



International Trade Administration

Mission Statement

To create economic opportunity for U.S. workers and firms by promoting international trade, opening foreign markets, ensuring compliance with our trade laws and agreements, and supporting U.S. commercial interests at home and abroad.

The International Trade Administration is dedicated to opening foreign markets, promoting export activity, and ensuring fair competition and compliance with international trade agreements for the benefit of firms, particularly small and medium-sized enterprises (SMEs), and workers throughout the United States. ITA employs approximately 2,500 people, stationed in the U.S. and abroad, in five major program units: Trade Development, Market Access and Compliance, Import Administration, U.S. and Foreign Commercial Service, Executive Direction and Administration.

ITA programs perform analyses, promote products, and offer services and programs to the U.S. exporting community, including export promotion assistance, export expansion and commercial business counseling, and trade related information. ITA is also responsible for ensuring that competition is fair and that the U.S.'s trading partners comply with international trade agreements. ITA plays an important role in the World Trade Organization (WTO), Free Trade Area of the Americas and, bilaterally with Chile and Singapore negotiations. ITA, through its Trade Compliance Center, ensures that trade agreements negotiated by the U.S. are monitored for evaluation of their implementation by foreign governments and for identification of compliance problems. ITA also defends U.S. industry against injurious trade practices by administering efficiently, fairly, and in a manner consistent with U.S. international obligations, the antidumping (AD) countervailing duty (CVD) laws of the U.S.

ITA programs are customer-focused and responsibly managed to provide the maximum advantage to its client base. ITA works to benefit U.S. firms directly, particularly small and medium-sized enterprises (ITA defines "SMEs" as companies with fewer than 500 employees).

President Bush's "2002 National Export Strategy (NES)" presented sixty recommendations with an overall goal to ensure that all U.S. companies interested in exporting can join the global economy. A major theme of the 2002 NES is expanding the number of small and medium-sized U.S. exporters, while ensuring that all exporters have the best resources available to take advantage of overseas commercial opportunities. SMEs constitute 97 percent of all U.S. exporting companies and account for about 30 percent of the value of U.S. exports according to the NES.

In FY 2002, the Trade Promotion Coordinating Committee² conducted a survey of 3,200 small and medium-sized U.S. firms. Survey results indicated that 30 percent of the SMEs that do not currently export have an interest in doing so. Additionally, of those companies that do export, two-thirds export to only one market. ITA's efforts to help companies export to new markets can substantially assist in unlocking billions of dollars' worth of new export opportunities. During FY 2002 alone, ITA's efforts have led to nearly 6,000 U.S. businesses entering new export markets³.

¹ The National Export Strategy is an annual Congressionally mandated report as required by the Export Enhancement Act of 1992. This act also established the Trade Promotion Coordinating Committees (TPCC) by statute.

² The TPCC is the statutorily mandated committee composed of 19 federal agencies established to ensure coordinated delivery of export promotion programs and services.

³ Source: ITA Performance Management System.

Benefits to ITA Customers and the American Public

ITA's external customers include:

- 1 Potential, new and experienced exporters seeking “How to” information and requiring export assistance products/services
- 2 Individuals and firms interested in export services/resolution of trade complaints by country, region, emerging markets or by industry
- 3 Individuals and firms who require relief from unfair trading practices or firms seeking assistance in applying for a Foreign Trade Zone.

ITA considers these groups to be its primary external customers. ITA considers other federal, state and local departments of government and the U.S. Congress as stakeholders, and in some cases as partners, in its business processes.

The public benefits from ITA in both a primary and a secondary manner. The segment of the public that is involved in business receives primary benefits because they seek and obtain ITA's products, services, and assistance to help them with their international trade pursuits. Although ITA places a considerable focus on small and medium size exporters, ITA services all size firms and has devoted much time and attention to assisting potential exporters and helping existing exporters enter new markets.

The secondary benefit that the public derives from ITA is the economic impact of export expansion. For example, over one million high-quality, high-wage jobs have been created over the past two years as a direct result of increased exports⁴. Today, one out of ten U.S. jobs depends on export trade, and export-related jobs pay an average wage of 15 percent more than other jobs⁵. These benefits are quite tangible to the public and hinge upon the effort of ITA's work.

Priorities/Management Challenges

During FY 2002, ITA addressed several key priorities and management challenges:

- ITA continued to face a difficult balancing act of supporting foreign policy and security goals while addressing viable opportunities to expand its U.S. market base. A continuing challenge is using trade to support the war on terrorism. ITA's efforts to introduce the rest of the world to a new and better standard of living could prove to be a valuable tool. Through ITA's trade promotion initiatives, the U.S. exports a system of values that supports the President's goal to promote freedom and liberty through free trade, while it also pursues the goal of expanding profitable markets for U.S. goods and services. For this reason, ITA is readily working to bring free trade to Africa, China, and the Americas.
- One of ITA's formidable challenges is addressing customer demand for export products and services and ensuring that SMEs continue to perform well in today's uncertain economy. Interestingly, exporters rely on the government for market information more than any other source (private sector or non-governmental organizations)⁶. The TPCC survey also confirmed that the government is an important resource for Web-based information. Based on client demand and in support of the President's Management Agenda, one of ITA's key challenges and opportunities is to use Export.Gov, a Web-based, one-stop access to basic information on the export process, to enhance the use of the Internet as a communication tool to enable exporters to find the government's best information in one place.

- Companies rely on existing government programs, but want these programs updated to enter the twenty-first century. They expect seamless service and expect government personnel to be fully trained to take them through the maze of government programs and to understand the big picture. ITA must confront and challenge non-tariff trade barriers and other challenges facing U.S. firms in the international marketplace to help SMEs export. ITA must work to ensure that the rules of the game are clear and that the players follow the rules. ITA's FY 2004 budget proposal and its integrated performance plan request the resources ITA needs to respond to foreign market place challenges and address increased client demand.
- ITA has made every effort to support sectors severely impacted by terrorism. Tourism and the airline industry, for example, have received advice, attention, and assistance from ITA through increased focus by its skilled staff. Numerous small businesses suffered from the sharp economic downturn, and ITA has made every effort to address their needs. Small firms are responsible for about half of all U.S. Gross Domestic Product (GDP), and generate more than half of all sales in the United States. Small businesses produce over 60 percent of the new jobs created each year. Small and medium-sized businesses were responsible for more than one-third of total merchandise exports worth over 150 billion dollars in 2001. This has been a major concern since jobs are critical to U.S. economic security and recovery.

FY 2002 Performance

- During FY 2002, ITA continued to focus on compliance issues associated with existing trade agreements and market access issues. ITA staff initiated more compliance and market access cases during this past year than were planned. ITA measures “the number of market access and compliance cases initiated.”⁷ In FY 2002, ITA initiated 253 cases, exceeding the FY 2002 target by 48 percent. ITA has used these compliance and market access gains to enhance export promotion efforts.
- ITA made substantial progress toward addressing the export promotion component of the President's trade strategy. ITA measures several aspects of export promotion performance:
 - In FY 2002, “the number of U.S. exporters entering a new market” yielded 5,740 U.S. companies. Although this is shy of ITA's FY 2002 target, it is still solid performance and indicates substantial export results.
 - In FY 2002, “the number of U.S. firms exporting for the first time” was 699. ITA considers this level of performance an accomplishment, despite being 5 percent below the projected target. ITA regards this as a strong result because many firms scale back and limit their risks during economic downturns.
 - During FY 2002, “the number of export transactions made as a result of ITA actions” was 12,178. This exceeded ITA's annual target by 7 percent, a strong result for ITA in a sluggish global economy.

⁴ White House Press Release, August 2002.

⁵ White House Press Release, August 2002.

⁶ TPCC Benchmark Survey, report no. PB2002-105721.

⁷ Note: Each item that appears in quotes indicates an ITA-wide performance measure included in ITA's Annual Performance Plan and Annual Program Performance Report.

