United States International Trade Commission

Effect of Modifications to the U.S.-Morocco Free Trade Agreement

Investigation No. Morocco FTA-103-11
USITC Publication 3774
April 2005

U.S. International Trade Commission

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Address all communications to
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United States International Trade Commission
Washington, DC 20436

U.S. International Trade Commission

Washington, DC 20436
www.usitc.gov

Effect of Modifications to the U.S.-Morocco Free Trade Agreement

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This report was principally prepared by the Office of Tariff Affairs and Trade Agreements

Project Team

Jan L. Summers, *Project Leader*
Douglas Newman, *Deputy Project Leader*

With special assistance from:
Louise Gillen, Phyllis Boone, and Sharon Williams

under the direction of
David Beck, *Acting Director*
Office of Tariff Affairs and Trade Agreements

CONTENTS

Page

Executive summary v

Chapter 1: Introduction 1-1

Purpose of the report 1-1
Approach of the report 1-2

Chapter 2: Impact of Change in Implementation Date 2-1

Previous findings 2-1
Current findings 2-1
Written submissions 2-3

Appendices

A. Request letter A-3
B. *Federal Register Notice* B-3

Tables

2-1. Agricultural products: U.S. TRQs for goods of Morocco and Moroccan TRQs for goods of the United States, year 1 2-4
2-2. Textiles and apparel: U.S. TPLs and TRQs for goods of Morocco and Moroccan TRQs for imports under the Agreement, year 1 2-5

Executive Summary

Based upon information from the Office of the United States Trade Representative (USTR), the changes in the original terms of the United States-Morocco Free Trade Agreement (FTA) would be as follows: year 1 duty staging would be delayed and would cover the period from July 1, 2005, through December 31, 2005, and tariff-rate quota (TRQ) and tariff preference level (TPL) quantities for affected goods would be reduced by 50 percent. The Commission's earlier analysis found that there would not be a significant impact on U.S. imports or exports of goods accorded benefits under the FTA, and the change in the implementation date does not change these findings. Trade with Morocco does not comprise a significant portion of overall U.S. trade, and many U.S. imports from Morocco already qualify for duty-free entry under the general column of the Harmonized Tariff Schedule of the United States or the Generalized System of Preferences–so that the delay in year 1 duty staging would not affect these goods. Many of the TRQs and TPLs applicable to U.S. imports from Morocco are set at higher levels than recent trade or are limited by particular negotiated terms that would likely apply in the same fashion for a 6-month "year 1" as for the entire calendar year; for example, Morocco's sugar shipments under the FTA would be limited by the absence of a trade surplus in sugar and sugar-containing products. Last, the Commission received one positive submission from an interested trade association (summarized in chapter 2, below) by the close of April 25, 2005, in response to its *Federal Register* notice and Internet posting.

CHAPTER 1
INTRODUCTION

On August 17, 2004, the President signed the United States-Morocco Free Trade Agreement Implementation Act (the Act).[1] The Act approved the Agreement and authorized the President to proclaim the tariff and other customs treatment set forth therein. As required by section 2104(f) of the Trade Act of 2002 (19 U.S.C. 3804(f)), the Commission submitted its advice concerning the likely impact of the Agreement in June 2004.[2]

The Agreement was drafted with the expectation that it would be implemented on January 1, 2005. As explained below, the Parties subsequently agreed to implement the Agreement on July 1, 2005, requiring changes in the duty staging structure and other market access commitments that had been set up on a calendar year basis. Subsequently, pursuant to section 104(1)(B) of the Act (19 U.S.C. 3805 note), the Commission was asked to provide advice on the negotiated new effective date and other changes, as discussed below.[3] Section 104(3) prescribes a 60 calendar day consultation and layover period, among other requirements, prior to any Presidential proclamation to implement the proposed modifications to the original text.

Purpose of the Report

This report is intended to provide the Commission's advice concerning the effective date and other changes in the original FTA text. According to information supplied by the Office of the United States Trade Representative (USTR), the United States and Morocco (the Parties) drafted the Agreement assuming it would enter into force on January 1, 2005. After the signing of the final text and enactment of the U.S. Act, Commission staff had been advised that the date on which the Agreement was originally to enter into force was January 1, 2005. The duty staging commitments, tariff-rate quota (TRQ) quantity expansion schedule, and tariff preference level (TPL) quantity limits were negotiated so as to operate on a calendar year basis, as set forth in the general notes and schedules of tariff concessions of each of the Parties.

