

tion, see section 1953 of Pub. L. 104-188, set out as a note under section 2461 of this title.

Executive Documents

TERMINATION OF TRUST TERRITORY OF THE PACIFIC ISLANDS

For termination of Trust Territory of the Pacific Islands, see note set out preceding section 1681 of Title 48, Territories and Insular Possessions.

SUBCHAPTER VI—GENERAL PROVISIONS

§ 2481. Definitions

For purposes of this chapter—

(1) The term “duty” includes the rate and form of any import duty, including but not limited to tariff-rate quotas.

(2) The term “other import restriction” includes a limitation, prohibition, charge, or exaction other than duty, imposed on importation or imposed for the regulation of importation. The term does not include any orderly marketing agreement.

(3) The term “ad valorem” includes ad valorem equivalent. Whenever any limitation on the amount by which or to which any rate of duty may be decreased or increased pursuant to a trade agreement is expressed in terms of an ad valorem percentage, the ad valorem amount taken into account for purposes of such limitation shall be determined by the President on the basis of the value of imports of the articles concerned during the most recent representative period.

(4) The term “ad valorem equivalent” means the ad valorem equivalent of a specific rate or, in the case of a combination of rates including a specific rate, the sum of the ad valorem equivalent of the specific rate and of the ad valorem rate. The ad valorem equivalent shall be determined by the President on the basis of the value of imports of the article concerned during the most recent representative period. In determining the value of imports, the President shall utilize, to the maximum extent practicable, the standards of valuation contained in section 1401a or 1402¹ of this title (as in effect before the effective date of the amendments made by title II of the Trade Agreements Act of 1979) or in section 1401a of this title (as in effect on the effective date of such title II amendments) whichever is applicable to the article concerned during such representative period.

(5) An imported article is “directly competitive with” a domestic article at an earlier or later stage of processing, and a domestic article is “directly competitive with” an imported article at an earlier or later stage of processing, if the importation of the article has an economic effect on producers of the domestic article comparable to the effect of importation of articles in the same stage of processing as the domestic article. For purposes of this paragraph, the unprocessed article is at an earlier stage of processing.

(6) The term “modification”, as applied to any duty or other import restriction, includes

the elimination of any duty or other import restriction.

(7) The term “existing” means (A) when used, without the specification of any date, with respect to any matter relating to entering into or carrying out a trade agreement or other action authorized by this chapter, existing on the day on which such trade agreement is entered into or such other action is taken; and (B) when used with respect to a rate of duty, the nonpreferential rate of duty (however established, and even though temporarily suspended by Act of Congress or otherwise) set forth in rate column numbered 1 of chapters 1 through 97 of the Harmonized Tariff Schedule of the United States on the date specified or (if no date is specified) on the day referred to in clause (A).

(8) A product of a country or area is an article which is the growth, produce, or manufacture of such country or area.

(9) The term “nondiscriminatory treatment” means trade treatment based on normal trade relations (known under international law as most-favored-nation treatment).

(10) The term “commerce” includes services associated with international trade.

(Pub. L. 93-618, title VI, §601, Jan. 3, 1975, 88 Stat. 2071; Pub. L. 96-39, title II, §202(c)(1), title XI, §1106(h)(1), July 26, 1979, 93 Stat. 202, 313; Pub. L. 100-418, title I, §1214(j)(5), Aug. 23, 1988, 102 Stat. 1158; Pub. L. 105-206, title V, §5003(b)(2)(B), July 22, 1998, 112 Stat. 789.)

Editorial Notes

REFERENCES IN TEXT

Section 1402 of this title, referred to in par. (4), was repealed by Pub. L. 96-39, title II, §201(b), July 26, 1979, 93 Stat. 201.

The effective date of the amendments made by title II of the Trade Agreements Act of 1979, referred to in par. (4), is July 1, 1980. See section 204(a) of Pub. L. 96-39, set out as an Effective Date of 1979 Amendment note under section 1401a of this title.

The Harmonized Tariff Schedule of the United States, referred to in par. (7), is not set out in the Code. See Publication of Harmonized Tariff Schedule note set out under section 1202 of this title.

AMENDMENTS

1998—Par. (9). Pub. L. 105-206 substituted “trade treatment based on normal trade relations (known under international law as most-favored-nation treatment)” for “most-favored-nation treatment”.

1988—Par. (7). Pub. L. 100-418 substituted “chapters 1 through 97 of the Harmonized Tariff Schedule of the United States” for “schedules 1 through 7 of the Tariff Schedules of the United States”.

1979—Par. (2). Pub. L. 96-39, §1106(h)(1), substituted “or exaction” for “and exaction”.

Par. (4). Pub. L. 96-39, §202(c)(1), substituted “section 1401a or 1402 of this title (as in effect before the effective date of the amendments made by title II of the Trade Agreements Act of 1979) or in sections 1401a of this title (as in effect on the effective date of such title II amendments) whichever is applicable” for “section 1401a or 1402 of this title applicable”.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100-418 effective Jan. 1, 1989, and applicable with respect to articles entered on or

¹ See References in Text note below.

after such date, see section 1217(b)(1) of Pub. L. 100-418, set out as an Effective Date note under section 3001 of this title.

