

EXECUTIVE OFFICE OF THE PRESIDENT
**OFFICE OF THE UNITED STATES
TRADE REPRESENTATIVE**

OFFICE OF PUBLIC & MEDIA AFFAIRS

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FOR IMMEDIATE RELEASE
Wednesday, May 25, 1994

Contact: 94-35
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Dianne Wildman
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(202) 395-3230

**Statement by Ambassador Mickey Kantor
on House Majority Leader Gephardt Support for Uruguay Round**

"This morning House Majority Leader Gephardt joined a number of Democratic Members of the House to announce their support for, and active participation in, the implementation of GATT this year.

"We applaud this important endorsement and underscore the Majority Leader's belief that GATT -- by lowering tariffs on hundreds of products, by protecting intellectual property, by opening markets around the world in our most competitive industries, and by promoting certainty in the world trading system -- will help boost growth and jobs here at home and around the world.

"We, along with Majority Leader Gephardt and his colleagues, look forward to working closely with Republican Members as we work together to draft implementing legislation for this important step toward global growth."

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FOR IMMEDIATE RELEASE
Thursday, May 19, 1994

94-30
Contact: Anne Luzzatto
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(202) 395-3350

INDIA REDUCES TARIFFS ON IN-SHELL ALMONDS

U.S. Trade Representative Mickey Kantor today announced that the Government of India had reduced its tariff on in-shell almonds from Rupees 55 per kilogram to Rupees 44 per kilogram.

In praising the Indian decision, Kantor said, "This action demonstrates that we are committed to opening up our markets further to one another. It is also in the spirit of the recently-concluded Uruguay Round which had as one of its principal aims the lowering of tariffs to encourage trade."

Almonds, the tenth largest food export of the United States and the largest food export from California, represents 60 percent of U.S. agricultural exports to India. Exports of \$48 million are estimated by the industry this year.

BACKGROUND

The action restores the historic differential margin between in-shell and shelled almond which had been established during bilateral negotiations between the U.S. and India in 1988 and 1992.

Earlier this year, the Indian government had reduced the duty on shelled almonds from Rupees 100 per kilogram to Rupees 80 per kilogram. Shortly thereafter, the United States began seeking a commensurate reduction in the duty on in-shell almonds to maintain competitiveness of U.S. growers.

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FOR IMMEDIATE RELEASE
Friday, May 13, 1994

Contact: 94-29
Anne Luzzatto
Dianne Wildman
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(202) 395-3230

Press Statement by Ambassador Mickey Kantor

The new Japanese Foreign Minister, Koji Kakizawa, called Ambassador Kantor this morning and they spoke for thirty minutes. They discussed the importance of the U.S.-Japan economic relationship, both the macroeconomic and sectoral components. This discussion was a follow-up to the discussion held between Ambassador Kantor and then Foreign Minister and now Prime Minister Hata in Marrakesh on April 15.

Ambassador Kantor agreed with the suggestion of Foreign Minister Kakizawa on the need for preliminary contact between both sides to explore the basis for resumption of the Framework talks. They both shared the hope that a basis will emerge for the resumption of the Framework talks before the July G-7 meeting in Naples.

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FOR IMMEDIATE RELEASE
Thursday, May 4, 1994

94-29
Contact: Anne Luzzatto
Dianne Wildman
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(202) 395-3230

**UNITED STATES AND CANADA REACH AGREEMENT
ON BEER MARKET ACCESS IN QUEBEC
AND BRITISH COLUMBIA BEER ANTIDUMPING CASE**

Following intensive consultations under the United States-Canada Memorandum of Understanding (MOU) on Provincial Beer Marketing Practices, United States Trade Representative Mickey Kantor announced today that agreement has been reached on beer market access issues in the Province of Quebec. The agreement will take the form of an annex to the MOU. The annex will allow U.S. brewers to transport and deliver their product themselves, and sell their product in private convenience and grocery stores in Quebec. The consultations leading to this agreement were requested earlier this year by the United States under the provisions of the MOU, following U.S. complaints that the terms for market access in the MOU were not being implemented adequately by a number of Canadian provinces.

The United States and Canada were unable to reach agreement on minimum price requirements for beer in a number of Canadian provinces, including British Columbia, or on Quebec's proposed minimum price requirements. However, Canada has agreed to future consultations on the minimum pricing issue aimed at finding a mutually acceptable solution. "The United States does not accept that the practice of setting high minimum prices below which beer cannot be sold, a practice employed by a number of Canadian provinces and that has been proposed in Quebec, is consistent with Canada's GATT obligations," said Ambassador Kantor. "We have therefore reserved all our rights, and agreed to revisit the issue in the future," he added.

In addition, the United States and Canada have reached agreement for interim and permanent changes to British Columbia's policies regarding the warehousing and distribution of beer. These changes will allow U.S. brewers more unfettered access into the British Columbia market.

In the exchange of letters between Ambassador Kantor and Canadian Trade Minister Roy MacLaren effectuating these agreements, the two countries also agreed to settlement of a dispute settlement case brought by the United States against Canada in the General Agreement on Tariffs and Trade (GATT) pertaining to anti-dumping duties currently being imposed on some brands of U.S. beer sold in British Columbia. Under the terms of the settlement, the Canadian Minister of Finance will request the Canadian International Trade Tribunal (CITT) to undertake a review of the CITT's 1991 anti-dumping decision. "We are hopeful that, given the changed circumstances in the B.C. market and the issues that will be addressed in the CITT review, the result will be an alleviation of the high anti-dumping duties currently being imposed on some U.S. beers," Ambassador Kantor said.

THE WHITE HOUSE

WASHINGTON

May 3, 1994

Dear Mr. Speaker:

On April 15, the United States and more than one hundred other nations signed the Uruguay Round agreement in Marrakesh, Morocco. It is the broadest, most comprehensive trade agreement in history.

For half a century, the United States has led the global effort to reduce trade barriers and expand trade. The Uruguay Round, which is scheduled to enter into force on January 1, 1995, represents the most important step in that effort.

This agreement will create hundreds of thousands of American jobs and new economic opportunities at home. Moreover, it will allow American workers and businesses to compete in a freer, fairer, and more effective global trading system that lays the foundation for prosperity into the next century.

I intend to transmit legislation to implement the Uruguay Round and am committed to seeking bipartisan support for its passage this year.

The attached booklet describes the Uruguay Round's benefit to American workers and firms. I look forward to working with you in the months ahead to implement this important agreement.

Sincerely,



The Honorable Thomas S. Foley
Speaker of the
House of Representatives
Washington, D.C. 20515

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EXECUTIVE OFFICE OF THE PRESIDENT
WASHINGTON
20506

FOR IMMEDIATE RELEASE
TUESDAY, JUNE 14, 1994

94-35
CONTACT: ANNE LUZZATTO
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DAVID KURAKANE
(202) 395-3230

FOREIGN MARKET SHARE OF JAPANESE SEMICONDUCTOR MARKET ESSENTIALLY
FLAT AT 20.7 PERCENT

Foreign share of the Japanese semiconductor market reached 20.7 percent in the first quarter of 1994, maintaining the 20.7 percent reached in the fourth quarter of 1993.

"We are pleased to see that foreign market share has been sustained above 20 percent for two quarters," said U.S. Trade Representative Mickey Kantor. "U.S. companies have made tremendous efforts over the past several years to take advantage of the opportunities provided under the Arrangement and to build long-term relationships with Japanese customers. While these efforts clearly are paying off, we believe that there is still great potential for further progress. Important initiatives are underway to facilitate foreign participation in Japanese company design-ins and to increase access in such sectors as autos, telecommunications, and video games. We will continue to work closely with the Japanese to ensure that the gradual and steady improvement in market access called for under the Arrangement is achieved.

"Given the renewed commitment of both our governments to work toward successful agreements under the Framework talks, such progress is vital," Mr. Kantor said.

The market share figure was calculated by U.S. and Japanese government officials in accordance with the statistical system established under the 1991 U.S.-Japan Semiconductor Arrangement. The foreign market share averaged 19.4 percent during 1993. Foreign market share exceeded 20 percent for the first time in the fourth quarter of 1992, but was followed by three quarters of decline. The foreign share did not again exceed 20 percent until the fourth quarter of 1993.

Foreign Market Share
under the 1991 U.S.-Japan Semiconductor Arrangement

| | |
|----------|-------|
| Q3 1991 | 14.3% |
| Q4 1991 | 14.4% |
| Q1 1992 | 14.6% |
| Q2 1992 | 16.0% |
| Q3 1992* | 15.9% |
| Q4 1992* | 20.2% |
| Q1 1993* | 19.6% |
| Q2 1993* | 19.2% |
| Q3 1993* | 18.1% |
| Q4 1993* | 20.7% |
| Q1 1994* | 20.7% |

*These market share figures were provisionally calculated based on the same assumptions on captive semiconductor suppliers that were made in previous quarters. The two governments will continue to seek to resolve differences concerning treatment of captive suppliers as soon as possible.

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FOR IMMEDIATE RELEASE
WEDNESDAY, JUNE 15, 1994

94-36
CONTACT: ANNE LUZZATTO
DIANNE WILDMAN
DAVID KURAKANE
(202) 395-3230

U.S. and Japan to Resume Flat Glass Negotiations

U.S. and Japanese trade negotiators will resume flat glass negotiations under the Framework in Tokyo on Thursday, June 16. Flat glass is included in the Framework basket dealing with implementation of existing arrangements and measures.

In January 1992, the Bush-Miyazawa Tokyo Declaration contained an action plan on glass in which the Japanese Government agreed to take steps to improve market access for competitive foreign firms. Despite this commitment and concerted efforts by U.S. and other foreign firms, imports into Japan from foreign flat glass manufacturers unaffiliated with Japanese glass makers fell from 5.1 percent in 1992 to 3.5 percent in 1993.

Even Japan's own Fair Trade Commission has criticized the oligopolistic behavior of Japan's three principal flat glass manufacturers.

Since the May 24 agreement between the United States and Japan to resume Framework negotiations, working group sessions have been held in the priority sectors of telecommunications government procurement, medical technology government procurement, insurance, and autos and auto parts, as well as in the areas of financial services and intellectual property rights.

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FOR IMMEDIATE RELEASE
Thursday, June 30, 1994

94-37
CONTACT: Anne Luzzatto
Dianne Wildamn
Kirsten Powers
Jamal Simmons
(202) 395-3230

Statement by Ambassador Kantor on Title VII

Today I am announcing the postponement until not later than July 31 of the decision on whether to identify Japan under Title VII of the Trade Act of 1988 for its discriminatory government procurement practices in the telecommunications and medical technology sectors under Title VII of the 1988 Omnibus and Trade Competitiveness Act.

We are now engaged in intensive negotiations with Japan under the Framework agreement to achieve results-oriented agreements in these two sectors consistent with the Framework principles. These agreements are to include procedural reforms, the goal of increasing access and sales of foreign competitive products and services, as well as qualitative and quantitative criteria to evaluate progress towards the goal.

In addition, we note the recent resignation of Prime Minister Hata and his Cabinet and the formation of a new government headed by Prime Minister Murayama.

For the reasons stated above, we believe that decisions regarding Japan concerning Title VII should not be made at this time. We will review this matter on or before July 31.

Background

On April 30, Ambassador Kantor announced that he would review the Japanese procurement situation in telecommunications and medical technology in 60 days on the basis of Japanese actions in the interim. These two sectors were identified as priority sectors for agreements under the July 1993 U.S.-Japan Framework agreement. Framework negotiations in these two sectors resumed in early June following a May 24 agreement between the two governments to restart the talks. Telecommunications negotiations were held June 3-4 and June 16-17 in Tokyo. Medical Technology negotiations were held June 8-9 and June 21 in Tokyo. The third round of negotiations began on June 29 in Washington and are still underway.

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FOR IMMEDIATE RELEASE
THURSDAY, JUNE 30, 1994

CONTACT: Anne Luzzatto
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(202) 395-3230

MEDIA ADVISORY

USTR Mickey Kantor will have a press availability at 2:00 pm to announce decisions under US Trade law provisions, "Title VII," and "Special 301" at the Truman Room of the White House Conference Center. Kantor will be available for a brief period to answer questions.

LOCATION: White House Conference Center, 726 Jackson Place,
Truman Room (Between Pennsylvania & H St. and 17th
& Lafayette Square Park)

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20506

FOR IMMEDIATE RELEASE
Thursday, June 30, 1994

94-38
CONTACT: ANNE LUZZATTO
DIANNE WILDMAN
JAMAL SIMMONS
KIRSTEN POWERS

USTR ANNOUNCES SPECIAL 301 DECISION

United States Trade Representative Mickey Kantor today announced his decision and initiated action under "special 301" -- protection of intellectual property rights.

Ambassador Kantor today designated China as a "priority foreign country" under the "special 301" provisions of the Trade Act of 1974 (Trade Act). An investigation of China's practices will immediately be initiated under section 301 of the Trade Act. Kantor also announced that Argentina and India are being placed on the priority watch list. Both countries will be subject to specific expectations and India will be subject to an "out-of-cycle" review.

Today's decision, in combination with Kantor's earlier special 301 decisions on April 30, demonstrate the Administration's continued resolve to take strong measures to ensure intellectual property protection for U.S. products -- a measure which is key to this Administration's policy of opening markets and creating trade opportunities for U.S. companies and jobs for U.S. workers.

On April 30, Kantor identified 37 trading partners that deny adequate and effective protection of intellectual property or deny fair and equitable market access to United States persons that rely upon intellectual property protection.

Kantor said at that time that there existed a consensus among those in the U.S. government and the intellectual property community that three of these trading partners, China, Argentina, and India, posed the most significant problems in this area. At that time, the U.S. government was engaged in intense efforts to address these problems with these governments. Kantor decided that U.S. interests would be best served by continuing these efforts until June 30.

After having reviewed the latest facts in each country, Kantor concluded: "India has now begun to progress toward providing modern intellectual property protection by enacting important amendments

to its copyright law and by introducing trademark legislation. We encourage India to institute an effective enforcement system, to adopt modern trademark legislation and to begin the process of providing modern patent protection." Kantor also noted that Argentina is actively considering patent reform legislation at this time.

He added: "Although much more needs to be done in each country, they have recently either taken steps, or begun new efforts, in the right direction. We will be monitoring events and consulting closely with each country to encourage substantive progress to obtain adequate and effective protection."

Kantor added: "Unfortunately, inadequate progress has occurred in China. Thus I have no choice but to designate it as a priority foreign country under "special 301" and to initiate immediately a section 301 investigation with regard to those practices in China that have adversely affected U.S. interests."

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

July 1, 1994

TEXT OF A LETTER FROM THE PRESIDENT
TO THE CHAIRMAN OF THE SENATE FINANCE COMMITTEE
AND THE ACTING CHAIRMAN OF THE
HOUSE WAYS AND MEANS COMMITTEE

July 1, 1994

Dear Mr. Chairman:

In accordance with section 108(b)(4) of the North American Free Trade Agreement Implementation Act (Public Law 103-182; 107 Stat. 2067), I transmit herewith the report containing recommendations on future free trade area negotiations.

Sincerely,

WILLIAM J. CLINTON

#

**REPORT TO CONGRESS ON
FUTURE FREE TRADE AREA NEGOTIATIONS**

REPORT TO THE CONGRESS ON
RECOMMENDATIONS ON FUTURE FREE TRADE AREA NEGOTIATIONS

Section 108 of the NAFTA implementing legislation (PL 103-182, 107 STAT 2057) requires that the President submit to the appropriate Congressional committees, no later than July 1, 1994, a report containing recommendations on future free trade area negotiations. More specifically, the report is to contain: (a) recommendations for free trade area negotiations, if any, with any foreign country identified in a report submitted on May 1, 1994, by the U.S. Trade Representative; (b) specific negotiating objectives that are necessary for this purpose; and (c) legislative proposals to ensure adequate consultative and approval arrangements with the Congress. This document is designed to fulfill this requirement.

Priority Countries and Regions

At the present time the Administration is developing its trade policy strategy for the post-Uruguay Round period. We are committed to building on the major achievements of 1993--the successful conclusion of both the North American Free Trade Agreement (NAFTA) and the Uruguay Round of multilateral trade negotiations, as well as U.S. participation in the Asia Pacific Economic Cooperation forum (APEC). To pursue the economic and foreign policy interests of the United States in the post-Uruguay Round world will require that new agreements be negotiated multilaterally, regionally and bilaterally, based on appropriate Congressional trade agreement authority and fast-track procedures.

This report addresses primarily the issue of bilateral and regional arrangements including, but not limited to, free trade areas. In developing its strategy for such agreements, as well as other aspects of our trade policy, the Administration has particularly in mind the November meetings of APEC Ministers and Leaders and the December Summit of the Americas. The process leading up to these meetings will involve extensive consultations with countries in these regions as well as with others. As a result, we are not now in a position to identify specific countries, or groups of countries, beyond the commitment, noted in the May 1 report, to negotiate a free trade arrangement with Chile.

The May 1 report covered all regions of the world and selected countries. The scope of this report remains the same. As in the earlier report, additional detail is provided on two regions -- Latin America and the Caribbean, and Asia and the Pacific. These regions are experiencing the fastest economic growth in the world and have been a major focus of recent regional U.S. trade policy efforts. This focus continues.

The countries of Latin America and the Caribbean have recently made significant strides towards market-oriented policies and democratic reform. Virtually all of these countries are GATT members. For their part, the Americas are now looking closely at our trade policy intentions because of the undeniable value of our respective markets and a convergence of governing values. The United States is the first, or second, export market for almost all of these countries. The key issue is how we shape integration and opportunities for trade, both bilaterally and sub-regionally within the broader hemispheric context.

The United States is now experiencing both rapid export growth and an export surplus with the region. U.S. exports to Latin America are growing at three times the global rate. If current trends continue, by the end of the century they will exceed those to Western Europe.

Even with the sharp reduction in oil trade, global Latin American and Caribbean trade jumped from \$186 billion in 1985 to \$326 billion in 1992, an 8.5 percent annual average growth rate. Imports accounted for the lion's share of this growth, increasing by 12 percent per year. The U.S. share of Latin America's trade in 1992 was 45 percent, up from 42 percent in 1985. Between 1989 and 1992 the average effective tariffs of these countries fell from 26 percent to 13 percent. From 1985 to 1992 U.S. exports soared by an average annual rate of 14 percent. Manufactured goods accounted for the vast majority of the growth in Latin American and Caribbean trade between 1985 and 1992.