As a result of subsequent events, the Parties agreed that the date of entry into force of the Agreement would be delayed until July 1, 2005. Thus, the Parties agreed to amend the Agreement so that the first stage of negotiated tariff reductions and related measures would become effective on that date, with the second stage starting on January 1, 2006. In addition, the Parties agreed to amend the Agreement so that the within-quota quantities of the TRQs for agricultural and apparel goods and the allowable quantities of textile and apparel goods containing nonoriginating inputs that would receive preferential tariff treatment, as set out

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[1] Pub. L. 108-302 of Aug. 17, 2004 (118 Stat. 1103).

[2] *U.S.-Morocco Free Trade Agreement: Potential Economywide and Selected Sectoral Effects*, Investigation No. TA-2104-14, USITC pub. No. 3704, June 2004.

[3] See Appendix A for request letter from the Acting United States Trade Representative, Apr. 14, 2005.

in the Agreement, would be reduced by 50 percent for the period July 1, 2005 through December 31, 2005. The year 2 duty staging, TRQ and TPL quantities, and other market access provisions would still be made effective on January 1, 2006, and subsequent market access commitments would not be altered, thus allowing all of the post-year-1 commitments to take effect as scheduled. According to USTR, the Parties would exchange letters to modify the Agreement, as specified above, in order to effect a date of entry into force of July 1, 2005; no other amendments to the Agreement will be made.

Section 201 of the Act authorizes the President, subject to the consultation and layover requirements of section 104 of the Act, to proclaim such tariff modifications and other customs treatment as are necessary to carry out or apply specified provisions of the Agreement with Morocco. One of the requirements set out in section 104 of the Act is that the President obtain advice from the United States International Trade Commission.

Accordingly, the USTR asked that the Commission provide advice on the probable effect of the modifications to the Agreement described above, with a view toward identifying any changes in the Commission's previous advice concerning the impact of the Agreement. In response, the Commission therefore instituted the current investigation and requested submissions from interested parties, by means of both a *Federal Register* notice[4] and the Commission's Internet site, to be filed by the close of business on April 25, 2005. The Commission was requested to submit its advice to USTR by April 28, 2005, and to issue a public version of the report with any confidential business information deleted.

The Commission has styled this as a section 103 investigation to make it part of a series of reports, generally submitted under statutory requirements commonly set forth in section 103 of the U.S. implementing legislation for various free trade agreements (e.g., section 103 of the North American Free Trade Agreement (NAFTA) Implementation Act (19 U.S.C. 3312) and section 103 of the United States-Chile Free Trade Agreement Implementation Act (19 U.S.C. 3805 note), pursuant to which the Commission provides advice to the President on the effect of a proposed modification to the pertinent agreement. This investigation is the 11th in a series of such investigations, most of which have related to modifications of the NAFTA.

Approach of the Report

This report summarizes the Commission's findings in its June 2004 report, including the results of the simulation analysis of the FTA's likely impact on the United States, its economy, production, employment and other factors of the unmodified negotiated Agreement. In that report, the Commission employed an approach that combines quantitative and qualitative analyses. The quantitative analysis focused on the liberalization of tariffs and TRQs (corresponding to the market access provisions of chapters 2-4 of the Agreement). The qualitative analysis focused on the non-quantifiable effects associated with provisions of the FTA related to trade in goods (including the rules of origin) and services, investment, trade facilitation, and the regulatory environment (corresponding to chapters 5-20 of the Agreement).

[4] See Appendix B for the text of the Commission's notice of institution of this investigation at 70 F.R. 20597, Apr. 20, 2005.

This document briefly sets forth the modifications that have been negotiated subsequent to the signing of the original FTA text, and focuses on the nature of the products covered by the various TRQs and TPLs. The report then provides the Commission's views on the likely impact of the delayed effective date of year 1 market access treatment and of the adjustment in TRQ and TPL quantities. Last, the report discusses any written submissions received by the Commission following issuance of its Federal Register notice on April 15, 2005,[5] and posting of the request for input on the Commission's internet site (*www.usitc.gov*) on April 18, 2005.

[5] Ibid.

