United States International Trade Commission

Advice Concerning Possible Modifications to the U.S. Generalized System of Preferences, 2012: Review of Additions and Competitive Need Limitation Waivers

Investigation No. 332-538
USITC Publication 4391
April 2013

U.S. International Trade Commission

Address all communications to
Secretary to the Commission
United States International Trade Commission
Washington, DC 20436

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NOTICE

THIS REPORT IS A PUBLIC VERSION OF THE REPORT SUBMITTED TO THE UNITED STATES TRADE REPRESENTATIVE ON APRIL 8, 2013. ALL CONFIDENTIAL NATIONAL SECURITY INFORMATION AND CONFIDENTIAL BUSINESS INFORMATION HAS BEEN REMOVED AND REPLACED WITH ASTERISKS (***).

Abstract

This report contains the advice of the U.S. International Trade Commission (Commission) to the President, as requested by the U.S. Trade Representative, on the effects of certain proposed modifications to the U.S. Generalized System of Preferences (GSP). The Commission is providing advice concerning:

(1) The probable economic effect on U.S. industries, imports, and consumers of the elimination of U.S. import duties for all beneficiary developing countries (BDCs) for the following 10 Harmonized Tariff Schedule (HTS) subheadings and statistical reporting numbers: sweetheart, spray, and other roses, fresh cut (HTS 0603.11.00 or 0603.11.0010, 0603.11.0030, and 0603.11.0060); vegetables not elsewhere specified or included (nesi), either uncooked or cooked by steaming or boiling in water, frozen, and reduced in size (HTS 0710.80.97), or the three existing 10-digit statistical report numbers for broccoli (HTS 0710.80.9722, 0710.80.9724, and 0710.80.9726); artichokes, prepared or preserved otherwise than by vinegar or acetic acid, not frozen (HTS 2005.99.80); refined copper, wire, with maximum cross-sectional dimension of 3 mm or less (HTS 7408.19.0030); and

(2) The effect on U.S. industries, imports, and consumers of granting a waiver of the competitive need limitation (CNL) for imports of calcium-silicon ferroalloys from Brazil classified in HTS 7202.99.20.

CONTENTS

CONTENTS—*Continued*

Page

CONTENTS—*Continued*

Page

Tables

CHAPTER 1
Introduction and Summary of Advice

Introduction[1]

This report provides advice relating to the probable economic effect of certain proposed modifications to the U.S. Generalized System of Preferences (GSP), as requested by the United States Trade Representative (USTR).[2] The United States gives preferential tariff treatment to a large number of products if they originate from either beneficiary developing countries (BDCs) or least-developed beneficiary developing countries (LDBDCs). GSP imports from beneficiary countries may be subject to ceilings known as competitive need limitations (CNLs). Proposed modifications to the GSP addressed in this report are of two types: (1) eliminating import duties for certain products classified in the Harmonized Tariff System (HTS) from all GSP-eligible countries, and (2) waiving the CNL on imports of calcium silicon ferroalloys (hereafter referred to as calcium-silicon) from Brazil.

For products being considered as additions to the GSP program, and thus for elimination of U.S. duties on imports from GSP-eligible countries, advice is provided as to the probable economic effect on U.S. industries producing like or directly competitive articles, on total U.S. imports, and on U.S. consumers. The products are:

- sweetheart, spray, and other roses, fresh cut (HTS subheading 0603.11.00 or HTS statistical reporting numbers 0603.11.0010, 0603.11.0030, and 0603.11.0060)[3];

- vegetables not elsewhere specified or included (nesi), uncooked or cooked by steaming or boiling in water, frozen, reduced in size (HTS subheading 0710.80.97), or the three existing 10-digit HTS statistical reporting numbers for broccoli (0710.80.9722, 0710.80.9724, and 0710.80.9726);[4]

- artichokes, prepared or preserved otherwise than by vinegar or acetic acid, not frozen (HTS subheading 2005.99.80); and

[1] The information in these chapters is for the purpose of this report only. Nothing in this report should be construed as indicating how the Commission would find in an investigation conducted under any other statutory authority.

[2] See appendix A for the USTR request letters. See appendix B for the Commission's *Federal Register* notices instituting the investigation and the *Federal Register* notice of the change of scope. The Commission held a public hearing on this matter on February 27, 2013, in Washington, DC; see appendix C for the calendar of witnesses for the public hearing.

[3] If GSP eligibility were to be granted for existing 10-digit HTS statistical reporting numbers 0603.11.0010, 0603.11.0030, and/or 0603.11.0060, each would need to be broken out as a new 8-digit HTS subheading.

[4] If GSP eligibility were to be granted for existing 10-digit HTS statistical reporting numbers 0710.80.9722, 0710.80.9724, and/or 0710.80.9726, each would need to be broken out as a new 8-digit HTS subheading.

- refined copper, wire, w/maximum cross-sectional dimension of 3 mm or less (HTS statistical reporting number 7408.19.0030).[5]

With respect to a waiver of the CNL for imports of calcium-silicon (HTS subheading 7202.99.20) from Brazil, this report provides advice on whether any industry in the United States is likely to be adversely affected; advice on whether like or directly competitive products were being produced in the United States on January 1, 1995; and advice as to the probable economic effect on total U.S. imports and on consumers of calcium-silicon imports from Brazil. In determining the effect of the CNL waiver, the Commission used, as requested, the dollar value limit of $155,000,000.

Analytical Approach

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Summary of Advice

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[5] If GSP eligibility were to be granted for existing 10-digit HTS statistical reporting number 7408.19.0030, it would need to be broken out as a new 8-digit HTS subheading.

CHAPTER 2
Fresh Cut Roses

Addition (All GSP-Eligible Countries)[1]

Tariff history			
HTS subheading	Short description	Col. 1 rate of duty as of 1/1/13 (percent ad valorem equivalent)	Like or directly competitive article produced in the United States on Jan. 1, 1995?
0603.11.00[a]	Fresh cut roses: sweetheart, spray, and other	6.8	Yes
0603.11.0010[a]	Fresh cut sweetheart roses	6.8	Yes
0603.11.0030[a]	Fresh cut spray roses	6.8	Yes
0603.11.0060[a]	Fresh cut other roses	6.8	Yes

[a]This HTS subheading is currently on the list of articles eligible for duty-free treatment under the provisions of the GSP for countries designated as eligible for AGOA (D). *The petition seeks GSP eligibility for all GSP-eligible countries for existing HTS statistical reporting numbers 0603.11.0010, 0603.11.0030, and 0603.11.0060; if eligibility were granted at the level of these 10-digit statistical reporting numbers, they would need to be broken out as new 8-digit HTS subheadings.*

Fresh cut roses (HTS subheading 0603.11.00) are woody perennials of the genus *Rosa* within the family *Rosaceae*, whose stems have been cut and removed from the plant. Different rose species hybridize easily, and this has led to the development of a wide range of rose types. More than 100 species of roses are widely grown for their beauty and fragrance. Rose flowers vary in size and shape, but bud size generally ranges from 1 to 2 inches in diameter, and colors range from white through yellows and reds. For international commerce in particular, roses are a popular crop choice of commercial cut flower companies owing to the hardy nature of the plant, including its stems and buds. Generally, roses are harvested and cut when in bud, and held in refrigerated conditions until ready for display at their point of sale. Fresh cut roses are used for ornamental purposes, alone, or as part of bouquets containing cut flowers of other types and/or ornamental foliage.

Fresh cut sweetheart roses (HTS 0603.11.0010) are miniature roses with a single bloom per stem. Fresh cut spray roses (HTS 0603.11.0030) are miniature roses with multiple blooms (generally three to five heads) per stem. Miniature rose buds are generally ¼ inch to 1 inch in diameter. Fresh cut other roses (HTS 0603.11.0060) are all non-miniature

[1] The petitioners are the Embassy of Ecuador, La Asociación de Productores y/o Exportadores de Flores del Ecuador (EXPOFLORES), Colour Republic, Esmeralda Farms, Inc., and E.G. Hill Company (Expoflores et al.).

roses, including hybrid tea roses (one bloom per stem) and floribundas (multiple blooms per stem).

Advice

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Profile of U.S. Industry and Market, 2008–12

Despite high U.S. domestic consumption of fresh cut roses, the United States is a relatively small producer. U.S. fresh cut rose growers are concentrated in California, which accounted for 97 percent of U.S. production in 2011,[2] with U.S. distribution largely limited to the West Coast and Hawaii (and a small amount of exports to Canada).[3] Imports of roses have risen steadily over the last several decades and represent the vast majority of U.S. consumption—between 96 and 98 percent during 2008–12 (table 2.1). The United States was the third-largest importer of cut roses in 2012, after the EU-27 and Russia. Globally, the largest cut rose exporters were Ecuador, Colombia, and Kenya in 2011 (the latest data available).[4]

TABLE 2.1 Fresh cut roses (HTS subheading 0603.11.00): U.S. producers, employment, shipments, trade, consumption, and capacity utilization, 2008–12

Item	2008	2009	2010	2011	2012
Producers (*number*)[a]	38	33	35	35	[b]35
Employment (*1,000 employees*)[a]	([c])	([c])	([c])	([c])	([c])
Shipments *(1,000 $)*[a]	22,481	17,662	16,950	17,912	[b]17,900
Exports (*1,000 $*)	9,344	9,047	9,295	7,838	5,377
Imports (*1,000 $*)	323,754	316,803	325,302	365,397	380,400
Consumption (*1,000 $*)	336,891	325,418	332,957	375,471	[b]392,923
Import-to-consumption ratio *(percent)*	96	97	98	97	97
Capacity utilization (*percent*)	([d])	([d])	([d])	([d])	([d])

Source: Number of producers, employment, shipments, and capacity utilization estimated by Commission staff from various industry sources; exports and imports compiled from official statistics of the Department of Commerce. Production and shipment data represent operations with $100,000 or more in sales.

[a]Producers, employment, and shipments cannot be broken out for sweetheart, spray, and other roses.
[b]Data for producers, shipments, and consumption for 2012 are estimated by the Commission based on industry information.
[c]Data not available.
[d]Capacity utilization is not a relevant metric for this industry.

U.S. cut flower growers face significant competition from lower-priced cut flower imports generally, and from imported roses in particular. Low-priced cut flowers, including roses, are a result of the trend in the industry toward large volume production and mass marketing, reflecting increasing sales to supermarkets, home centers, and discount stores.[5] Large volumes of relatively low-priced imports have placed downward

[2] USDA, National Agricultural Statistics Service (NASS), *Floriculture Crops: 2011 Summary*, May 2012.
[3] USITC transcript, February 27, 2013 (testimony of Eric Van Wingerden, Myriad Flowers).
[4] GTIS, Global Trade Atlas database.
[5] USITC, *Andean Trade Preference Act*, September 2010, 3-11.

price pressure on all cut flowers in the U.S. market over the last decade.[6] U.S. cut flower growers over time have increasingly replaced fresh cut rose production with production of high-value, relatively fragile cut flower varieties with limited import competition (e.g., lilies, tulips, and gerbera daisies) as well as other nursery products such as annual and perennial flowering plants. Some U.S. fresh cut rose growers have differentiated their products from imports to some extent by offering services not available from importers, such as quick turnaround times on special orders.[7] U.S. production of roses accounted for 5 percent of the total U.S. production value of all cut flowers in 2011.[8]

GSP Import Situation, 2012

U.S. imports make up the vast majority of fresh cut rose consumption covered under HTS subheading 0603.11.00, and most of these imports were from GSP-eligible countries in 2012 (table 2.2). Ecuador is the largest source of shipments to the United States of fresh cut roses from GSP-eligible countries, with a 36 percent share. In 2012, 97 percent of rose imports from Ecuador were of "other" roses (including all non-miniature roses). Rose-producing countries, such as Colombia, Ecuador, and Kenya, benefit from consistently long daylight hours and year-round supplies enabled by their proximity to the equator.

TABLE 2.2 Fresh cut roses (HTS subheading 0603.11.00): U.S. imports and share of U.S. consumption, 2012

Item	Imports 1,000 $	% of total imports	% of GSP imports	% of U.S. consumption[a]
Grand total	380,400	100	([b])	97
Imports from GSP-eligible countries:				
Total	258,346	68	100	66
Colombia[c]	163,779	43	63	42
Ecuador	91,770	24	36	23
Kenya	2,010	1	1	1

Source: Compiled from official statistics of the U.S. Department of Commerce.

[a]Consumption for 2012 is estimated by the Commission based on industry information.
[b]Not applicable.
[c]On May 14, 2012, Colombia was removed from eligibility for the GSP as a result of the implementation of the United States-Colombia Trade Promotion Agreement (Presidential Proclamation 8818, May 14, 2012).

U.S. Imports and Exports

Data on U.S imports of fresh cut roses are presented in table 2.3. Colombia is the largest supplier of roses to the United States, accounting for 68 percent of total imports in 2012. Ecuador, Guatemala, and Mexico accounted for an additional 28 percent of imports during the same year. Fresh cut roses from Colombia (after May 14, 2012), Guatemala, and Mexico enter the United States duty-free under the U.S.-Colombia Trade Promotion Agreement (TPA), Dominican Republic-Central America-United States Free Trade Agreement (CAFTA-DR), and North American Free Trade Agreement (NAFTA), respectively.

[6] Ibid.
[7] Ibid., 3-12.
[8] USDA, NASS, *Floriculture Crops: 2011 Summary*, May 2012.

TABLE 2.3 Fresh cut roses (HTS subheading 0603.11.00): U.S. imports for consumption by principal sources, 2008–12

Country	2008	2009	2010	2011	2012
			In actual $		
Colombia	239,895,091	244,710,871	239,485,069	257,630,591	272,009,880
Ecuador	70,701,501	60,443,808	74,218,684	94,119,044	91,770,217
Mexico	5,920,967	5,133,390	4,818,697	4,501,664	6,683,220
Guatemala	3,863,849	4,189,797	4,298,586	5,317,398	6,389,561
Kenya	988,032	1,698,144	1,739,943	2,703,039	2,009,837
Netherlands	627,937	278,278	343,146	640,618	456,184
Ethiopia	0	0	169,582	208,531	384,311
India	0	0	0	81,740	356,162
Peru	33,765	4,493	0	0	133,370
Canada	82,641	40,729	161,527	127,444	78,693
All other	1,640,140	303,739	66,339	66,691	128,168
Total	323,753,923	316,803,249	325,301,573	365,396,760	380,399,603
Imports from GSP-eligible countries					
Colombia[a]	239,895,091	244,710,871	239,485,069	257,630,591	163,779,382
Ecuador	70,701,501	60,443,808	74,218,684	94,119,044	91,770,217
Kenya[b]	988,032	1,698,144	1,739,943	2,703,039	2,009,837
Ethiopia[b]	0	0	169,582	208,531	384,311
India	0	0	0	81,740	356,162
Tanzania[b]	18,589	0	0	12,120	25,040
Zimbabwe	0	0	2,253	0	15,160
Uganda[b]	51,848	83,420	19,151	4,890	4,032
Thailand	3,474	2,340	0	2,368	2,073
South Africa[b]	146,357	56,799	0	0	0
Zambia[b]	4,492	0	0	0	0
Total	311,809,384	306,995,382	315,634,682	354,762,323	258,346,214

Source: Official statistics of the U.S. Department of Commerce.

[a]On May 14, 2012, Colombia was removed from eligibility for the GSP as a result of the implementation of the United States-Colombia Trade Promotion Agreement (Presidential Proclamation 8818, May 14, 2012).

[b]U.S. imports from this country of this product are currently on the list of articles eligible for duty-free treatment under the provisions of the GSP for countries designated as eligible for AGOA.

Disaggregated import data for the HTS subheading that includes fresh cut sweetheart roses, spray roses, and other roses are detailed in tables 2.4 through 2.6. Imports of sweetheart (HTS 0603.11.0010) and spray roses (HTS 0603.11.0030) are minor, together accounting for $13 million, or approximately 3 percent, of total U.S. imports of fresh cut roses in 2012 (tables 2.4 and 2.5). Imports of all other rose types (HTS 0603.11.0060), which include all non-miniature roses, make up the bulk (over $367 million) of the category (table 2.6). Colombia is the leading supplier in this category with a 71 percent share of U.S. imports in 2012. Ecuador, Guatemala, and Mexico follow with 24 percent, 2 percent, and 2 percent shares, respectively.

U.S. exports of fresh cut roses were not significant when compared with imports, reaching only $5.4 million in 2012 (table 2.7). The vast majority of U.S. exports were shipped to Canada during the period 2008–12.

TABLE 2.4 Fresh cut sweetheart roses (HTS statistical reporting number 0603.11.0010): U.S. imports for consumption by principal sources, 2008–12

Country	2008	2009	2010	2011	2012
	In actual $				
Canada	75,482	28,964	146,138	127,444	72,219
Kenya	25,060	133,657	253,812	316,580	28,965
Netherlands	132,567	29,092	23,268	12,806	3,850
Ecuador	14,226	0	13,337	4,804	2,264
Thailand	0	0	0	0	2,073
Uganda	0	74,684	19,151	4,890	0
Guatemala	64,235	0	0	0	0
Colombia	125,333	4,898	46,802	14,256	0
Costa Rica	1,345,005	109,592	0	0	0
Ethiopia	0	0	2,400	0	0
Total	1,781,908	380,887	504,908	480,780	109,371
Imports from GSP-eligible countries					
Kenya[a]	25,060	133,657	253,812	316,580	28,965
Ecuador	14,226	0	13,337	4,804	2,264
Thailand	0	0	0	0	2,073
Colombia[b]	125,333	4,898	46,802	14,256	0
Ethiopia	0	0	2,400	0	0
Uganda	0	74,684	19,151	4,890	0
Total	164,619	213,239	335,502	340,530	33,302

Source: Official statistics of the U.S. Department of Commerce.

[a]U.S. imports from this country of this product are currently on the list of articles eligible for duty-free treatment under the provisions of the GSP for countries designated as eligible for AGOA.

[b]On May 14, 2012, Colombia was removed from eligibility for the GSP as a result of the implementation of the United States-Colombia Trade Promotion Agreement (Presidential Proclamation 8818, May 14, 2012).

