



[Billing Code 3290-F9]

OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

Determination of Trade Surplus in Certain Sugar and Syrup Goods and Sugar-Containing Products of Chile, Morocco, Costa Rica, the Dominican Republic, El Salvador, Guatemala, Honduras, Nicaragua, Peru, Colombia, and Panama

AGENCY: Office of the United States Trade Representative.

ACTION: Notice.

SUMMARY: In accordance with the Harmonized Tariff Schedule of the United States (HTS), the Office of the United States Trade Representative (USTR) is providing notice of its determination of the trade surplus in certain sugar and syrup goods and sugar-containing products of Chile, Morocco, Costa Rica, the Dominican Republic, El Salvador, Guatemala, Honduras, Nicaragua, Peru, Colombia and Panama. The level of a country's trade surplus in these goods relates to the quantity of sugar and syrup goods and sugar-containing products for which the United States grants preferential tariff treatment under (i) the United States-Chile Free Trade Agreement (Chile FTA); (ii) the United States-Morocco Free Trade Agreement (Morocco FTA); (iii) the Dominican Republic-Central America-United States Free Trade Agreement (CAFTA-DR); (iv) the United States-Peru Trade Promotion Agreement (Peru TPA); (v) the United States-Colombia Trade Promotion Agreement (Colombia TPA); and (vi) the United States-Panama Trade Promotion Agreement (Panama TPA).

DATES: This notice is applicable on January 1, 2019.

FOR FURTHER INFORMATION CONTACT: Dylan Daniels, Office of Agricultural Affairs at 202-395-6095 or Dylan.T.Daniels@ustr.eop.gov.

SUPPLEMENTARY INFORMATION:

I. CHILE FTA

Section 201 of the United States-Chile Free Trade Agreement Implementation Act (Pub. L. 108–77; 19 U.S.C. 3805 note) and Presidential Proclamation No. 7746 of December 30, 2003 (68 FR 75789), implemented the Chile FTA on behalf of the United States and modified the HTS to reflect the tariff treatment provided for in the Chile FTA.

Note 12(a) to subchapter XI of HTS chapter 99 requires USTR annually to publish a determination of the amount of Chile’s trade surplus, by volume, with all sources for goods in Harmonized System (HS) subheadings 1701.11, 1701.12, 1701.91, 1701.99, 1702.20, 1702.30, 1702.40, 1702.60, 1702.90, 1806.10, 2101.12, 2101.20, and 2106.90, except that Chile’s imports of goods classified under HS subheadings 1702.40 and 1702.60 that qualify for preferential tariff treatment under the Chile FTA are not included in the calculation of Chile’s trade surplus. Proclamation 8771 of December 29, 2011 (77 FR 413) reclassified HS subheading 1701.11 as 1701.13 and 1701.14.

Note 12(b) to subchapter XI of HTS chapter 99 provides duty-free treatment for certain sugar and syrup goods and sugar-containing products of Chile entered under subheading 9911.17.05 in any calendar year (CY) (beginning in CY 2015) in an amount equal to the quantity of goods equal to the amount of Chile’s trade surplus in subdivision (a) of the Note. During CY 2017, the most recent year for which data is available, Chile’s imports of the sugar and syrup goods and sugar-containing products described above exceeded its exports of those goods by 407,137 metric tons according to data published

by its customs authority, the Servicio Nacional de Aduana. Based on this data, USTR has determined that Chile's trade surplus is negative. Therefore, in accordance with U.S. Note 12(b) to subchapter XI of HTS chapter 99, goods of Chile are not eligible to enter the United States duty-free under subheading 9911.17.05 in CY 2019.

II. MOROCCO FTA

Section 201 of the United States-Morocco Free Trade Agreement Implementation Act (Pub. L. 108-302; 19 U.S.C. 3805 note) and Presidential Proclamation No. 7971 of December 22, 2005 (70 FR 76651), implemented the Morocco FTA on behalf of the United States and modified the HTS to reflect the tariff treatment provided for in the Morocco FTA.

Note 12(a) to subchapter XII of HTS chapter 99 requires USTR annually to publish a determination of the amount of Morocco's trade surplus, by volume, with all sources for goods in HS subheadings 1701.11, 1701.12, 1701.91, 1701.99, 1702.40, and 1702.60, except that Morocco's imports of U.S. goods classified under HS subheadings 1702.40 and 1702.60 that qualify for preferential tariff treatment under the Morocco FTA are not included in the calculation of Morocco's trade surplus. Proclamation 8771 of December 29, 2011 (77 FR 413) reclassified HS subheading 1701.11 as 1701.13 and 1701.14.