CHAPTER 2
IMPACT OF CHANGE IN IMPLEMENTATION DATE

Previous Findings

The Commission's previous assessment of the U.S.-Morocco Free Trade Agreement (Agreement) addressed four substantive areas: market access, trade facilitation, investment, and the regulatory environment.[6] The assessment regarding market access concluded that, after liberalization has been fully implemented and all economic adjustments have occurred under the Agreement, trade in certain sectors likely would increase and the Agreement would result in an overall increase in U.S. welfare ($110.5 million to $131.6 million), U.S. global exports ($267.4 million), and U.S. global imports ($237.9 million).[7] The findings indicated that Morocco's smaller economy and market size as compared with those of the United States likely would limit the impact of the market access provisions of the Agreement on U.S. production, employment, and prices. Likewise, the assessment of the trade facilitation provisions of the Agreement concluded that there would be positive but limited benefits to U.S. producers, exporters, service providers, and investors.[8] The assessment regarding investment concluded that while U.S. investors, service providers, and exporters would benefit, the overall impact of the Agreement on the U.S. economy likely would be small given the relative sizes of the Moroccan and U.S. economies.[9] The assessment with respect to the regulatory environment concluded that while U.S. firms likely would benefit from the Agreement, the overall impact would be small and limited again by Morocco's size.[10] A review of other studies of the impact of a possible FTA between these two Parties found that the studies indicated a positive but small effect on U.S. welfare.[11]

Current findings

U.S. trade with Morocco is relatively small compared with the volume of trade with many other trading partners. In 2004, Morocco ranked 79th among all U.S. trading partners in terms of the dollar value of U.S. imports and 71st in terms of the dollar value of U.S. exports.[12] U.S. imports of merchandise from Morocco totaled $545 million in 2004, less than

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[6] *U.S.-Morocco Free Trade Agreement: Potential Economywide and Selected Sectoral Effects*, Investigation No. TA-2104-14, USITC pub. No. 3704, June 2004.

[7] Ibid., p. xv and text at pages 55-66.

[8] Ibid., p. xxiii and text at pages 67 *et seq*. Principal positive impacts in this area would be in the areas of customs facilitation and regulatory transparency.

[9] Ibid., p. xxiii and text at pages 73 *et seq*.

[10] Ibid., p. xxv and text at pages 79 *et seq*.

[11] Ibid., p. xxviii; see table 8-6, page 103, and related text.

[12] Official data of the U.S. Department of Commerce, obtained from the ITC Dataweb, available at *http://dataweb.usitc.gov*.

0.5 percent of the U.S. global total of $1.46 trillion.[13] Dutiable imports accounted for 41 percent of total imports from Morocco in 2004, with other trade entering free of duty under normal trade relations (general) duty rates or under provisions of the U.S. Generalized System of Preferences. U.S. global exports of domestic merchandise totaled $727 billion in 2004, with exports to Morocco reaching $516 million, again less than 0.5 percent of the total.[14]

Inasmuch as the negotiated changes to the Agreement would postpone the originally contemplated implementation date by 6 months, the probable effect of the delay likely will not affect the findings reported in the Commission's previous analysis. As noted above, the effect of this delay would be twofold: to make "year one" of the duty staging schedule 6 months long, rather than 12 months; and to cut all negotiated quantitative levels for TRQs and TPLs by 50 percent for this shortened year one. Looking at all products, the largest impacts likely will result from the delay in the first reduction of duty on goods assessed at relatively high rates by each Party (compared to rates for other goods), as well as the reduction in quantities to be allowed preferential access under the terms of TRQs[15] and TPLs.[16] Future duty staging and TRQ/TPL quantities are unchanged, so the negotiated changes are not expected to have a significant impact on trade in year two and subsequent periods.

With respect to U.S. imports from Morocco, the highest applied duties are on sugar and sugar-containing products and on textile, apparel and leather products.[17] However, Moroccan sugar exports to the United States would be limited under the Agreement to the lower of the annual TRQ quantity (which expands until year 15, when no limit would be stated) or Morocco's trade surplus in goods described in listed HTS subheadings for sugar and sugar-containing products.[18] Morocco typically is a net importer of sugar, and thus it is expected that no trade surplus would occur during 2005. Similarly, although Moroccan textiles and apparel in most U.S. tariff subheadings would be eligible for duty-free entry immediately or at the end of 5 years, duty-free TRQs for specified quantities of originating Moroccan apparel and TPLs would apply to certain non-originating Moroccan textile and apparel

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[13] Ibid.

[14] Ibid.

