

Notice of Cancellation of April 24, 2007 Public Hearing on Potential Withdrawal of Tariff Concessions and Increase in Applied Duties in Response to European Union (EU) Enlargement

USTR is cancelling the April 24, 2007 public hearing concerning a list of goods for which tariff concessions may be withdrawn and duties may be increased in the event the United States cannot reach agreement with the European Communities (EC) for adequate compensation owed under World Trade Organization (WTO) rules as a result of EU enlargement.

Background: On March 22, 2007, USTR published FR Doc E7-5268 (Vol.72, No. 55) announcing that the Trade Policy Staff Committee (TPSC) was seeking public comment on a list of goods for which U.S. tariff concessions may be withdrawn and applied duties may be raised and announcing that the TPSC will hold a public hearing on Tuesday, April 24, 2007, on the list. All respondents to this notice have chosen to submit their comments in writing only and there were no requests to testify. Therefore, the April 24 public hearing will be cancelled.

The United States is continuing to negotiate with the EU regarding the EU's provision of adequate and permanent compensation to the United States for an event that increased duties on U.S. imports to EU markets above WTO bound rates of duty. On January 1, 2007, as part of its enlargement process, the EU raised tariffs above bound rates on some imports into the countries of Romania and Bulgaria. If this issue is not resolved, the United States may seek to exercise its rights under Article XXVIII of the *General Agreement on Tariffs and Trade 1994* ("GATT 1994") to withdraw substantially equivalent concessions and raise tariffs on select goods primarily supplied by the EU.

FOR FURTHER INFORMATION CONTACT: Questions should be directed to: Laurie Molnar, Director for European Trade Issues, (202) 395-3320.