Note 12(b) to subchapter XII of HTS chapter 99 provides duty-free treatment for certain sugar and syrup goods and sugar-containing products of Morocco entered under subheading 9912.17.05 in an amount equal to the lesser of Morocco's trade surplus or the specific quantity set out in that Note for that calendar year.

Note 12(c) to subchapter XII of HTS chapter 99 provides preferential tariff

treatment for certain sugar and syrup goods and sugar-containing products of Morocco entered under subheading 9912.17.10 through 9912.17.85 in an amount equal to the amount by which Morocco's trade surplus exceeds the specific quantity set out in that Note for that calendar year.

During CY 2017, the most recent year for which data is available, Morocco's imports of the sugar and syrup goods and sugar-containing products described above exceeded its exports of those goods by 743,760 metric tons according to data published by its customs authority, the Office des Changes. Based on this data, USTR has determined that Morocco's trade surplus is negative. Therefore, in accordance with U.S. Notes 12(b) and 12(c) to subchapter XII of HTS chapter 99, goods of Morocco are not eligible to enter the United States duty-free under subheading 9912.17.05 or at preferential tariff rates under subheading 9912.17.10 through 9912.17.85 in CY 2019.

III. CAFTA–DR

Section 201 of the Dominican Republic-Central America-United States Free Trade Agreement Implementation Act (Pub. L. 109–53; 19 U.S.C. 4031), Presidential Proclamation No. 7987 of February 28, 2006 (71 FR 10827), Presidential Proclamation No. 7991 of March 24, 2006 (71 FR 16009), Presidential Proclamation No. 7996 of March 31, 2006 (71 FR 16971), Presidential Proclamation No. 8034 of June 30, 2006 (71 FR 38509), Presidential Proclamation No. 8111 of February 28, 2007 (72 FR 10025), Presidential Proclamation No. 8331 of December 23, 2008 (73 FR 79585), and Presidential Proclamation No. 8536 of June 12, 2010 (75 FR 34311), implemented the CAFTA–DR on behalf of the United States and modified the HTS to reflect the tariff treatment provided for in the CAFTA–DR.

Note 25(b)(i) to subchapter XXII of HTS chapter 98 requires USTR annually to publish a determination of the amount of each CAFTA–DR country’s trade surplus, by volume, with all sources for goods in HS subheadings 1701.12, 1701.13, 1701.14, 1701.91, 1701.99, 1702.40, and 1702.60, except that each CAFTA–DR country’s exports to the United States of goods classified under HS subheadings 1701.12, 1701.13, 1701.14, 1701.91, and 1701.99 and its imports of goods classified under HS subheadings 1702.40 and 1702.60 that qualify for preferential tariff treatment under the CAFTA–DR are not included in the calculation of that country’s trade surplus.

U.S. Note 25(b)(ii) to subchapter XXII of HTS chapter 98 provides duty-free treatment for certain sugar and syrup goods and sugar-containing products of each CAFTA–DR country entered under subheading 9822.05.20 in an amount equal to the lesser of that country’s trade surplus or the specific quantity set out in that Note for that country and that calendar year.

A. *Costa Rica*

During CY 2017, the most recent year for which data is available, Costa Rica’s exports of the sugar and syrup goods and sugar-containing products described above exceeded its imports of those goods by 127,312 metric tons according to data published by the Costa Rican Customs Department, Ministry of Finance. Based on this data, USTR has determined that Costa Rica’s trade surplus is 127,312 metric tons. The specific quantity set out in U.S. Note 25(b)(ii) to subchapter XXII of HTS chapter 98 for Costa Rica for CY 2019 is 13,860 metric tons. Therefore, in accordance with that Note, the aggregate quantity of goods of Costa Rica that may be entered duty-free under subheading 9822.05.20 in CY 2019 is 13,860 metric tons (*i.e.*, the amount that is the

lesser of Costa Rica's trade surplus and the specific quantity set out in that Note for Costa Rica for CY 2019).

B. *Dominican Republic*

During CY 2017, the most recent year for which data is available, the Dominican Republic's imports of the sugar and syrup goods and sugar-containing products described above exceeded its exports of those goods by 6,254 metric tons according to data published by the National Direction of Customs (DGA). Based on this data, USTR has determined that the Dominican Republic's trade surplus is negative. Therefore, in accordance with U.S. Note 25(b)(ii) to subchapter XXII of HTS chapter 98, goods of the Dominican Republic are not eligible to enter the United States duty-free under subheading 9822.05.20 in CY 2019.

