

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, D.C.

Investigation Nos. TA-131-035 and TA 2104-027

**U.S.-Trans-Pacific Partnership Free Trade Agreement Including Malaysia:
Advice on the Probable Economic Effect of Providing Duty-Free Treatment for Imports**

AGENCY: United States International Trade Commission.

ACTION: Institution of investigations and scheduling of hearing.

SUMMARY: Following receipt on October 5, 2010, of a request from the United States Trade Representative (USTR), the Commission instituted investigation nos. TA-131-035 and TA-2104-027, *U.S.-Trans-Pacific Partnership Free Trade Agreement Including Malaysia: Advice on the Probable Economic Effect of Providing Duty-Free Treatment for Imports*.

DATES:

November 10, 2010: Deadline for filing requests to appear at the public hearing.

November 12, 2010: Deadline for filing pre-hearing briefs and statements.

November 17, 2010: Public hearing.

November 26, 2010: Deadline for filing post-hearing briefs and statements.

November 26, 2010: Deadline for filing all other written submissions.

January 7, 2011: Transmittal of Commission report to the United States Trade Representative.

ADDRESSES: All Commission offices, including the Commission's hearing rooms, are located in the United States International Trade Commission Building, 500 E Street SW, Washington, DC. All written submissions should be addressed to the Secretary, United States International Trade Commission, 500 E Street SW, Washington, DC 20436. The public record for this investigation may be viewed on the Commission's electronic docket (EDIS) at <http://www.usitc.gov/secretary/edis.htm>.

FOR FURTHER INFORMATION CONTACT: Heidi Colby-Oizumi, Project Leader (202-205-3391, heidi.colby@usitc.gov), or Falan Yinug, Deputy Project Leader (202-205-2160, falan.yinug@usitc.gov), for information specific to these investigations. For information on the legal aspects of these investigations, contact William Gearhart of the Commission's Office of the General Counsel (202-205-3091, william.gearhart@usitc.gov). The media should contact Margaret O'Laughlin, Office of External Relations (202-205-1819, margaret.olaughlin@usitc.gov). Hearing-impaired individuals may obtain information on this matter by contacting the Commission's TDD terminal at 202-205-1810. General information concerning the Commission may also be obtained by accessing its Internet server (<http://www.usitc.gov>). Persons with mobility impairments who will need special assistance in gaining access to the Commission should contact the Office of the Secretary at 202-205-2000.

BACKGROUND: In response to an earlier request from the USTR, the Commission, on June 2, 2010, delivered a report to the USTR containing its advice and assessment in investigation Nos. TA-131-034 and TA-2104-026, *U.S.-Trans-Pacific Partnership Free Trade Agreement: Advice on Probable Economic Effect of Providing Duty-Free Treatment for Imports*, relating to the effects of a possible free trade agreement with seven countries (Australia, Brunei Darussalam, Chile, New Zealand, Peru, Singapore, and Vietnam).

In his letter of October 5, 2010, the USTR advised the Commission that Malaysia has joined the negotiations, known as the Trans-Pacific Partnership (TPP) negotiations, and requested that the Commission provide certain advice under section 131 of the Trade Act of 1974 (19 U.S.C. 2151) and an assessment under section 2104(b)(2) of the Trade Act of 2002 (19 U.S.C. 3804(b)(2)) with respect to the effects of providing duty-free treatment for imports from all eight countries.

More specifically, the USTR, under authority delegated by the President and pursuant to section 131 of the Trade Act of 1974, requested that the Commission provide a report containing its advice as to the probable economic effect of providing duty-free treatment for imports of products from the eight TPP partner countries (Australia, Brunei Darussalam, Chile, Malaysia, New Zealand, Peru, Singapore, and Vietnam) on (i) industries in the United States producing like or directly competitive products, and (ii) on consumers. The USTR asked that the Commission's analysis consider each article in chapters 1 through 97 of the Harmonized Tariff Schedule of the United States (HTS) for which tariffs will remain, taking into account implementation of U.S. commitments in the World Trade Organization and under U.S. free trade agreements in force between the United States and TPP partner countries. The USTR asked that the advice be based on the HTS in effect during 2010 and trade data for 2008. The USTR also requested that the Commission, in preparing its advice, assume that any known U.S. non-tariff barrier will not be applicable to such imports, and that the Commission note in its report any instance in which the continued application of a U.S. non-tariff barrier would result in different advice with respect to the effect of the removal of the duty.

