### UNITED STATES INTERNATIONAL TRADE COMMISSION Washington, DC 20436

## MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 110<sup>th</sup> Congress <sup>1</sup>

[Date approved: May 21, 2008]<sup>2</sup>

| <b>Bill No. and sponsor:</b> H.R. 4794 (Mr. Howard Coble of North Carolina).  |
|---|
| Proponent name, location: Syngenta Crop Protection, Inc., Greensboro, NC.   |
| Other bills on product (110 <sup>th</sup> Congress only): None.   |
| Nature of bill: Extension of temporary duty suspension through December 31, 2011.   |
| Retroactive effect: None.   |
| Suggested article description(s) for enactment (including appropriate HTS subheading(s)):   |
| 1H-1,2,4-Triazole, 1-[[2-[2-chloro-4-(4-chlorophenoxy)-phenyl]-4-methyl-1,3-dioxolan-2-yl]methyl]-(difenoconazole) (CAS No. 119446–68–3) (provided for in subheading 2934.99.12). |
| Check one: X Same as that in bill as introduced.  Different from that in bill as introduced (see Technical comments section).   |
| Product information, including uses/applications and source(s) of imports:  |

The subject chemical is an EPA registered fungicide. It is used to formulate agricultural application products that are used for seed treatments on cereal grains and is the only known effective fungicide for controlling dwarf bunt disease. The chemical is imported from Switzerland.

<sup>&</sup>lt;sup>1</sup> Industry analyst preparing report: Stephen Wanser (202-205-3363); Tariff Affairs contact: David G. Michels (202-205-3440).

<sup>&</sup>lt;sup>2</sup> Access to an electronic copy of this memorandum is available at <a href="http://www.usitc.gov/tata/hts/other/rel\_doc/bill\_reports/">http://www.usitc.gov/tata/hts/other/rel\_doc/bill\_reports/</a>.

<sup>&</sup>lt;sup>3</sup> The sponsor/proponent did not identify any additional beneficiaries of this bill.

#### **Estimated effect on customs revenue:**

| HTS subheading: <u>2934.99.12</u>       |             |              |              |              |              |
|---|-------------|--------------|--------------|--------------|--------------|
| $\searrow$                              | 2009        | 2010         | 2011         | 2012         | 2013         |
| Col. 1-General rate of duty             | 6.5%        | 6.5%         | 6.5%         | 6.5%         | 6.5%         |
| Estimated value <i>dutiable</i> imports | \$7,000,000 | \$45,000,000 | \$45,000,000 | \$45,000,000 | \$45,000,000 |
| Customs revenue loss 1/                 | \$0         | \$2,925,000  | \$2,925,000  | \$2,925,000  | \$2,925,000  |

<sup>1/</sup> There is an existing duty suspension under HTS heading 9902.02.12 that expires on December 31, 2009. Therefore, there will be no customs revenue loss related to this bill for 2009. Source of estimated dutiable import data: U.S. industry estimates.

#### Contacts with domestic firms/organizations (including the proponent):

| Name of firm/organization  | Date<br>contacted | Claim US makes same or competing product(s)? | Submission attached? | Opposition noted? |
|--|-------------------|--|----------------------|-------------------|
|  |                   |  | (Yes/No)             |                   |
| Syngenta Crop Protection, Inc. (Proponent)<br>Angus Kelly, Fax: 336-632-6084               | 02/18/2008        | No   | No                   | No                |
| Arkema Inc. (Atofina)<br>Charles Kitchen, Fax: 216-419-7075                                | 02/18/2008        | No   | No                   | No                |
| BASF Corp.<br>Greg Thies, Fax: 703-255-7142  | 02/18/2008        | No   | No                   | No                |
| Bayer CropScience<br>William Hensley, 202-756-3781<br>Jean Reimers, 202-756-3779           | 02/18/2008        | No   | No                   | No                |
| Chemtura Corporation Matt Mattingley, Fax: 202-463-8498                                    | 02/18/2008        | No   | No                   | No                |
| CropLife America<br>Isi Siddiqui, Fax: 202-463-0474  | 02/18/2008        | No   | No                   | No                |
| Dow AgroSciences<br>Max Turnipseed, Fax: 225-338-0310<br>Lisa Schroeter, Fax: 202-429-3467 | 02/18/2008        | No   | No                   | No                |
| DuPont<br>Helen McMahon, Fax: 302-355-2994<br>Elaine Olsen, Fax: 302-774-1398              | 02/18/2008        | No   | No                   | No                |

| Name of firm/organization  | Date<br>contacted | Claim US<br>makes same or<br>competing<br>product(s)? | Submission attached? | Opposition noted? |  |
|--|-------------------|---|----------------------|-------------------|--|
|  |                   |   | (Yes/No)             |                   |  |
| FMC Corp. Jerry Prout, Fax: 202-956-5235 Steve Ziehm, 202-872-8181 | 02/18/2008        | No  | No                   | No                |  |
| Monsanto Corp.<br>Michael Parris, Fax: 202-789-1867                | 02/18/2008        | No  | No                   | No                |  |
| Nufarm Limited<br>Joel R. Junker, Fax: 206-621-8220                | 02/18/2008        | No  | No                   | No                |  |
| Valent USA<br>Robin Demouth, Fax: 925-256-2776                     | 02/18/2008        | No  | No                   | No                |  |

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None.

<sup>&</sup>lt;sup>4</sup> The Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only the U.S. Customs Service is authorized to issue a binding ruling on this matter. The Commission believes that the U.S. Customs Service should be consulted prior to enactment of the bill.

# 110TH CONGRESS H. R. 4794

To extend the suspension of duty on difenoconazole.

#### IN THE HOUSE OF REPRESENTATIVES

DECEMBER 18, 2007

Mr. Coble introduced the following bill; which was referred to the Committee on Ways and Means

### A BILL

To extend the suspension of duty on difenoconazole.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 SECTION 1. DIFENOCONAZOLE.
- 4 (a) In General.—Heading 9902.02.12 of the Har-
- 5 monized Tariff Schedule of the United States (relating to
- $6\,$  difenoconazole) is amended by striking "12/31/2009" and
- 7 by inserting "12/31/2011".
- 8 (b) Effective Date.—The amendment made by
- 9 subsection (a) applies to goods entered, or withdrawn from
- 10 warehouse for consumption, on or after the 15th day after
- 11 the date of the enactment of this Act.