



CHEMONICS INTERNATIONAL INC.

POLICIES TO IMPROVE COMPETITIVENESS
IN THE DOMINICAN REPUBLIC PROJECT

Intensive International Trade Negotiation Skills Course

Bayahibe, Dominican Republic

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USAID/Dominican Republic

Submitted by:
Carl Ciria, Florida International University, under subcontract to Chemonics International Inc.

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Executive Summary

Florida International University (FIU) was contracted to provide a compressed and customized version of its International Trade Negotiation Skills Course under the United States Agency for International Development's (USAID) *Policies to Improve Competitiveness in the Dominican Republic* project. The project is being implemented under a task order with Chemonics International Inc. The course was tailored by FIU to the specific needs expressed by the Dominican Foreign Relations Ministry and Chemonics/Strategy Center. It was successfully presented to 34 Dominicans during the March 10-17, 2002 period. The course was inaugurated in Romana-Bayahibe on Sunday evening, March 10, with opening remarks by Ms. Janice Jacobs, Deputy Chief of Mission, United States Embassy in Santo Domingo and the Dominican Undersecretary of Foreign Relations Mr. Santiago Tejada.

The course provided 60 hours of instruction and negotiation practice over an eight-day period. It consisted of 24 class hours of preliminary briefings and instruction and 36 hours of simulated negotiations. The negotiation problem case was based on the actual 1993-1995 negotiations among Brazil, Argentina, Paraguay and Uruguay, on the harmonization of MERCOSUR nations' pharmaceutical registries. The course developed quite well and was well received. The participants responded seriously and professionally to course methodology and content throughout the week.

In his final remarks at the closing of the course on Sunday morning March 17th, Undersecretary Tejada, who had observed several hours of simulated negotiating sessions and was present during the prior two daily FIU instructor evaluations, expressed his gratitude and satisfaction with the course. Among his appreciative words, he stated that the course had enabled him to identify five "new negotiators" whom he intended to assign to greater trade negotiating responsibilities immediately. He expressed high praise for the course to the FIU instructors and his appreciation to USAID, Chemonics, and FIU. The course schedule is included in Annex A.

SECTION I

General Background & Introduction to Instructors and Participants

A. General Background

The Dominican Republic (DR) in recent years has joined the general economic liberalization trend in Latin America and the Caribbean. A great deal of the initiative and the impetus for economic integration came during the prior Dominican administration. The Dominican Republic made significant progress in the negotiation and signature of free trade agreements with Central America and with the Caribbean Community (CARICOM). As is still the case in many countries, Dominican public sector positions are largely unprotected by civil service status. Thus, after the current government took office in August 2000, it dismissed virtually all of the public sector personnel previously involved in the several important negotiation processes to which the DR was a party.

The great majority of the personnel now representing or backstopping the Government of the Dominican Republic (GODR) in international trade negotiations have held their present positions for under eighteen months. Many still lack the background and the training to confidently and adequately define negotiating positions and strategies, or to take the lead for their country in an actual negotiation setting. On a positive note, the current Dominican administration has recognized the pressing need for training and technical help to improve its ability to negotiate effectively in the contexts of the Free Trade Area of the Americas (FTAA), CARICOM, the Central America-DR Free Trade Agreement (FTA), the African, Caribbean, and Pacific group of states and the World Trade Organization (WTO).

In an important recent policy shift, the U.S. Government has begun to project a public posture of active interest in and support for the need for trade capacity building among the smaller economies and the developing countries in general. GODR officials initially made contact with officials of the Office of the U.S. Trade Representative (USTR) on the issue. The USTR referred them to USAID, and GODR Undersecretary of State for Foreign Affairs Mr. Santiago Tejada, charged with coordination of all Dominican international trade negotiations, approached USAID for assistance.

USAID, through its *Policies to Improve Competitiveness in the Dominican Republic* project, managed by Chemonics International, arranged to contract the Summit of the Americas Center (SOAC) at Florida International University to present an intensive one week version of its two week International Trade Negotiation Skills Course for Dominican trade negotiators. Chemonics made the initial contacts with FIU in mid-January 2002. In an initial meeting with SOAC Director Carl A. Cira at FIU in Miami on January 23, 2002, Undersecretary Tejada, Chemonics' Strategy Center Director Mr. Antonio Rodríguez-Mansfield, and Chemonics/Washington D.C. Project Manager Mr. Christian Kolar presented the elements of the DR situation and their training needs. SOAC Director Mr. Cira subsequently presented a proposal, and a contract was signed by February 15, 2002.

The course was conducted in a cooperative atmosphere that combined seriousness of purpose with a good level of friendly interchange among FIU instructors and Dominican participants. FIU staff greatly appreciated the calm and constant support of Chemonics project Assistant Dayana Lora. Unless otherwise indicated, all FIU instructor sessions throughout were accompanied by PowerPoint presentations, and all of these were made available to the participants

B. The Florida International University Team of Instructors

Through its subcontract with Chemonics, FIU arranged, directly or via a subcontract, for the participation of the following instructors:

- **Dr. Ricardo Zapata**, Director of the Trade Unit at the ECLAC (United Nations Economic Commission for Latin America and the Caribbean) Regional Office for Mexico, Central America and the Caribbean, Mexico City; Member, Small Economies Committee, FTAA negotiations;
- **Dr. David Lewis**, Vice President of Manchester Trade, Ltd., Washington, D.C. Former Deputy Director of Commerce, Puerto Rico, advisor on trade policy to CARICOM, Dominican Republic, Jamaica, etc.;
- **Dr. Rodolfo Rua Boiero**, President, Center for Studies on Economic Integration and International Trade (INTEGRAL), Buenos Aires and Miami, economist and trade policy advisor to Argentine, Brazilian, Uruguayan and Paraguayan public and private sectors, veteran negotiator of various bilateral and Mercosur trade and tariff agreements; representative of Argentine Chamber of Commerce to Business Network for Hemispheric Integration (BNHI);
- **Licenciada Liliana Otero**, INTEGRAL, pharmaceutical regulatory expert and Mercosur negotiator; negotiation training specialist;
- **Ing. Carlos Restaino**, INTEGRAL, former executive with Gillette, Inc., management consultant and trade negotiation advisor, negotiator of various Mercosur trade agreements;
- **Dr. Eduardo A. Gamarra**, Director, Latin American and Caribbean Center (LACC), FIU, political scientist, expert on U.S.-Latin American political, social and economic relations and trade policy analyst, author and editor of numerous books and articles on Latin American affairs.
- **Carl A. Cira, J.D.**, Director, SOAC, attorney, former Deputy Chief, Foreign Commerce Section, Antitrust Division, U.S. Department of Justice; Former Mission Director, USAID/Colombia, 1997-1999. International trade commentator and analyst.

