00 PM	b(5) - DP/PCP White House
Confirmed	Mar 23, Thu	8:00 PM	Dinner with the British Ambassador to USA
Scheduling	March 30, Thu	1:00 - 1:30 PM	Meeting with Amgen CEO Bob Bradway



THE SCHEDULE OF SECRETARY WILBUR ROSS

At a Glance

Washington, DC

Wednesday, March 15, 2017

- 8:30 – 8:40am THE SECRETARY DEPARTS **b(6)**
- 8:45 – 9:05 am THE SECRETARY participates in INTELLIGENCE BRIEFING
- 9:10 – 9:40 am THE SECRETARY participates in PRE-BRIEF on the **b(5) - DP/PCP**
b(5) - DP/PCP
Secretary's Conference Room
Staff: ITA
- 9:45 am THE SECRETARY departs for WHITE HOUSE
- 10:00 am – 12:00 pm THE SECRETARY participates in MEETING with **b(5) - DP/PCP**
b(5) - DP/PCP
The Roosevelt Room
Staff: Eric Branstad
- 12:30 – 1:25 pm THE SECRETARY delivers REMARKS at Business Roundtable CEO Quarterly Meeting hosted by Jamie Dimon – 100 CEO's attending
Bus. Roundtable Offices - 300 New Jersey Avenue NW, 8th floor
Remarks 15 minutes, Q&S 15 minutes
Staff: Wendy Teramoto
- 2:00 – 2:30 pm THE SECRETARY participates in MEETING with MetLife CEO Steve Kandarian
Secretary's Office
Meeting Participants: Steve Kandarian, Joe Engelhard (Gov. Relations)
Staff: Wendy Teramoto, Jennifer Andberg, OBL
- 2:30 – 3:00 am THE SECRETARY participates in MEETING with Whirlpool CEO Jeff Fettig
Secretary's Office
Meeting Participants: Chairman and CEO Jeff Fettig, Vice President, Government Relations, Sarah Bovim Vice President and Chief Legal Officer, Aaron Spira, Outside Counsel, Jack Levy, Cassidy Levy Kent firm

Staff: Eric Branstad

- 3:00 – 3:25 am THE SECRETARY to MEET with BNSF Executive Chairman Matt Rose
Secretary's Office
Meeting Participants: Matt Rose and Amy Hawkins (VP Gov. Affairs)
Staff: Eric Branstad
- 3:30 – 4:00 pm THE SECRETARY participates in MEETING with AT&T
CEO Randall Stephenson and Bob Quinn, Senior EVP for External and
Legislative Affairs to discuss the Administration's plans on NAFTA, and update
the Secretary on AT&T's investments in Mexico. In addition, to brief him on
AT&T's proposed merger with Time Warner
Secretary's Office
Meeting Participants: Randall Stephenson and Bob Quinn
Staff: Jennifer Andberg, TBD
- 4:05 – 4:45 pm THE SECRETARY participates in a CENSUS MEETING
Secretary's Office
Staff: Ken Kassinger, Marc Neuman, Peter Davidson, Wendy Teramoto
- 5:00 – 5:15 pm THE SECRETARY participates in a PRE-BRIEF for Meeting with
Canada's Minister of Innovation, Science and Economic Development, Minister
Navdeep Bains
Secretary's Office
Staff: ITA Staff
- 5:20 – 6:00 pm THE SECRETARY participates in TRADE MEETING
Secretary's Office
Staff: Earl Comstock
- TBD THE SECRETARY departs for DINNER

SPECIFICS / NOTES

Wednesday, March 15, 2017

Business Roundtable CEO Quarterly Meeting hosted by Jamie Dimon
Bus. Roundtable Offices - 300 New Jersey Avenue NW, 8th floor, Remarks 15 minutes, Q&S 15
Minutes.

POC Bill Miller who heads up Government Relations for Business Roundtable – mobile **b(6)**
b(6)

Meeting with AT&T CEO Randall Stephenson – POC is Justin Peterson
Managing Partner, DCI Group **b(6)**

DOC Morning News Clips for Friday, May 26, 2017

May 26, 2017 at 3:49 AM

From "Reinert, William (Federal)"

To Undisclosed recipients: ;

DOC Morning News Clips for Friday, May 26, 2017

Most Favored Nation Rule Hurts Importers, Limits U.S. Trade

Wilbur Ross, WSJ

Chad P. Bown and Alan O. Sykes's "The Trump Trade Team's Vocabulary Problem" (op-ed, May 15), while arguing to the contrary, points out exactly why the Most Favored Nation (MFN) clause at the World Trade Organization impedes free trade, rather than fostering it. The authors admit that because American auto tariffs are so much lower than those of other countries, the only way U.S. trade negotiators can get trading partners to reduce their tariffs is by giving concessions against other U.S. industries. This, then, requires the government to pick winners and losers in our own economy. Worse yet, we must do so in the context of tariffs that we've unilaterally lowered repeatedly in the past. This is the reality U.S. negotiators face in contrast to the convenient hypotheticals put forward in the op-ed.

Wilbur Ross seeks bigger budget for trade enforcement

David Lawder, Reuters

U.S. Commerce Secretary Wilbur Ross said on Thursday that a \$5.5 million increase requested for the agency's enforcement budget this year will have a "real impact" in cracking down on unfair trade practices and export security violations. Ross told a House Appropriations subcommittee that an additional \$4.5 million requested by the Trump Administration for the International Trade Administration's enforcement and compliance section will fund 29 new positions whose primary focus will be the self-initiation of antidumping and antisubsidy investigations.

[China's Ministry of Commerce releases a 117-page paper describing how to improve trade ties between the two countries.](#)

Click to read entire paper.

-
CEOs Urge Donald Trump to Limit Scope of Nafta Changes to an 'Update'

WSJ

A group of top CEOs has a message for President Donald Trump : Move quickly on an update of the North American Free Trade Agreement but don't mess with the underlying structure. In a letter to the White House, the top executives of 32 major companies emphasized the benefits they currently get from Nafta. However, they said, they are willing to work with the administration on a "modernization" of the deal that keeps its three-way structure with Mexico and Canada, rather than on an overhaul that starts from scratch.

Ontario threatens its own measures to combat Texas Buy American bill

The Canadian Press

Ontario has hired lobbyists in Texas and is threatening protectionist measures of its own as it tries to convince state officials not to pass a Buy American bill. Premier Kathleen Wynne claimed victory last month after a successful Ontario push to stop similar provisions in New York state. Now Wynne says she is concerned a bill to extend Buy American provisions to virtually all state agencies in Texas is going to a final review and could get approval as soon as this weekend.

Wynne among premiers heading to U.S. to counter anti-trade sentiment

The Canadian Press

Several premiers are heading to the United States capital next month to push back against anti-trade sentiment south of the border. Manitoba Premier Brian Pallister says he and several other provincial leaders are to spend June 5-7 in Washington, D.C., to promote the benefits of free trade. He said the trip was

prompted in part by U.S. President Donald Trump's attempts to change or even scrap the North American Free Trade Agreement.

U.S.-EU JOINT ACTION TRADE PLAN TTIP-LESS FOR NOW: Trump and EU leaders on Thursday agreed to start work on a "joint action plan on trade" that will focus more on addressing trade irritants and other specific issues than on a direct effort at relaunching broader trade talks, according to diplomatic sources.

The action plan would also work on easing trade in food products, reducing red tape and coming to an agreement on standards in the car sector and other industries, diplomats said of the plan.

It's still too early to tell if the new action plan will be a way to thaw the now frozen Transatlantic Trade and Investment Partnership negotiations. "As far as the Commission is concerned, President [Jean-Claude] Juncker insisted on intensifying trade cooperation, which is a win-win situation for both sides," said a European Commission spokesman.

Trump held a 45-minute meeting with both Juncker and European Council President Donald Tusk on Thursday. He also met for 25 minutes with representatives from EU member state delegations in Brussels, the spokesman said. "Overall, it was a constructive discussion — the first of more to follow," he added.

ROSS: TPP WOULD HAVE FAILED ANYWAY: Commerce Secretary Wilbur Ross on Thursday night acknowledged the business community's disappointment over Trump's decision to walk away from the Trans-Pacific Partnership, but he insisted the pact was doomed anyway. "Most of you have expressed reservation about our withdrawal from the proposed Trans-Pacific Partnership," Ross said in a keynote speech at the U.S.-ASEAN Business Council's annual gala dinner at the Four Seasons Hotel. "But the fact is no matter who won the last election, there was simply not the political will on either side of the aisle for ratification."

Many would agree with Ross' assessment, though one TPP supporter present muttered "bulls---" in response. Ross assured the group that the Trump administration is committed to the ASEAN region, despite abruptly withdrawing from an agreement that took more than five years to negotiate. "There was some good aspects to the TPP and as we negotiate further agreements, our intention is to return some features, such as market access, and to push others even further. The gains achieved in TPP need not backslide, and one way to achieve this will be to pursue multiple bilateral trade deals," Ross said.

The United States already has free-trade agreements with a number of TPP members, including Peru, Chile, Singapore, Australia, Canada and Mexico. However, four months after Trump took office, not one of the TPP members that does not have an existing deal with the United States has expressed unequivocal interest in negotiating a bilateral pact. That includes Japan, Vietnam, Malaysia, New Zealand and Brunei. Instead, the group, under Japan's leadership, is actively exploring the possibility of forging a TPP-11 pact without the United States.

FARMERS STILL WORRIED ABOUT A NAFTA DISASTER: The agriculture community is breathing easier after assurances from Agriculture Secretary Sonny Perdue and U.S. Trade Representative Robert Lighthizer that current market access for farmers won't be traded away in the NAFTA negotiations to bring back manufacturing jobs. But the idea that Trump might still withdraw from the pact if negotiations derail remains a terrifying prospect.

"We very much agree that withdrawal from it is not an option and would be absolutely catastrophic," Shawna Morris, vice president for trade policy at the U.S. Dairy Export Council, said during a NAFTA discussion hosted by the Global Business Dialogue. "You would need to triple our sales to China to replace what we're selling to Mexico. That's simply not feasible to replace the value that Mexico generates for us."

Withdrawal would be "cataclysmic for the U.S. pork industry," added Nick Giordano, vice president at the National Pork Producers Council. "We haven't crunched the numbers farm-wide, but my gut tells me it would trigger a farm crisis in this country. U.S. agriculture is dependent on trade. ... We lose significant

export markets and we're going to have a big problem, and I would say, out-of-control, angry producers across the United States."

U.S.-CANADA DAIRY TALKS A TWO-WAY DISCUSSION: U.S. dairy producers have been on the offensive as NAFTA talks near, demanding that the revised agreement significantly open up Canada's market to more exports. But they also expect that their own tariffs will come under scrutiny in the negotiations, since neither side made changes in the original pact. "Certainly, our expectation is that that's a two-way discussion on dairy, not just a one-way discussion, with the Canadians," Morris said.

