# 2004 Current Fiscal Year Report: Industry Sector Advisory Committee on Services for Trade Policy Matters (ISAC 13)

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Services Firms

10/24/2003 Letter of Opinion on Outsourcing

1. Department or Agency				2. Fiscal
	Year			
Department	2004			
				3b. GSA
3. Committ	tee or Subo	committee		Committee
				No.
Industry Se	ctor Adviso	ry Committe	ee on Services	348
for Trade P	olicy Matter	s (ISAC 13)	)	340
4. Is this N	ew During	5. Current	6. Expected	7. Expected
Fiscal Year	r?	Charter	<b>Renewal Date</b>	Term Date
No		03/17/2004	03/18/2004	06/16/2004
8a. Was Terminated During Termination FiscalYear?  Authority			8c. Actual Term Date	
Yes			-	06/16/2004
				4.01
9. Agency				10b.
9. Agency Recommer	ndation for	Next	Legislation	10b. Legislation
		Next	Legislation to Terminate?	
Recommer		Next	•	Legislation
Recommer FiscalYear Terminate		Next Req	•	Legislation Pending? Enacted
Recommer FiscalYear Terminate	shment Au	Next Req	to Terminate?	Legislation Pending? Enacted s Created)
Recommer FiscalYear Terminate 11. Establis	shment Au c	Next Req  Yes thority Sta	to Terminate?  atutory (Congres  14.	Legislation Pending? Enacted s Created) 14c.
Recommer FiscalYear Terminate 11. Establis 12. Specific	shment Au c	Next Req Yes thority Sta	to Terminate?  atutory (Congres  14.	Legislation Pending? Enacted s Created)
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Recommer FiscalYear Terminate 11. Establis 12. Specific Establishm Authority 19 U.S.C. 2	shment Au c nent 2155	Yes thority Sta 13. Effectiv Date 01/03/19	to Terminate?  atutory (Congres 14.  re Commitee Type	Legislation Pending? Enacted s Created) 14c. Presidential?
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Recommer FiscalYear Terminate 11. Establis 12. Specific Establishm Authority 19 U.S.C. 2 15. Descrip	shment Au c nent 2155 otion of Co	Yes thority Sta 13. Effective Date 01/03/19 mmittee N	to Terminate?  atutory (Congres 14.  re Commitee Type 975 Continuing ational Policy Is	Legislation Pending? Enacted s Created) 14c. Presidential?
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Recommer FiscalYear Terminate 11. Establis 12. Specific Establishm Authority 19 U.S.C. 2 15. Descrip Board 16a. Total I	shment Au c nent 2155 otion of Co	Yes thority Sta 13. Effectiv Date 01/03/19 mmittee N Reports 11	to Terminate?  atutory (Congres 14.  Te Commitee Type 975 Continuing ational Policy Is	Legislation Pending? Enacted s Created) 14c. Presidential?
Recommer FiscalYear Terminate 11. Establis 12. Specific Establishm Authority 19 U.S.C. 2 15. Descrip Board 16a. Total I 16b. Report Date	shment Au c nent 2155 otion of Co	Yes thority Sta 13. Effective Date 01/03/19 mmittee N Reports 11 e	to Terminate?  atutory (Congres 14.  re Commitee Type 975 Continuing ational Policy Is	Legislation Pending? Enacted s Created) 14c. Presidential?

11/14/2003	Letter of Opinion on Monopoly Abuse
11/24/2003	Letter of Opinion on Percentage Employment Limitations
12/19/2003	Letter of Opinion on Australia FTA Investment
01/26/2004	Letter of Opinion/Praise re: Zoellick's Efforts to Reinvigorate Doha Round
01/27/2004	Letter of Opinion on the Draft Model Bilateral Investment Treaty (BIT)
03/12/2004	U.SAustralia Free Trade Agreement Statutory Report
03/16/2004	U.SCentral America Free Trade Agreement Statutory Report
04/06/2004	U.SMorocco Free Trade Agreement Statutory Report
04/22/2004	U.SDominican Republic Free Trade Agreement Statutory Report

