February 28, 2003

The Honorable Robert B. Zoellick United States Trade Representative 600 17<sup>th</sup> Street, N.W. Washington, D.C. 20508

## Dear Ambassador Zoellick:

Pursuant to Section 2104 (e) of the Trade Act of 2002 and Section 135 (e) of the Trade Act of 1974, as amended, we are pleased to transmit the report of the Industry Functional Advisory Committee on Electronic Commerce (IFAC-4) on the U.S.-Chile Free Trade Agreement, reflecting consensus on the proposed Agreement.

IFAC 4 appreciates USTR's strategy of competitive liberalization and we view the e-commerce provisions of this Agreement as a positive achievement in this strategy. We believe the e-commerce provisions of the Agreement advance the treatment of electronic commerce in terms of trade and will serve as a catalyst for the CAFTA and the FTAA negotiations.

Thank you for this opportunity to comment.

Sincerely,

Tim Sheenv

Chair

IFAC-4

Linda Schmid

Vice Chair

IFAC-4