

March 30, 2007

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MEMORANDUM FOR: DIRECTORS, FIELD OPERATIONS
ASSISTANT DIRECTORS, TRADE, FIELD OPERATIONS
OFFICE OF FIELD OPERATIONS

FROM: Acting Executive Director, Trade Policy and Programs
Office of International Trade

SUBJECT: TBT-07-007 Amendments to the African Growth and
Opportunity Act for Textile and Apparel Products

REF: TBT-01-008 Implementation Information on the AGOA for
Textiles and Apparel Products
TBT-02-038 Amendments to AGOA
TBT-04-022 Retroactive Benefits under the AGOA
TBT-04-024-01 Amendments to the AGOA

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. Section 112 of the Act outlines the treatment of certain textiles and apparel articles for AGOA. Apparel articles that are imported directly into the CBP territory of the United States from a designated beneficiary sub-Saharan African country shall enter free of duty and free of any quantitative limitations (excluding any tariff preference levels identified in the act) if the country has satisfied the requirements set forth in section 113. Amendments to the AGOA were made in the Trade Act of 2002, which was signed into law by President Bush on August 6, 2002 and the AGOA Acceleration Act of 2004, which was signed into law by President Bush on July 13, 2004.

Title VI of the Tax Relief and Health Care Act of 2006, signed into law by President Bush on December 20, 2006, set forth additional amendments to the AGOA. This administrative notice details these amendments. Please take note to changes within the preference groupings. All other information in TBT-01-008, TBT-02-038 and TBT-04-024-01 remain in effect.

INFORMATION:

PREFERENTIAL GROUPINGS

A claim for preferential tariff treatment under AGOA may be made if the textile or apparel article qualifies under one of these groupings:

1. Apparel articles sewn or otherwise assembled in one or more beneficiary sub-Saharan African countries from fabrics wholly formed and cut, or from components knit-to-shape, in the United States from yarns wholly formed in the United States, or both (including fabrics not formed from yarns, if such fabrics are classifiable under heading 5602 or 5603 of the HTSUS and are wholly formed and cut in the United States) that are entered under subheading 9802.00.80 of the HTSUS. **(9802.00.8042, visa grouping 1) – no changes**
2. Apparel articles sewn or otherwise assembled in one or more beneficiary sub-Saharan African countries from fabrics wholly formed and cut, or from components knit-to-shape, in the United States from yarns wholly formed in the United States, or both (including fabrics not formed from yarns, if such fabrics are classifiable under heading 5602 or 5603 of the HTSUS and are wholly formed and cut in the United States), the foregoing which (1) are embroidered or were subjected to stone-washing, enzyme-washing, acid washing, permapressing, oven-baking, bleaching, garment-dyeing, screen printing, or other similar processes, and (2) but for such embroidery or processing are of a type otherwise described in heading 9802.00.80 of the HTSUS. **(9819.11.03, visa grouping 2) – no changes**
3. Apparel articles sewn or otherwise assembled in one or more beneficiary sub-Saharan African countries with thread formed in the United States from fabrics wholly formed in the United States and cut in one or more beneficiary sub-Saharan African countries from yarns wholly formed in the United States, or from components knit-to-shape in the United States from yarns wholly formed in the United States, or both (including fabrics not formed from yarns, if such fabrics are classifiable under heading 5602 or 5603 of the HTSUS and are wholly formed in the United States). **(9819.11.06, visa grouping 3) – no changes**
4. Apparel articles wholly assembled in one or more beneficiary sub-Saharan African countries from fabrics wholly formed in one or more beneficiary sub-Saharan African countries from yarns originating either in the United States or one or more beneficiary sub-Saharan African countries or former beneficiary sub-Saharan African countries, or both (including fabrics not formed from yarns, if such fabrics are classifiable under heading 5602 or 5603 of the HTSUS and are wholly formed and cut in one or more beneficiary sub-Saharan African countries), or from components knit-to-shape in one or more beneficiary sub-Saharan African countries from yarns originating either in the United States or one or more beneficiary sub-Saharan African countries or former beneficiary sub-Saharan African countries, or both, or apparel articles wholly formed on

seamless knitting machines in a beneficiary sub-Saharan African country from yarns originating either in the United States or one or more beneficiary sub-Saharan African countries or former beneficiary sub-Saharan African countries, or both, whether or not the apparel articles are also made from any of the fabrics, fabric components formed, or components knit-to-shape described in groupings 1, 2, and 3 (unless the apparel articles are made exclusively from any of the fabrics, fabric components formed, or components knit-to-shape described in groupings 1, 2, and 3. **(9819.11.09, visa grouping 4) – no changes**

This preference grouping continues to have limitations on benefits. The HQ Quota Branch issues QBTS regarding the tariff preference levels.

