

## Cosign letter to USTR on India's GSP status

Sending Office: Honorable James A. Himes  
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Dear Colleague,

Please join me and Congressman Estes in signing onto a letter to U.S. Trade Representative Robert Lighthizer asking that the Administration consider restoring India's eligibility under the Generalized System of Preferences (GSP) program. The Administration terminated India's GSP benefits on June 5th after a series of failed negotiations.

GSP is a 45-year-old program that promotes economic development abroad and in the United States. Congress showed the strong bipartisan support for GSP when it reauthorized the program for three years in 2018, including a nearly unanimous 400-2 vote in the House of Representatives.

GSP saved American companies over \$1 billion in eliminated tariffs in 2018. India's inclusion in GSP was responsible for a quarter of those savings. Most GSP imports from India are raw materials and parts that help American companies and workers compete in today's global economy.

Since GSP was terminated, companies looking to expand their market access in India have not been able to capitalize on potential opportunities or move forward on proposed investments. Firms that enjoyed tariff-free imports for years have paid tens of millions of dollars in just two months.

President Trump met with President Modi during the G20 Summit in Osaka and both agreed to restart staff-level negotiations. Several USTR representatives traveled to India shortly after, and reports indicate that a high-level Indian delegation may meet with Ambassador Lighthizer in August to discuss outstanding trade issues.

The letter recommends that Ambassador Lighthizer consider an "early harvest" approach that reinstates some GSP benefits if India removes specific barriers. It would ensure that long-sought market access gains for U.S. industries are not held up by negotiations over remaining issues, thereby providing swift relief for both American exporters and importers. Resolving some individual issues quickly could build momentum for future successes.

If you have any questions or would like to cosign, please contact Nicholas Larsen ([Nicholas.Larsen@mail.house.gov](mailto:Nicholas.Larsen@mail.house.gov)) in Rep. Himes' office or Nicholas O'Boyle ([Nicholas.OBoyle@mail.house.gov](mailto:Nicholas.OBoyle@mail.house.gov)) in Rep. Estes' office by **COB Friday, September 6**.

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September XX, 2019

Dear Ambassador Lighthizer:

We write to you today about ongoing negotiations between the Office of the United States Trade Representative (USTR) and the Government of India over a series of trade issues, including the Generalized System of Preferences (GSP) program.

There are legitimate complaints about Indian policies that negatively affect U.S. companies trying to access its market, including a number of longstanding issues that have been subject to intergovernmental talks for years. As you know, several U.S. industries filed petitions under GSP's market access criterion, which were accepted for review in April 2018. Ultimately, failure to make sufficient progress on the issues led to termination of India's GSP eligibility on June 5th, 2019.

We take these complaints seriously and share your strong desire to see them resolved. We are encouraged to see continued engagement between the Administration and the newly elected Government of India that assumed office in late May, including visits by senior USTR and Indian officials over the summer. The change in government provides a fresh opportunity to address outstanding concerns, and we hope that new Indian officials will offer concrete solutions that improve market access for American companies and workers.

We also have a strong desire to see GSP eligibility for India reinstated. Should there be progress in negotiations, we hope you will use the tools provided by the GSP statute as warranted, such as partial reinstatement. An "early harvest" approach would ensure that long-sought market access gains for U.S. industries are not held up by negotiations over remaining issues, thereby providing swift relief for both American exporters and importers. Resolving some individual issues quickly could build momentum for future successes.

We look forward to working with you on trade policies that support American companies and workers, including improved market access for U.S. exports to India and reinstated GSP eligibility for U.S. imports from India. Just as U.S. industries are harmed by lack of fair and reciprocal access to India's market, American companies and workers also are harmed by new tariffs due to GSP termination. The costs are real for our constituents and growing every day. We urge you to continue negotiations and consider an "early harvests" to help American jobs that depend on two-way trade between the United States and India.

Sincerely,