Chile is the regional leader in long term macroeconomic stabilization. Its outstanding record of sustained economic growth and recent successful effort to alleviate poverty are unsurpassed. Furthermore, Chile has, as part of a comprehensive market-based economic reform program, one of the most transparent and nondiscriminatory trade regimes in the region. Its trade is globally diversified and expanding rapidly, suggesting that trade is a key component in a high growth policy designed to expand incomes across the broadest possible spectrum of society.

We also are tracking with interest the growing network of sub-regional trade agreements in Latin America and the Caribbean. Intra-regional trade has expanded significantly since 1989. Major causes include new, more comprehensive sub-regional trade organizations coupled with more successful growth and stabilization policies. Some of the most prominent sub-regional trade groups are the Andean Pact, the Caribbean Community, the Central American Common Market, the Southern Region Common Market and the recently signed "Group of Three" agreement involving Mexico, Venezuela and Colombia.

These emerging markets offer major opportunities for increased exports and investment, helping to create a productive cycle of growth, job generation, and more stability in the Americas. More open markets have provided for a strong United States presence, which in turn creates a base for further expansion.

The other major area of emphasis is the Asia-Pacific region, as defined by the membership of the Asia Pacific Economic Cooperation (APEC). As detailed in the May 1 report, this region is our largest trading partner and is growing more rapidly than any other. The majority of governments have made progress in opening and deregulating their markets. At the same time, some of the countries in the region have relatively closed economies. The region also accounts for the bulk of the U.S. trade deficit.

In the past three decades Asia's share of the world's GDP has grown from 8% to more than 25%. These economies continue to grow at three times the rate of the established industrial countries. U.S. exports to each of the Asian countries has grown by at least 50% over the last 5 years. Our exports to Asia account for 2.5 million jobs in the US. By the year 2000, projections indicate that the East Asian economies will form the largest market in the world, surpassing Western Europe and North America.

The countries in this region are moving ahead to expand regional trade and investment ties of their own. Substantial changes are underway, driven by the Uruguay Round agreements, bilateral and sub-regional negotiations, and unilateral deregulation. Intra-regional trade is expanding. Regional and sub-regional integration is accelerating, along with discussion of expanded linkages between existing sub-regional groupings. Examples of such groupings include the Australia-New Zealand Closer Economic Relations Agreement (CER) and the recent ASEAN Free Trade Arrangement (AFTA). A U.S. policy that commits us to a strong economic presence in Asia and the Pacific can support these trends toward open regionalism and deregulation and ensure that our companies benefit from them.

In looking at opportunities in Latin America and the Caribbean, the Asia-Pacific region, and elsewhere in the world, we envisage the possibility of various kinds of trade arrangements, of which free trade area agreements with individual countries or groups of countries would be the most comprehensive. In deciding which form of agreement will be most appropriate, the Administration will be looking at a number of factors.

In the first instance, we will want to examine the extent to which the country/trading group has a market-oriented economy, with supporting economic infrastructure and macroeconomic policies. We also will be looking at the level of trade with the United States and the extent to which the trade regime is

transparent and nondiscriminatory. As needed and appropriate, we may wish to start by seeking agreements upgrading disciplines in the areas of investment, intellectual property rights and a variety of additional areas to strengthen our trade ties.

Negotiating Objectives

The Administration's negotiating objectives for the kinds of agreements described in this report are really a subset of the overall negotiating objectives contained in our proposal, in the context of the Uruguay Round implementing legislation, for renewed trade agreement authority and fast track procedures. These objectives also subsume the list of objectives contained in Section 108 of the NAFTA implementing legislation.

The Administration's proposal sets forth both overall and principal negotiating objectives for agreements which will be subject to fast track procedures. The overall objectives are to obtain more open, equitable, and reciprocal market access; to obtain the reduction or elimination of barriers and other trade distorting policies and practices; to further strengthen the system of international trading disciplines and procedures, and to foster economic growth and full employment in the United States and the global economy. Principal negotiating objectives are set forth for services, financial services, foreign direct investment, intellectual property, labor standards, trade and the environment and transparency.

Legislative Proposals

In addition to negotiating objectives, the Administration's legislative proposal contains sections on trade agreement authorities and fast track procedures. And, as in the case of negotiating objectives, the proposed authority and procedures would apply to those agreements described in this report that would need legislation in order to be implemented by the United States.

With respect to trade agreement authorities, the proposal provides for proclamation authority to implement agreements reducing tariff barriers, a unified fast track authority enabling the President to enter into bilateral, regional or multilateral trade agreements, pre-negotiation notice and consultations, and post-negotiation consultations regarding specific negotiating objectives for the agreement.

The proposal on fast track procedures contains requirements for the submission of certain documentation as well as an opportunity for Congress to deny the availability of fast track procedures for any agreement before negotiations start.

Conclusion

Other than Chile, the Administration is not now prepared to name specific countries as candidates for future free trade area agreements. It would be premature to propose free trade agreements without fully consulting with the affected countries or groups of countries, as well as with the Congress. Failure to hold such consultations would undermine the spirit of partnership and consensus that we have been cultivating with a number of reform-minded countries throughout the world. It would also foreclose the opportunity for countries interested in a free trade agreement with the United States to express their interest.

On the other hand, as required by Section 108, we have identified the general negotiating objectives we would wish to pursue as well as the kind of legislative proposals that would be applicable to these kinds of agreements.

We will need to have a full range of options, including global agreements, linkages among existing sub-regional arrangements, and negotiations with individual countries. Foreclosing any of those options would unnecessarily reduce our flexibility and leverage in key regions and risk forfeiting the substantial regional opportunities to our major economic competitors -- Japan and the European Union.

Our trade agenda is fundamental to both our long-term national economic interests and our foreign policy. We need broad authority to gain more access to dynamic markets in our hemisphere and elsewhere, as well as to exercise leadership in a changing and competitive global economy.

As a result, passage of the Uruguay Round implementing legislation is our immediate top trade legislation priority with the Congress. It is our intention that this legislation contain renewed trade agreement authority and fast track procedures. These provisions should ensure that the Administration, working together with the Congress, is positioned to negotiate from strength to maintain our leadership role in opening markets and building prosperity.

Attachment: Economic Data on Major Countries and Regions

TABLE 1
US TRADE IN GOODS
WITH MAJOR REGIONAL PARTNERS
CHANGES SINCE 1985

EXPORTS

| | 1985 (Bill US \$) | 1993 (Bill US \$) | Change (%) |
|------------------------------|----------------------|----------------------|---------------|
| Latin America | 31.0 | 72.9 | 135.2 |
| East Asia-Pacific, ex. Japan | 31.4 | 87.5 | 178.7 |
| Japan | 22.6 | 47.9 | 111.9 |
| Canada | 53.3 | 100.2 | 88.0 |
| European Union | 49.1 | 97.1 | 97.8 |
| Rest of the World | 31.4 | 58.9 | 87.6 |
| Total | 218.8 | 464.5 | 112.3 |

IMPORTS

| | 1985 (Bill US \$) | 1993 (Bill US \$) | Change (%) |
|------------------------------|----------------------|----------------------|---------------|
| Latin America | 46.9 | 75.0 | 59.9 |
| East Asia-Pacific, ex. Japan | 57.0 | 130.7 | 129.3 |
| Japan | 68.8 | 107.2 | 55.8 |
| Canada | 69.0 | 110.9 | 60.7 |
| European Union | 57.9 | 98.2 | 44.6 |
| Rest of the World | 26.9 | 58.1 | 116.0 |
| Total | 336.5 | 580.1 | 72.4 |

BALANCE

| | 1985 (Bill US \$) | 1993 (Bill US \$) | Change (Bill US \$) |
|------------------------------|----------------------|----------------------|------------------------|
| Latin America | -15.9 | -2.1 | 13.8 |
| East Asia-Pacific, ex. Japan | -25.6 | -43.2 | -17.6 |
| Japan | -46.2 | -59.3 | -13.1 |
| Canada | -15.7 | -10.7 | 5.0 |
| European Union | -18.8 | -1.1 | 17.7 |
| Rest of the World | 4.5 | 0.8 | -3.7 |
| Total | -117.7 | -115.6 | 2.1 |

TABLE 2
PROJECTED GROWTH OF MAJOR REGIONAL MARKETS

| | GDP* 1993 (Bill US \$) | Share of World Total 1993 (%) | Estimated Growth Rate** 1993-2003 (%) | Projected GDP* 2003 (Bill US \$) | Share of World Total 2003 (%) |
|---------------------------|------------------------------|---|---|---|---|
| Latin America, ex. Mexico | 1,757 | 7.7 | 5.2 | 2,917 | 8.9 |
| Mexico | 661 | 2.9 | 4.7 | 1,046 | 3.2 |
| East Asia, ex. Japan | 5,027 | 22.2 | 6.2 | 9,174 | 27.9 |
| Japan | 2,548 | 11.2 | 2.4 | 3,230 | 9.8 |
| Pacific | 370 | 1.6 | 2.4 | 469 | 1.4 |
| Canada | 617 | 2.7 | 3.1 | 837 | 2.5 |
| Western Europe | 6,538 | 28.8 | 2.5 | 8,369 | 25.4 |
| Middle East | 1,174 | 5.2 | 3.9 | 1,721 | 5.2 |
| Other Asia | 1,598 | 7.0 | 2.5 | 2,046 | 6.2 |
| Africa | 654 | 2.9 | 2.5 | 837 | 2.5 |
| Eastern Europe | 1,751 | 7.7 | 2.5 | 2,241 | 6.8 |
| Total | 22,695 | | | 32,888 | |

*Purchasing Power Parity estimates.

**Data Resources Inc.

TABLE 3
GROWTH OF US EXPORTS OF GOODS
TO SELECTED LATIN AMERICAN
AND CARRIBBEAN COUNTRIES

| | 1986 (Mill. US \$) | 1993 (Mill. US \$) | Change (%) |
|----------------------|-----------------------|-----------------------|---------------|
| Argentina | 944 | 3,771 | 299.5 |
| Bahamas | 761 | 704 | -7.5 |
| Bolivia | 112 | 216 | 92.9 |
| Brazil | 3,885 | 6,045 | 55.6 |
| Chile | 823 | 2,605 | 216.5 |
| Colombia | 1,319 | 3,229 | 144.8 |
| Costa Rica | 483 | 1,547 | 220.3 |
| Dominican Republic | 921 | 2,350 | 155.2 |
| Ecuador | 601 | 1,098 | 82.7 |
| El Salvador | 518 | 869 | 67.8 |
| Guatemala | 400 | 1,310 | 227.5 |
| Haiti | 387 | 221 | -42.9 |
| Honduras | 363 | 898 | 147.4 |
| Jamaica | 457 | 1,113 | 143.5 |
| Mexico | 12,392 | 41,635 | 236.0 |
| Netherlands Antilles | 398 | 523 | 31.4 |
| Nicaragua | 3 | 150 | 4,900.0 |
| Panama | 711 | 1,191 | 67.5 |
| Paraguay | 171 | 521 | 204.7 |
| Peru | 693 | 1,069 | 54.3 |
| Trinidad & Tobago | 532 | 529 | -0.6 |
| Uruguay | 100 | 253 | 153.0 |
| Venezuela | 3,141 | 4,599 | 46.4 |
| Total | 31,077 | 72,900 | 134.6 |

TABLE 4
GROWTH OF US EXPORTS OF GOODS TO
ASIAN AND PACIFIC APEC MEMBERS

| | 1986 (Mill. US \$) | 1993 (Mill. US \$) | Change (%) |
|-------------|-----------------------|-----------------------|---------------|
| Australia | 5,551 | 8,272 | 49.0 |
| Brunei | 202 | 478 | 136.6 |
| China | 3,106 | 8,767 | 182.3 |
| Hong Kong | 3,030 | 9,873 | 225.8 |
| Indonesia | 946 | 2,770 | 192.8 |
| Japan | 26,882 | 47,949 | 78.4 |
| Malaysia | 1,730 | 6,064 | 250.5 |
| New Zealand | 881 | 1,247 | 41.5 |
| Philippines | 1,363 | 3,529 | 158.9 |
| Singapore | 3,380 | 11,676 | 245.4 |
| South Korea | 6,355 | 14,776 | 132.5 |
| Taiwan | 5,524 | 16,250 | 194.2 |
| Thailand | 936 | 3,768 | 302.6 |
| Total | 59,886 | 135,419 | 126.1 |

TABLE
US EXPORTS OF GOODS TO LATIN AMERICA AND THE CARRIBBEAN
1993

| | (Mill US \$) | | | | | | | | | | |
|---------------------------|---------------------|---------------------------|------------------------|--------------------|--------------------------------|-------------------------------|-----------------------|----------------------------|---------------------------------------|---------------------------|----------------------------------|
| | Total US Exports | Food & Live Animals | Beverages & Tobacco | Crude Materials | Mineral Fuels Lubricants | Animal & Vegetable Oils | Chemicals Products | Manu- factured Goods | Machinery & Transport Equipment | Misc Manu- factures | Other Goods & Transactions |
| Anguilla | 14.3 | 2.1 | 1.2 | 0.4 | 0.2 | 0.0 | 0.7 | 2.7 | 3.5 | 1.0 | 2.5 |
| Antigua | 73.0 | 14.2 | 1.7 | 2.8 | 8.4 | 0.2 | 3.8 | 8.8 | 15.2 | 6.2 | 11.8 |
| Argentina | 3,771.7 | 42.8 | 15.8 | 83.2 | 67.1 | 4.3 | 606.6 | 251.9 | 2,150.4 | 404.9 | 146.8 |
| Aruba | 15.9 | 2.5 | 1.1 | 0.1 | 0.1 | 0.0 | 1.0 | 2.2 | 4.8 | 2.0 | 2.1 |
| Bahamas | 704.1 | 129.4 | 10.6 | 18.3 | 108.5 | 1.3 | 82.2 | 82.9 | 143.9 | 73.2 | 77.6 |
| Barbados | 145.6 | 24.9 | 1.3 | 10.2 | 3.9 | 0.9 | 15.1 | 21.1 | 35.8 | 17.3 | 15.0 |
| Belize | 133.8 | 18.1 | 2.3 | 1.2 | 5.0 | 1.1 | 14.5 | 24.7 | 39.3 | 14.3 | 14.6 |
| Bolivia | 17.7 | 2.1 | 0.1 | 0.1 | 0.1 | 0.0 | 1.8 | 1.7 | 13.1 | 1.8 | 10.0 |
| Brazil | 8,045.4 | 78.0 | 8.8 | 273.4 | 378.1 | 14.8 | 1,183.1 | 289.6 | 3,206.5 | 476.3 | 138.0 |
| British Virgin Islands | 48.1 | 4.3 | 1.6 | 1.6 | 4.7 | 0.0 | 1.0 | 7.1 | 13.8 | 4.5 | 7.3 |
| Cayman Islands | 179.4 | 7.8 | 5.1 | 2.3 | 10.6 | 0.1 | 8.1 | 13.3 | 85.8 | 17.4 | 51.2 |
| Chile | 15.2 | 1.2 | 0.1 | 0.1 | 0.1 | 0.0 | 1.2 | 1.2 | 10.6 | 2.5 | 11.5 |
| Colombia | 3,229.1 | 147.7 | 8.0 | 100.3 | 28.8 | 23.1 | 598.5 | 311.1 | 1,586.2 | 318.7 | 108.7 |
| Costa Rica | 1,547.3 | 104.8 | 1.4 | 68.3 | 43.4 | 1.3 | 188.1 | 265.3 | 395.0 | 812.8 | 70.3 |
| Cuba | 2.8 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.2 | 2.3 |
| Dominican Republic | 2,349.3 | 209.1 | 87.4 | 58.7 | 48.3 | 14.3 | 129.2 | 372.8 | 462.3 | 688.9 | 112.3 |
| Ecuador | 1,098.2 | 72.3 | 2.9 | 33.4 | 24.3 | 3.8 | 149.5 | 173.9 | 544.2 | 63.0 | 30.1 |
| El Salvador | 868.9 | 83.3 | 1.8 | 30.2 | 25.7 | 33.8 | 71.8 | 97.0 | 346.4 | 125.7 | 44.0 |
| Guatemala | 1,310.3 | 149.1 | 1.8 | 41.4 | 119.3 | 24.2 | 143.8 | 159.8 | 365.2 | 242.9 | 62.8 |
| Haiti | 221.3 | 100.4 | 1.0 | 4.5 | 0.8 | 4.7 | 8.7 | 17.4 | 14.9 | 63.0 | 8.2 |
| Honduras | 897.7 | 81.1 | 2.9 | 22.8 | 87.8 | 5.0 | 78.1 | 123.6 | 193.2 | 259.0 | 68.2 |
| Jamaica | 1,112.8 | 113.7 | 22.7 | 48.5 | 88.8 | 4.8 | 93.5 | 115.0 | 281.5 | 311.4 | 57.1 |
| Mexico | 41,835.8 | 2,480.2 | 148.8 | 1,807.7 | 1,043.8 | 211.8 | 3,468.8 | 5,528.8 | 18,760.0 | 5,360.8 | 1,842.8 |
| Montserrat | 5.8 | 1.1 | 0.1 | 0.3 | 0.1 | 0.0 | 0.3 | 1.1 | 1.0 | 0.4 | 1.2 |
| Neth Antilles | 822.8 | 88.9 | 87.7 | 8.5 | 48.1 | 1.3 | 41.4 | 44.1 | 127.8 | 79.3 | 31.7 |
| Nicaragua | 17.8 | 3.2 | 0.1 | 0.1 | 0.1 | 0.0 | 0.1 | 0.1 | 8.2 | 1.7 | 8.0 |
| Panama | 1,180.7 | 83.9 | 44.2 | 8.8 | 83.3 | 4.4 | 147.5 | 175.8 | 409.0 | 185.1 | 58.8 |
| Paraguay | 520.9 | 13.0 | 58.3 | 2.0 | 2.4 | 0.0 | 18.2 | 14.8 | 308.5 | 98.8 | 8.1 |
| Peru | 1,089.2 | 181.8 | 3.0 | 23.3 | 81.2 | 26.2 | 150.9 | 87.8 | 450.3 | 60.9 | 47.1 |
| Puerto Rico | 17.8 | 3.2 | 0.1 | 0.1 | 0.1 | 0.0 | 0.1 | 0.1 | 8.2 | 1.7 | 8.0 |
| St Lucia | 66.8 | 12.8 | 1.1 | 3.7 | 11.8 | 0.0 | 8.2 | 18.0 | 17.5 | 13.2 | 12.7 |
| St Vincent and Grenadines | 37.7 | 14.7 | 0.1 | 1.3 | 0.3 | 0.0 | 2.1 | 5.8 | 4.4 | 3.3 | 5.8 |
| Suriname | 117.0 | 10.9 | 0.1 | 2.7 | 1.8 | 0.1 | 29.4 | 18.3 | 42.7 | 5.8 | 8.0 |
| Turks and Caicos Islands | 21.9 | 2.3 | 1.2 | 0.9 | 0.1 | 0.0 | 0.3 | 1.7 | 3.8 | 1.8 | 9.7 |
| Uruguay | 253.1 | 3.3 | 3.4 | 5.8 | 1.9 | 0.1 | 18.0 | 28.9 | 112.3 | 37.3 | 15.9 |
| Venezuela | 4,599.1 | 387.8 | 7.2 | 165.9 | 88.5 | 39.5 | 667.3 | 374.3 | 2,548.7 | 332.4 | 118.5 |
| Total | 78,211.8 | 4,803.8 | 840.2 | 2,939.1 | 2,458.1 | 439.3 | 8,298.9 | 9,105.8 | 35,839.8 | 10,238.4 | 3,448.6 |
| World | 464,854.4 | 33,805.0 | 8,598.8 | 24,838.1 | 9,815.3 | 1,407.8 | 43,889.3 | 38,181.0 | 224,878.1 | 54,378.1 | 24,253.1 |
| Share of World | 16.8% | 14.5% | 8.2% | 11.8% | 25.0% | 29.8% | 18.1% | 23.3% | 15.9% | 18.8% | 14.2% |

