

TO IMPLEMENT TITLE V OF THE TRADE AND DEVELOPMENT ACT OF 2000 AND TO MODIFY THE GENERALIZED SYSTEM OF PREFERENCES

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COMMUNICATION

FROM

**THE PRESIDENT OF THE UNITED STATES**

TRANSMITTING

NOTIFICATION OF HIS INTENTION TO MODIFY THE LIST OF BENEFICIARY DEVELOPING COUNTRIES UNDER THE GENERALIZED SYSTEM OF PREFERENCES, CHANGING THE DESIGNATION OF "WESTERN SAMOA" TO "SAMOA" SUBMITTED IN ACCORDANCE WITH SECTION 502(f) OF THE TRADE ACT OF 1974



DECEMBER 6, 2000.—Referred to the Committee on Ways and Means and ordered to be printed

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WASHINGTON : 2000



THE WHITE HOUSE,  
*Washington, December 1, 2000.*

Hon. J. DENNIS HASTERT,  
*Speaker of the House of Representatives,*  
*Washington, DC.*

DEAR MR. SPEAKER: I hereby notify you of my intent to modify the list of beneficiary developing countries under the Generalized System of Preferences (GSP), which offers duty-free access to the U.S. market for eligible products imported from designated beneficiary developing countries. Specifically, I intend to change the designation of "Western Samoa" to "Samoa," to reflect this nation's current name, in the list of beneficiary developing countries and to designate Samoa as a least-developed beneficiary developing country under the GSP. I have carefully considered the criteria in sections 501 and 502 of the Trade Act of 1974 and have determined that it is appropriate to designate Samoa as such.

This notice is submitted in accordance with section 502(f) of the Trade Act of 1974.

Sincerely,

WILLIAM J. CLINTON.



TO IMPLEMENT TITLE V OF THE TRADE AND DEVELOPMENT ACT OF  
2000 AND TO MODIFY THE GENERALIZED SYSTEM OF PREFERENCES

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BY THE PRESIDENT OF THE UNITED STATES OF AMERICA

A PROCLAMATION

1. Title V of the Trade and Development Act of 2000 (Public Law 106–200) (the “Act”) modifies the tariff treatment of certain imported wool articles.

2. Section 501(a)(1) of the Act amends the Harmonized Tariff Schedule of the United States (HTS) to create a new heading, 9902.51.11, for imports of certain worsted wool fabrics with average fiber diameters greater than 18.5 microns. Section 501(d) of the Act limits the quantity of imports under heading 9902.51.11, on an annual basis, to 2,500,000 square meter equivalents or such other quantity proclaimed by the President pursuant to section 504(b)(3) of the Act.

3. Section 501(b)(1) of the Act amends the HTS to create a new heading, 9902.51.12, for imports of certain worsted wool fabrics with average fiber diameters of 18.5 microns or less. Section 501(d) of the Act limits the quantity of imports under heading 9902.51.12, on an annual basis, to 1,500,000 square meter equivalents or such other quantity proclaimed by the President pursuant to section 504(b)(3) of the Act.

4. Section 501(b)(2) of the Act authorizes the President to proclaim a reduction in the rate of duty applicable to imports of worsted wool fabrics classified under heading 9902.51.12 of the HTS that is necessary to equalize such rate of duty with the most favored nation rate of duty applicable to imports of such worsted wool fabrics into Canada.

5. Section 501(e) of the Act provides that in implementing the limitation on the quantity of imports of worsted wool fabrics under headings 9902.51.11 and 9902.51.12 of the HTS, the President, consistent with U.S. international obligations, shall take such action as he determines appropriate to ensure that such fabrics are fairly allocated to persons who cut and sew men’s and boys’ worsted wool suits and suit-type jackets and trousers in the United States and who apply for an allocation based on the amount of such suits cut and sewn during the prior calendar year.