Still, U.S. producers feel they have more to gain than lose from an agreement that reduces or eliminates tariffs between the two countries. The U.S. industry's other priority is to keep its current market access in Mexico and make sure that the U.S. southern neighbor doesn't cave into pressure from the European Union in separate bilateral talks to carve out protections for European cheese names such as asiago, feta and gorgonzola.

To boil it all down to a tweet, "our NAFTA modernization goal ... would be: Maintain Mexico and crack Canada," Morris said.

AUTOMAKERS TO TRUMP: DON'T RUIN NAFTA: Automakers were also singing the praises of the NAFTA agreement on Thursday and urging Trump not to make any changes that would unravel production ties built up with Canada and Mexico over the past 25 years. "Right now, our companies are performing at levels that really haven't been seen in decades," Charles Uthus, vice president for international policy at the American Automotive Policy Council, said at the Global Business Dialogue event. "We're doing very well, and a large part of that success is due to NAFTA — the integration of the industry and the efficiencies that we've been able to derive from that partnership with Canada and Mexico."

COMMERCE NOMINEES ON THEIR WAY TO THE SENATE: The Trump administration took a step toward filling a number of open slots at the Commerce Department on Thursday, sending to the Senate the nominations for three different political appointments within the agency.

Richard Ashooh, a longtime aerospace industry executive turned academic at the University System of New Hampshire, was nominated as the assistant secretary for export administration, where he will oversee the Bureau of Industry and Security's export licensing policies. Gil Kaplan, a Commerce alum and international trade lawyer at the firm King and Spalding, was nominated as undersecretary of international trade, where he will focus on enforcement issues. Karen Dunn Kelley, an executive at the investment management company Invesco, was nominated to be undersecretary for economic affairs. All three now await committee and full Senate votes.

ANOTHER SHOT AT LIFTING THE CUBA EMBARGO: A bipartisan group of lawmakers is taking another step forward in their quest to fully normalize economic relations between the United States and Cuba, introducing a bill on Thursday that would lift the decades-old trade embargo and allow American businesses to more freely do business on the island nation. Co-led by Sens. Amy Klobuchar (D-Minn.), Patrick Leahy (D-Vt.), Mike Enzi (R-Wyo.) and Jeff Flake (R-Ariz.), the bill would build on steps the Obama administration took to open the Cuban market by lifting provisions that block Americans from doing business there. It would not, however, repeal aspects of current law blocking access because of human rights or property claims issues against the Cuban government.

"This bipartisan legislation would benefit the people of both our countries by boosting American exports and creating opportunity for the Cuban people," Klobuchar said in a statement released alongside the bill. "We need to turn the page on the failed policy of isolation and build on the progress we have made to open up engagement with Cuba by ending the embargo once and for all."

Flake, a moderate Republican, added that "while there are no guarantees, engaging with Cuba economically is more likely to nudge Cuba toward democracy than a half-century of trying to isolate the island."

The bill comes as the Trump administration is conducting a U.S.-Cuba policy review and considering whether to undo any of the steps former President Barack Obama took to loosen the embargo via executive order, or whether to keep things the same or even push further toward normalization. It is so far unclear where Trump and his administration will land.

Klobuchar introduced similar legislation in early 2015, though that bill never went anywhere after being referred to committee.

SOLARWORLD JOINS TRADE COMPLAINT: The U.S. subsidiary of Germany's SolarWorld AG is joining Suniva's petition asking the Trump administration to impose import restrictions on solar cells and modules under Section 201 of the Trade Act of 1974. The U.S. International Trade Commission launched an investigation into Suniva's request on Tuesday.

"We have hoped and waited for serious proposals for settling the overall U.S. solar industry's trade tensions with China, but we have received none," Juergen Stein, president of SolarWorld Americas, said in a statement Thursday. "Therefore, we have decided to join the case to pursue the best remedy available to us to restore fair competition in the U.S. market."

Similar to Suniva, the German parent company of SolarWorld Americas is going through its own bankruptcy proceeding in Germany and recently warned workers at its manufacturing plant in Oregon that there could be massive layoffs, noting the influx of cheaper solar cells and panels from Asian countries are putting it out of business. SolarWorld Americas is the largest manufacturer of crystalline silicon photovoltaic panels in the U.S. and previously won anti-dumping and countervailing duties against Chinese solar imports in 2012.

HATCH SAYS ROMNEY NOT RUNNING FOR SENATE: Senate Finance Chairman Orrin Hatch said the jury's still out on whether he'll run for reelection in 2018, but he's more certain about one thing: Don't expect Mitt Romney to run for his seat, POLITICO's Burgess Everett reports.

"I've talked to Mitt Romney. He's not going to run for this seat. I would be glad for him if he would," Hatch told reporters Thursday. Asked if Romney is not running because Hatch will run for an eighth term, Hatch responded: "No. I've chatted with Mitt, and he's not going to run for the Senate."

Hatch has been raising money, suggesting he may run again. Whatever he decides, the Senate Finance Committee chairman likely won't make a move until the GOP sorts out its big-ticket items of health care and tax reform. The longtime senator would lose some of his influence over those policies if he were to announce retirement now.

KAPTUR ECHOES TRUMP: CUT THE DEFICITS: Appearing to take a page from the Trump playbook, an Ohio Democrat is introducing a bill in the House calling on the White House to address one aspect of trade the president seems to find the most damaging: trade deficits. Rep. Marcy Kaptur, along with four other Democrats who signed on as original co-sponsors, is pushing for legislation that would require the administration to deal with any country with which the U.S. has a trade gap of at least \$10 billion for at least three consecutive years.

The bill, called the Balancing Trade Act of 2017, would require the administration to "take the necessary steps" to substantially reduce or completely eliminate trade deficits that meet those criteria, either "by entering into an agreement with that country or otherwise."

It would also require the president to send a report to Congress within three months detailing the likely reasons for each deficit and the steps he or she intends to take to reverse it, as well as annual reports detailing actions that have been taken that year.

"**This bill requires an actual U.S. policy that takes our trade deficit seriously,**" Kaptur said on the House floor. "I urge President Trump to support this measure as a reasonable step forward. Let us seek trade solutions that lift up workers on all sides of our border."

TRUMP'S G-7 SURPRISE ON TRADE, CLIMATE CHANGE: The G-7 summit kicks off today in the Sicilian resort town of Taormina, and all eyes are on what President Donald Trump will do. The Trump administration has been largely circumspect on the policy goals it will support in a final communiqué, especially when it comes to trade and climate change. U.S. officials have so far submitted only broad talking points for the leader meeting, according to European and U.S. diplomats.

Trump in March torpedoed the long-standing commitment of the G-20, a broader group of world powers, "to resist all kinds of protectionism." In response, Italy has drafted weaker language for the G-7 communiqué in which leaders simply commit "to strengthen the contribution of trade to our economies,"

A White House official who has seen the United States' key points said the U.S. so far has agreed to include only general language in the G-7 communiqué, such as a commitment to "promote economic prosperity and global growth."

Trump's top economic adviser Gary Cohn told reporters Thursday to expect a "very robust" discussion on trade. "We will be talking about what the president means by free and open is, we will treat you the way you treat us, meaning if you don't have barriers to trade or you don't have tariffs, we won't have tariffs," he said.

DRIVING THE DAY — As the week winds down, so does President **Donald Trump's** first foreign trip, which is slated to wrap up on Saturday. But for today, Trump heads to Sicily to attend the G-7 summit. Among those joining Trump at the two-day meeting will be German Chancellor **Angela Merkel**, British Prime Minister **Theresa May**, Canadian Prime Minister **Justin Trudeau** and Japanese Prime Minister **Shinzo Abe**. Today's topics: foreign policy, the global economy, trade, climate innovation and energy, per pooler Phil Rucker.

Secretary of State **Rex Tillerson** will visit London today to meet with Foreign Secretary **Boris Johnson** and offer his condolences for Monday's terrorist attack in Manchester, Nolan D. McCaskill reports. "The secretary will reaffirm America's commitment to the special relationship between the United States and the United Kingdom and our solidarity in defeating terrorism in every part of the world," State Department spokesperson **Heather Nauert** said in a statement.

And, Vice President **Mike Pence** will give a commencement speech this morning at the U.S. Naval Academy in Annapolis, Md.

HOUSE FLOOR

The House will meet at 10 a.m. in a pro forma session with no votes expected. The house won't be back in session until Tuesday, June 6.

SENATE FLOOR

The Senate will convene 8:45 a.m. in a pro forma session with no votes expected. The upper chamber won't be back in session until Monday, June 5.

POTUS HAPPENINGS

- 4:20 a.m. (EDT) Trump has a bilateral meeting with Japanese Prime Minister Shinzo Abe. Hotel Villa Diodoro.
- 5:45 a.m. (EDT) Trump participates in the welcome ceremony for G-7 leaders. Ancient Greek Theatre of Taormina.
- 6:50 a.m. (EDT) Trump participates in the reception for G-7 leaders. San Domenico Palace Hotel.
- 7:10 a.m. (EDT) Trump participates in the G-7 luncheon and working sessions. San Domenico Palace Hotel.
- 1 p.m. (EDT) Trump and **Melania Trump** attend the La Scala Philharmonic Orchestra concert. Ancient Greek Theatre of Taormina.
- 2:10 p.m. (EDT) Trump and Melania participate in a dinner hosted by Italian President **Sergio Mattarella**. Belmond Grand Hotel Timeo Taormina.

VPOTUS DIGEST

- 10 a.m. Pence delivers the commencement address at the U.S. Naval Academy. Navy-Marine Corps Memorial Stadium.

DOC Morning News Clips for Friday, August 04, 2017

August 4, 2017 at 3:47 AM

From "Reinert, William (Federal)"

To Undisclosed recipients: ;

DOC Morning News Clips for Friday, August 04, 2017

U.S. Beef Is Back on China's Shelves—But China Doesn't Care

Bloomberg

At the Sam's Club store in Beijing's Shijingshan district, the chilled beef on offer is so dominated by Australian cuts -- marbled rib eye steaks to fatty oxtail chunks -- that many customers are oblivious to the few packs of U.S. meat available. "I haven't noticed the U.S. beef here," said Hui Xue, who was shopping for steaks that he cooks once a week. Even if he had spotted the produce, it probably wouldn't have gone into his cart. The American meat -- back in China after 14 years as part of a trade deal hailed by the Donald Trump administration -- was only available in little strips meant to be stir-fried rather than in larger hunks that can be sizzled on a cast-iron skillet.

Toyota-Mazda Venture to Build \$1.6 Billion U.S. Plant

WSJ

Toyota Motor Corp. and Mazda Motor Corp. are expected to announce Friday plans to build a \$1.6 billion assembly plant in the U.S. that would create 4,000 jobs and be up and running by 2021, according to a person briefed on the plans. The new factory's location hasn't been decided. Once built, it would produce 300,000 vehicles a year with half being the Toyota Corolla and the rest an unspecified Mazda model, the person said.

