

# **Andean Trade Preference Act:**

Impact on U.S. Industries and Consumers and on Drug Crop Eradication and Crop Substitution, 2019

July 2020

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### Address all communications to

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United States International Trade Commission
Washington, DC 20436

# **Andean Trade Preference Act:**

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# 19th Report

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Publication Number: 5087

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This report was prepared principally by:

# **Project Leader**

Justino De La Cruz, Office of Economics

### **Office of General Counsel**

William W. Gearhart

### **Content Reviewer**

David Riker, Office of Economics

### **Editorial Review**

Peg Hausman and Judy Edelhoff

# **Administrative Support**

Justin Holbein and Hau Nguyen

### Under the direction of

Arona Butcher, Chief

Country and Regional Analysis Division

Office of Economics

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Andean Trade Preference Act: 19th Report

# Impact of the ATPA Program in 2018–19

The Andean Trade Preference Act (ATPA)¹ was enacted in 1991 to promote the development of viable economic alternatives to coca cultivation and cocaine production by offering duty-free or other preferential treatment to imports of eligible goods from Bolivia, Colombia, Ecuador, and Peru. Section 206 of ATPA requires the U.S. International Trade Commission (USITC or the Commission) to submit biennial reports to the President and the Congress on the economic impact of the ATPA program on the U.S. economy in general, on U.S. industries and consumers, and on the effectiveness of the program in promoting drug-related crop eradication and crop substitution efforts of the beneficiary countries. This report is the Commission's 19th report on ATPA and fulfills the Commission's reporting requirement for calendar years 2018 and 2019. The Commission published a notice in the *Federal Register* on May 22, 2020 (85 Fed. Reg. 31209), inviting interested parties to file written submissions concerning this investigation with the Commission.² The Commission did not receive any submissions.

During 2018–19, there were no beneficiaries under the ATPA program, nor were there any reported U.S. imports of goods that received preferential treatment under the program. The President suspended the beneficiary status of Bolivia in 2008;<sup>3</sup> the eligibility of Peru and Colombia for duty-free treatment under the ATPA program was terminated in 2010 and 2012, respectively, after each of the countries entered into free trade agreements with the United States (in 2009 and 2012, respectively).<sup>4</sup> Ecuador's benefits under ATPA expired when the

<sup>&</sup>lt;sup>1</sup> Pub. L. 102-182, title II, 105 Stat. 1236, December 4, 1991. ATPA, as amended, is codified at 19 U.S.C. § 3201 et seq. Throughout this report, the term "ATPA" refers to ATPA as amended by the Andean Trade Promotion and Drug Eradication Act (ATPDEA) and subsequent legislation. The ATPA program was expanded and renewed by ATPDEA (Public Law 107-210) and signed into law by the President on August 6, 2002. The ATPDEA expanded trade preferences for the Andean countries to include about 700 products that were previously excluded under ATPA, including certain textiles and apparel, footwear, petroleum and petroleum derivatives, watches and watch parts, and leather handbags, luggage, flat goods, work gloves, and leather wearing apparel. ATPA, as amended, also allows expanded benefits for certain tuna in smaller foil or other flexible packages (not cans). For further details, see previous reports in this series. The Commission's previous reports on ATPA are listed in USITC, *ATPA: 18th Report, 2017*, September 2018, Appendix B.

<sup>&</sup>lt;sup>2</sup> A copy of the notice is reproduced in Appendix A.

<sup>&</sup>lt;sup>3</sup> Bolivia lost its beneficiary status on December 15, 2008, after the U.S. President signed a proclamation suspending Bolivia as a beneficiary country. The proclamation followed a determination that Bolivia failed to cooperate with the United States on counternarcotics efforts, which was one criterion for ATPA and ATPDEA eligibility. Proclamation No. 8323, 73 Fed. Reg. 230 (November 25, 2008).

