2004 Current Fiscal Year Report: Industry Sector Advisory Committee on Capital Goods for Trade Policy Matters (ISAC 2)

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1. Department or Agency	2. Fiscal Year
Department of Commerce	2004

3. Committee or Subcommittee	3b. GSA Committee No.
Industry Sector Advisory Committee on Capital Goods for Trade Policy Matters (ISAC 2)	337

4. Is this New During Fiscal Year?	5. Current Charter	6. Expected Renewal Date	7. Expected Term Date
No	03/17/2004	03/18/2004	06/16/2004

8a. Was Terminated During FiscalYear?	8b. Specific Termination Authority	8c. Actual Term Date
Yes		06/16/2004

9. Agency Recommendation for Next FiscalYear	10a. Legislation Req to Terminate?	10b. Legislation Pending?
Terminate	No	

11. Establishment Authority Statutory (Congress Created)

12. Specific Establishment Authority	13. Effective Date	14. Commitee Type	14c. Presidential?
19 U.S.C. 2155	01/03/1975	Continuing	No

15. Description of Committee National Policy Issue Advisory Board

16a. Total Number of Reports 4

16b. Report Date	Report Title
03/12/2004	Statutory Advisory Report on U.S.-Australia Free Trade Agreement
03/19/2004	Statutory Advisory Report on U.S.-CAFTA

04/06/2004	Statutory Advisory Report on U.S.-Morocco Free Trade Agreement
04/22/2004	Statutory Advisory Report on U.S. - Dominican Republic Free Trade Agreement

Number of Committee Reports Listed: 4

17a. Open 0 **17b. Closed** 4 **17c. Partially Closed** 0 **Other Activities** 0 **17d. Total** 4

Meetings and Dates

Purpose	Start	End
Quarterly Meeting To discuss the ISAC-IFAC reorganization, the Commerce's Manufacturing Report, steel issues, and the WTO Cancun Ministerial	10/02/2003	10/02/2003
Quarterly Meeting To discuss CAFTA, Australia FTA, Morocco FTA, non-agricultural market access issues in the WTO Doha Round, and Bilateral Investment Treaty.	01/13/2004	01/13/2004
Closed Teleconference Meeting - to finalize and approve ISAC 2 statutory report on the U.S. free trade agreements with Australia and Central America.	02/26/2004	02/26/2004
Closed teleconference meeting to finalize and approve ISAC 2 statutory reports on U.S. free trade agreements with Morocco and Dominican Republic.	04/02/2004	04/02/2004

Number of Committee Meetings Listed: 4

	Current FY	Next FY
18a(1). Personnel Pmts to Non-Federal Members	$0.00	$0.00
18a(2). Personnel Pmts to Federal Members	$0.00	$0.00
18a(3). Personnel Pmts to Federal Staff	$60,000.00	$0.00
18a(4). Personnel Pmts to Non-Member Consultants	$0.00	$0.00
18b(1). Travel and Per Diem to Non-Federal Members	$0.00	$0.00
18b(2). Travel and Per Diem to Federal Members	$0.00	$0.00
18b(3). Travel and Per Diem to Federal Staff	$0.00	$0.00

18b(4). Travel and Per Diem to Non-member Consultants	$0.00	$0.00
18c. Other(rents,user charges, graphics, printing, mail, etc.)	$250.00	$0.00
18d. Total	$60,250.00	$0.00
19. Federal Staff Support Years (FTE)	0.50	0.00

20a. How does the Committee accomplish its purpose?

ISAC 2 members provided recommendations to the U.S. government officials on several trade policy issues over the past fiscal year including issues on steel, the importance of manufacturing to U.S. international trade, the development of the U.S.'s position for the new World Trade Organization (WTO) round of negotiations. Additionally, ISAC 2 members provided technical expertise and consensual advice on the bilateral investment treaties (BITS)in the investment chapters of the FTAs. During the fiscal year 2004, the Committee has closely monitored the developments on the EU enlargement and made recommendations. They have also provided sectoral specific input on market access in China and they have given sectoral recommendations to our negotiators for the U.S.-Central America Free Trade Agreement, the U.S.-Morocco, U.S.-Australia, and the U.S.-Dominican Republic Free Trade Agreements.

20b. How does the Committee balance its membership?

