

Textile Preference Programs AGOA, CBTPA, ATPDEA



U.S. Customs and Border Protection
October 2007



AGOA

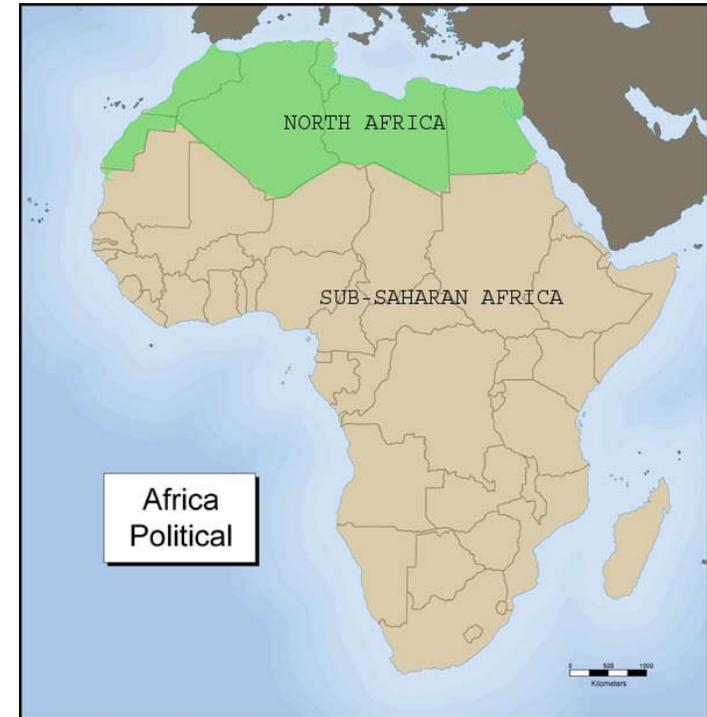


African Growth and Opportunity Act

AGOA



- Effective Date: 10/2/00
- Expiration Date: 9/30/15
or effective FTA
(foreign fabric expires 9/30/12)
- General Note in HTS: GN 16
- Special Indicator in HTS: N/A
- Ch 98 or 99 HTS: 9819
- US Code: 19 USC 3701
- Public Law 106-200
- Regulation Cite: 19 CFR 10.211 – 10.217



AGOA Countries 9819 US Note 1



- Benin
- Botswana
- Burkina Faso
- Cameroon
- Cape Verde
- Chad
- Ethiopia
- Ghana
- Kenya
- Lesotho
- Madagascar
- Malawi
- Mali
- Mauritius
- Mozambique
- Namibia
- Niger
- Nigeria
- Rwanda
- Senegal
- Sierra Leone
- South Africa
- Swaziland
- Tanzania
- Uganda
- Zambia

Other countries qualify for the AGOA, the above are countries qualifying for expanded apparel benefits

AGOA



- Coverage of Textile and Apparel Provisions - Apparel
- Rule applies to entire good – Yes (except NAFTA short supply)
- Visa required? **Yes**
- Groupings - 9
- De Minimis **10%**
- Elastomeric Yarn Requirement- No
- Findings & Trimmings – 25% foreign value
- Certain Interlinings Rule - Yes
- Nylon Filament Yarn Rule - **No**
- Direct Importation Controls – Customs Custody Required





AGOA Textile Scope

Apparel articles classifiable in chapters 61 and 62 and headings 6501, 6502, 6503, 6504, and subheadings 6406.99.15 and 6505.90, HTSUS; handmade textile, folklore & ethnic print fabric



19 CFR 10.212

AGOA Groupings



1/A - U.S. Yarn and Fabric, cut in USA

2/B - U.S. Yarn and Fabric, cut in USA, further processed

3/C - U.S. Yarn, Fabric & Thread, cut in Africa

4/D - U.S. or African Yarn, Fabric Made in Africa (includes abundant supply)