5. Apparel articles wholly assembled, or knit-to-shape and wholly assembled, or both, in one or more lesser developed beneficiary sub-Saharan African countries regardless of the country of origin of the fabric or the yarn used to make such articles. **(9819.11.12, visa grouping 5)**

Use of this provision has been extended to September 30, 2012. This preference grouping continues to have limitations on benefits.

6. Sweaters, in chief weight of cashmere, knit-to-shape in one or more beneficiary sub-Saharan African countries and classifiable under subheading 6110.10 of the HTSUS. **(9819.11.15, visa grouping 6) – no changes**
7. Sweaters, 50 percent or more by weight of wool measuring 21.5 microns in diameter or finer, knit-to-shape in one or more beneficiary sub-Saharan African countries. **(9819.11.18, visa grouping 7) – no changes**
8. Apparel articles that are both cut (or knit-to-shape) and sewn or otherwise assembled in one or more such beneficiary sub-Saharan African countries to the extent that apparel articles of such fabrics or yarns would be eligible for the tariff treatment provided in general note 12 of the HTSUS, without regard to the source of the fabrics or yarns. The fabrics and yarns in question include:
 - a) fine count cotton knitted fabrics for certain apparel (see general note 12[t], Chapter 61, chapter rules 61.27[A], 61.30[A] and 61.32[A]),
 - b) linen fabrics and yarns of flax, except knitted or crocheted fabrics,
 - c) silk fabrics and yarns, except knitted or crocheted fabrics,
 - d) cotton velveteen,
 - e) fine wale corduroy,
 - f) Harris Tweed,
 - g) certain woven fabrics made with animal hairs (see general note 12[t], chapter 62, chapter rule 2 [D]),
 - h) certain lightweight, high thread count cotton poly-cotton woven fabrics (see general note 12[t], chapter 62, chapter rule 2 [E]),

- i) certain lightweight, high thread count broadwoven fabrics used in production of men's and boys' shirts (see general note 12[t], chapter 62.SR30, subheading rule a-i), and
- j) quilted textile products in the piece of heading 5811.00.

(9819.11.21, visa grouping 8) – no changes

See TBT-01-004-01 for more information on short supply fabrics and yarns.

9. Apparel articles both cut (or knit-to-shape) and sewn or otherwise assembled in one or more beneficiary sub-Saharan African countries, from fabrics or yarn designated by the appropriate U.S. Government authority in the Federal Register as fabrics or yarn not available in commercial quantities in the United States, under any terms as such authority may provide. **(9819.11.24, visa grouping 8) – no changes**

Please refer to TBT-01-047, TBT-01-054, TBT-02-017, TBT-02-029, TBT-03-030, TBT-03-033, TBT-04-009, TBT-04-019, TBT-04-021, TBT-05-012, TBT-06-007, and TBT-06-023 for the fabrics and yarns that have been designated as short supply by CITA.

10. Handloomed, handmade or folklore articles; ethnic printed fabrics

Handloomed, handmade and folklore items are negotiated between The President and the sub-Saharan African countries. To date Botswana, Ethiopia, Ghana, Kenya, Lesotho, Madagascar, Malawi, Mali, Mozambique, Namibia, Niger, Nigeria, Senegal, Sierra Leone, Swaziland, Tanzania and Zambia have agreements for handloomed fabric and handmade articles from such handloomed fabrics produced in the eligible country. Ethiopia, Ghana, Mali, Mozambique, Niger, Nigeria, Sierra Leone and Tanzania also have an agreement for certain folklore articles. The ports and the trade community will be notified when additional countries and/or products are eligible. **(9819.11.27, visa grouping 9) – No changes**

Please refer to TBT-02-032, TBT-02-039, TBT-02-042, TBT-02-044, TBT-03-009, TBT-03-011, TBT-03-021, TBT-03-028, and TBT-04-029, TBT-05-001, TBT-05-013, TBT-05-017, TBT-05-021, TBT-05-021-01, TBT-05-030, TBT-06-014, TBT-06-024, TBT-06-025, TBT-06-026 for additional information.

