United States
International Trade Commission

Caribbean Basin Economic Recovery Act: Impact on U.S. Industries and Consumers and on Beneficiary Countries

23rd Report
2015–16

September 2017
Publication Number: 4728
Investigation Number: 332-227

United States International Trade Commission

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Preface

Section 215 of the Caribbean Basin Economic Recovery Act (CBERA or the Act), as amended (19 U.S.C. 2704), requires the U.S. International Trade Commission (Commission) to provide biennial reports in odd-numbered years to the Congress and the President on the economic impact of the Act on U.S. industries and consumers and on the economy of beneficiary Caribbean Basin countries. This report constitutes the Commission's report for 2017.

CBERA was originally enacted on August 5, 1983 (Public Law 98-67, 97 Stat. 384, 19 U.S.C. 2701 et seq.). It authorized the President to proclaim duty-free treatment or other preferential treatment for eligible articles from designated beneficiary countries. The Act has been amended several times, including by the United States Caribbean Trade Partnership Act (CBTPA) in 2000, the Haitian Hemispheric Opportunity through Partnership Encouragement Act of 2006 (HOPE I), the Haitian Hemispheric Opportunity through Partnership Encouragement Act of 2008 (HOPE II), and the Haiti Economic Lift Program Act of 2010 (HELP Act). Among other things, the CBTPA amended section 215 of CBERA to change the frequency of Commission reports from annual reports to the current biennial reports in odd-numbered years.

This is the Commission's 23rd report under CBERA and the 9th report since the 2000 amendments. While it encompasses the period 2015–16, it focuses mainly on data and developments during 2016. The report covers the 17 CBERA beneficiary countries of Antigua and Barbuda, Aruba, The Bahamas, Barbados, Belize, Curaçao, Dominica, Grenada, Guyana, Haiti, Jamaica, Montserrat, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, Trinidad and Tobago, and the British Virgin Islands.

The information provided in this report is for the purpose of this report only. Nothing in it should be construed as indicating how the Commission might find in an investigation involving the same or similar subject matter conducted under another statutory authority.

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Abbreviations and Acronyms

Acronyms	Term
ACP	African, Caribbean and Pacific States (European Union)
ATPA	Andean Trade Preference Act
ATC	Agreement on Textiles and Clothing (World Trade Organization)
BEA	Bureau of Economic Analysis (U.S. Department of Commerce)
CAIC	Caribbean Association of Industry and Commerce, Inc.
CAFTA-DR	Dominican Republic-Central America-United States Free Trade Agreement
CARICOM	Caribbean Community
CARIFORUM	Forum of the Caribbean Group of African, Caribbean and Pacific (ACP) States
CBERA	Caribbean Basin Economic Recovery Act
CBEREA	Caribbean Basin Economic Recovery Expansion Act
CBI	Caribbean Basin Initiative
CBP	U.S. Customs and Border Protection
CBTPA	Caribbean Basin Trade Partnership Act
CESI	Caribbean Energy Security Initiative
CIA	U.S. Central Intelligence Agency
c.i.f.	cost, insurance, and freight (value of goods delivered to the port of destination)
EB	Bureau of Economic and Business Affairs (U.S. Department of State)
EFF	Extended Fund Facility (International Monetary Fund)
ECLAC	Economic Commission for Latin America and the Caribbean (United Nations)
EIA	U.S. Energy Information Administration (U.S. Department of Energy)
EIAP	Earned Import Allowance Program
EIU	Economist Intelligence Unit
ES	elasticity of substitution
EU	European Union
FDI	foreign direct investment
FTA	free trade agreement
GAO	U.S. Government Accountability Office
GATT	General Agreement on Tariffs and Trade
GDP	gross domestic product
GSP	Generalized System of Preferences
HELP Act	Haiti Economic Lift Program Act of 2010
HOPE Acts	HOPE I and HOPE II (see below)
HOPE I	Haitian Hemispheric Opportunity through Partnership Encouragement Act of 2006
HOPE II	Haitian Hemispheric Opportunity through Partnership Encouragement Act of 2008
HS	Harmonized System (global tariff schedule)
HTS	Harmonized Tariff Schedule of the United States
IADB	Inter-American Development Bank
IMF	International Monetary Fund
IPR	intellectual property rights
ITA	International Trade Administration (U.S. Department of Commerce)
LNG	liquefied natural gas
MFN	most-favored-nation
MTBE	methyl tertiary-butyl ether
NAFTA	North American Free Trade Agreement
n.e.s.o.i.	not elsewhere specified or included
NTR	normal trade relations (U.S. term; same as MFN elsewhere)
OAS	Organization of American States
ODC	other duties and charges

Acronyms	Term
OPIC	Overseas Private Investment Corporation
OTEXA	Office of Textiles and Apparel (U.S. Department of Commerce)
PRIDE	Promote, Renew, Invigorate, Develop, and Energize Jamaica program
SME	square meter equivalent
TPA	trade promotion agreement
TRQ	tariff-rate quota
UN	United Nations
UNCTAD	UN Conference on Trade and Development
US&FCS	U.S. and Foreign Commercial Services (U.S. Departments of Commerce and State)
USAID	U.S. Agency for International Development
USDOC	U.S. Department of Commerce
USDOE	U.S. Department of Energy
USDOS	U.S. Department of State
USITC	U.S. International Trade Commission
USTR	U.S. Trade Representative
WTO	World Trade Organization

Definitions of Frequently Used Terms

The following terms are presented in order of their use in the report:

CBERA: The Caribbean Basin Economic Recovery Act, as amended by the Caribbean Basin Trade Partnership Act (**CBTPA**) in 2002; the Haitian Hemispheric Opportunity through Partnership Encouragement (**HOPE**) Acts of 2006 and 2008; the Haitian Economic Lift Program (**HELP**) Act of 2010; and other legislation. Data for CBERA and the Hope Acts appear separately in this report.

CBERA-exclusive imports (or imports benefiting exclusively from CBERA): Imports that entered the United States free of duty under CBERA, or under CBERA reduced-duty provisions, and that were not eligible to enter free of duty under normal trade relations (NTR) rates or under other programs, such as the Generalized System of Preferences (GSP).

Original CBERA: The non-expiring provisions of CBERA as first enacted in 1983.

CBERA beneficiary countries (or CBERA countries): Countries designated by the President as eligible for CBERA benefits. There were 17 of these at yearend 2016: Antigua and Barbuda, Aruba, The Bahamas, Barbados, Belize, The British Virgin Islands, Curaçao, Dominica, Grenada, Guyana, Haiti, Jamaica, Montserrat, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, and Trinidad and Tobago. The President designated Curaçao as a beneficiary country for purposes of CBERA and CBTPA effective January 1, 2014. See also the definition for "former CBERA countries" below.

Former CBERA countries: Countries no longer eligible for CBERA benefits at or before yearend 2014 because they had entered into a free trade agreement with the United States or, in the case of the Netherland Antilles, went out of existence. Six Caribbean Basin countries ceased being eligible for CBERA benefits once the Dominican Republic-Central America-United States Free Trade Agreement (CAFTA-DR) entered into force. Those countries (and their respective dates of entry into force of CAFTA-DR) were El Salvador (March 1, 2006); Honduras and Nicaragua (April 1, 2006); Guatemala (July 1, 2006); the Dominican Republic (March 1, 2007); and Costa Rica (January 1, 2009). The Netherlands Antilles was dissolved as a political entity on October 10, 2010, and ceased to be a designated CBERA beneficiary country at that time. Curaçao was part of the Netherlands Antilles and is now a CBERA beneficiary. Panama ceased to be a designated CBERA beneficiary country with the entry into force of the U.S.-Panama Trade Promotion Agreement on October 31, 2012.

CBTPA beneficiary countries (or CBTPA countries): CBERA countries designated by the President as eligible for CBTPA benefits, and found by the U.S. Trade Representative (USTR) to satisfy customs-related requirements established in the CBTPA. At yearend 2014, there were eight CBTPA countries: Barbados, Belize, Curaçao, Guyana, Haiti, Jamaica, St. Lucia, and Trinidad and Tobago. CBTPA benefits are currently scheduled to expire on September 30, 2020.

Textiles and apparel: Products classified in HTS chapters 50–63.

Executive Summary

The Caribbean Basin Economic Recovery Act (CBERA) was enacted in 1983 as part of the Caribbean Basin Initiative (CBI).[1] CBERA is intended to encourage economic growth and development in the Caribbean Basin countries by promoting increased production and exports of nontraditional products. Section 215 of CBERA requires the Commission to submit to Congress and the President biennial reports on the economic impact of CBERA on U.S. industries and consumers, and on the economy of the beneficiary countries. As part of its report the Commission is required to assess CBERA's actual effect, during the period covered by the report, on the U.S. economy generally, as well as on specific domestic industries which produce articles that are like or directly competitive with articles being imported into the United States from beneficiary countries. It is also required to assess the probable future effect of CBERA on the U.S. economy generally and on such industries.

This report is the 23rd in a series, and covers the period 2015–16. The tables in this report show data for 2012–16 (five years of data as presented in most previous reports).[2]

Overall, U.S. imports from CBERA countries fell from $7,061.5 million in 2015 to $5,342.9 million in 2016, a decline of 24 percent. U.S. imports under the CBERA program fell from $1,541.8 million in 2015 to $875.5 million in 2016, a decline of 43.2 percent. Both declines were primarily due to lower U.S imports of energy products and of textiles and apparel, but the impact on the CBERA program trade numbers was even greater because these products accounted for a larger percentage of the CBERA program trade. The decline in imports of energy products was primarily due to lower petroleum prices and lower U.S. demand as U.S. production of petroleum increased. Although U.S. imports of textiles and apparel under CBERA declined by 22 percent, U.S. imports from Haiti under the HOPE/HELP trade preferences increased by 7.5 percent in 2016. Combined, these trends resulted in only a 5 percent decrease in overall textile and apparel imports from CBERA countries.

Although the effect of CBERA on the U.S. economy generally was negligible during 2015–16 and is likely to remain so, CBERA continues to have a positive impact on a number of Caribbean Basin countries. By one measure, Haiti has been the greatest beneficiary of CBERA trade preferences in recent years, largely because Haiti benefits from more flexible rules of origin for apparel. CBERA also has encouraged the development of niche product manufacturing in several other countries (electronic products in St. Kitts and Nevis, and T-shirts in Haiti).

[1] Throughout this report, the term "CBERA" refers to CBERA as amended by the Caribbean Basin Trade Partnership Act of 2000 (CBTPA); the Haitian Hemispheric Opportunity through Partnership Encouragement Acts of 2006 (HOPE I) and 2008 (HOPE II) (jointly referred to in this report as the HOPE Acts); the Haitian Economic Lift Program (HELP) Act of 2010; and other legislation. The trade data under the HOPE and HELP Acts are reported and analyzed separately in the report.

[2] This report incorporates the latest official revision of data from the Census Bureau of the U.S. Department of Commerce. For this reason, data may differ somewhat from those in previous CBERA reports and other USITC reports.

Impact of CBERA on the United States in 2015–16

Impact on U.S. Industries and Consumers

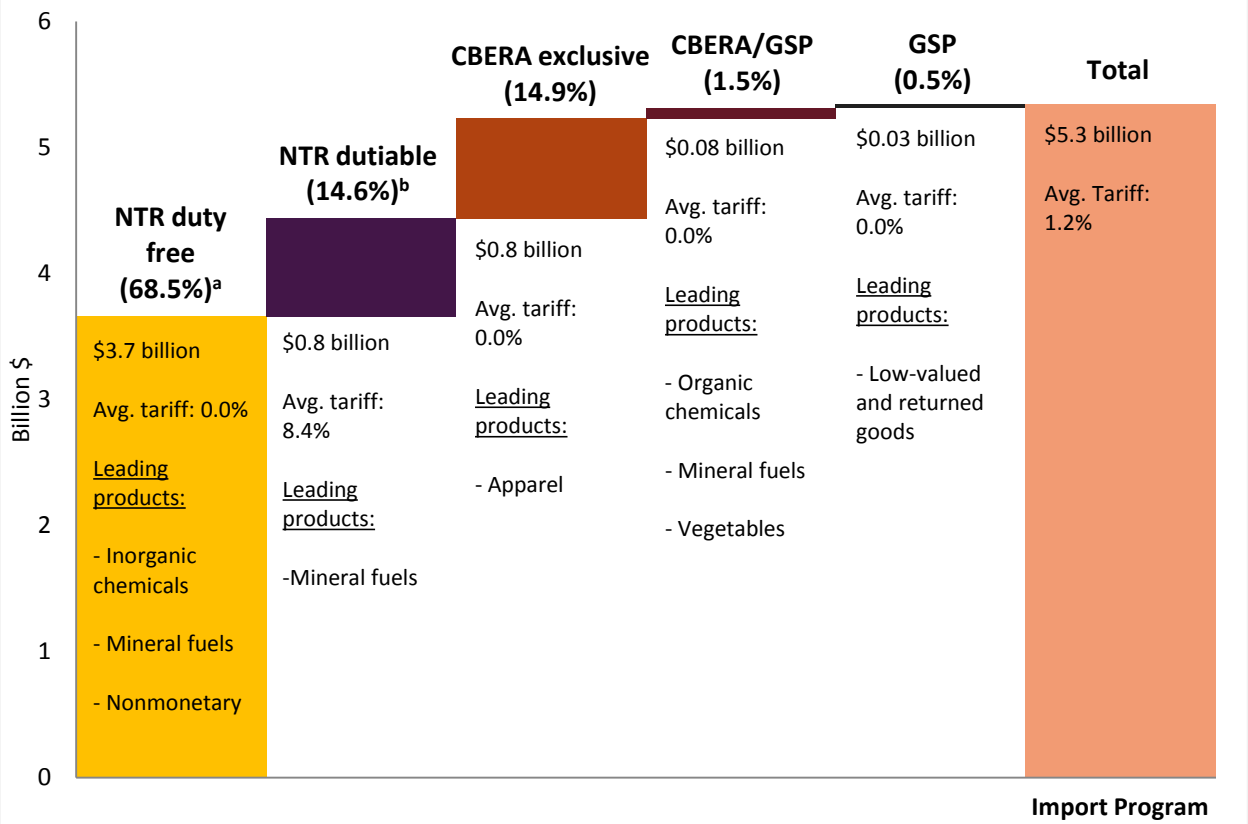
The impact of CBERA on U.S. industries and consumers generally was small during the 2015–16 period. The impact of CBERA on U.S. domestic industries is small because the value of U.S. imports under the program (certain tropical fruits and certain low-priced apparel) is small and continues to fall. In 2016, U.S. imports under the program amounted to 0.04 percent of U.S. imports from the world. Consumer gains were also small. Eliminating duties on cotton T-shirts and methanol provided the largest welfare gains to U.S. consumers.[3] T-shirts from Haiti imported under CBERA provided the largest single gain in consumer welfare ($24 million). T-shirts were followed by methanol from Trinidad and Tobago in welfare gains ($12.9 million).

