Consultant Report and Recommendations

Central Department for Bilateral and Multilateral Agreements: Functions, Training, and Development

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SUBMITTED TO
Ministry of Foreign Trade
USAID

SUBMITTED BY
Nathan Associates Inc

UNDER CONTRACT NO.
PCE-I-00-98-00016-00
Task Order 827

April 18, 2004

Assistance for Trade Reform TR

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Executive Summary

The Central Department for Bilateral and Multilateral Agreements (CD/BMA) is a new office which, with input from other ATR consultants and staff, is developing its functions within the broader framework of the Trade Agreements Sector (TAS). This four week consultancy represents the first formal effort by ATR to work exclusively with the CD/BMA's manager and staff to identify capabilities and to develop more specific, technical guidance that will assist the CD in applying its principal function: advancing Egypt's bilateral and regional trade interests.

Effectively adopting such guidance will depend on continued efforts to clearly establish the CD's role and to develop consistent policy coordination between all TAS divisions, other Ministries, and the private sector. A number of recommendations to that end are offered here for consideration by ATR's institutional development consultants and TAS management. However, in order to successfully execute most of these recommendations, the CD/BMA will require extensive training. Therefore, the training proposals offered below should be the major focus of ATR's work with the Division during the year.

Through a series of training sessions, the consultancy offered the CD/BMA staff an introduction to identifying and analyzing trade policy information. The reference documents included in this report were developed for these sessions. Though they were designed primarily as a training tool, they also could serve as an outline for more consistent and detailed country analyses and as guidance for developing standards and organizational procedures to prepare for bilateral exchanges, including negotiations. Accordingly, these documents have been translated for the CD/BMA manager for his consideration.

The training sessions, in addition to a questionnaire, helped to identify individual staff capabilities and lay the groundwork for developing customized training programs in the future. Based on the questionnaire results and the staff's responses during the training, there is a clear and immediate need for intensive training in basic economics, trade policy, and English. At the same time, CD/BMA staff skills will grow from regular interaction with other TAS divisions, exposure to bilateral and multilateral proceedings, and meetings with the private sector. The staff also would benefit from improved working conditions, including more computers and direct access to the internet from their desktops.

Introduction

This four week consultancy represents the first direct intervention to assist ATR in organizing the technical work of the CD/BMA "in a manner that is consistent with the Department's mission, objectives and functions." Proposed activities within the Terms of Reference were to include assistance in:

1. Establishing country desks at CD/BMA according to areas of priority for Egypt;
2. Training in trade data analysis to assess the impact of potential bilateral or regional free trade agreements;
3. Conducting outreach with the private sector to understand their perspective;
4. Coordinating with other Ministers and MOFT sectors;
5. Building resources and an information base for current or potential agreements; and,
6. Technical training needs of the existing CD/BMA staff and new recruits.

This report provides the activities, documentation, and assessments that were undertaken to meet these objectives. The report also provides the groundwork and recommendations for future interventions that focus on training. It should be noted that the mission, functions and objectives of the CD/BMA remain under development and that these functions will need to be integrated into a Ministry-wide policy formulation structure. Many activities and training discussed here will be dependent upon their full implementation. Accordingly, Section I provides recommended functions and procedures for the CD/BMA as a division and for the desk officers, in accordance with Objectives 2-5 above. These types of activities were discussed in the training materials reviewed with the staff during the month. However, many of them should be standard operating procedures, which will be important to the effectiveness of the CD/BMA, and must be adopted by TAS as an organization. This is a broader institutional issue, but these procedures will be critical to the CD/BMA's ability to effectively coordinate policy and negotiate trade agreements.

Section II provides a recommended outline for country studies, including policy and data analysis, which will assist the CD/BMA in addressing Objectives 1, 2 and 5, in particular. Section III meets the request of TAS management to provide guidance on preparing for and managing a trade negotiation and under Section IV to follow up on the implementation of such agreements. Many of the recommendations noted in this section go back to the importance of institutionalizing outreach with the private sector and coordination within government.

Finally, Section V offers a summary of the training activities that were conducted, a summary of a needs questionnaire that was distributed to each staff member and suggestions for future training. As management and ATR continue to develop the institutional framework of TAS and the functions of the CD/BMA, the focus of ATR's work during the rest of the year should be on addressing the skills shortfalls and training needs discussed in the final section, so that the staff can effectively execute its functions.