TABLE 2.5 Fresh cut spray roses (HTS statistical reporting number 0603.11.0030): U.S. imports for consumption by principal sources, 2008–12

Country	2008	2009	2010	2011	2012
	In actual $				
Colombia	10,067,799	11,836,122	12,476,678	10,347,081	10,254,943
Ecuador	1,135,223	942,391	1,322,816	2,345,847	2,723,018
Netherlands	0	5,416	3,749	0	25,659
Mexico	0	0	0	5,110	6,214
Ethiopia	0	0	0	0	5,540
Costa Rica	0	0	4,650	3,458	0
Kenya	2,953	23,579	0	2,346	0
Total	11,205,975	12,807,508	13,807,893	12,703,842	13,015,374
Imports from GSP-eligible countries					
Colombia[a]	10,067,799	11,836,122	12,476,678	10,347,081	5,785,107
Ecuador	1,135,223	942,391	1,322,816	2,345,847	2,723,018
Ethiopia[b]	0	0	0	0	5,540
Kenya[b]	2,953	23,579	0	2,346	0
Total	11,205,975	12,802,092	13,799,494	12,695,274	8,513,665

Source: Official statistics of the U.S. Department of Commerce.

[a]On May 14, 2012, Colombia was removed from eligibility for the GSP as a result of the implementation of the United States-Colombia Trade Promotion Agreement (Presidential Proclamation 8818, May 14, 2012).

[b]U.S. imports from this country of this product are currently on the list of articles eligible for duty-free treatment under the provisions of the GSP for countries designated as eligible for AGOA.

TABLE 2.6 Fresh cut other roses (HTS statistical reporting number 0603.11.0060): U.S. imports for consumption by principal sources, 2008–12

Country	2008	2009	2010	2011	2012
			In actual $		
Colombia	229,701,959	232,869,851	226,961,589	247,269,254	261,754,937
Ecuador	69,552,052	59,501,417	72,882,531	91,768,393	89,044,935
Mexico	5,920,967	5,133,390	4,818,697	4,496,554	6,677,006
Guatemala	3,799,614	4,189,797	4,298,586	5,317,398	6,389,561
Kenya	960,019	1,540,908	1,486,131	2,384,113	1,980,872
Netherlands	495,370	243,770	316,129	627,812	426,675
Ethiopia	0	0	167,182	208,531	378,771
India	0	0	0	81,740	356,162
Peru	33,765	4,493	0	0	133,370
Costa Rica	44,806	44,085	34,772	3,044	74,017
All other	257,488	87,143	23,155	55,299	58,552
Total	310,766,040	303,614,854	310,988,772	352,212,138	367,274,858
Imports from GSP-eligible countries:					
Colombia[a]	229,701,959	232,869,851	226,961,589	247,269,254	157,994,275
Ecuador	69,552,052	59,501,417	72,882,531	91,768,393	89,044,935
Kenya[b]	960,019	1,540,908	1,486,131	2,384,113	1,980,872
Ethiopia[b]	0	0	167,182	208,531	378,771
India	0	0	0	81,740	356,162
Tanzania[b]	18,589	0	0	12,120	25,040
Zimbabwe	0	0	2,253	0	15,160
Uganda[b]	51,848	8,736	0	0	4,032
South Africa[b]	146,357	56,799	0	0	0
Thailand	3,474	2,340	0	2,368	0
Zambia[b]	4,492	0	0	0	0
Total	300,438,790	293,980,051	301,499,686	341,726,519	249,799,247

Source: Official statistics of the U.S. Department of Commerce.

[a]On May 14, 2012, Colombia was removed from eligibility for the GSP as a result of the implementation of the United States-Colombia Trade Promotion Agreement (Presidential Proclamation 8818, May 14, 2012).
[b]U.S. imports from this country of this product are currently on the list of articles eligible for duty-free treatment under the provisions of the GSP for countries designated as eligible for AGOA.

TABLE 2.7 Fresh cut roses: U.S. exports, by market, 2008–12

Country	2008	2009	2010	2011	2012
			In actual $		
Canada	9,226,795	8,929,647	9,157,863	7,773,559	5,303,059
Japan	54,415	46,647	72,834	21,034	28,511
Malaysia	0	0	0	0	16,739
Bahamas	0	0	0	2,650	13,390
Jamaica	3,818	0	0	7,866	7,061
Cayman Is	0	0	0	7,103	4,102
Saint Maarten	0	0	0	0	3,390
Thailand	0	0	0	7,980	0
Australia	0	13,179	9,344	3,052	0
Mexico	5,142	0	34,032	0	0
All other	54,192	57,976	20,600	14,325	540
Total	9,344,362	9,047,449	9,294,673	7,837,569	5,376,792

Source: Official statistics of the U.S. Department of Commerce.

Positions of Interested Parties[9]

Petitioner: Petitioners are the Embassy of Ecuador (on behalf of the government of Ecuador) and an industry group (Expoflores et al.) composed of Expoflores, an industry trade association representing members of the Ecuadorian floriculture industry; Colour Republic, a Miami-based firm which develops floral products for sale and distribution in the United States; Esmeralda Farms, a Florida firm which produces and exports cut flowers in Colombia, Ecuador, Peru, and Mexico; and E.G. Hill Company, Inc., an Indiana-based rose breeder.

The petitions note that tariff preferences under the Andean Trade Preference Act (ATPA)[10] enabled Ecuador to triple its surface area of roses and that Ecuadorian roses would be uncompetitive in the U.S. market if an MFN 6.8 percent tariff were imposed. The Embassy of Ecuador claims that the growth of the Ecuadorian fresh cut rose industry has benefited the country by developing an industry of nontraditional products, generating skilled employment, positively impacting other industries in the Andean region, and reducing the poverty of small-scale flower growers.[11] In its petition, Expoflores et al. asserts that granting GSP status to fresh cut roses would not harm U.S. rose producers as (1) such roses represent only 4 percent of U.S. consumer demand, and (2) U.S. rose production is continuously decreasing as U.S. growers move into production of other cut flower types. Expoflores et al. further posits that U.S. businesses in floral distribution, air transport, sales, agrochemical supplies, rose breeding, and technology transfer stand to benefit from adding cut roses to the GSP program.[12]

The Embassy of Ecuador asserts that a large share of the profits made along the production and distribution chain for fresh cut roses from Ecuador—up to 80 percent—is captured by U.S. firms through royalties paid to U.S. breeders, distribution logistics, and retail activities.[13] Expoflores et al. states that including cut roses in GSP is unlikely to attract new suppliers of cut roses to the U.S. market, since flower production in other GSP-eligible countries faces obstacles such as low quality, insufficient inputs, and inadequate research and development. In addition, high air freight and insurance costs for a relatively low-value product limit exports of large volumes of roses to the United States from all but neighboring countries.[14] Expoflores et al. states that the loss of ATPA preferences would price Ecuadorian roses out of the U.S. market, forcing U.S. importers to find alternate supplies. According to Expoflores et al., another supplier, Colombia, is not expanding production in the short to medium term, and a shortage of cut roses in the U.S. market caused by a duty on rose imports from Ecuador would cause prices to rise, adversely affecting large U.S. retailers and small and medium-sized florists.[15] Moreover,

[9] Except as noted, information provided in this section is derived from the petitions filed with the USTR, as well as hearing testimony and written submissions of interested parties to the Commission in connection with this investigation.

[10] ATPA was renewed by the Andean Trade Promotion and Drug Eradication Act (ATPDEA). Both laws are set to expire on July 31, 2013.

[11] Embassy of Ecuador, USTR written petition, October 5, 2012, 3.

[12] Expoflores et al., USTR written petition, October 5, 2012, 10.

[13] Embassy of Ecuador, posthearing brief, March 4, 2013, 5.

[14] Expoflores et al., USTR written petition, October 5, 2012, 9.

[15] Petitioners state that if roses were to be subject to the MFN tariff, a bouquet of roses that typically sells at a supermarket retailer in the United States for $9.99 would cost about $10.67, or 7 percent more. Expoflores et al., USTR written petition, October 5, 2012, 17.

Expoflores et al. states that maintaining duty-free benefits for Ecuador prevents the monopoly of imports from Colombia that would occur if Ecuador were denied duty-free access to the U.S. market.

Support: The Philadelphia Regional Port Authority (PRPA),[16] an independent agency of the Commonwealth of Pennsylvania that works to enhance waterborne trade and commerce in the Philadelphia region, expressed support for the petition to add fresh cut roses to the list of GSP-eligible products. PRPA states that if this product did not have duty-free access to the United States, PRPA would be negatively affected, along with small and large businesses in the Philadelphia region, the United States, and Ecuador.

Opposition: The California Cut Flower Commission (CCFC),[17] an industry trade organization representing California fresh cut flower producers, states that granting GSP status to roses will not significantly further the economic development of developing countries, since the majority of countries exporting roses to the United States already have duty-free status under other trade preference programs. The CCFC contends that during previous lapses of ATPA, when Ecuador was subject to duties on its roses, U.S. wholesalers and retailers were able to absorb the additional costs so that consumers were not left with higher prices, and therefore Ecuadorian growers experienced no adverse effects, a point that the CCFC states petitioners conceded in their hearing testimony. However, the CCFC asserts that granting GSP status for roses would adversely affect domestic rose farmers, claiming that domestic rose production has contracted significantly over the years due in large part to preferential treatment of imports.

The CCFC claims that since Ecuador's rose industry is already the second largest in the world and highly competitive, a change in roses' GSP status is unlikely to yield any tangible benefits for Ecuador and other GSP countries. The CCFC notes that domestic flower growers have sought relief for over 30 years as their market share has contracted due to imports. The CCFC maintains that denying GSP status to roses will not hurt domestic florists or consumers, since there is no shortage of roses in the domestic market, but will make domestic roses more competitive by stabilizing market prices, thereby allowing domestic rose farmers to increase production, expand their businesses, and contribute positively to domestic employment. Finally, the CCFC observes that U.S. business groups have recently called into question Ecuador's eligibility for preferential treatment in the United States for various reasons; according to the CCFC, these reasons include the fact that Ecuador has failed to act in good faith to enforce the binding arbitral awards under the U.S.-Ecuador Bilateral Investment Treaty, in defiance of its legal obligations to U.S. investors.[18]

[16] Philadelphia Regional Port Authority, written submission to the USITC, February 27, 2013.

[17] USITC, hearing transcript, February 27, 2013; California Cut Flower Commission, posthearing brief, March 4, 2013.

[18] California Cut Flower Commission, posthearing brief, March 4, 2013, 13-14.

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CHAPTER 3
Certain Frozen Vegetables

Addition (All GSP-Eligible Countries)[1]

Tariff history			
HTS subheading	Short description	Col. 1 rate of duty as of 1/1/13 (percent ad valorem equivalent)	Like or directly competitive article produced in the United States on Jan. 1, 1995?
0710.80.97[a]	Other frozen vegetables, reduced in size	14.9	Yes
0710.80.9722[a]	Broccoli spears, uncooked or cooked, frozen	14.9	Yes
0710.80.9724[a]	Broccoli, other, in containers holding more than 1.4 kg, uncooked or cooked, frozen	14.9	Yes
0710.80.9726[a]	Broccoli, other, in containers holding no more than 1.4 kg, uncooked or cooked, frozen	14.9	Yes

[a]This HTS subheading is currently on the list of articles eligible for duty-free treatment under the provisions of the GSP for countries designated as least-developed beneficiary developing countries (LDBDCs) (A+) as well as for countries eligible for AGOA (D). *The petition seeks GSP eligibility for all GSP-eligible countries for existing HTS statistical reporting numbers 0710.80.9722, 0710.80.9724, and 0710.80.9726; if eligibility were granted at the level of these 10-digit statistical reporting numbers, they would need to be broken out as new 8-digit HTS subheadings.*

HTS subheading 0710.80.97 includes various frozen vegetables that are uncooked or that have been cooked by steaming or boiling in water and then frozen and reduced in size, including asparagus, broccoli, cauliflower, and other frozen vegetables not elsewhere indicated. These products can be sold into retail, foodservice, or industrial supply chains and can be packaged in various sized containers. In the retail market, consumers typically purchase these products to prepare as side dishes or to use as ingredients. In industrial applications, these products can be used as components in vegetable mixtures or can be repackaged into smaller containers.

The frozen broccoli products pertinent to this petition are broken out at the 10-digit level under three separate HTS statistical reporting numbers. HTS 0710.80.9722 covers frozen broccoli spears, which are composed of a stalk and floret. HTS subheadings 0710.80.9724 and 0710.80.9726 cover any cut of broccoli other than a complete spear (including cuts of stalk or floret or mixtures of the two), but the former HTS number refers to containers greater than 1.4 kg, while the latter HTS number refers to containers of 1.4 kg or less.

[1] The petitioners are the Embassy of Ecuador, the Ecuadorian American Chamber of Commerce, the Ecuadorian Association of Growers and Exporters of Fruits and Vegetables (APROFEL), and Superior Foods International LLC.

Advice

* * * * * * *

Profile of U.S. Industry and Market, 2008–12

While the United States grows the three primary vegetables included in HTS subheading 0710.80.97 (asparagus, broccoli, and cauliflower), the share of production of each crop that is diverted to frozen use has declined over time. U.S. imports of frozen asparagus, frozen broccoli, and frozen cauliflower now represent the vast majority of estimated U.S. consumption for the combined products and have for many years (table 3.1). On a volume basis, in 2010, an estimated 72 percent of U.S. frozen asparagus consumption was imported, 86 percent of processed cauliflower consumption was imported, and nearly 92 percent of processed broccoli consumption was imported.[2] The import-to-consumption ratio (by value) for the whole category was estimated at 92 percent in 2010, largely because imports of frozen broccoli and other frozen vegetables dominate the 8-digit subheading. This ratio has since increased further, to an estimated 95 percent in 2012. In that same year, frozen broccoli represented two-thirds of total imports under HTS subheading 0710.80.97, frozen asparagus represented 3 percent, frozen cauliflower represented 7 percent, and other frozen vegetables accounted for the remaining 23 percent.

TABLE 3.1 Certain frozen vegetables (HTS subheading 0710.80.97): U.S. producers, employment, production, trade, consumption, and capacity utilization, 2008–12

Item	2008	2009	2010	2011	2012
Producers (*number*)	**8	**8	**7	**7	**6
Employment (*1,000 employees*)	([a])	([a])	([a])	([a])	([a])
Production *(1,000 $*)	**38,600	**41,200	**34,000	**31,100	**24,300
Exports (*1,000 $*)	**3,025	**2,275	**2,425	**2,400	**3,550
Imports (*1,000 $*)	381,026	349,528	366,330	435,079	434,330
Consumption (*1,000 $*)	**416,601	**388,453	**397,905	**463,779	**455,080
Import-to-consumption ratio (*percent)*	**91	**90	**92	**94	**95
Capacity utilization (*percent*)	([a])	([a])	([a])	([a])	([a])

Source: Number of producers, employment, shipments, and capacity utilization estimated by the Commission from various industry sources. Imports are compiled from official statistics of the Department of Commerce. Export data are estimated by the Commission from a basket category that contains products in addition to the subject products.

Notes: ** Refers to Commission estimates based on limited information; data are adequate for estimation with a moderate degree of confidence.

[a]Data are unavailable.

With the decline in the share of U.S. production allocated to frozen use for these products, the number of U.S. firms processing domestically grown products covered under this HTS subheading has also declined. The remaining firms process a variety of other frozen vegetable products (and some frozen fruits) as well. By contrast, there is a

[2] In the United States, most processed cauliflower and processed broccoli is diverted to frozen use, while small amounts are dehydrated and used for soups or in processed foods. An estimate of the exact amount of frozen broccoli or cauliflower produced in the United States is not available, so a USITC estimate is used in the accompanying tables. Source: USDA, Economics Research Service (ERS), "Supply and Utilization—Processed Market," *Vegetables and Pulses Yearbook*. May 31, 2012.

much larger number of U.S. firms that import frozen vegetables classified under this subheading and either directly distribute or repackage them. For example, the American Frozen Food Institute (AFFI) lists 82 companies in their *Buyer's Guide* for frozen broccoli alone.[3]

Although the United States is a major broccoli grower, 98 percent of production was sold into the fresh market in 2012, with the remaining 2 percent going to processing use (mainly for freezing).[4] At the same time, broccoli is considered a dual-use crop, and the same varieties could be grown for either fresh or frozen use.[5] Frozen broccoli has the greatest import penetration among vegetables that are also produced domestically.[6] Estimated import-to-consumption ratios by value from 2008 to 2012 ranged from a low of 90 percent in 2009 to 96 percent in both 2011 and 2012 (table 3.2).

TABLE 3.2 Frozen broccoli (HTS statistical reporting numbers 0710.80.9722, 0710.80.9724, and 0710.80.9726)[a]: U.S. producers, employment, production, trade, consumption, and capacity utilization, 2008–12

Item	2008	2009	2010	2011	2012
Producers (*number*)	*5	*5	*5	*5	*4
Employment (*1,000 employees*)	*>1	*>1	*>1	*>1	*>1
Production *(1,000 dollars*)	*25,000	*27,000	*22,700	*13,300	*11,300
Exports (*1,000 dollars*)	**1,400	**1,000	**1,100	**800	**600
Imports (*1,000 dollars*)	252,137	238,016	242,968	291,369	288,211
Consumption (*1,000 dollars*)	*275,737	*264,016	*264,568	*303,869	*298,911
Import-to-consumption ratio (*percent)*	*91	*90	*92	*96	*96
Capacity utilization (*percent*)	([b])	([b])	([b])	([b])	([b])

Source: Number of producers, employment, shipments, and capacity utilization estimated by the Commission from various industry sources. Imports are compiled from official statistics of the Department of Commerce. Export data are estimated by the Commission from a basket category that contains products in addition to the subject products*.*

Notes: * Indicates that the estimates are based on information/data that are adequate for estimation with a moderately high degree of confidence.

** Refers to staff estimates based on limited information; data are adequate for estimation with a moderate degree of confidence.

[a]Data are not available for the subject products at the 10-digit statistical reporting number.
[b]Data are unavailable.

GSP Import Situation, 2012

Imports make up the bulk of consumption of frozen vegetable products covered under HTS subheading 0710.80.97. However, only a small fraction of these imports (6 percent) come from GSP-eligible countries (table 3.3). Among GSP-eligible countries, Ecuador was the source of 88 percent of shipments to the United States, and Egypt accounted for most of the remainder.