C. *El Salvador*

During CY 2017, the most recent year for which data is available, El Salvador's exports of the sugar and syrup goods and sugar-containing products described above exceeded its imports of those goods by 427,977 metric tons according to data published by the Central Bank of El Salvador. Based on this data, USTR has determined that El Salvador's trade surplus is 427,977 metric tons. The specific quantity set out in U.S. Note 25(b)(ii) to subchapter XXII of HTS chapter 98 for El Salvador for CY 2019 is 35,360 metric tons. Therefore, in accordance with that Note, the aggregate quantity of goods of El Salvador that may be entered duty-free under subheading 9822.05.20 in CY 2019 is 35,360 metric tons (*i.e.*, the amount that is the lesser of El Salvador's trade surplus and the specific quantity set out in that Note for El Salvador for CY 2019).

D. *Guatemala*

During CY 2017, the most recent year for which data is available, Guatemala's exports of the sugar and syrup goods and sugar-containing products described above exceeded its imports of those goods by 1,431,282 metric tons according to data published by the Asociacion de Azucareros de Guatemala (ASAZGUA). Based on this data, USTR has determined that Guatemala's trade surplus is 1,431,282 metric tons. The specific quantity set out in U.S. Note 25(b)(ii) to subchapter XXII of HTS chapter 98 for Guatemala for CY 2019 is 48,880 metric tons. Therefore, in accordance with that Note, the aggregate quantity of goods of Guatemala that may be entered duty-free under subheading 9822.05.20 in CY 2019 is 48,880 metric tons (*i.e.*, the amount that is the lesser of Guatemala's trade surplus and the specific quantity set out in that Note for Guatemala for CY 2019).

E. *Honduras*

During CY 2017, the most recent year for which data is available, Honduras' exports of the sugar and syrup goods and sugar-containing products described above exceeded its imports of those goods by 122,527 metric tons according to data published by the Central Bank of Honduras. Based on this data, USTR has determined that Honduras' trade surplus is 122,527 metric tons. The specific quantity set out in U.S. Note 25(b)(ii) to subchapter XXII of HTS chapter 98 for Honduras for CY 2019 is 10,080 metric tons. Therefore, in accordance with that Note, the aggregate quantity of goods of Honduras that may be entered duty-free under subheading 9822.05.20 in CY 2019 is 10,080 metric tons (*i.e.*, the amount that is the lesser of Honduras' trade surplus and the specific quantity set out in that Note for Honduras for CY 2019).

F. *Nicaragua*

During CY 2017, the most recent year for which data is available, Nicaragua's exports of the sugar and syrup goods and sugar-containing products described above exceeded its imports of those goods by 304,145 metric tons according to data published by the Nicaraguan Ministry of Development, Industry, and Trade (MIFIC). Based on this data, USTR has determined that Nicaragua's trade surplus is 304,145 metric tons. The specific quantity set out in U.S. Note 25(b)(ii) to subchapter XXII of HTS chapter 98 for Nicaragua for CY 2019 is 27,720 metric tons. Therefore, in accordance with that Note, the aggregate quantity of goods of Nicaragua that may be entered duty-free under subheading 9822.05.20 in CY 2019 is 27,720 metric tons (*i.e.*, the amount that is the lesser of Nicaragua's trade surplus and the specific quantity set out in that note for Nicaragua for CY 2019).

IV. PERU TPA

Section 201 of the United States-Peru Trade Promotion Agreement Implementation Act (Pub. L. 110-138; 19 U.S.C. 3805 note) and Presidential Proclamation No. 8341 of January 16, 2009 (74 FR 4105), implemented the Peru TPA on behalf of the United States and modified the HTS to reflect the tariff treatment provided for in the Peru TPA.

Note 28(c) to subchapter XXII of HTS chapter 98 requires USTR annually to publish a determination of the amount of Peru's trade surplus, by volume, with all sources for goods in HS subheadings 1701.12, 1701.13, 1701.14, 1701.91, 1701.99, 1702.40, and 1702.60, except that Peru's imports of U.S. goods classified under HS subheadings 1702.40 and 1702.60 that are originating goods under the Peru TPA and Peru's exports to the United States of goods classified under HS subheadings 1701.12,

1701.13, 1701.14, 1701.91, and 1701.99 are not included in the calculation of Peru's trade surplus.

Note 28(d) to subchapter XXII of HTS chapter 98 provides duty-free treatment for certain sugar goods of Peru entered under subheading 9822.06.10 in an amount equal to the lesser of Peru's trade surplus or the specific quantity set out in that Note for that calendar year.

