

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

Investigation No. Singapore FTA-103-22

*Certain Yarns and Fabrics FY 2009: Effect of Modification of
U.S.-Singapore Free Trade Agreement Rules of Origin*

AGENCY: United States International Trade Commission.

ACTION: Institution of investigation.

SUMMARY: Following receipt of a request on January 28, 2009, from the Office of the United States Trade Representative (USTR) under authority delegated by the President and pursuant to section 103 of the United States-Singapore Free Trade Agreement (USSFTA) Implementation Act, the U.S. International Trade Commission (Commission) instituted investigation No. Singapore FTA-103-22, *Certain Yarns and Fabrics FY 2009: Effect of Modification of U.S.-Singapore Free Trade Agreement Rules of Origin*.

DATES:

May 19, 2009: Deadline for filing all written submissions.

On or before August 28, 2009: 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 <http://www.usitc.gov/secretary/edis.htm>.

FOR FURTHER INFORMATION CONTACT: Project Leaders Jackie Jones (202-205-3466 or jackie.jones@usitc.gov) or Laura V. Rodriguez (202-205-3499 or laura.rodriguez@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 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 server (<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 and Annex 3-A of the U.S.-Singapore FTA set out rules of origin for textiles and apparel for applying the tariff provisions of the USSFTA. These rules are reflected in General Note 25 of the Harmonized Tariff Schedule (HTS). According to the request letter from USTR, U.S. negotiators have recently reached agreement in principle with representatives of the Government of Singapore to modify the USSFTA rules of origin for certain yarns and fabrics because it has been determined that producers in the United States and Singapore are not able to manufacture these products in commercial quantities in a timely manner. The products covered by this request are listed in the appendix that follows.

Section 203(o)(2)(B)(i) of the United States-Singapore Free Trade Agreement Implementation Act (the Act) authorizes the President, subject to the consultation and layover requirements of section 103 of the

Act, to proclaim such modifications to the rules of origin as are necessary to implement an agreement with Singapore pursuant to Article 3.18.4(c) of the Agreement. One of the requirements set out in section 103 of the Act is that the President obtain advice regarding the proposed action from the Commission. The request letter asks that the Commission provide advice on the probable effect of the proposed modification of the USSFTA rules of origin described above on U.S. trade under the USSFTA, on total U.S. trade, and on domestic producers of the affected articles. The USTR asked that the Commission submit its advice to USTR by August 28, 2009, 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 can be obtained by accessing the electronic version of this investigation notice at the Commission Internet site (<http://www.usitc.gov>). The USTR request letter may be obtained at http://www.usitc.gov/ind_econ_ana/research_ana/Ongoing_Inv/documents/103req1wt.pdf. The current USSFTA rules of origin applicable to U.S. imports can be found in general note 25 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 submit written submissions concerning this investigation. All written submissions should be addressed to the Secretary at the earliest possible date, and should be received not later than 5:15 p.m., May 19, 2009. 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 filing submissions with the Secretary by facsimile or electronic means only to the extent permitted by section 201.8 of the rules (see Handbook for Electronic Filing Procedures, http://www.usitc.gov/secretary/fed_reg_notices/rules/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 to 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 is 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: February 17, 2009

Appendix

Proposals Under Paragraph 4 of Article 3.18 of the U.S.-Singapore Free Trade Agreement (USSFTA)

The products covered by this request are:

(1) Certain viscose rayon filament yarns, of the specifications detailed below, classified in subheading 5403.10.601 of the Harmonized Tariff Schedule of the United States (HTSUS), for use in apparel articles;

Specifications:

1. Viscose Filament Yarn

DTEX 166/40 Bright Centrifugal

Tenacity, cN/tex, min. - 142.0

Elongation at rupture, % - 18.0 - 24.0

Elongation at rupture variation factory, % max. - 8.1

Twist direction - S

2. Viscose Filament Yarn

DTEX 330/60 Bright Centrifugal

Tenacity, cN/tex, min. - 142.0

Elongation at rupture, % - 18.0 - 24.0

Elongation at rupture variation factor, % max. - 8.1

Twist direction - S

(2) Certain fabrics, classified in subheading 5210.11 of the Harmonized Tariff Schedule of the United States (HTSUS), not of square construction, containing more than 70 warp ends and filling picks per square centimeter, of average yarn number exceeding 70 metric, used in the production of women's and girls' blouses;

