

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

OFFICE OF PUBLIC & MEDIA AFFAIRS
600 17th Street, N.W.
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OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

Executive Office of the President
Washington, D.C.
20508

FOR IMMEDIATE RELEASE
Thursday, October 12, 1995

95-74
Contact: Anne Luzzatto
Dianne Wildman
Kirsten Powers
(202) 395-3230

USTR Ambassador Mickey Kantor to Visit Israel Will Complete Talks to Extend Duty-Free Treatment to West Bank and Gaza

In a move designed to provide essential support for the Middle East Peace Process and encourage investment and employment opportunities in the Palestinian territories, United States Trade Representative Mickey Kantor will visit Israel from October 16 to October 19 where he will finalize an agreement to provide reciprocal extension of duty free treatment to products of the West Bank and the Gaza Strip.

During the visit, Kantor will meet with Israeli Minister of Industry and Trade Micha Harish, Prime Minister Rabin, Foreign Minister Peres, Finance Minister Shohat, Agriculture Minister Tsur, and Minister of Economy and Planning Beilin.

Kantor's visit to Israel comes in the first year of full implementation of the U.S.-Israel Free Trade Area Agreement (IFTAA), which eliminated tariffs on trade between the two countries on January 1, 1995. The visit offers an opportunity to reaffirm the central importance of the U.S.-Israel relationship, emphasize the importance of trade to both countries, and take stock of the tremendous increases in trade and economic ties that have been spurred by the IFTAA. U.S. exports to Israel have grown from \$1.8 billion in 1984 to over \$5 billion in 1994.

As with any large trading relationship, there are still a number of areas in which U.S.-Israel trade can be improved. During the visit, Ambassador Kantor plans to address a number of these areas, including the following bilateral issues.

USTR Kantor will:

- seek progress on achieving full access to Israel's market for agricultural products;
- express appreciation for, and review implementation of, recent Government of Israel decisions to improve trade conditions -- for example the government's decision to improve the competitive environment for U.S.-made automobiles;
- ask for commitments from the Government of Israel to apply standards and other regulations in a manner that allows U.S. products to compete equally in Israel's market, for instance in the areas of packaging sizes, plywood, automobile headlight standards and taxation policies;
- review implementation of the WTO agreements, including the agreement on Trade Related Intellectual Property Rights.

In addition, Ambassador Kantor will make clear that the United States remains committed to eliminating all elements of the Arab League boycott of Israel.

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Executive Office of the President
Washington, D.C.
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FOR IMMEDIATE RELEASE
Tuesday, October 17, 1995

95-75
Contact: Anne Luzzatto
Dianne Wildman
Kirsten Powers
(202) 395-3230

Statement By USTR Mickey Kantor

USTR Mickey Kantor today concluded the exchange of three letters noting the extension of free trade benefits of the U.S.-Israel Free Trade Agreement to the West Bank and the Gaza Strip, and providing assurances that the Palestinian Authority can meet the standard currently adhered to by Israel under the ten-year-old U.S.-Israel Free Trade Agreement.

The Palestinians agreed to the following:

- that the Palestinian Authority will accord products of the United States duty-free access to the West Bank and the Gaza Strip, and will provide the same or better treatment to products of the United States as that provided to products of the West Bank or the Gaza Strip ("national treatment");
- that the Palestinian Authority will assist the United States in verifying compliance with U.S. trade laws and will prevent unlawful transshipment of products not qualifying for duty-free access; and
- that the PLO and the Palestinian Authority will support all efforts to end the Arab League economic boycott of Israel in all its aspects.

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Webmaster @ USTR - 17 October 1995

**OFFICE OF THE UNITED STATES
TRADE REPRESENTATIVE****Executive Office of the President
Washington, D.C.
20508****FOR IMMEDIATE RELEASE**

Wednesday, October 18, 1995

95-76

Contact: Anne Luzzatto
Dianne Wildman
Kirsten Powers
(202) 395-3230**Announcement by Israeli Ministers Harish and Tsur and USTR Kantor on U.S.-Israel Talks on
Agriculture**

Joined by Israeli Prime Minister Rabin, United States Trade Representative Mickey Kantor, Israel's Minister of Trade and Industry Michael Harish, and Israel's Minister of Agriculture Yaacov Tsur today announced a framework agreement within which the United States and Israel will provide increased agricultural market access. The announcement marks a breakthrough on numerous aspects of the negotiations. The arrangement will increase U.S. agricultural exports to Israel.

Announcement and Fact Sheet are attached.

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Items Related to this Press Release:Announcement by Ministers Harish and Tsur and USTR Kantor on U.S.-Israel Talks on AgricultureFact Sheet: U.S.-Israel Agriculture Negotiations, October 18, 1995

Webmaster @ USTR - 18 October 1995

OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

Executive Office of the President
Washington, D.C.
20508

FOR IMMEDIATE RELEASE
Wednesday, October 18, 1995

95-77
Contact: Anne Luzzatto
Dianne Wildman
Kirsten Powers
(202) 395-3230

Statement of Ambassador Mickey Kantor

- This morning's release of U.S. trade figures for August showed a 21% decline in the U.S. trade deficit from July and a sharp jump in our goods exports to an all time record level (\$48.7 billion).
- Even more significantly and as we have expected, the growth of U.S. exports from the comparable period of 1994 to the year-to-date for 1995 (15.7 % for goods) now exceeds the year-to-date growth of imports (15.4 %). See attached chart.
- We are making progress toward lower trade deficits through the accelerating expansion of U.S. exports.
- These improved results reflect a number of factors -- the enhanced productivity of U.S. workers and fundamental competitiveness of U.S. companies, the competitive pricing of U.S. exports, ongoing economic recovery abroad and continued progress in reducing foreign barriers against U.S. exports.
- While today's announcement demonstrates real progress, there is much that remains to be done to improve the U.S. trade situation. We will be monitoring the data closely in coming months as well as continuing aggressive efforts to open foreign markets further.
- Today in fact, USTR Mickey Kantor announced an agreement with Israel to open that country's markets more widely for U.S. agricultural products.

Additional Highlights:

Japan

- The U.S. goods trade deficit with Japan declined in August for the fifth month in a row, and is down 12% from August 1994. U.S. exports to Japan were \$5.3 billion in August, up 9.8% from August 1994. Year-to-date exports to Japan have increased 18.9% from the prior year. This compares to a 9.5% increase in imports from Japan for the same period.

Mexico

- The U.S. goods trade imbalance with Mexico declined for the third consecutive month and is at its lowest level since January. U.S. exports to Mexico increased from \$3.5 billion in July to \$4.2 billion in August.

European Union

- The U.S. goods trade imbalance with the EU declined by nearly \$2.2 billion from July to August and is 68% below its level of August 1994. U.S. exports increased to \$9.9 billion in August, up 20% from August 1994, and year-to-date exports are up 14.8% from the same period of the

previous year.

See Attached Graph.

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Webmaster @ USTR - 18 October 1995

OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

Executive Office of the President
Washington, D.C.
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FOR IMMEDIATE RELEASE
Monday, October 23, 1995

95-78
Contact: Anne Luzzatto
Dianne Wildman
Kirsten Powers
(202) 395-3230

USTR Kantor Welcomes Auto Parts Deregulation in Japan

Ambassador Mickey Kantor today welcomed the announcement by Japan's Ministry of Transportation (MOT) that it was formally deregulating the replacement or repair of certain key auto parts. The Ministry announced that effective October 20, shock absorbers, struts, power steering systems, and trailer hitches will no longer be subject to strict MOT regulations that required that repairs to these auto systems be made only in Government-authorized garages or inspected by MOT itself.

The effect of the previous MOT regulations had been to deny foreign companies the opportunity to compete effectively in supplying these replacement auto parts.

The new MOT action was required by the provisions of the U.S.-Japan Auto Agreement, reached in Geneva on June 28, 1995, between Kantor and MITI Minister Hashimoto.

Kantor said, "This move by MOT represents the beginning step in accessing the huge \$60 billion market for replacement auto parts in Japan. I have every expectation that more business for U.S. companies in these systems will follow, since U.S. automotive replacement parts are high in quality and substantially less expensive than their Japanese equivalents."

On Wednesday, October 18, 1995, Kantor was pleased to note that the U.S. goods trade deficit with Japan declined in August for the fifth month in a row, and is down 12% from August 1994. U.S. exports to Japan were \$5.3 billion in August, up 9.8% from August 1994. Year-to-date exports to Japan have increased 18.9% from the prior year. This compares to a 9.5% increase in imports from Japan for the same period.