5/E - Lesser Developed can use Any Fabric

6/F - Cashmere Sweaters

7/G - Merino Wool Sweaters

8/H - Exception for Yarns & Fabrics in Short Supply

9/I - Handloomed, Handmade & Folklore Articles; Ethnic Print Fabric

0/J – Textile Articles

AGOA Groups 1-3



1/A - U.S. Yarn and Fabric,
cut in USA

HTS 9802.00.8042

2/B - U.S. Yarn and Fabric,
cut in USA, further
processed

HTS 9819.11.03

3/C - U.S. Yarn, Fabric &
Thread, cut in Africa; **OR**
US Yarn, knit to shape
(KTS) in Africa or US

HTS 9819.11.06

HTS 9819.11.30

AGOA Groups 1-3 Apparel of US Fabric & Yarn



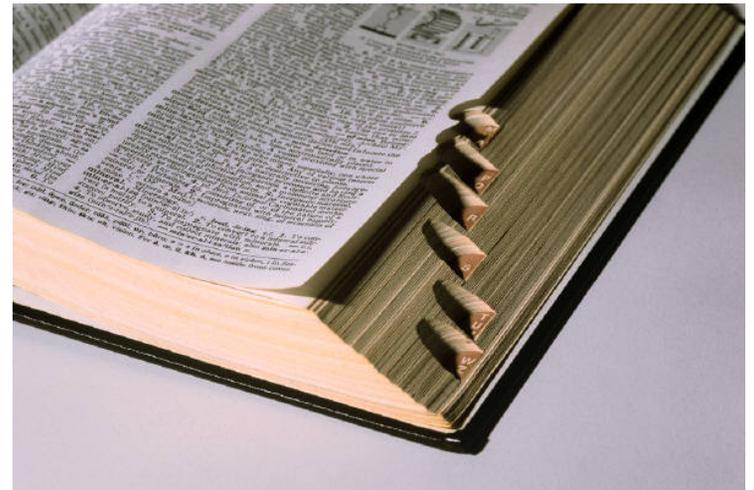
- Yarn and fabric must be “wholly formed” in the United States.
 - Made in U.S.A., not just purchased in USA.
- If the fabric is cut in Sub-Saharan Africa, requirement to use U.S. formed thread.





Definition

Assembled in One or More Beneficiary Countries means a joining together of two or more components that occurred in one or more beneficiary countries, whether or not a prior joining operation was performed on the article or any of its components in the United States.

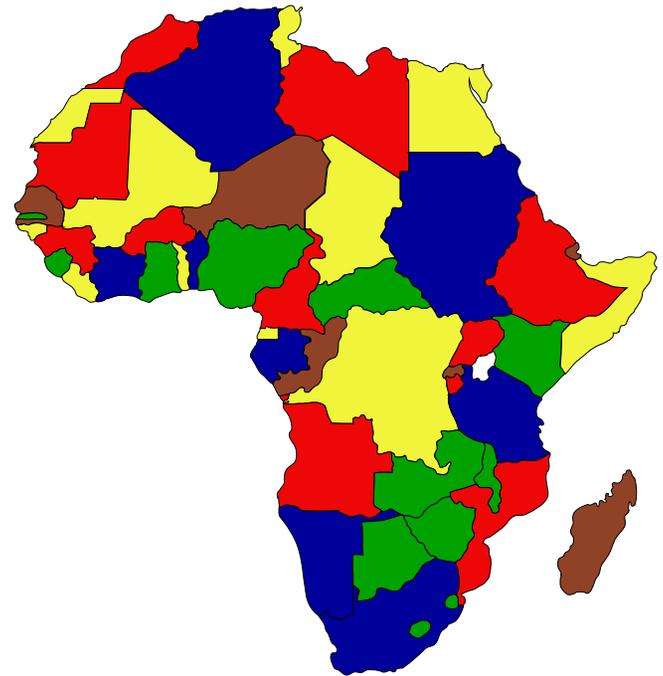


AGOA Group 4 Apparel of African Fabric of U.S. or SSA Yarn



Apparel assembled from fabric formed in Africa from yarn originating in the U.S. or Africa.
(subject to a limit)

HTS 9819.11.09



a.k.a.: “Regional Fabric”

AGOA Group 4 “Abundant Supply”



- Apparel;
- Wholly assembled or KTS and wholly assembled in lesser developed AGOA country (LDC);
- Component that determines classification contains a yarn or fabric produced in an AGOA country;
- Such yarn or fabric has been determined by U.S. International Trade Commission to be available in commercial quantities.

