

106TH CONGRESS  
1ST SESSION

# H. R. 1834

To promote the growth of free enterprise and economic opportunity in the Caribbean Basin region, to increase trade between the region and the United States, and to encourage the adoption by Caribbean Basin countries of trade and investment policies necessary for participation in the Free Trade Area of the Americas.

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## IN THE HOUSE OF REPRESENTATIVES

MAY 18, 1999

Mr. LEWIS of Georgia introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To promote the growth of free enterprise and economic opportunity in the Caribbean Basin region, to increase trade between the region and the United States, and to encourage the adoption by Caribbean Basin countries of trade and investment policies necessary for participation in the Free Trade Area of the Americas.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “United States-Carib-  
5       bean Basin Trade Enhancement Act”.

1 **SEC. 2. FINDINGS AND POLICY.**

2 (a) FINDINGS.—The Congress finds that—

3 (1) the Caribbean Basin Economic Recovery  
4 Act (“CBERA”) represents a permanent commit-  
5 ment by the United States to encourage the develop-  
6 ment of strong democratic governments and revital-  
7 ized economies in neighboring countries in the Car-  
8 ibbean Basin;

9 (2) 34 democratically elected leaders agreed at  
10 the 1994 Summit of the Americas to conclude nego-  
11 tiation of a Free Trade Area of the Americas  
12 (FTAA) by the year 2005;

13 (3) the economic security of the countries in the  
14 Caribbean Basin will be enhanced with the comple-  
15 tion of the FTAA;

16 (4) offering temporary benefits to Caribbean  
17 Basin countries—

18 (A) will enhance trade between the United  
19 States and the Caribbean Basin;

20 (B) will encourage development of trade  
21 and investment policies that will facilitate par-  
22 ticipation of Caribbean Basin countries in the  
23 FTAA;

24 (C) will preserve the United States’ com-  
25 mitment to Caribbean Basin beneficiary coun-  
26 tries;

1 (D) will help further their economic devel-  
2 opment; and

3 (E) will accelerate the trend toward more  
4 open economies in the region;

5 (5) promotion of the growth of free enterprise  
6 and economic opportunity in the Caribbean Basin  
7 will enhance the national security interests of the  
8 United States; and

9 (6) increased trade and economic activity be-  
10 tween the United States and Caribbean Basin bene-  
11 ficiary countries will create expanding export oppor-  
12 tunities for United States businesses and workers.

13 (b) POLICY.—It is therefore the policy of the United  
14 States to offer those Caribbean Basin beneficiary coun-  
15 tries willing to embark on the process of preparing for  
16 eventual accession to the FTAA, or a trade agreement  
17 comparable to the FTAA, enhanced preferential treat-  
18 ment; and to seek the accession of these beneficiary coun-  
19 tries to the FTAA or a trade agreement comparable to  
20 the FTAA at the earliest possible date, with the goal of  
21 achieving full participation in the FTAA or a trade agree-  
22 ment comparable to the FTAA by all beneficiary countries  
23 by the year 2005.

24 **SEC. 3. DEFINITIONS.**

25 As used in this Act:

1           (1) BENEFICIARY COUNTRY.—The term “bene-  
 2           ficiary country” has the meaning given that term in  
 3           section 212(a)(1)(A) of the Caribbean Basin Eco-  
 4           nomic Recovery Act (19 U.S.C. 2702(a)(1)(A)).

5           (2) FTAA.—The term “FTAA” means the  
 6           Free Trade Area of the Americas.

7           (3) NAFTA.—The term “NAFTA” means the  
 8           North American Free Trade Agreement entered into  
 9           between the United States, Mexico, and Canada on  
 10          December 17, 1992.

11          (4) WTO AND WTO MEMBER.—The terms  
 12          “WTO” and “WTO member” have the meanings  
 13          given those terms in section 2 of the Uruguay  
 14          Round Agreements Act (19 U.S.C. 3501).