TABLE 6
US IMPORTS OF GOODS FROM LATIN AMERICA AND THE CARRIBBEAN
1993

| | (Mill US \$) | | | | | | | | | |
|-------------------------------|---------------------|---------------------|-----------------|--------------------------|-------------------------|--------------------|--------------------|---------------------------------|--------------------|----------------------------|
| | Food & Live Animals | Beverages & Tobacco | Crude Materials | Mineral Fuels Lubricants | Animal & Vegetable Oils | Chemicals Products | Manufactured Goods | Machinery & Transport Equipment | MAC Manu- factures | Other Goods & Transactions |
| Anguilla | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.1 | 0.2 |
| Antigua | 10.2 | 0.0 | 0.4 | 0.0 | 0.0 | 0.1 | 0.0 | 0.0 | 1.4 | 1.8 |
| Argentina | 354.6 | 43.3 | 10.4 | 145.6 | 40.1 | 75.9 | 247.7 | 66.3 | 158.0 | 34.1 |
| Bahamas | 30.0 | 2.6 | 20.3 | 84.9 | 0.0 | 187.3 | 0.1 | 0.3 | 0.5 | 14.2 |
| Barbados | 0.8 | 2.0 | 0.4 | 0.0 | 0.0 | 0.0 | 2.1 | 12.6 | 12.0 | 2.3 |
| Belize | 27.0 | 0.2 | 0.2 | 0.0 | 0.0 | 0.1 | 0.6 | 0.4 | 10.5 | 5.7 |
| Brazil | 1,042.7 | 223.7 | 400.6 | 300.5 | 24.4 | 378.1 | 1,635.4 | 1,501.7 | 1,762.8 | 84.7 |
| British Virgin Islands | 0.8 | 0.1 | 0.0 | 0.0 | 0.0 | 0.0 | 2.8 | 0.4 | 0.1 | 10.3 |
| Cayman Islands | 10.6 | 0.0 | 0.2 | 0.0 | 0.0 | 0.4 | 0.2 | 20.6 | 1.4 | 1.4 |
| Colombia | 588.4 | 7.6 | 265.2 | 1,312.3 | 0.3 | 51.8 | 239.2 | 19.4 | 419.7 | 129.4 |
| Costa Rica | 559.7 | 0.1 | 30.9 | 0.0 | 0.0 | 16.1 | 57.8 | 68.2 | 763.3 | 25.4 |
| Cuba | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Dominican Republic | 227.7 | 42.0 | 8.6 | 0.0 | 1.4 | 12.2 | 68.4 | 201.0 | 1,091.1 | 101.1 |
| Ecuador | 753.7 | 2.5 | 30.0 | 528.6 | 2.2 | 2.4 | 21.1 | 1.2 | 18.2 | 33.2 |
| El Salvador | 169.5 | 0.6 | 5.3 | 0.0 | 0.2 | 10.4 | 24.8 | 32.0 | 260.7 | 4.6 |
| Grenada | 2.2 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.4 | 0.2 | 5.0 | 0.3 |
| Guadeloupe | 0.7 | 0.0 | 0.0 | 0.0 | 0.0 | 0.7 | 0.0 | 0.4 | 0.3 | 2.7 |
| Guatemala | 473.0 | 33.4 | 31.9 | 23.3 | 0.1 | 14.1 | 32.0 | 0.6 | 570.3 | 15.0 |
| Haiti | 5.9 | 0.1 | 0.6 | 0.0 | 0.0 | 4.8 | 15.5 | 7.9 | 117.5 | 1.8 |
| Honduras | 308.6 | 23.3 | 10.4 | 0.0 | 0.0 | 0.8 | 19.0 | 0.4 | 549.1 | 5.2 |
| Jamaica | 41.3 | 20.2 | 185.0 | 0.0 | 2.3 | 28.0 | 5.3 | 8.3 | 397.0 | 32.3 |
| Mexico | 2,879.7 | 320.4 | 651.8 | 4,569.1 | 27.2 | 771.0 | 2,903.3 | 20,731.6 | 5,244.6 | 1,730.1 |
| Montserrat | 0.1 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 1.1 | 0.2 | 0.1 |
| North Antilles | 1.2 | 0.0 | 18.9 | 343.4 | 0.0 | 1.0 | 1.2 | 1.5 | 1.0 | 28.0 |
| Panama | 127.3 | 7.0 | 3.9 | 6.3 | 4.3 | 8.3 | 8.3 | 28.6 | 50.4 | 41.3 |
| Paraguay | 6.6 | 0.7 | 1.3 | 0.0 | 2.8 | 4.9 | 27.4 | 0.2 | 4.9 | 1.9 |
| Peru | 178.2 | 0.3 | 68.6 | 69.0 | 0.0 | 12.9 | 177.5 | 5.0 | 181.8 | 43.4 |
| St Lucia | 0.4 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 1.1 | 4.3 | 23.8 | 1.7 |
| St Vincent and the Grenadines | 1.4 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.5 | 2.8 | 0.1 |
| Suriname | 4.2 | 0.0 | 48.4 | 0.0 | 0.0 | 1.8 | 0.0 | 0.1 | 0.5 | 2.5 |
| Turks and Caicos Islands | 3.9 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.1 |
| Uruguay | 37.8 | 0.3 | 12.7 | 0.0 | 0.0 | 1.8 | 45.7 | 2.5 | 69.5 | 86.0 |
| Venezuela | 118.2 | 4.0 | 253.4 | 7,006.3 | 1.2 | 138.9 | 338.6 | 87.3 | 35.6 | 68.3 |
| Total | 8,481.5 | 770.8 | 2,334.5 | 15,877.7 | 108.4 | 1,084.7 | 6,314.0 | 22,871.8 | 12,695.0 | 2,720.1 |
| World | 22,803.7 | 5,812.2 | 15,374.2 | 55,582.3 | 1,000.0 | 29,168.3 | 66,187.9 | 259,975.0 | 104,484.6 | 20,222.3 |
| Share of World | 36.9% | 14.1% | 15.2% | 28.6% | 10.8% | 6.8% | 9.5% | 8.8% | 12.3% | 13.5% |

TABLE
US BALANCE OF TRADE IN GOODS WITH LATIN AMERICA AND THE CARIBBEAN
1993

| | (Mill US \$) | | | | | | | | | | |
|--------------------------------|---------------------|---------------------|-----------------|--------------------------|-------------------------|--------------------|--------------------|---------------------------------|--------------------|----------------------------|--------------|
| US Overall Balance | Food & Live Animals | Beverages & Tobacco | Crude Materials | Mineral Fuels Lubricants | Animal & Vegetable Oils | Chemicals Products | Manufactured Goods | Machinery & Transport Equipment | Misc. Manufactures | Other Goods & Transactions | |
| Anguilla | 13.9 | 2.1 | 1.2 | 0.4 | 0.2 | 0.0 | 0.7 | 2.1 | 3.5 | 0.9 | 2.2 |
| Antigua | 30.2 | 4.0 | 1.0 | 2.1 | 0.4 | 0.2 | 3.8 | 6.9 | 14.3 | 4.0 | 10.1 |
| Argentina | 2,665.6 | (321.8) | (27.7) | 72.6 | (78.5) | (35.8) | 550.9 | 6.3 | 2,064.1 | 248.9 | 110.6 |
| Bahamas | 355.0 | 91.0 | 0.1 | (4.0) | 21.8 | 1.3 | (125.1) | 82.9 | 143.8 | 72.7 | 63.4 |
| Barbados | 111.4 | 24.1 | (1.6) | 0.8 | 3.9 | 0.9 | 15.0 | 19.0 | 23.2 | 4.4 | 12.8 |
| Belize | 81.8 | (8.9) | 2.3 | 1.0 | 5.0 | 1.3 | 14.4 | 24.1 | 38.9 | (5.1) | 8.9 |
| Brazil | (1,420.1) | (664.8) | (213.9) | (127.2) | (4.4) | (9.8) | 804.0 | (1,345.6) | 1,704.7 | (1,306.5) | 43.4 |
| British Virgin Islands | 32.0 | 3.0 | 1.5 | 1.6 | 4.7 | 0.0 | 1.0 | 4.4 | 13.5 | 4.3 | (2.7) |
| Cayman Islands | 144.7 | (2.6) | 5.1 | 2.1 | 10.6 | 0.1 | 6.8 | 13.2 | 45.1 | 16.0 | 49.8 |
| Colombia | 185.9 | (44.0) | 0.4 | (184.0) | (1,283.4) | 22.8 | 548.6 | 71.9 | 1,568.8 | (101.0) | (20.8) |
| Costa Rica | 5.0 | (133.1) | 1.3 | 35.4 | 43.4 | 1.3 | 170.0 | 207.5 | 307.7 | (350.6) | 44.0 |
| Cuba | 2.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.2 | 2.3 |
| Dominican Republic | (322.0) | (18.6) | 15.4 | 50.2 | 49.3 | 13.1 | 197.0 | 289.3 | 261.3 | (1,102.1) | 11.2 |
| Ecuador | (300.8) | (683.4) | 0.4 | 3.3 | (502.3) | 1.8 | 147.1 | 152.8 | 543.0 | 45.7 | (9.1) |
| El Salvador | 391.1 | (84.8) | 1.0 | 24.8 | 25.7 | 33.4 | 61.1 | 72.5 | 314.4 | (135.0) | 39.4 |
| Grenada | 18.0 | 3.3 | 0.3 | 1.0 | 0.3 | 0.0 | 1.1 | 3.8 | 4.5 | (1.2) | 2.8 |
| Guadeloupe | 44.3 | 4.4 | 1.3 | 3.0 | 0.2 | 0.0 | 2.9 | 6.8 | 13.1 | 9.1 | 1.5 |
| Guatemala | 115.8 | (324.8) | (31.8) | 8.5 | 96.0 | 24.1 | 429.6 | 127.9 | 364.7 | (327.3) | 47.9 |
| Haiti | 87.0 | 94.8 | 0.9 | 3.7 | 0.0 | 4.7 | 1.6 | 1.8 | 7.0 | (54.5) | 6.4 |
| Honduras | (18.9) | (225.5) | (20.4) | 12.4 | 67.9 | 5.0 | 75.6 | 104.5 | 192.8 | (290.1) | 51.0 |
| Jamaica | 303.2 | 72.4 | 2.8 | (138.6) | 68.0 | 2.5 | 65.4 | 109.7 | 253.3 | (85.6) | 24.8 |
| Mexico | 1,703.8 | (218.5) | (170.6) | 1,156.1 | (3,625.3) | 184.4 | 2,898.0 | 2,625.7 | (971.6) | 145.9 | 112.8 |
| Montserrat | 4.0 | 1.0 | 0.1 | 0.3 | 0.1 | 0.0 | 0.3 | 1.0 | (0.1) | 0.2 | 1.1 |
| North Antilles | 126.3 | 68.7 | 67.2 | (8.4) | (267.5) | 1.5 | 39.5 | 42.8 | 126.1 | 77.4 | 8.7 |
| Panama | 909.7 | (30.5) | 37.2 | 4.9 | 78.0 | 0.1 | 441.3 | 189.3 | 380.2 | 114.8 | 17.3 |
| Paraguay | 471.3 | 7.8 | 67.6 | 1.5 | 2.4 | (2.8) | 13.4 | (12.5) | 308.2 | 91.7 | 8.2 |
| Peru | 315.1 | (22.7) | 2.8 | (45.3) | (27.6) | 20.2 | 144.0 | (90.0) | 445.5 | (120.9) | 4.3 |
| St. Lucia | 87.3 | 12.2 | 1.1 | 3.7 | 11.8 | 0.0 | 6.2 | 16.9 | 13.2 | (10.6) | 11.0 |
| St. Vincent and the Grenadines | 32.8 | 13.3 | 0.1 | 1.2 | 0.3 | 0.0 | 2.1 | 5.6 | 3.9 | 0.6 | 5.8 |
| Suriname | 68.8 | 6.7 | 0.1 | (46.7) | 1.8 | 0.1 | 27.6 | 18.3 | 42.6 | 5.3 | 5.6 |
| Turks and Caicos Islands | 17.8 | (1.0) | 1.2 | 0.8 | 0.1 | 0.0 | 0.3 | 1.6 | 3.8 | 1.7 | 0.6 |
| Uruguay | (12.7) | (34.1) | 3.1 | (6.8) | 1.9 | 0.1 | 44.5 | (18.8) | 109.9 | (32.2) | (80.1) |
| Venezuela | (3,841.2) | 289.6 | 3.2 | (69.6) | (7,038.8) | 38.3 | 430.3 | 37.5 | 2,482.4 | 298.6 | 50.3 |
| Total | 3,631.8 | (3,688.0) | (239.2) | 604.8 | (13,419.3) | 329.6 | 8,314.2 | 2,791.0 | 12,067.9 | (2,657.5) | 728.5 |
| World | (115,410.3) | 10,821.3 | 1,084.5 | 8,261.9 | (43,786.9) | 447.6 | 18,702.9 | (27,007.0) | (35,088.9) | (50,108.6) | 4,030.8 |
| Share of World | | | | | | | | | | | |

TABLE 8
US EXPORTS OF GOODS TO MAJOR ASIAN AND PACIFIC APEC MEMBERS
1993

(Mill US \$)

| | Total US Exports | Food & Live Animals | Beverages & Tobacco | Crude Materials | Mineral Fuels Lubricants | Animal & Vegetable Oils | Chemicals Products | Manu- factured Goods | Machinery & Transport Equipment | Misc Manu- factures | Other Goods & Transactions |
|----------------|---------------------|---------------------------|------------------------|--------------------|--------------------------------|-------------------------------|-----------------------|----------------------------|---------------------------------------|---------------------------|----------------------------------|
| Australia | 6,271.6 | 264.5 | 52.3 | 207.1 | 125.6 | 2.1 | 1,234.2 | 622.3 | 4,157.8 | 1,129.8 | 476.0 |
| China | 6,787.1 | 353.6 | 12.8 | 425.0 | 249.2 | 1.5 | 841.4 | 416.4 | 5,814.3 | 555.4 | 97.6 |
| Hong Kong | 9,873.1 | 702.0 | 268.0 | 333.3 | 39.3 | 10.8 | 812.7 | 1,317.6 | 4,851.5 | 986.8 | 561.2 |
| Indonesia | 2,770.0 | 27.5 | 17.1 | 23.0 | 67.7 | 2.7 | 43.1 | 11.1 | 478.1 | 266.1 | 32.8 |
| Japan | 47,848.5 | 8,475.8 | 1,833.4 | 6,154.8 | 1,138.3 | 84.0 | 6,044.5 | 2,906.8 | 15,217.9 | 6,180.6 | 916.0 |
| Malaysia | 6,084.5 | 114.4 | 83.1 | 172.7 | 9.2 | 2.7 | 278.8 | 238.3 | 4,756.2 | 325.1 | 134.0 |
| New Zealand | 1,247.3 | 66.8 | 8.3 | 28.8 | 14.7 | 1.4 | 224.7 | 85.7 | 578.8 | 114.2 | 115.7 |
| Philippines | 1,233.1 | 23.7 | 13.3 | 18.0 | 53.0 | 2.4 | 13.1 | 22.8 | 1,088.3 | 200.8 | 12.6 |
| Singapore | 11,878.8 | 187.2 | 118.3 | 74.6 | 828.4 | 9.3 | 985.8 | 517.1 | 7,511.0 | 1,460.8 | 486.3 |
| South Korea | 14,778.2 | 838.1 | 124.2 | 2,411.8 | 830.9 | 48.1 | 1,705.2 | 860.8 | 6,653.3 | 1,261.8 | 242.5 |
| Taiwan | 16,249.8 | 1,280.9 | 129.3 | 1,278.8 | 448.5 | 8.3 | 2,011.1 | 928.7 | 8,144.5 | 1,314.6 | 725.2 |
| Thailand | 5,771.1 | 17.8 | 11.7 | 15.0 | 33.5 | 0.5 | 53.9 | 30.1 | 2,082.0 | 408.7 | 88.1 |
| Total | 134,842.4 | 12,832.6 | 2,694.5 | 11,813.8 | 3,183.7 | 176.8 | 14,247.7 | 8,554.0 | 63,322.5 | 14,029.8 | 3,987.8 |
| World | 464,858.4 | 33,805.0 | 6,598.6 | 24,638.1 | 8,815.6 | 1,467.6 | 45,869.3 | 38,181.0 | 224,878.1 | 54,376.1 | 24,253.1 |
| Share of World | 29.0% | 38.3% | 40.8% | 48.0% | 32.4% | 12.0% | 31.1% | 21.8% | 28.2% | 25.8% | 16.4% |