- Additionally, ITA continued to build on the collaborative process between its geographic and industry units. This work is centralized in the Trade Compliance Center, which resolves compliance issues with trade agreements signed by the U.S. This has led to greater cooperation and a more effective tracking system of compliance cases throughout ITA. The ITA-wide tracking database has been the focus of efforts to capture all activities related to overcoming trade barriers and begin a concerted effort to measure results in trade compliance and market access. During FY 2002, ITA refined its compliance measures and established mechanisms in the database to measure “concluded” compliance actions.
- During FY 2002, ITA established the Trade Remedy Compliance Staff (TRCS). The TRCS assists U.S. businesses with trade problems that stem from unfair foreign trade practices, especially in the critical markets of East Asia, and from the misapplication of foreign trade laws worldwide. The TRCS does extensive monitoring of foreign trade practices and trade trends, working with new ITA trade compliance officers stationed in locations such as China, Japan, and Korea, to pinpoint and analyze problematic policies in order to avert unfair trade frictions and prevent harm to U.S. commercial interests.
- ITA’s proactive compliance capability increased research and monitoring of existing trade agreements, increased identifiable market access barriers, and provided for more coordinated AD/CVD casework. This is essential since ITA’s receipt of AD/CVD cases from domestic industry rose to 187 cases this past fiscal year.
- As an outgrowth of the President’s Steel Initiative in FY 2002, ITA has led the effort to identify foreign market-distorting practices that have contributed to the creation, expansion, and retention of excess, inefficient steel making capacity worldwide. ITA provided support for the Administration’s effort to build an international consensus to eliminate these practices. Consensus building started in FY 2002 in the Organization of Economic Cooperation and Development (OECD) and continued in the WTO and other forums. These efforts have resulted in a positive impact on global steel production and should positively affect planning and profitability for the U.S. steel industry.
- During FY 2002, ITA made noteworthy improvements in its budget, performance management, and accounting operations. ITA more fully integrated its planning and performance management process. The most significant change is that ITA’s FY 2004 budget justification is now presented in terms of how it supports ITA’s performance goals in addition to the line item structure. This also positions ITA closer to meeting one of the standards for success in the President’s Management Agenda, i.e., improved integration of budget and performance.
- ITA took several steps to improve its financial performance. ITA’s Office of Financial Management (OFM) developed new reports to evaluate financial data and inform ITA managers about program finances. ITA revamped its financial coding system to reduce errors and capture better information to enhance cost-related performance management data.
- In the past year, ITA has initiated steps to transform its value to U.S. businesses and citizens through a strategic approach to electronic government. Recent guidance and attention have been directed to e-government through the President’s Management Agenda. ITA believes that implementation of e-government strategy utilizes two methods to support customer-centric government: ITA has initiated a centralization program of its IT infrastructure, both internally and externally; and ITA has started to simplify significant business processes to build a more effective foundation for transacting business electronically.

- In FY 2002, ITA continued to collect information from its customers to identify and respond to their requirements and needs:
 - The input received from customers indicated their demand for trade and economic data. ITA has worked to improve the delivery and use of U.S. export data as a tool in helping U.S. firms realize their export potential.
 - In FY 2002, ITA structured the Global Diversity Initiative and Rural Export Initiative programs to reach under-served communities and to prepare them for exporting.
 - ITA found that 60 percent of U.S. exporters use Web sites as a primary source of Web-based information. Projects underway to help U.S. companies to take advantage of technological advances include outreach seminars and a hotline to resolve customer complaints.

As shown by the examples stated above, ITA has integrated customer feedback into its annual improvement objectives and initiated a strong transition to a customer-focused culture as directed by the President's Management Agenda. ITA frequently receives positive feedback on survey responses from customers praising the attitude taken by ITA staff towards servicing their needs. ITA was pleased that its FY 2002 quarterly survey of the Export.gov website showed that 84.4 percent of customers were satisfied with the portal's ease of use. ITA continues to make improvements as it strives for even higher levels of client satisfaction.

- While ITA sought to achieve all of its FY 2002 targets, several targets were not attained. This is attributable to two key factors: 1) ITA's FY 2002 targets were optimistic when included in the FY 2002 Annual Performance Plan (APP)⁸, and 2) during FY 2002, external factors like the downturn in the U.S. and global economy accounted for shifts that were unforeseen when those targets were originally set.

Initiatives and Priorities

ITA compliance and export expansion efforts were top priorities in FY 2002 and remain a key component of ITA's FY 2003 and FY 2004 programs. During this past year the U.S. economy and the global economy have undergone dramatic shifts. Now, more than ever, ITA's mission is to expand and support the U.S. economy in a worldwide free trade system is essential and relevant. ITA must ensure that it continues to have a free and open trading system. ITA will accomplish this work by:

- Improving the ability of ITA's overseas staff to respond to trade compliance issues, ensuring that U.S. businesses receive the full benefit of negotiated trade agreements, resolving market access problems (foreign restrictive standards and other regulatory measures), and defending U.S. industry against injurious trade practices by enforcing U.S. trade laws.
- Addressing compliance issues in multilateral negotiations such as the WTO talks held in Doha, Qatar, and the FTAA trade negotiations. Today, seventy-four cents of every dollar that Mexicans spend on imported goods goes to buy U.S. products. Imagine the opportunities that potentially can be reaped through a negotiated expansion of the North American Free Trade Area (NAFTA) to cover all of the Americas.⁹

⁸ These targets were published in the FY 2000 Annual Program Performance Report (APPR) and FY 2002 Annual Performance Plan (APP).

⁹ White House Press Release on FTAA, August 2002

- Assessing and addressing ITA's customers' needs. It is critical that ITA considers this a priority since it must respond to shifting economic circumstances. These include the development of novel mechanisms for meeting client needs through e-commerce efforts, use of cooperative agreements to leverage service support for clients, as well as efforts to streamline coordination among trade supportive federal and state government agencies that service ITA customers.

Targets and Performance Summary

See individual Performance Goal section for further description of each measure.

Performance Goal 1: Increase Trade Opportunities for U.S. Firms

	FY 1999 Actual	FY 2000 Actual	FY 2001 Actual	FY 2002 Target	FY 2002 Actual	FY 2002 Met	FY 2002 Not Met
Number of export transactions made as a result of ITA involvement	New	New	11,160	12,300	12,178		X
Number of new or enhanced ITA partnerships with public and private sector entities to promote U.S. exports	New	New	New	36	Not implemented in FY 2002		X
Number of new-to-market firms	67,835	54,307	63,719	54,000	64,263	X	

Performance Goal 2: Broaden and Deepen U.S. Exporter Base

	FY 1999 Actual	FY 2000 Actual	FY 2001 Actual	FY 2002 Target	FY 2002 Actual	FY 2002 Met	FY 2002 Not Met
Number of new-to-export firms	42,351	33,514	20,422	30,000	21,850		X
Percentage of undertaken advocacy actions completed successfully	New	New	New	15% to 20%+	11.8%		X
Dollar value of completed advocacies (U.S. Export Content)	New	New	New	\$3B to \$4B	\$8.64B	X	
Number of U.S. exporters entering new market	New	4,502	5,386	5,900	5,740		X
Number of U.S. firms exporting for the first time	New	673	742	800	699		X

Performance Goal 3: Ensure Fair Competition in International Trade

	FY 1999 Actual	FY 2000 Actual	FY 2001 Actual	FY 2002 Target	FY 2002 Actual	FY 2002 Met	FY 2002 Not Met
Number of AD/CVD cases processed	134	185	136	136	183	X	
Percentage of antidumping or countervailing duty cases completed on time	New	New	New	100%	100%	X	

Performance Goal 4: Advance the United States' International Commercial and Strategic Interest

	FY 1999 Actual	FY 2000 Actual	FY 2001 Actual	FY 2002 Target	FY 2002 Actual	FY 2002 Met	FY 2002 Not Met
Dollar value exports in priority markets	New	New	New	New	\$166.3B		

Performance Goal 5: Improve customer and stakeholder satisfaction

	FY 1999 Actual	FY 2000 Actual	FY 2001 Actual	FY 2002 Target	FY 2002 Actual	FY 2002 Met	FY 2002 Not Met
Employee job satisfaction	New	New	New	3.5 mean rating	Not implemented in FY 2002		X

Performance Goal 6: Improve the U.S. Competitive Advantage through Global e-commerce

	FY 1999 Actual	FY 2000 Actual	FY 2001 Actual	FY 2002 Target	FY 2002 Actual	FY 2002 Met	FY 2002 Not Met
Number of new subscribers using BuyUSA.com E-services	New	New	371	1,500	564		X
Customer perception of portal ease of use	New	New	New	Greater than 50%	84.4%	X	
Percentage of ITA business processes provided electronically to external customers	New	New	New	50%	Not implemented in FY 2002		X

Resource Requirements Summary

(Dollars in Millions. Funding amounts reflect total obligations.)