15 **SEC. 4. TEMPORARY PROVISIONS TO PROVIDE ADDITIONAL**  
 16 **TRADE BENEFITS TO CERTAIN BENEFICIARY**  
 17 **COUNTRIES.**

18          (a) TEMPORARY PROVISIONS.—Section 213(b) of the  
 19          Caribbean Basin Economic Recovery Act (19 U.S.C.  
 20          2703(b)) is amended to read as follows:

21          “(b) EXCEPTIONS.—

22                  “(1) IN GENERAL.—Subject to paragraphs (2)  
 23                  through (5), the duty-free treatment provided under  
 24                  this title does not apply to—

1           “(A) textile and apparel articles which  
2           were not eligible articles for purposes of this  
3           title on January 1, 1994, as this title was in ef-  
4           fect on that date;

5           “(B) footwear not designated at the time  
6           of the effective date of this title as eligible arti-  
7           cles for the purpose of the generalized system  
8           of preferences under title V of the Trade Act of  
9           1974;

10          “(C) tuna, prepared or preserved in any  
11          manner, in airtight containers;

12          “(D) petroleum, or any product derived  
13          from petroleum, provided for in headings 2709  
14          and 2710 of the HTS;

15          “(E) watches and watch parts (including  
16          cases, bracelets and straps), of whatever type  
17          including, but not limited to, mechanical, quartz  
18          digital or quartz analog, if such watches or  
19          watch parts contain any material which is the  
20          product of any country with respect to which  
21          HTS column 2 rates of duty apply; or

22          “(F) articles to which reduced rates of  
23          duty apply under subsection (h).

24          “(2) TRANSITION PERIOD TREATMENT OF CER-  
25          TAIN TEXTILE AND APPAREL ARTICLES.—

1                   “(A) PREFERENTIAL TARIFF AND QUOTA  
2                   TREATMENT.—During the transition period—

3                   “(i) clause (ii) applies with respect to  
4                   a textile or apparel article that is imported  
5                   into the United States from a CBTEA  
6                   beneficiary country and that—

7                   “(I) is assembled in a CBTEA  
8                   beneficiary country from fabrics whol-  
9                   ly formed and cut in the United  
10                  States from yarns formed in the  
11                  United States, and is imported into  
12                  the United States—

13                  “(aa) under subheading  
14                  9802.00.80 of the HTS; or

15                  “(bb) under chapter 61, 62  
16                  or 63 of the HTS, if after such  
17                  assembly the article would have  
18                  qualified for entry under sub-  
19                  heading 9802.00.80 of the HTS  
20                  but for the fact the article was  
21                  subjected to stone-washing, en-  
22                  zyme-washing, acid-washing,  
23                  perma-pressing, oven-baking,  
24                  bleaching, embroidery, or gar-  
25                  ment-dyeing;

1 “(II) is cut in a CBTEA bene-  
2 ficiary country from fabrics wholly  
3 formed in the United States from  
4 yarns formed in the United States  
5 and is assembled in a CBTEA bene-  
6 ficiary country with thread formed in  
7 the United States; or

8 “(III) is identified under sub-  
9 paragraph (B) as a handloomed,  
10 handmade, or folklore article of such  
11 country and is certified as such by the  
12 competent authority of such country;

13 “(ii) the President may proclaim with  
14 respect to an article described in clause (i)  
15 a reduction in the rate of duty up to 100  
16 percent of the amount of duty that other-  
17 wise would apply to such article; and

18 “(iii) except as provided in subpara-  
19 graph (D), no quantitative restriction or  
20 consultation level may be applied to the  
21 importation into the United States of any  
22 textile or apparel article that qualifies for  
23 preferential tariff treatment under clause  
24 (i).

1           “(B) HANDLOOMED, HANDMADE, AND  
2 FOLKLORE ARTICLES.—For purposes of sub-  
3 paragraph (A), the President, after consultation  
4 with the CBTEA beneficiary country concerned,  
5 shall determine which, if any, particular textile  
6 and apparel goods of the country shall be treat-  
7 ed as being handloomed, handmade, or folklore  
8 goods of a kind described in section 2.3 (a), (b),  
9 or (c) or Appendix 3.1.B.11 of the Annex.