<sup>&</sup>lt;sup>4</sup> The U.S.-Peru Trade Promotion Agreement (TPA) entered into force on February 1, 2009, and the U.S.-Colombia TPA entered into force on May 15, 2012. Although the U.S.-Peru Trade Promotion Agreement Implementation Act (Pub. L. 110-138) did not specify termination of ATPA as applied to Peru, section 208 of the Andean Trade Preference Act (19 U.S.C. § 3206) was amended in 2010 (by Pub. L 112-42) to terminate duty-free treatment under ATPA for Peru effective December 31, 2010. Section 201(a)(3) of the United States-Colombia Trade Promotion Agreement Implementation Act (19 U.S.C. § 3805 note) required the President to terminate the designation of

President's authority to provide preferential duty treatment under ATPA expired on July 31, 2013. Congress has not renewed the President's authority to provide duty-free treatment under ATPA. Hence, in the absence of authority to provide duty-free treatment under the program, there were no imports under ATPA and ATPA had no measurable impact on the U.S. economy generally, on U.S. industries or consumers, or on drug-crop eradication or crop substitution efforts during calendar years 2018–19.

# **Economic Impact of ATPA on the U.S. Economy, Industries, and Consumers**

Given that no imports under the ATPA program were recorded during the 2018–19 period covered by this report, there was no measurable effect on the U.S. economy or on U.S. consumers or specific U.S. industries that produce articles that are like, or directly competitive with, articles imported under ATPA. Similarly, there will be no probable future effect of ATPA on the U.S. economy and U.S. industries unless the program is renewed.

# Impact of ATPA on Drug Crop Eradication and Alternative Development

No imports entered under the ATPA program or were eligible to receive preferential treatment under the program during the 2018–19 period covered in this report. Therefore, ATPA had no effect on drug-related crop eradication and crop substitution efforts of the former beneficiary countries, as was also reported in the Commission's last two ATPA reports.<sup>6</sup>

Colombia as a beneficiary country for purposes of ATPA on the date the Agreement entered into force. See also USITC, *Andean Trade Preference Act: 15th Report, 2011*, September 2012, 1-3 to 1-4.

<sup>&</sup>lt;sup>5</sup> After July 31, 2013, when the President's authority to provide duty-free treatment under ATPA expired, U.S. imports from Ecuador ceased to receive preferential treatment under the program. In addition, Ecuador's National Secretary for Communications announced in a news release on June 27, 2013—about one month before the President's authority expired—that the government was unilaterally renouncing its tariff preferences under ATPDEA. Government of Ecuador, Secretaría Nacional de Comunicación, "En defensa de su soberanía, Ecuador renuncia de manera unilateral e irrevocable a las ATPDEA" (In defense of its sovereignty, Ecuador withdraws from ATPDEA unilaterally and irrevocably), June 27, 2013.

<sup>&</sup>lt;sup>6</sup> USITC, ATPA: 18th Report, 2017, September 2018, 4; USITC, ATPA: 17th Report, 2015, September 2016, 5-7.

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Andean Trade Preference Act: 19th Report

<b>Appendix</b>	Δ.	Federal	l Register	Notice
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# **Appendix A: Federal Register Notice**



level of environmental documentation for the modified proposed action.

#### Background

The 1969 Lease allowed one additional year after December 2019 for retirement of NGS-KMC. Subsequent planning studies indicated 2 or more years would likely be required to complete this work. In addition, 30 years of post-closure testing, monitoring, and reporting (post-closure activities) would be required. The Lessees along with the Navajo Nation agreed to a new lease, called the Extension Lease, which would enable NGS-KMC to continue to operate through December 22, 2019, and allow up to 5 years to complete retirement activities, and allow up to an additional 30 years for implementing post-closure activities. The Extension Lease became effective on December 1, 2017, following the Department of the Interior approvals.

Reclamation and BIA-Navajo Region issued an EA and draft FONSIs for public comment beginning October 5, 2017. Comments from 10 entities were received. Reclamation and BIA-Navajo Region issued final signed FONSIs on November 27, and November 28, respectively. The Extension Lease and all accompanying documents were signed by then Principal Deputy Assistant Secretary for Indian Affairs on November 29, 2017. The Final Environmental Assessment For The Navajo Generating Station Extension Lease and the Final Finding of No Significant Impact for the Navajo Generating Station Extension Lease were announced to the public on November 30, 2017; therefore, the completion of the original EIS has been cancelled.

Dated: May 18, 2020.

## Stacy L. Wade,

Deputy Regional Director, Interior Region 8: Lower Colorado Basin, Bureau of Beclamation

[FR Doc. 2020–11048 Filed 5–21–20; 8:45 am]

# INTERNATIONAL TRADE COMMISSION

[Investigation No. 332-352]

Andean Trade Preference Act: Impact on U.S. Industries and Consumers and on Drug Crop Eradication and Crop Substitution

**AGENCY:** United States International Trade Commission.

**ACTION:** Notice of opportunity to submit information relating to matters to be

addressed in the Commission's 19th report on the impact of the Andean Trade Preference Act (ATPA).