NOTE: Dr. David Lewis has been a regular member of the SOAC instructor group for all previous courses. However, in this case, the costs of Dr. Lewis's participation were to be covered under an existing consulting contract with the GODR's Technical Secretariat of the Presidency

held by Manchester Trade, Ltd. This arrangement was by instruction of Dr. Santiago Tejada. As it turned out, Dr. Lewis notified FIU late the night before the opening of the Intensive Course that he was unable to participate, as he had been requested by the Dominican Ambassador to remain in Washington to work on urgent matters under the DR-Manchester consulting contract.

C. The Participant Group

The group of 36 persons consisted of both public and private sector individuals involved in or connected with the negotiation of international trade agreements for the Dominican Republic. The names and affiliations of the participants are included in Annex B. As indicated in the text box, there were 28 public and five private sector representatives, as well as three public sector observers. Out of the 28 public sector personnel, six were Chief Negotiators/Coordinators and the others were alternates or technical or substantive support personnel. Of the private sector group, all were knowledgeable and well informed on the DR's negotiating processes. All had been involved consistently in monitoring the DR negotiation process via the *Comité Nacional de Negociación Comercial* (CNNC), the GODR's liaison body with the private sector and other elements of civil society.

Participant Profile

Public Sector Officials: 28
Private Sector Officials: 5
Public Sector Observers: 3
Total: 36

Public sector officials represented the Ministry of Foreign Relations, Ministry of Industry & Commerce, Ministry of Finance, Ministry of Agriculture, Central Bank, Customs Agency, among others. Six were Chief Negotiators and the others were alternates or technical or substantive support personnel.

Based on prior FIU/LACC and SOAC contacts and our close monitoring of the Dominican political and economic situation, we were aware that the country's trade negotiation capacity had suffered a distinct setback in the last changeover of national governments. From our conversations with various members of the Dominican group as well as from observation and discussion, it was evident that the GODR is still in the process of rebuilding its previous levels of function and expertise.

Nevertheless, the group as a whole was well-prepared and ready to work. The purpose and methodology of this course are eminently practical, rather than theoretical or academic. After some initial doubts from some, the group attitude toward the course quickly became very positive, and they became serious and enthusiastic participants in both the preparatory phase and in the simulated negotiations.

The rigorous 10-hour daily schedule insisted upon by Undersecretary Tejada was generally kept to by all in the first three days of orientation. Thereafter, the 10-hour schedule was exceeded every day in the phase of the simulated negotiation, as the teams routinely worked overtime together to define, refine and discuss their negotiating positions and to prepare documentation and positions for the next day's negotiation. Virtually all individuals in all groups assumed their assigned roles fully, staying "in character" with their assigned identities during non-negotiating hours as well. During the last three days of the course, the participants averaged 10 to 12 hours

of work and the instructors generally accompanied the group and spent an additional hour in analysis and preparation for the next day's sessions.

D. Dynamics of the Group – Preparation for the Simulated Negotiation Sessions (SNS)

The preparation for the SNS requires the FIU instructors to gather personal information on each participant to analyze their prior education, experience, and apparent expertise. This background information, together with the instructor team's observation of their individual comportment during the preparatory briefings, allows us to form the four national delegations for the SNS and assign an individual public or private sector role to each person.

In order to assemble the teams for the simulated negotiation exercise, the FIU course staff (SOAC, INTEGRAL, ECLAC) also had to consider the differences between this group (all nationals of the same country) and the prior groups of trainees (from several countries) that attended the two week Miami courses. In the Miami courses, there is normally an entire week to complete the task of conforming the SNS teams. In this case, we recognized that we would need to gain a far more rapid understanding of who the DR participants were, both personally and professionally, to enable the instructors to do the analytic work needed prior to the formation of the four negotiating teams by the third day of the course.

During the 2001 Miami courses, the participants came from 15 countries and most participants did not know one another before the course. They were out of their home country in a neutral setting. However, in the case of the DR course, the participants were still in their national element, though away from their homes. Many, if not most, were friends or acquaintances and had worked together. Attendance at the DR course was essentially mandatory for the public sector attendees. A number of recognized veteran negotiators and authority figures were among the group, and they received due deference from the other participants. Normally, it could also be expected that some individuals would have outstanding institutional or personal issues with one another arising from past interaction. Also, possible inter-institutional sensitivities were potential sources of friction or undue reticence in their ability or willingness to interact freely in discussions and role-playing.

As noted, several active DR chief negotiators were among the participants. The mix of active and experienced lead negotiators with less experienced officials, of supervisors with lower level personnel, and of some politically connected, but technically under-prepared persons, with others, perhaps better educated or more experienced, made the situation potentially sensitive from several different standpoints. Clearly, the avoidance of abrasive or overly aggressive conduct in the course of the negotiations would be greater in the context of expectations for continued personal and professional relations after the course. As well, some individuals naturally would want to use the course as a unique opportunity to impress superiors and colleagues.

Given the foregoing, to get an early handle on the nature of the group, on the first day, the FIU team asked all to fill out a short background sheet. We asked permission to take a digital photo of each person to be able to match him or her with the correct background sheet in our deliberations.

