
The U.S. International Trade Commission is an independent, nonpartisan, quasi-judicial federal agency that provides trade expertise to both the legislative and executive branches of government, determines the impact of imports on U.S. industries, and directs actions against certain unfair trade practices, such as patent, trademark, and copyright infringement. ITC analysts and economists investigate and publish reports on U.S. industries and the global trends that affect them. The agency also maintains the National Library of International Trade, a specialized library open to the public.



United States International Trade Commission

Annual Report

Commissioners

Lynn M. Bragg, Chairman
Marcia E. Miller, Vice Chairman
Carol T. Crawford
Jennifer A. Hillman
Stephen Koplan
Thelma J. Askey

Fiscal Year 1999

USITC Internet Homepage: <http://www.usitc.gov>

Address all communications to:
United States International Trade Commission
500 E Street SW
Washington, DC 20436

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MESSAGE FROM THE CHAIRMAN

As we enter the new millennium, I would like to reflect on both our accomplishments during the past fiscal year and the groundwork laid to meet the challenges of public service in the next century. As expected, the Commission met the full brunt of substantial workload increases related to the new five-year (sunset) reviews; we successfully anticipated demands on resources and fulfilled our responsibility to determine whether more than 300 existing antidumping and countervailing duty orders should remain in effect. Newly filed title VII antidumping and countervailing duty investigations, section 337 investigations regarding interference with patent rights, and section 332 studies providing analysis of trade issues for the Executive Branch and Congress all continued to define our role in the administration of our nation's trade laws.

Although investigations are important Commission work, we are equally proud of our initiatives in electronic services intended to provide more information faster, and in a self-service format, to the public we serve. The addition of an on-line capability to our Electronic Document Imaging System (EDIS) now permits global computer access to all public documents filed in investigations. The Trade and Tariff DataWeb continues as a pilot project and provides no-fee, on-line retrieval of interactive current tariff and trade data. Likewise, conversion of the Harmonized Tariff Schedule of the United States Annotated into an on-line database will afford eventual immediate access to the most current HTS data. Additional work will develop electronic filing, electronic questionnaires, and digital signatures to eliminate paperwork. Finally, our Internet website continues to provide agency work products on a self-service basis.

We should also acknowledge management successes in other areas. The Y2K Committee effectively prepared for Y2K complications; its plan was singled out by OMB as a model for other federal agencies. The revitalized senior management Budget Committee provided more pro-active oversight in budget formulation and administration, and for the first time integrated the budget process with our Strategic Plan as we developed our FY 2001 budget request. In addition, we anticipate the first report from our Strategic Planning Committee which measures our program performance as required by the Government Performance and Results Act.

Although not included in this report, other contributions reflect an important part of our work place. For example, employees routinely and actively support community outreach efforts through tutoring programs and the Combined Federal Campaign, as well as the agency Federal Women's Program and EEO activities.

Since this is my last message as Chairman, I would like to express my appreciation to my fellow Commissioners and all Commission employees for their support during my chairmanship. We have worked together to meet our caseload demands and management challenges with exceptional professionalism and success, and we have done much to ensure that the Commission's longstanding commitment to quality public service is carried forward into the next century.

Lynn M. Bragg
Chairman

THE COMMISSION

The ITC is an independent, nonpartisan, quasi-judicial federal agency established by Congress with a wide range of trade-related mandates. Under its factfinding authority, the ITC exercises broad investigative powers on matters of trade. In its adjudicative role, the ITC makes determinations with respect to unfair trade practices. As the government's think tank on international trade, the ITC is a national resource where trade data are gathered and analyzed. Information and analysis are provided to the President and the Congress to assist them in developing U.S. trade policy.

ITC activities include —

- determining whether U.S. industries are materially injured by reason of imports that benefit from pricing at less than fair value or from subsidization;
- directing actions, subject to Presidential disapproval, against unfair trade practices such as patent infringement;
- making recommendations to the President regarding relief for industries seriously injured by increasing imports;
- providing objective analyses of other major trade issues, including estimating the probable economic effects of trade agreements;
- analyzing the competitiveness of specific industries, seeking to identify economic factors within the industry as well as external factors that affect the industry's competitiveness;
- participating in the development of uniform statistical data on imports, exports, and domestic production and in the establishment of an international harmonized commodity code; and
- advising the President whether agricultural imports from non-WTO countries interfere with price-support programs of the U.S. Department of Agriculture.

The six Commissioners are appointed by the President and confirmed by the Senate for terms of nine years, unless appointed to fill an unexpired term. The terms are set by statute and are staggered so that a different term expires every 18 months. A Commissioner who has served for more than five years is ineligible for reappointment. No more than three Commissioners may be members of the same political party. The Chairman and the Vice Chairman are designated by the President and serve for a statutory two-year term. The Chairman may not be of the same political party as the preceding Chairman, nor may the President designate two Commissioners of the same political party as the Chairman and Vice Chairman.

Summary of Investigations Completed, Fiscal Year 1999

Tariff Act of 1930:

Section 332-general factfinding investigations	11
Section 337-investigations of alleged unfair practices in the import and sale of imported products	12
Antidumping and countervailing duty investigations (96 antidumping investigations-54 preliminary and 42 final; 26 countervailing duty investigations-19 preliminary and 7 final)	122
Section 303-sunset reviews, countervailing duty	1
Section 751(b)-changed circumstances review investigations	7
Section 751(c)-sunset reviews	85

Trade Act of 1974:

Section 201-global safeguard investigations	2
Section 204-monitoring investigations	1

Total	241
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Investigations completed during fiscal year 1999 and investigations pending on September 30, 1999, are shown in appendix A.

THE COMMISSIONERS

Lynn M. Bragg

Chairman

Lynn Munroe Bragg, a Republican of Maryland, was designated Chairman of the ITC by President Clinton for the term ending June 16, 2000. She served as Vice Chairman of the ITC from August 5, 1996, through June 16, 1998. Ms. Bragg was appointed by President Clinton and was sworn in as a member of the Commission on March 31, 1994, for the term ending June 16, 2002. Prior to her appointment to the ITC, she served in a senior management position with the Edison Electric Institute as a director of government affairs. From 1981 to 1991, Ms. Bragg served on the staff of former Senator Malcolm Wallop (R-WY) as the Legislative Director and a Legislative Assistant. Previously, she held several positions in the corporate affairs department of the Potomac Electric Power Company (PEPCO) in Washington, DC. She holds a B.A. degree with Final Honors from Mary Washington College and a M.S. degree from Boston University.

Marcia E. Miller

Vice Chairman

Marcia E. Miller, a Democrat of Indiana, was designated Vice Chairman of the ITC by President Clinton for the term ending June 16, 2000. She served as Chairman of the ITC from August 5, 1996, through June 16, 1998. She became a member of the Commission on August 5, 1996, to fill the Commission term ending December 16, 2003. Prior to her appointment, Ms. Miller was the Minority Chief International Trade Counselor with the U.S. Senate Committee on Finance, which has jurisdiction over U.S. foreign trade policy, customs and import matters, and the budgets of several related agencies. She was named Chief International Trade Counselor to the Finance Committee by then-Chairman Daniel Patrick Moynihan in February 1993 following five years of service as a professional staff member with the Committee. Earlier in her career, Ms. Miller was an international economist with the law firm of Wilmer, Cutler, and Pickering. Prior to that, she handled international trade issues for the American Textile Manufacturers Institute. Ms. Miller holds a master of arts degree from the School of Advanced International Studies, Johns Hopkins University, and a bachelor of arts degree from Miami University in Oxford, Ohio.

Carol T. Crawford

Carol T. Crawford, a Republican of Virginia, was appointed by President Bush and sworn in as a member of the Commission on November 22, 1991, for the term ending June 16, 1999. Prior to her appointment, Ms. Crawford was Assistant Attorney General (Legislative Affairs) in the U.S. Department of Justice. From 1985 to 1989, she served as Associate Director of the Office of Management and Budget where she was responsible for budget and policy oversight for five cabinet-level departments and related agencies. She served at the Federal Trade Commission as Director of the Bureau of Consumer Protection from 1983 to 1985 and as Executive Assistant to the Chairman from 1981 to 1983. Previously, she practiced law in Washington, DC, was Senior Legislative Assistant to Senator Bob Packwood (R-OR), and was on the legislative staff of Rep. Robert Denney (R-NE). Ms. Crawford holds a B.A. from Mt. Holyoke College and a J.D., *magna cum laude*, from the Washington College of Law, American University.

Jennifer A. Hillman

Jennifer A. Hillman, a Democrat of Indiana, was appointed by President Clinton and sworn in as a member of the Commission on August 4, 1998, for the term ending December 16, 2006. Prior to her appointment, Ms. Hillman served as General Counsel for the United States Trade Representative (USTR) from 1995-1997, where she was responsible for a wide variety of trade matters, including all U.S. government submissions in dispute settlement cases pending before either the World Trade Organization or the North American Free Trade Agreement panels as well as all legal work done in connection with trade negotiations. Prior to that position, she served as Chief Textile Negotiator with the Rank of Ambassador for the USTR. Before joining the USTR, she was the Legislative Director and Counsel to Senator Terry Sanford (D-NC). She began her career as an attorney in the Washington firm of Patton, Boggs & Blow. Ms. Hillman holds a Bachelor of Arts degree in political science and a Master of Arts degree in higher education administration from Duke University; she received her J.D. from Harvard Law School.

Stephen Koplan

Stephen Koplan, a Democrat of Virginia, was appointed by President Clinton and sworn in as a member of the Commission on August 4, 1998, for the term ending June 16, 2005. Mr. Koplan began his career as a prosecutor in the Tax Division of the U.S. Department of Justice. He served in the Department's Tax Division for five years and its Civil Rights Division for seven years. Subsequently, he was the Legislative Representative for tax and international trade issues for the AFL-CIO for six-and-one-half years. He also served as staff attorney to former Senator Lee Metcalf (D-MT), with responsibility for all tax and foreign trade legislation referred to the Senate Committee on Finance, and later as the General Counsel of the former Senate Post Office and Civil Service Committee. He served as the Vice President of Governmental Affairs of Joseph E. Seagram & Sons, Inc.; as a principal in two Washington, DC, law firms; and most recently, as the Director for Governmental and Conservation Affairs of Safari Club International. He holds a Bachelor of Arts degree from Brandeis University, a Juris Doctor degree from Boston University School of Law, and a Master of Laws (in Taxation) degree from New York University.

Thelma J. Askey

Thelma J. Askey, a Republican of Tennessee, was appointed by President Clinton and sworn in as a member of the Commission on August 7, 1998, for the term ending December 16, 2000. Prior to her appointment, Ms. Askey served as the Staff Director of the Trade Subcommittee of the Committee on Ways and Means, U.S. House of Representatives. In that position, she was responsible for the development and scheduling of all trade issues coming before the subcommittee, including oversight of multilateral and bilateral negotiations, fast-track extensions, China's normal trade relations status, trade relations with non-market economies, and oversight of key bilateral and multilateral trade agreements, particularly the NAFTA and the WTO. She previously served as Minority Trade Counsel of the Trade Subcommittee, serving as the principal trade advisor to the Republican members of the committee. Ms. Askey holds a Bachelor of Arts degree in history from Tennessee Technological University and has completed graduate work in history and international economics at the University of Tennessee, George Washington University, and American University.

INTRODUCTION

As policymakers sought independent analysis and technical support for key international trade negotiations and five-year (sunset) review transition cases peaked, Fiscal Year (FY) 1999 proved to be an active and rewarding year at the U.S. International Trade Commission (ITC).

The ITC completed a total of 241 investigations during the year, a remarkable increase from the 105 investigations completed in FY 1998. The bulk of these were 215 cases that fell under title VII of the Tariff Act of 1930-including 122 antidumping and countervailing duty investigations, seven changed circumstances review investigations, and 86 cases under the new five-year (sunset) review process required by the Uruguay Round Agreements Act (URAA).

The URAA requires the Department of Commerce to revoke an antidumping or countervailing duty order, or terminate a suspension agreement, after five years unless the Department of Commerce and the ITC determine that doing so would be likely to lead to continuation or recurrence of dumping or subsidies (Commerce) and of material injury (ITC). As a result of the law, the ITC and Department of Commerce must review hundreds of outstanding anti-dumping and countervailing duty orders and suspension agreements that were in place as of January 1, 1995, over a three-year "transition" period, which began in July 1998. Antidumping and countervailing duty orders and suspension agreements issued after January 1, 1995, will be subject to review five years after they become effective, with the first of these reviews beginning in FY 2000.

The five-year (sunset) review process had a significant impact on the ITC's workload in FY 1999 as the institution and conduct of the "transition" cases peaked. While its effects may moderate as the transition period ends, activity in this area will continue to affect the agency's workload as the review of post-1995 orders and suspension agreements and appeals of review determinations begin. FY 1999 confirmed that the five-year (sunset) review process heralds a new era at the ITC.

In addition to title VII-related cases, the ITC completed two global safeguard investigations, 12 investigations of alleged unfair practices in import trade, and 11 general factfinding investigations during FY 1999. Information on all completed investigations can be found in the Highlights section and appendix A of this report.

The ITC's general factfinding investigations during FY 1999 covered a broad scope. To support U.S. trade negotiators in the Office of the U.S. Trade Representative (USTR), the ITC completed *Assessment of the Economic Effects on the United States of China's Accession to the WTO* (Inv. No. 332-403); *Economic Trends and Barriers to Trade in Products Covered by the WTO Agreement on Agriculture* (Inv. No. 332-396); *Effects on U.S. Trade of the European Union's Association Agreements with Selected Central and Eastern European Partners* (Inv. No. 332-395), and *The Economic Effects of Significant U.S. Import Restraints: Second Biennial Update* (Inv. No. 332-325). Agency staff also provided significant technical support to the USTR on a broad range of bilateral and multilateral trade issues.

Members of Congress sought the ITC's independent analysis of the competitiveness of a number of key industries, including *The Changing Structure of the Global Large Civil Aircraft Industry and Market: Implications for the Competitiveness of U.S. Industry* (Inv. No. 332-384); *Pianos: Economic and Competitive Conditions Affecting U.S. Industry* (Inv. No. 332-401); and *Ammonium Nitrate: A Comparative Analysis of Factors Affecting Global Trade* (Inv. No. 332-393). In addition, the ITC completed *Overview and Analysis of the Economic Impact of U.S. Sanctions With Respect to India and Pakistan* (Inv. No. 332-406) for the Committee on Ways and Means, U.S. House of Representatives. These and other general factfinding investigations completed by the ITC during FY 1999 are discussed in the Highlights section and appendix B of this report.

The agency continued to expand its Internet web site during the year, emphasizing public access to resources previously unavailable electronically. As FY 1999 ended, the agency was finalizing plans for a pilot project to

make the public inspection files maintained in every ITC investigation accessible over the Internet in early FY 2000.

In addition, the ITC launched a pilot program that made the full ITC DataWeb (both the trade data section, previously offered only to government users, and the already-accessible tariff section) available to the public during FY 1999. The agency took this action at the request of the Board of Directors of the International Trade Data System (an interagency project to modernize the processing and dissemination of trade-related data) and with the concurrence of staff from the ITC's congressional oversight committees. By the end of the fiscal year, the total number of registered DataWeb users stood at approximately 3,500, and the system was providing over 21,000 data reports a month. The general public accounted for approximately 59 percent of the users and 40 percent of the data reports generated by the end of the year.

PART I. HIGHLIGHTS

INVESTIGATIONS UNDER TITLE VII OF THE TARIFF ACT OF 1930

Under title VII of the Tariff Act of 1930, U.S. industries may petition the government for relief from imports that are sold in the United States at less than fair value (“dumped”) or which benefit from subsidies provided through foreign government programs.

Under the law, the U.S. Department of Commerce determines whether the dumping or subsidization exists and, if so, the margin of dumping or amount of the subsidy. The ITC determines whether the dumped or subsidized imports materially injure or threaten to materially injure the U.S. industry. A more detailed explanation of the antidumping/countervailing duty laws is included in appendix C.

Sixty-seven title VII petitions were filed with the Commission in FY 1999, compared with 44 in FY 1998. The majority concerned allegations of dumping (50 of the 67). The petitions covered a variety of products, including live cattle, cut-to-length steel plate, cold-rolled steel products, crude oil, structural steel beams, DRAMs, creatine monohydrate, aperture masks, polyester staple fibers, nitrile rubber, aspirin, nonfrozen concentrated apple juice, seamless steel pipe, synthetic indigo, ammonium nitrate, and paintbrushes.

The Commission also finished work on a number of cases that had been filed during FY 1998. These included elastic rubber tape, emulsion styrene-butadiene rubber, extruded rubber thread, hot-rolled carbon steel sheet, preserved mushrooms, stainless steel plate, stainless steel sheet, and stainless steel wire. See appendix A for a complete list of investigations and accompanying details.

Five-year (sunset) reviews, required by the Uruguay Round Agreements Act, had a significant effect on the Commission's workload during FY 1999 as 252 of these reviews were instituted. Under the law, the Department of Commerce is required to revoke an antidumping or countervailing duty order, or terminate a suspension agreement, after five years unless the Department of Commerce and the ITC determine that revoking the order or terminating the suspension agreement would be likely to lead to continuation or recurrence of dumping or subsidies (Commerce) and of material injury (ITC) within a reasonably foreseeable time. Each five-year review first requires the Commission to determine whether to conduct a full or expedited review. The Commission then conducts the review and makes its determination (see page 100 for a more detailed discussion of the five-year (sunset) review process). A list of reviews is presented in appendix A and the status of each review can also be found on the ITC's Internet site at www.usitc.gov under the five-year (sunset) review section.

INVESTIGATIONS UNDER SECTION 337 OF THE TARIFF ACT OF 1930

Under section 337 of the Tariff Act of 1930, the ITC conducts investigations into certain alleged unfair practices in import trade. Most complaints filed under this provision involve allegations of patent infringement,

trademark infringement, or misappropriation of trade secrets. A more detailed explanation of section 337 is included in appendix C.

In FY 1999, investigations involving complex technologies again dominated the ITC's section 337 docket. A majority of section 337 investigations concerned products in the computer and telecommunications fields, including CD-ROM controllers, video graphics display controllers, and digital satellite television systems, as well as various types of integrated circuit devices and processes for semiconductor fabrication. Several other investigations involved sophisticated technologies relating to products such as excimer laser systems for vision correction surgery, rare earth magnets used in electronic products, condensers used in automobile air conditioners, organic photoconductor drums for copying machines, conductive coated abrasives used in industrial applications, and security devices for remote control access. Other section 337 investigations active during the year concerned artificial sweeteners, agricultural tractors, disposable cameras, multipurpose pocket tools, lumbar supports for automobile seats, and lavatory faucets.

During FY 1999, 19 of the Commission's section 337 investigations and related proceedings involved the alleged infringement of utility patents, and three investigations involved alleged infringement of design patents. Two investigations and an enforcement proceeding involved allegations of trademark infringement. One of the trademark-based investigations also included allegations of various other unfair acts. The Commission's caseload included a formal enforcement proceeding, an advisory opinion proceeding, a reconsideration proceeding, and a bond forfeiture proceeding, as well as a remanded investigation, all of which related to previously concluded section 337 investigations.

INVESTIGATIONS UNDER THE TRADE ACT OF 1974

Under section 201 of the Trade Act of 1974, domestic industries seriously injured by increased imports may petition the ITC for import relief. Section 201 does not require a finding of an unfair trade practice, as do the antidumping/countervailing duty laws and section 337 of the Tariff Act of 1930. If the Commission makes an affirmative determination in a section 201 investigation, it recommends to the President relief that would remedy the injury and facilitate industry adjustment to import competition. The President makes the final decision whether to provide relief and the amount of relief. A more detailed description of section 201 appears in appendix C.

The Commission instituted three global safeguard (section 201) investigations during the year, involving lamb meat, steel wire rod, and circular welded carbon quality line pipe, as well as two escape clause reviews involving broom corn brooms and wheat gluten. See appendix A for details.

INVESTIGATIONS UNDER SECTION 332 OF THE TARIFF ACT OF 1930

Under section 332 of the Tariff Act of 1930, the ITC conducts general investigations on any matter involving tariffs and international trade. Some of the most significant analytical section 332 studies completed during the

year are highlighted below. Detailed information on other ITC reports completed during FY 1999 or pending on September 30, 1999, is provided in appendix B.

Studies Analyzing Various Aspects of U.S. Trade Agreements and Other Special Trade Programs

Assessment of the Economic Effects on the United States of China's Accession to the WTO (332-403)

On December 21, 1998, the USTR requested that the ITC conduct a fact-finding investigation to assess the economic effects on the United States of the possible reduction and elimination of China's tariff and non-tariff measures that might result from China's possible accession to the World Trade Organization (WTO). The USTR subsequently asked the ITC to analyze the specific tariff and market access offers, respectively, made by China in April 1999 in the context of its WTO accession negotiations. As requested by the USTR, the report was submitted as a confidential report; however, on September 1, 1999, the USTR advised the ITC that it had declassified the executive summary of the report and requested that the ITC issue that portion of the report to the public. The ITC received declassification instructions for the full report from the USTR on September 17, 1999, and released those portions of the report that were declassified on September 30, 1999.

