

EXECUTIVE OFFICE OF THE PRESIDENT
THE UNITED STATES TRADE REPRESENTATIVE
WASHINGTON, D.C. 20508

May 18, 2004

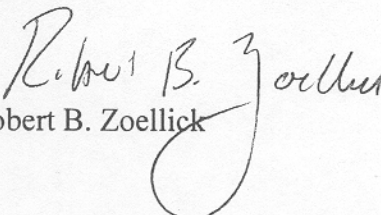
The Honorable Mark Vaile MP
Minister for Trade
Parliament House
Canberra ACT 2600

Dear Minister Vaile:

I refer to discussions between our respective delegations in the course of negotiations regarding Article 2.8 (Waiver of Customs Duties) of the United States–Australia Free Trade Agreement (the “Agreement”).

The United States has examined the provisions of Australia’s Automotive Competitiveness Investment Scheme (ACIS) and affirms that, as of the date of this letter, ACIS does not contain any performance requirements as defined in Chapter Two (National Treatment and Market Access for Goods) of the Agreement.

Sincerely,


Robert B. Zoellick