

Trade-Related Assistance Center (TRAC)

In October 2005, the American Chamber of Commerce in Egypt signed an agreement to launch the USAID-backed Trade-Related Assistance Center (TRAC), a trade resource for both local and international businesses that will work to ensure that the private sector's interests and potential gains are maximized in free trade agreements (FTAs), especially the proposed Egypt-US FTA.

Through its four components, TRAC will:

- Establish a working channel between the private sector and the government and convey private sector standpoints and concerns to policymakers to be taken into consideration at the negotiating table. (Ad Hoc and Awareness component)
- Establish a user-friendly document repository, which provides the business community access to reliable trade information (FTA Help Desk component)
- Work on enhancing Egypt's competitiveness, through institutional and trade capacity building and upgrading human resources in relation to the key areas of foreign trade. (Training component)
- Launch an FTA web portal that provides information on trade agreements, trade regulations and the impact of an FTA on various sectors of the economy (IT component).

Through the TRAC project, AmCham is able to better facilitate business ties with potential US customers, advocate trade and business positions and enhance the ability of firms and industries to capitalize on available business opportunities.

With the Egypt-US FTA effectively on hold, TRAC will address issues related to the World Trade Organization, as WTO agreements constitute the basis of any free trade agreement, be it bilateral or regional. The private sector needs to be rightly acquainted with the various WTO Agreements (Services, TRIPs, DSU, Anti-dumping and CVD, SPS, TBT, NAMA, etc.) in order to negotiate with the government from an informed position. It is also on that basis that the private sector will justify and be able to argue beyond WTO liberalization commitments (WTO plus).

The International Center for Trade and Sustainable Development

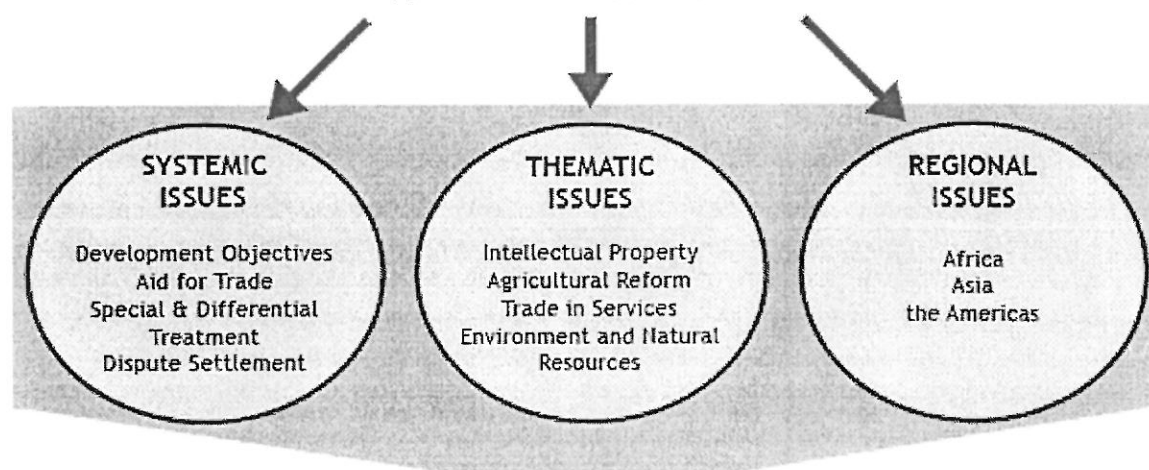
The International Center for Trade and Sustainable Development (ICTSD) is a non-profit organisation dedicated to promoting sustainable development in the international trading system. Founded in Geneva, Switzerland in 1996, ICTSD's mission is to influence the international trade system such that it advances the goal of sustainable development, by empowering stakeholders in trade policy through information, networking, dialogue, well-targeted research and capacity building.

The ICTSD Approach

In working towards its mission of placing sustainable development objectives at the helm of international trade, ICTSD has adopted an approach, developed since its earliest days, which aims to facilitate the emergence of a critical mass of well-informed stakeholders, capable of fully determining and advancing their own interests in trade negotiations. It has allowed ICTSD to achieve real and meaningful results and ultimately success in carrying out its mission.

Enabling interaction: information and communications	Facilitating interaction: policy dialogue	Supporting interaction: research and capacity building
Enabling interaction among trade policy makers and influencers through the provision of reliable, non-partisan reporting and analysis	Facilitating dialogue by providing platforms for relevant actors to interact and explore common and different interests in an informal and non-negotiating setting	Supporting interaction through policy-oriented, ground-breaking research and capacity building services by drawing on the best human and academic resources

Applied to three types of issues



Brokering knowledge

ICTSD has developed an advanced and solutions-focused understanding of the sustainable development dimensions of trade negotiations. This expertise makes ICTSD a vital link in both the process of knowledge generation and the information chain. Through its publications and research activities, ICTSD provides reliable information and knowledge to a wide range of stakeholders including trade negotiators, policymakers, NGOs, the media and academics.

