

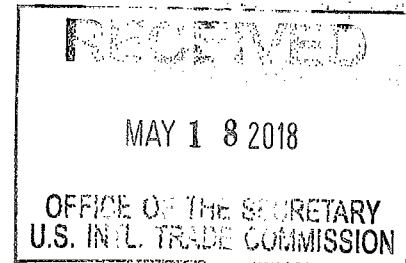


THE UNITED STATES TRADE REPRESENTATIVE
EXECUTIVE OFFICE OF THE PRESIDENT
WASHINGTON

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Office of the Secretary Int'l Trade Commission

May 18, 2018

The Honorable Rhonda K. Schmidlein
Chairman
United States International Trade Commission
500 E Street, S.W.
Washington, D.C. 20436



Dear Chairman Schmidlein:

As part of the 2017/2018 Annual Review for modification of the Generalized System of Preferences (GSP), the Trade Policy Staff Committee (TPSC) has recently decided to accept certain product petitions, including petitions for waivers of competitive need limitations (CNLs). Modifications to the GSP program that may result from this review are expected to be announced on or before October 31, 2018, and to become effective on or before November 1, 2018.

In accordance with sections 503(a)(1)(A), 503(e), and 131(a) of the Trade Act of 1974, as amended ("the 1974 Act"), and pursuant to the authority of the President delegated to the United States Trade Representative (USTR) by sections 4(c) and 8(c) and (d) of Executive Order 11846 of March 31, 1975, as amended, and pursuant to section 332(g) of the Tariff Act of 1930, I hereby notify the Commission that the articles identified in Table A of the enclosed Annex are being considered for designation as eligible articles for purposes of the GSP program. I therefore request that the Commission provide its advice as to the probable economic effect on total U.S. imports, on U.S. industries producing like or directly competitive articles, and on U.S. consumers of the elimination of U.S. import duties on the articles in Table A for all beneficiary developing countries under the GSP program.

I hereby notify the Commission that articles are being considered for removal from eligibility for duty-free treatment under the GSP program from certain countries. Under authority delegated by the President, pursuant to section 332(g) of the Tariff Act of 1930, with respect to the articles listed in Table B of the enclosed Annex, I request that the Commission provide its advice as to the probable economic effect of the removal from eligibility for duty-free treatment under the GSP program for these articles from certain GSP countries on total U.S. imports, on U.S. industries producing like or directly competitive articles, and on U.S. consumers.

Under authority delegated by the President, pursuant to section 332(g) of the Tariff Act of 1930, and in accordance with section 503(d)(1)(A) of the 1974 Act, I request that the Commission provide advice on whether any industry in the United States is likely to be adversely affected by a waiver of the Competitive Need Limitations (CNLs) specified in section 503(c)(2)(A) of the 1974 Act for the countries and articles specified in Table C of the enclosed Annex. I also request that the Commission provide its advice as to the probable economic effect on total U.S. imports, as well as on consumers, of the requested waivers. With respect to the Competitive Need Limitation in section 503(c)(2)(A)(i)(I) of the 1974 Act, the Commission is requested to use the dollar value limit of \$180,000,000. Further, pursuant to section 332(g) of the Tariff Act of 1930 and in accordance with section 503(c)(2)(E) of the 1974 Act, I request that the Commission provide its advice as to whether a like or directly competitive article was produced in the United States in any of the preceding three calendar years.

I hereby notify the Commission that the articles from the designated GSP beneficiary countries identified in Table D of the enclosed Annex are being considered for redesignation as eligible articles from certain beneficiary countries for purposes of the GSP program. Under authority delegated by the President, pursuant to section 332(g) of the Tariff Act of 1930, I therefore request that the Commission provide its advice as to the probable economic effect on total U.S. imports, on U.S. industries producing like or directly competitive articles, and on U.S. consumers of the elimination of U.S. import duties on the articles in Table D from the listed beneficiary countries.