Information Technology (IT)

Full-Time Equivalent (FTE)

Performance Goal 1: Increase Trade Opportunities for U.S. Firms

	FY 1999 Actual	FY 2000 Actual	FY 2001 Actual	FY 2002 Actual
Trade Development	28	28	30	17
Market Access and Compliance	0	0	0	2
Import Administration	0	0	0	0
US&FCS	80	78	84	62
Administration	4	4	5	0
Total Funding	112	110	118	82
IT Funding ¹	7.7	7.7	9.0	6.6
FTE	768	774	744	462

Performance Goal 2: Broaden and Deepen U.S. Exporter Base

	FY 1999 Actual	FY 2000 Actual	FY 2001 Actual	FY 2002 Actual
Trade Development	17	16	17	21
Market Access and Compliance	6	6	6	2
Import Administration	0	0	0	0
US&FCS	101	97	100	52
Administration	5	5	5	0
Total Funding	129	124	129	75
IT Funding ¹	8.8	8.9	10.3	5.6
FTE	886	890	858	423

Performance Goal 3: Ensure Fair Competition in International Trade

	FY 1999 Actual	FY 2000 Actual	FY 2001 Actual	FY 2002 Actual
Trade Development	4	4	5	7
Market Access and Compliance	14	15	15	24
Import Administration	31	34	39	41
US&FCS	4	4	5	21
Administration	2	2	2	0
Total Funding	55	59	68	93
IT Funding ¹	3.7	3.7	4.3	4.6
FTE	372	375	360	571

Performance Goal 4: Advance the United States' International Commercial and Strategic Interest

	FY 1999 Actual	FY 2000 Actual	FY 2001 Actual	FY 2002 Actual
Trade Development	28	28	30	9
Market Access and Compliance	0	0	0	3
Import Administration	0	0	0	0
US&FCS	80	78	84	17
Administration	4	4	5	0
Total Funding	112	110	118	28
IT Funding ¹	7.7	7.7	9.0	1.1
FTE	768	774	744	157

Performance Goal 5: Improve Customer and Stakeholder Satisfaction

	FY 1999 Actual	FY 2000 Actual	FY 2001 Actual	FY 2002 Actual
Trade Development	28	28	30	13
Market Access and Compliance	0	0	0	4
Import Administration	0	0	0	5
US&FCS	80	78	84	31
Administration	4	4	5	13
Total Funding	112	110	118	66
IT Funding ¹	7.7	7.7	9.0	4.2
FTE	768	774	744	420

Performance Goal 6: Improve the U.S. Competitive Advantage through Global e-commerce

	FY 1999 Actual	FY 2000 Actual	FY 2001 Actual	FY 2002 Actual
Trade Development	7	7	7	2
Market Access and Compliance	0	0	0	4
Import Administration	0	0	0	0
US&FCS	6	6	6	25
Administration	6	5	6	2
Total Funding	43.0	41.0	43	33
IT Funding ¹	3.0	3.0	3.5	3.5
FTE	303	305	294	197

Grand Total	FY 1999 Actual	FY 2000 Actual	FY 2001 Actual	FY 2002 Actual
Total Funding	339	334	358	377
Direct	317	325	342	366
Reimbursable ²	22	9	16	11
IT Funding ¹	23.2	23.8	27.2	25.6
FTE	2,329	2,344	2,256	2,230

¹ IT funding included in total funding.

² Reimbursable funding included in total funding.

Skill Summary

The following list describes ITA's core competencies:

- In-depth knowledge of international and domestic trade laws and regulations
- Country and/or industry-sector expertise
- Specialized knowledge and experience in export marketing and promotion
- Understanding of foreign trade practices, and foreign government trade programs and policies
- In-depth knowledge of trade distorting practices
- Understanding of key trade issue areas such as intellectual property rights and standards
- Knowledge of key U.S. Government positions for country/sector specific bilateral, multilateral, and plurilateral trade negotiations
- Information technology skills — to deliver services to clients; to identify, analyze, and manage information; and to interface with technology to improve productivity and client service
- Leadership skills — to lead and manage ITA's missions and programs
- Customer service skills — to improve delivery of service to customers
- Project management skills — to lead and manage projects and contracted work.

FY 2002 Performance Goals

Performance Goal 1: Increase Trade Opportunities for U.S. Firms

(This goal has been reworded since the publication of the FY 2000 Annual Program Performance Report (APPR) and FY 2002 Annual Performance Plan (APP). This goal was previously worded as: "Increase U.S. Exports by Implementing the National Export Strategy Through Government-Wide Coordination of Trade Promotion and Trade Finance Programs.")

Corresponding Strategic Goal

Strategic Goal 1: Provide the information and the framework to enable the economy to operate efficiently and equitably.

Rationale for Performance Goal

Working to lower trade barriers abroad helps small business exporters. While the goal is to improve services for U.S. companies of all sizes, ITA focuses on the needs of small and medium-sized enterprises (SMEs). SMEs are the engine of growth and job creation in the U.S., but due to their size and limited resources, they also face more hurdles to expanding their business presence abroad than large companies. ITA attempts to obtain market access through bilateral and multilateral trade negotiations and through government-to-government cooperative efforts to remove non-tariff barriers. The passage of Trade Promotion Authority (TPA) offers new challenges and opportunities for the U.S. to open foreign markets and provides the U.S. with an important tool to break down barriers with all countries.¹

With trade playing an important role in the national economy, the National Export Strategy, an annual report submitted to Congress by the Trade Promotion Coordinating Committee (TPCC), focuses on streamlining and strengthening U.S. government trade promotion and finance programs. The TPCC, established by the Export Enhancement Act of 1992 and chaired by the Secretary of Commerce, coordinates nineteen agencies' efforts to strengthen, streamline, and leverage existing programs. Through the TPCC, ITA for example, leverages technology to give firms access to critical information and products; operates a network of one-stop shops for local, hands-on assistance to U.S. exporters; coordinates advocacy on behalf of U.S. companies; reduces obstacles to exporting through the enforcement of U.S. trade laws; monitors and seeks compliance with U.S. negotiated international trade agreements; and pioneers efforts to better serve under-served communities.

FY 2002 Performance

One of ITA's major challenges is addressing customer demand and ensuring that SMEs continue to perform well in today's uncertain economy. During FY 2002, ITA's efforts focused on helping nearly 6,000 U.S. businesses entering new export markets. ITA used public and private sector partnerships in helping SMEs export. For example, the Gold Key Matching Service paired U.S. firms with pre-screened international companies interested in becoming agents, distributors, sales representatives, and strategic business partners. For those companies that desire longer-term, sustained assistance, ITA offered Platinum Key Service, which provides comprehensive, customized market entry support. ITA counseled over 121,000 clients. ITA's involvement with U.S. firms helped produce approximately \$29.7 billion of export successes.

¹ Remarks by the President at Signing of the Trade Act of 2002 (P.L. 107-210), August 6, 2002.

Measure 1a: Number of Export Transactions Made as a Result of ITA Involvement

	FY 1999	FY 2000	FY 2001	FY 2002
Target	New	New	9,253	12,300
Actual			11,160	12,178
Met/Not Met			Met	Not Met

Explanation of Measure

This measure reflects ITA's effectiveness in increasing trade opportunities for U.S. exporters, and it captures information on the number of export transactions executed by U.S. firms that resulted directly from ITA's counseling, matchmaking, research, information products, and other trade promotion activities. An export transaction occurs when ITA facilitates an actual verifiable export sale—shipment of goods or delivery of services—by the client and where the direct link between the assistance provided and the resulting outcome is clearly established for each export action claimed. A transaction also takes place when ITA helps a client identify and sign with an agent or distributor or sign a contract that ensures the expectation of future sales, when there is a direct link between the assistance provided and the resulting outcome. A transaction can also include helping a U.S. firm avoid harm or loss, for example, by helping it obtain payment or resolve some other kind of trade dispute.

FY 2002 Performance

ITA did not meet its target. As in previous performance measures, ITA's efforts were impacted by the worldwide economic slowdown. ITA continues addressing viable opportunities to expand our U.S. market base. Given the risk-averse business climate, U.S. companies were not looking outward as much as they have in previous years.

Measure 1b: Number of New or Enhanced ITA Partnerships with Public and Private Sector Entities to Promote U.S. Exports

	FY 1999	FY 2000	FY 2001	FY 2002
Target	New	New	New	36
Actual				Not Implemented
Met/Not Met				Not Met

Explanation of Measure

This performance measure quantifies ITA's efforts to form new partnerships and enhance existing partnerships with public and private sector entities in order to increase trade opportunities for U.S. firms. Partnership is a new or enhanced relationship codified in writing through a memorandum or letter of understanding or agreement, reimbursable agreement, grant, cooperative agreement, or contract. A new partnership is defined as being with an entity with which ITA has not had a relationship in the preceding three years. Enhanced partnership is a partnership that is changed so that it more positively affects the achievement of ITA goals and objectives.

FY 2002 Performance

This is a new performance measure that will be implemented in FY 2003. The delay in the implementation occurred due to the amount of information that has to be analyzed to establish a baseline. Once the data is received from offices located in headquarters and domestic field and overseas posts, and identification of reporting requirements is completed, ITA can establish base-line figures that will enable changes from base-line data to be measured.

Measure 1c: Number of New-to-Market Firms				
	FY 1999	FY 2000	FY 2001	FY 2002
Target	45,919	47,437	54,779	54,000
Actual	67,835	54,307	63,719	64,263
Met/Not Met	Met	Met	Met	Met

Explanation of Measure

Collecting statistics on new-to-market firms shows whether or not ITA is achieving its goal of increasing the overall dollar value of U.S. exports. The measure refers to the number of U.S. firms which planned to export to a new market and were assisted by ITA employees.

FY 2002 Performance

ITA met its target. ITA's outreach activities to U.S. firms wanting to export were intensified due to the worldwide economic slowdown and by shifts in foreign policy and security goals. ITA continues addressing viable opportunities to expand its U.S. market base.

