EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

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Washington, D.C.

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For Immediate Release Contact: Brendan Daly

MAY 1, 2000 Amy Stilwell

Todd Glass

(202) 395-3230

ALL ITEMS EMBARGOED UNTIL 12:30PM EST, MAY 1, 2000

USTR RELEASES SUPER 301, SPECIAL 301

AND TITLE VII REPORTS

United States Trade Representative Charlene Barshefsky today set forth the Clinton Administration's trade expansion priorities for the year 2000, announced seven enforcement actions to be taken at the World Trade Organization and reiterated the Administration's position on health-related Intellectual Property Rights (IPR) in developing nations. This announcement was made in the context of today's release of three annual reports to Congress, known as Super 301, Special 301, and Title VII.

"We have negotiated nearly 300 trade agreements since 1993, and used our enforcement tools on more than 100 occasions. Enforcement of these agreements is critical to trade expansion," said Ambassador Barshefsky. "We have made enforcement a top priority, as reflected once again in this year's Super 301, Special 301 and Title VII announcements."

"In general, our trading partners have made good progress in the implementation of existing commitments," noted Ambassador Barshefsky. "However, we remain concerned about certain failures to comply fully with WTO agreements. Therefore, we are pursuing WTO dispute settlement action in seven cases covering customs valuations practices, investment measures, and intellectual property rights. These cases underscore our determination to take vigorous action against foreign government practices that conflict with international obligations."

The Special 301 report also pays special attention to the Administration's policy on health-related IPR matters, especially HIV/AIDS issues in developing countries. President Clinton announced last December that the United States is committed to helping developing countries gain access to essential medicines, and Ambassador Barshefsky reiterated that commitment today. "We have begun implementing a cooperative approach on health-related intellectual property matters to ensure that the application of U.S. trade law related to intellectual property remains sufficiently flexible to respond to public health crises. We are working closely with interested non-governmental organizations and industry to ensure that this policy is implemented effectively," said Ambassador Barshefsky.

Ambassador Barshefsky also announced the Administration's trade expansion priorities for 2000. In addition to the enforcement actions, these include: completing China's accession to the WTO, securing enactment of legislation to promote trade with certain regions, advancing negotiations for the Free Trade Area of the Americas, and continuing multilateral negotiations to open markets to U.S. exports. (For a full description of USTR activities in these and other areas, *see* the President's 1999 Annual Report on the Trade Agreements Program.)

The United States is pursuing WTO action in the following areas:

- ***Customs Valuation Practices***: The United States will request WTO consultations with with Brazil regarding its reference prices for certain textile products; and with Romania regarding its discriminatory reference prices for products such as clothing, poultry, and certain types of distilled spirits.

- ***Motor Vehicle Investment Measures***: The United States will take the next step in its ongoing WTO dispute with India regarding measures governing investment in the automotive industry, such as requiring manufacturing firms to use, among other things, specified levels of local content. The United States will also request WTO consultations with the Philippines in a continuing effort to resolve questions concerning local content requirements on producers of motorcycles, automobiles and certain commercial vehicles.

- ***Intellectual Property Rights***: The United States will request WTO dispute settlement consultations with Argentina regarding significant deficiencies in its patent regime, including its failure to grant exclusive marketing rights for certain technologies and to protect confidential test data submitted to government regulatory authorities for obtaining marketing approval. The United States will also consult with Brazil in the WTO regarding a longstanding difference of views on interpretation of the WTO Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) regarding a narrow aspect of Brazil's patent regime that can only be resolved through WTO dispute settlement. The United States will also proceed to a WTO panel with respect to Denmark's enforcement of intellectual property laws unless imminent progress is made.

The USTR has also described a number of trade practices of significant concern that may warrant stepped-up enforcement action in the near future. These include, among others:

- ***European Union***-ongoing subsidization of Airbus by EU Member States;
- ***Japan***-market access and competition problems in the flat glass sector and a significant and persistent pattern of discrimination that impedes access to Japan's public works market;
- ***Korea***-access barriers in the pharmaceuticals and autos market;
- ***Mexico***-minimum price regime for certain imported products; and
- ***Intellectual Property Protection*** in almost 60 countries, which are highlighted in the "Special 301" report.

BACKGROUND

Today's announcement of the Clinton Administration's trade expansion priorities and new WTO actions takes place in the context of the simultaneous release of three annual reports to Congress: Super 301, Special 301, and Title VII. These three reports build on the 2000 Trade Policy Agenda (released on March 2, 2000, *see* USTR News Release 00-16) and the 2000 National Trade Estimate (NTE) Report on Foreign Trade Barriers (released on March 31, 2000, *see* USTR News Release 00-23) and represent key provisions of U.S. trade law designed to promote compliance with trade agreements. These reports are prepared in close consultation with other U.S. government agencies and rely on information submitted by the public and U.S. embassies abroad.

These three reports are complemented by another key domestic trade law tool: Section 1377 of the Omnibus Trade and Competitiveness Act of 1988. Last month, the USTR completed its annual review of foreign countries' compliance with telecommunications trade agreements pursuant to Section 1377. This year's Section 1377 review focused on Japan's compliance with its WTO commitments on interconnection rates and alleged telecommunications trade barriers in Canada, Germany, Israel, Mexico, Peru, South Africa, Taiwan, and the United Kingdom (*see* USTR News Release 00-22, March 30, 2000, and USTR News Release 00-25, April 4, 2000).

"SUPER 301" REPORT ON TRADE EXPANSION PRIORITIES

- Super 301 - re-instituted by President Clinton on March 31, 1999 by Executive Order 13116 - provides a mechanism for the USTR annually to review U.S. trade expansion priorities and focus U.S. resources on eliminating significant unfair trade practices facing U.S. exports.

- This year's Super 301 report reviews U.S. trade expansion priorities, highlights the progress made in securing implementation of WTO commitments, initiates WTO dispute settlement in cases where countries are failing to meet their obligations, and focuses attention on other significant unfair trade practices facing U.S. exports.

- The Super 301 report identifies top trade expansion priorities: (1) complete China's accession to the WTO; (2) secure enactment of legislation promoting trade with certain regions; (3) advance negotiations for the Free Trade Area of the Americas; (4) pursue multilateral negotiations to open world markets to U.S. exports; and (5) enhance U.S. monitoring and enforcement efforts.

- The report also highlights various successes that this Administration has had regarding implementation of the WTO commitments of our trading partners. The Administration has used U.S. trade tools (such as Super 301 and Section 1377), worked through WTO oversight bodies (such as the Committee on Agriculture), and pursued WTO dispute settlement to secure compliance with trade agreements. Some notable successes include:

- a commitment on the part of the Government of Israel to terminate its discriminatory access charge on calls to/from North America (part of this year's 1377 process);

- enhanced implementation of the WTO Agreement on Agriculture (in the WTO Committee on Agriculture); and

- an agreement on expeditious elimination of India's import bans on 2,700 tariff lines of goods and a commitment by Canada to reduce its subsidized exports of dairy products (by prevailing in WTO dispute settlement).

- The Report also announces the use of WTO dispute settlement in four cases, covering auto investment measures in India and the Philippines and customs valuation practices in Brazil and Romania.

- Finally, the Super 301 Report identifies a number of country practices of significant concern, including EU Member State subsidization of Airbus, market access barriers in Japan's flat glass sector, and Mexico's customs valuation practices.

