

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, D.C.

(Inv. Nos. TA-131-31 and TA-2104-17)

**U.S.-UAE 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 investigation and scheduling of public hearing.

EFFECTIVE DATE: December 6, 2004.

SUMMARY: Following receipt on December 1, 2004, of a request from the United States Trade Representative (USTR), the Commission instituted investigation Nos. TA-131-31 and TA-2104-17, *U.S.-UAE 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 Robert Carr, Project Leader (202-205-3402; robert.carr@usitc.gov), or Peder Andersen, Deputy Project Leader (202-205-3388; peder.andersen@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; william.gearhart@usitc.gov). Hearing impaired individuals are advised that information on this matter can be obtained by contacting the TDD terminal on (202) 205-1810. General information concerning the Commission may also be obtained by accessing its internet server (<http://www.usitc.gov>). The public record for these investigations may be viewed on the Commission's electronic docket (EDIS) at <http://edis.usitc.gov>.

BACKGROUND: On November 15, 2004, the USTR notified the Congress of the President's intent to initiate free trade agreement negotiations with the United Arab Emirates (UAE). 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 UAE (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 2004 Harmonized Tariff System nomenclature and 2003 trade data. The advice with respect to the removal of U.S. duties on imports from UAE 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 UAE on (i) industries in the United States producing the product concerned, and (ii) the U.S. economy as a whole.

USTR indicated that the Commission's report will be classified and that USTR considered it to be an interagency memorandum containing pre-decisional advice and subject to the deliberative process privilege. The Commission expects to provide its report to USTR by February 28, 2005.

PUBLIC HEARING: A public hearing in connection with these investigations is scheduled to begin at 9:30 a.m. on January 5, 2005, at the United States International Trade Commission Building, 500 E Street SW, Washington, DC. This hearing will be held sequentially with a separate Commission hearing on January 5, 2005, in connection with its investigation *U.S.-Oman FTA: Advice Concerning the Probable Economic Effects of Providing Duty-Free Treatment for Imports* (Inv. Nos. TA-131-30 and TA-2104-16). Requests to appear at the public hearing should be filed with the Secretary, not later than 5:15 p.m., December 17, 2004, in accordance with the requirements in the "Submissions" section below. In the event that, as of the close of business on December 17, 2004, no witnesses are scheduled to appear, the hearing will be canceled. Any person interested in attending the hearing as an observer or non-participant may call the Secretary (202-205-1806) after December 17, 2004 to determine whether the hearing will be held.

WRITTEN SUBMISSIONS: In lieu of or in addition to participating in the hearing, interested parties are invited to submit written statements or briefs concerning these investigations. 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. Any prehearing statements or briefs should be filed not later than 5:15 p.m., December 21, 2004; the deadline for filing posthearing statements or briefs is 5:15 p.m., January 12, 2005. 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 of the rules requires 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 (see the following paragraph for further information regarding confidential business information). 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 rules (see Handbook for Electronic Filing Procedures, ftp://ftp.usitc.gov/pub/reports/electronic_filing_handbook.pdf).

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 "nonconfidential" 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 in the Office of the Secretary to the Commission for inspection by interested parties.

The Commission may include some or all of the confidential business information submitted in the course of these investigations in the report it sends to the USTR and the President. However, should the Commission publish a public version of this report, such confidential business information will not be published in a manner that would reveal the operations of the firm supplying the information.

Persons with mobility impairments who will need special assistance in gaining access to the Commission should contact the Secretary at 202-205-2000.

LIST OF SUBJECTS: UAE, tariffs, and imports

By order of the Commission.

Marilyn R. Abbott
Secretary to the Commission

Issued: December 7, 2004