Section I. Recommended Functions and Procedures for the CD/BMA

DEPARTMENTAL

The CD/BMA's bilateral and regional general departments (the CD also covers rules of origin) should serve as the principal resource for country specific trade policy information in major markets for Egyptian exports and coordinate bilateral and regional trade policy positions within the Government of Egypt (GOE). To effectively do so, the TAS as an institution should develop an internal and external policy coordination and consulting process and ensure that the CD/BMA has a clear role in these procedures. Accordingly, the recommendations offered below should be considered by ATR's institutional development consultants and TAS management as they continue to expand and improve the organizational framework of TAS over the medium to long term:

- Institute a formal, regular policy dialogue with Egyptian industry to identify bilateral trade issues and to develop policy objectives.

- Ensure that CD/BMA policy positions are coordinated within the overall operations of the TAS and the GOE (*i.e.*, that there is consistency between Egypt's position in the WTO and its broader economic policy).

- Develop an agreed communication and reporting mechanism between CD/BMA staff and Egyptian Commercial Service and Economic Affairs officers in country.

- Working with other Ministries (*e.g.*, Agriculture, Industry) and private sector associations incorporate non-traditional export sectors into bilateral negotiating policies.

- Develop a public outreach strategy through the press to develop broader public support for GOE trade objectives.

DESK OFFICER

Working within the policy development framework outlined above, the country desk officer should serve as the principal source of trade and economic information on assigned countries in order to advise senior staff and to consult with Egyptian industry. Accordingly, he/she should develop a general knowledge of trade policy issues and statistical analysis, possess sound writing and communication skills and be familiar with trade information resources, particularly those available on the internet. A strong working knowledge of English will also be helpful. Specific responsibilities should include:

- Draft and maintain annual Country Studies/Fact Sheets as the primary reference for bilateral trade policy issues.

- With the CD/International Trade Policies (General Department on Trade Information) maintain and evaluate bilateral tariff and trade data.

- Working with issue experts in the CD/WTO, develop a general understanding of Egypt's and the country's trade policy positions in the WTO.

- Create a list of key information resources and websites in assigned countries.

- Using market data identify market opportunities for Egyptian exports (traditional and non-traditional) and related trade barriers, if any.

- Coordinate bilateral meetings, visits, etc. for Department head and senior staff and draft necessary briefing material.

- As needed, serve as coordinator of inter/intra-Ministerial task force to prepare policy or negotiating positions for major bilateral meetings and/or negotiations (e.g. U.S.-Egypt TIFA).

- Work with CD/WTO to develop instructions for Trade Policy Reviews (TPRs) and other bilateral discussions that occur within the context of the WTO.

- Advise and consult with business community/exporters on market conditions and key contacts in assigned countries.

- As necessary, draft instructions, demarches, position papers on bilateral disputes, including implementation issues.

- Establish regular communications with ECS and economic affairs officer in country regarding information, reporting, contacts, etc.

Section II. Country Studies: Guidance for Identifying Trade Barriers and the Benefits of a Potential Bilateral or Regional Free Trade Agreement

In general, the country studies should serve as a reference for negotiators by providing consistent analysis of trade barriers and the potential gain of a bilateral FTA. It should place particular emphasis on the country's trading practices, compliance with WTO commitments and their effect on Egyptian exports. Moreover, the studies should examine the trading partner's existing FTAs with the view of determining whether a similar bilateral agreement could improve market access conditions for Egyptian businesses. Existing resources on the internet can be utilized to obtain most of this information, but ideally the drafting of this document should include the input of the Egyptian Commercial Service, other government agencies, and comments from the private sector. Accordingly, the current country studies should seek to address the following two areas in general and address the specific point and questions provided.

I. SUMMARY OF KEY AREAS OF EMPHASIS FOR EGYPTIAN NEGOTIATORS

This section should summarize Sections II and III below, giving a brief analysis of current market access conditions and recommendations towards improving those conditions. In particular, the summary should indicate the extent to which Egyptian exports or services are put at a disadvantage through FTAs with other countries or more generally through high levels of protection. Finally the summary should identify the export and services sectors that could benefit from a bilateral agreement, based on the country's existing FTAs.