Requirements for ethnic printed fabrics are as follows:

- (i) containing a selvedge on both edges, having a width of less than 50 inches, classifiable under subheading 5208.52.30 or 5208.52.40 of the HTSUS;
- (ii) of the type that contains designs, symbols, and other characteristics of African prints:
 - (l) normally produced for and sold on the indigenous African market; and

- (II) normally sold in Africa by the piece as opposed to being tailored into garments before being sold in indigenous African markets;
- (iii) printed, including waxed, in one or more eligible beneficiary sub-Saharan countries; and
- (iv) formed in the United States, from yarns formed in the United States, or from fabric formed in one or more beneficiary sub-Saharan African countries from yarn originating in either the United States or one or more beneficiary sub-Saharan African countries.

Mali, Niger, Nigeria and Tanzania have an agreement for ethnic printed fabrics. The ports and the trade community will be notified when additional countries and/or products are eligible.

Please refer to TBT-05-021, TBT-05-021-01, TBT-06-024, TBT-06-025, TBT-06-026 for additional information.

11. Apparel articles sewn or otherwise assembled in one or more beneficiary sub-Saharan African countries with thread formed in the United States, the foregoing (i) from components cut in the United States and in one or more beneficiary sub-Saharan African countries or former beneficiary sub-Saharan African countries from fabrics wholly formed in the United States from yarns wholly formed in the United States (including fabrics not formed from yarns, if such fabrics are classifiable under heading 5602 or 5603 of the HTSUS), or (ii) from components knit-to-shape in the United States and one or more beneficiary sub-Saharan African countries or former beneficiary sub-Saharan African countries from yarns wholly formed in the United States, or (iii) from any combination of two or more of the foregoing knitting-to-shape or cutting operations. **(9819.11.30, visa grouping 3) – No changes**
12. Apparel articles of chapter 61 or 62, wholly assembled, or knit to shape and wholly assembled, or both, in one or more lesser developed beneficiary sub-Saharan African countries that contain a fabric or yarn produced in a beneficiary sub-Saharan African country that has been determined by the United States International Trade Commission (USITC) to be available in commercial quantities for use in lesser developed sub-Saharan African beneficiary countries. **(9819.15.10 through 9819.15.42, visa grouping 4, certificate of origin grouping D) – new HTSUS numbers**

Only denim provided for in subheading HTSUS 5209.42.00 has been deemed by the USITC to be in abundant supply. If the component that determines classification contains denim fabric of HTSUS 5209.42.00 produced in a beneficiary sub-Saharan African country, it should be classified in HTSUS 9819.15.10. A visa for grouping 4 is required and the goods are subject to tariff preference levels.

As USITC deems other fabrics or yarns in abundant supply, a TBT will be issued.

13. Textile articles classified in HTSUS chapters 50 – 60, inclusive, or HTSUS chapter 63, that are products of a lesser developed beneficiary sub-Saharan African country and are wholly formed in one or more such countries from fibers, yarns, fabrics, fabric components, components knit-to-shape that are the product of one or more such countries. **(9819.11.33, visa grouping 0, certificate of origin grouping J) – new HTSUS number, visa grouping, and certificate of origin grouping**

Currently no countries are eligible to issue grouping 0 visas. As countries become eligible, a TBT will be issued.

ACTION:

Currently, the HTSUS numbers have not been programmed, and therefore, claims cannot be made at this time, including those made on non-ABI entries. Once the necessary ACS programming is completed, a TBT will be issued.

Once programming is completed, claims for preferential tariff treatment under the new AGOA provisions described in this TBT may be made on qualifying merchandise entered, or withdrawn from warehouse, for consumption on or after October 1, 2006.

Importers who paid duties on apparel articles that are eligible for the new trade preferences and were entered on or after October 1, 2006, may apply for a full refund of duties paid. Importers can avail themselves of all the applicable post entry procedures. In order for an importer to make a claim under the new provisions, documentation requirements must be met, e.g. a textile certificate of origin and a commercial invoice with the necessary visa stamp issued by the government of the sub-Saharan African country.

Please pass this administrative message to Port Directors, Assistant Port Directors, Import Specialists, CBP Officers, Entry Specialists, Brokers, Importers and Other Interested Parties.

INFORMATION:

If you have any questions concerning this notice, please call Ms. Nancy Mondich, at (202) 344-2166, Ms. Jacqueline Sprungle, at (202) 344-2277, or Ms. Susan Thomas at (202) 344-3719, or Mr. Robert Abels at (202) 344-1959.

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Anne Maricich