

DEPARTMENT OF COMMERCE**International Trade Administration**

[Docket Number 950330084-5084-01]

Certified Trade Mission Program**AGENCY:** International Trade Administration, Commerce.**ACTION:** Notice; adjusts the Certified Trade Mission Program to be more flexible in assisting states, local entities and private sector organizations.

SUMMARY: This notice adjusts the Certified Trade Mission Program (CTM), that currently requires organizers (federal agencies, industry associations, agencies of state and local governments, chambers of commerce and other organizations) to process their applications through the U.S. Department of Commerce (the Department) in Washington for approval. Effective September 1, 1995, all entities with the exception of federal government agencies, should deal directly with our Embassy Commercial Sections (posts) overseas to arrange event approval, including, but not limited to, timing, scheduling, budgets, etc. In unique or special circumstances, such as governor or Congressionally led missions, Washington staff will be available to provide assistance as necessary. Federal government agencies seeking certification should continue to coordinate their events through the Trade Promotion Coordinating Committee (TPCC) events working group. Otherwise, all contact should be between the sponsoring organizer and overseas post(s). These events henceforth will be called Commercial Service Certified Trade Missions.

DATES: These adjustments will take place effective September 1, 1995.**ADDRESSES:** Office of Export Promotion Services, International Trade Administration, U.S. Department of Commerce, Room H2810, 14th and Constitution Ave, NW., Washington, DC 20230. Tel: (202) 482-4231 or Fax: (202) 482-0872.**FOR FURTHER INFORMATION CONTACT:** Brenda Coleman, Certified Trade Mission Product Manager, Office of Public/Private Initiatives, U.S. Department of Commerce, Room H2116, 14th and Constitution Avenue, NW., Washington, DC 20230. Tel: (202) 482-3973 or Fax: (202) 482-0872.**SUPPLEMENTARY INFORMATION:** Certified Trade Mission are overseas events planned, organized and led by federal agencies or non-federal export promotion organizations, such as associations, state and local

governments, chambers of commerce and other export-orientated groups, under the sponsorship of the Department of Commerce. Currently, to receive Department approval, an application must be submitted through the Department in Washington. With the effective date of this announcement, it will be incumbent upon the organizer to contact the post directly, sufficiently ahead of schedule (approximately 6 months), to receive approval of the post. Negotiations between both parties may be required to meet mutual objectives. In some cases it may be necessary to put the organizer in touch with a local contractor if the post is not in a position to provide overall management of the event. The Conditions of Participation which outline the program's criteria as well as the responsibilities of all involved parties and the Application for Status which must be completed and sent to the post(s) approximately 6 months in advance of scheduled mission are set forth below. This program operates under legal authority of 15 USC 1512 et seq. and the various collections associated with it have been cleared under Office of Management and Budget Control No. 0625-0215, 0625-0034, 0625-0147, and 0625-0217.

For additional information, please contact your nearest U.S. Department of Commerce Domestic Office or call 202-482-3973.

John Klingelhut,*Acting Director, Office of Public/Private Initiatives, Export Promotion Services.***Commercial Service Certified Trade Mission Program Conditions of Participation****A. Overview**

Commercial Service (formally referred to as the U.S. and Foreign Commercial Service) Certified Trade Missions are overseas events planned, organized, and led by federal agencies or non-federal export promotion organizations (such as industry trade associations, agencies of state and local governments, chambers of commerce, regional groups, and other export-oriented groups), in partnership with the U.S. Department of Commerce. The Certified Trade Missions program provides a flexible and adaptable format in which to conduct overseas business. U.S. companies can be provided with face to face meetings with potential agents, distributors, joint venture partners, licensees, relevant businesses and government contacts. Seminars on local business practices with participation by banks, lawyers, and other authorities can be arranged. Special working level events are also available to further enhance the event. Also, it may include plant and factory tours or may follow a seminar format for technical products. Within the mission's framework, Commercial Service overseas posts provide guidance and support to mission organizers and participating companies on the mission.

B. Criteria

To qualify for Commercial Service certification, the mission must have, as a primary objective, the promotion of U.S.-produced goods and services and/or the establishment of marketing representation abroad. Goods and/or services promoted must:

1. Be manufactured or produced in the United States, or
2. If manufactured or produced outside of the United States, be marketed under the name of a U.S. firm and have U.S. content representing at least fifty-one percent of the value of the finished goods or services.