II. TRADE POLICIES AND PRACTICES

This section should begin with an introduction/executive summary that provides an overall analysis of the trading partner's current market access conditions and the level of importance to Egyptian exporters and investors. The summary also should discuss the country's general openness to negotiating bilateral free trade agreements, the scope of those agreements (e.g., tariff only) and to what extent such an agreement could benefit Egypt. Specific sections should address the following:

TARIFFS, QUOTAS AND OTHER TAXES

- Does the country use the Harmonized System? What year (1996 or 2002)?
- What is the basic structure of the MFN applied tariff schedule (maximum, minimum, average, range) for the entire schedule and separately agricultural and non-agricultural products?
- Which sectors/categories receive high levels of protection (ag and non-agricultural)? Are any of these significant to Egypt?
- Does the country provide GSP benefits to Egypt? What percent of total? What key Egyptian exports are excluded from GSP? Why?
- What percent of sectors/categories are duty free? Which key Egyptian exports receive duty free treatment and which do not?
- Is the country a member of the WTO Information Technology Agreement?
- Scope (%) of total, ag, and non-ag products that are bound in the WTO. Average tariff binding for each sector.
- Note anticipated decisions to reduce or change the tariff structure.
- What quotas, if any, exist on Egyptian exports? Are they filled annually?
- Are other duties and charges applied to imports? Are they bound in the WTO? Are they waived under existing FTAs?
- Based on above, and considering benefits granted in other FTAs between the country and third parties, what potential benefits could Egypt gain by entering into an FTA with this country.

CUSTOMS VALUATION

- Are import duties calculated on CIF or FOB basis? Is it different for FTA partners?
- Does the country assess duties based on declared value, in accordance with the WTO Customs Valuation Agreement?
- Does the Customs Authority make advanced rulings on imports?
- Are there any Customs surcharges (including VAT) and what is the basis for their calculation (CIF, CIF + duty…)?

IMPORT LICENSING

- In general, what products require a non-automatic import license or other certifications? Who administers such licenses?
- What key Egyptian exports are affected by non-automatic licenses?
- Are the country’s licensing practices consistent with the WTO Licensing Agreement?

IMPORT/EXPORT DOCUMENTATION

- What documents are required by Customs (e.g., commercial invoice, bill of lading, others)?
- Can documentation be obtained/submitted electronically?
- Note product specific documentation that affects key Egyptian exports.

TEMPORARY ENTRY OF SHIPMENTS

- Can goods be entered temporarily free of duty (e.g., for trade shows)?
- Does the country offer the use of an "ATA Carnet"?

LABELING AND MARKING REQUIREMENTS

- What information is required on the shipment and product labels? What are the language requirements?
- How do these requirements differ from Egyptian labeling requirements?

PROHIBITED IMPORTS

- Provide a list or summary, including reason for such prohibitions.
- What Egyptian exports (if any) are affected?

STANDARDS (TBT AND SPS)

- Indicate general standards (unit of measure, voltage, time zone, etc.).
- How many standards does the country have? What percent are voluntary vs. mandatory? What percent conform to international standards (e.g., ISO)?
- What major Egyptian manufactured exports are affected by mandatory standards?
- In general, what agricultural sectors are subject to SPS measures and, specifically, which of them affect major Egyptian agricultural exports?
- Has the enquiry point been notified under the WTO TBT and SPS Agreements? Provide name address of respective enquiry points.
- Membership status in ISO and extent of country's application of ISO 9000 Quality Management Standards.

GOVERNMENT PROCUREMENT

- General procurement practices (access to foreign participants, restrictions, offsets).
- Describe transparency of bidding process and, if available, estimated annual amount of procurement bids, and opportunities for Egyptian industries.
- Is the country a member of the WTO Government Procurement Agreement?
- Based on existing FTAs, what is the feasibility of improving conditions for Egyptian participation in government tenders through a bilateral FTA?

INTELLECTUAL PROPERTY RIGHTS PROTECTION

- Major IPR legislation.
- Membership status in international IP conventions (Berne, etc.).
- What are the enforcement mechanisms and level of protection? (May want to refer to USTR's 301 list.)

SERVICES

- What are the commitments in the WTO Services Agreement (GATS)?
- What sectors of importance to Egyptian service providers contain market access or national treatment limitations?
- Do bilateral FTAs provide broader market access to bilateral partners than under the WTO? Could expanded market access through a similar FTA with Egypt help Egyptian service providers?