"SPECIAL 301" REPORT ON INTELLECTUAL PROPERTY RIGHTS

Ambassador Barshefsky also announced today the Administration's decision with respect to this year's review under the so-called "Special 301" provisions of the Trade Act of 1974, as amended.

"This decision reflects the Administration's continued commitment to aggressive enforcement of intellectual property rights. Intellectual property protection standards and enforcement have improved in part as a result of implementation of the WTO Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS Agreement). In addition, actions announced today reflect progress made over the course of 1999 in resolving many long-standing problems," she said.

- The decisions announced by Ambassador Barshefsky include specific actions:

- to invoke WTO dispute settlement consultation procedures with Argentina and Brazil, and to proceed to a WTO panel with Denmark unless progress is made.

- to monitor China and Paraguay under Section 306 of the Trade Act of 1974, as amended. This means that USTR will be in a position to move directly to trade sanctions if there is slippage in either country's enforcement of bilateral IPR agreements.

- to place 16 trading partners on the Special 301 Priority Watch List: Argentina, Dominican Republic, EU, Egypt, Greece, Guatemala, India, Israel, Italy, Korea, Malaysia, Peru, Poland, Russia, Turkey, and Ukraine. Additionally, there will be an "out-of-cycle" review scheduled for Italy, Korea and Macau.

- to place 39 trading partners on the Watch List. These countries include ones being placed on the Watch List for the first time, such as Kazakhstan, Latvia, and Lithuania.

- Other WTO dispute settlement proceedings and out-of-cycle reviews will be initiated if necessary.

- The Special 301 Report also elaborates upon the Administration's health-related IPR policy.

- Since December 1, USTR and Health and Human Services (HHS) staffs have worked together to address individual health-related intellectual property issues that have arisen with U.S. trading partners, as in the case of Thailand, as well as with respect to the health-related issues that have arisen in this year's Special 301 process. For the first time, HHS has participated actively as a member of the Special 301 Trade Policy Staff Sub-Committee that is charged with developing the Special 301 recommendations. The committee has taken health and development issues into account in accordance with the Administration's December 1 policy in making its Special 301 recommendations.

- Since December 1, the United States has encouraged its trading partners facing a health care crisis to explore all options for extending access to effective treatments. The Administration has made clear that the final choice of what policies to employ is one for each government to make on its own. Should a government avail itself of the flexibility the WTO TRIPS Agreement provides to address a health care crisis, the United States will raise no objection, provided the policy employed is consistent with the provisions of the TRIPS Agreement.

"TITLE VII" REPORT ON DISCRIMINATORY FOREIGN GOVERNMENT PROCUREMENT PRACTICES

- The Title VII Report - also reinstated by Executive Order 13116 on March 31, 1999 - gives the USTR the means to address discriminatory foreign government procurement practices.

- This Year's Title VII Report announces the successful resolution of the 1996 Title VII identification of Germany for failing to provide an adequate remedies system to challenge procurement decisions in the heavy electrical sector. Since being identified, Germany has enacted legislation to reform its bid challenge system. Although the law is still relatively new, a precedent-setting decision in an August 1999 case demonstrated that losing bidders can now challenge procurement decisions in a German court and anticipate a fair ruling.

- As in previous years, this report calls attention to concerns with a number of procurement practices that, while not currently meeting the Executive Order's threshold for formal identification, require continued monitoring with the potential for future identification.

- For instance, this year's report again notes U.S. disappointment with a significant and persistent pattern of practices of discrimination that continue to impede American companies' access to Japan's public works sector despite commitments made by Japan in the bilateral public works agreements. Because of the need for urgent progress in addressing these problems, the report makes clear that the Clinton Administration expects their resolution in a timely manner. If this does not occur, the United States will initiate the steps necessary to identify Japan under Title VII.

- The other concerns specifically mentioned relate to general aspects of Taiwan's procurement regime, Canadian provinces' "buy Canada" price preferences, implementation of Mexico's new procurement laws and NAFTA provisions on tendering periods, Korean airport construction (currently in WTO dispute settlement), and Germany's "sect filter" purchasing restrictions.

- In addition, this report describes the Administration's efforts to reduce discriminatory foreign procurement practices by building and strengthening the international rule of law in a wide range of multilateral, regional and bilateral fora, including negotiations on WTO and FTAA procurement agreements, implementation of the NAFTA procurement chapter, the Organization for Economic Cooperation and Development and Organization of American States anti-corruption conventions, and military-to-military consultations on the use of offsets in defense trade.

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00 -31

For Immediate Release Contact: Brendan Daly

May 2, 2000 Amy Stilwell

Todd Glass

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USTR ANNOUNCES STAFF CHANGES

The Office of the United States Trade Representative today announced several staff changes. David Shark, Deputy Assistant USTR for Environment and Natural Resources, has been appointed as USTR's Deputy Chief of Mission in Geneva. Mary Latimer, Deputy Assistant USTR for Asia and the Pacific, will replace David Shark.

"These staff changes show the depth and professionalism of the USTR staff," said United States Trade Representative Charlene Barshefsky. "David Shark has made a significant contribution to U.S. trade policy throughout his long career at USTR and he will continue to play a valuable role at our Mission in Geneva. Mary Latimer, who has played a key role in our Asia and Pacific division, will now bring her skills and knowledge to making sure that U.S. trade policy is consistent with our commitment to promoting environmental protection around the world. I look forward to working with them in their new roles."

David Shark has been employed with USTR since 1980 in a number of important policy and negotiating positions. He has served as Deputy Assistant USTR for Environment and Natural Resources since 1995. Prior to this assignment, he served as Deputy Assistant USTR for Europe and the Middle East, Deputy Assistant USTR for Trade Policy Coordination, Executive Director of the Generalized System of Preferences (where he implemented the then new labor standards requirements of the program), and as a member of USTR's staff in Geneva during the Uruguay Round .

Mary Latimer has worked in the Asia-Pacific and APEC Offices since 1995 as the Deputy Assistant USTR for Asia and the Pacific; Director for Korean Affairs; Director for Korean, ASEAN, and Indonesian Affairs; and Director for APEC Affairs. She has negotiated commitments on trade in motor vehicles, steel, and agriculture/SPS issues. Prior to coming to USTR, Mary was a professional staff member on the Committee on Ways and Means Subcommittee on Trade, where she was responsible for legislation in areas including U.S.-Asia, U.S.-Africa, and East/West trade; labor issues; agricultural trade; economic sanctions; and then-"MFN" status. Before joining the Committee staff, Mary served as former Congressman Don Pease's (OH) Legislative Assistant for trade and labor where she developed legislation on worker adjustment assistance.

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For Immediate Release Contact: Brendan Daly

May 3, 2000 Amy Stilwell

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Ambassador Barshefsky Welcomes African Trade Ministers

Announces $2.5 Million for WTO Related Technical Assistance for Africa

Welcomes News of Agreement on Africa/CBI Trade Bill

United States Trade Representative Charlene Barshefsky today welcomed Trade Ministers from eight African nations and senior trade officials from African regional organizations taking part in the U.S.-Africa Trade Forum this week. The objective of the Forum is to increase the dialogue between the United States and African countries on World Trade Organization (WTO) issues and to provide high-level technical assistance on the more complex aspects of key WTO agreements. Ambassador Barshefsky also announced $2.5 million for WTO-related technical assistance for Africa.

"This conference will help us set the framework for U.S.-African cooperation at the World Trade Organization as the new millennium begins," said Ambassador Barshefsky. "It is a chance for us to assess the progress we have made since the opening of President Clinton's Partnership Initiative for Africa in 1997, to build on the areas in which our work has succeeded, and to find areas in which we can still do better."