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Webmaster @ USTR - 23 October 1995

OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

Executive Office of the President
Washington, D.C.
20508

FOR IMMEDIATE RELEASE

Tuesday, October 24, 1995

95-79

Contact: Anne Luzzatto
Dianne Wildman
Kirsten Powers
(202) 395-3230

United States Takes Steps to Preserve WTO Rights in European Union Enlargement Case

The Office of the United States Trade Representative today announced that it has taken steps to preserve its rights to withdraw tariff concessions from the European Union to offset tariff increases that occurred in Austria, Finland and Sweden when those countries joined the EU on January 1, 1995.

The announcement came in the context of ongoing efforts by the United States and the European Union to conclude an agreement which would compensate the United States for these tariff increases.

World Trade Organization rules entitle a member to full and permanent compensation if tariffs on its trade are increased when two or more other members form a customs union, and permit that member to withdraw concessions and increase tariffs in the event compensation is not provided.

Under WTO rules, the United States in this case must advise the WTO by no later than December 1, 1995, that it would suspend tariff concessions on specified products, effective December 31, 1995. Should the United States fail to give such notice, it could lose the right to suspend concessions.

A Federal Register notice issued by the Office of the United States Trade Representative on October 24 invites public comment on a list of products which could be subjected to tariff increases if a negotiated settlement of this issue is not reached before the end of 1995. The Federal Register notice also announces that a public hearing will be held on November 20 and 21, 1995 at the U.S. International Trade Commission.

USTR officials stressed that the United States had published the list as a first step in preserving the United States legal right to withdraw tariff concessions should that become necessary, but that the United States is still committed to addressing the compensation issue by means of a negotiated settlement with the European Union.

United States and European Union negotiators made some progress toward a settlement during the most recent talks on the issue, held October 20 and 21 in York, England. Another round of talks between the United States and European Union on the subject is likely to be scheduled before November 1, 1995.

[Billing Code 3190-01-M]

OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

[Docket No. 301-101]

DENIAL OF BENEFITS UNDER TRADE AGREEMENT BY THE EUROPEAN UNION: INITIATION OF INVESTIGATION; PROPOSED DETERMINATION; REQUEST FOR PUBLIC COMMENT; AND PUBLIC HEARING

AGENCY: Office of the United States Trade Representative

ACTION: Notice of initiation of investigation, proposed determination, request for public comment and a public hearing.

SUMMARY: Under Articles XXIV:6 and XXVIII of the General Agreement on Tariffs and Trade 1994 (GATT 1994) attached to the Agreement Establishing the World Trade Organization (WTO Agreement), whenever two or more Members of the World Trade Organization (WTO) form a customs union and thereby withdraw or modify tariff concessions, they must provide full and permanent compensation to relevant affected trading partners; if such compensation is not provided, then those other trading partners may withdraw concessions and increase tariffs. The United States is continuing to negotiate with the European Union (EU) regarding the EU's provision of full and permanent compensation to the United States for withdrawing concessions and increasing tariffs on trade into the territories of Austria, Finland and Sweden upon their accession to the EU on January 1, 1995. However, in order to preserve U.S. rights under a trade agreement, the United States Trade Representative (USTR) initiated on October 24, 1995, an investigation under section 302(b) of the Trade Act of 1974 (Trade Act) (19 U.S.C. 2412 (b)). The USTR proposes, if necessary, to determine that U.S. benefits under a trade agreement are being denied and that the appropriate action in response is to suspend concessions on selected products for which the EU is the principal supplier and, if necessary thereafter, to impose tariffs of up to 100 percent ad valorem on those products. The increased duties, if imposed, will be applicable to imports from all countries that are subject to the rates of duty set forth in the Column 1 General rate of duty column of the Harmonized Tariff Schedule of the United States (HTSUS). The USTR seeks public comment and will hold a public hearing on November 20 and 21, 1995, concerning the proposed actions.

DATES: Written comments from interested persons are due on or before noon on Friday, November 24, 1995; requests to testify at the public hearing are due on or before noon on Wednesday, November 8, 1995; written testimony is due on or before noon on Wednesday, November 15, 1995; the public hearing will be held on November 20 and 21, 1995; and post-hearing submissions are due on or before noon on Friday, November 24, 1995.

FOR FURTHER INFORMATION CONTACT: Edward Kaska, Director, European Services and Agriculture, (202) 395-4620; Elena Bryan, Director, Non-Tariff Measures, (202) 395-5097; Amelia Porges, Associate General Counsel, (202) 395-7305, Office of the United States Trade Representative.

SUPPLEMENTARY INFORMATION

With the accession of Austria, Finland and Sweden to the EU, the EU withdrew the entire WTO tariff schedules of these three countries and of the EU of twelve members, and applied the common external tariff of the EU of twelve to imports into the territory of Austria, Finland and Sweden. The EU then began negotiations pursuant to Article XXIV:6 and Article XXVIII of the GATT 1994 on compensation to its trading partners for the concessions thereby withdrawn. As an interim and partial measure, the EU established a series of tariff-rate quotas for the first half of 1995 preserving limited import access for certain products at the pre-accession tariff rates, and these tariff-rate quotas have been extended through the end of 1995.

When a WTO Member withdraws a tariff concession in the expansion of a customs union, Articles XXIV:6 and XXVIII of the GATT entitle relevant affected Members to receive negotiated compensation or, in the absence of a successful negotiation, to invoke Article XXVIII:3 to modify or withdraw "substantially equivalent concessions." Article XXVIII:3 rights are time-limited; the WTO General Council has extended these rights through December 31, 1995, but these rights could be construed to expire then unless exercised by the United States or extended by the Council. WTO Members invoking Article XXVIII:3 must also provide notice of their intent to modify or withdraw substantially equivalent

concessions at least thirty days prior to the effective date of such action. Accordingly, the USTR intends to notify the WTO on or before December 1, 1995, that the United States will suspend tariff concessions for specified products in the HTSUS, by the close of December 31, 1995, unless by that time agreement has been reached between the EU and the United States on permanent and adequate compensation for tariff concessions modified or withdrawn as a result of the accession of Austria, Finland and Sweden to the EU. The suspension of concessions will be substantially equivalent to the withdrawal or modification by the EU of concessions affecting U.S. exports.

Investigation and Proposed Determination and Action

In these circumstances and in order to exercise U.S. rights under a trade agreement, the USTR on October 24, 1995, following consultations with the appropriate private sector advisory committees, initiated an investigation pursuant to section 302(b)(1) of the Trade Act with respect to the EU's policies and practices in this matter. The USTR proposes that, unless the United States and EU are able to negotiate a mutually acceptable solution that compensates the United States in accordance with its rights under the WTO, the USTR will determine that the EU's policies and practices deny the United States trade agreement benefits and are actionable under section 301(a) and that the appropriate action in response is to suspend by the end of 1995 concessions on selected products for which the EU is the principal supplier. If necessary, the USTR may thereafter determine to increase the duties previously applied under the tariff lines with respect to which concessions have been suspended. The new applied tariff rates will not exceed 100 percent ad valorem. The duty increase will affect goods of the EU in an amount that is equivalent in value to the burden or restriction imposed upon United States commerce by the increase in duties consequent upon EU enlargement. The increased duties, if imposed, will be applicable to imports from all countries that are subject to the rates of duty set forth in the Column 1 General rate of duty column of the HTSUS.

The products to be affected by the possible suspension of concessions and duty increase will be drawn from the list of products set forth in the Annex to this notice. In selecting products the USTR will consider all comments and testimony by interested persons submitted to the Section 301 Committee in accordance with the procedures described below.

Public Comment on Proposed Determination; Hearing Participation

Section 304(b)(2) of the Trade Act provides that, unless expeditious action is required, the USTR shall allow an opportunity, following 30 days notice, for the presentation of views by interested persons prior to the issuance of a determination pursuant to section 301(a). The USTR has refrained from initiating this investigation and announcing proposed actions for the maximum time possible to allow the EU an adequate opportunity to negotiate full and permanent compensation. However, as adequate compensation has not yet been agreed upon, the USTR has determined that it is appropriate to initiate this investigation and to notify interested persons of the possibility that determinations may be made under section 304 of the Trade Act, that tariff concessions may be suspended by the close of December 31, 1995, and that tariffs may be increased thereafter.

In accordance with section 304(b) of the Trade Act, the USTR invites all interested persons to provide written comments on the proposed determination. Comments may address: (1) the appropriateness of imposing increased duties upon the products listed in the Annex to this notice; (2) the levels at which U.S. customs duties should be set for particular items; and (3) the degree to which increased duties might have an adverse effect upon U.S. consumers of the products listed in the Annex. Written comments are due by noon, Friday, November 24, 1995.