[15] Where a good is covered by a global TRQ, a tariff rate line granting a relatively lower general duty rate on a stated quantity of imports (whether or not such quantity is allocated among supplying countries) is paired with one assessing a considerably higher duty rate applicable to other shipments and intended to have the economic effect of limiting or prohibiting further imports. The in-quota quantity may be allocated or made available on a "first come, first served" basis; excess quantities shipped by a country granted an allocated share of the in-quota limit or in excess of an "other countries" allocation, if available, would be dutiable at the higher over-quota rate; in instances where no "other countries" allocation is given, all shipments from countries not granted an allocation are likewise dutiable at that over-quota rate. Morocco's goods would be given a preferential TRQ outside that global TRQ, with duty staging on its over-TRQ shipments. The United States does not have TRQs on NTR shipments in the textile and apparel sector, but would utilize preferential TRQs to give relative duty benefits to Morocco.

[16] TPLs allow a stated quantity, set forth in square meters equivalent according to an agreed conversion table, of sector goods from Morocco containing inputs not made in either Party and not complying with the applicable rules of origin set forth in the FTA to enter the United States with FTA benefits as originating goods.

[17] *U.S.-Morocco Free Trade Agreement: Potential Economywide and Selected Sectoral Effects*, p. 58.

[18] See Agreement Annex IV (Goods Schedule), General Notes, Tariff Schedule of the United States, pp. 8-9 (as cited in note 3, above).

products.[19] At the end of the transition period, TRQ and TPL limits for the textile and apparel sector would generally disappear,[20] so that the duty benefits of the FTA would apply only to originating goods. As noted in the Commission's earlier report, however, the TPL figure is nearly double the level of U.S. imports of textiles and apparel from Morocco in 2003, suggesting that quantity changes due to the delayed implementation of year 1 of the FTA likely would have little effect.

Moroccan most-favored-nation tariffs generally are substantially higher than U.S. normal trade relation tariffs, and are highest for U.S. exports of dairy products, certain processed food and tobacco products, meat products, and vegetables, fruits, and nuts.[21] As noted above, the impact of the delay in implementing the Agreement would have the greatest impact on high-volume U.S. exports facing higher duties in Morocco and goods with TRQ limitations in Morocco. With respect to TRQs and TPLs, year 1 duty reductions would be available only during July-December 2005 and the Parties would provide only one half of the year 1 TRQ access for TRQ-limited agricultural goods. Although the Commission's earlier analysis projects increased exports of various U.S. agricultural products to Morocco under the FTA,[22] it is expected that little additional impact (beyond the loss of access during January-June 2005) would occur.

As set forth below, Table 2-1 shows the originally scheduled full year 1 TRQ access and the negotiated reduced access resulting from the delay for specified agricultural products. For most of the affected products, the amount of the lost TRQ access represents either a small absolute quantity (e.g., imports of beef, dairy, horticultural products) or a small share of typical trade (e.g., exports of wheat, poultry products). For certain Moroccan textiles and apparel, the delay in implementing the Agreement would affect both TRQ and TPL goods, as shown in table 2-2. As is the case with agricultural product TRQs, the impact of the implementation delay likely will be minimal for the U.S. textiles and apparel sector and market, given the low level of U.S.-Morocco trade in textiles and apparel compared with overall U.S. trade in such products.

Written Submissions

The single submission received by the Commission, in response to its *Federal Register* notice and Internet posting, came from the Association of Food Industries (AFI), a trade association representing approximately 200 food importing companies in the United States.

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[19] See *U.S.-Morocco Free Trade Agreement: Potential Economywide and Selected Sectoral Effects*, p. 58.

[20] The exception is the TPL for textile and apparel products of cotton grown in a least-developed Sub-Saharan African country, provided the cotton fibers are carded or combed there; this TPL would be a permanent extension of FTA benefits to goods not otherwise meeting the rules of origin.

[21] See *U.S.-Morocco Free Trade Agreement: Potential Economywide and Selected Sectoral Effects*, p. 21, for a summary of benefits in this area.

[22] Ibid.

Table 2-1
Agricultural products: U.S. TRQs for goods of Morocco and Moroccan TRQs for goods of the United States under the Agreement, year 1