HTS 9819.15.10 – 9819.15.42



Component that Determines Classification

Examples



AGOA Group 4 “Abundant Supply”



Denim provided for in
subheading 5209.42.00

HTS 9819.15.10

AGOA Group 5 LDC Any Fabric/Yarn



- Apparel made from any fabric qualifies for the AGOA.
- Only Available to **Lesser Developed** Beneficiary Sub-Saharan African Countries.
 - Includes all textile eligible SSA Countries **EXCEPT:** **Mauritius and South Africa.** 9819 US Note 2(d)
 - Only available through **September 30, 2012.**
 - Subject to a limit

HTS 9819.11.12



AGOA Groups 6 & 7 Cashmere & Merino Sweaters

- Sweaters in Chief Weight Cashmere (Preference Group 6/F)
- Sweaters containing 50% or more by weight of wool measuring 21.5 microns in diameter or finer (Preference Group 7/G)

HTS 9819.11.15

HTS 9819.11.18



AGOA Group 8 Short Supply



- Apparel manufactured from yarn or fabric in short supply in the USA, is eligible for AGOA benefits if the yarn or fabric is:



1. Identified in the NAFTA;

HTS 9819.11.21

2. or Proclaimed by the

President **HTS 9819.11.24**



NAFTA Short Supply Fabrics



- Silk
- Linen
- Cotton Velveteen
- Fine Wale Corduroy
- Harris Tweed
- Certain Woven Fabrics of Fine Animal Hair
- Certain Lightweight, High Thread Count Polyester/Cotton Woven Fabrics
- Certain Lightweight, High Thread Count Broadwoven Fabrics Used in the Production of Men's or Boys' Shirts

See TBT-01-004

AGOA Group 9 Folklore



Eligible goods must be either:

- Handloomed fabrics;
- Handloomed articles (E.g. rugs, scarves, placemats, tablecloths);
- Hand-made goods made of handloomed fabrics;
- Traditional folklore article;
- Ethnic printed fabric



The President shall determine eligible articles after consultations with beneficiary countries.

HTS 9819.11.27

AGOA Ethnic Printed Fabric



- containing a **selvedge on both edges**, having a **width of less than 50 inches**, classifiable under **subheading 5208.52.30 or 5208.52.40**;
- contains **designs, symbols**, and other characteristics of African prints:
 - normally produced for & sold on the indigenous African market; &
 - normally sold in Africa by the piece as opposed to being tailored into garments before being sold in indigenous African markets;
- **printed, including waxed**, in one or more eligible beneficiary sub-Saharan countries; and
- formed in the US, from yarns formed in the US, or from fabric formed in one or more beneficiary sub-Saharan African countries from yarn originating in either the US or one or more beneficiary sub-Saharan African countries.





AGOA Group 0 Textile Articles

- Articles in HS Chapters 50-60 & 63
- Product of LDC
- Wholly formed in one or more LDC from fibers, yarns, fabrics or components (fabric or knit to shape) that are the product of one or more LDC

This grouping has not yet been implemented pending changes to visa arrangements.

HTS 9819.11.33



AGOA Special Rules

Findings & Trimmings 25% foreign value permitted

For example: Sewing Thread*, Hooks and Eyes, Snaps, Buttons, “Bow Buds”, Decorative Lace Trim, Zippers, Zipper Tapes, and Labels [9819 US Note 3(a)(i) & (b)]

Certain Interlinings 25% foreign value permitted (in combination with findings & trimmings)

Chest type plate, Hymo Piece or Sleeve Header of woven or weft-inserted warp knit construction of coarse animal hair or man made filament [9819 US Note 3(a)(ii) & (c)]

De Minimis 10% by weight foreign fiber or yarn

[9819 US Note 3(a)(iii)]