TABLE 9
US IMPORTS OF GOODS FROM MAJOR ASIAN AND PACIFIC APEC MEMBERS
1993

(Mill US \$)

| | Total US Imports | Food & Live Animals | Beverages & Tobacco | Crude Materials | Mineral Fuels Lubricants | Animal & Vegetable Oils | Chemicals Products | Manu- factured Goods | Machinery & Transport Equipment | Misc Manu- factures | Other Goods & Transactions |
|----------------|---------------------|---------------------------|------------------------|--------------------|--------------------------------|-------------------------------|-----------------------|----------------------------|---------------------------------------|---------------------------|----------------------------------|
| Australia | 3,293.9 | 641.9 | 44.6 | 720.1 | 169.6 | 0.9 | 179.9 | 333.6 | 472.9 | 165.6 | 264.7 |
| China | 31,534.8 | 668.2 | 37.2 | 208.6 | 231.8 | 3.3 | 582.9 | 2,730.6 | 6,066.5 | 20,845.1 | 261.1 |
| Hong Kong | 8,558.1 | 105.6 | 8.7 | 21.9 | 0.0 | 1.2 | 31.8 | 531.8 | 2,344.1 | 6,090.1 | 425.0 |
| Indonesia | 1,733.7 | 17.7 | 1.5 | 67.8 | 0.3 | 5.2 | 74.7 | 60.7 | 601.1 | 2,376.2 | 15.9 |
| Japan | 107,267.7 | 294.2 | 36.4 | 192.7 | 164.7 | 16.3 | 3,804.4 | 8,315.7 | 63,765.1 | 11,013.1 | 1,845.1 |
| Malaysia | 10,666.4 | 81.8 | 0.1 | 164.4 | 48.6 | 118.8 | 118.8 | 372.7 | 7,802.0 | 1,706.5 | 124.7 |
| New Zealand | 1,208.0 | 762.0 | 7.1 | 105.0 | 19.3 | 0.0 | 123.2 | 61.3 | 67.0 | 31.3 | 31.8 |
| Philippines | 1,733.7 | 17.7 | 1.5 | 67.8 | 0.3 | 5.2 | 74.7 | 60.7 | 601.1 | 2,376.2 | 15.9 |
| Singapore | 12,790.4 | 81.3 | 1.4 | 16.4 | 166.7 | 6.4 | 636.2 | 96.9 | 10,368.4 | 1,142.6 | 339.2 |
| South Korea | 17,123.1 | 153.8 | 6.8 | 107.4 | 123.7 | 1.0 | 302.7 | 1,861.8 | 8,933.8 | 8,433.5 | 178.8 |
| Taiwan | 25,104.6 | 283.1 | 6.0 | 103.7 | 1.0 | 2.4 | 399.2 | 3,461.7 | 12,238.4 | 8,241.9 | 347.1 |
| Thailand | 9,817.0 | 21.7 | 0.1 | 16.4 | 166.7 | 6.4 | 636.2 | 96.9 | 10,368.4 | 1,142.6 | 339.2 |
| Total | 237,331.7 | 6,495.3 | 211.3 | 2,480.6 | 1,528.3 | 345.6 | 5,976.1 | 17,542.6 | 137,846.9 | 61,916.8 | 3,986.3 |
| World | 680,468.7 | 22,983.7 | 5,512.2 | 16,374.2 | 55,562.3 | 1,000.0 | 29,168.3 | 66,167.9 | 250,075.0 | 104,484.6 | 20,222.3 |
| Share of World | 40.9% | 23.9% | 3.8% | 16.1% | 2.7% | 34.6% | 20.5% | 26.6% | 63.0% | 59.3% | 19.7% |

TABLE 10
 US BALANCE OF TRADE IN GOODS WITH MAJOR ASIAN AND PACIFIC APEC MEMBERS
 1993

(Mill US \$)

| | US Overall Balance | Food & Live Animals | Beverages & Tobacco | Crude Materials | Mineral Fuels Lubricants | Animal & Vegetable Oils | Chemicals Products | Manu- factured Goods | Machinery & Transport Equipment | Misc Manu- factures | Other Goods & Transactions |
|-------------|-----------------------|---------------------------|------------------------|--------------------|--------------------------------|-------------------------------|-----------------------|----------------------------|---------------------------------------|---------------------------|----------------------------------|
| Australia | 4,977.8 | (877.4) | 7.7 | (513.0) | (44.2) | 1.2 | 1,054.3 | 288.7 | 3,685.0 | 964.3 | 211.3 |
| China | (22,767.7) | (214.6) | (24.4) | 218.1 | 17.5 | (1.8) | 259.0 | (2,314.2) | (252.2) | (20,289.6) | (163.5) |
| Hong Kong | 314.8 | 608.6 | 251.3 | 311.4 | 39.2 | 9.8 | 780.8 | 785.8 | 2,507.4 | (5,103.3) | 136.2 |
| Indonesia | (2,753.5) | (59.7) | (7.2) | (1,127.7) | (1,127.7) | (1,127.7) | (1,127.7) | (1,127.7) | (1,127.7) | (1,127.7) | (1,127.7) |
| Japan | (59,318.2) | 8,181.8 | 1,797.0 | 5,961.8 | 971.8 | 67.7 | 1,440.1 | (3,409.1) | (68,567.2) | (4,832.5) | (929.1) |
| Malaysia | (4,503.9) | 32.6 | 33.0 | (21.7) | (39.3) | (116.1) | 160.0 | (134.3) | (3,045.8) | (1,381.4) | 9.3 |
| New Zealand | 39.3 | (695.2) | 2.2 | (78.7) | (4.7) | 1.4 | 101.5 | 34.4 | 511.6 | 62.0 | 83.9 |
| Philippines | (1,622.1) | (13.3) | (2.1) | (57.1) | (11.4) | (16.5) | (276.1) | (37.2) | (1,090.0) | (733.2) | (511.1) |
| Singapore | (1,120.8) | 85.8 | 113.9 | 58.3 | 181.7 | 3.8 | 449.4 | 420.2 | (2,887.3) | 318.2 | 147.2 |
| South Korea | (2,948.9) | 684.3 | 117.4 | 2,304.2 | 507.2 | 47.1 | 1,402.8 | (1,021.0) | (2,280.5) | (4,171.7) | 63.7 |
| Taiwan | (8,854.6) | 977.8 | 123.2 | 1,173.1 | 447.6 | 6.8 | 1,612.0 | (2,652.0) | (4,093.8) | (6,027.2) | 378.1 |
| Thailand | (1,773.5) | (52.2) | (2.7) | (57.7) | (1.3) | (7.3) | (265.8) | (177.2) | (1,091.8) | (2,225.2) | (319.1) |
| Total | (102,389.3) | 7,437.2 | 2,483.3 | 9,333.4 | 1,655.4 | (169.7) | 8,269.5 | (8,988.5) | (74,524.4) | (47,888.0) | 1.5 |
| World | (115,810.3) | 10,821.3 | 1,084.8 | 9,281.9 | (45,768.9) | 487.8 | 16,702.9 | (27,007.0) | (35,096.8) | (50,108.6) | 4,030.8 |

OFFICE OF THE UNITED STATES
TRADE REPRESENTATIVE
EXECUTIVE OFFICE OF THE PRESIDENT
WASHINGTON
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FOR IMMEDIATE RELEASE
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94-39
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**KANTOR NOTES CONTINUED PROGRESS
IN GSP WORKER RIGHTS, IPR REVIEWS**

U.S. Trade Representative Mickey Kantor announced today that considerable progress had been achieved in the GSP worker rights and intellectual property rights (IPR) reviews considered in this year's GSP annual review. "Last year we signalled our resolve in enforcing the worker rights and IPR provisions of the GSP law," Kantor noted. "The outcome this year demonstrates that our approach has yielded substantial results. I am pleased to report significant advances in the vast majority of the worker rights and IPR cases reviewed this year."

This year's GSP annual review included 10 worker rights cases, and eight intellectual property cases. Earlier in the year, the AFL-CIO withdrew its worker rights petitions on Costa Rica and Paraguay on the basis of progress in those countries. Of the remaining 10 countries under review, Kantor noted that progress in five of the cases was sufficient for the Administration to find that the countries were "taking steps to afford internationally recognized worker rights," as required by the GSP law. Those five countries are: Bahrain, El Salvador, Fiji, Oman, and Peru. While progress was also evident in the remaining five countries under review -- the Dominican Republic, Guatemala, Maldives, Pakistan, and Thailand -- Kantor stated that the Administration was still unable to determine that the countries met the worker rights standard in the GSP law. As a result, the reviews of these countries are being continued for various periods of time, as considered appropriate.

"In those worker rights cases that we have continued, we want to reiterate our commitment to ensuring that the worker rights standard in the GSP law is met, and our desire for a quick resolution of outstanding issues," Kantor said.

Kantor also announced the results of the GSP intellectual property reviews of eight countries. "In nearly all of the countries under review for their protection of intellectual

property, important gains have been made in the past year," Kantor noted. "On this basis, I am glad to announce that we are able to successfully complete the review of three of these countries, Egypt, Guatemala, and Cyprus." Kantor noted that in the case of Guatemala, the petitioning party, the Motion Picture Export Association of America (MPEAA), had in fact recently withdrawn its complaint.

Kantor also announced that the IPR reviews of the remaining five countries -- Dominican Republic, Honduras, El Salvador, Poland, and Turkey -- would be continued. "In some of these countries, we are very close to resolving the outstanding issues, and would be prepared to complete these reviews as soon as that occurs. In other cases, progress has been slower than we would like, and while we are willing to grant more time, the lack of sufficient progress will make it harder to continue to justify the continuation of full GSP treatment for these countries," Kantor said.

The U.S. Trade Representative then summarized briefly the Administration's findings in each worker rights and IPR review:

Worker Rights Reviews

The GSP law requires that countries be "taking steps to afford internationally recognized worker rights" in order to retain their eligibility for benefits. However, Kantor noted: "That does not necessarily mean in cases where we find a country to be taking such steps that more should not be done to advance worker rights. In all of these cases, we encourage countries to continue the progress they have made in bringing their law and practice into closer conformity with international labor standards. We have found the following five countries to be in compliance with the worker rights provisions of the GSP law.

Bahrain: "Bahrain has issued regulations expanding the access of various classes of workers to its labor law, has shown that workers in key sectors are effectively represented in bargaining with employers, and has demonstrated that agreements reached between labor and management are fully enforceable by law. In addition, it is considering an expansion of its labor relations system. On the basis of these measures, we find that Bahrain is 'taking steps', and we hope that Bahrain continues to bring its system into closer compliance with international norms, particularly in the area of right of association."

El Salvador: "After several years of review, El Salvador has finally enacted a reformed labor law after close consultation with the ILO, which brings its labor laws into much closer conformity with international standards. Violence against workers has also abated in recent years. In light of these actions, we find that El Salvador is 'taking steps' and stress the importance of effective enforcement of its labor laws."

Fiji: "Fiji has taken concrete actions to fulfill nearly all ILO recommendations that bring its labor laws and regulations into closer conformity with ILO norms. On the basis of these actions, we find that Fiji is 'taking steps' as required by the GSP law."

Oman: "Oman has joined the ILO, and has asked for ILO technical assistance in the drafting of a new labor code. In addition, it has informed us that the legal prohibition on strikes will be eliminated, and there is evidence that strikes are being permitted. These are important actions that advance Oman's process of more fully meeting international labor standards, and on this basis we find that Oman is 'taking steps.' We look forward to Oman's continued progress in these efforts."

Peru: "This year's review centered primarily on the impact of decrees issued in 1992 that could have an impact on worker rights. We determined that while the decrees had the potential to limit the exercise of worker rights in Peru, there was no concrete evidence that they were being implemented in a way that had this effect. This conclusion, and the fact that labor rights are otherwise generally respected in Peru led to the conclusion that Peru is 'taking steps' at this time."

The U.S. Trade Representative also noted that advances in the labor area had also been evident in the five remaining worker rights reviews, but that the Administration had not yet been able to positively determine that these countries were yet "taking steps" as required by the GSP law. As a result, these cases would be continued for varying periods as deemed appropriate in each case. Specifically:

Dominican Republic: "The Dominican Republic has established mechanisms designed to improve the enforcement of labor laws in its export processing zones. There is some evidence that these mechanisms will be effective, but in order to make a more definitive finding, we are continuing this review for 90 days."

Guatemala: "Guatemala has taken several important actions that should improve the government's ability to cite and correct violations of the labor code, and to more quickly register those who would like to form unions. However, the Administration would like a brief amount of additional time in order to be more certain about the efficacy of these measures. Accordingly, we are continuing the review of Guatemala for 90 days."

Maldives: "We are only just beginning what we hope is a productive dialogue with Maldives. To assure that this dialogue is fruitful, we are continuing this review for another year."

Pakistan: "The Government of Pakistan has made clear its commitment to developing and enacting important reforms in the labor area. To have sufficient time to assess the nature and effectiveness of these actions, we are continuing the review of Pakistan for another year, and look forward to continuing a

constructive dialogue on these issues."

Thailand: "We made clear previously that the review of Thailand could be satisfactorily completed once proposed legislation and actions that would restore worker rights lost in 1992 was enacted. Such legislation has been introduced by the Thai government before the legislature. As we noted previously, our expectation is that labor legislation will be enacted in the legislative session in which it has been introduced. We still look for a speedy completion of these actions."

Intellectual Property Rights Reviews

Kantor also detailed the results of the eight intellectual property reviews conducted this year under the GSP program:

Cyprus: "We have determined that Cyprus is taking effective action to enforce its new copyright law. Accordingly, we are successfully concluding this review."

Dominican Republic: "The government of the Dominican Republic has made great progress in reducing the piracy of U.S. satellite television signals. Once we are assured that its efforts are fully successful, we are prepared to successfully conclude this review."

Egypt: "Egypt has taken action to provide for the effective legal protection of copyrights. On this basis, we can successfully conclude our review of Egypt."

El Salvador: "El Salvador has made significant progress in improving the legal protection of copyrights. However, these laws are only now coming into effect, and there has not been sufficient time to determine whether enforcement actions against major pirates is being taken. Accordingly, we are continuing our review of El Salvador until such a determination can be made."

Guatemala: "We note that the petitioners recently withdrew their complaint in this case, because of the successful efforts of Guatemala in eliminating the piracy of U.S. satellite television signals. Accordingly, we are successfully concluding this review of Guatemala."

Honduras: "Honduras has made substantial progress in its legal protection of copyrights. However, we are continuing the review at this time pending the resolution of certain primarily technical issues raised with the passage of recent legislation."

Poland: "Poland has made progress in improving its legal protection of copyrights, but clearly more needs to be done. We are continuing our review of Poland for the coming year in order to establish the effectiveness of government IPR enforcement actions, and to encourage further actions to provide world class

copyright protection."

Turkey: "We are continuing our review of Turkey to give it more time to adopt new IPR legislation that affords effective protection. We are nonetheless disappointed with the slow pace of progress in Turkey, and urge the Turkish government to more quickly move to resolve outstanding issues in this area."

FACT SHEET"SPECIAL 301" ON INTELLECTUAL PROPERTYACTIONS TAKEN

Ambassador Mickey Kantor, the United States Trade Representative, today announced decisions as part of this year's required review under the so-called "special 301" provisions of the Trade Act of 1974 (Trade Act).

The decision announced by Ambassador Kantor includes the following specific actions:

- China has been designated as a "priority foreign country," and USTR will immediately initiate an investigation of China's IPR enforcement practices. While, in general, China has improved intellectual property rights laws and regulations in accord with the January 1992 Memorandum of Understanding on Intellectual Property Rights, China's enforcement of its laws and regulations is sporadic at best and virtually non-existent for copyrighted works. Piracy continues to be rampant, with little political will evident to curtail it. China also maintains a myriad of hidden quotas and non-transparent regulations that effectively keep U.S. IP products out of the market. As required by the statute, USTR will request negotiations immediately with China to resolve these enforcement and market access issues.
- India has made progress toward providing modern intellectual property protection by enacting several positive amendments to their copyright law which bolsters the protection afforded to copyright owners, especially for computer software. India has also introduced new trademark legislation. In recognition of such progress, India has been moved to the priority watch list. Nevertheless, further progress is essential. Ambassador Kantor has instructed an inter-agency team to seek to promptly engage the Indians in bilateral discussions of copyright, trademark and patent issues, as well as the prospect of accelerated TRIPs implementation generally, and to report back to him on the results of these discussions. Kantor will review the situation with respect to India in a special "out-of-cycle" review in January 1995.
- Argentina will be maintained on the priority watch list, one step down from formal designation as a priority foreign country and a formal investigation. Important new efforts are underway in Argentina to enact a modern patent regime to replace the current patent law that has

been in place since 1864. The Menem Administration's legislative proposal is strong and we encourage the prompt enactment of an adequate and effective patent law in Argentina. The U.S. Government will provide whatever assistance is necessary to facilitate this result. The U.S. Government will continue its ongoing review of this situation and also will revisit the matter during the annual review in the spring of 1995.

STATUTORY AUTHORITY

The "special 301" provisions of the Trade Act of 1974, as amended, require the USTR to determine whether the acts, policies and practices of foreign countries deny adequate and effective protection of intellectual property rights or fair and equitable market access for U.S. exporters who rely on intellectual property protection.

"Priority foreign countries" are those countries that:

- (1) have the most onerous and egregious acts, policies and practices which have the greatest adverse impact (actual or potential) on the relevant U.S. products; and,
- (2) are not engaged in good faith negotiations or making significant progress in negotiations to address these problems.

If a country is identified as a "priority foreign country", the USTR must decide within 30 days (including on the day of his announcement) whether to initiate an investigation of those acts, policies and practices that were the basis for identifying the country as a "priority foreign country". A "special 301" investigation is similar to an investigation initiated in response to an industry section 301 petition, except that the maximum time for an investigation is shorter--6 months with the possibility of an extension to 9 months--as compared with the 12 to 18 months permitted under a petition-based section 301 investigation.

The USTR undertakes a review of foreign practices each year. The interagency group that advises the USTR on implementation of "special 301" obtains information from the private sector, American embassies abroad, the U.S. trading partners, and the NTE report.

This Administration is determined to ensure the adequate protection of intellectual property rights and comparable market access for U.S. products. The measures announced today result from close consultations with affected industry groups and Congressional leaders, and demonstrate the Administration's commitment to utilize all available avenues to pursue resolution of the intellectual

property issues. In issuing the announcement, Ambassador Kantor is expressing the Administration's resolve to take uniformly strong actions under the "special 301" provisions of the Trade Act.

DESCRIPTION OF SITUATION REGARDING EACH COUNTRY

China, in general, has improved its intellectual property laws and regulations since the signing of the January 1992 Memorandum of Understanding on IPR. However, China's enforcement of these rules and regulations is sporadic at best and virtually non-existent for copyrighted works. Piracy is rampant in the audio/visual, computer software, and publishing sectors, as well as in trademarks. Among the most egregious cases is the establishment of 26 CD and laser disk factories in central and southern China. These factories -- producing pirated CDs -- have the capacity to manufacture up to 75 million CDs for export to markets in Hong Kong and Southeast Asia and recently, Canada. In addition, China continues to maintain hidden quotas and non-transparent regulations that effectively keep U.S. IP products -- especially in the audio/visual sector -- out of the Chinese market.