During the first two course days of preliminary factual briefings and updates, analysis of the various phases of a negotiation and one preliminary two-hour practice negotiation (based on the April 2001 Hemispheric Trade Ministerial Meeting in Buenos Aires), the instructors observed and studied the participants' behaviors. During the question and comment periods and the preliminary negotiation exercise the FIU team sought to identify apparent personality characteristics, evident degrees of prior negotiating experience, self-confidence, professional knowledge, evident leadership traits, tendencies toward dominance or excessive timidity, and the like.

Based on a combination of objective and subjective criteria, by noon on the third day, the FIU team would prepare an assignment of a specific role for each participant in the SNS and provide each of them with a written description of their particular position in the public or private sector of one of the four Mercosur countries. Thus, to advance the process from the outset, during the first day of briefing sessions, three FIU course instructors dedicated themselves primarily to the task of observation and study of the participants, getting acquainted and beginning to formulate preliminary matches of individuals and role assignments. These tentative decisions were discussed and adjusted within the instructor group in the evenings of the first and second full course days and assignments were settled by the morning of the third day.

SECTION II

Course Implementation – Highlights of the Eight Days at Bayahibe

A. Saturday, March 9: Final Preparations and Logistics Check

Strategy Center staff assistant Dayana Lora and FIU instructor group members Rodolfo Rua Boiero, Liliana Otero and Carlos Restaino arrived at the Hotel Coral Canoa. The meeting room set-up was reviewed and adjusted with hotel staff, the projection equipment was set-up and tested, and miscellaneous details were dealt with to assure the smooth start-up of the course the next day.

B. Sunday, March 10: Opening and Introduction

The remaining FIU team (Carl Cira, Eduardo Gamarra, Cristina Lopez-Gottardi, Ricardo Zapata) and Chemonics Strategy Center staff (Antonio Rodriguez-Mansfield) arrived. U.S. Embassy Deputy Chief of Mission Janice Jacobs, USAID/DR Democracy and Economic Growth Officer Mr. Donnie Harrington, and USAID Economic Policy Coordinator Mr. Luis Gonzalez arrived. Undersecretary of Foreign Affairs Santiago Tejada arrived. Thirty-six participants and observers arrived and checked in.

The formal opening of the course began at 6:00 p.m. and ran until 8:30 p.m. After opening remarks by Mr. Antonio Rodriguez-Mansfield and Dr. Tejada, Deputy Chief of Mission Ms. Janice Jacobs gave a welcoming speech that emphasized the commitment of the U.S. Government to supporting the trade capacity building process in the Dominican Republic and the Hemisphere, and expressed Embassy satisfaction at being able to support the presentation of the present Intensive International Trade Negotiation Skills Course to Dominican official negotiators.

Mr. Carl Cira then spoke briefly on the FIU/LACC/SOAC commitment to hemispheric integration and our expanding efforts since 2000 to contribute directly to the development of greater trade management and negotiating capacity through our International Trade Negotiation Skills Courses offered both in Miami and at large in interested countries of the region. He expressed particular satisfaction at FIU's opportunity to contribute to the advancement of a significant portion of the official Dominican negotiating group.

Dr. Rodolfo Rua Boiero then gave a half hour presentation and description of the content and philosophy of the course. He explained the methodology to be used in imparting the needed background and fundamentals, as well as that for conducting and managing the simulated negotiation exercises.

Dr. Eduardo Gamarra then presented a contextual scene-setting review of the relevant political, economic and social situations in the Western Hemisphere, with special focus on the Dominican Republic. He highlighted the opportunities and the difficulties of the political situation in the U.S. vis-à-vis progress in the FTAA and other trade negotiating contexts.

Finally, Undersecretary Santiago Tejada took the podium again to introduce each participant in the course and to re-emphasize the importance of keeping to the schedule and participating actively.

C. Monday, March 11: Protagonists and Negotiating Processes – Multilateral Commercial Negotiations – Current Actors and Positions

The first full day's content was designed to inform and update the group in some detail on current political and economic factors impacting the FTAA and other regional negotiations, and the trade relations of the Dominican Republic. Equally important, the presenters strove to provoke reaction, comment and discussion in order to facilitate our parallel task of learning enough about each participant to be able to conform the four negotiating groups by the end of the second full instruction day.

Session 1. Mr. Carl Cira began with a presentation of the international trade policies of the U.S. and their domestic and international aspects, limits, and problems. Using an historic review of the principal elements of U.S. policy toward Latin America and the Caribbean and starting with the Caribbean Basin Initiative of 1991, Mr. Cira touched upon and explained the main unilateral, multilateral and bilateral instruments of U.S. trade policy in the region.

Among the subjects he focused on were:

- Current legislative obstacles to the conferral of Trade Promotion Authority (TPA) or “Fast Track” on President Bush
- Positions and attitudes of Brazil and Mexico toward FTAA
- Labor and Environmental issues and U.S. positions
- Small Economies – U.S. position on special and differential treatment
- New U.S. interest in bilateral free trade agreements (FTA's)
- Caribbean Basin Trade Partnership Act (CBTPA) of 2001
- Effects of impending U.S. Congressional elections

The Question & Answer (Q&A) session was lively, reflecting among others, DR interest in joining the U.S.-Central America FTA discussions; interest in a possible U.S. - DR FTA or a DR inclusion in NAFTA; suspicions of ulterior U.S. motives, etc.

[Parallel SNS teams definition process: initial indications of interests, attitudes and personalities began to manifest themselves in this first Q&A.]

Session 2. ECLAC/Mexico Trade Unit Chief Ricardo Zapata took charge of the next session in substitution for Mr. David Lewis. In order to address the subject of “interests and capacities of negotiation power” in the multilateral negotiation context, he provided a view from ECLAC of the relative strengths of the FTAA negotiation countries based on size of their economies, export and import capacities, positions within sub regional trading blocs, and resulting comparative weight at the negotiation table. From the perspective of a member organization of the Tripartite Committee that manages the FTAA process, and as a participant in the FTAA Consultative

Committee on the Small Economies, Zapata presented and examined a range of options for the small economies.