U.S. businesses fear Trump mishandling of China IP, trade probe

Reuters

U.S. President Donald Trump's threat to investigate China's intellectual property and trade practices is valid, but his administration may not be up to the delicate task of carrying out a new China probe without sparking a damaging trade war, U.S. business lobbyists told Reuters on Thursday.

Mexico says NAFTA rules of origin may be toothless

Washington Post

Mexico's top diplomat says his country is willing to discuss regional-content requirements during re-negotiation of the North American Free Trade Agreement. But Foreign Minister Luis Videgaray said some countries may get around the rules of origin by simply paying import tariffs.

Meet the poker-faced top trade mind expected to lead Canada's NAFTA negotiating team

The Hill Times

There's a long-standing joke among those who know Steve Verheul: you don't want to play poker with the guy. At the table, no matter the subject, Canada's former-CETA-now-expected-NAFTA chief negotiator doesn't have a "tell." "It's the same reaction, whether it's good, bad, or different, which makes being a negotiator against him or with him tricky," said David Plunkett, who worked as Canada's ambassador to the European Union while the Canada-EU Comprehensive Economic and Trade Agreement was being negotiated. "You don't know what you're up against in many ways."

U.S. lumber mill owners say 'no hurry' to reach deal with Canada

Reuters

U.S. lumber mill owners said on Thursday they were "in no hurry" to reach a softwood lumber deal with Canada that fails to limit Canadian producers' share of the U.S. market to a strict percentage. The owners of four lumber mills told Reuters that talks to end a decades-old dispute with Canada should stay on a separate track from negotiations to modernize the North American Free Trade Agreement that are due to start on Aug. 16.

A SECTION 301 DREAM DEFERRED: President Donald Trump had been planning to announce today the start of an investigation into China's violation of U.S. intellectual property rights and forced technology transfers. Now, that has been postponed, two people familiar with the issue said Thursday. There was no explanation immediately given, but sources said it was now rescheduled for next week with the substance still intact.

Still, news of the postponement comes amid a series of delays for trade-related actions — most notably, a pair of Section 232 reports led by Commerce Secretary Wilbur Ross examining whether to limit imports of steel and aluminum for national security reasons. Those had been expected by the end of June but are in limbo, after Trump said last week that "we don't want to do it at this moment."

That delay — which came after months of tough talk and threats to limit imports of steel and aluminum with tariffs, quotas or both — prompted Sen. Ron Wyden on Thursday to blame the administration for an 18 percent surge in steel imports in recent months. Speaking during a Senate Finance Committee confirmation hearing, the Oregon Democrat said that spike was caused by countries and companies looking to avoid future tariff increases.

"There is a real cost to the all the overhyped rhetoric, when the follow-through isn't there," Wyden said. "This episode demonstrates how tough talk without a real strategy hurts American workers," he added, complaining that the administration now seems to be "backing off" plans to restrict steel imports under Section 232 of the Trade Expansion Act of 1962.

EXPERTS RING THE ALARM BELLS OVER PROPOSED 301 ACTION: Before news of the postponement broke, leading trade experts had begun to express concerns over the planned 301 action, despite the fact that they agree that something must be done to stop Chinese policies forcing foreign companies to transfer data in order to do business in the country.

"While the administration has identified a legitimate policy problem, Trump's proposed solution may only make matters worse," Chad Bown, a senior fellow at the Peterson Institute for International Economics, wrote in a blog post earlier on Thursday. "In what is now a Trump administration habit, use of an unadvised and obsolete U.S. trade law is likely to shift attention away from a real and substantive concern—i.e., China's actions—and toward Trump's own policies," he wrote.

Choosing to play outside the trade rules by starting a 301 action instead of bringing a WTO case would invite China to retaliate in a similar fashion, Bown wrote. "If Trump acts unilaterally, what is to stop Chinese policymakers from enacting their own unilateral Section 301 process?" he wrote. "This will surely be abusive and less transparent than the status quo, and will lead to retaliation that hurts other U.S. exporters."

There's further concern that the Trump administration might feel "increasingly boxed in" and be driven to take extreme trade action "consequences be damned," said Nate Olson, director of the Stimson Center's Trade in the 21st Century initiative.

"I worry that that only increases the odds Washington will pull the trigger on a high-risk, low-reward move like 301-related duties," he said. "We're only one or two miscalculations away from a trade war. The margin for error is razor-thin."

HOUSE DEMOCRATS RALLYING CALLS FOR TRANSPARENCY IN NAFTA TALKS: Democratic Reps. Bill Pascrell and Debbie Dingell are asking for their colleagues' support in trying to get the Office of the U.S. Trade Representative to ramp up its engagement with Congress particularly in the coming NAFTA negotiations, Morning Trade has learned.

Pascrell, the ranking member on the House Ways and Means' Trade Subcommittee, and Dingell are circulating a 'Dear Colleague' letter asking for signatures on a separate letter to U.S. Trade Representative Robert Lighthizer that calls for, among other things, access to negotiating texts for personal congressional staff of any member and not just those on the committees of jurisdiction; the public release of U.S. negotiating proposals; access to other documents that don't fall into the category of a U.S. proposals or the consolidated negotiating text; and the appointment of a chief transparency officer.

"With NAFTA negotiations beginning later this month, it is imperative that the Trump administration develop a process for sharing negotiating documents with Congress and the public," the two Democrats wrote in

the 'Dear Colleague' letter. "Such a process is necessary to get Congressional and public support for any eventual agreement."

The draft letter to Lighthizer, says negotiations must be as transparent and open as possible.

"The NAFTA renegotiation will not be successful if the administration does not consult meaningfully with Congress in an open and transparent process," they wrote.

TRUDEAU PROMISES TO KEEP PROVINCES IN THE LOOP: Canadian Prime Minister Justin Trudeau talked with leaders of Canada's provinces and territories on Thursday, and the officials "agreed to continue to work closely together to ensure that the message about the value of NAFTA and the trade relationship with Canada is understood by key U.S. decision makers," according to a readout of the call.

Provincial leaders have already been visiting Trump administration officials in Washington over past weeks to talk about NAFTA and other cross-border trade issues and Trudeau and other Canadian officials have also made an effort to connect to U.S. governors. Trudeau said he was "committed to continued close collaboration" with provincial and territorial leaders as the negotiations unfold. However, it looks less likely that the provinces will have the same level of access that they had during Canada's trade negotiations with the European Union, where provinces were directly involved in the talks.

THE SECRET TRANSCRIPT IN WHICH TRUMP TALKS BORDER WALL: Trump privately confessed to Mexican President Enrique Peña Nieto just a week into his presidency that he felt politically cornered by his promise that Mexico would pay to build a wall along the U.S. southern border, according to a transcript of a phone call released Thursday by The Washington Post.

"The fact is we are both in a little bit of a political bind because I have to have Mexico pay for the wall — I have to," Trump said. "I have been talking about it for a two-year period, and the reason I say they are going to pay for the wall is because Mexico has made a fortune out of the stupidity of U.S. trade representatives."

Trump repeatedly threatened to levy a tariff at the border against imports of Mexican goods during the same call, vowing to reduce the United States' \$60 billion bilateral trade deficit with Mexico. He said he planned to tax products "at a rate to be determined."

"But you know, it could be 10 percent or 15 percent or it could be 35 percent for some products that, for example, are jobs ripped from their foundation and moved to Mexico," he said, according to the transcript. "Most would be in the 10 to 15 percent range. That would make us very even with Mexico and it would make a lot of sense."

— **The Canada card:** Trump also showed that his preoccupation with NAFTA is focused almost entirely on Mexico and that he worries — or worried at the time — far less about the United States' northern neighbor.

"Canada is no problem," Trump said after Peña Nieto urged that they should continue to work to maintain a trilateral trade relationship among all three NAFTA countries. "That is a separate thing and they are fine and we have had a very fair relationship with Canada. It has been much more balanced and much more fair. So we do not have to worry about Canada; we do not even think about them."

IN LAST-MINUTE FRENZY, DOZENS OF CABINET NOMINEES PASS THE SENATE: The Commerce Department is a few steps closer to being fully staffed after the Senate voted on Thursday to confirm a number of its political nominees.

Relevant to the trade world: Mira Radielovic Ricardel was confirmed as undersecretary of Commerce for export administration; Richard Ashooh was confirmed as assistant secretary of Commerce for export administration; and Karen Dunn Kelley was confirmed as undersecretary of Commerce for economic affairs.

In other posts, Ray Washburne is officially headed to become president of the Overseas Private Investment Corporation; David Malpass won confirmation to become an undersecretary of the Treasury; and Mark Green is slated to become the next administrator of USAID. A handful of ambassadors were also confirmed by voice vote, including Kelly Knight Craft, the new envoy to Canada.

"The Senate has confirmed more executive branch nominees this week than all of the executive branch nominees confirmed this year — combined," Senate Majority Leader Mitch McConnell said afterward. "This was

an important step towards filling critical roles throughout the administration, including the deputies at multiple cabinet offices who had been lacking these key positions."

TRADE REMEDY CORNER: COMMERCE BEGINS IRON CASE AGAINST CHINA: The Commerce Department announced on Thursday a new anti-dumping and countervailing duty case into imports of certain cast-iron soil pipe fittings from China. The petitioner, the Illinois-based Cast Iron Soil Pipe Institute, is seeking dumping margins of about 92 percent on imports of the product, which were valued at an estimated \$8.6 million last year. The International Trade Commission will make preliminary injury determinations around August 28.

DRIVING THE DAY — After the Senate wrapped up its legislative business ahead of schedule on Thursday, both chambers of Congress are officially in recess until Sept. 5. President **Donald Trump** also has a break of his own planned.

Trump is headed to Bedminster, N.J., today for a 17-day trip at his golf club. While he's away, the White House will undergo a building-wide renovation blitz, Tara Palmeri reports . The Bedminster getaway was scheduled around the renovation but has been designed to be a "real vacation" for Trump, according to a White House aide.

Latest on trade: An announcement planned for today on Trump's trade action against China has been postponed, Andrew Restuccia and Tara report. Sources didn't give an explanation or provide a date for when it will be rescheduled.

HOUSE FLOOR

The House will meet at 1 p.m. in a pro forma session.

SENATE FLOOR

The Senate will meet at 9:45 a.m. in a pro forma session.

Flash forward: On Sept. 5, the chamber will convene at 3 p.m. Then at 5:30 p.m it will vote on **Timothy Kelly's** nomination to be a U.S District Court Judge for D.C.

POTUS HAPPENINGS

- 10 a.m. Trump receives a FEMA briefing on hurricane season. FEMA Headquarters.
- 12:30 p.m. Trump has lunch with Vice President **Mike Pence**. Private Dining Room.
- 1:30 p.m. Trump speaks by phone with French President **Emmanuel Macron**. Private Dining Room.
- 5:20 p.m. Trump arrives at Trump National Golf Club. Bedminster, N.J.