10           “(C) TRANSITION PERIOD ADJUSTMENT OF  
11 EXISTING QUANTITATIVE RESTRICTIONS.—Dur-  
12 ing the transition period—

13           “(i) the President, after negotiating  
14 with the CBTEA beneficiary country con-  
15 cerned, may reduce the quantities of textile  
16 and apparel articles that can be imported  
17 into the United States under existing  
18 quantitative restrictions to reflect the  
19 quantities of textile and apparel articles  
20 from such country that are exempt from  
21 quota restrictions pursuant to subpara-  
22 graph (A)(iii); and

23           “(ii) whenever the President finds  
24 that transshipment within the meaning of  
25 clause (iii) has occurred, the President, fol-



1           lowing consultations with the CBTEA ben-  
2           eficiary countries through whose territories  
3           the President finds transshipment to have  
4           occurred, may reduce the quantities of tex-  
5           tile and apparel articles that can be im-  
6           ported into the United States under each  
7           existing quantitative restriction with each  
8           such country by an amount determined by  
9           the President; and

10           “(iii) transshipment within the mean-  
11           ing of this subparagraph has occurred  
12           when preferential tariff treatment for a  
13           textile or apparel article under subpara-  
14           graph (A) has been claimed on the basis of  
15           material false information concerning the  
16           country of origin, manufacture, processing,  
17           or assembly of the article or any of its  
18           components.

19           For purposes of clause (iii), false information is  
20           material if disclosure of the true information  
21           would mean or would have meant that the arti-  
22           cle is or was ineligible for preferential tariff  
23           treatment under subparagraph (A).

24           “(D) BILATERAL EMERGENCY ACTIONS.—

1 “(i) IN GENERAL.—The President  
2 may take—

3 “(I) bilateral emergency tariff ac-  
4 tions of a kind described in section 4  
5 of the Annex with respect to any tex-  
6 tile or apparel article imported from a  
7 CBTEA beneficiary country if the ap-  
8 plication of tariff treatment under  
9 subparagraph (A) to such an article  
10 results in conditions that would be  
11 cause for the taking of such actions  
12 under that section with respect to an  
13 article described in the same 8-digit  
14 subheading of the HTS that is im-  
15 ported from Mexico; or

16 “(II) bilateral emergency quan-  
17 titative restriction actions of a kind  
18 described in section 5 of the Annex  
19 with respect to imports of any textile  
20 or apparel article of a CBTEA bene-  
21 ficiary country, including articles eligi-  
22 ble for preferential tariff treatment  
23 under subparagraph (A), if the impor-  
24 tation of such an article into the  
25 United States results in conditions

1 that would be cause for the taking of  
2 such actions under that section with  
3 respect to an article described in the  
4 same 8-digit subheading of the HTS  
5 that is imported from Mexico.

6 “(ii) RULES RELATING TO BILATERAL  
7 EMERGENCY ACTION.—For purposes of ap-  
8 plying bilateral emergency action under  
9 this subparagraph—

10 “(I) the requirements of para-  
11 graph 5 of section 4 of the Annex (re-  
12 lating to providing compensation)  
13 shall not apply;

14 “(II) the term ‘transition period’  
15 in sections 4 and 5 of the Annex shall  
16 have the meaning given that term in  
17 paragraph (5)(C) of this subsection;

18 “(III) the requirements to con-  
19 sult specified in section 4 or 5 of the  
20 Annex shall be treated as satisfied if  
21 the President requests consultations  
22 with the beneficiary country in ques-  
23 tion and the country does not agree to  
24 consult within the time period speci-

1           fied under section 4 or 5, whichever is  
2           applicable;

3           “(IV) during the first 14 months  
4           after imports commence from a  
5           CBTEA beneficiary country under  
6           paragraph (2)(A) (or recommence be-  
7           cause of a redesignation of such coun-  
8           try), the minimum quantity of any  
9           textile or apparel article from such  
10          country subject to quantitative restric-  
11          tions may be determined under para-  
12          graph 7 of section 5 of the Annex  
13          based on a reasonable estimate (using  
14          available data where possible) of the  
15          quantity of such articles imported  
16          from such country during the relevant  
17          period (as defined in such paragraph  
18          7) that did not qualify or would not  
19          have qualified as originating goods;  
20          and

21          “(V) after the 14-month period  
22          described in subclause (IV), the min-  
23          imum quantity of articles subject to  
24          such quantitative restrictions shall be  
25          determined under paragraph 7 of sec-

1                   tion 5 of the Annex based on the most  
2                   recently available import statistics of  
3                   the Bureau of the Census.