**unless required to originate in particular grouping*

AGOA Special Rules



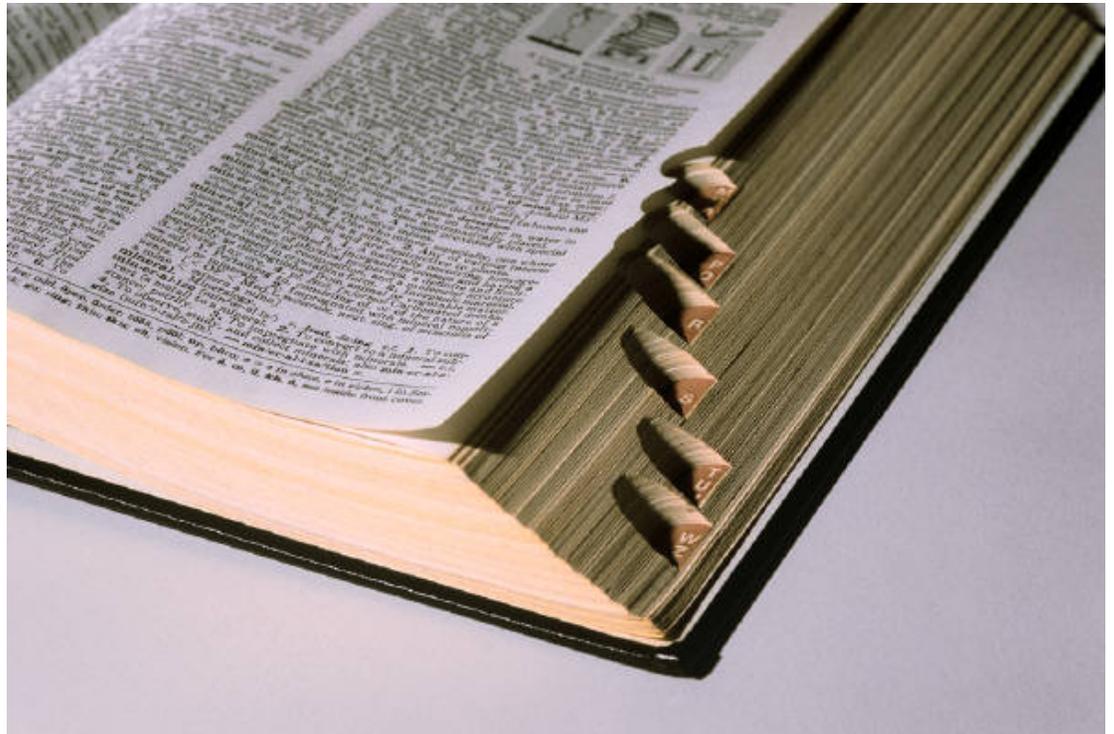
Foreign components permitted

Collars or cuffs (cut or knit to shape), drawstrings, shoulder pads or other padding, waistbands, belt attached to the article, straps containing elastic, or elbow patches [9819 US Note 3(a)(iv)]



Definition

Foreign means of a country other than the United States or a beneficiary country.





AGOA Direct Shipment

- (A) **direct shipment** from SSA to the US without passing through the territory of any intermediate country, or
- (B) if shipment is through the territory of an intermediate country, the articles in the shipment **do not enter into the commerce** of any intermediate country and the invoices, bills of lading and other **shipping documents show the US** as the final destination, or
- (C) if shipment is through an intermediate country and the invoices and other **documents do not show the US** as the final destination, then the articles in the shipment are imported directly only if they–
- (1) remain under the **control of the customs** authority in an intermediate country,
 - (2) **do not enter into the commerce** of an intermediate country except for the purpose of a sale other than at retail, provided that the articles are imported as a result of the original commercial transaction between the importer and the producer or the producer's sales agent, and
 - (3) have **not been subjected to operations** other than loading and unloading, and other activities necessary to preserve the article in good condition.



