

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, D.C.

(Investigation Nos. TA-131-27 and TA-2104-9)

**U.S.-Panama Free Trade Agreement:
Advice Concerning 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.

EFFECTIVE DATE: December 24, 2003.

SUMMARY: Following receipt of a request on December 8, 2003, from the United States Trade Representative (USTR), the Commission instituted investigation Nos. TA-131-27 and TA-2104-9, *U.S.-Panama Free Trade Agreement: Advice Concerning the Probable Economic Effect of Providing Duty-Free Treatment for Imports*, under section 131 of the Trade Act of 1974 and section 2104(b)(2) of the Trade Act of 2002.

FOR FURTHER INFORMATION CONTACT: Information specific to these investigations may be obtained from Queena Fan, Project Leader (202-205-3055; qfan@usitc.gov), or Tracy Quilter, Deputy Project Leader (202-205-3437; tqulter@usitc.gov), Office of Industries, United States International Trade Commission, Washington, DC, 20436. For information on the legal aspects of these investigations, contact William Gearhart of the Office of the General Counsel (202-205-3091; wgearhart@usitc.gov). General information concerning the Commission may also be obtained by accessing its Internet server (<http://www.usitc.gov>).

BACKGROUND: On November 18, 2003, the USTR notified the Congress of the President's intent to initiate free trade agreement negotiations with Panama. Accordingly, the USTR, pursuant to section 131 of the Trade Act of 1974 (19 U.S.C. 2151), requested the Commission to provide a report including advice as to the probable economic effect of providing duty-free treatment for imports of products of Panama (i) on industries in the United States producing like or directly competitive products, and (ii) on consumers. In preparing the advice, the Commission's analysis will consider each article in chapters 1 through 97 of the Harmonized Tariff Schedule of the United States for which U.S. tariffs will remain after the United States fully implements its Uruguay Round tariff commitments. The import advice will be based on the 2003 Harmonized Tariff System nomenclature and 2002 trade data. The advice with respect to the removal of U.S. duties on imports from Panama will assume that any known U.S. nontariff barrier will not be applicable to such imports. The Commission will note in its report any instance in which the continued application of a U.S. nontariff barrier to such imports would result in different advice with respect to the effect of the removal of the duty.

As also requested, pursuant to section 2104(b)(2) of the Trade Act of 2002 (19 U.S.C. 3804(b)(2)), the Commission will provide advice as to the probable economic effect of eliminating tariffs on imports of

certain agricultural products of Panama on (i) industries in the United States producing the product concerned, and (ii) the U.S. economy as a whole.

The Commission expects to provide its report to the USTR by April 8, 2004. The USTR indicated that the Commission's report will be classified and considered to be an interagency memorandum containing pre-decisional advice and subject to the deliberative process privilege.

PUBLIC HEARING: A public hearing in connection with the investigations will be held at the U.S. International Trade Commission Building, 500 E Street SW, Washington, DC beginning at 9:30 a.m. on February 10, 2004. Requests to appear at the public hearing should be filed with the Secretary, no later than 5:15 p.m., January 23, 2004, in accordance with the requirements in the "Submissions" section below. In the event that, as of the close of business on January 23, 2004, no witnesses are scheduled to appear at the hearing, the hearing will be canceled. Any person interested in attending the hearing as an observer or non-participant may call the Secretary (202-205-2000) after January 23, 2004, to determine whether the hearing will be held. This will be a joint hearing at which the Commission will also take testimony in connection with its investigations *U.S.-Andean Countries Free Trade Agreement: Advice Concerning the Probable Economic Effect of Providing Duty-Free Treatment for Imports* (investigation Nos. TA-131-28 and TA-2104-10).

STATEMENTS AND BRIEFS: In lieu of or in addition to participating in the hearing, interested parties are invited to submit written statements or briefs concerning the investigation in accordance with the requirements in the "Submissions" section below. Any prehearing briefs or statements should be filed not later than 5:15 p.m., January 26, 2004; the deadline for filing post-hearing briefs or statements is 5:15 p.m., February 17, 2004. To be assured of consideration by the Commission, written statements relating to the Commission's report should be submitted to the Commission at the earliest practical date and should be received no later than the close of business on February 17, 2004.

SUBMISSIONS: All written submissions including requests to appear at the hearing, statements, and briefs should be addressed to the Secretary, United States International Trade Commission, 500 E Street SW, Washington, DC 20436. 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); 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 201.8 of the rules require that a signed original (or a copy designated as an original) and fourteen (14) copies of each document be filed. In the event that confidential treatment of the document is requested, at least four (4) additional copies must be filed, in which the confidential information must be deleted. Section 201.6 of the rules require that the cover of the document and the individual pages be clearly marked as to whether they are the "confidential" or "nonconfidential" version, and that the confidential business information be clearly identified by means of brackets.

The Commission's rules do not authorize filing submissions with the Secretary by facsimile or electronic means, except to the extent permitted by section 201.8 of the Commission's Rules (19 C.F.R. 201.8) (see Handbook for Electronic Filing Procedures, ftp://ftp.usitc.gov/pub/reports/electronic_filing_handbook.pdf). Persons with questions regarding electronic filing should contact the Secretary (202-205-2000 or edis@usitc.gov).

All written submissions, except for confidential business information, will be made available for inspection by interested parties. Accordingly, any confidential business information received by the Commission in these investigations and used in preparing the report will not be published in a manner that would reveal the operations of the firm supplying the information.

The public record for these investigations may be viewed on the Commission's electronic docket (EDIS) at <http://edis.usitc.gov>. Hearing-impaired individuals are advised that information on this matter can be obtained by contacting our TDD terminal on (202) 205-1810. 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.

LIST OF SUBJECTS: Panama, tariffs, and imports.

By order of the Commission.

Marilyn R. Abbott
Secretary to the Commission

Issued: December 24, 2003