4                   “(3) PREFERENTIAL TARIFF TREATMENT OF  
5           CERTAIN ARTICLES ORIGINATING IN CBTEA BENE-  
6           FICIARY COUNTRIES.—During the transition period,  
7           with respect to articles referred to in subparagraphs  
8           (B) through (F) of paragraph (1) that are CBTEA  
9           originating goods, the following applies:

10                   “(A) The President may proclaim with re-  
11                   spect to such articles a reduction in the rate of  
12                   duty up to 100 percent of the difference be-  
13                   tween ‘x’ and ‘y’, with the terms ‘x’ and ‘y’ hav-  
14                   ing the meaning given in subparagraph (B).

15                   “(B) For purposes of this paragraph, ‘x’  
16                   represents the rate of duty that would apply to  
17                   an article at the time of its importation from a  
18                   CBTEA beneficiary country but for the enact-  
19                   ment of the CBTEA, and ‘y’ represents the tar-  
20                   riff treatment for such an article that is ac-  
21                   corded to a good of Mexico under Annex 302.2  
22                   of the NAFTA, as implemented in United  
23                   States law.

24                   “(C) Subparagraph (A) does not apply to  
25                   any article accorded duty-free treatment under

1 U.S. Note 2(b) to subchapter II of chapter 98  
2 of the HTS.

3 “(D) If at any time during the transition  
4 period the rate of duty that would (but for ac-  
5 tions taken under subparagraph (A)) apply with  
6 respect to any article under subsection (h) is a  
7 rate of duty that is lower than the rate of duty  
8 resulting from such actions, then such lower  
9 rate of duty shall be applied.

10 “(4) CUSTOMS PROCEDURES.—

11 “(A) IN GENERAL.—

12 “(i) REGULATIONS.—Any importer  
13 that claims preferential treatment under  
14 paragraph (2) or (3) shall comply with  
15 customs procedures similar in all material  
16 respects to the requirements of Article  
17 502(1) of the NAFTA as implemented in  
18 United States law, in accordance with reg-  
19 ulations promulgated by the Secretary of  
20 the Treasury.

21 “(ii) DETERMINATION.—In order to  
22 qualify for such preferential treatment and  
23 for a Certificate of Origin to be valid with  
24 respect to articles for which such treat-

1                   ment is claimed, there shall be in effect a  
2                   determination by the President that—

3                   “(I) the CBTEA beneficiary  
4                   country from which the article is ex-  
5                   ported, and

6                   “(II) each CBTEA beneficiary  
7                   country in which materials used in the  
8                   production of the article originate or  
9                   undergo production that contributes  
10                  to a claim that the article is a  
11                  CBTEA originating good,  
12                  has implemented and follows, or is making  
13                  substantial progress toward implementing  
14                  and following, procedures and require-  
15                  ments similar in all material respects to  
16                  the relevant procedures and requirements  
17                  under Chapter 5 of the NAFTA.

18                  “(B) CERTIFICATE OF ORIGIN.—The Cer-  
19                  tificate of Origin that otherwise would be re-  
20                  quired pursuant to the provisions of subpara-  
21                  graph (A) shall not be required in the case of  
22                  an article imported under paragraph (2) or (3)  
23                  if such Certificate of Origin would not be re-  
24                  quired under Article 503 of the NAFTA, as im-

1           plemented in United States law, if the article  
2           were imported from Mexico.

3           “(5) DEFINITIONS AND SPECIAL RULES.—For  
4           purposes of this subsection:

5                   “(A) ANNEX.—The term ‘the Annex’  
6                   means Annex 300–B of the NAFTA.

