

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, D.C.

Investigation No. 332-558

Nepal: Advice Concerning Whether Certain Textile and Apparel Articles Are Import Sensitive

AGENCY: United States International Trade Commission.

ACTION: Notice of institution of investigation and scheduling of public hearing.

SUMMARY: Following receipt of a request on March 30, 2016 from the United States Trade Representative (USTR), the U.S. International Trade Commission (Commission) instituted investigation No. 332-558, *Nepal: Advice Concerning Whether Certain Textile and Apparel Articles Are Import Sensitive*. The report will provide the advice requested by the USTR.

DATES:

May 23, 2016: Deadline for filing requests to appear at the public hearing.

May 25, 2016: Deadline for filing pre-hearing briefs and statements.

June 9, 2016: Public hearing.

June 14, 2016: Deadline for filing post-hearing briefs and statements.

June 24, 2016: Deadline for filing all other written submissions.

September 29, 2016: Transmittal of Commission 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 <http://www.usitc.gov/secretary/edis.htm>.

FOR FURTHER INFORMATION CONTACT: Information specific to this investigation may be obtained from Andrea Boron, Project Leader, Office of Industries (202-205-3433 or andrea.boron@usitc.gov), or Natalie Hanson, Deputy Project Leader, Office of Industries (202-205-2571 or natalie.hanson@usitc.gov). 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 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 Web site (<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: As noted by the USTR in his request letter, on February 24, 2016, the President signed the Trade Facilitation and Trade Enforcement Act of 2015 (the Act) (Public Law 114-125) into law. Section 915 of the Act authorizes the President to establish a trade preference program for Nepal. Prior to determining whether an article is an eligible article for the purposes of the Act, the President is required to receive the advice of the Commission, in accordance with section 503(e) of the Trade Act of

1974 (the 1974 Act) (19 U.S.C. 2463(e)), that the article is not import-sensitive in the context of imports from Nepal.

In his request letter the USTR notified the Commission, under authority delegated to him in accordance with sections 503(a)(1)(A), 503(e), and 131(a) of the 1974 Act, as amended (19 U.S.C. 2463(a)(1)(A), 2463(e), and 2151(a)), that the 66 eight-digit textile and apparel tariff lines identified in Table A of the Annex to his request letter are being considered for designation as eligible articles for purposes of the Act. The USTR requested that the Commission provide its advice as to whether these articles are import-sensitive in the context of imports from Nepal. He asked that this advice include 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 for Nepal on the articles identified in Table A of the Annex to his request letter (see Table A below).

Table A: Products being considered for designation as eligible products for Nepal

HTS Subheading	Brief Description
4202.11.00	Trunks, suitcases, vanity & all other cases, occupational luggage & like containers, surface of leather, composition or patent leather
4202.12.20	Trunks, suitcases, vanity and attaché cases, occupational luggage and similar containers, with outer surface of plastics
4202.12.40	Trunks, suitcases, vanity & attaché cases, occupational luggage & like containers, surfaces of cotton, not of pile or tufted construction
4202.12.60	Trunks, suitcases, vanity & attaché cases, occupational luggage & like containers, w outer surface of veg. fibers, excl. cotton
4202.12.80	Trunks, suitcases, vanity & attaché cases, occupational luggage and similar containers, with outer surface of textile materials nesi
4202.21.60	Handbags, with or without shoulder strap or without handle, with outer surface of leather, composition or patent leather, nesi, n/o \$ ea.
4202.21.90	Handbags, with or without shoulder strap or without handle, with outer surface of leather, composition or patent leather, nesi, over \$ ea.
4202.22.15	Handbags, with or without shoulder straps or without handle, with outer surface of sheeting of plastics
4202.22.40	Handbags with or without shoulder strap or without handle, with outer surface of textile materials, wholly or in part of braid, nesi
4202.22.45	Handbags with or without shoulder strap or without handle, with outer surface of cotton, not of pile or tufted construction or braid
4202.22.60	Handbags with or w/o shoulder strap or w/o handle, outer surface of veg. fibers, exc. cotton, not of pile or tufted construction or braid
4202.22.70	Handbags with or w/o shoulder strap or w/o handle, with outer surface containing % or more of silk, not braided
4202.22.80	Handbags with or without shoulder strap or without handle, with outer surface of textile materials, nesi
4202.29.50	Handbags w. or w/o shld. strap or w/o handle of mat. (o/t leather, shtng. of plas., tex. mat., vul. fib. or paperbd.), pap.cov.,of mat. nesi
4202.29.90	Handbags with or without shoulder straps or without handle, with outer surface of vulcanized fiber or of paperboard, not covered with paper
4202.31.60	Articles of a kind normally carried in the pocket or handbag, with outer surface of leather, composition or patent leather, nesi

