

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, D.C.

(Inv. Nos. TA-131-33 and TA-2104-22)

**U.S.-Malaysia Free Trade Agreement:
Advice Concerning the Probable Economic Effect of Providing
Duty-Free Treatment for Imports**

AGENCY: United States International Trade Commission.

ACTION: Institution of investigations and scheduling of public hearing.

EFFECTIVE DATE: March 24, 2006

SUMMARY: Following receipt on March 17, 2006, of a request from the United States Trade Representative (USTR), the Commission instituted investigation Nos. TA-131-033 and TA-2104-022, *U.S.-Malaysia Free Trade Agreement: Advice Concerning the Probable Economic Effect of Providing Duty-Free Treatment for Imports*, under section 131 of the Trade Act of 1974 and section 2104(b)(2) of the Trade Act of 2002.

FOR FURTHER INFORMATION CONTACT: Information specific to these investigations may be obtained from Heidi Colby-Oizumi, Project Leader (202-205-3391; heidi.colby@usitc.gov), Office of Industries, or James Fetzer, Deputy Project Leader (202-708-5403; james.fetzer@usitc.gov), Office of Economics, United States International Trade Commission, Washington, DC, 20436. For information on the legal aspects of these investigations, contact William Gearhart of the Office of the General Counsel (202-205-3091; william.gearhart@usitc.gov). General information concerning the Commission may also be obtained by accessing its internet server (<http://www.usitc.gov>).

BACKGROUND: On March 8, 2006, the USTR notified the Congress of the President's intent to enter into negotiations for a free trade agreement with Malaysia. Accordingly, the USTR, pursuant to section 131 of the Trade Act of 1974 (19 U.S.C. 2151), requested the Commission to provide a report including advice as to the probable economic effect of providing duty-free treatment for imports of products of Malaysia (i) on industries in the United States producing like or directly competitive products, and (ii) on consumers. In preparing the advice, the Commission's analysis will consider each article in chapters 1 through 97 of the Harmonized Tariff Schedule of the United States for which U.S. tariffs will remain after the United States fully implements its Uruguay Round tariff commitments. The import advice will be based on the 2006 Harmonized Tariff System nomenclature and 2005 trade data. The advice with respect to the removal of U.S. duties on imports from Malaysia will assume that any known U.S. nontariff barrier will not be applicable to such imports. The Commission will note in its report any instance in which the continued application of a U.S. nontariff barrier to such imports would result in different advice with respect to the effect of the removal of the duty.

As also requested, pursuant to section 2104(b)(2) of the Trade Act of 2002 (19 U.S.C. 3804(b)(2)), the Commission will provide advice as to the probable economic effect of eliminating tariffs on imports of certain agricultural products of Malaysia on (i) industries in the United States producing the product concerned, and (ii) the U.S. economy as a whole.

The Commission expects to provide its report to USTR by June 30, 2006. USTR indicated that those sections of the Commission's report that relate to the analysis of probable economic effects will be classified.

PUBLIC HEARING: A public hearing in connection with these investigations is scheduled to begin at 9:30 a.m. on April 19, 2006, at the United States International Trade Commission Building, 500 E Street SW, Washington, DC. Requests to appear at the public hearing should be filed with the Secretary, no later than 5:15 p.m., April 4, 2006, in accordance with the requirements in the "Submissions" section below. Any person interested in attending the hearing as an observer or non-participant may call the Secretary (202-205-2000) after April 4, 2006 to determine whether the hearing will be held.

STATEMENTS AND BRIEFS: In lieu of or in addition to participating in the hearing, interested parties are invited to submit written statements or briefs concerning these investigations in accordance with the requirements in the "Submissions" section below. Any prehearing statements or briefs should be filed no later than 5:15 p.m., April 6, 2006; the deadline for filing post-hearing statements or briefs is 5:15 p.m., April 25, 2006.

WRITTEN SUBMISSIONS: In lieu of or in addition to participating in the hearing, interested parties are invited to submit written statements concerning the matters to be addressed by the Commission in its report on these investigations. 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 related to the Commission's report should be submitted to the Commission at the earliest practical date, and should be received no later than 5:15 p.m., April 25, 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, in which the confidential information must be deleted (see the following paragraph for further information regarding confidential business information). The Commission's rules do not authorize filing submissions with the Secretary by facsimile or electronic means, except 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). Persons with questions regarding electronic filing should contact the Secretary (202-205-2000) or 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 these investigations in the report it sends to the USTR and the President. However, should the Commission publish a public version of this report, such confidential business information will not be published in a manner that would reveal the operations of the firm supplying the information.

The public record for these investigations 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 Secretary at 202-205-2000.

LIST OF SUBJECTS: Malaysia, tariffs, and imports

By order of the Commission.

Marilyn R. Abbott
Secretary to the Commission

Issued: March 24, 2006