6. Section 503(a) of the Act requires the President to proclaim 8-digit tariff categories for certain wool yarn and wool fabrics with an average fiber diameter of 18.5 microns or less, and men’s or boys’ suits, suit-type jackets, and trousers of worsted wool fabric, made of wool yarn with an average diameter of 18.5 microns or less. Section 503(b) of the Act authorizes the President to make

conforming changes in the HTS to take into account the new tariff categories proclaimed under section 503(a).

7. Section 504(a) of the Act requires the President to monitor market conditions in the United States, including domestic demand, domestic supply, and increases in domestic production, of worsted wool fabrics and their components in the market for (i) men's or boys' worsted wool suits, suit-type jackets, and trousers, (ii) worsted wool fabrics and yarn used in the manufacture of such apparel articles, and (iii) wool used in the production of such fabrics and yarn.

8. Section 504(b)(1) requires the President, on an annual basis, to consider requests from domestic manufacturers of apparel products made of worsted wool fabrics described in section 504(a) to modify the limitation on the quantity of imports of worsted wool fabrics under headings 9902.51.11 and 9902.51.12 of the HTS.

9. Section 504(b)(3) of the Act authorizes the President, after taking into account the market conditions set forth in section 504(b)(2) of the Act, to modify the limitation on the quantity of imports of worsted wool fabrics under headings 9902.51.11 and 9902.51.12 of the HTS, provided that any such modification shall not exceed 1,000,000 square meter equivalents annually for each heading, and to proclaim any such modifications.

10. Section 504(c) requires the President to issue regulations to implement the provisions of section 504.

11. I have determined that it is appropriate to authorize the Secretary of Commerce (Secretary) to perform certain functions specified in sections 501(e) and 504(b) of the Act.

12. I have determined that it is appropriate to authorize the United States Trade Representative (USTR) to perform certain functions specified in section 504(a) of the Act.

13. Sections 501 and 502 of the Trade Act of 1974, as amended (the "1974 Act") (19 U.S.C. 2461 and 2462), authorize the President to designate countries as beneficiary developing countries and as least-developed beneficiary developing countries for purposes of the Generalized System of Preferences (GSP).

14. Pursuant to Executive Order 11888 of November 24, 1975, Western Samoa was designated as a beneficiary developing country for purposes of the GSP. I have determined that the designation of Western Samoa as a beneficiary developing country under the GSP should be modified so that the designation applies to Samoa. Furthermore, pursuant to section 502 of the 1974 Act, and having due regard for the eligibility criteria set forth therein, I have determined that it is appropriate to designate Samoa as a least-developed beneficiary developing country for purposes of the GSP.

15. Proclamation 6425 of April 29, 1992, suspended the application of duty-free treatment under the GSP for certain handloomed cotton fabrics imported from India. On September 14, 2000, the United States Government and the Government of India entered into a Memorandum of Understanding in which the United States agreed to restore GSP treatment for certain handloomed cotton fabrics. Pursuant to section 501 of the 1974 Act, I have determined that it is appropriate to restore GSP treatment for these articles to give effect to the Memorandum of Understanding.

16. Section 604 of the 1974 Act (19 U.S.C. 2483) authorizes the President to embody in the HTS the substance of the relevant provisions of that Act, and of other acts affecting import treatment, and actions thereunder, including the removal, modification, continuance, or imposition of any rate of duty or other import restriction.

NOW, THEREFORE, I, WILLIAM J. CLINTON, President of the United States of America, acting under the authority vested in me by the Constitution and the laws of the United States of America, including section 301 of title 3, United States Code, title V of the Act, and sections 501, 502, and 604 of the 1974 Act, do proclaim that:

(1) In order to provide separate tariff treatment for the articles specified in section 503(a) of the Act, the HTS is modified as provided in section A of the Annex to this proclamation.

(2) In order to make conforming changes to take into account the new permanent tariff categories established in section A of the Annex to this proclamation, the HTS is further modified as provided in section B of the Annex to this proclamation.