### Number of Committee Reports Listed: 11

# 17a. Open 0 17b. Closed 12 17c. Partially Closed 1 Other Activities 0 17d. Total 13

### **Meetings and Dates**

Purpose	Start	End
To discuss the Free Trade Area of the		
Americas (FTAA), outsourcing, the Australia		
FTA, the General Agreemenet on Trade in	10/14/2003	- 10/14/2003
Services (GATS) negotiations, the	10/14/2000	10/14/2000
U.SCentral America FTA, and committee		
business.		
To discuss the U.SCentral America FTA -		
services and financial services negotiations,		
EU Enlargement and its impact on the GATS	11/12/2003 .	- 11/12/2003
negotiations, the U.SAustralia FTA, the	11/12/2003	11/12/2003
Free Trade Area of the Americas Miami		
Ministerial, and committee business.		
To discuss the U.SCentral America FTA		
and specifically, other countries'	12/03/2003 -	- 12/03/2003
non-conforming measures.		
To discuss the U.SMorocco FTA services,		
investment and financial services		
negotiations, the U.SCentral America FTA		
services and investment non-conforming	12/04/2003	- 12/04/2003
measures, and the U.SAustralia FTA		
services, investment and financial services		
non-conforming measures,		

To discuss the U.S-Morocco FTA negotiations and the U.SCentral America FTA negotiations.	12/09/2003 - 12/09/2003
To discuss the proposed model Bilateral Investment Treaty (BIT).	01/05/2004 - 01/05/2004
To discuss the Model Bilateral Investment Treaty (BIT), the Free Trade Area of the Americas, the U.SAustralia FTA negotiations, the results of the U.SMorocco FTA, and the results of the U.SCentral America FTA (including an update on Costa Rica).	01/13/2004 - 01/13/2004
To discuss the U.SDominican Republic FTA, hear a report of the visa working group, EU Enlargement as it relates to the GATS negotiations, Saudi Arabian accession to the WTO, elements of a common set of obligations in the Free Trade Area of the Americas, and the final round of the U.SAustralia FTA negotiations.	02/03/2004 - 02/03/2004
To discuss a report from the visa working group, the WTO GATS negotiations, the Free Trade Area of the Americas negotiations, U.SAustralia FTA results, and U.SMorocco FTA insurance issues.	02/24/2004 - 02/24/2004
To discuss U.SDominican Republic FTA services, investment and financial services non-conforming measures.	03/02/2004 - 03/02/2004
To approve the Committee's Statutory Reports for the U.SAustralia FTA and the U.SCentral America FTA.	03/09/2004 - 03/09/2004
To approve the Committee's Statutory Report for the U.SMorocco FTA.	03/31/2004 - 03/31/2004
To approve the Committee's Statutory Report for the U.SDominican Republic FTA and discuss services and financial services negotiations with Bahrain.	04/16/2004 - 04/16/2004

### **Number of Committee Meetings Listed:** 13

	Current FY	Next FY
18a(1). Personnel Pmts to Non-Federal Members	\$0.0	00\$0.00
18a(2). Personnel Pmts to Federal Members	\$0.0	00\$0.00
18a(3). Personnel Pmts to Federal Staff	\$27,000.0	0 \$0.00
18a(4). Personnel Pmts to Non-Member Consultants	\$0.0	00\$0.00
18b(1). Travel and Per Diem to Non-Federal Members	\$0.0	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.)	\$0.00\$0.00
18d. Total	\$27,000.00\$0.00
19. Federal Staff Support Years (FTE)	0.60 0.00

# 20a. How does the Committee accomplish its purpose?

ISAC 13 meets regularly (it met 13 times in FY 2004) to discuss trade policy issues and priorities for service industries with representatives from many government agencies, including the Departments of Commerce, Justice, Labor, State, Treasury, Transportation, the Environmental Protection Agency, and USTR. Members express their opinions on proposed policy initiatives directly to trade policy negotiators at ISAC meetings. The committee also writes letters of recommendations to the Administration stating its consensus opinion on policy matters. In FY 2004, ISAC 13 made effective use of the closed meeting format to examine and provide specific comments on draft services related text for active bilateral and multilateral trade negotiations, such as those related to the U.S.-Australia, Dominican Republic and Morocco FTAs, the U.S.-Central America FTA, negotiations with the South African Customs Union, the Free Trade Area of the Americas, and the General Agreement on Trade in Services.

# 20b. How does the Committee balance its membership?

Representatives from nearly all of the major

service industries serve on ISAC 13. Its members are carefully recruited from the sectors listed below so that the Committee truly represents the broad, diverse services industry. When a committee member resigns, attempts are made to immediately recruit another representative from the same industry to maintain balanced sectoral representation. Sectors represented on ISAC 13 include: Accountancy, Advertising, Architecture, Audio-visual, Education and Training, Energy, (construction related) Engineering, Entertainment, Environmental services, Express Delivery; Financial, Healthcare, Information Technology, Insurance, Legal, Management Consulting, Telecommunications, Transportation, and Travel and Tourism.

