

July 1, 2004

CMP-1 FO:TCF:TEO:TO SST

MEMORANDUM FOR: DIRECTORS, FIELD OPERATIONS

FROM: Executive Director, Trade Compliance and Facilitation  
Office of Field Operations

SUBJECT: TBT-04-021 Short Supply Designation Under the African Growth and Opportunity Act (AGOA), the Caribbean Trade Partnership Act (CBTPA), and the Andean Trade Promotion and Drug Eradication Act (ATPDEA)

SUPERCEDES: TBT-03-033

REFERENCE: TBT-01-008: AGOA Implementation Instructions  
TBT-00-023-01: CBTPA Implementation Instructions  
TBT-02-035: ATPDEA Implementation Instructions  
TBT-01-004-01: Descriptive Information Regarding Short Supply Fabrics

NOTICE: TBT-03-033 notified the trade community that the Committee for the Implementation of Textile Agreements (CITA) had designated certain ring spun micro modal/pima cotton yarn for use in women's and girls' knit blouses, shirts, lingerie and underwear as short supply. TBT-04-021 supercedes TBT-03-033; please note the additional information at the end of the administrative message. The following is a background information is a reiteration of TBT-03-033.

**BACKGROUND:**

The Trade and Development Act of 2000, which was signed into law on May 18, 2000, authorized a new trade and investment policy for sub-Saharan Africa under the AGOA and the expansion of trade benefits to the countries in the Caribbean Basin under the CBTPA. The Trade Act of 2002, which was signed into law on August 6, 2002, authorized the expansion of trade benefits to designated countries in the Andean region. These trade programs allow for preferential tariff treatment when

apparel articles are both cut (or knit-to-shape) and sewn or otherwise assembled in one or more beneficiary countries from fabrics or yarn not formed in the United States or in one or more such beneficiary countries and not widely available in commercial quantities, i.e. short supply.

In Executive Order 13191, the President authorized the Committee for the Implementation of Textile Agreements (CITA) to determine whether particular yarns or fabrics cannot be supplied by the domestic industry in commercial quantities in a timely manner. On June 5, 2003, CITA received a request alleging that certain ring spun micro modal/pima cotton yarn, described below, for use in women's and girls' knit blouses, shirts, lingerie and underwear, cannot be supplied by the domestic industry in commercial quantities in a timely manner under the AGOA, CBTPA, and ATPDEA.

Based upon information and advice received, and its understanding of the industry, CITA determined that the yarn set forth in the petition cannot be supplied by the domestic industry in commercial quantities in a timely manner. On August 4, 2003, CITA and the Office of the United States Trade Representative (USTR) submitted a report to the Congressional Committees that set forth the action proposed, the reasons for such actions, and advice obtained. A period of 60 calendar days since this report was submitted has expired, as required by the AGOA, CBTPA, and ATPDEA.

In an October 30, 2003, Federal Register Notice (68 FR 61792), CITA designated as eligible for preferential treatment under subheadings 9819.11.24 of the Harmonized Tariff Schedule of the United States (HTSUS) (for purposes of the AGOA), under subheading 9820.11.27 of the HTSUS (for purposes of the CBTPA), and under subheading 9821.11.10 of the HTSUS (for purposes of the ATPDEA) women's and girls' knit blouses, shirts, lingerie, and underwear that are both cut and sewn or otherwise assembled in one or more eligible beneficiary sub-Saharan African countries, in one or more eligible CBTPA beneficiary countries, or in one or more eligible ATPDEA beneficiary countries from U.S. formed fabrics containing ring spun single yarn of English yarn numbers 30 and 50, containing 50 percent or more, but less than 85 percent, by weight of 0.9 denier or finer micro modal fiber, mixed solely with U.S. origin extra long pima cotton, classified in HTSUS subheading 5510.30.0000, provided all other yarns are U.S. formed and all other fabrics are U.S. formed from yarns wholly formed in the United States. In order to qualify, articles must be imported directly into the Customs territory of the United States from an eligible beneficiary sub-Saharan African country, an eligible beneficiary CBTPA country, or an eligible beneficiary ATPDEA country.

**ACTION:**

Claims for short supply under 9819.11.24 of the HTSUS (for purposes of AGOA, 9820.11.27 of the HTSUS (for purposes of CBTPA), and 9821.11.10 (for purposes of ATPDEA) may be accepted on or after the Federal Register publication date of October 30, 2003, provided that the women's and girls' knit blouses, shirts, lingerie, and underwear that are both cut and sewn or otherwise assembled in one or more eligible

beneficiary sub-Saharan African countries, in one or more eligible CBTPA beneficiary countries, or in one or more eligible ATPDEA beneficiary countries from U.S. formed fabrics containing ring spun single yarn of English yarn numbers 30 and 50, containing 50 percent or more, but less than 85 percent, by weight of 0.9 denier or finer micro modal fiber, mixed solely with U.S. origin extra long pima cotton, classified in HTSUS subheading 5510.30.0000, provided all other yarns are U.S. formed and all other fabrics are U.S. formed from yarns wholly formed in the United States.

Please pass this memorandum to Port Directors, Assistant Port Directors, National Import Specialists, Import Specialists, Inspectors, Entry Officers, Brokers, Importers and other interested parties.

INFORMATION:

CBP ports of entry are instructed to broadly apply the designation for women's and girls' knit blouses and shirts. If the apparel product is classified in the HTSUS as a knit blouse or shirt or is identified by textile category 639 as a knit blouse or shirt, the short supply yarn named above may be used if all other requirements have been satisfied.

If you have any questions concerning this administrative notice, please call Ms. Susan Thomas, at (202) 927-3719, Ms. Jackeline Martel, at (202) 927-5397 or Mr. Robert Abels, at (202) 927-1959.

/s/ Richard T. Crichton for  
Elizabeth G. Durant