The ITC report found that China's economy has been growing rapidly in recent years; that despite the large size of China's economy and the significant amount of trade occurring between the United States and China, U.S. merchandise trade with China remains small relative to the overall size of the U.S. economy; that China's trade, both with the United States and with the rest of the world, has grown rapidly in recent years; and that accession to the WTO will require numerous policy changes in China, including significant reductions in China's tariffs, the removal of non-tariff barriers that currently impede U.S. exports to China, the opening up of China's service sector, the further protection of intellectual property rights, and the elimination of many barriers to trade in agricultural products. The ITC further found that U.S. exports to China and U.S. foreign investment in China are likely to increase as a result of the removal of non-tariff barriers in the context of China's accession to the WTO, and that the U.S. sectors most positively affected by China's trade reforms would be agriculture, paper and pulp, chemicals, rubber, and plastics, other transport equipment (including aircraft) and machinery, while sectors that are expected to be negatively affected are footwear, wearing apparel, wood products, and other light manufactures.

The report notes that China is the world's largest single-country exporter of textiles and apparel products, and that almost three-quarters of U.S. sector imports from China consists of apparel, virtually all of which are covered by some type of quota. The report further notes that under the Agreement on Textiles and Clothing (ATC), textile and apparel quotas are being phased out over a 10-year period, with full elimination of quota restrictions on WTO members occurring on January 1, 2005. The ITC found that if quotas on China are eliminated, its share of the U.S. textile market would increase slightly, to about 11 percent by 2010. In the case of the U.S. apparel market, China's share would increase by about 18 percentage points if quotas are removed on January 1, 2005, resulting in China obtaining over 30 percent of the U.S. import market. China's increase in market share would come, in large part, by taking market share away from other current exporters to the U.S. market.

Economic Trends and Barriers to Trade in Products Covered by the WTO Agreement on Agriculture (332-396)

On July 20, 1998, the USTR requested that the ITC develop an informational and analytical resource base for the Administration's use in WTO negotiations on agricultural trade expected to start in late 1999. In her request letter, the USTR indicated that during the course of the negotiations, the Administration would need to assess various offers dealing with tariff and rule changes in many agricultural sectors of importance to the United States, and that it would be most important that the Administration be in a position to obtain thorough, rapid, and accurate assessments of trade and economic effects of various offers made. The USTR requested that the ITC examine the following sectors: grains; oilseeds (including peanuts); dairy; animals and animal products, other than dairy; sugar and other sweeteners; wine; cotton; fruits and vegetables (and tree nuts); and other products as covered in the WTO Agreement on Agriculture. The examination was to include: (1) recent trends in trade, production, and other relevant economic variables in these sectors; (2) barriers and/or distortions in major countries and product markets affecting this trade; and (3) methodologies for assessment of the effects of changes in various trade rules in each of these sectors upon the trade and economic interests of the United States. In addition, concise summaries of the information developed, both with respect to sector trends and trade barriers, were requested. The ITC's confidential report was submitted to the USTR in July 1999.

Effects on U.S. Trade of the European Union's Association Agreements with Selected Central and Eastern European Partners (332-395)

On April 15, 1998, the USTR requested that the ITC assess the effects on U.S. trade flows, sector-by-sector (including agriculture), of a number of trade-liberalizing agreements between the European Union and the Czech Republic, Estonia, Hungary, Poland, and Slovenia, both individually and on an aggregate basis. The ITC's assessment was to encompass an analysis of potential trade diversionary effects of these agreements and a discussion of other relevant factors affecting trade in these sectors. For each of the specified partners, the USTR requested that the ITC describe the trade and investment-related provisions of the association agreement, including trading partner tariff preferences for EU goods; estimate the percentage of trading partner imports of goods and services from the EU that are covered collectively by the provisions; analyze the changes in access to the trading partner's market such provisions create for the United States; identify the product sectors where notable changes have occurred to imports from the United States as a result of the association agreements; and, after examining trends in trade by the partner countries, analyze the likely effects of the agreements on U.S. industries in the identified sectors. The ITC's confidential report was submitted to the USTR in April 1999.

Studies on Special Areas of Congressional or USTR Interest

The Changing Structure of the Global Large Civil Aircraft Industry and Market: Implications for the Competitiveness of the U.S. Industry (332-384)

On August 13, 1997, the Committee on Ways and Means, U.S. House of Representatives, requested that the ITC investigate the global competitiveness of the U.S. large civil aircraft (LCA) industry. The ITC examined structural changes in the global LCA industry and market during 1992-97 that have affected the competitive position of the U.S. industry, including the Boeing- McDonnell Douglas merger; the restructuring of Airbus

Industrie, G.I.E.; the emergence of Russian producers; the possibility of Asian parts suppliers forming joint ventures and consortia to manufacture complete airframes; the emergence of markets for regional and jumbo jets; and issues involving Open Skies and free flight systems.

The ITC's report, submitted in November 1998, found that the 1997 Boeing-McDonnell Douglas merger created the world's largest aerospace company, altering the market dynamics in the global LCA industry; that Airbus' restructuring should allow it to become a more formidable, profit-oriented competitor; that Boeing and Airbus have sacrificed historical price and profit levels to maintain or increase market share; and that each is aggressively pursuing internal cost-saving measures to lower its production costs. The ITC further found that the Russian LCA industry has devoted all available resources during the last 10 years to develop new LCA capable of competing in the global market with aircraft from Boeing and Airbus; and that in recent years, China, Korea, Indonesia, and Singapore have become increasingly involved in aircraft-related programs through international collaboration and indigenous aerospace projects, but that due to the absence of a comprehensive technological base for aircraft development, an overall lack of experience in all phases of an aircraft-manufacturing program, and lack of sufficient international and regional cooperation, Asian nations appear unlikely to produce an internationally competitive LCA for at least 15-20 years. The ITC further found that increased price competition and resulting cost pressures within the airline industry have demonstrated a need for an airliner designed specifically for the 100-seat market, and that in the short to medium term, it is unlikely that an Airbus product will threaten Boeing's dominance in the over-400-seat market.

The Economic Effects of Significant U.S. Import Restraints: Second Biennial Update (332-325)

On May 15, 1992, the USTR requested that the ITC assess the quantitative economic effects of significant U.S. import restraint programs operating in the U.S. economy. The request also asked the Commission to prepare reports updating the analysis in two-year intervals following the submission of the first report. The first report was delivered to the USTR in November 1993, and the first update was transmitted in December 1995. The USTR requested in March 1997 that the second update be delayed to allow the analysis to incorporate important information due to be released very near the previously scheduled December 1997 transmission date. The ITC's second biennial update report, submitted in May 1999, presented results on the economic effects on the economy of removing significant U.S. import restraints in manufacturing, agricultural products, and services. The report examined tariff rate quotas on agricultural products, quotas applied to textiles and apparel, the ban on the import of maritime cabotage services, and sectors with high MFN tariffs.

Overview and Analysis of the Economic Impact of U.S. Sanctions With Respect to India and Pakistan (332-406)

On March 19, 1999, the Committee on Ways and Means, U.S. House of Representatives, requested that the ITC conduct an investigation concerning U.S. economic sanctions that were automatically imposed on India and Pakistan in 1998 when the two countries detonated nuclear explosive devices. In its request letter, the Committee noted that in 1998, the President imposed economic sanctions on India and Pakistan under section 102 of the Arms Export Control Act ("Glenn Amendment"). Because the Glenn Amendment does not provide Presidential waiver authority, U.S. economic sanctions were imposed automatically once the President determined that the two countries had detonated nuclear explosive devices. The letter further noted that on December 1, 1998, the

President waived the sanctions after determining that the waiver would increase the likelihood of progress toward U.S. nuclear non-proliferation objectives. The President's waiver authority was scheduled to end on October 21, 1999. The Committee requested the ITC investigation in anticipation of congressional action during 1999 on sanctions reform legislation and consideration of possible renewal of section 902 of the India-Pakistan Relief Act.

The ITC report, submitted in September 1999, found that U.S. economic sanctions imposed on India and Pakistan after they detonated nuclear explosive devices appear to have had a relatively minimal overall impact on India and a minimal but somewhat more pronounced adverse impact on Pakistan. Based on a telephone survey of over 200 U.S. companies and associations, the ITC found that the U.S. companies most affected by the Glenn Amendment sanctions were those involved in the sale of wheat and certain other agricultural products; industrial machinery; transportation, construction, and mining equipment; electronics products; and infrastructure development services. The ITC further found that the loss of trade and project finance support from the U.S. Export-Import Bank and the Overseas Private Insurance Corporation, as required by the Glenn Amendment sanctions, particularly hindered the ability of some U.S. companies to operate in India; that a prohibition of export credits and export guarantees by the U.S. Department of Agriculture, required under the Glenn Amendment but waived through September 30, 1999, most likely would adversely affect U.S. wheat exports to Pakistan; that the economic effects of the Glenn Amendment sanctions on the United States, India, and Pakistan are likely to be small; and that the major alternative suppliers benefitting from reduced U.S. exports to India and Pakistan under these sanctions are Japan; Europe; the rest of Asia; and Australia, New Zealand, and other South Pacific trading partners.

Studies Analyzing the Competitiveness of U.S. Industry

Pianos: Economic and Competitive Conditions Affecting the U.S. Industry (332-401)

On November 11, 1998, the Committee on Ways and Means, U.S. House of Representatives, requested that the ITC investigate the competitiveness of the U.S. piano industry, particularly that portion of the industry producing upright pianos. The ITC's report, submitted in May 1999, provided an overview of the global market, a profile of the U.S. piano industry, profiles of leading manufacturers in Japan, Korea, China, and Indonesia, and a comparison of the competitive strengths and weaknesses of U.S. and foreign producers.

The ITC found that approximately 400,000 vertical pianos and 60,000 grand pianos were sold globally in 1997; that Korea was the largest single market for vertical pianos, followed by China, the United States, and Japan; and that the United States was the largest single market for grand pianos, followed by Japan. The ITC further found that U.S. piano producers have a number of competitive disadvantages compared with their principal Asian competitors, including the fact that sizeable local markets with limited foreign competition have allowed producers in Japan and Korea to achieve greater economies of scale than those experienced by U.S. producers; the fact that Japanese and Korean producers' operations throughout Asia are more automated than operations in the United States; the fact that Asian producers (with the exception of Japan) had considerably lower labor costs than U.S. producers; and the fact that the national currencies of Japan, Korea, and Indonesia have significantly depreciated in real terms against the dollar during the period under consideration. The ITC found that U.S. producers have a

number of advantages over Asian producers, including relatively close proximity to supplies of high-quality wood resources essential for piano manufacturing; lower transportation costs when selling in the U.S. market; and a more experienced labor force for making furniture-style piano cabinets (the preferred style in the U.S. market).

The ITC reported that Japan-based Yamaha and Kawai and Korea-based Young Chang and Samick are among the largest piano producers in the world, and that in addition to facilities in their home country, each has production facilities or joint ventures elsewhere in Asia to benefit from lower labor costs, improved market access, or both. The ITC also reported that the two Japanese manufacturers also have production facilities in the United States from which they supplied over one-half of all vertical pianos manufactured in the United States in 1998; that the Asian financial crises had a significant effect on markets in that region; that although the U.S. market for acoustic pianos has contracted with few exceptions for the past two decades, apparent consumption of both vertical and grand pianos increased in 1997 and 1998 largely because of a strong economy and improved consumer prosperity; that the availability of low-priced, lower quality imported pianos from relatively new sources such as China has contributed to the expansion in the U.S. piano market; that U.S. producers are major importers, buying foreign-produced pianos to complement their product lines; and that vertical piano production and employment increased by 8 percent and 10 percent, respectively, during January-September 1998 compared with the same period in 1997.

Ammonium Nitrate: A Comparative Analysis of Factors Affecting Global Trade (332-393)

On April 27, 1998, the Committee on Finance, U.S. Senate, requested that the ITC provide a comparative analysis of factors affecting global trade in ammonium nitrate (AN), with a special emphasis on the industries in the United States, the European Union (EU), and Russia.

The ITC's report, submitted in October 1999, included profiles of the industries in these countries, addressing factors such as production, trade, and consumption; ownership and investment patterns; government programs; the ammonium nitrate production process with information regarding major feedstocks; and trends in domestic and export prices of ammonium nitrate. The ITC found that in the United States, prices for solid, fertilizer-grade AN generally trended upward from mid-1993 through mid-1996 before declining moderately in 1997 and more significantly in the first half of 1998, generally to levels near those of 1993-94; and that reported reasons for the decline include the impact of new capacity for AN and for nitrogen solutions of urea and ammonium nitrate (potential substitutes for each other) in the United States, the effect of imports on the spot market, growing inventories of wheat and corn (primarily attributable to decreased exports to certain Asian countries) which in turn have dampened U.S. consumption of AN, and the impact of the Chinese ban on imports of certain nitrogenous fertilizers.

The ITC further found that Russian input suppliers' reluctance to take firm action against late and nonpaying customers may enable some less-efficient firms to remain in business that would not be able to do so under a strict market economy; that producers of AN in the United States and in much of Europe have benefitted from relatively stable financial policies over the past 10 years that have held inflation rates to low levels which in turn facilitated business planning and access to capital; that U.S. producers' share of the U.S. market for solid, fertilizer-grade ammonium nitrate decreased from 86.4 percent to about 81.3 percent during 1993-94, before increasing slightly during 1994-97 to about 82.2 percent, while the Russian share of the U.S. market increased during 1993-97 from

zero to 7 percent, and the EU share of the U.S. market during those years rose from 3.4 percent to about 6 percent in 1996 before falling to about 3.5 percent in 1997; and that the outlook for the U.S., EU, and Russian industries producing solid, fertilizer-grade AN is uncertain based on existing market dynamics.

Methyl Tertiary Butyl Ether (MTBE): Conditions Affecting the Domestic Industry (332-404)

On December 23, 1998, the USTR requested that the ITC investigate conditions affecting the U.S. methyl tertiary butyl ether (MTBE) industry. MTBE, formerly used primarily as an octane enhancer to replace the tetra-ethyllead phased out of gasoline in the late 1970s and early 1980s, is now used mainly as an oxygenate blended with gasoline to add sufficient oxygen to meet the oxygen requirements of the Clean Air Act Amendments of 1990. MTBE is used in about 84 percent of U.S. reformulated gasoline; fuel ethanol is used in much of the remainder. In her request letter, the USTR noted that U.S. producers of MTBE have expressed concerns about competitive conditions affecting their industry, including increased MTBE imports from Saudi Arabia. The USTR further noted that producers believe that these increased imports are the indirect result of the Saudi Arabian government's provision of butane feedstock to domestic MTBE producers at a substantial discount to world market prices.

The ITC report, submitted in September 1999, found that the United States is the world's largest MTBE producer, producing about 3.5 times more in 1998 than Saudi Arabia, the second largest producer; that U.S. MTBE production, trade, and consumption all increased during 1994-98; that the United States is also both the world's largest importer and consumer of MTBE; and that U.S. demand during 1994-98 increased from 175,100 barrels per day to 251,300 barrels per day, while the import-to-consumption ratio also increased, from 23 percent to 35 percent. The ITC further found that Saudi Arabia was the world's largest MTBE exporter and was the largest source of U.S. imports during 1994-98; that although U.S. imports from Saudi Arabia more than doubled during this time period, their share of U.S. consumption increased from 7.4 percent to 11.2 percent; that the Saudi Basic Industries Corporation, a primarily state-held entity, is the main MTBE producer in Saudi Arabia, accounting for about 97 percent of total Saudi MTBE production capacity through three joint-venture operations; that Saudi MTBE is said to be primarily intended for export; and that government policies in the United States and Saudi Arabia are considered by many to have had a major impact on production, trade, and consumption of MTBE.

Studies Conducted on a Recurring Basis

Recent Trends in U.S. Services Trade, 1999 Annual Report

Shifts in U.S. Merchandise Trade in 1998 (332-345)

On August 27, 1993, the Commission instituted on its own motion an annual investigation to review U.S. trade performance, focusing on changes in U.S. imports, exports, and trade balances of key agricultural and manufactured products and on changes in U.S. bilateral trade with major trading partners. In FY 1995, the ITC expanded the scope of its investigation and launched a separate publication focusing on the U.S. service sector, which accounted for 77 percent of U.S. gross domestic product and 79 percent of the U.S. workforce in 1997. The current report on services, published in May 1999, presents a statistical overview of U.S. trade in services and provides industry-specific analyses focused on trends in exports, imports, and trade balances during 1996-97. The

report concludes with an examination of the professional services sector, discussing wage levels and employment growth in the sector and recent efforts to liberalize trade in professional services. The 1998 annual report on merchandise trade, published in August 1999, reviews U.S. trade performance in 1998. It also profiles the U.S. industry and market for about 300 industry and commodity groups, providing data for 1994-98 on domestic consumption, production, employment, trade, and import penetration. The report also covers significant bilateral shifts in trade with the top five U.S. trading partners (in terms of total trade); the financial crises during 1998 affecting East/Southeast Asia, Russia, and Brazil; factors affecting U.S. trade in Portland cement and uncooked pasta, which are subject to trade remedy actions, as well as flat glass, automobiles and automobile parts, and textiles and apparel, which are subject to ongoing trade agreements; the new five-year (sunset) review process for existing antidumping and countervailing duty orders; and rankings of the industry and commodity groups that experienced the most significant shifts in trade during 1997-98. The ITC has published trade shifts reports on a quarterly, semiannual, or annual basis since 1981.

ANNUAL REPORT ON THE U.S. TRADE AGREEMENTS PROGRAM

The Year in Trade 1998

Section 163(b) of the Trade Act of 1974 requires the ITC to submit to the Congress an annual report on the operations of the trade agreements program. The Commission had been preparing an annual report of this nature under a Presidential executive order since 1948.

The report, now known as *The Year in Trade*, provides the Congress with factual information on trade policy and its administration. It also serves as an historical record of the major trade-related activities of the United States for use as a general reference by government officials and others with an interest in U.S. trade relations.

The Year in Trade 1998, published in May 1999, is the 50th Anniversary edition of the publication. It provides a practical review of U.S. international trade laws, a report on the operation of the World Trade Organization, a review of U.S. bilateral trade agreements with major trading partners, and a survey of actions under U.S. trade laws. The 50th Anniversary edition includes a timeline that catalogs the 50-year history of the U.S. trade agreements program. The report also covers global economic conditions and U.S. trade with major trading partners during 1998; significant activities in the WTO, including its dispute settlement mechanism, and the Organization for Economic Cooperation and Development; the operation of such programs as the U.S. Generalized System of Preferences, the Caribbean Basin Economic Recovery Act, the Andean Trade Preference Act, and the U.S. textile and apparel program; and major U.S. trade sanctions activities involving Cuba, the Federal Republic of Yugoslavia (Serbia and Montenegro), Iran, Iraq, and Libya. The publication includes complete listings of antidumping, countervailing duty, intellectual property rights infringement, and section 301 cases undertaken by the U.S. government. An index geared to trade specialists cross-references the report by country and commodity.

PART II. ORGANIZATIONAL ACTIVITIES

OFFICE OF OPERATIONS

The ITC's core of investigative, industry, economic, nomenclature, and technical expertise is found within the Office of Operations. Under the supervision of the Director, staff in the component offices of Operations complete all statutory investigations, studies, and special work projects assigned by the Commission. The work includes completing the investigations within statutory deadlines and with a level of accuracy and detail suitable for subsequent review by the courts. The office is also responsible for information resources and statistical services.

During FY 1999, the staff in the office of the Director continued to refine an extensive tariff and trade computerized database, the ITC DataWeb. The system is relied upon for tariff and trade data by ITC staff as well as by staff at various federal government agencies, congressional offices, various U.S. trade negotiating groups, and U.S. embassies. During FY 1999, the ITC launched a pilot project to make the full DataWeb available to the public via the Internet. While the tariff portion of the DataWeb has been available to the general public for more than a year, the trade portion was previously available only to government users. The ITC DataWeb provides worldwide interactive access to current and historical U.S. trade data. It can be accessed from the ITC's Internet site (www.usitc.gov).

Office of Investigations

The Office of Investigations conducts the ITC's countervailing duty, antidumping, and review investigations under title VII of the Tariff Act of 1930; escape clause and market disruption investigations under the Trade Act of 1974; investigations under section 302 of the North American Free Trade Agreement (NAFTA) Implementation Act of 1994; and investigations under section 22 of the Agricultural Adjustment Act.

The primary responsibility of the Office of Investigations is to prepare an objective and comprehensive report in each investigation that will enable the Commission to determine, on the basis of the facts of the investigation, whether a U.S. industry has been injured or is threatened with injury by reason of imports of products like those it produces. The key investigations conducted by Investigations during FY 1999 are discussed in the Highlights section of this report.

In each investigation, an investigative team (made up of a supervisory investigator, an investigator, and an accountant/auditor from Investigations as well as an economist, a commodity-industry analyst, and an attorney) develops a thorough understanding of the conditions of competition within the domestic market of the industry under investigation. Largely through industry-specific questionnaires, telephone interviews, plant visits, consultations with technical and marketing specialists, public hearings, and a review of industry and market literature, the team collects and analyzes the extensive data that constitute the report to the Commission. Data

presented in the staff's report include, but are not limited to, the industry's productive capacity, actual production, capacity utilization, domestic and export shipments, inventories, imports, domestic market shares held by U.S. and foreign suppliers, employment, hours worked, productivity, wages and total compensation paid, unit labor costs, pricing, distribution channels, and full financial data on the U.S. companies producing the product under investigation. Somewhat more limited information about the foreign industry producing the product under investigation is also collected and analyzed.

