

US-Turkey Business Council, Session III

Topic 4.b.

Joint US/Turkish Governmental Advocacy Process for Bilateral Business Pursuits in Third Countries

Background:

On behalf of the US Government, the US Department of Commerce considers applications made to its Advocacy Center for official US Government advocacy (support and assistance in promoting specific pursuits). Following is the Commerce Department's Advocacy Center policy on content of national origin:

1. The overall basis for determining the nature and extent of USG support for a viable bid or proposal in connection with an international transaction shall be the U.S. national interest. A U.S. national interest determination will first weigh and assess the foreseeable, material benefits to the U.S. economy that may potentially be derived from a transaction and assess the merit of a request for USG support of any bid or proposal made in connection with the transaction.
2. A bid or proposal in which the U.S. content of the goods or services to be provided exceeds 50 percent of the total value (including material, equipment and labor) shall be presumed to be in the U.S. national interest.
3. In cases where the U.S. content does not exceed 50 percent, the following factors, in addition to the 50 percent U.S. content threshold, may be considered in determining whether USG support of a bid or proposal is in the U.S. national interest:
 - * the bid or proposal includes a significant dollar value of U.S. goods or services exports;
 - * the foreign project or procurement opportunity provides a substantial probability of future exports of U.S. goods or services;

- * the foreign project or procurement opportunity provides a substantial benefit to the U.S. industrial base or technological capabilities in the industry or industries concerned;
- * the potential U.S. export content for the foreign project or procurement opportunity is limited by restrictions or conditions imposed by the terms of the project or procurement opportunity, or because sourcing particular goods or services from the United States is economically unfeasible; and
- * the foreign project or procurement opportunity provides export opportunities for small and medium-sized enterprises that might not otherwise be available.

The USG may determine that a bid or proposal that meets one or more of the above factors in a clear and substantial way is in the U.S. national interest.

4. All bids or proposals that are determined to be in the U.S. national interest under paragraphs 2 or 3 above shall be supported by the USG in an equal and nondiscriminatory manner.

Recommendation:

Proposal for FSECC: Where deemed in the interest of both the US and Turkish Governments, and whereas the joint US-Turkish content is deemed significant, via the US Department of Commerce and its Turkish counterpart, both governments will advocate for approved joint US-Turkish business pursuits competing for projects in third countries. The US and Turkish Governments will provide an on-line process for US and Turkish business joint collaborative teams to apply for advocacy. It is recommended that approval be based on mutually agreed upon prerequisites and requirements of both countries.

A US Commerce Department review would determine which of its requirements could be modified in a joint advocacy approval. The review process would include a definition of targeted national content from the US and Turkey.