



September 18, 2017

Adam Boltik
International Trade Administration
Department of Commerce
1401 Constitution Ave. NW, Room 3043
Washington, DC 20230

Subject: Notice Comment on Costs and Benefits to U.S. Industry of U.S. International Government Procurement Obligations for Report to the President on “Buy American, Hire American”

Dear Mr. Boltik,

The Coalition for Government Procurement appreciates the opportunity to submit the following comments for the Department of Commerce (DOC) and the Office of the United States Trade Representative (USTR) assessment of the impacts of how government procurement obligations under U.S. free trade agreements affect U.S. companies’ participation in the government procurement process.

The Coalition for Government Procurement (The Coalition) is a non-profit association of firms selling commercial services and products to the Federal Government. Our members collectively account for tens of billions of dollars of the sales generated through the GSA Multiple Award Schedules (MAS) program, VA Federal Supply Schedules (FSS), the Government-wide Acquisition Contracts (GWAC), and agency-specific multiple award contracts (MAC). Coalition members include small, medium, and large businesses that account for more than \$145 billion in Federal Government contracts. We represent a broad scope of industries including information technology (IT), professional services, medical products and pharmaceuticals, furniture, and office supplies. The Coalition is proud to have worked with Government officials for more than 35 years towards the mutual goal of common sense acquisition.

The Coalition appreciates the DOC and USTR’s outreach to industry on how U.S. free trade agreements and the WTO Agreement on Government Procurement (GPA) affects participation in the U.S. Federal market. The following is our feedback on the last two questions in the request for comments related to Administrative and other costs:

1. Member companies make significant investments in manufacturing products and/or ensuring that they are substantially transformed in the U.S. or a designated country in accordance with existing Buy American Laws¹ and the Trade Agreements Act (TAA).
2. These efforts support manufacturing jobs in the U.S. and certain countries that the U.S. recognizes as “designated countries” including signatories of the WTO GPA and Free Trade Agreements.
3. Establishing separate manufacturing sites to supply the U.S. Federal government often leads to higher costs for commercial products, which are inevitably covered by Federal agencies in the form of higher prices.
4. Understanding and complying with the TAA also increases costs, especially in determining whether specific products have been “substantially transformed” since its application is not objective (and may necessitate a determination by Customs and Border Protection) or aligned with standards in other countries.

Coalition member companies make these investments because they value business opportunities with the U.S. Federal government in support of agency missions. They also value procurement opportunities offered with foreign governments and in commercial markets worldwide which are critical to the success of U.S. companies and their ability to employ U.S. workers.

The Coalition believes that existing Buy American Laws and the TAA have generally been effective in limiting the supply of products to the U.S. Federal Government to those that are made in the U.S. and a select number of WTO GPA and Free Trade Agreement countries. Therefore, we do not support additional restrictions to foreign-made products in domestic Federal procurement, or the U.S. Government expanding Buy American Laws or renegotiating Free Trade Agreements that provide government procurement opportunities to U.S. companies internationally.

Thank you for considering the Coalition’s response to the request for comments on the assessment of Free Trade Agreements and the WTO GPA on government procurement. If there are any questions, please contact me at (202) 331-0975.

Sincerely,

A handwritten signature in black ink, appearing to read 'Roger Waldron', with a long horizontal flourish extending to the right.

Roger Waldron
President

¹ As defined by Executive Order 13788, [Buy American and Hire American](#). April 18, 2017.