

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

OFFICE OF PUBLIC & MEDIA AFFAIRS  
600 17th Street, N.W.  
Washington, D.C. 20508  
Phone: 202.395.3230/ Fax: 202.395.7226

**TABLE OF CONTENTS  
PRESS RELEASES FOR APRIL 1993**

- April 30, 1993 93-30 USTR Announces Three Decisions: Title VII, Japan Supercomputer Review, Special 301
- April 27, 1993 93-29 Legislation Submitted to congress to Renew Fast Track Procedure for Completion of Uruguay Round and to Extend GSP 15 months
- April 26, 1993 93-28 US and Israel Sign Trade Accords
- April 21, 1993 93-27 Outcomes of Discussions with Comm. Leon Brittan re: Multilateral and Bilateral Issues
- April 21, 1993 93-26 US and Moldova Sign Bilateral Investment Treaty
- April 16, 1993 93-25 US Grants Ecuador Trade Preferences/Background for Andean Trade Preference Act
- April 12, 1993 93-24 US, Azerbaijan Sign Trade Agreement
- April 9, 1993 WH Statement by Myers on Decision to Seek Fast Track Renewal
- April 9, 1993 93-23 Statement by Kantor on WH Announcement to Pursue with Congress Approval of Legislation Renewing "Fast Track" Procedures to Conclude Uruguay Round of Multilateral Trade Negotiations
- April 7, 1993 93-22 Statement by Kantor re: Intention to Nominate John Schmidt as Uruguay Round Coordinator
- April 6, 1993 93-21 US and Philippines Sign Agreement on Intellectual Property
- April 2, 1993 93-20 Canada US Trade Commission Meets in Ottawa
- April 1, 1993 93-19 USTR Corrects Telecommunications Market Access Problem in Korea

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

FOR IMMEDIATE RELEASE  
FRIDAY, APRIL 30, 1993

93-30  
Contact: Anne Luzzatto  
Dianne Wildman  
Pat Norman  
202-395-3230

**USTR ANNOUNCES THREE DECISIONS:  
TITLE VII, JAPAN SUPERCOMPUTER REVIEW, SPECIAL 301**

United States Trade Representative Mickey Kantor today announced decisions and initiated actions in three important trade areas: Title VII/discrimination in foreign government procurement; the initiation of a review of Japan's compliance with the provisions of our bilateral Supercomputer Agreement; and special 301/protection of intellectual property rights.

"Since assuming my responsibilities as USTR, I have repeatedly expressed my commitment to enforcing the law as Congress has written it, and insuring that our trading partners adhere to those agreements that they enter into with us," Ambassador Kantor noted.

"Enforcing the law and holding countries to their agreements are crucial in several respects: to opening foreign markets to U.S. manufactured goods, agricultural products and services; to building support here in the United States for an open trading system; and ultimately, to confidence in, and the credibility of, the trading system."

Ambassador Kantor's decisions demonstrate the Clinton Administration's resolve to take strong measures to ensure comparable market access and intellectual property protection for U.S. products -- measures which are key to this Administration's policy of opening markets and creating trade opportunities for American companies and jobs for American workers.

**Title VII**

Ambassador Kantor identified Japan pursuant to Title VII provisions of the 1988 Omnibus Trade and Competitiveness Act, which calls for the identification of countries that discriminate against U.S. firms in their government procurement practices. Identification under this statute requires that negotiations to end the discrimination be initiated immediately and, absent resolution, provides for sanctions, subject to Presidential discretion.

Under Title VII, Japan was cited for discrimination in procurement of construction, architectural and engineering services. Kantor continued the identification of the European Community pending EC approval of the recent agreement on heavy electrical equipment and the outstanding dispute on telecommunications equipment. He also noted procurement practices of concern in Australia, China, and Japan.

### Supercomputer Review

Because of grave U.S. government concern that Japan may not be adhering to the terms of the U.S.-Japan Supercomputer Agreement, Kantor announced that USTR will undertake a special review of Japanese actions under the Agreement, pursuant to section 306 of the 1974 Trade Act. Based upon this review and the conduct and outcome of procurements scheduled in the coming months, USTR will determine whether or not Japan is in compliance with the terms of the Agreement. If USTR determines that Japan is not in compliance, it will initiate trade action against Japan under section 301.

### Special 301

Kantor today identified Brazil, India and Thailand as "priority foreign countries" under the "special 301" provisions of the Trade Act of 1974 (Trade Act). These countries deny adequate and effective protection for U.S. intellectual property (such as patents, trademarks and copyrights) or fair and equitable market access for relevant U.S. products.

Kantor also announced placement of ten trading partners on the "priority watch list". In a departure from previous practice, Kantor stated that the Administration will take new steps to resolve outstanding intellectual property rights problems by: initiating "immediate action plans" for Hungary and Taiwan; conducting "out-of-cycle" reviews for Korea, Argentina, Egypt, Poland and Turkey; and intensifying consultations with Australia, the European Community and Saudi Arabia. He also announced that seventeen other countries had been placed on the "watch list".

Kantor noted that significant progress has already occurred this year as ten countries have enacted new copyright, patent or trademark legislation, or strengthened their existing legislation, since January. These nations are Switzerland, Taiwan, Colombia, Canada, China, Greece, Malta, Cyprus, and Jamaica, and the most recent addition, Russia, which adopted a copyright law yesterday.

"These actions show a growing commitment to intellectual property protection around the world, which we believe will contribute to a strong intellectual property text in the Uruguay Round, and the successful completion of the Round itself," Kantor stated.

The new steps announced today include a promise of a strong, speedy response for countries that fail to meet commitments, a determination to gain from U.S. trading partners a high level of protection, a vow to pay special attention to countries that do not enforce their laws and a pledge to the initiate "immediate action plans" to make sure that countries do not take up permanent residence on the "special 301" lists.

Ambassador Kantor declared that USTR will conduct "out-of-cycle" reviews (including deadlines and benchmarks for evaluating a country's performance) to address problems of slow legislative progress or erratic enforcement efforts. Kantor stressed the fact that the 1974 Trade Act permits the USTR to make additional identifications at any time that the facts warrant.

**BACKGROUND: THE CLINTON ADMINISTRATION'S NEW SPECIAL 301 POLICY**

Ambassador Kantor stressed that he was committed to giving a fresh direction to the "special 301" review process to ensure that this Administration's objectives are clear and that other countries know what we expect. "Any partner that fails to meet its commitments," Kantor said "can expect a strong, speedy response from this Administration." Kantor added, "I am determined to ensure that foreign countries provide high levels of protection because I want to make sure that we solve particular problems brought to our attention by the U.S. intellectual property community."

Kantor emphasized that it is critical that foreign governments enforce laws that they have already enacted. "Countries that do not enforce their laws can expect to receive special attention under "special 301," Kantor went on to note. "Moreover, the United States will not tolerate countries that are exporters of pirate and counterfeit goods."

"In the past, rather than steady progress we have seen an annual Spring-time flurry of enforcement actions," Kantor said, and he vowed to not let this continue. "Countries must make sustained progress in addressing the problem issues." To address these problems, Kantor announced that his staff (working with an interagency team of government experts), will initiate "immediate action plans" that will include deadlines and benchmarks for evaluating a country's performance.

"I am determined to enforce these deadlines and take action, if necessary, through out-of-cycle reviews of a country's status under "special 301."

SPECIAL 301 ANNOUNCEMENTS

USTR announced the following steps under "special 301":

For "priority foreign countries":

- The Administration will determine whether to initiate an investigation of Brazilian practices and will announce its decisions on or before May 30, 1993.
- Regarding India, Ambassador Kantor has instructed an interagency task force to explore future actions.
- The Administration is meeting with Thai officials on intellectual property rights issues; at the same time, the interagency task force is exploring future actions, including options for appropriate retaliation.

For "priority watch list" countries:

- On August 1, 1993, the Administration will decide whether Hungary and Taiwan have met the objectives of "immediate action plans". If it is determined that these objectives have not been met, then the Administration will reclassify Hungary and Taiwan under "special 301" and decide what further action is appropriate.
- The Administration also announced that "out-of-cycle" reviews would be conducted with the following countries:
  - Argentina: we are seeking prompt enactment of satisfactory industrial property legislation.
  - Egypt: we are seeking enactment of an amended patent law that provides adequate protection for pharmaceutical products.
  - Korea: we are seeking improved and sustained enforcement of intellectual property laws to deter piracy of products like computer software, compact discs, and video and sound recordings and counterfeiting of trademarks on U.S. products (such as footwear and cosmetics).
  - Poland: we are seeking prompt enactment of copyright and antipiracy laws, as well as improved enforcement.
  - Turkey: we are seeking enactment of patent, copyright and related laws that provide effective protection.

- The Administration also placed three additional trading partners on the "priority watch list"; these are Australia, the European Community and Saudi Arabia.

For "watch list countries":

- The Administration also announced that "out-of-cycle" reviews would be conducted with the following countries:
  - Cyprus: we seek the lifting of the suspension of criminal penalties for copyright violations.
  - Italy: we seek sustained enforcement of copyright laws, introduction of legislation to increase penalties and other actions to deter piracy.
  - Pakistan: we seek effective action against trademark and copyright violations (particularly regarding textile designs).
  - Spain: we seek elimination of market access restrictions affecting motion pictures.
  - Venezuela: we seek fulfillment of commitments to improve patent and copyright laws.
- The Administration also placed twelve other trading partners on the "watch list".

Ambassador Kantor commended the progress that Greece made during the course of the past twelve months in enacting a modern copyright law, and announced the removal from the "watch list" of three countries; they are Canada, Germany and Paraguay.

BACKGROUND: TITLE VII

Title VII of the 1988 Trade Act directs the Administration to identify, in an annual report to Congress, foreign countries that are discriminating, as defined by the statute, against U.S. goods or services in their government procurement practices. The report also provides information on countries or practices of concern, but which do not meet the statutory requirements for identification.

On the identification of Japan, Ambassador Kantor said, "Despite years of negotiations and two trade agreements, the Japanese construction market remains fundamentally closed to foreign firms. As provided under the statute, today marks the start of a 60-day consultation period, during which we will seek rectify the situation."

The European Community remains identified for discrimination in heavy electrical and telecommunications equipment. We recently came to an agreement for the heavy electrical sector. We are awaiting EC Council of Ministers approval of that agreement, which should occur in early May. The EC did not agree to waive the Utilities Directive for telecommunications equipment, therefore we intend to impose sanctions.

In addition to the actions with respect to Japan and the EC, Kantor expressed concern with specific procurement practices in the following areas:

- Australia maintains a restricted-membership, preselected "Information Systems Panel" for all federal procurements of information systems technology. The criteria for membership on this panel may include local investment and the ability to export from Australia;
- China's procurement practices remain, for the most part, secretive and inaccessible to foreign suppliers. However, China has committed to increase the transparency of its trade system by publishing rules and regulations related to trade. The changes are due to be implemented in the Fall of 1993.
- The United States has continuing concerns with Japanese procurement practices in the supercomputer, computer and telecommunications sectors.
  - Our concerns in the supercomputer area are being addressed in the section 306 monitoring action that I announced today.
  - Our concerns in the computer area involve the inability of the U.S. and Japan to implement a statistical monitoring system to evaluate progress in our bilateral Computer Agreement. We are addressing this problem in a review mechanism provided for in the agreement.
  - U.S. businesses have expressed frustration with the lack of opportunities outside of the NTT Agreement in the Japanese telecommunications market. We will continue to address these issues bilaterally.
- We are also concerned that a variety of countries have entered into trade or economic agreements with the European Community that require or might in the future require those countries to adopt the discriminatory provisions of the EC's Utilities Directive. We intend to monitor their actions over the coming year and review the situation in our annual Title VII review next year.

BACKGROUND: SUPERCOMPUTER REVIEW

"U.S. supercomputer manufacturers are the most competitive in the world, yet they continue to be effectively shut out of the Japanese government supercomputer market," Kantor said. "The fact that no U.S. supercomputer manufacturer has ever won a head-to-head competition in a Japanese government bid, despite nearly 10 years of negotiation with the Japanese and two agreements on the issue, is particularly distressing."

U.S. manufacturers dominate most public sector markets for supercomputers. In Europe, for example, U.S. firms hold about 85 percent of the market. U.S. firms hold only an 11 percent share of the Japanese public sector market.

Over the coming months, the Japanese Government is scheduled to procure a number of supercomputers. Pursuant to section 306 of the Trade Act of 1974, USTR will undertake a comprehensive review of Japanese Government behavior under the Agreement thus far and will closely scrutinize each of the upcoming procurements. Based upon this review and the conduct and outcome of these procurements, USTR will determine whether or not Japan is in compliance with the terms of the Agreement. If USTR determines that Japan is not in compliance, it will initiate trade action against Japan under section 301.

"The 1990 Supercomputer Agreement obligates Japan to provide a fair and open government procurement market for supercomputers," Kantor stated. "We are determined to ensure that Japan treats our companies fairly and complies with its obligations under the Agreement." Kantor added, "We are taking this action with a view toward ensuring that, in the years ahead, the Japanese Government market is fully open to new and emerging supercomputer technologies in which U.S. manufacturers have a decided lead."

The 1990 Supercomputer Agreement resulted from a 1989 Super 301 investigation of Japanese Government procurement practices that discriminated against foreign supercomputer firms. Under the agreement, Japan agreed to undertake unilateral measures to open its supercomputer procurement market to competition. The 1990 Agreement replaced a previous agreement concluded in 1987, under which no foreign supercomputers were procured by the Japanese Government.

April 30, 1993

FACT SHEET

"SPECIAL 301" ON INTELLECTUAL PROPERTY

ACTIONS TAKEN

Ambassador Michael Kantor, the United States Trade Representative, announced today the Administration's decision with respect to this year's required review under the so-called "special 301" provisions of the Trade Act of 1974 (Trade Act).

Ambassador Kantor's decisions demonstrate the Clinton Administration's resolve to take strong measures to ensure that U.S. trading partners provide adequate and effective protection of intellectual property rights and comparable market access for relevant U.S. products.

The decisions announced by Ambassador Kantor include the following specific actions:

- identifying Brazil, India and Thailand as "priority foreign countries";
- placing Hungary and Taiwan on the "priority watch list" and initiating "immediate action plans", which are to be completed by July 31, 1993;
- placing eight other countries on the "priority watch list" and conducting "out-of-cycle" reviews of Argentina, Egypt, Korea, Poland and Turkey;
- placing 17 countries on the "watch list" and conducting "out-of-cycle" reviews of Cyprus, Italy, Pakistan, Spain and Venezuela; and,
- removing Canada, Germany and Paraguay from the "watch list".

DEPARTURE FROM PAST PRACTICE

The use of "immediate action plans" and "out-of-cycle" reviews marks a departure from prior "special 301" enforcement, as the Clinton Administration demonstrates its commitment to ensure full and effective implementation of the "special 301" provisions of the Trade Act.

The Administration is committed to giving a fresh direction to the "special 301" review process to ensure that its objectives are clear and that other countries know what we expect. Trading partners that fail to meet their commitments can expect a strong, speedy response from this Administration. The Clinton Administration is determined to ensure that foreign countries provide high levels of protection and that it solves particular problems to the satisfaction of the U.S. intellectual property community.

In the past, instead of constant progress there has been an annual spring-time flurry of enforcement actions; the Clinton Administration will not let this practice continue nor will it let countries take up permanent residence on any of the "special 301" lists. To address these problems, Ambassador Kantor will instruct an interagency team of government experts to initiate "immediate action plans" that will include deadlines and benchmarks for evaluating a country's performance. The Administration is determined to enforce these deadlines and take action, if necessary, through an out-of-cycle review of a country's status under "special 301."

#### STATUTORY AUTHORITY

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

The USTR must identify as "priority foreign countries" those countries that:

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

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

The USTR undertakes a review of foreign practices each year and must complete it within 30 days after the issuance of the National Trade Estimates (NTE) Report. Today's announcement follows a lengthy information gathering process and negotiation with foreign governments. The interagency group that advises the USTR on implementation of "special 301" obtains information from the private sector, American embassies abroad, the United States' trading partners, and the NTE report.

This Administration is determined to ensure the adequate protection of intellectual property rights and comparable market access for relevant U.S. products. The measures announced today result from close consultations with affected industry groups and Congressional leaders, and demonstrate the Administration's commitment to utilize all available avenues to pursue resolution of the intellectual property issues. In issuing the announcement, Ambassador Kantor is expressing the Administration's resolve to take uniformly strong actions under the "special 301" provisions of the Trade Act.

#### DESCRIPTION OF ACTIONS ANNOUNCED TODAY

##### **Priority Foreign Countries**

The Administration has identified the following three countries as "priority foreign countries":

- Brazil
- India
- Thailand.

Brazil fails to adequately and effectively protect patents, trademarks, copyrights and trade secrets. The Administration will determine whether to initiate an investigation of Brazilian practices and make an announcement on or before May 30, 1993.

Previous Actions: Brazil has been on the "priority watch list" since 1989, the first year of implementation of the "special 301" provisions. In 1989, a four-year long investigation of Brazilian 'informatics' issues was terminated after bilateral negotiations resulted in widespread--but insufficient--computer software-related copyright reforms in Brazil. In 1987, a 301 investigation regarding the lack of patent protection initiated by the U.S. pharmaceutical industry resulted in retaliatory tariffs against certain Brazilian products. In 1990, Brazilian authorities provided a written commitment to address U.S. patent concerns.

Explanation: The United States is concerned about issues in the areas of patents, trademarks, copyrights and trade secrets. Currently, the most serious concerns are in the patent area. Existing patent legislation in Brazil does not provide protection for a wide range of patentable products; furthermore, the patent term is too short and the law contains onerous working requirements. Proposed legislation is under consideration in Brazil; however, recent efforts fall short of providing adequate and effective protection.

With respect to copyrights, the term of protection for computer software is too short (25 years instead of the international norm of at least 50 years). Furthermore, Brazil maintains market access barriers to copyrighted works (such as computer software).

India fails to effectively protect intellectual property rights, despite repeated attempts to address the problems that remain. An interagency task force has been instructed to explore future actions.