KEY CONTACTS (INCLUDING ADDRESS, PHONE, FAX AND EMAIL)

- Egyptian government experts (Ministry of Foreign Trade Desk Officer, Trade Promotion Office)
- Egyptian Embassy in Country
- Chamber of Importers, Commerce, Industry in Country
- Egyptian Trade Associations
- Country's Customs Contact and/or Trade Information Centers

III. CURRENT AND POTENTIAL EGYPTIAN EXPORTS

Using ITC TradeMap, the WTO, World Bank, FAO and other internet tariff and economic data resources, the study should identify the two categories of exports below. The effect(s) of the trade policy measures outlined in Section II above should give particular consideration to these products. The identified products serve as the basis for prioritizing tariff lines in a negotiating context, but additional analysis would be necessary to develop a strategy towards the trading partners' entire tariff schedule.

1. The current top 50 agricultural and top 50 non-agricultural exports (HS 6) from Egypt to the World.
2. The current top 50 agricultural and top 50 non-agricultural exports (HS6) from Egypt to the country under review.

Both product lists could follow the spreadsheet in the attached, which would include tariffs and trade data and also flag known non-tariff barriers.

Model Tariff Analysis

Trading Partner's Schedule

HS Number	Description	HS Full Description	MFN Tariff	Preferential Tariff (if any)	Countries Receiving Preferences	Global Imports (3yrs)	From Egypt (3yrs)	Top 3 Sources of Imports	Known NTMs

Section III. Negotiating Structure and Management: Preparatory Guidelines

Recognizing no two trade agreements are exactly alike, this document offers some basic guidelines for preparing and undertaking a bilateral discussion, including a free trade agreement (FTA). Many FTAs are initiated after a preliminary dialogue or framework agreement that gives the parties the opportunity to exchange information and to identify bilateral issues and objectives for future negotiation. As necessary, the preparatory recommendations offered here could be applied to such situations.

In general, the desk officer's role in a bilateral exchange should be to assist the chief negotiator with the management and coordination of the negotiation. The negotiation itself generally will be broken out by issue and conducted by mid level staff, with guidance from legal experts, senior management and regular interagency and private sector consultations. Therefore, the guidelines that follow are focused on overall management. However, since most bilateral negotiations primarily focus on tariffs and non-tariff barriers, additional guidance and discussion with CD/BMA will be offered.

TRADE POLICY DEVELOPMENT AND COORDINATION

In most countries preparing for a negotiation is guided by statutory, regulatory or policy procedures. In the case of the United States, the Trade Promotion Authority (TPA) and other trade-related legislation ratified by the U.S. Congress gives the United States Trade Representative (USTR) a negotiating mandate that outlines scope and limitations, consultative requirements, and analysis prior to and after conclusion of the negotiation. As the coordinating agency for trade negotiations, the USTR has a pre-established mechanism for consulting externally with the private sector and civil society and internally with other trade related agencies, such as U.S. Department of Agriculture, U.S. Department of Commerce, and the U.S. State Department (see Attachment A). In the case of the European Communities, trade policy decisions are coordinated through the "113 Committee."

SUGGESTED MANAGEMENT AND PREPARATORY ACTIONS

Based on the general parameters followed by these governments, some or all of the following organizational measures should be considered by the Egyptian Ministry of Foreign Trade, as it prepares for a bilateral exchange or negotiation:

- Prepare a matrix by negotiating issue that highlights internal operating requirements (inter-ministerial consultations, studies, etc.) that affect the negotiating position on that issue.

- Develop a timeline that integrates the matrix above, the period of time required to initiate analyses prior to entering into negotiations, the negotiating period itself and the time necessary to implement the agreement (i.e., legislative approval).

- Create an inter-governmental negotiating team, appointing lead negotiators by issue area (e.g., tariffs, services, rules).

- Working with this team, develop an initial profile/briefing book of the trading partner. The document could pull from the country profile, the WTO Trade Policy Review, and analysis of the trading partners' existing bilateral trade agreements.

    - The document should include an executive summary that describes the current bilateral trade relationship, barriers to trade, and how an FTA could improve conditions for exporters and investors.

    - More detailed background sections on each area of the negotiation would follow and include specific issues and objectives and what additional information is needed.

- As necessary, formally notify national legislature of intent to enter into a negotiation, citing rationale and economic benefits.

- Initiate an economic impact study--using import data, tariffs, labor and industrial production statistics--that analyzes the effect of eliminating or reducing tariffs on domestic producers. Consideration also should be given to the effect on customs revenue (both short and long term) vis-à-vis economic growth and subsequent, potential revenue gains through other fiscal measures (i.e., VAT or corporate taxes).