Despite acknowledgement at a policy level that IPR protection is essential to the healthy development of a market economy, China has taken few actions to effectively reduce piracy. The USTR has decided, therefore, to designate China as a priority foreign country, and to launch immediately an investigation to reach agreement that will lead to an effective IPR enforcement regime.

India was first identified as a "priority foreign country" in 1991. In February 1992, at the conclusion of this investigation, USTR determined that India's denial of adequate and effective patent, trademark, and copyright protection was unreasonable and burdens or restricts U.S. commerce. As a result of this determination, the United States suspended GSP privileges for exports such as pharmaceuticals, chemicals, and related products. This suspension of GSP benefits remains in effect. Continued copyright, patent and trademark problems led the USTR to identify India again in 1992. The persistence of those problems led to USTR identifying India again in 1993.

Within the past months, India has enacted amendments to its copyright law and introduced trademark reform legislation. Ambassador Kantor's decision to place India on the "priority watch list" was driven by these recent developments and the expectation that India is prepared to engage the U.S. Government in a meaningful dialogue on all intellectual property issues including effective enforcement of its new copyright law, enactment of a modern trademark law and improved patent protection.

Argentina was placed on the "priority watch list" in 1993 due to the existence of an inadequate 1864 patent law and inability to upgrade that law. Although the Menem Administration's proposed legislative reform contains some shortcomings, it is generally adequate and would substantially upgrade Argentina's legal regime if it were enacted. The Menem Administration's new stepped-up efforts to obtain its passage are encouraging. The U.S. Government stands ready to play a constructive role to encourage the enactment of a law that addresses the needs of innovators by providing them a secure legal environment -- an essential ingredient in a country's competitiveness and an important component in market-based economic policy. The U.S. Government looks to the Government of Argentina to enact modern, effective patent legislation.

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94-40
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**KANTOR ANNOUNCES RESULTS OF PRODUCTS CASES
CONSIDERED IN THE 1993 ANNUAL REVIEW OF THE
GENERALIZED SYSTEM OF PREFERENCES**

U.S. Trade Representative Michael Kantor today announced the results of the product cases considered in the 1993 Annual Review of the Generalized System of Preferences (GSP). The results of the review would extend duty-free access to the U.S. market under GSP to approximately \$1.4 billion in imports from developing countries.

"This action underlines the Administration's commitment to a free and open world trading system," Ambassador Kantor said. Ambassador Kantor noted that "we expect that, as required by the GSP law, beneficiary countries will take commensurate steps to open their markets, to protect intellectual property rights and to provide basic worker rights." Ambassador Kantor also noted that the GSP program expires on September 30, 1994, and the Administration's renewal proposal for GSP is currently being considered by the Congress.

The GSP program offers duty-free access to the U.S. market for certain products that are imported from designated developing countries. Each year, USTR administers a process in which U.S. companies and GSP beneficiaries can seek to have GSP benefits modified. In return, GSP beneficiaries are expected to meet certain requirements, such as protecting intellectual property rights and providing basic worker rights.

1993 ANNUAL REVIEW OF THE GENERALIZED SYSTEM OF PREFERENCES

SUMMARY OF THE PRODUCT REVIEW

Addition of New Products to the GSP Program

- o As a result of the 1993 Annual GSP Review, 10 products (valued at \$13.8 million in 1993) are being added to the GSP program, effective July 1, 1994. Two requests to add products to the GSP program were denied. (See Annex I.(A).)

Waiver of the Competitive Need Limits

- o An individual GSP beneficiary country can lose GSP on a GSP product if the country accounts for more than 50 percent of total U.S. imports of that product or if the country exported more than \$108 million worth of the product to the United States in 1993. These limits may be waived if certain conditions are met.
- o Competitive need limit waivers were granted to 15 products, valued at \$1.1 billion in 1993. One waiver request was denied and one was withdrawn. (See Annex I.(C).)

Removal of Products from the GSP Program

- o In response to petitions from U.S. industries, two products were removed from GSP (valued at \$12 million in 1993). (See Annex I.(B).)

De Minimis Waivers from the 50 Percent Competitive Need Limit

- o The President has the discretionary authority to waive the 50 percent competitive need limitation in cases where total U.S. imports of a product in 1993 did not exceed \$12.6 million.
- o Imports of 143 products, valued at \$255 million, were granted de minimis waivers; 24 products valued at \$58 million were denied de minimis waivers. (See Annex II and Table 2.)

Redesignation of Products

- o Individual countries previously excluded from GSP benefits for a particular product may be redesignated for GSP benefits if imports of the product fell below the current 1993 competitive need limits.

- o One product, super-heated water boilers from the Philippines, has been redesignated. One hundred and eight products (valued at \$940 million in 1993) have been denied such redesignation. (See Annex III and Table 3.)

Exclusion of Products for Exceeding the Competitive Need Limits

- o Sixty products from 18 countries valued at \$3.2 billion exceeded the competitive need limits in 1993. Of this, 13 products valued at \$500 million represent trade in products where a beneficiary country is losing GSP benefits for the first time. (See Annex IV and Table 4.)

ANNEX I

| 1993 GSP Annual Review - Product Petitions | | | | |
|---|-------------------------|------------------------------|--------------------|--|
| A. PETITIONS TO ADD PRODUCTS TO GSP | | | | |
| CASE NUMBER | HTS | PRODUCT | DECISION | 1993 IMPORTS FROM ALL GSP BENEFICIARIES |
| 93-1 | 0805.30.40 | LIMES | GRANT | \$1,810,613 |
| 93-2 | 0806.20.10 | RAISINS FROM SEEDLESS GRAPES | DENY | ---- |
| 93-3 | 2309.90.90 (PT) | VITAMIN B12 FOR ANIMAL USE | GRANT | \$1,157,751 |
| 93-4 | 2902.11.00 | CYCLOHEXANE | GRANT ¹ | \$3,199,542 |
| 93-5 | 2918.30.20 (PT) | BULK KETOPROFEN | DENY | ---- |
| 93-6 | 2921.49.40 (PT) | SELEGILINE HYDROCHLORIDE | GRANT ¹ | \$5,655,304 |
| 93-7 | 2933.39.37 (PT) | ETHIONAMIDE | GRANT ¹ | \$919,842 |
| 93-8 | 2937.92.20 (PT) | ESTRADIOL BENZOATE | GRANT ¹ | \$3,658 |
| 93-9 | 2937.92.80 (PT) | ESTRADIOL | GRANT ¹ | \$146,497 |
| 93-10 | 2937.99.80 (PT) | TRENBOLONE ACETATE | GRANT ¹ | \$184,493 |
| 93-11 | 8529.90.10 ² | T.V. TUNERS | GRANT | \$710,204 |
| 93-12 | 9106.90.80 (PT) | TIMERS | GRANT | \$30,794 |
| | | | TOTAL | \$13,818,698 |

1993 GSP Annual Review - Product Petitions

B. PETITIONS TO REMOVE PRODUCTS FROM GSP

| CASE NUMBER | HTS | PRODUCT | COUNTRY | DECISION | 1993 IMPORTS FROM GSP BENEFICIARIES |
|-------------|-----------------|------------------------|-----------|--------------------|-------------------------------------|
| 93-13 | 4007.00.00 | EXTRUDED RUBBER THREAD | ALL | GRANT | \$11,168,181 |
| 93-14 | 7308.90.90 (PT) | STEEL GRATING | VENEZUELA | GRANT ³ | \$792,140 |
| | | | | TOTAL | \$11,960,321 |

C. PETITIONS TO WAIVE COMPETITIVE NEED LIMITS

| CASE NUMBER | HTS | PRODUCT | BENEFICIARY COUNTRY | DECISION | 1993 IMPORTS FROM THE BENEFICIARY COUNTRY |
|-------------|---------------------------|---------------------------|---------------------|----------|---|
| 93-15 | 4203.21.40 | BASEBALL GLOVES | PHILIPPINES | GRANT | \$37,781,719 |
| 93-16 | 7113.19.21 | GOLD ROPE CHAIN NECKLACES | ISRAEL | GRANT | \$11,550,162 |
| 93-17 | 8402.20.00 | SUPER-HEATED BIOLERS | PHILIPPINES | GRANT | \$0 |
| 93-18 | 8407.34.2080 ⁴ | PASSENGER CAR ENGINES | BRAZIL | GRANT | \$73,889,007 |
| 93-19 | 8409.91.91 (PT) | ALUMINUM CYLINDER HEADS | BRAZIL | GRANT | \$30,442,223 |

1993 GSP Annual Review - Product Petitions

C. PETITIONS TO WAIVE COMPETITIVE NEED LIMITS

| CASE NUMBER | HTS | PRODUCT | BENEFICIARY COUNTRY | DECISION | 1993 IMPORTS FROM THE BENEFICIARY COUNTRY |
|-------------|------------|-----------------------------|---------------------|----------|---|
| 93-20 | 8471.20.00 | NOTEBOOK-TYPE COMPUTERS | INDONESIA | GRANT | \$1,689 |
| 93-21 | 8471.20.00 | NOTEBOOK-TYPE COMPUTERS | MALAYSIA | GRANT | \$1,341,151 |
| 93-22 | 8471.91.00 | PERSONAL COMPUTERS | INDONESIA | GRANT | \$2,500 |
| 93-23 | 8471.91.00 | PERSONAL COMPUTERS | MALAYSIA | GRANT | \$287,874,451 |
| 93-24 | 8521.10.60 | VIDEO CASSETTE RECORDERS | INDONESIA | GRANT | \$159,789,527 |
| 93-25 | 8525.20.20 | RADIOTELEPHONE TRANSCEIVERS | PHILIPPINES | GRANT | \$6,293,903 |
| 93-26 | 8525.20.50 | CORDLESS HANDSET TELEPHONE | MALAYSIA | GRANT | \$142,426,362 |
| 93-27 | 8525.20.50 | CORDLESS HANDSET TELEPHONE | PHILIPPINES | GRANT | \$79,462,816 |
| 93-28 | 8527.31.40 | AM/FM CASSETTE PLAYER | MALAYSIA | GRANT | \$290,015,261 |

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C. PETITIONS TO WAIVE COMPETITIVE NEED LIMITS

| CASE NUMBER | HTS | PRODUCT | BENEFICIARY COUNTRY | DECISION | 1993 IMPORTS FROM THE BENEFICIARY COUNTRY |
|----------------------------------|-------------------------|---------------------|---------------------|-----------|---|
| 93-29 | 8527.32.00 | CLOCK RADIOS | MALAYSIA | WITHDRAWN | ---- |
| 93-30 | 8528.10.30 | COMBINATION TV/VCRs | MALAYSIA | DENY | ---- |
| 93-11 | 8529.90.10 ² | TELEVISION TUNERS | INDONESIA | GRANT | \$0 |
| TOTAL IMPORTS FROM ALL COUNTRIES | | | | | \$1,120,870,771 |

1. Exclude India.
2. This petition requested that television tuners be added to GSP and that Indonesia be granted a waiver.
Grant to HTS subheadings 8529.90.01 and 8529.90.29.
3. Remove for Venezuela only.
4. Grant to HTS subheadings 8407.34.18 and 8407.34.48.

ANNEX II : GSP COUNTRIES ELIGIBLE FOR GSP WAIVER
INCLUDING ITEMS FOR WHICH WAIVER WILL NOT BE GRANTED AND 1993 TRADE

| FLAGS | HTSUS | PARTNER | IMPORTS | SHARE | DESCRIPTION |
|---------|------------|----------------------|-----------|--------|--|
| D | 0210.20.00 | Uruguay..... | 4,770,442 | 67.3% | Meat of bovine animals, salted, in brine, dried or smoked |
| D | 0303.77.00 | Chile..... | 2,009,774 | 81.3% | Sea bass, frozen, excluding fillets, other meat portions, liver |
| D | 0303.80.20 | Lithuania..... | 2,000 | 100.0% | Sturgeon roe, frozen |
| D | 0708.10.40 | Guatemala..... | 6,360,496 | 70.4% | Peas, fresh or chilled, shelled or unshelled, if entered Nov. 1 |
| D | 0708.90.05 | Turkey..... | 226,831 | 61.4% | Chickpeas (garbanzos), fresh or chilled, shelled or unshelled |
| D | 0708.90.15 | India..... | 110,679 | 69.0% | Lentils, fresh or chilled, shelled or unshelled |
| D | 0708.90.30 | Dominican Republic.. | 192,570 | 65.0% | Pigeon peas, fresh or chilled, shelled or unshelled, if entered |
| D | 0709.10.00 | Chile..... | 548,050 | 69.9% | Globe artichokes, fresh or chilled |
| D | 0709.20.10 | Peru..... | 1,655,292 | 52.1% | Asparagus, fresh or chilled, not reduced in size, if entered Se |
| D | 0710.29.15 | India..... | 22,380 | 60.6% | Lentils, uncooked or cooked by steaming or boiling in water, fr |
| D | 0710.29.30 | Dominican Republic.. | 1,821,637 | 90.4% | Pigeon peas, uncooked or cooked by steaming or boiling in water |
| D | 0710.80.93 | Guatemala..... | 2,230,632 | 80.4% | Okra (uncooked/cooked by steaming or boiling in water), frozen, |
| D | 0711.10.00 | Israel..... | 134,561 | 70.4% | Onions, provisionally preserved but unsuitable in that state fo |
| D | 0711.30.00 | Turkey..... | 1,175,735 | 74.7% | Capers, provisionally preserved but unsuitable in that state fo |
| D | 0713.90.60 | India..... | 108,595 | 68.4% | Dried leguminous vegetables nesi, shelled, if entered for consu |
| D | 0714.10.00 | Costa Rica..... | 8,220,079 | 94.5% | Cassava (manioc), fresh or dried, whether or not sliced or in t |
| D | 0714.20.00 | Dominican Republic.. | 1,347,399 | 94.9% | Sweet potatoes, fresh or dried, whether or not sliced or in the |
| D | 0802.50.20 | Turkey..... | 91,963 | 52.2% | Pistachios, in shell, fresh or dried |
| D | 0802.50.40 | Turkey..... | 80,384 | 54.0% | Pistachios, shelled, fresh or dried |
| D | 0802.90.80 | Ivory Coast..... | 3,201,082 | 77.6% | Nuts nesi, in shell, fresh or dried |
| D | 0804.50.80 | Thailand..... | 692,451 | 59.5% | Guavas, mangoes, and mangosteens, dried |
| D | 0805.90.00 | Israel..... | 164,526 | 51.7% | Citrus fruit nesi, fresh or dried, including kumquats, citrons |
| D | 0807.10.60 | Israel..... | 68,905 | 70.1% | Ogen and Gallia melons, fresh, if entered June 1 thru November 3 |
| D | 0811.20.20 | Chile..... | 2,803,416 | 57.7% | Raspberries, loganberries, black currants and gooseberries unco |
| D | 0811.90.10 | Costa Rica..... | 1,964,370 | 51.0% | Bananas and plantains, uncooked or cooked by steaming or boilin |
| D | 0811.90.50 | Costa Rica..... | 1,186,397 | 58.7% | Pineapples, frozen, in water or containing added sweetening |
| * D R N | 0813.30.00 | Argentina..... | 3,816,398 | 52.7% | Apples, dried |
| D | 0813.40.10 | Thailand..... | 1,855,482 | 92.5% | Papayas, dried |
| * D N | 1102.30.00 | Thailand..... | 2,263,629 | 89.0% | Rice flour |
| D | 1102.90.30 | El Salvador..... | 1,383 | 50.9% | Mixtures of cereal flours, nesi |
| D | 1106.30.20 | Ecuador..... | 90,525 | 88.6% | Flour, meal and powder of banana and plantain |
| D | 1301.90.40 | Brazil..... | 142,111 | 85.4% | Turpentine gum (oleoresinous exudate from living trees) |
| D | 1519.11.00 | Malaysia..... | 2,831,576 | 76.7% | Stearic acid |
| D | 1604.14.50 | Thailand..... | 218,795 | 83.7% | Tunas and skipjack, not in airtight containers, not in bulk or |
| D | 1604.16.30 | Morocco..... | 7,749,869 | 96.0% | Anchovies, whole or in pieces but not minced, in oil, in airtig |
| D | 1604.30.20 | Russia..... | 5,250,983 | 78.2% | Caviar |
| D | 1701.12.01 | Colombia..... | 35,204 | 83.7% | Beet sugar, raw, not containing added flavoring or coloring mat |
| D | 1701.99.01 | Guatemala..... | 1,902,945 | 56.9% | Refined cane/beet sugar not containing added flavoring or color |
| D | 1702.90.35 | Dominican Republic.. | 2,756,483 | 62.0% | Invert molasses |
| D | 1702.90.40 | Belize..... | 2,168,947 | 72.4% | Other cane/beet syrups nesi |
| D | 1703.90.30 | India..... | 29,323 | 59.6% | Molasses, other than cane, imported for (a) the commercial extr |
| D | 1806.20.70 | Colombia..... | 32,400 | 61.7% | Chocolate and other food prep containing cocoa, contain. more t |
| D | 2005.80.00 | Thailand..... | 4,951,537 | 86.9% | Sweet corn, prepared or preserved otherwise than by vinegar or |
| D | 2006.00.70 | Thailand..... | 2,609,235 | 54.0% | Fruit and nuts, nesi, except mixtures preserved by sugar (drain |
| D | 2007.99.40 | Thailand..... | 507,025 | 80.8% | Pineapple jam |
| D | 2007.99.48 | Argentina..... | 391,316 | 65.4% | Apple, quince and pear pastes and purees |
| D | 2008.19.25 | Philippines..... | 3,078 | 100.0% | Pecans, otherwise prepared or preserved, nesi |
| D | 2008.19.30 | Turkey..... | 1,103,093 | 70.1% | Pignolia and pistachios, otherwise prepared or preserved, nesi |
| D | 2008.30.37 | Argentina..... | 163,010 | 68.9% | Citrus fruit pulp other than orange, otherwise prepared or pres |
| D | 2008.30.95 | Israel..... | 104,188 | 63.6% | Citrus fruit nesi (including bergamots), other than peel or pul |
| D | 2008.50.20 | Argentina..... | 204,469 | 58.8% | Apricot pulp, otherwise prepared or preserved |
| D | 2008.99.35 | Thailand..... | 3,423,377 | 80.2% | Lychees and longans, otherwise prepared or preserved, nesi |

FLAGS: 'G'=Grad; '**'=Excl full yr; '1'=Excl Jan/Jun; '2'=Excl Jul/Dec; 'R'=Reduced limits apply; 'D'=De min; 'X'=Reduced limit waiver
'H'=Grad, Reduced limit would apply; 'Z'=Subject to reduced limits, All limits waived.