ISAC 2 currently has 18 members and is in the process of adding to its membership. The Committee's members represent a broad cross-section of the capital goods industry sector which include associations and different size companies in the following fields: metalworking

machinery, agricultural and construction equipment, electric industrial apparatus, fabricated plate work, refrigerators and service industry equipment, oil field machinery and equipment, and general industrial machinery. The ISAC as a whole has association members or business locations in every state.

20c. How frequent and relevant are the Committee Meetings?

The Committee meets approximately four times a year. The U.S. Government will be engaged in multilateral and bilateral trade policy initiatives including the World Trade Organization's (WTO) new round of trade negotiations, its implementation, and WTO accession by Russia, China, Saudi Arabia, and other countries. Members will also be consulted for the Free Trade Area of the Americas trade negotiations, Asia-Pacific Economic Cooperation issues, EU expansion, Organization for Economic Cooperation and Development issues, and enforcement of trade agreements. The advice the Government receives from the private sector through the advisory committee will be an on-going process and will be an intrinsic part of developing U.S. positions for U.S. trade policy.

20d. Why can't the advice or information this committee provides be obtained elsewhere?

The Committee structure ensures a unique source of information to the Government. All members have security clearances and through a continuing dialogue with Government officials are made aware of Government trade policy at a level not otherwise available to the private sector. Because this Committee remains current in the broad spectrum of trade policy rather than a single facet--as would be the case in the absence of a

committee structure--the private sector input from the Committee is more pertinent. The advisory committee program, legislatively mandated, is the single formal comprehensive consultative link between the U.S. Government and U.S. industry and has the responsibility to address all issues concerning trade policy.

20e. Why is it necessary to close and/or partially closed committee meetings?

The Industry Consultations Program was established by the Trade Act of 1974 and in accordance with the Federal Advisory Committee Act (FACA). Subsection 135(f) of the Trade Act provides that the ISACs shall be exempt from the provisions of the FACA relating to open meetings, public notice, public participation, and public availability of documents when it is determined that the proceedings would, if disclosed, seriously compromise the Government's negotiating objectives or bargaining positions regarding trade policy matters. ISAC meetings routinely involve these kinds of discussions. The United States Trade Representative (USTR) evaluates each meeting agenda and issues a Notice of Determination when it is necessary to close meetings.

21. Remarks

Designated Federal Officer

Leonard Heimowitz DFO

Committee Members	Start	End	Occupation	Member Designation
Agrawal, Durga	11/14/2004	06/16/2004	Piping Technology & Products, Inc.	Special Government Employee (SGE) Member

Cobb, Galen	03/17/2002	06/16/2004	Halliburton Energy Services Group	Special Government Employee (SGE) Member
Danjczek, David	03/17/2002	06/16/2004	The Manufacturers Alliance/MAPI	Special Government Employee (SGE) Member
Devlin, Gary	03/17/2002	06/16/2004	Cooper Cameron Corporation	Special Government Employee (SGE) Member
Gridley, David	12/27/2002	06/16/2004	Timken Company	Special Government Employee (SGE) Member
Hennessy, Leslie	11/14/2003	06/16/2004	Lovejoy, Inc.	Special Government Employee (SGE) Member
Jenson, Jon	03/17/2002	06/16/2004	Precision Metalforming Association	Special Government Employee (SGE) Member
Lane, William	03/17/2002	06/16/2004	Caterpillar, Inc.	Special Government Employee (SGE) Member
McDonald, Robert	03/17/2002	06/16/2004	Emerson Electric Company	Special Government Employee (SGE) Member
McGibbon, Patrick	03/17/2002	06/16/2004	Association for Manufacturing Technology	Special Government Employee (SGE) Member
Meakem, John	03/17/2002	06/16/2004	National Electrical Manufacturers Association	Special Government Employee (SGE) Member
Petty, Brian	03/17/2002	06/16/2004	International Association of Drilling Contractors	Special Government Employee (SGE) Member
Prout, Gerry	03/17/2002	06/16/2004	FMC Technologies	Special Government Employee (SGE) Member
Rauber, John	11/14/2003	06/16/2004	Deere & Company	Special Government Employee (SGE) Member
Stanga, Mark	03/17/2002	06/16/2004	York International Corporation	Special Government Employee (SGE) Member