(3) The Secretary is authorized to exercise the authority set forth in section 501(e) of the Act to allocate the quantity of imports of worsted wool fabrics under headings 9902.51.11 and 9902.51.12. Any determination by the Secretary under this paragraph shall be set forth in a notice or notices that the Secretary shall cause to be published in the *Federal Register*.

(4) The Secretary is authorized to monitor the most favored nation rate of duty applicable to imports into Canada of worsted wool fabrics of the kind classified under heading 9902.51.12 of the HTS and shall notify the President of any reduction, effective on or after May 18, 2000, in the Canadian most favored nation rate of duty on such imports. The Secretary shall cause to be published in the *Federal Register* a notice describing any such reduction.

(5) The Secretary is authorized to exercise the authority set forth in section 504(b)(1) of the Act to consider, on an annual basis, requests from domestic manufacturers of apparel products made of worsted wool fabrics described in section 504(a) to modify the limitation on the quantity of imports of worsted wool fabrics under headings 9902.51.11 and 9902.51.12 of the HTS.

(6) The Secretary is authorized to determine, under section 504(b)(3) of the Act, whether the limitation on the quantity of imports of worsted wool fabrics under headings 9902.51.11 and 9902.51.12 of the HTS should be modified and to recommend to the President that appropriate modifications be made.

(7) The Secretary is authorized to issue regulations to implement the provisions of sections 501 and 504(b) of the Act, the implementation of which have been delegated to the Secretary pursuant to paragraphs 3, 4, 5, and 6 of this proclamation.

(8) The USTR is authorized to exercise the authority set forth in section 504(a) of the Act to monitor market conditions in the United States for the worsted wool articles specified in that section.

(9) In order to reflect a change in the name of a designated beneficiary developing country for purposes of the GSP, general note 4(a) to the HTS is modified by striking "Western Samoa" and by

inserting in alphabetical sequence in lieu thereof "Samoa" in the enumeration of independent beneficiary developing countries.

(10) Samoa is designated as a least-developed beneficiary developing country for purposes of the GSP and title V of the 1974 Act. In order to reflect such designation, general note 4(b)(i) to the HTS, enumerating those countries designated as least-developed beneficiary developing countries for purposes of the GSP, is modified by inserting in alphabetical sequence "Samoa."

(11) In order to provide that India is again treated as a beneficiary developing country with respect to certain certified handloomed cotton fabrics for purposes of the GSP program, the HTS is modified as provided in section C of the Annex to this proclamation.

(12) Any provisions of previous proclamations and Executive Orders that are inconsistent with the actions taken in this proclamation are superseded to the extent of such inconsistency.

(13) This proclamation is effective on the date of signature of this proclamation, except that the designation of Samoa as a least-developed beneficiary developing country shall be effective with respect to articles entered, or withdrawn from warehouse for consumption, on or after the date that is 60 days from the date of publication of this proclamation in the *Federal Register*.

IN WITNESS WHEREOF, I have hereunto set my hand this first day of December, in the year of our Lord two thousand, and of the Independence of the United States of America the two hundred and twenty-fifth.

WILLIAM J. CLINTON.



## ANNEX

Section A. Effective with respect to goods entered, or withdrawn from warehouse for consumption, on or after the date of signature of this proclamation, the Harmonized Tariff Schedule of the United States (HTS) is modified as set forth herein, with the language inserted in the columns entitled "Heading/Subheading", "Article Description", "Rates of Duty 1-General", "Rates of Duty 1-Special" and "Rates of Duty 2", respectively:

(1) Chapter 51 of the HTS is modified--

(a) by striking subheadings 5107.10.00 and 5107.20.00 and by inserting in lieu thereof the following new provisions, with the new superior text at the same level of indentation as the article description of subheading 5106.20.00:

[5107	: Yarn...(con.):]	:	:	:
"5107.10	: Containing 85 percent or more by weight of wool:	:	:	:
5107.10.30	: Of wool fiber with an average fiber diameter	:	:	:
:	: of 18.5 microns or less.....	: 7.2%	:	: Free (CA,IL,MX) : 55.5%
:	:	:	:	:
5107.10.60	: Other.....	: 7.2%	:	: Free (CA,IL,MX) : 55.5%
5107.20	: Containing less than 85 percent by weight of wool:	:	:	:
5107.20.30	: Of wool fiber with an average fiber diameter	:	:	:
:	: of 18.5 microns or less.....	: 7.2%	:	: Free (CA,IL,MX) : 55.5%
:	:	:	:	:
5107.20.60	: Other.....	: 7.2%	:	: Free (CA,IL,MX) : 55.5%"

Conforming changes: Subheadings 5107.10.30 and 5107.10.60 shall each be accorded the same staged reductions in General rates of duty as were previously proclaimed for subheading 5107.10.00, and subheadings 5107.20.30 and 5107.20.60 shall each be accorded the same staged reductions in General rates of duty as were previously proclaimed for subheading 5107.20.00.

(b) by striking subheadings 5109.10.60 and 5109.90.60 and by inserting in lieu thereof the following new provisions, with each new superior text at the same level of indentation as the article description of subheading 5109.10.40:

[5109	: Yarn...(con.):]	:	:	:
[5109.10	: Containing...(con.):]	:	:	:
:	: [Other:]	:	:	:
:	: "Other:	:	:	:
5109.10.80	: Of wool fiber with an average fiber	:	:	:
:	: diameter of 18.5 microns or less.....	: 7.2%	:	: Free (CA,IL,MX) : 55.5%
:	:	:	:	:
5109.10.90	: Other.....	: 7.2%	:	: Free (CA,IL,MX) : 55.5%"
[5109.90	: Other:]	:	:	:
:	: [Other:]	:	:	:
:	: "Other:	:	:	:
5109.90.80	: Of wool fiber with an average fiber	:	:	:
:	: diameter of 18.5 microns or less.....	: 7.2%	:	: Free (CA,IL,MX) : 55.5%
:	:	:	:	:
5109.90.90	: Other.....	: 7.2%	:	: Free (CA,IL,MX) : 55.5%"

Conforming changes: Subheadings 5109.10.80 and 5109.10.90 shall each be accorded the same staged reductions in General rates of duty as were previously proclaimed for subheading 5109.10.60, and subheadings 5109.90.80 and 5109.90.90 shall each be accorded the same staged reductions in General rates of duty as were previously proclaimed for subheading 5109.90.60.

(c) by striking subheading 5112.11.20 and by inserting in lieu thereof the following new provisions, with the new superior text at the same level of indentation as the article description of subheading 5112.11.10:

[5112	: Woven...(con.):]	:	:	:
:	: [Containing...(con.):]	:	:	:
[5112.11	: Of...(con.):]	:	:	:
:	: "Other:	:	:	:
5112.11.30	: Of wool yarns with an average	:	:	:
:	: fiber diameter of 18.5 microns or	:	:	:
:	: less.....	: 29.4%	:	: Free (CA,IL,MX) : 68.5%
:	:	:	:	:
5112.11.60	: Other.....	: 29.4%	:	: Free (CA,IL,MX) : 68.5%"

Conforming changes: Subheadings 5112.11.30 and 5112.11.60 shall each be accorded the same staged reductions in General rates of duty as were previously proclaimed for subheading 5112.11.20.

(d) by striking subheading 5112.19.90 and by inserting in lieu thereof the following new provisions, with the new superior text at the same level of indentation as the article description of subheading 5112.19.20:

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[5112	: Woven...(con.):]	:	:	:	:
	: [Containing...(con.):]	:	:	:	:
[5112.19	: Other:]	:	:	:	:
	: "Other:	:	:	:	:
5112.19.60	: Of wool yarns with an average	:	:	:	:
	: fiber diameter of 18.5 microns or	:	:	:	:
	: less.....	: 29.4%	:	: Free (CA,IL,MX) :	: 68.5%
5112.19.95	: Other.....	: 29.4%	:	: Free (CA,IL,MX) :	: 68.5%"

Conforming changes: Subheadings 5112.19.60 and 5112.19.95 shall each be accorded the same staged reductions in General rates of duty as were previously proclaimed for subheading 5112.19.90.