The USTR also will consider the written, oral, and rebuttal comments submitted in the context of public hearings held pursuant to section 304(b) of the Trade Act and in accordance with 15 CFR 2006.7 through 2006.9. The hearings will begin at 1:00 p.m. on Monday, November 20, 1995, and continue on Tuesday, November 21, if necessary. The hearings will be held in Room 100 at the U. S. International Trade Commission, 500 E Street, SW, Washington, D.C. 20436.

Request to Testify: Interested persons wishing to testify orally at the hearings must provide a written

request to do so by noon, Wednesday, November 8, 1995, to Sybia Harrison, Staff Assistant to the Section 301 Committee, Office of the U.S. Trade Representative, 600 17th Street NW, Washington, D.C. 20508. Requests to testify must include the following information: (1) name, address, telephone number, fax number, and firm or affiliation of the person wishing to testify; and (2) a brief summary of the comments to be presented. Requests to testify must conform to the requirements of 15 CFR 2006.8(a). After the Chairman of the Section 301 Committee considers the request to present oral testimony, Ms. Harrison will notify the applicant of the time of his or her testimony. Testimony, both written and oral, shall be limited to: (1) the appropriateness of imposing increased duties upon the products listed in the Annex to this notice; (2) the levels at which U.S. customs duties should be set for particular items; and (3) the degree to which increased duties might have an adverse effect upon U.S. consumers of the products listed in the Annex. Remarks at the hearing will be limited to five minutes.

Written Testimony and Rebuttal Briefs: In addition, persons presenting oral testimony must submit their complete written testimony by noon, Wednesday, November 15, 1995. In order to assure each party an opportunity to contest the information provided by other parties, USTR will entertain rebuttal briefs filed by any party by noon, Friday, November 24, 1995. In accordance with 15 CFR 2006.8(c), rebuttal briefs should be strictly limited to demonstrating errors of fact or analysis not pointed out in the briefs or hearing and should be as concise as possible.

Requirements for Submissions: Written comments on the proposed determination, written testimony, and rebuttal briefs must be filed in accordance with the requirements set forth in 15 CFR 2006.8(b). Comments must state clearly the position taken, describe with particularity the supporting rationale, be in English, and be provided in twenty copies to: Chairman, Section 301 Committee, Attn.: EU Enlargement Investigation, Room 223, USTR, 600 17th St., N.W., Washington, D.C. 20508.

Written comments, testimony, and briefs will be placed in a file (Docket 301-101) open to public inspection pursuant to 15 CFR 2006.13, except for confidential business information exempt from public inspection in accordance with 15 CFR 2006.15. Persons wishing to submit confidential business information must certify in writing that such information is confidential in accordance with 15 CFR 2006.15(b), and such information must be clearly marked "Business Confidential" in a contrasting color ink at the top of each page on each of the twenty copies and must be accompanied by a nonconfidential summary of the confidential information. The nonconfidential summary will be placed in the Docket open to public inspection. An appointment to review the docket may be made by calling Brenda Webb at (202) 395-6186. The USTR Reading Room is open to the public from 10:00 a.m. to 12 noon and 1:00 p.m. to 4:00 p.m., Monday through Friday, and is located in Room 101, Office of the United States Trade Representative, 600 17th Street, N.W., Washington, D.C. 20508.

Irving A. Williamson
Chairman, Section 301 Committee
Annex

List of Articles to be Considered

1995 HTS
 Subheading

Article Description

[The bracketed language in this Annex has been included only to clarify scope of the numbered 8-digit sub-headings covered by the action of this notice, and such language is not itself intended to describe articles whose action is being considered.]

Cheese and curd:

[Fresh (unripened or uncured) cheese, including whey cheese, powdered cheese, of all kinds; processed (process) cheese,

blue-veined cheese]

Other cheese:

[Bryndza cheese; Cheddar cheese; Edam and Gouda cheese; Goya cheese; Sbrinz cheese; Romano made from cow's milk Parmesan, Provolone and Provoletti cheeses; Swiss or Em with eye formation; Gammelost and Nokkelost cheeses; Co

Other cheeses, and substitutes for cheese, including mi above:

[Cheeses made from sheep's milk; Other, described i of the tariff schedule and entered pursuant to its (including mixtures)]

Other, including mixtures of the above (excluding mixtures of subheadings 0406.90.61 or 0406.90.63):

[Containing Romano, Reggiano, Parmesan, Provol Sbrinz or Goya, all the foregoing made from c containing, or processed from, blue-veined ch or processed from, Cheddar cheese; containing from, American-type cheese (including Colby, granular cheese, but not including Cheddar); processed from, Edam or Gouda cheese; contain from, Swiss, Emmentaler or Gruyere-process ch

Other:

[Containing 0.5 percent or less by weight

Other:

[Containing cow's milk (except soft-r cheeses)]

Other

0406.90.99

Other nuts, fresh or dried, whether or not shelled or peeled:

0802.40.00 Chestnuts (Castanea spp.)

Vegetable saps and extracts; pectic substances, pectinates and pectates mucilages and thickeners, whether or not modified, derived from vegetab

1302.20.00 Pectic substances, pectinates and pectates

Chocolate and other food preparations containing cocoa:

[Cocoa powder, containing added sugar or other sweetening matter; o blocks, slabs, or bars, weighing more than 2 kg or in liquid, past granular or other bulk form in containers or immediate packings, o exceeding 2kg; other, in blocks, slabs, or bars]

Other:

[Described in general note 15 of the tariff schedule and enter its provisions]

Other:

[Dairy products described in additional U.S. note 1 to ch

Other:

[Containing butterfat or other milk solids (excludin consumption at retail as candy or confection)]

Other:

[Blended syrups described in additional U.S. no articles containing over 65% by dry weight of additional U.S. note 2 to chapter 17; articles percent by dry weight of sugar described in ad to chapter 17]

1806.90.90

Other

Bread, pastry, cakes, biscuits and other bakers' wares, whether or not communion wafers, empty capsules of a kind suitable for pharmaceutical rice paper and similar products:

Sweet biscuits; waffles and wafers:
[Frozen]

1905.30.00 pt. Other

Fruit, nuts and other edible parts of plants, otherwise prepared or pre-containing added sugar or other sweetening matter or spirit, not elsewhere included:

2008.70.00 Peaches

Sauces and preparations therefor; mixed condiments and mixed seasonings meal and prepared mustard:

2103.30.20 Mustard flour and meal and prepared mustard:
Mustard flour and meal

Preparations of a kind used in animal feeding:

[Dog or cat food, put up for retail sale]

Other:

Mixed feeds or mixed feed ingredients
[Bird seed]

2309.90.10 pt. Other pet food, put up for retail sale

Portland cement, aluminous cement, slag cement, supersulfate cement and hydraulic cements, whether or not colored or in the form of clinkers:-

Portland cement:

2523.21.00 White cement, whether or not artificially colored

Perfumes and toilet waters:

Not containing alcohol:

[Floral or flower waters]

3303.00.20 Other

Beauty or make-up preparations and preparations for the care of the skin (other than medicaments), including sunscreen or sun tan preparations; manicure preparations:

3304.10.00 Lip make-up preparations

Preparations for use on the hair:

3305.10.00 Shampoos

Pre-shave, shaving or after-shave preparations, personal deodorants, ba depilatories and other perfumery, cosmetic or toilet preparations, not included; prepared room deodorizers, whether or not perfumed or having dis-

Pre-shave, shaving or after-shave preparations:

3307.10.10 Not containing alcohol

3307.10.20 Containing alcohol

Plywood, veneered panels and similar laminated wood:

[Plywood consisting solely of sheets of wood, each ply not exceeding thickness]

[Other, with at least one outer ply of nonconiferous wood]

Other:

[Containing at least one layer of particle board]

Other:

[Plywood]

Other:

[With an outer ply of Douglas Fir (Pseudotsuga menziesii)]

[With a face ply of Southern yellow pine (Loblolly pine)]

(Pinus taeda), long leaf pine (Pinus palustris), pi
(Pinus rigida), short leaf pine (Pinus echinata), s
(Pinus elliottii) and Virginia pine (Pinus Virginia

4412.99.90 pt.

Other

Other uncoated paper and paperboard, in rolls or sheets:
[Semichemical fluting paper (corrugating medium)]

Multi-ply paper and paperboard:

[Each layer bleached; with only one outer layer bleached; havi
or more layers of which only the two outer layers are bleache

Other:

[Folding carton board]

4805.29.00 pt.