[3] AFFI, *Buyer's Guide*, n.d.
[4] USDA, NASS, *Vegetables 2012 Summary*, January 2013; USDA, ERS, "Table 36: U.S. Broccoli for Processing," *Vegetables and Pulses Yearbook*, May 31, 2012.
[5] Le Strange et al., *Broccoli Production in California*. 2010.
[6] USDA, ERS, "Vegetable and Pulses Trade," October 9, 2012.

TABLE 3.3 Other frozen vegetables, reduced in size (HTS subheading 0710.80.97): U.S. imports and share of U.S. consumption, 2012

Item	Imports 1,000 $	% of total imports	% of GSP imports	% of U.S. consumption
Grand total	434,330	100	([a])	95
Imports from GSP-eligible countries:				
Total	25,786	6	100	6
Ecuador	22,588	5	88	5
Egypt	2,753	1	11	1

Source: Compiled from official statistics of the U.S. Department of Commerce.

[a]Not applicable.

When the three 10-digit statistical reporting numbers for frozen broccoli are considered separately from the 8-digit "other frozen vegetables" category, GSP-eligible countries again account for only a small portion of total imports—less than 8 percent—with Ecuador the sole supplier of U.S. imports from GSP-eligible countries in 2012 (table 3.4). Ecuador is one of the world's top 10 exporters of broccoli.[7] The Ecuadorian industry is mainly dedicated to the export market, with nearly 80 percent of production in 2011 processed by exporters.[8] Nearly one-third of Ecuador's frozen broccoli exports that year were shipped to the United States. The European Union and Japan were the other major markets for Ecuadorian broccoli.[9]

TABLE 3.4 Frozen broccoli (HTS statistical reporting numbers 0710.80.9722, 0710.80.9724, and 0710.80.9726): U.S. imports and share of U.S. consumption, 2012

Item	Imports 1,000 $	% of total imports	% of GSP imports	% of U.S. consumption
Grand total	288,211	100	([a])	96
Imports from GSP-eligible countries:				
Total	22,222	8	100	7
Ecuador	22,222	8	100	7

Source: Compiled from official statistics of the U.S. Department of Commerce.

[a]Not applicable.

U.S. Imports and Exports

Import data for the subject products are listed in tables 3.5–3.8 below. Export data are not provided because these products are part of a larger, undifferentiated Schedule B export category.

For HTS subheading 0710.80.97, which includes frozen vegetables more broadly, Mexico was overwhelmingly the largest U.S. supplier, accounting for two-thirds of total imports in 2012 (table 3.8). Guatemala and Canada accounted for an additional 10 and 8 percent of imports, respectively. Products of this subheading entering from Mexico,

[7] FAO, FAOSTAT, n.d.

[8] Commission calculation from data provided in AMCHAM and APROFEL, written petition to USTR (public version), n.d., 9.

[9] Embassy of Ecuador, petition to the U.S. Trade Representative (public version), October 5, 2012, 13–14.

TABLE 3.5 Certain frozen vegetables (HTS subheading 0710.80.97): U.S. imports for consumption by principal sources, 2008–12

Country	2008	2009	2010	2011	2012
			In actual $		
Mexico	233,316,648	225,726,949	248,265,405	295,047,679	288,194,953
Guatemala	50,284,108	29,476,780	24,528,877	34,230,704	41,720,105
Canada	36,134,738	33,227,972	34,250,756	35,098,896	34,294,205
Ecuador	20,908,742	22,622,071	20,992,796	18,437,081	22,587,572
China	20,076,162	20,466,590	18,596,494	26,075,052	20,303,889
Peru	15,063,242	11,714,646	12,717,536	17,801,214	19,163,190
Egypt	950,904	1,517,427	1,902,550	3,899,841	2,752,656
Chile	2,105,101	2,613,365	2,773,535	1,965,581	1,815,631
Belgium	76,939	157,268	460,163	803,707	1,444,588
Poland	411,558	396,466	354,936	585,912	542,317
All other	1,697,500	1,608,463	1,487,254	1,133,809	1,511,246
Total	381,025,642	349,527,997	366,330,302	435,079,476	434,330,352
Imports from GSP-eligible countries:					
Ecuador	20,908,742	22,622,071	20,992,796	18,437,081	22,587,572
Egypt	950,904	1,517,427	1,902,550	3,899,841	2,752,656
South Africa[a]	65,215	0	0	0	141,943
India	287,778	191,597	134,937	81,742	104,824
Togo[a b]	9,276	22,291	48,350	100,919	63,429
Thailand	14,216	55,916	56,799	26,333	40,670
Philippines	8,040	2,864	27,684	23,081	34,062
Argentina[c]	0	0	0	0	25,459
Macedonia	4,604	0	0	27,441	22,853
Sierra Leone[a b]	0	6,750	11,266	2,400	5,250
Bangladesh[b]	29,184	17,920	17,255	28,082	4,032
Jamaica	0	0	0	2,240	3,270
Colombia[d]	71,627	75,945	6,488	4,530	0
Fiji	0	0	5,880	31,088	0
St. Kitts-Nevis	0	0	17,192	0	0
Turkey	0	0	0	10,700	0
Total	22,371,238	24,512,781	23,221,197	22,675,478	25,786,020

Source: Official statistics of the U.S. Department of Commerce.

[a]U.S. imports from this country of this product are currently eligible for duty-free treatment under the provisions of the GSP for countries designated as eligible for AGOA.

[b]U.S. imports from this country of this product are currently eligible for duty-free treatment under the provisions of the GSP for countries designated as LDBDCs.

[c]On March 26, 2012, President Obama issued Presidential Proclamation 8788 suspending Argentina's GSP eligibility. Goods of Argentina lost GSP eligibility if entered or withdrawn from warehouse for consumption on or after May 28, 2012.

[d]On May 14, 2012, Colombia was removed from eligibility for the GSP as a result of the implementation of the United States-Colombia Trade Promotion Agreement (Presidential Proclamation 8818, May 14, 2012).

Canada, and Guatemala receive duty-free treatment under either the North American Free Trade Agreement (NAFTA) or the Dominican Republic-Central America-United States Free Trade Agreement (CAFTA-DR). Ecuador supplied 5 percent of U.S. imports of this product in 2012.

Guatemala was the primary supplier of frozen broccoli spears classified in HTS statistical reporting number 0710.80.9722 in 2012, accounting for 47 percent of total imports (table 3.6). Mexico was the second-largest supplier with 33 percent, followed by Ecuador with 10 percent.

TABLE 3.6 Frozen broccoli spears (HTS statistical reporting number 0710.80.9722): U.S. imports for consumption by principal sources, 2008–12

Country	2008	2009	2010	2011	2012
			In actual $		
Guatemala	16,761,086	7,775,273	7,317,794	8,714,037	12,844,822
Mexico	13,115,313	8,244,291	9,943,033	10,754,543	8,992,207
Ecuador	4,021,319	3,102,043	3,081,820	2,054,443	2,724,552
China	1,470,720	1,679,694	2,358,832	2,155,973	1,996,678
Canada	723,966	369,841	508,359	405,402	444,901
Belgium	4,167	2,688	0	2,895	47,628
Spain	0	0	117,199	19,397	0
Egypt	0	0	0	162,359	0
Chile	0	156,776	0	0	0
Macedonia	4,604	0	0	0	0
Total	36,101,175	21,330,606	23,327,037	24,269,049	27,050,788
Imports from GSP-eligible countries:					
Ecuador	4,021,319	3,102,043	3,081,820	2,054,443	2,724,552
Egypt	0	0	0	162,359	0
Macedonia	4,604	0	0	0	0
Total	4,025,923	3,102,043	3,081,820	2,216,802	2,724,552

Source: Official statistics of the U.S. Department of Commerce.

Mexico was the source of 74 percent of U.S imports under HTS statistical reporting number 0710.80.9724 (frozen broccoli other than spears, in containers greater than 1.4 kg) in 2012, and Guatemala was the number two supplier under the category with 14 percent (table 3.7). Again, Ecuador was the third-largest supplier of this product with 10 percent of total U.S. imports.

TABLE 3.7 Frozen broccoli, other than spears, in containers greater than 1.4 kg (HTS statistical reporting number 0710.80.9724): U.S. imports for consumption by principal sources, 2008–12

Country	2008	2009	2010	2011	2012
			In actual $		
Mexico	122,914,222	125,764,294	127,677,585	145,422,703	102,378,455
Guatemala	27,759,555	18,175,284	13,016,844	18,995,666	18,725,231
Ecuador	13,648,894	14,483,607	12,516,623	11,476,689	13,807,623
China	2,848,286	3,076,838	1,500,508	5,086,363	2,617,262
Canada	46,838	43,935	23,247	132,300	36,510
Costa Rica	0	0	0	0	21,021
Spain	0	24,044	0	0	17,181
El Salvador	20,532	0	0	0	0
Egypt	3,711	12,609	0	0	0
South Africa	65,215	0	0	0	0
All other	0	0	0	14,868	0
Total	167,307,253	161,580,611	154,734,807	181,128,589	137,603,283
Imports from GSP-eligible countries:					
Ecuador	13,648,894	14,483,607	12,516,623	11,476,689	13,807,623
Egypt	3,711	12,609	0	0	0
South Africa [a]	65,215	0	0	0	0
Total	13,717,820	14,496,216	12,516,623	11,476,689	13,807,623

Source: Official statistics of the U.S. Department of Commerce.

[a]U.S. imports from this country of this product are currently eligible for duty-free treatment under the provisions of the GSP for countries designated as eligible for AGOA.

Mexico was the source of 85 percent of total U.S. imports of frozen broccoli classified under HTS statistical reporting number 0710.80.9726 (other than spears, in containers of 1.4 kg or less) in 2012 (table 3.8). Guatemala and Ecuador supplied 6 and 5 percent of U.S. imports under this category, respectively.

TABLE 3.8 Frozen broccoli, other than spears, in containers of 1.4 kg or less (HTS statistical reporting number 0710.80.9726): U.S. imports for consumption by principal sources, 2008–12

Country	2008	2009	2010	2011	2012
	In actual $				
Mexico	40,263,801	42,243,917	53,421,933	72,484,231	104,701,165
Guatemala	1,534,841	2,318,581	1,642,175	2,845,380	7,432,175
Ecuador	2,691,174	4,746,855	4,883,182	4,641,068	5,689,944
China	3,964,186	5,433,068	4,759,743	5,713,508	5,298,100
Canada	252,598	320,333	130,061	179,203	158,571
Spain	0	0	51,750	68,724	149,699
France	0	0	0	20,221	127,559
Armenia	2,444	0	0	0	0
St. Kitts-Nevis	0	0	17,192	0	0
Belgium	0	0	0	5,268	0
All other	19,208	42,392	0	13,688	0
Total	48,728,252	55,105,146	64,906,036	85,971,291	123,557,213
Imports from GSP-eligible countries:					
Ecuador	2,691,174	4,746,855	4,883,182	4,641,068	5,689,944
Armenia	2,444	0	0	0	0
Brazil	19,208	0	0	0	0
Egypt	0	9,309	0	0	0
St. Kitts-Nevis	0	0	17,192	0	0
Total	2,712,826	4,756,164	4,900,374	4,641,068	5,689,944

Source: Official statistics of the U.S. Department of Commerce.

Positions of Interested Parties[10]

Petitioner: The petitioners are the Embassy of Ecuador (on behalf of the government of Ecuador), the Ecuadorian American Chamber of Commerce (AMCHAM-Quito), the Ecuadorian Association of Growers and Exporters of Fruits and Vegetables (APROFEL), and Superior Foods International.

In its petition and in testimony at the Commission hearing, the Embassy of Ecuador states that, although frozen vegetables under this subheading from Ecuador currently enjoy duty-free treatment under Andean Trade Preference Act (ATPA)[11], this act is set to expire on July 31, 2013. For this reason, the Government of Ecuador is seeking GSP eligibility for this product. The Ecuadorian Embassy states that GSP eligibility is necessary in order to maintain the current level of trade preference for this product and to ensure that the Ecuadorian product can continue competing with similar products exported to the United States from other countries, if ATPA is not renewed.[12]

The petition and hearing testimony note that tariff preferences for this product under ATPA helped create employment and spur development in some of the country's most vulnerable areas, with broccoli production now the largest industry and employer for small-scale farmers in the Ecuadorian highlands.[13] The Embassy further states that,

[10] Except as noted, information provided in this section is derived from the petition filed with the USTR, as well as hearing testimony and written submissions of interested parties to the Commission in connection with this investigation.

[11] ATPA was renewed by the Andean Trade Promotion and Drug Eradication Act (ATPDEA). Both laws are set to expire on July 31, 2013.

[12] Embassy of Ecuador, written submission to the USITC, February 13, 2013, 2.

[13] Embassy of Ecuador, USTR written petition, October 5, 2012, 3.

without the tariff preference (i.e., if GSP is not granted), jobs would be lost and incomes negatively affected in Ecuador. It maintains that adding frozen broccoli to GSP would be beneficial to American consumers and to many U.S. firms who depend on Ecuadorian broccoli as an input in their own businesses.[14] Finally, the Embassy of Ecuador notes that the two principal suppliers of frozen broccoli to the United States (Mexico and Guatemala) already have duty-free access.

AMCHAM-Quito and APROFEL raise similar issues, stating that thousands of jobs have been created in Ecuador in both the farming and processing of frozen broccoli because of the tariff preferences granted under ATPA. They maintain that the loss of this preference would be devastating to many communities in the Ecuadorian highlands and would be harmful to U.S. importing firms and consumers.[15]

In its submissions to the Commission, and in testimony at the USITC hearing, Superior Foods International, a U.S. frozen fruit and vegetable processing firm, said that U.S. firms use imported Ecuadorian frozen broccoli as an input in their line of products. Superior states that frozen broccoli from Ecuador provides a competitive alternative to broccoli imported from Mexico, which accounts for the largest share of the U.S. market for this product, and contends that this competition benefits U.S. companies and U.S. consumers.[16] It states that many U.S. frozen food processors use imported frozen broccoli from Ecuador in vegetable blends that anchor their product lines, and a higher tariff on the product could substantially affect revenues.[17] By having florets that are green from every angle, Superior Foods contends that Ecuadorian broccoli is qualitatively unique and attributes its characteristics to Ecuador's "high luminosity" and other growing conditions.[18] The company uses frozen Ecuadorian broccoli in many of their vegetable blends, combining them with other U.S.-grown products.[19] The company maintains that the U.S. frozen vegetable blending sector is now competing with that of Mexico, Europe, and China, and that an increased duty rate on Ecuadorian broccoli, which could occur if the product were not added to the list of GSP-eligible items, would cause jobs in the U.S. frozen vegetable blending sector to move overseas.[20]

Support: U.S. frozen food firms TriMe Associates and S. Bertram Foods support the granting of GSP eligibility to frozen broccoli imports. They state that the availability of Ecuadorian frozen broccoli is important in their firms' operations of packaging kosher-certified frozen broccoli products.[21] They explain that the Ecuadorian frozen broccoli industry specifically meets all of the intricate and complicated requirements for kosher certification, and that kosher-certified broccoli cannot be produced economically or in the same quality in any other country.[22] Finally, they assert that the implementation of a

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[14] Embassy of Ecuador, written submission to the USITC, February 13, 2013, 13.

[15] AMCHAM and APROFEL, USTR written petition, October 5, 2012, 8; USITC, hearing transcript, February 27, 2013, 102 (testimony of Cristian Espinosa, AMCHAM).

[16] Superior Foods, written submission to the USITC, February 12, 2013, 1.

[17] USITC, hearing transcript, February 27, 2013, 113, 144 (testimony of Mateo Lettunich, Superior Foods).

[18] Ibid., 128.

[19] Ibid., 111–12.

[20] Superior Foods, written submission to the USITC, February 12, 2013, 1.

[21] TriMe Associates, written submission to the USITC, February 13, 2013, 1.

[22] USITC, hearing transcript, February 27, 2013, 126–27 (testimony of Jerry Bertram, S. Bertram Foods).

14.9 percent tariff on frozen broccoli imported from Ecuador would likely render kosher-certified frozen broccoli no longer affordable to average U.S. consumers.[23]

The Philadelphia Regional Port Authority (PRPA),[24] an independent agency of the Commonwealth of Pennsylvania that works to enhance waterborne trade and commerce in the Philadelphia region, supports the petition to add frozen broccoli to the list of GSP-eligible products. PRPA states that if frozen broccoli did not have tariff-free access to the United States, PRPA would be negatively affected, along with small and large businesses in the Philadelphia region, the United States, and Ecuador.

[23] USITC, hearing transcript, February 27, 2013, 115 (testimony of Shea Itzkowitz, TriMe Associates).
[24] Philadelphia Regional Port Authority, written submission to the USITC, February 27, 2013.

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CHAPTER 4
Certain Prepared or Preserved Artichokes

Addition (All GSP-Eligible Countries)[1]

Tariff history			
HTS subheading	Short description	Col. 1 rate of duty as of 1/1/13 (percent ad valorem equivalent)	Like or directly competitive article produced in the United States on Jan. 1, 1995?
2005.99.80[a]	Artichokes, prepared or preserved otherwise than by vinegar or acetic acid, not frozen	14.9	Yes

[a]This HTS subheading is currently on the list of articles eligible for duty-free treatment under the provisions of the GSP for countries designated as least-developed beneficiary developing countries (LDBDCs) (A+) as well as for countries eligible for AGOA (D).

The prepared or preserved artichokes covered in this chapter are not frozen and not prepared or preserved by vinegar or acetic acid. Products classified under this subheading are typically artichoke hearts, quarters, bottoms, or pieces packed in jars or cans and prepared with a solution of water, salt, and citric acid. Artichokes and artichoke hearts of this tariff line are commonly used as cooking ingredients in the preparation of various Mediterranean-style dishes, such as in dips and spreads, as pizza toppings, or in pasta dishes.

Advice

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Profile of U.S. Industry and Market, 2008–12

There is currently no U.S. production of prepared or preserved artichokes.[2] Although the United States produces artichokes (more than 99 percent of which come from California[3]), they are exclusively destined for the fresh market and not for processing. At one time, the United States was a producer of processed artichokes like those covered

[1] The petitioners are the Embassy of Ecuador, the Ecuadorian American Chamber of Commerce (AMCHAM-Quito), I.A.E. Industria Agrícola Exportadora (INAEXPO C.A.), and Agrocorp of Egypt.
[2] California Artichoke Advisory Board representative, telephone interview by USITC staff, January 16, 2013.
[3] California Artichoke Advisory Board, “Artichoke Farms” (accessed February 11, 2013).

under this tariff category, but the last processor closed in the early 2000s.[4] Furthermore, there reportedly is negligible substitution between the fresh artichokes grown in the United States and processed artichokes that are imported.[5]

Because there is no domestic production of processed artichokes, all domestic consumption is imported (table 4.1). U.S. demand for this product rose over the past decade, partly due to the increasing popularity of the Mediterranean diet.

TABLE 4.1 Certain prepared or preserved artichokes (HTS subheading 2005.99.80): U.S. producers, employment, shipments, trade, consumption, and capacity utilization, 2008–12

Item	2008	2009	2010	2011	2012
Producers (*number*)	0	0	0	0	0
Employment (*1,000 employees*)	0	0	0	0	0
Shipments *(1,000 $*)	0	0	0	0	0
Exports (*1,000 $*)	0	0	0	0	0
Imports (*1,000 $*)	80,022	85,182	93,846	130,715	99,275
Consumption (*1,000 $*)	80,022	85,182	93,846	130,715	99,275
Import-to-consumption ratio (*percent)*	100	100	100	100	100
Capacity utilization (*percent*)	([a])	([a])	([a])	([a])	([a])

Source: Data on number of producers comes from the California Artichoke Advisory Board. Because there are no domestic producers, employment, shipments, and exports are also zero. Import data compiled from official statistics of the Department of Commerce.

[a]Not applicable.

GSP Import Situation, 2012

In 2012, U.S. imports from all GSP-eligible countries under HTS subheading 2005.99.80 were valued at nearly $11 million and accounted for 11 percent of total U.S. imports (table 4.2). The leading GSP suppliers of U.S. imports under this HTS subheading in 2012 were Egypt and Ecuador, with Egypt accounting for 63 percent of GSP imports and 7 percent of total imports, while Ecuador was the source of 37 percent of GSP imports and 4 percent of total imports. Other minor GSP suppliers in 2012 were Tunisia and Turkey; both accounted for less than one-half of 1 percent of GSP imports.

TABLE 4.2 Certain prepared or preserved artichokes (HTS subheading 2005.99.80): U.S. imports and share of U.S. consumption, 2012

Item	Imports 1,000 $	% of total imports	% of GSP imports	% of U.S. consumption
Grand total	99,275	100	([a])	100
Imports from GSP-eligible countries:				
Total	10,920	11	100	11
Egypt	6,829	7	63	7
Ecuador	4,024	4	37	4

Source: Compiled from official statistics of the U.S. Department of Commerce.

[a]Not applicable.

[4] Meade, Baldwin, and Calvin, *Peru: An Emerging Exporter of Fruits and Vegetables*, December 2010, 18.

[5] California Artichoke Advisory Board, telephone interview by USITC staff, January 16, 2013.

U.S. Imports and Exports

Annual import data for the subject products can be found in table 4.3 below. Peru is the largest supplier to the United States of processed artichokes of this type, representing more than half of total U.S. imports in 2012. U.S. imports from Peru are eligible for duty-free treatment under the U.S.-Peru Trade Promotion Agreement. Spain is the next largest source for artichokes of this type, accounting for 17 percent of total imports (table 4.3). No corresponding export data are available because this product is part of a larger, undifferentiated Schedule B export category.

TABLE 4.3 Certain prepared or preserved artichokes (HTS subheading 2005.99.80): U.S. imports for consumption by principal sources, 2008–12

Country	2008	2009	2010	2011	2012
			In actual $		
Peru	43,085,207	40,935,546	54,094,249	69,171,176	54,671,542
Spain	14,668,514	16,760,880	14,748,976	25,475,210	16,925,734
Chile	9,522,815	16,639,406	10,709,152	9,604,804	8,415,309
Egypt	0	134,960	2,735,651	11,433,522	6,829,471
Italy	5,514,526	4,156,819	4,568,613	5,667,510	5,474,578
Ecuador	3,626,482	2,584,143	3,717,826	4,924,553	4,024,130
China	2,058,615	2,383,012	1,509,243	2,206,983	1,332,776
Canada	697,000	1,307,097	1,438,776	1,626,628	1,318,932
Mexico	345,973	220,267	291,592	212,797	92,770
Israel	0	0	0	329,080	67,544
All other	502,976	59,399	32,175	62,453	121,793
Total	80,022,108	85,181,529	93,846,253	130,714,716	99,274,579
Imports from GSP-eligible countries:					
Egypt	0	134,960	2,735,651	11,433,522	6,829,471
Ecuador	3,626,482	2,584,143	3,717,826	4,924,553	4,024,130
Turkey	6,998	0	0	4,230	35,021
Tunisia	19,759	13,818	17,295	12,085	31,640
Colombia [a]	0	0	0	27,443	0
Thailand	0	0	14,880	0	0
Total	3,653,239	2,732,921	6,485,652	16,401,833	10,920,262

Source: Official statistics of the U.S. Department of Commerce.

[a]On May 14, 2012, Colombia was removed from eligibility for the GSP as a result of the implementation of the United States-Colombia Trade Promotion Agreement (Presidential Proclamation 8818, May 14, 2012).

Note: During 2008–12, there were no U.S. imports under this HTS subheading from countries eligible for duty-free treatment under the provisions of the GSP for countries designated as LDBDCs or from countries eligible for AGOA.

Positions of Interested Parties[6]

Petitioners: The petitioners are the Embassy of Ecuador (on behalf of the government of Ecuador), the Ecuadorian American Chamber of Commerce (AMCHAM-Quito), I.A.E. Industria Agrícola Exportadora (INAEXPO C.A.) of Ecuador, and Agrocorp of Egypt.

[6] Except as noted, information provided in this section is derived from the petition filed with the USTR, as well as hearing testimony and written submissions of interested parties to the Commission in connection with this investigation.

In its petition and testimony at the Commission hearing, the Embassy of Ecuador states that although processed or preserved artichokes under HTS 2005.99.88 from Ecuador currently enjoy duty-free treatment under the Andean Trade Preference Act (ATPA),[7] this act is set to expire on July 31, 2013. Ecuador is seeking GSP eligibility for this product in order to maintain the current level of trade preference and ensure that the Ecuadorian product can continue to be competitive in the United States, in the event that ATPA is not renewed.[8] The Embassy notes that the product is already eligible for GSP benefits for least-developed beneficiary developing countries (LDBDCs). The Embassy asserts that since there is no U.S. production of this product, no U.S. firms would be hurt by GSP eligibility for the product, whereas the employment benefits of GSP extension for Ecuador are significant. The Embassy explains that most Ecuadorian artichoke growers are small farmers with less than 14 acres of land; that artichoke farms are concentrated in high-poverty areas that are vulnerable to the drug trade; that the processed artichoke industry is an important source of legal employment in those areas; and that the industry has directly created hundreds of local jobs in the past five years.[9]

In their joint written submission and hearing testimony, AMCHAM-Quito and INAEXPO C.A. similarly note the number of jobs created by the sector in Ecuador and the damage that would likely occur to the sector if ATPA lapses without the product being made eligible for duty-free treatment under the GSP.[10]

Agrocorp of Egypt states in its petition that artichokes of this type imported from LDBDCs are already eligible for GSP benefits and that a similar product—artichokes prepared or preserved by vinegar or acetic acid (HTS subheading 2001.90.25)—is already GSP eligible for all beneficiary countries. Furthermore, Agrocorp notes that the majority of imports of the subject product are already entering the United States duty free under various free trade agreements. Agrocorp asserts that granting GSP status would have little effect on the U.S. import market, but would improve the competitive position of Egypt relative to other U.S. suppliers.[11] Agrocorp notes that, because there is no U.S. production of this product, granting GSP eligibility would have positive repercussions for the U.S. market by providing consumers with a wider array of choices in their processed artichoke purchasing decisions.

Support: The Philadelphia Regional Port Authority (PRPA),[12] an independent agency of the Commonwealth of Pennsylvania that works to enhance waterborne trade and commerce in the Philadelphia region, supports the petition to add the subject artichokes to the list of GSP-eligible products. PRPA states that if these products do not have tariff-free access to the United States, PRPA would be negatively affected, along with small and large businesses in the Philadelphia region, the United States, and Ecuador.

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[7] ATPA was renewed by the Andean Trade Promotion and Drug Eradication Act (ATPDEA). Both laws are set to expire on July 31, 2013.

[8] Embassy of Ecuador, written submission to the USITC, February 13, 2013, 2.

[9] Ibid., 8–9.

[10] Ecuadorian American Chamber of Commerce (AMCHAM-Quito), written submission to the USITC, February 13, 2013, 2–3.

[11] Agrocorp, USTR written petition, October 5, 2012, 6, 9.

[12] Philadelphia Regional Port Authority, written submission to the USITC, February 27, 2013.

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CHAPTER 5
Certain Refined Copper Wire

Addition (All GSP-Eligible Countries)[1]

Tariff history			
HTS subheading/ statistical reporting number	Short description	Col. 1 rate of duty as of 1/1/13 (percent ad valorem equivalent)	Like or directly competitive article produced in the United States on Jan. 1, 1995?
7408.19.00[a]	Refined copper wire, not exceeding 6 mm in diameter	3.0	Yes
7408.19.0030[a]	Refined copper wire, not exceeding 3 mm in diameter	3.0	Yes

[a]The HTS subheading 7408.19.00 is currently on the list of articles eligible for duty-free treatment under the provisions of the GSP. However, this is an "A*" subheading, which indicates that certain beneficiary developing countries (in this case, Brazil and Turkey) are not eligible for such preferential treatment. Brazil was removed from GSP eligibility on July 1, 2006, and Turkey was removed on July 1, 2007, after each exceeded the competitive need limitation (CNL).

The petition seeks GSP eligibility for all GSP-eligible countries for existing HTS statistical reporting number 7408.19.0030; if eligibility were granted at the level of this 10-digit statistical reporting number, it would need to be broken out as a new 8-digit HTS subheading. This statistical reporting number became effective on July 1, 2012, at the petitioner's request. At the same time, refined copper wire, exceeding 3 mm but not exceeding 6 mm in diameter, was also broken out under the new HTS 7408.19.0060 classification; however, this HTS statistical number is not being considered for addition to the GSP.

Refined copper wire is manufactured by pulling refined copper rod through a series of dies in a process referred to as "drawing." Production starts with unwrought rods, cast from molten refined copper, which are drawn through successively smaller steel die apertures. After each draw, the copper must be annealed to restore its ductility and malleability before drawing it again. Additional rounds of drawing and annealing are required to achieve smaller final diameters. The subject product is fabricated from high-purity, unalloyed copper[2] that is drawn through steel dies down to its final maximum cross-sectional diameter.[3] The predominant end uses for this product take advantage of copper's high electrical and heat conductivity, ductility, malleability, and melting point for efficient transmission and distribution of electric current and telecommunications signals in buildings or other structures, and in electrical and electronic equipment.[4]

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[1] The petitioner is Sandler and Borges on behalf of Paranapanema S.A. (Brazil).

[2] Refined copper contains either at least 99.85 percent copper by weight or at least 97.5 percent copper by weight provided that the content of any other element by weight does not exceed limits specified in note 1 to HTS chapter 74, Copper and Related Articles.

[3] Sandler and Borges, USTR written petition, October 5, 2012, 3.

[4] CDA, *Copper Facts*, "Electrical," 13–16; "Electronics," 16–17; and "Communications," 17, n.d. (accessed February 4, 2013).

The 8-digit HTS 7408.19.00 subheading includes a broad range of wire measuring 6 mm (0.2362 inches) or less in maximum cross-sectional diameter. The wire subject to the petition, which is 3 mm (0.1181 inches) or less in diameter, was broken out into the new 10-digit HTS classification 7408.19.0030 effective July 1, 2012.[5] According to the petitioner, refined copper wire of 3 mm or less in diameter is the input for manufacturing higher value-added wire products, such as stranded wire, wire cables, electrical connections, electric-motor windings, etc.[6]

Sales competition for refined copper wire, as with other less differentiated copper mill products, is more likely to be on the basis of price.[7] A key production distinction is that the wire classified under the 10-digit HTS category incurs higher manufacturing costs and undergoes a more intensive process than the larger-diameter wire classified under the 8-digit HTS subheading, due to the additional rounds of drawing and annealing required to achieve the smaller final diameter.[8]

Advice

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Profile of U.S. Industry and Market, 2008–12

The United States is a significant global producer of refined copper and copper alloy wire (table 5.1).[9] Much like the broader industry sector for copper rolling, drawing, and extruding,[10] the refined copper and copper alloy wire industry is moderately concentrated, and has become even more so in recent years due to notable corporate consolidations.[11] One industry assessment attributed these consolidations to firms seeking to expand their product lines and vertically integrate their operations.[12] Some major firms that produce refined copper wire also have operations abroad and, similarly, some foreign firms have invested in the U.S. industry.[13]

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[5] At that same time, refined copper wire, exceeding 3 mm but not exceeding 6 mm in diameter, was also broken out under a new 10-digit HTS 7408.19.0060 classification.

[6] Sandler and Borges, USTR written petition, October 5, 2012, 3 and 5.

[7] Windle, “Rolling Ahead,” October 2012, 22.

[8] Sandler and Borges, USTR written petition, October 5, 2012, 6.

[9] In 2011, the United States recorded close to 2 million metric tons of production capacity for copper (refined copper and copper alloy) wire rod, or approximately 8 percent of the nearly 21 million metric tons of worldwide production capacity in that year. Production capacity for copper wire drawing facilities is measured by casting of wire rod, the intermediate product for drawing into wire; hence, copper wire drawing facilities are sometimes referred to as “wire rod mills.” ICSG, “Capacity in the Americas,” 27, and “Consolidated Global Capacity,” 53, July 22, 2011.

[10] Windle, “Rolling Ahead,” October 2012, 20.

[11] For example, Southwire Co., the largest copper wire and wire products manufacturer in the United States, acquired the production facilities of American Insulated Wire Corp. and Tappan Wire & Cable Inc. in 2010 and CableTech Global LP in 2008. Southwire, “Southwire Signs Agreement to Acquire Tappan,” July 22, 2010; Southwire, “Southwire Completes Purchase of AIW Assets,” February 24, 2010; Southwire, “Southwire Enhances Presence in OEM Market with CableTech Acquisition,” November 14, 2008.

[12] Windle, “Rolling Ahead,” October 2012, 11.

[13] Ibid., 21.

TABLE 5.1 Refined copper wire, not exceeding 6 mm in diameter (HTS subheading 7408.19.00): U.S. producers, employment, shipments, trade, consumption, and capacity utilization, 2008–12

Item	2008	2009	2010	2011	2012
Producers (*number*)[a]	**11	**11	**10	**10	**10
Employment (*1,000 employees*)	([b])	([b])	([b])	([b])	([b])
Shipments *(1,000 $)*	**887,000	**566,000	**773,000	**700,000	**832,000
Exports (*1,000 $*)	150,702	94,880	161,481	154,045	138,350
Imports (*1,000 $*)	63,252	48,002	82,135	93,111	104,750
Consumption (*1,000 $*)	**799,550	**519,122	**693,654	**639,066	**798,400
Import-to-consumption ratio (*percent)*	**8	**9	**12	**15	**13
Capacity utilization (*percent*)	([b])	([b])	([b])	([b])	([b])

Source: Number of producers, employment, shipments, and capacity utilization estimated by the Commission from various industry sources; exports and imports compiled from official statistics of the Department of Commerce.

Note: **Based on limited information/data adequate for estimation with a moderate degree of confidence.

[a]Wire mills capable of drawing wire from not only refined copper but also from copper alloys, with diameters both within and outside the scope of this subheading.
[b]Not available.

U.S. copper wire mills draw wire rod of refined copper and copper alloys into wire of various diameters, both within and beyond the scope of the product subject to the petition. These mills also add value by further processing their wire into strands, cables, coated wires, insulated wires, armor-cased cables, etc. Some also supply stand-alone downstream manufacturers who perform similar value-added operations on purchased wire. Nineteen facilities (i.e., rather than the number of producers shown in table 5.1) are identified as potential manufacturers of refined copper wire in the United States.[14] These facilities vary in size, with at least two being large-scale operations having wire-rod production capacities exceeding 240,000 metric tons per year.[15] However, not all these facilities routinely draw refined copper wire down to 3 mm or less in diameter. Rather, some may produce this smaller diameter wire only by special order.[16] Further, * * * wire drawing facility was noted by the petitioner as having ceased operations *** ago.[17]

Copper rolling, drawing, and extruding are considered mature industries.[18] Hence, shifts in domestic shipments of refined copper wire reflect the ongoing recovery after the recent recession, which depressed domestic construction and manufacturing activities that use this wire.[19] The estimated value of domestic shipments rose in 2012 by 19 percent above 2011, exceeding the corresponding 12 percent rise for imports. The imports-to-consumption ratio declined in 2012 after successive increases from 2008 to 2010 (see table 5.1).

[14] Compiled from CDA, Fabricator Database (accessed January 30, 2013); ICSG, "Global Database," n.d. (received by email, July 22, 2011).
[15] ICSG, "Global Database," n.d. (received by email, July 22, 2011).
[16] Other facilities may decide to produce this smaller-diameter refined copper wire, particularly if they already have the proper-sized steel drawing dies on hand.
[17] Sandler and Borges, USTR written petition, October 5, 2012, 2.
[18] Windle, "Rolling Ahead," October 2012, 11.
[19] Ibid., 4.

Currently, U.S. imports classified under HTS 7408.19.00 are eligible for duty-free treatment under the provisions of the GSP, except from Brazil and Turkey. The Philippines, Thailand, Pakistan, and India were the leading GSP-eligible import sources in 2012 (table 5.2). GSP-eligible imports accounted for only 3 percent of all U.S. imports under this HTS subheading in 2012.

TABLE 5.2 Refined copper wire, not exceeding 6 mm in diameter (HTS subheading 7408.19.00): U.S. imports and share of U.S. consumption, 2012

Item	Imports 1,000 $	% of total imports	% of GSP imports	% of U.S. consumption
Grand total	104,750	100	([a])	**13
Imports from GSP-eligible countries				
Total	2,630	3	100	**([b])
Philippines	1,690	2	64	**([b])
Thailand	378	([b])	14	**([b])
Pakistan	288	([b])	11	**([b])
India	240	([b])	9	**([b])

Source: Compiled from official statistics of the Department of Commerce.

Note: **Based on limited information/data adequate for estimation with a moderate degree of confidence.

[a]Not applicable.
[b]Less than 0.5 percent.

Detailed information is not readily available about the copper wire drawing industries of the leading GSP-eligible import sources. Nevertheless, the International Copper Study Group (ICSG), a major international copper organization, reported annual production capacities for wire rod (of refined copper, copper alloy, or both) and identified domestic facilities in member countries in 2011.[20] The industry in the Philippines consists of eight small-scale facilities totaling almost 61,000 metric tons of copper wire rod capacity, with most having capacities below 10,000 metric tons and only a few rated at 10,000–30,000 metric tons. Of the 248,000 metric tons of capacity in Thailand, 5 of the 10 facilities have a capacity of less than 10,000 metric tons, and the largest facility is rated at 60,000–120,000 metric tons. Of the four facilities identified in Pakistan, with capacity totaling 72,000 metric tons, individual capacities ranged from less than 10,000 metric tons to 30,000–60,000 metric tons. The industry in India, with545,000 metric tons of capacity nationwide, consists of 11 facilities, of which 7 are rated below 10,000 metric tons and the largest facility is rated at 120,000–240,000 metric tons.[21]

Brazil's annual production capacity for copper (refined copper and copper alloy) wire rod is about 453,000 metric tons distributed among 7 domestic facilities in 2011.[22] Individual capacities among these facilities ranged from less than 10,000 metric tons to 120,000–240,000 metric tons, with the petitioner's facilities recorded at each end of the industry's capacity range.[23] The petitioner stated it has five production facilities for copper mill

[20] ICSG, "Global Database," n.d. (received by email, July 22, 2011).
[21] ICSG, "Global Database," July 22, 2011; ICSG, "Capacity in South East Asia," July 22, 2011, 36.
[22] ICSG, "Global Database," July 22, 2011; ICSG, "Capacity in the Americas," July 22, 2011, 27.
[23] The "Caraiba Metais" listed in ICSG's "Global Database" is the name of the petitioner's copper and copper by-products operating division. Paranapanema, "History," n.d. (accessed February 8, 2013).

products (of both refined copper and copper alloys), but currently produces the smaller-diameter refined copper wire at its facility in the municipality of Dias d'Avila in Bahia state.[24]

With respect to the smaller-diameter refined copper wire subject to the petition and classified under HTS 7408.19.0030, U.S. imports are eligible for duty-free treatment under the provisions of the GSP, except from Brazil and Turkey, which lost their GSP eligibility for this product in 2006 and 2007, respectively. GSP eligibility for this product is currently based on the 8-digit HTS subheading, but the 10-digit reporting number took effect in July 2012. U.S. import statistics show Thailand as the predominant GSP-eligible import source, accounting for 89 percent of all imports from GSP-eligible countries in July–December 2012, with India accounting for the remaining 11 percent (table 5.3). In that same period, imports from GSP-eligible countries accounted for just under 1 percent of all U.S. imports under this HTS classification.

TABLE 5.3 Refined copper wire, not exceeding 3 mm in diameter (HTS statistical reporting number 7408.19.0030): U.S. imports and share of U.S. consumption, July–December 2012

Item	Imports 1,000 $	% of total imports	% of GSP imports	% of U.S. consumption
Grand total	10,718	100	([a])	**16
Imports from GSP-eligible countries				
Total	83	1	100	**([b])
Thailand	74	1	89	**([b])
India	9	([b])	11	**([b])

Source: Compiled from official statistics of the Department of Commerce.

Note: **Based on limited information/data adequate for estimation with a moderate degree of confidence.

[a]Not applicable.
[b]Less than 0.5 percent.

U.S. Imports and Exports

U.S. imports of refined copper wire under the 8-digit HTS subheading were concentrated among a few top foreign partners in 2012. The leading import sources were Canada and Germany, which together accounted for just over 75 percent of total U.S. imports under this HTS subheading (table 5.4).

Germany and Peru were the largest suppliers of U.S. imports of refined copper wire not exceeding 3 mm in diameter in 2012, based on the six months for which data are available (table 5.5). These two countries together accounted for almost 86 percent of total U.S. imports of this product. Other import sources were China, Thailand, Taiwan, Japan, and Korea, accounting for just over 12 percent. Turkey, having been removed from GSP eligibility for the broader 8-digit HTS subheading on July 1, 2007, after exceeding the competitive need limitation, accounted for just over 0.5 percent of all such U.S. imports under the narrower 10-digit HTS classification. No U.S. imports of this smaller-diameter wire were recorded under this 10-digit HTS classification in 2012 from

[24] Sandler and Borges, USTR written petition, October 5, 2012, 1–2.

TABLE 5.4 Refined copper wire, not exceeding 6 mm in diameter (HTS subheading 7408.19.00): U.S. imports for consumption by principal sources, 2008–12

Country	2008	2009	2010	2011	2012
			In actual $		
Canada	25,100,397	24,465,343	38,915,957	45,646,764	58,144,871
Germany	8,837,208	4,719,160	9,993,542	20,221,641	20,696,737
Japan	5,129,734	4,702,352	4,422,448	4,375,398	7,769,476
Peru	5,433,828	783,236	7,028,038	5,363,807	6,004,262
France	1,397,425	814,501	5,375,592	5,977,518	4,150,071
China	2,815,477	982,525	1,813,385	1,024,356	1,954,822
Philippines	0	0	0	2,907	1,689,783
Switzerland	3,805,775	2,728,263	2,950,442	2,982,468	838,334
Taiwan	880,658	682,930	1,001,367	944,348	799,330
Hong Kong	47,042	13,412	0	23,095	488,701
All others	9,804,505	8,109,956	10,634,719	6,548,642	2,213,368
Total	63,252,049	48,001,678	82,135,490	93,110,944	104,749,755
Imports from GSP-eligible countries[a]					
Philippines	0	0	0	2,907	1,689,783
Thailand	3,522,526	1,949,745	4,414,085	3,768,230	378,237
Pakistan	3,044	28,590	103,310	107,625	288,146
India	956,169	241,685	82,039	723,040	239,622
South Africa	0	0	0	0	29,632
Ethiopia	0	127,979	976,777	63,670	4,871
Egypt	0	0	3,921	0	0
Indonesia	176,552	4,517,804	3,773,268	0	0
Russia	0	0	5,356	0	0
Tokelau	0	0	175,005	0	0
Turks and Caicos Islands	0	0	3,000	0	0
Total	4,658,291	6,865,803	9,536,761	4,665,472	2,630,291

Source: Official statistics of the U.S. Department of Commerce.

[a]Brazil and Turkey are not eligible for such preferential treatment under HTS subheading 7408.19.00. Brazil was removed from GSP eligibility on July 1, 2006, and Turkey was removed on July 1, 2007, after each exceeded the competitive need limitation.

TABLE 5.5 Refined copper wire, not exceeding 3 mm in diameter (HTS statistical reporting number 7408.19.0030): U.S. imports for consumption by principal sources, 2008–12[a]

Country	2008	2009	2010	2011	2012
			In actual $		
Germany	0	0	0	0	8,021,021
Peru	0	0	0	0	1,193,859
China	0	0	0	0	615,119
Thailand	0	0	0	0	233,814
Taiwan	0	0	0	0	215,086
Japan	0	0	0	0	151,918
Korea	0	0	0	0	109,238
Turkey[b]	0	0	0	0	55,157
Hong Kong	0	0	0	0	53,659
United Kingdom	0	0	0	0	36,747
Netherlands	0	0	0	0	14,515
India	0	0	0	0	9,010
Switzerland	0	0	0	0	5,729
Israel	0	0	0	0	3,300
Total	0	0	0	0	10,718,172
Imports from GSP-eligible countries[b]					
Thailand	0	0	0	0	74,184
India	0	0	0	0	9,010
Total	0	0	0	0	83,194

Source: Official statistics of the U.S. Department of Commerce.

[a]This statistical reporting number became effective July 1, 2012. Therefore data are for July through December 2012.

[b]Turkey is not eligible for such preferential treatment under HTS subheading 7408.19.00. Turkey was removed from GSP eligibility on July 1, 2007, after it exceeded the competitive need limitation.

Brazil, which was removed from GSP eligibility for the broader HTS-8 subheading on July 1, 2006, after exceeding the competitive need limitation.

The leading 2012 U.S. export markets for refined copper wire not exceeding 6 mm in diameter were China, Mexico, and Canada (table 5.6). Together, these three countries accounted for just over 80 percent of all U.S. exports of the broader product category. U.S.-Canada and U.S.-Mexico trade in this product reflects both extensive cross-border production-sharing ties and duty-free treatment under the North American Free Trade Agreement. Exports of the smaller-diameter wire are not broken out separately under Schedule B.

TABLE 5.6 Refined copper wire, not exceeding 6 mm in diameter, U.S. exports of merchandise, by market, 2008–12

Country	2008	2009	2010	2011	2012
	In actual $				
China	8,255,112	7,178,585	28,444,518	33,730,255	44,504,685
Mexico	54,613,881	37,404,140	64,764,557	46,306,091	37,612,286
Canada	35,254,122	23,929,128	31,761,648	27,698,848	29,171,196
Japan	170,991	219,439	362,627	5,818,464	4,316,732
Korea	1,982,218	302,128	3,359,988	5,930,583	4,260,913
Hungary	12,153	0	1,263,124	9,464,750	3,628,788
Singapore	154,903	126,284	277,140	1,674,600	2,861,416
Trinidad and Tobago	1,085,450	841,519	3,871,311	3,243,644	1,940,528
Belgium	17,632	10,770	18,112	100,027	1,573,317
Germany	11,228,742	9,009,155	5,704,139	2,736,980	1,252,352
All other	37,926,489	15,858,763	21,654,029	17,340,884	7,227,397
Total	150,701,693	94,879,911	161,481,193	154,045,126	138,349,610

Source: Official statistics of the U.S. Department of Commerce.

Position of Interested Parties[25]

Petitioner: Paranapanema S.A. claims to be the largest producer in Brazil of wire and wire products made of refined copper and of various copper alloys. The specific product subject to this GSP addition request is the smaller-diameter refined copper wire, not exceeding 3 mm (rather than 6 mm) in maximum diameter. The company states that although it has not previously shipped this smaller-diameter refined copper wire to the U.S. market, it states that it seeks to do so at this time due to increased purchases of this material by U.S. manufacturers of downstream fabricated wire products. According to the petitioner, U.S. wire mills consider this smaller-diameter refined copper wire as an input for higher value-added stranded wire and wire cables rather than as an "as-is" sales product. For Brazilian producers to be competitive in the U.S. market, the petitioner claims that Brazil will need GSP benefits for duty-free entry of this material, as enjoyed by U.S. free trade agreement partners Korea and Peru. Finally, the petitioner also requests that the HTS 7408.19.0030 classification for refined copper wire, not exceeding 3 mm (rather than 6 mm) in maximum cross-sectional diameter, become a new 8-digit HTS subheading.

No additional statements were received by the Commission in support of, or in opposition to, the proposed modifications to the GSP considered for this HTS subheading.

[25] Except as noted, information provided in this section is derived from the petition filed with the USTR, as well as hearing testimony and written submissions of interested parties to the Commission in connection with this investigation.

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CHAPTER 6
Calcium-Silicon

Competitive Need Limitation Waiver (Brazil)[1]

Tariff history			
HTS subheading	Short description	Col. 1 rate of duty as of 1/1/13 (percent ad valorem equivalent)	Like or directly competitive article produced in the United States on Jan. 1, 1995?
7202.99.20[a]	Calcium-silicon	5.0	Yes

[a]Brazil has not been proclaimed by the President as non-eligible for GSP treatment for the articles included under HTS subheading 7202.99.20; however, Brazil is not eligible for a *de minimis* waiver, and its 2012 export levels to the United States exceeded the competitive need limitation.

Calcium-silicon is a ferroalloy used in the production of certain high-grade steels. It is added to molten steel to control the shape, size, and distribution of oxide and sulfide inclusions, improving the steel's fluidity and preventing the clogging of valves and nozzles during continuous casting. Calcium-silicon also improves the machinability, ductility, and/or impact properties of the steel products. Calcium-silicon powder is used as a dry mold spray in the production of cast-iron pipe by ductile-iron foundries.[2] Calcium-silicon is also used as a source of calcium in the production of specialty ferrosilicon alloys that contain small, controlled amounts of calcium.[3]

Calcium-silicon is produced as other ferroalloys are: by smelting basic raw materials—quartz, limestone, and charcoal—in an electric-arc furnace. The resulting product is then crushed and screened and made available in lump or powder form. The most widely used method of adding calcium-silicon to molten steel is by the feeding of a hollow steel wire (cored wire) containing calcium-silicon powder. This allows accurate control of the amount of alloy added and insures that the alloy goes into solution rather than floating on the surface as it might if added in bulk. Other alloys are also added in this way. It is estimated that more than 80 percent of the calcium-silicon used in the United States is added using cored wire; other methods include pneumatic injection of fine calcium-silicon powder into molten steel and bulk additions of large-size lumps.[4] Calcium-silicon is therefore sold in powder, lump, or cored-wire form.

The cored wire used to deliver calcium-silicon is manufactured by forming a steel strip into a tube into which alloy powder is fed before the tube is fully closed. The tube is then rolled to compact the product and seal the lock-seam. Cored wire is typically about one-

[1] The petitioners are Polymet Alloys, Inc. and JMC (USA), Inc.—Bozel North America Division.
[2] Polymet Alloys, Inc. and JMC (USA), Inc.—Bozel North America Division, prehearing brief, February 13, 2013, 8.
[3] CC Metals & Alloys, LLC, written submission to the USITC, Feburary 13, 2013.
[4] * * *, telephone interview by USITC staff, January 9, 2013.

half to three-quarters of an inch in diameter and is provided in coils weighing one ton or more. The weight of the steel tube jacket represents about 40–50 percent of the total weight of the product. However, cored wire is normally priced and sold on the basis of the weight of the contained calcium-silicon powder.[5]

All forms of calcium-silicon—lump, powder, and cored wire—are included in HTS subheading 7202.99.20 and subject to this waiver request; however, calcium-silicon is classified in this tariff subheading only if it contains 4 percent or more, by weight, of iron. Calcium-silicon containing less than 4 percent of iron is imported under HTS subheadings 2850.00.05 (calcium silicides) and 2850.00.50 (other silicides).[6] The iron content of the material is inconsequential in use: calcium-silicon with higher iron content and that with lower iron content reportedly are used interchangeably.[7] Imports of calcium-silicon from Brazil have entered the United States duty free under HTS 2850.00.05 and 2850.00.50.[8] Imports of calcium-silicon from Brazil have also entered the United States under HTS 7202.21.10.[9] See box 6.1 below for a detailed description of these HTS subheadings for calcium-silicon and similar products.

BOX 6.1 Tariff classification of calcium-silicon and similar products

HTS 7202.99.20 (Calcium-silicon)

This subheading was established in 2003 to make calcium-silicon, but not other alloys, eligible for GSP. Previously, calcium-silicon was one of several ferroalloys classified under a “basket” subheading (HTS 7202.99.50).

HTS 2850.00.05 (Hydrides, nitrides, azides, silicides and borides… Of calcium)
HTS 2850.00.50 (Hydrides, nitrides, azides, silicides and borides… Other)

Imports are classified in these subheadings only if they contain less than 4 percent by weight of iron. Otherwise, they must be classified as ferroalloys in chapter 72. It might appear that calcium-silicon containing less than 4 percent iron should be classified as calcium silicide in 2850.00.05; however, Customs has ruled that, because such product is not pure calcium silicide, it must be classified in 2850.00.50.[a] Calcium-silicon normally contains about 6 percent iron, but until 2010 large amounts of calcium-silicon were imported from Brazil under both of these subheadings.

HTS 7202.21.10 (Ferrosilicon containing by weight more than 55 percent but not more than 80 percent of silicon: Containing by weight more than 3 percent of calcium)

Imports are classified in this subheading only if they contain less than 10 percent of calcium. Calcium-silicon typically contains about 30 percent calcium and is considered to be a ternary alloy (of iron, silicon, and calcium) and not ferrosilicon, which is a binary alloy.[b] Large amounts of calcium-silicon were imported from Brazil under this subheading from 2009 through June 2012.

[a] Customs Ruling Letter NY 867936, November 19, 1991.
[b] Customs Ruling Letter HQ 958349, January 19, 1996.

[5] * * *, telephone interview by USITC staff, January 20, 2011.
[6] Subheading 2850.00.05 has a Column 1 duty rate of free. Subheading 2850.00.50 has a Column 1 duty rate of 3.7 percent, but is eligible for GSP.
[7] * * *, telephone interview by USITC staff, January 28, 2009; USITC, hearing transcript, February 17, 2011, 36 (testimony of Marcela Troncoso, Cámara Argentina de Ferroaleaciones y Aleaciones Especiales—CAFAE).
[8] Imports under 2850.00.50 from Brazil are duty free under GSP.
[9] USITC, hearing transcript, February 27, 2013, 189 (testimony of Braulio Lage, Polymet). Imports under this subheading are subject to a column 1-general duty of 1.1 percent and are eligible for GSP. Brazil, however, is not eligible for GSP on this subheading.