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

The Committee met 13 times in FY 2004; however, the actual number of meetings is dictated by Government need for private sector advice. During the FY 2004, the U.S. Government has been engaged in multilateral and bilateral trade policy initiatives including the General Agreement on Trade and Services (GATS), U.S.-Morocco FTA, U.S.-Australia FTA, the U.S.-Central America FTA and the U.S.-Dominican Republic FTA; negotiations with the South African Customs Union (SACU), the Free Trade Area of the Americas and its working groups, and the Asia Pacific Economic Cooperation Forum (APEC). The advice provided through the advisory committee constitutes a very unique and committed way for the entire industry to formulate a position for the sector that strengthens the position of the US negotiators in international settings. ISAC 13 has made invaluable contributions to the development of

### 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 U.S. 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 these committees remain 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 committees 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 (ICP) 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. The meetings of the Industry Sector Advisory Committee on Services (ISAC 13) 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**

Jennifer R. Moll DFO

Common ta mon Di C				
Committee Members	Start	End	Occupation	Member Designation Special
Allegretti, Thomas	03/17/2002	06/16/2004	The American Waterways Operators	Government Employee (SGE) Member
Altman, Emily	03/17/2002	06/16/2004	Morgan Stanley	Special Government Employee (SGE) Member
Benson, Betsy	03/17/2002	06/16/2004	Energy Associates	Special Government Employee (SGE) Member
Berger, Fredric	03/17/2002	06/16/2004	The Louis Berger Group, Inc.	Special Government Employee (SGE) Member
Brahs, Stuart	03/17/2002	06/16/2004	The Principal Financial Group	Special Government Employee (SGE) Member
Choi, S. Lauren	03/17/2002	06/16/2004	Business Software Alliance	Special Government Employee (SGE) Member
Cloney, Gordon	03/17/2002	06/16/2004	Institute for International Insurance Development	Special Government Employee (SGE) Member
Crerar, Ken	03/17/2002	06/16/2004	The Council of Insurance Agents and Brokers	Special Government Employee (SGE) Member

Delage, Ellen	03/17/2002	06/16/2004	American Institute of Architects	Special Government Employee (SGE) Member Special
Deline, Donald	03/17/2002	06/16/2004	Halliburton Company	Government Employee (SGE) Member
Dickerson, Paul	03/17/2002	06/16/2004	Haynes and Boone, LLP	Special Government Employee (SGE) Member
Ehrenhaft, Peter	03/17/2002	06/16/2004	Representing the American Bar Association	Special Government Employee (SGE) Member
Feigel, Richard	03/17/2002	06/16/2004	Hartford Steam Boiler Inspection and Insurance	Special Government Employee (SGE) Member
Finnerty, Peter	11/14/2003	06/16/2004	American Ocean Enterprises, Inc.	Special Government Employee (SGE) Member
Frenkel, Orit	03/17/2002	06/16/2004	General Electric Co.	Special Government Employee (SGE) Member
Gay, John	03/17/2002	06/16/2004	American Hotel & Motel Association	Special Government Employee (SGE) Member
Heeter, Jr, Charles	03/17/2002	06/16/2004	Deloitte and Touche, LLP	Special Government Employee (SGE) Member
Jackson, Selina	03/17/2002	06/16/2004	United Parcel Service of America, Inc.	Special Government Employee (SGE) Member
Karp, Leonard	03/17/2002	06/16/2004	Philadelphia International Medicine	Special Government Employee (SGE) Member

Lane, Laura	03/17/2002	06/16/2004	Time Warner Inc.	Special Government Employee (SGE) Member
Lenn, Marjorie	03/17/2002	06/16/2004	Center for Quality Assurance in International Education	Special Government Employee (SGE) Member
Menghetti Dempsey, Linda	03/17/2002	06/16/2004	Emergency Committee for American Trade	Special Government Employee (SGE) Member
Morgan, Donald	03/17/2002	03/17/2003	Cleary, Gottlieb, Steen and Hamilton	Special Government Employee (SGE) Member
Mulvey, Kevin	03/17/2002	06/16/2004	American International Group, Inc.	Special Government Employee (SGE) Member
O'Brien, Richard	03/17/2002	06/16/2004	American Assoc. of Advertising Agencies	Special Government Employee (SGE) Member
Podesta, Mary	03/17/2002	06/16/2004	Investment Company Institute	Special Government Employee (SGE) Member
Richardson, Bonnie	03/17/2002	06/16/2004	American Picture Association of America, Inc.	Special Government Employee (SGE) Member
Ritter, Geralyn	03/17/2002	06/16/2004	Pharmaceutical Research and Manufacturers Association	Special Government Employee (SGE) Member
Sallstrom, Laura	03/17/2002	06/16/2004	Sallstrom Consulting	Special Government Employee (SGE) Member
Schoenberger, Douglas	03/17/2002	06/16/2004	AT&T	Special Government Employee (SGE) Member