ANNEX II : GSP COUNTRIES ELIGIBLE FOR MIS WAIVER
INCLUDING ITEMS FOR WHICH WAIVER WILL NOT BE .D(N) AND 1993 TRADE

| FLAGS | HTSUS | PARTNER | IMPORTS | SHARE | DESCRIPTION |
|-------|--------------|----------------------|-----------|--------|---|
| D | 2008.99.45 | Dominican Republic.. | 172,393 | 56.9% | Papaya pulp, otherwise prepared or preserved, nesi |
| D | 2207.10.30 | Poland..... | 88,413 | 64.4% | Undenatured ethyl alcohol of 80 percent vol. alcohol or higher, |
| D | 2208.90.10 | Trinidad and Tobago. | 454,766 | 90.6% | Bitters, fit for use as beverages |
| D | 2308.90.50 | El Salvador..... | 29,198 | 100.0% | Dehydrated marigolds, of a kind used in animal feeding, nesi |
| D | 2401.20.20 | Dominican Republic.. | 2,491,144 | 51.3% | Tobacco, partly or wholly stemmed (stripped), not threshed or s |
| D | 2515.11.00 | Brazil..... | 22,244 | 50.5% | Marble and travertine, crude or roughly trimmed |
| D | 2825.70.00 | Chile..... | 1,576,190 | 58.2% | Molybdenum oxides and hydroxides |
| D | 2827.31.00 | Israel..... | 906,089 | 52.0% | Magnesium chloride |
| * D | N 2827.39.20 | India..... | 106,116 | 70.3% | Mercury chlorides |
| D | 2827.51.10 | Israel..... | 1,492,106 | 94.1% | Sodium bromide |
| D | 2827.51.20 | Israel..... | 1,721,515 | 84.0% | Potassium bromide |
| D | 2827.59.50 | Israel..... | 2,319,365 | 72.7% | Bromides and bromide oxides, nesi |
| D | 2833.23.00 | Turkey..... | 67,040 | 69.4% | Chromium sulfate |
| D | 2840.11.00 | Turkey..... | 1,120,000 | 98.6% | Anhydrous disodium tetraborate (refined borax) |
| D | 2849.10.00 | Brazil..... | 279,943 | 53.5% | Calcium carbide |
| D | 2903.19.10 | Brazil..... | 588,468 | 69.4% | Hexachloroethane and tetrachloroethane |
| D | N 2907.23.00 | Brazil..... | 295,233 | 69.3% | 4,4'-Isopropylidenediphenol (Bisphenol A, Diphenylpropane) and |
| D | 2909.44.00 | Brazil..... | 329,312 | 70.5% | Monoalkyl (except monomethyl) ethers of ethylene glycol or of d |
| D | 2915.34.00 | Venezuela..... | 463,107 | 63.6% | Isobutyl acetate |
| D | 2917.32.00 | Brazil..... | 1,806,632 | 86.9% | Diocetyl orthophthalates |
| D | 2918.15.10 | Israel..... | 6,170,080 | 56.7% | Sodium citrate |
| D | 2918.16.10 | Israel..... | 130,043 | 81.5% | Gluconic acid |
| D | 2918.21.50 | Poland..... | 315,040 | 82.7% | Salicylic acid and its salts, other than suitable for medicinal |
| D | 2918.22.50 | Argentina..... | 5,355 | 100.0% | Salts and esters of O-acetylsalicylic acid |
| D | 2921.12.00 | Brazil..... | 12,491 | 55.1% | Diethylamine and its salts |
| * D | N 2921.42.21 | India..... | 403,074 | 100.0% | Metanilic acid |
| * D | N 2921.49.30 | India..... | 171,951 | 67.2% | Fast color bases and salts of aromatic monoamines and their der |
| * D | N 2922.29.25 | India..... | 761,927 | 66.3% | Fast color bases of amino-naphthols, and -phenols, their ethers |
| D | 2924.29.02 | Hungary..... | 327,003 | 89.3% | Acetanilide |
| D | 2929.10.15 | Brazil..... | 367,730 | 67.0% | Mixtures of 2,4- and 2,6-toluenediisocyanates |
| D | 2931.00.25 | Israel..... | 2,946,799 | 62.0% | Pesticides of aromatic organo-inorganic (except organo-sulfur) |
| * D | N 2933.40.08 | India..... | 472,897 | 62.6% | 4,7-Dichloroquinoline |
| D | 2933.40.30 | Brazil..... | 9,944,320 | 92.7% | Pesticides of heterocyclic compounds with nitrogen hetero-atom(|
| D | 2933.51.30 | Hungary..... | 446,583 | 60.1% | Phenobarbital |
| D | 2933.90.18 | Israel..... | 5,716,083 | 76.5% | Aromatic or modified aromatic insecticides of heterocyclic comp |
| D | 2934.90.16 | Israel..... | 352,383 | 91.3% | Aromatic or modified aromatic insecticides of other heterocycli |
| D | 2935.00.33 | Poland..... | 1,116,574 | 99.7% | Sulfathiazole and sulfathiazole, sodium |
| D | 2935.00.44 | Croatia..... | 796,369 | 99.3% | N- 5-(Aminosulfonyl)-1,3,4-thiadiazol-2-yl acetamide |
| D | 2941.40.00 | Hungary..... | 200,622 | 59.7% | Chloramphenicol and its derivatives, saltsthereof |
| D | 3001.10.00 | Argentina..... | 1,164,105 | 53.2% | Glands and other organs for organotherapeutic uses, dried, whet |
| D | 3003.39.10 | Argentina..... | 3,397,738 | 99.6% | Medicaments containing artificial mixtures of natural hormones, |
| D | 3301.19.10 | Israel..... | 971,291 | 72.9% | Essential oils of grapefruit |
| D | 3806.30.00 | Argentina..... | 591,492 | 57.7% | Ester gums |
| D | 3812.20.10 | Brazil..... | 2,375,401 | 51.5% | Compound plasticizers for rubber or plastics containing any aro |
| D | 4006.10.00 | Israel..... | 46,518 | 56.6% | "Camel-back" strips of unvulcanized rubber, for retreading rubb |
| * D | N 4104.10.20 | Argentina..... | 5,904,899 | 66.4% | Whole bovine skin upper leather, w/o hair on, unit surface n/o |
| D | 4104.10.40 | Brazil..... | 1,810,249 | 55.5% | Whole bovine skin lining leather, w/o hair on, unit surface n/o |
| D | 4104.39.20 | Thailand..... | 909,996 | 64.5% | Buffalo leather, without hair on, parchment-dressed or prepared |
| D | 4107.21.00 | Venezuela..... | 175,621 | 55.9% | Leather of reptiles, excluding leather of heading 4108 or 4109, |
| D | 4109.00.70 | Brazil..... | 248,476 | 67.4% | Patent laminated leather or metallized leather, other than calf |
| D | 4202.22.35 | Philippines..... | 130,332 | 91.4% | Handbags with or without shoulder strap or without handle, with |
| D | 4202.29.20 | Ecuador..... | 2,187 | 80.7% | Handbags, nesi, of wood, wholly or mainly covered with paper |

FLAGS: 'G'=Grad; '**'=Excl full yr; '1'=Excl Jan/Jun; '2'=Excl Jul/Dec; 'R'=Reduced limits apply; 'D'=De min; 'X'=Reduced limit waiver
'H'=Grad, Reduced limit would apply; '2'=Subject to reduced limits, All limits waived.

ANNEX II : GSP COUNTRIES ELIGIBLE FOR de MINIMIS WAIVER
INCLUDING ITEMS FOR WHICH WAIVER WILL NOT BE UTILIZED(N) AND 1993 TRADE

| FLAGS | HTSUS | PARTNER | IMPORTS | SHARE | DESCRIPTION |
|---------|------------|---------------------|-----------|--------|---|
| * D R N | 4411.19.20 | Brazil..... | 3,126,824 | 65.5% | Fiberboard, of a density exceeding 0.8 g/cm3, mechanically work |
| D | 4411.29.60 | Estonia..... | 523,123 | 61.9% | Fiberboard of a density exceeding 0.5 g/cm3 but not exceeding 0 |
| * D N | 4412.11.50 | Indonesia..... | 5,543,581 | 51.7% | Plywood of wood sheets, n/o 6 mm thick, with tropical wood oute |
| D | 4412.12.15 | Brazil..... | 6,043,141 | 97.4% | Plywood of wood sheet n/o 6 mm thick each,outer ply of nonconif |
| D | 4412.19.10 | Brazil..... | 377,319 | 97.5% | Plywood of wood sheets, n/o 6 mm thick each, with outer plies o |
| D | 4412.19.40 | Indonesia..... | 4,813,260 | 71.1% | Plywood of wood sheets, n/o 6 mm thick each, with outer plies o |
| D | 4412.29.10 | Indonesia..... | 929,057 | 62.8% | Plywood cont. layer(s) of particle board, with outer ply(ies) o |
| * D N | 4412.29.40 | Brazil..... | 4,246,657 | 58.4% | Plywood containing layer(s) of particle board, with outer ply(i |
| D | 4412.99.10 | Brazil..... | 126,950 | 100.0% | Plywood nesi, with a face ply of Parana pine, not surface cover |
| D | 4412.99.40 | Poland..... | 1,655,790 | 91.7% | Plywood nesi, with face ply nesi, not surface covered or surfac |
| D | 4417.00.60 | Brazil..... | 271,335 | 74.5% | Wooden brush backs |
| 2 D N | 4418.20.40 | Malaysia..... | 2,865,020 | 88.9% | French wooden doors |
| D | 4802.60.10 | Brazil..... | 5,112,529 | 71.6% | Writing & cover paper, of which over 10% by weight total fiber |
| D | 4804.41.40 | Venezuela..... | 1,188,536 | 69.4% | Uncoated, unbleached kraft paper and paperboard, nesi, in rolls |
| D | 4823.90.20 | Philippines..... | 5,674,911 | 55.8% | Articles of papier-mache, nesi |
| * D N | 5208.31.20 | India..... | 345,573 | 95.4% | Dyed plain weave certified hand-loomed fabrics of cotton, conta |
| * D N | 5208.32.10 | India..... | 1,081,439 | 93.6% | Dyed plain weave certified hand-loomed fabrics of cotton, cont. |
| * D N | 5208.41.20 | India..... | 2,971,168 | 77.7% | Plain weave certified hand-loomed fabrics of cotton, 85% or mor |
| * D N | 5208.42.10 | India..... | 8,385,451 | 99.5% | Plain weave certified hand-loomed fabrics of cotton, 85% or mor |
| * D N | 5208.51.20 | India..... | 74,144 | 98.1% | Printed certified hand-loomed plain weave fabrics of cotton, 85 |
| * D N | 5209.31.30 | India..... | 1,019,778 | 83.2% | Dyed, plain weave certified hand-loomed fabrics of cotton, cont |
| * D N | 5209.41.30 | India..... | 2,961,549 | 93.4% | Plain weave certified hand-loomed fabrics of cotton, cont. 85% |
| D | 5607.29.00 | Brazil..... | 3,976,397 | 54.1% | Twine, except binder or baler twine, cordage, rope and cables o |
| D | 5607.30.20 | Philippines..... | 5,392,789 | 86.0% | Twine, cordage, rope and cables of abaca or other hard (leaf) f |
| * D N | 5702.20.10 | India..... | 3,456,814 | 92.8% | Floor coverings of coconut fibers (coir), woven, with pile, not |
| * D N | 6304.99.25 | India..... | 136,591 | 92.8% | Wall hangings, not knitted or crocheted, of jute |
| D | 6501.00.60 | Czech Republic..... | 425,153 | 97.9% | Hat forms, hat bodies and hoods, neither blocked to shape nor w |
| D | 6502.00.20 | Ecuador..... | 177,288 | 60.9% | Hat shapes, plaited or assembled, not blocked, lined, trimmed, |
| D | 6801.00.00 | India..... | 615,000 | 60.4% | Setts, curbstones and flagstones, of natural stone (except slat |
| D | 7106.92.00 | Chile..... | 9,515,360 | 81.3% | Silver (including silver plated with gold or platinum), in semi |
| D | 7109.00.00 | Chile..... | 9,047,767 | 99.8% | Base metals or silver, clad with gold, not further worked than |
| D | 7113.20.10 | Thailand..... | 177,525 | 67.0% | Rope, curb & like articles in continuous lengths, of base metal |
| D | 7113.20.21 | Peru..... | 53,965 | 77.5% | Rope necklaces and neck chains of base metal clad with gold |
| D | 7114.19.00 | Chile..... | 9,037,164 | 87.2% | Articles of goldsmiths' or silversmiths' wares of precious meta |
| D | 7319.20.00 | Malaysia..... | 1,556,149 | 53.9% | Safety pins of iron or steel |
| D | 7401.10.00 | Chile..... | 1,388,760 | 93.6% | Copper mattes |
| D | 7401.20.00 | Bolivia..... | 42,229 | 78.1% | Cement copper (precipitated copper) |
| D | 7403.12.00 | Peru..... | 627,183 | 85.7% | Wire bars of refined copper |
| D | 7409.39.50 | Hungary..... | 139,469 | 61.3% | Plates, sheets and strip of copper-tin base alloys (bronze) of |
| D | 7614.10.50 | Brazil..... | 1,804,550 | 87.0% | Stranded wire, cables and the like of aluminum, not electricall |
| D | 7614.90.20 | Venezuela..... | 4,126,428 | 92.2% | Electrical conductors of stranded wire and like of aluminum, no |
| D | 7614.90.50 | Venezuela..... | 1,636,467 | 89.1% | Stranded wire, cables and the like of aluminum, not electricall |
| 1 D | 8112.91.50 | Chile..... | 2,457,934 | 73.7% | Unwrought rhenium; rhenium powders |
| D | 8402.20.00 | Colombia..... | 8,154,238 | 99.7% | Super-heated water boilers |
| D | 8404.10.00 | Israel..... | 2,382,541 | 75.5% | Auxiliary plant for use with boilers of heading 8402 or 8403 |
| D | 8404.20.00 | Israel..... | 8,889,503 | 95.3% | Condensers for steam or other vapor power units |
| D | 8406.19.90 | Israel..... | 1,903,926 | 90.0% | Vapor turbines (excluding steam turbines) other than for marine |
| * D R N | 8429.30.00 | Brazil..... | 6,615,371 | 60.1% | Self-propelled scrapers |
| D | 8480.10.00 | Poland..... | 2,067,246 | 65.6% | Molding boxes for metal foundry |
| D | 8519.21.00 | Malaysia..... | 835,845 | 69.0% | Record players, other than coin- or token-operated, without lou |
| D | 8546.10.00 | Brazil..... | 871,601 | 70.8% | Electrical insulators of glass |
| D | 8802.50.90 | Russia..... | 190,000 | 100.0% | Spacecraft (including satellites (other than communication sate |

FLAGS: 'G'=Grad; '**'=Excl full yr; '1'=Excl Jan/Jan; '2'=Excl Jul/Dec; 'R'=Reduced limits apply; 'D'=De min; 'X'=Reduced limit waiver
'H'=Grad, Reduced limit would apply; 'Z'=Subject to reduced limits, All limits waived.

ANNEX II : GSP COUNTRIES ELIGIBLE FOR
INCLUDING ITEMS FOR WHICH WAIVER WILL NOT BE (N) AND 1993 TRADE

| FLAGS | HTSUS | PARTNER | IMPORTS | SHARE | DESCRIPTION |
|---------|------------|---------------------|-----------|-------|---|
| D | 9014.10.60 | Israel..... | 2,088,540 | 51.2% | Gyroscopic directing finding compasses, other than electrical |
| D | 9015.10.40 | Israel..... | 5,059,061 | 90.3% | Electrical rangefinders |
| D | 9018.90.10 | Argentina..... | 387,953 | 62.4% | Mirrors and reflectors used in medical, surgical, dental or vet |
| * D R N | 9025.11.20 | Brazil..... | 869,388 | 27.0% | Clinical thermometers, liquid-filled, for direct reading, not c |
| D | 9102.29.04 | Philippines..... | 2,307,377 | 58.7% | Wrist watchhead (not prec metal/clad case) for watch entered w/ |
| D | 9401.90.15 | Czech Republic..... | 668,848 | 68.3% | Parts of bent-wood seats |
| D | 9401.90.25 | Indonesia..... | 2,325,016 | 63.9% | Parts of seats of cane, osier, bamboo or similar materials |
| D | 9602.00.40 | Israel..... | 968,608 | 61.5% | Molded or carved articles of wax |
| D | 9606.29.20 | Thailand..... | 309,509 | 57.5% | Buttons of acrylic resin, of polyester resin, or of both such r |
| D | 9614.20.60 | Turkey..... | 151,263 | 80.2% | Smoking pipes and bowls wholly of clay, and pipes with bowls wh |
| D | 9614.20.80 | Turkey..... | 199,125 | 50.0% | Smoking pipes and pipe bowls, except of wood, root or wholly cl |

FLAGS: 'G'=Grad; '**'=Excl full yr; '1'=Excl Jan/Jun; '2'=Excl Jul/Dec; 'R'=Reduced limits apply; 'D'=De min; 'X'=Reduced limit waiver
'H'=Grad, Reduced limit would apply; 'Z'=Subject to reduced limits, All limits waived.

