

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

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<b>1. Department or Agency</b>		<b>2. Fiscal Year</b>	
Department of Commerce		2004	
<b>3. Committee or Subcommittee</b>		<b>3b. GSA Committee No.</b>	
Industry Sector Advisory Committee on Services for Trade Policy Matters (ISAC 13)		348	
<b>4. Is this New Fiscal Year?</b>	<b>5. Current Charter</b>	<b>6. Expected Renewal Date</b>	<b>7. Expected Term Date</b>
No	03/17/2004	03/18/2004	06/16/2004
<b>8a. Was Terminated During Fiscal Year?</b>	<b>8b. Specific Termination Authority</b>		<b>8c. Actual Term Date</b>
Yes			06/16/2004
<b>9. Agency Recommendation for Next Fiscal Year</b>	<b>10a. Legislation Req to Terminate?</b>	<b>10b. Legislation Pending?</b>	
Terminate	Yes	Enacted	
<b>11. Establishment Authority</b> Statutory (Congress Created)			
<b>12. Specific Establishment Authority</b>	<b>13. Effective Date</b>	<b>14. Committee Type</b>	<b>14c. Presidential?</b>
19 U.S.C. 2155	01/03/1975	Continuing	No
<b>15. Description of Committee</b> National Policy Issue Advisory Board			
<b>16a. Total Number of Reports</b> 11			
<b>16b. Report Date</b>	<b>Report Title</b>		
	Letter of Opinion regarding the		
10/17/2003	Impact of Visa Delays on U.S.		
	Services Firms		
10/24/2003	Letter of Opinion on Outsourcing		

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.S.-Australia Free Trade Agreement Statutory Report

03/16/2004 U.S.-Central America Free Trade Agreement Statutory Report

04/06/2004 U.S.-Morocco Free Trade Agreement Statutory Report

04/22/2004 U.S.-Dominican Republic Free Trade Agreement Statutory Report

#### **Number of Committee Reports Listed: 11**

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

#### **Meetings and Dates**

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

To discuss the U.S-Morocco FTA negotiations and the U.S.-Central 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.S.-Australia FTA negotiations, the results of the U.S.-Morocco FTA, and the results of the U.S.-Central America FTA (including an update on Costa Rica).	01/13/2004 - 01/13/2004
To discuss the U.S.-Dominican 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.S.-Australia 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.S.-Australia FTA results, and U.S.-Morocco FTA insurance issues.	02/24/2004 - 02/24/2004
To discuss U.S.-Dominican 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.S.-Australia FTA and the U.S.-Central America FTA.	03/09/2004 - 03/09/2004
To approve the Committee's Statutory Report for the U.S.-Morocco FTA.	03/31/2004 - 03/31/2004
To approve the Committee's Statutory Report for the U.S.-Dominican Republic FTA and discuss services and financial services negotiations with Bahrain.	04/16/2004 - 04/16/2004

**Number of Committee Meetings Listed: 13**

	<b>Current FY</b>	<b>Next FY</b>
<b>18a(1). Personnel Pmts to Non-Federal Members</b>	\$0.00	\$0.00
<b>18a(2). Personnel Pmts to Federal Members</b>	\$0.00	\$0.00
<b>18a(3). Personnel Pmts to Federal Staff</b>	\$27,000.00	\$0.00
<b>18a(4). Personnel Pmts to Non-Member Consultants</b>	\$0.00	\$0.00
<b>18b(1). Travel and Per Diem to Non-Federal Members</b>	\$0.00	\$0.00

<b>18b(2). Travel and Per Diem to Federal Members</b>	\$0.00	\$0.00
<b>18b(3). Travel and Per Diem to Federal Staff</b>	\$0.00	\$0.00
<b>18b(4). Travel and Per Diem to Non-member Consultants</b>	\$0.00	\$0.00
<b>18c. Other(rents,user charges, graphics, printing, mail, etc.)</b>	\$0.00	\$0.00
<b>18d. Total</b>	\$27,000.00	\$0.00
<b>19. Federal Staff Support Years (FTE)</b>	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

U.S. services 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 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

Committee Members	Start	End	Occupation	Member Designation
Allegretti, Thomas	03/17/2002	06/16/2004	The American Waterways Operators	Special 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
Deline, Donald	03/17/2002	06/16/2004	Halliburton Company	Special 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	<input type="checkbox"/>
Trust in government	<input checked="" type="checkbox"/>
Major policy changes	<input checked="" type="checkbox"/>
Advance in scientific research	<input type="checkbox"/>
Effective grant making	<input type="checkbox"/>
Improved service delivery	<input type="checkbox"/>
Increased customer satisfaction	<input type="checkbox"/>
Implementation of laws or regulatory requirements	<input type="checkbox"/>
Other	<input type="checkbox"/>

**Outcome Comments**

NA

**What are the cost savings associated with this committee?**

Checked if Applies

None	<input type="checkbox"/>
Unable to Determine	<input checked="" type="checkbox"/>
Under \$100,000	<input type="checkbox"/>
\$100,000 - \$500,000	<input type="checkbox"/>
\$500,001 - \$1,000,000	<input type="checkbox"/>
\$1,000,001 - \$5,000,000	<input type="checkbox"/>
\$5,000,001 - \$10,000,000	<input type="checkbox"/>
Over \$10,000,000	<input type="checkbox"/>
Cost Savings Other	<input type="checkbox"/>

**Cost Savings Comments**

NA

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

11

**Number of Recommendations Comments**

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 Percentage of these recommendations that have been or will be Fully 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 Percentage of these recommendations that have been or will be Partially 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             | <input type="checkbox"/> |
| Proposed legislation              | <input type="checkbox"/> |
| Approved grants or other payments | <input type="checkbox"/> |
| Other                             | <input type="checkbox"/> |

**Action Comments**

Committee advice is vital to priorities during international trade negotiations.

**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               | <input checked="" type="checkbox"/> |
| Online Agency Web Site    | <input checked="" type="checkbox"/> |
| Online Committee Web Site | <input checked="" type="checkbox"/> |
| Online GSA FACA Web Site  | <input checked="" type="checkbox"/> |
| Publications              | <input type="checkbox"/>            |
| Other                     | <input type="checkbox"/>            |

**Access Comments**

NA