HTS Subheading	Brief Description
4202.32.40	Articles of a kind normally carried in the pocket or handbag, with outer surface of cotton, not of pile or tufted construction
4202.32.80	Articles of a kind normally carried in the pocket or handbag, with outer surface of vegetable fibers, not of pile or tufted construction, nesi
4202.32.95	Articles of a kind normally carried in the pocket or handbag, with outer surface of textile materials, nesi
4202.91.00	Cases, bags and containers nesi, with outer surface of leather, of composition leather or patent leather
4202.92.08	Insulated food or beverage bags with outer surface of textile materials, nesoi
4202.92.15	Travel, sports and similar bags with outer surface of cotton, not of pile or tufted construction
4202.92.20	Travel, sports and similar bags with outer surface of vegetable fibers, excl. cotton, not of pile construction
4202.92.30	Travel, sports and similar bags with outer surface of textile materials other than of vegetable fibers
4202.92.45	Travel, sports and similar bags with outer surface of plastic sheeting
4202.92.60	Bags, cases and similar containers, nesi, with outer surface of cotton
4202.92.90	Bags, cases and similar containers nesi, with outer surface of plastic sheeting or of textile materials, excl. cotton
4202.99.90	Cases, bags and similar containers, nesi, with outer surface of vulcanized fiber or of paperboard
4203.29.50	Gloves, mittens and mitts of leather or composition leather, nesi, lined, for persons other than men
5701.10.90	Carpets and other textile floor coverings, of wool or fine animal hair, not hand-hooked, not hand knotted during weaving
5702.31.20	Carpets and other textile floor coverings of pile construction, woven, not tufted or flocked, not made up, of wool/fine animal hair, nesoi
5702.49.20	Carpets & other textile floor coverings of pile construction, woven, not tufted or flocked, made up, of other textile materials nesoi
5702.50.40	Carpets & other textile floor coverings, not of pile construction, woven, not made up, of wool or fine animal hair, nesoi
5702.50.59	Carpets & other textile floor coverings, not of pile construction, woven, not made up, of other textile materials nesoi
5702.91.30	Floor coverings, not of pile construction, woven not on power-driven loom, made up, of wool or fine animal hair, nesi
5702.91.40	Carpets & other textile floor coverings, not of pile construction, woven nesoi, made up, of wool or fine animal hair, nesoi
5702.92.90	Carpet & other textile floor coverings, not of pile construction, woven, made up, of man-made textile materials, nesi
5702.99.15	Carpets and other textile floor coverings, not of pile construction, woven, made up, of cotton, nesoi
5703.10.20	Hand-hooked carpets and other textile floor coverings, tufted, whether or not made up, of wool or fine animal hair
5703.10.80	Carpets and other textile floor coverings, tufted, whether or not made up, of wool or fine animal hair, nesoi
5703.90.00	Carpets and other textile floor coverings, tufted, whether or not made up, of other textile materials nesoi
5705.00.20	Carpets and other textile floor coverings, whether or not made up, nesoi

HTS Subheading	Brief Description
6117.10.60	Shawls, scarves, mufflers, mantillas, veils and the like, nesoi
6117.80.85	Headbands, ponytail holders & similar articles, of textile materials other than containing % or more by weight of silk, knitted/crocheted
6214.10.10	Shawls, scarves, mufflers, mantillas, veils and the like, not knitted or crocheted, containing % or more silk or silk waste
6214.10.20	Shawls, scarves, mufflers, mantillas, veils and the like, not knitted or crocheted, containing less than % silk or silk waste
6214.20.00	Shawls, scarves, mufflers, mantillas, veils and the like, not knitted or crocheted, of wool or fine animal hair
6214.40.00	Shawls, scarves, mufflers, mantillas, veils and the like, not knitted or crocheted, of artificial fibers
6214.90.00	Shawls, scarves, mufflers, mantillas, veils and the like, not knitted or crocheted, of textile materials nesoi
6216.00.80	Gloves, mittens and mitts, not knitted or crocheted, of wool or fine animal hair, nesoi
6217.10.85	Headbands, ponytail holders and similar articles, of textile materials containing < % by weight of silk, not knit/crochet
6301.90.00	Blankets and traveling rugs, nesoi
6308.00.00	Needlecraft sets for making up into rugs, etc., consist of woven fabric and yarn, whether/not w/accessories, put up packings for retail sale
6504.00.90	Hats and headgear, plaited or assembled from strips of any material (o/than veg. fibers/unspun fibrous veg. materials and/or paper yarn)
6505.00.08	Hats and headgear made from hat forms and hat bodies of , except of fur felt
6505.00.15	Hats and headgear, of cotton and/or flax, knitted
6505.00.20	Headwear, of cotton, not knitted; certified hand-loomed and folklore hats & headgear, of cotton or flax, not knitted
6505.00.25	Hats and headgear, of cotton or flax, not knitted, not certified hand-loomed folklore goods
6505.00.30	Hats and headgear, of wool, knitted or crocheted or made up from knitted or crocheted fabric
6505.00.40	Hats and headgear, of wool, made up from felt or of textile material, not knitted or crocheted or made up from knitted or crocheted fabric
6505.00.50	Hats and headgear, of man-made fibers, knitted or crocheted or made up from knitted or crocheted fabric, wholly or in part of braid
6505.00.60	Hats and headgear, of man-made fibers, knitted or crocheted or made up from knitted or crocheted fabrics, not in part of braid
6505.00.80	Hats and headgear, of man-made fibers, made up from felt or of textile material, not knitted or crocheted, not in part of braid
6505.00.90	Hats and headgear, of textile materials (other than of cotton, flax, wool or man-made fibers), nesoi
6506.99.30	Headgear, nesoi, of furskin, whether or not lined or trimmed
6506.99.60	Headgear (other than safety headgear), nesoi, of materials other than rubber, plastics, or furskins, whether or not lined or trimmed