- Announce in the Official Gazette public hearings and/or an invitation for testimony from the private sector or NGOs regarding the anticipated negotiation. Particular comments in the following should be requested:

    - Economic costs and benefits to consumers and producers of removing tariffs bilaterally or suggestions on staging tariff elimination.

    - Existing non-tariff barriers in the partner country and the costs and benefits of their removal to consumers and producers.

- Existing investment restrictions and the costs and benefits to investors and consumers of their removal.

- Other matters that should be addressed in the negotiations, such as effects on the environment or living standards.

* Meet with local embassy officials/and or partner's negotiation coordinator to develop an agenda for a formal or informal preliminary bilateral meeting to set the agenda, negotiating structure, timeframe, etc.

* As information from internal research and information exchange with the trading partner is accumulated, update and expand briefing book.

* For market access negotiation, prepare two preliminary databases with each trading partners' tariff, trade and additional information (see Attachment B). The database should be supplemented with official data from the trading partner.

NEGOTIATING STRUCTURE AND MANAGEMENT

Most negotiations are broken out into negotiating groups according to issue (e.g., market access, standards, rules, etc.), as agreed by the two chief negotiators from the two countries. After each session, the lead negotiators from each working group typically will report to their chief negotiator, who will with his/her counterpart review progress, establish a work agenda, and break deadlocks that cannot be resolved in the negotiating group. The desk officer often serves as the manager/organizer of information between the chief negotiators and the lead in each committee.

As necessary, after each negotiating round the parties will return to their domestic consultative mechanism to make decisions on responses, negotiating strategy and next steps. The results of these interim domestic consultations can be summarized in a briefing book, with objectives and main negotiating points. This book would be approved by the other agencies/ministries involved in the negotiations and by the chief negotiator, prior to entering into the next round of negotiations.

The first several sessions of the negotiation often will involve an exchange of official information (e.g., tariff and trade data, pertinent laws and regulations). Requests for such information often are based on the preliminary research and consultations as outlined above. Therefore, it is important to know what to request.

The second stage of negotiations in each committee generally focuses on the text of the agreement. The text usually is based on pre-existing FTAs, as agreed by the parties. In areas such as market access and services, the negotiations will move from text to a final request/offer process (to be discussed). Though some negotiating committees may move more quickly than others, a typical and important understanding between the parties is that nothing is agreed until everything is agreed. That is, agreement in one issue area will be contingent upon satisfactory agreement in other areas and the package must be considered as a whole.

Section IV. Guidelines for Following Up on the Implementation of an Agreement

MONITORING IMPLEMENTATION

Procedures in the Agreement. Most bilateral or multilateral trade agreements include in the text procedures for notifying commitments and conducting consultations or dispute settlement cases. In general, the parties agree to notify the implementation of negotiated changes to tariffs, laws or regulations by exchanging relevant documentation. A simple check list may help to monitor most implementation requirements.

Consulting with Business. However, while a country may have implemented an obligation in theory, in practice exporters may continue to face market access problems. Therefore, an important mechanism for determining whether a trading partner is meeting its implementation obligations is through regular consultations with the private sector after ratification of the agreement. Such consultations can be performed formally through hearings, for example, or informally through direct phone calls, letters, or e-mails from Egyptian businesses to the Ministry. However, Egyptian industry will need to know this kind of service is available from their government, so public outreach focusing on the opportunities created by an agreement and the government resources that are available to help exporters will be important.

Consulting the Foreign Government. The Egyptian Commercial Service and embassies overseas also should take responsibility for monitoring the implementation of trade agreements. The desk officer should communicate regularly with these contacts. In addition the desk officer should monitor the trading partner's trade related websites to stay abreast of policies and procedures that may affect Egyptian businesses.

WTO Implementation. The implementation of WTO obligations often is identified in the context of a Trade Policy Review or by individual WTO members who must formally notify a request for consultations through the WTO Secretariat. Therefore, the desk officer may want to periodically monitor the WTO website and consult with the CD/WTO to determine if other countries have raised implementation concerns and whether they have any relevance to Egypt's interests. In the case of a WTO market access dispute, a Member must demonstrate a "substantial interest" in the imported product(s) (i.e., a significant share of the import market) in order to be able to request a consultation.

ADDRESSING IMPLEMENTATION ISSUES

If an implementation issue is raised either by Egyptian exporters or other countries, some or all of the following steps should be considered:

- Meet with affected Egyptian industries to gather evidence that supports the allegation of an implementation problem or violation of the agreement.