Ambassador Barshefsky also welcomed the announcement that Congress has come to an agreement on the Africa-Caribbean Basin Initiative trade bill. "At long last, this critical legislation is nearing the finish line. Expanding duty-free access to U.S. markets for the Caribbean and for the poorest countries in sub-Saharan Africa has been a central trade priority for this Administration. This bill represents a number of concrete steps that would create a framework for expanding economic growth and opportunity in both regions. We look forward to working with Congress on final passage," she said.

The three-day Forum will include technical assistance roundtables, private sector consultations, and a Congressional Roundtable hosted by Congressman Charles Rangel (D-NY). The Forum is one step in a broader process to support African countries' integration into the multilateral trading system. The United States has and will continue to pursue other avenues for exchange of views and provision of technical assistance, including bilateral meetings, formal mechanisms such as Trade and Investment Framework Agreements, and technical assistance projects aimed at improving WTO and trade-related capacity.

The $2.5 million for WTO related technical assistance for Africa is being funded under the Africa Trade and Investment Policy program and includes $1.75 million for customs related assistance, a $400,000 contribution to the WTO for courses in Africa, and $550,000 to expand U.S. sponsored WTO workshops in Africa.

The President's Partnership for Economic Growth and Opportunity in Africa (Partnership Initiative) was announced in 1997. The Partnership Initiative embodies key policy objectives essential to stimulating economic growth in Sub-Saharan Africa and facilitating Africa's integration into the global economy. Such objectives include support for economic reforms and growth underway in the region, enhanced U.S. economic engagement with Sub-Saharan Africa, support for Africa's full incorporation into the multilateral trading system, and support for sustainable economic development.

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For Immediate Release Contact: Brendan Daly

May 4, 2000 Amy Stilwell

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USTR Barshefsky Applauds House Passage of Africa/CBI Trade Bill, Urges Senate To Act Quickly

United States Trade Representative Charlene Barshefsky today applauded the overwhelming and bipartisan House passage of the Africa-Caribbean Basin Enhancement Initiative trade bill and urged the Senate to pass the bill as soon as possible. The legislation provides greater duty-free access to U.S. markets for more than 70 countries in sub-Saharan Africa, the Caribbean and Central America. Ambassador Barshefsky issued the following statement:

"This bill is a win-win-win proposition for Africa, the Caribbean Basin and the United States. It will strengthen our relationship with regions of the world that are making impressive strides in economic development and political reform. It will help promote economic growth, and reduce poverty in Africa and the Caribbean while strengthening our economic growth at home.

"Today, the House took the first step towards final passage of this historic legislation. It is now up to the Senate to make the Africa/CBI trade bill a reality.

"The Africa Growth and Opportunity Act will stimulate market-led investment, economic growth, and rising living standards in some of the world's poorest countries. The duty and quota free market access accorded in the bill will offer eligible African countries the opportunity to better compete with other countries that have traditionally utilized a strong American market to fuel growth and strengthen peace and democracy. A stable, secure, and prosperous sub-Saharan Africa is not only good for Africans, but for the United States as well. As reform spurs growth in Africa, it will create new and bigger markets for U.S. exports.

"The Caribbean Basin Enhancement Initiative marks a significant step forward in the

development of stronger economic ties in the region. During the past 15 years, the Caribbean Basin Initiative has played a key role in the economic and political development in the region, which in turn has resulted in better export markets for U.S. goods and services.

"The Caribbean Basin Enhancement Initiative also provides assistance to help Caribbean and Central American countries to rebuild their economies devastated by hurricanes Mitch and Georges. Finally, the CBI Enhancement is a bridge to the Free Trade Area of the Americas (FTAA). As they move forward on trade opening and market reform, Caribbean countries are preparing to form an integral part of the FTAA, which will be concluded by 2005."

Background

The African Growth and Opportunity Act is part of a broader process to support African countries' integration into the multilateral trading system. The President's Partnership for Economic Growth and Opportunity in Africa (Partnership Initiative) was announced in 1997. The Partnership Initiative embodies key policy objectives essential to stimulating economic growth in Sub-Saharan Africa and facilitating Africa's integration into the global economy. Such objectives include support for economic reforms and growth underway in the region, enhanced U.S. economic engagement with Sub-Saharan Africa, support for Africa's full incorporation into the multilateral trading system, and support for sustainable economic development.

On a related note, yesterday and today, Ambassador Barshefsky met with Trade Ministers from eight African nations and senior trade officials from African regional organizations taking part in the U.S.-Africa Trade Forum this week. The objective of the three-day Forum is to increase the dialogue between the United States and African countries on World Trade Organization (WTO) issues and to provide high-level technical assistance on the more complex aspects of key WTO agreements. Ambassador Barshefsky also announced $2.5 million for WTO-related technical assistance for Africa through the Africa Trade and Investment Policy program. Funding for program includes $1.75 million for customs related assistance, a $400,000 contribution to the WTO for courses in Africa, and $550,000 to expand U.S. sponsored WTO workshops in Africa.

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For Immediate Release Contact: Brendan Daly

May 5, 2000 Amy Stilwell

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UNITED STATES WINS WTO CASE CHALLENGING

CANADA'S 17-YEAR PATENT TERM

United States Trade Representative Charlene Barshefsky announced today that a World Trade Organization dispute settlement panel has agreed with the United States that Canada has not met its obligations under the WTO Agreement on Trade-Related Aspects of Intellectual Property Rights ("TRIPS Agreement"). That agreement requires WTO Members to provide a term of protection of at least 20 years from filing to all patents in existence in Canada since January 1, 1996.

"This is not a complex dispute. The panel simply had to make it clear that Canada must provide 20 years of patent protection, as required by the TRIPS Agreement," said Ambassador Barshefsky. "This decision requires Canada to provide 20 years of patent protection to more than 160,000 patented products, which span the full spectrum of industries. We expect Canada to do the right thing and comply with its WTO obligations."

The panel affirmed the U.S. position that the17-year term of protection for patents filed before October 1, 1989, provided for in the Canadian Patent Act, is inconsistent with the requirement in the TRIPS

Agreement that Members provide a patent term of at least twenty years from the date of filing for all patents existing on January 1, 1996. With respect to a large number of existing patents that were filed before October 1, 1989, and in existence on January 1, 1996, Canada is in violation of its WTO obligations as a result of its failure to provide an adequate patent term.

Background

On May 6, 1999, the United States initiated a WTO dispute settlement case against Canada for its failure to amend its patent law to comply with the TRIPS Agreement, which requires that Canada provide a patent term of at least twenty years from the date that a patent application is filed for all patents existing on January 1, 1996. The Canadian Patent Act, however, provides that the term of patents based on applications filed before October 1, 1989, is seventeen years from the date that the patent is issued. On September 22, 1999, the WTO established a panel to review this issue. The final panel report was released on May 5, 2000.

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For Immediate Release Contact: Brendan Daly

MAY 10, 2000 Amy Stilwell

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USTR Barshefsky Welcomes HIV/AIDS Executive Order

United States Trade Representative Charlene Barshefsky today welcomed the signing of an Executive Order that formalizes for the U.S. government the approach the Clinton Administration has been pursuing to help combat the spread of HIV/AIDS in sub-Saharan Africa.