I hereby notify the Commission that one article from the designated GSP beneficiary country identified in Table E of the enclosed Annex is being considered for redesignation as an eligible article for purposes of the GSP program. Under authority delegated by the President, pursuant to section 332(g) of the Tariff Act of 1930, I therefore request that the Commission provide its advice as to the probable economic effect on total U.S. imports, on U.S. industries producing like or directly competitive articles, and on U.S. consumers of the elimination of U.S. import duties on the article in Table E from the listed beneficiary country. Further, pursuant to section 332(g) of the Tariff Act of 1930 and in accordance with section 503(c)(2)(E) of the 1974 Act, I request that the Commission provide its advice as to whether a like or directly competitive article was produced in the United States in any of the preceding three calendar years.

I hereby notify the Commission that one article from a GSP beneficiary country is being considered for denial of a *de minimis* CNL waiver. Under authority delegated by the President, pursuant to section 332(g) of the Tariff Act of 1930, with respect to the article listed in Table F of the enclosed Annex, I request that the Commission provide its advice as to the probable economic effect of the removal from eligibility for duty-free treatment under the GSP program of this article from the all GSP countries on total U.S. imports, on U.S. industries producing like or directly competitive articles, and on U.S. consumers. Further, pursuant to section 332(g) of the Tariff Act of 1930 and in accordance with section 503(c)(2)(E) of the 1974 Act, I request that the Commission provide its advice with respect to whether a like or directly competitive article was being produced in the United States in any of the preceding three calendar years.

To the extent possible, I would appreciate it if the probable economic effect advice and statistics (profile of the U.S. industry and market and U.S. import and export data) and any other relevant information or advice is provided separately and individually for each U.S. Harmonized Tariff Schedule subheading for all products subject to this request.


In accordance with USTR policy on implementing Executive Order 13526, as amended, I direct you to mark or identify as "Confidential," for a period of ten years, such portions of the Commission's report and its working papers that contain the Commission's advice and assessment of probable economic effects on domestic industries producing like or directly competitive articles, on U.S. imports, and on U.S. consumers. Consistent with the Executive Order, this information is being classified on the basis that it concerns economic matters relating to the national security. In addition, USTR considers the Commission's report to be an inter- agency memorandum that will contain pre-decisional advice and be subject to the deliberative process privilege.

I request that you submit an outline of this report as soon as possible to enable USTR officials to provide you with further guidance on its classification, including the extent to which portions of the report will require classification and for how long. Based on this outline, an appropriate USTR official will provide you with written instructions. All confidential business information contained in the report should also be clearly identified.

I would greatly appreciate if the requested advice, including those portions indicated as "Confidential" be provided to my Office by no later September 7, 2018. Once the Commission's confidential report is provided to my Office, and we review and approve the classification marking, the Commission should issue, as soon as possible thereafter, a public version of the report containing only the unclassified information, with any confidential business information deleted.

The Commission's assistance in this matter is greatly appreciated.

Sincerely yours,


Ambassador Robert E. Lighthizer
United States Trade Representative

ANNEX

Products are listed by Harmonized Tariff Schedule of the United States (HTS) subheadings. The product descriptions in this list are for informational purposes only; the definitive tariff nomenclature for the products listed below can be found in the HTS (except in those cases where only part of a subheading is the subject of a petition). The descriptions below are not intended to delimit in any way the scope of the relevant subheadings. The HTS may be viewed at <https://hts.usitc.gov/current>. The petitions cited below may be found on www.regulations.gov in Docket USTR-2017-0004.

Table A: 2017/2018 GSP Annual Review-Petitions submitted for products to be considered for addition to the list of GSP-eligible products

HTS Subheading	Brief Description	Petitioner(s)
0808.30.40	Pears, fresh, if entered during the period from July 1 through the following March 31, inclusive	Government of Argentina
0814.00.80	Peel of citrus fruit, excl. orange or citron and peel, nesoi, of melon, fresh, frozen, dried or provisionally preserved	Government of Argentina
1207.29.00	Cotton seeds, whether or not broken, other than seed for sowing	Government of Argentina
1512.11.00	Sunflower-seed or safflower oil, crude, and their fractions, whether or not refined, not chemically modified	Government of Argentina
2008.99.05	Apples, otherwise prepared or preserved, nesoi	Government of Argentina
2918.99.05	p-Anisic acid; clofibrate and 3-phenoxybenzoic acid	Government of Argentina
2918.99.43	Aromatic carboxylic acids with additional oxygen function and their anhydrides, halide, etc deriv described in add US note 3 to sect VI, nesoi	Government of Argentina
2918.99.47	Other aromatic carboxylic acids with additional oxygen function and their anhydrides, halide, etc deriv (excluding goods in add US note 3 to sec VI)	Government of Argentina

