

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, D.C.

(Investigation No. TA-2104-13)
*U.S. FREE TRADE AGREEMENT WITH CENTRAL AMERICA
AND THE DOMINICAN REPUBLIC: POTENTIAL
ECONOMYWIDE AND SELECTED SECTORAL EFFECTS*

AGENCY: United States International Trade Commission

ACTION: Institution of investigation

SUMMARY: Following receipt on January 28, 2004, of a request from the United States Trade Representative (USTR), the Commission instituted investigation No. TA-2104-13, *U.S. Free Trade Agreement with Central America and the Dominican Republic: Potential Economywide and Selected Sectoral Effects*, under section 2104(f) of the Trade Act of 2002 (19 U.S.C. 3804(f)).

BACKGROUND: As requested by the USTR, the Commission will prepare a report as specified in section 2104(f)(2)-(3) of the Trade Act of 2002 assessing the likely impact of the U.S. free trade agreement (FTA) with Central America and the Dominican Republic on the United States economy as a whole and on specific industry sectors and the interests of U.S. consumers. The report will assess the likely impact of the agreement on the United States economy as a whole and on specific industry sectors, including the impact the agreement will have on the gross domestic product, exports and imports, aggregate employment and employment opportunities, the production, employment, and competitive position of industries likely to be significantly affected by the agreement and the interests of United States consumers.

In preparing its assessment, the Commission will review available economic assessments regarding the agreement, including literature regarding any substantially equivalent proposed agreement, and will provide in its assessment a description of the analyses used and conclusions drawn in such literature, and a discussion of areas of consensus and divergence between the various analyses and conclusions, including those of the Commission regarding the agreement.

Section 2104(f)(2) requires that the Commission submit its report to the President and the Congress not later than 90 days after the President enters into the agreement, which he can do 90 days after he notifies the Congress of his intent to do so. The President notified the Congress on February 20, 2004, of his intent to enter into an FTA with Central America. At that time, the President also stated that negotiations were under way to integrate the Dominican Republic into the FTA with Central America.

The ITC has begun its assessment, and it will seek public input for the investigation through a public hearing on April 27, 2004. The date of the hearing is contingent on the successful conclusion of the negotiations with the Dominican Republic and when a public version of the final agreement is made available by the U.S. Trade Representative.

EFFECTIVE DATE: March 11, 2004

FOR FURTHER INFORMATION CONTACT: James Stamps, Project Leader, Office of Economics (202-205-3227 or james.stamps@usitc.gov). For information on the legal aspects of this investigation,

contact William Gearhart of the Office of the General Counsel (202-205-3091 or william.gearhart@usitc.gov). For media information, contact Peg O’Laughlin (202-205-1819). Hearing impaired individuals are advised that information on this matter can be obtained by contacting the TDD terminal on (202-205-1810).

PUBLIC HEARING: A public hearing in connection with this investigation is scheduled to begin at 9:30 a.m. on April 27, 2004, at the U.S. International Trade Commission Building, 500 E Street SW., Washington, D.C. All persons may appear by counsel or in person, to present information, and to be heard. In the event that no requests to appear at the hearing are received by the close of business on April 13, 2004, the hearing will be canceled. Any person interested in attending the hearing as an observer or non-participant may call the Secretary (202-205-1816) after April 13, 2004 to determine whether the hearing will be held.

STATEMENTS AND BRIEFS: In lieu of or in addition to appearing at the public hearing, interested persons are invited to submit written statements concerning the investigation in accordance with the requirements in the “Submissions” section below. Persons wishing to appear at the public hearing should file a letter with the Secretary, United States International Trade Commission, 500 E St., SW., Washington, DC 20436, not later than the close of business (5:15 p.m.) on April 13, 2004. In addition, persons appearing should file prehearing briefs (original and 14 copies) with the Secretary by the close of business on April 20, 2004. Posthearing briefs should be filed with the Secretary by the close of business on May 4, 2004.

WRITTEN SUBMISSIONS: Written statements should be received by the close of business on May 4, 2004. Commercial or financial information which a submitter desires the Commission to treat as confidential must be submitted on separate sheets of paper, each clearly marked “Confidential Business Information” at the top. All submissions requesting confidential treatment must conform with the requirements of section 201.6 of the Commission’s *Rules of Practice and Procedure* (19 CFR 201.6). All written submissions, except for confidential business information, will be made available for inspection by interested persons. The Commission intends to publish only a public report in this investigation. Accordingly, any confidential business information received by the Commission in this investigation and used in preparing the report will not be published in a manner that would reveal the operations of the firm supplying the information. All submissions should be addressed to the Secretary at the Commission’s office in Washington, D.C. The Commission’s rules do not authorize filing of submissions with the Secretary by facsimile or electronic means, except to the extent permitted by section 201.8 of the Commission’s Rules (19CFR 201.18) (see Handbook for Electronic Filing Procedures, ftp://ftp.usitc.gov/pub/reports/electronic_filing_handbook.pdf). The public record for this investigation may be viewed on the Commission's electronic docket (EDIS) at <http://edis.usitc.gov>. Hearing-impaired individuals are advised that information on this matter can be obtained by contacting our TDD terminal on (202) 205-1810.

LIST OF SUBJECTS: Central America, Dominican Republic, tariffs, trade, imports and exports.

By order of the Commission.

Marilyn R. Abbott
Secretary to the Commission

Issued: March 17, 2004