

Billing Code 3190-W0-P

**OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE**

Request for Proposals to Accelerate Tariff Elimination and Modify the Rules of Origin Under the United States-Chile Free Trade Agreement

**AGENCY:** Office of the United States Trade Representative.

**ACTION:** Notice of opportunity to file proposals requesting accelerated tariff elimination and changes to the rules of origin under the United States-Chile Free Trade Agreement (“the Agreement” or “USCFTA”).

**SUMMARY:** This notice requests that interested persons submit proposals seeking accelerated tariff elimination under the USCFTA and describes the procedures for filing proposals. This notice also requests proposals on appropriate changes that the Office of the U.S. Trade Representative (USTR) should consider for liberalizing the USCFTA’s rules of origin.

**DATES:** Proposals must be submitted to USTR no later than 5 p.m., August 6, 2010.

**ADDRESSES:** Proposals should be submitted electronically via the Internet at <http://www.regulations.gov>. For alternatives to on-line submissions please contact Gloria Blue, Executive Secretary, Trade Policy Staff Committee, at (202) 395-3475.

**FOR FURTHER INFORMATION CONTACT:** For procedural questions, contact Gloria Blue, Executive Secretary, Trade Policy Staff Committee, at (202) 395-3475. All other questions should be directed to Kent Shigetomi, Office of the Americas, Office of the United States Trade Representative, 600 17th Street, NW, Room 523, Washington, DC 20508. His telephone number is (202) 395-3412.

**SUPPLEMENTARY INFORMATION:** Article 3.3(4) of the USCFTA provides that the United States and Chile may agree to accelerate the elimination of customs duties set out in their respective tariff schedules. Section 201(b) of the United States-Chile Free Trade Agreement Implementation Act (“the FTA Act” or “the Act”) authorizes the President to proclaim modifications in the staging of duty treatment set out in the Agreement, subject to the Act’s consultation and layover requirements.

The USCFTA requires each government to provide preferential tariff treatment to goods that meet the Agreement’s origin rules. In the United States, those rules are implemented through the FTA Act. Under the Act, goods imported into the United States qualify for preferential treatment if they meet the requirements of the general USCFTA rules of origin set out in section 202 of the Act, and the USCFTA product-specific rules set out in the HTS. The Agreement allows the Parties to amend the Agreement’s rules of origin. Section 202(o)(2) of the USCFTA Act authorizes the President to proclaim modifications to the USCFTA’s product-specific origin rules, subject to the consultation and layover provisions of section 103(a) of the Act. In 2008, the United States and Chile agreed on a set of goods for which the parties would eliminate tariffs

ahead of schedule. Those tariffs were eliminated on January 1, 2009. In 2010, the United States and Chile reached agreement on proposed changes to the rules of origin, but have not yet implemented these changes. The United States and Chile have now agreed to consider further acceleration of the elimination of USCFTA tariffs and further liberalization of the agreement's rules of origin.

### *Additional Information*

In considering whether to accelerate the elimination of tariffs or to make further changes to the agreement's rules of origin and, if such changes were made, the scope or extent of such changes, the United States and Chile expect to take into account several factors in considering whether to make such changes, including 1) the extent that any such changes may reduce transaction and manufacturing costs or increase trade between Chile and the United States; 2) the feasibility of devising, implementing, and monitoring modified rules of origin; and 3) the level and breadth of interest that manufacturers, processors, traders, and consumers in the United States and Chile express for making particular changes. The United States and Chile expect to make only those changes that are broadly supported by stakeholders in both countries.

### *Requirements for Proposals*

Submissions should indicate whether the subject of the proposal has been discussed with representatives of the relevant sector in Chile and, if such discussions have taken place, the result of those discussions. Submissions should indicate if representatives of the relevant sector in

Chile do not support the proposal. USTR encourages interested parties to consider submitting proposals jointly with interested parties in Chile.

**Scope and Coverage of Proposals:** USTR encourages interested parties to review the broadest appropriate range of items and to submit proposals that reflect a consensus reached after such a broad-based review. A single proposal can thus include requests covering multiple tariff headings. Entire 8-digit tariff subheadings should be covered, but proposals may also be submitted at the 6, 4, or 2 digit level where the intent is to cover all subsidiary duties.

**Requirements for Submissions.** Persons submitting proposals must do so in English and must specify (on the first page of the submission) the “Chile FTA Tariff Acceleration,” “Chile FTA Rules of Origin Liberalization,” or both. Proposals must be received by August 6, 2010.

In order to ensure the most timely and expeditious receipt and consideration of proposals, USTR has arranged to accept on-line submissions via [www.regulations.gov](http://www.regulations.gov). To submit proposals via [www.regulations.gov](http://www.regulations.gov), enter docket number USTR-2010-0016 on the home page and click “search”. The site will provide a search-results page listing all documents associated with this docket. Find a reference to this notice by selecting “Notice” under “Document Type” on the left side of the search-results page, and click on the link entitled “Submit Comment.” (For further information on using the [www.regulations.gov](http://www.regulations.gov) <<http://www.regulations.gov>> website, please consult the resources provided on the website by clicking on the “Help” link at the top of the home page.)

The [www.regulations.gov](http://www.regulations.gov) Web site provides the option of providing comments by filling in a “Type Comment and Upload File” field, or by attaching a document. It is expected that most comments will be provided in an attached document. If a document is attached, it is necessary and sufficient to type “See attached” in the “Type comment and Upload File” field. USTR prefers submissions in Microsoft Word (.doc) or Adobe Acrobat (.pdf). If the submission is in an application other than those two, please indicate the name of the application in the “Comments” field.

For any proposals submitted electronically containing business confidential information, the file name of the business confidential version should begin with the characters “BC”. Any page containing business confidential information must be clearly marked “BUSINESS CONFIDENTIAL” on the top of that page. Filers of submissions containing business confidential information must also submit a public version of their proposals. The file name of the public version should begin with the character “P”. The “BC” and “P” should be followed by the name of the person or entity submitting the proposal. Filers submitting proposals containing no business confidential information should name their file using the character “P”, followed by the name of the person or entity submitting the comment or proposal.

Please do not attach separate cover letters to electronic submissions; rather, include any information that might appear in a cover letter in the proposals themselves. Similarly, to the extent possible, please include any exhibits, annexes, or other attachments in the same file as the submission itself, not as separate files.

USTR strongly urges submitters to file proposals through <http://www.regulations.gov>, if at all possible. Any alternative arrangements must be made with Ms. Blue in advance of transmitting a proposal. Ms. Blue should be contacted at (202) 395-3475. General information concerning the Office of the United States Trade Representative may be obtained by accessing its Internet Web site (<http://www.ustr.gov>).

---

Carmen Suro-Bredie

Chairman, Trade Policy Staff Committee

[FR Doc. 2010-16756 Filed 07/08/2010 at 8:45 am; Publication Date: 07/09/2010]