Investigations staff members work closely with officials at the U.S. Department of Commerce, the U.S. Customs Service, parties to the investigations and their attorneys, and company officials for U.S. producers, importers, and purchasers of the product. Investigators also assist the USTR following Commission recommendations to the President in escape clause, market disruption, and section 22 cases.

Office of Industries

The Office of Industries maintains technical expertise related to the performance and global competitiveness of U.S. industries and the impact of international trade on those industries. International trade analysts in the office produce studies on a range of issues each year. Studies generally are conducted under section 332 of the Tariff Act of 1930 at the request of the President or specific committees of Congress or on the ITC's own motion. Industries staff includes international trade analysts who monitor the import, export, production, and sale of more than 8,000 agricultural products, raw materials, and manufactured products as well as a number of U.S. service industries.

Upon request, Industries analysts provide information and assistance related to international trade negotiations to the USTR. In addition to conducting factfinding investigations, Industries analysts contribute substantially to congressional bill reports, which analyze proposed tariff-related legislation. They also assist the Office of Investigations in title VII investigations. The office also publishes the *Industry Trade and Technology Review*, a quarterly collection of timely analytical articles developed by Industries analysts in the course of their research.

During FY 1999, the Office of Industries conducted 19 investigations under section 332, including both one-time factfinding studies and continuing industry surveys. The office also completed recurring studies and monitoring reports requested by the President, Congress, and the Commission. These reports covered nonrubber footwear, ethyl alcohol, imports of tomatoes and peppers, and production sharing under chapter 98 of the Harmonized Tariff Schedule. The office also published its annual analyses of significant trade shifts in selected commodity areas and its separate report covering service industries.

Since the 1920s, the ITC periodically has issued a series of detailed reports on thousands of products imported into and exported from the United States. Each report, known today as an Industry and Trade Summary, addresses one or more industry sectors and contains information on product uses, customs treatment, and trends affecting consumption, production, and trade of the commodities or services covered. The Office of Industries launched its most recent series of summaries in FY 1991; during FY 1999, nine summaries were published, bringing the total number of summaries published in this series to 136.

Office of Economics

The Office of Economics provides expert economic analysis for ITC investigations and reports. In addition, ITC economists render substantial technical assistance to the USTR, other executive branch agencies, the Congress, and the public. ITC economists also actively participate in many conferences, seminars, workshops, and professional society meetings; contribute to educational programs, both in the United States and abroad, on trade and economic matters; and publish regularly in scholarly journals. The office consists of three divisions.

Research Division economists provide theoretical and technical expertise for the quantitative analysis of trade and economic issues. Division economists develop and use state-of-the-art analytical tools to provide modeling and other support for ITC investigations, requests for technical assistance and analysis from the USTR and other entities within the Executive Office of the President, and congressional inquiries. The agency staff provides a rigorous analysis of the economic effects of changes in global trading rules or changes in other international economic factors that affect U.S. market structure, productivity, and competitiveness. The Research Division develops and maintains the computable general equilibrium (CGE) models that enable agency staff to estimate the effects of changing any specific trade restraint, any set of multiple restraints, or any other quantifiable barriers to U.S. trade.

During FY 1999, the Research Division conducted the second biennial update of its investigation of the economic effects of significant U.S. import restraints. In addition, the division conducted analyses for other ITC factfinding investigations, including an econometric assessment of the factors affecting U.S. competitiveness in the global large civil aircraft market, an applied general and partial equilibrium analysis of the effects of U.S. sanctions on India and Pakistan, and a partial equilibrium analysis of the Association Agreements between the European Union and certain Central and Eastern European countries. The division also rendered technical assistance to the USTR, the House Committee on Ways and Means, and the Commission for Environmental Cooperation during FY 1999, providing briefings, analyses of various trade agreements, critical reviews of trade-related issues and trade flow data, and general trade-related economic expertise.

Economists in the Country and Regional Analysis Division analyze foreign economic regimes and regional and multilateral trade agreements. Economists in this division contribute economic expertise to ITC investigations and maintain up-to-date information concerning global economic, investment, and trade developments by major country and region. The division complements and works closely with the ITC Office of Industries to provide U.S. trade policymakers with information about specific industries and countries. The division also produces the *International Economic Review*, a journal analyzing economic and trade policy developments.

During FY 1999, the Country and Regional Analysis Division conducted general factfinding investigations concerning the impact of European Association Agreements on the U.S. economy and the likely impact of China's WTO accession on the U.S. economy. The division also completed a number of regular trade-monitoring reports, including an assessment of the impact of the Caribbean Basin Economic Recovery Act (CBERA) and Andean Trade Preference Act programs on the U.S. economy; a report on African trade flows; and the agency's annual review of multilateral, regional, and bilateral trade developments entitled *The Year in Trade*. The division

provided technical assistance to the USTR, conducting an assessment of a European Union-South Africa free trade agreement, reviewing USTR's CBERA report, and providing data for USTR's triennial CBERA report to Congress.

The Applied Economics Division primarily is responsible for providing technical economic expertise in the ITC's statutory investigations. These include antidumping, countervailing duty, escape clause, and market disruption investigations and five-year (sunset) reviews. Division economists serve on investigative teams, where they analyze conditions of competition (using demand, supply, and other market-related information) and pricing practices within the industry subject to investigation. They also model the economic impact of unfairly priced imports on the U.S. industry producing competing articles. In addition, they work on section 332 investigations, assisting in economic modeling and providing general economic analysis.

Office of Tariff Affairs and Trade Agreements

The Office of Tariff Affairs and Trade Agreements (TATA) carries out the ITC's responsibilities with respect to the Harmonized Tariff Schedule of the United States (HTS) and the international Harmonized System (HS). The HTS provides the applicable tariff rates and statistical categories for all merchandise imported into the United States; it is based on the HS, the global classification system that governs most world trade in goods.

TATA updates and publishes the *HTS* annually. In November 1998, the office published the 1999 edition of the *HTS*. TATA also published a 200-page supplement to the 1999 edition in August 1999. An electronic version of the *HTS* is available on the ITC's Internet homepage (www.usitc.gov).

TATA staff also provide expert HTS-related information upon request to the business community, governments, and the public. The office maintains an electronic database that tracks the history of all changes (legal and statistical) to the HTS since its implementation.

TATA staff work with the Office of Industries to prepare bill reports requested by Congress. These reports investigate the legal and economic effects of proposed tariff reductions and duty suspensions for specific products for use by the House Committee on Ways and Means and the Senate Committee on Finance during consideration of tariff-related legislation. No reports were prepared in FY 1999.

The office also provides technical advice and assistance to the USTR on bilateral and multilateral trade programs, participating in Trade Policy Staff Committee activities, preparing Presidential proclamations, developing trade data tailored for use by negotiators, and, when requested, directly assisting negotiating teams. During FY 1999, TATA prepared documents for the USTR for presentation to Congress and prepared the implementing proclamations in connection with the expansion of the Pharmaceutical Agreement and the imposition of restraints on lamb imports. TATA also prepared the annual Generalized System of Preferences proclamation for the USTR and the annexes for two USTR notices concerned with the implementation of section 301 sanctions against the European Commission (EC) regarding EC actions on bananas and on hormones.

The office participates in the World Customs Organization (WCO), an international organization headquartered in Brussels, Belgium. The WCO oversees the continuous development and maintenance of the global HS. TATA represents the U.S. government on the central committee for nomenclature and classification matters

(the Harmonized System Committee), the Technical Committee on Rules of Origin, and the HS Review Subcommittee.

TATA's Director chairs the Committee for Statistical Annotation of the Tariff Schedule, which also includes representatives of the U.S. Customs Service and the Census Bureau. The committee analyzes and evaluates petitions requesting changes in HTS statistical subheadings; it received 20 such petitions during FY 1999. Through the committee, TATA participated during FY 1999 in several joint undertakings with the Canadian government in connection with a U.S.-Canada Memorandum of Understanding, under which the two countries exchange monthly import statistics that reflect each country's exports to the other. The arrangement eliminates the need to prepare and compile over one million export documents annually.

TATA's Director serves as chair of the Board of Directors of the International Trade Data System (ITDS). The ITDS is an integrated trade data system to be shared by all federal trade agencies. It results from a National Performance Review initiative recommending the establishment of such a system.

Office of Unfair Import Investigations

The Office of Unfair Import Investigations (OUII) participates as a full party representing the public interest in adjudicatory investigations conducted under section 337 of the Tariff Act of 1930. These investigations most frequently involve allegations of patent or trademark infringement. Allegations of copyright infringement, misappropriation of trade secrets, passing off, false advertising, and antitrust violations also can be litigated in these investigations. If the Commission finds a violation of section 337, it may issue exclusion orders and cease and desist orders as a remedy.

In addition to the investigation of a complaint under section 337, the ITC may conduct enforcement proceedings to determine whether the importation or sale of a specific product violates an existing Commission order. Also, the Commission may issue advisory opinions regarding whether certain anticipated conduct would violate an outstanding Commission order.

Investigative attorneys from OUII actively participate throughout the investigation along with counsel for the private parties. However, the investigative staff represents the public interest rather than the private interests of a complainant or respondent. Representation of the public interest is important because the remedies available in section 337 investigations may affect nonparties and U.S. consumers. OUII investigates and offers an independent perspective on the many issues presented in section 337 investigations.

OUII attorneys review section 337 complaints prior to institution of an investigation and advise the Commission whether complaints are legally sufficient for purposes of institution. Upon request, OUII also provides information to prospective complainants regarding procedures for filing complaints under section 337 and reviews draft complaints on a confidential basis. Once an investigation is instituted, OUII attorneys seek to ensure that a sufficient evidentiary record is developed. OUII attorneys conduct discovery, participate at hearings before the Administrative Law Judges (ALJs), and submit legal briefs to the ALJs and the Commission.

After a hearing, the ALJ issues an initial determination on all issues related to the alleged violation of section 337. The ALJ's initial determination is subject to review and modification by the Commission. If the Commission does not modify the initial determination, it becomes the Commission's final determination. If the Commission determines that there is a violation of section 337, it may issue remedial orders. Those orders are effective when issued and become final 60 days after issuance unless disapproved for policy reasons by the President within that 60-day period. A more complete description of section 337 is included in appendix C.

OUII also assists the parties with settlements. OUII attorneys review proposed consent orders (orders of the Commission agreed to by the parties that prohibit specific activities related to the importation and/or sale of the products at issue) and settlement agreements (private agreements between the parties). OUII then submits responses to the ALJ regarding public interest concerns and compliance with ITC rules.

During FY 1999, there were 25 active section 337 investigations and related proceedings, 12 of which were instituted in FY 1999. Key investigations are detailed in the Highlights section of this report, and a full list of investigations and related proceedings completed appears in appendix A. The Commission found a violation of section 337 in two investigations. General exclusion orders were issued in both of these investigations and cease and desist orders were issued in one of these investigations. As a result of settlement agreements reached between the parties, the Commission terminated one investigation prior to an evidentiary hearing and terminated two other investigations subsequent to the evidentiary hearings, but prior to decisions on the merits. Three investigations, including one remand, were terminated based on the complainant's withdrawal of the complaint. The Commission terminated one investigation based on a consent order, and consent orders were issued in three section 337 investigations prior to final determination.

Office of Information Services

The Office of Information Services (OIS) administers all ITC computer, telecommunications, and statistical and editorial services. OIS's Library Services staff manages the ITC's National Library of International Trade, a specialized technical library that serves as the agency's information and research center. Library Services supports the Commissioners and ITC staff by acquiring, organizing, and disseminating information in all media. For more information on the ITC's National Library of International Trade, see page 107.

During FY 1999, OIS staff provided extensive technical support for the ITC's Electronic Document Imaging System (EDIS), which now contains more than 2 million pages of case documents, as well as enhancements of the DataWeb interactive international trade and tariff database system, the five-year (sunset) review section, and the unfair import investigation section of the ITC's main Internet site (www.usitc.gov). OIS staff also fixed over 200 computer systems and subsystems and more than 400 personal computers within the agency in preparation for the Year 2000 computer rollover.

OFFICE OF ADMINISTRATION

The Office of Administration oversees the preparation and execution of the ITC's budget; manages its financial systems; supervises all personnel matters, including collective bargaining with union representatives; directs procurement, publishing, and facilities management; and is responsible for all agency security matters. During FY 1999, the Office of Administration reorganized its component offices, creating a new Office of Facilities Management and a new Office of Publishing.

Office of Finance and Budget

The Office of Finance and Budget develops, monitors, and administers the ITC budget and expenditures, ensuring proper financial management of agency activities. The Budget Division formulates, justifies, and executes the ITC budget. The Finance Division maintains the ITC financial information system and the agency payroll and travel functions. Finance and Budget staff assist ITC offices in developing their annual budget requests; develop the overall annual agency appropriation and authorization requests; and prepare accounting, activity, and financial projection reports. In coordination with the Office of External Relations, Finance and Budget also has liaison support responsibilities with other federal agencies, the Office of Management and Budget, and congressional committees on budgetary and finance matters.

During FY 1999, the office completed the implementation of the governmentwide fleet, travel, and purchase card program, which will improve oversight, streamline procedures, and decrease administrative costs. As part of the governmentwide travel program, office staff implemented use of the travel card, further streamlining the travel reimbursement process. The office also supplemented its travel program with the use of an Intranet airline flight guide service for travelers, which allows travelers to review and compare government contract flight schedules and rates for official travel. The office expanded the use of car rental services for travelers on official business, instituted central billing for travel-related expenses, began discussions with its travel and purchase card vendor to receive electronic invoices, and completed the initial phase of a program to allow electronic access to travel card accounts.

Office of Facilities Management

The Office of Facilities Management directs and coordinates administrative support services to the Commission. The office was formed during the FY 1999 reorganization of the Office of Administration's component offices. The office's services include lease management, mail management, records storage, property management, supply services, space management program services, furniture and equipment acquisitions, facilities and equipment maintenance, transportation, occupational health and safety management, physical security, and the destruction of national defense classified information and confidential business information. During FY 1999, the office worked with the General Services Administration, the ITC building owner, and commercial vendors to obtain certification of Y2K compliance for all building infra-structure components. Contingency plans for the building's infrastructure, including building security, were developed to ensure the availability and safety of the building.

Office of Publishing

The Office of Publishing oversees the ITC's publishing activities and is responsible for producing all ITC publications. The office was formed during the FY 1999 reorganization of the Office of Administration's component offices. During FY 1999, the office completed implementation of its digital network to create a state-of-the-art, networked publishing system, introduced color printing services, and continued the digital conversion of the agency's historical photographic and publications archives.

Office of Personnel

The Office of Personnel manages the ITC's recruitment, training, and personnel management operations and serves as a resource for managers and staff on employee relations, employee development, and benefits matters. During FY 1999, significant staff resources were devoted to the recruitment of non-permanent employees to assist with the five-year (sunset) review process. At the end of the fiscal year, 24 such employees - primarily attorneys, trade analysts, and economists - had been hired. These employees will work exclusively on sunset reviews and constitute approximately 6.5 percent of the agency's operating staff.

OFFICE OF EQUAL EMPLOYMENT OPPORTUNITY

The Office of Equal Employment Opportunity (EEO) administers the ITC affirmative action program. The Director advises the Chairman and ITC managers on all equal employment issues; evaluates the sufficiency of the agency's EEO program and recommends improvements or corrections, including remedial and disciplinary action; establishes and maintains a diversity outreach program; and monitors recruitment activities to assure fairness in agency hiring practices.

The Director manages the EEO complaints and investigation process; coordinates the pre-complaint counseling and alternative dispute resolution processes; and manages and supervises the work of the collateral-duty Special Emphasis Program Managers and EEO Counselors and Investigators. The ITC EEO program is structured to promote understanding and appreciation of multiple ethnicity in the workplace and to prevent inappropriate, discriminatory conduct on the part of all employees.

The ITC Employee Development Program is a corollary function within the Office of EEO. It is conducted in concert with the Training Officer, Office of Personnel.

OFFICE OF THE ADMINISTRATIVE LAW JUDGES

The ITC's Administrative Law Judges (ALJs) direct litigation, hold hearings, and make initial determinations in investigations under section 337 of the Tariff Act of 1930.

Section 337 investigations require formal evidentiary hearings in accordance with the Administrative Procedure Act (5 U.S.C. 551 et seq.). After the Commission has instituted an investigation, the matter is referred to the Office of the Administrative Law Judges. Cases are assigned on a rotating basis to one of the ITC's three ALJs, who, after an extensive discovery process, holds a hearing. The judge considers the evidentiary record and

the arguments of the parties and makes an initial determination, including findings of fact and conclusions of law. Temporary relief may be granted in certain cases. A more detailed description of section 337 is included in appendix C.

The judge's initial determination is subject to review and modification by the Commission. If the Commission does not modify the initial determination, it becomes the Commission's final determination. If the Commission determines that there is a violation of section 337, it may issue remedial orders. Those orders are effective when issued and become final 60 days after issuance unless disapproved for policy reasons by the President within that 60-day period.

During FY 1999, the Office of the Administrative Law Judges held seven evidentiary hearings in section 337 cases under the Administrative Procedure Act. See Highlights section of this report for details on key section 337 investigations during FY 1999 and appendix A for a complete list of investigations.

OFFICE OF INSPECTOR GENERAL

The Inspector General conducts all audits and investigations related to ITC programs and operations and recommends and comments on proposed legislation, regulations, and procedures that affect the agency's efficiency and effectiveness. The accomplishments of the Inspector General are detailed in semiannual reports submitted to Congress in May and November. The Office of Inspector General reviews all proposed ITC directives and regulations as a means of preventing or detecting fraud, waste, or abuse. As required by the Inspector General Act, the office also has a process for commenting on existing and proposed legislation and regulations relating to programs and operations of the ITC.

During FY 1999, the Inspector General conducted audits of the Commission's efforts to prepare for sunset reviews, methods used to compose publications, preparation for the year 2000, and financial statements audits for fiscal years 1998 and 1997. Inspections addressed topics such as the *passport* system's security, the electronic document imaging system's security, the Commission's ability to report on performance measurement goals, non-tax debt collection procedures, preparation for the year 2000, and time keeping practices regarding federal holidays.

OFFICE OF THE SECRETARY

The Office of the Secretary compiles and maintains the ITC's official records, including petitions, briefs, and other legal documents. In FY 1999, a total of 17,621 documents were filed with the office.

Under the direction of the Secretary, the office issues ITC notices, reports, and orders, and it schedules and participates in all Commission meetings (40 in FY 1999) and hearings (34 days of hearings in FY 1999). The office makes determinations on requests for confidential treatment of information, requests for information to be released under protective order, and requests under the Freedom of Information Act (FOIA). The following table shows the number of these requests in FY 1998 and FY 1999:

Type of request	FY 1998	FY 1999
Requests for confidential treatment	304	768
Requests for release of confidential business information under protective order . . .	87	440
FOIA requests:		
Received	71	84
Granted in whole or in part	46	49

The Office of the Secretary receives surety bonds or other collateral posted by parties in connection with the temporary exclusion orders issued in section 337 investigations. The Secretary is also authorized to issue seizure letters authorizing the U.S. Customs Service to hold certain merchandise when a prohibited importation is attempted. In addition, the Secretary issues administrative protective orders in cases filed before binational panels under the auspices of the NAFTA. The Secretary monitors alleged breaches of ITC administrative protection orders.

The Office of the Secretary manages distribution of ITC reports and studies through its Publications Branch, responding to an average of 295 requests monthly. For information on ITC services and information resources available through the Office of the Secretary, see page 107.

OFFICE OF THE GENERAL COUNSEL

The General Counsel serves as the ITC's chief legal advisor. The General Counsel and the 32 attorneys in the office provide legal advice and support to the Commissioners and ITC staff on statutory investigations, prepare briefs and represent the ITC in court and before binational panels and administrative tribunals, and provide assistance and advice on general administrative matters, including personnel and labor relations and contracts. The ITC's ethics office is housed in the General Counsel's office. General Counsel attorneys serve as members of investigative teams assigned to antidumping and countervailing duty investigations and investigations under other statutory authorities; they prepare legal issues memoranda and assist the Commission in the drafting of opinions in the course of these investigations. The office also provides assistance and support in the drafting of new ITC rules of practice and procedure.

During FY 1999, General Counsel attorneys drafted amendments to the ITC's rules to establish procedures for conducting five-year reviews of anti-dumping and countervailing duty orders. Appendix D of this report details the trade litigation matters completed or terminated during FY 1999 or pending at year-end.

When requested, the office provides technical assistance to the Congress and the executive branch on tariff and trade matters. During FY 1999, the office was called upon to provide technical assistance and support to the USTR in connection with notification of WTO committees of U.S. legislation that implements U.S. obligations under the new WTO agreements and to review the anti-dumping, countervailing duty, and safeguard laws of other countries for consistency with WTO requirements. Office attorneys also provided technical assistance to USTR staff in connection with consultations and panel proceedings in the WTO and under the NAFTA relating to ITC

antidumping, countervailing duty, and safeguard determinations and defense of other U.S. measures. The office also assisted the USTR in its proceedings in the WTO relative to actions of other countries and provided technical advice concerning consultations on U.S. laws related to the antidumping and countervailing duty laws.

