

United States Senate

June 11, 2020

Robert E. Lighthizer
United States Trade Representative (USTR)
Office of the United States Trade Representative
600 17th Street NW
Washington, DC 20508

Dear Ambassador Lighthizer,

For far too long, Communist China has used unfair trade practices to take advantage of the United States while previous administrations turned a blind eye. I commend President Trump for finally taking the bold steps necessary to hold Communist China accountable if they want to continue to be a global trade partner.

We know Communist China is a country that never keeps its word. They have stolen our technology and have refused to open their markets to foreign goods as required by their participation in the World Trade Organization (WTO). Nations around the world are fighting the coronavirus pandemic that spread because of Communist China's lies and misinformation. Now, based on reported information, China is openly failing to comply with the Phase 1 trade agreement.

As part of the Phase 1 agreement, China agreed to increase their purchases of American products by \$200 billion over the next two years¹. A June 4th report from the Peterson Institute for International Economics indicated that through April, China was significantly behind on this goal. In fact, through the first four months of the year, China had made less than half of the purchases required to stay on track with this commitment². This happened despite China's exports continuing to rise and their monthly trade surplus standing at \$45.34 billion³ in April. Just last month, China's monthly trade surplus increased even more to \$62.93 billion⁴.

¹ Economic and Trade Agreement Between the Government of the United States of America and the Government of the People's Republic of China, U.S.-Ch., Jan. 15, 2020, Chapter 6 page 1.

² Brown, Chad. "US-China Phase One Tracker: China's Purchases of US Goods." Peterson Institute for International Economics, 18 May 2020, www.piie.com/research/piie-charts/us-china-phase-one-tracker-chinas-purchases-us-goods.

³ Cheng, Jonathan. "China Counters Coronavirus Crunch With a Surprise Rise in Exports." The Wall Street Journal, Dow Jones & Company, 7 May 2020, www.wsj.com/articles/china-counters-coronavirus-crunch-with-surprise-rise-in-exports-11588836607.

⁴ General Administration of Customs, People's Republic of China *China's Total Export & Import Values, May 2020 (in USD)* May 2020.

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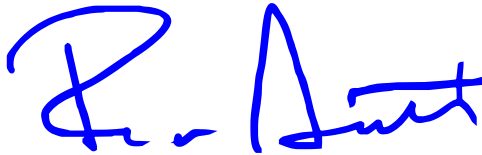
China is still exporting significantly more than they are importing, which means they should be in a position to make the purchases as part of the Phase 1 agreement.

We must focus on holding China accountable if they fail to comply with the Phase 1 trade agreement. Therefore, I ask that you please answer the following questions:

- How has the coronavirus pandemic negatively impacted Phase 1 of the China trade deal?
- Has the Office of the United States Trade Representative utilized China's Bilateral Evaluation and Dispute Resolution Office, given China's shortcomings in attempting to reach their agreed upon purchases?
 - If so, has that process resulted in a solution?
- If China fails to live up to their agreement, what are the consequences?

Our first priority must be to protect Americans from the growing threat of Communist China. The United States must continue to be the leading voice on fair and free trade agreements, and hold nations like China accountable if they want to pursue a global partnership. Thank you, and I look forward to your response.

Sincerely,

A handwritten signature in blue ink, appearing to read "Rick Scott". The signature is stylized with a large initial "R" and a prominent "S".

Rick Scott
United States Senator