The effect of CBERA on the U.S. economy generally was negligible during the 2015–16 period. The actual effect of CBERA on the U.S. economy generally and on U.S. domestic industries producing articles like or directly competitive with articles imported into the United States from beneficiary countries continued to be negligible. As noted above, this was mainly because the value of U.S. imports entered under CBERA continued to be small. In 2016, U.S. imports under CBERA amounted to 0.005 percent of U.S. gross domestic product (GDP) and 0.04 percent of total U.S. imports.

Most U.S. imports entered under CBERA preferences were eligible for duty preferences only under CBERA. Of the $875.7 million in U.S. imports that entered under CBERA in 2016, 90.7 percent could not have received tariff preferences under any other program. These CBERA-exclusive imports accounted for 14.9 percent of the value of total U.S. imports from CBERA countries (figure ES.1) and represented a decline in share from the 2013–14 period covered by the previous report. The five leading CBERA-exclusive imports in 2016—methanol (methyl alcohol), knitted cotton T-shirts, light crude petroleum, knitted cotton sweaters and pullovers, and polystyrene—accounted for approximately 88 percent of the value of the 20 leading items in 2016.

[3] "Welfare gains" refer to the difference between the actual prices of the imports in 2016 and the prices that would have prevailed in the absence of the CBERA preferences.

Figure ES.1: U.S. imports from CBERA beneficiary countries, by import program, and as a share of total imports, 2016



Source: Compiled from official statistics of the U.S. Department of Commerce (USDOC) (accessed May 13, 2017). Data reflect all official USDOC revisions for 2010–15 as of that date.
Notes: "NTR" refers to normal trade relations (U.S. term; means the same as MFN elsewhere). "CBERA-exclusive imports" are imports that could only receive preferential entry under CBERA. "CBERA/GSP imports" are imports that were entered under CBERA but were also eligible for duty-free entry under the Generalized System of Preferences (GSP). "Avg. tariff" is the ad valorem equivalent tariff—that is, the total of the duties collected divided by the customs value of the imports. Duty free imports entered under Haiti HOPE/HELP provisions are not reflected in these data. See corresponding data table F.1.
[a] Includes a small amount of imports that enter duty free under other provisions.
[b] Includes a small amount of imports subject to other duty rates.

Effect on Domestic Industries

Methanol imports may have displaced some U.S. production. The Commission's economic and industry analyses indicate that the actual effect of imports receiving CBERA preferences in 2016 in most cases had only a minimal effect on domestic industries producing articles that are like or directly competitive with articles imported from beneficiary countries, mainly because those imports had low shares of the U.S. market (0.1 to 1.6 percent) and/or low margins of preference (0.2 to 3.5 percent). Methanol is the only product imported under CBERA for which imports may have displaced close to 5.0 percent of the value of U.S. production in 2016. The Commission estimates that approximately $30.1 million of U.S. methanol production in 2016 was displaced by CBERA imports—a substantially lower displacement than in previous years. Further analysis indicates that an important factor in this displacement was the difference in natural gas prices between the United States and Trinidad and Tobago. Natural gas is the feedstock for methanol and, until recently, was far less costly in Trinidad and Tobago (a major producer

of natural gas) than in the United States. However, U.S. natural gas prices have declined over the past few years, mainly because of higher U.S. production owing to greater use of shale gas technology. As a result, U.S. domestic production of methanol increased, resulting in less demand for methanol imports from Trinidad and Tobago in 2016.

Textile and apparel imports under CBERA decreased slightly overall, but textile and apparel imports under the HOPE and HELP Acts increased. The value of U.S. imports of textiles and apparel entering under CBERA trade preferences dropped 22.3 percent, from $396.8 million in 2015 to $308.2 million in 2016. The decrease in the value of U.S. imports of textile and apparel goods under CBERA was greater than the 6.4 percent drop in overall U.S. imports of textiles and apparel in 2016. The latter decline reflects a volatile retail environment in 2016, with some U.S. retailers facing bankruptcies and store closures. Haiti continues to be the top CBERA supplier of U.S. textile and apparel imports in 2016, accounting for more than 99 percent of such imports. Although total textile and apparel imports from Haiti dropped from 2015 to $848.5 million in 2016, U.S. imports from Haiti under the HOPE/HELP trade preference provisions increased by 7.5 percent to $535.0 million in 2016. More than 60 percent of the duty free imports of textile and apparel from Haiti now utilize the HOPE/HELP preferences rather than the older but more narrowly defined CBTPA preferences.

Probable Future Effect

The probable future effect of CBERA on the U.S. economy and domestic industries will likely remain small. CBERA countries generally are, and are likely to remain in the near term, small suppliers relative to the U.S. market. Most of the effect of CBERA on the U.S. economy occurred shortly after the program's implementation in 1984, or shortly after implementation of each major enhancement to CBERA.

Overall, CBERA-related investment during 2015–16 was low. Information available to the Commission indicated that investment in the production and export of CBERA-eligible products in most CBERA countries was limited during 2015–16. The low level of investment appears to be attributable largely to two factors: (1) the CBERA countries are relatively small global producers, small exporters, and small suppliers of U.S. imports; and (2) investment in many CBERA countries is directed much more to services, such as tourism and financial services, than to goods eligible under CBERA preferences. Following the global economic downturn in 2009–10, foreign direct investment (FDI) in most CBERA countries recovered in 2011; after leveling off during 2012–13, it increased again in 2014 but fell substantially in 2015. However, this recent decline in FDI may moderate in upcoming years.

Imports of energy products from Trinidad and Tobago—the largest product category, and the largest supplier, under the CBERA program—are unlikely to affect the U.S. economy. Trinidad and Tobago was the leading supplier of U.S. energy imports (such as crude petroleum, liquefied natural gas, and methanol) under CBERA during 2015–16. Nevertheless, these imports represented a sharp decline from previous years due to increased U.S. production of crude petroleum and related energy products, along with reductions in the availability of natural gas in Trinidad and Tobago. The latter was due to maintenance work and production facility upgrades, which reduced the supply of natural gas. Trinidad and Tobago is and will likely remain a small energy supplier to the United States; consequently, imports from this country are unlikely to affect the U.S. economy. Expected increases in U.S. methanol production may further reduce U.S. demand for imports of methanol from Trinidad and Tobago under CBERA.

U.S. imports of textiles and apparel from Haiti—the second-largest import category under CBERA—increased during 2015–16. Haiti was by far the largest CBERA supplier in this category, with apparel making up most of its exports to the United States. Much of this increase was attributed by industry sources to the Haiti HOPE/HELP trade preference programs, which provide key incentives to set up and maintain textile and apparel operations in Haiti. The outlook for the apparel industry in Haiti remains strong with investors from Hong Kong, Taiwan, South Korea, and Sri Lanka recently announcing plans to open new or expand existing facilities and operations in Haiti. Nevertheless, Haiti is a small U.S. apparel supplier compared to globally competitive apparel producers in Central America and Asia, and economic factors such as its low port capacity and inadequate infrastructure limit its ability to expand its apparel production significantly. As a result, any increase in U.S. apparel imports under CBERA from Haiti is not likely to affect U.S. producers or consumers.

Impact of CBERA on the Beneficiary Countries

Supply-side constraints make exporting CBERA-eligible goods a challenge for many beneficiaries. These constraints include inadequate roads, ports, and telecommunications; shortages of skilled workers; high production costs; high energy and telecommunications costs; inadequate access to investment financing; low levels of innovation; and often an underdeveloped private sector. Perhaps more important, many CBERA countries have oriented their economies more toward the service sectors—predominantly tourism, but also financial and business operation services—rendering CBERA's trade preferences for exports of goods less relevant to their economic future.

U.S. preferential rates of duty under CBERA continue to provide an advantage to energy products from Trinidad and Tobago, although less than in recent years. Increased U.S. production of crude petroleum and natural gas, as well as the decline in the world price of oil, have reduced U.S. imports of energy products from Trinidad and Tobago under the program. However, CBERA is widely viewed as a key element that helped Trinidad and Tobago to diversify its economy toward downstream energy products. Since 2010 the country has used its methanol and ammonia industries as inputs in the production of melamine—a resin used to make kitchen and tableware, flooring laminates, and adhesives.

Special CBERA provisions for Haiti have had a strong, positive effect on export earnings and job creation in Haiti's apparel sector. Apparel assembly is Haiti's largest manufacturing activity, and the country's largest source of manufacturing jobs. CBERA—enhanced by the CBTPA and the HOPE and HELP Acts—has been an important factor in promoting apparel production in Haiti and apparel exports to the U.S. market. In particular, CBERA has provided an incentive for the quick recovery of the apparel assembly sector after the vast destruction caused by the January 2010 earthquake.

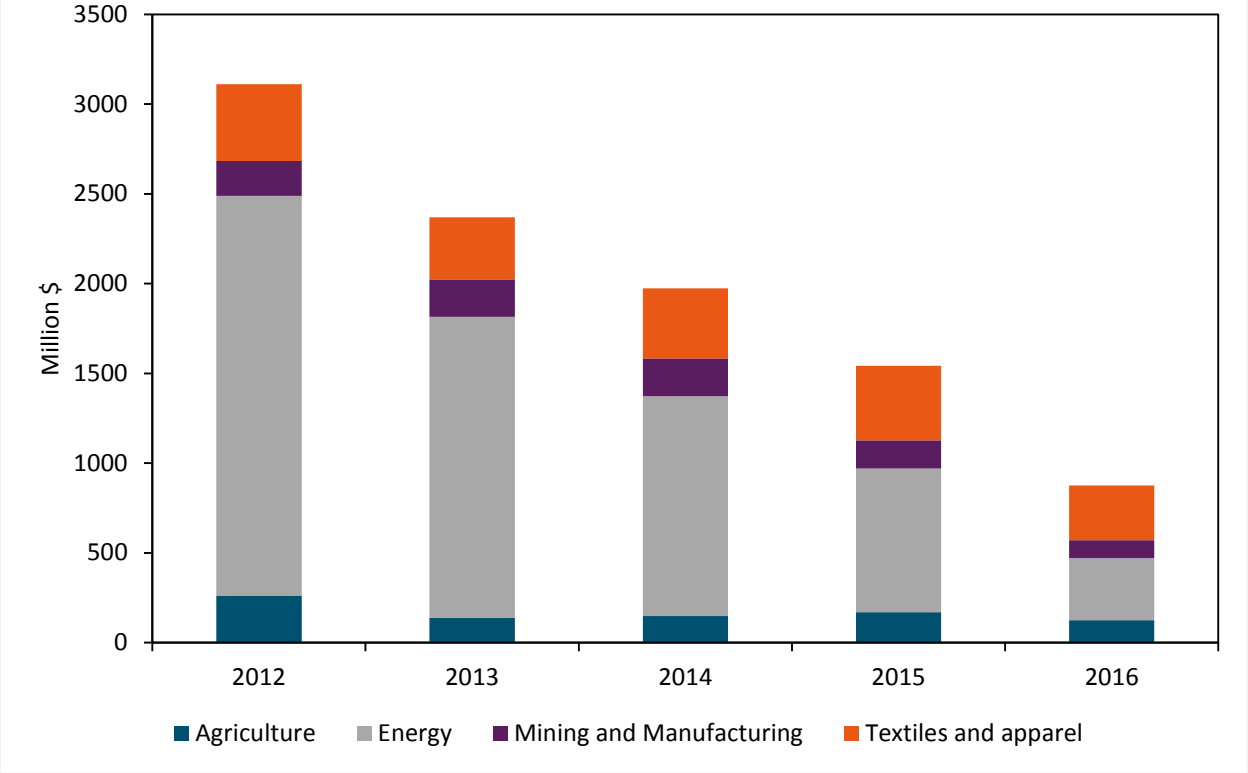
CBERA has encouraged development of some niche products for export under the program. CBERA has helped promote the production of polystyrene in The Bahamas for export to the U.S. market, and the production of fruits and fruit juices in Belize. CBERA has also spurred foreign investment in St. Kitts and Nevis to produce certain telecommunication electronics that take advantage of CBERA preferences.

U.S. Imports under the CBERA Program

Imports receiving preferential treatment under CBERA totaled $875.5 million in 2016, a decline of 43.2 percent from $1.5 billion in 2015 (figure ES.2). The decline was driven primarily by declining imports of

energy products, specifically crude petroleum and methanol, from Trinidad and Tobago. Energy products accounted for 39.3 percent of total imports under CBERA in 2016, with Trinidad and Tobago supplying 99.9 percent of energy imports. U.S. imports under CBERA of agricultural products and "other mining and manufacturing products" also declined, but U.S. imports of textiles and apparel increased if imports under the HOPE and HELP Acts are taken into account. Textiles and apparel, supplied mainly by Haiti (not including imports under HOPE/HELP), accounted for 34.9 percent of imports under CBERA in 2016; agricultural products, 14.4 percent; and "other mining and manufacturing products," 11.4 percent.

Figure ES.2: U.S. imports under CBERA, by major product categories,[a] 2012–16 (million $)



Source: Compiled from official statistics of the USDOC (accessed May 20, 2017). Data reflect all official USDOC revisions for 2012–16 as of that date.

Notes: Data on U.S. imports from CBERA countries include U.S. imports from Panama through October 2012. Data for 2012 include U.S. imports from Panama only for the period during which Panama was eligible for CBERA benefits before the U.S.-Panama TPA entered into force on October 31, 2012. The Netherlands Antilles, which was made up of Curaçao, Sint Maarten, and several other nearby islands, no longer exists, but CBERA trade in 2014 is reported for the portion of the Netherlands Antilles that includes Curaçao. See corresponding data table F.2.