Stewart, Steven	03/17/2002	06/16/2004	IBM	Special Government Employee (SGE) Member
Tannon, Jay	03/17/2002	05/27/2004	Frost Brown Todd, LLC	Special Government Employee (SGE) Member
Vastine, J.	03/17/2002	06/16/2004	U.S. Coalition of Service Industries	Special Government Employee (SGE) Member
Villarreal, Carlos	03/17/2002	06/16/2004	Wilbur Smith Associates	Special Government Employee (SGE) Member
Watters, Rob	03/17/2002	06/16/2004	Manatt, Phelps and Philips, LLP	Special Government Employee (SGE) Member
Weltmann, Allen	03/17/2002	06/16/2004	PricewaterhouseCoopers L.L.P.	Special Government Employee (SGE) Member
Werner, Michael	03/17/2002	06/16/2004	Weston Solutions, Inc.	Special Government Employee (SGE) Member
Workman, Rhett	03/17/2002	12/31/2003	Air Transport Association of America	Special Government Employee (SGE) Member

**Number of Committee Members Listed: 38** 

#### **Narrative Description**

The Committee supports Commerce's mission and strategic plan because it acts as a major vehicle for obtaining industry views and conducting industry consultations, particularly as they relate to international trade policy.

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

	Checked if	
Applies		
Improvements to health or safety		
Trust in government	<b>✓</b>	
Major policy changes	<b>✓</b>	
Advance in scientific research		
Effective grant making		
Improved service delivery		
Increased customer satisfaction		
Implementation of laws or regulatory		
requirements		
Other		
Outcome Comments		
NA		
What are the cost savings associated with the	his 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 recomm	nendations produced by this committee	
for the life of the committee?		

#### **Number of Recommendations Comments**

11

The number above is for a partial fiscal year (October 1, 2003 to March 17, 2004) and represents a combination of Statutory Reports and formal letters of opinion. The

Committee also provides countless oral recommendations during the course of its closed sessions.

What is the approximate <u>Percentage</u> of these recommendations that have been or will be <u>Fully</u> implemented by the agency?

50%

#### % of Recommendations Fully Implemented Comments

This is a best estimate. Section 135 of Trade Act of 1974 as amended does not bind USTR and the Department of Commerce to take Committee advice.

What is the approximate <u>Percentage</u> of these recommendations that have been or will be <u>Partially</u> implemented by the agency? 25%

#### % of Recommendations Partially Implemented Comments

This is a best estimate. Section 135 of the Trade Act of 1974 as amended does not bind USTR and the Department of Commerce to take Committee advice.

Does the agency provide the committee with feedback regarding actions taken to implement recommendations or advice offered?

Yes	✓	No	Not Applicable

#### **Agency Feedback Comments**

Most feedback is rendered orally during meetings; when written advice is sent to the Secretary of Commerce and the USTR or their designees, it is reviewed by the Secretary's policy staff and tasked to the appropriate ITA unit to prepare a draft response. Commerce internal procedures require that all responses for Secretarial signature (and/or joint signature with USTR) go through a concurrence process which ensures that all appropriate level Commerce officials are seeing the advice and have a chance for comment. All formal responses must be cleared by the Under Secretary of Commerce for International Trade prior to the Secretary's signature, which ensures that ITAC advice is weighed and considered.

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	
Committee advice is vital to priorities during inte	ernational trade negotiations.
Is the Committee engaged in the review of a	oplications for grants?
Grant Review Comments NA	
How is access provided to the information for	or the Committee's documentation?
	Checked if Applies
Contact DFO	<b>✓</b>
Online Agency Web Site	<b>×</b>
Online Committee Web Site	<b>✓</b>
Online GSA FACA Web Site	<b>✓</b>
Publications	
Other	
Access Comments	
NA	