

Enclosure 2

Data on Total U.S. Exports and U.S. Exports Directly Attributable to Certificates

The table below sets forth the requested data on total U.S. exports, as well as data on total exports by small and medium-sized enterprises (SMEs) and total exports by companies covered by Export Trade Certificates of Review. Because the vast majority of companies covered by Certificates are SMEs, it is more useful to compare exports by companies covered by Certificates to exports by SMEs than to total U.S. exports. This measure reveals that exports by companies covered by Certificates constitute approximately 7% to 9% of total SME exports each year.

Total Exports¹ (billions)				
	2001	2002	2003	2004
Total U.S. Exports	\$731.0	\$693.3	\$723.7	\$817.9
Total SME Exports	\$182.0	\$158.5	\$171.5	X ²
Total Certificate Exports	\$12.7	\$14.3	\$11.3	\$10.4 ³

However, we are unable to provide the requested data on exports directly attributable to Certificates. It is virtually impossible to quantify, in a statistically rigorous manner, what the level of exports reported by companies covered by Certificates would have been if the Export Trade Certificate of Review program did not exist. Statistically meaningful counterfactual information is very difficult, if not impossible, to obtain. Nevertheless, letters to this Commission from certificate holders provide substantial empirical evidence as to the great value of Certificates. In those letters, groups as diverse as the Northwest Fruit Exporters, the Outdoor Power Equipment Institute, the United States Surimi Commission, the U.S. Shippers Association, the Virginia Apple Trading Company, the Water & Wastewater Equipment Manufacturers, and the Wood Machinery Manufacturers of America described the critical importance to them of the Export Trade Certificate of Review program and indicated that the absence of the program would jeopardize at least their portion of the over \$10 billion of annual exports by companies covered by Certificates.

We are also unable to provide the requested data on exports by companies covered by Certificates under Tariff Rate Quotas (TRQs). Except in a limited number of circumstances, none of which are applicable, Section 309 of the Export Trading Company Act and its implementing regulations prohibit the release of confidential commercial or financial

¹ Sources: U.S. exports from the International Trade Administration's website at <http://tse.export.gov/MapFrameset.aspx?MapPage=NTDMapDisplay.aspx&UniqueURL=em3ylz45zwjdas551npuji2h-2006-3-1-11-6-15>; SME exports from *Small & Medium-Sized Exporting Companies: Statistical Overview, 2003*, available on the website of the International Trade Administration at http://ita.doc.gov/td/industry/otea/sme_handbook/SME_index.htm, and from the International Trade Administration's *Small & Medium-Sized Exporting Companies: Statistical Handbook – Results from the Exporter Data Base* for 2002 and 2001; Certificate exports from holders' annual reports.

² SME export data for 2004 is not yet available but is expected to be available later this year.

³ Certificate export data for 2004 is currently incomplete, but complete data is expected to be available later this year.

information, such as export sales data, contained in annual reports filed by certificate holders. Although a number of TRQs that would require Certificates are currently contemplated or being negotiated, there are only three Certificates in force that are being used to administer existing TRQs: one for the export of rice to the European Union, one for the export of high fructose corn syrup to Mexico, and one for the export of chicken leg quarters to certain DR-CAFTA countries. Given the small number of such Certificates, providing the dollar-volume of exports under them—even in the aggregate—would make it too easy to calculate data that is required to be kept confidential. We are, however, permitted to share the actual quota levels established in these TRQs: the rice Certificate permits the duty-free or reduced duty export of over 38,500 metric tons of milled and semi-milled rice, as well as over 7,500 metric tons of brown rice; the corn syrup Certificate permits the duty-free export of 250,000 metric tons of high fructose corn syrup; and the chicken Certificate permits the duty-free export of over 21,500 metric tons of chicken leg quarters. Without the Export Trading Company Certificate of Review program, these TRQs—and the duty-free or reduced duty exports under them—would be in jeopardy.