[a] Agricultural imports are defined as imports under HTS chapters 01 through 24, excluding fuel ethanol, which is found in chapter 22 but is classified as an energy import. Energy imports are defined as all chapter 27 imports, as well as methanol (HTS 2905.11.20) and the fuel ethanol reported in chapter 22. Textile and apparel imports are defined as all imports in chapters 50 through 63. Mining and manufacturing imports are defined as everything not categorized as agricultural, energy, or textile and apparel imports in this report, with the exception of imports classified in HTS chapters 98 and 99, which are excluded from the data.

In 2016, the value of U.S. imports of energy products under CBERA was $344.4 million, a 56.9 percent decline from 2015. The decline is chiefly due to the significant decrease of methanol and crude

petroleum imports from Trinidad and Tobago. Increasing U.S. production and low prices for crude contributed to this trend.

In 2016, U.S. imports of agricultural products under CBERA totaled $126.2 million, a decrease of 25.7 percent from $169.9 million in 2015. In 2016, the four leading agricultural products among U.S. imports under CBERA were yams, food preparations, sauces and condiments, and orange juice. Jamaica, Trinidad and Tobago, and Belize were the principal sources of these imports under CBERA.

In 2016, U.S. imports of other mining and manufacturing products under CBERA totaled $99.7 million, representing a continuous decrease since 2014. Expandable polystyrene in primary forms accounted for 66.8 percent of these imports in 2016, with The Bahamas being the only source. The decrease in U.S. imports under CBERA of expandable polystyrene from 2014 to 2015 was due primarily to decrease in major end-use demand, specifically in packaging.

Chapter 1
Introduction

Scope and Approach of the Report

Section 215(a) of the Caribbean Basin Economic Recovery Act (CBERA) (19 U.S.C. 2704(a)) requires that the U.S. International Trade Commission (USITC or Commission) submit biennial reports to Congress and the President on the impact of the CBERA program on U.S. industries and consumers and on the economy of the CBERA countries. Section 215(b) requires that the Commission's report include an assessment of "(A) the actual effect, during the period covered by the report, of this Act on the United States economy generally as well as on those specific domestic industries which produce articles that are like, or directly competitive with, articles being imported into the United States from beneficiary countries; and (B) the probable future effect which this Act will have on the United States economy generally, as well as on such domestic industries, before the provisions of this Act terminate."[4]

This report, the 23rd in the series, fulfills that statutory requirement, covering the period 2015–16. Throughout this report, the term "CBERA" refers to CBERA as amended by the United States-Caribbean Basin Trade Partnership Act (CBTPA); the Haitian Hemispheric Opportunity through Partnership Encouragement Acts of 2006 (HOPE I) and 2008 (HOPE II) (jointly referred to as the HOPE Acts); the Haiti Economic Lift Program Act of 2010 (HELP Act); and other legislation.[5] In this report, however, imports under the HOPE and HELP Acts are reported and analyzed separately.

As in previous reports in this series, this report assesses the effects of CBERA by estimating the differences in benefits to U.S. consumers and U.S. industry production that would likely have occurred if the relevant tariffs had been in place for beneficiary countries in 2016. Actual 2016 market conditions are compared with a hypothetical case in which normal trade relations (NTR) duties were imposed for the year. The effects of CBERA duty reductions for 2016 are estimated by using a partial equilibrium model to estimate gains to consumers and industry displacement.[6] The model used in this analysis assumes that the supply of imports and of U.S. domestic production is perfectly elastic; that is, producer prices do not fall in response to CBERA duty reductions. Previous analyses in this series have shown that since CBERA has been in effect, U.S. consumers have benefited from lower prices and higher consumption and competing U.S. producers have had lower sales. The effect of CBERA duty reductions on most U.S. industries and U.S. consumers is expected to be small.

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[4] Section 215 of CBERA (19 U.S.C. 2704).

[5] Preferences provided in the CBTPA and the HOPE and HELP Acts have expiration dates, as detailed below and in table 1.1.

[6] The partial equilibrium model numerically estimates the effects of changes in trade policy at a product level—often at the HTS 8-digit tariff code level—in which each market is analyzed separately. This model relies on information about the size of the duty reduction, U.S. market shares for domestic and foreign producers of the product, the degree to which domestic demand for the good responds to price changes, the degree to which domestic and foreign producers respond to price changes, and the degree of substitutability between the domestically produced product and imports from other countries. This is a standard economic approach for measuring the impact of a change in the prices of one or more goods. A more detailed explanation of the approach can be found in appendix B.

The original CBERA provided for the duty-free treatment of imports of qualifying products from designated beneficiary countries. Direct effects of such a one-time duty elimination are expected to consist primarily of increased U.S. imports from beneficiary countries resulting from trade and resource diversion to take advantage of lower duties in the U.S. market. In general, these direct effects are likely to occur within a short time (a year or two) after the duty elimination. It is therefore likely that these effects have been fully realized for the original CBERA program, as well as for most provisions of CBTPA.

Over a longer period, the effects of CBERA will likely flow mostly from investment in industries in beneficiary countries that benefit from the duty elimination or reduction. Both short-term and long-term effects on the U.S. economy are limited by the small size of the CBERA countries' economies,[7] and the long-term effects are likely to be difficult to distinguish from other market forces in play since the program was initiated. Investment, however, has been tracked in past CBERA reports in order to detect the trends in, and composition of, investment in the region.

In assessing the actual effect of CBERA on the U.S. economy generally and on specific U.S. industries producing articles like or directly competitive with articles imported under CBERA, the Commission (1) analyzed imports entered under the program, and trends in U.S. consumption of those imports; (2) estimated gains to U.S. consumers and potential displacement in U.S. industries competing with the leading U.S. imports that benefited exclusively from the CBERA program in 2016; and (3) examined trends in production and other economic factors in the U.S. industries identified as likely to be particularly affected by such imports.

The assessment focused on the 20 leading product categories that benefited exclusively from CBERA tariff preferences in 2016 (see chapter 2).[8] To avoid understating CBERA's potential effects on consumer welfare and industry displacement, the analysis reports an upper-bound estimate.[9] Further analysis was done on industries for which the upper-bound estimate of displacement was approximately 5 percent of the value of U.S. production, the threshold traditionally used in this series for selecting industries for further analysis. As in previous years, a single U.S. industry—methanol—met that criterion in 2016.

In assessing the probable future effect of CBERA, the Commission used a qualitative analysis of economic trends and investment patterns in beneficiary countries and in competing U.S. industries. Information on investment in CBERA-related production facilities was obtained mainly from U.S. embassies in the region and other public sources.

In examining the impact of CBERA on the economy of the beneficiary countries, the Commission took into account CBERA's goals of encouraging economic growth, economic development, and export diversification and the extent to which CBERA beneficiary countries have diversified their economies and used the production of CBERA-eligible exports as part of an overall strategy for attaining sustainable economic growth. Profiles of four countries are presented. They include Trinidad and Tobago, Haiti, The Bahamas, and Jamaica.

[7] Also, U.S. imports under CBERA account for a small share—0.04 percent in 2016—of total U.S. imports.
[8] That is, product categories that are not excluded or do not receive unconditional "column 1" general duty-free treatment or duty-free treatment under other preference programs such as GSP. In 2016, the 20 leading product categories that benefited exclusively the CBERA program amounted to 96.7 percent of the total CBERA-exclusive imports.
[9] Estimates are affected by the substitution elasticity, which was assumed to be 5 (implying high elasticity). See Shiells, Stern, and Deardorff, "Estimates of the Elasticities of Substitution," 1986, 497–519; Gallaway, McDaniel, and Rivera, "Short-Run and Long-Run Estimates," 2003, 49–68; and chapter 3 for more information.

Organization of the Report

Chapter 1 describes the analytical approach used in the report and provides an overview of the CBERA program, including amendments to the original CBERA by CBTPA, the Trade Act of 2002, the HOPE Acts of 2006 and 2008, and the HELP Act of 2010. Chapter 2 responds to the requirement in section 215(a) that the Commission report on the economic impact of CBERA on U.S. industries during the two-year period covered by the report (2015–16). It includes the Commission's assessment of the actual effect and probable future effect of CBERA on the U.S. economy generally and on specific domestic industries producing like or directly competitive articles. It also reports on the economic impact on U.S. consumers. Chapter 3 contains the Commission's report on the economic impact of CBERA on the economy of the beneficiary countries, with a focus on selected beneficiary countries. And chapter 4 gives an overview of U.S. trade with CBERA beneficiaries through 2016.

Appendix A reproduces the *Federal Register* notices by which the Commission solicited public comment for this 23rd report and cancelled the public hearing for lack of interest. Appendix B explains the economic model used to estimate the effect of the CBERA program on the U.S. economy presented in chapter 2. Appendix C includes a lists of statements submitted to the Commission in response to the *Federal Register* notice regarding the investigation. Appendix D includes statistical tables. Appendix E presents U.S. imports from CBERA countries, and Appendix F provides data used for figures.

Sources

General economic and trade data come from official statistics of the U.S. Department of Commerce (USDOC) and from information developed by country/regional and industry analysts at the Commission. Because this report incorporates the latest official revision of data from the Census Bureau of the U.S. Department of Commerce, data may differ somewhat from those in previous CBERA reports and other Commission reports. U.S. trade data include U.S. Virgin Islands imports. Other primary sources of information include U.S. embassies in the CBERA countries and reports by other U.S. government departments and offices, including the USDOC and the U.S. Department of State; reports by international nongovernmental organizations, including the Inter-American Development Bank, the International Monetary Fund (IMF), the Organization of American States, the United Nations (UN), the UN Economic Commission for Latin America and the Caribbean (ECLAC), and the World Bank; official government sources in the CBERA countries; and other published sources of information on CBERA-related investment, production, and exports. The report also incorporates information provided to the Commission in written public comments received in response to the Commission's *Federal Register* notice regarding the investigation.[10]

Summary of the CBERA Program

The following subsections summarize CBERA provisions concerning beneficiaries, trade benefits, qualifying rules, and the relationship between CBERA and the U.S. Generalized System of Preferences (GSP) program. A description of the provisions of CBERA added by CBTPA, the HOPE Acts, and the HELP Act concludes this section.

[10] A copy of the notice appears in appendix A of this report.

CBERA authorizes the President to grant certain unilateral preferential trade benefits to Caribbean Basin countries and territories. The program permits exporters from designated beneficiaries to claim duty-free or reduced-duty treatment for eligible products imported into the customs territory of the United States (table 1.1 summarizes the major provisions of CBERA). If U.S. importers do not claim this status or some other special status, then duties are charged on their goods using the rates found in the "general rates of duty" column of the Harmonized Tariff Schedule of the United States (HTS).

Table 1.1: Summary of CBERA program, yearend 2016

CBERA characteristic	Description
History	Enacted 8/5/83, became effective 1/1/84 under CBERA. Expanded and made permanent, 8/20/90, under CBEREA.[a] Enhanced 5/18/00 under CBTPA;[b] CBTPA was extended 5/22/08 and 5/24/10;[c] it was modified 8/6/02 under the Trade Act of 2002.[d] Enhanced for Haiti under the HOPE Act 12/20/06,[e] HOPE II 5/22/08,[f] HELP Act 5/24/10;[g] HOPE/HELP were extended 6/29/15.[h]
Benefits	Duty-free entry and reduced-duty entry granted on a nonreciprocal, non-NTR basis.
Exclusions under original CBERA[i]	Most textiles/apparel, leather, canned tuna, petroleum and derivatives, certain footwear, certain watches/parts; quantities of agricultural goods exceeding various tariff-rate quotas.
Duration (President's authority to proclaim preferential treatment)	CBERA is non-expiring. CBTPA: until 9/30/20.[j] HOPE and HELP Acts: until 9/30/25.[f]
Beneficiaries[j]	Beneficiaries in 2016:[k] Antigua and Barbuda, Aruba, The Bahamas, Barbados,* Belize,* British Virgin Islands, Curaçao,* Dominica, Grenada, Guyana,* Haiti,* Jamaica,* Montserrat, St. Kitts and Nevis, St. Lucia,* St. Vincent and the Grenadines, and Trinidad and Tobago.*
Coverage (eligible provisions)	Approximately 5,700 HTS 8-digit tariff lines.
Value of imports under the program	$875.7 million (2016).
Significance in terms of U.S. trade:	
U.S. imports under CBERA as a share of total U.S. imports	0.04% (2016).
U.S. imports from beneficiaries that receive program preferences as a share of total U.S. imports from beneficiary countries	16.4% (2016).

Source: Compiled by USITC.

[a] Caribbean Basin Economic Recovery Expansion Act of 1990.

[b] Caribbean Basin Trade Partnership Act (CBTPA), title II of the Trade and Development Act of 2000, effective October 2000. The measure gives preferential treatment to certain goods originally excluded from CBERA preferences.

[c] Pub. L. 110-234, § 15408; Pub. L. 111-171, § 3.

[d] Pub. L. 107-210, § 3107.

[e] HOPE Act of 2006 (Pub. L. 109-432, § 5001 et seq.).

[f] HOPE Act of 2008 (Pub. L. 110-234, § 15401 et seq.).

[g] HELP Act of 2010 (Pub. L. 111-171).

[h] Trade Preferences Extension Act of 2015 (Pub. L. 114-27).

[I] For most goods excluded from CBERA, the CBTPA provides for the application of Mexico's rates of duty under the North American Free Trade Agreement (NAFTA), where goods from CBTPA countries meet NAFTA rule-of-origin criteria. The exceptions are agricultural and textile/apparel products. Certain apparel and textile luggage made from U.S. inputs are eligible for duty-free entry. For more information, see subchapter XX (20) of HTS chapter 98. No other CBTPA benefits apply to excluded agricultural and textile/apparel products; that is, NAFTA parity is not accorded.

[j] The CBTPA benefits expire on either September 30, 2020, or the date on which the Free Trade Area of the Americas or a comparable agreement enters into force, whichever is earlier.
[k] Asterisk (*) indicates CBTPA beneficiary countries.