(3) Certain combed compact yarns, of wool or fine animal hair, classified in subheadings 5107.10, 5107.20, or 5108.20 of (HTSUS), for use in apparel articles;

(4) 100 percent cotton yarn-dyed woven flannel fabrics, made from 14 through 41 NM single ring-spun yarns, classified in 5208.43.00 of the (HTSUS), of construction 2 X 1 twill weave, weighing 200 grams per square meter or less, for use in apparel articles excluding gloves;

(5) Certain woven, 100 percent cotton, flannel fabrics, of the specifications detailed below, classified in the indicated subheadings of the (HTSUS), for use in shirts, trousers, nightwear, robes, dressing gowns, and woven underwear:

¹Singapore's original request indicated that the HTS product classification for this product was 5403.41.0000. The U.S. and Singapore have subsequently agreed that the correct product classification is 5403.10.60.

Specifications:

Fabric 1

HTS Subheading: 5208.42.30.00
Fiber Content: 100% Cotton
Weight: 152.6 g/m²
Width: 150 centimeters cuttable
Thread Count: 24.4 warp ends per centimeter; 15.7 filling picks per centimeter; total: 40.1 threads per square centimeter
Yarn Number: Warp: 40.6 metric, ring spun; filling: 20.3 metric, open end spun; overall average yarn number: 39.4 metric
Finish: Of yarns of different colors; napped on both sides, sanforized

Fabric 2

HTS Subheading: 5209.41.60.40
Fiber Content: 100% Cotton
Weight: 251 g/m²
Width: 160 centimeters cuttable
Thread Count: 22.8 warp ends per centimeter; 17.3 filling picks per centimeter; total: 40.1 threads per square centimeter
Yarn Number: Warp: 40.6 metric, ring spun; filling: 8.46 metric, open end spun; overall average yarn number: 24.1 metric
Finish: Of yarns of different colors; napped on both sides, sanforized

Fabric 3

HTS Subheading: 5209.41.60.40
Fiber Content: 100% Cotton
Weight: 251 g/m²
Width: 160 centimeters cuttable
Thread Count: 20.1 warp ends per centimeter; 16.5 filling picks per centimeter; total: 36.6 threads per square centimeter
Yarn Number: Warp: 27.07 metric, ring spun; filling: 10.16 metric, open end spun; overall average yarn number: 23.3 metric
Finish: Of yarns of different colors; napped on both sides, sanforized

(6) Certain woven, 100 percent cotton, flannel fabrics, of the specifications detailed below, classified in the indicated subheadings of the (HTSUS), for use in shirts, trousers, nightwear, robes, dressing gowns, and woven underwear:

Specifications:

Fabric 1:

HTS Subheading: 5208.32.30.40
Fiber Content: 100% Cotton
Weight: 152.6 g/m²

Width: 150 centimeters cuttable
Thread Count: 24.4 warp ends per centimeter; 15.7 filling picks per centimeter; total: 40.1 threads per square centimeter
Yarn Number: Warp: 40.6 metric, ring spun; filling: 20.3 metric, open end spun; overall average yarn number: 39.4 metric
Finish: (Piece) dyed; napped on both sides, sanforized

Fabric 2:
HTS Subheading: 5209.31.60.50
Fiber Content: 100% Cotton
Weight: 251 g/m²
Width: 160 centimeters cuttable
Thread Count: 22.8 warp ends per centimeter; 15 filling picks per centimeter; total: 37.8 threads per square centimeter
Yarn Number: Warp: 40.6 metric, ring spun; filling: 8.46 metric, open end spun; overall average yarn number: 24.1 metric
Finish: (Piece) dyed; napped on both sides, sanforized

Fabric 3:
HTS Subheading: 5209.31.60.50
Fiber Content: 100% Cotton
Weight: 203 g/m²
Width: 150 centimeters cuttable
Thread Count: 20.5 warp ends per centimeter; 17.3 filling picks per centimeter; total: 37.8 threads per square centimeter
Yarn Number: Warp: 40.6 metric, ring spun; filling: 13.5 metric, open end spun; overall average yarn number: 27.9 metric
Finish: (Piece) dyed; napped on both sides, sanforized