VPOTUS DIGEST

Not provided.

DOC Morning News Clips for Monday, March 19, 2018

March 19, 2018 at 5:04 AM

From "Reinert, William (Federal)"

To Undisclosed recipients: ;

DOC Morning News Clips for Monday, March 19, 2018

Trump's plan that would blow up the WTO

Axios

For months, President Donald Trump has been badgering his economic advisors to give him broad, unilateral authority to raise tariffs — a move that would all but break the World Trade Organization. His favorite word: “reciprocal.” He’s always complaining to staff about the fact that the U.S. has much lower tariffs on some foreign goods than other countries have on the same American-made goods. The key example is cars: The European Union has a 10 percent tariff on all cars, including those manufactured in America, and China hits all foreign-made cars with 25 percent tariffs. But the U.S. only charges 2.5 percent for foreign cars we import.

Canada escalates U.S. lumber dispute, asks WTO to adjudicate

Reuters

Canada plans to ask the World Trade Organization (WTO) to set up an adjudication panel to judge its dispute with the United States over Canadian lumber exports, indicating that talks have failed to resolve the issue and Ottawa is pressing its case.

U.S. Weighs Nafta Telecom Proposal to End AT&T Impasse

Bloomberg

The Trump administration is considering trilateral Nafta language to promote telecommunications competition that could help bring the issue to a close after Mexico rejected demands spurred by AT&T Inc. that it considered overly restrictive, according to three people familiar with the issue.

Germany Steps Up Push to Foil Tariffs With Talks in Washington

Bloomberg

German Chancellor Angela Merkel is intensifying efforts to thwart a trade war with the U.S., sending a close ally to Washington for critical talks aimed at defusing a tit-for-tat on tariffs that could undermine the European country’s export-driven economy. Peter Altmaier, Germany’s economy minister and a long-time confidante of Merkel, headed to Washington Sunday for discussions this week with Commerce Secretary Wilbur Ross and “anyone in Washington who is willing to talk,” he said in an interview with public broadcaster ARD.

Trade Associations to Petition Trump Administration to Halt China-Tariff Plans

WSJ

Forty-five trade associations, representing a wide swath of the U.S. economy, are petitioning the Trump administration to halt plans to levy tariffs on China and to work instead with other nations to press Beijing to end restrictions on foreign firms. Imposing heavy tariffs, said a letter by the trade groups, “would trigger a chain reaction of negative consequences for the U.S. economy, provoking retaliation; stifling U.S. agriculture, goods, and services exports; and raising costs for businesses and consumers.”

COMMERCE MAPS OUT STEEL, ALUMINUM EXCLUSION PROCESS: The Commerce Department is out today with an interim final rule outlining how it plans to handle requests from companies wanting certain products excluded from steel and aluminum tariffs, and it looks like it expects a flood of applications. Commerce, which will start processing applications today, is estimating it will receive steel tariff exclusion requests from 4,500 applicants and aluminum tariff exclusion requests from 1,500 respondents -- adding an estimated 24,000 hours of work for department staff. Read the draft form to request exclusions [here](#). Commerce will also publish a separate form to file objections to any of those requests.

"These procedures will allow the Administration to further hone these tariffs to ensure they protect our national security while also minimizing undue impact on downstream American industries," Commerce Secretary Wilbur Ross said in a statement late Sunday night. Commerce's Bureau of Industry and Security posted more information on the process for steel [here](#) and aluminum [here](#).

Commerce is forgoing the usual 30-day comment period on the rule, using a waiver power that can avoid the delay if it is determined to be in the public interest. The administration says it recognizes that further delaying the process by which companies can apply for exclusions could cause "significant economic hardship that could potentially create a detrimental effect on the general U.S. economy."

"Likewise, our national security could be harmed if particular national security considerations justify an exclusion, but the process for obtaining such exclusion were delayed," the rule states.

Country exemption process still murky: Meanwhile, with just four days left until the tariffs go into effect, the Office of the U.S. Trade Representative still has not informed the public how countries can be excluded from the tariffs. Morning Trade has been told on several occasions since Trump signed the two proclamations on March 8 that guidance was coming. But after 11 days, there still is no word.

A LITTLE CLARITY ON CHINA TARIFFS: The Trump administration will propose tariffs on at least \$30 billion worth of Chinese imports as part of its Section 301 action, rather than seeking \$30 billion in new tariff revenue as some have speculated, two administration officials with direct knowledge of the process confirmed.

Still, the expectation is that the tariff rates would be high enough to effectively block at least \$30 billion worth of Chinese imports from entering the U.S. market, one official told Morning Trade.

That could count toward the president's goal of reducing the trade deficit with China by \$100 billion, but it's unclear what the impact of those goods being displaced to other markets would be, or to what extent China would find creative ways to trans-ship those goods to the U.S. via other countries. The U.S. imported more than \$505 billion worth of Chinese goods in 2017.

The timing of those tariffs -- a response to China's intellectual property and technology transfer policies -- is also still up in the air, especially after President Donald Trump requested last week that U.S. Trade Representative Robert Lighthizer squeeze more out of Beijing by hitting China with more duties. The two officials said the tariff rollout could still occur as soon as this week.

BUSINESS GROUPS URGE TRUMP NOT HIT CHINA WITH TARIFFS: A coalition of nearly four dozen business groups urged Trump on Sunday to work with them and foreign trading partners to pressure China to change practices that violate U.S. intellectual property rights and force companies to transfer technology, rather than to punish Beijing by imposing tariffs on billions of dollars of Chinese goods. "The imposition of sweeping tariffs would trigger a chain reaction of negative consequences for the U.S. economy, provoking retaliation; stifling U.S. agriculture, goods, and services exports; and raising costs for businesses and consumers," the Information Technology Industry Council, the U.S. Chamber of Commerce and 42 other groups said in a letter to Trump. "The Administration should not respond to unfair Chinese practices and policies by imposing tariffs or other measures that will harm U.S. companies, workers, farmers, ranchers, consumers, and investors."

The letter comes as the Trump administration appears to be nearing the end of its Section 301 investigation against China. In addition to tariffs, the administration is also working on putting in place major new restrictions on Chinese investments.

ANTI-TARIFF CAMP CONTINUES ITS LOBBYING BLITZ: Another prominent industry group opposed to Trump's forthcoming tariffs on steel and aluminum is taking to the airwaves this week in an attempt to use the president's favored news sources to change his mind.

In coming weeks, the Association of Equipment Manufacturers will run a 30-second ad featuring manufacturing employees speaking directly to Trump, warning him of potential negative consequences for their industry if he moves forward with the tariffs, which are set to take effect on Friday. AEM has already suffered from increased steel prices over the past several months amid speculation that tariffs were coming, which have led to higher costs for manufacturers, the group said.

"It's not too late for President Trump to reverse course on steel tariffs," AEM President Dennis Slater said in a statement announcing the ad. "That is why our board decided to make a substantial investment in launching this campaign to urge the president to steer away from tariffs that will ultimately hurt equipment manufacturers and cost American jobs."

The ad will run on Fox News Channel's "Fox & Friends" and "Hannity" and MSNBC's "Morning Joe," AEM said. It will target not only Trump but also Commerce Secretary Wilbur Ross and U.S. Trade

Representative Robert Lighthizer, who are both closely involved in the exemption process.

SOUTH KOREA HOPING FOR STEEL EXEMPTION: South Korea Foreign Minister Kang Kyung-wha responded cautiously over the weekend to Trump's reported threat to withdraw U.S. troops from her country if Seoul does not agree to changes in the six-year-old U.S.-Korea Free Trade Agreement. In an interview on CBS's "Face the Nation," Kang said the South Korean government took the comments "seriously." But it is still "absolutely confident of the American commitment to the alliance and the troop presence in our country," she said.

Kang said South Korea has sought to be exempted from new steel and aluminum tariffs, both as a longtime ally and as a partner in the current effort to persuade North Korea to give up its nuclear weapons. "We've put all of our arguments and considerations on the table and we're hoping for a good result," Kang said. However, the threat of steel and aluminum tariffs, on top of the difficult KORUS talks, is "not helpful" to managing relations between the two countries, she said.

Meanwhile, USTR spokeswoman Emily Davis said U.S. negotiators emphasized the need to rebalance the agreement and for Seoul to address implementation issues when the two sides met for the third time last week to discuss possible changes to the pact. She also said the two sides "are expeditiously negotiating amendments and modifications to the KORUS agreement," but gave no hint how long USTR expects the talks to take.

EX-IM'S BOARD WILL BE VACANT BY WEEK'S END: The last remaining member of the Export-Import Bank's board of directors will step down on March 23, renewing a sense of urgency among those intent on making the institution functional again. For two years, the bank's board has not had the quorum required to approve loans of \$10 million or more, but the exit of Scott Schloegel prompted at least one lawmaker to once again push for a measure to get around that rule in a must-pass spending bill.

"Scott Schloegel's departure is another urgent reminder that a crippled Export-Import bank is hurting American workers and businesses," Sen. Heidi Heitkamp(D-N.D.) said in a statement on Friday. Schloegel told Bloomberg last week that he is leaving to force the administration to resolve the quorum question and a hurdle in the Senate, where Sen. Pat Toomey(R-Pa.) has a hold on four nominees for the Ex-Im board.

THE POTENTIAL COSTS OF TARIFFS ON CHINA: The Trump administration has yet to finalize any tariffs on imports of Chinese goods, but news that it is planning such a move has led some industry groups to sound the alarm on potential negative effects.

In the tech sector, a new report from the Information Technology & Innovation Foundation shows that steep and sweeping tariffs on imports of information and communication technology products from China would drastically affect U.S. productivity and economic growth, potentially costing the U.S. hundreds of billions of dollars over the next 10 years.

The estimated cost to the U.S. economy if the White House moves to impose tariffs of 25 percent on ICT products — the level of the steel tariffs — is \$332 billion over the next 10 years, the report says. Tariffs of 10 percent — the level announced for aluminum imports — would cost \$163 billion over the same period. Duties affecting the ICT sector would be particularly damaging because it has an outsize impact on the economy.

The apparel industry is also concerned that its products could be swept up in the \$30 billion worth of goods imported from China a year that the administration targets with new tariffs.

The Footwear Distributors & Retailers of America came out with a statement Friday saying it was "highly concerned" with reports saying apparel imports could be implicated. "Shoe tariffs are already among the highest placed on any product -- almost 11 times higher on average than those on all other goods," FDRA President and CEO Matt Priest said. They can reach up to 67.5 percent, on a necessity that families can't live without. We have to ask ourselves 'how much is enough?'"