These are the rates charged on goods from countries that have normal trade relations (NTR) with the United States; such rates are generally known as NTR rates of duty.[11]

As originally enacted, CBERA authorized the President to provide duty-free treatment or reduced rates of duty to qualifying goods from beneficiary Caribbean Basin countries through September 30, 1995. The Caribbean Basin Economic Recovery Expansion Act (CBEREA) of 1990[12] repealed that termination date, made the authority permanent, and expanded CBERA benefits in several ways.[13] In May 2000, CBTPA further expanded the CBERA program and extended trade preferences to textiles and apparel from eligible countries in the region.[14] In August 2002, the Trade Act of 2002 amended CBERA to clarify and modify several CBTPA provisions.[15] In December 2006, HOPE I enhanced benefits under CBERA for Haiti. In May 2008, HOPE II extended and further enhanced benefits for Haiti. In May 2010, the HELP Act of 2010 extended the expiration date of the HOPE Acts from September 30, 2018, to September 30, 2020; extended the expiration date of CBTPA from September 30, 2010, to September 30, 2020; and further expanded benefits for Haiti. The Trade Preferences Extension Act of 2015 extended HOPE/HELP benefits until September 30, 2025.

Beneficiaries

Imports from 17 countries (collectively referred to in this report as "CBERA beneficiary countries" or "CBERA countries"[16]) were eligible for CBERA tariff preferences during all or part of 2015–16, provided that the imports met certain country of origin rules and other requirements.[17] Curaçao was designated a CBERA beneficiary effective January 1, 2014, and designated a CBTPA beneficiary on August 18, 2015.[18] Additional countries that are eligible for designation as CBERA benefits include Anguilla, the Cayman Islands, Sint Maarten, Suriname, and the Turks and Caicos Islands. Suriname requested CBERA beneficiary status in 2009. The Turks and Caicos Islands and Sint Maarten requested CBERA status in

[11] NTR status was formerly known as "most-favored-nation" (MFN) status; this is the term still commonly used outside the United States. Goods from a country with NTR status are entitled to normal nondiscriminatory tariff treatment. Certain goods from countries that are beneficiary countries under the U.S. Generalized System of Preferences (GSP) may be imported free of duty. A number of CBERA countries are GSP beneficiary countries; see the section below on CBERA and GSP.
[12] CBEREA was signed into law on August 20, 1990, as part of the Customs and Trade Act of 1990 (Pub. L. 101-382, title II, 104 Stat. 629, 19 U.S.C. 2101). Presidential Proclamation 6428, 57 Fed. Reg. 19363.
[13] Among other things, the 1990 act reduced duties on certain products previously excluded from such treatment. For a comprehensive description of the 1990 act, see USITC, *Annual Report on the Impact of the Caribbean Basin Economic Recovery Act on U.S. Industries and Consumers, Sixth Report, 1990*, September 1991, 1-1 to 1-5.
[14] CBTPA is described in a separate section of this chapter.
[15] Modifications to CBERA were made in section 3107 of the Trade Act of 2002 (Pub. L. 107-210).
[16] For more information, see the "Frequently Used Abbreviations and Acronyms" section in the front of this report.
[17] CBERA beneficiary countries at the end of 2016 were Antigua and Barbuda, Aruba, The Bahamas, Barbados, Belize, the British Virgin Islands, Curaçao, Dominica, Grenada, Guyana, Haiti, Jamaica, Montserrat, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, and Trinidad and Tobago. See HTS general note 7.
[18] Presidential Proclamation 9072, published 78 Fed. Reg. 80417 (Dec. 23, 2013) and *Federal Register* notice published August 25, 2015 (80 Fed. Reg. 51650).

2012. Final determinations on designating the beneficiary status of those countries were pending as of mid-2017.[19]

CBERA countries must be separately designated by the President for the enhanced benefits of CBTPA—they are not automatically eligible for CBTPA preferences. Eight CBERA countries were eligible for CBTPA preferences in 2015–16.[20] Seven other countries have requested CBTPA beneficiary status; final determinations were pending as of mid-2017.[21] The President can terminate beneficiary status or suspend or limit a country's CBERA benefits at any time, as explained below.[22]

Trade Benefits under CBERA

CBERA provides duty-free or reduced-duty treatment to qualifying imports from designated beneficiary countries.[23] For some products, duty-free entry under CBERA is subject to statutory conditions in addition to normal program rules. In addition to these basic preference-eligibility rules, certain conditions apply to CBERA duty-free entries of sugar, beef,[24] and—until December 31, 2011—ethyl alcohol (ethanol).[25] Imports of sugar and beef, like those of some other agricultural products, remain

[19] The Caribbean, Central American, and South American countries and territories eligible for designation as CBERA benefits are listed in 19 U.S.C. 2702(b).

[20] Barbados, Belize, Curaçao, Guyana, Haiti, Jamaica, St. Lucia, and Trinidad and Tobago. See HTS general note 17 and U.S. notes in subchapters II and XX of chapter 98 of the HTS. Although the list of eligible countries is currently the same in both the general note and in chapter 98, countries can be added to the general note list, dealing with non-apparel goods, without qualifying for the apparel articles benefits of chapter 98.

[21] Aruba, The Bahamas, Dominica, Grenada, Montserrat, St. Kitts and Nevis, and St. Vincent and the Grenadines. 77 Fed. Reg. 61816 (Oct. 11, 2012). In Proclamation 9072, Curaçao received CBERA status and was noted as requesting beneficiary status under CBTPA (78 FR 80417). Effective August 18, 2015, the U.S. Trade Representative (USTR) determined that Curaçao meets certain customs criteria of the CBTPA. Therefore, imports of eligible products from Curaçao qualify for the enhanced trade benefits provided under the Act. 80 Fed. Reg. 51650 (August 25, 2015). Sint Maarten and Turks and Caicos have requested both CBERA and CBTPA status, but cannot be considered for CBTPA unless first granted CBERA status.

[22] 19 U.S.C. 2702(e).

[23] HTS general note 3(c) enumerates the products of covered countries that are eligible for special tariff treatment under various U.S. trade programs, including CBERA. HTS general note 7 covers CBERA in detail.

[24] Sugar (including syrups and molasses) and beef (including veal) are eligible for duty-free entry only if the exporting CBERA country submits a stable food production plan to the United States, assuring that its agricultural exports do not interfere with its domestic food supply and its use and ownership of land. See 19 U.S.C. 2703(c)(1)(B).

[25] Ethyl alcohol produced from agricultural feedstock grown in a CBERA country is admitted free of duty, provided it meets the 35 percent value-content rule. See the "Qualifying Rules" section of this chapter, below. Until December 31, 2011, ethyl alcohol dehydrated from non-CBERA agricultural feedstock was permitted to enter free of duty. As of January 1, 2012, ethyl alcohol exported from CBERA countries and entering the United States that does not meet the 35 percent value-content criterion is dutiable. See chapter 2 for more information.

subject to any applicable and generally imposed U.S. tariff-rate quotas (TRQs) and food-safety requirements.[26]

Under the original CBERA, certain leather handbags, luggage, flat goods (such as wallets and portfolios), work gloves, and leather wearing apparel were eligible to enter at reduced rates of duty.[27] Not eligible for any preferential duty treatment under the original CBERA were cotton, wool, and manmade-fiber textiles and apparel; certain footwear; canned tuna; petroleum and petroleum derivatives; and certain watches and parts.[28]

The CBTPA amended CBERA to authorize duty-free treatment for some products previously ineligible for CBERA preferences, most notably certain apparel. It also authorized treatment equivalent to that given to Mexico under the North American Free Trade Agreement (NAFTA) for other products previously ineligible for duty-free treatment, including certain footwear; canned tuna; the above-mentioned handbags, luggage, flat goods, work gloves, and leather wearing apparel; petroleum and petroleum derivatives; and certain watches and watch parts.[29] Roughly 5,700 HTS 8-digit tariff lines or products are now covered by CBERA trade preferences, of which about 257 were added by CBTPA. The products that continue to be excluded by statute from receiving preferential treatment are textile and apparel articles not otherwise eligible for preferential treatment under CBTPA, certain footwear, and above-quota imports of certain agricultural products subject to TRQs.

[26] A TRQ is a non-absolute quota involving a volume of imports and a two-tier tariff regime; imports within the quota's trigger level enter at a lower (in-quota) tariff rate, while imports above the trigger level enter at a higher (above-quota) tariff rate. TRQs on imports of sugar and beef were established under sections 401 and 404 of the Uruguay Round Agreements Act (URAA). These provisions replaced absolute quotas on imports of certain agricultural products imported under section 22 of the Agricultural Adjustment Act of 1933 (7 U.S.C. 624), the Meat Import Act of 1979 (Pub. L. 88-482), and other authorities. The URAA also amended CBERA by excluding from duty preferences any imports from beneficiary countries in quantities exceeding the new TRQs' global trigger levels or individual country allocations; in other words, only within-quota imports qualify for duty-free treatment. Imports of agricultural products from beneficiary countries remain subject to sanitary and phytosanitary restrictions, such as those administered by the U.S. Animal and Plant Health Inspection Service.

[27] These are articles that were not designated for GSP duty-free entry as of August 5, 1983. Under CBERA, beginning in 1992, duties on these goods were reduced up to 20 percent in five equal annual stages. See 19 U.S.C. 2703(h).

[28] See 19 U.S.C. 2703(b)(1). For discussions of products originally excluded from CBERA and subsequent modifications to the list of excluded products, see USITC, *Report on the Impact of the Caribbean Basin Economic Recovery Act on U.S. Industries and Consumers, 1993*, September 1994, 2–9; USITC, *Caribbean Basin Economic Recovery Act: Impact on U.S. Industries and Consumers, Tenth Report, 1994*, September 1995, 3–4.

[29] 19 U.S.C. 2703(b)(3).

Qualifying Rules

CBERA generally provides that to receive duty-free entry into the United States, eligible products must either be (1) wholly grown, produced, or manufactured in a designated CBERA country or (2) "new or different" articles made from substantially transformed non-CBERA inputs.[30] The cost or value of the local (CBERA-region) materials, plus the direct cost of processing in one or more CBERA countries, must total at least 35 percent of the appraised customs value of the product at the time of entry.[31] These rules of origin allow goods incorporating value from multiple CBERA countries to meet the requirement for "local value content" on an aggregated basis.[32] Also, inputs from Puerto Rico, the U.S. Virgin Islands, and former CBERA countries[33] may count in full toward the value threshold. As an advantage over the GSP program's 35 percent requirement, the CBERA requirement for local value content can also be met when the CBERA content is 20 percent of the customs value and the remaining 15 percent is attributable to U.S.-made (excluding Puerto Rican) materials or components.[34] To encourage production sharing between Puerto Rico and CBERA countries, CBERA allows duty-free entry for articles produced in Puerto Rico that are "by any means advanced in value or improved in condition" in a CBERA country.[35]

CBERA and GSP

All current CBERA countries—except Antigua and Barbuda, Aruba, The Bahamas, Barbados, Curaçao, St Kitts and Nevis, and Trinidad and Tobago—are also GSP beneficiary countries.[36]

[30] Certain products do not qualify. These include products that undergo simple combining or packaging operations, dilution with water, or dilution with another substance that does not materially alter the characteristics of the article. See 19 U.S.C. 2703(a)(2). However, articles that are not textiles and apparel or petroleum and petroleum products and that are assembled or processed in CBERA countries wholly from U.S. components or materials are also eligible for duty-free entry under note 2 to subchapter II, chapter 98, of the HTS. Articles produced through operations such as enameling, simple assembly or finishing, and certain repairs or alterations may qualify for CBERA duty-free entry under changes made in 1990. For more information, see USITC, *Caribbean Basin Economic Recovery Act Impact on U.S. Industries and Consumers, 1991*, September 1992, 1–4.

[31] Qualifying rules for duty-free importation of apparel are complex and are summarized in the CBTPA section of this chapter.

[32] The Commission is not aware of any articles imported under CBERA that take advantage of the aggregated local-content requirement.

[33] The term "former beneficiary country" means a country that is no longer a beneficiary country under CBERA because it became a party to a free trade agreement with the United States. Pub. L. 109–53, § 402.

[34] See 19 U.S.C. 2703(a)(1).

[35] Any materials added to such Puerto Rican articles must be of U.S. or CBERA-country origin. The final product must be imported directly into the customs territory of the United States from the CBERA country. See 19 U.S.C. 2703(a)(5). Imports entered under the "Puerto Rico-CBI" coding are counted in this report as having entered under the original CBERA. See chapters 2 and 3 for additional information.

[36] The U.S. GSP program was established under Title V of the Trade Act of 1974, Pub. L. 93-618, 88 Stat. 2066 et seq. The statute authorized the President to provide duty-free treatment to eligible articles from beneficiary developing countries for a 10-year period. The President's authority was extended for an additional 10 years under Title V of the Trade and Tariff Act of 1984, Pub. L. 98-573, 98 Stat. 3018 et seq. The President's authority has expired and been renewed several times since then, as summarized later in this section. Trinidad and Tobago was graduated from GSP on January 1, 2010, because of its higher per capita income. St. Kitts and Nevis graduated from the GSP program effective January 1, 2016.

CBERA and GSP are similar in many ways, and many products may enter the United States free of duty under either program at the choice of the importer.[37] Both programs offer increased access to the U.S. market. Like CBERA, GSP requires that eligible imports (1) be imported directly from beneficiaries into the customs territory of the United States, (2) contain a minimum of 35 percent local value content, and (3) meet the double substantial-transformation requirement for any foreign inputs.[38]

However, the programs differ in several ways that make U.S. importers of goods from CBERA countries more likely to enter qualified products under CBERA than under GSP. First, CBERA preferences apply to more tariff categories and products than the GSP program. CBERA extends duty-free or reduced-duty treatment to all tariff categories, except for certain categories excluded by statute (assuming that the imported good meets certain country of origin rules and other requirements). The GSP program, on the other hand, applies only to a more limited number of products in tariff categories that are designated as eligible for duty-free treatment after an interagency review process. For example, certain textile and apparel products are eligible for duty-free treatment under CBERA but not under GSP.

Second, CBERA beneficiary countries are not subject to the competitive-need limitations and country-income graduation requirements set by GSP. Under GSP, products that exceed a specified level of market penetration in the United States (the competitive-need limitation) may be excluded from GSP eligibility.[39] Products so restricted may continue to enter free of duty under CBERA. Moreover, a country may lose all of its GSP privileges once its per capita income grows beyond a specified amount,[40] but it would retain its CBERA eligibility, because there are no income limits in CBERA.