7                   “(B) TEXTILE OR APPAREL ARTICLE.—  
8                   The term ‘textile or apparel article’ means any  
9                   article referred to in paragraph (1)(A) that is  
10                  a good listed in Appendix 1.1 of the Annex.

11                  “(C) TRANSITION PERIOD.—The term  
12                  ‘transition period’ means, with respect to a  
13                  CBTEA beneficiary country, the period that be-  
14                  gins on October 1, 1999 and ends on June 30,  
15                  2001.

16                  “(D) CBTEA BENEFICIARY COUNTRY.—(i)  
17                  The term ‘CBTEA beneficiary country’ means  
18                  any ‘beneficiary country,’ as defined by section  
19                  212(a)(1)(A) of the Caribbean Basin Economic  
20                  Recovery Act, which the President has deter-  
21                  mined has demonstrated commitments—

22                           “(I) to undertake its obligations under  
23                           the WTO on or ahead of schedule;

24                           “(II) to participate in negotiations to-  
25                           ward the completion of the FTAA or a



1 trade agreement comparable to the FTAA;  
2 and

3 “(III) to undertake other steps nec-  
4 essary for that country’s accession to the  
5 FTAA or a trade agreement comparable to  
6 the FTAA.

7 “(ii) In making the determination under  
8 clause (i), the President may consider the cri-  
9 teria in sections 212(b) and (c) and other ap-  
10 propriate criteria, including—

11 “(I) the extent to which the country  
12 follows accepted rules of international  
13 trade provided for under the agreements  
14 listed in section 101(d) of the Uruguay  
15 Round Agreements Act;

16 “(II) the extent to which the country  
17 provides protection of intellectual property  
18 rights in accordance with—

19 “(aa) standards established in  
20 the Agreement on Trade-Related As-  
21 pects of Intellectual Property Rights  
22 described in section 101(d)(15) of the  
23 Uruguay Round Agreements Act;

24 “(bb) standards established in  
25 chapter 17 of the NAFTA; and

1 “(cc) the grant of the ability to  
2 control the importation or sale of im-  
3 ports of products that embody copy-  
4 righted works, the extension to ten  
5 years of the ‘reasonable period’ under  
6 NAFTA Article 1711(6) for the pro-  
7 tection of test data related to the  
8 grant of marketing approval for agri-  
9 cultural chemicals, the protection of  
10 trademarks regardless of their subse-  
11 quent designation as geographic indi-  
12 cations, and the availability of en-  
13 forcement against infringing imports  
14 at the border;

15 “(III) the extent to which the country  
16 provides protections to investors and in-  
17 vestments of the United States substan-  
18 tially equivalent to those set forth in chap-  
19 ter 11 of the NAFTA;

20 “(IV) the extent to which the country  
21 provides the United States and other WTO  
22 members on a most-favored-nation basis  
23 with equitable and reasonable market ac-  
24 cess in the product sectors for which bene-  
25 fits are provided under paragraphs (2) and

1 (3), and in other relevant product sectors  
2 as determined by the President;

3 “(V) the extent to which the country  
4 provides internationally recognized worker  
5 rights, including the right of association,  
6 the right to organize and bargain collec-  
7 tively, a prohibition on the use of any form  
8 of coerced or compulsory labor, a minimum  
9 age for the employment of children, and  
10 acceptable conditions of work with respect  
11 to minimum wages, hours of work, and oc-  
12 cupational safety and health;

13 “(VI) the extent to which the country  
14 adopts, maintains, and effectively enforces  
15 laws providing for high levels of environ-  
16 mental protection;

17 “(VII) whether the country has met  
18 the counternarcotics certification criteria  
19 set forth in section 490 of the Foreign As-  
20 sistance Act of 1961 for eligibility for  
21 United States assistance;

22 “(VIII) the extent to which the coun-  
23 try ratifies and implements the Inter-  
24 American Convention Against Corruption;