## (2) Chapter 62 of the HTS is modified--

(a) by striking subheadings 6203.11.10 and 6203.11.20 and by inserting in lieu thereof the following new provisions, with each new superior text inserted at the same level of indentation as the article description of subheading 6203.12.10:

[6203	: Men's...(con.):]	:	:	:	:
	: [Suits (con.):]	:	:	:	:
[6203.11	: Of...(con.):]	:	:	:	:
	: "Containing 30 percent or more by weight	:	:	:	:
	: of silk or silk waste:	:	:	:	:
6203.11.15	: Of worsted wool fabric, made of	:	:	:	:
	: wool yarn having an average fiber	:	:	:	:
	: diameter of 18.5 microns or less.....	: 7.5%	:	: Free (CA,IL,MX) :	: 65%
6203.11.30	: Other.....	: 7.5%	:	: Free (CA,IL,MX) :	: 65%
	: Other:	:	:	:	:
6203.11.60	: Of worsted wool fabric, made of	:	:	:	:
	: wool yarn having an average fiber	:	:	:	:
	: diameter of 18.5 microns or less.....	: 21.2¢/kg +	:	: Free (CA,IL,MX) :	: 52.9¢/kg +
		: 18.9%	:	:	: 58.5%
6203.11.90	: Other.....	: 21.2¢/kg +	:	: Free (CA,IL,MX) :	: 52.9¢/kg +
		: 18.9%	:	:	: 58.5%"

Conforming changes: (i) Subheading 9906.98.02 is modified by striking "6203.11.10, 6203.11.20," and by inserting in lieu thereof "6203.11.15, 6203.11.30, 6203.11.60, 6203.11.90,"; and (ii) subheadings 6203.11.60 and 6203.11.90 shall each be accorded the same staged reductions in General rates of duty as were previously proclaimed for subheading 6203.11.20.

(b) by striking subheading 6203.21.00 and by inserting in lieu thereof the following new provisions, with the new superior text inserted at the same level of indentation as the superior text designated as 6203.19:

[6203	: Men's...(con.):]	:	:	:	:
	: [Ensembles:]	:	:	:	:
"6203.21	: Of wool or fine animal hair:	:	:	:	:
6203.21.30	: Suits, suit-type jackets and trousers, the	:	:	:	:
	: foregoing of worsted wool fabric, made	:	:	:	:
	: of wool yarn having an average fiber	:	:	:	:
	: diameter of 18.5 microns or less.....	: The rate ap-	:	: Free (CA,IL)	: The rate ap-
		: plicable to	:	: The rate applic-	: plicable to
		: each garment	:	: able to each gar-	: each garment
		: in the ensemble:	:	: ment in the en-	: in the ensem-
		: if separately	:	: semble if separ-	: ble if separ-
		: entered	:	: ately entered	: ately entered
			:	: (MX)	:
6203.21.90	: Other.....	: The rate ap-	:	: Free (CA,IL)	: The rate ap-
		: plicable to	:	: The rate applic-	: plicable to
		: each garment	:	: able to each gar-	: each garment
		: in the ensemble:	:	: ment in the en-	: in the ensem-
		: if separately	:	: semble if separ-	: ble if separ-
		: entered	:	: ately entered	: ately entered"
			:	: (MX)	:

Conforming changes: (i) subheading 9906.98.02 is modified by striking "6203.21.00," and by inserting in lieu thereof "6203.21.30, 6203.21.90,"; and (ii) effective with respect to goods of Mexico under the terms of general note 12 that are entered, or withdrawn from warehouse for consumption, on or after January 1, 2003, subheadings 6203.21.30 and 6203.21.90 are each amended by striking "The rate applicable to each garment in the ensemble if separately entered (MX)" and by inserting in the Special subcolumn in alphabetical sequence in the parenthetical expression for each such subheading "MX".