Previous Actions: India was first identified as a "priority foreign country" in 1991. Although we were able to resolve some problems in the areas of trademark and copyright protection and enforcement, and market access for motion pictures, serious problems in the patent area led the USTR to identify India again in 1992. In February 1992, following a previous "special 301" investigation, USTR found that India's policies with respect to patent, copyright and trademark protection were unreasonable and restricted U.S. commerce. In 1992, the United States withdrew \$80 million in GSP benefits on exports from India.

Explanation: Little progress has been made in the past year to provide adequate and effective patent protection in India. The patent law in India contains numerous deficiencies, including failure to provide product patent protection for pharmaceuticals, inadequate term of protection, licenses of right and overly broad compulsory licensing provisions.

The Indian parliament has not yet enacted copyright legislation or amendments to the trademark law.

Thailand is the subject of serious concerns regarding copyright enforcement, as well as regarding the deficiencies of a recently enacted patent law. Enforcement actions recently taken in Thailand are being closely monitored. An interagency task force will begin immediately exploring future actions, including options for appropriate retaliation, in the event that those measures do not result in the permanent closure of pirate operations.

Previous Actions: Thailand was first identified as a "priority foreign country" in 1991 because of deficiencies in copyright enforcement and denial of adequate and effective patent protection. Thailand made insufficient progress on resolving these issues in 1992 and was again identified as a priority foreign country. Later in 1992, the Thai Government enacted a patent law that contained some--but not enough--improvements. In 1992, regarding patents, and in 1991, regarding copyrights, the United States deferred taking action although it had determined that Thai practices were unreasonable and restricted U.S. commerce. Moreover, since 1989, the United States does not provide benefits under its "generalized system of preferences" (GSP) program because Thailand does not provide full and effective intellectual property protection.

Explanation: In recent weeks, the Chuan Government has taken steps to improve copyright enforcement; substantial additional progress in enforcement is needed. U.S. concerns about Thai practices can only be satisfied through sustained enforcement, coupled with changes to Thailand's intellectual property rights laws and regulations. Commitments from the previous Royal Thai Governments have not resulted in changes.

Progress must include: effective and sustained enforcement of copyright laws; amendment of Thailand's intellectual property laws to conform to internationally accepted standards; changes in its patent regime on compulsory licensing; and, specific commitments on improvement to "pipeline" protection.

### "Priority Watch List" Countries--"Immediate Action Plans"

The Administration has decided to take special action regarding:

- Hungary
- Taiwan.

The Administration will formulate "immediate action plans" for these two trading partners, as it retains Hungary on the "priority watch list" and places Taiwan on the "priority watch list". If the Administration determines that these trading partners do not meet U.S. requirements by July 31, 1993, then the Administration will reclassify them under the "special 301" provisions of the Trade Act and decide what further action is appropriate.

Hungary will be the subject of immediate, intensified efforts to conclude a satisfactory, comprehensive bilateral IPR agreement. The Administration is particularly concerned about that country's failure to provide adequate patent protection for pharmaceutical products. Hungary is a worldwide source of copied pharmaceutical products. In addition, there are also a number of problems in the copyright area.

Taiwan took a positive step in its protection of copyrights by approving a bilateral copyright agreement and amending its law to ban unauthorized parallel imports of copyrighted works. Taiwan has also committed to implement specific improvements by July 1 in its export licensing system for computer software and compact discs. Nonetheless, significant problems remain and we have presented Taiwan with an "immediate action plan" to address problems in the level of protection for intellectual property rights and market access for U.S. audiovisual products. We continue to have serious intellectual property enforcement problems in Taiwan and Taiwan needs to enact legislation to legitimize cable TV systems, control copyright piracy by cable TV stations on Taiwan and eliminate piracy of videogames. In addition, serious problems with respect to obtaining and enforcing trademarks need to be resolved.

### "Priority Watch List" Countries--"Out-of-Cycle" Reviews

The "special 301" provisions of the statute authorize the USTR, at any time, to revoke or make additional identifications of countries whenever the facts warrant such action. This year, the Administration has decided to conduct a record number of such reviews.

The Administration will monitor the performance of certain countries through periodic "out-of-cycle" reviews. If these reviews do not reveal that sufficient progress has been made, then the Administration will reconsider that country's status under "special 301." The following countries, on the "priority watch list", will be subject to "out-of-cycle" reviews:

- Argentina
- Egypt
- Korea
- Poland
- Turkey.

Argentina is placed on the "priority watch list" for failure to enact pending patent legislation introduced by the Government of Argentina in October 1991. This legislation reflects a Government of Argentina commitment to address U.S. concerns and would significantly upgrade Argentina's current patent law, which was enacted in 1864. We will be looking for prompt enactment of satisfactory legislation that will benefit both Argentina and its trading partners.

Egypt is placed on the "priority watch list" because current Egyptian laws fail to provide adequate protection to patents and copyrights, and restrict market access for U.S. audiovisual products. The Administration recognizes that Egypt amended and improved its copyright law in June 1992 and believes that, although this represents progress, additional steps need to be taken.

Egypt's patent law contains several serious deficiencies. It does not provide product patent protection for pharmaceuticals, the patent term is too short, the compulsory licensing provisions are overly broad and other problems exist.

Korea is placed on the "priority watch list" because of ineffective enforcement of its trademark and copyright laws. Piracy of computer software, compact discs and video and sounding recordings and counterfeiting of U.S. trademarks (in areas such as footwear) have been rampant. In addition, Korea needs to amend several laws (including copyright, computer software protection and semiconductor mask works laws) to provide adequate and effective protection.

Recently, Korea has undertaken a new program to bring both its laws and enforcement measures up to international standards. These measures include stepped-up enforcement measures through raids and increased prosecutorial resources and activity; improved procedures for licensing sound recordings and videos; and submission of amendments to bring current laws on copyrights and trademarks to standards in the Uruguay Round agreement on "Trade Related Aspects of Intellectual Property Rights" (TRIPs) and to increase penalties. The Administration believes that it is essential that there be a sustained enforcement of intellectual property laws, including judicial decisions and imposition of penalties that have a sufficiently deterrent effect on further piracy and counterfeiting.

Poland is placed on the "priority watch list" because of widespread piracy of U.S. copyrighted works. Poland has introduced, but not yet enacted, copyright legislation. Acceptable copyright and anti-piracy legislation is needed to ensure adequate and effective protection. The Administration expects prompt enactment of these laws and improved enforcement efforts.

Turkey is placed on the "priority watch list" because of problems regarding the protection of copyrights and patents. The Turkish copyright law is ineffective and has led to widespread piracy of books, audio and video tapes, and satellite signals. The Turkish Government has drafted a new copyright law, which has not yet been submitted to the legislature.

Turkey does not provide product patent protection for pharmaceuticals and is a center for pharmaceutical pirates. The current draft of a patent law, which is before the legislature, must be improved before it would provide adequate protection. We need to see prompt action on this law.

#### Priority Watch List

In addition to the "priority watch list" countries noted above, the Administration will retain Australia and the European Community and place Saudi Arabia on the "priority watch list":

Australia is retained on the "priority watch list" because it limits market access to U.S. audiovisual exports and engages in other practices of particular concern to the United States. These include: imposition of broadcast quotas; permitting parallel imports of some copyrighted works; refusing to provide rental rights of audio recordings and computer programs; and proposals to adopt broad provisions on software decompilation.

despite routinely doing so in virtually all other markets.

After the U.S., Japan is the largest single country market for supercomputers. Japan is the only market where U.S. supercomputers do not hold a commanding market share lead in public sector procurements. In the European market, U.S. vendors enjoy about an 85 percent share of government purchases of supercomputers.

The U.S. Government has identified a number of possible problems concerning Japan's implementation of the 1990 Supercomputer Agreement, including: continuing use of benchmarking tests that favor Japanese vendors; the awarding of points at the time of bidding to a Japanese vendor for features that did not then exist; virtually no efforts by procuring entities to ensure that adequate budgets are available to procure new systems and not just upgrades; the Supercomputer Procurement Review Board taking too narrow a view of its mandate and not adequately investigating U.S. vendor's complaints; and a lack of adequate verification of the features of Japanese supercomputers after delivery in cases where legitimate questions about non-existent features were raised.

In addition to these problems with the Japanese Government's implementation of the 1990 Agreement, several other issues remain of concern. Most important is the refusal, so far, of the Japanese government to acknowledge definitively that supercomputers of an internal design other than that utilized by the widely used vector supercomputer architecture -- so called, massively parallel supercomputers -- are covered by the Agreement. Evidence that the Japanese Government is using sole-source contracts to procure "prototype" supercomputers that are really first of a kind commercial supercomputers is also a concern.

European Community is retained on the "priority watch list" because it restricts market access for U.S. audiovisual exports and engages in other objectional practices that deny adequate and effective protection of intellectual property or deny fair and equitable market access for persons relying on intellectual property protection. The EC Broadcast Directive requires EC member states to ensure that TV broadcasters reserve a majority of broadcast time for European works. Other measures deny protection to U.S. works, or deny remuneration to U.S. right holders.

The Administration is also concerned by EC Commission's support for the European Telecommunications Standards Institute's (ETSI) recently adopted policy on intellectual property, which is inconsistent with the policy of other international standards setting organizations, and could seriously restrict access to the European telecommunications market.

Saudi Arabia is placed on the "priority watch list" because of inadequate copyright protection. The Saudi copyright law does not protect foreign works that are not first published in Saudi Arabia. This effectively denies protection to U.S. authors and works. Trademark enforcement is also a problem area.

#### "Watch List" Countries--"Out-of-Cycle" Reviews

As noted above, the "special 301" provisions of the statute authorize the USTR to revoke or make additional identifications of countries at any time that the information available indicates that such action is appropriate. This year, in addition to initiating such reviews for "priority watch list" countries, the status of the following countries, that are placed or retained on the "watch list", will be reviewed during 1993:

- Cyprus
- Italy
- Pakistan
- Spain
- Venezuela.

Cyprus is retained on the "watch list" and is the subject of an "out-of-cycle" review because it is a center for piracy of video and audio recordings and unauthorized book publishing. While a new copyright law was approved last week, it will not be implemented for nine months. Furthermore, the law suspends imposition of criminal penalties for copyright violations until January 1, 1994.

Italy is retained on the "watch list" and is the subject of an "out-of-cycle" review because of concerns regarding the continued lack of effective copyright enforcement for motion pictures and other audiovisual works. The United States recognizes, however, that in 1992 the Italian Government enacted the EC software directive and recently took enforcement action against pirates. The Administration will conduct, in the near future, a review of the directive's implementation, as well as actions, including preparation of legislation to increase penalties for copyright infringement, taken to ensure effective enforcement of the copyright law.

Pakistan is retained on the "watch list" and is the subject of an "out-of-cycle" review because it is becoming more prominent as a center for trademark and copyright infringement, particularly of textile designs.

Spain is retained on the "watch list" and is the subject of an "out-of-cycle" review because of concerns about market access issues in Spain (for example, possible additional restrictions on obtaining "dubbing licenses" for motion pictures).

Venezuela is retained on the "watch list" and is the subject of an "out-of-cycle" review because the Andean Pact's Decision 313 does not provide adequate and effective protection of industrial property rights and because of a copyright regime that fails to prevent widespread piracy of video cassettes, computer programs, videogames, and satellite signals. Through the mechanism of the "out-of-cycle" review, the Administration will monitor steps taken by Venezuela to address these problems.

#### Watch List

In reviewing the practices of all of our trading partners, the USTR has decided that, in addition to the "watch list" countries noted above, 12 other countries should be placed (or retained) on the "watch list". Placement on the "watch list" offers the Administration a means of paying special attention to these countries practices with regard to the protection of intellectual property rights and to providing comparable market access for U.S. audiovisual products.

Countries placed on the watch list are:

Chile  
China  
Colombia  
Ecuador  
El Salvador  
Greece  
Guatemala  
Indonesia  
Japan  
Peru  
Philippines  
United Arab Emirates

SPECIAL 301

PROGRESS ON INTELLECTUAL PROPERTY ISSUES

JANUARY-APRIL 1993

- o Taiwan's Legislature approved a Bilateral Copyright Agreement and amended Taiwan's copyright law to prohibit parallel importation. (April)
- o The Philippines signed a bilateral agreement that addresses copyright, patent and trademark concerns. It also includes provisions on enforcement of rights. (April)
- o Switzerland's new Trademark Law came into effect making its protection EC compatible. New copyright amendments, that U.S. industry considers to be lacking, have been passed and will take effect in July. (April)
- o Copyright Reform Law signed in Colombia that increases penalties for infringement and explicitly identifies unauthorized transmissions of satellite signals as illegal. (February)
- o The Canadian Parliament passed a new Drug Patent Law which eliminates compulsory licensing provisions discriminating against pharmaceutical products. (February)
- o The Chinese Government enacts amendments to the Trademark Law and supplementary provisions to the criminal law adding to penalties for trademark infringement. (February)
- o The Greek Government enacts a copyright law which contains substantial enforcement provisions. Enforcement of the law remains a priority. (February)
- o The Jamaican House of Representatives enacts a Copyright Law. (February)
- o Cyprus acceded to the Geneva Phonogram Convention (January) and enacted amendments to its copyright law that strengthen enforcement and protect computer software (April). However, enforcement of the copyright law is suspended until January 1994.
- o Taiwan's Legislature passes an amendment raising the rate of conversion of IPR infringement jail terms to fines.
- o Egypt publishes implementing regulations for its 1992 copyright law. (January & March)

- o Malta enacts amendments to its Copyright Law which strengthen penalties, extend protection to computer software, and institutes new penalties. (January)

1992

- o A new Trademark law enacted in Thailand provides for higher penalties for infringement and extends protection.
- o South Africa enacted an improved Copyright Act protecting computer software.
- o Italy implemented the EC Software Directive improving protection for computer programs.
- o The United Arab Emirates passed new Copyright, Trademark and Patent Laws, but copyright protection for foreign works remains to be confirmed and enforcement of the new copyright law has not yet begun.
- o The Government of Peru issued a decree law intended to increase the protection of industrial property.
- o Industrial property legislation was prepared by the Brazilian Chamber of Deputies "Special Commission on Intellectual Property" and introduced for consideration in that Committee.
- o The EC has amended its proposal for biotech patents.
- o Denmark became the first member state to implement the EC's Software Directive.
- o Poland enacted a new patent law, although the U.S. remains concerned about the compulsory licensing provision.
- o Taiwan passed and promulgated a new copyright law and implementing regulations.
- o Korea ratified the US-Korea Patent Secrecy Agreement, which has yet to enter into force.
- o China joined the Berne Convention and the Universal Copyright Convention.
- o The President of Turkmenistan signed a law for the protection of intellectual property.
- o New copyright law enacted in Pakistan strengthening penalties for infringement and protecting computer programs as "literary works."

- o The Russian Federation enacted and implemented a patent law that meets high international standards and is compatible with the terms of the bilateral Trade Agreement.
- o The Russian Federation enacted and implemented strong laws for the protection of semiconductor layouts and the protection of computer software and databases. Both laws are fully compatible with the terms of the bilateral Trade Agreement and meet international standards.
- o New Zealand repealed legislation that allowed compulsory licensing of pharmaceuticals.
- o The Ukrainian Government adopted the Paris Convention, Madrid Agreement, and the Agreement on Patent Cooperation.
- o Chile extended its term of copyright protection to life plus 50 years -- the Berne Convention standard.
- o Brazilian Government issues Executive decree bringing Brazil into full compliance with the Stockholm Text of the Paris Convention For the Protection of Industrial Property.
- o The United States and the Russian Federation exchanged diplomatic notes causing the entry-into-force of a bilateral Trade Agreement which commits Russia to an extensive IPR legislative agenda.
- o Bolivia passed a new Copyright Law providing a framework for protection but still lacks regulations.
- o Taiwan and the U.S. signed a Memorandum of Understanding on IPR issues.
- o Indonesia agreed to provide improved market access for U.S. motion pictures.
- o Japan's law providing for registration and protection of service marks took effect.
- o The United States and China establish bilateral copyright relations.
- o The Commission of Cartagena (the Andean Pact) passed decision 313, which replaced decision 85 covering industrial property protection and provides for certain improvements in patent protection.
- o Taiwan passed a Fair Trade Law that provides some protection for trade secrets.

- o India committed to the liberalizing of market access for motion pictures effective April 1, 1992.
- o India announced that it will accord national treatment to trademarks owned by foreign proprietors.
- o Thailand's National Legislative Assembly enacted amendments to the patent law that will extend product patent protection to 20 years from filing. However, the law does not provide protection for existing patented products that have not yet been marketed in Thailand, and contains extremely broad compulsory licensing provisions.
- o The United States and China signed a Memorandum of Understanding committing China to improve protection for U.S. intellectual property, including providing strong protection for U.S. inventions and copyrighted works, computer software and sound recordings, and trade secrets.
- o Japan amended its copyright law: to extend the protection of sound recordings to 50 years; to protect foreign sound recordings created between 1968 and 1978; and to extend to foreign producers the right to authorize and prohibit the rental of their sound recordings from one year from the date of release.

1991

- o Paraguay joined the Berne Convention for the Protection of Literary and Artistic Works.
- o Romania and the United States reached agreement on a trade accord that includes strong protection for intellectual property rights.
- o The Government of Argentina introduced comprehensive patent reform legislation to the Congress.
- o Chile implemented its new patent and trademark law.
- o Indonesia's Patent Law took effect.
- o Mexico enacted an copyright law which extends the term of protection for sound recordings, creates rental rights and significantly increased sanctions.

- o Mexico enacted an industrial property law which extended patent protection to chemical, pharmaceutical and metal alloy products, as well as to some biotechnological inventions; extended the term of patent protection to 20 years from filing; and extended the term of trademark protection to a renewable period of ten years.
- o China's new copyright law took effect.
- o The European Community adopted a directive requiring member states to provide copyright protection for computer software programs.
- o The United States and Bulgaria signed a trade agreement including strong protection for intellectual property rights.
- o Korea enacted trade secrets legislation.
- o Chile enacted a revised Patent and Trademark Law, including product patent protection for pharmaceuticals.
- o The United States and the People's Republic of Mongolia signed a trade agreement including strong protection for intellectual property rights.
- o Singapore strengthened its Trademark Law.

1990

- o The European Community took a "common position" on protection for computer software, including a 50-year term of copyright protection.
- o Malaysia amended its copyright law and acceded to the Berne Convention for the Protection of Literary and Artistic Works.
- o Japan enacted a law protecting trade secrets.
- o Chile clarified its copyright protection for computer software, thus ensuring that it is a "literary work."
- o The United States signed a trade agreement with Czechoslovakia which includes strong terms of protection for intellectual property rights.
- o Yugoslavia amended its patent law to extend the term of protection to 20 years from filing, among other improvements.

- o The United States signed a trade agreement with Poland which includes strong terms of protection for intellectual property rights.
- o The Federal Republic of Germany increased penalties for infringement of intellectual property rights.

1989

- o Taiwan and the United States concluded an agreement on the protection and enforcement of rights in audio-visual works.
- o Saudi Arabia enacted a new copyright law.
- o Portugal increased penalties for audio piracy.
- o Indonesia enacted its first patent law including product protection for pharmaceuticals, effective August 1991.
- o Colombia passed a law defining computer software as copyrightable material.
- o Spain extended patent protection to U.S. plant varieties on a reciprocal basis.
- o Colombia resolved royalty remission problem concerning motion pictures.
- o Taiwan agreed to expeditiously resolve copyright problems concerning motion pictures.
- o Saudi Arabia adopted a patent law.
- o A Uruguay Round mid-term review decision on intellectual property was reached.
- o A Bilateral Agreement on Copyrights was signed with Indonesia.
- o A bilateral copyright agreement was negotiated and initialled with Taiwan.

April 30, 1993

FACT SHEET

SECTION 306 REVIEW OF JAPAN'S IMPLEMENTATION OF THE  
1990 U.S.-JAPAN SUPERCOMPUTER AGREEMENT

**ACTIONS TAKEN**

United States Trade Representative (USTR) Ambassador Michael Kantor announced today that the USTR will undertake a special review of Japanese Government behavior under the 1990 Supercomputer Agreement. The review is being initiated because of grave U.S. Government concern that Japan may not be adhering to the terms of the agreement.

The review will be conducted under Section 306 of the Trade Act of 1974. In the course of the review, USTR will evaluate Japanese Government behavior under the Agreement thus far and will closely scrutinize its conduct of each of the upcoming supercomputer procurements. Based upon this review and the process and outcome of these procurements, USTR will determine whether or not Japan is in compliance with the terms of the Agreement. If USTR finds that Japan is not in compliance, it will initiate trade action against Japan under section 301.

BACKGROUND

The 1990 Supercomputer Agreement resulted from a 1989 Super 301 investigation of Japanese Government supercomputer procurement practices that discriminated against foreign firms. The 1990 Agreement replaced the 1987 Supercomputer Agreement, under which no foreign supercomputers were procured by the Japanese Government.

The 1990 Agreement specifies detailed procedures the Government of Japan agreed to use in government procurements of supercomputers. The Japanese government committed that its purchasing entities would follow open, competitive and transparent procedures in acquisitions. The procedures included the establishment of a bid protest system. These are unilateral undertakings by the Japanese government and impose no obligations on the United States Government.

Since the exchange of letters, there have been eleven Japanese government-tendered supercomputer contracts offered under open competition. U.S. supercomputers were selected in three of these procurements. Prior to the 1990 agreement, only three of the 43 supercomputers installed in the Japanese public sector market were U.S.-manufactured. These purchases were the result of a special Japanese Government import efforts and not the result of open competition. U.S. supercomputer vendors have never won a head-to-head competition against a Japanese bidder in Japan,

Procurement Code (Code) and are not in compliance with the Code;

- countries that are signatories to the Code, and are in compliance with the Code, but maintain a significant and persistent pattern or practice of discrimination against United States products or services in procurements not covered by the Code, resulting in identifiable harm to U.S. businesses, and whose products or services are acquired in significant amounts by the United States Government; and
- countries, not signatories to the Code, that maintain a significant and persistent pattern or practice of discrimination against United States products or services, resulting in identifiable harm to U.S. businesses, and whose products or services are acquired in significant amounts by the United States Government.

Identification under the statute starts a 60-day consultation process. If consultations do not resolve the discriminatory practices, one of two actions is required: 1) If a country is identified for a violation of the Agreement, the statute directs USTR to begin dispute settlement procedures under the Agreement.; or 2) If the identification involves other than Code-covered procurement the President may impose sanctions against that country which are equivalent in effect to discrimination against United States products or services.

April 30, 1993

FACT SHEET

TITLE VII DECISIONS

ACTIONS TAKEN

United States Trade Representative Michael Kantor announced today this year's decisions pursuant to Title VII of the 1988 Omnibus Trade Act. Title VII requires the Administration to identify and report to the Congress countries which discriminate against U.S. products and services in their government procurement.

Ambassador Kantor made the following identifications under the statute:

- **Japan**, for discrimination in procurements of construction, architectural, and engineering services. Anticompetitive practices have been a long-standing problem in Japan's construction market. Japan also extensively uses the "designated bidder system," which routinely excludes U.S. bidders. Japan also maintains a non-transparent administrative processes that provide an advantage to Japanese bidders at the expense of U.S. businesses. Further, Japan may have violated the 1991 MPA and has been unwilling to significantly improve the MPA and its coverage.
  
- **The European Community (EC)**, whose identification is continued for discrimination in non-Code-covered procurement. The EC was first identified under the statute in the February 1992 "Early Review" for discrimination in procurement of telecommunications and heavy electrical equipment. Pursuant to the statute, the U.S. pursued the issue and conducted negotiations with the EC. An agreement was reached on heavy electrical equipment and currently awaits the approval of the EC Council of Ministers. No agreement has been reached on the telecommunications issue. The U.S. will proceed with Title VII sanctions in response to the telecommunications discrimination.

In the report to Congress, Ambassador Kantor noted the Administration's continuing concerns with certain foreign procurement practices, that fell short of the statutory requirements for identification:

-- We have concerns with three sectors in Japan:

-- Supercomputers, which is the object of an action under section 306 of the 1974 Trade Act, as announced today;

-- In the computer area, the inability of the U.S. and

Japan to implement a statistical monitoring system to evaluate progress in our bilateral Computer Agreement is a problem. We are addressing the issue bilaterally with Japan.

-- In the telecommunications area, U.S. businesses continue to express frustration with the lack of opportunities outside of those covered by the NTT Agreement. We are also addressing the issue bilaterally.

-- The Australian government has established a restricted membership, preselected "Restricted Systems Integration Panel" for all federal procurements of information systems technology. Bidding for such contracts is limited to panel members. Criteria for membership on the panel include demonstrated competence, commercial viability, and a potential to contribute to Australian government policy objectives, including export from Australia into Asian-Pacific markets and, in most cases, local development.

-- The procurement market in China is remains non-transparent and generally inaccessible to foreign bidders. China has committed to changes intended to improve this situation, but these changes are not due to be implemented until late 1993. As part of the October 1992 Memorandum of Understanding on market access signed by China and the United States, China agreed to increase the transparency of its trade system by publishing rules and regulations related to trade.

Kantor also announced the Administration's intention to monitor those countries which have trade or economic agreements with the EC that may require implementation of the discriminatory provisions of the Utilities Directive in those countries. We will monitor these countries over the next year and review them in our next annual Title VII report.

#### STATUTORY AUTHORITY

Title VII of the 1988 Omnibus Trade and Competitiveness Act amends the Trade Agreements Act of 1979 to require, among other things, the Administration to submit to Congress a report on the extent to which foreign countries discriminate against U.S. products or services in government procurement. These functions have been delegated to the USTR by executive order. The report is to be submitted annually by April 30, and is to cover those countries that are discriminating as defined by the statute. Specifically, the USTR is to identify:

- countries that are signatories to the GATT Government

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

FOR IMMEDIATE RELEASE  
TUESDAY, APRIL 27, 1993

93-29  
Contact: Anne Luzzatto  
Dianne Wildman  
Pat Norman  
202-395-3230

Statement by United States Trade Representative Mickey Kantor

I have today submitted to Congress, on behalf of the President, legislation to renew the Fast Track procedure for completion of the Uruguay Round trade negotiations and to extend for 15 months the Generalized System of Preferences (GSP) program. The President is requesting the Congress pass this legislation without amendment as quickly as possible. While additional trade legislation will undoubtedly be considered later this year, I hope the Congress will move quickly on this request so that we can bring about a successful Uruguay Round.

APR 27 1993

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

Dear Mr. Speaker:

I am transmitting the enclosed draft bills on behalf of the President. The first draft bill extends authority for the President to enter into trade agreements to conclude the Uruguay Round of multilateral trade negotiations under the auspices of the General Agreement on Tariffs and Trade and to apply Congressional "fast track" procedures to a bill implementing such agreements, provided that he notifies the Congress no later than December 15, 1993, of his intent to enter into such agreements, and he enters into such agreements no later than April 15, 1994. The second draft bill renews the Generalized System of Preferences (GSP) for roughly fifteen months and allows for designation of the Newly Independent States of the former Soviet Union as eligible under the GSP program.

#### Fast track authority

Current negotiating authority and fast track implementation procedures, provided under sections 1102-1103 of the Omnibus Trade and Competitiveness Act of 1988 (19 U.S.C. 2902-2903), may not be used to conclude the Uruguay Round because those provisions required the President to notify the Congress by March 2, 1993, of his intent to enter into agreements before June 1, 1993. Since no notice was made by March 2, this authority was not used.

The draft bill would extend negotiating authority and fast track implementation procedures for an additional ten and one-half months, and would expand the minimum 90-day period between notification to the Congress and signature of the agreements to a minimum of 120 days, to afford ample time for consultation between the Administration and Congress on draft implementing legislation. The authority would not be available for any trade agreement other than those concluding the Uruguay Round. The provisions of sections 1102 and 1103 would remain the same in all other respects, except that tariff proclamation authority would be extended only to carry out the Uruguay Round agreements, and could be used only upon enactment of Uruguay Round implementing legislation.

The Honorable Thomas S. Foley  
Page Two

The draft bill also would provide the authority for private sector advisory committees established under section 135 of the Trade Act of 1974, as amended (19 U.S.C. 2155), to submit the reports required under that statute 30 days after the President notifies Congress of his intent to enter into Uruguay Round agreements. Under current law, those reports must be submitted at the same time that the President's notice is given. Since 30 additional days are given for consultation between the Administration and Congress, 30 additional days are also provided for the development of private sector advice.

#### **GSP Program**

The GSP program provides preferential duty treatment to U.S. imports of selected products of developing countries. The program expires on July 4, 1993, pursuant to section 505 of the Trade Act of 1974, as amended (19 U.S.C. 2465). The draft bill would extend the expiration date to September 30, 1994, and would not change the criteria by which the eligibility of countries and products are determined. During the fifteen-month period of extension, the Administration would work with Congress to develop a proposal for the long-term renewal of GSP.

The draft bill also would amend the GSP statute by removing "Union of Soviet Socialist Republics" from the list of countries statutorily ineligible for GSP benefits. This amendment would enable us to designate any of the successor states to the former Soviet Union as beneficiaries for purposes of GSP. The President is committed to adding Russia to the GSP program after determining that it complies with the other legal requirements for GSP eligibility. The amendment would not automatically add Russia to the GSP program.

We are prepared to discuss means to pay for GSP with the relevant Congressional committees during consideration of that proposal.

It would be appreciated if you would lay the draft bills before the House. Identical proposals are being transmitted to the President of the Senate.

The Honorable Thomas S. Foley  
Page Three

The Office of Management and Budget has advised that there is no objection to the presentation of these proposals to Congress and that their enactment would be in accord with the program of the President.

Sincerely,



Michael Kantor

Enclosures

**A BILL**

To provide authority for the President to enter into trade agreements to conclude the Uruguay Round of multilateral trade negotiations under the auspices of the General Agreement on Tariffs and Trade, to extend tariff proclamation authority to carry out such agreements, and to apply Congressional "fast track" procedures to a bill implementing such agreements.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

**SECTION. 1. EXTENSION OF URUGUAY ROUND TRADE AGREEMENT NEGOTIATING AND PROCLAMATION AUTHORITY AND OF "FAST TRACK" PROCEDURES TO RESULTING IMPLEMENTING LEGISLATION.**

Section 1102 of the Omnibus Trade and Competitiveness Act of 1988 (19 U.S.C. 2902) is amended by inserting at the end the following new subsection:

**"(e) SPECIAL PROVISIONS REGARDING URUGUAY ROUND TRADE NEGOTIATIONS. --**

**"(1) IN GENERAL --** Notwithstanding the time limits on Presidential negotiating authority in subsections (a) and (b), if the Uruguay Round of multilateral trade negotiations under the auspices of the General Agreement on Tariffs and Trade has not resulted in trade agreements by May 31, 1993, the President may, after May 31, 1993, and before April 16, 1994, enter into, under subsections (a) and (b), trade agreements resulting from such negotiations.

**"(2) APPLICATION OF TARIFF PROCLAMATION AUTHORITY. --** No proclamation made under subsection (a)(1)(B) to carry out the provisions of any such agreement regarding tariff barriers shall be effective prior to the enactment of legislation pursuant to section 1103 to implement concurrent agreements entered into under subsection (b) regarding nontariff barriers.

**"(3) APPLICATION OF IMPLEMENTING AND 'FAST TRACK' PROCEDURES. --** Section 1103 applies to any trade agreement negotiated under subsection (b) pursuant to paragraph (1), except that--

"(A) in applying subsection (a)(1)(A) of section 1103 to any such agreement, the phrase 'at least 120 calendar days before the day on which he enters into the trade agreement (but not later than December 15, 1993),' shall be substituted for the phrase 'at least 90 calendar days before the day on which he enters into the trade agreement'; and

"(B) no provision of subsection (b) of section 1103 other than paragraph (1)(A) applies to any such agreement and in applying such paragraph, 'April 16, 1994;' shall be substituted for 'June 1, 1991;'.

"(4) ADVISORY COMMITTEE REPORTS. -- The report required under section 135(e)(1) of the Trade Act of 1974 regarding any trade agreement provided for under paragraph (1) shall be provided to the President, the Congress, and the United States Trade Representative not later than 30 days after the date on which the President notifies the Congress under section 1103(a)(1)(A) of his intention to enter into the agreement (but before January 15, 1994)."

**A BILL**

To renew the Generalized System of Preferences and for other purposes.

**SECTION 1. SHORT TITLE**

This Act may be cited as the "Generalized System of Preferences Renewal Act of 1993."

**SECTION 2. RENEWAL OF THE GENERALIZED SYSTEM OF PREFERENCES**

(a) IN GENERAL -- Section 505(a) of the Trade Act of 1974 (19 U.S.C. 2465(a)) is amended by striking "July 4, 1993" and inserting in lieu thereof "September 30, 1994".

(b) RETROACTIVE APPLICATION FOR CERTAIN LIQUIDATIONS AND RELIQUIDATIONS -- Notwithstanding section 514 of the Tariff Act of 1930 or any other provision of law, upon proper request filed with the appropriate customs officer within 180 days after the effective date of this act, any entry of an article --

(1) to which duty-free treatment under the Generalized System of Preferences in effect on July 4, 1993 would have applied if entry had been made on such date, and

(2) that was entered after July 4, 1993 and before the effective date of this act,

shall be liquidated or reliquidated as free of duty, and the Secretary of the Treasury shall refund any duties paid with respect to such entry.

**SECTION 3. FORMER SOVIET UNION**

Section 502(b) of the Trade Act of 1974 (19 U.S.C. 2462(b)) is amended by striking "Union of Soviet Socialist Republics."

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

FOR IMMEDIATE RELEASE  
Monday, April 26, 1993

93-28  
Contact: Anne Luzzatto  
Dianne Wildman  
Pat Norman  
(202) 395-3230

**U.S. AND ISRAEL SIGN TRADE ACCORDS**

U.S. Trade Representative Ambassador Michael Kantor and Israeli Minister of Industry and Trade Micha Harish on April 20, 1993, signed two agreements that will benefit U.S. firms exporting to Israel.

They signed a Memorandum of Understanding under which Israel agreed to reduce or eliminate by July of this year duties on a wide range of products, such as radio and television transmission equipment, vitamins, fluorescent lights and hydraulic instruments and valves. U.S. exports in these categories are valued at about US\$35 million annually. The U.S. outlined the treatment of Israel under the Generalized System of Preferences program.

They also signed an agreement wherein Israel agreed to relax some cumbersome import documentation requirements, which will reduce the paperwork required for processing U.S. imports.

"The agreements confirm the U.S. and Israeli commitment to use the U.S.-Israel Free Trade Area Agreement to further strengthen and develop the economic relations between the two countries," Ambassador Kantor said.

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

FOR IMMEDIATE RELEASE  
Wednesday, April 21, 1993

93-27  
Contact: Anne Luzzatto  
Dianne Wildman  
Pat Norman  
(202) 395-3230

Statement by Ambassador Mickey Kantor  
April 21, 1993

Yesterday I concluded two days of intensive discussions with Commissioner Leon Brittan on a full range of multilateral and bilateral issues. Let me review the outcomes.

I am pleased to announce that the U.S. and EC have reached an agreement on government procurement. Under this agreement, the EC will remove the discrimination against U.S. suppliers of heavy electrical equipment. The United States will remove the Buy America preferences on the Tennessee Valley Authority and the 5 federal power administrations of the Department of Energy. This will result in an open procurement market for both sides in this important sector. It will open a \$20 billion market in the EC to U.S. companies. In addition, both sides have agreed to extend GATT Government Procurement Code treatment to federal government procurement of services and previously uncovered goods.

Both sides have also agreed to continue to negotiate on the other outstanding procurement issues, including telecommunications. Our objective remains a significantly expanded and balanced GATT Procurement Code agreement, and to that end the two sides have agreed to jointly sponsor an independent study of the procurement opportunities that would arise from their respective proposals now on the table. In the meantime, both sides will commence consultations at all levels of government to explore the potential for a balanced package of subfederal participation in the final GATT Code agreement.