EFFECTIVE DATE OF 1979 AMENDMENT

Amendment by section 202(c)(1) of Pub. L. 96-39 effective July 1, 1980, see section 204(a) of Pub. L. 96-39, set out as a note under section 1401a of this title.

Amendment by section 1106(h)(1) of Pub. L. 96-39 effective July 26, 1979, see section 1114 of Pub. L. 96-39, set out as an Effective Date note under section 2581 of this title.

SAVINGS PROVISION

Pub. L. 105-206, title V, §5003(c), July 22, 1998, 112 Stat. 790, provided that: "Nothing in this section [amending this section, sections 1881, 2432, 3332 and 3555 of this title, and sections 5401 and 5713 of Title 22, Foreign Relations and Intercourse, enacting provisions set out as notes under this section, and amending provisions set out as a note under section 2112 of this title] shall affect the meaning of any provision of law, Executive order, Presidential proclamation, rule, regulation, delegation of authority, other document, or treaty or other international agreement of the United States relating to the principle of 'most-favored-nation' (or 'most favored nation') treatment. Any Executive order, Presidential proclamation, rule, regulation, delegation of authority, other document, or treaty or other international agreement of the United States that has been issued, made, granted, or allowed to become effective and that is in effect on the effective date of this Act [July 22, 1998], or was to become effective on or after the effective date of this Act, shall continue in effect according to its terms until modified, terminated, superseded, set aside, or revoked in accordance with law."

CLARIFICATION OF DESIGNATION OF NORMAL TRADE RELATIONS

Pub. L. 105-206, title V, §5003(a), July 22, 1998, 112 Stat. 789, provided that:

"(1) FINDINGS.—The Congress makes the following findings:

"(A) Since the 18th century, the principle of non-discrimination among countries with which the United States has trade relations, commonly referred to as 'most-favored-nation' treatment, has been a cornerstone of United States trade policy.

"(B) Although the principle remains firmly in place as a fundamental concept in United States trade relations, the term 'most-favored-nation' is a misnomer which has led to public misunderstanding.

"(C) It is neither the purpose nor the effect of the most-favored-nation principle to treat any country as 'most favored'. To the contrary, the principle reflects the intention to confer on a country the same trade benefits that are conferred on any other country, that is, the intention not to discriminate among trading partners.

"(D) The term 'normal trade relations' is a more accurate description of the principle of non-discrimination as it applies to the tariffs applicable generally to imports from United States trading partners, that is, the general rates of duty set forth in column 1 of the Harmonized Tariff Schedule of the United States.

"(2) POLICY.—It is the sense of the Congress that—

"(A) the language used in United States laws, treaties, agreements, executive orders, directives, and regulations should more clearly and accurately reflect the underlying principles of United States trade policy; and

"(B) accordingly, the term 'normal trade relations' should, where appropriate, be substituted for the term 'most-favored-nation'."

§ 2482. Exercise of functions of International Trade Commission

(a) Preliminary investigation

In order to expedite the performance of its functions under this chapter, the International Trade Commission may conduct preliminary investigations, determine the scope and manner of its proceedings, and consolidate proceedings before it.

(b) Use of authority granted under other provisions

In performing its functions under this chapter, the Commission may exercise any authority granted to it under any other Act.

(c) Gathering of current information

The Commission shall at all times keep informed concerning the operation and effect of provisions relating to duties or other import restrictions of the United States contained in trade agreements entered into under the trade agreements program.

(Pub. L. 93-618, title VI, §603, Jan. 3, 1975, 88 Stat. 2073.)

Editorial Notes

REFERENCES IN TEXT

This chapter, referred to in subsecs. (a) and (b), was in the original "this Act", meaning Pub. L. 93-618, Jan. 3, 1975, 88 Stat. 1978, which is classified principally to this chapter. For complete classification of this Act to the Code, see References in Text note set out under section 2101 of this title and Tables.

§ 2483. Consequential changes in Tariff Schedules of the United States

The President shall from time to time, as appropriate, embody in the Harmonized Tariff Schedule of the United States the substance of the relevant provisions of this chapter, and of other Acts affecting import treatment, and actions thereunder, including removal, modification, continuance, or imposition of any rate of duty or other import restriction.

(Pub. L. 93-618, title VI, §604, Jan. 3, 1975, 88 Stat. 2073; Pub. L. 100-418, title I, §§1213(a), 1214(j)(4), Aug. 23, 1988, 102 Stat. 1155, 1158.)

Editorial Notes

REFERENCES IN TEXT

The Harmonized Tariff Schedule of the United States, referred to in text, is not set out in the Code. See Publication of Harmonized Tariff Schedule note set out under section 1202 of this title.

This chapter, referred to in text, was in the original "this Act", meaning Pub. L. 93-618, Jan. 3, 1975, 88 Stat. 1978, which is classified principally to this chapter. For complete classification of this Act to the Code, see References in Text note set out under section 2101 of this title and Tables.

AMENDMENTS

1988—Pub. L. 100-418 substituted "Harmonized Tariff Schedule of the United States" for "Tariff Schedules of the United States" and inserted "removal," after "including".

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100-418 effective Jan. 1, 1989, and applicable with respect to articles entered on or