Other

[Sulfite wrapping paper]

4805.40.00

Filter paper and paperboard

4805.50.00

Other uncoated paper and paperboard, in rolls or sheets (con.):

Felt paper and paperboard

Other paper and paperboard, weighing 225 g/m2 or more:

[Pressboard]

Other:

[Wet machine board; construction paper; linerboard contain
weight less than 80 percent chemical sulfate wood pulp]

4805.80.40 pt.

Other

Paper and paperboard, coated on one or both sides with koalin (China cl
inorganic substances, with or without a binder, and with no other coati
not surface-colored, surface-decorated or printed, in rolls or sheets:

Paper and paperboard of a kind used for writing, printing or other
purposes, not containing fibers obtained by a mechanical process o
more than 10 percent by weight of the total fiber content consists

4810.12.00

Weighing more than 150g/m2

Paper and paperboard of a kind used for writing, printing or other
of which more than 10 percent by weight of the total fiber content
fibers obtained by a mechanical process:

[Light-weight coated paper]

4810.29.00

Other

Woven fabrics of cotton, containing less than 85 percent by weight of c
or solely with man-made fibers, weighing more than 200 g/m2

Of yarns of different colors:

[Plain weave; blue denim; other fabrics of 3-thread or 4-threa
cross twill]

Other fabrics:

5211.49.00 pt.

Jacquard woven

Carpets and other textile floor coverings, woven, not tufted or flopped
up, including "Kelem", "Schumacks", "Karamanie" and similar hand-woven
["Kelem", "Schumacks", "Karamanie" and similar hand-woven rugs; flo
coconut fibers (coir)]

Other, of pile construction, not made up:

Of wool or fine animal hair:

[Wilton (including brussels) and velvet (including tapestr
and floor coverings of like character or description]

5702.31.20

Other
Other, of pile construction, made up:
Of wool or fine animal hair:

5702.41.10

Wilton (including brussels) and velvet (including tapestr
of like character or description

5702.41.20

Other
Worked monumental or building stone (except slate) and articles thereof
of heading 6801; mosaic cubes and the like, of natural stone (including
not on a backing; artificially colored granules, chippings and powder,
(including slate):

[Tiles, cubes and similar articles, whether or not rectangular (inc
largest surface area of which is capable of being enclosed in a sq
which is less than 7 cm; artificially colored granules, chippings
other monumental or building stone and articles thereof, simply cu
flat or even surface]

Other:

[Marble, travertine and alabaster]

6802.92.00

Other calcareous stone

Unglazed ceramic flags and paving, hearth or wall tiles; unglazed ceram
the like, whether or not on a backing:

[Tiles, cubes and similar articles, whether or not rectangular, the
of which is capable of being enclosed in a square the side of whic

6907.90.00

Other

Statuettes and other ornamental ceramic articles:

[Of porcelain or china]

Other:

6913.90.10

Statues, statuettes and hadmade flowers, valued over \$2.50 ea
professional sculptors or directly from molds from original m
by professional sculptors

Glassware of a kind used for table, kitchen, toilet, office, indoor dec
purposes (other than that of heading 7010 or 7018):

[Of glass-ceramics; drinking glasses, other than glass-ceramics]

Glassware of a kind used for table (other than drinking glasses) o
than that of glass-ceramics:

[Of lead crystal; of glass having a linear coefficient of expa
exceeding 5×10^{-6} per Kelvin within a temperature range of 0

Other:

7013.39.10

Pressed and toughened (specially tempered)

Other glassware:

Of lead crystal:

7013.91.50

Valued over \$5 each

Articles of jewelry and parts thereof, of precious metal or of metal cl

Of precious metal whether or not plated or clad with precious meta

[Of silver, whether or not plated or clad with other precious

Of other precious metal, whether or not plated or clad with p

[Rope, curb, cable, chain and similar articles produced i
all the foregoing, whether or not cut to specific length
set with imitation pears or imitation gemstones, suitabl
manufacture of articles provided for in this heading]

Other:

Necklaces and neck chains, of gold:

7113.19.25

Mixed link

Dishwashing machines; machinery for cleaning or drying bottles or other for filling, closing, sealing, capsuling or labeling bottles, cans, box containers; other packing or wrapping machinery; machinery for aerating thereof:

8422.11.00 Dishwashing machines:
Of the household type

8519.10.00 Turntables, record players, cassette players and other sound reproducin incorporating a sound recording device:
Coin- or token-operated record players

8702.10.30 Motor vehicles for the transport of ten or more persons, including the With compression-ignition internal combustion piston engine (diese

Designed for the transport of 16 or more persons, including t
Chassis fitted with engines, for the motor vehicles of headings 8701 to For the vehicles of subheading 8701.20 or heading 8702 or 8704:
[For the vehicles of subheading 8704.21 or 8704.31]

8706.00.05 pt. Other:
For the vehicles of heading 8704

OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

Executive Office of the President
Washington, D.C.
20508

FOR IMMEDIATE RELEASE
Wednesday, November 1, 1995

96-80
Contact: Anne Luzzatto
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(202) 395-3230

USTR Kantor Releases Report on Recommendations to Enhance U.S.- Brazil Trade Relations

United States Trade Representative Mickey Kantor today released a report on recommendations intended to enhance U.S.-Brazil trade relations that he and Brazilian Minister for External Relations Luiz Felipe Lampreia prepared at the request of President Clinton and President Cardoso. The Presidents had requested these recommendations from the trade ministers during President Cardoso's State Visit to Washington in April.

Among the key recommendations contained in the report are: to seek the agreement of our NAFTA and MERCOSUL partners to hold a joint meeting in the near future; to discuss FTAA issues before the Cartagena Ministerial in March 1996; to seek common ground in negotiations underway in the WTO, including the negotiations on basic telecommunications services; and to seek to expand bilateral trade and investment by addressing issues related to government procurement, use of the U.S. Generalized System of Preferences (GSP) program, sanitary and phytosanitary measures in both countries and cooperative efforts under the auspices of the U.S.-Brazil Business Development Council (BDC).

The Presidents had requested recommendations that would address four key areas of the U.S.-Brazil trade relationship:

- measures to expand bilateral U.S. Brazilian trade and strengthen our trade relations;
- means by which the United States and Brazil, along with our trade partners, can work together to contribute to the creation of the Free Trade Area of the Americas by 2005;
- the potential for working with our NAFTA and MERCOSUL partners to establishing links between these two integration arrangements; and
- means by which the United States and Brazil can support the World Trade Organization (WTO).

The recommendations contained in today's report cover all four areas.

Ambassador Kantor and Minister Lampreia agreed that implementation of these recommendations will begin immediately and that significant progress will be made by July 1996. The two Ministers will meet periodically to review progress, and will keep the Presidents informed.

Ambassador Kantor commented: This bilateral trade review has confirmed my belief that the United States and Brazil have significant common interests in the trade area. Through these recommendations we intend to give expression to those common goals in the hemisphere, in the WTO and in our bilateral trade relationship.

NOTE: The six page report mentioned above is available now on our FastFax Service. The number to call is (202) 395-4809 and the document number to request is: 40155.

Webmaster @ USTR - 1 November 1995

1. The U.S. Trade Representative (USTR) today announced that the United States will continue to support the efforts of the World Trade Organization (WTO) to resolve the dispute between the United States and the European Community (EC) regarding the EC's ban on hormone-treated beef.

2. The USTR said that the United States will continue to support the efforts of the WTO to resolve the dispute between the United States and the EC regarding the EC's ban on hormone-treated beef.

3. The USTR said that the United States will continue to support the efforts of the WTO to resolve the dispute between the United States and the EC regarding the EC's ban on hormone-treated beef.

4. The USTR said that the United States will continue to support the efforts of the WTO to resolve the dispute between the United States and the EC regarding the EC's ban on hormone-treated beef.

5. The USTR said that the United States will continue to support the efforts of the WTO to resolve the dispute between the United States and the EC regarding the EC's ban on hormone-treated beef.

6. The USTR said that the United States will continue to support the efforts of the WTO to resolve the dispute between the United States and the EC regarding the EC's ban on hormone-treated beef.

7. The USTR said that the United States will continue to support the efforts of the WTO to resolve the dispute between the United States and the EC regarding the EC's ban on hormone-treated beef.

8. The USTR said that the United States will continue to support the efforts of the WTO to resolve the dispute between the United States and the EC regarding the EC's ban on hormone-treated beef.

9. The USTR said that the United States will continue to support the efforts of the WTO to resolve the dispute between the United States and the EC regarding the EC's ban on hormone-treated beef.