Program Evaluation

In support of the "Increase Trade Opportunities for U.S. Firms" performance goal, ITA together with the Trade Promotion Coordinating Committee (TPCC) conducted a survey of U.S. firms which focused on improvement of assistance to U.S. companies to enter and thrive in the world market. The survey also recommended actions that directly address ITA's clients' needs, reflect successful practices of its trading partners, and leverage resources across the agencies. The survey recommendations included a coordinated approach to identifying major projects opportunities early enough that U.S. firms can effectively compete, improved customer service, and a need for a more effective outreach strategy.

Performance Goal 2: Broaden and Deepen U.S. Exporter Base

(This goal has been reworded since the publication of the FY 2000 Annual Program Performance Report (APPR) and FY 2002 Annual Performance Plan (APP). This goal was previously worded as: “Promote Exports by Small and Medium-Sized Enterprises.”)

Corresponding Strategic Goal

Strategic Goal 1: Provide the information and the framework to enable the economy to operate efficiently and equitably.

Rationale for Performance Goal

The International Trade Administration (ITA) seeks to increase export opportunity awareness among U.S. companies by proactively identifying potential exporters who need assistance leveraging electronic and traditional media, centralizing relationships with customers, and developing alliances and partnerships to deliver export messages. ITA’s domestic offices are located to capitalize on high-export activity areas identified by trade patterns and to facilitate aggressive outreach to traditionally under-served rural and minority communities.

ITA focuses on small and medium-sized enterprises (SMEs) with 500 or fewer employees by tailoring existing products and services to their needs; providing technical assistance and matchmaking capability using e-commerce and the Internet; expanding established exporters into additional markets; and coordinating government-wide, collaborative advocacy efforts through the Trade Promotion Coordinating Committee (TPCC). The chief aim of tailoring ITA’s products and services is to consistently deliver the complete package of export assistance to U.S. businesses throughout the country in order to increase the number of U.S. exporting companies, as well as increase the value of U.S. exports to new markets.

FY 2002 Performance

ITA structured its operations to serve SME clients efficiently and to coordinate closely with other organizations that provide export promotions services. SMEs look to ITA for assistance in understanding how the rapidly changing international marketplace impacts U.S. businesses ability to export. ITA offers services that focus on SMEs. Often times the first stop for U.S. businesses seeking federal export help is the ITA’s Trade Information Center (TIC), which in FY 2002 handled over 150,000 inquiries for general and country-specific information. Of these inquiries, over 80,000 received personal service through phone, e-mail, fax, or walk-in. ITA’s Advocacy Center facilitates high-level U.S. government advocacy actions to help U.S. companies compete for foreign government contracts. In FY 2002, the Advocacy Center managed and coordinated U.S. government advocacy action in approximately 680 projects and procurements worth approximately \$110 billion in U.S. exports over the life of the transactions.

ITA also partners with private and non-profit groups that are particularly effective in reaching and assisting SMEs. This effort is embodied in the Market Development Cooperator Program (MDCP). MDCP is a competitive matching grant program that provides federal assistance to non-profit export multipliers such as trade associations and non-profit organizations. Since FY 1997, MDCP award winners have generated over \$227 million in exports annually, which translates into over \$90 in exports for every federal dollar spent. Additionally, over 10,000 SMEs took initial or additional export actions as a result of their participation in MDCP project activities in FY 2002.

ITA administers two specific programs designed to reach under-served communities and prepare them for exporting: the Global Diversity Initiative and Women's Initiative (GDWI). The GDWI is designed to greatly increase the ability of minority and women-owned companies to achieve export success. One hundred sixteen minority companies were selected from ten states and paired with U.S. Export Assistance Centers (USEACs) to receive aggressive one-on-one counseling. Additionally, ITA's USEACs have provided aggressive trade counseling to over 900 minority and women-owned enterprises across the country to help identify business opportunities in overseas markets, and have supported over fifty minority and women events in the U.S., as well as two overseas trade missions to Africa and Europe.

Measure 2a: Number of New-to-Export Firms

	FY 1999	FY 2000	FY 2001	FY 2002
Target	25,260	26,089	30,336	30,000
Actual	42,351	33,514	20,422	21,850
Met/Not Met	Met	Met	Not Met	Not Met

Explanation of Measure

Collecting statistics on new-to-export firms shows whether ITA is achieving its goal of increasing the overall dollar value of U.S. exports. ITA's chief aim is to consistently deliver the complete package of export assistance to U.S. businesses throughout the country in order to increase the number of U.S. exporting companies. The measure refers to the number of U.S. firms, helped by ITA that were planning to export for the first time. However, ITA revised the definition of this performance measure and created a more meaningful measure to capture ITA's success in helping U.S. firms export for the first time. The new measure, "Number of U.S. firms exporting for the first time," will report only on U.S. firms that can document an actual, verifiable export transaction.

FY 2002 Performance

ITA did not meet its target. ITA's efforts were impacted by the worldwide economic slowdown. ITA continues addressing viable opportunities to expand its U.S. market base. Given the risk-averse business climate, U.S. companies were not looking outward for new undertakings as much as they had in previous years.

Measure 2b: Percentage of Undertaken Advocacy Actions Completed Successfully

	FY 1999	FY 2000	FY 2001	FY 2002
Target	New	New	New	15%-20%
Actual				11.8%
Met/Not Met				Not Met

Explanation of Measure

The success of the U.S.'s export community depends on ITA addressing the challenges in the trade environment and meeting the expectations and needs of ITA's customers. ITA's Advocacy Center helps U.S. exporters win procurement contracts, and each contract creates and retains U.S. jobs over the life of each successful advocacy project. The Advocacy Center advances trade promotion and deal-making to support three basic U.S. firms' needs: (1) access to new markets, (2) entry to markets, and (3) expansion of export activities.

FY 2002 Performance

ITA did not meet its target. The target reported is based on preliminary fourth quarter data, and ITA expects to meet the target for FY 2002 once the Advocacy Center completes a survey of its customers in February 2003. The Advocacy Center facilitates high-level U.S. government advocacy using various tools to help U.S. exporters win foreign government procurement contracts. The results indicate the percentage of successful advocacy contracts/awards made to U.S. firms/interests in a given fiscal year.

Measure 2c: Dollar Value of Completed Advocacies (U.S. Export Content)

	FY 1999	FY 2000	FY 2001	FY 2002
Target	New	New	New	\$3B to \$4B
Actual				\$8.64B
Met/Not Met				Met

Explanation of Measure

Dollar Value of Completed Advocacies measures the estimated dollar value of U.S. export content of foreign contracts signed or awarded to U.S. companies during a fiscal year. The performance measure reports only on the U.S. export content of the foreign contracts. Through its advocacy program, ITA supports three basic U.S. firms' needs through its advocacy efforts which are access to new markets, entry to markets, and expansion of export activities.

FY 2002 Performance

ITA exceeded its target. The estimated value of U.S. export content amounted to \$8.64 billion. Most of the Advocacy Center's successes were recorded in the FY 2002 third and fourth quarters. There were several big contracts awarded that covered the aerospace and power generation sectors. Additionally, the Advocacy Center saw an increase in the number of requests in the oil and gas, energy, and power generation sectors. Advocacy successes in these sectors typically result in higher dollar values.

Measure 2d: Number of U.S. Exporters Entering New Market

	FY 1999	FY 2000	FY 2001	FY 2002
Target	New	New	4,540	5,900
Actual		4,502	5,386	5,740
Met/Not Met			Met	Not Met

Explanation of Measure

This performance measure helps to assess ITA's success in helping U.S. exporters enter a new overseas market and to measure ITA's effectiveness in promoting trade. ITA will record and report on a number of U.S. exporters entering new markets that transact actual verifiable export sales, which include shipment of goods and delivery of services; signing of legally binding agreements, including agent and distributor, representation, joint venture, strategic alliance, licensing, and franchising agreements; and signing of contracts with future sales expected for the first time. Additional criteria of the definition for this measure are that the firm has not exported in the previous twenty-four months, prior exports have resulted from unsolicited orders, and exports were made through a U.S.-based intermediary. The definition has been revised to create more meaningful data about ITA's success in helping U.S. firms to export. Previously, ITA recorded the number of firms to which ITA provided export assistance services that were planning to export to a new market. Now, ITA will report only on U.S. firms that transact an actual verifiable export sale or other export related activity.

FY 2002 Performance

ITA did not meet its target. ITA's efforts were impacted by the worldwide economic slowdown and by shifts in foreign policy and security goals. ITA continues addressing viable opportunities to expand its U.S. market base. Given the risk-averse business climate, U.S. companies were not looking outward as much as they have in previous years.