OFFICE OF EXTERNAL RELATIONS

The Office of External Relations develops and maintains liaison between the ITC and its varied external customers. The office is the focal point for contacts with the U.S. Trade Representative and other executive branch agencies, Congress, foreign governments, international organizations, the public, and the international, national, and local news media. It also coordinates meetings with international visitors. The ITC's Trade Remedy Assistance Office (TRAO) is a component of External Relations.

The Director is the ITC's representative on the interagency Trade Policy Staff Committee and an advisor to the Trade Policy Review Group, both of which are chaired by the USTR. External Relations provides assistance to the agencies responsible for trade policy formulation and keeps Commissioners and senior ITC staff informed of developing trade issues that might affect the agency's mission. The office coordinates responses to Presidential requests for advice and information on trade issues. It also manages interactions between the Commission and the international trade community, coordinating requests for assistance from U.S. embassies abroad in connection with the Commission's investigations and studies as well as arranging and participating in meetings with representatives of foreign governments and international organizations.

The Congressional Relations Officer is the ITC's liaison with Congress. She advises members of Congress and their staffs on trade laws related to the ITC and agency roles and activities; organizes briefings for congressional staff; coordinates ITC testimony before Congress, as well as testimony by members of Congress at ITC hearings; works with congressional staff to clarify congressional intent and the parameters and scope of section 332 investigation requests; and responds to congressional inquiries and keeps Congress apprised of ITC studies and publications. She also advises the Commission of congressional activities and legislation of interest to the agency.

The Public Affairs Officer serves as spokesperson for the ITC and maintains an active relationship with the news media, responding to inquiries, issuing news releases concerning Commission determinations, publicizing ITC studies and publications, and arranging interviews with Commissioners and staff experts. She also develops informational brochures and pamphlets as well as Internet content to enhance public understanding of the ITC, edits the ITC Annual Report to Congress, and advises the Commission and agency staff on public affairs issues and practices.

The Trade Remedy Assistance Office assists small businesses seeking benefits or relief under U.S. trade laws. The Trade Remedy Assistance Program Manager provides general information concerning the remedies and benefits available under the trade laws of the United States and provides technical and legal assistance and advice to eligible small businesses seeking remedies.

During FY 1999, External Relations coordinated ITC support for the USTR in Asia-Pacific Economic Cooperation (APEC) forum activities; the WTO review of U.S. trade policy; activities of the interagency Section

301 Committee; further NAFTA tariff acceleration; and interagency deliberations on U.S. safeguard actions concerning lamb meat and steel wire rod.

Numerous members of Congress testified at the ITC in connection with a number of investigations during FY 1999.

Senator Max Baucus (D-MT) and Senator Conrad Burns (R-MT) testified on January 12, 1999, in connection with the injury phase of the ITC's global safeguard investigation involving *Lamb Meat*.

Representative John T. Walsh (R-NY) testified on March 17, 1999, in connection with the preliminary phase of the ITC's antidumping investigation involving *Aperture Masks from Japan and Korea*.

Senator Strom Thurmond (R-SC), Senator Richard J. Durbin (D-IL), Representative John P. Murtha (D-PA), Representative Robert Menendez (D-NJ), Representative Karen McCarthy (D-MO), Representative Marshall "Mark" Sanford (R-SC), and Representative Sue Wilkins Myrick (R-NC) testified on April 15, 1999, in connection with the injury phase of the ITC's global safeguard investigation involving *Steel Wire Rod*.

Senator Arlen Specter (R-PA), Senator John D. Rockefeller, IV (D-WV), Representative Ralph Regula (R-OH), and Representative John P. Murtha (D-PA) testified on May 4, 1999, in connection with the final phase of the ITC's countervailing duty and antidumping duty investigations involving *Hot-Rolled Steel Products from Brazil, Japan, and Russia*.

Representative Harold Ford, Jr. (D-TN) testified on June 8, 1999, in connection with the remedy phase of the ITC's global safeguard investigation involving *Steel Wire Rod*.

Representative Max Sandlin (D-TX), Representative Chris Cannon (R-UT) and Representative Marion Berry (D-AR) testified on September 30, 1999, in connection with the injury phase of the ITC's global safeguard investigation involving *Circular Welded Carbon Quality Line Pipe*.

In addition, numerous members of Congress submitted written testimony and letters concerning many Commission investigations throughout the year.

TRAO provided information and assistance to 109 business, public, academic, and congressional customers during FY 1999. TRAO also rendered technical assistance, including informal legal assistance and advice, to one eligible small business during the year. In addition, External Relations arranged ITC visits for 203 individuals from 17 countries, including government officials, journalists, businessmen, economists, bankers, attorneys, professors, and students.

PART III. MANAGEMENT AND FINANCE

The ITC maintains an expert staff of professional international trade and nomenclature analysts, investigators, attorneys, economists, computer specialists, and administrative support personnel. All ITC personnel are located at 500 E Street, SW, Washington, DC 20436. At the end of FY 1999, a total of 364.5 permanent employees were employed by the ITC.

A breakdown of staff, by organization, is shown at the right:

Organizational unit	Number as of September 30, 1999
Commissioners	6
Offices of the Commissioners	22
Office of the Administrative Law Judges	9
Office of the Secretary	13
Office of External Relations	5
Office of the General Counsel	41.5
Office of Inspector General	2
Office of the Director of Operations	4
Office of Economics	37
Office of Industries	97.5
Office of Investigations	31
Office of Tariff Affairs and Trade Agreements	15
Office of Unfair Import Investigations	11.5
Office of Information Services	26
Office of the Director of Administration	9
Office of Finance and Budget	6
Office of Facilities Management	5
Office of Publishing	9
Office of Personnel	6
Office of Equal Employment Opportunity	1
	<hr/>
Total	364.5

The ITC submits its budget to the President for transmittal to Congress. Because of the unique role of the ITC as a quasi-judicial, nonpartisan, independent agency designed to provide trade expertise to the legislative and executive branches of government, Congress provided in section 175 of the Trade Act of 1974 (19 U.S.C. 2232) that the ITC budget would not be subject to control by the Office of Management and Budget, but would instead be submitted directly to Congress.

During FY 1999, appropriated funds made available to the ITC amounted to \$46,625,548. Obligations for FY 1998 and FY 1999 (in thousands of dollars) are shown at the right:

Item	FY 1998	FY 1999
Salaries and personnel benefits	28,550	32,218
Travel and transportation	452	400
Rental and communication services	5,485	5,696
Other services	3,126	3,607
Printing and reproduction	159	252
Equipment, supplies, and material	2,372	1,748
Land and structures	925	128
	<hr/>	<hr/>
Total	41,069	44,049

APPENDIXES

APPENDIX A

SUMMARY OF INVESTIGATIONS COMPLETED DURING FISCAL YEAR 1999 AND PENDING ON SEPTEMBER 30, 1999

Table 1**General investigations of trade and tariff matters completed under sec. 332 of the Tariff Act of 1930 and sec. 1205 of the Omnibus Trade and Competitiveness Act of 1988, fiscal year 1999**

Investigation No. and title	Origin	USITC publication—	
		No.	Date
332-384 <i>The Changing Structure of the Global Large Civil Aircraft Industry and Market: Implications for the Competitiveness of the U.S. Industry</i>	Request from the Committee on Ways and Means, U.S. House of Representatives	3143	November 1998
332-393 <i>Ammonium Nitrate: A Comparative Analysis of Factors Affecting Global Trade</i>	Request from the Committee on Finance, U.S. Senate	3135	October 1998
332-395 <i>Effects on U.S. Trade of the European Union's Association Agreements with Selected Central and Eastern European Partners</i>	Request from the United States Trade Representative	Confidential	April 1999
332-396 <i>Economic Trends and Barriers to Trade in Products Covered by the WTO Agreement on Agriculture</i>	Request from the United States Trade Representative	Confidential	July 1999
332-397 <i>Database on Trade and Investment in Services</i>	Request from the United States Trade Representative	Confidential	April 1999
332-398 <i>Advice Concerning Possible Modifications to the U.S. Generalized System of Preferences</i>	Request from the United States Trade Representative	3160	February 1999
332-401 <i>Pianos: Economic and Competitive Conditions Affecting the U.S. Industry</i>	Request from the Committee on Ways and Means, U.S. House of Representatives	3196	May 1999
332-402 <i>Advice Concerning the Addition of Certain Pharmaceutical Products and Chemical Intermediates to the Pharmaceutical Appendix to the Harmonized Tariff Schedule of the United States</i>	Request from the United States Trade Representative	3167	April 1999

Table 1—Continued**General investigations of trade and tariff matters completed under sec. 332 of the Tariff Act of 1930 and sec. 1205 of the Omnibus Trade and Competitiveness Act of 1988, fiscal year 1999**

Investigation No. and title	Origin	USITC publication—	
		No.	Date
332-403 <i>Assessment of the Economic Effects on the United States of China's Accession to the WTO - Executive Summary</i>	Request from the United States Trade Representative	3228	August 1999
<i>Assessment of the Economic Effects on the United States of China's Accession to the WTO</i>	Request from the United States Trade Representative	3229	September 1999
332-404 <i>Methyl-Tertiary Butyl Ether (MTBE): Conditions Affecting the Domestic Industry</i>	Request from the United States Trade Representative	3231	September 1999
332-406 <i>Overview and Analysis of the Economic Impact of U.S. Sanctions with Respect to India and Pakistan</i>	Request from the Committee on Ways and Means, U.S. House of Representatives	3236	September 1999

Table 2**General investigations of trade and tariff matters under sec. 332 of the Tariff Act of 1930 and sec. 1205 of the Omnibus Trade and Competitiveness Act of 1988 pending on Sept. 30, 1999**

Investigation No. and title	Origin	USITC publication—	
		No.	Date
332-191 <i>Nonrubber Footwear Statistical Report, 1998</i>	Request from the Committee on Finance, U.S. Senate	3174	March 1999
332-227 <i>Caribbean Basin Economic Recovery Act: Impact on U.S. Industries and Consumers: Fourteenth Report 1998</i>	Required by sec. 215(a) of the Caribbean Basin Economic Recovery Act	3234	September 1999
332-237 <i>Production Sharing: Use of U.S. Components and Materials in Foreign Assembly Operations, 1994-1997</i>	Instituted by the Commission on its own motion	3146	December 1998
332-288 <i>Ethyl Alcohol for Fuel Use: Determination of the Base Quantity of Imports</i>	Required by the Steel Trade Liberalization Program Implementation Act	(¹)	(¹)
332-325 <i>The Economic Effects of Significant U.S. Import Restraints: Second Biennial Update, 1999</i>	Request from the United States Trade Representative	3201	May 1999
332-345 <i>Recent Trends in U.S. Services Trade, 1999 Annual Report</i>	Instituted by the Commission on its own motion	3198	May 1999
<i>Shifts in U.S. Merchandise Trade in 1998</i>	Instituted by the Commission on its own motion	3220	August 1999
332-350 <i>Monitoring of U.S. Imports of Tomatoes</i>	Required by the North American Free Trade Agreement Implementation Act	3242	September 1999
332-351 <i>Monitoring of U.S. Imports of Peppers</i>	Required by the North American Free Trade Agreement Implementation Act	3241	September 1999
332-352 <i>Andean Trade Preference Act: Impact on U.S. Industries and Consumers and on Drug Crop Eradication and Crop Substitution, Sixth Report, 1998</i>	Required by sec. 206 of the Andean Trade Preference Act	3234	September 1999

Table 2—Continued**General investigations of trade and tariff matters under sec. 332 of the Tariff Act of 1930 and sec. 1205 of the Omnibus Trade and Competitiveness Act of 1988 pending on Sept. 30, 1999**

Investigation No. and title	Origin	USITC publication—	
		No.	Date
332-354 <i>Program to Maintain U.S. Schedule of Services Commitments</i>	Request from the United States Trade Representative	(¹)	(¹)
332-360 <i>International Harmonization of Customs Rules of Origin</i>	Request from the United States Trade Representative	(¹)	(¹)
332-362 <i>U.S.-Africa Trade Flows and Effects of the Uruguay Round Agreements and U.S. Trade and Development Policy, Fourth Annual Report</i>	Request from the United States Trade Representative	3139	October 1998
332-377 <i>Program to Maintain Investment Restrictions Database</i>	Request from the United States Trade Representative	(¹)	(¹)
332-388 <i>Simplification of the Harmonized Tariff Schedule of the United States</i>	Request from the Committee on Ways and Means, U.S. House of Representatives	3179	April 1999
332-399 <i>General Agreement on Trade in Services: Examination of the Schedules of Commitments Submitted by African Trading Partners</i>	Request from the United States Trade Representative	(¹)	(¹)
332-400 <i>Conditions of Competition in U.S. Forest Products Trade</i>	Request from the Committee on Finance, U. S. Senate	(¹)	(¹)
332-405 <i>Probable Economic Effects of the Reduction or Elimination of U.S. Tariffs</i>	Request from the United States Trade Representative	(¹)	(¹)
332-407 <i>Foundry Coke: A Review of the Industries in the United States and China</i>	Request from the Committee on Ways and Means, U.S. House of Representatives	(¹)	(¹)

¹ In progress at the end of FY 1999.

Table 3
Investigations and related proceedings completed under sec. 337 of the Tariff Act of 1930, fiscal year 1999

Investigation No. and title	Complainant	Complaint filed	Federal Register notice date	Public hearing	Finding and remedy of Commission	Date orders issued	USITC publication No.
337-TA-392 (remand) <i>Certain Digital Satellite System (DSS) Receivers and Components Thereof</i>	Personalized Media Communications, L.L.C. New York, NY	11-13-96; 11-25-96, 12-2-96 (supplements)	12-18-96	(¹)	Terminated ²	5-13-99	(¹)
337-TA-402 <i>Certain Integrated Circuits and Products Containing Same</i>	Fujitsu Ltd. Toyko, Japan Fujitsu Microelectronics, Inc. San Jose, CA	9-30-97; 10-15-97 (supplement)	11-5-97	(¹)	Terminated ³	10-20-98	(¹)
337-TA-403 <i>Certain Acesulfame Potassium and Blends and Products Containing Same</i>	Nutrinova Nutrition Specialties and Food Ingredients GmbH, Frankfurt am Main, Federal Republic of Germany Nutrinova, Inc. Somerset, NJ	10-16-97; 10-30-97, 11-10-97 (supplements)	11-20-97	(¹)	Terminated ⁴	1-15-99	3164
337-TA-404 <i>Certain SDRAMs, DRAMs, ASICs, RAM-and-Logic Chips, Microprocessors, Microcontrollers, Processes for Manufacturing Same and Products Containing Same</i>	Samsung Electronics Co., Ltd. Seoul, Korea Samsung Austin Semiconductor, L.L.C. Austin, TX	10-16-97; 11-3-97 (supplement)	11-20-97	(¹)	Terminated ³	10-20-98	(¹)

Table 3—Continued

Investigations and related proceedings completed under sec. 337 of the Tariff Act of 1930, fiscal year 1999

Investigation No. and title	Complainant	Complaint filed	Federal Register notice date	Public hearing	Finding and remedy of Commission	Date orders issued	USITC publication No.
337-TA-406 <i>Certain Lens-Fitted Film Packages</i>	Fuji Photo Film Co., Ltd. Tokyo, Japan	2-13-98; 3-2-98 (supplement); 3-6-98 (withdrawal of one respondent)	3-25-98	(¹)	Violation ⁵	6-2-99	3219
337-TA-410 <i>Certain Coated Optical Waveguide Fibers and Products Containing Same</i>	Corning, Inc. Corning, NY	4-9-98; 4-28-98, 5-6-98 (supplements)	5-13-98	(¹)	Terminated ⁶	10-6-98	(¹)
337-TA-411 <i>Certain Organic Photo-conductor Drums and Products Containing the Same</i>	Mitsubishi Chemical Corporation Toyko, Japan Mitsubishi Chemical America, Inc. White Plains, NY	4-30-98; 5-18-98, 5-28-98 (supplements); 5-26-98 (withdrawal of two respondents)	6-4-98	(¹)	Terminated ⁷	5-12-99	(¹)
337-TA-412 <i>Certain Video Graphics Display Controllers and Products Containing Same</i>	Cirrus Logic, Inc. Fremont, CA	7-1-98	7-31-98	(¹)	Terminated ⁴	7-19-99	3224
337-TA-415 <i>Certain Mechanical Lumbar Supports and Products Containing Same</i>	McCord Winn Textron, Inc. Manchester, NH	8-19-98; 9-14-98 (amendment); 9-16-98 (supplement)	9-29-98	(¹)	Terminated ⁴	8-17-99	3240
337-TA-416 <i>Certain Compact Multipurpose Tools</i>	Leatherman Tool Group, Inc. Portland, OR	8-28-98; 9-15-98, 9-21-98, 9-22-98 (supplements)	9-30-98	(¹)	Violation ⁸	8-30-99	3239

Table 3—Continued

Investigations and related proceedings completed under sec. 337 of the Tariff Act of 1930, fiscal year 1999

Investigation No. and title	Complainant	Complaint filed	Federal Register notice date	Public hearing	Finding and remedy of Commission	Date orders issued	USITC publication No.
337-TA-417 <i>Certain Code Hopping Remote Control Systems, Including Components and Integrated Circuits Used Therein</i>	Microchip Technology, Inc. Chandler, AZ	12-1-98; 12-21-98 (supplement)	1-6-99	(1)	Terminated ⁹	9-23-99	(1)
337-TA-418 <i>Certain Rodent Bait Stations and Components Thereof</i>	Bell Laboratories, Inc. Madison, WI	12-23-98; 1-11-99 (supplement)	1-25-99	(1)	Terminated ⁷	4-19-99	(1)

¹ Not applicable.

² On 11-24-98, the Court of Appeals for the Federal Circuit (CAFC) reversed certain portions of the Commission's determination of no violation and vacated and remanded on other issues. On 5-13-99, the Commission granted

Complainant's motion to terminate the investigation and vacate the final Initial Determination on those issues as to which the Commission had taken no position, but not as to other issues affirmed by the CAFC.

³ Settlement and cross-license agreement.

⁴ No violation.

⁵ General exclusion order and cease and desist orders. President took no action; became final August 2, 1999.

⁶ Consent order.

⁷ Withdrawal of complaint.

⁸ General exclusion order.

Presidential review period not over at the end of FY 1999.

⁹ Settlement agreement.

Table 4
Investigations and related proceedings under sec. 337 of the Tariff Act of 1930 pending on Sept. 30, 1999

Investigation No. and title	Complainant	Complaint filed	Federal Register notice date
337-TA-334 (advisory opinion proceeding) <i>Certain Condensers, Parts Thereof and Products Containing Same, Including Air Conditioners for Automobiles</i>	Modine Manufacturing Company Racine, WI	12-22-98	3-10-99
337-TA-380 (enforcement proceeding) <i>Certain Agricultural Tractors Under 50 Power Take-Off Horsepower¹</i>	Kubota Tractor Corporation Torrance, CA Kubota Manufacturing of America Corporation Gainesville, GA Kubota Corporation Osaka, Japan	7-16-98	10-7-98
337-TA-395 (reconsideration proceeding) <i>Certain EPROM, EEPROM, Flash Memory, and Flash Microcontroller Semiconductor Devices, and Products Containing Same</i>	Atmel Corporation San Jose, CA	2-18-97	2-1-99
337-TA-406 (bond forfeiture proceeding) <i>Certain Lens-Fitted Film Packages</i>	Fuji Photo Film Co., Ltd. Toyko, Japan	8-27-99	(²)
337-TA-409 <i>Certain CD-ROM Controllers and Products Containing Same-II³</i>	Oak Technology, Inc. Sunnyvale, CA	4-7-98; 4-20-98, 4-24-98 (supplements)	5-13-98
337-TA-413 <i>Certain Rare-Earth Magnets and Magnetic Materials and Articles Containing Same</i>	Magnequench International, Inc. Anderson, IN Sumitomo Special Metals Co., Ltd. Osaka, Japan	7-31-98; 8-24-98 (supplement)	9-4-98
337-TA-414 <i>Certain Semiconductor Memory Devices and Products Containing Same</i>	Micron Technology, Inc. Boise, ID	8-21-98	9-25-98

Table 4—Continued**Investigations and related proceedings under sec. 337 of the Tariff Act of 1930 pending on Sept. 30, 1999**

Investigation No. and title	Complainant	Complaint filed	Federal Register notice date
337-TA-419 <i>Certain Excimer Laser Systems for Vision Correction Surgery and Components Thereof and Methods for Performing Such Surgery</i>	VISX, Inc. Santa Clara, CA	1-22-99; 2-9-99 (supplement)	3-1-99
337-TA-420 <i>Certain Beer Products</i>	Anheuser-Busch, Inc. St. Louis, MO	5-3-99; 5-28-99 (supplement)	6-4-99
337-TA-421 <i>Certain Enhanced DRAM Devices Containing Embedded Cache Memory Registers, Components Thereof, and Products Containing Same</i>	Enhanced Memory Systems, Inc. Colorado Springs, CO	4-29-99; 5-25-99 (supplement)	6-7-99
337-TA-422 <i>Certain Two-Handle Centerset Faucets and Escutcheons, and Components Thereof</i>	Moen, Inc. North Olmstead, OH	5-12-99; 5-27-99 (supplement)	6-17-99
337-TA-423 <i>Certain Conductive Coated Abrasives</i>	Minnesota Mining and Manufacturing Company St. Paul, MN	5-25-99; 6-16-99 (supplement)	6-28-99
337-TA-424 <i>Certain Cigarettes and Packaging Thereof</i>	Brown & Williamson Tobacco Corporation Louisville, KY	8-17-99; 9-8-99 (supplement)	9-23-99
¹ On 7-28-99, the Commission found a violation of cease and desist orders and imposed civil penalty of \$2,320,000. Sanctions proceeding pending before	the Administrative Law Judge as of 9-30-99. ² Not applicable.	³ On 9-27-99, the Commission found no violation. Administrative Law Judge determination on sanctions	pending before the Commission as of 9-30-99.