WANG QISHAN ELECTED CHINA'S V.P.: Wang Qishan, who ran China's anti-corruption agency during President Xi Jinping's first term and was a frequent visitor to Washington during the Obama administration, has been promoted to vice president. China's parliament elected Wang to his new position on Saturday by a vote of 2,969 to one, while approving Xi for a second term by a unanimous vote.

Wang may be best known in Washington trade circles for running the economic track of the U.S.-China Strategic and Economic Dialogue under Xi's predecessor, former Chinese President Hu Jintao. He also was the chief Chinese interlocutor for at least five annual meetings of the decades-old U.S.-China Joint

Committee on Commerce and Trade, a forum led by USTR and the Commerce Department that the Trump administration made no attempt to continue.

"He is the rare Chinese official that has major credibility in both Beijing and Washington," Evan Medeiros, leader of the Eurasia Group's Asia-Pacific coverage told the *Washington Post*. "Both American business leaders and policymakers welcome his expertise and frank style of negotiating: he is a trusted interlocutor."

DRIVING THE DAY — House Republicans are planning to release the text of their omnibus spending package tonight, and not a minute too soon as the clock ticks toward another government shutdown on Friday. Leadership is expected to present the details of the \$1.3 trillion fiscal 2018 omnibus spending bill in a closed-door meeting at 5:45 p.m., and the full text of the bill is expected to be released afterward, POLITICO reports.

Outside the Beltway: President **Donald Trump** will travel to Manchester, N.H., today with HHS Secretary **Alex Azar**, where he will unveil his wide-ranging plan aimed at fighting the opioid crisis. The proposal has three components: education and prevention; law enforcement and interdiction; and treatment and recovery efforts, Pro's Dan Diamond reports. While an earlier version of the plan obtained by POLITICO called for giving some drug dealers the death penalty, the final version is scaled back so that DOJ will only "seek the death penalty against drug traffickers when appropriate under current law," said Andrew Bremberg, the White House's director of the Domestic Policy Council.

Meanwhile, first daughter and White House adviser **Ivanka Trump** heads to Iowa to stump for her father's infrastructure proposal and promote workforce development programs. There, she will tour a pre-professional high school program called the Waukee Innovation and Learning Center with Iowa Gov. **Kim Reynolds**.

HOUSE FLOOR

The House will meet at 2 p.m. for legislative business, with votes postponed until 6:30 p.m. Lawmakers will consider 11 bills under suspension of the rules, including S. 2030 (115), which would delay the compliance date for efficiency standards for ceiling light kits into 2020, and H.R. 5074 (115), which would codify DHS' cyber incident response and hunt teams that assist the private sector and other cyber targets. H.R. 4176 (115), H.R. 4227 (115), H.R. 5131 (115), H.R. 4467 (115) and H.R. 5089 (115) concern the TSA and vehicular terrorism.

SENATE FLOOR

The Senate will convene at 3 p.m. and resume consideration of the motion to proceed to an anti-sex-trafficking bill, H.R. 1865 (115). At 5:30 p.m., the chamber will vote on **Kevin McAleenan's** nomination to be U.S. Customs and Border Protection commissioner. Senators will then vote on the motion to invoke cloture on the motion to proceed to the trafficking bill.

POTUS HAPPENINGS

12:20 p.m. Trump and first lady **Melania Trump** depart Washington, D.C. for Manchester, N.H. Joint Base Andrews.

1:40 p.m. Trump and the first lady arrive at the Manchester-Boston Regional Airport. Manchester, N.H.

2:40 p.m. Trump delivers remarks on the opioid crisis at Manchester Community College.

3:30 p.m. Trump and the first lady depart Manchester Community College for Manchester-Boston Regional Airport.

3:55 p.m. Trump and the first lady depart for Washington, D.C. Manchester-Boston Regional Airport.

5:45 p.m. The Trumps arrive at the White House. South Portico

VPOTUS DIGEST

Vice President **Mike Pence** has no public events scheduled

DOC Morning News Clips for Friday, January 05, 2018

January 5, 2018 at 6:15 AM

From "Reinert, William (Federal)"

To Undisclosed recipients: ;

DOC Morning News Clips for Friday, January 05, 2018

EDITORIAL: Quick way to undermine the U.S. Census? Ask about citizenship

Chicago Sun Times

Are you a legal citizen of the United States? That question, in some shape or form, could be included in the 2020 Census, and that's not good. It could result in serious financial harm to Illinois and other states that have significant immigrant populations, increase the already high cost of conducting the Census, and undermine the entire point of the effort.

House Democrats push back against DOJ adding citizenship question to 2020 Census

Washington Times

Two House Democrats are pushing back against the Department of Justice adding a citizenship question to the 2020 Census. Reps. Jose Serrano and Grace Meng, both of New York, sent a letter to Commerce Secretary Wilbur Ross on Thursday asking him to reject a proposal to add a question about citizenship to the census, saying it "will negatively affect response rates, jeopardize the accuracy of the collected surveys, and deter many people from participating."

The GOP is sabotaging this sacred mandate

Washington Post

The Founding Fathers must be spinning in their graves. Not because of cavalier threats about nuclear apocalypse and attempted erosion of First Amendment rights (okay, maybe those things, too). Because our federal government is failing to execute one of its most basic constitutional duties: the decennial census.

What the 2017 Census Data Tell Us about Obama's Policies

National Review

One of my favorite Christmastime presents is the Census Bureau's release of its annual population estimates for all of the states. Comparison of the April 1, 2010, Census Bureau enumerations and the June 30, 2017, estimates for the states shows how each state fared in the Obama years, seeing as this period includes 82 of the 96 months of the Obama administration and only five months of Donald Trump's presidency.

Boeing takeover of Embraer reportedly at risk as Brazilian government steps in

CNBC

Brazil has said it will not allow Boeing to take over aerospace and defense firm Embraer. Embraer first confirmed in December that it was in discussions with Boeing over a potential deal. Embraer is the third largest producer of civil aircraft, after Airbus and Boeing.

U.S. to Start Korean Trade Talks Amid Rising Tensions

NYT

The Trump administration and South Korean officials will meet on Friday to begin formally renegotiating a free-trade pact that has served as a source of conflict between the two allies. The meeting comes at a moment of heightened tension in the Korean Peninsula and unease in the broader region. President Trump has called the six-year old agreement a "horrible deal" for the United States and pledged to rework it. Over a series of meetings in the coming months, American negotiators hope to further open Korean markets to American cars and agricultural products and smooth irritants in the trading relationship.

BOEING'S LAST-MINUTE EMBRAER SURPRISE: News of Boeing's potential acquisition of Brazilian aircraft manufacturer Embraer could complicate a massive trade case against imports of Bombardier's new C-Series jet, but it's uncertain how much impact the U.S. International Trade Commission members will allow the information to have on a final injury determination due by Jan. 26.

Bombardier argues that the proposed merger between Boeing and Embraer lays bare the fact that Boeing never saw itself as a viable competitor in the 100- to 110-seat aircraft market where the C-Series exists. Boeing has argued that the allegedly unfairly priced and subsidized C-Series would undermine sales of its 737-700 and 737-MAX7, which Bombardier argues is a much larger class of aircraft that doesn't represent a "like" product. However, the move to acquire Embraer would put Boeing in direct competition with Bombardier, as many airlines view Embraer aircraft comparable to the C-Series in terms of size. If Boeing were to prevail in securing the nearly 300 percent tariffs on the C-Series from Canada, the market could be effectively open to Boeing's potential new Embraer subsidiary with little competition from Bombardier standing in the way.

"Boeing's acquisition of Embraer undercuts everything it said to the U.S. government in the trade cases, along with its criticism of our partnership with Airbus to build the C-Series in the United States," Bombardier Vice President of Communications Mike Nadolski said in a statement to Morning Trade. "It is shocking that Boeing hid these talks from the U.S. government until after the public record closed at the Department of Commerce and the International Trade Commission."

Boeing has argued the Airbus deal to produce the C-Series in Alabama, potentially making the jet a domestic U.S. product, shouldn't be relevant in swaying the ITC away from a potential injury finding since the business plans are too "remote and speculative." So too, it argues, is the case with a potential Embraer deal.

"This is a complete smokescreen from Bombardier — once again — to try to hide their illegal trade practices that are harming U.S. industry," Boeing spokeswoman Caroline Hutcheson told Morning Trade. "As a matter of law, the discussions Boeing has held with Embraer have absolutely no bearing on the ITC proceedings."

What says the ITC? The news of the potential Boeing-Embraer deal hasn't been lost on the ITC, with commission staff entering into the record last month a Wall Street Journal article describing the potential takeover and a joint press release from the two companies confirming the business discussions. Still, Bombardier wouldn't be able to submit a new filing on the matter unless asked to do so by the ITC and would be prohibited from adding new facts to the record. However, with the ITC already having already submitted some items on the potential business deal, it could open the door for Bombardier to comment if a request was made.

KORUS TALKS GET SERIOUS: The United States and South Korea today sit down for their first formal meeting to begin revamping a nearly six-year-old free trade agreement between the two countries, but don't expect Congress to have much of a say in the process.

Unlike the ongoing effort to renegotiate NAFTA, there's no indication that Congress will have to vote on a revised KORUS agreement, since the negotiations are expected to be limited in scope and conducted within "amendment and modification" procedures of the pact.

Autos at center stage: The Trump administration's fixation on bilateral trade deficits is expected to put pressure on Seoul to open its market to more American cars. There are a number of changes the U.S. might ask South Korea to make to improve access for U.S. automakers, said Troy Stangarone, director of congressional affairs and trade at the Korea Economic Institute.

Those could include reimposing a 2.5 percent U.S. tariff on auto imports that was eliminated under the pact, or lengthening the phase-out period for a 25 percent U.S. tariff on light trucks, he said. The Trump administration could also try to tighten automotive "rules of origin" to ensure that Korean cars imported under the agreement include less Chinese content.

One other option would be to increase the amount of American-made cars that can be sold in South Korea without having to meet Seoul's safety standards, which the U.S. industry sees as one of many non-tariff barriers. The deal the Obama administration struck in 2010 addressed that issue by allowing each car company to sell up to 25,000 U.S.-made autos and trucks in South Korea by meeting U.S. federal safety standards rather than South Korean standards. Doug Palmer has the full story [here](#).

ROBERTS GETS MORE FACETIME WITH TRUMP ON NAFTA: A group of six Republican senators visited the White House on Thursday to continue a defense of NAFTA in the face of President Donald Trump's threats to withdraw from the agreement.

Senate Agriculture Committee Chairman Pat Roberts led the charge, reporting afterward that the president "really listened to our concerns."

"I delivered the message that farmers and ranchers need to grow export markets and maintain our status as a reliable supplier, more especially with Canada and Mexico in NAFTA renegotiations," Roberts said in a statement. "The president understands the difficulty farm country is going through. I told him we need a good farm bill and the best trade agreements possible for all sectors of our economy."