CBTPA



Caribbean Basin Trade Partnership Act

CBTPA



- Effective Date: 10/2/00
- Expiration Date: 9/30/08 or effective FTA
- General Note in HTS: GN 17
- Special Indicator in HTS: N/A
- Ch 98 or 99 HTS: 9820
- US Code: 19 USC 2703
- Public Law 106-200
- Regulation Cite: 19 CFR 10.221 – 10.228



CBTPA Countries



- Barbados
- Belize
- Costa Rica
- Dominican Republic
- El Salvador
- Guatemala
- Guyana
- Haiti
- Honduras
- Jamaica
- Nicaragua
- Panama
- Saint Lucia
- Trinidad and Tobago

CBTPA



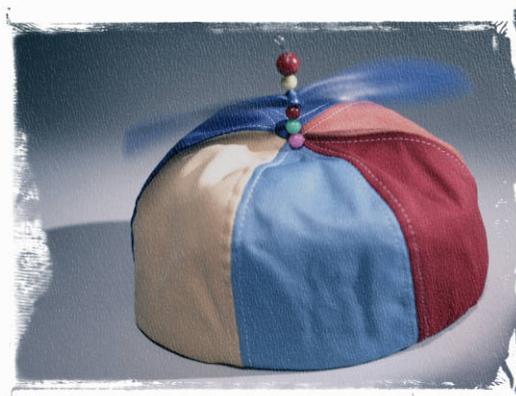
- Coverage of Textile and Apparel Provisions - Apparel + Luggage
- Rule applies to entire good - Yes (except NAFTA short supply)
- Visa required? No
- Groupings - 12
- De Minimis 7%
- Elastomeric Yarn Requirement- Yes
- Findings & Trimmings – 25% foreign value
- Certain Interlinings Rule - Yes
- Nylon Filament Yarn Rule - Yes
- Direct Importation Controls – Customs Custody Required





CBTPA Textile Scope

Apparel articles classifiable in chapters 61 and 62 and headings 6501, 6502, 6503, 6504, and subheadings 6406.99.15 and 6505.90, HTSUS; textile luggage & handmade textile, folklore articles



19 CFR 10.222

CBTPA Groupings



- 1/A - U.S. Yarn and Fabric, cut in USA
- 2/B - U.S. Yarn and Fabric, cut in USA, further processed
- 3/C - U.S. Yarn, Fabric & Thread, cut in CBTPA (not group K)
- 4/D - U.S. Yarn, Regional Knit Fabric or KTS
- 5/E – Non-underwear tshirts, U.S. Yarn, CBTPA Fabric
- 6/F - Brassieres
- 7/G - Exception for Yarns & Fabrics in Short Supply
- 8/H - Handloomed, Handmade & Folklore Articles
- 9/I - Luggage U.S. Yarn and Fabric, cut in USA
- 10/J - Luggage U.S. Yarn and Fabric, cut in CBTPA
- 11/K – Knit Apparel, U.S. Yarn, U.S. Fabric, U.S. Thread
- 12/L – U.S. Thread & Fabric, U.S. or CBTPA cut or KTS



CBTPA Groups A-B

1/A – Apparel article; U.S.
Yarn and Fabric, cut in
USA

HTS 9802.00.8044

2/B – Apparel article; U.S.
Yarn and Fabric, U.S.
fabric finishing, cut in
USA, further processed

HTS 9820.11.03





CBTPA Groupings C & K

- Apparel Article
- Yarn Wholly Formed in US
- Fabric Wholly Formed (including dyeing, printing & finishing) in US
- Cut and Assembled in One or More CBTPA Beneficiary Countries
- Assembled Using Thread Formed in US [thread can be dyed/finished in CBTPA 9820 US Note 3(a)(iv)]

HTS 9820.11.06



HTS 9820.11.18

Grouping K = knit apparel, Grouping C = all other



CBTPA Grouping D

- Regional Knit Apparel Articles
(NOT socks or tshirts of grouping E)
- Yarns wholly formed in US
- Knit-to-Shape in CBTPA Beneficiary Country

or

- Cut and Wholly Assembled in One or More CBTPA Beneficiary Countries from Fabric Formed in CBTPA or CBTPA and US



Subject to a Limit

HTS 9820.11.09



CBTPA Grouping E

- Non-underwear T-Shirts
- Yarn Wholly Formed US
- Fabric Formed in One or More CBTPA Beneficiary Countries
- Made in One or More CBTPA Beneficiary Countries
- Subject to Limitation