Table 5

Countervailing duty investigations completed under sec. 701 of the Tariff Act of 1930, fiscal year 1999

Investigation No. and title	Preliminary investigation					Final investigation				
	(a) Request received (b) Conference (c) Report to Secretary of Commerce	Affirmative	Negative/negligibility ¹	Not participating	USITC publication No.	(a) Advice received from Commerce (b) Hearing (c) Report to Secretary of Commerce	Affirmative	Negative/negligibility ¹	Not participating	USITC publication No.
303-TA-23 <i>Ferrosilicon from Venezuela</i>	(²)	(²)	(²)	(²)	(²)	(a) 5-21-99 (b) (²) (c) 8-20-99	(²)	Bragg Miller Crawford Hillman Koplan Askey	(²)	3218
701-TA-376, 377 and 379 <i>Certain Stainless Steel Plate from Belgium, Italy, and South Africa</i>	(²)	(²)	(²)	(²)	(²)	(a) 11-4-98 (b) 3-23-99 (c) 5-3-99	Bragg Miller ³ Crawford ³ Hillman ³ Koplan Askey ³	Miller ⁴ Crawford ⁴ Hillman ⁴ Askey ⁴	(²)	3188
701-TA-380-382 <i>Certain Stainless Steel Sheet and Strip from France, Italy, and the Republic of Korea</i>	(²)	(²)	(²)	(²)	(²)	(a) 1-4-99 (b) 5-25-99 (c) 7-19-99	Bragg Miller Crawford Hillman Koplan	Askey	(²)	3208
701-TA-383 <i>Elastic Rubber Tape from India</i>	(a) 8-18-98 (b) 9-8-98 (c) 10-2-98	Bragg Miller Crawford Hillman Koplan	Askey	(²)	3133	(²)	(²)	(²)	(²)	(²)

Table 5—Continued

Countervailing duty investigations completed under sec. 701 of the Tariff Act of 1930, fiscal year 1999

Investigation No. and title	Preliminary investigation					Final investigation				
	(a) Request received (b) Conference (c) Report to Secretary of Commerce	Affirmative	Negative/negligibility ¹	Not participating	USITC publication No.	(a) Advice received from Commerce (b) Hearing (c) Report to Secretary of Commerce	Affirmative	Negative/negligibility ¹	Not participating	USITC publication No.
701-TA-384 <i>Certain Hot-Rolled Steel Products from Brazil</i>	(a) 9-30-98 (b) 10-21-98 (c) 11-16-98	Bragg Miller Crawford Hillman Koplan Askey	(²)	(²)	3142	(a) 2-19-99 (b) 5-4-99 (c) 8-23-99	Bragg Miller Crawford Hillman Koplan	Askey	(²)	3223
701-TA-385 <i>Live Cattle from Canada</i> (withdrawn 11-10-98)	(a) 10-1-98 (b) (²) (c) (²)	(²)	(²)	(²)	(²)	(²)	(²)	(²)	(²)	(²)
701-TA-386 <i>Live Cattle from Canada</i>	(a) 11-12-98 (b) 12-2-98 (c) 1-19-99	Bragg Miller Hillman Koplan	Crawford Askey	(²)	3155	(²)	(²)	(²)	(²)	(²)
701-TA-387-392 <i>Certain Cut-to-Length Steel Plate from France, India, Indonesia, Italy, Korea, and Macedonia</i>	(a) 2-16-99 (b) 3-9-99 (c) 4-2-99	Bragg ⁵ Miller ⁵ Crawford ⁵ Hillman ⁵ Koplan ⁵ Askey ⁵	Bragg ⁶ Miller ⁶ Crawford ⁶ Hillman ⁶ Koplan ⁶ Askey ⁶	(²)	3181	(²)	(²)	(²)	(²)	(²)
701-TA-393-396 <i>Certain Cold-Rolled Steel Products from Brazil, Indonesia, Thailand, and Venezuela</i>	(a) 6-2-99 (b) 6-23-99 (c) 7-19-99	Bragg Miller ⁷ Crawford ⁷ Hillman ⁷ Koplan ^{7,10} Askey ⁷	Miller ^{8,9} Crawford ^{8,9} Hillman ^{8,9} Koplan ⁸ Askey ^{8,9}	(²)	3214	(²)	(²)	(²)	(²)	(²)

Table 5—Continued

Countervailing duty investigations completed under sec. 701 of the Tariff Act of 1930, fiscal year 1999

Investigation No. and title	Preliminary investigation					Final investigation								
	(a) Request received	(b) Conference	(c) Report to Secretary of Commerce	Affirmative	Negative/negligibility ¹	Not participating	USITC publication No.	(a) Advice received from Commerce	(b) Hearing	(c) Report to Secretary of Commerce	Affirmative	Negative/negligibility ¹	Not participating	USITC publication No.
701-TA-397-400 <i>Certain Crude Petroleum Oil Products from Iraq, Mexico, Saudi Arabia, and Venezuela</i> (discontinued 8-9-99)	(a) 6-29-99 (b) (2) (c) (2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
701-TA-401 <i>Certain Structural Steel Beams from Korea</i>	(a) 7-7-99 (b) 7-28-99 (c) 8-23-99	Bragg Crawford Hillman Koplan Askey	Miller	(2)	3225	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)

¹ For definition of negligibility, see page 99.

² Not applicable.

³ With respect to hot-rolled stainless steel plate in coils.

⁴ Made a negligibility finding with respect to cold-rolled stainless steel plate in coils.

⁵ With respect to France, India, Indonesia, Italy, and Korea.

⁶ Made a negligibility finding with respect to Macedonia.

⁷ With respect to Brazil.

⁸ Made a negligibility finding with

respect to Indonesia and Venezuela.

⁹ Made a negligibility finding with respect to Thailand.

¹⁰ With respect to Thailand.

Table 6
Antidumping duty investigations completed under sec. 731 of the Tariff Act of 1930, fiscal year 1999

Investigation No. and title	Preliminary investigation					Final investigation				
	(a) Request received (b) Conference (c) Report to Secretary of Commerce	Affirmative	Negative/negligibility ¹	Not participating	USITC publication No.	(a) Advice received from Commerce (b) Hearing (c) Report to Secretary of Commerce	Affirmative	Negative/negligibility ¹	Not participating	USITC publication No.
731-TA-374 <i>Potassium Chloride from Canada</i> (terminated 4-1-99)	(²)	(²)	(²)	(²)	(²)	(a) 8-25-87 (b) (²) (c) (²)	(²)	(²)	(²)	(²)
731-TA-539-A <i>Uranium from Kazakhstan</i>	(²)	(²)	(²)	(²)	(²)	(a) 1-15-99 (b) 6-9-99 (c) 7-19-99	(²)	Bragg Miller Crawford Hillman Koplan Askey	(²)	3213
731-TA-566-570 and 641 <i>Ferrosilicon from Brazil, China, Kazakhstan, Russia, Ukraine, and Venezuela</i>	(²)	(²)	(²)	(²)	(²)	(a) 5-21-99 (b) (²) (c) 8-20-99	(²)	Bragg Miller Crawford Hillman Koplan Askey	(²)	3218
731-TA-750 (remand) <i>Vector Supercomputers from Japan</i>	(²)	(²)	(²)	(²)	(²)	(a) 12-15-98 ³ (b) (²) (c) 3-15-99 ⁴	Bragg Miller Koplan	Askey	Crawford ⁵ Hillman ⁶	3166

Table 6—Continued

Antidumping duty investigations completed under sec. 731 of the Tariff Act of 1930, fiscal year 1999

Investigation No. and title	Preliminary investigation					Final investigation				
	(a) Request received (b) Conference (c) Report to Secretary of Commerce	Affirmative	Negative/negligibility ¹	Not participating	USITC publication No.	(a) Advice received from Commerce (b) Hearing (c) Report to Secretary of Commerce	Affirmative	Negative/negligibility ¹	Not participating	USITC publication No.
731-TA-768 (remand) <i>Fresh Atlantic Salmon from Chile</i>	(²)	(²)	(²)	(²)	(²)	(a) 7-2-99 ³ (b) (²) (c) 9-30-99 ⁴	(⁷)	(⁷)	(⁷)	3244
731-TA-776 <i>Certain Preserved Mushrooms from Chile</i>	(²)	(²)	(²)	(²)	(²)	(a) 7-31-98 (b) 10-15-98 (c) 11-25-98	Bragg Miller Crawford Hillman Koplan Askey	(²)	(²)	3144
731-TA-777-779 <i>Certain Preserved Mushrooms from China, India, and Indonesia</i>	(²)	(²)	(²)	(²)	(²)	(a) 7-31-98 (b) 10-15-98 (c) 2-1-99	Bragg Miller Crawford ⁸ Hillman Koplan Askey ⁸	Crawford ⁹ Askey ⁹	(²)	3159
731-TA-781-786 <i>Stainless Steel Round Wire from Canada, India, Japan, the Republic of Korea, Spain, and Taiwan</i>	(²)	(²)	(²)	(²)	(²)	(a) 11-16-98 (b) 4-6-99 (c) 5-18-99	(²)	Bragg Miller Crawford Hillman Koplan Askey	(²)	3194
731-TA-787 <i>Extruded Rubber Thread from Indonesia</i>	(²)	(²)	(²)	(²)	(²)	(a) 11-3-98 (b) 3-25-99 (c) 5-7-99	Bragg Miller Crawford ¹⁰ Hillman Koplan	Crawford ¹¹ Askey	(²)	3191

Table 6—Continued

Antidumping duty investigations completed under sec. 731 of the Tariff Act of 1930, fiscal year 1999

Investigation No. and title	Preliminary investigation					Final investigation				
	(a) Request received (b) Conference (c) Report to Secretary of Commerce	Affirmative	Negative/negligibility ¹	Not participating	USITC publication No.	(a) Advice received from Commerce (b) Hearing (c) Report to Secretary of Commerce	Affirmative	Negative/negligibility ¹	Not participating	USITC publication No.
731-TA-788-793 <i>Certain Stainless Steel Plate from Belgium, Canada, Italy, the Republic of Korea, South Africa, and Taiwan</i>	(²)	(²)	(²)	(²)	(²)	(a) 11-4-98 (b) 3-23-99 (c) 5-3-99	Bragg Miller ¹² Crawford ¹² Hillman ¹² Koplan Askey ¹²	Miller ^{13,14} Crawford ^{13,14} Hillman ^{13,14} Askey ^{13,14}	(²)	3188
731-TA-794-796 <i>Certain Emulsion Styrene-Butadiene Rubber from Brazil, Korea, and Mexico</i>	(²)	(²)	(²)	(²)	(²)	(a) 11-2-98 (b) 3-30-99 (c) 5-3-99	Bragg	Miller Crawford Hillman Koplan Askey	(²)	3190
731-TA-797-804 <i>Certain Stainless Steel Sheet and Strip from France, Germany, Italy, Japan, the Republic of Korea, Mexico, Taiwan, and the United Kingdom</i>	(²)	(²)	(²)	(²)	(²)	(a) 1-4-99 (b) 5-25-99 (c) 7-19-99	Bragg Miller Crawford Hillman Koplan	Askey	(²)	3208
731-TA-805 <i>Elastic Rubber Tape from India</i>	(a) 8-18-98 (b) 9-8-98 (c) 10-2-98	Bragg Miller Crawford Hillman Koplan	Askey	(²)	3133	(a) 2-2-99 (b) 4-20-99 (c) 6-1-99	Crawford Koplan	Bragg Miller Hillman Askey	(²)	3200

Table 6—Continued

Antidumping duty investigations completed under sec. 731 of the Tariff Act of 1930, fiscal year 1999

Investigation No. and title	Preliminary investigation					Final investigation				
	(a) Request received (b) Conference (c) Report to Secretary of Commerce	Affirmative	Negative/negligibility ¹	Not participating	USITC publication No.	(a) Advice received from Commerce (b) Hearing (c) Report to Secretary of Commerce	Affirmative	Negative/negligibility ¹	Not participating	USITC publication No.
731-TA-811 <i>DRAMs of One Megabit and above from Taiwan</i>	(a) 10-22-98 (b) 11-13-98 (c) 12-7-98	Bragg Miller Hillman Koplan Askey	(²)	Crawford ⁵	3149	(²)	(²)	(²)	(²)	(²)
731-TA-812-813 <i>Live Cattle from Canada and Mexico</i>	(a) 11-12-98 (b) 12-2-98 (c) 1-19-99	Bragg Miller ¹⁷ Hillman ¹⁷ Koplan ¹⁷	Miller ¹⁸ Crawford Hillman ¹⁸ Koplan ¹⁸ Askey	(²)	3155	(²)	(²)	(²)	(²)	(²)
731-TA-814 <i>Creatine Monohydrate from the People's Republic of China</i>	(a) 2-12-99 (b) 3-8-99 (c) 3-29-99	Bragg Miller Crawford Hillman Koplan Askey	(²)	(²)	3177	(²)	(²)	(²)	(²)	(²)
731-TA-815-822 <i>Certain Cut-to-Length Steel Plate from the Czech Republic, France, India, Indonesia, Italy, Japan, Korea, and Macedonia</i>	(a) 2-16-99 (b) 3-9-99 (c) 4-2-99	Bragg ^{19,20} Miller ¹⁹ Crawford ¹⁹ Hillman ¹⁹ Koplan ¹⁹ Askey ¹⁹	Bragg ²¹ Miller ²² Crawford ²² Hillman ²² Koplan ²² Askey ²²	(²)	3181	(²)	(²)	(²)	(²)	(²)

Table 6—Continued

Antidumping duty investigations completed under sec. 731 of the Tariff Act of 1930, fiscal year 1999

Investigation No. and title	Preliminary investigation					Final investigation				
	(a) Request received (b) Conference (c) Report to Secretary of Commerce	Affirmative	Negative/negligibility ¹	Not participating	USITC publication No.	(a) Advice received from Commerce (b) Hearing (c) Report to Secretary of Commerce	Affirmative	Negative/negligibility ¹	Not participating	USITC publication No.
731-TA-823-824 <i>Certain Aperture Masks from Japan and Korea</i>	(a) 2-24-99 (b) 3-17-99 (c) 4-12-99	Crawford ²³ Koplan ²³	Bragg ^{23,24} Miller ^{23,24} Crawford ²⁴ Hillman ^{23,24} Koplan ²⁴ Askey ^{23,24}	(²)	3185	(²)	(²)	(²)	(²)	(²)
731-TA-825-826 <i>Certain Polyester Staple Fiber from Korea and Taiwan</i>	(a) 4-2-99 (b) 4-22-99 (c) 5-17-99	Bragg Miller Crawford Hillman Koplan Askey	(²)	(²)	3197	(²)	(²)	(²)	(²)	(²)
731-TA-827 <i>Nitrile Rubber from Korea</i>	(a) 5-27-99 (b) 6-17-99 (c) 7-12-99	(²)	Bragg Miller Crawford Hillman Koplan Askey	(²)	3210	(²)	(²)	(²)	(²)	(²)
731-TA-828 <i>Bulk Acetylsalicylic Acid (Aspirin) from China</i>	(a) 5-28-99 (b) 6-18-99 (c) 7-12-99	Bragg Miller Crawford Hillman Koplan Askey	(²)	(²)	3211	(²)	(²)	(²)	(²)	(²)

Table 6—Continued

Antidumping duty investigations completed under sec. 731 of the Tariff Act of 1930, fiscal year 1999

Investigation No. and title	Preliminary investigation					Final investigation				
	(a) Request received (b) Conference (c) Report to Secretary of Commerce	Affirmative	Negative/negligibility ¹	Not participating	USITC publication No.	(a) Advice received from Commerce (b) Hearing (c) Report to Secretary of Commerce	Affirmative	Negative/negligibility ¹	Not participating	USITC publication No.
731-TA-846-850 <i>Certain Seamless Carbon and Alloy Steel Standard, Line, and Pressure Pipe and Tube from the Czech Republic, Japan, Mexico, Romania, and South Africa</i>	(a) 6-30-99 (b) 7-21-99 (c) 8-16-99	Bragg Miller Crawford Hillman Koplan Askey	(²)	(²)	3221	(²)	(²)	(²)	(²)	(²)
731-TA-851 <i>Synthetic Indigo from China</i>	(a) 6-30-99 (b) 7-22-99 (c) 8-16-99	Bragg Miller Crawford Hillman Koplan Askey	(²)	(²)	3222	(²)	(²)	(²)	(²)	(²)
731-TA-852-855 <i>Certain Structural Steel Beams from Germany, Japan, Korea, and Spain</i>	(a) 7-7-99 (b) 7-28-99 (c) 8-23-99	Bragg Crawford Hillman ²⁶ Koplan ²⁶ Askey ²⁶	Miller Hillman ²⁷ Koplan ²⁷ Askey ²⁷	(²)	3225	(²)	(²)	(²)	(²)	(²)

Table 6—Continued

Antidumping duty investigations completed under sec. 731 of the Tariff Act of 1930, fiscal year 1999

Investigation No. and title	Preliminary investigation					Final investigation				
	(a) Request received (b) Conference (c) Report to Secretary of Commerce	Affirmative	Negative/negligibility ¹	Not participating	USITC publication No.	(a) Advice received from Commerce (b) Hearing (c) Report to Secretary of Commerce	Affirmative	Negative/negligibility ¹	Not participating	USITC publication No.
731-TA-856 <i>Certain Ammonium Nitrate from Russia</i>	(a) 7-23-99 (b) 8-13-99 (c) 9-7-99	Bragg Miller Crawford Hillman Koplan Askey	(²)	(²)	3232	(²)	(²)	(²)	(²)	(²)
731-TA-857-858 <i>Certain Paintbrushes from China and Indonesia</i>	(a) 8-2-99 (b) 8-23-99 (c) 9-16-99	Crawford ²⁸ Bragg Miller Crawford ²⁹ Hillman Koplan Askey	(²)	(²)	3237	(²)	(²)	(²)	(²)	(²)

¹ For definition of negligibility, see page 99.

² Not applicable.

³ Remanded by the Court of International Trade.

⁴ This investigation was remanded to the ITC by the Court of International Trade (CIT) for further proceedings; the ITC determination on remand was submitted, as required, to the CIT, not the Secretary of Commerce.

⁵ Commissioner Crawford recused herself in order to avoid the appearance of a conflict of interest.

⁶ Commissioner Hillman recused herself in order to avoid the appearance of a conflict of interest.

⁷ The views of Chairman Bragg and Vice Chairman Miller comprised the Commission's affirmative determination

in the original investigation. The Commission submitted Chairman Bragg's remand views to the Court as its "Views on Remand" in this proceeding. Vice Chairman Miller's affirmative determination was unaffected by the Court's remand order. Accordingly, she reaffirmed her affirmative views in this investigation without additional explanation or analysis. In the original determination, Commissioner Crawford dissented, determining that the domestic industry was not materially injured or threatened with material injury by reason of the subject imports. Commissioner Crawford's views were not on appeal before the Court. She reaffirmed her original determination in this remand proceeding.

⁸ With respect to China and India.

⁹ With respect to Indonesia.

¹⁰ With respect to extruded rubber thread other than food grade.

¹¹ With respect to food grade extruded rubber thread.

¹² With respect to hot-rolled stainless steel plate in coils.

¹³ With respect to cold-rolled stainless steel plate in coils from Belgium and Canada.

¹⁴ Made a negligibility finding with respect to Italy, Korea, South Africa, and Taiwan.

¹⁵ With respect to Russia.

¹⁶ With respect to Brazil.

¹⁷ With respect to Canada.

¹⁸ With respect to Mexico.

¹⁹ With respect to France, India, Indonesia, Italy, Japan, and Korea.

²⁰ With respect to the Czech Republic.

²¹ Made a negligibility finding with respect to Macedonia.

²² Made a negligibility finding with respect to the Czech Republic and Macedonia.

²³ With respect to Japan.

²⁴ Made a negligibility finding with respect to Korea.

²⁵ Chairman Bragg recused herself to avoid a conflict of interest or the appearance of a conflict of interest.

²⁶ With respect to Japan and Korea.

²⁷ With respect to Germany and Spain.

²⁸ With respect to China.

²⁹ With respect to Indonesia.

