

Plan to Implement and Enforce the United States – Peru Trade Promotion Agreement

Prepared by the Office of Management and Budget

This report fulfills the requirements of Section 2108(a) of the Trade Act of 2002 (“the Act”). Section 2108(a) requires that when the President submits a trade agreement to Congress under the Act, the President also must submit a plan for implementing and enforcing the agreement. Specifically, the plan must include the following:

Section 2108(a)(1)—Border Personnel Requirements: A description of the additional personnel required at border entry points, including a list of additional customs and agricultural inspectors.

Section 2108(a)(2)—Agency Staffing Requirements: A description of additional personnel required by Federal agencies responsible for monitoring and implementing the trade agreement, including personnel required by the Office of the United States Trade Representative, the Department of Commerce, the Department of Agriculture (including additional personnel required to implement sanitary and phytosanitary (“SPS”) measures in order to obtain market access for United States exports), the Department of the Treasury, and such other agencies as may be necessary.

Section 2108(a)(3)—Customs Infrastructure Requirements: A description of the additional equipment and facilities needed by the United States Customs Service.

Section 2108(a)(4)—Impact on State and Local Governments: A description of the impact the trade agreement will have on State and local governments as a result of increases in trade.

Section 2108(a)(5)—Cost Analysis: An analysis of the costs associated with each of the above items.

The Office of Management and Budget has requested appropriate agencies to provide information on any additional staffing and equipment that will be required to implement and enforce the United States - Peru Trade Promotion Agreement and the costs associated with these needs. No significant additional personnel costs have been identified by agencies. The Department of Agriculture estimates personnel needs at 2.0 FTEs annually and will manage within existing resources. The Department of Labor estimates personnel needs at 0.5 FTEs annually and will reassign existing staff to meet this requirement. The Department of Commerce estimates total personnel needs of 1.0 FTE in two sections and will handle this by reassigning staff. Each of these agencies have indicated they may also need to purchase additional equipment, but at a cost less than \$500,000. The implementation and enforcement costs are therefore estimated at less than \$1.5 million dollars.

For those few areas where agencies have identified additional staffing and resource needs, the Administration intends to adjust existing budgeted resources and does not anticipate requesting additional funding from Congress.

Section 2108(a)(1)—Border Personnel Requirements

The DHS does not estimate increased requirements for additional border personnel.

Section 2108(a)(2)—Agency Staffing Requirements

The following agencies have identified minimal additional staffing needs to implement and enforce the United States - Peru Trade Promotion Agreement.

Agency	# FTE	Purpose
Department of Agriculture	2.0*	Implement and monitor agreement as well as SPS follow up support
Department of Labor	0.5*	Implementation of labor chapter and related sections
Department of Commerce	1.0*	Market Access & compliance plus intellectual property monitoring and implementation

Note: * indicates reassigned resources rather than indication of increased need.

Section 2108(a)(3)—Customs Infrastructure Requirements

No significant additional equipment or facilities are expected to be needed by the Bureau of Customs and Border Protection of the DHS.

Section 2108(a)(4)—Impact on State and Local Governments

The United States - Peru Trade Promotion Agreement is not expected to have any measurable impact on State and local governments.

Section 2108(a)(5)—Cost Analysis

No additional budget proposals for FY 2007 or beyond are, at this time, anticipated to be required to implement and enforce the United States - Peru Trade Promotion Agreement.