Measure 2e: Number of U.S. Firms Exporting for the First Time				
	FY 1999	FY 2000	FY 2001	FY 2002
Target	New	New	679	800
Actual		673	742	699
Met/Not Met			Met	Not Met

Explanation of Measure

ITA focuses on small and medium sized enterprises (SMEs) that are export-ready, i.e., firms that have competitive products or services and already possess a level of financial and managerial strength that enables them to export. To assess ITA's success bringing new U.S. businesses into exporting and to measure ITA's effectiveness in promoting trade, ITA will record and report on the number of U.S. firms exporting for the first time that transact an actual verifiable export sale, which includes shipment of goods or delivery of services; signing of a legally binding agreement, including agent or distributor, representation, joint venture, strategic alliance, licensing, and franchising agreements; and signing of a contract with future sales expected for the first time. Other criteria of the definition for this measure are that the firm has not exported in the previous twenty-four months, prior exports have resulted from unsolicited orders, and exports were made through a U.S.-based intermediary. ITA helps identify and qualify agents, distributors, and end users. ITA provides access to timely, product-specific market information and country-specific information about appropriate distribution channels, information, and assistance in the critical area of export financing and payment considerations in order to broaden and deepen U.S. firms' participation in exporting. ITA meets other important needs by organizing market-sensitive trade events and, in a growing number of cases, effective overseas advocacy for U.S. firms' business interests.

FY 2002 Performance

ITA did not meet its target. ITA's efforts were impacted by the worldwide economic slowdown and by shifts in foreign policy and security goals. ITA continues addressing viable opportunities to expand its U.S. market base. Given the risk-averse business climate, U.S. companies were not looking outward as much as they have in previous years.

Program Evaluation

In support of the "Broaden and Deepen U.S. Exporter Base" performance goal, ITA undertook a review of several overseas offices that help U.S. firms find potential distributors and buyers, and conduct extensive market research on best prospects for U.S. goods and services. General reviews of operations were conducted of foreign posts in Venezuela, Greece, and Indonesia, and reviews of administrative operations were conducted in Poland, the Czech Republic and The Hague. Reviews were designed to increase the efficiency and effectiveness of the Foreign Commercial Service. Findings and recommendations called for strengthening internal management processes. Recommendations are implemented at each post upon completion of the management and program reviews.

Performance Goal 3: Ensure Fair Competition in International Trade

(This goal has been reworded since the publication of the FY 2000 Annual Program Performance Report (APPR) and FY 2002 Annual Performance Plan (APP). This goal was previously worded as: “Improve American Competitiveness and Access to Foreign Markets by Enforcing Compliance with U.S. Trade Laws and Agreements.”)

Corresponding Strategic Goal

Strategic Goal 1: Provide the information and the framework to enable the economy to operate efficiently and equitably.

Rationale for Performance Goal

The International Trade Administration (ITA) is committed to building a rules-based trading system in which international trade is both free and fair for U.S. firms and workers by combating dumping, when foreign goods are “dumped” at less than market value; evaluating the fairness of the subsidy of imports; and ensuring compliance with negotiated trade agreements. ITA identifies and monitors import surges created by imports that are sold in the U.S. at less than fair market value, foreign subsidy practices, and other harmful import trends. ITA defends U.S. industry against injurious trade practices by administering the antidumping (AD) and countervailing duty (CVD) laws of the U.S. ITA deploys attachés to foreign locations to educate foreign governments and businesses about U.S. AD/CVD laws and supports U.S. AD/CVD proceedings in foreign locations. ITA expedites investigations when warranted by import surges and foreign subsidy practices, defends unfair trade practices before the World Trade Organization (WTO), and coordinates the Department of Commerce’s role in the Administration’s steel strategy.

As the volume of world trade and investment expands and more countries enter into multilateral and bilateral trade agreements with the U.S., ITA promotes compliance with trade agreements through consultation with foreign governments, quick identification of noncompliance by communicating and establishing a relationship with U.S. exporters, improvement of coordination with other agencies, rapid response to illegal acts by mobilizing strike forces, and close collaboration with the Office of the U.S. Trade Representative (USTR) on enforcement actions. ITA’s Trade Compliance Center monitors trade agreements for implementation by foreign governments and identification of compliance problems.

FY 2002 Performance

ITA successfully worked directly with U.S. firms and foreign governments devising strategies in support of the ITA mission and the President’s Trade Agenda. President Bush’s top trade priority is securing implementation of trade agreements already won at the bargaining table through strengthened compliance and export promotion efforts. ITA conducted a pilot program of training seminars for Chinese officials and U.S. companies on WTO implementation issues and obligations. Secretary Evans announced and ITA carried out WTO-related technical assistance programs for Chinese government officials and businesses in China. ITA has created a Rapid Response Team composed of compliance officers stationed both here and abroad to focus on “hotspot” countries where U.S. firms face long-standing, complex problems with foreign compliance of signed trade agreements. ITA hired additional staff to cover the European Union, Western Hemisphere, Africa, and other regions. This staff will also ensure compliance with the terms of accession of new members to the WTO. ITA improved the ability of its overseas staff to respond to compliance issues associated with existing trade agreements and market access issues, and with antidumping and countervailing duties (WTO subsidies) investigations. ITA responded to the growth in WTO litigation and the need to address the growing number of investigations and reviews from non-market economy countries such as China.

ITA strengthened staff devoted to monitoring foreign subsidy practices, including government support to the steel, semi-conductor and cattle/beef industries. ITA has also established a Trade Remedy Compliance Staff to assist U.S. businesses that believe they encountered unfair practices or improper application of U.S. trade laws. ITA has analyzed complicated enforcement issues such as circumvention, new shipper reviews, and the independence of companies from the government. Because of the dynamic changes that all non-market economy countries are experiencing, ITA was and is constantly refining and re-examining its non-market economy practice and policy.

Measure 3a: Number of Antidumping (AD)/Countervailing Duty (CVD) Cases Processed

	FY 1999	FY 2000	FY 2001	FY 2002
Target	141	103	185	136
Actual	134	185	136	183
Met/Not Met	Not Met	Met	Not Met	Met

Explanation of Measure

Unfair foreign pricing and government subsidies distort the free flow of goods and adversely affect U.S. business in the global marketplace. Dumping occurs when a foreign producer sells a product in the United States at a price that is below that producer's sales price in the country of origin, or at a price that is lower than the cost of production. Foreign governments subsidize industries when they provide financial assistance to benefit the production, manufacture, or exportation of goods. Subsidies can take many forms, such as direct cash payments, credits against taxes, and loans at terms that do not reflect market conditions. If a U.S. industry believes that it is being injured by unfair competition through dumping or subsidization of a foreign product, it may request the imposition of antidumping or countervailing duties by filing a petition. The number of AD/CVD cases processed depends on the number of injurious trade actions taken by foreign governments and/or foreign companies. Workload is thus totally controlled by the parties who participate in the AD/CVD cases. While the Department of Commerce has the legal authority to initiate AD/CVD investigations, it rarely does. Thus, domestic industry generates virtually all AD/CVD cases. There is no way to anticipate whether a party would petition for an investigation or request an administrative review in any given year. ITA cannot solicit AD/CVD cases and, therefore, the use of the term "target" is inappropriate. Rather, the stated target simply reflects management's best estimate of what the caseload might be in a given year. No valid methodology exists to project caseload in future years, and the measure will be discontinued.

FY 2002 Performance

ITA met its target. In FY 2002, all filed petitions and reviews have been completed within the statutory time. The AD/CVD laws provide U.S. domestic industry with means by which to petition the U.S. government for relief from unfair foreign trade practices. ITA does not solicit AD/CVD petitions for relief from unfair foreign trade practices, but rather conducts investigations as petitions are accepted. ITA also initiates and conducts administrative reviews of AD/CVD orders if petitioners and respondents in the various cases request administrative reviews.

Measure 3b: Percentage of AD/CVD Cases Completed On Time

	FY 1999	FY 2000	FY 2001	FY 2002
Target	New	New	New	100%
Actual				100%
Met/Not Met				Met

Explanation of Measure

The number of AD/CVD cases completed on time is a reflection of the vigilance of Import Administration (IA) staff to complete its casework within the statutory timeframe. U.S. domestic industry generates AD/CVD cases, and timeliness of case activity is a critical factor for delivering customer satisfaction. Timeliness of casework is also essential for upholding the integrity of the AD/CVD laws as a credible and fair legal mechanism to address unfair trade actions by foreign interests. The stated target reflects management's prioritization of adherence to statutory requirements. ITA must always complete these cases within the limits set forth in law.

FY 2002 Performance

ITA met its target. Timely completion of AD/CVD investigations and administrative reviews is dictated by statutory timeframes. The number of investigations and administrative reviews conducted in any given year reflects the volume of petitions for investigations and requests for administration reviews submitted. AD/CVD cases are completed within statutory deadlines in order to ensure U.S. firms receive timely relief promised under the law.

Program Evaluation

In support of the "Ensure Fair Competition in International Trade" performance goal, the Office of Inspector General issued an inspection report on ITA's trade compliance efforts, with a specific focus on the activities of the Trade Compliance Center, dated March 2002. The report sought to determine whether the trade agreement compliance process, as managed by the center, was efficient, effective, and responsive to client needs. The findings and recommendations included a call for better coordination within ITA of trade agreement compliance work, creation of a central compliance database to capture work performed by various ITA units, reexamination of compliance performance measures, and additional improvements to the complaint process.