Table 7
Antidumping and countervailing duty investigations pending on Sept. 30, 1999

Investigation No. and title	Date investigation instituted
731-TA-519 (final) <i>Gray Portland Cement and Cement Clinker from Venezuela</i> (suspended 2-27-92)	11-4-91
731-TA-539 (B-C and F) (final) <i>Uranium from Kyrgyzstan, Russia, and Uzbekistan</i> (suspended 10-21-92)	6-2-92
731-TA-661-662 (final) <i>Color Negative Photographic Paper and Certain Chemical Components from Japan and the Netherlands</i> (suspended 8-19-94)	4-6-94
731-TA-722 (final) <i>Honey from the People's Republic of China</i> (suspended 8-2-95)	3-20-95
731-TA-740 (final) <i>Sodium Azide from Japan</i> (suspended 1-7-97)	8-16-96
731-TA-747 (final) <i>Fresh Tomatoes from Mexico</i> (suspended 11-1-96)	8-21-96
731-TA-811 (final) <i>DRAMS of One Megabit and above from Taiwan</i>	5-28-99
731-TA-812 (final) <i>Live Cattle from Canada</i>	7-26-99
731-TA-814 (final) <i>Creatine Monohydrate from the People's Republic of China</i>	7-30-99
731-TA-816-821 (final) <i>Certain Cut-to-length Steel Plate from France, India, Indonesia, Italy, Japan, and Korea</i>	7-26-99
701-TA-387-391 (final) <i>Certain Cut-to-length Steel Plate from France, India, Indonesia, Italy, and Korea</i>	7-23-99
303-TA-21 (final) <i>Gray Portland Cement and Cement Clinker from Venezuela</i> (suspended 3-17-92)	8-19-91

Table 8
Five-year (sunset) reviews completed under sec. 751(c) of the Tariff Act of 1930, fiscal year 1999

Investigation No. and title	(a) Institution (b) Hearing (c) Report to Secretary of Commerce	Expedited review ¹			Full review ¹			USITC publication No.
		Affirmative (retain order)	Negative (revoke order)	Not participating	Affirmative (retain order)	Negative (revoke order)	Not participating	
AA1921-49 <i>Steel Jacks from Canada</i> (terminated 10-5-98) ²	(a) 7-6-98 (b) (3) (c) (3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)
AA1921-85 <i>Fish Netting of Manmade Fiber from Japan</i> (terminated 10-5-98) ²	(a) 7-6-98 (b) (3) (c) (3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)
AA1921-86-88 <i>Large Power Transformers from France, Italy, and Japan</i> (terminated 10-5-98) ²	(a) 7-6-98 (b) (3) (c) (3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)
AA1921-98 <i>Bicycle Speedometers from Japan</i> (terminated 10-5-98) ²	(a) 7-6-98 (b) (3) (c) (3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)
AA1921-110 <i>Canned Bartlett Pears from Australia</i> (terminated 10-5-98) ²	(a) 7-6-98 (b) (3) (c) (3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)
AA1921-111 <i>Roller Chain from Japan</i>	(a) 7-6-98 (b) (4) (c) 7-1-99	(3)	(3)	(3)	(3)	Bragg Miller Crawford Hillman Koplan Askey	(3)	3203

Table 8—Continued

Five-year (sunset) reviews completed under sec. 751(c) of the Tariff Act of 1930, fiscal year 1999

Investigation No. and title	(a) Institution (b) Hearing (c) Report to Secretary of Commerce	Expedited review ¹			Full review ¹			USITC publication No.
		Affirmative (retain order)	Negative (revoke order)	Not participating	Affirmative (retain order)	Negative (revoke order)	Not participating	
701-TA-C and D <i>Textiles from Colombia and Thailand</i> (terminated 2-26-99) ²	(a) 12-2-98 (b) (3) (c) (3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)
701-TA-184 <i>Frozen Concentrated Orange Juice from Brazil</i> (terminated 2-26-99) ²	(a) 12-2-98 (b) (3) (c) (3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)
701-TA-223 <i>Agricultural Tillage Tools from Brazil</i> (terminated 3-8-99) ²	(a) 12-2-98 (b) (3) (c) (3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)
731-TA-189 <i>Calcium Hypochlorite from Japan</i> (terminated 2-26-99) ²	(a) 12-2-98 (b) (3) (c) (3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)
731-TA-196 <i>Red Raspberries from Canada</i> (terminated 2-26-99) ²	(a) 12-2-98 (b) (3) (c) (3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)
731-TA-208 <i>Barbed Wire and Barbless Wire Strand from Argentina</i>	(a) 12-2-98 (b) (3) (c) 5-3-99	Miller Hillman Koplan	Bragg Crawford Askey	(3)	(3)	(3)	(3)	3187
731-TA-326 <i>Frozen Concentrated Orange Juice from Brazil</i>	(a) 12-2-98 (b) (3) (c) 5-17-99	Miller Hillman Koplan	Crawford Askey	Bragg ⁹	(3)	(3)	(3)	3195

Table 8—Continued

Five-year (sunset) reviews completed under sec. 751(c) of the Tariff Act of 1930, fiscal year 1999

Investigation No. and title	(a) Institution (b) Hearing (c) Report to Secretary of Commerce	Expedited review ¹			Full review ¹			USITC publication No.
		Affirmative (retain order)	Negative (revoke order)	Not participating	Affirmative (retain order)	Negative (revoke order)	Not participating	
731-TA-653 <i>Sebacic Acid from China</i>	(a) 12-2-98 (b) (3) (c) 5-10-99	Bragg Miller Crawford Hillman Koplan Askey	(3)	(3)	(3)	(3)	(3)	3189
731-TA-207 <i>Cellular Mobile Telephones and Subassemblies from Japan</i> (terminated 4-1-99) ²	(a) 1-4-99 (b) (3) (c) (3)		(3)	(3)	(3)	(3)	(3)	(3)
731-TA-244 <i>Natural Bristle Paint Brushes from China</i>	(a) 1-4-99 (b) (3) (c) 6-3-99	Bragg Miller Crawford Hillman Koplan Askey	(3)	(3)	(3)	(3)	(3)	3199
731-TA-246-247 <i>Brazing Copper Wire and Rod from New Zealand and South Africa</i> (terminated 4-1-99) ²	(a) 1-4-99 (b) (3) (c) (3)		(3)	(3)	(3)	(3)	(3)	(3)
731-TA-282 <i>Petroleum Wax Candles from China</i>	(a) 1-4-99 (b) (3) (c) 9-1-99	Bragg Miller Hillman Koplan	Crawford Askey	(3)	(3)	(3)	(3)	3226

Table 8—Continued

Five-year (sunset) reviews completed under sec. 751(c) of the Tariff Act of 1930, fiscal year 1999

Investigation No. and title	(a) Institution (b) Hearing (c) Report to Secretary of Commerce	Expedited review ¹			Full review ¹			USITC publication No.
		Affirmative (retain order)	Negative (revoke order)	Not participating	Affirmative (retain order)	Negative (revoke order)	Not participating	
731-TA-516 <i>Fresh Kiwifruit from New Zealand</i> (terminated 9-17-99) ¹³	(a) 8-2-99 (b) (3) (c) (3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)

¹ This table does not reflect the Commissioners' votes concerning each case's adequacy determination, in which the Commission determines whether to conduct an expedited or a full review. For more information on adequacy determinations, see page 100.

² Terminated after the Department of Commerce notified the ITC that it was revoking the orders in the subject review because no domestic interested party responded to its notice of initiation by the applicable deadline.

³ Not applicable.

⁴ After the Commission issued its preliminary report, petitioners withdrew

from participation in this sunset review. Subsequently, respondents withdrew their request to participate in the hearing and no hearing was conducted.

⁵ Commissioner Crawford specified that she found four like products in this investigation: hot-rolled stainless steel plate in coils, hot-rolled stainless steel plate not in coils, cold-rolled stainless steel plate in coils, and cold-rolled stainless steel plate not in coils.

⁶ With respect to the European Union, Belgium, France, and Germany.

⁷ With respect to Canada.

⁸ Vice Chairman Miller recused

herself in order to avoid the appearance of a conflict of interest.

⁹ Chairman Bragg recused herself to avoid a conflict of interest or the appearance of a conflict of interest.

¹⁰ Terminated after the Department of Commerce published notice that it was revoking the orders because the domestic interested parties had withdrawn, in full, their participation in the ongoing sunset reviews.

¹¹ Terminated after the Department of Commerce published notice that it was revoking the orders because it determined that no domestic interested

party intended to participate in the reviews.

¹² Terminated after the Department of Commerce published notice that it was revoking the order because no domestic interested party responded with a complete substantive response to its notice of initiation by the applicable deadline.

¹³ Terminated after the Department of Commerce published notice that it was revoking the order because domestic parties no longer have an interest in maintaining the antidumping duty order.

Table 9—Continued

Five-year (sunset) reviews under sec. 751(c) of the Tariff Act of 1930 pending on Sept. 30, 1999

Investigation No. and title	(a) Institution (b) Hearing (c) Report to Secretary of Commerce	Expedited review ¹			Full review ¹			USITC publication No.
		Affirmative (retain order)	Negative (revoke order)	Not participating	Affirmative (retain order)	Negative (revoke order)	Not participating	
731-TA-539-B, C, E, and F <i>Uranium from Kyrgyzstan, Russia, Ukraine, and Uzbekistan</i>	(a) 8-2-99 (b) (2) (c) (2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
AA1921-197, 701-TA-231, 319-320, 322, 325-328, 340, 342, and 348-350; 731-TA-573-576, 578, 582-587, 604, 607-608, 612, and 614-618 <i>Certain Carbon Steel Products from Australia, Belgium, Brazil, Canada, Finland, France, Germany, Japan, Korea, Mexico, the Netherlands, Poland, Romania, Spain, Sweden, Taiwan, and the United Kingdom</i>	(a) 9-1-99 (b) (2) (c) (2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)

¹ This table does not reflect the Commissioners' votes concerning each

case's adequacy determination, in which the Commission determines whether to

conduct an expedited or a full review. For more information on adequacy

determinations, see page 100.
² Not applicable.

Table 10
Investigations under sec. 22 of the Agricultural Adjustment Act pending on Sept. 30, 1999

Investigation No. and title	Request received	Date investigation instituted	Public hearing	Findings and recommendations	Date report was—		USITC publication No.
					Submitted to President	Released (public version)	
22-55 <i>Peanut Butter and Peanut Paste</i> (suspended 6-28-94)	11-17-93	1-18-94	(¹)	(¹)	(¹)	(¹)	(¹)

¹ Not applicable.

Table 11
Changed circumstances review investigations completed under sec. 751(b) of the Tariff Act of 1930, fiscal year 1999

Investigation No. and title	(a) Institution (b) Hearing (c) Report to Secretary of Commerce	Affirmative	Negative	Not participating	USITC publication No.

¹ Not applicable.

Table 12**Changed circumstances review investigations under sec. 751(b) of the Tariff Act of 1930 pending on Sept. 30, 1999**

Investigation No. and title	(a) Institution (b) Hearing (c) Report to Secretary of Commerce	Affirmative	Negative	Not participating	USITC publication No.
751-TA-15 <i>Stainless Steel Plate from Sweden</i> (suspended 8-16-93)	(a) 6-30-93 (b) (1) (c) (1)	(1)	(1)	(1)	(1)

¹ Not applicable.

Table 13
Safeguard investigations completed under sec. 201 of the Trade Act of 1974, fiscal year 1999

Investigation No. and title	Petitioner or requester	Petition or request filed	Public hearing	Finding of Commission	Affirmative	Negative	Not participating	To the President	USITC publication No.
TA-201-68 <i>Lamb Meat</i>	American Sheep Industry Association, Inc., National Lamb Feeders Association, Harper Livestock Co., Winters Ranch Partnership, Godby Sheep Co., Talbott Sheep Co., Iowa Lamb Corp., Ranchers' Lamb of Texas, Inc., and Chicago Lamb & Veal Co.	10-7-98	1-12-99 ¹ 2-25-99 ²	Affirmative	Bragg Miller Crawford Hillman Koplan Askey	(³)	(³)	4-5-99	3176
TA-201-69 <i>Certain Steel Wire Rod</i>	Atlantic Steel Industries, Inc., Birmingham Steel Corp., Connecticut Steel Corp., Co-Steel Raritan, GS Industries, Inc., Keystone Steel & Wire Co., North Star Steel Co., North Star Steel Texas, Inc., Northwestern Steel & Wire Co., the Independent Steel Workers Alliance, and the United Steelworkers of America, AFL-CIO	1-12-99	4-15-99 ¹ 6-8-99 ²	(⁴)	Bragg Miller Koplan	Crawford Hillman Askey	(³)	7-12-99	3207

¹ With respect to injury.

² With respect to remedy.

³ Not applicable.

⁴ Because the Commission's vote

was evenly divided, both determinations were forwarded to the President, who

may consider either determination as the Commission's determination.

Table 14**Safeguard investigations under sec. 201 of the Trade Act of 1974 pending on Sept. 30, 1999**

Investigation No. and title	Petitioner or requester	Petition or request filed	Public hearing	Finding of Commission	Affirmative	Negative	Not participating	To the President	USITC publication No.
TA-201-70 <i>Circular Welded Carbon Quality Line Pipe</i>	Geneva Steel, IPSCO Tubulars, Inc., Lone Star Steel Company, Maverick Tube Corp., Newport Steel, Northwest Pipe Company, Stupp Corp., and the United Steelworkers of America, AFL-CIO	6-30-99	9-30-99 ¹	(²)	(²)	(²)	(²)	(²)	(²)

¹ With respect to injury.² Not applicable.**Table 15****Investigations completed under sec. 204(d) of the Trade Act of 1974, fiscal year 1999**

Investigation No. and title	Investigation instituted	Public hearing	To the President	USITC publication No.
TA-204-1 <i>Broom Corn Brooms: Evaluation of the Effectiveness of Import Relief</i>	2-16-99	3-18-99	4-23-99	3178

Table 16
Investigations under sec. 204(a) of the Trade Act of 1974 pending on Sept. 30, 1999

Investigation No. and title	Investigation instituted	Public hearing	To the President	USITC publication No.
TA-204-2 <i>Wheat Gluten: Monitoring Develop- ments in the Domestic Industry</i>	7-27-99	(¹)	(¹)	(¹)

¹ Not applicable.

APPENDIX B

REPORTS COMPLETED DURING FISCAL YEAR 1999 AND PENDING ON SEPTEMBER 30, 1999

Section 332 Studies Completed During FY 1999

For details on some of the more significant analytical section 332 studies completed during the year, see also the Highlights section of this report.

Advice Concerning the Addition of Certain Pharmaceutical Products and Chemical Intermediates to the Pharmaceutical Appendix to the Harmonized Tariff Schedule of the United States (332-402)

On December 23, 1998, the U.S. Trade Representative requested that the ITC provide advice concerning the elimination of duties on 642 pharmaceutical products and chemical intermediates. The products included in the investigation were being considered for addition to the approximately 7,500 products already covered by the Pharmaceutical Appendix to the Harmonized Tariff Schedule of the United States (HTS), a product of the Uruguay Round Agreements. The United States and the 21 other major trading countries that agreed as part of the Uruguay Round Agreements to eliminate duties on pharmaceuticals undertook this review to identify products eligible to be covered by the initiative. The countries agreed to undertake such a review at least once every three years. If added to the list, the 642 products and their derivatives would receive duty-free treatment. The ITC report, submitted in April 1999, provided a summary description of the products contained in the existing Pharmaceutical Appendix and the proposed modifications to that Appendix; an explanation of the relationship between the various elements of the Pharmaceutical Appendix and the Harmonized Tariff Schedule of the United States (HTS); and estimates of U.S. imports and, where possible, U.S. exports of the products included in the existing Pharmaceutical Appendix and the proposed additions to the Appendix, based on product groupings as necessary.

U.S.-Africa Trade Flows and Effects of the Uruguay Round Agreements and U.S. Trade and Development Policy (Fourth Annual Report) (332-362)

On March 30, 1995, the USTR requested that the ITC investigate the effects of U.S. trade and development policy and the Uruguay Round on U.S.-Africa trade flows. The USTR requested that the investigation include five annual reports to the President under the Africa Policy Section of the Statements of Administrative Action that Congress approved with the Uruguay Round Agreements Act. The fourth ITC report, submitted in October 1998, provided an update for 1997 of U.S.-Africa trade and investment flows in major sectors. The report also identified major developments in the WTO and in U.S. trade/economic policy and commercial activities that significantly

affect U.S.-Africa trade and investment with the region; information on changing trade and economic activities within individual countries; and included updated information on progress in regional integration in Africa. As with the previous three reports, the ITC limited its study to the 48 countries in Sub-Saharan Africa.

Database on Trade and Investment in Services (332-397)

On July 21, 1998, the USTR requested that the ITC develop a confidential database that provides up-to-date information on service markets in other WTO member countries. In her request letter, the USTR noted that Article 19 of the General Agreement on Trade in Services requires WTO members to enter into successive negotiations beginning not later than January 1, 2000, with a view to achieving progressively higher levels of liberalization in services trade and investment. The USTR anticipates using the ITC's database in preparing for such negotiations. A preliminary confidential database was submitted in October 1998, and the final confidential database was submitted in April 1999.

Recurring Industry Surveys Under Section 332

Nonrubber Footwear Statistical Report (332-191)

On August 8, 1984, the Committee on Finance, U.S. Senate, requested that the ITC investigate and publish quarterly reports on nonrubber footwear. In February 1996, the Committee requested that the Commission change its publication schedule from quarterly to annual reports, effective January 1, 1996, and cease publishing the report in the year 2000. The Committee requested that the annual report continue to include data on production and/or shipments, imports, exports, apparent consumption, market share, employment, unemployment, and plant closings. The ITC annual report containing data for 1998 was submitted in March 1999.

Caribbean Basin Economic Recovery Act: Impact on U.S. Industries and Consumers, Fourteenth Report, 1998 (332-227)

Andean Trade Preference Act: Impact on U.S. Industries and Consumers and on Drug Crop Eradication and Crop Substitution, Sixth Report, 1998 (332-352)

Section 215 of the Caribbean Basin Economic Recovery Act (CBERA) requires the ITC to report annually on the operation of the program. The CBERA, which became effective January 1, 1984, affords preferential tariff treatment to most products of 24 designated Caribbean, Central American, and South American countries. Section 206 of the Andean Trade Preference Act (ATPA) requires the ITC to submit annual reports to the Congress and the President evaluating the economic impact of the ATPA on U.S. industries and consumers and discussing the ATPA's effectiveness in promoting drug-related crop eradication and crop substitution in the four Andean beneficiary countries - Bolivia, Colombia, Ecuador, and Peru. The ITC publishes the two annual reports in a single volume.

The current ITC reports found that the overall effect of imports under the CBERA and ATPA on the U.S. economy and consumers continued to be negligible in 1998. U.S. imports under CBERA declined from 19.3 percent of all U.S. imports from CBERA countries in 1997 to 18.8 percent in 1998, marking the first year since

implementation of CBERA of a decline in share from the previous year. U.S. imports from CBERA countries - both under CBERA and overall - were depressed by lower commodity prices, smaller allocations of sugar quotas, and damage caused by hurricanes Georges and Mitch. The ITC did not identify any U.S. imports under CBERA that would have potentially significant negative effects on domestic industry. U.S. imports of the 20 leading CBERA-exclusive items, except two sugar subheadings, produced net welfare gains for U.S. consumers in 1998, and the probable future effect of CBERA on the United States, as estimated by an examination of export-related investment in the beneficiary countries, is expected to be minimal in most sectors. Although total U.S. imports from ATPA countries declined in 1998, U.S. imports under ATPA increased. 1998 was the first year since the implementation of ATPA that a cut-flower product was not the leading item under ATPA; instead, copper cathodes ranked first. A few industries were identified as potentially experiencing displacement by ATPA imports of more than an estimated 5 percent of the value of U.S. production: chrysanthemums, carnations, anthuriums, and orchids; asparagus; and fresh-cut roses. U.S. imports of nearly all of the 20 leading ATPA-exclusive items produced net welfare gains for U.S. consumers in 1998, and the probable future effect of ATPA on the United States, as estimated by an examination of export-related investment in beneficiary countries, is expected to be minimal in most sectors. ATPA continued to have a slight but positive effect on drug-crop eradication and crop substitution in the Andean region in 1998. Eradication efforts contributed to a marked, overall decline in the volume of land under coca cultivation, and alternative development efforts to introduce new products and expand licit-crop production in the region are continuing to show promising results.

Production Sharing: Use of U.S. Components and Materials in Foreign Assembly Operations, 1994-1997 (332-237)

On September 4, 1986, the Commission instituted on its own motion an annual investigation that assesses by industry sector the products and countries that use the production sharing provisions of the HTS. These provisions provide reduced tariff treatment for eligible goods assembled or processed in foreign locations that contain U.S.-made components or U.S.-origin metal. The annual report containing data for the years 1994-97, published in December 1998 by the ITC, found that the value of U.S.-made components exported for assembly in foreign operations then returned to the United States under the production sharing provisions reached \$26.6 billion in 1997. The 1998 report provides an analysis of recent developments in Mexico's assembly industry and examines the most significant developments in the industries and products that accounted for the largest growth or volume of 1997 trade under the production sharing provisions. The 1998 edition also assesses the extent and type of production sharing trade that takes place beyond that reported under the production sharing provisions, including trends for this trade under the NAFTA and as reported by official Mexican statistics; developments in assembly operations in Mexico as well as the Caribbean Basin (apparel) and Southeast Asia (semiconductors); the types of products assembled in foreign locations; trends in the location of foreign assembly operations; and the impact on key industries of global production sharing activities.