However, since the EC was not prepared to remove its existing discrimination on telecommunications equipment, the United States will proceed with Title VII sanctions in response to this discrimination. The previously announced Title VII sanctions will be reduced to be commensurate with the remaining discrimination.

This agreement is subject to ratification by the EC Council of Ministers. If not ratified, neither side will be bound by its terms.

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

FOR IMMEDIATE RELEASE  
WEDNESDAY, APRIL 21, 1993

93-26  
CONTACT: Anne Luzzatto  
Dianne Wildman  
Pat Norman  
202-395-3230

**UNITED STATES AND MOLDOVA SIGN BILATERAL INVESTMENT TREATY**

United States Trade Representative (USTR) Ambassador Michael Kantor and Prime Minister Andrei Sangheli of the Republic of Moldova today signed a Bilateral Investment Treaty (BIT) which will provide a strong basis for future business and economic relations between the two countries.

"This Treaty is an integral part of the framework for expanding our trade and investment relations. It will assist Moldova in its transition to a market economy by strengthening the role of the private sector. It will guarantee that U.S. investors are afforded the protections accorded to foreign investors in this country," Ambassador Kantor said.

The BIT guarantees to investors of both countries the right to invest on terms no less favorable than those accorded domestic or third-country investors. It also guarantees the following: free transfer of capital; freedom from performance requirements; internationally recognized standards of expropriation and compensation; and access to binding international arbitration.

Today's signing marks the twenty-fifth BIT concluded by the United States and the fifth with the newly-formed states of the former Soviet Union.

Also attending the signing ceremony for Moldova was Deputy Foreign Minister Ion Botnaru.

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

FOR IMMEDIATE RELEASE  
FRIDAY, APRIL 16, 1993

93-25  
Contact: Anne Luzzatto  
Dianne Wildman  
Pat Norman  
(202) 395-3230

UNITED STATES GRANTS ECUADOR TRADE PREFERENCES

On April 13, 1993, President Clinton proclaimed Ecuador to be a beneficiary country under the Andean Trade Preference Act (ATPA). This status will allow Ecuador to export a wide range of products duty-free to the United States for a period of ten years.

Ecuador joins Bolivia and Colombia as ATPA beneficiary countries.

The ATPA fulfills the U.S. commitment to improve access to the U.S. market for exports from the Andean nations. It is designed to help the beneficiary nations encourage their people to export legitimate products instead of illicit drugs. The United States fully supports the strong efforts of the Government of Ecuador to combat drug trafficking and to modernize its economy.

The Administration is continuing its review of beneficiary status for the remaining Andean country, Peru.

Andean Trade Preference Act  
(background information)

In October 1990, former President Bush submitted to Congress a legislative package that would provide trade benefits comparable to the Caribbean Basin Initiative (CBI). This package was introduced as the Andean Trade Preference Act (ATPA) in both the House and Senate in late January 1991. It passed Congress in late November and was signed by the President on December 4.

This Act includes the following major tariff provisions.

- o All exports from beneficiaries would enter the United States duty-free for a ten-year period, unless the product is excluded by the law.
- o The principal products excluded from duty-free treatment are textile and apparel, footwear, petroleum, canned tuna, and rum.
- o The tariffs on certain leather-related products, excluded from duty-free treatment, would be reduced by 20 percent, implemented over a five year period.

Preferences will expire on December 4, 2001.

April 1993  
USTR

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

FOR IMMEDIATE RELEASE  
MONDAY, APRIL 12, 1993

93-24  
Contact: Anne Luzzatto  
Dianne Wildman  
Pat Norman  
(202) 395-3230

UNITED STATES, AZERBAIJAN SIGN TRADE AGREEMENT

United States Trade Representative (USTR) Ambassador Michael Kantor and the Foreign Minister of Azerbaijan, Tofiq Kasymov, today signed a trade agreement establishing the groundwork for market trade ties between the two countries.

"This trade agreement provides important guarantees for American businesses when conducting their affairs in Azerbaijan. It also lays a good groundwork for a successful market economy in Azerbaijan," Ambassador Kantor said.

The agreement provides for reciprocal Most Favored Nation (MFN) status between the United States and Azerbaijan. It also establishes strong protection for intellectual property rights (IPR), including copyright protection, patent protection, trademarks and service marks.

Provisions on business facilitation that will assist U.S. businesses, including small businesses and new entrants, in establishing themselves in Azerbaijan are also contained in this agreement. It guarantees these businesses an expedited accreditation system for commercial representation offices in Azerbaijan as well as the right to hire and pay employees as the businesses see fit, to protect their contractual and property rights, and to conduct market studies or to serve as consultants without being unreasonably impaired by the host government.

This agreement will facilitate trade between the United States and Azerbaijan as well as U.S. private sector involvement in fostering Azerbaijan's market reform.

The White House  
Office of the Press Secretary

---

For Immediate Release

April 9, 1993

STATEMENT BY WHITE HOUSE PRESS SECRETARY DEE DEE MYERS ON THE  
DECISION TO SEEK FAST TRACK RENEWAL

The President has asked me to announce today his decision to pursue with Congress the approval of legislation renewing fast track procedures to conclude the Uruguay Round of multilateral trade negotiations.

Since taking office in January, this Administration's highest priority has been to strengthen the U.S. economy. We have put forth an ambitious program designed to reduce the budget deficit and increase investment in areas critical to our future economic strength. But while the Administration's economic strategy starts with the enactment of the President's economic program, global economic growth from expanded world trade is a crucial part of our strategy.

The Uruguay Round, involving more than 100 nations, began 1986. The failure to complete the Round has been a source of disappointment and frustration to the United States and many of our trading partners. A successful Round would lower tariff and non-tariff barriers around the world, and establish new multilateral rules for world trade. It would be the single most important step we can take to open foreign markets around the world to U.S. manufactured goods, agricultural products and services.

President Clinton and Ambassador Kantor have spoken with leaders from the EC, Japan and other nations and emphasized our strong desire to complete an ambitious Uruguay Round this year. They believe that our trading partners share their commitment to the overriding importance of completing the Round.

Consequently, the President has decided, after consulting with members of Congress, to seek the legislation needed to complete these important negotiations this year. The draft bill we will send to Congress would extend Congressional "fast track" procedures to a Uruguay Round implementing bill, provided that he notifies the Congress no later than December 15, 1993, of his intent to enter into such agreement before April 15, 1994.

Conventional wisdom says it will be difficult to complete this Round, to expand and liberalize trade at a time when much of the world economy is in the doldrums. But the President believes that is precisely the time when we must do it. We ask other nations to join in us in taking the sometimes hard steps needed to bring the Round to a successful conclusion, for the benefit of all nations.

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

FOR IMMEDIATE RELEASE  
FRIDAY, APRIL 9, 1993

93-23  
CONTACT: Anne Luzzatto  
Dianne Wildman  
Pat Norman  
202-395-3230

Statement by Ambassador Mickey Kantor on the White House announcement to pursue with Congress the approval of legislation renewing "fast track" procedures to conclude the Uruguay Round of multilateral trade negotiations:

We are pleased that the President has taken another key step today in moving forward on this Administration's highest priority -- creating jobs for Americans and strengthening our economy.

Seeking renewal of the "fast track" procedure represents another critical step in this Administration's intensive effort, through on-going meetings and consultations with key trading partners and allies, to expedite the successful conclusion of the Uruguay Round.

These intensive efforts include, in addition to our earlier meetings in February and March, my third meeting with EC Vice President Leon Brittan later this month, a second visit to Washington by EC Commission President Jacques Delors in May, the four-party meeting in Toronto later that month, OECD meetings in June, and the G-7 consultations in July.

While the enactment of the President's economic program is the linchpin of this Administration's economic strategy, global economic growth and expanded world trade are crucial to that strategy.

The Uruguay Round, involving more than 100 nations, began in 1986. Its successful completion would lower tariff and non-tariff barriers around the world and establish new multilateral rules for world trade -- the single most important step we can take to open foreign markets around the world to America's manufactured goods, agricultural products and services.

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

FOR IMMEDIATE RELEASE  
WEDNESDAY, APRIL 7, 1993

93-22  
Contact: Anne Luzzatto  
Dianne Wildman  
202-395-3230

Statement by Ambassador Mickey Kantor

The President announced today his intention to nominate John Schmidt as Uruguay Round Coordinator. I thoroughly endorse President Clinton's statement that this Ambassadorship is one of the most important diplomatic positions he has to fill, and that "the Uruguay Round of the GATT talks is vital to our hopes for freer and fairer trade in the world."

John Schmidt is a nationally recognized attorney who has been active in legal and judicial reform efforts as well as a variety of public service activities. A senior partner in the Chicago office of Skadden, Arps, Slate, Meagher & Flom, he was one of the founding members of the Chicago Council of Lawyers, a reform bar association. Schmidt also serves as Chairman of the Metropolitan Pier and Exposition Authority, a joint city-state authority. He served as Transition Co-Chair for Mayor Richard Daley, and was Daley's unpaid Chief of Staff for the first two months of his administration. He has also served on a variety of state and city boards, and has been active in Democratic politics at all levels. Schmidt holds his B.A. and J.D. degrees from Harvard University.

Ambassador Warren A. Lavorel, who is a career Foreign Service Officer and one of USTR's finest negotiators, has agreed to continue to serve in his position until Mr. Schmidt's confirmation to assure an orderly transition, and further, to delay his return to the State Department to serve as Ambassador Kantor's special advisor for the multilateral trade negotiations.

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

FOR IMMEDIATE RELEASE  
Tuesday, April 6, 1993

93-21  
CONTACT: Anne Luzzatto  
Dianne Wildman  
Pat Norman  
(202) 395-3230

UNITED STATES AND PHILIPPINES SIGN  
AGREEMENT ON INTELLECTUAL PROPERTY

United States Trade Representative (USTR) Ambassador Michael Kantor and Secretary of Trade and Industry Rizalino S. Navarro of the Republic of the Philippines signed and exchanged letters today committing the Philippines to providing strong intellectual property rights protection and improved enforcement.

"The letters we are signing today are an important step toward protecting intellectual property in the Republic of the Philippines," said Kantor. "These commitments, when fully implemented, will promote mutual economic growth through the encouragement of trade and investment."

The letters confirm the steps the Republic of the Philippines has already taken to protect intellectual property rights while pledging additional measures to improve the protection and enforcement of copyrights, trademarks and patents.

In the area of copyright protection, the Philippine government will seek to join the 1971 text of the Berne Convention for the Protection of Literary and Artistic Works, and will submit legislation to improve its copyright law.

With respect to trademarks, the Philippine Government will ensure, through the amendment of its laws and regulations, that internationally-accepted standards are followed. The government will also establish customs guidelines to prevent the importation of pirated and counterfeit products.

With the agreement, the United States will remove the Philippines from its "Priority Watch List" under the "special 301" provisions of the 1988 Trade Act.

Under this agreement, U.S. copyright and trademark owners will be better able to enforce their intellectual property rights in the Philippines.

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

FOR IMMEDIATE RELEASE  
FRIDAY, APRIL 2, 1993

93-20  
Contact: Anne Luzzatto  
Dianne Wildman  
Pat Norman  
(202) 395-3230

(JOINT STATEMENT RECEIVED FROM OTTAWA)

CANADA-U.S. TRADE COMMISSION MEETS IN OTTAWA

The Honourable Michael Wilson, Minister of Industry, Science and Technology and Minister for International Trade, and Ambassador Michael Kantor, United States Trade Representative, met today in Ottawa to review recent developments in the implementation of the Canada-U.S. Free Trade Agreement (FTA) and to discuss the management of this important trade relationship.

The Canada-U.S. Trade Commission, which consists of Minister Wilson and Ambassador Kantor, meets annually to review the progress and management of FTA issues.

Minister Wilson and Ambassador Kantor noted the significant increase in Canada-U.S. trade during the past year. Two-way merchandise trade grew to C\$226.9 billion (US\$187.6 billion) in 1992, an increase of C\$25.6 billion (US\$21.0 billion) over 1991. They added that this growth in bilateral trade is a positive factor in the economic recovery of North America.

In addition to the general management of the FTA, a number of outstanding trade issues were discussed, including trade in steel, beer, and wheat, as well as the overall functioning of the FTA.

While both agreed that problems are inevitable in a trade relationship of this size and complexity, they emphasized that the vast majority of two-way trade is free of disputes. They reiterated their commitment to find solutions to existing disputes and to engage in regular consultations to avoid future disputes whenever possible.

Minister Wilson and Ambassador Kantor reaffirmed that they will continue to work toward a January 1, 1994 implementation date for the North American Free Trade Agreement (NAFTA). They also discussed the additional agreements currently being negotiated between the NAFTA partners and the progress being made toward a successful completion of the Uruguay Round of Multilateral Trade Negotiations.

"There is no bilateral relationship in the world comparable in size and value to the one shared by our two countries," said Minister Wilson. "The fundamental principles of the FTA, including expeditious dispute settlement and panel reviews, will continue to

guide and strengthen both current bilateral relations and future trade arrangements under the NAFTA."

"The fact is that, when you consider we share a very long common border with two-way trade of about \$200 billion, the number of trade disputes we have is very small," said Ambassador Kantor "These facts demonstrate the value of the FTA."

Minister Wilson and Ambassador Kantor also announced that the Trade Commission had agreed to the results of the third round of accelerated tariff elimination negotiations, which removed tariff on approximately C\$1 billion in two-way trade under the FTA.

The accelerated removal of these tariffs has widespread industry support in both countries. As a result of nearly 300 requests from Canadian and U.S. companies, agreement was reached for the early elimination of tariffs on more than 100 items. The previous two rounds resulted in the early removal of tariffs on items valued at more than C\$8 billion in bilateral trade.

The faster-than-scheduled elimination of tariffs is further evidence of the strong private-sector interest in capitalizing on opportunities afforded by the FTA and the mutual advantages of a liberalized bilateral trading framework.

WHAT FOLLOWS IS THE OPENING STATEMENT BY AMBASSADOR MICKEY KANTOR AT JOINT PRESS BRIEFING WITH MINISTER WILSON TODAY IN OTTAWA.

"Minister Wilson and I had a very productive discussion covering a range of bilateral issues, as well as the Uruguay Round and the NAFTA.

"Let me first say, that with respect one of our highest priority issues -- that of Canada's exports of durum wheat -- we have agreed to implement the audit process. In addition, we raise other concerns about trade in wheat that we want to pursue further and I am pleased to note that Canada has agreed to pursue these discussions on a bilateral basis.

"Mr. Wilson and I are also announcing the completion of our third round of accelerated tariff elimination negotiations, and have agreed upon a package of tariff cuts covering approximately billion of two-way trade.

"I would also like to point out that, given our two countries very long common border and about \$200 billion of two-way trade, the volume of trade disputes is small."

## FTA ACCELERATED TARIFF ELIMINATION

### BACKGROUND

- o The Trade Commission has reviewed and accepted the results of bilateral consultations during which agreement in principle was reached on the attached list of items for accelerated FTA tariff elimination.
- o The tariff acceleration process, which is provided for in Article 401.5 of the Free Trade Agreement, was initiated by the two governments in response to representations made by U.S. and Canadian industries interested in faster tariff elimination.
- o This is the third round of accelerated tariff elimination negotiations under the FTA. The results of the first round were implemented on April 1, 1990 and included more than 400 tariff items covering approximately \$6 billion in two-way trade. The second round was implemented on July 1, 1991 and included more than 250 tariff items covering approximately \$2 billion in two-way trade.
- o For the third round, interested parties were invited in November, 1991 to submit specific requests. Nearly 300 applications were made to the U.S. and Canadian Governments.
- o In September 1992, the consolidated list of requests received by the U.S. and Canadian Governments was announced for public comment.
- o The package agreed to in the third round covers approximately \$1 billion in two-way trade.
- o The agreement is subject to a final approval process in Canada and the United States. In the United States, the process includes publication of the list in the Federal Register and a consultation period of 60 days with the Congress, following which the necessary amendments to the U.S. Tariff Schedule will be made by Presidential Proclamation. In Canada, the agreement will be implemented by Order-in-Council, following pre-publication in the Canada Gazette to allow interested parties an opportunity to comment.
- o Following approval in both countries, it is expected that the agreed reductions will be implemented in July of 1993.

## HIGHLIGHTS

Areas of particular interest to U.S. exporters (U.S. exports to Canada in 1992 are indicated) include:

- products of base metal (\$40 million)
- stainless steel products (\$40 million)
- beverage additives (\$38 million)
- tire cord fabric (\$30 million)
- blue denim (\$24 million)
- synthetic fibers (\$20 million)
- warp pile fabrics (\$20 million)
- safety glass (\$20 million)
- yarns (\$20 million)
- telephone headsets and parts (\$10 million)
- distilled spirits (\$8 million)

**CANADIAN CUSTOMS TARIFF SCHEDULE**

# CANADIAN CUSTOMS TARIFF SCHEDULE

## EXPLANATORY NOTE

The provisions of the attached schedules are expressed in terms of the Canadian Customs Tariff. The tariff item numbers and product descriptions in these schedules are consistent with the corresponding tariff item numbers and product descriptions in the Canadian Customs Tariff.

Schedule I lists those tariff item numbers where accelerated tariff elimination will apply to all products in the tariff line. Schedule II lists those tariff item numbers where only some of the products are to be subject to accelerated tariff elimination, and lists the products so affected. Goods originating in the territory of the United States provided for in the tariff items listed in schedule I and products originating in the territory of the United States that are listed in schedule II shall be free of Canadian customs duty effective July 1, 1993, except the removal of the duty on goods of tariff item No. 5801.25.10, 5801.25.20, 5801.35.00, 8540.11.00 and stainless steel tubes, pipes and hollow profiles, containing 24% or more by weight of nickel, of tariff item No. 7304.41.00 and 7304.49.00 shall be effective on the date of the implementation of the North American Free Trade Agreement.

The bracketed language in schedule I has been included only to clarify the scope of the numbered subheadings, which are the subject of the schedule. Goods described by the bracketed language are not the subject of the schedule and are not receiving accelerated elimination of the customs duty.

