UNITED STATES INTERNATIONAL TRADE COMMISSION Washington, D.C. 20436

Investigation No. Bahrain-FTA-103-025

Certain Combed Cotton Yarns: Effect of Modification of U.S.-Bahrain FTA Rules of Origin

AGENCY: United States International Trade Commission.

ACTION: Institution of investigation.

SUMMARY: Following receipt of a request on February 12, 2010, from the U.S. Trade Representative (USTR) under authority delegated by the President and pursuant to section 104 of the United States-Bahrain Free Trade Agreement (FTA) Implementation Act (19 U.S.C. 3805 note), the Commission instituted investigation No. Bahrain FTA-103-025, *Certain Combed Cotton Yarns: Effect of Modification of U.S.-Bahrain FTA Rules Of Origin.*

DATES:

April 29, 2010: Deadline for filing all written submissions. **On or before July 12, 2010:** Transmittal of report to the USTR.

ADDRESSES: All Commission offices, including the Commission's hearing rooms, are located in the United States International Trade Commission Building, 500 E Street SW, Washington, DC. All written submissions should be addressed to the Secretary, United States International Trade Commission, 500 E Street SW, Washington, DC 20436. The public record for this investigation may be viewed on the Commission's electronic docket (EDIS) at https://edis.usitc.gov/edis3-internal/app.

FOR FURTHER INFORMATION CONTACT: Co-project Leaders Heidi Colby-Oizumi (202-205-3391 or heidi.colby@usitc.gov) or Kimberlie Freund (202-708-5402 or kimberlie.freund@usitc.gov) for information specific to this investigation. For information on the legal aspects of this investigation, contact William Gearhart of the Commission's Office of the General Counsel (202-205-3091 or or william.gearhart@usitc.gov). The media should contact Margaret O'Laughlin, Office of External Relations (202-205-1819 or margaret.olaughlin@usitc.gov). Hearing-impaired individuals may obtain information on this matter by contacting the Commission's TDD terminal at 202-205-1810. General information concerning the Commission may also be obtained by accessing its Internet (http://www.usitc.gov). Persons with mobility impairments who will need special assistance in gaining access to the Commission should contact the Office of the Secretary at 202-205-2000.

BACKGROUND: Chapter 3, Annex 3-A and Chapter 4 of the FTA contain the rules of origin for textiles and apparel for application of the tariff provisions of the FTA. These rules are reflected in General Note 30 of the Harmonized Tariff Schedule of the United States (HTS). According to the USTR's request letter, U.S. negotiators have recently reached agreement in principle with representatives of the government of Bahrain on certain modifications to the rules of origin to the FTA for certain combed cotton yarns used in the production of certain home furnishings, as described in the attachment to the letter (for the text of the letter and attachment, see the Commission's website for this investigation at http://www.usitc.gov/research_and_analysis/What_We_Are_Working_On.htm).

Section 202(j) of the United States-Bahrain Free Trade Agreement Implementation Act (the Act) authorizes the President, subject to the consultation and layover requirements of section 104 of the Act, to proclaim such modifications to the rules of origin as are necessary to implement an agreement pursuant to Article 3.2.5 of the FTA. One of the requirements set out in section 104 of the Act is that the President obtain advice from the United States International Trade Commission. The request letter asks that the Commission provide advice on the probable effect of the proposed modifications on U.S. trade under the U.S.-Bahrain FTA, total U.S. trade, and on domestic producers of the affected articles. The USTR asked that the Commission provide its report containing its advice by July 12, 2010, and that the Commission shortly thereafter issue a public version of the report with any confidential business information deleted.

Additional information concerning the articles and the proposed modifications, including a copy of the USTR's request letter, can be obtained by accessing the Commission's website at http://www.usitc.gov. The current U.S.-Bahrain FTA rules of origin applicable to U.S. imports can be found in general note 30 of the HTS (see "General Notes" link at http://www.usitc.gov/tata/hts/bychapter/index.htm).

WRITTEN SUBMISSIONS: No public hearing is planned. However, interested parties are invited to file written submissions and other information concerning the matters to be addressed in this investigation. All written submissions should be addressed to the Secretary. To be assured of consideration by the Commission, written submissions relating to the Commission's advice should be submitted at the earliest possible date, and should be received not later than 5:15 p.m., April 29, 2010. All written submissions must conform to the provisions of section 201.8 of the Commission's *Rules of Practice and Procedure* (19 C.F.R. 201.8). Section 201.8 requires that a signed original (or a copy so designated) and fourteen (14) copies of each document be filed. In the event that confidential treatment of a document is requested, at least four (4) additional copies must be filed, in which the confidential information must be deleted (see the following paragraph for further information regarding confidential business information). The Commission's rules authorize the filing submissions with the Secretary by facsimile or electronic means only to the extent permitted by section 201.8 of the rules (see Handbook on Electronic Filing Procedures,

http://www.usitc.gov/docket_services/documents/handbook_on_electronic_filing.pdf). Persons with questions regarding electronic filing should contact the Secretary (202-205-2000).

Any submissions that contain confidential business information must also conform with the requirements of section 201.6 of the Commission's Rules of Practice and Procedure (19 C.F.R. 201.6). Section 201.6 of the rules requires that the cover of the document and the individual pages be clearly marked as to whether they are the "confidential" or "non-confidential" version, and that the confidential business information be clearly identified by means of brackets. All written submissions, except for confidential business information, will be made available for inspection by interested parties.

The Commission may include some or all of the confidential business information submitted in the course of this investigation in the report it sends to the USTR and the President. As requested by the USTR, the Commission will publish a public version of the report. However, in the public version, the Commission will not publish confidential business information in a manner that would reveal the operations of the firm supplying the information.

By order of the Commission.

/s/ Marilyn R. Abbott Secretary to the Commission

Issued: March 4, 2010