Sens. Roy Blunt, Cory Gardner, John Hoeven, Dan Sullivan and John Thune also attended the meeting, which was a prelude to Trump's speech to the American Farm Bureau Federation's annual conference on Monday afternoon.

The White House said in a statement that Trump "was glad to speak with this group of senators about the trade policy priorities both he and the Senate will be focusing on in 2018, including securing more equitable trade deals with our partners, increasing exports, and ensuring American industries are treated fairly around the globe."

NOTABLES AT THE NAFTA ROUND: The sixth round of NAFTA negotiations is scheduled for Jan. 23-28 in Montreal, where the three countries could dive into divisive issues like auto rules of origin. The meeting in Canada, which is being viewed by many as a potential turning point in the talks, could also see a higher-profile audience on the sidelines.

Among the notables expected to be spotted in the icy environs of Quebec: a delegation of House Ways and Means Committee members led by Trade Subcommittee Chairman Dave Reichert that will make the rounds during the last two days of the talks, according to sources familiar with the trip. A committee spokeswoman declined to offer specifics in terms of who would accompany Reichert on the trip, which was still in the planning phase.

MACAULAY HEADS TO NASHVILLE TO RALLY FARMERS FOR NAFTA: Canadian Agriculture Minister Lawrence MacAulay is traveling to Music City today to help rally support for NAFTA at the Farm Bureau convention. During the trip from Jan. 5-8, MacAulay plans to promote trade between Canada and the United States in meetings with Farm Bureau President Zippy Duvall and Tennessee Agriculture Commissioner Jai Templeton, his office announced Thursday.

MacAulay also will participate in a roundtable with U.S. farmers and agribusiness groups and host a breakfast for all state Farm Bureau presidents.

"Since the beginning of NAFTA, trade in North American agriculture has quadrupled," MacAulay said in a statement. "We will continue to work closely with representatives at all levels in the U.S. to ensure our agricultural sectors continue to grow and prosper."

MacAulay's visit to Tennessee is part of a simultaneous three-part offensive. Canadian Environment Minister Catherine McKenna is in San Francisco today to promote climate action as well as increased trade and investment in clean technology, the Canadian government said in a release. At the same time, Ralph Goodale, Canada's minister of public safety and emergency preparedness, is in Kentucky to promote NAFTA.

MCKINNEY, IN U.K., PUSHES BRITAIN TO 'RESET' FOOD SAFETY STANDARDS POST-BREXIT: The United Kingdom should roll back some of its strict food safety and regulatory standards after it completes its exit from the European Union in order to boost trade with the United States and increase the chances the two countries can strike a bilateral trade deal, a top USDA official says.

Ted McKinney, the Department of Agriculture's new undersecretary for trade, said during a farming conference in the U.K. on Thursday that if Britain cuts some EU regulations on farming and food processing, "there is a much greater opportunity for trade between the U.K. and U.S."

"We hope that the U.K. will look for its own food standards, environmental safety protocols," McKinney told Bloomberg. "We find the EU a very difficult place to do business and so we hope that as part of Brexit, the reset button can at least be considered."

At the crux of the issue is chlorine-treated chicken, which the EU does not allow to be imported and which U.K. Environmental Minister Michael Gove said last year would be barred from Britain once it breaks from the EU. But on Thursday, McKinney said he was "sick and tired" of hearing criticism of American poultry and that Gove promised "that he would not conflate chlorinated chicken" with food safety standards, Bloomberg reported.

"We would like all of British society to understand that is not a practice that's in use very much," McKinney said. "The quality of our poultry, we'd put up against U.K. poultry any day of the week and twice on Sunday."

ALIBABA AWAITS TRUMP VERDICT IN NOTORIOUS MARKETS REPORT: Shortly before leaving office, the Obama administration tagged one of Alibaba's main platforms, Taobao.com, as a "notorious market"

for counterfeit goods. Now, it's up to the Trump administration to decide whether to keep the Chinese e-commerce giant on the annual "name and shame" list.

USTR officials declined to say when they would release the 2017 report. Unlike many other USTR publications, there's no set deadline. Both the 2015 and 2016 editions came out in December, but the 2014 report came out in March. The public comment period for which websites or physical markets should be on the 2017 notorious markets list ended in October.

Alibaba strongly protested the 2016 designation, questioning whether the move was based on the facts or anti-China trade sentiment fueled by the presidential election. A year later, some of its strongest critics, such as the American Apparel and Footwear Association and the Motor & Equipment Manufacturers Association, say they've seen progress and have stopped short of calling for Taobao to be relisted.

"Over the past year, many of our members have reported improvements on Alibaba platforms, especially those related to procedures and timelines for takedowns. They've welcomed the relationships they have developed with Alibaba and have reported success using new procedures and programs," AAFA said in its comments. "While many of these brands still report relatively high numbers of counterfeits, they believe the partnerships they have forged and the tools Alibaba has launched — sometimes in conjunction with their input — are achieving results in attacking these infringements."

STILL NO NOMINEE FOR AMBASSADOR TO THE EU: Almost one year after taking office, Trump has not nominated anyone to serve as ambassador to the European Union, raising concerns in the business community about missed opportunities. The vacancy comes as the EU is involved in delicate negotiations on the terms of the United Kingdom's exit from the 28-nation economic community. The final agreement could significantly affect U.S. business interests on both sides of the English Channel. "Ambassadors play a key role in promoting U.S. economic interests abroad, and U.S. companies doing business globally rely on those ambassadors to help open foreign markets and enable U.S. competitiveness," Marjorie Chorlins, vice president for European Affairs at the U.S. Chamber of Commerce, told Morning Trade. "As regards the EU specifically, we believe there is more progress to be made in deepening the bilateral trade and investment relationship, and having an ambassador in place would demonstrate serious U.S. interest in advancing these efforts."

To be fair, the U.S. Mission to the EU in Brussels is not without leadership. For the past year, acting Chargé d'Affaires Adam Shub has been running the office. Shub, a veteran of USTR and a member of the Senior Foreign Service, has previously served in Iraq, Mexico, Peru, Brazil, Russia, Venezuela and Cuba. In addition, European officials are privately relieved that Ted Malloch, a euro-skeptic who promoted himself for the job, never got the nod.

REPORT: MEXICO IS A TOP MARKET AND POLITICAL RISK: With the future of NAFTA uncertain and Mexico's July presidential election quickly approaching, political risk consultancy Eurasia Group named the U.S.'s southern neighbor No. 4 on its annual Top Risks forecast. While NAFTA negotiators have made the end of March their target date to wrap up talks, "the NAFTA debate and the country's presidential election are likely to overlap and amplify the risks each presents," the report says.

Economic uncertainty is certain: If the U.S. were to withdraw from the 24-year-old trade deal, it would create major uncertainty for the billions of dollars in trade activity between the three North American nations, but the Mexican economy and its investors would "suffer disproportionately, given the country's deep reliance on trade with the U.S.," the report explains.

China tops the list: As the U.S. moves away from multilateralism, China now has the opportunity to fill a "power vacuum" and set international standards with much more ease than before, the forecast said. In terms of trade and investment, the report explains: "China is writing checks and creating a global architecture while others are thinking locally or bilaterally. This model generates both interest and imitators," with the support from countries in Asia, Africa, the Middle East and Latin America.

DRIVING THE DAY — President **Donald Trump** and Vice President **Mike Pence** will head to Camp David this afternoon to host Republican congressional leaders this weekend to canvass the 2018 agenda, including how to address welfare programs, health care and infrastructure. On the invite list: Senate Majority Leader **Mitch McConnell** (R-K.y.), House Speaker **Paul Ryan** (R-Wis.), House Majority Leader **Kevin McCarthy** (R-Calif.), Senate Majority Whip **John Cornyn** (R-Texas) and House Majority Whip **Steve Scalise** (R-La.).

Amid rising concerns Republicans could lose their majorities come November, McConnell and McCarthy are expected to brief the president with presentations on the perilous midterm landscape, reports POLITICO's Alex Isenstadt. The group is expected to discuss the party's challenges and opportunities. Multiple White House staffers, including **Johnny Destefano**, the director of the office of presidential

personnel, legislative affairs director **Marc Short**, and political director **Bill Stepien** are also expected to attend.

U.S. and South Korean officials will hold talks in Washington, kicking off formal negotiations on potential changes to the U.S.-Korea Free Trade Agreement. Although key lawmakers are tracking the talks, major changes aren't expected.

HOUSE FLOOR

The House will meet at noon in a pro forma session. The chamber is back on Monday with votes postponed until 6:30 p.m.

SENATE FLOOR

The Senate is not in session today.

POTUS HAPPENINGS

- 11 a.m. Trump receives his daily intelligence briefing. Oval Office.
- 2 p.m. Trump departs the White House en route to Camp David. South Lawn.
- 2:45 p.m. Trump participates in the Congressional Republican Leadership Retreat. Camp David.

VPOTUS DIGEST

- 2:45 p.m. Pence joins Trump to participate in the Congressional Republican Leadership Retreat. Camp David.

DOC Morning News Clips for Tuesday, February 06, 2018

February 6, 2018 at 6:04 AM

From "Reinert, William (Federal)"

To Undisclosed recipients: ;

DOC Morning News Clips for Tuesday, February 06, 2018

Groups raise concerns about move to ask about citizenship on the Census

USA Today

Congressional lawmakers, mayors and civil rights activists are ramping up efforts to urge federal officials to reject a request to include a controversial question about citizenship in the upcoming Census. With only weeks before the deadline to submit questions for the 2020 Census, the groups are calling on Commerce Secretary Wilbur Ross to turn down a request from the Justice Department to ask respondents if they are citizens.

Citizenship question drives uncertainty over 2020 census

The Hill

Uncertainty is swirling over whether the Census Bureau will be able to get an accurate population count for the 2020 census, as the agency considers a Department of Justice (DOJ) request to add a controversial question about citizenship status to the census questionnaire. The stakes are enormously high.

There's a big problem with how the census measures race

Washington Post

Will the 2020 Census be accurate? A number of observers have been worrying about that question, for several reasons. For instance, the Department of Justice has been trying to insert a citizenship question on the census form; such a question could discourage many immigrants from completing the form. As a result, cities and regions with large numbers of immigrants could see their populations seriously under-counted, with troubling results for political representation, services and funding.

NAFTA deal possible by end of March, says Canadian envoy MacNaughton

Info Canada

Canada's ambassador to the United States said Monday he believes NAFTA negotiators can reach an agreement in principle by the end of March. The upbeat assessment from envoy David MacNaughton comes in the face of the continuing threat from U.S. President Donald Trump to blow up the deal, which hangs over the final eight weeks in the current negotiating schedule.

A DAY OF RECKONING FOR TRUMP'S SIGNATURE TRADE PROMISE: President Donald Trump traveled around the country in 2016 pledging to reduce the trade deficit by tearing up trade deals and slapping tariffs on trading partners. But that promise is one that Trump, at least in his first year, has failed to keep, Commerce Department figures set for release this morning will show.