TABLE 2 : COUNTRY SUMMARY OF TRADE MADE ELIGIBLE FOR GSP THROUGH DE MINIMIS WAIVER
AND TRADE FOR ITEMS ON WHICH WAIVER WILL NOT BE UTILIZED, BASED ON 1993 IMPORTS

WAIVERS GRANTED - TOTALS BY PARTNER

| PARTNER | IMPORTS | COUNT |
|----------------------|-------------|-------|
| Argentina..... | 6,305,438 | 8 |
| Belize..... | 2,168,947 | 1 |
| Bolivia..... | 42,229 | 1 |
| Brazil..... | 36,511,199 | 20 |
| Chile..... | 38,384,415 | 9 |
| Colombia..... | 8,221,842 | 3 |
| Costa Rica..... | 11,370,846 | 3 |
| Croatia..... | 796,369 | 1 |
| Czech Republic..... | 1,094,001 | 2 |
| Dominican Republic.. | 8,781,626 | 6 |
| Ecuador..... | 270,000 | 3 |
| El Salvador..... | 30,581 | 2 |
| Estonia..... | 523,123 | 1 |
| Guatemala..... | 10,494,073 | 3 |
| Hungary..... | 1,113,677 | 4 |
| India..... | 885,977 | 5 |
| Indonesia..... | 8,067,333 | 3 |
| Israel..... | 44,536,631 | 21 |
| Ivory Coast..... | 3,201,082 | 1 |
| Lithuania..... | 2,000 | 1 |
| Malaysia..... | 5,223,570 | 3 |
| Morocco..... | 7,749,869 | 1 |
| Peru..... | 2,336,440 | 3 |
| Philippines..... | 13,508,487 | 5 |
| Poland..... | 5,243,063 | 5 |
| Russia..... | 5,440,983 | 2 |
| Thailand..... | 15,654,932 | 10 |
| Trinidad and Tobago. | 454,766 | 1 |
| Turkey..... | 4,215,434 | 9 |
| Uruguay..... | 4,770,442 | 1 |
| Venezuela..... | 7,590,159 | 5 |
| TOTAL..... | 254,989,534 | 143 |

WAIVERS DENIED - TOTALS BY PARTNER

| PARTNER | IMPORTS | COUNT |
|----------------|------------|-------|
| Argentina..... | 9,721,297 | 2 |
| Brazil..... | 15,153,473 | 5 |
| India..... | 22,348,472 | 14 |
| Indonesia..... | 5,543,581 | 1 |
| Malaysia..... | 2,865,020 | 1 |
| Thailand..... | 2,263,629 | 1 |
| TOTAL..... | 57,895,472 | 24 |

ANNEX III : GSP COUNTRIES ELIGIBLE FOR REDESIGNATION,
INCLUDING ITEMS TO BE DENIED REDESIGNATION(N) AND 1993 TRADE

| FLAGS | HTSUS | PARTNER | IMPORTS | SHARE | DESCRIPTION |
|-------|-------|---------------------------|------------|-------|---|
| 2 | N | 0710.80.70 Guatemala..... | 3,997,863 | 37.7% | Vegetables nesi, uncooked or cooked by steaming or boiling in wat |
| * | N | 0713.31.40 Thailand..... | 738,013 | 47.8% | Dried beans, shelled, if entered September 1 through the followin |
| * | N | 1005.90.20 Argentina..... | 0 | 0.0% | Yellow dent corn |
| * | N | 1005.90.40 Argentina..... | 407,532 | 32.3% | Corn (maize), other than seed and yellow dent corn |
| * | N | 1103.14.00 Thailand..... | 7,808 | 27.7% | Groats and meal of rice |
| * | N | 1605.10.20 Malaysia..... | 494,772 | 2.7% | Crabmeat, prepared or preserved, in airtight containers |
| * | N | 1701.11.01 Brazil..... | 65,781,791 | 14.2% | Cane sugar, raw, not containing added flavoring or coloring matte |
| * | N | 1701.11.02 Brazil..... | 0 | 0.0% | Cane sugar, raw, not containing added flavoring or coloring matte |
| * | N | 1701.12.01 Brazil..... | 0 | 0.0% | Beet sugar, raw, not containing added flavoring or coloring matte |
| * | N | 1701.91.21 Brazil..... | 0 | 0.0% | Cane/beet sugar, refined, containing added coloring but not added |
| * | N | 1701.99.01 Brazil..... | 0 | 0.0% | Refined cane/beet sugar not containing added flavoring or colorin |
| * | R N | 2007.99.50 Brazil..... | 1,394,079 | 22.1% | Guava and mango pastes and purees |
| 2 | N | 2603.00.00 Indonesia..... | 19,140,222 | 45.2% | Copper ores and concentrates |
| * | R N | 2804.69.10 Brazil..... | 391,347 | 1.1% | Silicon, containing by weight less than 99.99 percent but not les |
| * | N | 2906.11.00 Brazil..... | 1,189,525 | 6.6% | Menthol |
| * | R N | 2915.31.00 Brazil..... | 1,924,113 | 24.5% | Ethyl acetate |
| * | N | 2918.22.10 Turkey..... | 0 | 0.0% | O-Acetylsalicylic acid (Aspirin) |
| * | N | 2933.39.25 Brazil..... | 627,500 | 3.6% | Herbicides nesi, of heterocyclic compounds with nitrogen hetero-a |
| * | N | 2934.90.14 Brazil..... | 153,134 | 4.2% | Aromatic or modified aromatic herbicides of other heterocyclic co |
| * | R N | 3823.90.40 Brazil..... | 1,387,346 | 7.2% | Fatty substances of animal or vegetable origin and mixtures there |
| * | N | 3904.21.00 Brazil..... | 0 | 0.0% | Polyvinyl chloride, mixed with other substances, nonplasticized, |
| * | N | 3909.10.00 Israel..... | 22,535 | 0.2% | Urea resins; thiourea resins |
| * | N | 4011.10.00 Brazil..... | 88,169,290 | 7.1% | New pneumatic tires, of rubber, of a kind used on motor cars (inc |
| * | N | 4011.20.00 Brazil..... | 41,614,141 | 4.1% | New pneumatic tires, of rubber, of a kind used on buses or trucks |
| * | N | 4016.99.25 Thailand..... | 8,977,924 | 49.3% | Articles made of noncellular vulcanized natural rubber, nesi |
| * | N | 4104.10.40 India..... | 41,571 | 1.2% | Whole bovine skin lining leather, w/o hair on, unit surface n/o 2 |
| * | N | 4104.21.00 Argentina..... | 3,023,198 | 19.2% | Bovine leather, without hair on, vegetable pretanned but not furt |
| 2 | N | 4104.22.00 Brazil..... | 5,345,144 | 36.0% | Bovine leather, without hair on, pretanned, other than vegetable |
| * | N | 4104.22.00 Argentina..... | 1,150,951 | 7.7% | Bovine leather, without hair on, pretanned, other than vegetable |
| * | N | 4104.29.50 Argentina..... | 4,901,057 | 47.7% | Upper & sole equine and bovine (ex. buffalo & pretanned bovine) l |
| * | N | 4104.29.90 Argentina..... | 332,431 | 0.7% | Bovine (except buffalo) leather, nesi, and equine leather, w/o ha |
| * | N | 4104.31.50 Argentina..... | 4,165,599 | 17.6% | Upper & sole leather of bovine (except buffalo) or equine animals |
| * | N | 4104.31.60 Argentina..... | 864,110 | 2.3% | Bovine and equine leather, without hair on, nesi, full grains and |
| * | N | 4104.31.80 Argentina..... | 6,534,665 | 6.5% | Bovine and equine leather, without hair on, nesi, full grains and |
| * | N | 4104.39.50 Argentina..... | 17,293 | 0.2% | Upper & sole leather of bovine (ex. buffalo) or eqine animals, pa |
| * | N | 4104.39.60 Argentina..... | 9,335,868 | 44.5% | Bovine and equine leather, excl. buffalo, without hair on, parchm |
| * | N | 4104.39.80 Argentina..... | 3,441,806 | 12.7% | Bovine and equine leather, excl. buffalo, without hair on, parchm |
| * | N | 4105.20.60 Argentina..... | 12,778 | 0.0% | Sheep or lamb skin leather, w/o wool on, excl. leather of heading |
| * | N | 4106.12.00 India..... | 0 | 0.0% | Goat or kidskin leather, w/o hair on, not incl. chamois, patent, |
| * | N | 4106.19.00 India..... | 199,935 | 3.9% | Goat or kidskin leather, without hair on, not incl. chamois, pate |
| * | N | 4106.20.30 India..... | 3,118,333 | 34.9% | Goat or kidskin leather, w/o hair on, excluding leather of headin |
| * | N | 4106.20.60 India..... | 6,530,218 | 48.8% | Goat or kidskin leather, w/o hair on, excluding leather of headin |
| * | R N | 4107.21.00 Argentina..... | 49,992 | 15.9% | Leather of reptiles, excluding leather of heading 4108 or 4109, v |
| * | R N | 4107.29.30 Argentina..... | 1,139,595 | 14.7% | Reptile leather, excluding leather of heading 4108 or 4109, other |
| * | N | 4107.29.60 Argentina..... | 200,951 | 1.7% | Reptile leather, excluding leather of heading 4108 or 4109, other |
| * | N | 4107.90.60 Argentina..... | 0 | 0.0% | Leather of animals, nesi, without hair on, not including chamois |
| * | N | 4109.00.70 Argentina..... | 0 | 0.0% | Patent laminated leather or metallized leather, other than calf o |
| * | N | 4411.19.40 Brazil..... | 3,847,699 | 21.5% | Fiberboard of a density exceeding 0.8 g/cm3, mechanically worked, |
| * | N | 4411.21.00 Brazil..... | 0 | 0.0% | Fiberboard of a density exceeding 0.5 but not exceeding 0.8 g/cm3 |
| * | N | 4411.29.60 Brazil..... | 0 | 0.0% | Fiberboard of a density exceeding 0.5 g/cm3 but not exceeding 0.8 |
| * | N | 4411.29.90 Brazil..... | 0 | 0.0% | Fiberboard of a density exceeding 0.5 g/cm3 but not exceeding 0.8 |
| * | N | 4412.12.20 Brazil..... | 55,301,173 | 33.2% | Plywood of wood sheets n/o 6 mm thick each, outer ply of nonconif |

FLAGS: 'G'=Grad; '**'=Excl full yr; '1'=Excl Jan/June; '2'=Excl Jul/Dec; 'R'=Reduced limits apply; 'D'=De min; 'X'=Reduced limit waiver
'H'=Grad, Reduced limit would apply; 'Z'=Subject to reduced limits, All limits waived.

ANNEX III : GSP COUNTRIES ELIGIBLE FOR REDESIGNATION,
INCLUDING ITEMS TO BE DENIED REDESIGNATION(N) AND 1993 TRADE

| FLAGS | HTSUS | PARTNER | IMPORTS | SHARE | DESCRIPTION |
|-------|-------|-----------------------------|------------|-------|---|
| * | N | 4412.12.20 Indonesia..... | 66,407,795 | 39.9% | Plywood of wood sheets n/o 6 mm thick each, outer ply of nonconif |
| * | N | 4412.12.50 Brazil..... | 653,975 | 16.2% | Plywood of wood sheets, n/o 6 mm thick each, with outer ply of no |
| * | N | 4412.12.50 Indonesia..... | 148,231 | 3.6% | Plywood of wood sheets, n/o 6 mm thick each, with outer ply of no |
| * | N | 4412.29.30 Brazil..... | 2,334,139 | 25.4% | Plywood cont. layer(s) of particle board, with outer ply(ies) of |
| * | N | 4412.29.30 Indonesia..... | 3,776,587 | 41.1% | Plywood cont. layer(s) of particle board, with outer ply(ies) of |
| * | N | 4412.29.40 Indonesia..... | 611,757 | 8.4% | Plywood containing layer(s) of particle board, with outer ply(ies) |
| * | N | 4421.90.50 Brazil..... | 379,155 | 8.4% | Wooden toothpicks |
| * | N | 4421.90.60 Brazil..... | 257,194 | 2.7% | Wooden skewers, candy sticks, ice cream sticks, tongue depressors |
| * | N | 4823.20.10 Brazil..... | 0 | 0.0% | Paint filters and strainers of paper or paperboard |
| * | R N | 6406.10.65 Brazil..... | 7,154,335 | 2.1% | Footwear uppers, other than formed, of leather |
| * | N | 6406.99.60 Argentina..... | 5,239,808 | 39.0% | Parts of footwear nesi; removable insoles, heel cushions, etc; ga |
| * | R N | 6908.10.20 Thailand..... | 2,342,994 | 13.1% | Glazed ceramic tiles, cubes & similar articles with largest area |
| * | R N | 6910.10.00 Brazil..... | 1,620,702 | 1.8% | Ceramic sanitary fixtures, of porcelain or china |
| * | R N | 6910.90.00 Brazil..... | 875,972 | 6.9% | Ceramic sanitary fixtures other than of porcelain or china |
| * | R N | 6911.90.00 Brazil..... | 38,977 | 0.1% | Porcelain or china household and toilet articles other than table |
| * | N | 6912.00.44 Brazil..... | 42,371 | 0.0% | Ceramic mugs and steins, nesi, other than of porcelain or china |
| * | N | 7103.99.10 Thailand..... | 17,450,879 | 21.6% | Precious or semiprecious stones, cut but not set, and suitable fo |
| * | N | 7113.11.50 Thailand..... | 88,140,774 | 36.9% | Articles of jewelry and parts thereof, of silver, nesi, valued ov |
| * | N | 7113.20.50 Thailand..... | 1,075,481 | 8.8% | Articles of jewelry and parts thereof, of base metal clad with pr |
| * | N | 7116.10.10 Thailand..... | 0 | 0.0% | Articles of natural pearls |
| * | N | 7116.20.10 Thailand..... | 10,470,054 | 21.9% | Articles of jewelry of precious or semiprecious stones (natural, |
| * | N | 7402.00.00 Chile..... | 76,704,795 | 39.8% | Unrefined copper; copper anodes for electrolytic refining |
| * | N | 7403.11.00 Chile..... | 51,221,985 | 9.1% | Cathodes and sections of cathodes of refined copper |
| * | N | 7403.12.00 Chile..... | 0 | 0.0% | Wire bars of refined copper |
| * | N | 7403.13.00 Chile..... | 10,990,135 | 41.5% | Billets of refined copper |
| * | N | 7403.21.00 Chile..... | 0 | 0.0% | Copper-zinc base alloys (brass) |
| * | N | 7403.22.00 Chile..... | 0 | 0.0% | Copper-tin base alloys (bronze) |
| * | N | 7403.23.00 Chile..... | 0 | 0.0% | Copper-nickel base alloys (cupro-nickel) or copper-nickel-zinc ba |
| * | N | 7403.29.00 Chile..... | 0 | 0.0% | Copper alloys other than copper-zinc base, copper-tin base, copper- |
| * | R N | 7407.21.90 Brazil..... | 5,175,941 | 10.9% | Bars and rods of copper-zinc base alloys (brass), nesi, not havin |
| * | N | 7604.29.30 Venezuela..... | 0 | 0.0% | Bars and rods of aluminum alloys, having a round cross section |
| * | N | 7605.11.00 Venezuela..... | 0 | 0.0% | Aluminum wire, not alloyed, of which the maximum cross-sectional |
| 2 | N | 8402.20.00 Philippines..... | 0 | 0.0% | Super-heated water boilers |
| * | R N | 8408.20.20 Brazil..... | 1,439,267 | 4.5% | Compression-ignition internal-combustion piston engines to be ins |
| 2 | R N | 8408.20.90 Brazil..... | 9,634,457 | 14.5% | Compression-ignition internal-combustion piston engines used for |
| * | R N | 8409.91.91 Brazil..... | 30,490,129 | 2.6% | Parts nesi, used solely or principally with spark-ignition intern |
| * | R N | 8409.99.99 Brazil..... | 24,394,724 | 8.1% | Parts nesi, used solely or principally with compression-ignition |
| * | N | 8419.19.00 Israel..... | 28,570 | 0.0% | Storage water heaters, nonelectric |
| * | N | 8419.90.10 Israel..... | 0 | 0.0% | Parts of instantaneous or storage water heaters |
| * | R N | 8429.11.00 Brazil..... | 47,810 | 0.0% | Self-propelled bulldozers and angledozers, for track laying |
| * | R N | 8429.20.00 Brazil..... | 2,778,800 | 9.1% | Self-propelled graders and levelers |
| * | R N | 8431.49.90 Brazil..... | 14,419,241 | 2.5% | Parts suitable for use solely or principally with the machinery o |
| 2 | N | 8542.80.00 Malaysia..... | 3,541,020 | 20.1% | Electronic integrated circuits other than monolithic integrated c |
| * | N | 8802.30.00 Brazil..... | 99,376,404 | 7.1% | Airplanes and other aircraft, of an unladen weight exceeding 2,00 |
| * | N | 9025.11.20 India..... | 1,345,114 | 41.8% | Clinical thermometers, liquid-filled, for direct reading, not com |
| * | N | 9105.19.10 Brazil..... | 0 | 0.0% | Alarm clocks, not battery/AC powered, movement not over 50 mm in |
| * | N | 9105.19.40 Brazil..... | 199,592 | 3.1% | Alarm clocks, not battery or AC powered, with movements over 50 m |
| * | N | 9401.30.40 Croatia..... | 0 | 0.0% | Swivel seats with variable height adjustment, with wooden frame (|
| * | N | 9401.30.40 Slovenia..... | 0 | 0.0% | Swivel seats with variable height adjustment, with wooden frame (|
| * | R N | 9401.40.00 Thailand..... | 37,710 | 0.3% | Seats other than garden seats or camping equipment, convertible i |
| * | R N | 9401.61.60 Thailand..... | 2,989,815 | 1.5% | Upholstered seats (other than chairs), with wooden frames (other |
| * | R N | 9401.69.80 Thailand..... | 2,949,642 | 6.0% | Seats with wooden frames, nesi, not upholstered (other than those |

FLAGS: 'G'=Grad; '*'=Excl full yr; '1'=Excl Jan/Jun; '2'=Excl Jul/Dec; 'R'=Reduced limits apply; 'D'=De min; 'X'=Reduced limit waiver
'H'=Grad, Reduced limit would apply; 'Z'=Subject to reduced limits, All limits waived.