Fabric 4:
HTS Subheading: 5209.31.60.50
Fiber Content: 100% Cotton
Weight: 291.5 g/m²
Width: 160 centimeters cuttable
Thread Count: 23.2 warp ends per centimeter; 15 filling picks per centimeter; total: 38.2 threads per square centimeter
Yarn Number: Warp: 27.07 metric, ring spun; filling: 8.46 metric, open end spun; overall average yarn number: 20.1 metric
Finish: (Piece) dyed; napped on both sides, sanforized

Fabric 5:
HTS Subheading: 5209.31.60.50
Fiber Content: 100% Cotton
Weight: 291.5 g/m²
Width: 160 centimeters cuttable
Thread Count: 26.8 warp ends per centimeter; 16.5 filling picks per

centimeter; total: 43.3 threads per square centimeter
Yarn Number: Warp: 25.46 metric, ring spun; filling: 10.16 metric, open
end spun; overall average yarn number: 23.8 metric
Finish: (Piece) dyed; napped on both sides, sanforized

Fabric 6:

HTS Subheading: 5209.31.60.50
Fiber Content: 100% Cotton
Weight: 254 g/m²
Width: 160 centimeters cuttable
Thread Count: 20 warp ends per centimeter; 14.5 filling picks per
centimeter; total: 34.5 threads per square centimeter
Yarn Number: Warp: 28.8 metric, ring spun; filling: 8.46 metric, open end
spun; overall average yarn number: 20.1 metric
Finish: (Piece) dyed; napped on both sides, sanforized

Fabric 7:

HTS Subheading: 5209.41.60.40
Fiber Content: 100% Cotton
Weight: 251 g/m²
Width: 160 centimeters cuttable
Thread Count: 22.8 warp ends per centimeter; 15 filling picks per
centimeter; total: 37.8 threads per square centimeter
Yarn Number: Warp: 40.6 metric, ring spun; filling: 8.46 metric, open end
spun; overall average yarn number: 24.1 metric
Finish: Gingham check or plaid of yarns of different colors; napped
on both sides, sanforized

Fabric 8:

Style 4245
HTS Subheading: 5209.41.60.40
Fiber Content: 100% Cotton
Weight: 251 g/m²
Width: 160 centimeters cuttable
Thread Count: 19.7 warp ends per centimeter; 11.8 filling picks per
centimeter; total: 31.5 threads per square centimeter
Yarn Number: Warp: 20.3 metric, ring spun; filling: 8.46 metric, open end
spun; overall average yarn number: 20.1 metric
Finish: Plaid of yarns of different colors; napped on both sides, sanforized

(7) Certain woven, 100 percent cotton, napped fabrics, of the specifications detailed below, classified in subheading 5209.31.60.50 of the (HTSUS), for use in shirts, trousers, nightwear, robes, dressing gowns, and woven underwear:

Specifications:

Fabric 1

HTS Subheading: 5209.31.60.50
Fiber Content: 100% Cotton
Weight: 291.5 g/m²
Width: 160 centimeters cuttable
Thread Count: 24.41 warp ends per centimeter; 16.53 filling picks per centimeter; total: 40.94 threads per square centimeter
Yarn Number: Warp: 25.4 metric, ring spun; filling: 10.16 metric, open end spun; overall average yarn number: 14.04 metric
Finish: (Piece) dyed; napped on both sides, sanforized

Fabric 2

HTS Subheading: 5209.31.60.50
Fiber Content: 100% Cotton
Weight: 305 g/m²
Width: 160 centimeters cuttable
Thread Count: 24.41 warp ends per centimeter; 18.11 filling picks per centimeter; total: 42.52 threads per square centimeter
Yarn Number: Warp: 25.4 metric, ring spun; filling: 10.16 metric, open end spun; overall average yarn number: 13.95 metric
Finish: (Piece) dyed; napped on both sides, sanforized

(8) Certain woven, 100 percent cotton, double-napped flannel fabric, of specifications detailed below, classified in HTSUS subheading 5209.31.6050, for use in shirts, trousers, nightwear, robes, dressing gowns, and woven underwear:

Specifications:

HTS Subheading: 5209.31.6050
Fiber Content: 100% Cotton
Weight: 203 g/m²
Width: 150 centimeters cuttable
Thread Count: 21 warp ends per centimeter; 18 filling picks per centimeter; total: 39 threads per square centimeter
Yarn Number: Warp: 40.6 metric, ring spun; filling: 13.54 metric, open end spun; overall average yarn number: 19.2 metric
Finish: (Piece) dyed; napped on both sides, sanforized