10. The USTR said that the United States will continue to support the efforts of the WTO to resolve the dispute between the United States and the EC regarding the EC's ban on hormone-treated beef.

OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

Executive Office of the President
Washington, D.C.
20508

FOR IMMEDIATE RELEASE

Friday, November 3, 1995

95-81

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USTR Kantor Announces Internet Home Page

Ambassador Mickey Kantor today announced the commencement of the USTR's Home Page on the Internet. The Home Page is the agency's first information service on the World Wide Web, and represents a major advance in linking USTR and international trade with millions of Internet users.

The new Home Page includes the agency's major annual reports on trade to the Congress. Internet users can also read detailed descriptions about USTR's mission and history, as well as recent agency press releases, speeches and Congressional testimony on topical trade issues.

USTR's Web Server allows access to a Summary of the Final Act of the Uruguay Round on Multilateral Trade Negotiations, the text of the North American Free Trade Agreement, and the Final Joint Declaration of the Summit of the Americas Trade Ministerial. Through the Home Page, Internet users can also read the agency's 1995 National Trade Estimate Report on Foreign Trade Barriers, the 1995 Trade Policy Agenda, and the 1994 Annual Report of the President of the United States on the Trade Agreements Program.

As an added service, the Home Page includes access to other trade-related Web sites, including the Home Page of the World Trade Organization in Geneva, Switzerland.

In announcing USTR's Home Page start-up, Kantor noted that since the Clinton Administration took office in January 1993, more than 170 trade agreements have been negotiated. They have already begun to promote growth and create jobs in this country, he said. U. S. exports have grown by more than 17 percent in the first five months of 1995-- a rate more than three times that of export growth when President Clinton was sworn into office.

Kantor added that the USTR Home Page will help efforts to inform Americans about the purpose and enormous value of trade to this country, and to all who participate in the global trading system.

USTR's Home Page Internet address is: <http://www.ustr.gov/index.html>. Inquiries can be sent to the following Internet address: webmaster@www.ustr.gov.

-30-

Webmaster @ USTR - 3 November 1995

OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

Executive Office of the President
Washington, D.C.
20508

FOR IMMEDIATE RELEASE
Thursday, November 19, 1995

95-82
Contact: Anne Luzzatto
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Kirsten Powers
(202) 395-3230

USTR Announces Allocation of Tariff-Rate Quota for Raw Cane Sugar

United States Trade Representative Mickey Kantor today announced country-by-country allocations for the additional 300,000 metric tons (mt) of the tariff-rate quota for raw cane sugar imports for the period October 1, 1995, through September 30, 1996. Agriculture Secretary Glickman announced the quota increase of 300,000 mt on November 9, 1995. These allocations are in addition to the allocations of the quota amount of 1,117,195 mt announced in the Federal Register on September 6, 1995 (new total country-by-country allocations are indicated below).

Country-by-country tariff-rate quota allocations in metric tons, raw value, for raw cane sugar allowed into the United States at the low duty rate for the October 1, 1995-September 30, 1996 period are as follows:

1995-96 Raw Sugar TRQ Allocation			
Country	Current FY 1996 Allocation	Additional Allocation	New FY 1996 Allocation
Argentina	45,281	13,004	58,285
Australia	87,402	25,101	112,503
Barbados	7,371	2,117	9,488
Belize	11,583	3,327	14,910
Bolivia	8,424	2,419	10,844
Brazil	152,691	43,851	196,541
Colombia	25,273	7,258	32,531
Congo	7,258	0	7,258
Cote d'Ivoire	7,258	0	7,258
Costa Rica	15,796	4,536	20,332
Dominican Republic	185,335	53,226	238,561
Ecuador	11,583	3,327	14,910
El Salvador	27,379	7,863	35,242
Fiji	9,477	2,722	12,199
Gabon	7,258	0	7,258
Guatemala	50,546	14,516	65,062
Guyana	12,636	3,629	16,265

Haiti	7,258	0	7,258
Honduras	10,530	3,024	13,555
India	8,424	2,419	10,844
Jamaica	11,583	3,327	14,910
Madagascar	7,258	0	7,258
Malawi	10,530	3,024	13,555
Mauritius	12,636	3,629	16,265
Mexico	7,258	0	7,258
Mozambique	13,690	3,931	17,621
Nicaragua	22,114	6,351	28,465
Panama	30,538	8,770	39,308
Papua New Guinea	7,258	0	7,258
Paraguay	7,258	0	7,258
Peru	43,175	12,399	55,574
Philippines	142,160	40,827	182,987
South Africa	24,220	6,956	31,176
St. Kitts & Nevis	7,258	0	7,258
Swaziland	16,849	4,839	21,687
Taiwan	12,636	3,629	16,265
Thailand	14,743	4,234	18,976
Trinidad-Tobago	7,371	2,117	9,488
Uruguay	7,258	0	7,258
Zimbabwe	12,636	3,629	16,265
Totals:	1,117,195	300,000	1,417,195

The allocation includes the following minimum quota-holding countries: Congo, Cote d'Ivoire, Gabon, Haiti, Madagascar, Mexico, Papua New Guinea, Paraguay, St. Kitts & Nevis, and Uruguay.

OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

Executive Office of the President
Washington, D.C.
20508

FOR IMMEDIATE RELEASE
Monday, November 13, 1995

95-83
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USTR ANNOUNCES RESULTS OF SPECIAL 301 OUT-OF-CYCLE REVIEWS

United States Trade Representative Mickey Kantor today announced "out-of-cycle" review decisions with respect to certain countries under the U.S. Government's "special 301 program," designed to advance the protection of intellectual property rights. The reviews affected four countries--Greece, Brazil, Saudi Arabia and the United Arab Emirates. Kantor also commented that the out-of-cycle review on South Africa was continued pending further developments on trademark issues.

Today's decision demonstrates the Administration's continued resolve to maintain pressure on countries throughout the year to provide adequate and effective protection of intellectual property.

In April 1995, at the time of the last annual special 301 review, Kantor identified 38 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. At that time, Kantor placed Greece, Brazil, and Saudi Arabia on the special 301 priority watch list and the United Arab Emirates on the special 301 "watch list" and stated that he would conduct out-of-cycle reviews of the status of these countries under the special 301 program in the autumn.

Kantor has completed these out-of-cycle reviews and today made the following determinations:

Greece will remain on the priority watch list.

Kantor moved Greece to the priority watch list in November, 1994 and maintained this designation in April 1995. In August, Greece took the significant step of enacting a new Broadcast Law--with strong enforcement provisions--which has the potential of being used by the Greek Government to address the copyright piracy endemic on Greek television. Kantor applauds enactment of this law. However, the Greek Government has yet to begin using the new law to move against T.V. piracy. Kantor expressed particular concern about reports that the Greek Government may delay full implementation of the law for several more months. Kantor directed USTR officials to monitor this situation carefully between now and the 1996 annual review.

Brazil will remain on the priority watch list.

In April, Kantor elevated Brazil back to the priority watch list because of this country's inability to enact new patent, copyright and computer software legislation. Kantor noted that recent progress has occurred in the Brazilian legislature toward passage of modern patent legislation. Kantor expressed optimism that patent legislation would be enacted quickly. Furthermore, he has urged Brazil to enact as rapidly as possible legislation to better protect copyrights, computer software and semiconductor mask works.

Enactment of such legislation, Kantor observed, would demonstrate Brazil's leadership position in the region. Kantor indicated that he would continue to monitor this matter closely.

Saudi Arabia will remain on the priority watch list.

The out-of-cycle review confirmed that Saudi Arabia has made progress in the fight against copyright piracy, particularly in the area of video piracy. However, Kantor found that piracy levels still remain too high in most copyright industries. Kantor looks to the Saudi Government to increase its enforcement actions against pirate activity and to take action against the illegal use of computer software, particularly by large end-users in Saudi Arabia.

The **UAE** will remain on the watch list.

Ambassador Kantor recognizes the significant strides taken by the UAE in eliminating pirated audio and video products from its markets. These positive acts will serve as a model for the region he said. Software piracy, however, remains a serious problem. Ambassador Kantor notes that there has been some progress in addressing this issue and recognizes the UAE's commitment to ending this problem. Kantor also looks to the UAE to implement laws which will effectively deter pharmaceutical patent piracy from occurring in the UAE.

.....
South Africa: The out-of-cycle review is continued.

Ambassador Kantor commented that several American companies have continued to experience trademark problems in South Africa. As a result, Ambassador Kantor had scheduled an out-of-cycle review for completion in September. This review has been delayed to allow the South African Government additional time to provide a systematic solution to a number of U.S. trademark concerns.

OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

Executive Office of the President
Washington, D.C.
20508

FOR IMMEDIATE RELEASE
Wednesday, November 22, 1995

95-84
Contact: Anne Luzzatto
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(202) 395-3230

SUBMISSION BY THE GOVERNMENT OF THE UNITED STATES TO THE GOVERNMENT OF JAPAN REGARDING DEREGULATION, ADMINISTRATIVE REFORM AND COMPETITION POLICY IN JAPAN

Taking into account the Government of Japan's policy to consider the views of interested foreign and domestic parties, the Government of the United States on November 21 officially submitted to the Japanese Government a substantial and detailed paper addressing deregulation, administrative reform and competition policy issues. This 42-page submission, which contains suggestions for deregulation in 12 sectors, is intended to assist the Government of Japan in addressing those issues of greatest importance to the U.S. Government during the Government of Japan's Deregulation Action Plan revision process which is expected to be finalized by March 1996. The U.S. Government previously submitted proposals on these issues to the Government of Japan on November 15, 1994 and April 21, 1995.

In announcing the U.S. submission United States Trade Representative Kantor said, "We have put together a substantive submission which addresses a range of issues relating to deregulation, administrative reform and competition policy. This submission complements our efforts regarding sectoral trade issues and is a continuation of the Administration's trade policy regarding Japan as set forth under the Framework." Ambassador Kantor went on to say, "Meaningful deregulation of the Japanese economy is critical to increasing market access. However to be meaningful, deregulation must be coupled with a firm commitment to increased transparency of administrative procedures and enhanced competition policy enforcement. Meaningful deregulation will also ensure that the Japanese consumers and producers benefit from increased competition, lower prices, better selection and higher quality goods and services."

The U.S. - Japan Framework establishes a working group on deregulation and competition policy. This working group continues to serve as the primary bilateral forum for addressing these issues and the U.S. Government welcomes the opportunity for continued discussions with the Government of Japan within the Framework context.

The U.S. Government submission contains recommendations regarding basic principles and the deregulation process, 12 specific sectors covering over sixty five sub-sectors or concerns, administrative reform, and competition policy enforcement. The U.S. Government anticipates submitting additional proposals on these subjects in the future as required to address the changing dynamic of deregulation in Japan.

Copies of the full U.S. Government submission are available in the USTR Public Affairs Reading Room.

Basic Principles and Process

The United States Government urged the Japanese Government to fully adopt the basic principles articulated in its previous submissions, including a commitment to broad and continuous review; freedom from regulation in principle, with regulation the exception; enhanced transparency and accountability; prohibition of informal delegation of government authority; non-burdensome local regulations; inclusion of sunset provisions in new and revise regulations; and promotion of the market mechanism. The United States continues to believe that full adoption of these principles, taken as a whole, provides the greatest assurance that deregulation in Japan will be meaningful and effective.

Specific Deregulation Proposals

The U.S. Government provided detailed deregulatory suggestions in the following twelve sectors: agriculture; automotive and motorcycles, construction, distribution-related, energy production and delivery, insurance and financial services, investment, legal services, medical/pharmaceuticals, redemption game machines, telecommunications and transportation. The U.S. Government also suggested that additional sectors be added to this list as the changing circumstances of a dynamic deregulatory process dictate.

Administrative Reform

The U.S. Government believes that the lack of transparency in administrative procedures hinders market access and contributes to an environment which discriminates against foreign businesses. The U.S. Government believes that increased transparency and accountability in administrative procedures is integral to effective deregulation. A detailed submission on administrative reform is included in the submission which urges the Government of Japan to undertake a broad range of measures relating to information disclosure and retention; formation and role of advisory committees and study groups; role of industry associations; administrative regulations and procedures; and review of administrative actions.

Competition Policy Enforcement

The U.S. Government believes that strong and vigorous enforcement of the Antimonopoly Act by the Government of Japan is integral to increasing market access and ensuring the effectiveness of deregulatory measures. The United States urged Japan to strengthen the structure and organization of the Japan Fair Trade Commission (JFTC); enhance the JFTC's investigatory and enforcement powers; prevent anticompetitive practices by trade associations; strengthen coordination between the JFTC and other ministries on proposed administrative guidance; eliminate antimonopoly exemptions; increase efforts to eliminate dango; eliminate international contract notification requirements; and improve private remedies against antimonopoly violators.

Note: The 41-page report is available in the USTR Reading Room, or through the USTR Fax Retrieval System #29027.

OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

Executive Office of the President
Washington, D.C.
20508

FOR IMMEDIATE RELEASE
Wednesday, November 22, 1995

95-85
Contact: Anne Luzzatto
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Statement by Ambassador Mickey Kantor

I am pleased to announce that Japan's Ministry of Transport has taken the next step called for in the Auto Agreement to deregulate the \$60 billion auto parts aftermarket.

Effective today, ordinary installation of accessories such as side mirrors, roof racks, brush guards, and spoilers will no longer be subjected to cumbersome and expensive inspections requirements.

These changes are leading to increased interest in Japan in U.S. auto accessories, and U.S. auto parts manufacturers will mount a special trade mission in March to take advantage of this interest.

In a prior development in October, Japan's Ministry of Transport removed a series of replacement parts from the "critical parts" list. This means that replacement of these parts is no longer subject to MOT inspection. Shocks, struts, power steering equipment, and trailer hitches were fully deregulated in October.

The October deregulation has already opened new business for Tenneco, for example. In a special agreement with Toyota, Tenneco shocks will be available in nation-wide chains of service stations -- places at which Tenneco and other U.S. companies could never sell before.

On the vehicle front, there is equally good news. Toyota will soon announce the site in the U.S. for its new T-100 light truck manufacturing plant in the midwest. This means many more jobs for American workers.

Also, the agreement between GM and Toyota to sell Chevy Cavaliers in Japan is moving forward. These cars will be badged as Toyotas, and already appear to be receiving an enthusiastic welcome in Japan.

At last month's Tokyo Motor Show, new Big Three vehicles received the lion's share of attention. The Big Three announced that at least six new right hand drive models will be introduced into the Japanese market during next year.

-30-

Webmaster @ USTR - 22 November 1995

OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

Executive Office of the President
Washington, D.C.
20508

FOR IMMEDIATE RELEASE
Wednesday, November 29, 1995

95-86
Contact: Anne Luzzatto
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USTR Mickey Kantor Welcomes WTO Appellate Body Appointments

USTR Mickey Kantor today welcomed the decision of the World Trade Organization's Dispute Settlement Body appointing the initial seven members of the WTO's Appellate Body. Among the seven members of the newly established body is former Congressman James Bacchus of Florida.

"I am extremely gratified that Jim Bacchus has been honored with an appointment to the Appellate Body," said Kantor. "When Jim Bacchus was in the Congress, we worked closely with him on a range of trade issues and I always valued his advice. I can think of no person more qualified to serve on this critically important body."

Under the Dispute Settlement Understanding negotiated in the Uruguay Round, the Appellate Body is responsible for hearing appeals relating to issues of law covered in dispute settlement panel reports and legal interpretations developed by the panel in question. The seven members of the Appellate Body serve for four-year terms, with a possibility of a single reappointment. Three of the initial seven members will serve a first term of two years in order to provide for a staggering of appointments.

In addition to James Bacchus, other members of the new Appellate Body selected today are: Dr. Claus-Dieter Ehlermann (Germany); Ambassador Christopher Beeby (New Zealand); Professor Mitsuo Matsushita (Japan); Dr. Said El-Naggar (Egypt); Justice Florentino Feliciano (Philippines); and Ambassador Julio Lacarte Muro (Uruguay).

USTR Kantor noted the outstanding job done by Australia's Don Kenyon, Chairman of the Dispute Settlement Body, in developing consensus within the WTO to name as such a qualified group of people who will provide balance, objectivity and fairness in the hearing of appeals, and will continue to give us confidence in the dispute settlement process of the WTO.

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Webmaster @ USTR - 29 November 1995

OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

Executive Office of the President
Washington, D.C.
20508

FOR IMMEDIATE RELEASE
Thursday, November 30, 1995

95-87
Contact: Anne Luzzatto
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(202) 395-3230

USTR Kantor Welcomes Announcement of Toyota Plant in Indiana

United States Trade Representative Mickey Kantor today released the text of a letter to Toyota President Okuda welcoming the news that Toyota will build a new light truck plant near Evansville, Indiana.