Product	Full year 1 TRQ	Delayed year 1 TRQ
U.S. TRQs for goods of Morocco:		
Beef	15,000 kilograms	7,500 kilograms
Liquid dairy	1,500 liters	750 liters
Cheese	30,000 kilograms	15,000 kilograms
Milk powder	10,000 kilograms	5,000 kilograms
Butter	10,000 kilograms	5,000 kilograms
Other dairy products	15,000 kilograms	7,500 kilograms
Sugar and sugar-containing products	2,000 metric tons	1,000 metric tons
Peanuts	1,000 kilograms	500 kilograms
Tobacco	5,000 kilograms	2,500 kilograms
Cotton	5,000 kilograms	2,500 kilograms
Preserved tomato products and tomato paste/puree	300 metric tons	150 metric tons
Tomato sauces	200 metric tons	100 metric tons
Dried onions	10,000 kilograms	5,000 kilograms
Dried garlic	5,000 kilograms	2,500 kilograms
Moroccan TRQs for goods of the United States:	**Full TRQ**	**Delayed TRQ**
High quality beef	4,000 metric tons	2,000 metric tons
Standard quality beef	2,000 metric tons	1,000 metric tons
Chicken and turkey whole birds	1,250 metric tons	625 metric tons
Chicken leg quarters and wings	4,000 metric tons	2,000 metric tons
Durum wheat	250,000 metric tons	125,000 metric tons
Common wheat (when Moroccan production is greater than 3 million metric tons)	280,000 metric tons	140,000 metric tons
Common wheat (when Moroccan production is less than 2.1 million metric tons)	700,000 metric tons	350,000 metric tons
Almonds	50 metric tons	25 metric tons
Products related to durum wheat	1,500 metric tons	750 metric tons
Products related to common wheat	1,500 metric tons	750 metric tons
Apples	2,000 metric tons	1,000 metric tons
Frozen boneless and skinless thigh meat of chickens, not mechanically deboned	125 metric tons	62.5 metric tons
Other frozen deboned poultry meat, not mechanically deboned	75 metric tons	37.5 metric tons

Source: Annex IV of the Agreement, available at *http://www.ustr.gov/Trade_Agreements/Bilateral/Morocco_FTA/FInal_Text/Section_Index.html*

Table 2-2
Textiles and apparel: U.S. TPLs and TRQs for imports from Morocco and Moroccan TRQs for imports from the United States under the Agreement, year 1

Product	Full TPL	Delayed TPL
U.S. TPLs for imports from Morocco:		
Cotton, manmade-fiber, and wool fabrics and apparel	30 million square meters equivalent	15 million square meters equivalent
Cotton textiles and apparel	1,067,257 kilograms	533,628.5 kilograms
U.S. TRQs for imports from Morocco:		
	Full TRQ (square meters equivalent)	**Delayed TRQ (square meters equivalent)**
Various subheadings in HTS chapters 61-63	270,420,370	135,210,185
Moroccan TRQs for imports from the United States:		
	Full TRQ (kilograms)	**Delayed TRQ (kilograms)**
Various subheadings in HTS chapters 61-63	1,512,286	756,143

Source: Chapter 4 of the Agreement, available at *http://www.ustr.gov/Trade_Agreements/Bilateral/Morocco_FTA/FInal_Text/Section_Index.html*

The AFI submitted a statement in support of the Agreement and urged that the Agreement be implemented as soon as possible. In its statement the AFI said that the Agreement would benefit U.S. food importers, consumers, and exporters as a result of lower import duties on products from Morocco. The AFI emphasized its interest in imports of canned sardines in oil under the Agreement.

APPENDIX A
REQUEST LETTER

DOCKET
NUMBER
2425
Office of the
Secretary
Int'l Trade Commission

EXECUTIVE OFFICE OF THE PRESIDENT
THE UNITED STATES TRADE REPRESENTATIVE
WASHINGTON, D.C. 20508

APR 14 2005

OFC OF THE SECRETARY
US INTL TRADE COMM
2005 APR 15 AM 12 37

Mr. Stephan Koplan, Chairman
U.S. International Trade Commission
500 E Street, SW
Washington, DC 20436

Dear Chairman Koplan:

As you know, on August 17, 2004, the United States-Morocco Free Trade Agreement Implementation Act (the Act) was enacted, approving that Agreement and authorizing the President to proclaim the tariff and other customs treatment set forth therein. As required by section 2104(f) of the Trade Act of 2002, the Commission had submitted its advice concerning the likely impact of the Agreement in June 2004.

The United States and Morocco ("the Parties") drafted the Agreement based on the assumption that it would enter into force at the beginning of a calendar year, and the date on which the Agreement was to enter into force was January 1, 2005. Due to subsequent events, the Parties agreed that the date of entry into force of the Agreement should be delayed until July 1, 2005. Accordingly, the Parties agreed to amend the Agreement so that the first stage of negotiated tariff reductions and related measures will become effective on that date, with the second stage starting on January 1, 2006. In addition, the Parties agreed to amend the Agreement so that the in-quota quantities of the tariff-rate quotas for agricultural and apparel goods and the quantities of textile and apparel goods that receive preferential tariff treatment, as set out in the Agreement, be reduced by fifty percent for the period July 1, 2005, through December 31, 2005, after which the previously agreed treatment would be accorded.