Ethyl Alcohol for Fuel Use: Determination of the Base Quantity of Imports (332-288)

Section VII of the 1989 Steel Trade Liberalization Program Implementation Act requires the ITC to determine annually the U.S. domestic market for fuel ethyl alcohol during the 12-month period ending on the preceding September 30. Section VII of the Act concerns local feedstock requirements for fuel ethyl alcohol imported into the United States from Caribbean Basin Initiative (CBI) beneficiary countries. The ITC's domestic market estimate is used to establish the "base quantity" of imports that can be imported with a zero percent local feedstock requirement. Beyond the base quantity of imports, progressively higher local feedstock requirements are placed on imports of fuel ethyl alcohol and mixtures from the CBI beneficiary countries. The ITC uses official statistics of the U.S. Department of Energy to make its determinations. For the 12-month period ending September 30, 1998, the ITC determined that the base quantity for 1999 was 94.1 million gallons. The ITC announced this determination in December 1998.

Monitoring of U.S. Imports of Tomatoes (332-350)

Monitoring of U.S. Imports of Peppers (332-351)

Section 316 of the NAFTA Implementation Act requires the ITC to monitor U.S. imports of "fresh or chilled tomatoes" and "fresh or chilled peppers, other than chili peppers" until January 1, 2009. The ITC reports were submitted in September 1999 to the House Committee on Ways and Means; the Senate Committee on Finance; the Senate Committee on Agriculture, Nutrition and Forestry; the House Committee on Agriculture; and the USTR. Each contained statistical information for the respective industry gathered by the ITC in the course of its monitoring. The reports include current conditions in the U.S. industry in such areas as production, imports, exports, and prices.

Program to Maintain U.S. Schedule of Services Commitments (332-354)

On April 18, 1994, the USTR requested that the ITC initiate an ongoing program to compile and maintain the United States Schedule of Services Commitments. The establishment of such a schedule was required by the General Agreement on Trade in Services (GATS), which was negotiated as part of the GATT Uruguay Round of multilateral trade negotiations. The GATS provides for the establishment of national schedules of commitments by countries setting forth their national commitments pertaining to specific service sectors. These schedules bind countries to maintain a minimum level of market access and bind them to a national treatment obligation. The GATS also provides for a broad most-favored nation (MFN) obligation, unless nations provide a list of exceptions for MFN treatment. The schedules and MFN exceptions will provide the basis for efforts to further liberalize international trade in services. The USTR requested that the ITC compile an initial U.S. Schedule reflecting the final services commitments made in the Uruguay Round and work with the USTR to update the U.S. Schedule, as necessary, to reflect all future commitments resulting from the post-Uruguay Round negotiations on financial, telecommunications, and maritime services, and future bilateral and multilateral services negotiations undertaken

by the USTR. The ITC compiled an initial U.S. Schedule and submitted it to the USTR in October 1994 and has made some subsequent changes. No additional changes were made in FY 1999.

Program to Maintain Investment Restrictions Database (332-377)

On January 8, 1997, the USTR requested that the ITC develop a confidential database that identifies and provides pertinent information regarding foreign investment restrictions. In her request letter, the USTR indicated that the database would assist the USTR in assessing the value of commitments undertaken by other countries and reporting on the final outcome of negotiations currently underway to develop a multilateral agreement on investment within the Organization for Economic Cooperation and Development.

Section 332 Studies in Progress at the End of FY 1999

International Harmonization of Customs Rules of Origin (332-360)

On January 25, 1995, the USTR requested that the ITC investigate the international harmonization of customs rules of origin. The investigation will provide the basis for ITC participation in work related to the Uruguay Round Agreement on Rules of Origin, negotiated in the GATT Uruguay Round negotiations and adopted along with the Agreement Establishing the World Trade Organization.

The ITC investigation will include soliciting public input to ensure that U.S. business interests are recognized in the development of U.S. proposals, participating in the development and representation of U.S. proposals before the World Customs Organization and the WTO, and conducting other research as required. At the conclusion of its analysis, the ITC will prepare a final report to the President and the Congress.

U.S.-Africa Trade Flows and Effects of the Uruguay Round Agreements and U.S. Trade and Development Policy (Fifth Annual Report) (332-362)

On March 30, 1995, the USTR requested that the ITC investigate the effects of U.S. trade and development policy and the Uruguay Round on U.S.-Africa trade flows. The USTR requested that the investigation include five annual reports to the President under the Africa Policy Section of the Statements of Administrative Action that Congress approved with the Uruguay Round Agreements Act. The first ITC report was submitted to the USTR in February 1996, the second report was submitted in October 1996, the third report was submitted in October 1997, and the fourth report was submitted in October 1998. The fifth annual report will include an update of U.S.-Africa trade and investment flows for the latest year available, including both overall trade and trade in the following major sectors: agriculture, forest products, textiles and apparel, footwear, energy, chemicals, minerals and metals, machinery, transportation equipment, electronics technology, miscellaneous manufactures, and services. The report will also include basic trade flow information for U.S. trade with the Southern African Customs Union, the Southern African Development Community, the Western African Economic and Monetary Union, and the Common Market for Eastern and Southern Africa, the Economic Community of West African States, the Tripartite Commission for East African Cooperation, the Indian Ocean Commission, and the Intergovernmental Authority on Development. The report will also identify major developments in the WTO and in U.S. trade/economic activities

that significantly affect U.S.-Africa trade and investment flows by sector during the latest year and changing trade and economic activities within African countries that have a significant impact on U.S.-Africa trade flows. The USTR also requested that the fifth report include information on progress in regional integration in Africa. As with the first four reports, the ITC will limit its study to the 48 countries in Sub-Saharan Africa. Scheduled completion: October 1999.

General Agreement on Trade in Services: Examination of the Schedules of Commitments Submitted by African Trading Partners (332-399)

On October 15, 1998, the USTR requested that the ITC examine the schedules of commitments submitted by selected African countries under the General Agreement on Trade in Services (GATS), explaining the commitments in non-technical language, and identify the potential benefits and limitations of the commitments. The investigation will cover Côte d'Ivoire, Egypt, Ghana, Kenya, Malawi, Mauritius, Morocco, Nigeria, Senegal, South Africa, Tunisia, Zambia, and Zimbabwe. The investigation is a follow-up to four earlier reports. As with the previous studies, the ITC will examine the schedules of commitments as they pertain to the following service industries: distribution services (defined as wholesaling, retailing, and franchising services); education services; communications services (defined as enhanced telecommunication services, courier services, and audiovisual services); health care services; professional services (defined as accounting, advertising, and legal services); architectural, engineering, and construction services; land-based transportation services (defined as rail and trucking services); and travel and tourism services. Scheduled completion: October 1999.

Simplification of the Harmonized Tariff Schedule of the United States (332-388)

On July 14, 1997, the Committee on Ways and Means, U.S. House of Representatives, requested that the ITC propose modifications to the Harmonized Tariff Schedule of the United States to make it simpler, more transparent, and easier to use. The ITC completed a first draft of proposed changes and released it for public comment in April 1999. Scheduled completion: June 2000.

Probable Economic Effects of the Reduction or Elimination of U.S. Tariffs (332-405)

On March 15, 1999, the USTR requested that the ITC prepare a confidential report on the probable economic effects of reducing or eliminating U.S. import tariffs. As requested, the ITC will provide advice as to the probable economic effects on U.S. industries producing like or directly competitive articles, and on consumers, of modifying tariffs under three scenarios: (1) the effects resulting from changes in the levels of dutiable imports from all U.S. trading partners if all tariffs were reduced by at least 50 percent, with tariffs of 5 percent ad valorem or less reduced to free; (2) the effects resulting from changes in the levels of dutiable imports from all U.S. trading partners if tariffs were eliminated; and (3) the effects resulting from tariff elimination on dutiable imports from FTAA trading partners. In her letter, the USTR noted that “[T]his request by no means implies that we intend to take action on these tariff measures. It merely indicates our interest in obtaining factual advice from the Commission on the probable economic effects of their reduction or elimination.” Scheduled completion: November 1999.

Conditions of Competition in U.S. Forest Products Trade (332-400)

On October 19, 1998, the Committee on Finance, U.S. Senate, requested that the ITC investigate the conditions of competition in forest products trade. As requested, the ITC will investigate the conditions of competition in forest products trade, with special emphasis on trade barriers and forest practices that may distort domestic and international markets in Asia, Europe, and Latin America. The ITC will provide (1) an overview of the global markets for forest products, including consumption, production, capacity, and trade trends in 1994-98; (2) a description of the U.S. forest products industry and the major forest products industries in Asia, Europe, and Latin America, including recent changes in production, capacity, marketing practices, and market shares; (3) a description of trade patterns (both imports and exports) and conditions affecting U.S. forest products trade, including tariff and non-tariff barriers, fluctuations in exchange rates, and competition from exporting countries; (4) a description of Asian, European, and Latin American government policies affecting U.S. forest products trade; and (5) a comparison of the strengths and weaknesses of major U.S., Asian, European, and Latin American producers in such areas as raw materials, capital availability, technological capabilities, extent of plant and equipment modernization, present capacity and future planned capacity expansion, and government support. Scheduled completion: October 1999.

Foundry Coke: A Review of the Industries in the United States and China (332-407)

On August 25, 1999, the Committee on Ways and Means, U.S. House of Representatives, requested that the ITC review the foundry coke industries in the United States and China. As requested, the ITC will provide information for the most recent five-year period, to the extent possible, regarding production, consumption, and trade trends; prices; significant developments in foundry coke market practices such as coke quality specifications, cost recovery, pricing policies, and by-product valuation; market factors affecting the availability of foundry coke and purchasing decisions by coke-consuming industries; costs related to compliance with environmental laws and policies; and transportation costs to U.S. markets for Chinese and domestic foundry coke. Scheduled completion: August 2000.

Other Publications Issued During FY 1999

Industry and Trade Summary Reports

The ITC periodically issues a series of detailed reports on thousands of products imported into and exported from the United States. These reports include information on product uses, U.S. and foreign producers, and customs treatment of the products being studied; they also analyze the basic factors bearing on the competitiveness of the U.S. industry in domestic and foreign markets. Nine such summaries were published in FY 1999: *Poultry* (USITC publication 3148); *Refined Petroleum Products* (USITC publication 3147); *Wool and Related Animal Hair* (USITC publication 3145); *Flavor and Fragrance Materials* (USITC publication 3162); *Apparel* (USITC publication 3169); *Certain Nonferrous Metals* (USITC publication 3161); *Nontropical Dried Fruits* (USITC publication 3171); *Home Textiles* (USITC publication 3170); and *The Chloralkali Chemicals* (USITC publication 3158).

APPENDIX C

STATUTES INVOLVING THE U.S.

INTERNATIONAL TRADE COMMISSION

Key Statutes

Section 201, Trade Act of 1974 (Global Safeguard Investigations), Import Relief for Domestic Industries

Under section 201, domestic industries seriously injured or threatened with serious injury by increased imports may petition the ITC for import relief. The ITC determines whether an article is being imported in such increased quantities that it is a substantial cause of serious injury, or threat thereof, to the U.S. industry producing an article like or directly competitive with the imported article. If the Commission makes an affirmative determination, it recommends to the President relief that would prevent or remedy the injury and facilitate industry adjustment to import competition. The President makes the final decision whether to provide relief and the amount of relief.

Section 201 does not require a finding of an unfair trade practice, as do the antidumping and countervailing duty laws and section 337 of the Tariff Act of 1930. However, the injury test under section 201 is considered to be more difficult than those of the unfair trade statutes. Section 201 requires that the injury or threatened injury be “serious” and that the increased imports must be a “substantial cause” (not less than any other cause) of the serious injury or threat of serious injury.

Criteria for import relief under section 201 are based on those in article XIX of the GATT, as further defined in the WTO Agreement on Safeguards. Article XIX of the GATT is sometimes referred to as the escape clause because it permits a country to “escape” temporarily from its obligations under the GATT with respect to a particular product when increased imports of that product are causing or are threatening to cause serious injury to domestic producers. Section 201 provides the legal framework under U.S. law for the President to invoke U.S. rights under article XIX.

When: The ITC conducts an investigation under section 201 upon receipt of a petition from a trade association, firm, certified or recognized union, or group of workers which is representative of a domestic industry; upon receipt of a request from the President or the USTR; upon receipt of a resolution of the House Committee on Ways and Means or Senate Committee on Finance; or upon its own motion.

Duration: The ITC generally must make its injury finding within 120 days (150 days in more complicated cases) of receipt of the petition, request, resolution, or institution on its own motion and must transmit its report to the President, together with any relief recommendations, within 180 days after receipt of the petition, request, resolution, or institution on its own motion.

Finding: If the ITC finding is affirmative, it must recommend a remedy to the President, who determines what relief, if any, will be imposed. Such relief may be in the form of a tariff increase, quantitative restrictions, or orderly marketing agreements.

Followup: If import relief is provided, the ITC periodically reports on developments within the industry during the period of relief. Upon request, the ITC advises the President of the probable economic effect on the industry of the reduction, modification, or termination of the relief in effect. At the conclusion of any relief period, the ITC is required to report to the President and Congress on the effectiveness of the relief action in facilitating the positive adjustment of the domestic industry to import competition. (For further information, see section 201 of the Trade Act of 1974, 19 U.S.C. 2251.)

Section 302, NAFTA Implementation Act (Bilateral Safeguard Investigations)

Under section 302 of the NAFTA Implementation Act, the Commission determines whether, as a result of the reduction in or elimination of a duty under the NAFTA, increased imports from Canada or Mexico are a substantial cause of serious injury or threat of serious injury to a U.S. industry. If the Commission makes an affirmative determination, it makes a remedy recommendation to the President, who makes the final remedy decision. Section 302 investigations are similar procedurally to investigations under section 201 of the Trade Act of 1974. (For further information, see section 301, NAFTA Implementation Act, 19 U.S.C. 3352.)

Section 337, Tariff Act of 1930, Investigations of Unfair Practices in Import Trade

Under section 337, the ITC determines whether, as defined by U.S. statutory and common law, there is unfair competition in the importation of products into, or their sale in, the United States. Section 337 declares unlawful unfair methods of competition and unfair acts in the import and sale of products in the United States, the threat or effect of which is to destroy or substantially injure a domestic industry, prevent the establishment of such an industry, or restrain or monopolize trade and commerce in the United States. Section 337 also declares as unlawful *per se* infringement of a valid and enforceable U.S. patent, copyright, registered trademark, or mask work; no resulting injury need be found.

Section 337 investigations require formal evidentiary hearings in accordance with the Administrative Procedure Act (5 U.S.C. 551 et seq.). The hearings are held before an administrative law judge. Parties to these investigations include complainants, respondents, and the ITC attorney representing the public interest. Following a hearing, the ALJ issues an initial determination on all issues related to violations of section 337. The Commission may review and may modify the ALJ decision. If the Commission does not review the initial determination, it becomes the Commission's decision. In addition to the long-term relief requested, complainants also may request temporary relief pending final resolution of the case.

When: After receipt of a complaint under oath from an interested party or upon its own motion, the ITC conducts an investigation to determine whether unfair methods of competition or unfair acts are occurring in the importation of articles into, or their sale in, the United States.

Duration: For investigations based on complaints filed prior to January 1, 1995, the ITC must make its determination not later than one year (18 months in a more complicated case) from the date of publication in the

Federal Register of notice of the investigation. For investigations based on complaints filed after January 1, 1995, the ITC is required to conclude its investigation at the earliest practicable time, and must, within 45 days after an investigation is instituted, establish a target date for issuing its final determination.

Finding: In general, if the ITC finds that the importation of such articles substantially injures or threatens to substantially injure an industry, prevents the establishment of such an industry, or restrains or monopolizes trade and commerce in the United States, it may issue orders excluding the products from entry, directing the violating parties to cease and desist from certain actions, or both. However, if the imports infringe a U.S. patent, copyright, registered trademark, or mask work, the ITC may issue an exclusion and/or cease and desist order without finding injury. ITC orders are effective when issued and become final 60 days after issuance unless disapproved for policy reasons by the President of the United States within that 60-day period. Appeals of ITC determinations may be taken to the U.S. Court of Appeals for the Federal Circuit. Violators of ITC section 337 orders are liable for civil penalties of up to \$100,000 a day or twice the value of the imported articles. (For further information, see section 337 of the Tariff Act of 1930, 19 U.S.C. 1337.)

Countervailing Duty and Antidumping Duty Laws Under the Tariff Act of 1930

Under the Tariff Act of 1930, U.S. industries may petition the government for relief from imports that are sold in the United States at less than fair value (“dumped”) or which benefit from subsidies provided through foreign government programs. Under the law, the U.S. Department of Commerce determines whether the dumping or subsidizing exists and, if so, the margin of dumping or amount of the subsidy; the ITC determines whether the dumped or subsidized imports materially injure or threaten to materially injure the U.S. industry.

Countervailing duty and antidumping investigations are conducted under title VII of the law. The ITC conducts the injury investigations in preliminary and final phases. (For ease of reference, ITC countervailing duty investigations are referred to as “701” investigations and ITC anti-dumping investigations are referred to as “731” investigations, after the respective initial sections in the Tariff Act of 1930 for the countervailing duty and antidumping laws.)

Preliminary Phase Countervailing Duty Investigations (Subsidized Imports) and Preliminary Phase Antidumping Investigations (Imports Sold at Less Than Fair Value)

When: After the simultaneous filing of a petition with the ITC and the U.S. Department of Commerce, the ITC conducts a preliminary phase injury investigation.

Duration: The preliminary phase of the investigation usually must be completed within 45 days of the receipt of the petition. If Commerce has extended its deadline for initiating the investigation, the ITC must make its preliminary injury determination within 25 days after Commerce informs the ITC of the initiation of the investigation.

Finding: The ITC determines, on the basis of the information available to it at the time of the determination, (1) whether there is a “reasonable indication” that an industry is materially injured or is threatened with material injury, or (2) whether the establishment of an industry is materially retarded, by reason of imports under investigation by the Department of Commerce that are allegedly subsidized or sold at less than fair value in the United States.

If the ITC determination is affirmative, Commerce continues its investigation. If the ITC determination is negative, the investigation is terminated.

However, if the ITC, in making a preliminary or final determination, finds that imports from a country are negligible, then the investigation regarding those imports must be terminated. Imports from a country under investigation are deemed negligible if they amount to less than 3 percent of the volume of all such merchandise imported into the United States in the most recent 12-month period preceding the filing of the petition for which data are available.

There are exceptions to this rule. One exception is that when imports from more than one country are subject to investigation as a result of petitions filed on the same day, imports from one or more of those countries under investigation will not be deemed negligible if the sum of imports from countries subject to investigation whose imports are less than 3 percent on an individual basis collectively amounts to more than 7 percent of the volume of all such merchandise imported into the United States.

Final Phase Countervailing Duty Investigations (Subsidized Imports) and Final Phase Antidumping Investigations (Imports Sold at Less Than Fair Value)

When: After a preliminary affirmative determination by the Secretary of Commerce (or after a final affirmative determination if the preliminary determination was negative) that imported products are subsidized or are being, or are likely to be, sold at less than fair value, the ITC conducts the final phase of the injury investigation.

Duration: The ITC final phase injury investigation usually must be completed within 120 days after an affirmative preliminary determination by the Secretary of Commerce or within 45 days after an affirmative final determination by the Secretary of Commerce, whichever is later. However, in cases in which the Commerce preliminary determination is negative but the Commerce final determination is affirmative, the ITC final injury determination must be made within 75 days.

Finding: The ITC determines (1) whether an industry in the United States is materially injured or threatened with material injury, or (2) whether the establishment of an industry in the United States is materially retarded, by reason of imports that the Department of Commerce has determined to be subsidized or sold in the United States at less than fair value.

If the ITC determination is affirmative, the Secretary of Commerce issues a countervailing duty order (in a subsidy investigation) or an antidumping order (in a dumping investigation), which is enforced by the U.S. Customs Service. ITC determinations may be appealed to the U.S. Court of International Trade in New York City, or, in cases involving Canada and/or Mexico, to a binational panel under the auspices of the North American Free Trade Agreement. (For further information on countervailing duty investigations, see section 701 et seq. of the Tariff Act of 1930, 19 U.S.C. 1671 et seq. For further information on antidumping investigations, see section 731 et seq. of the Tariff Act of 1930, 19 U.S.C. 1673 et seq.)

Section 753, Tariff Act of 1930 (Review Investigations)

In the case of a countervailing duty order with respect to which an affirmative determination of material injury by the ITC was not required at the time the order was issued, interested parties may request that the ITC initiate an investigation to determine whether an industry in the United States is likely to be materially injured by reason of imports of the subject merchandise if the order is revoked. Such requests must be filed with the ITC within six months of the date on which the country from which the subject merchandise originates becomes a signatory to the Agreement on Subsidies and Countervailing Measures. (For further information, see section 753, Tariff Act of 1930, 19 U.S.C. 1675b.)