HTS Subheading	Brief Description	Petitioner(s)
4010.33.30	Transmission V-belts of vulcanized rubber, V-ribbed, circumference exceeding 180 cm but not exceeding 240 cm, combined with textile materials	Government of Argentina

Table B: 2017/2018 GSP Annual Review- Petition submitted to remove duty-free status from all countries for a product on the list of eligible articles for the Generalized System of Preferences

HTS Subheading	Brief Description	Action Requested	Petitioner
2009.89.6011 and 2009.89.6019	Cherry juice – Part of 2009.89.60 “Juice of any other single fruit, nesoi”	Remove product for Turkey	Cherry Marketing Institute
3920.51.50	Nonadhesive plates, sheets, film, foil and strip, noncellular, not combined with other materials, of polymethyl methacrylate, not flexible	Remove product for Indonesia and Thailand	Altuglas International/Arkema

Table C: 2017/2018 GSP Annual Review- Petitions submitted for waiver of GSP CNLs

HTS Subheading	Brief Description	Petitioner	Country
0410.00.00	Edible products of animal origin, nesoi	Government of Indonesia	Indonesia
2836.91.00	Lithium carbonates	Government of Argentina, FMC Corporation	Argentina
3301.13.00	Essential oils of lemon	Citrus and Allied Essences, Industrial Tucuman Union, ACNOA, Flavor and Extract Manufacturers Association of the United States, AFINOA, Federacion Argentina del Citrus	Argentina

6802.99.00	Monumental or building stone & arts. thereof, nesoi, further worked than simply cut/sawn, nesoi	M.S. International	Brazil
7202.50.00	Ferrosilicon chromium	Embassy of Kazakhstan	Kazakhstan

Table D: 2017/2018 GSP Annual Review- Petition submitted for re-designation of excluded item

HTS Subheading	Brief Description	Petitioner	Country
2007.99.48	Apple, quince and pear pastes and purees, being cooked preparations	Government of Argentina, Fenix, ProMendoza, COPAL	Argentina
2306.30.00	Oilcake and other solid residues, resulting from the extraction of vegetable fats or oils, of sunflower seeds	Government of Argentina	Argentina
2841.90.20	Ammonium perrhenate	Government of Kazakhstan	Kazakhstan
2909.50.40	Odoriferous or flavoring compounds of ether-phenols, ether-alcohol-phenols & their halogenated, sulfonated, nitrated, nitrosated derivatives	Government of Indonesia	Indonesia
4107.11.80	Full grain unsplit whole bovine (not buffalo) nesoi and equine leather nesoi, w/o hair, prepared after tanning or crusting, fancy, not 4114	Government of Argentina	Argentina

HTS Subheading	Brief Description	Petitioner	Country
6802.93.00	Monumental or building stone & arts. thereof, of granite, further worked than simply cut/sawn, nesoi	M.S. International	India
7202.93.80	Ferroniobium, nesoi	CMOC Mining USA	Brazil

Table E: 2017/2018 GSP Annual Review- Petition submitted for re-designation of excluded item

HTS Subheading	Brief Description	Petitioner	Country
4412.31.41 Including 4412.31.4150 and 4412.31.4160	Plywood sheets n/o 6mm thick, with specified tropical wood outer ply, with face ply nesoi, not surface covered beyond clear/transparent	Government of Indonesia, Recreational Vehicle Industry Association	Indonesia

Table F: 2017/2018 GSP Annual Review- Petition submitted for denial of *de minimis* waiver

HTS Subheading	Brief Description	Petitioner	Country
3802.90.10	Bone black	Atum Services	Brazil