## CANADA — SCHEDULE I

HTS Subheading	Article Description
0202 0202.30.00	Meat of bovine animals, frozen Boneless
0704	Cabbages, cauliflowers, kohlrabi, kale and similar edible brassicas, fresh or chilled [Cauliflowers and headed broccoli; brussels sprouts]
0704.90	Other Cabbage, Chinese or Chinese lettuce ( <i>Brassica rapa, chinensis</i> , and <i>Brassica rapa, pekinensis</i> )
0704.90.41	Imported during such period specified by order of the Minister or the Deputy Minister, not exceeding 30 weeks in any 12 month period ending 31st March
0712	Dried vegetables, whole, cut, sliced, broken or in powder, but not further prepared
0712.10.00	Potatoes whether or not cut or sliced but not further prepared
2106	Food preparations not elsewhere specified or included [Protein concentrates and textured protein substances]
2106.90	Other
2106.90.80	Popping corn, prepared and packaged for use in microwave ovens
2208	Undenatured ethyl alcohol of an alcoholic strength by volume of less than 80% vol; spirits, liqueurs and other spirituous beverages; compound alcoholic preparations of a kind used for the manufacture of beverages
2208.10.00	Compound alcoholic preparations of a kind used for the manufacture of beverages
2208.20.00	Spirits obtained by distilling grape wine or grape marc [Whiskies; rum and tafia]
2208.50.00	Gin and Geneva
2208.90	Other
2208.90.10	Vodka [Tequila]
2208.90.30	Liqueurs
2208.90.41	Undenatured ethyl alcohol For use as a spirituous or alcoholic beverage or for the manufacture of spirituous or alcoholic beverages
2208.90.91	Other Spirituous fruit juices of an alcoholic strength by volume not exceeding 14.3% vol

## CANADA -- SCHEDULE I

HTS Subheading	Article Description
3302	Mixtures of odoriferous substances and mixtures (including alcoholic solutions) with a basis of one or more of these substances, of a kind used as raw materials in industry
3302.10.00	Of a kind used in the food or drink industries
3302.90.00	Other
3918	Floor coverings of plastics, whether or not self-adhesive, in rolls or in the form of tiles; wall or ceiling coverings of plastics, as defined in Note 9 to this Chapter
3918.10	Of polymers of vinyl chloride Wall or ceiling coverings combined with knitted or woven fabrics, nonwoven or felts
3918.10.11	Containing man-made or glass fibres
3918.10.19	Containing other textile material
4011	New pneumatic tires, of rubber
4011.40.00	Of a kind used on motorcycles
4016	Other articles of vulcanized rubber other than hard rubber [Of cellular rubber]
4016.92.00	Other Erasers
5209	Woven fabrics of cotton, containing 85% or more by weight of cotton, weighing more than 200 g/m <sup>2</sup>
5209.42.00	Of yarns of different colours Denim
5211	Woven fabrics of cotton, containing less than 85% by weight of cotton, mixed mainly or solely with man-made fibres, weighing more than 200 g/m <sup>2</sup>
5211.42.00	Of yarns of different colours Denim
5403	Artificial filament yarn (other than sewing thread), not put up for retail sale, including artificial monofilament of less than 67 decitex
5403.10.00	High tenacity yarn of viscose rayon [Textured yarn] Other yarn, single [Of viscose rayon, untwisted or with a twist not exceeding 120 turns per metre; of viscose rayon, with a twist exceeding 120 turns per metre]
5403.33.00	Of cellulose acetate

## CANADA -- SCHEDULE I

HTS. Subheading	Article Description
5403 (con.)	Artificial filament yarn (other than sewing thread), not put up for retail sale, including artificial monofilament of less than 67 decitex (con.)
5403.39.00	Other yarn, single (con.) Other
5403.42.00	Other yarn, multiple (folded) or cabled Of cellulose acetate
5405.00.00	Artificial monofilament of 67 decitex or more and of which no cross-sectional dimension exceeds 1 mm; strip and the like (for example, artificial straw) of artificial textile materials of an apparent width not exceeding 5 mm
5408	Woven fabrics of artificial filament yarn, including woven fabrics obtained from materials of heading No. 54.05
5408.10.00	Woven fabrics obtained from high tenacity yarn, of viscose rayon
5501	Synthetic filament tow
5501.10.00	Of nylon or other polyamides
5501.20.00	Of polyesters
5501.30.00	Acrylic or modacrylic
5501.90.00	Other
5503	Synthetic staple fibres, not carded, combed or otherwise processed for spinning
5503.10.00	Of nylon or other polyamides
5503.20.00	Of polyesters
5503.30.00	Acrylic or modacrylic
5503.90.00	[Of polypropylene] Other
5504	Artificial staple fibres, not carded, combed or otherwise processed for spinning
5504.90.00	[Of viscose rayon] Other
5605.00.00	Metallized yarn, whether or not gimped, being textile yarn, or strip or the like of heading No. 54.04 or 54.05, combined with metal in the form of thread, strip or powder or covered with metal

4

CANADA -- SCHEDULE I

HTS Subheading	Article Description
5801	Woven pile fabrics and chenille fabrics, other than fabrics of heading No. 58.02 or 58.06
	Of cotton
5801.25	Warp pile fabrics, cut
5801.25.10 1/	Not containing man-made fibres
5801.25.20 1/	Containing man-made fibres
	Of man-made fibres
5801.35.00 1/	Warp pile fabrics, cut
5902	Tire cord fabric of high tenacity yarn of nylon or other polyamides, polyesters or viscose rayon
5902.10.00	Of nylon or other polyamides
5902.20.00	Of polyesters
5902.90.00	Other
5905.00	Textile wall coverings
5905.00.10	Of jute backed with paper
	Other
5905.00.91	Backed with wallpaper base (hanging stock), whether or not coated or pre-pasted
5905.00.99	Other
6301	Blankets and travelling rugs
6301.10.00	Electric blankets
6911	Tableware, kitchenware, other household articles and toilet articles, of porcelain or china
6911.10.00	Tableware and kitchenware
6912.00.00	Ceramic tableware, kitchenware, other household articles and toilet articles, other than of porcelain or china
7007	Safety glass, consisting of toughened (tempered) or laminated glass
	Toughened (tempered) safety glass
	[Of size and shape suitable for incorporation in vehicles, aircraft, spacecraft or vessels]
7007.19.00	Other

1/ The removal of the duty on the goods in subheadings 5801.25.10, 5801.25.20 and 5801.35.00 will be effective on the date of the implementation of the North American Free Trade Agreement.

## CANADA -- SCHEDULE I

HTS Subheading	Article Description
7019	Glass fibres (including glass wool) and articles thereof (for example, yarn, woven fabrics)
7019.10	Slivers, rovings, yarn and chopped strands
7019.10.10	Slivers and chopped strands Thin sheets (voiles), webs, mats, mattresses, boards and similar nonwoven products
7019.31	Mats
7019.31.10	Solely of glass fibres
7019.31.90	Other
7225	Flat-rolled products of other alloy steel, of a width of 600 mm or more
7225.10	Of silicon-electrical steel
7225.10.10	Cold-rolled or cold-drawn, of a thickness not exceeding 4.75 mm
7225.10.90	Other
7226	Flat-rolled products of other alloy steel, of a width of less than 600 mm
7226.10	Of silicon-electrical steel
7226.10.10	Cold-rolled, of a thickness not exceeding 4.75 mm
7226.10.90	Other
7307	Tube or pipe fittings (for example, couplings, elbows, sleeves), of iron or steel
	[Cast fittings]
	Other, of stainless steel
	[Flanges; threaded elbows, bends and sleeves; butt welding fittings]
7307.29	Other
7307.29.10	Not further worked than forged or bent to shape, whether or not deburred or descaled
7307.29.90	Other
	Other
7307.93	Butt welding fittings
7307.93.10	Of iron or non-alloy steel
7307.93.20	Of alloy steel other than stainless steel

## CANADA -- SCHEDULE I

HTS Subheading	Article Description
7314	Cloth (including endless bands), grill, netting and fencing, of iron or steel wire; expanded metal of iron or steel
	Woven products
	[Of stainless steel]
7314.19	Other
7314.19.20	Tire cord fabrics
7411	Copper tubes and pipes
	Of copper alloys
7411.21	Of copper-zinc base alloys (brass)
7411.21.10	Unworked
7411.21.20	Worked
7411.22	Of copper-nickel base alloys (cupro-nickel) or copper-nickel-zinc base alloys (nickel silver)
7411.22.10	Unworked
7411.22.20	Worked
8203	Files, rasps, pliers (including cutting pliers), pincers, tweezers, metal cutting shears, pipe-cutters, bolt croppers, perforating punches and similar handtools
8203.10.00	Files, rasps and similar tools
8205	Hand tools (including glaziers' diamonds), not elsewhere specified or included; blow lamps; vices, clamps and the like, other than accessories for and parts of, machine tools; anvils; portable forges; hand or pedal-operated grinding wheels with frameworks
8205.70	Vices, clamps and the like
8205.70.10	Clamps and vices, precision, for toolmakers, machinists or metal workers
8212	Razors and razor blades (including razor blade blanks in strips)
8212.10.00	Razors
8212.20.00	Safety razor blades, including razor blade blanks in strips
8301	Padlocks and locks (key, combination or electrically operated), of base metal; clasps and frames with clasps, incorporating locks, of base metal; keys for any of the foregoing articles, of base metal
8301.50.00	Clasps and frames with clasps, incorporating locks

## CANADA -- SCHEDULE I

HTS Subheading	Article Description
8302	Base metal mountings, fittings and similar articles suitable for furniture, doors, staircases, windows, blinds, coachwork, saddlery, trunks, chests, caskets or the like; base metal hat-racks, hat-pegs, brackets and similar fixtures; castors with mountings of base metal; automatic door closers of base metal [Hinges; castors; other mountings, fittings and similar articles suitable for motor vehicles]
	Other mountings, fittings and similar articles
8302.41	Suitable for buildings
8302.41.10	Rotary gear window operators; bar or rod type door exit devices, of a kind used for commercial, institutional or industrial applications
8302.41.90	Other
8302.50.00	Hat-racks, hat-pegs, brackets and similar fixtures
8409	Parts suitable for use solely or principally with the engines of heading No. 84.07 or 84.08 [For aircraft engines]
	Other
	[Suitable for use solely or principally with spark-ignition internal combustion piston engines]
8409.99	Other
8409.99.20	Governors, and parts thereof, for diesel locomotive engines
8415	Air conditioning machines, comprising a motor-driven fan and elements for changing the temperature and humidity, including those machines in which the humidity cannot be separately regulated
8415.90	Parts
8415.90.10	Of the goods of tariff item No. 8415.10.10
8415.90.40	Of the goods of tariff item No. 8415.10.90 or 8415.81.00
8416	Furnace burners for liquid fuel, for pulverized solid fuel or for gas; mechanical stokers, including their mechanical grates, mechanical ash dischargers and similar appliances
8416.10	Furnace burners for liquid fuel
8416.10.10	For domestic type furnaces

## CANADA -- SCHEDULE I

HTS Subheading	Article Description
8416 (con.)	Furnace burners for liquid fuel, for pulverized solid fuel or for gas; mechanical stokers, including their mechanical grates, mechanical ash dischargers and similar appliances (con.)
8416.10 (con.)	Furnace burners for liquid fuel (con.)
	Other
8416.10.91	For heating buildings
8416.10.99	Other
8416.20	Other furnace burners, including combination burners
8416.20.10	For domestic type furnaces
	Other
8416.20.91	For heating buildings
8416.20.99	Other
8450	Household or laundry-type washing machines, including machines which both wash and dry
8450.90	Parts
8450.90.40	Of the goods of tariff item No. 8450.11.20
8509	Electromechanical domestic appliances, with self-contained electric motor
8509.90	Parts
8509.90.30	Of the goods of tariff item No. 8509.40.90 or 8509.80.00
8518	Microphones and stands therefor; loud-speakers, whether or not mounted in their enclosures; headphones, earphones and combined microphone/speaker sets; audio-frequency electric amplifiers; electric sound amplifier sets
8518.30	Headphones, earphones and combined microphone/speaker sets [Telephone handsets]
8518.30.90	Other
8518.90	Parts
8518.90.20	Of audio-frequency electric amplifiers of tariff item No. 8518.40.00
8518.90.30	Of loudspeakers of tariff item No. 8518.21.00, 8518.22.00 or 8518.29.00
8518.90.40	Of the goods of tariff item No. 8518.30.90 or 8518.50.00

## CANADA -- SCHEDULE I

HTS Subheading	Article Description
8536	Electrical apparatus for switching or protecting electrical circuits, or for making connections to or in electrical circuits (for example, switches, relays, fuses, surge suppressors, plugs, sockets, lamp-holders, junction boxes), for a voltage not exceeding 1,000 volts
	[Fuses; automatic circuit breakers; other apparatus for protecting electric circuits; relays; other switches; lamp-holders, plugs and sockets]
8536.90	Other apparatus
8536.90.30	Terminal blocks and terminals for use in the manufacture of residential or commercial air conditioning machines
8540	Thermionic, cold cathode or photo-cathode valves and tubes (for example, vacuum or vapour or gas filled valves and tubes, mercury arc rectifying valves and tubes, cathode-ray tubes, television camera tubes)
	Cathode-ray television picture tubes, including video monitor cathode-ray tubes
8540.11.00 1/	Colour
9001	Optical fibres and optical fibre bundles; optical fibre cables other than those of heading No. 85.44; sheets and plates of polarizing material; lenses (including contact lenses), prisms, mirrors and other optical elements, of any material; unmounted, other than such elements of glass not optically worked
9001.40	Spectacle lenses of glass [Designed for use by workers employed in hazardous work]
9001.40.90	Other
9001.50	Spectacle lenses of other materials [Designed for use by workers employed in hazardous work]
9001.50.90	Other
9506	Articles and equipment for general physical exercise, gymnastics, athletics, other sports (including table-tennis) or outdoor games, not specified or included elsewhere in this Chapter; swimming pools and paddling pools
	Golf clubs and other golf equipment [Clubs, complete]
9506.32	Balls
9506.32.10	Hollow, for practice

1/ The removal of the duty on the goods in subheading 8540.11.00 will be effective on the date of the implementation of the North American Free Trade Agreement.

## CANADA -- SCHEDULE I

HTS Subheading	Article Description
9506 (con.)	Articles and equipment for general physical exercise, gymnastics, athletics, other sports (including table-tennis) or outdoor games, not specified or included elsewhere in this Chapter; swimming pools and paddling pools (con.)
	Golf clubs and other golf equipment (con.)
9506.39	Other
9506.39.30	Forged heads of iron or steel, not ground, polished, plated or otherwise finished
	Tennis, badminton or similar rackets, whether or not strung [Lawn-tennis rackets, whether or not strung]
9506.59	Other
	[Squash or racketball rackets]
9506.59.90	Other
9603	Brooms, brushes (including brushes constituting parts of machines, appliances or vehicles), hand-operated mechanical floor sweepers, not motorized, mops and feather dusters; prepared knots and tufts for broom or brush making; paint pads and rollers; squeegees (other than roller squeegees)
9603.90	Other
9603.90.20	Hand-operated mechanical floor sweepers, not motorized

## CANADA -- SCHEDULE II

HTS Subheading	Article Description
0601.20.10	Bulbs in soil
0706.90.51	Chinese radishes ( <i>Raphanus sativus, longipinnatus</i> )
0711.90.00	Green chili peppers in brine
1519.19.00	Soy lecithin soapstock for use in the manufacture of poultry or livestock feeds
1602.50.10	Prepared meals, not dehydrated and not requiring refrigeration, in vacuum-sealed air-tight pouches or trays
2103.90	Prepared ingredients for salads, consisting of a salad dressing and other components packaged together for retail sale
2106.90.90	Dry honey powder or flake and honey coating Conditioning, maturing or nutrient additives for flour
207.10.10	Citric acid additives containing citric acid, water, and by weight more than 85% but not more than 95% of alcohol
2403.91.10	Cigar binders
2710.00.10	Alpha olefin blends for use in the manufacture of preparations for the treatment of textile materials, leather, furskins or other materials of tariff item No. 3403.11.10, 3403.11.90 or 3403.91.00
2715.00.20	Asphalt compound (potting compound) for use in the manufacture of ballasts for fluorescent lamps Impregnation wax for use in the manufacture of ballasts for fluorescent lamps
3004.20.00	Clindamycin palmitate hydrochloride granules Clindamycin phosphate topical solution Erythromycin Spectinomycin hydrochloride sterile powder, injectable
3004.39.99	Somatropin injectable

## CANADA -- SCHEDULE II

HTS Subheading	Article Description
3004.90.99	Alprostadiil sterile solution, injectable Antiseptic gel or liniment for relief of muscular aches, arthritic pain or bruises Ciprofloxacin hydrochloride tablets Ciprofloxacin intravenous Film-coated attapulgitte tablets Ganciclovir sodium Ivermectin Ketorolac tromethamine Methotrexate sodium Mitoxantrone hydrochloride Nifedipine tablets Nimodipine capsules, tablets or intravenous formulation Nitroglycerin tablets sublingual Ointment for use as a moisturizer and protectant for animal hooves Quinapril hydrochloride Streptozocin sterile solution, injectable Sumatriptan succinate
3005.10.10	Patches, impregnated with nicotine, used to assist in smoking withdrawal
3006.60.00	Tablets containing norethindrone acetate or ethinyl estradiol
3307.49.00	Powders used to deodorize or impart a fragrance to rugs or carpets
3307.90.00	Ointment for use as a moisturizer and protectant for animal hooves
3916.90.90	Pintlepin assemblies consisting of a monofilament with attached threading wire and metal tube Monofilaments for pintlepins or pintlepin assemblies Flat profile shapes of polycarbonate, not less than 100 cm in width, and not less than 4 mm nor greater than 17 mm in thickness, having a cross-section solely of identically sized multiple rectangular voids Racket strings
3919.10.99	Tape of polyesters used in splicing or holding films during photo processing
3919.90.99	Polyvinyl chloride film for use in the manufacture of graphics for trucks and emergency vehicles Retro-reflective sheets incorporating glass beads or molded plastic micro-prisms Flexible polyvinyl chloride film for use as computer graphic film

