

**Supporting Statement
Free Trade Agreements
1651-0117**

A. Justification

1. Free Trade Agreements are established to reduce and eliminate barriers, strengthen and develop economic relations, and to lay the foundation for further cooperation to expand and enhance benefits of the agreement. These Agreements establish free trade by reduced-duty treatment on imported goods.

On September 3, 2003 the United States-Chile Free Trade Agreement (US-CFTA) was signed into law. The provisions of the US-CFTA were adopted with the enactment of the U.S.-Chile Free Trade Agreement Implementation Act ("the Act", Public Law 108-77). The Act implemented the agreement on January 1, 2004.

The U.S. is also entering into Free Trade Agreements with the Republic of Singapore, Pub.L. 108-78, 117 Stat. 948 (19 U.S.C. 3805 note); Australia, Pub L 108-286, and Morocco, Pub. L 108-302.

2. The information is to be used by U.S. Customs and Border Protection (CBP) officers to document preferential tariff treatment under the provisions of the Free Trade Agreements.
3. The importer's supporting statement (§ 10.511 of the draft SFTA interim regulations), which is the primary document that importers must be prepared to submit when making a claim for preferential treatment under a Free Trade Agreements, may be transmitted electronically. CBP allows the submission of the supporting statement on disc in an electronic format. The electronic submission must contain a signature and be in an inalterable format. Although only a small number of respondents are submitting information electronically, we expect this number to increase.
4. Since each document is unique, this information is not duplicated elsewhere.
5. This collection of information does not significantly impact small businesses or entities.
6. If this information was not collected, CBP would not be able to ensure that duty-free or reduced-duty treatment is provided on imported goods under the Free Trade Agreements and specifies the documentary and other

procedural requirements which apply to any claim for such preferential tariff treatment under these Agreements.

7. This information collection is conducted in a manner consistent with the guidelines in 5 CFR 1320.5(c)(2).
8. Public comments will be solicited through interim regulations that will be published in the Federal Register in the near future.
9. There is no offer of a monetary or material value for this information collection.
10. The certificates of origin used in Free Trade Agreements may contain trade secrets and commercial and financial information relating to the confidential business of private parties. This information will be contained in a safe location and only CBP officers with a "need to know" basis will have access.
11. This information collection does not involve questions of a personal or sensitive nature.
12. Estimated Annualized Burden on the Public. The estimated burden for this information collection is 21,800 hours, based on an estimated 109,000 respondents filing a total of 109,000 annual responses. Each response requires an estimated .2 hours (12 minutes) to complete.

Specifically, the burden hours are:

U.S./Chile FTA- 8,000 hours based on 40,000 respondents filing a total of 40,000 annual responses . Each response requires an estimated .2 hours (12 minutes) to complete.

U.S./Singapore FTA- 9,000 hours based on 45,000 respondents filing a total of 45,000 annual responses. Each response requires an estimated .2 hours (12 minutes) to complete.

U.S./Australia FTA- 4,000 hours based on 20,000 respondents filing a total of 20,000 annual responses. Each response requires an estimated .2 hours (12 minutes) to complete.

U.S./Morocco FTA- 800 hours based on 4,000 respondents filing a total of 4,000 annual responses. Each response requires an estimated .2 hours (12 minutes) to complete.

Estimated Annualized Cost to the Public. The estimated cost to the respondents is \$475,000 based on 19,000 burden hours at an average rate of \$25.00 per hour.

13. Estimated Record Keeping Burden on the Public. There is no record keeping burden requirement associated with this collection.

Estimated Capitalization Cost Burden on the Public. There are no capitalization costs associated with this information collection.

14. Estimated Cost to the Federal Government. The estimated annual cost to the Federal Government in handling, processing and recording the information collected with regard to this collection is \$654,000 based on an estimated 21,800 hours expended at an average rate of \$30.00.

15. The burden hours increased due to the addition of the several Free Trade Agreements as described in Items #1 and #12. CBP requests that the title of this information collection be changed to "Free Trade Agreements". The U.S. is in the process of entering into Free Trade Agreements with several countries that involve collection of identical data elements.

16. This information will not be published for statistical purposes.

17. There is no form associated with this collection.

18. No exceptions are requested.

B. Collection of Information Employing Statistical Methods

No statistical methods were employed.