Third, CBERA qualifying rules for individual products are different from those of GSP. GSP requires that 35 percent of the value of the product be added in a single beneficiary country or in a specified association of eligible GSP countries,[41] whereas CBERA allows the value to come from any or all of the countries covered by CBERA (including former CBERA beneficiaries), as well as from limited U.S. content.

Fourth, the President's authority to provide duty-free and reduced-duty treatment to products covered by the original CBERA is not time limited, whereas the President's authority to provide duty-free treatment under GSP is time limited and has in fact expired many times over the life of the program, with the gaps between expiration and renewal ranging from one month to nearly two years.[42] For example, the President' authority to provide duty-free treatment under the GSP program expired on

[37] With the exception of 11 tariff lines, none of the products excluded from permanent CBERA provisions is eligible for normal GSP treatment. A limited number of products excluded from permanent CBERA provisions—mostly canned tuna and petroleum and petroleum products—are eligible for GSP treatment if they originate in least-developed GSP beneficiary countries. Haiti is the only such least-developed country among CBERA countries, and does not produce those products.

[38] Both the CBERA and the GSP programs use a "double substantial transformation" rule, which involves transforming an imported product into a new or different product that, in turn, becomes the constituent material used to produce a second new or different final product in the beneficiary country.

[39] A beneficiary developing country loses GSP benefits for an eligible product when U.S. imports of the product exceed the competitive-need limitation, which is defined as either a specific value that is adjusted each year ($175 million in 2016) or 50 percent of the value of total U.S. imports of the product in the preceding calendar year. 19 U.S.C. 2463(c)(2); USTR, *U.S. Generalized System of Preferences (GSP) Guidebook*, December 2012, 11.

[40] See 19 U.S.C. 2462(e).

[41] See 19 U.S.C. 2463(a)(2)(A)(ii).

[42] See USITC, *The Impact of Caribbean Basin Economic Recovery Act, Seventeenth Report, 2003–2004*, September 2005, 1-8.

December 21, 2010.[43] It was renewed retroactively on October 21, 2011, through July 31, 2013, after which it expired once again.[44] Effective July 29, 2015, GSP was extended through December 31, 2017, with a retroactive refund of duties paid on imports from all countries eligible for GSP at the time of the lapse.[45]

Importers of goods from CBERA countries that are eligible for duty-free treatment under both programs have always had the option to enter these goods under either program. Because of the periodic lapses in the President's authority to grant duty-free treatment under GSP, Caribbean Basin suppliers generally have preferred to enter such dual-eligible goods under CBERA.[46]

Caribbean Basin Trade Partnership Act

The United States-Caribbean Basin Trade Partnership Act (CBTPA), enacted May 18, 2000, expanded the CBERA program in several significant respects.[47] Additional modifications and clarifications were made in the Trade Act of 2002, enacted August 6, 2002.[48] CBTPA became effective on October 2, 2000, as a transitional measure through September 30, 2008, or until the entry into force of the Free Trade Area of the Americas—a proposed Pan-American free trade agreement (FTA)—or any comparable FTA between the United States and individual CBERA countries. As noted previously, in May 2010 CBTPA was extended to September 30, 2020.

CBTPA represents the first time the United States has authorized duty-free treatment for imports of qualifying cotton, wool, and manmade-fiber apparel classified in HTS chapters 61 and 62 from CBERA countries. Key apparel provisions are summarized in table 1.2. For the most part, these CBTPA apparel goods must be made wholly of U.S. or CBERA-regional inputs and assembled in an eligible CBTPA country listed in chapter 98 of the HTS. The CBTPA also extended preferential treatment to a number of other products previously excluded from CBERA, including petroleum and petroleum products, certain tuna, certain footwear, and certain watches and watch parts. The rates of duty for these products are identical to those accorded to like goods from Mexico, under the same rules of origin applicable under NAFTA found in HTS general note 12. CBTPA also provided duty-free treatment for textile luggage assembled from U.S. fabrics made of U.S. yarns.[49]

[43] Pub. L. 111-124.
[44] Pub. L. 112-40.
[45] Pub. L. 114-27.
[46] See USITC, *Caribbean Basin Economic Recovery Act Impact on U.S. Industries and Consumers, Thirteenth Report, 1997,* and *Andean Trade Preference Act Impact on U.S. Industries and Consumers, Fifth Report*, 1997, September 1998, 22–23.
[47] See Trade and Development Act of 2000 (Pub. L. 106-200, title II).
[48] See Trade Act of 2002 (Pub. L. 107-210).
[49] See HTS 9820.11.21.

Table 1.2: Textiles and apparel made in CBERA countries that are eligible for duty-free entry under CBTPA, as amended by the Trade Act of 2002.

Brief description of article, with HTS code[a]	Brief description of criteria and related information
Apparel assembled from U.S.-formed and -cut fabric (HTS 9802.00.8044) Apparel assembled from U.S.-formed and -cut fabric that underwent further processing, such as embroidering or stone-washing (9820.11.03)	Unlimited duty-free treatment. Fabric must be made wholly of U.S. yarn and cut or knit-to-shape in the United States. Fabric, whether knit or woven, must be dyed, printed, and finished in the United States.
Apparel cut and assembled from U.S. fabric, knit and woven (HTS 9820.11.06) Apparel cut and assembled from U.S. fabric, knit (HTS 9820.11.18)	Unlimited duty-free treatment. Fabric must be made wholly of U.S. yarn. Fabric, whether knit or woven, must be dyed, printed, and finished in the United States. Apparel must be sewn together with U.S. thread.
Certain apparel of "regional knit fabrics"—includes apparel knit to shape directly from U.S. yarn (other than socks) and knit apparel cut and assembled from regional fabrics or regional and U.S. fabrics Knit apparel except outerwear T-shirts (HTS 9820.11.09) Outerwear T-shirts (HTS 9820.11.12)	Fabric must be made wholly of U.S. yarn. Preferential treatment subject to the following "caps" that became permanent in October 2010: HTS 9820.11.09: 970 million SMEs. HTS 9820.11.12: 12,000,000 dozen.
Brassieres cut and assembled in the United States and/or the region from U.S. fabric (HTS 9820.11.15)	Producer must satisfy rule that, in each of seven one-year periods starting on October 1, 2001, at least 75 percent of the value of the fabric contained in the firm's brassieres in the preceding year was attributed to fabric components formed in the United States (the 75 percent standard rises to 85 percent for a producer found by U.S. Customs to have not met the 75 percent standard in the preceding year).
Textile luggage assembled from U.S.-formed and -cut fabric (HTS 9802.00.8046) or from U.S.-formed fabric cut in eligible CBTPA countries (HTS 9820.11.21)	Fabric must be made wholly of U.S. yarn.
Socks in which the sock toes are sewn together (HTS 6115.94.00; 6115.95.60; 6115.95.90; 6115.96.60; 6115.96.90; 6115.99.14; 6115.99.19; 6115.99.90)	Knit to shape in the United States.
Apparel cut and assembled in eligible CBTPA countries, otherwise deemed to be "originating goods" under NAFTA rules of origin in HTS general note 12(t) but containing fabrics or yarns determined under Annex 401 to the NAFTA as being not available in commercial quantities (in "short supply") in the United States (HTS 9820.11.24)	The fabrics and yarn include fine-count cotton knitted fabrics for certain apparel; linen; silk; cotton velveteen; fine-wale corduroy; Harris Tweed; certain woven fabrics made with animal hairs; certain lightweight, high-thread-count polyester/cotton woven fabrics; and certain lightweight, high-thread-count broadwoven fabrics in production of men's and boys' shirts.[b]
Apparel cut and assembled from additional fabrics or yarns designated as not available in commercial quantities in the United States (HTS 9820.11.27)	On request of an interested party, the President may proclaim preferential treatment for apparel made from additional fabrics or yarn if the President determines that such fabrics or yarn cannot be supplied by the domestic industry in commercial quantities in a timely manner.[c]
Handloomed, handmade, and folklore articles (HTS 9820.11.30)	Must be certified as such by exporting country under an agreement with the Office of Textiles and Apparel (OTEXA), U.S. Department of Commerce.

Source: CBTPA, as amended by the Trade Act of 2002.
Note: SME = square meter equivalent.

[a] Includes articles ineligible for duty-free treatment under the 1983 CBERA (those of cotton, wool, and manmade fibers). The tariff provisions appear in subchapter XX of chapter 98 of the HTS.

[b] See U.S. House of Representatives, Trade and Development Act of 2000: Conference Report to Accompany H.R. 434, 106th Cong., 2d sess., H. Rept. 106-606, 77, which explains a substantially identical provision of the African Growth and Opportunity Act that is contained in CBTPA.

[c] Since the implementation of the Dominican Republic-Central America-United States Free Trade Agreement (CAFTA-DR) beginning in 2006, the USITC has not provided any advice under the "commercial availability" provisions of the CBTPA. Note that CAFTA-DR parties (treated as "former CBTPA beneficiary countries") accounted for about 95 percent of U.S. imports of textiles and apparel under the CBTPA.

HOPE and HELP Acts

Since 2006, CBERA has been amended three times to expand and enhance trade benefits for Haiti and to give Haitian apparel producers more flexibility in sourcing yarns and fabrics.[50] The first of the three amendments, in effect since March 20, 2007, is also known as the Haitian Hemisphere Opportunity through Partnership Encouragement Act of 2006 (HOPE I).[51] HOPE I provided duty-free treatment for a limited amount of apparel imported from Haiti if at least 50 percent of the value of inputs and/or costs of processing (e.g., assembling an entire garment or knitting it to shape) came from Haiti, the United States, or any country that is an FTA partner with the United States or is a beneficiary of specified U.S. trade preference programs (see box 1.1).[52] The percentage requirements for the value of inputs originating in the countries described above were increased in subsequent years, reaching 60 percent through December 20, 2011.[53]

[50] Apparel manufacturing is considered a key to Haiti's economic growth and currently accounts for 50 percent of Haiti's formal employment. Every 10,000 square meter equivalents (SMEs) in Haitian apparel production reportedly creates 1,500 jobs. Representative of Haitian CTMO-HOPE Secretariat, telephone interview by USITC staff, January 9, 2015.

[51] Pub. L. 109-432, sect. 5001 et seq.

[52] CBTPA, the African Growth and Opportunity Act, and the Andean Trade Promotion and Drug Eradication Act are the specified trade preference programs.

[53] To allow more flexibility in sourcing for Haitian apparel manufacturers, HOPE I also authorized duty-free treatment for three years for a specified quantity of woven apparel imports from Haiti made from fabrics produced anywhere in the world. It also included a single-transformation rule of origin for apparel articles entering under HTS 6212.10 (brassieres), which allows the components of these garments to be sourced from anywhere as long as the garments are both cut and sewn or otherwise assembled in Haiti. For more details see USITC, *The Impact of the Caribbean Basin Economic Recovery Act, Nineteenth Report, 2007–2008,* September 2009.

Box 1.1: Comparison of the rules of origin for apparel under CBTPA, the HOPE Acts, and the HELP Act[a]

In general, apparel imported into the United States under CBTPA must be made from U.S. yarn that is made into fabric in either the United States or a beneficiary country. The approach of HOPE I is to allow inputs from nonbeneficiary countries, as long as a portion of the value-added content of the garment is from Haiti, the United States, or other beneficiary countries. The value-added requirement increases in subsequent years of the act. Both programs allow certain exceptions, as noted below. Amendments under HOPE II allow for coproduction arrangements between Haiti and the Dominican Republic and indirect shipment to the United States as permitted under the CBTPA. The HELP Act expands and extends existing U.S. trade preferences for Haiti (especially duty-free treatment for certain qualifying apparel) established under the CBTPA and the HOPE Acts.

CBTPA: Requirements concerning origin of inputs and processes, value added, and quantitative limits

Article	Yarn	Fabric	Cutting	Assembly	Value added	Quantitative limit
Apparel	U.S.	U.S.	U.S./CBTPA[b]	CBTPA	No	No
Knit apparel	U.S.	U.S. or CBTPA	CBTPA	CBTPA	No	Yes
T-shirts	U.S.	CBTPA	CBTPA	CBTPA	No	Yes
Brassieres	Any country	U.S. (75%)	U.S./CBTPA	U.S./CBTPA	No	No
Apparel of yarns/fabrics in short supply[c]	Any country	Any country	CBTPA	CBTPA	No	No

HOPE/HELP Acts: Requirements concerning origin of inputs and processes, value added,[d] and quantitative limits

Article	Yarn	Fabric	Cutting	Assembly	Value added	Quantitative limit
Apparel	Any country	Any country	Any country	Haiti	50% or more beneficiary country contentd	Yes
Knit apparel[e]	U.S.	Any country	Any country	Haiti	No	Yes
Woven apparel	Any country	Any country	Any country	Haiti	No	Yes
Brassieres	Any country	Any country	Haiti/U.S.	Haiti/U.S.	No	No[f]
Certain non-apparel textile goods (luggage, towels, and bedspreads and quilts)	Any country	Any country	Haiti	Haiti	No	No
Apparel of yarns/fabrics in short supply[g]	Any country	Any country	Haiti	Haiti	No	No

[a] The tariff provisions are set forth in subchapter XX of chapter 98 of the HTS.

[b] The use of U.S. thread is also required if the articles are cut and sewn or otherwise assembled in one or more CBTPA countries.

[c] If a fiber, yarn, or fabric has been determined to be not commercially available in the United States or CBTPA beneficiary countries, apparel using the product may still qualify for duty-free treatment.

[d] As noted in the discussion of HOPE I, the value-added requirement increased from 50 percent to 55 percent in year 4 of the HOPE I act, and then to 60 percent in year 5 of the act. Beneficiary countries include the United States, Haiti, and any country with which the United States has an FTA or preferential trading arrangement.

[e] Certain types of knit apparel (e.g., men's and boys' T-shirts, sweatshirts) do not qualify—generally they are given preferential treatment under CBTPA.

[f] As long as the brassieres (as well as luggage, headwear, and certain sleepwear) are wholly assembled or knit to shape in Haiti.

[g] Under HOPE I/HOPE II/HELP, if a fiber, yarn, or fabric has been determined to be not commercially available under any free trade agreement or preference program, apparel using the product may still qualify for duty-free treatment.