## CANADA -- SCHEDULE II

HTS Subheading	Article Description
3920.10.00	Polyethylene synthetic paper pulp, in sheets
3920.61.00	Polycarbonate film not exceeding 0.025 mm in thickness with a prismatic surface on one side for use in the manufacture of lighting fixtures
3920.72.00	Plates, sheets, film, foil or strip for use in the manufacture of tubes
3920.99.00	Polyimide film
3923.40.00	Bobbins having phenolic heads and bases with metal shafts Spools for typewriter or business machine ribbons Spools for packaging pintlepins
3925.90.00	Plastic flooring used in buildings to raise livestock
3926.90.90	Construction debris chutes Grommets for use in the manufacture of ballasts for fluorescent lamps Perforated 8 mm, 16 mm or 35 mm motion picture film leaders of cellulose acetate or polyethylene terephthalate Plastic flooring used in buildings to raise livestock Plastic lip band (handle) for glass decanters Polyethylene terephthalate film jackets specifically designed to contain microfilm Release film of polymers of tetrafluoroethylene, perforated, to be employed in the manufacture of printed circuit boards Teethers and teething rings
4005.10.00	Compounded nitrile rubber for use in the manufacture of printing rollers
4005.20.00	Dispersions containing 20% oil treated insoluble sulphur, a 99.5% minimum commercially pure sulfur for use in the manufacture of tires
4008.11.00	Cellular strips for use in the manufacture of passenger rail cars
4008.21.90	Rubber matting for passenger rail cars
4008.29.00	Conveyor belt cleats
4010.99.90	Rear drive belts and belt splice kits for motorcycles
4012.90.90	Tire treads or retreads

## CANADA -- SCHEDULE II

HTS Subheading	Article Description
4016.10.00	Automotive weatherstrip Chalkboard erasers
4016.93.00	Motor seals for use in the manufacture of passenger railcars Rubber gaskets for sealing steel or plastic drums Seals for use in the manufacture of air conditioners Automotive weatherstrip
4016.99.90	Conveyor belt pegs or lugs Rubber bands Elasticized tubular bandage and a textile-backed rubber boot, packaged together for retail sale, designed to be worn over an animal hoof Capacitor covers for use in the manufacture of air conditioners Grommets for use in the manufacture of air conditioners Rubber flanges for use in the manufacture of air conditioners Rubber labels which are cured on solid rubber tires during their manufacture Vibration absorbing motor mounts for use in the manufacture of air conditioners Tire treads or retreads Rubber mats for passenger rail cars
4202.92.10	Golf bags
4202.92.90	Portable polyethylene ski carrier cases
4203.21.90	Golf gloves
4412.19.90	Brick veneered panels having a plywood backing
5309.11.00	Fabrics solely of flax, in the grey or unfinished condition
5402.10.00	Nylon or other polyamide yarn, multiple (folded) or cabled, for use in the manufacture of belts, belting or tire cord fabric
5402.20.00	Polyester filament yarn for use in the manufacture of automotive or industrial belts or belting
5402.33.00	Polyester textured yarn for use in the manufacture of woven fabrics other than narrow fabrics
5402.49.00	Yarn for use in the manufacture of weatherstripping Expanded PTFE (polytetrafluoroethylene) fibre yarn

## CANADA -- SCHEDULE II

HTS Subheading	Article Description
5402.51.00	Yarn of nylon for use in the manufacture of tires or reinforced hoses
5402.61.00	Yarn of nylon for use in the manufacture of tires or reinforced hoses
5402.62.00	Yarn for use in the manufacture of tires
5404.10.00	Pintlepin assemblies consisting of a monofilament with attached threading wire and metal tube Monofilament for pintlepins or pintlepin assemblies Racket strings
5404.90.00	Strip and the like of PTFE (polytetrafluoroethylene)
5506.10.00	Staple fibres for use in the manufacture of carpets
5506.20.00	Staple fibres for use in the manufacture of carpets
5506.30.00	Staple fibres for use in the manufacture of carpets
5506.90.00	Staple fibres for use in the manufacture of carpets
5509.11.00	Carpet yarn
5509.12.00	Carpet yarn
5509.21.00	Carpet yarn
5509.22.10	Carpet yarn, solely of polyesters
5509.00.00	Pintlepin assemblies consisting of man-made fibres with attached threading wire and metal tube
5702.31.00	Axminster floor coverings
5702.32.00	Axminster floor coverings
5808.10.00	Braid for pintlepins or pintlepin assemblies Pintlepin assemblies consisting of a braid with attached threading wire and metal tube
5906.99.20	Nylon chafer fabric for use in the manufacture of tires
5911.90.90	Pure or prelubricated polytetrafluoroethylene trips
002.43.90	Fabrics solely of polyesters for use in the manufacture of gloves

## CANADA -- SCHEDULE II

HTS Subheading	Article Description
6217.10.00	Protective accessories of a kind used by chain saw operators
6307.90.99	Chalkboard erasers
6406.99.90	Golf spikes
6602.00.00	Seat sticks
5813.10.90	Pads and linings for motorcycles
6909.19.00	Ceramic insulators for precipitators
7019.10.29	Yarn of glass
7217.43.00	Wire for use in the manufacture of hoses, tires and conveyor or automotive belting
7217.23.00	Wire for use in the manufacture of hoses, tires and conveyor or automotive belting
7217.31.00	Wire for pintlepins or pintlepin assemblies, whether or not fitted with a metal tube
7217.32.00	Round wire for use in the manufacture of reinforced hoses
7217.33.00	Wire for use in the manufacture of hoses, tires and conveyor or automotive belting
7223.00.19	Wire for pintlepins or pintlepin assemblies, whether or not fitted with a metal tube
7304.41.00	Stainless steel tubes for use in the manufacture of pintlepin assemblies
1/	Stainless steel tubes, pipes and hollow profiles, containing 24% or more by weight of nickel
7304.49.00	1/ Stainless steel tubes, pipes and hollow profiles, containing 24% or more by weight of nickel

1/ The removal of the duty will be effective on the date of the implementation of the North American Free Trade Agreement.

## CANADA -- SCHEDULE II

HTS Subheading	Article Description
7306.40.00	Welded stainless steel feedwater heater tubes in U-bend configuration Welded stainless steel tubes for use in the manufacture of tubular automotive manifolds
7306.50.10	Tubes, pipes and hollow profiles, of aluminized welded steel
7307.22.00	Sleeves (couplings)
7308.90.90	Milking parlour stall systems
7312.10.90	Steel cord strands for use in the manufacture of tires Stranded alloy steel wire, of a diameter exceeding 5 mm for use in the manufacture of tires Stranded wire for conveyor belting Tire cord Conveyor belt fastener hinge pins
7315.89.20	Bead chain or ball chain
7315.90.90	Chain couplings for ball chain or bead chain
7318.15.00	Elevator bolts
7318.24.00	Cotter pins for use in the manufacture of passenger rail cars
7318.29.00	Breakneck lock fasteners with striated rings
7323.99.00	Portable workbenches with wood surfaces
7325.99.99	Clamping rings and clevis pins for use in the manufacture of passenger rail cars
7326.19.00	Metal bottoms for use in the manufacture of chemical/thermic insect control devices and for cylindrical non-pressurized containers for deodorizers Metal insert cups for use in the manufacture of chemical/thermic insect control devices Metal stampings (drum tops and bottoms)
7326.20.00	Conveyor belt fastener hinge pins Cable ties for use in the manufacture of passenger rail cars

## CANADA -- SCHEDULE II

HTS Subheading	Article Description
7326.90.99	Bedpan liner dispenser racks Bedpan support racks Closing rings for drums Conveyor or transmission belt (including V-belting) fasteners Conveyor belt fastener hinge pins Portable workbenches with wood surfaces Spools for typewriter or business machine ribbons Holders for urinals Unthreaded collars for breakneck lock fasteners with striated rings
7411.29.10	Continuous cast bronze tubes
7411.29.29	Continuous cast bronze tubes
7419.10.00	Brass bead chain or ball chain Nickel plated brass bead chain or ball chain
7419.91.90	Brass forgings
7612.90.00	Aluminum aerosol cans Aluminum piston cans
7616.90.90	Aluminum forgings for use in the manufacture of passenger rail cars
8205.59.90	Conveyor or transmission belt fastener installation and splicing tools
8211.91	Stainless steel knives, containing 17% or more by weight of chromium, having handles of stainless steel, other than of a type used in mess kits Handles, containing 17% or more by weight of chromium, other than of a type used for knives in mess kits
8211.94.00	Stainless steel knife blades, containing 17% or more by weight of chromium, other than of a type used for knives in mess kits
8215.20.10	Sets of stainless steel spoons, knives (having handles of stainless steel) and forks, of a kind used at the table and containing 17% or more by weight of chromium, of tariff item No. 8215.20.10, other than mess kits
8215.99.10	Stainless steel forks, containing 17% or more by weight of chromium, other than of a type used in mess kits Stainless steel spoons, containing 17% or more by weight of chromium, other than of a type used in mess kits

## CANADA -- SCHEDULE II

HTS Subheading	Article Description
8215.99.20	Stainless steel spoon blanks and table forks in the rough, containing 17% or more by weight of chromium, other than of a type used in mess kits
8215.99.90	Stainless steel forks, containing 17% or more by weight of chromium, other than of a type used in mess kits, Stainless steel spoons, containing 17% or more by weight of chromium, other than of a type used in mess kits
8301.40.90	Electronic door locks
8301.60.00	Parts of electronic door locks Parts of the goods of tariff item No. 8301.50.00
8302.49.90	Gold-plated or silver-plated saddle trim Door handles for use in the manufacture of passenger rail cars
8303.00.00	Electronic keyboxes and parts thereof
8308.10.90	Eyelets
8308.20.90	Blind rivets
8407.34.00	Engines for motorcycles
8415.10.10	Window type air conditioning machines, of a heat capacity less than 10,548 kJ
8416.90.10	Parts of the goods of tariff item No. 8416.10.99 or 8416.20.99
8416.90.20	Parts of the goods of tariff item No. 8416.10.10, 8416.10.91, 8416.20.10 or 8416.20.91
8422.90.91	Parts of the goods of tariff item No. 8422.11.91 or 8422.11.99
8450.90.10	Parts of the goods of tariff item No. 8450.11.10
8501.10.90	AC electric motors, of a power not exceeding 37.5 W for use in the manufacture of heating, air conditioning or refrigeration units
8501.33.19	Propulsion system motors for use in the manufacture of passenger rail cars

## CANADA — SCHEDULE II

HTS Subheading	Article Description
8503.00.11	Electric motor fans Parts of electric pump motors Rotor cores Stator assemblies
8504.31.00	Isolating transformers for airfield lighting
8506.11.00	Dry cell batteries other than: "AA" size, 1.5 volt alkaline; "C" size, 1.5 volt alkaline and "D" size, 1.5 volt alkaline
8506.20.00	Dry cell batteries other than 6 volt alkaline lantern batteries
8506.90.90	Parts of dry cell batteries of tariff item No. 8506.11.00 other than: "AA" size, 1.5 volt alkaline; "C" size, 1.5 volt alkaline; and "D" size, 1.5 volt alkaline Parts of dry cell batteries of tariff item No. 8506.20.00 other than 6 volt alkaline lantern batteries
8507.30.00	Nickel-cadmium accumulators for use in the manufacture of passenger rail cars
8511.30.00	Ignition modules for motorcycles Spark coils for motorcycles
8511.50.00	Generators for motorcycles
8511.80.00	Alternator kits and regulators for motorcycles Sensor assemblies for motorcycles
8511.90.20	Distributor contact (breaker point) sets and ignition equipment for motorcycles Parts of motorcycle ignition modules, generators, spark coils, alternator kits and regulators, sensor assemblies, distributor contact (breaker point) sets or ignition equipment
8512.20.00	Signalling equipment for motorcycles Lamps and side beams for motorcycles
8512.30.00	Siren kits and signalling equipment for motorcycles
8512.90.00	Parts of signalling equipment for motorcycles Lamp parts for motorcycles
8516.10.20	Hot water dispensers, of a capacity not exceeding 2.5 litres Warm-steam vaporizers

## CANADA -- SCHEDULE II

HTS Subheading	Article Description
8516.10.90	Hot water dispensers, of a capacity not exceeding 2.5 litres Warm-steam vaporizers
8516.79.90	Warm-steam vaporizers
8516.90.49	Parts of warm-steam vaporizers Parts of hot water dispensers of a capacity not exceeding 2.5 litres Parts for electric ranges
8516.90.90	Parts of warm-steam vaporizers Parts of hot water dispensers of a capacity not exceeding 2.5 litres
8518.40.00	Amplifiers for telephone headsets
8518.50.00	Telephone headsets
8523.13.00	Automatic data processing tape
8523.90.00	Prepared unrecorded compact discs specially encoded for the permanent laser beam recording of photographic images
8535.40.00	Lightning or lighting arresters over 1,000 V for use in the manufacture of passenger rail cars
8535.90.90	Connector kits for isolating transformers for airfield lighting
8536.10.00	Plug-in busways, fusible type
8536.20.00	Plug-in busways, circuit breaker type Protectors for use in the manufacture of electric motors
8536.30.90	Plug-in busways, fusible or circuit breaker types Thermal protectors for use in the manufacture of ballasts for fluorescent lamps
8536.49.10	Contactors, for a voltage exceeding 60 V, for use in the manufacture of passenger rail cars
8536.49.90	Contactors, for a voltage exceeding 60 V, for use in the manufacture of passenger rail cars
8536.50.91	Microswitches rated at 20 amperes or less for use in machinery and other industrial applications

## CANADA -- SCHEDULE II

HTS Subheading	Article Description
8536.69.00	Connector kits for airfield lighting Cylindrical multi-contact connectors for use in the manufacture of passenger rail cars Electrical plugs for use in the manufacture of passenger rail cars Busway connector assemblies
8536.90.90	Y-adapter connectors for telephone headsets
8538.90.90	Parts of lightning or lighting arresters of tariff item No. 8535.40.00 for use in the manufacture of passenger rail cars Parts of contactors of tariff item No. 8536.49.10 or 8536.49.90 for use in the manufacture of passenger rail cars Parts of cylindrical multi-contact connectors or electrical plugs of tariff item No. 8536.69.00 for use in the manufacture of passenger rail cars Parts of connector kits for isolating transformers of tariff item No. 8535.90.90 and parts of connector kits of tariff item No. 8536.69.00, all the foregoing for airfield lighting Parts of plug-in busways, fusible type, of tariff item No. 8536.10.00 or 8536.30.90 Parts of plug-in busways, circuit breaker type, of tariff item No. 8536.20.00 or 8536.30.90 Parts of thermal protectors of tariff item No. 8536.30.90 for use in the manufacture of ballasts for fluorescent lamps Parts of busway connector assemblies of tariff item No. 8536.69.00 Parts of terminals and terminal blocks for use in the manufacture of residential or commercial air conditioning machines of tariff item No. 8536.90.30 Parts of Y-adapter connectors for telephone headsets of tariff item No. 8536.90.90 Ignition panels for motorcycles Parts of microswitches rated at 20 amperes or less for use in machinery and other industrial applications of tariff item No. 8536.50.91
8539.40.20	Infra-red heating elements for use in the manufacture of high tensile steel band strap
8544.41.00	Cables fitted with connectors for telephone headsets Igniter wires for use in the manufacture of heating, air conditioning or refrigeration units Cable assemblies for airfield lighting
8544.51.00	Cable assemblies for airfield lighting

## CANADA -- SCHEDULE II

HTS Subheading	Article Description
8544.60.00	Cable assemblies for airfield lighting
8545.20.00	Carbon brushes for use in the manufacture of passenger rail cars
8546.20.00	Ceramic insulators for precipitators
8546.90.00	Insulation tubes Insulators for pantographs Insulators for use in the manufacture of switchgear
8547.90.90	Fuse bases for electric motors for use in the manufacture of passenger rail cars
8716.90.90	Brake drums for semi-trailers for road tractors
9007.91.90	Viewfinder eye cushions for cinematographic cameras
9019.10.10	Mechano-therapy equipment
9025.90.10	Thermocouple tips
9032.89.90	Airfield lighting regulators Automatic voltage controllers Control instruments under 1000 volts Float control switches
9202.90.90	Lutes
9209.30.90	Lute strings
9209.92.20	Parts of lutes
9405.40.90	Light-emitting sources for electronic measuring equipment
9405.60.00	Airfield signs, static, non-flashing, having an illuminating light
9506.39.20	Shafts of wood Heads of wood, rough cut
9506.39.90	Hollow golf balls, for practice
9506.99.60	Pitching machines
9506.99.99	Shuttlecocks (badminton birds)

## CANADA -- SCHEDULE II

HTS Subheading	Article Description
9603.90.30	Chalkboard erasers
9608.20.00	Dry erase markers Plastic tip pens
9609.90.00	Crayons Chalk

## REPAIRS TO VESSELS

Canada will remove, pursuant to Supplementary Note 1 to Chapter 89 of the Canadian Customs Tariff, the customs duties on the value of repairs to vessels provided for in heading No. 89.01, 89.02, 89.04 or 89.05, other than floating docks of tariff item No. 8905.90.90, returned to Canada after having been repaired in the United States, effective on a date to be agreed upon by both Parties.

### RESULTS OF FTA TARIFF ACCELERATION - ROUND 3

The attached list identifies the tariff lines and products on which Canada and the United States have agreed to accelerate the elimination of the tariff, subject to the approval processes in both countries.

A 6-digit (subheading) number indicates that both countries have agreed to accelerated tariff elimination on all the 8-digit tariff items which fall under the subheading. However, where agreement has been reached to accelerate the tariff elimination only on specific products classified in a 6-digit subheading, these products have been listed. In cases where only one of the countries has decided to accelerate the elimination of the tariff, the country is named following the relevant 6-digit subheading or product.

In the majority of cases, the tariff will be eliminated effective July 1, 1993, subject to the completion of approval processes in both countries. In certain cases it was agreed to delay implementation of tariff elimination to coincide with implementation of the North American Free Trade Agreement (or earlier date as subsequently agreed).