During CY 2017, the most recent year for which data is available, Peru's imports of the sugar and syrup goods and sugar-containing products described above exceeded its exports of those goods by 485,884 metric tons according to data published by the Superintendencia Nacional de Administracion Tributaria (SUNAT). Based on this data, USTR has determined that Peru's trade surplus is negative. Therefore, in accordance with U.S. Note 28(d) to subchapter XXII of HTS chapter 98, goods of Peru are not eligible to enter the United States duty-free under subheading 9822.06.10 in CY 2019.

V. COLOMBIA TPA

Section 201 of the United States-Colombia Trade Promotion Agreement Implementation Act (Pub. L. 112-42; 19 U.S.C. 3805 note) and Presidential Proclamation No. 8818 of May 14, 2012 (77 FR 29519) implemented the Colombia TPA on behalf of the United States and modified the HTS to reflect the tariff treatment provided for in the Colombia TPA.

Note 32(b) to subchapter XXII of HTS chapter 98 requires USTR annually to publish a determination of the amount of Colombia's trade surplus, by volume, with all sources for goods in HS subheadings 1701.12, 1701.13, 1701.14, 1701.91, 1701.99, 1702.40 and 1702.60, except that Colombia's imports of U.S. goods classified under

subheadings 1702.40 and 1702.60 that are originating goods under the Colombia TPA and Colombia's exports to the United States of goods classified under subheadings 1701.12, 1701.13, 1701.14, 1701.91 and 1701.99 are not included in the calculation of Colombia's trade surplus.

Note 32(c)(i) to subchapter XXII of HTS chapter 98 provides duty-free treatment for certain sugar goods of Colombia entered under subheading 9822.08.01 in an amount equal to the lesser of Colombia's trade surplus or the specific quantity set out in that Note for that calendar year.

During CY 2017, the most recent year for which data is available, Colombia's exports of the sugar and syrup goods and sugar-containing products described above exceeded its imports of those goods by 436,478 metric tons according to data published by Global Trade Atlas (GTA) and the Colombian Directorate of National Taxes and Customs (DIAN). Based on this data, USTR has determined that Colombia's trade surplus is 436,478 metric tons. The specific quantity set out in U.S. Note 32(c)(i) to subchapter XXII of HTS chapter 98 for Colombia for CY 2019 is 55,250 metric tons. Therefore, in accordance with that Note, the aggregate quantity of goods of Colombia that may be entered duty-free under subheading 9822.08.01 in CY 2019 is 55,250 metric tons (*i.e.*, the amount that is the lesser of Colombia's trade surplus and the specific quantity set out in that Note for Colombia for CY 2019).

VI. PANAMA TPA

Section 201 of the United States-Panama Trade Promotion Agreement Implementation Act (Pub. L. 112-43; 19 U.S.C. 3805 note) and Presidential Proclamation No. 8894 of October 29, 2012 (77 FR 66505), implemented the Panama

TPA on behalf of the United States and modified the HTS to reflect the tariff treatment provided for in the Panama TPA.

Note 35(a) to subchapter XXII of HTS chapter 98 requires USTR annually to publish a determination of the amount of Panama's trade surplus, by volume, with all sources for goods in HS subheadings 1701.12, 1701.13, 1701.14, 1701.91, 1701.99, 1702.40 and 1702.60, except that Panama's imports of U.S. goods classified under subheadings 1702.40 and 1702.60 that are originating goods under the Panama TPA and Panama's exports to the United States of goods classified under subheadings 1701.12, 1701.13, 1701.14, 1701.91 and 1701.99 are not included in the calculation of Panama's trade surplus.

Note 35(c) to subchapter XXII of HTS chapter 98 provides duty-free treatment for certain sugar goods of Panama entered under subheading 9822.09.17 in an amount equal to the lesser of Panama's trade surplus or the specific quantity set out in that Note for that calendar year.

During CY 2017, the most recent year for which data is available, Panama's exports of the sugar and syrup goods and sugar-containing products described above exceeded its imports of those goods by 12,853 metric tons according to data published by the National Institute of Statistics and Census, Office of the General Comptroller of Panama. Based on this data, USTR has determined that Panama's trade surplus is 12,853 metric tons. The specific quantity set out in U.S. Note 35(c) to subchapter XXII of HTS chapter 98 for Panama for CY 2019 is 540 metric tons. Therefore, in accordance with that Note, the aggregate quantity of goods of Panama that may be entered duty-free under subheading 9822.09.17 in CY 2019 is 540 metric tons (*i.e.*, the amount that is the lesser

of Panama's trade surplus and the specific quantity set out in that Note for Panama for CY 2019).

Robert Lighthizer,

United States Trade Representative.

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