Q&A was predictably focused on DR options and relative strengths and weaknesses, the wish/need to protect the present levels of U.S. concessional preferences and the free zones in whatever negotiation context ensues.

[*Parallel SNS teams definition process*: significant discussion of the statistical charts used by Dr. Zapata; several individuals had definite favorable or cautious views toward Brazil, high interest in Central America; general unfamiliarity with Mercosur. Some experienced negotiators showed considerable depth in formulating questions and comments.]

Session 3. Dr. Ricardo Zapata continued in the next section, dealing with the issues confronting the Dominican Republic and other smaller economies in the FTAA negotiations.

(NOTE: Originally this subject was also to have been covered by Dr. David Lewis, and here we add an important clarification. Even apart from the last minute, *fuera mayor* absence of Dr. Lewis, it was never the intent of FIU to give an ex ante, specific analysis and critique of the DR's negotiation positions before this kind of group. In our view, such a critique, coming from non-Dominicans, presented before 36 well-connected Dominican public and private sector officials, at the outset of an event sponsored by the United States Embassy, would have been inappropriate and imprudent. We respectfully suggest that if the GODR or the Foreign Ministry desires that sort of dispassionate analysis and strategic and tactical recommendations, it should seek these via a separate consulting mechanism, with the required degree of frankness and confidentiality.)

In light of the foregoing, we agreed that the better course for thorough but “non –hazardous” treatment of the subject was to draw out the central issues and doubts on the DR's positions from the participants themselves, and allow them to debate the questions and priorities so revealed. Thus, at the end of his second presentation, Dr. Zapata informed the participants that we were setting out three short exercises designed to produce the information. The participants were asked to divide into three groups, discuss the issues over lunch, and return to present their conclusions and suggestions in the first afternoon session.

Session 4. As planned, in this first session of the afternoon, Dr. Ricardo Zapata focused the participants on the subject of the goals and strategic options of the Dominican Republic, using the methodology explained above. The three groups had met and produced three extensive lists of concerns and suggested problems and priorities. The spokesperson for each of the three in turn set out the responses that his/her group had generated. Dr. Zapata wrote these on the whiteboard, eliminating duplications as the session progressed. The debate and discussion generated fully engaged the group, and took up the bulk of the session. Concerns emerged over a lack of clear goals and a sensation of not being fully aware of the potential effects of trade agreements. There was a feeling that the private sector and most sectors of the GODR itself were not fully apprised of the nature of the ongoing trade discussions.

Session 5. Mr. Carl Cira next focused the group on the subject of the new trend in U.S. trade policy of negotiation of bilateral free trade agreements. The idea was to give a clear and perhaps a sobering idea of the full implications for a potential bilateral FTA partner, like the DR, implied by entering a bilateral negotiation with the U.S. Using the example of the current Chile – U.S. FTA negotiations, he covered the ten year history of the Chile - U.S. process, the high national priority given by Chile, the consequent major investment of time, resources and funds by private and public sector officials and ex-officials, the bipartisan, sophisticated and determined nature of Chile’s political commitment and lobbying effort. The cautionary lesson was that despite all of Chile’s enormous investment of political capital and treasure during 2001, the final U.S.-Chile document was still under negotiation and the most contentious elements now clearly derive more from U.S. domestic political imperatives than from any Chilean issues. Administration difficulties in negotiating a Senate vote on TPA have stalled progress with Chile.

Mr. Cira also discussed the significance of the U.S.-Central America discussions and the chances that the U.S. would incorporate the DR into that process. The CBTPA preferences were also touched upon and Mr. Cira noted the uncertain potential effects on DR free zone textile production of the last minute promises made by the Administration to U.S. producers to secure the last vote in the House for TPA in December 2001.

Q&A was lively and many of the questions and comments showed a general concern over perhaps being left out of U.S. plans. Discussion of other options and opportunities with CARICOM, the EU-ACP group, etc. as alternatives were discussed.

[*Parallel SNS Teams definition process*: further solid performances by standout individuals. Increasing participation and revelation of character and personality as well as degrees of experience and knowledge.]

Session 6. Dr. Zapata next took up the formation of alliances and coalitions of countries in the FTAA context. Much of the subsequent Q&A again turned on what needed to be done to gain access to the U.S.-Central America discussions, which countries may be willing to press for the DR’s case, and what the options and dangers were.

[*Parallel SNS Teams definition process*: more indications of personal traits, experiences and abilities allowing growing FIU instructor consensus on SNS teams and assignments.]

Session 7. Dr. Rodolfo Rua Boiero next began the course phase of specific preparation for the SNS, taking up the nature of national negotiating strategies in the context of multilateral, regional and international commercial negotiations, and the steps in their design and activation. After a Q&A period the first full instruction day ended.

Distribution of the Negotiating Problem Case. All participants were given copies of a 30-page document explaining the 1993 Mercosur Pharmaceutical Registry Negotiation that is the basis for the SNS. They were asked to read and study it thoroughly by Wednesday morning when it would be discussed in detail to prepare them to deal with it during the simulated negotiation beginning on Thursday.

D. Tuesday, March 12: Explanation and Analysis of Elements of the Multilateral Trade Negotiation Process

The second full day of instruction was devoted to a systematic breakdown, analysis and discussion of the various elements of the multilateral trade negotiation process. The three FIU instructors from the Center of Studies on Economic Integration and International Trade (INTEGRAL) led this phase. Each of the six lecture sessions was punctuated by appropriate practical examples of the importance of the particular negotiation phase and the opportunities for advantage or potential loss of ground. The instructors also illustrated their points with anecdotal and experiential examples from actual past negotiations. During discussion and question periods throughout this second instructional day several participants offered their own experiences for comment and analysis.