The Parties will exchange letters to modify the Agreement as specified in the preceding paragraph in order to effect a date of entry into force of July 1, 2005; no other amendments to the Agreement will be made.

Section 201 of the Act authorizes the President, subject to the consultation and layover requirements of section 104 of the Act, to proclaim such tariff modifications and other customs treatment as are necessary to carry out or apply specified provisions of the Agreement with Morocco. One of the requirements set out in section 104 is that the President obtain advice regarding the proposed action from the U.S. International Trade Commission (the Commission).

Accordingly, under authority delegated by the President, and pursuant to section 104 of the Act, I request that the Commission provide advice on the probable effect of the modifications to the Agreement described above, with a view toward identifying any changes in the Commission's previous advice concerning the impact of the Agreement. I request that the Commission provide

this advice at the earliest possible date, but in any event not later than April 28, 2005. The Commission should seek input from potentially affected parties, if practicable, but need not conduct a hearing concerning this request, so that its advice may be transmitted as quickly as possible. The Commission should issue, as soon as possible thereafter, a public version of its response to this request with any business confidential information deleted.

The Commission's assistance in the matter is greatly appreciated.

Sincerely,

Peter F. Allgeier

Peter F. Allgeier
Acting

APPENDIX B
FEDERAL REGISTER NOTICE

Commission should grant such treatment. *See* section 201.6 of the Commission's Rules of Practice and Procedure, 19 CFR 201.6. Documents for which confidential treatment by the Commission is sought will be treated accordingly. All non-confidential written submissions will be available for public inspection at the Office of the Secretary.

The authority for the Commission's determination is contained in section 337 of the Tariff Act of 1930, as amended (19 U.S.C. 1337), and in sections 210.16(c) and 210.42 of the Commission's Rules of Practice and Procedure (19 CFR 210.16(c) and 210.42).

By order of the Commission.

Issued: April 13, 2005.

Marilyn R. Abbott,

Secretary to the Commission.

[FR Doc. 05–7878 Filed 4–19–05; 8:45 am]

BILLING CODE 7020–02–P

INTERNATIONAL TRADE COMMISSION

[Investigations Nos. 701–TA–297 and 731–TA–422 (Second Review)]

Steel Rails From Canada

AGENCY: International Trade Commission.

ACTION: Termination of five-year reviews.

SUMMARY: The subject five-year reviews were initiated in January 2005 to determine whether revocation of the countervailing duty and antidumping duty orders on steel rails from Canada would be likely to lead to continuation or recurrence of material injury to a domestic industry. On April 11, 2005, the Department of Commerce published notice that it was revoking the orders effective February 9, 2005 because "no domestic interested party responded to the sunset review notice of initiation by the applicable deadline" (70 FR 18361). Accordingly, pursuant to section 751(c) of the Tariff Act of 1930 (19 U.S.C. 1675(c)), the subject reviews are terminated.

EFFECTIVE DATE: February 9, 2005.

FOR FURTHER INFORMATION CONTACT: Robert Carpenter (202–205–3172), Office of Investigations, U.S. International Trade Commission, 500 E Street SW., Washington, DC 20436. Hearing-impaired individuals are advised that information on this matter can be obtained by contacting the Commission's TDD terminal on 202–205–1810. Persons with mobility impairments who will need special assistance in gaining access to the Commission should contact the Office of the Secretary at 202–205–2000. General information concerning the Commission may also be obtained by accessing its Internet server (*http://www.usitc.gov*).

Authority: These reviews are being terminated under authority of title VII of the Tariff Act of 1930; this notice is published pursuant to section 207.69 of the Commission's rules (19 CFR § 207.69).

By order of the Commission.

Issued: April 15, 2005.

Marilyn R. Abbott,

Secretary to the Commission.

[FR Doc. 05–7926 Filed 4–19–05; 8:45 am]

BILLING CODE 7020–02–P

INTERNATIONAL TRADE COMMISSION

[Investigation No. Morocco FTA–103–11]

Effect of Modifications to the U.S.-Morocco Free Trade Agreement

AGENCY: United States International Trade Commission.

ACTION: Institution of investigation and request for written submissions.