On May 22, 2008, Congress further amended CBERA by enacting the Haitian Hemispheric Opportunity through Partnership Encouragement Act of 2008 (HOPE II).[54] HOPE II amended the special provisions for apparel and other textiles from Haiti in section 213 (b) of CBERA, including provisions specified by HOPE I. On September 30, 2008, the President issued a proclamation to implement the tariff treatment for apparel and textiles under HOPE II.[55] The tariff treatment under HOPE II was designed to address concerns raised about HOPE I, such as the limited duration of the legislation's benefits, which could deter investment, and HOPE I's complexity and ambiguity, which reportedly delayed and discouraged the use of the trade benefits.[56] HOPE II provided additional ways, under simplified rules, that Haitian apparel might qualify for duty-free treatment. It also authorized a new capacity-building and monitoring program in the apparel sector, known as the Technical Assistance Improvement and Compliance Needs Assessment and Remediation Program, to benefit Haitian workers with training and worksite safety programs.[57]

The principal provisions in HOPE II relating to apparel and textile trade with Haiti are as follows:[58] (1) most apparel preferences provided for in HOPE I were extended for 10 years until September 30, 2018; (2) the existing value-added rule (now capped at 60 percent)[59] was retained until the original five-year expiration date, but the quantitative cap was changed to 1.25 percent of total U.S. apparel imports for the duration of the provision; (3) the cap for woven apparel in HOPE I was expanded from 50 million square meter equivalents (SMEs) to 70 million SMEs; (4) a new knit apparel cap of 70 million SMEs was created, subject to exclusions for certain men's/boys' T-shirts and sweatshirts; (5) an uncapped benefit for certain articles (brassieres, textile luggage, headwear, and certain sleepwear) was created for apparel wholly assembled or knit to shape in Haiti, regardless of the source of the inputs; (6) an uncapped benefit was created for apparel wholly assembled or knit to shape in Haiti that meets a "3 for 1" earned import allowance requirement (i.e., for every 3 SMEs of qualifying fabric[60] purchased for apparel production by producers in Haiti, a 1-SME credit was received that can be used in the manufacture of apparel using non-qualifying fabric; the latter may enter the United States free of duty and not be subject to quantitative limitations); (7) an uncapped benefit was created for apparel made from non-U.S. fabrics deemed to be in "short supply"; and (8) direct shipment from and co-production in the Dominican Republic was allowed.

CBERA was amended a third time when the President, on May 24, 2010, signed the HELP Act into law.[61] The principal aim of the HELP Act was to aid in Haiti's recovery from a major earthquake in January 2010 and to offer additional incentives to make it more cost effective for U.S. companies to import apparel from Haiti.[62] The HELP legislation expanded existing programs under the CBTPA and HOPE Acts and

[54] Pub. L. 110–234, § 15401 et seq.
[55] 73 *Fed. Reg.* 57475 (October 3, 2008).
[56] USITC, *Textiles and Apparel: Effects of Special Rules for Haiti on Trade Markets and Industries, June 2008,* 3–9 to 3–10.
[57] Pub. L. 110–234, § 15403.
[58] Contained in HOPE II amendments to § 213A(b) of CBERA.
[59] See the description of HOPE I above.
[60] Fabric qualifies if it is from the United States from U.S. FTA partners or certain trade preference program beneficiary countries.
[61] Pub. L. 111–171, § 2, Haiti Economic Lift Program Act of 2010 (HELP Act).
[62] White House, "The United States Government's Haiti Earthquake Response," June 25, 2010.

established new preferences, with unlimited duty-free treatment for certain knit apparel and certain home goods.[63]

Key provisions under the HELP Act include (1) extension of CBTPA and the HOPE Acts through September 30, 2020; (2) provision of duty-free treatment for additional textile and apparel products that are wholly assembled or knit to shape in Haiti, regardless of the origin of the inputs (as cited above); (3) increases in the respective tariff preference levels under which certain Haitian knit and woven apparel products may receive duty-free treatment, regardless of the origin of inputs, from 70 million to 200 million SMEs; (4) liberalization of the earned import allowance rule by allowing the duty-free importation of 1 SME of apparel wholly assembled or knit to shape in Haiti, regardless of the origin of the inputs, for every 2 SMEs (previously it was 1 for every 3 SMEs) of qualifying imported fabric from the United States; and (5) extension of duty-free treatment until one of three dates: December 20, 2015, for apparel wholly assembled or knit to shape in Haiti with at least 50 percent of the value attributable to Haiti, the United States, or a U.S. FTA partner or preference program beneficiary ("qualifying countries"); December 20, 2017, for Haitian apparel with at least 55 percent of the value from qualifying countries; and December 20, 2018, for Haitian apparel with at least 60 percent of the value of the inputs from qualifying countries. On June 29, 2015, the President signed into law Public Law 114-27, the Trade Preferences Extension Act of 2015, which extends preferential access provided under the HOPE and HELP programs through September 20, 2025.

[63] The new classifications added to the HTS were HTS subheading 9820.61.45 (certain apparel articles) and HTS subheading 9820.63.05 (certain made-up textiles articles). Articles produced in Haiti imported under these HTS numbers can enter the United States free of duty regardless of the source of the fabric, fabric components, components knit to shape, or yarns from which the articles are made.

Chapter 2
Economic Impact of CBERA on U.S. Industries and Consumers

This chapter reports on the economic impact of CBERA on U.S. industries and consumers in 2015–16. It includes the Commission's assessment of the program's actual effect during that period on the U.S. economy generally, as well as on those specific domestic industries which produce articles that are like or directly competitive with articles being imported into the United States from beneficiary countries. It also includes the Commission's assessment of the probable future effect which the Act will have on the U.S. economy generally, as well as on such domestic industries, before the Act terminates. The assessment of CBERA's probable future effect is based on information about overall investment trends and CBERA-related investment in the beneficiary countries. Most of this investment information has been collected from international sources such as the United Nations, augmented by information obtained from U.S. embassies in the CBERA countries.

Overall Impact

The overall impact of CBERA-exclusive imports on the U.S. economy and on U.S. industries and consumers continued to be negligible in 2016. The five leading CBERA-exclusive imports in 2016 were methanol (methyl alcohol), knitted cotton T-shirts, light crude petroleum, polystyrene, and knitted cotton sweaters and pullovers. Despite lower U.S. imports in 2015 and 2016, methanol imports remained the only U.S. industry for which CBERA-exclusive imports may have displaced approximately 5 percent of the value of U.S. production in 2016. The decline in U.S. imports of methanol from CBERA countries mainly reflected decreased competitiveness of methanol from Trinidad and Tobago and lower demand for it, due to a drop in the cost of U.S. methanol production.[64]

In assessing the probable future effect of CBERA, the Commission analyzed 2015–16 CBERA-related investment and investment trends in the CBERA countries for the near-term production and export of CBERA-eligible products. This analysis indicates that 2015–16 investment is unlikely to generate U.S. imports that will have a measurable economic impact on U.S. consumers and producers, as CBERA countries generally are, and are likely to remain, small suppliers relative to the U.S. market. CBERA likely had its largest effects on the U.S. economy in the past, shortly after the program's implementation in 1984 and shortly after implementation of each of the major enhancements to CBERA; even these effects were minimal. Moreover, information available to the Commission indicates that investment in CBERA countries in recent years has focused primarily on service sectors rather than on the production of CBERA-eligible goods for export to the United States. Government officials in selected Caribbean countries indicated that the countries' lack of resources precluded efforts to either boost existing exports of goods or to diversify into new ones. The officials indicated that their countries have been

[64] For further details, see chapter 4 and the section "Highlights of U.S. Industries Most Affected by CBERA" later in this chapter.

pursuing policies to support their service sector exports, such as medical tourism and financial services.[65]

Impact of CBERA on the U.S. Economy in 2015–16

Since its implementation, CBERA has had a negligible effect on the U.S. economy. During 2015–16, the actual effect of CBERA on the U.S. economy generally and on U.S. domestic industries producing articles like or directly competitive with articles imported into the United States from beneficiary countries continued to be negligible. This was mainly because the value of U.S. imports entered under CBERA remained small. In 2016, U.S. imports under CBERA amounted to 0.005 percent of U.S. gross domestic product (GDP) and 0.04 percent of total U.S. imports (table 2.1). Also, the total value of U.S. imports from CBERA countries continued to shrink in 2016, reaching 0.2 percent of total U.S. imports.

Table 2.1: U.S. imports for consumption from CBERA countries, 2012–16

Year	U.S. imports from CBERA countries	CBERA countries' share of U.S. imports from the world	U.S. imports under CBERA	Share of U.S. imports under CBERA in total U.S. imports from CBERA countries	Share of U.S. imports under CBERA in total U.S. imports from the world
	Value (million $)	Percent	Value (million $)	Percent	Percent
2012	11,956.9	0.5	3,137.4	26.2	0.14
2013	8,936.9	0.4	2,369.1	26.5	0.11
2014	8,495.9	0.4	1,973.3	23.2	0.08
2015	7,061.5	0.3	1,541.8	21.8	0.07
2016	5,342.8	0.2	875.7	16.4	0.04

Source: Compiled from official statistics of the U.S. Department of Commerce (USDOC) (accessed May 8, 2017). Data reflect all official USDOC revisions for 2012–16 as of that date.

Note: Data on U.S. imports from CBERA countries include U.S. imports from Panama through October 2012. Data for 2012 include U.S. imports from Panama only for the period when Panama was still eligible for CBERA benefits before the U.S.-Panama Trade Promotion Agreement (TPA) entered into force on October 31, 2012.

[65] See chapter 4 for details.

As noted earlier, in evaluating the impact of CBERA, the Commission considered U.S. imports that can receive preferential treatment only under CBERA—CBERA-exclusive imports. Since many CBERA-eligible products are also eligible for duty-free entry under the Generalized System of Preferences (GSP), these products were excluded from the analysis.[66]

The following section (1) identifies products that benefited exclusively from CBERA, and (2) presents quantitative estimates of the impact of CBERA on U.S. consumers; on the U.S. Treasury, as measured through tariff revenues; and on U.S. industries whose products compete with CBERA imports, as measured by domestic shipments.

Products That Benefited Exclusively from CBERA in 2016

In 2016, more than 85 percent of U.S. imports from CBERA countries entered duty free, but only 14.9 percent of imports from CBERA countries were imports that were eligible to enter duty free only under CBERA provisions (table 2.2). In 2016, the value of CBERA-exclusive U.S. imports was $794.4 million, a sharp decline of 44.2 percent from 2015.[67]

[66] Because the President's authority to provide tariff preferences to eligible goods under the original CBERA legislation is not subject to an expiration date, products from CBERA beneficiary countries that are also eligible for GSP can continue to enter the United States free of duty even when GSP preferences have lapsed. This fact makes investment in such products more attractive than would be the case in the absence of CBERA. Investment that depends solely on GSP for duty-free preferences is often viewed as riskier because of the uncertainties surrounding the periodic renewals of GSP. In addition, U.S. imports of certain products from particular countries may exceed competitive need limitations under GSP for that country, making the product ineligible for GSP benefits. However, least-developed-country beneficiaries of GSP, including Haiti, are not subject to competitive need limitations. As noted in chapter 1, the President's authority to provide duty-free treatment under the GSP program most recently expired on July 31, 2013. Effective July 29, 2015, GSP was extended through December 31, 2017, with retroactive refund of duties paid for all countries eligible for GSP at the time of the lapse.

[67] Refer to chapter 4 for details on imports under CBERA.

Table 2.2: U.S. imports for consumption from CBERA countries, by special import program and rate provision status, 2012–16[a]

	2012	2013	2014	2015	2016
	Million $				
NTR					
Dutiable[b]	2,597.6	1,149.1	1,147.7	629.0	780.1
Duty free[c]	6,169.8	5,401.5	5,372.8	4,878.1	3,659.1
Imports entered under CBERA provisions[d]	3,137.4	2,369.1	1,973.3	1,541.8	875.7
Imports that benefited exclusively from CBERA provisions[e]	3,050.0	2,270.5	1,884.1	1,422.9	794.4
GSP	38.1	16.6	1.3	11.7	27.9
Other	14.0	0.5	0.9	0.8	0.0
Total	11,956.9	8,936.9	8,495.9	7,061.5	5,342.8
	Percent of total				
NTR					
Dutiable[b]	21.7	12.9	13.5	8.9	14.6
Duty free[c]	51.6	60.4	63.2	69.1	68.5
Imports entered under CBERA provisions[d]	26.2	26.5	23.2	21.8	16.4
Imports that benefited exclusively from CBERA provisions[e]	25.5	25.4	22.2	20.1	14.9
GSP	0.3	0.2	0.0	0.2	0.5
Other	0.1	([f])	([f])	([f])	([f])
Total	100.0	100.0	100.0	100.0	100.0

Source: Compiled from official statistics of the U.S. Department of Commerce (USDOC) (accessed May 8, 2017). Data reflect all official USDOC revisions for 2012–15 as of that date.

Note: Data on U.S. imports from CBERA countries include U.S. imports from Panama through October 2012. Data for 2012 include U.S. imports from Panama only for the period during which Panama was eligible for CBERA benefits before the U.S.-Panama TPA entered into force on October 31, 2012. The Netherlands Antilles no longer exists, but CBERA trade is reported for one portion of the Netherlands Antilles that includes Curaçao.

[a] The rate provision status listing under normal trade relations (NTR) breaks out U.S. import data by whether imports are subject to duty (dutiable) or not subject to duty (duty free), regardless of whether duties were actually collected on the merchandise in question. The vast majority of U.S. imports claiming benefits under CBERA/CBTPA and other special import programs were classified as duty free, so data are based on the rate provision status of imports under the special import provisions. NTR duty-free imports include U.S. imports from CBERA countries under the HOPE/HELP Acts.

[b] Includes a small amount of imports subject to other duty rates.

[c] Includes a small amount of imports that enter duty free under other provisions.

[d] Refer to U.S. imports entered under the CBERA program but which are eligible to enter under other programs such as GSP.

[e] U.S. imports that benefited exclusively from CBERA provisions are imports that could only receive preferential entry under CBERA.

[f] Less than 0.1 percent.