Products/services represented on the mission must be a compatible group within a product theme (or themes) that, in the Commercial Service's determination, offers substantial market opportunities. One-industry theme (vertical) missions are preferable because promotional efforts can be targeted more effectively toward appropriate end-user audiences. Advance concurrence of the overseas posts on the product mix of the mission and its itinerary and timing is required.

To participate in a Commercial Service Certified Trade Mission, the organizer must enter into a participation agreement that incorporates the following "Conditions of Participation". Any changes to the conditions outlined here should be in writing and made a part of this document prior to signing. Sponsoring organizations should apply by submitting an "Application for Certified Trade Mission Status" to the appropriate overseas post(s).

Federal Government agencies seeking certification will coordinate through the Trade Promotion Coordinating Committee (TPCC) events working group prior to approaching the overseas Commercial Service post(s).

For additional information, please contact your nearest U.S. Department of Commerce Domestic Office, or call 202/482-3973.

C. Conditions**A. Responsibilities of the Organizer**

The organizer shall:

1. Submit to the appropriate overseas post(s) a typed and signed "Application for Certified Trade Mission Status" (Department of Commerce Form ITA-4127P; OMB No. 0625-0215) as early as 12 months *but no later than 6 months* prior to the departure of the mission (see attached form). Note: In unusual circumstances and when it is advantageous to the USG, the Commercial Service Post in question may alter this requirement.

2. Upon notification of approval of the "Application for Certified Trade Mission Status" by the Commercial Service post involved, enter into a binding Participation Agreement (Department of Commerce Form ITA-4008P; OMB No. 0625-0147) that incorporates the Conditions of Participation. A separate "Conditions of Participation" must be signed for each Commercial Service post involved.

3. Provide, at its expense, and identify to the overseas post a project officer, an advance officer, and a mission director not later than 90 days prior to the departure of the mission.

Further, ensure that the advance officer and mission director carry out the responsibilities set forth in Sections C and D, below. Note: This requirement may be adjusted to meet the preferences of the Commercial Service post in question. Such adjustment will be agreed in writing between the organizer and the Commercial Service Post involved and made a part of the Conditions of Participation.

4. Work directly with the affected Commercial Service post to develop a comprehensive budget for the mission. It is understood and agreed that the budget will cover all services required to meet the needs of the mission.

5. Submit to the Department (either to the overseas post(s) or the Office of Public/Private Initiatives), complete payment of mission-related costs that the Commercial Service post(s) have agreed to incur overseas on the mission's behalf, not later than 60 days prior to the departure of the mission. Such costs may include, for example, costs incurred for: mission promotion, translation services, appointment scheduling, site rentals, secretarial assistance, overtime of Commercial Service personnel, hospitality and transportation. Costs incurred directly by the sponsoring organization in connection with the mission will not be reimbursed by the Department.

6. Submit to the overseas office a final list of mission participants, product/service data, and precise business objectives of the mission participants, (including any relevant company brochures) not later than 60 days prior to the departure of the mission. Note: At the discretion of the Commercial Service post this requirement may be adjusted provided it is agreed in writing between the organizer and the Commercial Service post and made a part of the "Conditions of Participation."

7. With guidance from the Commercial Service post, assure that printed mission directories in appropriate quantities are received by the Commercial Service post 45 days prior to departure of the mission. The Commercial Service post will advise whether or not these should be translated into the language of the country.

8. Ensure that mission participation includes a minimum of eight U.S.-based firms with the maximum number of participants to be determined in agreement between the organizer and the Commercial Service post and made a part of the "Conditions of Participation."

9. Comply, as appropriate, with the financial provisions of Section E and the bonding provisions of Section F, below.

10. Ensure that fee arrangements with participants do not include a commission on eventual sales or quantifiable results generated by the mission.

11. Ensure that all products and services promoted by mission participants are:

(a) manufactured or produced in the United States, or
(b) if manufactured or produced outside of the United States, marketed under the name of a U.S. firm, with U.S. content representing at least fifty-one percent of the value of the finished goods or services.

12. Carry out the mission as described in the "Application for Certification Trade

Mission Status" unless otherwise approved by the Commercial Service post in writing.

13. Hold the U.S. Government harmless from liability for any illness, injury, loss of life, or damage or loss of property occasioned by or connected with the mission, participation therein by any person, and support provided by the Department, and its employees, agents and contractors.