"This Executive Order is intended to help stop the spread of this devastating disease by making HIV/AIDS-related drugs and medical technologies more accessible and affordable in sub-Saharan African countries," said Ambassador Barshefsky. "The order strikes a proper balance between the needs of African countries to respond to the HIV/AIDS crisis through the availability of effective drugs at affordable prices, and the need to ensure that intellectual property rights are protected."

The Executive Order also encourages African countries to take further steps to address one of the worst health crises the world faces. Specifically, the order encourages all sub-Saharan African countries to implement policies designed to address the underlying causes of the HIV/AIDS crisis, to promote practices that will prevent further transmission and infection, to stimulate development of the infrastructure necessary to deliver adequate health care services, and to encourage policies that provide an incentive for public and private research on and development of vaccines and other medical innovations that would contribute to combating the HIV/AIDS crisis in Africa.

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For Immediate Release Contact: Brendan Daly

May 11, 2000 Amy Stilwell

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USTR Barshefsky Hails Final Passage of Africa/CBI Trade Bill

United States Trade Representative Charlene Barshefsky today hailed final passage of the Africa-Caribbean Basin Enhancement Initiative trade bill, and praised the Senate for its quick action. The legislation provides greater duty-free access to U.S. markets for more than 70 countries in sub-Saharan Africa, the Caribbean and Central America.

"With passage of this bill today, and the President's Executive Order yesterday to help combat HIV/AIDS in Africa, both the Administration and Congress have shown their deep commitment to a revitalized Africa, which is already making impressive strides in economic development and political reform," said Ambassador Barshefsky. "Likewise, the Carribean Basin Enhancement Initiative moves us another step closer to achieving the economic and social goals of the Miami Summit of the Americas."

The Senate voted 77-19 today to approve the bill, one week after the House passed the bill, 309-110. This is the first major trade legislation Congress has adopted since 1994, when they approved a bill that led to the creation of the World Trade Organization.

"The overwhelming bipartisan support in both the House and the Senate is a victory for open trade and a recognition of the vital role that trade plays in economic development worldwide. It's an encouraging sign that Congress can overcome contentious issues in trade legislation and approve bills that are clearly in the best interests of the United States and our trading partners," Ambassador Barshefsky said.

The Africa Growth and Opportunity Act will stimulate market-led investment, economic growth, and rising living standards in some of the world's poorest countries. The duty and quota free market access accorded in the bill will offer eligible African countries the opportunity to better compete with other countries that have traditionally utilized a strong American market to fuel

growth and strengthen peace and democracy. A stable, secure, and prosperous sub-Saharan Africa is not only good for Africans, but for the United States as well. As reform spurs growth in Africa, it will create new and bigger markets for U.S. exports.

The Caribbean Basin Enhancement Initiative marks a significant step forward in the development of stronger economic ties in the region. During the past 15 years, the Caribbean Basin Initiative has played a key role in the economic and political development in the region, which in turn has resulted in better export markets for U.S. goods and services.

The Caribbean Basin Enhancement Initiative also provides assistance to help Caribbean and Central American countries to rebuild their economies devastated by hurricanes Mitch and Georges. Finally, the CBI Enhancement is a bridge to the Free Trade Area of the Americas (FTAA). As they move forward on trade opening and market reform, Caribbean countries are

preparing to form an integral part of the FTAA, which will be concluded by 2005.

Ambassador Barshefsky praised President Clinton for his leadership on this bill, which is part of a broader initiative to support African countries' integration into the multilateral trading system. The President's Partnership for Economic Growth and Opportunity in Africa was announced in 1997 and embodies key policy objectives essential to stimulating economic growth in Sub-Saharan Africa and facilitating Africa's integration into the global economy.

Ambassador Barshefsky also praised members of her career staff who have worked for many years on these issues. These include: Peter Allgeier, Associate U.S. Trade Representative for the Western Hemisphere, Caroyl Miller, Deputy Chief Textile Negotiator, and Rosa Whitaker, Assistant U.S. Trade Representative for African Affairs.

In addition, she commended the tireless efforts of her Congressional staff, Emily Beizer, Andrew Barbour, and Dario Gomez, for their work on this legislation.

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00-38

May 17, 2000 Contact: Brendan Daly

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USTR Barshefsky Hails Senate and House Votes on China PNTR

United States Trade Representative Charlene Barshefsky today hailed approval of a bill by two committees in Congress of legislation to establish permanent normal trade relations with China. The Senate Finance Committee voted 18 to1 this morning to approve the bill, while the House Ways and Means Committee voted 34 to 4 on a similar measure.

Ambassador Barshefsky issued the following statement this afternoon:

"The decisive, bipartisan votes clearly show that members in both chambers of Congress understand how critical it is to U.S. economic interests and reform in China to grant permanent normal trading relations status to China. The votes reflect the strength of the agreement and affirm the President's policy of engagement with China. I commend members of the House and Senate committees for their leadership on this difficult issue.

"Just as the votes earlier this month to approve the Africa-Caribbean Basin Enhancement Initiative trade bill, the votes today are a recognition of the vital role that trade plays in economic development around the world. I continue to be encouraged that Congress can overcome divisive issues in trade legislation and approve bills that are clearly in the best interests of the United States and our trading partners. We will continue to work for passage in House and Senate.

"Granting PNTR is undoubtedly in our best interest. The trade benefits, of course, are enormous. Approving PNTR will open China's markets to American exports of industrial goods, services and agriculture to a degree unprecedented in the modern era, by cutting tariffs, eliminating quotas, abolishing agricultural export subsidies, and opening key services sectors like telecommunications and finance.

"As the President has said so eloquently, approval of PNTR, together with China's entry into the World Trade Organization, will also strengthen China's stake in peace and stability in Asia. A vote to approve PNTR is, therefore, our best chance to promote reform in China, and develop a relationship with the world's largest nation that strengthens stability in Asia. With PNTR, at great benefit to ourselves, we accelerate reform and we strengthen the chance of peace."

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For Immediate Release Contact: Brendan Daly

May 18, 2000 Amy Stilwell

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USTR Announces Apparel Quota Increase for Cambodia

United States Trade Representative Charlene Barshefsky announced today that the United States has given Cambodia a 5 percent apparel quota increase in recognition of progress made by the Royal Government of Cambodia in the enforcement of internationally recognized core labor standards. The quota increase, granted under the U.S.-Cambodia Bilateral Textile Agreement of 1999, became effective on Friday, May 12.

"The U.S.-Cambodia labor agreement has led to significant improvements in working conditions in Cambodia, in a relatively short period of time," said Ambassador Barshefsky. "We are encouraged by the strides that Cambodia has made and we applaud its commitment to improving labor rights in this critical sector. We hope that continued cooperation between our two countries will lead to increased opportunities for both Cambodian apparel workers and U.S. exporters."

The Cambodian Government, the Garment Manufacturers Association of Cambodia and the International Labor Organization (ILO) reached agreement earlier this month to establish a new project to monitor working conditions in the Cambodian garment industry. The U.S. Government announced in December 1999 that it would provide a 5 percent quota increase for the quota year 2000, once the proposed ILO program was agreed upon.

The ILO program will provide for factory visits by ILO monitors, who will collect information about factory compliance with internationally recognized core labor standards and Cambodian labor law. The program will produce quarterly public reports, the results of which the U.S. Government will consider when making its annual decision regarding whether to grant Cambodia a 14 percent quota increase, under the terms of the January 1999 U.S.-Cambodia Bilateral Textile Agreement.

The ILO monitoring program will run for three years at a cost of $1.4 million. The U.S. Government will provide $1 million, while the Cambodian Government and Garment Manufacturers Association will provide $200,000 each.