SUMMARY: Following receipt of a request on April 14, 2005, from the Acting United States Trade Representative (USTR) under authority delegated by the President and pursuant to section 104 of the United States-Morocco Free Trade Agreement Implementation Act (19 U.S.C. 3805 note), the Commission instituted investigation No. Morocco FTA–103–11, *Effect of Modifications to the U.S.–Morocco Free Trade Agreement.*

EFFECTIVE DATE: April 15, 2005.

FOR FURTHER INFORMATION CONTACT: Information may be obtained from Janis Summers, Office of Tariff Affairs (202) 205–2605, *janis.summers@usitc.gov*), and Douglas Newman, Office of Industries (202) 205–3328, *douglas.newman@usitc.gov*); for information on legal aspects, contact William Gearhart of the Office of the General Counsel (202) 205–3091, *william.gearhart@usitc.gov*). The media should contact Margaret O'Laughlin, Office of External Relations (202) 205–1819, *margaret.olaughlin@usitc.gov*).

Background: On August 17, 2004, the President signed the United States-Morocco Free Trade Agreement Implementation Act (the Act). The Act approved the Agreement and authorized the President to proclaim the tariff and other customs treatment set forth therein. As required by section 2104(f) of the Trade Act of 2002, the Commission submitted its advice concerning the likely impact of the Agreement in June 2004.

According to USTR, the United States and Morocco ("the Parties") drafted the Agreement based on the assumption that it would enter into force at the beginning of a calendar year, and the date on which the Agreement was to enter into force was January 1, 2005. Due to subsequent events, the Parties agreed that the date of entry into force of the Agreement should be delayed until July 1, 2005. Accordingly, the Parties agreed to amend the Agreement so that the first stage of negotiated tariff reductions and related measures will become effective on that date, with the second stage starting on January 1, 2006. In addition, the Parties agreed to amend the Agreement so that the in-quota quantities of the tariff-rate quotas for agricultural and apparel goods and the quantities of textile and apparel goods that receive preferential tariff treatment, as set out in the Agreement, be reduced by fifty percent for the period July 1, 2005 through December 31, 2005, after which the previously agreed treatment would be accorded.

According to USTR, the Parties will exchange letters to modify the Agreement as specified in the preceding paragraph in order to effect a date of entry into force of July 1, 2005; no other amendments to the Agreement will be made.

Section 201 of the Act authorizes the President, subject to the consultation and layover requirements of section 104 of the Act, to proclaim such tariff modifications and other customs treatment as are necessary to carry out or apply specified provisions of the Agreement with Morocco. One of the requirements set out in section 104 of the Act is that the President obtain advice from the United States International Trade Commission.

USTR asked that the Commission provide advice on the probable effect of the modifications to the Agreement described above, with a view toward identifying any changes in the Commission's previous advice concerning the impact of the Agreement.

As requested, the Commission will submit its advice to USTR by April 28, 2005, and shortly thereafter issue a public version of the report with any confidential business information deleted.

The Commission has styled this as a section 103 investigation to make it part of a series of reports, generally submitted under section 103 of the U.S. implementing legislation for a free trade agreement (*e.g.*, section 103 of the

NAFTA Implementation Act, section 103 of the United States-Singapore Free Trade Agreement Implementation Act), in which the Commission provides advice to the President on the effect of a modification to the agreement. This investigation is the 11th in a series of such investigations.

Written Submissions: No public hearing is planned. However, interested parties are invited to submit written statements concerning the matters to be addressed by the Commission in this investigation. Submissions should be addressed to the Secretary, United States International Trade Commission, 500 E Street SW., Washington, DC 20436. In view of the short amount of time that the Commission has to provide its advice, the Commission asks that any written statements related to the Commission's report be submitted to the Commission at the earliest practical date and no later than the close of business on April 25, 2005. The Commission will consider submissions received by that date.

All written submissions must conform with the provisions of section 201.8 of the *Commission's Rules of Practice and Procedure* (19 CFR 201.8). Section 201.8 of the rules requires that a signed original (or copy designated as an original) and fourteen (14) copies of each document be filed. In the event that confidential treatment of the document is requested, at least four (4) additional copies must be filed, in which the confidential business information must be deleted (see the following paragraph for further information regarding confidential business information). The Commission's rules do not authorize filing submissions with the Secretary by facsimile or electronic means, except to the extent permitted by section 201.8 of the rules (*see* Handbook for Electronic Filing Procedures, *ftp://ftp.usitc.gov/pub/reports/electronic_filing_handbook.pdf*). Persons with questions regarding electronic filing should contact the Secretary (202) 205–2000 or *edis@usitc.gov*).

