

UNITED STATES INTERNATIONAL TRADE COMMISSION

Washington, DC

(Investigation Nos. TA-131-22 and TA-2104-2)

U.S.- Central America Free Trade Agreement: Advice Concerning the Probable Economic Effect

AGENCY: United States International Trade Commission

ACTION: Institution of investigation and scheduling of public hearing.

EFFECTIVE DATE: September 16, 2002

SUMMARY: Following receipt of a request on August 30, 2002, from the United States Trade Representative (USTR), the Commission instituted investigation Nos. TA-131-22 and TA-2104-2, *U.S.- Central America Free Trade Agreement: Advice Concerning the Probable Economic Effect*, 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 this investigation may be obtained from Christopher Melly, Project Leader (202-205-3461; cmelly@usitc.gov) or Dennis Luther, Deputy Project Leader (202-205-3497; luther@usitc.gov), Office of Industries, U.S. International Trade Commission, Washington, DC 20436. For information on the legal aspects of this investigation, contact William Gearhart of the Office of the General Counsel (202-205-3091; wgearhart@usitc.gov). Hearing impaired individuals are advised that information on this matter can be obtained by contacting the TDD terminal on (202) 205-1810.

BACKGROUND: As requested by the USTR, pursuant to section 131 of the Trade Act of 1974, in its report the Commission will provide advice as to the probable economic effect of duty-free treatment for imports of products of the five member countries of the Central American Economic Integration System (Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua), (i) on industries in the United States producing like or directly competitive products, and (ii) on consumers. The analysis will consider each article in chapters 1 through 97 of the Harmonized Tariff Schedule of the United States for which tariffs will remain after the United States fully implements its Uruguay Round tariff commitments. The advice will be based on the 2002 Harmonized Tariff System nomenclature and 2001 trade data. The advice with respect to the removal of U.S. duties on imports from the Central American countries 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.

In addition, pursuant to section 2104(b)(2) of the Trade Act of 2002, the Commission will provide advice as to the probable economic effect of eliminating tariffs on imports of certain agricultural products of the Central American countries (a list of products was provided by the USTR) on (i) industries in the United States producing like or directly competitive products and (ii) the U.S. economy as a whole. The Commission expects to provide its report to the USTR by December 27, 2002.

PUBLIC HEARING: A public hearing in connection with the investigation will be held at the U.S. International Trade Commission Building, 500 E Street SW, Washington, DC, beginning at 9:30 a.m. on October 8, 2002. All persons shall have the right to appear, by counsel or in person, to present information and to be heard. Requests to appear at the public hearing should be filed with the Secretary, United States International Trade Commission, 500 E Street SW, Washington, DC 20436, no later than 5:15 p.m., September 24, 2002. Any prehearing briefs (original and 14 copies) should be filed not later than 5:15 p.m., September 26, 2002; the deadline for filing post-hearing briefs or statements is 5:15 p.m., October 18, 2002. In the event that, as of the close of business on September 24, 2002, 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 to the Commission (202- 205-1806) after September 24, 2002, for information concerning 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 (original and 14 copies) concerning the matters to be addressed by the Commission in its report on this investigation. Commercial or financial information that a submitter desires the Commission to treat as confidential must be submitted on separate sheets of paper, each clearly marked "Confidential Business Information" at the top. All submissions requesting confidential treatment must conform with the requirements of section 201.6 of the Commission's Rules of Practice and Procedure (19 C.F.R. 201.6). 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 such confidential business information in the report it sends to the USTR. 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 October 18, 2002. All submissions should be addressed to the Secretary, United States International Trade Commission, 500 E Street SW, Washington, DC 20436. The Commission's rules do not authorize filing submissions with the Secretary by facsimile or electronic means.

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. General information concerning the Commission may also be obtained by accessing its Internet server (<http://www.usitc.gov>).

LIST OF SUBJECTS: Central American countries Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua, tariffs, and imports

By order of the Commission.

Marilyn R. Abbott
Secretary to the Commission

Issued: September 16, 2002