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### **Hatch Statement at Finance Hearing on Trade Enforcement**

WASHINGTON – U.S. Senator Orrin Hatch (R-Utah), Ranking Member of the Senate Finance Committee, today issued the following statement regarding the Finance Committee hearing on trade enforcement:

*Thank you, Mr. Chairman, for holding this hearing. Today we are examining the role of trade enforcement in advancing U.S. international trade interests.*

*Some of the most important trade enforcement tools we have are U.S. safeguard, anti-dumping, and countervailing duty laws. For companies like U.S. Magnesium, which operates in Salt Lake City and Rowley, Utah, our trade laws are essential to their ability to compete against imports that unfairly benefit from foreign government interference in the market.*

*I want to ensure that these laws remain effective tools in our international trade arsenal.*

*That is one reason the Bipartisan Congressional Trade Priorities Act which I introduced with former Senator Baucus in January includes – as a principle negotiating objective – a directive to preserve the ability of the United States to rigorously enforce our trade laws.*

*I also want effective trade enforcement at the border.*

*That's why I worked with Chairman Wyden to craft a version of the ENFORCE Act that gained unanimous bipartisan support in the Finance Committee. This bill provides new tools to help stop circumvention of our trade remedy laws.*

*Legislation I introduced with former Senator Baucus in 2013 to reauthorize U.S. Customs and Border Protection includes the ENFORCE Act, in addition to a number of other tools that will help stop the entry of counterfeit and other illegally shipped goods into the United States.*

*I hope the committee will act on that bill soon.*

*While we work to ensure that our nation has the tools to battle unfair trade practices domestically, we also need to create effective multilateral and bilateral systems to help us*

*enforce our rights abroad. When used well, the World Trade Organization dispute settlement system has proven to be an effective forum.*

*Senator Portman, when he was the U.S. Trade Representative, brought the first WTO dispute against China in which China was found to have breached its WTO commitments. Before that case, China was imposing restrictions on imports of U.S. auto parts that were harming U.S. companies and workers. By effectively employing the WTO dispute settlement system, we were able to get China to reverse course and remove those restrictions.*

*As you can see, we have a system that works.*

*Of course, the effective use of the dispute settlement tools at our disposal depends upon the proper prioritization of enforcement efforts by the administration.*

*I remain disappointed in the Obama Administration's failure to bring a single case against Russia since they joined the WTO.*

*When Congress considered legislation granting Permanent Normal Trade Relations to Russia in 2012, the administration argued vigorously that we needed Russia in the WTO so we could bring them to dispute settlement when they violated international trade rules.*

*Ironically, Russia recently announced that they would pursue a WTO case against the United States, while our administration refuses to act, even though Russia has repeatedly violated WTO rules concerning sanitary and phyto-sanitary practices, intellectual property rights, and localization barriers.*

*I am similarly disappointed when it comes to the administration's enforcement of intellectual property rights abroad.*

*Despite Canada, Chile, China, and India's rampant and repeated disregard for their obligations regarding intellectual property rights, the Obama Administration refuses to bring a single case against any of these countries' practices, sending a signal not only to these nations but the rest of the world that this administration will not act to protect U.S. holders of intellectual property rights abroad.*

*I also remain deeply disappointed in the Obama Administration's selective implementation of our trade agreements with Colombia, Panama, and South Korea, time and again choosing labor over innovation.*

*For example, Panama was forced to make statutory and regulatory changes to its labor laws before the administration would even submit that free trade agreement to Congress for approval. In the case of Colombia, the administration required the Colombians to make changes to their labor regime that weren't even required by the free trade agreement before sending the agreement to Congress.*

*Contrast this with the case of the Korea Free Trade Agreement, where the Obama Administration allowed the agreement to enter into force knowing that the Koreans had not created an effective and fully independent review mechanism for pricing and reimbursement of pharmaceuticals and medical devices. In my view, they squandered the leverage of entry into force, and now we face an uphill battle to bring Korea into compliance.*

*We should not tolerate similar practices going forward.*

*That is why the Trade Promotion Authority bill that former Senator Baucus and I introduced contains strong new oversight mechanisms that will help ensure full implementation and effective enforcement of our trade agreements. I intend to make absolutely sure that each country with whom we have a future trade agreement is fully in compliance with that agreement before the agreement enters into force.*

*We must also do a better job protecting U.S. innovation. That is why I introduced legislation to create a Chief Innovation and Intellectual Property Negotiator in the Office of the United States Trade Representative. This individual would ensure that intellectual property rights are no longer an afterthought but a key component of our trade and enforcement policies.*

*Now, strong enforcement of existing obligations is vital. But, we also need to be pushing boundaries, constantly developing and negotiating international rules to counter unfair trade practices with new, high-standard trade agreements. Again, our bipartisan Trade Promotion Authority bill achieves this, addressing currency practices, digital piracy, digital trade, cross-border data flows, cyber theft of trade secrets, localization barriers, non-scientific sanitary and phyto-sanitary practices, state-owned enterprises, and trade-related labor and environment policies.*

*Many of the tools I mentioned today will only be effective once they are put into law, so I hope the committee will soon act on these pending trade bills, so that we may provide the American people with the best, most up-to-date and effective enforcement regime possible.*

*Again, Mr. Chairman, thank you for holding today's hearing. I look forward to hearing from our witnesses.*

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