Advice

*   *   *   *   *   *   *

Profile of U.S. Industry and Market, 2008–12

There is no production of calcium-silicon powder or lump in the United States. However, there is an industry comprising firms producing calcium-silicon cored wire using imported calcium-silicon powder (table 6.1). The industry comprises four firms: Affival Inc., Verona, PA; Minteq International, Inc., Canaan, CT; Odermath (USA) Inc., Spartanburg, SC; and P.C. Campana, Inc., Lorain, OH. [10] These firms also produce cored wire containing other ferroalloys and chemical additives using the same equipment and labor force. Calcium-silicon cored wire is the highest-volume cored-wire product and accounts for about one-half (by weight) of all U.S. cored-wire production.[11]

TABLE 6.1 Calcium-silicon (HTS subheading 7202.99.20): U.S. producers, employment, shipments, trade, consumption, and capacity utilization, 2008–12

Item	2008	2009	2010	2011	2012
Producers (*number*)[a]	5	4	4	4	4
Employment (*number*)[a]	*100	*100	*100	*100	*100
Shipments *(1,000 $)*[a]	*29,000	*25,000	*26,000	*32,000	*30,000
Exports (*1,000 $*)	*1,000	*1,000	*1,000	*1,000	*1,000
Imports (*1,000 $*)	51,165	21,714	31,469	39,513	37,515
Apparent consumption (*1,000 $*)	*58,000	*27,000	*38,000	*47,000	*45,000
Import-to-consumption ratio (*percent)*	*88	*81	*82	*84	*84
Capacity utilization (*percent*)	*90	*50	*80	*80	*80

Source: Number of producers, employment, shipments, and capacity utilization estimated by Commission staff from various industry sources; exports and imports compiled from official statistics of the Department of Commerce.

Note: * indicates that the estimates are based on information/data adequate for estimation with a moderately high degree of confidence.

[a]Data presented for number of producers, employees, and shipments are for U.S. firms that manufacture cored wire from imported calcium-silicon powder. Estimated shipments include value of imported calcium-silicon consumed to produce cored wire. To avoid double-counting, this consumption is excluded from the estimate of apparent consumption.

[b]Includes imports of calcium-silicon from Brazil entered under HTS subheadings 2850.00.50, 2850.00.05, and 7202.21.10 and imports from all countries under HTS 7202.99.20.

The quantity of U.S. consumption of calcium-silicon is driven by steel and iron castings production. It is estimated that 20 percent of consumption by steel companies and foundries is bulk calcium-silicon, 20 percent is imported cored wire, and 60 percent is U.S.–produced cored wire.

GSP Import Situation, 2012

Brazil is the only country currently eligible for GSP from which imports of calcium-silicon were received during 2012. As shown in table 6.2, such imports made up

[10] A fifth firm, Injection Alloys, ceased operations in 2009.
[11] USITC, hearing transcript, February 27, 2013, 222 (testimony of Hank Yeckley, Bozel).

TABLE 6.2 Calcium-silicon (HTS subheading 7202.99.20): U.S. imports and share of U.S. consumption, 2012

Item	Imports 1,000 $	% of total imports	% of GSP imports	% of U.S. consumption
Grand total	35,337	100	([a])	[b]79
Imports from GSP-eligible countries:				
Total	26,641	75	100	59
Brazil	20,668	58	78	46

Source: Compiled from official statistics of the Department of Commerce.

[a]Not applicable.
[b]Although all calcium-silicon consumed in the United States is imported, the value of U.S. consumption includes value added by U.S. companies processing calcium-silicon powder into cored wire.

58 percent of total U.S. imports of calcium-silicon during the year. Through May 28, 2012, imports from Argentina were also eligible for GSP and accounted for an additional 17 percent of GSP-eligible imports.[12]

The industry producing calcium-silicon in Brazil comprises three firms: RIMA Industrial SA (RIMA), Bozel Mineração (Bozel), and Italmagnesio Nordeste. These firms produce calcium-silicon from basic raw materials. RIMA and Bozel also produce calcium-silicon cored wire, as described earlier, and export both cored wire and bulk calcium-silicon to the United States and other destinations. Italmagnesio is a small producer and is not a significant exporter.[13] Of the U.S imports of calcium-silicon from Brazil during 2012, *** percent by weight of the calcium-silicon alloy imports by Polymet/RIMA and *** percent of such imports by Bozel were in bulk, and the balance was in the form of cored wire.[14] Overall, *** percent of U.S. imports from Brazil during 2012 were in bulk and *** percent were in the form of cored wire.[15]

U.S. Imports and Exports

Data for total U.S. imports of calcium-silicon are presented in table 6.3. Because there is not a unique Schedule B export number for calcium-silicon, export data for this product are not available. U.S. cored wire producers export a small amount of their output of calcium-silicon cored wire, mostly to Canada.[16] Exports of calcium-silicon have been estimated based upon contacts with U.S. producers (table 6.1).

As noted earlier, the U.S. industry producing calcium-silicon cored wire is totally dependent upon imports of calcium-silicon powder because there is no production of the powder in the United States. At the same time, the U.S. industry competes directly with

[12] On March 26, 2012, President Obama issued Presidential Proclamation 8788 (FR 1889, March 29, 2012) suspending Argentina's GSP eligibility. Goods of Argentina lost GSP eligibility if entered or withdrawn from warehouse for consumption on or after May 28, 2012.
[13] * * *.
[14] Polymet Alloys, Inc. and JMC (USA), Inc.—Bozel North America Division, USTR written petition, November 21, 2012, 11.
[15] Polymet Alloys, Inc. and JMC (USA), Inc.—Bozel North America Division, prehearing brief, February 13, 2013, 15.
[16] * * *, telephone interview by USITC staff, March 8, 2011.

TABLE 6.3 Calcium-silicon (HTS subheading 7202.99.20): U.S. imports for consumption by principal sources, 2008–12

Country	2008	2009	2010	2011	2012
			In actual $		
Brazil	11,465,432	2,001,674	1,582,834	7,210,128	20,667,934
Argentina	17,970,449	7,082,003	10,080,352	12,181,724	10,155,338
France	3,187,810	1,640,113	3,333,143	2,938,534	2,760,301
Mexico	58,504	1,481,089	1,872,023	1,386,788	1,050,837
China	3,382,933	322,690	3,202,960	1,792,184	702,278
All other	666,956	0	86,640	233,700	0
Total	36,732,084	12,527,569	20,157,952	25,743,058	35,336,689
Imports from GSP-eligible countries					
Brazil	11,465,432	2,001,674	1,582,834	7,210,128	20,667,934
Argentina[a]	17,970,449	7,082,003	10,080,352	12,181,724	5,973,515
Total	29,435,881	9,083,677	11,663,186	19,391,852	26,641,449

Source: Official statistics of the U.S. Department of Commerce.

[a]On March 26, 2012, President Obama issued Presidential Proclamation 8788 suspending Argentina's GSP eligibility. Goods of Argentina lost GSP eligibility if entered or withdrawn from warehouse for consumption on or after May 28, 2012.

imports of calcium-silicon cored wire from Brazil as well as from Argentina, China, and Mexico.[17]

Imports and consumption were at a peak in 2008 as a result of high prices and strong demand related to the anticipation of a continued high level of steel production. Prices of imported calcium-silicon were highest in 2009, as the limited quantity imported apparently represented largely a carryover of orders placed before the beginning of the 2008 recession. Recent prices have been relatively constant, remaining within plus/minus 5 percent during 2010–12. Specifically, the average unit value of imported calcium-silicon increased from $2.86 per kg in 2008 to $3.30 per kg in 2009 before falling to the range of $2.52 to $2.89 per kg during 2010–12.

Petitioners state that to determine the true levels of calcium-silicon imports from Brazil, one must look beyond just the subheading 7202.99.20 tariff line. They indicate that between 2008 and 2012, three different tariff numbers were used to import essentially the same calcium-silicon product from Brazil.[18] In fact, the Commission has confirmed that most calcium-silicon was imported under HTS 7202.99.20, 2850.00.50, and 7202.21.10. In addition, it appears that 2850.00.05 was also used for small quantities of imports.[19] Petitioners attribute the reporting under different tariff numbers to U.S. Customs reclassifications, Customs broker error, and decades of confusion as to the correct tariff lines for entering calcium-silicon in all forms.[20] Although not all of the imports under the additional HTS subheadings were necessarily misclassified, the amount of calcium-silicon actually imported from Brazil, based upon data provided by petitioners, is approximately the sum of imports under all four of those tariff subheadings. Table 6.4 is a restatement of the summary of imports, with all the tariff subheadings included for

[17] The Mexican product is manufactured from imported powder that is converted into cored wire in Mexico, as there is no production of calcium-silicon powder in Mexico.

[18] Polymet Alloys, Inc. and JMC (USA), Inc.—Bozel North America Division, posthearing brief, March 4, 2013, 6.

[19] See box 6.1 on page 6-3 for explanation of these HTS subheadings.

[20] Polymet Alloys, Inc. and JMC (USA), Inc.—Bozel North America Division, posthearing brief, March 4, 2013, 5–7.

TABLE 6.4 Calcium-silicon (including imports from Brazil under other HTS subheadings): U.S. imports for consumption by principal sources, 2008–12

Country	2008	2009	2010	2011	2012
	In actual $				
Brazil					
Calcium-silicon (7202.99.20)	11,465,432	2,001,674	1,582,834	7,210,128	20,667,934
Silicides (2850.00.50 and 2850.00.05)	14,428,424	8,575,158	7,299,995	437,846	7,278
Ferrosilicon with >3% Ca (7202.21.10)	4,867	610,776	4,011,289	13,331,898	2,170,708
Total	25,898,723	11,187,608	12,894,118	20,979,872	22,845,920
Argentina	17,970,449	7,082,003	10,080,352	12,181,724	10,155,338
France	3,187,810	1,640,113	3,333,143	2,938,534	2,760,301
Mexico	58,504	1,481,089	1,872,023	1,386,788	1,050,837
China	3,382,933	322,690	3,202,960	1,792,184	702,278
All other	666,956	0	86,640	233,700	0
Total	51,165,375	21,713,503	31,469,236	39,512,802	37,514,675
Imports from GSP-eligible countries					
Brazil	25,898,723	11,187,608	12,894,118	20,979,872	22,845,920
Argentina[a]	17,970,449	7,082,003	10,080,352	12,181,724	5,973,515
Total	43,869,172	18,269,611	22,974,470	33,161,596	28,819,435

Source: Official statistics of the U.S. Department of Commerce.

[a]On March 26, 2012, President Obama issued Presidential Proclamation 8788 suspending Argentina's GSP eligibility. Goods of Argentina lost GSP eligibility if entered or withdrawn from warehouse for consumption on or after May 28, 2012.

Brazil only. Including all of the HTS subheadings, Brazil accounted for 61 percent of the total imports of calcium-silicon in 2012.

Positions of Interested Parties[21]

Petitioners: Polymet Alloys, Inc., and JMC (USA) Inc.—Bozel North America Division (jointly, "petitioners") filed joint prehearing and posthearing briefs and testified at the Commission's hearing. The petitioners are two U.S. importers, each affiliated with a Brazilian producer of calcium-silicon. Representatives of the two Brazilian calcium-silicon producers, RIMA Industrial, S.A., and Bozel Mineração S.A., also testified at the Commission's hearing. Petitioners claim that, because there is no production of bulk calcium-silicon in the United States, placing a 5 percent duty on imports from Brazil would harm U.S. users of calcium-silicon.[22] They claim that imports from Brazil do not displace U.S. production and are necessary for those consumers that use the bulk alloy as well as for feedstock to the U.S. industry producing cored wire. Petitioners state that granting the requested waiver would have no adverse economic effect on the industry of U.S. cored-wire producers. They assert that the small amount of calcium-silicon cored wire imported from Brazil only complements, not replaces, U.S.-produced cored wire.[23] In support of their contention that there would be no negative effect on U.S. cored wire

[21] Except as noted, information provided in this section is derived from the petition filed with the USTR, as well as hearing testimony and written submissions of interested parties to the Commission in connection with this investigation.

[22] Polymet Alloys, Inc. and JMC (USA), Inc.—Bozel North America Division, posthearing brief, March 4, 2013, 4.

[23] Polymet Alloys, Inc. and JMC (USA), Inc.—Bozel North America Division, posthearing brief, March 4, 2013, 5.

producers, petitioners point out that P.C. Campana, Inc., the second-largest of the four U.S. producers of cored wire, supports the request for a waiver.[24]

Support: Letters in support of the proposed waiver were received from several U.S. purchasers of calcium-silicon from Brazil. The purchasers all claim that their firms would be adversely impacted if the proposed waiver is not granted. The letters were received from P.C. Campana, Inc., Lorain, OH, which consumes calcium-silicon powder to produce calcium-silicon cored wire and also produces other forms of cored wire; United States Steel Corporation, Pittsburgh, PA, a steel-producing firm that consumes calcium-silicon in cored-wire form; Nucor Steel Tuscaloosa, Inc., Tuscaloosa, AL, a steel-producing firm that uses calcium-silicon in both powder and cored-wire forms; Ellwood Quality Steels Company, Ellwood City, PA, a steel-producing firm that uses calcium-silicon cored wire; CC Metals & Alloys, LLC, Calvert City, KY, a producer of ferrosilicon alloys that uses calcium-silicon in lump form; United States Pipe and Foundry Company, Birmingham, AL, a producer of cast-iron pipe that uses calcium-silicon powder; and Birmingham Hot Metal Coatings, Birmingham, AL, which uses calcium-silicon powder to produce mold powders used by cast-iron pipe producers. A letter in support of the waiver was also received from the Brazil Industries Coalition, an independent nonprofit organization in the United States that represents the Brazilian private sector.

Opposition: Globe Specialty Metals, Inc. ("Globe") submitted a prehearing brief, testified at the hearing, and submitted a posthearing brief in opposition to the granting of the waiver. Globe is the largest U.S. producer of silicon metal and a leading producer of silicon-based alloys. Globe also sells and distributes calcium-silicon produced in Argentina by its Argentine subsidiary Globe Metales, S.A.[25]

Globe points out that Brazil is the western world's largest producer of calcium-silicon and that the overwhelming majority of its product is exported, much of it to the United States.[26] The volume of U.S. imports of cored wire from Brazil has increased since 2009 and accounted for over 22 percent (by weight) of total U.S. port arrivals of calcium-silicon from Brazil by 2012.[27] According to Globe, the increased sales of Brazilian cored wire can only be at the expense of the domestic industry. Based upon information available to it as a supplier of calcium-silicon powder to U.S. cored-wire producers, Globe states that the U.S. industry is losing sales to imports from Brazil.[28] Globe states that contrary to the claims of petitioners that imports of calcium-silicon cored wire from Brazil only complement U.S. production, the U.S. calcium-silicon cored wire industry is adversely affected by those imports and the proposed waiver should not be granted.[29] With respect to the impact of the duty on the ultimate domestic consumers of calcium-silicon, which are primarily steel producers, Globe states that because only a very small quantity of calcium-silicon is consumed in relation to the value of steel production, the additional cost of the 5-percent duty would be extremely small.[30] Moreover, Globe

[24] Ibid.
[25] Globe Specialty Metals, Inc., prehearing brief, February 13, 2013, 1.
[26] Ibid., 4–5.
[27] Globe Specialty Metals, Inc., posthearing brief, March 4, 2013, 4.
[28] Globe Specialty Metals, Inc., prehearing brief, February 13, 2013, 8–9.
[29] Globe Specialty Metals, Inc., posthearing brief, March 4, 2013, 13.
[30] USITC, hearing transcript, February 27, 2013, 218 (testimony of Marlin Perkins, Globe Specialty Metals, Inc.)

questions whether the full amount of the duty could be passed through to the U.S. purchasers, claiming that when Argentina lost its GSP eligibility (in 2012), it was unable to pass through the cost increase and was forced to absorb the cost of the duty.[31]

Other: Comments on the proposed waiver were received from Affival, Inc.[32] Affival states that it is the largest producer of calcium-silicon cored wire in the United States, as well as a world leader in the production and sale of cored wire. Affival states that it uses calcium-silicon powder imported from * * * in the manufacture of cored wire. * * *.

[31] Globe Specialty Metals, Inc., posthearing brief, March 4, 2013, 14–15.
[32] Tim Schwadron, CEO, Affival, Inc., written submission to the USITC, March 4, 2013.

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———. Hearing transcript in connection with inv. no. 332-538, *Advice Concerning Possible Modifications to the U.S. Generalized System of Preferences, 2012 Review: Additions and Competitive Need Limitation Waivers,* February 27, 2013.

APPENDIX A
Request Letters

EXECUTIVE OFFICE OF THE PRESIDENT
THE UNITED STATES TRADE REPRESENTATIVE
WASHINGTON, D.C. 20508

RECEIVED
JAN -9 2013
OFFICE OF THE SECRETARY
U.S. INTL. TRADE COMMISSION

DOCKET NUMBER
2931
Office of the Secretary
Int'l Trade Commission

JAN 8 2013

The Honorable Irving A. Williamson
Chairman
United States International Trade Commission
500 E Street, S.W.
Washington, D.C. 20436

Dear Chairman Williamson:

As part of the 2012 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 (CNL).

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 Part 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 U.S. industries producing like or directly competitive articles, on U.S. imports, and on U.S. consumers of the elimination of U.S. import duties on these articles for all beneficiary developing countries under the GSP program.

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 CNLs specified in section 503(c)(2)(A) of the 1974 Act for the countries and articles specified in Part B of the enclosed Annex. Further, in accordance with section 503(c)(2)(E) of the 1974 Act, I request that the Commission provide its advice with respect to whether like or directly competitive products were being produced in the United States on January 1, 1995. 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 limit in section 503(c)(2)(A)(i)(I) of the 1974 Act, the Commission is requested to use the dollar value limit of $155,000,000.

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 than 90 days from receipt of this letter. 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,

Ambassador Ron Kirk

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 http://www.usitc.gov/tata/index.htm.

Table A: 2012 GSP Annual Review: Petitions submitted for products to be considered for addition to the list of GSP-eligible products

HTS Subheading	Brief Description	Petitioner
0603.11.00 or 0603.11.0010, 0603.11.0030, 0603.11.0060	Sweetheart, Spray and other Roses, fresh cut	Embassy of Ecuador; La Associatíon de Productores y/o Exportadores de Flores del Ecuador (EXPOFLORES); Colour Republic; Esmeralda Farms, Inc. and; EG Hill Company, Inc.
0710.80.97 or 0710.80.9722 0710.80.9724 0710.80.9726	Vegetables nesi, uncooked or cooked by steaming or boiling in water, frozen, reduced in size OR the 3 existing 10 digit lines for broccoli	Embassy of Ecuador; Ecuadorian American Chamber of Commerce; APROFEL; Superior Foods International LLC
2005.99.80	Artichokes, prepared or preserved otherwise than by vinegar or acetic acid, not frozen	Embassy of Ecuador; Ecuadorian American Chamber of Commerce; I.A.E. Industria Agrícola Exportadora (INAEXPO C.A.); Agrocorp (Egypt)
7408.19.0030	Refined copper, wire, w/maximum cross-sectional dimension of 6 mm or less	Parapanema S.A. (Brazil)

Table B: 2012 GSP Annual Review: Petitions submitted for waiver of GSP CNLs

HTS Subheading	Brief Description	Petitioner
0410.00.00 (Indonesia)	Edible products of animal origin, not elsewhere specified or included	Government of Indonesia
0603.13.00 (Thailand)	Orchids: Cut flowers and flower buds of a kind suitable for bouquets or for ornamental purposes, fresh, dried, dyed, bleached, impregnated or otherwise prepare	Royal Thai Government

HTS Subheading	Brief Description	Petitioner
1102.90.25 (Thailand)	Rice flour	Royal Thai Government
2106.90.99 (Thailand)	Food preparations not elsewhere specified or included, not canned or frozen	Royal Thai Government
6911.10.37 (Indonesia)	Porcelain or china (o/than bone china) household table & kitchenware in sets in which aggregate value of arts./US note 6(b) o/$56 n/o $200	Government of Indonesia
7202.21.50 (Russia)	Ferrosilicon containing by weight more than 55% but not more than 80% of silicon, nesoi	CHEMK Industrial Group and Russian Ferro-Alloys, Inc.
7202.30.00 (Georgia)	Ferrosilicon manganese	Georgian American Alloys, Inc., Felman Trading, Inc., Felman Production, LLC, and Georgian Manganese, LLC
7202.99.20 (Brazil)	Calcium silicon ferroalloys	Polymet Alloys, Inc. and JMC (USA) Inc.-Bozel North American Division
7307.21.50 (India)	Stainless steel, not cast, flanges for tubes/pipes, not forged or forged and machined, tooled and otherwise processed after forging	Viraj Profiles Limited and Bebitz Flanges Works Pvt. Ltd.
7307.91.50 (India)	Iron or steel (o/than stainless), not cast, flanges for tubes/pipes, not forged or forged and machined, tooled & processed after forging	Viraj Profiles Limited and Bebitz Flanges Works Pvt. Ltd.
7408.29.10 (Thailand)	Copper wire, coated or plated with metal	Royal Thai Government
9506.70.40 (Thailand)	Ice skates w/footwear permanently attached	Royal Thai Government

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE
WASHINGTON, D.C. 20508

February 21, 2013

RECEIVED
FEB 26 2013
OFFICE OF THE SECRETARY
U.S. INTL. TRADE COMMISSION

Ms. Lyn M. Schlitt
Director, Office of External Relations
United States International Trade Commission
500 E Street, S.W.
Washington, D.C. 20436

Dear Ms. Schlitt:

On behalf of United States Trade Representative Ron Kirk, I write to advise you that several petitioners have withdrawn requests for waivers of the competitive need limitations (CNLs) under the Generalized System of Preferences (GSP) program. The withdrawn petitions are listed in the Annex attached to this letter.

In view of the withdrawal of the petitions listed in the Annex to this letter and with respect to those petitions, USTR withdraws its request (see attached letter of January 8, 2013) that the U.S. International Trade Commission (USITC) provide advice as to whether any industry in the United States is likely to be adversely affected by the waiver of the CNLs, whether like or directly competitive products were being produced in the United States on January 1, 1995, and what would be the probable economic effect on total U.S. imports, as well as on consumers, of the subject CNL waivers. The USITC should continue with its analysis of all other petitions cited in the January 8, 2013 letter from Ambassador Kirk.

Please let me know if you have any questions.

Sincerely,

Jim Sanford
Assistant U.S. Trade Representative for Small Business, Market Access, & Industrial Competitiveness

Attachments: Annex listing withdrawn CNL waiver petitions
January 8, 2013 letter from Ambassador Kirk to USITC Chairman Williamson

ANNEX

The following previously accepted petitions for waivers of competitive need limitations under the Generalized System of Preferences have been withdrawn by the petitioners and will no longer be considered in the 2012 GSP Annual Review.

HTS Subheading	Brief Description	Petitioner
0410.00.00 (Indonesia)	Edible products of animal origin, not elsewhere specified or included	Government of Indonesia
0603.13.00 (Thailand)	Orchids: Cut flowers and flower buds of a kind suitable for bouquets or for ornamental purposes, fresh, dried, dyed, bleached, impregnated or otherwise prepare	Royal Thai Government
1102.90.25 (Thailand)	Rice flour	Royal Thai Government
2106.90.99 (Thailand)	Food preparations not elsewhere specified or included, not canned or frozen	Royal Thai Government
6911.10.37 (Indonesia)	Porcelain or china (o/than bone china) household table & kitchenware in sets in which aggregate value of arts./US note 6(b) o/$56 n/o $200	Government of Indonesia
7202.21.50 (Russia)	Ferrosilicon containing by weight more than 55% but not more than 80% of silicon, nesoi	CHEMK Industrial Group and Russian Ferro-Alloys, Inc.
7202.30.00 (Georgia)	Ferrosilicon manganese	Georgian American Alloys, Inc., Felman Trading, Inc., Felman Production, LLC, and Georgian Manganese, LLC
7307.21.50 (India)	Stainless steel, not cast, flanges for tubes/pipes, not forged or forged and machined, tooled and otherwise processed after forging	Viraj Profiles Limited and Bebitz Flanges Works Pvt. Ltd.
7307.91.50 (India)	Iron or steel (o/than stainless), not cast, flanges for tubes/pipes, not forged or forged and machined, tooled & processed after forging	Viraj Profiles Limited and Bebitz Flanges Works Pvt. Ltd.
7408.29.10 (Thailand)	Copper wire, coated or plated with metal	Royal Thai Government
9506.70.40 (Thailand)	Ice skates w/footwear permanently attached	Royal Thai Government

APPENDIX B
Federal Register Notices

DEPARTMENT OF THE INTERIOR

National Park Service

[NPS–WASO–NAGPRA–11688; 2200–1100–665]

Native American Graves Protection and Repatriation Review Committee Findings Related to the Return of Cultural Items in the Possession of the Alaska State Museum, Juneau, AK

AGENCY: National Park Service, Interior.

ACTION: Native American Graves Protection and Repatriation Review Committee: Findings.

This notice is published as part of the National Park Service's administrative responsibilities pursuant to the Native American Graves Protection and Repatriation Act (25 U.S.C. 3006 (g)). The recommendations, findings and actions of the Review Committee associated with this dispute are advisory only and not binding on any person. These advisory findings and recommendations do not necessarily represent the views of the National Park Service or Secretary of the Interior. The National Park Service and the Secretary of the Interior have not taken a position on these matters.

SUMMARY: The Native American Graves Protection and Repatriation Review Committee (Review Committee) was established by Section 8 of the Native American Graves Protection and Repatriation Act (NAGPRA; 25 U.S.C. 3006), and is an advisory body governed by the Federal Advisory Committee Act (5 App. U.S.C. 1–16). At a November 17–19, 2010 public meeting in Washington, DC, and acting pursuant to its statutory responsibility to convene the parties to a dispute relating to the return of cultural items, and to facilitate the resolution of such a dispute, the Review Committee heard a dispute between the Wrangell Cooperative Association, joined by Sealaska Corporation, and the Alaska State Museum. The issue before the Review Committee was whether, in response to a request for the repatriation of a cultural item in the possession of the Alaska State Museum, the Alaska State Museum presented evidence proving that the Museum has a ''right of possession'' to the cultural item, as this term is defined in the NAGPRA regulations. The Review Committee found that the Alaska State Museum had not presented evidence proving that the Museum has a ''right of possession'' to the cultural item. The Review Committee meeting transcript containing the dispute proceedings and Review Committee deliberation and finding is available from the National NAGPRA Program upon request (*NAGPRA_Info@nps.gov*).

SUPPLEMENTARY INFORMATION: Since 1969, a Tlingit Teeyhíttaan Clan *Yéil aan Kaawu Naa s'aaxw,* or Leader of all Raven Clan Hat (Clan Hat), has been in the ''possession'' of the Alaska State Museum, as this term is defined in the NAGPRA regulations (43 CFR 10.2(a)(3)(i)). Pursuant to NAGPRA, in 2008, Sealaska Corporation requested the repatriation of the Clan Hat. (On August 13, 2010, the Wrangell Cooperative Association, an Alaska Native village, became a party to the repatriation request.) The request identified the Clan Hat as a ''sacred object'' and an object of ''cultural patrimony,'' as these terms are defined in NAGPRA (25 U.S.C. 3001 (3)(C) and (D)). While acknowledging that the Clan Hat is a sacred object and an object of cultural patrimony, the Alaska State Museum asserted the ''right of possession'' to the Clan Hat, as defined in the NAGPRA regulations (43 CFR 10.10(a)(2)).

Disputing the Alaska State Museum's claim of right of possession to the Clan Hat, Sealaska Corporation and the Wrangell Cooperative Association joined in asking the Review Committee to facilitate the resolution of the dispute between themselves and the Alaska State Museum. The Designated Federal Official for the Review Committee agreed to the request.

At its November 17–19, 2010 meeting, the Review Committee considered the dispute. The issue before the Review Committee was whether, in response to the request for the repatriation of the Clan Hat, the Alaska State Museum presented evidence proving, by a preponderance of the evidence, that the Museum has a ''right of possession'' to the Clan Hat. As defined in the NAGPRA regulations, '' 'right of possession' means possession obtained with the voluntary consent of an individual or group that had authority of alienation.'' Right of possession to the Clan Hat, therefore, would be deemed to have been given to the Alaska State Museum if, at the time the Museum acquired possession of the Clan Hat from the Tlingit Teeyhíttaan Clan, the transferor consented to transfer possession, the transferor's consent was voluntary, and the transferor had the authority to alienate the Clan Hat to the Museum.

Findings of Fact: Five Review Committee members participated in the fact finding. Two of the Review Committee members were self-recused. By a vote of five to zero, the Review Committee found that the Alaska State Museum had not proved by a preponderance of the evidence that the Museum has the right of possession to the Clan Hat. In addition, the Review Committee made specific findings related to the transferor's consent to transfer possession of the Clan Hat, the voluntariness of the transferor's consent, and the authority of the transferor to alienate the Clan Hat to the Alaska State Museum. By a vote of five to zero, the Review Committee found that the Alaska State Museum had proved, more likely than not, that the conveyor of the Clan Hat to the Alaska State Museum had consented to transfer possession of the Clan Hat to the Museum. By a vote of three to one (there was one abstention), the Review Committee found that the Alaska State Museum had not proved, more likely than not, that the consent of the conveyor to transfer possession of the Clan Hat to the Alaska State Museum was voluntary. By a vote of four to zero (there was one abstention), the Review Committee found that the Alaska State Museum had not proved, more likely than not, that the Indian tribe culturally affiliated with the Clan Hat explicitly authorized the conveyor of the Clan Hat to separate the Clan Hat from the tribe. Finally, by a vote of four to zero (there was one abstention), the Review Committee found that the Alaska State Museum had not proved, more likely than not, that the Indian tribe culturally affiliated with the Clan Hat intended to give the conveyor of the Clan Hat the authority to separate the Clan Hat from the tribe.

Dated: November 7, 2012.

Mervin Wright, Jr.,

Acting Chair, Native American Graves Protection and Repatriation Review Committee.

[FR Doc. 2013–01314 Filed 1–23–13; 8:45 am]

BILLING CODE 4312–50–P

INTERNATIONAL TRADE COMMISSION

[Investigation No. 332–538]

Advice Concerning Possible Modifications to the U.S. Generalized System of Preferences, 2012 Review: Additions and Competitive Need Limitation Waivers; Institution of Investigation and Scheduling of Hearing

AGENCY: United States International Trade Commission.

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

SUMMARY: Following receipt of a request on January 8, 2013, from the United States Trade Representative (USTR), the U.S. International Trade Commission (Commission) instituted investigation No. 332–538, *Advice Concerning Possible Modifications to the U.S. Generalized System of Preferences, 2012 Review: Additions and Competitive Need Limitation Waivers,* for the purpose of providing advice as to the probable economic effect of the addition of certain products to the list of items eligible for duty-free treatment under the U.S. GSP program and providing certain advice regarding the effect of a waiver of the competitive need limitations under the program for certain countries and articles.

DATES: February 11, 2013: Deadline for filing requests to appear at the public hearing.

February 13, 2013: Deadline for filing pre-hearing briefs and statements.

February 27, 2013: Public hearing.

March 4, 2013: Deadline for filing post-hearing briefs and statements.

March 4, 2013: Deadline for filing all other written submissions.

April 8, 2013: Transmittal of Commission report to the United States Trade Representative.

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 Alberto Goetzl, Project Leader, Office of Industries (202–205–3323 or *alberto.goetzl@usitc.gov*), Katherine Baldwin, Deputy Project Leader, Office of Industries (202–205–3396 or *katherine.baldwin@usitc.gov*), or Cynthia B. Foreso, Technical Advisor, Office of Industries (202–205–3348 or *cynthia.foreso@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: In accordance with sections 503(a)(1)(A), 503(e), and 131(a) of the Trade Act of 1974, and pursuant to the authority of the President delegated to the 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, the USTR has requested that the Commission provide advice as to the probable economic effect on U.S. industries producing like or directly competitive articles, on U.S. imports, and on U.S. consumers of the elimination of U.S. import duties on the following articles for all beneficiary developing countries under the GSP program: sweetheart, spray and other roses, fresh cut (HTS 0603.11.00 or 0603.11.0010, 0603.11.0030, 0603.11.0060); vegetables nesi, uncooked or cooked by steaming or boiling in water, frozen, reduced in size or the 3 existing 10-digit lines for broccoli (HTS 0710.80.97 or 0710.80.9722, 0710.80.9724, 0710.80.9726); artichokes, prepared or preserved otherwise than by vinegar or acetic acid, not frozen (HTS 2005.99.80); refined copper, wire, w/maximum cross-sectional dimension of 6 mm or less (HTS 7408.19.0030).

The USTR has also requested, 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 Trade Act of 1974, 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 limitation specified in section 503(c)(2)(A) of the Trade Act of 1974 for the following countries and HTS subheadings (articles): Indonesia for HTS 0410.00.00 (edible products of animal origin, not elsewhere specified or included); Thailand for HTS 0603.13.00 (orchids: cut flowers and flower buds of a kind suitable for bouquets or for ornamental purposes, fresh, dried, dyed, bleached, impregnated or otherwise prepared); Thailand for HTS 1102.90.25 (rice flour); Thailand for HTS 2106.90.99 (food preparations not elsewhere specified or included, not canned or frozen); Indonesia for HTS 6911.10.37 (porcelain or china (o/than bone china) household table and kitchenware in sets in which aggregate value of arts./US note 6(b) o/$56 n/o $200); Russia for HTS 7202.21.50 (ferrosilicon containing by weight more than 55% but not more than 80% of silicon, nesoi); Georgia for HTS 7202.30.00 (ferrosilicon manganese); Brazil for HTS 7202.99.20 (calcium silicon ferroalloys); India for HTS 7307.21.50 (stainless steel, not cast, flanges for tubes/pipes, not forged or forged and machined, tooled and otherwise processed after forging); India for HTS 7307.91.50 (iron or steel (o/than stainless), not cast, flanges for tubes/pipes, not forged or forged and machined, tooled and processed after forging); Thailand for HTS 7408.29.10 (copper wire, coated or plated with metal); and Thailand for HTS 9506.70.40 (ice skates w/footwear permanently attached).

With respect to the waiver of the competitive need limitation, the USTR also requested that the Commission provide its advice with respect to whether like or directly competitive products were being produced in the United States on January 1, 1995; 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; and, with respect to the competitive need limit in section 503(c)(2(A)(i)(I) of the Trade Act of 1974, that the Commission use the dollar value limit of $155,000,000.

As requested by USTR, the Commission will provide its advice by April 8, 2013. The USTR indicated that those sections of the Commission's report and related working papers that contain the Commission's advice will be classified as ''confidential,'' and that 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.

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 February 27, 2013. Requests to appear at the public hearing should be filed with the Secretary, no later than 5:15 p.m., February 11, 2013, in accordance with the requirements in the ''Submissions'' section below. All pre-hearing briefs and statements should be filed not later than 5:15 p.m., February 13, 2013; and all post-hearing briefs and statements should be filed not later than 5:15 p.m., March 4, 2013.

Written Submissions: In lieu of or in addition to participating in the hearing, interested parties are invited to file written submissions concerning this investigation. All written submissions should be addressed to the Secretary, and should be received not later than 5:15 p.m., March 4, 2013. All written submissions must conform with 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 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 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. The Commission may include in the report it sends to the President and the USTR some or all of the confidential business information it receives in this investigation.

The USTR has asked that the Commission make available a public version of its report shortly after it sends its report to the President and the USTR, with any classified or privileged information deleted. Any confidential business information received in this investigation and used in the preparation of the report will not be published in the public version of the report in such manner as would reveal the operations of the firm supplying the information.

Issued: January 18, 2013.

By order of the Commission.

Lisa R. Barton,

Acting Secretary to the Commission.

[FR Doc. 2013–01389 Filed 1–23–13; 8:45 am]

BILLING CODE 7020–02–P

INTERNATIONAL TRADE COMMISSION

[Investigation No. 337–TA–804]

Certain Led Photographic Lighting Devices and Components Thereof; Commission's Final Determination Finding a Violation of Section 337; Issuance of a General Exclusion Order; Termination of Certain Respondents Based on Consent Order; Issuance of Consent Order; and Termination of the Investigation

AGENCY: U.S. International Trade Commission.

ACTION: Notice.

SUMMARY: Notice is hereby given that the U.S. International Trade Commission has found a violation of section 337 in this investigation and has issued a general exclusion order prohibiting importation of infringing LED photographic lighting devices and components thereof. The Commission has also determined to terminate certain respondents on the basis of a consent order stipulation, and has issued a consent order.