In his letter, Ambassador Kantor noted that the new plant in Evansville represents a significant step toward the achievement of Toyota's goals for higher production in the U.S. These Toyota goals were announced on June 28 of this year concurrently with the conclusion of the US-Japan Auto Agreement.

Kantor said that the new facility would provide more jobs throughout our country in American companies that will supply auto parts to the Evansville Toyota plant. "This is good news for American workers," Kantor said.

Kantor also noted that since September an interagency/industry group has devoted considerable attention to monitoring all aspects of the Auto Agreement. Progress is being made in many areas at a very rapid pace. In addition to the Toyota plant in Indiana, a few of the highlights include:

- Big Three exports of vehicles to Japan are up 51% in 1995 over the same January - October period of last year.
- Chrysler announced this week that it has recruited twenty new sales outlets and many more Big Three dealerships are in the works.
- The Big Three announced at the Tokyo Motor Show in October that at least six new right-hand drive model vehicles will be introduced into the Japanese market in the next year.
- The pace of deregulation of the auto parts sector by the Japanese Government is moving rapidly. Major changes in Government inspection requirements have been made concerning repair parts and automotive accessories in the last two months.

-30-

Items Related to this Press Release:

[Letter to Toyota President Okuda](#)

Webmaster @ USTR - 30 November 1995

OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

Executive Office of the President
Washington, D.C.
20508

FOR IMMEDIATE RELEASE
Thursday, November 30, 1995

95-88
Contact: Anne Luzzatto
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USTR Mickey Kantor Announces Agreements with the European Union on EU Enlargement Compensation and EU Grain Import Policies

The United States Trade Representative reached agreements with the European Commission yesterday on two matters -- EU enlargement compensation and EU grain import policies.

The agreements create major new trade opportunities for U.S. exports to Europe and set the stage for even more dramatic progress in the next several years. They also demonstrate that the United States and Europe can work together to address difficult trade differences between us.

"As we approach the December 3 US-EU Summit, there could be no better step to build confidence in our ability to construct a New TransAtlantic Marketplace," said Ambassador Kantor.

Both agreements must be approved by the European Council of Ministers.

Enlargement Agreement

Under the Enlargement Agreement, the European Union will make tariff cuts compensating the United States for tariff increases by Austria, Finland and Sweden when they joined the European Union on January 1, 1995. The agreement will fully compensate the United States for increased tariffs applied in Austria, Finland and Sweden due to their EU membership.

In addition, the Enlargement Agreement sets the stage for the development of an Information Technology Agreement, the goal of which is to eliminate tariffs worldwide on information technology products by the year 2000. This was a specific recommendation of the recent TransAtlantic Business Dialogue meeting in Seville, and we are looking forward to working with the EU to conclude these negotiations as soon as possible.

The United States successfully negotiated compensation primarily for those industries that were directly harmed by increases in Austrian, Finnish and Swedish tariffs.

The highest value concessions were in three sectors -- semiconductors, agriculture and chemicals.

The tariff reductions include milled rice, brown rice, almonds, petfood, cherries, fresh foliage, crayfish, numerous other seafood items, nearly 200 chemical products, plywood, newsprint, non-woven fabrics, chromatographs, spectrometers, oscilloscopes, and semiconductors.

Agreement on EU Grains Import Policies

This agreement ensures that the European Union's import policies in the grains sector do not undercut

the EU's market access commitments negotiated in the Uruguay Round.

The agreement reduces import charges on rice and provides for review and consultation on the implementation of the European Union's "reference price system" for all grains.

During the first six months of 1996, the EU will change the reference price used for brown rice imports to reduce tariffs, compared to the current system.

The European Union, in consultation with the United States, will also develop a "cumulative recovery system" to ensure that EU imports of brown rice are charged appropriate tariff rates. This cumulative recovery system will be introduced for a one year trial period on July 1, 1996.

Finally, the agreement provides for bilateral consultations on wheat gluten imports into the United States, should there be a surge in those imports.

Once the agreement is approved by the EU Council of Ministers, the United States will withdraw its request for dispute settlement procedures on this matter in the World Trade Organization.

Additional Background on Enlargement Compensation

The United States and the European Commission negotiated the Enlargement Compensation Agreement under Article XXIV of the General Agreement on Tariffs and Trade 1994 (GATT 1994). This article allows countries to form customs unions, but also requires a customs union to compensate its trading partners when it has to renegotiate tariff concessions to form a common customs tariff.

While negotiating the agreement with the European Union, the United States has also been taking the steps necessary to preserve certain time-limited legal rights. On October 26, the USTR published a list of tariff concessions which the United States might counter-withdraw, as authorized by the GATT 1994. When the EU formally approves the agreement, however, we can both present the agreement to the World Trade Organization (WTO) and the United States can terminate these counter-withdrawal procedures. The United States and the European Union have agreed to ask the WTO to extend the time period for exercising WTO rights. This extension of rights would allow the United States to halt its counter-withdrawal procedures while the agreement is being approved.

The agreement announced today will replace an interim agreement that provides market access to Austria, Finland and Sweden during 1995 for key industrial products.

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Webmaster @ USTR - 30 November 1995

OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

Executive Office of the President
Washington, D.C.
20508

FOR IMMEDIATE RELEASE
Tuesday, December 4, 1995

95-89
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USTR Mickey Kantor Welcomes European Council Approval of Agreements with the European Union on EU Enlargement Compensation and EU Grain Import Policies

United States Trade Representative Mickey Kantor today welcomed the European Council's "political" approval of the U.S.-EU agreements on EU enlargement and grains. The EU Council action came one day after the United States and the European Union announced the creation of a New Transatlantic Marketplace at the U.S.-EU summit in Madrid. At that time, President Clinton stressed to Spanish Prime Minister Gonzalez and European Commission President Santer the importance of obtaining EU approval of these two agreements.

"There could be no more welcome follow-up to our Madrid summit than this," said Kantor. "It builds confidence in our trading relationship and demonstrates that the United States and the European Union are committed to resolving their differences in a productive and timely way."

The enlargement agreement provides full compensation to the United States for tariff increases that occurred when Austria, Finland and Sweden joined the European Union on January 1, 1995. The hundreds of tariff reductions in the agreement will result in \$4 billion in tariff savings by U.S. companies over the next ten years. The agreement also commits the two parties to attempt to conclude an Information Technology Agreement that will eliminate tariffs in the information technology sector by the year 2000.

The grains agreement ensures that the European Union's import policies in the grains sector do not undercut the EU's market access commitments negotiated in the Uruguay Round. It reduces import charges on rice and provides for review and consultation on the implementation of the European Union's "reference price system" for all grains. During the first six months of 1996, the EU will change the reference price used for brown rice imports to reduce tariffs, compared to the current system. The European Union, in consultation with the United States, will also develop a "cumulative recovery system" to ensure that EU imports of brown rice are charged appropriate tariff rates. This cumulative recovery system will be introduced for a one-year trial period on July 1, 1996. Finally, the agreement provides for bilateral consultations on wheat gluten imports into the United States, should there be a surge in those imports.

When the agreements have been signed, the United States will close its procedures for withdrawing substantially equivalent concessions in the EU enlargement matter and will withdraw its request for a WTO panel in the grains case.

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OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

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Thursday, December 14, 1995

95-90

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Foreign Share of the Japanese Semiconductor Market Hits Record 26.2%

The foreign share of Japan's semiconductor market surged to 26.2% in the third quarter of 1995 - - up over 3 percentage points from the shares recorded in the first two quarters of 1995. The previous record was 23.7%, reached in the fourth quarter of 1994.

"I am highly pleased that foreign companies have achieved yet another record share of Japan's semiconductor market," said Ambassador Mickey Kantor. "These results and the steady improvement in market performance we have seen over the past few years demonstrate the effectiveness of the efforts being made by all parties under the Arrangement. Commercial relations have flourished as we have moved, under the framework provided by the Arrangement, from an environment of confrontation to one of cooperation. Renewing the Arrangement is critical in order to maintain this proven framework for achieving progress."

The Arrangement provides for and has fostered a wide range of government and industry activities, all of which have contributed to the progress made in recent years. For example:

- the development of market access and market promotion plans by both semiconductor users and producers.
- the review of obstacles to improved foreign participation in the Japanese semiconductor market and an exchange of views on overcoming such obstacles by a joint working group of government and industry experts.
- coordinated efforts by the Japanese government and industry to increase utilization of competitive foreign products.
- quarterly calculations of market share by government experts. This has avoided the statistical disputes that characterized earlier years and, by confirming the success of the agreement, has built trust between the two industries.