- Conduct an internal analysis of the situation to quantify the effect on Egyptian exporters or businesses and, if necessary, to determine "substantial interest."

- Consult with TAS trade lawyers to review the legal merits of the complaint. Any consultation with the trading partner will require carefully drafted questions or arguments that support Egypt's claim.

- If consultations and analysis determine a problem exists or requires further information from the trading partner, draft an appropriate intervention. Based on the situation, this can take many forms, in order of significance:

    - An informal meeting with local embassy officials to request clarification or more information regarding a perceived implementation issue.
    - A formal demarche delivered by the Egyptian embassy to the appropriate government official.
    - A letter from the Minister to his counterpart, outlining the concern.
    - A formal request for consultations in the WTO or through the consultative mechanism established under the bilateral agreement.
    - Dispute Settlement procedures as established under the relevant agreement.

Section V. Needs Assessment and Recommendations[1]

Using the documents in Sections II-IV above and additional training materials, workshops and training sessions on the following topics were conducted: trade-related information resources in the Electronic Research Center; the basic framework of trade policy analysis; recommended issues to address in a country study; basic preparations for and the conduct of bilateral trade negotiations; and, following up on implementation issues. Based on these sessions, informal discussions and the results of the attached capabilities questionnaire, the following preliminary assessment of staff capabilities and training and development has been produced. It should serve as the groundwork for developing a customized training program for the staff.

CD/BMA STAFF TRAINING NEEDS

The CD/BMA is comprised of 30 college graduates most of whom, though eager to learn, have little training or experience in trade policy. So far, the staff has received some basic training in English and database software, such as MS Excel, and they are taking an introductory course at Cairo University that examines the Bretton Woods organizations and negotiation skills. However, based on the level of knowledge demonstrated during discussions and training sessions, most of the staff possesses only basic knowledge of trade policy terminology and framework and do not have the skills necessary to effectively execute most of the functions outlined above.

The staff will require extensive technical training, focusing primarily on market access (trade in goods and services), analysis and negotiation skills, after they have acquired a basic understanding of economics and trade theory. Since most trade data and information resources only are available in English, the majority of the staff also would benefit from additional English language instruction, with an emphasis on comprehension. Such training is critical to CD/BMA's ability to become effective. Therefore, the major focus of ATR's work this year with the CD/BMA should be to develop and institute a customized training program.

The CD/BMA staff possesses differing levels of skills; and, given the size and work constraints of the staff, it would be difficult to conduct training with the entire department at one time. The questionnaires that were completed by the staff are compiled in Attachment C. The survey will serve as a basis for developing a more customized training program for the staff and assessing each individual's development potential. Based on these individual skill sets, an extensive training program should be developed, incorporating some or all of the following:

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[1] Some of the observations and recommendations offered here are confirmed by a preliminary capabilities analysis performed by a previous consultant in October 2003.

- Basics in economics, including micro- and macroeconomics.

- Trade theory (tariffs, subsidies, trade creation, trade diversion, FTAs, customs union, etc.)

- As needed, advanced training in MS Excel database software.

- Data analysis training, with an emphasis on downloading, organizing and analyzing the tariff and trade data available through the WTO's Integrated Data Base (IDB). (Other TAS staff or the WTO may be able to offer training on the IDB).

- Commercial diplomacy training (WTO basic principles, obligations, tariff schedules, WTO agreements, regional trade agreements, etc.).

- Enroll most staff in English language training programs, possibly in ones that specialize in business and commercial terminology.

- Translate and distribute to the staff Nathan Associates' glossary of trade and economic terms (or an abbreviated version) and develop short training sessions to review these terms by issue or category.

DEVELOPMENT

The CD/BMA staff is divided into six regional groups with specific country responsibilities. There are no formal middle managers, though the Division chief intends to designate senior staff members to lead each of the six regional sections. The staff does not appear to be well integrated into other TAS Divisions, and they have limited resources and opportunities to grow. Therefore, the following recommendations should be considered by TAS management:

- As much as possible, allow staff to participate in bilateral and multilateral meetings and negotiations.

- Trade Policy Reviews (TPRs): as a standard operating procedure, the Ministry should send questions and statements for the WTO TPRs of major trading partners, as they come up. Working with the CD/WTO, the desk officers would be responsible for coordinating the internal review and Egyptian response.

- As staff matures, designate senior staff to serve as middle managers and/or a liaison to the CD chief.