The 20 leading CBERA-exclusive imports are shown in table 2.3; these represent 96.7 percent of the total CBERA-exclusive imports. The five leading CBERA-exclusive imports in 2016 were methanol (methyl alcohol), knitted cotton T-shirts, light crude petroleum, knitted cotton sweaters and pullovers, and polystyrene. These five imports accounted for about 88 percent of the value of the 20 leading items in 2016, with methanol alone accounting for more than 30 percent.

Table 2.3: Leading CBERA-exclusive products, value of U.S. imports in 2016 (thousand dollars)

HTS number	Description	Landed duty-paid value of total U.S. imports	Landed duty-paid value of imports under CBERA preferences
2905.11.20	Methanol (methyl alcohol), other than imported only for use in producing synthetic natural gas (SNG) or for direct use as fuel	601,705	296,254
6109.10.00	T-shirts, singlets, tank tops and similar garments, knitted or crocheted, of cotton	4,264,797	210,157
2709.00.20	Petroleum oils and oils from bituminous minerals, crude, testing 25 degrees A.P.I. or more	32,776,107	90,634
6110.20.20	Sweaters, pullovers and similar articles, knitted or crocheted, of cotton, n.e.s.o.i.	7,979,751	85,792
3903.11.00	Polystyrene, expandable, in primary forms	317,664	69,031
2106.90.99	Food preparations not elsewhere specified or included, not canned or frozen	2,018,945	16,253
2933.61.00	Melamine	54,460	12,703
6109.90.10	T-shirts, singlets, tank tops and similar garments, knitted or crocheted, of manmade fibers	2,133,855	12,058
2103.90.90	Sauces and preparations therefor, n.e.s.o.i.	682,286	8,477
2009.19.00	Orange juice, not frozen, of a Brix value exceeding 20, unfermented	184,943	6,615
2009.11.00	Orange juice, frozen, unfermented and not containing added spirit	382,098	5,089
8504.31.40	Electrical transformers other than liquid dielectric, having a power handling capacity less than 1 kVA	259,347	3,834
0807.20.00	Papayas (papaws), fresh	133,593	3,680
2202.10.00	Waters, including mineral waters and aerated waters, containing added sugar or other sweetening matter or flavored	2,226,160	2,837
0406.30.24	Cheddar cheese, processed, not grated or powdered, subject to add US note 18 to ch. 4	2,622	2,610
2208.40.20	Rum and tafia, in containers each holding not over 4 liters, valued not over $3/proof liter	11,342	2,374
0812.90.90	Fruit and nuts n.e.s.i., including mixtures containing nuts, provisionally preserved, but not for immediate consumption	2,704	1,998
2308.00.98	Vegetable materials and vegetable waste, vegetable residues and byproducts, of a kind used in animal feeding, n.e.s.o.i.	39,820	1,930
6110.30.30	Sweaters, pullovers and similar articles, knitted or crocheted, of manmade fibers, n.e.s.o.i.	7,015,241	1,863
1704.90.35	Sugar confections or sweetmeats ready for consumption, not containing cocoa, other than candied nuts or cough drops	1,646,322	1,642

Source: Compiled from official statistics of the U.S. Department of Commerce (USDOC) (accessed June 6, 2017).
Note: The abbreviations n.e.s.i. and n.e.s.o.i. = "not elsewhere specified or included."

Economic Impact of CBERA on U.S. Industries and Consumers in 2015–16

Although a large number of products were eligible for tariff preferences under CBERA during 2015–16, a relatively small group accounted for most of the CBERA-exclusive imports during that period. Table 2.3 presents the 20 leading CBERA-exclusive products from CBERA countries in 2016.[68] They are selected and ranked on the basis of the landed duty-paid import values of goods entering under CBERA preferences. For the 20 leading CBERA-exclusive products, the Commission used a partial equilibrium model to estimate the effects of the CBERA preferences on U.S. consumer welfare, tariff revenues, and domestic shipments. The technical details of this economic model are given in appendix B.[69]

Estimates of potential displacement effects on U.S. industry were small. Only one industry—methanol—had an upper estimate of displacement of close to 5.0 percent, the cutoff traditionally used in this series for selecting industries for further analysis (presented below). On the other hand, a number of U.S. producers benefited from CBERA preferences because they supplied inputs to apparel assembled in CBERA countries.

For any particular product, the size of the U.S. market share accounted for by CBERA-exclusive imports is a major factor in determining the imports' estimated impact on competing domestic producers.[70] (This market share is the ratio of the value of CBERA-exclusive imports to total apparent U.S. consumption of that product.) Market shares for these 20 products varied considerably in 2016. For instance, the market share of CBERA-exclusive imports of methanol was approximately 21 percent, whereas the market shares of CBERA-exclusive imports of many other goods, such as petroleum products, were less than 1 percent.

Estimated Impact on U.S. Consumers

For each of the 20 leading CBERA-exclusive imports, table 2.4 reports apparent U.S. consumption and gives an estimate of the effect of the CBERA preferences on U.S. consumer welfare. This estimate is reported as an equivalent variation[71] measure based on the difference between the actual prices of the imports in 2016 and the model's estimates of the prices that would have prevailed in the absence of the CBERA preferences, reflecting applicable normal trade relations (NTR) rates. The assumption in the model about the size of the elasticity of substitution (ES) between CBERA-exclusive imports, non-CBERA imports, and corresponding domestic products is set to ensure that the model shows maximum effects.[72] The ES is a measure of how much demand shifts among the different types of products (the two types of imports and the domestic products) in response to the change in their relative prices. An ES

[68] For modeling purposes, the USITC focused on 2016, but the data for 2015 are largely the same. Chapter 4 describes trade data for 2015 and 2016.
[69] Also, chapter 1 includes a description of the economic model used in the analysis.
[70] Other factors include the tariff rate and the degree of substitutability among beneficiary imports, non-beneficiary imports, and domestic production.
[71] Equivalent variation is a measure of income that would be equivalent to the cost to consumers of reimposing tariffs.
[72] The ES used in the partial equilibrium models is consistent with the economics literature, as discussed in chapter 1.

of 5, as assumed in this report, means that different types of products are similar in the eyes of consumers and readily substitutable for each other.

Table 2.4: Estimated effect of CBERA preferences on U.S. consumer welfare in 2016 (thousand dollars)

HTS number	Description	Apparent consumption	Effect on consumer welfare if ES = 5
2905.11.20	Methanol (methyl alcohol), other than imported only for use in producing synthetic natural gas (SNG) or for direct use as fuel	1,447,512	12,918
6109.10.00	T-shirts, singlets, tank tops and similar garments, knitted or crocheted, of cotton	4,879,826	24,047
2709.00.20	Petroleum oils and oils from bituminous minerals, crude, testing 25 degrees A.P.I. or more	154,708,559	212
6110.20.20	Sweaters, pullovers and similar articles, knitted or crocheted, of cotton, n.e.s.o.i.	8,270,410	9,721
3903.11.00	Polystyrene, expandable, in primary forms	1,077,625	3,761
2106.90.99	Food preparations not elsewhere specified or included, not canned or frozen	21,681,312	853
2933.61.00	Melamine	143,571	393
6109.90.10	T-shirts, singlets, tank tops and similar garments, knitted or crocheted, of manmade fibers	2,285,527	2,009
2103.90.90	Sauces and preparations therefor, n.e.s.o.i.	5,023,825	452
2009.19.00	Orange juice, not frozen, of a Brix value exceeding 20, unfermented	208,343	910
2009.11.00	Orange juice, frozen, unfermented and not containing added spirit	432,098	700
8504.31.40	Electrical transformers other than liquid dielectric, having a power handling capacity less than 1 kVA	630,025	208
0807.20.00	Papayas (papaws), fresh	134,593	150
2202.10.00	Waters, including mineral waters and aerated waters, containing added sugar or other sweetening matter or flavored	61,869,180	65
0406.30.24	Cheddar cheese, processed, not grated or powdered, subject to additional US note 18 to ch. 4	1,322,622	288
2208.40.20	Rum and tafia, in containers each holding not over 4 liters, valued not over $3/proof liter	31,542	158
0812.90.90	Fruit and nuts n.e.s.i., including mixtures containing nuts, provisionally preserved, but not for immediate consumption	22,604	0
2308.00.98	Vegetable materials and vegetable waste, vegetable residues and byproducts, of a kind used in animal feeding, n.e.s.o.i.	298,849	25
6110.30.30	Sweaters, pullovers and similar articles, knitted or crocheted, of manmade fibers, n.e.s.o.i.	7,390,601	310
1704.90.35	Sugar confections or sweetmeats ready for consumption, not containing cocoa, other than candied nuts or cough drops	6,465,322	76

Source: Estimated by USITC staff from official statistics of the U.S. Department of Commerce (USDOC) (accessed June 6, 2017).
Note: The abbreviations n.e.s.i. and n.e.s.o.i. = "not elsewhere specified or included." ES = elasticity of substitution. An ES of 5 means that competing products are relatively similar to the CBERA-produced products in the eyes of consumers and hence may fairly easily be substituted for them.

In 2016, T-shirts knitted or crocheted from Haiti provided the largest gain in consumer welfare resulting exclusively from CBERA tariff preferences ($24 million), followed by methanol from Trinidad and Tobago ($12.9 million) (table 2.4). Without CBERA, the price U.S. consumers would have paid for imports of T-shirts and methanol from CBERA countries would have been higher. In general, the CBERA-exclusive

items providing the largest gains in consumer welfare either have the highest NTR tariff rates or reached the highest total values when imported into the United States in 2016, or both.

Estimated Effect on U.S. Domestic Shipments of the 20 Products

Table 2.5 reports the value of U.S. domestic shipments in 2016 for each of the 20 products in the United States and estimates the effect of the CBERA preferences on the value of U.S. shipments. For methanol, CBERA potentially displaced domestic shipments by $31 million.

Overall, the above estimates suggest that the impact of CBERA in 2016 on the U.S. economy, industries, and consumers was minimal—mainly, as mentioned above, because of the very small share of U.S. imports that come from CBERA countries. In particular, estimates of the potential displacement of domestic production were small for most individual sectors.[73] According to the model estimates, only one CBERA-exclusive product—methanol—had any significant potential displacement impact on U.S. producers. This industry is therefore discussed further below.

[73] U.S. market share, tariff rates, and the ES between beneficiary imports and competing U.S. production are the main factors that affect the estimated displacement of U.S. domestic shipments.

Table 2.5: Estimated effect of CBERA preferences on the value of U.S. domestic shipments in 2016 (thousand dollars)

HTS number	Description	Value of U.S. domestic production	Potential reduction in domestic shipments if ES=5
2905.11.20	Methanol (methyl alcohol), other than imported only for use in producing synthetic natural gas (SNG) or for direct use as fuel	1,156,351	30,598
6109.10.00	T-shirts, singlets, tank tops and similar garments, knitted or crocheted, of cotton	768,787	12,213
2709.00.20	Petroleum oils and oils from bituminous minerals, crude, testing 25 degrees A.P.I. or more	130,000,000	670
6110.20.20	Sweaters, pullovers and similar articles, knitted or crocheted, of cotton, n.e.s.o.i.	363,324	1,369
3903.11.00	Polystyrene, expandable, in primary forms	924,065	10,664
2106.90.99	Food preparations not elsewhere specified or included, not canned or frozen	23,000,000	3,095
2933.61.00	Melamine	120,000	980
6109.90.10	T-shirts, singlets, tank tops and similar garments, knitted or crocheted, of manmade fibers	189,591	534
2103.90.90	Sauces and preparations therefor, n.e.s.o.i.	5,500,000	1,561
2009.19.00	Orange juice, not frozen, of a Brix value exceeding 20, unfermented	38,700	411
2009.11.00	Orange juice, frozen, unfermented and not containing added spirit	171,000	325
8504.31.40	Electrical transformers other than liquid dielectric, having a power handling capacity less than 1 kVA	500,000	490
0807.20.00	Papayas (papaws), fresh	10,600	4
2202.10.00	Waters, including mineral waters and aerated waters, containing added sugar or other sweetening matter or flavored	60,000,000	252
0406.30.24	Cheddar cheese, processed, not grated or powdered, subject to additional US note 18 to ch. 4	1,350,000	1,149
2208.40.20	Rum and tafia, in containers each holding not over 4 liters, valued not over $3/proof liter	25,400	407
0812.90.90	Fruit and nuts n.e.s.i., including mixtures containing nuts, provisionally preserved, but not for immediate consumption	21,000	1
2308.00.98	Vegetable materials and vegetable waste, vegetable residues and byproducts, of a kind used in animal feeding, n.e.s.o.i.	260,000	85
6110.30.30	Sweaters, pullovers and similar articles, knitted or crocheted, of manmade fibers, n.e.s.o.i.	469,200	63
1704.90.35	Sugar confections or sweetmeats ready for consumption, not containing cocoa, other than candied nuts or cough drops	5,000,000	227

Source: Estimated by USITC staff from official statistics of the U.S. Department of Commerce (USDOC) (accessed June 6, 2017). Data reflect all official USDOC revisions for 2012–16 as of that date.

Note: The abbreviations n.e.s.i. and n.e.s.o.i. = "not elsewhere specified or included." ES = elasticity of substitution. An ES of 5 means that competing products are relatively similar to the CBERA-produced products in the eyes of consumers and hence may fairly easily be substituted for them.

Highlights of U.S. Industries Most Affected by CBERA

In this series, industries estimated to have displaced approximately 5 percent or more of the value of U.S. domestic production during the previous year are chosen for further analysis. In 2016, as mentioned previously, only one product that benefited exclusively from CBERA met this criterion—methanol from Trinidad and Tobago—although increased U.S. production capacity has dampened U.S. demand for methanol imports, including from Trinidad and Tobago, and is likely to continue to do so.

Methanol

Energy products from Trinidad and Tobago account for a large share of U.S. imports under CBERA. In 2016, Trinidad and Tobago supplied more than 85 percent of the crude petroleum and 100 percent of the methanol imported by the United States under CBERA. Trinidad and Tobago also figures prominently in the methanol industry worldwide. The following section describes methanol trade and production in relation to Trinidad and Tobago and the United States.