14. Provide the Department with a completed "Mission Organizer Survey" (Department of Commerce Form ITA-4122P; OMB No. 0625-0217) and final mission report, if applicable, within 30 days after the conclusion of the mission.

B. Responsibilities of the Commercial Service

The Certified Trade Mission Program is administered and managed by the Commercial Service at the overseas post(s). All decisions regarding the proposed mission are at the discretion of the Commercial Service.

The Commercial Service post shall, within the limits of the agreed budget and personnel resources:

1. Designate the mission as an official Certified Trade Mission, recognizing the services of the sponsoring organization and of the mission participants in helping to increase the international commerce of the United States.

2. Assure that the Certified Trade Mission is placed on the "official" Export Promotion Calendar of trade promotions events carried in the "National Trade Data Bank" (NTDB) and "Economic Bulletin Board" (EBB) as well as "Internet" through the NTDB.

3. Provide advice and assistance from the planning stage to the conclusion of the mission.

4. Provide available economic, commercial and political data to aid the partnership organization in its selection of an itinerary that offers the best marketing potential for the products, services, or investment opportunities to be promoted, and update such information as necessary prior to departure of the mission.

5. Provide assistance to the advance officer designated by the partnership organization; e.g., lists of local-hire personnel, translators, hotels and caterers.

6. Assist in arranging business appointments for each mission participant; or, if resources are limited, assist a contractor of the sponsoring organization, working under the supervision of the affected overseas post(s), in identifying prospective customers, agents, distributors, investors and key government officials with whom business appointments can be made.

7. Arrange for commercial, economic, and political briefings, and assist in arranging relevant tours, inspections and seminars.

8. Facilitate use of the Embassy Press Office to publicize the mission abroad.

9. Collect a Mission/Exhibition Evaluation Report, (Form ITA 4075P, OMB No. 0625-0034) from each participant before they depart the country. Note: Participants are not required to complete this form, but they will be encouraged to do so.

C. Responsibilities of the Sponsoring Organizer's Advance Officer

Where it is agreed between the Commercial Service post and the sponsoring organization

that an advance officer is necessary, the advance officer shall:

1. Arrange a time in writing beneficial to both the affected Commercial Service post(s) and the partnership organization to begin his or her advance travel. Generally this will be approximately 90 days prior to departure of the mission.

2. Confirm to each affected overseas post of his or her specific itinerary and travel schedule not later than 15 days prior to his or her departure.

3. Carry information and product literature for each mission participant in sufficient quantities to leave at least one set at each affected overseas post.

4. Carry funds and international credit cards, with full authority to commit funds for mission expenses.

5. Work directly with each affected overseas post to develop the mission program and finalize the mission budget at each stop.

D. Responsibilities of the Mission Director

The sponsoring organization's mission director shall:

1. Ensure that mission participants adhere to the mission program and promptly keep all individual appointments at each stop.

2. Carry additional mission funds and international credit cards to ensure that all mission expenses not previously deposited with the Commercial Service post are paid before leaving each stop, and that mission participants' bills are similarly paid.

3. Ensure that each mission participant:

(a) is fully responsible for his or her individual travel and personal expenses;

(b) makes all necessary arrangements for entry permit visas and other travel documentation;

(c) is an active member or representative of his or her firm; and (d) is qualified and authorized to quote prices and negotiate sales and other terms on behalf of his or her firm.

E. Financial Provisions

1. Sponsoring organizations that are federal agencies or quasi federal agencies shall:

(a) describe at the time of application where individual participation fees will be deposited e.g. with the sponsoring agency or Commercial Service;

(b) describe at the time of application the method of payment to be used. Options include:

(i) full payment by check (made payable to the U.S. Department of Commerce) with submission of Participation Agreement;

(ii) cable from agency to overseas post(s) transferring payment and authorizing spending; or

(iii) inter-agency transfer of funds with submission of Participation Agreement and Memorandum of Understanding; and

(c) provide original copies of payment documents to the Department for processing not less than 60 days prior to mission departure.

2. Sponsoring state organizations that are legally prohibited from providing prepayment as described in Section A shall provide to the Department not less than 60 days prior to mission departure a legally binding document, such as a purchase order in U.S. dollars or a letter of intent, committing to provide 50 percent of the

mission budget, within 5 working days of the conclusion of the mission. The remaining balance is due upon receipt of final invoice(s) from the affected overseas post(s). Sponsoring organizations should contact the overseas post(s) for prior approval of language that purports to legally bind the organization.