TABLE 4 : COUNTRY SUMMARY OF TOTAL COUNTRY TRADE EXCI
LIMITS EXCEEDED IN 1993 AND TRADE FOR ITI

GSP BECAUSE COMPETITIVE NEED
ARE NEW EXCLUSIONS

TOTALS BY PARTNER

| PARTNER | -----TOTAL EXCLUDED----- | | -----NEW EXCLUSIONS----- | |
|----------------------|--------------------------|-------|--------------------------|-------|
| | IMPORTS | COUNT | IMPORTS | COUNT |
| Argentina..... | 118,619,258 | 2 | 42,704,701 | 1 |
| Bahamas..... | 171,752,233 | 1 | 0 | 0 |
| Brazil..... | 200,421,855 | 11 | 53,920,902 | 2 |
| Chile..... | 76,337,416 | 3 | 21,866,693 | 2 |
| Colombia..... | 122,190,218 | 1 | 0 | 0 |
| Croatia..... | 4,601,523 | 3 | 0 | 0 |
| Dominican Republic.. | 382,860,424 | 4 | 26,945,956 | 1 |
| Guatemala..... | 48,972,344 | 1 | 0 | 0 |
| India..... | 152,781,232 | 3 | 12,224,025 | 1 |
| Indonesia..... | 290,673,225 | 3 | 17,557,296 | 1 |
| Israel..... | 214,865,824 | 6 | 27,944,281 | 1 |
| Malaysia..... | 512,117,944 | 3 | 0 | 0 |
| Morocco..... | 6,843,605 | 1 | 0 | 0 |
| Russia..... | 35,831,095 | 1 | 35,831,095 | 1 |
| Slovenia..... | 32,487,282 | 3 | 0 | 0 |
| Thailand..... | 849,143,753 | 10 | 252,540,524 | 2 |
| Turkey..... | 20,824,512 | 1 | 0 | 0 |
| Venezuela..... | 8,615,734 | 3 | 7,214,107 | 1 |
| TOTAL..... | 3,249,939,477 | 60 | 498,749,580 | 13 |

ANNEX IV : GSP COUNTRIES EXCEEDING CEILING LIMITS
 INCLUDING NEW EXCLUSIONS
 AND 1993 TRADE

| FLAGS | HTSUS | PARTNER | IMPORTS | SHARE | DESCRIPTION |
|-------|------------|----------------------|-------------|-------|---|
| * | 9018.90.80 | Dominican Republic.. | 134,237,819 | 20.9% | Instruments and appliances used in medical, surgical, dental or |
| H | 9401.61.40 | Croatia..... | 67,784 | 0.0% | Upholstered chairs with wooden frames, of other than teak (othe |
| H | 9401.61.40 | Slovenia..... | 90,837 | 0.0% | Upholstered chairs with wooden frames, of other than teak (othe |
| H | 9401.69.60 | Croatia..... | 4,039,485 | 1.0% | Chairs with wooden frames nesi, not upholstered (other than tho |
| H | 9401.69.60 | Slovenia..... | 30,863,045 | 8.0% | Chairs with wooden frames nesi, not upholstered (other than tho |
| G | 9401.90.40 | Croatia..... | 494,254 | 1.2% | Parts of seats of wood (other than those of heading 9402) |
| G | 9401.90.40 | Slovenia..... | 1,533,400 | 3.8% | Parts of seats of wood (other than those of heading 9402) |
| * R | 9403.60.80 | Thailand..... | 74,901,166 | 6.4% | Wooden (except bent-wood) furniture other than seats, of a kind |
| Z | 9405.50.30 | India..... | 13,877,098 | 55.9% | Nonelectrical lamps and lighting fixtures nesi, of brass |

FLAGS: 'G'=Grad; '*'=Excl full yr; '1'=Excl Jan/Jun; '2'=Excl Jul/Dec; 'R'=Reduced limits apply; 'D'=De min; 'X'=Reduced limit waiver
 'H'=Grad, Reduced limit would apply; 'Z'=Subject to reduced limits, All limits waived.

ANNEX IV : GSP COUNTRIES EXCEEDING C
 INCLUDING NEW EXCLUS:
 AND 1993 TRADE

ED LIMITS

| FLAGS | HTSUS | PARTNER | IMPORTS | SHARE | DESCRIPTION |
|-------|--------------|----------------------|-------------|-------|--|
| * | R 0603.10.70 | Colombia..... | 122,190,218 | 88.9% | Chrysanthemums, standard carnations, anthuriums and orchids, fr |
| * | 0813.10.00 | Turkey..... | 20,824,512 | 94.8% | Apricots, dried |
| N | 1515.30.40 | India..... | 12,224,025 | 80.9% | Castor oil and its fractions, nesi, not chemically modified |
| * | 1602.50.20 | Argentina..... | 75,914,557 | 73.8% | Other prepared/preserved bovine meat, not containing cereals/ve |
| H | 1604.15.00 | Chile..... | 9,258,855 | 71.2% | Prepared or preserved mackerel, whole or in pieces, but not min |
| 2 | 1604.16.10 | Morocco..... | 6,843,605 | 51.4% | Anchovies, whole or in pieces but not minced, in oil, in airtig |
| * | 1605.10.20 | Thailand..... | 9,079,120 | 51.2% | Crabmeat, prepared or preserved, in airtight containers |
| * | 1701.11.02 | Guatemala..... | 48,972,344 | 54.6% | Cane sugar, raw, not containing added flavoring or coloring mat |
| * | 2402.10.80 | Dominican Republic.. | 27,384,196 | 62.0% | Cigars, cheroots and cigarillos containing tobacco, each valued |
| G | 2825.90.15 | Brazil..... | 1,367,208 | 25.3% | Niobium oxide |
| G | 2827.59.05 | Israel..... | 1,586,486 | 84.3% | Bromide and bromide oxide of ammonium |
| N | 2843.30.00 | Chile..... | 12,607,838 | 90.8% | Gold compounds |
| G | 2903.40.00 | Israel..... | 60,891 | 0.0% | Halogenated derivatives of acyclic hydrocarbons containing two |
| * | 2918.90.30 | Bahamas..... | 171,752,233 | 73.5% | Aromatic drugs derived from carboxylic acids with additional ox |
| G | 2933.40.10 | Israel..... | 1,552,119 | 51.0% | Ethoxyquin (1,2-Dihydro-6-ethoxy-2,2,4-trimethylquinoline) |
| * | 3301.12.00 | Brazil..... | 13,485,054 | 83.2% | Essential oils of orange |
| G | 4007.00.00 | Malaysia..... | 6,565,805 | 54.6% | Vulcanized rubber thread and cord |
| * | 4011.91.50 | Israel..... | 14,159,657 | 61.0% | New pneumatic tires, of rubber, having a "herring-bone" or simi |
| * | 4015.11.00 | Malaysia..... | 314,101,518 | 72.5% | Surgical and medical gloves of vulcanized rubber |
| * | 4104.31.20 | Thailand..... | 18,406,277 | 94.9% | Buffalo leather, without hair on, full grains and grain splits, |
| N | 4203.21.20 | Indonesia..... | 17,557,296 | 53.1% | Batting gloves, of leather or of composition leather |
| * | R 4411.11.00 | Brazil..... | 15,414,954 | 57.8% | Fiberboard of a density exceeding 0.8 g/cm ³ , not mechanically w |
| 2 | 4412.11.10 | Indonesia..... | 14,215,984 | 67.6% | Plywood of wood sheets n/o 6 mm thick each, with tropical wood |
| * | 4412.11.20 | Indonesia..... | 258,899,945 | 75.3% | Plywood of wood sheets n/o 6 mm thick each, with tropical wood |
| * | 6406.10.65 | Dominican Republic.. | 194,292,453 | 59.5% | Footwear uppers, other than formed, of leather |
| * | R 6702.90.65 | Thailand..... | 8,994,389 | 55.7% | Artificial flowers, foliage, fruit and parts thereof, and artic |
| N | 6905.10.00 | Venezuela..... | 7,214,107 | 55.7% | Ceramic roofing tiles |
| * | 7113.11.20 | Thailand..... | 8,655,880 | 55.1% | Articles of jewelry and parts thereof, of silver, nesi, valued |
| * | 7113.19.50 | Israel..... | 169,562,390 | 8.9% | Articles of jewelry and parts thereof of precious metal nesi, w |
| 2 | 7113.19.50 | India..... | 126,680,109 | 6.7% | Articles of jewelry and parts thereof of precious metal nesi, w |
| * | 7113.19.50 | Thailand..... | 228,185,032 | 12.0% | Articles of jewelry and parts thereof of precious metal nesi, w |
| N | 7115.90.10 | Argentina..... | 42,704,701 | 73.8% | Articles of gold, including metal clad with gold, nesi |
| G | 7202.21.10 | Brazil..... | 124,679 | 17.0% | Ferrosilicon containing by weight more than 55% but not more th |
| H | 7202.21.50 | Brazil..... | 23,179,639 | 23.1% | Ferrosilicon containing by weight more than 55% but not more th |
| H | 7202.30.00 | Brazil..... | 26,288,249 | 19.7% | Ferrosilicon manganese |
| G | 7307.21.50 | Brazil..... | 25,345 | 0.1% | Flanges of stainless steel nesi |
| G | 7307.91.50 | Brazil..... | 2,871,811 | 8.1% | Flanges of iron or steel (except stainless steel), nesi |
| N | 7308.20.00 | Brazil..... | 9,307,699 | 67.3% | Towers and lattice masts of iron or steel |
| * | 7403.19.00 | Chile..... | 54,470,723 | 78.3% | Articles of refined copper, nesi |
| G | 7604.10.30 | Venezuela..... | 313,506 | 3.3% | Bars and rods of aluminum, not alloyed, having a round cross se |
| G | 7605.21.00 | Venezuela..... | 1,088,121 | 6.4% | Wire of aluminum alloys, of which the maximum cross-sectional d |
| N | 8104.11.00 | Russia..... | 35,831,095 | 67.4% | Unwrought magnesium containing at least 99.8 percent by weight |
| N | R 8409.99.91 | Brazil..... | 44,613,203 | 20.8% | Parts nesi, used solely or principally with the engines of head |
| N | 8471.92.40 | Thailand..... | 126,899,032 | 2.8% | Display units, nesi for automatic data processing machines |
| 2 | 8471.92.40 | Malaysia..... | 191,450,621 | 4.3% | Display units, nesi for automatic data processing machines |
| * | 8517.10.00 | Thailand..... | 134,006,187 | 13.4% | Telephone sets |
| N | 8517.30.15 | Israel..... | 27,944,281 | 57.2% | Electrical central office telephone switching apparatus |
| * | 8521.10.60 | Thailand..... | 114,375,178 | 4.2% | Magnetic tape-type color video recording or reproducing apparat |
| * | R 8527.21.10 | Brazil..... | 63,744,014 | 6.0% | Radio-tape player combinations not operable without external po |
| N | 8535.40.00 | Dominican Republic.. | 26,945,956 | 53.9% | Lightning arrestors, voltage limiters and surge suppressors, fo |
| N | 8544.30.00 | Thailand..... | 125,641,492 | 5.5% | Insulated ignition wiring sets and other wiring sets of a kind |

FLAGS: 'G'=Grad; '**'=Excl full yr; '1'=Excl Jan/Jun; '2'=Excl Jul/Dec; 'R'=Reduced limits apply; 'D'=De min; 'X'=Reduced limit waiver
 'H'=Grad, Reduced limit would apply; 'Z'=Subject to reduced limits, All limits waived.

TABLE 3 : COUNTRY SUMMARY OF TRADE ELIGIBILITY REDESIGNATION,
 TRADE REDESIGNATED, AND TRADE NOT REDESIGNATED, BASED ON 1993 IMPORTS

REDESIGNATIONS - TOTALS BY PARTNER

| PARTNER | IMPORTS | COUNT |
|------------------|---------|-------|
| Philippines..... | 0 | 1 |
| TOTAL..... | 0 | 1 |

NOT REDESIGNATED - TOTALS BY PARTNER

| PARTNER | IMPORTS | COUNT |
|----------------|-------------|-------|
| Argentina..... | 40,817,634 | 19 |
| Brazil..... | 469,824,197 | 43 |
| Chile..... | 138,916,915 | 8 |
| Croatia..... | 0 | 1 |
| Guatemala..... | 3,997,863 | 1 |
| India..... | 11,235,171 | 6 |
| Indonesia..... | 90,084,592 | 5 |
| Israel..... | 51,105 | 3 |
| Malaysia..... | 4,035,792 | 2 |
| Slovenia..... | 0 | 1 |
| Thailand..... | 180,789,174 | 16 |
| Turkey..... | 0 | 1 |
| Venezuela..... | 0 | 2 |
| TOTAL..... | 939,752,443 | 108 |

ANNEX III : GSP COUNTRIES ELIGIBLE FOR REDESIGNATION,
INCLUDING ITEMS TO BE DENIED REDESIGNATION(N) AND 1993 TRADE

| FLAGS | HTSUS | PARTNER | IMPORTS | SHARE | DESCRIPTION |
|-------|------------|---------------|------------|-------|---|
| * R N | 9403.30.80 | Thailand..... | 1,095,308 | 0.6% | Wooden furniture of a kind used in offices, not of bent-wood, oth |
| * R N | 9403.40.90 | Thailand..... | 12,962,562 | 8.8% | Wooden furniture other than seats, of a kind used in the kitchen, |
| * R N | 9403.50.90 | Thailand..... | 3,041,541 | 0.8% | Wooden furniture other than seats of a kind used in the bedroom, |
| * N | 9405.30.00 | Thailand..... | 28,508,669 | 9.2% | Lighting sets used for Christmas trees |
| * R N | 9504.20.60 | Brazil..... | 1,384,730 | 18.0% | Tables for billiards |

FLAGS: 'G'=Grad; '**'=Excl full yr; '1'=Excl Jan/Jun; '2'=Excl Jul/Dec; 'R'=Reduced limits apply; 'D'=De min; 'X'=Reduced limit waiver
'H'=Grad, Reduced limit would apply; 'Z'=Subject to reduced limits, All limits waived.

OFFICE OF THE UNITED STATES
TRADE REPRESENTATIVE
EXECUTIVE OFFICE OF THE PRESIDENT
WASHINGTON
20506

FOR IMMEDIATE RELEASE
Wednesday, July 20, 1994

94-42
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KANTOR ANNOUNCES REVIEW OF THAI GSP BENEFITS LOST IN 1989

U.S. Trade Representative Mickey Kantor announced today that he has ordered an immediate review to determine whether he should restore Generalized System of Preferences (GSP) benefits lost by Thailand in 1989. Kantor ordered the review because of the progress Thailand has made in the last year in improving protection for intellectual property rights.

"Thailand," Kantor said, "has taken several important steps to improve its IPR protection since the Government of Prime Minister Chuan entered office in 1992." The USTR singled out the Royal Thai Government's recent efforts to secure passage in Parliament of a new copyright act. The new copyright act was passed by the Thai House of Representatives on June 8 and is now being considered by the Senate. Kantor also underscored the significant improvement in Thai copyright enforcement since early 1993 and new patent regulations.

"The efforts by the Royal Thai Government to put a new copyright act in place," Kantor said, "are yet another signal that Thailand is serious about protecting intellectual property rights." Kantor said he hopes Thai progress on IPR will continue with final passage of a copyright act consistent with international standards, creation of an IPR court, and rapid implementation of Thai obligations under the Uruguay Round intellectual property agreement (TRIPS). The USTR added that he would review Thailand's status on the Special 301 "priority watch list" once the Thai Parliament passes the new copyright act.

In 1989, Thailand lost duty-free treatment on certain products eligible for GSP because of its failure to provide adequate and effective intellectual property protection. Under the decision, Thailand was denied GSP competitive need waivers on certain jewelry items and four other waivers were revoked. No additional competitive need waivers have been granted to Thailand since 1989. As a consequence of the decisions, \$860 million in annual exports from Thailand to the United States are not eligible for GSP benefits.

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FOR IMMEDIATE RELEASE
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**U.S. AND JAPAN AGREE TO CONTINUE SEMICONDUCTOR
ARRANGEMENT FOR FULL FIVE-YEAR TERM**

U.S. and Japanese trade delegations concluded the mid-term review of the U.S.-Japan Semiconductor Arrangement today and agreed that the Arrangement should continue for its full five-year term. This review is required under the terms of the Arrangement, which states that "[a]t the end of the third year of this Arrangement, the Government of Japan and the Government of the United States of America will review and jointly decide whether it is appropriate to terminate the Arrangement before July 31, 1996."

"The United States has always been committed to the vigorous implementation of the agreement for its full five-year term and, thus, we are very pleased with this joint decision," Ambassador Mickey Kantor stated. "We believe that the U.S.-Japan Semiconductor Arrangement has made a very positive contribution to U.S.-Japan trade relations." Ambassador Kantor emphasized that "strong efforts must continue to be made over the remaining two years of the agreement to ensure that the Arrangement achieves its goal of gradual and steady improvement in market access across a wide range of competitive products."

The mid-term review followed two consecutive quarters in which foreign share for semiconductors in the Japanese market has exceeded 20 percent. The Arrangement entered into force on August 1, 1991.

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FOR IMMEDIATE RELEASE
Sunday, July 31, 1994

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**AMBASSADOR KANTOR IDENTIFIES JAPAN UNDER TITLE VII
FOR DISCRIMINATION IN GOVERNMENT PROCUREMENT OF
TELECOMMUNICATIONS AND MEDICAL TECHNOLOGY GOODS AND SERVICES**

Ambassador Kantor today announced that a 60 day consultation and negotiation period would commence as a result of the identification of Japan under Title VII of the 1988 Trade Act for discrimination in government procurement of telecommunications and medical technology products and services. Ambassador Kantor stated, "I am taking this action as a result of Japan's failure to address longstanding discrimination against United States suppliers. We have spent nearly a full year negotiating with the Government of Japan on these issues, twice postponing action under Title VII in an effort to reach agreement," said Ambassador Kantor. "The time has come to use our trade laws to, first, proceed with the period of consultation and negotiation, and then, if necessary, to address the question of continued discrimination against U.S. companies."

The Government of Japan has recognized that there are market access problems in these two sectors. Telecommunications and medical technology were named as priority sectors for negotiation in the July 1993 U.S.-Japan Framework Agreement. In addition, in March 1994 the Government of Japan initiated certain unilateral measures to improve the procedures under which foreign firms compete for telecommunications and medical technology procurement contracts. But as Ambassador Kantor noted, "The March 29 Action Plan on Government Procurement, issued by the Government of Japan is not sufficient to address the persistent pattern of discrimination in the telecommunications and medical technology sectors faced by American firms, which are global leaders in their industries."

Ambassador Kantor noted that foreign suppliers are impeded from competing fairly for Japanese government procurement contracts due to a number of factors, including, for example: (1) limited access to early information on upcoming procurements; (2) the government agencies' reliance on an informal network of domestic suppliers in Japan that leads to pre-determined and noncompetitive procurements; (3) insufficient consideration of the technical merits of a tender; and (4) in the telecommunications sector, development of technical specifications that favor domestic suppliers, and a lack of transparency and procedures to allow foreign firms to compete for subcontracts.

Ambassador Kantor emphasized that the agreements to be concluded in the two sectors with the Government of Japan must include meaningful qualitative and quantitative criteria to assess their implementation. Both the Framework Agreement and the May 24, 1994, agreement on resumption of the Framework talks included commitments to negotiate such criteria.

Under Title VII, Ambassador Kantor's action will result in a 60-day period of consultation with Japan to resolve the discrimination. Sanctions can be imposed at the end of that 60-day period if there is no satisfactory resolution.

Background

Since the late 1970's, U.S. - Japan bilateral trade relations have been plagued with serious and continuing disputes concerning Japanese Government procurement practices. This has resulted in the need to negotiate no less than 12 bilateral agreements on government procurement. Although five of these agreements deal with procurements by the largely government-owned Nippon Telephone and Telegraph (NTT), foreign penetration of the Japanese Government telecommunications market remains minimal. The average market share of the public and private telecommunications market in the industrialized world is 25 percent. The foreign share of the same market in Japan is only five percent. In the area of medical technology, our manufacturers account for nearly 40 percent of the public and private market in the European Union, but less than half that in the comparable Japanese market. These disparities in the Japanese market, as a result of discriminatory procurement practices, adversely affect the competitiveness of our industries and deny the United States the high technology exports and jobs that an open and non-discriminatory procurement market would allow.