

UNITED STATES INTERNATIONAL TRADE COMMISSION  
Washington, DC

Investigation No. NAFTA-103-014

Probable Effect of Certain Modifications to the  
North American Free Trade Agreement Rules of Origin

AGENCY: United States International Trade Commission

ACTION: Institution of investigation and opportunity to file written submissions

EFFECTIVE DATE: March 24 , 2006

**SUMMARY:** Following receipt of a request on March 20, 2006, from United States Trade Representative (USTR) under authority delegated by the President and pursuant to section 103 of the North American Free Trade Agreement (NAFTA) Implementation Act (19 U.S.C. 3313), the Commission instituted investigation No. NAFTA-103-014, *Probable Effect of Certain Modifications to the North American Free Trade Agreement Rules of Origin*.

**BACKGROUND:** According to the USTR's letter, U.S. negotiators have recently reached agreement in principle with representatives of the governments of Canada and Mexico on proposed modifications to Annexes 401 and 403 of the NAFTA. Chapter 4 and Annexes 401 and 403 of the NAFTA set forth in the rules of origin for applying the tariff provisions of the NAFTA to trade in goods. Section 202(q) of the NAFTA Implementation Act (the Act) authorizes the President, subject to the consultation and layover requirements of section 103 of the Act, to proclaim such modifications to the rules as may from time to time be agreed to by the NAFTA countries. One of the requirements set out in section 103 of the Act is that the President obtain advice from the United States International Trade Commission.

The USTR has requested that the Commission provide advice on the probable effect on U.S. trade under the NAFTA and on domestic industries as a result of proposed modifications to the rules of origin in NAFTA Annexes 401 and 403 for a number of products. A complete listing of the products and the proposed modifications is available from the Office of the Secretary to the Commission or by accessing the electronic version of this notice at the Commission's Internet site (<http://www.usitc.gov>). The current U.S. rules of origin can be found in General Note 12 of the 2005 Harmonized Tariff Schedule of the United States (see "General Notes" link at [http://hotdocs.usitc.gov/tariff\\_chapters\\_current/toc.html](http://hotdocs.usitc.gov/tariff_chapters_current/toc.html)). As requested, the Commission will forward its advice to the USTR by August 14, 2006.

**FOR FURTHER INFORMATION CONTACT:**

Project Leader, Edmund Cappuccilli (202-205-3368 or [edmund.cappuccilli@usitc.gov](mailto:edmund.cappuccilli@usitc.gov)) or  
Deputy Project Leader, Vincent Honnold (202-205-3314 or [vincent.honnold@usitc.gov](mailto:vincent.honnold@usitc.gov)).

The above persons are in the Commission's Office of Industries. For more information on the legal aspects of the investigation, contact William Gearhart of the Commission's Office of the General Counsel (202-205-3091 or [william.gearhart@usitc.gov](mailto:william.gearhart@usitc.gov)). The media should contact Margaret O'Laughlin, Office of External Relations at 202-205-1819 or [margaret.olaughlin@usitc.gov](mailto:margaret.olaughlin@usitc.gov).

WRITTEN SUBMISSIONS: In lieu of a public hearing, interested parties are invited to submit written statements concerning any economic effect of the modifications. Submissions should be addressed to the Secretary, United States International Trade Commission, 500 E Street SW, Washington, DC 20436. To be assured of consideration by the Commission, written statements should be submitted to the Commission at the earliest practical date and should be received no later than the close of business on June 2, 2006. All written submissions must conform with the provisions of section 201.8 of the *Commission's Rules of Practice and Procedure* (19 C.F.R. 201.8). Section 201.8 of the rules requires that a signed original (or copy designated as an original) and fourteen (14) copies of each document be filed. In the event that confidential treatment of the document is requested, at least four (4) additional copies must be filed, from which the confidential business information must be deleted (see the following paragraph for further information regarding confidential business information). The Commission's rules authorize filing submissions with the Secretary by facsimile or electronic means only to the extent permitted by section 201.8 of the rules (see Handbook for Electronic Filing Procedures, [ftp://ftp.usitc.gov/pub/reports/electronic\\_filing\\_handbook.pdf](ftp://ftp.usitc.gov/pub/reports/electronic_filing_handbook.pdf)). Persons with questions regarding electronic filing should contact the Secretary (202-205-2000 or [edis@usitc.gov](mailto:edis@usitc.gov)).

Any submissions that contain confidential business information must also conform with the requirements of section 201.6 of the *Commission's Rules of Practice and Procedure* (19 C.F.R. 201.6). Section 201.6 of the rules requires that the cover of the document and the individual pages be clearly marked as to whether they are the "confidential" or "nonconfidential" version, and that the confidential business information be clearly identified by means of brackets. All written submissions, except for confidential business information, will be made available in the Office of the Secretary to the Commission for inspection by interested parties.

The Commission may include some or all of the confidential business information submitted in the course of this investigation in the report it sends to the USTR and the President. As requested by the USTR, the Commission will publish a public version of the report. However, in the public version, the Commission will not publish confidential business information in a manner that would reveal the operations of the firm supplying the information.

The public record for this investigation may be viewed on the Commission's electronic docket (EDIS) at <http://edis.usitc.gov>. Hearing impaired individuals may obtain information on this matter by contacting the Commission's TDD terminal on 202-205-1810. Persons with mobility impairments who will need special assistance in gaining access to the Commission should contact the Office of the Secretary at 202-205-2000.

By order of the Commission.

Marilyn R. Abbott,  
Secretary to the Commission

Issued: March 27, 2006