In addition, the USTR requested that the Commission prepare an assessment, pursuant to section 2104(b)(2) of the Trade Act of 2002, of the probable economic effects of eliminating tariffs on imports from the TPP countries of those agricultural products on the list attached to his letter on (i) industries in the United States producing the product concerned, and (ii) the U.S. economy as a whole.

The USTR asked that the Commission identify in its report, among other things, any changes in its advice from the advice delivered on June 2, 2010, that did not include Malaysia. The USTR also stated that the Commission need not repeat analysis and discussion included in that earlier report. The USTR further asked that the Commission, to the extent appropriate, draw from discussion and analysis in its report delivered to USTR on June 30, 2006, relating to a U.S.-Malaysia FTA (investigation Nos. TA-131-033 and TA-2104-022, *U.S.-Malaysia Free Trade Agreement: Advice Concerning the Probable Economic Effect of Providing Duty-Free Treatment for Imports*).

As requested, the Commission will provide its report to the USTR by January 7, 2011. The USTR indicated that those sections of the Commission's report that relate to the advice and assessment of probable economic effects will be classified. The USTR also indicated that he considers the Commission's report to be an inter-agency memorandum that will contain pre-decisional advice and be subject to the deliberative process privilege.

PUBLIC HEARING: A public hearing in connection with these investigations will be held at the U.S. International Trade Commission Building, 500 E Street SW, Washington, DC, beginning at 9:30 a.m., November 17, 2010. Requests to appear at the public hearing should be filed with the Secretary not later than 5:15 p.m., November 10, 2010, in accordance with the requirements in the "Submissions" section below. All pre-hearing briefs and statements should be filed not later than 5:15 p.m., November 12, 2010; and all post-hearing briefs and statements should be filed not later than 5:15 p.m., November 26, 2010.

WRITTEN SUBMISSIONS: In lieu of or in addition to participating in the hearing and filing briefs and statements relating to the hearing, interested parties are invited to file written submissions concerning these investigations. All written submissions should be addressed to the Secretary, and should be received not later than 5:15 p.m., November 18, 2010. All written submissions must conform with the provisions of section 201.8 of the Commission's *Rules of Practice and Procedure* (19 C.F.R. 201.8). Section 201.8

requires that a signed original (or a copy so designated) and fourteen (14) copies of each document be filed. In the event that confidential treatment of a document is requested, at least four (4) additional copies must be filed, in which the confidential information must be deleted (see the following paragraph for further information regarding confidential business information). The Commission's rules authorize filing submissions with the Secretary by facsimile or electronic means only to the extent permitted by section 201.8 of the rules (see Handbook for Electronic Filing Procedures, http://www.usitc.gov/secretary/fed_reg_notices/rules/documents/handbook_on_electronic_filing.pdf). Persons with questions regarding electronic filing should contact the Secretary (202-205-2000).

Any submissions that contain confidential business information must also conform with the requirements of section 201.6 of the *Commission's Rules of Practice and Procedure* (19 C.F.R. 201.6). Section 201.6 of the rules requires that the cover of the document and the individual pages be clearly marked as to whether they are the "confidential" or "non-confidential" version, and that the confidential business information be clearly identified by means of brackets. All written submissions, except for confidential business information, will be made available for inspection by interested parties. The Commission may include some or all of the confidential business information submitted in the course of the investigations in the report it sends to the USTR. The Commission will not otherwise publish any confidential business information in a manner that would reveal the operations of the firm supplying the information.

By order of the Commission.

/s/
William R. Bishop
Acting Secretary to the Commission

Issued: October 15, 2010