Any submissions that contain confidential business information must also conform with the requirements of section 201.6 of the *Commission's Rules of Practice and Procedure* (19 CFR 201.6). Section 201.6 of the rules requires that the cover of the document and the individual pages be clearly marked as to whether they are the "confidential" or "nonconfidential" version, and that the confidential business information be clearly identified by means of brackets. All written submissions, except for confidential business information, will be made available in the Office of the Secretary to the Commission for inspection by interested parties.

The Commission may include some or all of the confidential business information submitted in the course of this investigation in the report it sends to the USTR and the President. As requested by USTR, the Commission will publish a public version of the report. However, in the public version, the Commission will not publish confidential business information in a manner that would reveal the operations of the firm supplying the information.

The public record for this investigation may be viewed on the Commission's electronic docket (EDIS) *http://edis.usitc.gov*. Hearing impaired individuals may obtain information on this matter by contacting the Commission's TDD terminal on (202) 205–1810. Persons with mobility impairments who will need special assistance in gaining access to the Commission should contact the Office of the Secretary at (202) 205–2000.

By order of the Commission.

Issued: April 18, 2005.

Marilyn R. Abbott

Secretary to the Commission.

[FR Doc. 05–8015 Filed 4–19–05; 8:45 am]

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INTERNATIONAL TRADE COMMISSION

[USITC SE–05–015]

Government in the Sunshine Act Meeting Notice

AGENCY HOLDING THE MEETING: United States International Trade Commission.

TIME AND DATE: April 28, 2005 at 11 a.m.

PLACE: Room 101, 500 E Street, SW., Washington, DC 20436, Telephone: (202) 205–2000.

STATUS: Open to the public.

MATTERS TO BE CONSIDERED:

1. Agenda for future meetings: none.
2. Minutes.
3. Ratification List.
4. Inv. No. 731–TA–653. (Second Review) (Sebacic Acid from China)—briefing and vote. (The Commission is currently scheduled to transmit its determination and Commissioners' opinions to the Secretary of Commerce on or before May 11, 2005.)
5. Outstanding action jackets: none.

In accordance with Commission policy, subject matter listed above, not disposed of at the scheduled meeting, may be carried over to the agenda of the following meeting.

Issued: April 18, 2005.

By order of the Commission.

Marilyn R. Abbott,

Secretary to the Commission.

[FR Doc. 05–8017 Filed 4–18–05; 11:48 am]

BILLING CODE 7020–02–P

DEPARTMENT OF JUSTICE

Notice of Lodging of Proposed Consent Decree Under the Clean Water Act

Under 28 CFR 50.7, notice is hereby given that on April 7, 2005, a proposed Consent Decree in *United States* v. *Air Products and Chemicals, et al.*, Civil Action JH–88–365 (D. Md.), was lodged with the United States District Court for the District of Maryland.

This Consent Decree obligates the 40 settling defendants at the Maryland Sand and Gravel Superfund Site (the "Site") to implement the Record of Decision for the third operable unit at the Site. This is the third consent decree in this action for remedial action at the Site. EPA estimates that the work to be performed under the decree will be approximately $23 million. In the decree, the United States covenants not to sue the settling defendants under Section 106 and 107 of the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA"), 42 U.S.C. 9606 and 9607, for the third operable unit, subject to certain standard reopeners for new information or unknown conditions.

The Department of Justice will receive for a period of thirty (30) days from the date of this publication comments relating to the proposed Consent Decree. Comments should be addressed to the Assistant Attorney General, Environment and Natural Resources Division, P.O. Box 7611, U.S. Department of Justice, Washington, DC 20044–7611, U.S. Department of Justice, Washington, DC 20044–7611, and should refer to *United States* v. *Air Product and Chemicals, Inc.*, et al., Civil Action No. JH–88–365 (D. Md.), DOJ# 90–11–225A.

The Consent Decree may be examined at the Office of the United States Attorney, District of Maryland, 36 South Charles Street, Baltimore, MD, 21201, and at U.S. EPA Region III, 1650 Arch Street, Philadelphia, PA 19103–2029. During the public comment period, the Consent Decree may also be examined on the following Department of Justice Web site, *http://www.usdoj.gov/enrd/open.html*. A copy of the Consent Decree may also be obtained by mail from the Consent Decree Library, P.O. Box 7611, U.S. Department of Justice,