Building capacity through partnerships

Over the past ten years, ICTSD has invested heavily in strategic partnerships, recognizing them as crucial to its wide-ranging work. Short-term partnerships with Geneva-based organizations enable ICTSD to develop high-quality outputs with shared resources, while long-term partnerships with developing country institutions help ICTSD strengthen these centers of excellence and foster regional networks.

Bringing issues to the table

With its finger on the pulse of the trade and sustainable development interface, ICTSD is well-placed to keep track of emerging issues and changing dynamics within the international, bilateral and regional trade negotiations. In recent years, ICTSD has brought to the table key trade and development issues such as special and differential treatment, dispute settlement, aid for trade, climate change and the evolving energy trade scenario. ICTSD has also raised the profile of development concerns related to intellectual property rights and trade in services and agriculture.

Bridging diverse communities

ICTSD plays an important role in providing a neutral space for discussion between diverse groups of stakeholders. These informal dialogues, held outside the (often heated) context of negotiations, have enabled the strategically-invited participants to speak more freely; the dialogues have also enabled them to jointly explore common ground.

More information about ICTSD can be found through its website at www.ictsd.org.

Basic Information

1. The Dispute Settlement Body in the WTO governs and supervises the good functioning of the multilateral trading system.
2. The Dispute Settlement Mechanism in the WTO is even considered as the most prominent achievement of the Uruguay Round agreements, as it helped establish a rule-based system different from what used to prevail and known as the power-based system.
3. The Dispute Settlement under the WTO covers all agreements (trade in goods (Annex 1A), trade in services (Annex 1B), and Trade-Related Intellectual Property Rights (Annex 1C)).
4. Unlike its predecessor, the WTO system has introduced a set of new procedures, which now prevents a "blocking" of the results of the panel, and also provides for a new "appellate" process, which is quite unique in international law.
5. In addition, there is a time frame for each and every stage of the legal process. Thus delaying tactics are virtually impossible. A wronged member can expect to receive compensation within a year to eighteen months (twelve months maximum, on appeal, and nine months normally).
6. The provisions of 'negative consensus' and 'cross-retaliation' are also major novelties.
7. In contrast to the 'positive consensus' for the establishment and adoption of the panel report, i.e. either could only be done by the consensus of the Members, which often led to total blockages; the system today operates on the basis of negative consensus, that is panel establishment and reports shall be adopted automatically unless it is rejected by consensus. This is rather unrealistic, as it assumes the winning party is party to the consensus.
8. The various stages of the dispute settlement process:
 - (i) **Consultation**: A request for consultation, which is made in writing, has to be responded within 10 days and the consultation process has to begin within 30 days of the request. The DSU emphasizes the importance of consultations as a prelude to litigation. If after 60 days from the request for consultations there is no settlement, the complaining party may request the establishment of a panel.
 - (ii) **Establishment of the Panel**: With the request for a panel, the legal process of dispute settlement begins. Consisting of 3 panelists (or 5 if the parties to the dispute so decide), the panel procedure is time bound at every stage. Once a panel is established it has to finish its work within 6 to 9 months (3 months for urgent and perishable goods).
 - (iii) **Appellate Body**: The WTO Appellate Body is a standing body composed of seven persons of recognized authority, three of whom can serve on any one case on the basis of rotation. If an appeal is made, the report of the Appellate Body is issued within 3 months and is accepted by the parties unconditionally (within 30 days), unless it is rejected, which is very unlikely, by consensus.
9. If the losing party to the dispute fails to comply with the recommendations by the panel or the Appellate Body, then the prevailing party in the framework of

negotiation with the former should reach a scheme of compensation. Falling short of issuing such a scheme, the prevailing party seeks authorization from the Dispute Settlement Body to retaliate, by suspending the concessions or other obligations granted to the losing party. This is first done under the same sector as that in issue in the panel case. If this is not practicable or effective, the suspension can be made in a different sector of the same agreement covered by the dispute. If this is also not effective, it may then extend to other agreements in what is known as cross-retaliation.

10. It should be noted, however, that compensation, suspension of concessions and eventually retaliation are only temporary measures pending full implementation.
11. Clearly defined issues can be subjected to arbitration, by mutual agreement, as an alternative dispute settlement procedure. The parties to the arbitration shall agree beforehand to abide by the arbitration award. Such an award shall be notified to the DSB.
12. The DSU also contains a number of provisions, which take into account the specific interests of the developing and least-developed countries. One such provision is Article 27, which encourages developing countries to request the Secretariat of the WTO to provide it with the service of a legal expert. This provision has been used more and more often by developing countries.

WTO Dispute Settlement Flow Chart

