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EXECUTIVE OFFICE OF THE PRESIDENT
THE UNITED STATES TRADE REPRESENTATIVE
WASHINGTON, D.C. 20508

Office of the
Secretary
Int'l Trade Commission

The Honorable Daniel R. Pearson
Chairman

FEB 16 2007

U.S. International Trade Commission
500 E Street, SW
Washington, DC 20436

Dear Chairman Pearson:

In December 2005, at the Ministerial Conference of the World Trade Organization (WTO) held in Hong Kong, China, WTO Members reached agreement to provide duty-free, quota free market access (DFQF) to products from the least-developed country members (LDCs), as defined by the United Nations. The United States has announced that it will implement this initiative together with the results of the overall negotiations under the Doha Development Agenda (DDA).

Accordingly, under the authority delegated to me by the President, I request that the United States International Trade Commission (Commission) initiate an investigation under section 332(g) of the Tariff Act of 1930 to provide an analysis of the economic effects of providing DFQF access to LDCs, as outlined in the decision on proposal 36 in Annex F of the Hong Kong Ministerial Declaration. Specifically, the Commission is requested to provide to USTR advice as to the probable economic effect of providing DFQF treatment for imports of LDCs on (i) industries in the United States producing like or directly competitive products and (ii) consumers. This analysis should consider each article in chapters 1 through 97 of the Harmonized Tariff Schedule of the United States for which U.S. tariffs or quotas will remain after the United States fully implements its Uruguay Round tariff commitments, taking into account preferential tariff treatment currently being provided to LDCs under the Generalized System of Preferences, the African Growth and Opportunity Act, and the Caribbean Basin Initiative programs. The advice should be based on the 2002 Harmonized Tariff System nomenclature and trade and tariff rate data for the year 2006. Further, the advice should be provided at the 8-digit HTS level or the lowest level of aggregation feasible.

I request that the Commission provide its report on these matters as soon as possible, but no later than six months after the date of receipt of this letter. The report should be classified and marked in accordance with Section 1.6 of Executive Order 13292, as amended. The sections of the report that analyze the probable economic effects, as well as other information that would reveal any aspect of the probable economic effects advice, should be classified as Confidential, pursuant to Section 1.4(e) of Executive Order 13292, as amended. The declassification date should be ten years from the date of your report. Any background information, data in a form already available to the public, and other portions of the report that do not provide or reveal aspects of the probable economic effects advice, analysis, or conclusions should not be classified. The probable economic effects advice, the probable effect model results, the non-public data used in the model, and the model parameters as a whole would normally be classified Confidential. Chapters containing general overviews of markets within, or trade between, the United States and its trading partners, the positions of interested parties, previously released public documents (e.g., the request letter and notices published in the Federal Register), and

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tables containing public data (unless the selection of data on the table would reveal the probable effects advice or analysis) should be unclassified. The Assistant USTR for WTO and Multilateral Affairs should be listed as the Original Classifying Authority for this report.

We greatly appreciate the Commission's assistance in this matter and its continuing cooperation and support for our negotiating efforts.

Sincerely,

A handwritten signature in black ink, appearing to read "Susan C. Schwab". The signature is fluid and cursive, with a large initial "S" and "C".

Susan C. Schwab