Background

The U.S.-Cambodia textile agreement is the first bilateral textile trade agreement containing a labor provision. It permits an annual quota increase of 14 percent if the U.S. finds that Cambodia is in "substantial compliance" with its labor laws and internationally recognized core labor standards. In December 1999, the U.S. Government found that Cambodia was not in "substantial compliance" with its labor laws and therefore not entitled to the 14 percent increase. However, the U.S. Government sought to acknowledge that progress had been made by the Royal Government of Cambodia in this area, and offered a 5 percent increase, effective as soon as an ILO independent monitoring program was established.

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For Immediate Release Contact: Brendan Daly

May 24, 2000 Amy Stilwell

Todd Glass

(202) 395-3230

USTR Barshefsky Praises House Passage of PNTR for China

United States Trade Representative Charlene Barshefsky today issued the following statement regarding the 237-197 vote by the House of Representatives to approve Permanent Normal Trade Relations for China:

"This has been a vigorous debate, but in the end, the House voted to advance the economic interests of the United States and to seize the best opportunity in 20 years to help promote reform in China and better ensure stability in Asia. American workers, businesses and farmers are now one step closer to taking full advantage of the benefits of this historic agreement with China.

"Trade votes remain difficult, but this vote demonstrates that if there is a strong economic agreement and broader national interests at stake, it is possible -- even on an issue as contentious as China -- to secure support for trade in the Congress.

"The President's personal involvement and commitment to this trade bill was crucial to today's vote, as was the leadership of Commerce Secretary Bill Daley, along with White House aides Steve Ricchetti and Chuck Brain and the entire Administration. We have consulted closely with the Senate in recent months, and tomorrow morning we will turn our full attention there."

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For Immediate Release Contact: Brendan Daly

May 26, 2000 Amy Stilwell

Todd Glass

(202) 395-3230

USTR Announces Procedures for Modifying Measures in EC Beef and Bananas Cases

The Office of the United States Trade Representative today announced procedures for modifying the lists of European products subject to increased tariffs as a result of the European Communities' (EC) failure to comply with dispute settlement rulings in the World Trade Organization (WTO) *Beef* and *Bananas* cases. USTR is seeking comment with respect to whether products currently on the retaliation lists should remain subject to increased duties, and whether products on broader lists attached to this release should be newly subject to increased duties. USTR is also seeking comment with respect to whether the 100 percent rate of duty currently applied is high enough to have the intended effect of being prohibitive. USTR is particularly interested in comments addressed to the effects on U.S. small- or medium-size businesses of imposing higher duties on particular products.

Modifications to the product lists are mandated by Section 407 of the Trade and Development Act of 2000, which entered into force on May 18, 2000. The provision was motivated by the United States' growing sense of frustration with the EU's failure to honor its WTO obligations in the *Beef* and *Bananas* cases. WTO arbitrators have found that the EC's discriminatory banana import regime is harming U.S. economic interests in the amount of $191.4 million per year, and that the EC's unfounded ban on U.S.

beef is harming U.S. economic interests in the amount of $116.8 million per year. The intent of Section 407 is to induce compliance with the results of WTO dispute settlement proceedings, while maintaining the level of retaliation within the level authorized by the WTO.

After considering all public comments, an interagency committee will provide recommendations to the USTR. Consistent with Congressional expectations, the Administration's goal is to announce modifications by June 19, 2000, the first business day that is 30 days after Section 407 entered into force.

Information on Submitting Comments

Complete information on the submission of comments is set forth in a USTR Federal Register notice. The notice is posted today on the USTR web site (www.ustr.gov). The notice is available today for public inspection at the Office of the Federal Register and will be published in the May 31, 2000 edition of the Federal Register.

All products on the attached lists were included on preliminary lists with respect to which USTR has previously sought public comment. All comments previously received with respect to particular products, as well as comments received in response to this announcement, will be considered. Accordingly, persons who have previously submitted comments with respect to particular products are requested not to resubmit such comments, although updates to previously submitted comments are welcome.

To be assured of consideration, comments should be submitted by 5:00 p.m. on June 14, 2000, and should be addressed to: Chairman, Section 301 Committee, Attn: Implementation of WTO Recommendations, Room 100, 600 17th Street, NW, Washington, D.C. 20508.

Comments are requested with respect to the products from designated EC member States listed in the four Annexes to this announcement:

<u>Annex I</u> is the list of products currently subject to 100 percent duties as a result of the EC's noncompliance in the *Bananas* case. This list was drawn from the broader list contained in Annex II.

<u>Annex II</u> is the list of products that the United States submitted to the WTO in January, 1999 in the *EC-Bananas* case, and all products on the list have been included in prior notices requesting public comment. All products on this list not currently subject to 100 percent duties are under consideration for the new imposition of increased duties of 100 percent or more as a result of the EC's noncompliance in the *EC-Bananas* case.

Annex III is the list of products currently subject to 100 percent duties as a result of the EC's noncompliance in the *EC-Beef Hormones* case. This list was drawn from the broader list contained in Annex IV.

Annex IV is the list of products that the United States submitted to the WTO in May 1999 in the *EC-Beef Hormones* case, and all products on the list have been included in prior notices requesting public comment. All products on this list not currently subject to 100 percent duties are under consideration for the new imposition of increased duties of 100 percent or more as a result of the EC's noncompliance in the *EC-Beef Hormones* case.

Comments are requested both with regard to whether maintaining or imposing increased duties on particular products would be practicable or effective in terms of encouraging the EC to comply with its WTO obligations in the *Beef* and *Bananas* cases, and the effects of increased duties on U.S. economic interests. The USTR is particularly interested in potential impacts on U.S. small- or medium-size businesses, so it can seek to avoid adversely affecting them.

BACKGROUND

Section 407 of the Trade and Development Act of 2000

Section 301 of the Trade Act of 1974 authorizes the USTR to take responsive action when another WTO Member fails to implement WTO Dispute Settlement Body (DSB) recommendations in a dispute settlement proceeding. In both the *Beef* and *Bananas* cases, the USTR used that authority to increase tariffs on goods imported from EC countries, as authorized by the DSB. Section 407 of the Trade and Development Act of 2000, enacted on May 18, 2000, amended Section 301 by requiring the USTR to review such actions taken under Section 301 and to revise them, in whole or in part, 120 days after their initial effective date, and every 180 days thereafter.

Section 407 provides exceptions in the event that (1) the USTR and the Section 301 petitioner (or, if USTR self-initiated the Section 301 investigation, the affected U.S. industry) agree that changing the action under Section 301 is unnecessary, or (2) resolution of the case is imminent. At this time, neither of these exceptions appears to apply in the *Beef* or *Bananas* cases.

Section 407 provides that the standard for making changes is to select changes that are most likely to result in implementation of the DSB recommendations, or in achieving some other satisfactory resolution of the dispute. The conference report accompanying the legislation confirms that Congress intends for the USTR, in accordance with WTO dispute settlement rules, to ensure that the level of retaliation remains within the level authorized by the WTO DSB. It also states that the conferees expect initial action within 30 days after entry into force.

The provision also requires that retaliation lists -- both initially and after each of the periodic changes -- include reciprocal goods of the U.S. industries affected by a WTO Member's noncompliance. This reciprocity requirement is applicable to the retaliatory action in the *Beef* case. However, Section 407 includes an exception that makes the reciprocity requirement inapplicable to the retaliatory action in the *Bananas* case.