HTS 9820.11.12



CBTPA Grouping F

- Brassieres
- Cut and Sewn in the US, or one or more CBTPA beneficiary countries or both
- Subject to Value Requirement



HTS 9820.11.15



CBTPA Grouping G

Apparel Articles Assembled
From Fabric or Yarn Not
Available in Commercial
Quantities In the United States
or CBTPA Beneficiary
Countries

- NAFTA short supply
- designated short supply



HTS 9820.11.24

HTS 9820.11.27

NAFTA Short Supply Fabrics



- Silk
- Linen
- Cotton Velveteen
- Fine Wale Corduroy
- Harris Tweed
- Certain Woven Fabrics of Fine Animal Hair
- Certain Lightweight, High Thread Count Polyester/Cotton Woven Fabrics
- Certain Lightweight, High Thread Count Broadwoven Fabrics Used in the Production of Men's or Boys' Shirts

See TBT-01-004

CBTPA Grouping H



- Handloomed fabrics;
- Hand-made goods made of handloomed fabrics (& products made directly on a handloom);
- Traditional folklore articles

HTS 9820.11.30

The President shall determine eligible articles after consultations with beneficiary countries.





CBTPA Groupings I & J

- Textile Luggage
- Assembled in CBTPA
Beneficiary Country
- Fabric Wholly Formed
(including dyeing, printing &
finishing) in US
- Cut in the US or CBTPA



HTS 9802.00.8046

HTS 9820.11.21



CBTPA Grouping L

- Apparel Article
- Yarn Wholly Formed in US
 - Fabric Wholly Formed (including dyeing, printing & finishing) in US and Cut in US and CBTPA
 - Or KTS components in US and CBTPA
 - Or combination of cutting and knitting to shape
- Assembled in CBTPA
- Sewing Thread Formed in US



HTS 9820.11.33



CBTPA Special Rules

Findings & Trimmings 25% foreign value permitted

For example: Sewing Thread*, Hooks and Eyes, Snaps, Buttons, “Bow Buds”, Decorative Lace Trim, Zippers, Zipper Tapes, and Labels [9820 US Note 3(a)(i) & (b)]

Certain Interlinings 25% foreign value permitted (in combination with findings & trimmings)

Chest type plate, Hymo Piece or Sleeve Header of woven or weft-inserted warp knit construction of course animal hair or man made filament [9820 US Note 3(a)(ii) & (c)]

De Minimis 7% by weight foreign fiber or yarn [9820 US Note 3(a)(iii)]

**unless required to originate in particular grouping*



CBTPA Special Rules

Elastomeric Yarn wholly formed in US [9820 US Note 3(a)]

Nylon Filament Yarn eligible from Israel, Canada, Mexico

Dyeing, printing and Finishing of U.S. Fabric in U.S.
[9820 US Note 2(a)]



Certain Nylon Filament Yarn

- Textile or apparel goods may contain specified nylon filament yarn (other than elastomeric yarn) from Israel, or Canada or Mexico
- 5402.10.30, 5402.10.60, 5402.31.30, 5402.31.60, 5403.32.30, 5402.32.60, 5402.45.10, 5402.45.90, 5402.51.00 or 5402.61.00, HTSUS

[9820 US Note 3(d)]





CBTPA Direct Shipment

- (A) **direct shipment** from CBTPA to the US without passing through the territory of any intermediate country, or
- (B) if shipment is through the territory of an intermediate country, the articles in the shipment **do not enter into the commerce** of any intermediate country and the invoices, bills of lading and other **shipping documents show the US** as the final destination, or
- (C) if shipment is through an intermediate country and the invoices and other **documents do not show the US** as the final destination, then the articles in the shipment are imported directly only if they–
- (1) remain under the **control of the customs** authority in an intermediate country,
 - (2) **do not enter into the commerce** of an intermediate country except for the purpose of a sale other than at retail, provided that the articles are imported as a result of the original commercial transaction between the importer and the producer or the producer's sales agent, and
 - (3) have **not been subjected to operations** other than loading and unloading, and other activities necessary to preserve the article in good condition.