**SUMMARY: Section 206 of the ATPA** requires the Commission to report biennially to the Congress and the President by September 30 of each reporting year on the economic impact of the Act on U.S. industries and U.S. consumers, and on the effectiveness of the Act in promoting drug-related crop eradication and crop substitution efforts by beneficiary countries. The Commission prepares these reports under Investigation No. 332-352, Andean Trade Preference Act: Impact on U.S. Industries and Consumers and on Drug Crop Eradication and Crop Substitution.

#### DATES:

*June 8, 2020:* Deadline for filing written submissions.

July 31, 2020: Transmittal of Commission report to Congress and the President.

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 Commissions electronic docket (EDIS) at https://edis.usitc.gov.

### FOR FURTHER INFORMATION CONTACT:

Justino De La Cruz, Project Leader, Office of Economics (Justino.delacruz@  $usitc.gov \ {\rm or} \ 202–205–3252)$  for information specific to this investigation. For information on the legal aspects of this investigation, contact William Gearhart of the Commission's Office of the General Counsel (william.gearhart@usitc.gov or 202-205-3091). The media should contact Peg O'Laughlin, Office of External Relations (margaret.olaughlin@ usitc.gov or 202-205-1819). Hearingimpaired 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 website (https://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: Section 206 of the Andean Trade Preference Act (ATPA) (19 U.S.C. 3204) requires that the Commission submit biennial reports to the Congress and the President regarding the economic impact of the Act on U.S. industries and consumers and, in conjunction with other agencies, the effectiveness of the Act in promoting drug-related crop eradication and crop substitution efforts of the beneficiary countries. Section 206(b) of the Act requires that each report include:

(1) The actual effect of ATPA on the U.S. economy generally as well as on specific domestic industries which produce articles that are like, or directly competitive with, articles being imported under the Act from beneficiary countries:

(2) The probable future effect that ATPA will have on the U.S. economy generally and on such domestic industries; and

(3) The estimated effect that ATPA has had on drug-related crop eradication and crop substitution efforts of beneficiary countries.

Under the statute the Commission is required to prepare this report regardless of whether preferential treatment was provided during the period covered by the report. The President's authority to provide preferential treatment under ATPA expired on July 31, 2013. During the period to be covered by this report, calendar years 2018 and 2019, no imports entering the United States should have received preferential treatment under the ATPA program.

The Commission will submit its report by July 31, 2020. The initial notice announcing institution of this investigation for the purpose of preparing these reports was published in the **Federal Register** of March 10, 1994 (59 FR 11308). Notice providing opportunity to file written submissions in connection with the eighteenth report was published in the **Federal Register** of August 3, 2018 (83 FR 38176).

Written Submissions: Interested parties are invited to file written submissions concerning this investigation. All written submissions should be addressed to the Secretary, and should be received not later than 5:15 p.m., June 8, 2020. All written submissions must conform to the provisions of section 201.8 of the Commission's Rules of Practice and Procedure (19 CFR 201.8), as temporarily amended by 85 FR 15798 (March 19, 2020). Under that rule waiver, the Office of the Secretary will accept only electronic filings at this time. Filings must be made through the Commission's Electronic Document Information System (EDIS, https:// edis.usitc.gov). No in-person paperbased filings or paper copies of any electronic filings will be accepted until

further notice. Persons with questions regarding electronic filing should contact the Office of the Secretary, Docket Services Division (202–205–1802) or consult the Commission's Handbook on Filing Procedures.

Confidential Business Information. Any submissions that contain confidential business information must also conform to the requirements of section 201.6 of the Commission's Rules of Practice and Procedure (19 CFR 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 is 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 will not include any confidential business information in the report that it sends to the President and the Congress. However, all information, including confidential business information, submitted in this investigation may be disclosed to and used: (i) By the Commission, its employees and Offices, and contract personnel (a) for developing or maintaining the records of this or a related proceeding, or (b) in internal investigations, audits, reviews, and evaluations relating to the programs, personnel, and operations of the Commission including under 5 U.S.C. Appendix 3; or (ii) by U.S. government employees and contract personnel (a) for cybersecurity purposes or (b) in monitoring user activity on U.S. government classified networks. The Commission will not otherwise disclose any confidential business information in a way that would reveal the operations of the firm supplying the information.

