

EXECUTIVE OFFICE OF THE PRESIDENT
THE UNITED STATES TRADE REPRESENTATIVE
WASHINGTON, D.C. 20508

JUL 26 2006

The Honorable Daniel R. Pearson
Chairman
U.S. International Trade Commission
500 E Street, S.W.
Washington, D.C. 20436

Dear Chairman Pearson:

As you know, one of the President's important trade policy initiatives has been to assist sub-Saharan African (SSA) countries to bolster their economic growth and development through trade. Utilizing programs such as the African Growth and Opportunity Act (AGOA), the African Global Competitiveness Initiative, and various other initiatives, the Administration has sought to stimulate economic growth and competitiveness in the SSA region by promoting free markets, expanding U.S.-SSA trade and investment, and facilitating SSA's integration into the global economy.

To assist U.S. trade policy makers, it would be helpful to have the U.S. International Trade Commission (the "Commission") provide certain information on the competitive factors affecting industries within SSA that have experienced significant increases or decreases in exports.

Pursuant to authority delegated by the President to the United States Trade Representative under Section 332(g) of the Tariff Act of 1930, I therefore request that the Commission prepare annual reports, for a period of three years, that provide brief overviews of the trends in SSA exports in the agricultural, mining and manufacturing, and services sectors, as well as profiles of SSA industries within those sectors that produce products, as indicated below, that have shown significant export shifts in recent years. The reports should be based on the most recent five year period for which data are available.

Each profile should be concise and include the following information, to the extent the data are available:

- a description of the leading industries within SSA that export the subject products, including their position relative to global competitors;
- identification of the leading SSA exporting countries and their key markets; and
- analysis of the competitive factors, by country, that have contributed to the shift in exports. (Such factors may include access to inputs, labor, technology, investment, trade policies, e.g., tariffs and trade preference programs such as AGOA, privatization, and liberalization.)

The primary focus of the profiles should be on the leading country exporters for each product, but, to the extent practicable, the profiles should also contain some information on industries in all countries within SSA that export the subject products.

The first annual report should cover industries that produce the following products: 1) agriculture -- cut flowers, cocoa butter/paste, nuts (coconuts, brazil nuts, and cashews), and prepared/preserved fish; 2) mining and manufacturing -- acyclic alcohol, unwrought aluminum, textiles and apparel, petroleum gas (liquified natural gas), flat-rolled steel, and wood veneer sheets; and, 3) services -- financial services and tourism. The Commission is requested to deliver the first report no later than April 3, 2007.

The second and third reports should be delivered 12 and 24 months, respectively, after delivery of the first annual report. Consultations between the Commission and USTR on the industry coverage in the second and third reports should be completed no later than 2 months after receipt of the prior year's study.

I anticipate that the Commission's reports will be made available to the public in their entirety. Therefore, the reports should not contain any confidential business or national security information.

The Commission's assistance in this matter is greatly appreciated.

Sincerely,

A handwritten signature in black ink, appearing to read "Susan Schwab", written in a cursive style.

Susan C. Schwab