(c) by striking subheading 6203.31.00 and by inserting in lieu thereof the following new provisions, with the new superior text inserted at the same level of indentation as the superior text designated as 6203.32:

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[6203	: Men's...(con.):	:	:	:
:	: [Suit-type...(con.):]	:	:	:
"6203.31	: Of wool or fine animal hair:	:	:	:
6203.31.50	: Of worsted wool fabric, made of wool	:	:	:
:	: yarn having an average fiber diameter of	:	:	:
:	: 18.5 microns or less.....	: 19.3%	: Free (CA,IL)	: 59.5%
:	:	:	: 6.6% (MX)	:
6203.31.90	: Other.....	: 19.3%	: Free (CA,IL)	: 59.5%"
:	:	:	: 6.6% (MX)	:

Conforming changes: (i) subheading 9906.98.02 is modified by striking "6203.31.00," and by inserting in lieu thereof "6203.31.50, 6203.31.90,"; and (ii) subheadings 6203.31.50 and 6203.31.90 shall each be accorded the same staged reductions in General rates of duty and in the Special rates of duty accorded to goods of Mexico under the terms of general note 12 to the tariff schedule as were previously proclaimed for subheading 6203.31.00.

(d) by striking subheading 6203.41.15 and by inserting in lieu thereof the following new provisions, with the new superior text inserted at the same level of indentation as the article 6203.41.05:

[6203	: Men's...(con.):	:	:	:
:	: [Trousers...(con.):]	:	:	:
[6203.41	: Of...(con.):]	:	:	:
:	: [Trousers...(con.):]	:	:	:
:	: "Other:	:	:	:
6203.41.12	: Trousers of worsted wool	:	:	:
:	: fabric, made of wool yarn	:	:	:
:	: having an average fiber diam-	:	:	:
:	: eter of 18.5 microns or less.....	: 46.3¢/kg +	: Free (CA,IL,MX)	: 52.9¢/kg +
:	:	: 18.2%	:	: 58.5%
6203.41.18	: Other.....	: 46.3¢/kg +	: Free (CA,IL,MX)	: 52.9¢/kg +
:	:	: 18.2%	:	: 58.5%"

Conforming change: Subheadings 6203.41.12 and 6203.41.18 shall each be accorded the same staged reductions in General rates of duty as were previously proclaimed for subheading 6203.41.15.

Section B. Effective with respect to goods entered, or withdrawn from warehouse for consumption, on or after January 1, 2001, the headings in the first column set forth below are each modified by striking from the parenthetical references in the article descriptions the provisions in the second column set forth below, and by inserting in lieu thereof in numerical sequence the provisions in the third column set forth below:

9902.51.11	"5112.11.20, or 5112.19.90"	"5112.11.60 or 5112.19.95"
9902.51.12	"5112.11.20, or 5112.19.90"	"5112.11.30 or 5112.19.60"
9902.51.13	"5107.10.00"	"5107.10.30"

Section C. Effective with respect to goods entered, or withdrawn from warehouse for consumption, on or after the date of signature of this proclamation, the HTS is further modified as follows:

(1) General note 4(d) to the HTS is modified by striking the following HTS subheadings and the country listed opposite them:

"5208.31.20.....India	5208.52.10.....India
5208.32.10.....India	5209.31.30.....India
5208.41.20.....India	5209.41.30.....India
5208.42.10.....India	5310.90.00.....India"
5208.51.20.....India	

(2) Each of the following HTS subheadings is modified by striking, from the parenthetical expression in the Rates of Duty 1-Special subcolumn, the symbol "A\*," and by inserting in lieu thereof "A,":

5208.31.20	5208.42.10	5209.31.30
5208.32.10	5208.51.20	5209.41.30
5208.41.20	5208.52.10	5:

