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November 20, 2008

Office of the United States Trade Representative Docket No. USTR-2008-0036 Interagency Section 301 Committee

Re: Review of action taken in connection with WTO dispute settlement proceedings on the European Communities' (EC) measures concerning meat and meat products.

Subject of the Submission: HTS 09042020 Paprika, dried, crushed or ground

These comments are submitted on behalf of the American Spice Trade Association (ASTA) in response to the request for comments regarding possible modifications to the action taken by the U.S. Trade Representative in connection with the WTO authorization in the EC-Beef Hormones dispute to the U.S. to suspend concessions and related obligations with respect to the EC.

ASTA is a trade association that represents the U.S. spice industry. It was founded in 1907 and represents the interests of approximately 175 members including companies that grow, dehydrate, and process spices. ASTA's members include U.S.-based agents, brokers, and importers, and companies based outside of the U.S. that grow spices and ship them to the U.S. and other companies associated with the U.S. spice industry. ASTA members manufacture and market the majority of spices sold in the U.S. at retail and to food processors.

Annex II to the Federal Register notice contains a list of potential products under consideration for imposing increased duties, including paprika. ASTA urges the interagency section 301 Committee to remove paprika from the list and not impose increased rates of duty on paprika.

Increasing rates of duty on paprika would harm the U.S. spice industry because costs would rise significantly. It would especially harm the many small businesses that comprise the majority of the industry. In addition, consumers would also be adversely affected by increased costs. Imposing increased duties would cause disproportionate economic harm to the spice industry and consumers, who are currently experiencing large increases in the cost of food.

Thank you for considering removing paprika from the Annex II list of products. Please contact me, CDeem@astaspice.org, if you have questions.

Sincerely,

Cheryl Deem Executive Director