1 “(IX) the extent to which the country  
2 supports the multilateral and regional ob-  
3 jectives of the United States with respect  
4 to government procurement, including the  
5 negotiation of government procurement  
6 provisions of an FTAA and conclusion of a  
7 WTO transparency agreement as provided  
8 in the declaration of the WTO Ministerial  
9 Conference held in Singapore on December  
10 9–13, 1996, and applies transparent and  
11 competitive procedures in government pro-  
12 curement equivalent to those in the Agree-  
13 ment on Government Procurement de-  
14 scribed in section 101(d)(17) of the Uru-  
15 guay Round Agreements Act;

16 “(X) the extent to which the country  
17 follows the rules on customs valuation set  
18 forth in the Agreement on Implementation  
19 of Article VII of the GATT 1994 described  
20 in section 101(d)(8) of the Uruguay Round  
21 Agreements Act; and

22 “(XI) the extent to which the country  
23 affords to products of the United States  
24 which the President determines to be of  
25 commercial importance to the United

1 States with respect to such country, and  
2 on a most-favored-nation basis to like  
3 products of other WTO members, tariff  
4 treatment that is no less favorable than  
5 the most favorable tariff treatment pro-  
6 vided by the country to any other country  
7 pursuant to any free trade agreement  
8 other than the Central American Common  
9 Market or the Caribbean Community and  
10 Common Market.

11 “(E) CBTEA ORIGINATING GOOD.—The  
12 term ‘CBTEA originating good’ means a good  
13 that meets the rules of origin for a good set  
14 forth in chapter 4 of the NAFTA, as imple-  
15 mented in United States law, and, in the case  
16 of a good described in Appendix 6.A of the  
17 Annex, the requirements stated in Appendix  
18 6.A, as implemented in United States law. In  
19 applying chapter 4 or Appendix 6.A with re-  
20 spect to a CBTEA beneficiary country for pur-  
21 poses of this subsection—

22 “(i) no countries other than the  
23 United States and CBTEA beneficiary  
24 countries may be treated as being Parties  
25 to the NAFTA;

1 “(ii) references to trade between the  
 2 United States and Mexico shall be deemed  
 3 to refer to trade between the United States  
 4 and a CBTEA beneficiary country;

5 “(iii) references to a Party shall be  
 6 deemed to refer to a CBTEA beneficiary  
 7 country or the United States, and

8 “(iv) references to Parties shall be  
 9 deemed to refer to any combination of  
 10 CBTEA beneficiary countries or to the  
 11 United States and a CBTEA beneficiary  
 12 country (or any combination thereof).”.

13 (b) DETERMINATION REGARDING RETENTION OF  
 14 DESIGNATION.—Section 212(e) of the Caribbean Basin  
 15 Economic Recovery Act (19 U.S.C. 2702(e)) is amended—

16 (1) in paragraph (1)—

17 (A) by inserting “(A)” after “(1)”;

18 (B) by redesignating subparagraphs (A)  
 19 and (B) as clauses (i) and (ii), respectively;

20 (C) by striking all that follows “such coun-  
 21 try” and inserting “no longer satisfies one or  
 22 more of the conditions for designation as a ben-  
 23 eficiary country set forth in subsection (b) or  
 24 such country fails adequately to meet one or

1 more of the criteria set forth in subsection  
2 (c).”; and

3 (D) by adding at the end the following:

4 “(B) The President may, after the requirements of  
5 subsection (a)(2) and paragraph (2) have been met—

6 “(i) withdraw or suspend the designation of any  
7 country as a CBTEA beneficiary country; or

8 “(ii) withdraw, suspend, modify, or limit the ap-  
9 plication of preferential treatment under section  
10 213(b)(2) and (3) to any article of any country,

11 if the President determines that such action is appropriate  
12 based on an evaluation of the criteria listed in section  
13 213(b)(5)(D).”; and

14 (2) by adding after paragraph (2) the following  
15 new paragraphs:

16 “(3) In the event the President withdraws, suspends,  
17 or limits the application of duty-free treatment accorded  
18 to a country under the Generalized System of Preferences  
19 based on one or more of the eligibility criteria in section  
20 502 of the Trade Act of 1974 (19 U.S.C. 2462) that are  
21 the same or similar to one or more of the eligibility criteria  
22 set forth in this title, the President shall likewise with-  
23 draw, suspend or limit the application of preferential  
24 treatment accorded to that country under this title.