As requested, to the extent possible, the Commission will provide its advice and statistics separately and individually for each U.S. Harmonized Tariff Schedule subheading for all products subject to the request. The USTR indicated that those sections of the Commission's report and working papers that contain the Commission's advice and assessment will be classified as "confidential." The USTR also stated that his office 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.

The Commission has instituted the investigation under section 332(g) of the Tariff Act of 1930 (19 U.S.C. 1332(g)) in order to facilitate the filing and inspection of written submissions and also to make the report a part of an established Commission reporting series. As requested by the USTR, the Commission will provide its report to the USTR containing the requested advice by September 29, 2016. The USTR asked that the Commission issue a public version of the report as soon as possible thereafter, containing only the unclassified information, with any confidential business information deleted.

PUBLIC HEARING: A public hearing in connection with this investigation will be held at the U.S. International Trade Commission Building, 500 E Street SW, Washington, DC, beginning at 9:30 a.m. on Thursday June 9, 2016. Requests to appear at the public hearing should be filed with the Secretary no later than 5:15 p.m., May 23, 2016. All pre-hearing briefs and statements should be filed no later than 5:15 p.m., May 25, 2016; and all post-hearing briefs and statements should be filed no later than 5:15 p.m., June 14, 2016. All requests to appear, and pre- and post-hearing briefs and statements should be filed by the above dates but otherwise in accordance with the requirements of the "written submissions" section below.

WRITTEN SUBMISSIONS: In lieu of or in addition to appearing at the hearing, interested parties are invited to file written submissions concerning this investigation. All written submissions should be addressed to the Secretary. Except for requests to appear and pre- and post-hearing briefs, all written submissions should be received not later than 5:15 p.m., June 24, 2016. All written submissions must conform to the provisions of section 201.8 of the Commission's Rules of Practice and Procedure (19 CFR 201.8). Section 201.8 and the Commission's [Handbook on Filing Procedures](#) require that interested parties file documents [electronically](#) on or before the filing deadline and submit eight (8) true paper copies by 12:00 p.m. eastern time on the next business day. In the event that confidential treatment of a document is requested, interested parties must file, at the same time as the eight paper copies, at least four (4) additional true paper copies in which the confidential information must be deleted (see the following paragraph for further information regarding confidential business information). Persons with questions regarding electronic filing should contact the Office of the Secretary, Docket Services Division (202-205-1802).

Any submissions that contain confidential business information must also conform to the requirements of section 201.6 of the Commission's Rules of Practice and Procedure (19 CFR 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 is clearly identified by means of brackets. All written submissions, except for confidential business information, will be made available for inspection by interested parties.

DISCLOSURE OF CONFIDENTIAL BUSINESS INFORMATION: 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. Additionally, all information, including confidential business information, submitted in this investigation may be disclosed to and used: (i) by the Commission, its employees and Offices, and contract personnel (a) for developing or maintaining the records of this or a related proceeding, or (b) in internal investigations, audits, reviews, and evaluations relating to the programs, personnel, and operations of the Commission including under 5 U.S.C. Appendix 3; or (ii) by U.S. government employees and contract personnel (a) for cybersecurity purposes or (b) in monitoring user activity on U.S. government classified networks. The Commission will not otherwise disclose any confidential business information in a manner that would reveal the operations of the firm supplying the information.

SUMMARIES OF WRITTEN SUBMISSIONS: The Commission intends to publish summaries of the positions of interested persons. Persons wishing to have a summary of their position included in the report should include a summary with their written submission. The summary may not exceed 500 words, should be in MSWord format or a format that can be easily converted to MSWord, and should not include any confidential business information. The summary will be published as provided if it meets these requirements and is germane to the subject matter of the investigation. The Commission will identify the name of the organization furnishing the summary and will include a link to the Commission's Electronic Document Information System (EDIS) where the full written submission can be found.

By order of the Commission.

A handwritten signature in black ink, appearing to read 'Lisa R. Barton', with a stylized flourish at the end.

Lisa R. Barton
Secretary to the Commission

Issued: April 15, 2016