“The International Trade Conference” – (Short Negotiation Practice). At the end of this full day of examination of the stages of an international trade negotiation, participants were given their first practice negotiation exercise. Each participant was assigned randomly as the representative of a country attending the 2001 Trade Ministerial Meeting in Buenos Aires (except for the Dominican Republic). Four issues were to be treated in the discussion and a consensus document dealing with these was to be negotiated. The issues were:

1. The end date for the FTAA negotiations and the date of its entry into effect;
2. Inclusion of labor and environmental language in the FTAA;
3. The treatment of agricultural subsidies; and
4. Antidumping and Countervailing duties.

The participants were instructed to form into five groups to negotiate as regional trading blocs (NAFTA, Mercosur, Central America, CARICOM, and the Andean Community), and given an hour to formulate positions and draft language. The group then moved to the negotiating room and convened to try to reach a consensus position on all points. The session was allotted two hours, but extended to three. Participants eventually came to a conclusion motivated as much by the desire to finish the day as by genuine consensus. FIU instructors provided a brief critique.

E. Wednesday, March 13: Explanation of the SNS Problem Case – Harmonization of Mercosur Pharmaceutical Registries

The third day was dedicated to a detailed and systematic presentation and explanation of the SNS case problem, and to the guidance of the participants in the initial phases. The instructors directed this phase. Two days earlier, all participants had received the 30-page document explaining the policy, legal, and technical background of the 1993 Mercosur Pharmaceutical Registry Negotiation. The day was devoted to a detailed discussion of the facts and circumstances of this complex negotiation. The situation involved the interests of four countries, the public and private sectors of each, regulatory bodies, trade associations, manufacturers, importers, and consumers or patients. See the course schedule, Annex A, for the order of the day.

At the beginning of the afternoon session, each person received an envelope containing a description of their individual role assignment and a detailed explanation of the possible negotiation objectives of the public or private sector entity that they represented. Four persons

were informed they were to be Heads of National Delegations. A rotating Chair of Negotiations or presidency function was established and the initial occupant of that Chair was so informed. The Chair rotated to a different national delegation on each of the three subsequent full days of simulated negotiation.

At the end of the day's explanations of the political, technical, scientific, and associational setting of the simulated negotiation, a lengthy Q&A and discussion period ensued. The prepared agenda for the opening day of negotiations was distributed to all. Two of the newly constituted national teams met later that same evening and discussed and drafted initial negotiating positions and objectives to get a jump on the process.

F. Thursday, March 14 – First Day of Negotiations

The participants settled into their assigned roles and began to deal with the order of the day, developing group and subgroup technical position and negotiation goals. FIU instructors were on hand throughout to provide individual and group coaching and to clarify information and issues arising from the interplay of the emerging negotiation positions. The discussions went slowly at first as the relations among the groups developed and as the presiding officer began to assert a stronger guiding hand. Participants clearly took their roles and the study involved serious and lively discussions and quick caucuses outside the negotiation room began to occur.

Drafting of proposed wording for sections of relevant possible declarations began to happen and small clusters of participants huddled over several laptop computers to collaboratively produce the drafts, shuttling back and forth between the negotiation room and the working room, just as in an actual negotiation. Toward the end of the day, FIU instructors reminded the group that they were to produce the agenda for the next day's sessions and that this effort was just as much a part of the overall negotiation as any other element to be reduced to writing. The session was adjourned when an agreed agenda had been negotiated. The daily feedback session extended to 8:30 p.m.

Thereafter, the instructors proceeded to analyze progress and to consider the emerging negotiation alliances and coalitions manifested during the day. We had determined that the private sector representatives of Argentina and Brazil had identified a common interest in retarding the progress of the negotiations and had influenced their public sector delegation leaders in that sense. A stratagem to divide the two large country private sectors was decided upon. The instructors drafted a fax to the Brazilian delegation indicating that a new joint venture between a major Brazilian pharmaceutical house and a similar Argentine group made urgent the advance of the harmonization of registration requirements in both countries. The hotel delivered the fax later that evening. The next morning, we would observe the ripple effects.

G. Friday, March 15: Second Day of Negotiations

The morning of the second full day of negotiations saw the urgent caucusing of the entire Brazilian delegation to redefine its position. The Brazilian private sector was quickly instructed by the public sector head of delegation to allow the public sector to caucus alone. And so it went. The Brazilians returned to the negotiation table and began to back and fill from the prior day's positions and tactics, much to the puzzlement of the other three delegations. In the course of the

morning, the FIU instructors also caused a communication to be sent to the Brazilians indicating that the Health Minister had resigned and been replaced by a more protectionist official.

The details of the game are less important than the fact that the remainder of the day was spent in the logical reaction and adjustments of positions due to the changed circumstances and the newly projected favorable attitude of Brazil toward a speed-up of the harmonization process. The negotiations made considerable progress by the end of the day, as the drafting of proposed language on shared definitions of technical terms got underway and produced numerous side-bar conversations and several requests for clarifications from the FIU instructors.

The debriefing and evaluation of the day's efforts ran until 8:45 p.m. Participants were reminded that tomorrow would be the final day of negotiations and that they needed to agree on an agenda for the day as well as produce a final written agreement by the end of the next session.

H. Saturday, March 16: Third and Final Day of Negotiations

By agreement among the participants the prior evening, the session was scheduled to begin an hour later than usual, at 9:30 a.m. The actual convening of the session took place closer to 10:00 a.m. Participants worked for the first three hours attempting to develop language on the numerous points still in contention. Making scant progress with an unwieldy 30-plus persons trying to provide the proper wording and analyze meanings and content, they decided to designate a reduced member drafting committee. This group, with representation from all four delegations, was to produce consensus drafts for consideration by the full delegations. The process went on throughout the day and was finally concluded by about 7:45 p.m. The discussion and analysis of the day's work by the FIU instructors and the participants continued until 9:15 p.m.

I. Sunday, March 17: Instructors Evaluation of Negotiations – Discussion and Conferral of Certificates

The session began at 8:30 a.m. Participants were given a comparison of the outcomes of the simulation with the actual results of the real Mercosur negotiation, and a lively and good-natured question, comment and discussion period ensued. The FIU instructors gave their evaluations and comments on the experience. All present agreed that it had been an extraordinarily rich and useful experience, and the course had exceeded the expectations of participants and instructors alike.