The Commerce report will include data showing the overall trade deficit for 2017 as well as monthly figures for December. In the last version of the report, which showed total figures through the first 11 months of the year, the deficit was already on track to surpass the level set the year before, totaling \$513 billion compared with \$460 billion for the same period in 2016.

Trump actually did little to try to "fix" the trade deficit in 2017 and arguably made it worse by signing new tax legislation that is expected to add \$1.5 trillion to the U.S. budget deficit over the next 10 years. At the same time, the economy has consistently done well throughout Trump's first year in office, which in turn tends to push the trade gap ever wider because Americans are spending more on goods and services, many of which are imported from abroad.

Still, the jury is not completely out after only 12 months because of the number of trade negotiations and investigations still underway. "They've got a lot of irons in the fire and some of the things that they

are proposing are good ideas" that could help balance trade, said Lori Wallach, director of Public Citizen's Global Trade Watch.

Others are skeptical Trump will be able to significantly cut the trade deficit, even if he slaps tariffs and quotas on aluminum and steel imports and takes aggressive action against China over its industrial policies. "I think it's unlikely that any of that stuff would really dramatically impact the trade deficit beyond at the margins," said Clark Packard, trade policy counsel at the R Street Institute, a policy research group that favors free markets and limited government.

Stay tuned for more on the Commerce report and the trade deficit from Doug Palmer later today.

AUSTRALIAN ENVOY: TPP COUNTRIES WANT U.S., BUT IT WON'T BE EASY: The remaining members of the Trans-Pacific Partnership would like to see the United States rejoin the agreement — but it won't be easy to change the deal to make it amenable to Trump's terms, Australian ambassador to the U.S. Joe Hockey said Monday.

"The official line is that the architecture is open and transparent, and it accommodates anyone choosing to join," Hockey said at an event at the Australian Embassy hosted by the Washington International Trade Association. "The hard part is, if you were joining a club, it's very hard to put in your application and try to change the rules at the same time."

Hockey maintained that everyone would benefit from the U.S. rejoining the agreement but said there has not been any discussion of delaying the signing of TPP-11 — which is slated to happen next month — in case Washington might reconsider its withdrawal.

"No one's going to rule it out, because it's the United States of America and we want the United States of America in the TPP. We really do," Hockey said when asked whether the remaining TPP countries would consider working with Trump to rework some of the rules of the agreement. "And last I saw, a majority of Americans actually want free trade, and American business surely would want to have cheaper access to the fastest-growing market in the world."

ONTARIO LEADER MAKES THE WASHINGTON ROUNDS: Canada is continuing its state- and provincial-level engagement on NAFTA today with Ontario Premier Kathleen Wynne's visit to Washington, where she will meet with a number of executive branch officials and members of Congress. The official focus of the visit will be to discuss "NAFTA's essential role for both the U.S. and Canadian economies, especially for the auto and agriculture sectors," a spokesperson said.

In a full day of meetings, Wynne will meet with Reps. Bill Pascrell and Jim Renacci and other members of the House Ways and Means Committee, as well as Sens. Gary Peters and Ron Johnson. She will also sit down with Ted McKinney, the Department of Agriculture's undersecretary for trade and foreign agricultural affairs, and with the Office of the U.S. Trade Representative, though the itinerary does not specify who at USTR will be present. At the Eisenhower Executive Office Building next to the White House, Wynne will meet with Mark Calabria, who is Vice President Mike Pence's chief economist and policy director.

PUBLIC CITIZEN WON'T FIGHT TPA RENEWAL FOR TRUMP: Public Citizen has long been one of the biggest opponents of trade promotion authority, also known as "fast track," because it allows the White House to submit trade agreements to Congress for a straight up-or-down vote without any amendments. But it's not planning to fight the Trump administration's upcoming request for a three-year renewal, Wallach said.

"It would not be a good use of resources" because the 2015 TPA law almost guarantees Congress will renew the authority through July 1, 2021, if the president makes the request, Wallach said. That makes it much harder to block than even the Trans-Pacific Partnership, which Public Citizen helped prevent from becoming law.

"It's one thing when you have like a 10 percent chance of derailing the TPP. There's like a vision of how you can do it," Wallach said. "It's another thing when it's almost literally impossible to succeed because you can't get the damn resolution [of disapproval to extend TPA] on the floor." That's because the resolution first has to go through either Senate Finance or House Ways and Means, and neither of those Republican-controlled committees are going to let it to get through, she said.

SORGHUM GROWERS WALK THE LINE ON CHINA CASE: U.S. sorghum growers carefully touted the importance of the Chinese market to their exports while at the same time countering Beijing's allegations that imports of the U.S. product are being unfairly priced and subsidized.

"The U.S.-China agricultural relationship is beneficial to U.S. farmers, Chinese consumers, and our respective partners. U.S. sorghum farmers sell their product to our valued partners in China," the National Sorghum Producers said in a statement. "We appreciate our deep and long-standing relationships within these buyers, and the feed and livestock industries in China. U.S. sorghum farmers

do not dump our products into China or elsewhere, and our products are not unfairly subsidized. A fair proceeding will demonstrate these facts."

Chinese government spokesman Geng Shuang said Monday that the government-initiated case was "just a normal individual case of trade remedy investigations," when asked whether the action was a reaction to recent U.S. import restrictions on solar panels and washing machines. The narrative in most reports speculated that this would be the start of a wave of Chinese retaliation to U.S. trade actions that would be aimed primarily at the U.S. agriculture sector.

"It's more likely this is the kind of thing that's been in the works for a while," a former senior USDA official told Morning Trade. Although the timing is convenient, the former official said the action is consistent with China's efforts to encourage domestic use of massive stockpiles of corn by putting in place import restrictions on products that can be used in animal feed. Last January, China finalized anti-dumping and countervailing duties on imports of U.S. distillers dried grains, which is also used as an animal feed ingredient.

DAIRY INDUSTRY PUSHES FOR DOUD: The U.S. dairy industry is zeroing in on the pending confirmation of Gregg Doud to serve as chief agricultural negotiator at USTR now that Sen. Jeff Flake (R-Ariz.) has lifted his hold on the nominee. Doud, a former Senate Agriculture Committee staffer who was first tapped for the gig in June, has enjoyed broad support from ag industry groups but had been held up until last week amid complaints from Flake about a seasonal produce proposal in NAFTA. The U.S. Dairy Export Council and the National Milk Producers Federation on Monday welcomed the news that the hold had been lifted and urged the Senate to move quickly on his confirmation, "particularly given the breadth of trade issues in which the USTR is engaged." "America's dairy farmers depend on carefully calibrated trade agreements, such as the North American Free Trade Agreement (NAFTA) and the U.S.-Korea free trade agreement (KORUS)," Jim Mulhern, president and CEO of NMPF, said in a statement. "We need a strong advocate for agriculture in the USTR during this crucial period."

IP GROUP SOUNDS THE ALARM ON USTR VACANCIES: In much the same vein, the lobbying group ACTION for Trade sent a letter to Senate Majority Leader Mitch McConnell and Minority Leader Chuck Schumer on Monday urging them to "swiftly confirm" Doud and three other nominees to fill deputy USTR positions: Jeff Gerrish, C.J. Mahoney and Dennis Shea.

"Strong intellectual property protections abroad and a level international playing field are essential elements that allow U.S. creators and innovators to thrive here at home," Brian Pomper, executive director of the group, wrote in the letter. "Establishing and implementing those protections requires a full complement of personnel at the agencies responsible for carrying out U.S. trade policy."

The coalition, which counts groups like Oracle and the Motion Picture Association of America among its members, also called for lawmakers to "move deliberately" to consider Trump's choice to serve as chief intellectual property negotiator. The administration has yet to nominate anyone to fill that position, a new role that was created by Congress in 2015.

U.K. HIRES TRADE COMMISSIONER TO FOCUS ON N. AMERICA: The United Kingdom is ramping up its preparation efforts for post-Brexit trade negotiations, hiring two regionally focused trade commissioners who will have the autonomy to lead trade relations with "key markets of the future," U.K. International Trade Secretary Liam Fox announced on Monday.

Antony Phillipson, the current director-general of international trade in North America, has been tapped to serve as Her Majesty's Trade Commissioner for North America, while Crispin Simon will take on a similar role focused on South Asia.

"With the IMF predicting that 90 percent of growth will come from outside the EU, we need to look at where the emerging markets are and put U.K. businesses in prime position to benefit," Fox said in a statement announcing the new appointments, which he said were part of "a new way of doing things."

Phillipson will be in Washington later this week to talk with reporters and, at a Wednesday event on Capitol Hill, share his views on U.K.-U.S. trade, the current state of the U.K.-U.S. Trade and Investment Working Group and Brexit's impact on trade and investment.

CYBER-INSECURITY LAW? China's cybersecurity law actually makes companies more — not less — vulnerable to hackers, the U.S.-China Business Council said Sunday in a report recommending a host of changes to the country's specialized rules for foreign firms operating in China. "International companies use global technology platforms to maximize the efficiency, security, and interoperability of their systems and operations around the world," Council President John Frisbie said. "Implementing unique technology for a single country in a global network will increase the risks that a company's systems could be infiltrated or compromised."

The report, in one example of how it says China's law makes companies more vulnerable, cites requirements for using local encryption algorithms, which might be incompatible with international standards. It recommends China use a narrow definition of "national security" as it applies to storage and transfer of information in order to keep companies from accidentally violating the law. It also recommends that both foreign and local companies be allowed to offer cloud services.

DRIVING THE DAY — The House is scheduled to vote today on the newly introduced spending bill. The legislation would fund the Department of Defense through September and nondefense programs for six weeks, Sarah Ferris reports. It also includes two years of funding for the Community Health Centers program, along with an extension of long-expired Medicare funding.

GOP strategy : The bill is an attempt by frustrated House Republicans to force Senate Democrats to back a spending measure that prioritizes defense funding over other federal dollars, even without a broader agreement on overall budget caps. House Republicans agreed to the strategy on Monday, even as some acknowledged that the Senate is likely to strip out the extra defense money and send the bill back to the House before funding expires at midnight Thursday.

HOUSE FLOOR

The House will meet at 10 a.m. for legislative business. First votes are expected from 11:30 a.m. to 12:30 p.m. and last votes are expected from 6:30 to 7:30 p.m. Lawmakers will consider a bill, H.R. 772 (115), that would relax parts of an Obama-era rule to mandate menu labeling nationwide, as well as the short-term spending bill, H.R. 1892 (115). Members will also take up five measures under suspension of the rules, including two, H.R. 4924 and H.Res. 724, that would overhaul Congress' system for deterring and policing workplace harassment, Elana Schor reports.

SENATE FLOOR

The Senate will convene at 10 a.m. The chamber will recess from 12:30 to 2:15 p.m for the weekly policy lunches. No votes are scheduled.