Bananas Case

The United States, along with Ecuador, Guatemala, Honduras, and Mexico, successfully challenged the EC banana regime under WTO dispute settlement procedures. The regime was designed, among other things, to take away a major part of the banana distribution business of U.S. companies. On May 22, 1997, a WTO panel found that the EC banana regime violated WTO rules; the Appellate Body upheld the panel's decision on September 9, 1997. At the request of the complaining parties, the compliance period was set by arbitration and expired on January 1, 1999. However, on January 1, 1999, the EC adopted a regime that perpetuates the WTO violations identified by the panel and the Appellate Body. The United States sought WTO authorization to suspend concessions (i.e., retaliate) with respect to certain products from the EC, the value of which is equivalent to the nullification or impairment sustained by the United States. The EC exercised its right to request arbitration concerning the amount of the suspension and on April 6, 1999, the arbitrators determined the level of suspension to be $191.4 million. On April 19, 1999, the DSB authorized the United States to suspend such concessions, and the United States proceeded to impose 100 percent *ad valorem* duties on a list of EC products with an annual trade value of $191.4 million. Discussions with the EC to resolve this matter are continuing.

Beef Case

The United States and Canada successfully challenged the EC ban on imports of meat from animals to which any of six hormones for growth promotional purposes had been administered. The WTO panel found that the EC ban is inconsistent with the EC's obligations under the WTO Agreement on the Application of Sanitary and Phytosanitary Measures (the "SPS Agreement") and that the ban is not based on science, a risk assessment, or relevant international standards. Upon appeal, the Appellate Body affirmed the panel's findings that the EC ban fails to satisfy the requirements of the SPS Agreement. The Appellate Body also found that while a country has broad discretion in electing what level of protection it wishes to implement, in doing so it must fulfill the requirements of the SPS Agreement. In this case the ban imposed is not rationally related to the conclusions of the risk assessments the EC had performed. The EC's ban ignored a vast body of scientific evidence - including evidence produced by the EC's own reviews - that it is safe to consume meat from animals to which these drugs have been administered in accordance with good animal husbandry practice. Because the EC did not comply with the rulings and recommendations of the DSB by May 13, 1999 (the final date of its compliance period as set by arbitration), the United States sought WTO authorization to suspend concessions (i.e., retaliate) with respect to certain products of the EC, the value of which represents an estimate of the annual harm to U.S. exports resulting from the EC's failure to lift its ban on imports of U.S. meat. The EC exercised its right to request arbitration concerning the amount of the suspension. On July 12, 1999, the arbitrators determined the level of suspension to be $116.8 million. On July 26, 1999, the DSB authorized the United States to suspend such concessions, and the United States proceeded to impose 100 percent *ad valorem* duties on a list of EC products with an annual trade value of $116.8 million. Discussions with the EC to resolve this matter are continuing.

ANNEX I

EC-Bananas - List of Products Currently Subject to Increased Duties

The products listed below are currently subject to 100 percent *ad valorem* duties as a result of the EC's noncompliance in the *EC-Bananas* case. Each of the products listed below is under consideration for continued inclusion on a revised retaliation list, and for the imposition of duties above the current 100 percent *ad valorem* rate. In particular, increased tariffs may continue to be applied to, or may be raised with respect to, articles that are (i) classified in the numerical subheadings of the Harmonized Tariff Schedule of the United States (HTS) listed below and (ii) products of one or more of the indicated member States of the European Communities. In all cases, the tariff nomenclatures in the HTS for the subheadings listed below are definitive; the product descriptions in this list are for **information purposes only**. The descriptions below are not intended to delimit in any way the scope of the products subject to increased duties.

Products of Austria, Belgium, Finland, France, the Federal Republic of Germany, Greece, Ireland, Italy, Luxembourg, Portugal, Spain, Sweden, or the United Kingdom:

HTS No.	Product Description
33073050	Bath preparations, other than bath salts
42022215	Handbags, with or without shoulder straps or without handle, with outer surface of sheeting of plastics
42023210	Articles of a kind normally carried in the pocket or handbag, with outer surface of reinforced or laminated plastics
48055000	Uncoated felt paper and paperboard in rolls or sheets
48192000	Folding cartons, boxes and cases of noncorrugated paper or paperboard
49119120	Lithographs on paper or paperboard, not over 0.51 mm in thickness, printed not over 20 years at time of importation
63022190	Bed linen, not knit or crochet, printed, of cotton, not containing any embroidery, lace, braid, edging, trimming, piping or applique work, not napped
85072080	Lead-acid storage batteries other than of a kind used for starting piston engines or as the primary source of power for certain electric vehicles principally designed for the transport of up to nine persons

Products of Austria, Belgium, Finland, France, the Federal Republic of Germany, Greece, Ireland, Luxembourg, Portugal, Spain, Sweden, or the United Kingdom (same as above country list, except Italy):

85167100	Electrothermic coffee or tea makers, for domestic purposes

ANNEX II

EC-Bananas - List of Products under Consideration for the Imposition of Increased Duties

The product list below **includes** the products, listed in Annex I, which are currently subject to increased duties as a result of the EC's noncompliance in the *EC-Bananas* case. All of the remaining products listed below are under consideration for the new imposition of increased duties of 100 percent *ad valorem* or more. In particular, increased tariffs may be applied to articles that are (i) classified in the numerical subheadings of the Harmonized Tariff Schedule of the United States (HTS) listed below and (ii) products of one or more of the indicated member States of European Communities. In all cases, the tariff nomenclatures in the HTS for the subheadings listed below are definitive; the product descriptions in this list are for **information purposes only**. The descriptions below are not intended to delimit in any way the scope of the products that would be subject to increased duties.

Products of Austria, Belgium, Finland, France, the Federal Republic of Germany, Greece, Ireland, Italy, Luxembourg, Portugal, Spain, Sweden, or the United Kingdom:

HTS Number	Product Description
02101900	Meat of swine, other than hams, shoulders, bellies (streaky) and cuts thereof, salted, in brine, dried or smoked
04069057	Pecorino cheese, from sheep's milk, in original loaves, not suitable for grating
19053000	Sweet biscuits; waffles and wafers
33073050	Bath preparations, other than bath salts
34060000	Candles, tapers and the like
39202000	Nonadhesive plates, sheets, film, foil and strip, noncellular, not reinforced or combined with other materials, of polymers of propylene
42022215	Handbags, with or without shoulder straps or without handle, with outer surface of sheeting of plastics
42023210	Articles of a kind normally carried in the pocket or handbag, with outer surface of reinforced or laminated plastics
48055000	Uncoated felt paper and paperboard in rolls or sheets
48192000	Folding cartons, boxes and cases of noncorrugated paper or paperboard
49090040	Printed cards (except postcards) bearing personal greetings, messages or announcements, with or without envelopes or trimmings
49119120	Lithographs on paper or paperboard, not over 0.51 mm in thickness, printed not over 20 years at time of importation
61101010	Sweaters, pullovers, sweatshirts, waistcoats (vests) and similar articles, knitted or crocheted, wholly of cashmere
63022190	Bed linen, not knit or crochet, printed, of cotton, not containing any embroidery, lace, braid, edging, trimming, piping or applique work, not napped
85072080	Lead-acid storage batteries other than of a kind used for starting piston engines or as the primary source of power for certain electric vehicles principally designed for the transport of up to nine persons
85167100	Electrothermic coffee or tea makers, for domestic purposes
94051080	Chandeliers and other electric ceiling or wall lighting fittings (other than used for public spaces), not of base metal

	public spaces), not of base metal

ANNEX III

EC-Beef Hormones - List of Products Currently Subject to Increased Duties

The products listed below are currently subject to 100 percent *ad valorem* duties as a result of the EC's noncompliance in the *EC-Beef Hormones* case. Each of the products listed below is under consideration for continued inclusion on a revised retaliation list, and for the imposition of duties above the current 100 percent *ad valorem* rate. In particular, increased tariffs may continue to be applied to, or may be raised with respect to, articles that are (i) classified in the numerical headings and subheadings of the Harmonized Tariff Schedule of the United States (HTS) listed below and (ii) products of one or more of the indicated member States of the European Communities. In the instances where a 4-digit HTS heading appears in the left column of this list, products classified in any of the 8-digit subheadings appearing in the HTS under those 4-digit headings are currently subject to increased duties. In all cases, the tariff nomenclatures in the HTS for the headings and subheadings listed below are definitive; the product descriptions in this list are for **information purposes only**. The descriptions below are not intended to delimit in any way the scope of the products that would be subject to increased duties.