Undersecretary Tejada expressed the thanks of the Ministry to USAID, Chemonics and FIU and praised the evident full collaboration of the participants. As mentioned in the Executive Summary of this Report, he also indicated that through observation of the comportment of the participants over the past two days, he had been able to identify five persons whom he considered ready to be incorporated immediately into the GODR's negotiating team in the FTAA discussions. Several of the participants also rose to laud the course and express their personal gratitude for the opportunity and the experience.

Thereafter, the participants were asked to come forward and receive their Certificates of Successful Completion of the 60 hour FIU Intensive International Trade Negotiation Skills Course. The Course was adjourned at 11:30 a.m.

ANNEX A

Course Schedule

**SECRETARIA DE ESTADO DE RELACIONES EXTERIORES
COMISION NACIONAL DE NEGOCIACIONES COMERCIALES
USAID-CHEMONICS INTERNATIONAL**

**Curso Intensivo de Capacitación en Negociaciones de Comercio
Internacional**

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**Summit of the Americas Center  
Latin American and Caribbean Center  
Of  
Florida International University  
Miami, Florida**

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**Marzo 10-17, 2002
Hotel Coral Canoa
Bayahibe, Republica Dominicana**

Desarrollo Pedagógico del Curso

Este curso forma parte del componente de capacitación de la asistencia técnica que USAID-Chemonics International ofrece a la Secretaría de Estado de Relaciones Exteriores y la Comisión Nacional de Negociaciones Comerciales como parte del Proyecto de Fortalecimiento en Materia de Comercio. El desarrollo y celebración del curso está a cargo del Centro Cumbre de las Américas de la Universidad Internacional de la Florida.

El objetivo central del curso es la mejor preparación de los cuadros técnicos de la República Dominicana en el campo de las negociaciones comerciales internacionales.

La metodología elegida está basada en dos vías convergentes: la formativa y la práctica. Se asume que los participantes están actualizados en los temas de la agenda de negociación del Área de Libre Comercio de las Américas (ALCA), así como también que previamente han realizado sesiones preparatorias basadas en la lectura del material de apoyo remitido por la FIU a tal efecto.

La globalización de los mercados es el marco general en el cual se desenvuelven actualmente las negociaciones comerciales internacionales. En un contexto en el que no se ha definido aún un nuevo set de reglas de juego multilaterales, se han multiplicado las iniciativas de integración regional, como un sustituto imperfecto de aquellas reglas, que puede proveer condiciones preferenciales de acceso a un mercado regional. Tanto los protagonistas como los procesos de negociación conforman ahora un conjunto dinámico, complejo e interdependiente, en el cual las negociaciones comerciales bilaterales han cedido paso a las negociaciones comerciales multilaterales como el modelo dominante en el escenario internacional contemporáneo.

En el plano formativo, se aborda la comprensión de las negociaciones comerciales multilaterales desde el análisis de los métodos e instrumentos que se aplican en la mesa de negociaciones: los intereses nacionales y la capacidad de poder, la definición de las posiciones negociadoras y la construcción de consensos – tanto intra como inter-país -, la identificación de los intereses objetivos, la formación de coaliciones, el conocimiento y manejo de las tácticas de negociación, la construcción de las agendas y la redacción y tecnificación de los acuerdos. Se analizan también los métodos tradicionales de listas de concesiones – acceso a los mercados - y otros más complejos, como la armonización de criterios para la modificación o aplicación de marcos regulatorios o legislativos, regímenes de reglas de origen, legislaciones antidumping y de defensa de la competencia, regímenes de compras gubernamentales, etc.

En el plano de la práctica, el ejercicio de juego de roles permite a los participantes aplicar los conceptos teóricos impartidos en una simulación basada en un caso real de negociación multilateral del hemisferio. Los cursantes son inducidos a desarrollar su capacidad de adaptación a situaciones no previstas, con condiciones definidas externamente sobre las cuales no hay posibilidad de ejercer control. El monitoreo permanente de la coordinación académica corrige su desempeño, los asiste en la utilización de los instrumentos teóricos y en la optimización de sus condiciones naturales para la negociación.

El curso comprende un primer módulo dedicado al análisis de los modelos y técnicas de la negociación comercial multilateral, a la descripción de los procesos de negociación regional, con

énfasis en las posiciones y estrategias negociadoras de los principales protagonistas del área de libre comercio de las Américas (ALCA) y de la República Dominicana en el contexto de dicha negociación. Y, un segundo módulo consagrado al desarrollo de una simulación de negociación basada en un “Case Study“ real perteneciente a uno de los procesos de integración regional.

Programa

Domingo, 10 de marzo Día Uno : Apertura y Presentación del Curso	
3:00 pm	Registro de Participantes en el Hotel
6:00 pm 6:30 pm	<p>Palabras de Bienvenida y Apertura del Curso</p> <p><i>Santiago Tejada, Subsecretario de Relaciones Exteriores, Encargado de Negociaciones Comerciales</i></p> <p><i>Janice Jacobs, Ministro Consejera, Embajada de los EE.UU. en República Dominicana</i></p> <p><i>Carl A. Cira, Director, Summit of the Americas Center, Florida International University</i></p>
6:30 pm 8:00 pm	<p>Presentación del Curso Intensivo de Negociaciones Comerciales Internacionales</p> <p>Explicación general de los contenidos del curso, con referencia específica a la metodología a ser utilizada en la asimilación de la información y en los ejercicios de simulación de la negociación</p> <p><i>Universidad Internacional de la Florida</i></p> <p>Presentación de los asistentes al Curso</p> <p>SEREX</p> <p>Discusión general de la situación económico-político actual del Hemisferio con enfoque particular en la República Dominicana</p> <p>Dirigida por <i>Eduardo A. Gamarra, Director,</i></p> <p><i>Latin American and Caribbean Center, Florida International University</i></p>

