

U.S. Senate Committee on Commerce, Science, and Transportation
Nominations Hearing of Mr. Arun Venkataraman
November 17, 2021
Questions for the Record – Minority

Ranking Member Roger Wicker

Question 1: *The Commercial Service (CS) strengthens U.S. economic prosperity by promoting U.S. exports, attracting inward investment, and ensuring market access and a level playing field in international trade for U.S. companies and industries. The CS does this through a variety of programs, including its Rural America’s Intelligence Service for Exporters (RAISE) initiative. Rural communities, like those in my home state of Mississippi, benefit from RAISE’s export assistance activities. If confirmed, how would you strengthen efforts to assist rural communities in export promotion?*

Response:

U.S. Export Assistance Centers, including the Rural Export Center, provide export assistance and support for businesses, especially our small and medium sized businesses, farmers, ranchers, and fishermen, through offices located in 117 cities across the United States. These offices play a critical role in supporting our businesses and competitiveness, including in rural America, and are continuously working to increase their understanding of and responsiveness to the particular challenges faced by rural exporters.

The Rural Export Center (REC) provides research reports, through Rural America’s Intelligence Service for Exporters (RAISE), training seminars and webinars. If confirmed, I will work to ensure our rural businesses, farmers and ranchers across the United States have the necessary market research and analytic tools to help them identify new buyers, markets and strategies. I will also work across the government, including with USDA and SBA, to identify additional actions that Global Markets can take that would better help rural exporters reach consumers outside the United States. If confirmed I look forward to working with you to ensure exporters in rural and other underserved communities have access to the tools they need to grow their business through exports.

Question 2: *One of the key objectives of the Commercial Service is to assist small businesses in their efforts to sell their products to the world. The international arena is more fiercely competitive now than it has perhaps ever been. I believe that American small businesses can compete with anyone if given adequate access to global markets. What would you say is the biggest obstacle to small businesses competing on the world stage, and, if confirmed, what would you do to help them overcome that obstacle?*

Response:

Export promotion of goods and services from the United States, especially by small & medium-sized businesses, is a core mission of the Global Markets business unit within the International

Trade Administration. Among the principal challenges faced by these businesses is the ability to access and ensure the reliability of foreign customers. This is why our Commercial Service officers throughout the United States and across the world provide a suite of services to support our exporters, including research to help companies identify markets with high demand for their products and matchmaking opportunities to connect U.S. producers with potential customers overseas. I would welcome the opportunity, if confirmed, to prioritize helping existing small business clients of the Commercial Service export to new markets and bringing in new small businesses to export and reach new customers through the full use of the tools we can provide.

American business can compete against anyone when the playing field is level. If confirmed, I look forward to working with you as we support small businesses and ensure that small businesses have the tools they need to compete in overseas markets.

Question 3: *With the horrendous port congestion we are seeing on our West Coast and increasing concerns about investing in a China controlled by the Chinese Communist Party, what efforts can the U.S. Commercial Service provide to encourage firms in a practice known as nearshoring, to move their operations closer to U.S. markets?*

Response:

The United States needs to ensure the security and resilience of supply chains especially for critical products and technologies. If confirmed, I will work with stakeholders to support their efforts to move supply chains accordingly, especially outside of China, and source from trading partners with high standards, including in those countries closer to the United States. The U.S. and Foreign Commercial Service could also work with stakeholders to identify potential new customers in those nearby trading partners. If confirmed, I look forward to working with our allies and partners on measures to support strong and diversified supply chains, and to working with you and your staff on these issues.

Question 4: *As firms look to move production from East Asia to Central America, what role can the U.S. Commercial Service play in Customs modernization, enhancing regional cooperation and basic trade promotion, and improving regional infrastructure?*

Response:

Commerce, including the U.S. Commercial Service, is engaged in a number of efforts in Central America to promote customs modernization, regional cooperation, trade promotion, and the improvement of regional infrastructure. These activities range from policy and technical assistance interventions designed to motivate the countries to establish improved practices, engagement with the private sector to increase awareness of opportunities in the Central American markets, and support to interested U.S. companies in the context of specific commercial undertakings in these countries. This includes the U.S. Department of Commerce's Central America Customs, Border Management, and Supply Chain Program, ongoing since

2017, which is a multiphase effort to promote transparency, cooperation, and coordination among the Northern Triangle governments and improve interregional trade in Central America.

If confirmed, I look forward to working with you on these important issues.

Senator Marsha Blackburn

Question 1: *In your testimony, you mention your experience defending policy tools that are used to protect U.S. companies. Can you elaborate on how you plan to work with other countries to ensure they have a fair playing field to operate?*

Response:

If confirmed, I will work with other business units in the International Trade Administration and with other agencies to help ensure that our businesses operate on a level playing field. This includes partnering with like-minded governments to take actions to combat unfair practices, such as non-market policies that contribute to global excess capacity. I would also work with those governments, if confirmed, to set new global rules and standards. In addition, for those trading partners with whom we have international agreements, I would work with stakeholders and colleagues in the Enforcement & Compliance unit and in USTR to hold those partners accountable to the non-discrimination and other commitments under those agreements so that U.S. firms get the fair access they deserve.

Senator Rick Scott

Question 1: *In encouraging U.S. companies to export and expand their business opportunities into other countries, how will you work to ensure those U.S. companies are not assisting our adversaries or aiding dictatorship regimes, such as Nicaragua, Venezuela or Communist China?*

Response:

I understand that the Global Markets business unit within the International Trade Administration works closely with partners across the Department of Commerce and the interagency to ensure that its approach to trade promotion and growing U.S. exports to other countries is in line with broader U.S. policy objectives. If confirmed, I would continue such efforts, including close coordination with the Department's Bureau of Industry and Security, to ensure that the export promotion efforts of the Department are aligned and in full compliance with export controls and other policies designed to protect the national and economic security of the United States.

Question 2: *If confirmed, how will you work with American companies to encourage trade promotion that can counter Communist China's aggression towards certain countries?*

Response:

The Chinese government's anti-competitive, unfair, and coercive practices hurt American workers and businesses. The Chinese government also undermines the competitiveness of US firms through theft of intellectual property, cyber-based economic espionage, subsidies, and other non-market barriers. These challenges are not unique to the United States. Many of our allies and partners face the same challenges with respect to aggressive behavior from the Chinese government. If confirmed, I will work with stakeholders including U.S. companies to enhance the ability of our allies and partners to resist and respond to Chinese economic coercion, including through promoting long-term inclusive growth and stability in those economies and supporting secure and resilient supply chain linkages with the United States.