Products of Austria, Belgium, Denmark, Finland, France, the Federal Republic of Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal, Spain, or Sweden:

HTS	Description
0201	MEAT OF BOVINE ANIMALS, FRESH OR CHILLED
0202	MEAT OF BOVINE ANIMALS, FROZEN
02031100	Meat of swine (pork), fresh or chilled, carcasses and half-carcasses
02031210	Meat of swine (pork), fresh or chilled, hams and shoulders and cuts thereof, bone in, processed
02031290	Meat of swine (pork), fresh or chilled, hams and shoulders and cuts thereof, bone in, other
02031920	Meat of swine (pork), fresh or chilled, other, processed
02031940	Meat of swine (pork), fresh or chilled, other
02032100	Meat of swine (pork), frozen, carcasses and half-carcasses
02032210	Meat of swine (pork), frozen, hams and shoulders and cuts thereof, bone in, processed
02032290	Meat of swine (pork), frozen, hams and shoulders and cuts thereof, bone in, other
02061000	Edible offal of bovine animals, fresh or chilled
02062100	Edible offal of bovine animals, frozen, tongues
02062200	Edible offal of bovine animals, frozen, livers
02062900	Edible offal of bovine animals, frozen, other
04064020	Roquefort cheese in original loaves, not grated or powdered, not processed
04064040	Roquefort cheese, other than in original loaves, not grated or powdered, not processed
07031040	Onions, other than onion sets or pearl onions not over 16 mm in diameter, and shallots, fresh or chilled
07095200	Truffles, fresh or chilled
07129010	Dried carrots, whole, cut, sliced, broken or in powder, but not further prepared
16022020	Prepared or preserved liver of goose
16022040	Prepared or preserved liver of any animal other than of goose
19054000	Rusks, toasted bread and similar toasted products
20098060	Juice of any other single fruit, (including cherries and berries), concentrated or not concentrated
21013000	Roasted chicory and other roasted coffee substitutes and extracts, essences and concentrates thereof

21013000	Roasted chicory and other roasted coffee substitutes and extracts, essences and concentrates thereof
21033040	Prepared mustard

Products of France, the Federal Republic of Germany, or Italy:

20021000	Tomatoes, whole or in pieces, prepared or preserved otherwise than by vinegar or acetic acid

Products of France or the Federal Republic of Germany:

05040000	Guts, bladders and stomachs of animals (other than fish), whole and pieces thereof
21041000	Soups and broths and preparations therefor
55101100	Yarn (other than sewing thread) containing 85% or more by weight of artificial staple fibers, singles, not put up for retail sale

Products of France:

15059000	Fatty substances derived from wool grease (including lanolin)
18063100	Chocolate and other cocoa preparations, in blocks, slabs or bars, filled, not in bulk
20079905	Lingonberry and raspberry jams
02101100	Hams, shoulders and cuts thereof with bone in, salted, in brine, dried or smoked
35061050	Products suitable for use as glues or adhesives, not exceeding 1 kg, put up for retail sale

ANNEX IV

EC-Beef Hormones - List of Products under Consideration for the Imposition of Increased Duties

The product list below **includes** the products, listed in Annex III, which are currently subject to increased duties as a result of the EC's noncompliance in the *EC-Beef Hormones* case. All of the remaining products listed below are under consideration for the new imposition of increased duties of 100 percent *ad valorem* or more. In particular, increased tariffs may be applied to articles that are (i) classified in the numerical headings and subheadings of the Harmonized Tariff Schedule of the United States (HTS) listed below and (ii) products of one or more of the member States of European Communities. In the instances where a 4-digit HTS heading appears in the left column of this list, products classified in any of the 8-digit subheadings appearing in the HTS under those 4-digit headings may be subject to increased duties. In all cases, the tariff nomenclatures in the HTS for the headings and subheadings listed below are definitive; the product descriptions in this list are for **information purposes only**. The descriptions below are not intended to delimit in any way the scope of the products that would be subject to increased duties.

HTS	Description
0201	MEAT OF BOVINE ANIMALS, FRESH OR CHILLED
0202	MEAT OF BOVINE ANIMALS, FROZEN
0203	MEAT OF SWINE (PORK), FRESH, CHILLED OR FROZEN
0206	EDIBLE OFFAL OF BOVINE ANIMALS, SWINE, SHEEP, GOATS, HORSES ETC., FRESH, CHILLED OR FROZEN
0207	MEAT AND EDIBLE OFFAL OF POULTRY (CHICKENS, DUCKS, GEESE, TURKEYS AND GUINEAS), FRESH, CHILLED OR FROZEN
02101100	Hams, shoulders and cuts thereof with bone in, salted, in brine, dried or smoked
02101200	Bellies (streaky) and cuts thereof of swine, salted, in brine, dried or smoked
02102000	Meat of bovine animals, salted, in brine, dried or smoked
02109020	Meat and edible offal of chickens, ducks, geese, turkeys and guineas, salted, in brine, dried or smoked; flour and meal of these animals
02109040	Meat and edible offal nesoi, salted, in brine, dried or smoked; flour and meal, nesoi
04064020	Roquefort cheese in original loaves, not grated or powdered, not processed
04064040	Roquefort cheese, other than in original loaves, not grated or powdered, not processed
05040000	Guts, bladders and stomachs of animals (other than fish), whole and pieces thereof
06039000	Cut flowers and flower buds, suitable for bouquets or ornamental purposes, dried, dyed, bleached, impregnated or otherwise prepared
06049100	Foliage, branches and other parts of plants without flowers or flower buds, and grasses, suitable for bouquets or ornamental purposes, fresh
06049930	Foliage, branches, parts of plants without flowers or buds, and grasses, suitable for bouquets or ornamental purposes, dried or bleached
07020020	Tomatoes, fresh or chilled, entered during Mar.1 to July 14, or the period Sept.1 to Nov.14 in any year
07020040	Tomatoes, fresh or chilled, entered during July 15 to Aug.31 in any year
07020060	Tomatoes, fresh or chilled, entered from Nov. 15 thru the last day of Feb. of the following year
07031040	Onions, other than onion sets or pearl onions not over 16 mm in diameter, and shallots, fresh or chilled
07095200	Truffles, fresh or chilled
07129010	Dried carrots, whole, cut, sliced, broken or in powder, but not further prepared
07129074	Dried tomatoes, in powder
07129075	Dried tomatoes, whole, cut, sliced, broken or in powder, but not further prepared
07129078	Dried tomatoes, whole, cut, sliced or broken but not further prepared
08024000	Chestnuts, fresh or dried, shelled or in shell
09042020	Paprika, dried or crushed or ground
10040000	Oats
11041200	Rolled or flaked grains of oats
11042200	Grains of oats, hulled, pearled, clipped, sliced, kibbled or otherwise worked, but not rolled or flaked
15059000	Fatty substances derived from wool grease (including lanolin)
1601	SAUSAGES AND SIMILAR PRODUCTS, OF MEAT, MEAT OFFAL OR BLOOD; FOOD PREPARATIONS BASED ON THESE PRODUCTS
16021000	Homogenized preparations of meat, meat offal or blood, nesoi
16022020	Prepared or preserved liver of goose
16022040	Prepared or preserved liver of any animal other than of goose
16023100	Prepared or preserved meat or meat offal of turkeys, nesoi
16023200	Prepared or preserved meat or meat offal of chickens, nesoi
16023900	Prepared or preserved meat or meat offal of ducks, geese or guineas, nesoi
16024110	Prepared or preserved pork ham and cuts thereof, containing cereals or vegetables
16024120	Pork hams and cuts thereof, not containing cereals or vegetables, boned and cooked and packed in airtight containers
16024190	Prepared or preserved pork hams and cuts thereof, not containing cereals or vegetables, nesi
16024220	Pork shoulders and cuts thereof, boned and cooked and packed in airtight containers
16024240	Prepared or preserved pork shoulders and cuts thereof, other than boned and cooked and packed in airtight containers
16024910	Prepared or preserved pork offal, including mixtures