1       “(4) If preferential treatment under section  
2 213(b)(2) and (3) is withdrawn, suspended, or limited  
3 with respect to a CBTEA beneficiary country, such coun-  
4 try shall not be deemed to be a ‘Party’ for the purposes  
5 of applying section 213(b)(5)(E) to imports of articles for  
6 which preferential treatment has been withdrawn, sus-  
7 pended, or limited with respect to such country.”.

8       (c) REPORTING REQUIREMENTS.—

9           (1) Section 212(f) of the Caribbean Basin Eco-  
10 nomic Recovery Act (19 U.S.C. 2702(f)) is amended  
11 to read as follows:

12       “(f) REPORTING REQUIREMENTS.—Not later than  
13 December 1, 2000, and at the close of each 3-year period  
14 thereafter, the President shall submit to the Congress a  
15 report regarding the operation of this title, including—

16           “(1) with respect to subsections (b) and (c), the  
17 results of a general review of beneficiary countries  
18 based on the considerations described in those sub-  
19 sections; and

20           “(2) the performance of each CBTEA bene-  
21 ficiary country under the criteria in section  
22 213(b)(5)(D).”.

23       (2) Section 203(f) of the Andean Trade Pref-  
24 erence Act (19 U.S.C. 3202(f)) is amended by strik-  
25 ing “On or before the 3rd, 6th and 9th anniversaries



1 of the date of the enactment of this title,” and in-  
2 serting “On or before March 1, 2000, and on or be-  
3 fore the close of each 3-year period thereafter during  
4 which duty-free treatment under this title remains in  
5 effect,”.

6 (d) INTERNATIONAL TRADE COMMISSION RE-  
7 PORTS.—

8 (1) CBERA REPORTS.—

9 (A) Section 215(a) of the Caribbean Basin  
10 Economic Recovery Act (19 U.S.C. 2704(a)) is  
11 amended to read as follows:

12 “(a)(1) The United States International Trade Com-  
13 mission (referred to in this section as the ‘Commission’)  
14 shall submit to the Congress and the President triennial  
15 reports regarding the economic impact of this Act on  
16 United States industries and consumers.

17 “(2) The first report after the enactment of the  
18 CBTEA shall be submitted on September 1, 2000, and  
19 subsequent reports shall be submitted on the close of each  
20 3-year period thereafter.

21 “(3) For purposes of this section, industries in the  
22 Commonwealth of Puerto Rico and the insular possessions  
23 of the United States are considered to be United States  
24 industries.”.

1 (B) Section 215(c) of the Caribbean Basin  
2 Economic Recovery Act (19 U.S.C. 2704(c)) is  
3 amended by striking “(1) Each report” and all  
4 that follows through “(2)”.

5 (2) ATPA REPORTS.—

6 (A) Section 206(a) of the Andean Trade  
7 Preference Act (19 U.S.C. 3204(a)) is amended  
8 to read as follows:

9 “(a)(1) The United States International Trade Com-  
10 mission (referred to in this section as the ‘Commission’)  
11 shall submit to the Congress and the President triennial  
12 reports regarding the economic impact of this Act on  
13 United States industries and consumers, and, in conjunc-  
14 tion with other agencies, the effectiveness of this Act in  
15 promoting drug-related crop eradication and crop substi-  
16 tution efforts of the beneficiary countries.

17 “(2) The first report after the enactment of the  
18 United States-Caribbean Basin Trade Enhancement Act  
19 shall be submitted on September 30, 1999, and subse-  
20 quent reports shall be submitted on the close of each 3-  
21 year period thereafter during which duty-free treatment  
22 under the Andean Trade Preference Act remains in effect.

23 “(3) For purposes of this section, industries in the  
24 Commonwealth of Puerto Rico and the insular possessions

1 of the United States are considered to be United States  
2 industries.”.