FOR FURTHER INFORMATION CONTACT: Amanda S. Pitcher, Office of the General Counsel, U.S. International Trade Commission, 500 E Street SW., Washington, DC 20436, telephone (202) 205–2737. The public version of the complaint can be accessed on the Commission's electronic docket (EDIS) at *http://edis.usitc.gov,* and will be available for inspection during official business hours (8:45 a.m. to 5:15 p.m.) in the Office of the Secretary, U.S. International Trade Commission, 500 E Street, SW., Washington, DC 20436, telephone (202) 205–2000. General information concerning the Commission may also be obtained by accessing its Internet server (*http://www.usitc.gov*). The public record for this investigation may be viewed on the Commission's electronic docket (EDIS) at *http://edis.usitc.gov.* Hearing-impaired persons are advised that information on this matter can be obtained by contacting the Commission's TDD terminal on (202) 205–1810.

SUPPLEMENTARY INFORMATION: The Commission instituted this investigation on September 7, 2011, based on a complaint filed by Litepanels, Inc. and Litepanels, Ltd. (collectively, ''Litepanels''). 76 FR 55416 (Sept. 7, 2011). The complaint alleged violations of section 337 of the Tariff Act of 1930, as amended (19 U.S.C. 1337) in the importation into the United States, the sale for importation, and the sale within the United States after importation of certain LED photographic lighting devices and components thereof that infringe certain claims of U.S. Patent Nos. 7,429,117 (later terminated from the investigation); 7,510,290 (later terminated from the investigation); 7,972,022 (''the '022 patent''); 7,318,652 (''the '652 patent''); and 6,948,823 (''the '823 patent''). *Id.* The Notice of Institution named respondents Flolight, LLC. (''Flolight''), of Campbell, California; Prompter People, Inc. (''Prompter'') of Campbell, California; Ikan Corporation (''Ikan''), of Houston, Texas; Advanced Business Computer Services, LLC d/b/a Cool Lights, USA (''CoolLights'') of Reno, Nevada; Elation Lighting, Inc. of Los Angeles, California (''Elation''); Fuzhou F&V Photographic Equipment Co., Ltd. (''F&V''), of Fujian, China; Fotodiox, Inc. of Waukegan, Illinois, Yuyao Lishuai Photo-Facility Co., Ltd. of Zhejiang Province, China, Yuyao Fotodiox Photo Equipment Co., Ltd. of Zhejiang Province, China, and Yuyao Lily Collection Co., Ltd. of Yuyao, China (collectively the ''Fotodiox respondents''); Shantou Nanguang Photographic Equipment Co., Ltd. (''Nanguang''), of Guangdong Province, China; Visio Light, Inc. (''Visio''), of Taipei, Taiwan; Tianjin Wuqing Huanyu Film and TV Equipment Factory of Tianjin, China (''Tianjin''); and Stellar Lighting Systems (''Stellar''), of Los Angeles, California. *Id.* A Commission Investigative Attorney (''IA'') of the Office of Unfair Import Investigations also participated in this investigation.

Visio, Nanguang, and F&V were terminated based on entry of consent orders, Elation was terminated based upon a settlement agreement and Tianjin was found in default. *See* Notice of Commission Determination Not to Review an Initial Determination Terminating the Investigation as to Respondent Visio Light, Inc. Based on Entry of Consent Order; Issuance of Consent Order (December 2, 2011); *See* Notice of Commission Determination to Review an Initial Determination Finding Respondent Tianjin Wuquing Huanyu Film and TV Equipment Factory in Default (January 17, 2012); Notice of Commission Determination Not to Review an Initial Determination Terminating Respondent Elation Lighting, Inc. from the Investigation (March 2, 2012); Commission

8. SRC Chair's Report
9. Superintendent's Report
10. Old Business
    a. Update on Gates of the Arctic National Park and Preserve General Management Plan
    b. Update on National Park Service Local Hire Program
    c. Update on Department of the Interior Tribal Consultation Policies
11. New Business
12. Federal Subsistence Board Update
13. Alaska Boards of Fish and Game Update
14. National Park Service Reports
    a. Ranger Update
    b. Resource Management Update
    c. Subsistence Manager's Report
15. Public and Other Agency Comments
16. Work Session
17. Set Tentative Date and Location for Next Subsistence Resource Commission Meeting
18. Adjourn Meeting

For Further Information Contact Designated Federal Official: Greg Dudgeon, Superintendent, or Marcy Okada, Subsistence Manager, at (907) 457–5752 or Clarence Summers, Subsistence Manager, at (907) 644–3603. If you are interested in applying for Gates of the Arctic National Park SRC membership, contact the Superintendent at 4175 Geist Road, Fairbanks, AK 99709, or visit the park Web site at: *http://www.nps.gov.gaar/contacts.htm.*

SUPPLEMENTARY INFORMATION: These meetings are open to the public and will have time allocated for public testimony. The public is welcome to present written or oral comments to the SRC. The meetings will be recorded and meeting minutes will be available upon request from the park superintendent for public inspection approximately six weeks after the meeting. Before including your address, telephone number, email address, or other personal identifying information in your comment, you should be aware that your entire comment—including your personal identifying information—may be made publicly available at any time. While you can ask us in your comment to withhold your personal identifying information from public review, we cannot guarantee that we will be able to do so.

Dated: February 21, 2013.

Debora R. Cooper,

Associate Regional Director, Resources and Subsistence, Alaska Region.

[FR Doc. 2013–05173 Filed 3–5–13; 8:45 am]

BILLING CODE 4312–EF–P

INTERNATIONAL TRADE COMMISSION

[Investigation No. 332–538]

Advice Concerning Possible Modifications to the U.S. Generalized System of Preferences, 2012 Review: Additions and Competitive Need Limitation Waivers

AGENCY: United States International Trade Commission.

ACTION: Change in scope of investigation.

SUMMARY: Following receipt of a letter from the United States Trade Representative (USTR) dated February 21, 2013, advising of the withdrawal of several competitive need waiver petitions, the U.S. International Trade Commission (Commission) has terminated its investigation with respect to the articles subject to those withdrawn petitions and will not provide advice with respect to those articles.

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 Alberto Goetzl, Project Leader, Office of Industries (202–205–3323 or *alberto.goetzl@usitc.gov*), Katherine Baldwin, Deputy Project Leader, Office of Industries (202–205–3396 or *katherine.baldwin@usitc.gov*), or Cynthia B. Foreso, Technical Advisor, Office of Industries (202–205–3348 or *cynthia.foreso@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: The Commission published notice of institution of this investigation and a public hearing to be held in connection therewith in the **Federal Register** on January 24, 2013 (78 FR 5205). As stated in the January 24, 2013, notice, the public hearing in this investigation (concerning the remaining articles) will be held on February 27, 2013. The deadline for filing post-hearing briefs and all other written submissions in this investigation (March 4, 2013) remains the same as previously announced, as does the date for transmitting the Commission's report to the USTR (April 8, 2013).

The USTR notified the Commission that petitions requesting competitive need waivers for imports of the following articles have been withdrawn, and that the request for Commission advice accordingly is being withdrawn. As a result, the Commission is terminating its investigation with respect to the withdrawn articles and will not provide probable economic effect advice regarding them:

Edible products of animal origin, not elsewhere specified or included (HTS subheading 0410.00.00) from Indonesia;

Orchids: Cut flowers and flower buds of a kind suitable for bouquets or for ornamental purposes, fresh, dried, dyed, bleached, impregnated or otherwise prepared (HTS subheading 0603.13.00) from Thailand;

Rice flour (HTS subheading 1102.90.25) from Thailand;

Food preparations not elsewhere specified or included, not canned or frozen (HTS subheading 2106.90.99) from Thailand;

Porcelain or china (o/than bone china) household table and kitchenware in sets in which aggregate value of arts./US note 6(b) o/$56 n/o $200 (HTS subheading 6911.10.37) from Indonesia.;

Ferrosilicon containing by weight more than 55% but not more than 80% of silicon, nesoi (HTS subheading 7202.21.50) from Russia;

Ferrosilicon manganese (HTS subheading 7202.30.00) from Georgia;

Stainless steel, not cast, flanges for tubes/pipes, not forged or forged and machined, tooled and otherwise processed after forging (HTS subheading 7307.21.50) from India;

Iron or steel (o/than stainless), not cast, flanges for tubes/pipes, not forged or forged and machined, tooled and processed after forging (HTS subheading 7307.91.50) from India;

Copper wire, coated or plated with metal (HTS subheading 7408.29.10) from Thailand; and

Ice skates w/footwear permanently attached (HTS subheading 9506.70.40) from Thailand.

All other information in the January 24, 2013, notice remains the same, including with respect to the procedures relating to the filing of written submissions and the submission of confidential business information.

Issued: March 1, 2013.

By order of the Commission.

Lisa R. Barton,

Acting Secretary to the Commission.

[FR Doc. 2013–05150 Filed 3–5–13; 8:45 am]

BILLING CODE 7020–02–P

INTERNATIONAL TRADE COMMISSION

[Investigation No. 731–TA–749 (Third Review)]

Persulfates From China; Correction to Notice of institution

AGENCY: United States International Trade Commission.

ACTION: Notice.

SUMMARY: In a notice published in the **Federal Register** on March 1, 2013 (78 FR 13891), the Commission published a notice of institution of a five-year review concerning the antidumping duty order on persulfates from China with an incorrect effective date.

Correction: The correct effective date is March 1, 2013. The Commission hereby gives notice of the correction.

DATES: *Effective Date:* March 1, 2013.

FOR FURTHER INFORMATION CONTACT: Mary Messer (202–205–3193), Office of Investigations, U.S. International Trade Commission, 500 E Street SW., Washington, DC 20436. Hearing-impaired persons can obtain information on this matter by contacting the Commission's TDD terminal on 202–205–1810. 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. General information concerning the Commission may also be obtained by accessing its internet server (*http://www.usitc.gov*). The public record for this review may be viewed on the Commission's electronic docket (EDIS) at *http://edis.usitc.gov.*

Authority: This review is being conducted under authority of Title VII of the Tariff Act of 1930; this notice is published pursuant to section 207.61 of the Commission's rules.

Issued: March 1, 2013.

By order of the Commission.

Lisa R. Barton,

Acting Secretary to the Commission.

[FR Doc. 2013–05149 Filed 3–5–13; 8:45 am]

BILLING CODE 7020–02–P

DEPARTMENT OF JUSTICE

Notice of Lodging of Proposed Consent Decree Under the Clean Air Act

On February 28, 2013, the Department of Justice lodged a proposed consent decree with the United States District Court for the Southern District of Indiana in the lawsuit entitled *United States, et al.* v. *Countrymark Refining and Logistics, LLC,* Civil Action No. 13–cv–00030–RLY–WGH.

In the Complaint, the United States and the State of Indiana allege that Countrymark Refining and Logistics, LLC (''CountryMark'') violated, at its petroleum refinery in Mt. Vernon, Indiana, various provisions of the Clean Air Act, 42 U.S.C. 7401 *et seq.;* Ind. Code 13–13–5–1 and 13–13–5–2; the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. 9609(c) and 9613(b); and the Emergency Planning and Community Right-To-Know Act, 42 U.S.C. 11045(b)(3).

Under the consent decree, CountryMark will implement innovative pollution control technologies to reduce emissions of nitrogen oxides, sulfur dioxide, and particulate matter from refinery process units. CountryMark also agreed to limit the waste gases it sends to its flare through a ''cap'' on flaring. For waste gases that are flared, CountryMark will operate numerous monitoring systems and comply with several operating parameters to ensure that the flare adequately combusts the gases. In addition, CountryMark will adopt facility-wide enhanced benzene waste monitoring and fugitive emission control programs. Finally, CountryMark will pay a civil penalty of $167,000 to the United States and implement a $70,000 Supplemental Environmental Project to retrofit diesel school buses in the vicinity of the facility. CountryMark already funded a $111,000 State of Indiana project to remove asbestos from a grain elevator in Mt. Vernon, Indiana.

The publication of this notice opens a period of public comment on the consent decree. Comments should be addressed to the Assistant Attorney General, Environment and Natural Resources Division, and should refer to *United States, et al.* v. *Countrymark Refining and Logistics, LLC,* D.J. Ref. No. 90–5–2–1–09311. All comments must be submitted no later than thirty (30) days after the publication date of this notice. Comments may be submitted either by email or by mail:

To submit comments:	*Send them to:*
By email ...	*pubcomment-ees.enrd@usdoj.gov.*
By mail	Assistant Attorney General, U.S. DOJ–ENRD, P.O. Box 7611, Washington, DC 20044–7611.

During the public comment period, the consent decree may be examined and downloaded at this Department of Justice Web site: *http://www.usdoj.gov/enrd/Consent_Decrees.html.* We will provide a paper copy of the consent decree upon written request and payment of reproduction costs. Please mail your request and payment to: Consent Decree Library, U.S. DOJ—ENRD, P.O. Box 7611, Washington, DC 20044–7611.

Please enclose a check in the amount of $59.75 (25 cents per page reproduction cost) payable to the United States Treasury.

Robert D. Brook,

Assistant Section Chief, Environmental Enforcement Section, Environment and Natural Resources Division.

[FR Doc. 2013–05113 Filed 3–5–13; 8:45 am]

BILLING CODE 4410–15–P

DEPARTMENT OF JUSTICE

Notice of Lodging of Proposed Consent Decree Under the Clean Air Act

On February 27, 2013, the Department of Justice lodged a proposed consent decree with the United States District Court for the District of Hawaii in the lawsuit entitled *United States* v. *Waste Management of Hawaii, Inc.,* Civil Action No. CV 13 00095 RLP.

In this action, the United States filed a complaint under the Clean Air Act alleging violations at the Waimanalo Gulch Municipal Solid Waste Landfill located on the island of Oahu in Hawaii. The consent decree requires the County to implement injunctive relief including conducting enhanced gas monitoring, complying with interim wellhead gas temperature limits and implementing a Monitoring and Contingency Plan for Elevated Temperatures. The consent decree also requires the County to pay a civil penalty of $1,100,000.

The publication of this notice opens a period for public comment on the consent decree. Comments should be addressed to the Assistant Attorney General, Environment and Natural

APPENDIX C
Calendar of Witnesses for the February 27, 2013, Hearing

CALENDAR OF PUBLIC HEARING

Those listed below appeared as witnesses at the United States International Trade Commission's hearing:

Subject: Advice Concerning Possible Modifications to the U.S. Generalized System of Preferences, 2012 Review of Additions and Competitive Need Limitation Waivers

Inv. No.: 332-538

Date and Time: February 27, 2013 - 9:30 a.m.

Sessions were held in connection with this investigation in the Main Hearing Room (room 101), 500 E Street, S.W., Washington, D.C.

EMBASSY WITNESS:

Embassy of Ecuador
Washington, D.C.

Her Excellency Nathalie Cely, Ambassador of Ecuador to the United States

Panel 1—Fresh Cut Roses (Addition)

ORGANIZATION AND WITNESS:

Marko & Magolnick, PA (Petitioners)
Miami, FL
on behalf of

La Associación de Productores y/o
Exportadores de Flores del Ecuador
Colour Republic, LLC
Esmeralda Farms, Inc.
E.G. Hill Company, Inc.

David Rothkopf, Principal, Garten Rothkopf

Claire Casey, Managing Director, Garten Rothkopf

Alejandro Martinez, Executive President, Expoflores

Remigio Davalos, President, Colour Republic, LLC

Dean Rule, General Manager, Conectiflor, S.A.

David E. Marko)
) – OF COUNSEL
David A. Friedman)

Panel 1—Fresh Cut Roses (Addition) (continued)

Stewart and Stewart (Opposition)
Washington, DC
on behalf of

California Cut Flowers Commission

Tom Lemus, Chairman, Government Relations, California Cut Flower Commission and Project Manager of Farmers West Flowers and Bouquets

Erik Van Wingerden, Chief Financial Officer and General Manager, Myriad Flowers

John Furman, President, California Pajarosa Floral

Jumana Misleh) – OF COUNSEL

Panel 2 – Certain Frozen Vegetables and Certain Prepared or Preserved Artichokes (Additions)

Ecuadorian American Chamber of Commerce (AMCHAM-Quito) (*Broccoli & Artichokes*) (Petitioners)
Ecuadorian Association of Growers and Exporters of Fruit and Vegetables (APROFEL) (*Broccoli*)

Cristian Espinosa, Executive Director, AMCHAM-Quito

Alfredo Zeller, President, APROFEL

Superior Foods Companies (*Broccoli*) (Support)
Watsonville, CA

Mateo Lettunich, Chairman

TriMe Associates LLC (*Broccoli*) (Support)
Brooklyn, NY

Shea Itzowitz, CEO

Jerry Bertram, Vice President Sales, S. Bertram Foods

Panel 3 – Calcium-Silicon (CNL waiver for Brazil)

ORGANIZATION AND WITNESS:

Sandler Trade LLC
Washington, D.C.
on behalf of (Petitioners)

JMC (USA) Inc. – Bozel North America Division
Bozel Mineração S.A. (Brazil)
Polymet Alloys, Inc.
Rima Industrial S.A. (Brazil)

Joe Monaco, Vice President, JMC (USA) Inc. – Bozel North America Division

Hank Yeckley, Director of Sales and Services, JMC (USA) Inc. – Bozel North America Division

Kelley O'Connor Calcium Silicon Sales and Administration Manager, JMC (USA) Inc. – Bozel North America Division

Dominique Riche, President, Bozel Mineração S.A. (Brazil)

Braulio Lage, Vice President, Polymet Alloys, Inc.

Matt Gilmore, Sales and Operations Manager, Polymet Alloys, Inc.

Lindauro S. L. Barbosa, Commercial Manager, Rima Industrial S.A. (Brazil)

Marideth J. Sandler, Chief Executive Officer, Sandler Trade, LLC

Rómulo Cabeza, International Trade Advisor, Sandler Trade, LLC

Panel 3 – Calcium-Silicon (CNL waiver for Brazil)(continued)

DLA Piper LLP (US) (Opposition)
Washington, D.C.
<u>on behalf of</u>

Globe Specialty Metals, Inc. ("GSM")

J. Marlin Perkins, Vice President-Sales, Globe Metallurgical Inc.

William D. Kramer)
) – OF COUNSEL
Martin Schaefermeier)

-END-

APPENDIX D
Model for Evaluating the Probable Economic Effects of changes in GSP Status

MODEL FOR EVALUATING THE PROBABLE ECONOMIC EFFECTS OF CHANGES IN GSP STATUS

*   *   *   *   *   *   *