16024920	Pork other than ham and shoulder and cuts thereof, not containing cereals or vegetables, boned and cooked and packed in airtight containers
16024940	Prepared or preserved pork, not containing cereals or vegetables, nesoi
16024960	Prepared or preserved pork mixed with beef
16024990	Prepared or preserved pork, nesoi
16025005	Prepared or preserved offal of bovine animals
16025009	Prepared or preserved meat of bovine animals, cured or pickled, not containing cereals or vegetables
16025010	Corned beef in airtight containers
16025020	Prepared or preserved beef in airtight containers, other than corned beef, not containing cereals or vegetables
16025060	Prepared or preserved meat of bovine animals, not containing cereals or vegetables, nesoi
16025090	Prepared or preserved meat of bovine animals, containing cereals or vegetables
17041000	Chewing gum, not containing cocoa, whether or not sugar-coated
17049025	Sugar confectionary cough drops, not containing cocoa
18063100	Chocolate and other cocoa preparations, in blocks, slabs or bars, filled, not in bulk
19054000	Rusks, toasted bread and similar toasted products
20021000	Tomatoes, whole or in pieces, prepared or preserved otherwise than by vinegar or acetic acid
20029000	Tomatoes, other than whole or in pieces, prepared or preserved otherwise than by vinegar or acetic acid
20029040	Tomatoes, in powder, prepared or preserved otherwise than by vinegar or acetic acid
20029080	Tomatoes (including paste and puree) prepared or preserved otherwise than by vinegar or acetic acid, nesoi
20079905	Lingonberry and raspberry jams
20083042	Satsumas, prepared or preserved, in airtight containers, aggregate quantity n/o 40,000 metric tons/calendar yr
20083046	Satsumas, prepared or preserved, in airtight containers, aggregate quantity o/40,000 metric tons/calendar yr
20084000	Pears, otherwise prepared or preserved, nesoi
20087000	Peaches (excluding nectarines), otherwise prepared or preserved, nesoi
20096000	Grape juice (including grape must), concentrated or not concentrated
20098060	Juice of any other single fruit, nesoi, (including cherries and berries), concentrated or not concentrated
20099040	Mixtures of fruit juices, or mixtures of vegetable and fruit juices, concentrated or not concentrated
21013000	Roasted chicory and other roasted coffee substitutes and extracts, essences and concentrates thereof
21033040	Prepared mustard
21041000	Soups and broths and preparations therefor
22011000	Mineral waters and aerated waters, not containing added sugar or other sweetening matter nor flavored
23099010	Mixed feed or mixed feed ingredients used in animal feeding
35061050	Products suitable for use as glues or adhesives, nesoi, not exceeding 1 kg, put up for retail sale
55041000	Artificial staple fibers, not carded, combed or otherwise processed for spinning, of viscose rayon
55101100	Yarn (other than sewing thread) containing 85% or more by weight of artificial staple fibers, singles, not put up for retail sale
85102000	Hair clippers, with self-contained electric motor
87112000	Motorcycles (incl. mopeds) and cycles, fitted w/recip. internal-combustion piston engine w/capacity o/50 but n/o 250 cc
87113000	Motorcycles (incl. mopeds) and cycles, fitted w/recip. internal-combustion piston engine w/capacity o/250 but n/o 500 cc

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USTR WELCOMES "ROADMAP" FOR PROGRESS

IN WTO SERVICES NEGOTIATIONS

United States Trade Representative Charlene Barshefsky welcomed the decision today by the WTO Council for Trade in Services to establish a roadmap for the current phase of global negotiations on services trade, including deadlines for the submission of negotiating proposals and a date to begin the next phase of the negotiations focusing on market access.

"Following our initiation of global agricultural talks in March, this decision is evidence that WTO Members are serious about making progress on the further opening of global services trade," said Ambassador Barshefsky. "Exports from telecommunications, financial and other service sectors account for more than four million jobs held by Americans, and we are determined to use these talks to continue to open foreign markets to U.S. services providers."

The roadmap agreed to today at the General Agreement on Trade in Services (GATS) meeting in Geneva sets a December 2000 target for submission of negotiating and other proposals, and a March 2001 deadline for conclusion of the current, technical phase of the negotiations. At its April meeting, the Council for Trade in Services had set an ambitious schedule of meetings for the remainder of 2000, including 1-1/2 week negotiating sessions in May, July, October, and December.

The roadmap document also calls for conclusion of work underway on new approaches for negotiating commitments in sectors that have been inadequately addressed in past negotiations. This month, the U.S. submitted a proposal in this area for energy services, while last month the U.S. had submitted such a proposal for express delivery services; the U.S. continues to work with other countries on new approaches in environmental services. Separately, the U.S. has submitted a proposal aimed at ensuring fair and open regulation of services - including advance notice and comment on new or proposed regulations - in sectors in which countries regulate services. And, to give renewed impetus to the work of the WTO Committee on Trade in Financial Services, the U.S. continues to highlight the importance of further liberalization of financial services and has suggested ways to move such an agenda forward.

The GATS is the first multilateral, legally-enforceable agreement covering trade and investment in services. The GATS is designed to reduce or eliminate governmental measures that prevent services from being freely provided across national borders or that discriminate against locally-established service firms with foreign ownership.

Service industries account for nearly 80 percent of U.S. employment and Gross Domestic Product. U.S. exports of commercial services were $246 billion in 1998. Cross-border trade in services accounts for more than 22 percent of world trade, or about $1.3 trillion annually. U.S. services compete successfully worldwide; U.S. services exports have more than doubled over the last ten years, increasing from $117 billion in 1989 to $246 billion last year.

In March, the WTO Committee on Agriculture was successful in settling procedural matters necessary to allow the Agriculture talks to proceed. The Committee agreed on a work plan for the coming year, a schedule of meetings, and an end of the year deadline for countries to submit negotiating proposals.

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