CBTPA Amendment

Former Beneficiary Countries

Countries that cease to be CBTPA beneficiary countries because they have become parties to a free trade agreement with the US.

Guatemala

Honduras

El Salvador

Dominican Republic

Nicaragua



Imported Directly

Former Beneficiary Countries

A CBTPA qualifying good may be imported directly into the US from a former beneficiary country.





CBTPA Co-Production

Former Beneficiary Countries Inputs

To the extent that raw materials and other inputs are permitted from current CBTPA beneficiary countries, they are also permitted from former beneficiary countries.





CBTPA Co-Production

Former Beneficiary Countries Processing

To the extent that processing is permitted in current CBTPA beneficiary countries, it is also permitted in former beneficiary countries but the final product must be a product of a current beneficiary country. Therefore, origin-conferring processing must take place in a current beneficiary country.





CBTPA Haiti - DR

Former Beneficiary Countries Processing Exception

A good produced in both Haiti and the Dominican Republic that would otherwise qualify for CBTPA preference will continue to qualify even if the origin-conferring production takes place in the Dominican Republic.





ATPDEA



Andean Trade Promotion & Drug
Eradication Act

ATPDEA



- Effective Date: 10/1/02
- Expiration Date: 2/29/08
- General Note in HTS: GN 11
- Special Indicator in HTS: N/A
- Ch 98 or 99 HTS: 9821
- US Code: 19 USC 3203
- Public Law 107-210
- Regulation Cite: 19 CFR 10.241 – 10.248





ATPDEA Countries

Bolivia

Colombia

Ecuador

Peru



ATPDEA



- Coverage of Textile and Apparel Provisions - Apparel + Luggage
- Rule applies to entire good - Yes (except NAFTA short supply)
- Visa required? No
- Groupings - 9
- De Minimis 7%
- Elastomeric Yarn Requirement- No
- Findings & Trimmings – 25% foreign value
- Certain Interlinings Rule - Yes
- Nylon Filament Yarn Rule - Yes
- Direct Importation Controls – Customs Custody Required





ATPDEA Textile Scope

Apparel articles classifiable in chapters 61 and 62 and headings 6501, 6502, 6503, 6504, and subheadings 6406.99.15 and 6505.90, HTSUS; textile luggage & handmade textile, folklore articles



19 CFR 10.242



ATPDEA Groupings

Apparel Assembled from:

- A** - US Fabric or US Components from US or Andean yarns
- B** - Chief Value Llama, Alpaca or Vicuña Andean Fabrics/Components from Andean yarns
- C** - NAFTA Short Supply
- D** - Designated Short Supply
- E** - Combination of Groupings A – D
- F** - Handloomed, Handmade or Folklore Textile and Apparel Articles
- G** - Brassieres Assembled in the US/Andean beneficiary countries
- H** - Textile Luggage Assembled from US Fabrics and Yarns
- I** - Apparel Assembled from Regional Fabrics or Components, whether or not in combination with Groupings A - D



ATPDEA Group A

- Apparel Article
- US or ATPDEA Wholly Formed Yarn
- Fabrics, or fabric components or knit to shape components formed in the US (cutting in US or ATPDEA)
- Dyeing, Printing and Finishing of knit or woven fabric in US
- Assembled in 1 or more Beneficiary ATPDEA countries, US, or both



HTS 9821.11.01



ATPDEA Group B

- Apparel article
- **Chief value** llama, alpaca or vicuña fabric or components
- Yarns wholly formed in one or more ATPDEA beneficiary countries
- Fabrics or components wholly formed in 1 or more ATPDEA beneficiary countries
- Assembled in 1 or more beneficiary ATPDEA countries, US, or both



HTS 9821.11.04



ATPDEA Groups C-D

Apparel Articles Assembled
From Fabric or Yarn Not
Available in Commercial
Quantities In the United States
or ATPDEA Beneficiary
Countries

- NAFTA short supply
- designated short supply



HTS 9821.11.07

HTS 9821.11.10

NAFTA Short Supply Fabrics



- Silk
- Linen
- Cotton Velveteen
- Fine Wale Corduroy
- Harris Tweed
- Certain Woven Fabrics of Fine Animal Hair
- Certain Lightweight, High Thread Count Polyester/Cotton Woven Fabrics
- Certain Lightweight, High Thread Count Broadwoven Fabrics Used in the Production of Men's or Boys' Shirts