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 16.7% in 1992, 19.4% in 1993, and 22.4% in 1994. The average market share for the first three quarters of 1995 is 24.0%. Despite this growth, the foreign share of the Japanese market remains relatively low compared to the situation in other markets. For example, Japanese firms held about 78% of the Japanese market as compared with only 24% in the world market outside of Japan. In the United States, now the world's leading producer of semiconductors, the foreign market share totaled 35% in 1994.

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%
Q2 1994	21.9%
Q3 1994	23.2%
Q4 1994	23.7%
Q1 1995	22.8%
Q2 1995	22.9%
Q3 1995	26.2%

* 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
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95-91
Contact: Anne Luzzatto
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United States Reaches Agreement with Ukraine on a Commercial Space Launch Agreement

U.S. Trade Representative Mickey Kantor announced that the United States and Ukraine today initialed an agreement on commercial space launches. "I am pleased by today's outcome," Kantor said. "This agreement will ensure that all segments of the U.S. space industry remain competitive."

The Agreement's main provisions allow Ukraine, on its own and in partnership with a U.S.-led joint venture, to enter the international space launch market. Quantitative limits and pricing guidelines ensure that Ukraine's entry into the market will be non-disruptive.

The text, initiated in Vienna, Austria would allow Ukraine opportunity over the term of the Agreement to win contracts for up to five (5) launches to geosynchronous earth orbit, currently the most frequently used orbit for commercial satellites. In addition, Ukraine would be given opportunity to win up to 11 more contracts exclusively for the use of a U.S.-Ukrainian joint venture, such as "Sea Launch" led by the Boeing company. Should the market for commercial space launch services expand over the next three to four years, the Agreement would also provide Ukraine with the possibility of winning up to four additional launch contracts, three of which would be available solely to a U.S.-Ukrainian joint venture.

Kantor said that the U.S. economy can expect significant benefits from this deal. "A project such as the Boeing Sea Launch project alone could generate several hundred jobs and could contribute to the conversion of idled domestic military facilities to productive commercial use," he added. In addition, he said that the agreement would further diversify the supply of launch services available to the \$4 billion U.S. satellite industry, and would allow that industry to maintain its world leadership position.

Other provisions in the Agreement limit Ukraine's ability to unfairly underbid their U.S. competitors. The Agreement also creates guidelines for Ukraine's participation in the growing market for launching commercial satellites to low earth orbit.

The Agreement, which will expire at the end of 2001, is similar to agreements the United States already has in place with Russia and China. All three agreements are designed to be transitional measures allowing for the non-disruptive entry of the space launch industries of economies in transition (EIT) into the market for internationally competed commercial space launches.

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Items Related to this Press Release:

Fact Sheet: Commercial Space Launch Agreement with Ukraine

Webmaster @ USTR - 14 December 1995

1. The Commercial Space Launch Agreement (CSLA) between the United States and Ukraine is a landmark agreement that will allow U.S. companies to launch commercial satellites from Ukraine's Baikonur Cosmodrome. The agreement is the result of negotiations between the U.S. State Department and the Ukrainian government, and was signed in December 1995.

2. The agreement covers the launch of up to 10 commercial satellites per year, and is a key element of the U.S. strategy to promote the development of a competitive commercial space launch industry. The agreement also provides for the launch of U.S. government satellites from Ukraine's cosmodrome.

3. The agreement is a significant step towards the development of a competitive commercial space launch industry in the United States. It will allow U.S. companies to launch their satellites from Ukraine's Baikonur Cosmodrome, which is one of the world's largest and most advanced space launch facilities. This will provide U.S. companies with a significant cost advantage over other launch providers, and will help to stimulate the growth of the commercial space launch industry.

4. The agreement is also a key element of the U.S. strategy to promote the development of a competitive commercial space launch industry. It will allow U.S. companies to launch their satellites from Ukraine's Baikonur Cosmodrome, which is one of the world's largest and most advanced space launch facilities. This will provide U.S. companies with a significant cost advantage over other launch providers, and will help to stimulate the growth of the commercial space launch industry.

5. The agreement is a significant step towards the development of a competitive commercial space launch industry in the United States. It will allow U.S. companies to launch their satellites from Ukraine's Baikonur Cosmodrome, which is one of the world's largest and most advanced space launch facilities. This will provide U.S. companies with a significant cost advantage over other launch providers, and will help to stimulate the growth of the commercial space launch industry.

6. The agreement is also a key element of the U.S. strategy to promote the development of a competitive commercial space launch industry. It will allow U.S. companies to launch their satellites from Ukraine's Baikonur Cosmodrome, which is one of the world's largest and most advanced space launch facilities. This will provide U.S. companies with a significant cost advantage over other launch providers, and will help to stimulate the growth of the commercial space launch industry.

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FOR IMMEDIATE RELEASE
Thursday, December 14, 1995

95-92
Contact: Anne Luzzatto
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USTR Kantor Says China Must Take Immediate Action to Curb Piracy

U.S. Trade Representative Mickey Kantor today called on China to take effective and expeditious action to implement the agreement concerning Intellectual Property Rights Protection reached earlier this year in Beijing. The Clinton Administration is evaluating China's implementation of the Agreement as the February 26 anniversary of its signing approaches.

Kantor said, "We expect strong and effective action against the more than 29 factories in China, 19 of which are in Guangdong province, producing pirated CDs, with severe penalties imposed against the pirates. More effective control mechanisms must be established to ensure that the factories are producing legitimate products. In addition, China's customs officials must investigate, seize and destroy pirated and counterfeit goods and turn over evidence to the relevant authorities for criminal prosecution. China's customs officials must halt the exports of pirated products out of that country."

"These actions need to be coupled with market access for our computer software, motion picture, record and publishing industries so that Chinese consumers can buy the legitimate product. China must also actively facilitate approval of contracts for joint ventures in the audio-visual and computer software areas, as well as licensing and distribution arrangements."

"We are determined to see that this historic agreement is fully implemented and enforced in order to establish a secure and protected environment for intellectual property rights."

"I am also very disturbed that threats have been made against people who are working in China to obtain effective enforcement of intellectual property rights and market access for these products. The continued pervasiveness of piracy in China -- especially in Guangdong -- fosters these kinds of actions by those who benefit from violating China's laws. I call on the Chinese authorities to investigate and act against those who would make threats and impede efforts to stop piracy," Kantor concluded.

The Administration has sent a USTR-led team to Beijing to conduct detailed discussions on the IPR Enforcement Agreement on December 20-21.

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FOR IMMEDIATE RELEASE
Friday, December 15, 1995

95-93
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Statement of the U.S. Trade Representative

Today the Government of Canada implemented an 80 percent tax on the advertising revenue of so called "split-run" editions of foreign magazines published in Canada. The clear intent of this punitive tax is to stop the further publication of Time Warner's magazine, Sports Illustrated Canada, and to prevent the publication of any similar foreign magazine in Canada in the future.

U.S. Trade Representative Mickey Kantor stated, "I am profoundly disappointed that the Government of Canada has chosen, for the second time this year, to evict a U.S. business enterprise which was established in Canada consistent with Canadian law and with the full knowledge of the Canadian Government. This action is directly contrary to the open trade and investment relationship we have worked so hard to establish between our two countries."

USTR, in close consultation with U.S. industry, is examining this discriminatory action and all options available to appropriately respond.

Kantor also expressed deep regret over the Government's deliberate decision to reject a proposed compromise to exempt Sports Illustrated Canada from the tax. The compromise was proposed not only by the magazine task force which recommended the tax to the Government but was also proposed in recent weeks by a Canadian Senate committee as an amendment to the tax legislation.

Kantor stated, "It is perfectly clear that many in Canada, including people in a position of leadership, felt this action was inappropriate."

At the same time last year that the Government of Canada announced it would seek an 80 percent tax on magazines, it also expressed an intention to seek new copyright legislation which may also discriminate against U.S. interests. The copyright legislation was not introduced this year as expected. However, the United States continues to closely monitor the development of the legislation because of concern that U.S. performers and producers will be denied the same benefits as Canadians.

The copyright legislation will establish a public performance right for record producers and performers and a levy on the sale of blank audio tapes. The revenues collected from these programs are intended to compensate performers and producers for the public performance and home-taping of their works in Canada. Kantor stated that the United States would be extremely concerned if legislation denying U.S. interests their fair share of these revenues were introduced.

Kantor concluded, "As I stated almost exactly one year ago when these measures were announced, we see these developments as concrete evidence of an increasing and disturbing trend in Canada toward the implementation of policies which are intended to protect Canadian industry by discriminating against