3 (B) Section 206(c) of the Andean Trade  
4 Preference Act (19 U.S.C. 3204(c)) is amended  
5 by striking “(1) Each report” and all that fol-  
6 lows through “(2)”.

7 (e) IMPACT STUDIES BY THE SECRETARY OF  
8 LABOR.—

9 (1) The text of section 216 of the Caribbean  
10 Basin Economic Recovery Act (19 U.S.C. 2705) is  
11 amended to read as follows:

12 “(a) The Secretary of Labor, in consultation with  
13 other appropriate Federal agencies, shall undertake a con-  
14 tinuing review and analysis of the impact that the imple-  
15 mentation of the provisions of this title has with respect  
16 to United States labor, shall review developments in labor  
17 conditions in the beneficiary countries, and shall make a  
18 triennial report to Congress on the results of such review  
19 and analysis.

20 “(b) The first report after the enactment of the  
21 CBTEA shall be submitted on September 1, 2000, and  
22 subsequent reports shall be submitted on the close of each  
23 3-year period thereafter.

24 “(c) For purposes of this section, industries in the  
25 Commonwealth of Puerto Rico and the insular possessions

1 of the United States are considered to be United States  
2 industries.”.

3           (2) The text of section 207 of the Andean  
4 Trade Preference Act (19 U.S.C. 3205) is amended  
5 to read as follows:

6           “(a) The Secretary of Labor, in consultation with  
7 other appropriate Federal agencies, shall undertake a con-  
8 tinuing review and analysis of the impact that the imple-  
9 mentation of the provisions of this title has with respect  
10 to United States labor, shall review developments in labor  
11 conditions in the beneficiary countries, and shall make a  
12 triennial report to Congress on the results of such review  
13 and analysis.

14           “(b) The first report after the enactment of the  
15 United States-Caribbean Basin Trade Enhancement Act  
16 shall be submitted on September 30, 1999, and subse-  
17 quent reports shall be submitted on the close of each 3-  
18 year period thereafter during which duty-free treatment  
19 under the Andean Trade Preference Act remains in effect.

20           “(c) For purposes of this section, industries in the  
21 Commonwealth of Puerto Rico and the insular possessions  
22 of the United States are considered to be United States  
23 industries.”.

24           (f) CONFORMING AMENDMENTS.—

1           (1) Section 211 of the Caribbean Basin Eco-  
2           nomic Recovery Act (19 U.S.C. 2701) is amended by  
3           inserting “or other preferential” after “duty-free”.

4           (2) Section 213(a)(1) of the Caribbean Basin  
5           Economic Recovery Act (19 U.S.C. 2703(a)(1)) is  
6           amended by inserting “and except as provided in  
7           section 213(b) (2) and (3),” after “Tax Reform Act  
8           of 1986,”.

9   **SEC. 5. ADEQUATE AND EFFECTIVE PROTECTION FOR IN-**  
10                   **TELLECTUAL PROPERTY RIGHTS.**

11          Section 212(c) of the Caribbean Basin Economic Re-  
12          covery Act (19 U.S.C. 2702(c)) is amended by adding at  
13          the end the following flush sentence:

14          “Notwithstanding any other law, the President may deter-  
15          mine that a country is not providing adequate and effec-  
16          tive protection of intellectual property rights under para-  
17          graph (9), even if the country is in compliance with the  
18          country’s obligations under the Agreement on Trade-Re-  
19          lated Aspects of Intellectual Property Rights described in  
20          section 101(d)(15) of the Uruguay Round Agreements Act  
21          (19 U.S.C. 3511(d)(15)).”.

22   **SEC. 6. DEFINITIONS.**

23          Section 212(a)(1) of the Caribbean Basin Economic  
24          Recovery Act (19 U.S.C. 2702(a)(1)) is amended by add-  
25          ing at the end the following new subparagraph:

1           “(D) The term ‘NAFTA’ means the North  
2           American Free Trade Agreement entered into  
3           between the United States, Mexico, and Canada  
4           on December 17, 1992.

5           “(E) The term ‘‘CBTEA’’ means the  
6           United States-Caribbean Basin Trade Enhance-  
7           ment Act.’’.

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