Performance Goal 4: Advance the United States' International Commercial and Strategic Interests

Corresponding Strategic Goal

Strategic Goal 1: Provide the information and the framework to enable the economy to operate efficiently and equitably

Rationale for Performance Goal

Changing economic, technological, and social conditions in the last decade have altered how international trade is conducted. This changing international trading environment presents American exporters with numerous challenges and opportunities. There are new markets to target, new trade barriers to overcome, a need for differing types of export assistance, shifts in industry dynamics, a stronger role for international organizations and alliances, and various policy mandates to be considered, including foreign policy and U.S. security goals.

The International Trade Administration (ITA) advances U.S. international commercial and strategic interests by creating an infrastructure that encourages economic growth, technological competitiveness, and sustainable development. This is achieved through mobilization of financing and development of commercial infrastructure in target countries, increased information flow to U.S. exporters about target countries, increased facilitation of business-to-business exchange or contact in target countries, and increased compliance with accepted business standards and potential sanctions.

ITA works with other U.S. Government agencies to encourage foreign policy and assistance programs to include a role for expanding U.S. business in economic development. ITA has had significant success in expanding U.S. exports while supporting U.S. Government foreign policy initiatives. To quote President Bush, "...Free trade is also a proven strategy for building global prosperity and adding to the momentum of political freedom..." By generating U.S. exports, ITA simultaneously supports the development of a stronger market-oriented economic system in areas of the world (for example, Africa), contributing both to U.S. economic goals and global stability.

FY 2002 Performance

ITA's unique relationship with U.S. industry enables it to participate in shaping and implementing U.S. trade policy and to take a leadership role in trade negotiations. ITA employees, in addition to supporting U.S. trade negotiators in the WTO, Free Trade Agreement of the Americas (FTAA), and through bilateral Free Trade Agreements, worked to encourage foreign policy and assistance programs to include a role for expanding U.S. business in economic development programs. ITA has had a significant success in expanding U.S. exports while supporting U.S. Government foreign policy initiatives in China, Russia and the other Newly Independent States, Central American, Northern Ireland, Central and Eastern Europe and South Africa. ITA continued the commercial energy dialogue with the Russia, China and Kazakhstan, by providing a forum for energy companies to identify and overcome specific barriers and promote greater cooperation in energy trade and investment. ITA's actions facilitated increased exports and simultaneously supported a stronger, market-oriented economic system in these areas of the world, which contributed both to U.S. economic goals and global stability.

Measure 4a: Dollar Exports in Targeted Products and Markets

	FY 1999	FY 2000	FY 2001	FY 2002
Target	New	New	New	New
Actual				\$166.3B
Met/Not Met				

Explanation of Measure

Exports have accounted for almost one-quarter of U.S. economic growth during the past decade¹. ITA promotes U.S. business abroad, supports trade policy development, ensures compliance with trade agreements, and creates market access through trade negotiations and trade agreements. ITA management identified energy, telecommunications, services, and environment as targeted market or sectors. This measure tracks dollar exports in priority markets, captures the dollar value of exports generated by U.S. businesses in targeted sectors both in total and for individual foreign markets that are attributable to ITA programs. The FY 2003 and FY 2004 targets have been adjusted based on the actual exports data collected in FY 2002.

FY 2002 Performance

This is a new performance measure for which FY 2002 targets were not available. ITA started data collection in FY 2002. The FY 2003 and FY 2004 targets have been derived based on the reports received for FY 2002 and projected state of the world economy.

Program Evaluation

On November 14, 2001 in Doha, Qatar, the members of the World Trade Organization (WTO) agreed on a new work program that includes comprehensive multilateral trade negotiations, which will take place over the next three years. ITA plays three significant roles in the trade negotiating process: 1) ITA's goal is to ensure that our negotiating objectives reflect the current and future needs of American industry; 2) ITA's units participate in trade negotiations; and 3) ITA is a key player in World Trade Organization (WTO) accession negotiations. Future WTO work will cover a variety of areas affecting international business and commerce, including industrial tariff and non-tariff barriers, agriculture, services and trade rules. The members will take up additional areas of negotiation, such as investment rules and competition, after the second half of 2003. At the end of the negotiations, American exporters of industrial and agricultural goods and services should find that they have improved access to overseas markets.

¹ Radio Address of the President to the Nation, April 27, 2002.

Performance Goal 5: Improve Customer and Stakeholder Satisfaction

Corresponding Strategic Goal

Strategic Goal 1: Provide the information and the framework to enable the economy to operate efficiently and equitably

Rationale for Performance Goal

In August 2001, President Bush announced his management agenda, which describes initiatives designed to create a government that is focused on results, is more accessible to its citizens and is client-centered. In support of the Administration's vision for government that is client-oriented, the International Trade Administration (ITA) is committed to improving both customer and stakeholder satisfaction.

ITA's customers are U.S. businesses. U.S. firms expressed several needs for enhanced products and service offerings and service delivery capabilities from ITA to export more successfully in a fair trade environment. As we are finding from program analysis, U.S. businesses want on-line customized information products and simplified access to ITA services. ITA cannot always address the needs of its customers, as a single agency, but, ITA often partners with other agencies, both public and private, to meet its customers' needs. Other government agencies frequently join ITA in its efforts to promote trade or expand market access. ITA also works with nongovernmental organizations such as trade groups, or other private sector organizations to deliver its mission and to address the needs of U.S. businesses.

ITA's policy and promotion efforts, ranging from information to hands-on assistance, help small and medium-sized enterprises (SMEs) through every stage of the export process. ITA promotes the use of technology to speed up access to relevant information for customer and service staff and assesses the effectiveness of its products and services in meeting customer needs. Collectively, these efforts assure timely, responsive, high-quality service to the customers and stakeholders, promote continuing program improvement, and ensure efficient operations. The success of ITA efforts depends upon effectively addressing the challenges in the trade environment, but also meeting the expectations and needs of its stakeholders and customers.

FY 2002 Performance

Through its liaison with U.S. businesses, ITA provides integrated, comprehensive services for strengthening U.S. competitiveness and promoting U.S. export growth. The input received from customers indicated their demand for trade and economic data. During FY 2002, ITA continued to improve the delivery and usefulness of U.S. export data as a tool in helping U.S. firms realize their export potential. Since ITA found that 60 percent of U.S. exporters use Web sites as a primary source of Web-based information, ITA has accelerated the process of "unlocking" Department of Commerce data now residing on in-house systems by expanding the use of powerful Web technologies like the Export Statistics Express <http://ese.export.gov>. This technology—which featured interactive data retrieval, user customization, data visualization on map-based interfaces, and flexible downloading and printing—vastly expands data accessibility while sharply reducing the costs of serving ITA customers. Additionally, ITA structured the Global Diversity Initiative and Rural Export Initiative programs, which reached over 200 minority/women-owned firms and funded over 58 trade shows, training sessions, conferences and small projects in the first half of FY 2002 providing rural SMEs with export opportunities.

ITA has integrated customer feedback into its annual improvement objectives and initiated a strong transition to a customer-focused culture as directed by the President's Management Agenda. ITA frequently receives positive feedback on survey responses from customers praising the attitude taken by ITA staff towards servicing their needs. ITA was pleased that its FY 2002 quarterly survey of the Export.gov website showed that 84.4 percent of customers were satisfied with the portal's ease of use. ITA continues to make improvements as it strives for even higher levels of client satisfaction. Projects underway to help U.S. companies to take advantage of technological advances include outreach seminars and a hotline to resolve customer complaints.

Measure 5a: Employee Job Satisfaction

	FY 1999	FY 2000	FY 2001	FY 2002
Target	New	New	New	3.5 mean
Actual				Not Implemented
Met/Not Met				Not Met

Explanation of Measure

ITA seeks to improve individual and organizational performance by recruiting and retaining a high-quality, diverse workforce that is satisfied with the quality of their work lives. This measure will help to ensure effective management of human resources and will improve ITA's organizational capabilities and flexibilities. The ultimate objective of measuring employee job satisfaction is to improve individual and organization performance by putting people first.

The measure is broadly defined. While the primary source of data will be answers to questions on the employee perception survey, other data, which can gauge the level of employee training and development and awards and recognition, will supplement this source. The measure will also involve evaluating the effectiveness of quality-of-work-life programs (for example, telework, Alternate Work Schedules, and so on) to determine the extent to which these programs have an impact on overall job satisfaction.

FY 2002 Performance

Originally, ITA reported a target of 3.5 mean range. Due to FY 2002 budgetary constraints, ITA did not conduct a survey to measure employee job satisfaction. Permitting funds availability, one is planned for FY 2003.