Lunes, 11 de marzo Día Dos : Protagonistas y Procesos de Negociación. Negociaciones Comerciales Multilaterales	
8:15 am 9:00 am	Los Procesos de Negociación: Negociaciones Comerciales Bilaterales y Multilaterales. La Política Comercial Exterior de la Actual Administración de EE.UU. <i>Carl A. Cira, Director del Summit of the Americas Center (SOAC), FIU Miami</i>
9:00 am 10:00 am	Negociaciones Comerciales Multilaterales: Intereses. Capacidad de Poder. <i>David Lewis, Vicepresidente de Manchester Trade Ltd., Washington, D.C., ex Director Ejecutivo de la Caribbean Latin American Action.</i>
Coffee Break	
10:30 am 12:00 m	La Posición y el Rol de las Economías Pequeñas en el Proceso de Negociación del ALCA: Situación y Perspectivas. <i>Ricardo Zapata, Jefe, Unidad de Comercio Internacional, CEPAL/México; Miembro del Comité de las Pequeñas Economías del ALCA</i>
Almuerzo	
1:00 pm 2:30 pm	El ALCA y los Procesos de Integración Subregionales: la Posición Negociadora de República Dominicana en el Marco Subregional y Hemisférico. <i>David Lewis, Manchester Trade Ltd ., Ricardo Zapata, CEPAL/Mexico</i>
2:30 pm 4:00 pm	El ALCA y los Procesos de Integración Subregionales: EE.UU. y los Acuerdos de Preferencias Subregionales (Los TLC Chile-EEUU y Centroamérica-EEUU, CBI, CBTPA, Andean Trade Preferences Act, etc.). <i>Carl A. Cira, Director SOAC, FIU</i>
Coffee Break	
4:15 pm 5:00 pm	Los Protagonistas y las Estrategias de Negociación: Formación de Coaliciones. <i>Ricardo Zapata, Jefe, Unidad de Comercio Internacional, CEPAL, México</i>
Break	
6:00 pm 8:00 pm	Estrategias de Negociación: Diseño e Implementación de las Estrategias Nacionales en el Contexto de las Negociaciones Comerciales Multilaterales Regionales e Internacionales. <i>Rodolfo Rúa Boiero, Presidente INTEGRAL, Buenos Aires, Argentina.</i>

Martes, 12 de marzo	
Día Tres : Modelos de Negociación Comercial Multilateral – Tácticas y Métodos de Negociación	
8:00 pm 9:30 pm	Los Roles. Delegados Nacionales. Equipos Técnicos. Sectores Empresariales. <i>Carlos Restaino, INTEGRAL</i>
9:30 am 10:30 am	Etapas de la Negociación: La Prenegociación. La Búsqueda de Información. <i>Rodolfo Rúa Boiero, INTEGRAL</i>
	Coffee Break
10:45 am 12:00 m	Etapas de la Negociación: Preparación de las Agendas. Selección de los Objetivos. <i>Liliana Otero, INTEGRAL</i>
	Almuerzo
1:00 pm 2:30 pm	Las Rondas de Negociación: Conductas en la Mesa de Negociación. Manejo de la Información. Identificación de los Intereses. Demandas y Concesiones. <i>Carlos Restaino, INTEGRAL.</i>
2:30 pm 4:00 pm	Los Acuerdos: Factores que Facilitan y/u Obstaculizan los Acuerdos. <i>Carlos Restaino, INTEGRAL</i>
	Coffee break
4:15 pm 5:00 pm	Métodos de Negociación: Redacción y Tecnificación de los Acuerdos. <i>Liliana Otero, INTEGRAL</i>
	Break
6:00 pm 8:00 pm	➤ Ejercicio Corto de Juego de Roles: ALCA: La Declaración Ministerial de Buenos Aires (Subsidios Agrícolas, Antidumping, Inclusión de Cláusulas Laborales y Medioambientales). <i>Rodolfo Rúa Boiero, Liliana Otero, Carlos Restaino, INTEGRAL, Carl A. Cira, SOAC, FIU, Ricardo Zapata, CEPAL, David Lewis, Manchester Trade Ltd..</i>

Miércoles, 13 de marzo	
Día Cuatro : Simulación de la Negociación	
Ejercicio de Juego de Roles	
Case Study	
“Armonización de las Normas de Registro de	
Productos Farmacéuticos en un Bloque Regional”	
<i>Rodolfo Rúa Boiero (Coordinador), Liliانا Otero, Carlos Restaino, INTEGRAL</i>	
Presentación del Case Study	
8:00 am 10:00 am	Presentación del Case Study de Simulación de Negociación. <i>Rodolfo Rúa Boiero, INTEGRAL.</i>
	Coffee Break
10:15am 12:00 m	Presentación del Case Study de Simulación de Negociación. Sesión de Preguntas y Respuestas , <i>Rua, Otero, Restaino, Cira</i>
	Almuerzo
1:00 pm 2:00 pm	Reseña del Case Study. Marco Conceptual. Objeto de la Negociación. Grados de Libertad. Reglas de Juego. Formación de Grupos. <i>Rodolfo Rúa Boiero INTEGRAL</i>
Inicio del Ejercicio de Juego de Roles	
Sesión 1: Rondas Oficiales de Negociación	
2:00 pm 3:00 pm	Búsqueda de la Información. Identificación de las Partes.
	Coffee Break
3:15 pm 4:00 pm	Negociaciones Inter e Intra-país. Sectores Oficiales y Privados.
	Coffee Break
4:15 pm 5:00 pm	Negociaciones Inter e Intra-país. Sectores Oficiales y Privados.
	Break
6:00 pm 7:00 pm	Negociaciones Inter e Intra-país. Sectores Oficiales y Privados.
7:00 pm 8:00 pm	Resumen sobre el desarrollo de la jornada.