**0202.30 Bovine cuts boneless, frozen**

**0601.20 Bulbs, tubers, tuberous roots, corms, crowns and rhizomes, in growth or in flower; chicory plants and roots**

- Bulbs in soil

**0704.90 Cabbages, kohlrabi, kale and sim edible brassicas nes, fresh or chilled**

- Chinese cabbage (*Brassica rapa, chinensis*)
- Chinese lettuce (*Brassica rapa, pekinensis*)

**0706.90 Salad beetroot, salsify, celeriac, radishes & sim edible roots, fresh or chilled nes**

- Chinese radishes (*Longipinnatus*)

**0711.90 Vegetables nes & mixtures provisionally presvd, but not for immediate consumption**

- Green chill peppers in brine

**0712.10 Potatoes dried, but not further prepared**

**1518.19 Industrial monocarboxylic fatty acids, nes**

- Soy lecithin soapstock for use in the manufacture of poultry or livestock feeds (Canada)

**1602.50 Bovine meat and meat offal nes, excluding livers, prepared or preserved**

- Prepared meals, not dehydrated and not requiring refrigeration, in vacuum sealed air-tight pouches or trays
- Prepared foods, other than prepared meals, not dehydrated and not requiring refrigeration, in vacuum sealed air-tight pouches or trays
- Prepared foods, other than prepared meals, of prepared or preserved meat of bovine animals

**2103.90 Sauces and preparations nes and mixed condiments and mixed seasonings**

- Prepared ingredients for salads, consisting of a salad dressing and other components packaged together for retail sale

**2106.90 Food preparation nes, other than protein concentrates and textured protein substances**

- Popping corn, prepared and packaged for use in microwave ovens
- Conditioning additives for flour
- Dry honey powder, flake and honey coating
- Maturing additives for flour
- Nutrient additives for flour

**2207.10 Undenatured ethyl alcohol of an alcoholic strength by volume of 80% vol or higher**

- Citric acid additives containing citric acid, water, and more than 85% by weight but not more than 95% by weight of alcohol

**2208.10 Compound alcoholic preparations of a kind used for the manufacture of beverages****2208.20 Spirits obtained by distilling grape wine or grape marc****2208.50 Gin and Geneva****2208.90 Other spirits and spirituous beverages; undenatured ethyl alcohol**

- Vodka
- Liqueurs
- Undenatured ethyl alcohol for use as a spirituous or alcoholic beverage or for the manufacture of spirituous or alcoholic beverages
- Cordials, kirschwasser and ratafia
- Spirituous fruit juices of an alcoholic strength by volume not exceeding 14.3% vol

**2403.91 "Homogenized" or "reconstituted" tobacco, nes**

- Cigar binders

**2710.00 Petroleum oils and oils obtained from bituminous minerals, other than crude, containing by weight 70% or more of petroleum oils or of oils obtained fr**

- Alpha olefin blends for use in the mfr of preparations for the treatment of textile materials, leather, furskins or other materials of tariff items 3403.11.10, 3403.11.90 or 3403.91.00

**2715.00 Bituminous mixtures based on natural asphalt, natural bitumen, petroleum bitumen, mineral tar or mineral tar pitch**

- Asphalt compound (potting compound) for use in the manufacture of ballasts for fluorescent lamps
- Impregnation wax for use in the manufacture of ballasts for fluorescent lamps

**3004.20 Antibiotics nes, in dosage**

- Clindamycin palmitate hydrochloride granules
- Clindamycin phosphate topical solution
- Erythromycin
- Spectinomycin hydrochloride sterile powder injectable

**3004.39 Medicaments containing hormones nes, not containing antibiotics, in dosage**

- Somatropin injectable

**3004.90 Medicaments nes, in dosage**

- Alprostadil sterile solution injectable
- Antiseptic gel or liniment for relief of muscular aches, arthritic pain or bruises
- Ciprofloxacin hydrochloride tablets
- Ciprofloxacin intravenous
- Film coated attapulgit tablets
- Ganciclovir sodium
- Ivermectin
- Ketorolac tromethamine
- Methotrexate sodium
- Mitoxantrone hydrochloride
- Nifedipine tablets
- Nimodipine capsules, tablets or intravenous formulation
- Nitroglycerin tablets sublingual
- Ointment for use as a moisturizer and protectant for animal hooves
- Quinapril hydrochloride
- Streptozocin sterile solution injectable
- Sumatriptan succinate

**3005.10 Dressings and other articles having an adhesive layer**

- Patches, impregnated with nicotine, used to assist in smoking withdrawal

**3006.60 Contraceptive preparations based on hormones or spermicides**

- Tablets containing norethindrone acetate or ethinyl estradiol

**3302.10 Mixtures of odoriferous substances for the food or drink industries**

**3302.90 Mixtures of odoriferous substances for use as raw materials in industry, nes**

**3307.49 Room perfuming or deodorizing preparations, nes**

- Powders used to deodorize or impart a fragrance to rugs or carpets

**3307.90 Perfumery, cosmetic or toilet preparations, nes**

- Ointment for use as a moisturizer and protectant for animal hooves

**3916.90 Monofilaments of which any cross-sectional dimension exceeds 1 mm, rods, sticks and profile shapes etc of plastic nes**

- Flat profile shapes of polycarbonate, not < 100 cm in width, not < 4 mm nor > 17 mm in thickness, having a cross section solely of identically sized multiple rectangular voids
- Monofilaments for pintlepins or pintlepin assemblies
- Pintlepin assemblies consisting of a monofilament with attached threading wire and metal tube
- Racket strings

**3918.10 Floor, wall and ceiling coverings etc, of polymers of vinyl chloride**

- Wall or ceiling coverings combined with knitted or woven fabrics, nonwovens or felts
- Wall or ceiling coverings with a backing of textile fibres

**3919.10 Self-adhesive plates, sheets, film etc, of plastic in rolls not exceeding 20 cm wide**

- Tape of polyesters used in splicing or holding films during photo processing

**3919.90 Self-adhesive plates, sheets, film etc, of plastic nes**

- Flexible polyvinyl chloride film for use as computer graphic film
- Polyvinyl chloride film for use in the manufacture of graphics for trucks and emergency vehicles
- Retro-reflective sheets incorporating glass beads or moulded plastic micro-prisms

**3920.10 Film and sheet etc, non-cellular etc, of polymers of ethylene**

- Polyethylene synthetic paper pulp, in sheets

**3920.61 Film and sheet etc, non-cellular etc, of polycarbonates**

- Polycarbonate film not exceeding 0.025 mm in thickness with prismatic surface on one side for use in the manufacture of lighting fixtures

**3920.72 Film and sheet etc, non-cellular etc, of vulcanized fibre**

- Plates, sheets, film, foil or strip for use in the manufacture of tubes

**3920.99 Film and sheet etc, non-cellular etc, of plastics nes**

- Polyimide film

**3923.40 Spools, cops, bobbins and similar supports, of plastics**

- Bobbins having phenolic heads and bases with metal shafts
- Spools for typewriter or business machine ribbons
- Spools for packaging pintlepins

**3925.90 Builders' ware nes, of plastics**

- Plastic flooring used in buildings to raise livestock

**3926.90 Articles of plastics or of other materials of No. 39.01 to 39.14 nes**

- Construction debris chutes
- Grommets for use in the manufacture of ballasts for fluorescent lamps
- Perforated 8 mm, 16 mm or 35 mm motion picture film leaders of cellulose acetate or polyethylene terephthalate
- Plastic flooring used in buildings to raise livestock
- Plastic lip band (handle) for glass decanters
- Polyethylene terephthalate film jackets specifically designed to contain microfilm
- Release film of polymers of tetrafluoroethylene, perforated, to be employed in the manufacture of printed circuit boards
- Teethers and teething rings

**4005.10 Rubber compounded with carbon black or silica (unvulcanized)**

- Compounded nitrile rubber for use in the manufacture of printing rollers

**4005.20 Rubber solutions; dispersions other than those of subheading No. 4005.10 (unvulcanized)**

- Dispersions containing 20% oil treated insoluble sulfur, a 99.5% minimum commercially pure sulfur for use in the manufacture of tires

**4008.11 Plates, sheets and strip of cellular rubber (vulcanized)**

- Cellular strips for use in the manufacture of passenger rail cars

**4008.21 Plates, sheets and strip of non cellular rubber, other than hard rubber (vulc)**

- Rubber matting for passenger rail cars

**4008.29 Rods and profile shapes of non cellular rubber (vulcanized)**

- Conveyor belt cleats

**4010.99 Conveyor or transmission belts/beltting, of vulcanized rubber, nes**

- Rear drive belts and belt splice kits for motorcycles

**4011.40 New pneumatic tires, of rubber for motorcycles****4012.90 Solid or cushioned tires, interchangeable tire treads and tire flaps of rubber**

- Pre-cured tire treads, vulcanized
- Preformed tread rubber

**4016.10 Articles of cellular rubber**

- Automotive weatherstrip
- Chalk board erasers

**4016.92 Erasers (vulcanized rubber)****4016.93 Gaskets, washers and other seals of vulcanized rubber**

- Automotive weatherstrip
- Motor seals for use in the manufacture of passenger railcars
- Rubber gaskets for sealing steel or plastic drums
- Seals for use in the manufacture of air conditioners

**4016.99 Articles of vulcanized rubber nes, other than hard rubber**

- Capacitor covers for use in the manufacture of air conditioners
- Conveyor belt pegs and lugs
- Elasticized tubular bandage and a textile-backed rubber boot, packaged together for retail sale, designed to be worn over an animal hoof
- Grommets for use in the manufacture of air conditioners
- Pre-cured tire treads; vulcanized
- Preformed tread rubber
- Rubber bands
- Rubber flanges for use in the manufacture of air conditioners
- Rubber labels which are cured on solid rubber tires during their manufacture
- Rubber mats for passenger rail cars
- Vibration absorbing motor mounts for use in the manufacture of air conditioners

**4202.92 Containers, with outer surface of sheeting of plas or tex materials, nes**

- Golf bags
- Portable polyethylene ski carrier cases

**4203.21 Gloves, mittens and mitts, for sports, of leather or of composition leather**

- Golf gloves

**4412.19 Plywood nes, at least one outer ply of coniferous wood, each ply not exceeding 6 mm thickness**

- Brick veneered panels having a plywood backing

**5209.42 Denim fabrics of cotton, containing 85% or more by weight of cotton, weighing more than 200 g/m<sup>2</sup>**

**5211.42 Denim fabrics of cotton, containing less than 85% by weight of cotton, mixed mainly or solely with man-made fibres, weighing more than 200 g/m<sup>2</sup>**

**5309.11 Woven fabric of flax, containing 85% or more by weight of flax, unbleached or bleached**

- Fabrics solely of flax, in the grey or unfinished condition

**5402.10 High tenacity yarn (other than sewing thread), of nylon or other polyamides, not put up for retail sale**

- Nylon or other polyamide yarn, multiple (folded) or cabled, for use in the manufacture of belt, belting or tire cord fabric

**5402.20 High tenacity yarn (o/t sewing thread), of polyester filaments, not put up for retail sale**

- Polyester filament yarn, for use in the manufacture of automotive or industrial belts or belting

**5402.33 Textured yarn nes of polyester filaments, not put up for retail sale**

- Polyester textured yarn for use in the manufacture of woven fabrics

**5402.49 Yarn of synthetic filaments, single, untwisted, nes, not put up for retail sale**

- Yarn for use in the manufacture of weatherstripping
- Expanded PTFE (polytetrafluoroethylene) fibre yarns

**5402.51 Yarn of nylon or other polyamides, single, with a twist exceeding 50 turns per metre, not put up for retail sale**

- Yarns of nylon for use in the manufacture of reinforced hoses
- Yarns of nylon for use in the manufacture of tires

## RESULTS OF FTA TARIFF ACCELERATION - ROUND 3

**5402.61 Yarn of nylon or other polyamides, multiple (folded) or cabled, nes, not put up for retail sale**

- Yarns of nylon for use in the manufacture of reinforced hoses
- Yarns of nylon for use in the manufacture of tires

**5402.62 Yarns of polyesters, multiple (folded) or cabled, nes, not put up for retail sale**

- Yarns for use in the manufacture of tires

**5403.10 High tenacity yarn (other than sewing thread), of viscose rayon filaments, not put up for retail sale**

**5403.33 Yarn of cellulose acetate, single, not put up for retail sale, nes**

**5403.39 Yarn of artificial filaments, single, nes, not put up for retail sale**

**5403.42 Yarn of cellulose acetate, multiple (folded) or cabled, not put up for retail sale, nes**

**5404.10 Synthetic mono, 67 or more dtex, no cross sectional dimension exceeds 1 mm**

- Monofilament for pintlepin or pintlepin assemblies
- Pintlepin assemblies consisting of a monofilament with attached threading wire and metal tube
- Racket strings

**5404.90 Strip and the like of syn tex materials of an apparent width not exceeding 5 mm**

- Strip and the like of PTFE (polytetrafluoroethylene)

**5405.00 Artificial mono of 67 dtex or more, no cross-sect exceeds 1 mm; strip of arti tex mat width not exceeding 5 mm**

**5408.10 Woven fabrics of high tenacity filament yarns of viscose rayon**

**5501.10 Filament tow of nylon or other polyamides**

**5501.20 Filament tow of polyesters**

**5501.30 Filament tow acrylic or modacrylic**

**5501.90 Synthetic filament tow, nes**

**5503.10 Staple fibres of nylon or other polyamides, not carded or combed**

**5503.20 Staple fibres of polyesters, not carded or combed**

**5503.30 Staple fibres of acrylic or modacrylic, not carded or combed**

**5503.90 Synthetic staple fibres, not carded or combed, nes**

**5504.90 Artificial staple fibres, not carded or combed, nes**

**5506.10 Staple fibres of nylon or other polyamides, carded combed or otherwise processed for spinning**

- Staple fibres for use in the manufacture of carpets

**5506.20 Staple fibres of polyesters, carded, combed or otherwise processed for spinning**

- Staple fibres for use in the manufacture of carpets

**5506.30 Staple fibres of acrylic or modacrylic, carded, combed or otherwise processed for spinning**

- Staple fibres for use in the manufacture of carpets

**5506.90 Synthetic staple fibres, carded, combed or otherwise processed for spinning, nes**

- Staple fibres for use in the manufacture of carpets

**5509.11 Yarn, 85% or more by weight of nylon or other polyamides staple fibres, single, not put up for retail sale, nes**

- Carpet yarn

**5509.12 Yarn, 85% or more by weight of nylon or other polyamides staple fibres, not put up, nes**

- Carpet yarn

**5509.21 Yarn, 85% or more by weight of polyester staple fibres, single, not put up, nes**

- Carpet yarn

**5509.22 Yarn, 85% or more by weight of polyester staple fibres, multiple, not put up for retail sale, nes**

- Carpet yarn, solely of polyesters

**5605.00 Metallized yarn, being textile yarn combined with metal thread, strip or powder or covered with metal**

**5609.00 Articles of yarn, strip, twine, cordage, rope and cables, nes**

- Pintlepin assemblies of man-made fibres

**5702.31 Carpets of wool or fine animal hair, of woven pile construction, not made up nes**

- Axminster floor coverings

**5702.32 Carpets of man-made textile mat, of woven pile construction, not made up, nes**

- Axminster floor coverings

**5801.25 Warp pile fabrics, cut (Tariff removal to coincide with NAFTA implementation)**

**5801.35 Woven warp pile fabrics of man-made fib, cut, o/t terry and narrow fabrics (Tariff removal to coincide with NAFTA implementation)**

**RESULTS OF FTA TARIFF ACCELERATION - ROUND 3**

---

**5808.10 Braids in the piece**

- Braid for pintlepins or pintlepin assemblies
- Pintlepin assemblies consisting of a braid with attached threading wire and metal tube

**5902.10 Tire cord fabric made of nylon or other polyamides high tenacity yarns**

**5902.20 Tire cord fabric made of polyester high tenacity yarns**

**5902.90 Tire cord fabric made of viscose rayon high tenacity yarns**

**5905.00 Textile wall coverings**

**5906.99 Rubberized textile fabrics, other than those of heading No. 59.02 or adhesive tape of a width not exceeding 20 cm, not knitted or crocheted**

- Nylon chafer fabric for use in the manufacture of tires

**5911.90 Textile products and articles for technical uses other than fabrics used for card clothing, bolting cloth, fabrics and felts endless or fitted with linking devices or straining cloth**

- Pure or prelubricated polytetrafluoroethylene strips

**6002.43 Warp knitted fabrics, of man-made fibres, nes**

- Fabrics solely of polyesters for use in the manufacture of gloves

**6217.10 Clothing accessories, of textile materials, nes, not knitted**

- Protective accessories of a kind used by chain saw operators

**6301.10 Electric blankets, of textile materials**

**6307.90 Made up articles, of textile materials, nes, including dress patterns**

- Felt chalk-board erasers

**6406.99 Parts of footwear nes; removable in-soles, heel cushions and similar articles nes; gaiters etc. and parts thereof**

- Golf spikes

**6602.00 Walking-sticks, seat-sticks, whips, riding-crops and the like**

- Seat sticks

**6810.19 Tiles, flagstones and similar articles of cement/concrete or artificial stone**

- Agglomerate marble floor and wall tiles

**6813.10 Brake linings and pads**

- Pads and linings for motorcycles

6909.19 Ceramic wares laboratory, chemical/other technical uses nes

- Ceramic insulators for precipitators

6911.10 Tableware and kitchenware of porcelain or china

6912.00 Ceramic tableware, kitchenware, other household articles and toilet articles, nes

7007.19 Safety glass toughened (tempered) nes

7019.10 Silvers, rovings, yarn and chopped strands of glass

- Silvers, yarns and chopped strands of glass

7019.31 Mats of glass fibres

7217.13 Wire, l/nas, plated or coated with other base metals nes, cntg by wght less than 0.25%C

- Wire for use in the manufacture of hoses, tires and conveyor or automotive belting

7217.23 Wire, of iron or non-alloy steel, plated or coated with other base metals, containing by weight 0.25% or more but less than 0.6% of carbon

- Wire for use in the manufacture of hoses, tires and conveyor or automotive belting

7217.31 Wire, l/nas, polished or not, but not pltd or ctd, containing by wght 0.6% or more of carbon

- Wire for pintlepins or pintlepin assemblies, whether or not fitted with a metal tube