POTUS HAPPENINGS

1:45 p.m. President **Donald Trump** hosts a law enforcement roundtable on MS-13. Cabinet Room.

3:40 p.m. Trump signs a national security memorandum establishing a "National Vetting Center" aimed at improving vetting of those who want to enter the U.S., CNN's Jeremy Diamond reports. Oval Office.

VPOTUS DIGEST

Not provided.

Fwd: Canceled: **b(5) - DP/PCP**

March 1, 2017 at 8:01 PM

From Wilbur Ross

To Broole Alexander

mime-attachment.ics 7.57 KB

Please fill in the blanks. W

Sent from my iPhone

Begin forwarded message:

From: "Cohn, Gary D. EOP/WHO" **b(6)**
Date: March 1, 2017 at 6:53:37 PM EST
To: "**b(6) - Secretary Mnuchin** **b(6)** @treasury.gov"
b(6) @treasury.gov >, **b(6)** @treasury.gov" **b(6)** @treasury.gov >, Wilbur Ross **b(6)** "Branstad, Eric (Federal)" <EBranstad@doc.gov>, "Pickitt, Kailey M. EOP/OMB" **b(6)** "Mulvaney, John M. EOP/OMB" **b(6)** "Hunter, Mallory G. EOP/WHO" **b(6)** "Dumbauld, Cassidy M. EOP/WHO" **b(6)** "Bannon, Stephen K. EOP/WHO" **b(6)** "Berkowitz, Avrahm J. EOP/WHO" **b(6)** **b(6) - Jared Kushner** **b(6) - Jared Kushner** "Klingler, McLaurine E. EOP/WHO" **b(6)** "Pinkos, Stephen M. EOP/OVP" **b(6)** "Dearborn, Rick A. EOP/WHO" **b(6)** "Welden, Anne-Allen EOP/WHO" **b(6)** **b(6)** "Conway, Kellyanne E. EOP/WHO" **b(6)** "Cypher, Catharine D. EOP/WHO" **b(6)** "Dubke, Michael D. EOP/WHO" **b(6)** "Spicer, Sean M. EOP/WHO" **b(6)** "Morrone, Vanessa M. EOP/WHO" **b(6)** "Curry, Catherine E. EOP/WHO" **b(6)** "Short, Marc T. EOP/WHO" **b(6)** "Pitcock, Joshua M. EOP/OVP" **b(6)** "Wells, Mary E. EOP/OVP" **b(6)** "Vought, Russell T. EOP/OMB" **b(6)** "Chalkey, Richard J. EOP/WHO" **b(6)** "Knight, Shahira E. EOP/WHO" **b(6)** "Leiserson, Greg Q. EOP/CEA" **b(6)** "Marquis, Ashley H. EOP/WHO" **b(6)** "Katz, Jeremy L. EOP/WHO" **b(6)**
Cc: Reince Priebus **b(6)** "Nasim, Laura F. EOP/WHO" **b(6)** "Kushner, Jared C. EOP/WHO" **b(6)** "Koenig, Andrew D. EOP/WHO" **b(6)**
Subject: Canceled: **b(5) - DP/PCP**

All,

b(5) - DP/PCP

Best,

Mackenzie

mime-attachment.ics 7.57 KB

RE: Secretary Mnuchin - No Labels - Problem Solvers Caucus

March 24, 2017 at 1:52 PM

From "Steven T. Mnuchin"

To Wilbur Ross

 image001.jpg 51.03 KB

thanks

this is my new personal email

From: Wilbur Ross [b(6)]
Sent: Friday, March 24, 2017 4:07 PM
To: Steven Mnuchin
Subject: Fwd: Secretary Mnuchin - No Labels - Problem Solvers Caucus

FYI. Wilbur

Sent from my iPhone

Begin forwarded message:

From: Nancy Jacobson [b(6)]@nolabels.org>
Date: March 24, 2017 at 12:47:40 PM EDT
To: [b(6) - Secretary Ross]
Subject: Secretary Mnuchin - No Labels - Problem Solvers Caucus

I wanted to share with you an important meeting that occurred yesterday in room 2020 of Rayburn House Office Building with Treasury Secretary Steven Mnuchin and the Problem Solvers Caucus. -- On this day of darkness – it gives us hope of what is possible.

Yesterday -- 27 members of the BIPARTISAN congressional Problem Solvers Caucus held a private meeting with Treasury Secretary Steven Mnuchin, where they talked in depth about where Democrats and Republicans can get to "yes" in the months ahead. This was Secretary Mnuchin's first meeting on Capitol Hill since his confirmation hearing earlier this year, an indication of the growing clout of this Caucus and of No Labels.

At the Problem Solvers meeting, Secretary Mnuchin said the administration sees numerous openings for bipartisan agreement, beginning with tax reform. The Secretary said he would like to see tax reform passed before the August recess guided by three core priorities: 1) simplifying the individual code, 2) cutting middle class taxes, 3) making the corporate tax code more competitive. This tax reform effort could potentially be paired with an infrastructure investment package. Among other areas the Secretary and the Caucus members discussed:

- Reforming the Dodd-Frank provisions that disproportionately harm community and regional banks
- Regulatory reforms, including the onerous permitting process for infrastructure
- Fixing the federal housing finance systems including reforms of Fannie, Freddie and the Federal Housing Administration
- Protecting the full faith and credit of the U.S. by raising the debt limit

At one point in the meeting, Congressman David Young a Republican member of the Caucus asked Secretary Mnuchin to transmit a message directly to the President. He said, "Please tell the President he needs to bring Democrats into the process on all these issues." To me it was a sign that these Caucus members are beginning to view themselves as a true bloc, with loyalty to one another and the country above their party.

This is just the first step. Next up for this Caucus is focus on infrastructure and tax reform. As dysfunctional as Washington has become, it's easy to get frustrated. Days like yesterday are what keep me going.

Sincerely,

Nancy

b(6)

Re: Looking forward to seeing you

June 20, 2017 at 7:10 PM

From Wilbur Ross

To "Michael Milken [b(6)]@knowledgeu.com)"

We are having a small dinner at our home in [b(6)] Friday night and would be delighted if you both could join us. [b(6)] W

Sent from my iPhone

On Jun 20, 2017, at 9:59 PM, Michael Milken [b(6)]@knowledgeu.com)

[b(6)]@knowledgeu.com> wrote:

Dear Secretary Ross: Thank you for joining us at the Global Conference. I know your presence was beneficial for the 5,000 participants at the conference... I hope it was productive for you. Lori and I will be in DC this week starting on Friday afternoon. I will be attending [b(6)]

[b(6)]

I do not know what your plans are but I would welcome an opportunity to discuss some mine and the Institutes thoughts on trade with you.

Lori and I are also available if you would like to have breakfast, brunch, lunch or just to visit at another time that is convenient for you.

All the Best

Mike

LOVE THE TAX PLAN

April 27, 2017 at 11:42 AM

From Shalabh Kumar

To Steven Mnuchin

Cc Newt Gingrich, Wilbur Ross

Steven,

We all love the tax plan outlined this morning. It is great that you clarified that S corps, LLCs, and LPs as pass through entities, are also eligible for 15%.

We at RHC can and shall organize mass support for the plan. Remember there are over 400,000 small Hindu American businesses in our country.

Economy under this plan grows 5% GAURANTEED.

We are at your service to help you in any and all manners.

On our way to Make America Great again.

I AM SO EXCITED!!

Shalli Kumar

RHC

Re:

July 17, 2017 at 9:50 AM

From John Thornton

To Wilbur Ross

Cc Steven Mnuchin

Yes. Let me re-check his understanding.

I will be back to you.

Thank you for being so responsive.

Best.

Sent from my BlackBerry 10 smartphone.

From: Wilbur Ross
Sent: Monday, July 17, 2017 12:48 PM
To: John Thornton
Cc: Steven Mnuchin
Subject: Re:

Is he now in the US? Tomorrow is a meeting of Chinese and American CEOs to the best of my knowledge no Chinese government officials will be attending. Wednesday is the official CED meeting between Chinese and US government officials. That delegation is lead by Vice Premier Wang Liao Man should contact him we cannot dictate who is in the Chinese delegation. Wilbur Ross

Sent from my iPhone

On Jul 17, 2017, at 12:41 PM, John Thornton <[b(6)]@brookings.edu> wrote:

Good morning.

I just received a call from Liao Min, a very able person who works directly for Liu He who you will recall is the closest economic adviser to Xi Jinping.

Liao Min is meant to be attending a CEO Summit at the Commerce Department tomorrow which I gather you are hosting. Apparently, his papers were submitted late by Zhu Min who may be leading the Chinese delegation (?).

In any case he was informed that the Commerce Department has said he cannot attend the meeting.

I have zero knowledge of the particular circumstances re: the meeting, but will simply say that he is someone you should definitely want in it. He is a good, smart person who is a force for good and is relied on by Liu He.

I also copy Steven to ensure one of you receives this note.

All best.

Re:

May 21, 2017 at 9:18 AM

From Wilbur Ross

To b(6) - R Lefrak@lefrak.com

Trip was amazing both in terms of results for the administration and in terms of the hospitality we received. The assists were even more gracious than when I visited the Kingdom as a private citizen. They are an amazing people. Equally amazing was their convening power. The ceos, private equity leaders and leaders of Muslim nations who assembled here on very short notice is extraordinary, albeit also because of POTUS' presence I am so proud of what the President is accomplishing and thrilled to be a part of it. Best Regards, Wilbur

Sent from my iPhone

On May 21, 2017, at 3:26 PM, b(6) - R Lefrak@lefrak.com wrote:

Saw Hil last night. Trip seems to have gone well. Loved the sword dance. Speak at your convenience.

Sent from my iPhone

On May 21, 2017, at 7:58 AM, Wilbur Ross b(6) wrote:

I am in Saudi. And you are right about the contract. W

Sent from my iPhone

On May 20, 2017, at 12:35 AM, b(6) - R Lefrak@lefrak.com wrote:

Wilbur did you go on the trip to Saudi? Would like to connect with you if you didn't. I understand that the EO that establishes the advisory council is under your department. Watched you on CNBC earlier this week. As usual you were great.

Sent from my iPhone

Legal Disclaimer:

"This message is intended only for the use of the individual or entity to which it is addressed, and may contain information that is privileged, confidential and exempt from disclosure under applicable law. If the reader of the message is not the intended recipient, or the employee or agent responsible for delivering the message to the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited. To the extent this email discusses the terms of a proposed contract or transaction, this e-mail is not intended to, and shall not, bind the party sending the e-mail, its affiliates or its principals, and any contract may be formed only upon the subsequent negotiation of a formal written document, hand signed by both parties. Although we attempt

to sweep e-mail and attachments for viruses, we do not guarantee that either are virus-free and accept no liability for any damage sustained as a result of viruses. If you have received this e-mail in error, please notify the sender immediately, and delete the message along with any attachments. (ReOpsDiscI)"