- At the appropriate time, management also should consider rotating staff between the WTO and bilateral departments.

- Ensure all desk officers have adequate work space, including a computer with internet access and database capabilities. (The 30 staff members have 23 desks and 10 PCs, with no access to the internet).

Attachment A

USTR's Role in Coordinating Trade Policy Decisions

Interagency Coordination

USTR engages in extensive interagency coordination on trade policy matters. Such coordination is accomplished through the Trade Policy Review Group (TPRG) and the Trade Policy Staff Committee (TPSC). These groups, administered and chaired by USTR and composed of 17 Federal agencies and offices, make up the sub-cabinet-level mechanism for developing and coordinating U.S. Government positions on international trade and trade-related investment issues.

The TPSC is the primary operating group, with representation at the senior civil servant level. Supporting the TPSC are more than 60 subcommittees responsible for specialized areas and several task forces that work on particular issues. If agreement is not reached in the TPSC, or if significant policy questions are being considered, then issues are taken up by the TPRG (Deputy USTR/Under Secretary level).

The final tier of the interagency trade policy mechanism is the National Economic Council (NEC), chaired by the President. The NEC Deputies' committee considers memoranda from the TPRG, as well as important or controversial trade-related issues.

Coordination with the Private Sector - Including Civil Society

The private sector plays a continuing role in trade negotiations through the mechanism of advisory committees. This advisory process has been extremely successful during negotiations on China's accession to the WTO; the multilateral agreements on information technology, financial services and basic telecommunications; as well as the NAFTA and Uruguay Round negotiations, the Summit of the Americas and in Asia-Pacific Economic Cooperation (APEC) initiatives. Congress provided for continuation of the advisory process in the Trade Agreements Act of 1979. The committees' role has been expanded to include advice on the operation of trade Agreements, on the development and implementation of overall U.S. trade policy, and on priorities for actions to implement such policy.

Primary objectives of the private sector advisory system are: to consult with the U.S. government on negotiation of trade agreements, to assist in monitoring compliance with the agreements and to provide input and advice on the development of U.S. trade policy. The advisory system is composed of a series of Committees with differing responsibilities. The Advisory Committee on Trade Policy and Negotiations (ACTPN), a Presidentially appointed committee, has 45 members from representative elements of the U.S. economy with international trade interests. Its mandate is to provide overall policy guidance on trade issues.

At the next level, the six policy advisory committees include the Intergovernmental Policy Advisory Committee, the Trade Advisory Committee on Africa, the Agricultural

Policy Advisory Committee, Labor Advisory Committee, Defense Policy Advisory Committee, and Trade and Environment Policy Advisory Committee. Each committee provides advice based upon the perspective of its specific sector or area.
In addition, functional committees have been established to monitor certain codes of conduct negotiated during Tokyo Round negotiations on the GATT. The Industry Sector Advisory Committees have two such functional committees: customs valuation and standards. The Labor Advisory Committee has three such functional committees: government procurement, standards, and unfair trade practices. Finally, a committee has been established to deal exclusively with intellectual property issues.

Working with Congress

Since its creation, USTR has maintained close consultation with Congress. Five Members from each House are formally appointed under statute as official Congressional advisors on trade policy, and additional Members may be appointed as advisors on particular issues or negotiations. Liaison activities between the agency and Congress are extensive.

Attachment B

Model Tariff Negotiating Data Base

Trading Partner's Schedule

HS 6 digit	Description	MFN Tariff	Preferential Tariff (if any)	Countries Receiving Preferences	Global Imports[2]	Imports From Egypt[3]	Top 3 Sources of Imports	NTMs (if any)[4]	Egypt Industry Priority	Tariff Request

Egyptian Schedule

HS 6 digit	Description	MFN Tariff	Preferential Tariff (if any)	Global Imports	From Trading Partner	Domestic Sensitivities

[2] Import data should cover a 3 year period to be agreed and exchanged by parties.

[3] Egyptian imports for same 3 year period.

[4] Shaded areas are for internal use.

