

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

A. Justification

- 1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information.**

Free trade agreements are established to reduce and eliminate trade 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. has also entered into Free Trade Agreements with the Republic of Singapore (Public Law 108-78, 117 Stat. 948,19 U.S.C. 3805 note); Australia (Public Law 108-286); Morocco (Public Law 108-302); Jordan (Public Law 107-43); Bahrain (Public Law 109-169); Oman (Public Law 107-210); Peru (Public Law 110-138, 121 Stat. 1455). CBP proposes to add burden hours to this information collection for the U.S.-Korea Free Trade Agreement (Public Law 112-41).

These free trade agreements involve collection of data elements such as information about the importer and exporter of the goods, a description of the goods, tariff classification number, and the preference criterion in the Rules of Origin. 19 CFR Part 10 is being amended to add 19 CFR 10.1003 and 10.1004 to include the requirements for filing a claim for preferential tariff treatment under the U.S.-Korea Free Trade Agreement.

Respondents can obtain information on how to make claims under these Free Trade Agreements by going to http://www.cbp.gov/xp/cgov/trade/trade_programs/international_agreements/free_trade/

- 2. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.**

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. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g. permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also describe any consideration of using information technology to reduce burden.**

The data elements that must be submitted when making a claim for preferential treatment under a free trade agreement may be transmitted electronically. CBP allows the submission of this information on disc in an electronic format. The electronic submission must contain a signature and be in an inalterable format. Claims can also be submitted using the Automated Broker Interface (ABI). However, only a small number of respondents are submitting information electronically because CBP currently requests FTA certification information on only about 1 percent of claims.

- 4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.**

This information is not duplicated in any other place or any other form.

- 5. If the collection of information impacts small businesses or other small entities, describe any methods used to minimize burden.**

This information collection does not have an impact on small businesses or other small entities.

- 6. Describe consequences to Federal program or policy activities if the collection is not conducted or is conducted less frequently.**

If this information were 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.

- 7. Explain any special circumstances that would cause an information collection to be conducted in a manner:**

This information is collected in a manner consistent with the guidelines of 5 CFR 1320.5(d)(2).

- 8. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the agency in response to these comments.**

An Interim Final Rule will be published in the near future.

- 9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.**

There is no offer of a monetary or material value for this information collection.

- 10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy.**

There are no assurances of confidentiality. There is no PII associated with this collection of information.

- 11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private. This justification should include the reasons why the agency considers the questions necessary and the specific uses to be made of the information.**

There are no questions of a sensitive nature.

12. Provide estimates of the hour burden of the collection of information.

INFORMATION COLLECTION TITLE	TOTAL ANNUAL BURDEN HOURS	NO. OF RESPONDENTS	NO. OF RESPONSES PER RESPONDENT	TOTAL RESPONSES	TIME PER RESPONSE
U.S.-Chile FTA	8,000	40,000	1	40,000	12 minutes (.2 hours)
U.S.-Singapore FTA	9,000	45,000	1	45,000	12 minutes (.2 hours)
U.S.-Australia FTA	4,000	20,000	1	20,000	12 minutes (.2 hours)
U.S.-Morocco FTA	800	4,000	1	4,000	12 minutes (.2 hours)
U.S.-Bahrain FTA	100	500	1	500	12 minutes (.2 hours)
U.S.-Jordan FTA	500	2,500	1	2,500	12 minutes (.2 hours)
U.S.-Oman FTA	20	100	1	100	12 minutes (.2 hours)
U.S.-Peru FTA	800	4,000	1	4,000	12 minutes (.2 hours)
U.S.-Korea FTA	40,000	200,000	1	200,000	12 minutes (.2 hours)
TOTAL	63,220	316,100		316,100	

Note that although CBP estimates 316,100 certifications are prepared by the trade community, CBP requests submission of approximately 1 percent (or 3,161) of these certifications.

Public Cost

The estimated cost to the respondents is \$1,264,400. This is based on the estimated burden hours (63,220) multiplied (x) hourly rate (\$20.00).

13. Provide an estimate of the total annual cost burden to respondents or record keepers resulting from the collection of information.

There are no record keeping, capital, start-up or maintenance costs associated with this information collection.

- 14. Provide estimates of annualized cost to the Federal Government. Also provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses (such as equipment overhead, printing, and support staff), and any other expense that would not have been incurred without this collection of information.**

The estimated annual cost to the Federal Government associated with the review of these documents is **\$22,050**. This is based on the number of responses actually submitted to CBP (3,161) that must be reviewed (x) the time to review and process each response (.166 hours) = 525 (x) the average hourly rate (\$42.00) = \$22,050.

- 15. Explain the reasons for any program changes or adjustments reported in Items 12 or 13.**

The increase in the burden hours is due to the addition of the new FTA with Korea.

- 16. For collection of information whose results will be published, outline plans for tabulation, and publication.**

This information collection will not be published for statistical purposes.

- 17. If seeking approval to not display the expiration date, explain the reasons that displaying the expiration date would be inappropriate.**

There are no forms involved with this information collection, so it would not be appropriate to display the expiration date for OMB approval.

- 18. "Certification for Paperwork Reduction Act Submissions."**

CBP does not request an exception to the certification of this information collection.

A. Collection of Information Employing Statistical Methods

No statistical methods were employed.