Summaries of Written Submissions: Persons wishing to have a summary of their position included in the report should include a summary with their written submission and should mark the summary as having been provided for that purpose. The summary should be clearly marked as "summary for inclusion in the report" at the top of the page. The summary may not exceed 500 words, should be in MS Word format or a format that can be easily converted to MS Word, and should not include any confidential business information. The summary will be published as provided if it meets these requirements and is germane to the subject matter of the investigation. The Commission will list the name of the organization furnishing the summary and will include a link to

the Commission's Electronic Document Information System (EDIS) where the full written submission can be found.

By order of the Commission. Issued: May 18, 2020.

#### William Bishop,

Supervisory Hearings and Information Officer.

[FR Doc. 2020-11016 Filed 5-21-20; 8:45 am]

BILLING CODE 7020-02-P

# INTERNATIONAL TRADE COMMISSION

### Notice of Receipt of Complaint; Solicitation of Comments Relating to the Public Interest

**AGENCY:** U.S. International Trade Commission.

ACTION: Notice.

**SUMMARY:** Notice is hereby given that the U.S. International Trade Commission has received a complaint entitled *Certain Rolled-Edge Rigid Plastic Food Trays, DN 3455;* the Commission is soliciting comments on any public interest issues raised by the complaint or complainant's filing pursuant to the Commission's Rules of Practice and Procedure.

FOR FURTHER INFORMATION CONTACT: Lisa R. Barton, Secretary to the Commission, U.S. International Trade Commission, 500 E Street SW, Washington, DC 20436, telephone (202) 205–2000. The public version of the complaint can be accessed on the Commission's Electronic Document Information System (EDIS) at <a href="https://edis.usitc.gov">https://edis.usitc.gov</a>. For help accessing EDIS, please email EDIS3Help@usitc.gov.

General information concerning the Commission may also be obtained by accessing its internet server at United States International Trade Commission (USITC) at https://www.usitc.gov. The public record for this investigation may be viewed on the Commission's Electronic Document Information System (EDIS) at https://edis.usitc.gov. Hearing-impaired persons are advised that information on this matter can be obtained by contacting the Commission's TDD terminal on (202) 205–1810.

SUPPLEMENTARY INFORMATION: The Commission has received a complaint and a submission pursuant to § 210.8(b) of the Commission's Rules of Practice and Procedure filed on behalf of Clearly Clean Products, LLC and Converter Manufacturing, LLC on May 18, 2020. The complaint alleges violations of section 337 of the Tariff Act of 1930 (19 U.S.C. 1337) in the importation into the

United States, the sale for importation, and the sale within the United States after importation of certain rolled-edge rigid plastic food trays. The complaint names as respondents: Eco Food Pak (USA), Inc. of Chino, CA; and Ningbo Linhua Plastic Co., Ltd. of China. The complainant requests that the Commission issue a limited exclusion order, a cease and desist order; and impose a bond upon respondents' alleged infringing articles during the 60-day Presidential review period pursuant to 19 U.S.C. 1337(j).

Proposed respondents, other interested parties, and members of the public are invited to file comments on any public interest issues raised by the complaint or § 210.8(b) filing. Comments should address whether issuance of the relief specifically requested by the complainant in this investigation would affect the public health and welfare in the United States, competitive conditions in the United States economy, the production of like or directly competitive articles in the

United States, or United States consumers.

In particular, the Commission is interested in comments that:

- (i) Explain how the articles potentially subject to the requested remedial orders are used in the United States:
- (ii) identify any public health, safety, or welfare concerns in the United States relating to the requested remedial orders;
- (iii) identify like or directly competitive articles that complainant, its licensees, or third parties make in the United States which could replace the subject articles if they were to be excluded;
- (iv) indicate whether complainant, complainant's licensees, and/or third party suppliers have the capacity to replace the volume of articles potentially subject to the requested exclusion order and/or a cease and desist order within a commercially reasonable time; and
- (v) explain how the requested remedial orders would impact United States consumers.

Written submissions on the public interest must be filed no later than by close of business, eight calendar days after the date of publication of this notice in the **Federal Register**. There will be further opportunities for comment on the public interest after the issuance of any final initial determination in this investigation. Any written submissions on other issues must also be filed by no later than the close of business, eight calendar days after publication of this notice in the