7217.32 Wire, l/nas, plated or coated with zinc containing by wght 0.6% or more carbon

- Round wire for use in the manufacture of reinforced hoses

7217.33 Wire, l/nas, pltd or ctd with other base metals nes, cntg by wght 0.6% or more of carbon

- Wire for use in the manufacture of hose, tires and conveyor or automotive belting

7223.00 Wire of stainless steel

- Wire for pintlepins or pintlepin assemblies, whether of not fitted with a metal tube

7225.10 Flat rolled products of silicon-electrical steel, of a width of 600 mm or more

7226.10 Flat rolled prod, of silicon electrical steel, of a width less than 600 mm

**7304.41 Tubes, pipe & hollow profiles, stain steel, smis, cd/cr of circ cross sect, nes**

- Stainless steel tubes for use in the manufacture of pintlepin assemblies
- Stainless steel tubes, pipes and hollow profiles, containing 24% or more by weight of nickel (Tariff removal to coincide with NAFTA implementation)

**7304.49 Tubes pipe & hollow profiles, stainless steel, smis, of circ cross sect nes**

- Stainless steel tubes, pipes and hollow profiles, containing 24% or more by weight of nickel (Tariff removal to coincide with NAFTA implementation)

**7306.40 Tubes, pipe & hollow profiles, stainless steel, welded, of circ cross sect, nes**

- Welded stainless steel feedwater heater tubes in U-bend configuration
- Welded stainless steel tubes for use in the manufacture of tubular automotive manifolds

**7306.60 Tubes, pipe and hollow profiles, of iron or steel, welded, of a non-circular cross-section, nes**

- Tubes, pipes and hollow profiles, of aluminized welded steel

**7307.22 Threaded elbows, bends and sleeves of stainless steel, nes**

- Sleeves (couplings)

**7307.29 Fittings pipe or tube of stainless steel, nes****7307.93 Butt welding fittings****7308.90 Structures and parts of structures, l or s nes (excl prefab bldgs of heading No. 94.06)**

- Milking parlour stall systems

**7312.10 Stranded wire, ropes and cables**

- Conveyor belt fastener hinge pins
- Steel cord strands for use in the manufacture of tires
- Stranded alloyed steel wire, exceeding 5 mm for use in the manufacture of tires
- Stranded wire for conveyor belting
- Tire cord

**7314.19 Woven products of other than stainless steel**

- Tire cord fabrics

**Chain, other than articulated link chain, skid chain, stud-link chain or welded link chain**

- Bead chain or ball chain

**715.90 Parts of chain, other than of articulated link chain**

- Chain couplings for ball chain or bead chain

**7318.15 Bolts or screws nes, with or without their nuts or washers, iron or steel**

- Elevator bolts

**7318.24 Cotters and cotter-pins, iron or steel**

- Cotter pins for use in the manufacture of passenger rail cars

**7318.29 Non-threaded articles of iron or steel, nes**

- Breakneck lock fasteners with striated rings

**7323.99 Table, kitchen or other household art and parts thereof, of iron or steel, nes**

- Portable workbenches with wood surfaces

**7325.99 Articles of iron or steel, cast, nes**

- Clamping rings and clevis pins for use in the manufacture of passenger rail cars

**7326.19 Articles of iron or steel, forged or stamped, but not further worked, nes**

- Metal bottoms for use in the manufacture of chemical/thermic insect control devices and for cylindrical non-pressurized containers for deodorizers
- Metal insert cups for use in the manufacture of chemical/thermic insect control devices
- Metal stampings (drum tops & bottoms)

**7326.20 Articles of wire, iron or steel, nes**

- Cable ties for use in the manufacture of passenger rail cars
- Conveyor belt fastener hinge pins

**7326.90 Articles, iron or steel, nes**

- Bedpan liner dispenser racks
- Bedpan support racks
- Closing rings for drums
- Conveyor or transmission belt (including V-belt) fasteners
- Conveyor belt fastener hinge pins

- Empty spools for typewriter or business machine ribbons
- Holders for urinals
- Unthreaded collars for breakneck lock fasteners with striated rings
- Portable workbenches with wooden surfaces

**7411.21 Tubes and pipes of copper-zinc base alloys (brass)**

**7411.22 Tubes and pipes of copper-nickel base alloys (cupro-nickel) or copper-nickel-zinc base alloys (nickel silver)**

**7411.29 Tubes and pipes of copper alloys nes**

- Continuous cast bronze tubes

**7419.10 Chain and parts thereof of copper**

- Brass bead chain or ball chain
- Nickel plated brass bead chain or ball chain

**7419.91 Articles of copper, not further worked than cast, moulded, stamped or forged, nes**

- Brass forgings

**7612.90 Containers, alum, cap not exceeding 300 L, lined/heat insul or not, n/ftd w/mech/thermo equip, nes**

- Empty aluminum aerosol cans
- Empty aluminum piston cans

**7616.90 Articles of aluminium, nes**

- Aluminum forgings for use in the manufacture of passenger rail cars

**8203.10 Files, rasps and similar tools**

**8205.59 Tools for masons, watchmakers, miners and hand tools nes**

- Conveyor or transmission belt fastener installation and splicing tools

**8205.70 Vices, clamps and the like**

- Clamps and vices, precision, for toolmakers, machinists or metal workers

**8211.91 Table knives having fixed blades**

- Stainless steel knives, containing 17% or more by weight of chromium, having handles of stainless steel, other than of the type used in mess kits
- Handles, containing 17% or more by weight of chromium, other than of a type used for knives in mess kits

**8211.94 Blades for knives of subheading No. 8211.10 to 8211.93**

- Stainless steel knife blades, containing 17% or more by weight of chromium, other than of a type used for knives in mess kits

**8212.10 Razors including safety razors and open blade type****8212.20 Safety razor blades, including razor blade blanks in strips****8215.99 Tableware articles not in sets and not plated with precious metal**

- Stainless steel forks, containing 17% or more by weight of chromium, other than of a type used in mess kits
- Stainless steel spoons, containing 17% or more by weight of chromium, other than of a type used in mess kits

**8301.40 Locks of base metal, nes**

- Electronic door locks

**8301.50 Clasps and frames with clasps, incorporating locks, of base metal****8301.60 Lock parts, including parts of clasps or frames with clasps, of base metal, nes**

- Parts for electronic door locks
- Parts of goods of tariff item No. 8301.50.00

**8302.41 Other mountings, fittings and similar articles suitable for buildings****8302.49 Mountings, fittings and similar articles of base metal, nes**

- Door handles for use in the manufacture of passenger rail cars
- Gold-plated or silver-plated saddle trim

**8302.50 Hat-racks, hat-pegs, brackets and similar fixtures, of base metal****8303.00 Safes, safe deposit lockers, cash, deep or strong boxes & the like of base metal**

- Electronic keyboxes and parts thereof

**8308.10 Hooks, eyes and eyelets**

- Eyelets

**8308.20 Tubular or bifurcated rivets**

- Blind rivets

**8407.34 Engines, spark ignition reciprocating displacing more than 1000 cc**

- Engines for motorcycles

**8409.99** Parts suitable for use solely or principally with the engines of heading No. 84.07 or 84.08, other than parts for aircraft engines or parts suitable for use solely or principally with spark-ignition internal combustion piston engines

**8415.10** Window or wall types, self-contained

- Window type air conditioning machines, of a heat capacity less than 10,548 kJ

**8415.90** Parts of air conditioning machines

- Parts of window type air conditioning machines

**8416.10** Furnace burners for liquid fuel

**8416.20** Other furnace burners, including combination burners

**8416.90** Parts for furnace burners, mechanical stokers, mechanical grates, mechanical ash dischargers and similar appliances

- Parts for goods of Canadian tariff item No. 8416.10.99 or 8416.20.99 and U.S. tariff items 8416.10.00 or 8416.20.00
- Parts for goods of Canadian tariff item No. 8416.10.10, 8416.10.91, 8416.20.10 or 8416.20.91 and U.S. tariff item No. 8416.10.00 and 8416.20.00

**8501.10** Electric motors of an output not exceeding 37.5 W

- AC electric motors, of a power not exceeding 37.5 W for use in the manufacture of heating, air conditioning and refrigeration units

**8501.33** Motors of an output exceeding 75 kW but not exceeding 375 kW

- Propulsion system motors for use in the manufacture of passenger rail cars

**8503.00** Parts of electric motors, generators, generating sets and rotary converters

- Electric motor fans
- Parts for electric pump motors
- Rotor cores
- Stator assemblies

**8504.31** Transformers electric power handling capacity not exceeding 1 kVA, nes

- Isolating transformers for airfield lighting

**8506.11** Manganese dioxide primary cells & batt of an external volume not exceeding 300 cm<sup>3</sup>

- Dry cell batteries other than: "AA" size, 1.5 volt alkaline; "C" size, 1.5 volt alkaline and "D" size, 1.5 volt alkaline

**8506.20** Primary cells and primary batteries of an external volume exceeding 300 cm<sup>3</sup>

- Dry cell batteries other than 6 volt alkaline lantern batteries

*check w/ C A (does this = 2.93k per h)*

**8506.90 Parts of primary cells and primary batteries**

- Parts of dry cell batteries of tariff item No. 8506.11.00 other than: "AA" size, 1.5 volt alkaline; "C" size, 1.5 volt alkaline; and "D" size, 1.5 volt alkaline
- Parts of dry cell batteries of tariff item No. 8506.20.00 other than 6 volt alkaline lantern batteries

**8507.30 Nickel-cadmium electric accumulators**

- Nickel-cadmium batteries for use in the manufacture of passenger rail cars

**8509.90 Parts of electro-mech dom appliances with self-contained electric motor**

- Of appliances of heading No. 85.09 other than vacuum cleaners

**8511.30 Distributors and ignition coils**

- Ignition modules for motorcycles
- Spark coils for motorcycles

**8511.50 Generators and alternators**

- Generators for motorcycles

**8511.80 Glow plugs and other ignition or starting equipment nes**

- Alternator kits and regulators for motorcycles
- Sensor assemblies for motorcycles

**8511.90 Parts of electrical ignition or starting equipment**

- Distributor contact (breaker point) sets and ignition equipment for motorcycles
- Parts of motorcycle ignition modules, generators, spark coils, alternator kits and regulators, sensor assemblies, distributor contact (breaker point) sets or ignition equipment

**8512.20 Lighting or visual signalling equipment, nes**

- Signalling equipment for motorcycles
- Lamps and side beams for motorcycles

**8512.30 Sound signalling equipment**

- Siren kits and signalling equipment for motorcycles

**8512.90 Parts of electrical lighting, signalling and defrosting equipment**

- Lamp parts for motorcycles
- Parts of signalling equipment for motorcycles

**8516.10 Electric instantaneous or storage water heaters and immersion heaters**

- Hot water dispensers, of a capacity not exceeding 2.5 litres
- Warm-steam vaporizers

**8516.79 Electro-thermic appliances, domestic, nes**

- Warm-steam vaporizers

**8516.90 Parts of electro-thermic apparatus of heading No. 85.16**

- Parts for electric ranges
- Parts of hot water dispensers of a capacity not exceeding 2.5 litres
- Parts of warm steam vaporizers

**8518.30 Headphones, earphones and combined microphones/speaker sets**

- Other than telephone handsets

**8518.40 Audio-frequency electric amplifiers**

- Amplifiers for telephone handsets

**8518.50 Electric sound amplifier sets**

- Telephone handsets

**8518.90 Parts of microphones and stands therefor of loud-speakers, of headphones, of earphones and combined microphone/speaker sets, of audio-frequency electric amplifiers****8523.13 Unrecorded magnetic tapes, of a width exceeding 6.5 mm**

- Automatic data processing tape

**8523.90 Prepared unrecorded media for sound recording or other phenomena nes**

- Prepared unrecorded compacts discs specially encoded for the permanent laser beam recording of photographic images

**8535.40 Lightning arresters, voltage limiters and surge suppressors for a voltage exceeding 1,000 V**

- Lightning or lightning arresters over 1,000 V for use in the manufacture of passenger rail cars

**8535.90 Electrical app for switching or protec elec circuits, for a voltage exceeding 1,000 V, nes**

- Connector kits for isolating transformers for airfield lighting

**8536.10 Electrical fuses, for a voltage not exceeding 1,000 V**

- Plug-in busways, fusible type



## RESULTS OF FTA TARIFF ACCELERATION - ROUND 3

- Parts of pantographs of subheading No. 8535.90
- Parts of microswitches rated at 20 amperes or less for use in machinery, conveyor belts or other industrial applications
- Parts of plug-in busways, circuit breaker type, of 8536.20.00 or Canadian tariff item No. 8536.30.90 and U.S. tariff item No. 8536.30.00
- Parts of plug-in busways, fusible, of 8536.10.00 or CA... ← repeat
- Parts of terminal blocks and terminals for use in the manufacture of residential or commercial air conditioning machines of Canadian tariff item No. 8536.90.30 and U.S. tariff item No. 8536.90.00
- Parts of thermal protectors of 8536.30 for use in the manufacture of ballasts for fluorescent lamps
- Parts of Y-adaptor connectors for telephone headsets of Canadian tariff item No. 8536.90.90 and U.S. tariff item No. 8536.90.00

**8539.40 Ultra-violet or infra-red lamps; arc lamps**

- Infra-red heating elements for use in the manufacture of high tensile steel band strap

**8540.11 Cathode-ray television picture tubes, including video monitor tubes, colour (Tariff removal to coincide with NAFTA implementation)****8544.41 Electrical conductors, for a voltage not exceeding 80 V, fitted with connectors**

- Cable assemblies for airfield lighting
- Cables fitted with connectors for telephone headsets
- Ignitor wires for use in the manufacture of heating, air conditioning and refrigeration units

**8544.51 Electric conductors, for a voltage exceeding 80 V but not exceeding 1,000 V fitted with connectors**

- Cable assemblies for airfield lighting

**8544.60 Electric conductors, for a voltage exceeding 1,000 V, nes**

- Cable assemblies for airfield lighting

**8545.20 Carbon or graphite brushes**

- Carbon brushes, for use in the manufacture of passenger rail cars

**8546.20 Electrical insulators of ceramics**

- Ceramic insulators for precipitators

**8546.90 Electrical insulators, nes**

- Insulation tubes
- Insulators for pantographs
- Insulators for use in the manufacture of switchgear

**8547.90 Insulating fittings for electrical machines, appliances or equipment, nes**

- Fuse bases for electric motors for use in the manufacture of passenger rail cars

**8716.90 Parts of trailers, of semi-trailers and of other vehicles that are not mechanically propelled**

- Brake drums for semi-trailers for road tractors

**9001.40 Spectacle lenses of glass****9001.50 Spectacle lenses of other materials****9007.91 Parts and accessories for cinematographic cameras**

- Viewfinder eye cushions for cinematographic cameras

**9018.41 Dental drill engines, whether or not combined on a single base with other dental equipment****9019.10 Mechano-therapy appl; massage app; psychological aptitude-testing apparatus**

- Mechano therapy equipment

**9025.90 Parts and accessories of instruments of heading No. 90.25**

- Thermocouple tips

**9032.89 Automatic regulating or controlling instruments and apparatus, nes**

- Airfield lighting regulators
- Automatic voltage controllers
- Control instruments under 1,000 V
- Float control switches

**9202.90 String musical instruments nes**

- Lutes

**9209.30 Musical instrument strings**

- Lute strings

**9209.92 Parts and accessories for the musical instruments of heading No. 92.02**

- Parts for lutes

**9405.40 Electric lamps and lighting fittings, nes**

- Light-emitting sources for electronic measuring equipment

**9405.60 Illuminated signs, illuminated name-plates and the like**

- Airfield signs, static non-flashing having an illuminating light

**9506.32 Golf balls**

- Hollow, for practice

**9506.39 Golf equipment nes**

- Heads of wood, rough cut
- Hollow golf balls, for practice
- Shafts of wood
- Forged heads of iron or steel, not ground, polished, plated or otherwise finished

**9506.59 Badminton or similar rackets, whether or not strung****9506.99 Articles & equip for sports & outdoor games nes**

- Pitching machines
- Shuttlecocks (badminton birds)

**9603.90 Brooms; hand-operated mechanical floor sweepers, not motorized and mops of textile materials containing man-made fibres**

- Hand-operated mechanical floor sweepers, not motorized
- Chalkboard erasers

**9608.20 Felt tipped and other porous-tipped pens and markers**

- Plastic tip pens
- Dry erase markers

**9609.90 Pastels, drawing charcoals, writing or drawing chalks and tailor's chalks**

- Chalk
- Crayons

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

FOR IMMEDIATE RELEASE  
THURSDAY, APRIL 1, 1993

93-19  
Contact: Anne Luzzatto  
Dianne Wildman  
Pat Norman  
202-395-3230

**USTR Corrects Telecommunications Market Access Problem In Korea**

U.S. Trade Representative Michael Kantor announced today that, following intensive discussions with USTR, Korea has taken steps to comply with the 1992 U.S.-Korea telecommunications agreement. The problems of noncompliance came to light during USTR's annual review of the effectiveness of all U.S. telecommunications trade agreements, conducted pursuant to section 1377 of the 1988 Trade Act.

"This Administration places the highest priority on enforcing our trade agreements and ensuring that U.S. companies have fair access to foreign markets," Kantor stated. "We appreciate the efforts of Korea's new government to resolve this issue."

The 1992 trade agreement obligates Korea to introduce, as of January 1, 1993, a completely transparent and non-discriminatory procurement system for Korea Telecom (KT), the Korean monopoly telephone company. A key element of the agreement is to ensure U.S. suppliers a fair opportunity to bid on and win procurement contracts. The USTR review revealed that KT had failed to make public all procurement regulations, a necessary prerequisite if U.S. suppliers are to have the opportunity to win contracts.

After USTR highlighted the problem, the new government in Korea took action to make all applicable procurement regulations publicly available. The Government of Korea has also taken steps to ensure that U.S. companies will not be disadvantaged as a result of the delay in publication. The first KT procurement to be held in 1993 is scheduled to take place in the next several months.

"Our telecommunications companies are the most competitive in the world," Kantor stated. "With Korea assuring a fair chance to compete, we believe they'll be very successful in selling to Korea Telecom."