See TBT-01-004



ATPDEA Group E

Apparel articles sewn or otherwise assembled in 1 or more ATPDEA beneficiary countries, the US, or in both, exclusively from a combination of fabrics, fabric components, knit-to-shape components or yarns described in two or more of groupings A-D (cutting in US or ATPDEA)



HTS 9821.11.13

ATPDEA Group F



- Handloomed fabrics;
- Hand-made goods made of handloomed fabrics (& products made directly on a handloom);
- Traditional folklore articles

HTS 9821.11.16

The President shall determine eligible articles after consultations with beneficiary countries.





ATPDEA Group G

- Brassieres
- Cut and Sewn in the US, or one or more ATPDEA beneficiary countries or both
- Subject to Value Requirement



HTS 9821.11.19



ATPDEA Group H

- Textile Luggage
- Assembled in ATPDEA Beneficiary Country
- Fabric Wholly Formed (including dyeing, printing & finishing) in US
- Cut in the US or ATPDEA



HTS 9802.00.8048

HTS 9821.11.22



ATPDEA Group I

- US or ATPDEA wholly formed yarn
- Apparel sewn or otherwise assembled in 1 or more ATPDEA beneficiary countries from ATPDEA formed fabrics or components
- Whether or not in combination with Groupings A-D
- Subject to tariff preference level (TPL)

HTS 9821.11.25

a.k.a.: “Regional Fabric”



ATPDEA Special Rules

Findings & Trimmings 25% foreign value permitted

For example: Sewing Thread*, Hooks and Eyes, Snaps, Buttons, “Bow Buds”, Decorative Lace Trim, Zippers, Zipper Tapes, and Labels [9821 US Note 4(a)(i) & (b)]

Certain Interlinings 25% foreign value permitted (in combination with findings & trimmings)

Chest type plate, Hymo Piece or Sleeve Header of woven or weft-inserted warp knit construction of course animal hair or man made filament [9821 US Note 4(a)(ii) & (c)]

De Minimis 7% by weight foreign fiber or yarn [9821 US Note 3(a)(iii)]

Nylon Filament Yarn eligible from Israel, Canada, Mexico

**unless required to originate in particular grouping*



Certain Nylon Filament Yarn

- Textile or apparel goods may contain specified nylon filament yarn (other than elastomeric yarn) from Israel, or Canada or Mexico
- 5402.10.30, 5402.10.60, 5402.31.30, 5402.31.60, 5403.32.30, 5402.32.60, 5402.45.10, 5402.45.90, 5402.51.00 or 5402.61.00, HTSUS

[9821 US Note 4(d)]





ATPDEA Direct Shipment

- (A) **direct shipment** from ATPDEA to the US without passing through the territory of any intermediate country, or
- (B) if shipment is through the territory of an intermediate country, the articles in the shipment **do not enter into the commerce** of any intermediate country and the invoices, bills of lading and other **shipping documents show the US** as the final destination, or
- (C) if shipment is through an intermediate country and the invoices and other **documents do not show the US** as the final destination, then the articles in the shipment are imported directly only if they–
- (1) remain under the **control of the customs** authority in an intermediate country,
 - (2) **do not enter into the commerce** of an intermediate country except for the purpose of a sale other than at retail, provided that the articles are imported as a result of the original commercial transaction between the importer and the producer or the producer's sales agent, and
 - (3) have **not been subjected to operations** other than loading and unloading, and other activities necessary to preserve the article in good condition.



Internet Resources

U.S. Government Internet Resources:

- **Rules of Origin & Rulings** www.cbp.gov
- **Textile Trade Data & Short Supply** otexa.ita.doc.gov
- **Trade Agreements** www.ustr.gov
- **Duty Rates** www.usitc.gov
- **Labeling** www.ftc.gov/os/statutes/textilejump.htm



CBP Textile Information



Textile and Apparel Information

http://www.cbp.gov/xp/cgov/import/textiles_and_quotas/