Five-Year (Sunset) Reviews

The Uruguay Round Agreements Act, approved in late 1994, amended the countervailing duty and anti-dumping laws in several respects. One of the most significant changes is a new provision that requires the Department of Commerce to revoke an antidumping or countervailing duty order, or terminate a suspension agreement, after five years unless the Department of Commerce and the ITC determine that revoking the order or terminating the suspension agreement would be likely to lead to continuation or recurrence of dumping or subsidies (Commerce) and of material injury (ITC) within a reasonably foreseeable time. Known as the “sunset provision,” this new requirement will result in review of all outstanding antidumping and countervailing duty orders in existence as of January 1, 1995, currently numbering about 309, over a three-year “transition period” that began in July 1998 and ends in June 2001. Further, reviews of orders issued after January 1, 1995, will be required five years after they become effective.

When: Five-year reviews of all antidumping and countervailing duty orders that were issued prior to 1995 will be initiated by the Department of Commerce beginning in July 1998. A complete schedule for these “transition” reviews was published in the *Federal Register* on May 29, 1998.

Five-year reviews of all antidumping and countervailing duty orders that have been issued since January 1, 1995, will be initiated by Commerce on or before their five-year anniversary. As of September 30, 1999, there were 104 such orders, and the first review will be initiated in early 2000.

Following the Department of Commerce's initiation of each five-year review, the ITC will set its schedule for the review and publish this information in a *Federal Register* notice.

Duration: The ITC's notice of institution in five-year reviews requests that interested parties file with the ITC responses that discuss the likely effects of revoking the order under review and provide other pertinent information. Generally within 95 days from institution, the ITC makes an adequacy determination, in which it determines whether the responses it has received reflect an adequate or inadequate level of interest in the review. If the ITC determines that responses to its notice of institution are adequate, or if other circumstances warrant a full review, the ITC conducts a full review, which includes a public hearing and issuance of questionnaires. If the ITC determines that responses to its notice of institution are inadequate, the ITC conducts an expedited review. The ITC does not hold a hearing or conduct further investigative activities in expedited reviews. Commissioners base their injury determinations in expedited reviews on the facts available, including the ITC's prior injury

determination, responses received to its notice of institution, publicly available data collected by staff in connection with the review, and information provided by the Department of Commerce.

The ITC will usually complete full five-year reviews within 360 days of initiation and expedited five-year reviews within 150 days. Both Commerce and the ITC have the authority to extend these deadlines by up to 90 days in all transition reviews and other extraordinarily complicated cases.

Finding: In five-year reviews, the ITC determines whether revocation of the antidumping or countervailing duty order would be likely to lead to continuation or recurrence of material injury to the U.S. industry within a reasonably foreseeable time. If the ITC's determination is affirmative, the order will remain in place. If the ITC's determination is negative, the order will be revoked. (For further information on five-year (sunset) reviews, see section 751(c) of the Tariff Act of 1930, 19 U.S.C. 1675(c).)

Section 332, Tariff Act of 1930, General Factfinding Investigations

Under section 332, the ITC investigates a wide variety of trade matters.

When: Upon request from the President, the Senate Committee on Finance, the House Committee on Ways and Means, or the USTR, or upon its own motion, the ITC initiates a factfinding investigation on any matter involving tariffs or international trade, including conditions of competition between U.S. and foreign industries.

Duration: Unless otherwise directed, the ITC establishes an administrative deadline. Deadlines for investigations requested by the President, the USTR, or Congress are usually set by mutual agreement.

Finding: Unless the President or Congress directs otherwise, ITC final reports are made available to all interested parties, the general public, the President and executive departments, and Congress. Reports on matters relating to pending trade negotiations are often classified documents not subject to public view. (For further information, see section 332 of the Tariff Act of 1930, 19 U.S.C. 1332.)

Section 22, Agricultural Adjustment Act, Import Interference With Agricultural Programs

Under section 22, the ITC conducts investigations at the direction of the President to determine whether products are being (or are practically certain to be) imported into the United States under such conditions and in such quantities that they render or tend to render ineffective or materially interfere with any program of the Department of Agriculture.

The ITC makes findings and recommendations to the President. The President may impose a fee or quota on the imports in question. However, no fee or quota may be imposed on any article produced by a member of the World Trade Organization. (For further information, see section 22 of the Agricultural Adjustment Act, 7 U.S.C. 624.)

Section 406, Trade Act of 1974, Trade With Communist Countries

Under section 406 of the Trade Act of 1974, the Commission determines whether imports from a Communist country are causing market disruption in the United States. Section 406 investigations are similar procedurally to

Commission investigations under section 201 of the Trade Act of 1974. If the Commission finds market disruption, it then makes a remedy recommendation to the President. The President makes the final decision with respect to remedy. (For further information, see section 406, Trade Act of 1974, 19 U.S.C. 2436.)

Section 603, Trade Act of 1974 (Preliminary Investigations), Expedition of Preliminary Investigations

Section 603 of the Trade Act of 1974 authorizes the ITC to conduct preliminary investigations in order to expedite the performance of its functions under the Act. In recent years, the ITC has used this provision on several occasions in conjunction with section 337 of the Tariff Act of 1930 (which was amended by the Trade Act of 1974) to investigate allegations that may, with the gathering of additional information, provide a basis for an investigation under section 337. (For further information, see section 603, Trade Act of 1974, 19 U.S.C. 2482.)

Other Areas of Involvement Required by Statute

Caribbean Basin Economic Recovery Act

The ITC submits annual reports to Congress and the President on the economic impact on U.S. industries and consumers of the Caribbean Basin Economic Recovery Program. (For further information, see 19 U.S.C. 2704.)

Uniform Statistical Data

The ITC, in cooperation with the Secretary of the Treasury and the Secretary of Commerce, establishes for statistical purposes an enumeration of articles imported into the United States and exported from the United States and seeks to establish comparability of such statistics with statistical programs for domestic production. (For further information, see section 484(f), Tariff Act of 1930, 19 U.S.C. 1484(f).)

Harmonized Tariff Schedule of the United States

The ITC issues a publication containing the HTS and related material and considers questions concerning the arrangement of the HTS and the classification of articles. (For further information, see section 1207 of the Omnibus Trade and Competitiveness Act of 1988, 19 U.S.C. 3007; and sections 332(a) and 484(f), Tariff Act of 1930, 19 U.S.C. 1332(a), 1484(f).)

Harmonized System Convention

The ITC has responsibility, along with the Department of the Treasury and the Department of Commerce, to represent the U.S. government concerning the activities of the Customs Cooperation Council (now informally known as the World Customs Organization Council, or WCO) relating to the Harmonized System Convention and to formulate U.S. government positions on technical and procedural issues relating to the Convention. (For further information, see section 1210, Omnibus Trade and Competitiveness Act of 1988, 19 U.S.C. 3010.)

In addition, the ITC is responsible for reviewing the HTS and for recommending to the President such modifications as it considers necessary or appropriate to conform the HTS with amendments to the Harmonized

System Convention, to ensure that the HTS is kept up to date, and to alleviate unnecessary administrative burdens. (For further information, see section 1205, Omnibus Trade and Competitiveness Act of 1988, 19 U.S.C. 3005.)

Annual Report on the U.S. Trade Agreements Program

The ITC annually prepares for Congress and the interested public a factual report on the operation of the trade agreements program. The report contains information on U.S. participation in multilateral and bilateral trade negotiations and agreements, as well as related material on foreign economic and trade developments and the administration of U.S. trade laws. (For further information, see section 163(b), Trade Act of 1974, 19 U.S.C. 2213.)

Advice Concerning Trade Negotiations

The ITC advises the President as to the probable economic effect on domestic industries and consumers of modification of duties and other barriers to trade that may be considered for inclusion in any proposed trade agreement with foreign countries. (For further information, see section 131, Trade Act of 1974, 19 U.S.C. 2151.)

Generalized System of Preferences

With respect to articles that may be considered for duty-free treatment when imported from designated developing countries, the ITC advises the President as to the probable economic effect on the domestic industry and on consumers of the removal of duty. (For further information, see sections 131 and 503, Trade Act of 1974, 19 U.S.C. 2151, 2163.)

Andean Trade Preference Act

The ITC submits annual reports to Congress and the President on the impact on U.S. industries and consumers of the Andean Trade Preference Act and Andean drug crop eradication and crop substitution. (For further information, see 19 U.S.C. 3204.)

APPENDIX D

TRADE LITIGATION IN FISCAL YEAR 1999

Litigation Completed

Appeals Arising From Antidumping and Countervailing Duty Investigations

BIC Corporation v. United States of America and the United States International Trade Commission, Court No. 95-05-00726 (Court of International Trade)

The Court of International Trade (CIT) denied a motion pursuant to CIT Rule 60(b) for relief from the Court's affirming the Commission's negative determinations in *Disposable Lighters from the People's Republic of China and Thailand*, Invs. Nos. 731-TA-700 and 701 (Final) [see USITC Publication 2876 (April 1995)]. The CIT held, *inter alia*, that the statements that plaintiff submitted from discovery in unrelated litigation did not indicate that parties had committed fraud before the Commission.

Gerald Metals, Inc. v. United States of America, Appeal No. 97-1077 (Court of Appeals for the Federal Circuit), Court No. 95-06-00782 (Court of International Trade)

The Court of Appeals for the Federal Circuit reversed the CIT's affirmance of the Commission's affirmative determination in *Magnesium from the Ukraine*, Inv. No. 731-TA-698 (Final) [see USITC Publication 2885 (May 1995)]. The Federal Circuit held that the Commission had failed adequately to take into account the convertibility of fairly traded into unfairly traded imports in determining that subject imports had had a significant price suppressive effect. The Court of Appeals stated that to satisfy the requirement that material injury be "by reason of" subject imports, the Commission was required to find that their effects made a more than minimal or tangential contribution to injury. On remand, the Commission issued a negative determination, which the CIT affirmed.

Appeals Arising From Investigations Under Section 337 of the Tariff Act of 1930

Atmel Corporation v. United States International Trade Commission, Appeal No. 98-1580 (Court of Appeals for the Federal Circuit)

This appeal was brought from the Commission's determination in *Certain EPROM, EEPROM, Flash Memory, and Flash Microcontroller Semiconductor Devices and Products Containing Same*, Inv. No. 337-TA-395, in which the Commission held the patent at issue unenforceable due to improper inventorship. Following that

decision, upon application of the patent holder, the Patent and Trademark Office amended the inventorship, and the Commission determined to reopen its proceedings. The Court remanded this case to the Commission, confirming the Commission's ability to reopen its investigation.

Finnigan Corporation v. United States International Trade Commission, Appeal No. 98-1411 (Court of Appeals for the Federal Circuit)

The Court affirmed in part and reversed in part the Commission's determination in *Certain Ion Trap Mass Spectrometers and Components Thereof*, Inv. No. 337-TA-393. The decision, which affirmed the Commission's finding of non-infringement, but reversed the finding of invalidity, upheld the Commission's finding of no violation of section 337.

Innovatron S.A. v. United States International Trade Commission, Appeal No. 98-1522 (Court of Appeals for the Federal Circuit)

The Court affirmed the Commission's negative determination in *Certain Removable Electronic Cards and Electronic Card Reader Devices and Products Containing Same*, Inv. No. 337-TA-396 [see USITC Publication 3123 (Aug. 1998)]. The Court held that the Commission's claim construction was supported by the plain language of the patent claim at issue.

Personalized Media Communications v. United States International Trade Commission, Appeal No. 97-1532 (Court of Appeals for the Federal Circuit)

The Court affirmed the findings at issue in this appeal from the Commission's summary final determination of no violation in *Certain Digital Satellite System Receivers and Components Thereof*, Inv. No. 337-TA-392. The Court upheld the Commission's construction of the patent claim at issue and its conclusion that the claim was anticipated by prior art.

Personalized Media Communications v. United States International Trade Commission, Appeal No. 98-1160 (Court of Appeals for the Federal Circuit)

The Court affirmed in part, reversed in part, vacated in part, and remanded certain conclusions in the Commission's negative determination following a hearing in *Certain Digital Satellite System Receivers and Components Thereof*, Inv. No. 337-TA-392. The Court rejected the Commission's interpretation of certain patent claim language as being a means-plus-function claim and held that the claim did recite structure sufficient to avoid invalidity for indefiniteness. As to other claims, the Court affirmed the Commission's finding of non-infringement.

Re Winbond Electronics and Winbond Electronics North America Corporation, Misc. No. 579 (Court of Appeals for the Federal Circuit)

Through this petition for writ of mandamus, respondents before the Commission in *Certain EPROM, EEPROM, Flash Memory, and Flash Microcontroller Semiconductor Devices, and Products Containing Same*, Inv. No. 337-TA-395, sought to set aside the Commission's decision to reopen proceedings. As discussed above in

connection with the Atmel appeal, the Commission decided to reinstitute the investigation after petitioner obtained an amendment of inventorship that the Commission had found in error. The Court denied the petition.

YBM Magnex Inc. v. United States International Trade Commission, Appeals Nos. 97-1409, -1411 (Court of Appeal for the Federal Circuit)

The Court reversed the Commission's determination after its enforcement proceeding *In the Matter of Certain Neodymium-Iron-Boron Magnets, Magnet Alloys and Articles Containing Same*, Inv. No. 337-TA-372 [see USITC Publication 3073 (Nov. 1997)]. The Court of Appeals rejected the Commission's interpretation of *Maxwell v. J. Baker, Inc.*, 86 F.3d 1098 (Fed. Cir. 1996), cert. denied, 117 S.Ct. 1244, as setting forth a general rule that subject matter disclosed but not claimed in a patent application is dedicated to the public.

Litigation Terminated

In addition to the cases discussed above, a number of cases were terminated during FY 1999 without final substantive decisions on the merits. Those cases are:

Acciaierie Valbrunz S.r.L. and Acciaierie DI Bolzano SpA v. United States (Court of International Trade)

This case contested certain aspects of the Commission's final determination in the countervailing duty investigation in *Stainless Steel Wire Rod From Germany, Italy, Japan, Korea, Spain, Sweden, and Taiwan*, Invs. Nos. 701-TA-373 and 731-TA-769-775 [see USITC Publication 3126 (Sept. 1998)]. No complaint was filed and the Court dismissed the case *sua sponte*.

Cogne Acciai Speciali, S.r.L. v. United States (Court of International Trade)

When no complaint was filed, the Court dismissed this suit challenging the Commission's injury determination in *Stainless Steel Wire Rod from Italy*, Invs. Nos. 701-TA-373 and 731-TA-770 [see USITC Publication 3126 (Sept. 1998)].

Co-Steel Raritan, et al. v. United States, Court No. 98-01-00018 (Court of International Trade)

The Court granted plaintiffs' motion to dismiss their suit challenging the Commission's negative determination in *Steel Wire Rod from Canada, Germany, Trinidad and Tobago, and Venezuela*, Invs. Nos. 701-TA-368-371 [see USITC Publication 3075 (Nov. 1997)].

Fagersta Stainless AB v. United States (Court of International Trade)

When no complaint was filed, the Court dismissed this suit challenging the Commission's injury determination in *Stainless Steel Wire Rod from Sweden*, Inv. No. 731-TA-774 [see USITC Publication 3126 (Sept. 1998)].

Friedman v. Kantor, et al., Appeal No. 98-1148 (Court of Appeals for the Federal Circuit)

Abraham Friedman, pro se litigant, sued various federal government agencies (including the ITC) in the Court of International Trade (CIT) for failing to proceed with an antidumping petition that he filed and withdrew some years ago as well as various failures to assist him in his dealings in Mexico. The CIT dismissed the case as not within the Court's jurisdiction under 28 U.S.C. § 1581(i), and the Federal Circuit affirmed the CIT's decision.

Gerald Metals v. United States, Appeal No. 99-1166 (Court of Appeals for the Federal Circuit)

Petitioners before the Commission in *Magnesium from the Ukraine*, Inv. No. 731-TA-698 (Final) [see USITC Publication 2885 (May 1995)], filed this appeal from the CIT's decision affirming the Commission's negative determination on remand, but allowed the case to be dismissed without filing a brief on the merits.

Mentor Graphics Corp., and Meta Systems v. United States International Trade Commission, Appeal No. 98-1346 (Court of Appeals for the Federal Circuit)

On May 5, 1998, the appellants appealed the ITC's decision in *Certain Hardware Logic Emulation Systems and Components Thereof*, Inv. No. 337-TA-383 [see USITC Publication 3089 (March 1998)]. On September 26, 1998, the Court dismissed this appeal and the period for filing a petition for writ of certiorari has expired.

Mentor Graphics Corporation and Meta Systems, Inc. v. United States International Trade Commission, Appeal No. 99-1023 (Court of Appeals for the Federal Circuit)

The Court dismissed this appeal of the Commission's determination in *Certain Hardware Logic Emulation Systems and Components Thereof*, Inv. No. 337-TA-383 [see USITC Publication 3089 (March 1998)], following the filing of a motion for voluntary dismissal.

Nippon Steel Corporation, Daido Steel Company, Ltd., and Sumitomo Electric Company, Ltd. v. United States (Court of International Trade)

When no complaint was filed, the Court dismissed this suit challenging the Commission's determination in *Stainless Steel Wire Rod from Germany, Italy, Japan, Korea, Spain, Sweden, and Taiwan*, Invs. Nos. 731-TA-769-775 [see USITC Publication 3126 (Sept. 1998)].

Litigation Pending at the End of Fiscal Year 1999

Cases arising from antidumping and countervailing duty investigations ¹	20
Cases arising from section 337 determinations	13
Cases arising from determinations in safeguard investigations ²	3
Other litigation ³	5
Total	<u>41</u>

¹ All cases filed by different parties that have been consolidated by the court are counted as a single piece of litigation. Thus, the actual number of complaints or notices of appeal filed is greater than the number given above.

² Though litigation appendixes in prior annual reports have not listed cases in international tribunals under international law, such proceedings are taking on increasing importance in review of agency action. This report therefore includes cases in which panels have been requested in the World Trade Organization's Dispute Settlement Body concerning ITC action. This year, all such proceedings involved determinations in safeguard investigations. The count does not include proceedings not involving defense of ITC action in which ITC personnel assist in advocacy of U.S. positions.

³ This category includes all cases before courts or administrative tribunals concerning administration of the agency, not challenging substantive decisions of the Commission.

By comparison, at the end of fiscal year 1998, there were 13 pending cases arising from antidumping and countervailing duty investigations, 11 arising from section 337 determinations, and three cases involving non-trade subjects, for a total of 27.

ITC Services and Information Resources

Internet Web Site (www.usitc.gov) The ITC's Internet web site offers 24-hour access to an extensive variety of ITC information resources and workproducts, including: news releases; *Federal Register* notices; most ITC reports and publications, including the Harmonized Tariff Schedule of the United States and congressional bill reports; the ITC DataWeb; the ITC Electronic Document Imaging System; information on recent petitions and complaints; the monthly calendar; a section focused on the ITC's five-year (sunset) reviews; the ITC's rules of practice and procedure, hearing guidelines, an introduction to APO practices at the ITC, and other investigation-related materials; information related to the Freedom of Information Act; and general information about the agency, its work, and its Commissioners and staff.

National Library of International Trade and the ITC Law Library The ITC maintains one of the most extensive libraries specializing in international trade matters in the United States. The National Library of International Trade, located on the third floor of the ITC Building (500 E Street SW, Washington, DC), houses over 100,000 volumes and approximately 2,500 periodical titles related to U.S. industry and international trade laws and practices, as well as more than two dozen CD-ROM and on-line information databases. In addition, the ITC maintains a Law Library, housed on the sixth floor of the ITC Building. Both libraries are open to the public during agency hours (8:45 a.m. to 5:15 p.m. (Eastern Time), Monday through Friday). For information, call 202-205-2630 (National Library of International Trade) or 202-205-3287 (Law Library).

Public Reading Room Public inspection files are maintained in every ITC investigation. These files can be reviewed in the ITC's public reading room, located in the Office of the Secretary on the first floor of the ITC Building. Depending on the age of the records requested, the files are available electronically, in hard copy, and/or on microfiche. Photocopies of documents in the public files may be ordered for a fee from an on-site duplicating firm. The public reading room is open during agency hours. For information, call 202-205-1802.

Office of the Secretary Publications may be ordered 24 hours a day, seven days a week, by calling 202-205-1809. Recorded information on the latest petitions and complaints filed with the ITC can be obtained by calling 202-205-2196. Inquiries under the Freedom of Information Act should be filed with the Secretary. For information, call 202-205-2000.

Public Information News releases, the ITC annual report, and general information about the agency and its Commissioners can be obtained from the Public Affairs Officer, Office of External Relations, by calling 202-205-1819.

Trade Remedy Assistance Office The ITC's Trade Remedy Assistance Office, part of the agency's Office of External Relations, assists small businesses seeking benefits or relief under U.S. trade laws, providing general information concerning the remedies and benefits available under those laws as well as technical and legal assistance and advice to eligible small businesses seeking remedies. For information, call 1-800-343-9822.

Commission and Executive Staff as of September 30, 1999

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Marcia E. Miller, Vice Chairman

Carol T. Crawford

Jennifer A. Hillman

Stephen Koplan

Thelma J. Askey

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