Attachment C

CD/BMA Staff Capabilities and Training Needs

				Training and Level of Comfort (1=poor; 5=excellent)				
Name	Position	Education	Work Experience	English		Computer Skills	Quantitative Analysis	Trade Rules & Terminology
				Understand	Speak			
Hind Adham El Kashef	Economic Researcher	BA (French Dept)	Preparing Studies for African Countries (CEMAC)	4	3	3		
Neily Mounir Fouda	3rd Technical Researcher	BSC in Commerce Accounting	Preparing Reports & Researches on Africa in French			Excel 3 Word 4		
Rasha Mohamed Nasr El Din Mahmoud		BA (English dept)	European Community	5		Excel 3 Word 3		
Hisham El Huseini Mohamed	International Trade Policies Investigator	BSC in Commerce	In WTO - Rules	4	4	5		

				Training and Level of Comfort (1=poor; 5=excellent)				
Name	Position	Education	Work Experience	English		Computer Skills	Quantitative Analysis	Trade Rules & Terminology
				Understand	Speak			
Mona Said Yasin Amer	Foreign Trade Affairs Researcher	BSC in Commerce	Egypt European Partnership - Studies	5	5	Excel 3 Word 4 power pt 4		3
Hisham Ramadan Ali Hassan	Bilateral Agreement Dept researcher	BSC in Commerce	Anti-dumping Information Center			4		
Marwa Adel Mohamed Rashad Nofel	International Policies Researcher	BSC in Commerce	Preparing research on Singapore and Tailand			3		
Omneiya Moustafa Ahmed	2nd International Trade Policies Researcher	BSC in Commerce	Studies concerning Morocco			4		
Mohamed Ahmed Mohamed Daher	Technical researcher	BSc in Computer Science		2	2			
Sherif Mahmoud El Sayed Fahmy	International Trade Policies Researcher	BSC in Commerce	Asia Administration			5		
Yousra Adel Mohamed Ahmedi	International Trade Policies Researcher	BA Psychology	Studies on Indonesia			4		
Ihab Mohamed fathi El Sayed	Economic Analyst	BSC in Commerce		5	4	4		
Michel Gamal Kadeece	International Trade Policies	BSC in Economics	Asia Administration			5		

				Training and Level of Comfort (1=poor; 5=excellent)				
Name	Position	Education	Work Experience	English		Computer Skills	Quantitative Analysis	Trade Rules & Terminology
				Understand	Speak			
	Investigator	and politics						
Rania Mahmoud Sami Mohamed Hagras	Economic Analyst	BSC in Commerce	East Europe Administration	3		4		
Walaa Mohamed Rashidi Ismail	International Trade Policies Investigator	BSC in Commerce		5	5			
Mohamed Hussein Ali El Boraee	International Trade Policies Investigator	BSC in Commerce	Kuwait - Yemen	3				
Shadi Yehia Saad El Din	Economic Researcher	BSC in IMS	Information in Anti Dumping Section	2	3	3 , 2		
Rania Nabil Awad	Trade Politics Researcher	BSC in Economics and politics	Follow up on studies and Constrains in India	5		5		
Azza Mokhtar Afifi	2nd International Trade Policies Researcher	BSC in Commerce	Second Agreement Between Egypt and Lebanon	3	1	4	3	2
Taher Farouk Hafez	Computer operator	BSC in Commerce	Trade Agreements Researcher	4	3	3		

				Training and Level of Comfort (1=poor; 5=excellent)				
Name	Position	Education	Work Experience	English		Computer Skills	Quantitative Analysis	Trade Rules & Terminology
				Understand	Speak			
Abeer Khalaf Allah Ahmed	2nd Foreign Trade Researcher	BA - French Dept	Bilateral Agreement Researcher			3		
Eman Ad El Haie	Administration Development Researcher	BA - Arabic Department		3	3			
Saly Ahmed Abou El Azm	Economic Researcher	BSC in Economics and Political Sciences – English	EU Researches on Spain – Luxembourg - Finland	4	4	MS	3	3
Saly Saleh Ahmed Moussa	New	BSC in Economics	Eastern Europe Follow up (Albania – Romania)	3	5	MS Word 5 Excel 4 PowerPoint 4	1-	
Mohamed Samir Mahmoud	Third International Relations	BSC in Economics and Political	- prepare trade studies and	5	5	Word 5		

				Training and Level of Comfort (1=poor; 5=excellent)				
Name	Position	Education	Work Experience	English		Computer Skills	Quantitative Analysis	Trade Rules & Terminology
				Understand	Speak			
	Specialist	Sciences	researches - attend trade-related meetings and negotiations - follow-up with trade agreements implementation (EU – EFTA – US - Nigeria)			Excel 3		
Ahmed Galal Mostafa Nasr	Economic Researcher	BSC in Commerce - Accounting	Arab Countries group (Tunisia – UAE)	3	3	MS XP 5	3	