Jueves, 14 de marzo	
Día Cinco: Simulación de la Negociación	
Sesión 2:	
Rondas Oficiales de Negociación – Primera Reunión	
8:00 am 10:30 am	Apertura de las Rondas Oficiales. Tratamiento de la Agenda Recibida.
	Coffee Break
10:45 am 12:00 m	Tratamiento de la Agenda Recibida.
	Almuerzo
1:00 pm 3:30 pm	Tratamiento de la Agenda Recibida.
	Coffee Break
3:45 pm 5:00 pm	Tratamiento de la Agenda Recibida.
	Break
6:00 pm 7:00 pm	Determinación de la Agenda de la Próxima Reunión.
7:00 pm 8:00 pm	Resumen sobre el desarrollo de la jornada.

Viernes, 15 de marzo	
Día Seis: Simulación de la Negociación	
Sesión 3:	
Rondas Oficiales de Negociación – Segunda Reunión	
8:00 am 10:30 am	Tratamiento de la Agenda.
	Coffee Break
10:45 am 12:00 m	Tratamiento de la Agenda.
	Almuerzo
1:00 pm 3:30 pm	Tratamiento de la Agenda. Redacción del Borrador del Acuerdo.
	Coffee Break
3:45 pm 5:00 pm	Discusión del Borrador del Acuerdo. Determinación de la Agenda de la Próxima Reunión.
	Break
6:00 pm 7:00 pm	Determinación de la Agenda de la Próxima Reunión.
7:00 pm 8:00 pm	Resumen sobre el desarrollo de la jornada.

Sábado, 16 de marzo	
Día Siete: Simulación de la Negociación	
Sesión 4:	
Rondas Oficiales de Negociación – Tercera y Ultima Reunión	
9:00 am 10:30 am	Tratamiento de la Agenda.
	Coffee Break
10:45 am 12:00 m	Tratamiento de la Agenda.
	Almuerzo
2:00 pm 3:30 pm	Tecnificación del Texto del Acuerdo.
	Coffee Break
4:00 pm 5:00 pm	Tecnificación del Texto del Acuerdo.
	Break
6:00 pm 7:00 pm	Presentación del Acuerdo.
7:00 pm 8:00 pm	Resumen sobre el desarrollo de la jornada.

Domingo, 17 de marzo	
Día Ocho: Simulación de la Negociación	
Sesión 5:	
Cierre del Ejercicio de Juego de Roles	
8:00 am 10:00 am	Debate sobre el Acuerdo Alcanzado.
	Coffee Break
10:15 am 12:00 m	Evaluación y Conclusiones sobre el Resultado del Ejercicio. <i>Entrega de Certificados de Asistencia Satisfactoria</i>

**ANNEX B - PARTICIPANTS - FIU Intensive International Trade Negotiation Skills
Course - Dominican Republic – March 2002**

*Curso Internacional de Negociaciones Comerciales
USAID-Chemonics International-Florida International University*

LISTADO DE PARTICIPANTES

Jefe Negociadores/ Coordinadores (ALCA)	Observaciones
1. Hugo Rivera Santana	Sec. De Industria y Comercio (Acceso a Mercados)
2. Odile Batista	Banco Central (Pequeñas Economías)
3. Rafael Núñez	SEREX (Subsidios Antidumping y M.C.)
4. Kadir González	Banco Central (C.E.Comercio Electrónico)
5. Alex Lois	Presidencia / DIAPE (C.E.Sociedad Civil)
6. José Rivas T.	Coordinador del ALCA en Panamá
Suplentes de Coordinadores (ALCA)	
7. Nacyra Cury	Banco Central (Inversiones)
8. Edwin de los Santos	Consejo de Zonas Francas (Serv. , Inv. Subsidios)
9. Ayalivis García	Ofic. Nac. Propiedad Intelectual (Prop. Intelectual)
10. Ruth de los Santos	Sec. De Finanzas (Compras Gubernamentales)
11. Onelia Durán	SEREX (Misión ALCA en Panamá)
12. Elizabeth González	SEREX (Misión en Ginebra)
13. José Luis Alcántara	SEREX (Sociedad Civil)
14. Patricia Liranzo	Sec. Téc. Pres. (Política de Comp. Y Servicios)
15. Clara Vásquez	Sec. Téc. Pres. (Política de Comp. Y Servicios)
16. Patricia Mejía	Oficina de Promoción de Inversiones (Subsidios)
17. Dantonia Fermín	SEREX (Controversias y Propiedad Intelectual)
18. Dora Luisa Sánchez	Sec. Agricultura (Agricultura)
19. Roxanna de los Santos	SEREX (Política de Competencia y Subsidios)
20. Benito Rodríguez	Sec. Agricultura (Agricultura)
21. Natalia Polanco	Solución de Controversias
22. Alexis Henríquez	Dirección Gral. De Aduanas (Acceso a Mercados)
23. Eduardo Rodríguez	Dirección Gral. De Aduanas (Acceso a Mercados) ¹
24. Isis Santos	SEREX-CNNC (Coordinadora ACP-UE)
25. Luisa Astacio	SEREX-CNNC (Coordinadora OMC)
26. Patricia Brito	SEREX Asistente
27. Urania Paulino	SEREX Técnico
28. Elisa Frías	SEREX Técnico

¹ No se hospedará las noches del martes 12 y miércoles 13 de marzo (Pero llegará desde el domingo y partirá el sábado 16 para reunión de Acceso a Mercados a Panamá) (Se hospedará sólo 4 noches)

Comité Consultivo de la Sociedad Civil	
29. María del Carmen Jáquez	Asociación de Industrias de la Rep. Dom.
30. Francisco Jiménez	Asociación de Bancos de la Rep. Dom.
31. Porfirio Alvarez	Junta Agroempresarial Dominicana
32. Susana López	Asociación de Bancos de la Rep. Dom.
33. Alan Ramírez	Asociación Nac.Hoteles y Restaurantes

Equipo Supervisor de la CNNC-SEREX	Observaciones
34. Santiago Tejada	Del 10 al 11 y del 16 al 17
35. Maritza Amalia Guerrero	Del 10 al 11 y del 16 al 17
36. Miguel Ceara Hatton	Del 10 al 11