Thompson, Patrick	10/01/2002	06/16/2004	Trans-Matic Manufacturing Company, Inc.	Special Government Employee (SGE) Member
Vargo, Franklin	10/01/2002	06/16/2004	National Association of Manufacturers	Special Government Employee (SGE) Member
Yaksich, Nick	03/17/2002	06/16/2004	Association of Equipment Manufacturers	Special Government Employee (SGE) Member

Number of Committee Members Listed: 18

Narrative Description

The Industry Sector Advisory Committee (ISAC) on Capital Goods is comprised of representatives from a broad cross-section of the capital goods industry sector which includes associations and producers of metalworking machinery, agricultural and construction equipment, electric industrial apparatus, fabricated plate work, refrigerators and service industry equipment, oil field machinery and equipment, and general industrial machinery. Industry representatives serving on the Capital Goods ISAC provide advice on trade policy matters and have a voice in U.S. trade policy formulation through the Industry Consultations Program (ICP), which emerged from the 1974 Trade Act, to ensure that trade negotiators were coordinating with the private sector during trade negotiations. Based on the program's success, the ICP was renewed and expanded by the Trade Agreements Act of 1979 and the Trade and Competitiveness Act of 1988. The Department of Commerce, the Office of the United States Trade Representatives, and other agencies work side-by-side with business leaders who serve as advisors to the U.S. Government. The Department of Commerce and USTR have joint responsibility for operating the advisory committees of the ICP.

What are the most significant program outcomes associated with this committee?

	Checked if Applies
Improvements to health or safety	☐
Trust in government	☑

Major policy changes	✓
Advance in scientific research	☐
Effective grant making	☐
Improved service delivery	☐
Increased customer satisfaction	☐
Implementation of laws or regulatory requirements	☐
Other	☐

Outcome Comments

Industry representatives serving on the Capital Goods ISAC provide advice on trade policy matters. They provided input into the development of the importance of manufacturing to U.S. international trade, technical expertise and consensual advice on the bilateral investment treaties (BITS) in the investment chapters of the FTAs. Additionally, the Committee has closely monitored the developments on the EU enlargement and made recommendations. They have also provided sectoral specific input on market access in China and they have given sectoral recommendations to our negotiators for the U.S.-Central America Free Trade Agreement, the U.S.-Morocco, U.S.-Australia, and the U.S.-Dominican Republic Free Trade Agreements. The Committee continues to provide input regarding U.S. trade policies.

What are the cost savings associated with this committee?

	Checked if Applies
None	☐
Unable to Determine	✓
Under $100,000	☐
$100,000 - $500,000	☐
$500,001 - $1,000,000	☐
$1,000,001 - $5,000,000	☐
$5,000,001 - $10,000,000	☐
Over $10,000,000	☐
Cost Savings Other	☐

Cost Savings Comments

NA

What is the approximate Number of recommendations produced by this committee for the life of the committee?

Number of Recommendations Comments
Morocco FTA, Australia FTA, Dominican Republic FTA, CAFTA

What is the approximate Percentage of these recommendations that have been or will be Fully implemented by the agency?
0%

% of Recommendations Fully Implemented Comments
No measurable calculation.Advice rendered orally during committee meetings.

What is the approximate Percentage of these recommendations that have been or will be Partially implemented by the agency?
0%

% of Recommendations Partially Implemented Comments
No measurable calculation.Advice rendered orally during committee meetings.

Does the agency provide the committee with feedback regarding actions taken to implement recommendations or advice offered?
Yes ☐ No ☑ Not Applicable ☐

Agency Feedback Comments
NA

What other actions has the agency taken as a result of the committee's advice or recommendation?

	Checked if Applies
Reorganized Priorities	☑
Reallocated resources	☑
Issued new regulation	☐
Proposed legislation	☐
Approved grants or other payments	☐
Other	☐

Action Comments
NA

Is the Committee engaged in the review of applications for grants?

No

Grant Review Comments

NA

How is access provided to the information for the Committee's documentation?

	Checked if Applies
Contact DFO	☑
Online Agency Web Site	☑
Online Committee Web Site	☐
Online GSA FACA Web Site	☐
Publications	☑
Other	☐

Access Comments

NA