Program Evaluation

ITA undertook a study of fees charged for services provided to America's small and medium-sized enterprises. One of the most significant findings is that ITA is the low cost provider of export promotion services to the exporting community. ITA needs to develop a more sophisticated approach to marketing management to better deliver needed products and services to the SME community at a reasonable cost and in a uniform manner. ITA needs to realize greater efficiencies in its organizational and cost structures by improving its focus on its core products with the goal of developing production and distribution economies. ITA is considering the findings and will develop an action plan to address the findings and recommendations presented in the study.

Performance Goal 6: Improve the U.S. Competitive Advantage through Global E-Commerce

Corresponding Strategic Goal

Strategic Goal 1: Provide the information and the framework to enable the economy to operate efficiently and equitably.

Rationale for Performance Goal

The International Trade Administration (ITA) continues its focus on e-commerce, a major channel to further U.S. exports. ITA's e-commerce export promotion program has four main goals: helping small businesses use the Internet to find markets overseas, helping established U.S. information technology companies to expand overseas, helping emerging economies make the transition to the digital age, and, through negotiations ensuring that both the Internet and foreign markets are open and accessible.

ITA provides exporters that have Internet access with information on the international marketplace through the use of electronic products and services such as Export.gov and BuyUSA.gov. These two major web sites provide basic information on navigating through the steps in the export process, in addition to international market research and online matchmaking services with foreign buyers. Through Export.gov, ITA's export portal, users obtain information on regulatory matters and policies, and access a broader array of U.S. government trade-related information from the Department. BuyUSA.com and Export.gov work in partnership to help SMEs complete export transactions. Using a wide variety of e-commerce tools and service from both public and private sector sources, ITA employees help U.S. business evaluate new overseas markets and take advantage of foreign sales opportunities.

On the policy side of e-commerce, ITA is working in a range of international forums, such as the Free Trade Area of the Americas, and other Department of Commerce bureaus and government agencies to develop and advocate U.S. policy positions on a range of e-commerce issues. They include privacy, consumer protection, infrastructure access, telecommunications liberalization, diffusion of information technology (IT) to small and medium-sized enterprises (SMEs), standards, IT tariff elimination, and expanded IT market access.

FY 2002 Performance

ITA constantly updates its programs, products, and services to reflect the changing needs of clients in an evolving world economy. ITA employees used a wide variety of e-commerce tools and services from both public and private sector sources to help U.S. business evaluate new overseas markets and take advantage of foreign sales opportunities. ITA has developed tools to increase the accessibility of exporting information to potential exporters. Major Web sites, such as BuyUSA.com, offer U.S. exporters the unique ability to promote their products and services, create an online catalog, and respond to trade lead inquiries from a pool of over 18,000 foreign buyers, provide basic information on navigating through the steps in the export process, in addition to international market research and online matchmaking services with foreign buyers.¹ Through Export.gov, ITA's export portal, users obtain information on regulatory matters and policies, and access a broader array of U.S. government trade-related information. In early 2002, Export.gov is a key component in the "International Trade Process

¹ BuyUSA.com database maintained by the U.S. and Foreign Commercial Service

Streamlining Initiative,” one of only twenty-four Presidential e-government initiatives across the federal government. BuyUSA.com and Export.gov work in partnership to help SMEs complete export transactions. Providing information and services electronically and utilizing video conferencing freed ITA trade specialists to focus more on working in-depth with clients. In addition, an international electronic data network “E-menu” and a series of Lotus Notes databases allow overseas posts to deliver specific information requests almost instantly to meet the needs of U.S. companies and support the export counseling program of the domestic network.

Measure 6a: Number of New Subscribers Using BuyUSA.com E-services

	FY 1999	FY 2000	FY 2001	FY 2002
Target	New	New	5,000	1,500
Actual			371	564
Met/Not Met			Not Met	Not Met

Explanation of Measure

BuyUSA.com offer U.S. exporters the unique ability to promote their products and services, create an online catalog, and respond to trade lead inquiries from a pool of foreign buyers. The site also provides the U.S. firms with information on a host of export assistance and counseling services offered in over 104 domestic offices and over eighty countries worldwide.

FY 2002 Performance

ITA did not meet its target. The actual number of new subscribers to BuyUSA.com e-services declined due to the delay in the launch of the Web site from March 2001 to late September 2001. Additionally, the slowdown in the U.S. economy and the resulting foreign and domestic economic uncertainty has caused a number of SMEs to be cautious and risk-averse in their international business activities and investments. This includes even a small investment in the subscription cost to the BuyUSA.com e-services.

Measure 6b: Customer Perception of Portal Ease of Use

	FY 1999	FY 2000	FY 2001	FY 2002
Target	New	New	New	>50% Satisfaction Rate
Actual				84.4%
Met/Not Met				Met

Explanation of Measure

Customers’ perceptions of the portal ease of use ties directly to the ITA performance goal that seeks to improve U.S. competitive advantage through global e-commerce. The rise of the Internet and e-commerce should make global markets increasingly accessible to even the smallest of U.S. companies. However, only 2 percent of small companies currently export. The online information on overseas markets and export services available through the U.S. government has historically left something to be desired. ITA’s Export.gov is a first step toward consolidating export information into a single, customer-focused site where anyone can find every online federal resource related to exporting. ITA will survey online customers

visiting Export.gov on an ongoing basis. Two weeks before the end of each reporting quarter, customers will be asked to fill out the questionnaire before leaving the site. The customers' responses will be optional. This new performance measure will allow ITA to gauge customers' perception of portal ease of use and to increase the quality and navigability of the ITA portal based on customer feedback. ITA will seek a target of greater than 50 percent satisfaction when ordinal scores of 3 or higher occur on a scale of 1-5 (five being best) for overall portal ease-of-use.

FY 2002 Performance

ITA met its target. This is a new performance measure that ITA implemented in March 2002. The delay in implementation occurred due to the time required for design and approval of the portal OMB survey form and to some technical difficulties in collecting the information. The problems associated with the collection of data have been resolved and a representative number of responses were received for the second half of FY 2002. 84.4 percent of respondents perceived the portal is sufficiently easy to use. ITA plans to shorten the online survey and to offer it as a pop-up to every thirtieth visitor during the last month of every quarter in order to obtain more feedback.

Measure 6c: Percentage of ITA Business Processes Provided Electronically to External Customers

	FY 1999	FY 2000	FY 2001	FY 2002
Target	New	New	New	50%
Actual				Not Implemented
Met/Not Met				Not Met

Explanation of Measure

Based on Government Paperwork Elimination Act requirements, ITA is required to offer business processes electronically by October 2003, where practicable. U.S. exporters expressed a need for fast access to ITA products and services. This performance measure will track ITA's progress in taking advantage of IT opportunities to deliver products electronically to external customers and, in doing so, to create process efficiencies and improved services to customers.

FY 2002 Performance

Collection of the information was delayed due to the establishment of controls for this performance measure. As soon as collection parameters were established, ITA identified sixty-two "significant" products and services that are provided to external customers. Initial tracking of those products and services began in September 2002. Targets and actual performance will be recorded in FY 2003.

Program Evaluation

A recent study conducted by the TPCC revealed two primary reasons why SMEs don't export: lack of information on how to export, and lack of information about foreign markets. The study also revealed that the federal government was the leading source of four of the top ten export services used, and thus is a significant resource for SMEs. ITA has assessed the effectiveness of the Export.gov Web portal in the quality and efficiency of the delivery of trade-related market research and program information. The findings include recommendation for centralization of the Web development office, improved security and higher quality server, creation of centralized market research databases, and development of a long-range strategic plan for Export.gov.

ITA Data Validation and Verification

In FY 2002, ITA implemented a newly defined set of outcome oriented performance measures, tracking and reporting performance in a network-based performance management data reporting system utilizing a software application called “Panorama Business Views (pbviews). With the implementation of pbviews in January 2002, ITA has made tremendous strides in fully integrating the performance management approach into ITA’s day-to-day operations and annual planning cycle. Every performance measure has a designated measure owner who gathers data and validation information; maintains individual measure documentation; leads cross-organizational coordination of data collection; performs quality control, including error checking and elimination of duplicates; and acts as program unit point of contact for ITA managers. Individual program unit managers are held accountable for the quality of the data that its staff collects and the timeliness with which the data is input into the performance management system, pbviews. Every quarter, the ITA Strategic Planning Leadership Team (SPLT) composed of senior career ITA line managers reviews the reports published on pbviews for data integrity and accomplishments, and recommends corrective actions as necessary. This peer review approach also serves as a validation process of whether data are appropriate for the performance measures. The ITA Data Validation and Verification table can be found starting on the following page.