3. All other sponsoring organizations will handle payment as described in C.A.5 and C.D.2 above unless agreed in writing and made a part of the "Conditions of Participation."

F. Bonding Provisions

1. For-profit sponsoring organizations shall obtain a bond from a surety company holding a certificate of authority from the U.S. Department of the Treasury, Office of Financial Management Service, as periodically published in the Federal Register.

2. The bond will ensure that a mission participant can recover a participation fee paid to the sponsoring organization, as well as any other reasonable pre-paid transportation costs, should the sponsoring organization fail to meet its obligations to the mission participant concerning the mission.

The amount of the bond must be sufficient to cover these fees and estimated transportation costs.

3. The bonding agreement must be signed by the sponsoring organization (principal) and a bonding company (surety). A bond beneficiary is defined as an individual or entity from which, or on behalf of which, the principal receives and retains a participant fee for the mission.

4. Bonds will be reviewed on a case by case basis, as there is no standard form agreement.

5. An executed and pre-paid-in-full bond must be completed, and a copy of this bonding document shall be presented to the Commercial Service post before approval of the trade mission will be granted.

6. A copy of the bond must be made available to mission participants either by the sponsoring organization or the bonding company.

7. The bond requirement does not constitute a guarantee by the Department of reimbursement for financial losses to mission participants in connection with the mission.

8. Should either party terminate the bond agreement, the terminating party must notify the Department and make a reasonable effort to notify the bond beneficiaries. Therefore, the organizer must provide a listing of all mission participants, including valid mailing

addresses, to the bonding company no later than 30 days prior to departure of the mission.

G. Cancellations

1. All notice of cancellations must be in writing. Upon written notice of cancellation of the mission, the Department will secure an accounting by the affected overseas post(s) of costs incurred by them in connection with the mission. Such costs may include those incurred for fax/phone, postage, personnel overtime, printing, and contract services. If such costs exceed the amount previously received, or if no funds have been received, the Department will bill the sponsoring organization for the amount of the excess or its costs, as applicable.

Acceptance of Terms

On behalf of the partnership organization named in the attached Participation Agreement, I certify that I have read and understand these Conditions of Participation, which are incorporated into and form a part of such Agreement.

By: _____
Organization: _____
Title: _____
Date: _____

[OMB No. 0625-0215]

Expire: 8/31/96.

Commercial Service Certified Trade Missions Program Application For Status

Please print or type response to the information requested below on organizational letterhead. Fax or mail a completed Application for Status to each Commercial Service post in question.

- 1. Name, address, telephone and fax numbers of sponsoring organization.
- 2. Name, address, telephone & fax numbers of mission sponsor, i.e. (trade association, state or local government, regional group, etc.). Please also list any co-sponsoring organizations, if applicable.
- 3. Name of proposed Trade Mission.
- 4. Please provide a description of your mission. Outline your goals and objectives and indicate names of VIP leaders, if appropriate.
- 5. Proposed itinerary. (Please give as much detail as possible.)
- 6. Services/Assistance requested from the post if status is approved, (i.e. one-on-one business appointments, plant visits,

translators, reception, hotel and transportation arrangements, etc.).

7. Projected number of participants/companies.

8. Product categories/industries to be promoted.

9. Target date of advance trip, name of advance officer, and proposed itinerary.

Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Reports Clearance Officer, International Trade Administration, Room 4001, U.S. Department of Commerce, Washington, DC 20230.

10. Name, address, phone and fax numbers of contact(s) currently assisting in mission organization overseas, if applicable.

11. List any specific organizations, from the private and public sectors, with whom you know you wish to meet.

12. Outline of promotional campaign to be conducted in recruiting mission, (i.e. mailing, fax campaign, brochure distribution at other trade events, radio spots, etc.). Be as specific as possible and include target dates, when available.

13. Deadline for accepting applications from participants.

14. Proof, such as a copy of letter of invitation, that your mission has a host organization in countries that require such an arrangement e.g., China. Give host's name, address, telephone & fax and contact name(s).

15. Specify any special space and/or equipment for audio-visual presentations or technical programs.

16. APPLICANT MUST TYPE THE FOLLOWING STATEMENT ON APPLICATION AND SIGN: I hereby agree to abide by all "Conditions of Participation" set forth by the U.S. Department of Commerce (see attached) and guarantee to provide funds to finance all overseas costs incurred on my mission's behalf.

Signature _____
Date _____
Name/Title _____

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