ITA Data Validation and Verification

Performance Measure	Data Source	Frequency	Data Storage	Verification	Data Limitations	Actions to be Taken
Measure 1a: Number of export transactions made as a result of ITA involvement	Customer survey	Annually	Client management system	ITA will perform client survey verification and periodic auditing of survey data and results.	Responses to the survey depend on U.S. business cooperation and willingness to provide data, and on sample size and response rate of periodic surveys of product users.	ITA reports data recorded in the client management system.
Measure 1b: Number of new or enhanced ITA partnerships with public and private sector entities to promote U.S. exports	Database of domestic or foreign; for-profit or not-for-profit; federal, state, or local government agency; private sector firm or industry organization partners (currently under development by measure owner.)	Annually	ITA, wide source data to be input into panorama business views.	ITA will perform client verification survey. (Data will be collected manually of written evidence of new or enhanced partnership with accompanying certification that written evidence qualified to be included as a new or enhanced partnership.)	Global trends, political developments, and ITA resources could affect the actual numbers.	ITA is currently establishing a baseline of existing partnerships and will use this baseline to measure marginal changes occurring during FY 2002 to assess progress and set meaningful targets. Targets established for FY 2002 and FY 2003 are based on best available data at the time of this publication.
Measure 1c: Number of new-to-market firms	U.S. exporters	Annually	Client management system	ITA data on client contacts, activities, including new-to-market firms, are collected quarterly using internal procedures. ITA performs quality controls to assess information in the client management system.	ITA's collection of data to measure the numbers of clients that successfully export to a new market is wholly dependent on a client's willingness to provide such information.	ITA has redefined this measure and will factor out previously counted firms that received counsel but did not generate a sale as a result of counseling.
Measure 2a: Number of new-to-export firms	U.S. exporters	Quarterly	Client management system	ITA collects quarterly data on client contacts, activities, including new-to-market firms, using internal procedures. ITA performs quality controls through periodic audit and calls to data reporters.	ITA's collection of data to measure the numbers of clients that successfully export for the first time is wholly dependent on a client's willingness to provide such information.	ITA will continue to review its measures to promote the President's goal of expanding free trade while maintaining ITA's goal of expanding markets for U.S. goods and services through new-to-export firms.
Measure 2b: Percentage of undertaken advocacy actions completed successfully	U.S. companies that benefit from U.S. government advocacy	Annually	Advocacy database, advocacy success database, client management system.	The advocacy center conducts annual verifications with follow-up calls to a significant sample of customers to verify the dollar value of exports generated through the support of U.S. government effort.	In some cases contract a host government overturns awards, and the winning U.S. company then loses the project. Quality of data is dependent on client's willingness to provide the data. Some clients elect not to provide information to ITA due to business proprietary concerns. U.S. embassies in some instances do not report all advocacy projects they have worked on in a given fiscal year.	Advocacy actions reported are those recorded by the Advocacy Center thus eliminating any possible duplications in the data reported by various ITA entities.

ITA Data Validation and Verification (cont.)

Performance Measure	Data Source	Frequency	Data Storage	Verification	Data Limitations	Actions to be Taken
Measure 2c: Dollar value of completed advocacies (U.S. export content)	U.S. companies that benefit from U.S. government USG advocacy.	Annually	Advocacy database, advocacy success database, client management system.	The advocacy center conducts annual verifications with follow-up calls to a significant sample of customers to verify the dollar value of exports generated through the support of U.S. government effort.	Quality of data is dependent on client's willingness to provide the data. U.S. companies provide dollar estimates regarding export content. The advocacy center has found that after these estimates were reviewed in random audits conducted in the past three years, the individual project export content values did vary. However, these fluctuations had little or no effect on the total aggregate value of the export content claimed at the end of each fiscal year. Additionally, some clients elect not to provide information to ITA due to business proprietary concerns.	ITA has taken steps to ensure that all completed advocacies are reported and verified in the advocacy center database.
Measure 2d: Number of U.S. exporters entering new market	U.S. exporters	Annually	Client management system	ITA data on client contact activities, including U.S. exporters entering new market, are collected quarterly using internal procedures. ITA performs quality control, including error checking and elimination of duplicates, and verifies results through peer review of verifiable documentation.	ITA's collection of data to measure a number of clients that successfully export for the first time to a new market as a result of ITA assistance is wholly dependent on a client's willingness to provide such information.	ITA reports data recorded in the client management system.
Measure 2e: Number of U.S. firms exporting for the first time	U.S. exporters	Annually	Client management system	ITA data on client contacts, including U.S. firms exporting for the first time, are collected quarterly using internal procedures. ITA performs quality control, including error checking and elimination of duplicates and, through peer review, verifies documentation.	ITA's collection of data to measure the numbers of clients that successfully export for the first time as a result of ITA assistance is wholly dependent on a client's willingness to provide such information.	ITA has redefined this measure and will factor out previously counted firms that had been counseled but did not export as a result of counseling. ITA will report on newly exporting firms whose new status can be attributed to ITA assistance. This may change projections and actuals significantly. Over time the new figure will constitute a far more accurate and verifiable depiction of ITA performance.

ITA Data Validation and Verification (cont.)

Performance Measure	Data Source	Frequency	Data Storage	Verification	Data Limitations	Actions to be Taken
Measure 3a: Number of AD/CVD cases processed	U.S. companies defended against injurious trade practices.	Daily	Case management system	Final determinations, including Federal Register notices, support each case. ITA employs Lotus Notes software to operate the IA-wide AD/CVD case tracking and management system. ITA's case management system is updated daily and statistics are available at a moment's notice. Performance data is monitored and certified internally.	Depends on the number of injurious trade actions taken by foreign governments and/or foreign companies. Workload is totally controlled by U.S. firms petitioning for AD/CVD investigations and foreign companies who are respondents in the AD/CVD cases.	Data for this measure will continue to be collected as necessary source data for ITA's new measure percentage of AD/CVD cases completed on time.
Measure 3b: Percentage of antidumping or countervailing duty cases completed on time	Import Administration (IA) cases completed in accordance with the statutory deadline.	Timeliness is measured as a percentage of all completed cases and will be reported annually. Computation is "total number of cases completed by statutory deadline/total number of cases."	Case management system	Each case is supported by final determinations, including Federal Register notices. Lotus Notes software is employed to operate the IA-wide AD/CVD case tracking and management system. ITA's case management system is updated daily and duration statistics are available at a moment's notice. Performance data are monitored and certified internally.	Depends on the accurate tracking of case assignment and case completion.	None. Timely completion of AD/CVD investigations and administrative reviews is dictated by statutory timetables. AD/CVD cases are completed within statutory deadlines in order to ensure U.S. firms receive timely relief promised under the law.
Measure 4a: Dollar exports in targeted products and markets	Census Bureau and Bureau of Economic Analysis trade data and U.S. export promotion participants.	Annually	Electronic retrieval of detailed Census Bureau and Bureau of Economic Analysis trade data.	ITA collects data on dollar exports in targeted markets quarterly using internal procedures. ITA performs quality control, including error checking and elimination of duplicates, and, through peer review, verifies collected data.	Data present estimates of result-ant exports, but global economic variables and political or administrative developments may affect the future growth in U.S. exports to targeted markets. Data for the service sector are limited in the detail available and frequency of publication, and there is a substantial lag (three to four months) in its publication.	Data are compiled from several sources which include lagging indicators. ITA is working to resolve or redress this situation.
Measure 5a: Employee job satisfaction	Employee perception survey; human resources (HR) reports on recruitment, attrition, exit interviews, awards and recognition, and training and development; the Office of Personnel Management's government-wide survey.	Annually	Office of Human Resources Management database, hard copies.	Results of annual employee perception survey will be determined and validated by an outside contractor. HR reports are generated from data stored in HR systems, which are updated biweekly; errors are identified and corrected through quality audits.	Response rate to surveys; quality of survey questions; willingness of employees to articulate concerns; accuracy of data entered into HR system.	Assessment is underway to determine if action is needed to develop an employee satisfaction score as well as proxy measures (for example, retention rates and number of complaints).

ITA Data Validation and Verification (cont.)

Performance Measure	Data Source	Frequency	Data Storage	Verification	Data Limitations	Actions to be Taken
Measure 6a: Number of new subscribers using BuyUSA.com E-services	U.S. subscribers using the BuyUSA.com Web site.	Annually	Web trends (Internet-based software tracking system.)	Clients visiting the Web site or domain during a specific period of time. The U.S. and Foreign Commercial Service collects, reviews, verifies, and signs the reports.	None. A subscriber is identified by a registered user name.	ITA will refine and revamp targets, which are far less accurate than originally anticipated.
Measure 6b: Customer Perception of Portal Ease of Use	ITA customer portal survey.	Annually	Data to be logged and stored on a database such as Microsoft Access and/or Excel spreadsheet.	ITA employees will harvest the data from ITA's Export.gov portal.	Level of response to the survey; sample size and customer misinterpretation of survey questions.	ITA has developed a portal survey that is posted online.
Measure 6c: Percentage of ITA business processes provided electronically to external customers	ITA customer portal or Web based survey.	Biannually	Microsoft Excel or Microsoft Access database.	ITA's program staff will verify the survey data through periodic assessments of representativeness of respondents.	Level of response to the survey, sample size, and customer misinterpretation of survey questions.	ITA has finalized the type of business process, the accuracy of current targets and definitions in the measure. ITA will collect actuals for the fourth quarter of FY 2002.