Methanol Uses

Natural gas is the primary input used to produce methanol, which in turn is primarily used as a feedstock to manufacture a number of chemicals. Major uses of methanol in the United States include formaldehyde production, acetic acid production, and direct use as a fuel. Formaldehyde resins are used in the production of plywood, particle board, paints, and adhesives. Acetic acid is an input for other intermediate chemicals that go into plastic bottles, paints, adhesives, and synthetic fibers. Direct fuel applications include the manufacture of methyl tertiary-butyl ether (MTBE), tertiary-amyl methyl ether (TAME), dimethyl ether, and biodiesel.[74]

Industry in Trinidad and Tobago

Methanol Holdings (Trinidad) Ltd. (MHTL) and Methanex, through full or partial ownership of production facilities, had the largest methanol production capacities in Trinidad and Tobago in 2016. MHTL has five methanol plants in Trinidad and Tobago with a total capacity of 4.1 million metric tons (mt) per year.[75] Methanex has a global network of methanol production facilities with significant annual capacity, including 2.7 million mt in Trinidad and Tobago, 2.4 million mt in New Zealand, 2.0 million mt in the United States, 1.3 million mt in Egypt, 0.84 million mt in Chile, and 0.57 million mt in Canada.[76]

[74] Sriram, Nash, and Maronneaud, "Methanol (674.5000)," May 2014.
[75] Methanol Holdings (Trinidad) Ltd., http://www.ttmethanol.com/index.php/profile/about.html (accessed May 22, 2017). MHTL announced in 2017 that it will idle two of its smaller plants in Trinidad and Tobago due to government-imposed natural gas curtailments. The shutdowns will temporarily reduce MHTL's capacity by 1 million mt (25 percent). Clark, "Trinidad's MHTL Cutting Methanol Production by 25%," March 6, 2017.
[76] Methanex, https://www.methanex.com/ (accessed May 19, 2017).

U.S. Imports of Methanol

U.S. imports of methanol under HTS 2905.11.20 (methanol other than for use in producing synthetic natural gas or for direct use as a fuel) in 2016 were dutiable at the NTR rate of 5.5 percent ad valorem or were eligible for duty-free or reduced-duty treatment under a number of preferential programs and FTAs, including CBERA. U.S. imports of methanol under HTS 2905.11.10[77] (methanol for use in producing synthetic natural gas or for direct use as a fuel) were subject to an NTR duty rate of free. More than 99 percent of U.S. imports of methanol under HTS 2905.11.20 from Trinidad and Tobago entered under CBERA. Trinidad and Tobago was the only source of methanol to the United States among CBERA beneficiaries during 2015–16. The country became the primary source of U.S. imports of methanol under HTS 2905.11.20 in 1998, and its share of the value of U.S. imports expanded to 72 percent in 2009 before declining steadily to 50 percent in 2016.[78]

The value of total U.S. imports of methanol under HTS 2905.11.20 continued to decline in 2016. Although import levels had been irregularly growing overall since the global recession in 2008–09, in 2015 that trend began to reverse. But as more of the rapidly expanding U.S. production capacity became fully operational in 2016, the value of U.S. imports of methanol under HTS 2905.11.20 from all sources dropped 52 percent to $520 million. U.S. imports of methanol had not been that low since 1999. Concurrently, U.S. import volume fell 28 percent, and unit values fell 33 percent.[79] The value of U.S. methanol imports from Trinidad and Tobago under HTS 2905.11.20 decreased $393 million (60 percent), while the value of U.S. methanol imports from all sources decreased $565 million from 2015 to 2016.[80]

U.S. Demand for Methanol

From its low point in 2009, U.S. demand for methanol steadily increased to 6.8 million mt in 2016 and is projected to continue increasing by 2.8 percent per year through 2018.[81] Methanol use for formaldehyde production, which is driven by the construction industry, and in direct fuel applications are forecast to account for a growing share of U.S. methanol demand.[82]

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[77] The value of total U.S. imports from all sources under HTS 2905.11.10 were less than $100,000 in 2015 and 2016. USITC DataWeb/USDOC.

[78] Venezuela has been the second-largest source of U.S. imports of methanol under HTS 2905.11.20 since 2003, representing 20 percent of U.S. imports by value in 2016. USITC DataWeb/USDOC.

[79] USITC DataWeb/USDOC.

[80] Ibid.

[81] Sriram, Nash, and Maronneaud, "Methanol (674.5000)," May 2014; Preeti Sriram, IHS, email to USITC staff, May 24, 2017.

[82] Sriram, Nash, and Maronneaud, "Methanol (674.5000)," May 2014. Throughout the 1990s, U.S. methanol demand followed the increasing production of MTBE, an octane enhancer in fuels. In 1999, in response to concerns about groundwater contamination, California and other states phased out MTBE in fuel, leading to the decline in methanol demand and MTBE's decreasing relevance to overall methanol demand. California Energy Commission, "Energy Commission MTBE Study Documents Page," February 20, 2004; EIA, "Status and Impact of State MTBE Bans," March 27, 2003 . Currently, U.S. production of MTBE primarily services export markets. Although TAME, one of the fuel additive replacements for MTBE, can also be produced from methanol, the use of methanol to produce TAME was insufficient to fully offset the MTBE-related decline in methanol demand. All U.S. TAME production is estimated to have ceased in 2010, as ethanol has replaced TAME as a fuel oxygenator. Sriram, Nash, and Maronneaud, "Methanol (674.5000)," May 2014; EIA, "MTBE, Oxygenates, and Motor Gasoline," March 6, 2000.

U.S. Production of Methanol

U.S. methanol production increased from 1.0 million mt in 2012 to 5.6 million mt in 2016.[83] U.S. production capacity also grew rapidly, reaching 5.9 million mt in 2016, an increase of 2.2 million mt from 2015. U.S. production capacity is projected to climb to an estimated 12.2 million mt by 2020.[84] During 2010–2014, the majority of U.S. methanol production was for captive consumption;[85] since 2012, however, the amount being sold in the U.S. market has been increasing.[86]

The number of operating U.S. plants fell from 17 in the late 1990s to 4 during 2005–12 before rising to 6 in 2013[87] and to 9 in 2016.[88] That number is expected to continue growing through 2020 at least (table 2.6). During the early 2000s, relatively high North American prices for natural gas (the feedstock) made it unprofitable for many U.S. methanol producers to remain operating, but the abundant and relatively cheap natural gas produced by fracking operations has enabled companies to build or restart facilities along the U.S. Gulf Coast.

Global Methanol Production

Countries with significant natural gas sources of supply, such as Trinidad and Tobago, have transformed the geographic composition of the methanol industry over the last two decades by investing in new, large-scale production facilities to leverage their access to cheap natural gas, the main input for most methanol production processes. These countries not only retain the extra value added but also are able to save on logistical costs, as shipping methanol is cheaper and easier than shipping natural gas.[89]

Table 2.6: Anticipated U.S. methanol production facilities, 2018–20

Production start date	Company name	Location	Facility type	Capacity (thousand mt)
2018	Natgasoline	Texas	Greenfield	1,750
2019	Big Lake Fuels	Louisiana	Greenfield	1,400
2019	Yuhuang Chemical	Louisiana	Greenfield	1,800
2019 or 2020	Celanese/Mitsui II	Texas	Greenfield	1,300

Source: Sriram, Nash, and Maronneaud, "Methanol (674.5000)," May 2014; Preeti Sriram, IHS, email to USITC staff, May 22, 2017.

[83] Sriram, Nash, and Maronneaud, "Methanol (674.5000)," May 2014; Preeti Sriram, IHS, email to USITC staff, May 24, 2017.
[84] Sriram, Nash, and Maronneaud, "Methanol (674.5000)," May 2014.
[85] Ibid.; Marc Laughlin, IHS, telephone interview by USITC staff, July 5, 2013. "Captive consumption" describes a situation in which a company produces an intermediate product and, rather than sell it, uses it internally to produce a downstream product.
[86] See McGaughy, "Louisiana Natural Gas Industry Helps Drive 'Reindustrialization of America,'" November 24, 2012 ; Marc Laughlin, IHS, telephone interview by USITC staff, July 5, 2013.
[87] Sriram, Nash, and Maronneaud, "Methanol (674.5000)," May 2014; Marc Laughlin, IHS, telephone interview by USITC staff, July 5, 2013.
[88] Methanex, "Geismar," https://www.methanex.com/location/north-america/geismar (accessed June 3, 2015); Boswell, "G2X Makes First Methanol Shipments from Pampa Plant," June 1, 2015.
[89] Chemical Economics Handbook, *Methanol Marketing Research Report*, July 2011.

In 2015 and 2016, global methanol production capacity expanded because of new facility construction and the restart or transfer of existing production facilities in China, Southeast Asia, and North America. Most other regions and countries experienced no significant changes.[90]

China is the world's largest methanol producer, consumer, and importer. Growth in each of these categories by China is expected during the next three to five years because of its increased energy demands and abundant reserves of coal (the primary input for Chinese methanol production). North American capacity increased with the 2013 expansion of a Methanex plant in Canada; U.S. plant restarts in 2012, 2013, and 2015; and the transfer of two plants from Chile to the United States in 2014–15.[91]

Methanol Production Capacity and the U.S. Market

Discoveries of natural gas in North America and new gas production technologies have kept the price of that commodity low even after the U.S. economy started recovering from the 2008–09 recession. The lower relative price of natural gas in North America has enabled some idled plants to be reopened and lessened U.S. demand for methanol imports, including those from Trinidad and Tobago under CBERA. Methanex restarted a shuttered Canadian facility in 2011, which will allow Methanex to serve all of the Canadian market's demand and could result in Canada becoming a net exporter by 2017.[92] In 2012, Pandora Methanol restarted an idled Texas methanol facility, and LyondellBasell restarted a separate Texas facility in 2013.[93] Methanex moved two methanol plants from Chile to the United States, with one facility beginning production in 2014 and the other in 2015. In June 2015, G2X Energy announced the first methanol shipments from its small Texas plant.[94] New sources of U.S. methanol production are anticipated in the near term, as listed in table 2.6, and will increasingly lessen U.S. demand for methanol imports, including from Trinidad and Tobago under CBERA.

Although current U.S. production capacity cannot satisfy U.S. demand, the additional production capacity represented by the projects listed above would result in supply exceeding anticipated U.S. demand, possibly as early as 2018, if production begins as planned. The excess supply would likely result not only in a sharp decline in imports but also potentially in higher U.S. exports of methanol.[95]

[90] In 2017 MHTL idled two of its smaller plants in Trinidad and Tobago, temporarily reducing its capacity by 25 percent, as a result of government-imposed natural gas curtailments. Clark, "Trinidad's MHTL Cutting Methanol Production by 25%," March 6, 2017.
[91] Sriram, Nash, and Maronneaud, "Methanol (674.5000)," May 2014; Boswell, "G2X Makes First Methanol Shipments from Pampa Plant," June 1, 2015.
[92] Kelley, "Year of the Restart," March 28, 2011, 32.
[93] Falconer, "Egypt's Orascom Buys Texas Ammonia-Methanol Plant," May 16, 2011; Kelley, "Lure of Methane Drives U.S. Plant Construction," January 28–February 10, 2013, 19; Marc Laughlin, IHS, telephone interview by USITC staff, July 5, 2013; LyondellBasell, "LyondellBasell Restarts Methanol Plant at Channelview," January 2, 2014.
[94] Boswell, "G2X Makes First Methanol Shipments from Pampa Plant," June 1, 2015.
[95] Boswell, "ZEEP, Todd to Build $1.3-Billion Methanol Plant in Louisiana," March 11, 2013; Boswell, "U.S. to Be Methanol Self-Sufficient in Five Years," October 1–14, 2012, 6; Marc Laughlin, IHS, telephone interview by USITC staff, July 5, 2013; Sriram, Nash, and Maronneaud, "Methanol (674.5000)," May 2014.

Assessment of the Probable Future Effect of CBERA

Overview

The future effect of CBERA on the U.S. economy generally and domestic industries producing articles like or directly competitive with those imported from beneficiary countries is likely to remain small to minimal for most products imported from CBERA beneficiary countries, based on analysis of likely economic growth and investment activity in the Caribbean Basin region, as well as on an assessment of the role foreign investment might play on future U.S. imports under CBERA.[96]

After sharply reduced investment flows to the region triggered by the worldwide financial crisis in 2008–09 and the global economic downturn that followed, most CBERA beneficiary economies had recovered by 2010–12. But with sluggish U.S. growth averaging 2.1 percent over the past five years (2012–16), the CBERA countries have typically seen a similar pattern of stagnant growth, often with greater fluctuations than the U.S. economy.

Starting roughly around 2013, economic growth in a number of the CBERA countries began to slip, and by 2015–16 appeared close or equal to the low levels seen in 2010 as the global recession of 2008–09 faded. The decline in worldwide commodity prices,[97] which directly affects exports from many of these countries, is one common element that may account broadly for part of the slowing growth seen recently in CBERA economies.[98] Released in April 2017, the International Monetary Fund (IMF) forecasts some recovery in the near term (2017–18) for many of these economies, discussed below, albeit only a slight one.[99]

Analytical Framework and Data Sources

Assuming no changes in duties, and no significant changes in other trade barriers such as transportation costs, future U.S. imports under the CBERA program are likely to be determined by future changes in demand in the United States and supply in the CBERA countries. These can be approximated based on forecasts of GDP growth for these countries. More importantly, future supply conditions affecting beneficiary country exports to the United States under CBERA can be assessed more directly by analyzing CBERA-related investment in the region.

However, investment information and data specific to CBERA is minimal and often irregular or variable in coverage. As a result, the analysis below is based largely on overall trends in foreign direct investment (FDI) flows to the CBERA countries. The Commission requested and received the assistance of U.S.

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[96] Including CBTPA, the HOPE Acts, and the HELP Act. These programs are described in chapter 1 of this report.
[97] In addition to declines in energy prices, such as oil and natural gas, several CBERA economies have seen declines in commodity prices in the metal and mining sector and in precious metals. Examples include bauxite in Jamaica and Guyana and non-monetary gold in the Dominican Republic. UN ECLAC, *Foreign Direct Investment in Latin America,* June 15, 2016, chapter 2.
[98] Sally Yearwood, Executive Director of Caribbean Central American Action, statement to the United States House of Representatives Committee on Foreign Affairs, Subcommittee on the Western Hemisphere, July 14, 2016, 2.
[99] IMF, *World Economic Outlook*, April 2017.

embassies in the Caribbean Basin region, compiling information on investment related to products eligible under the CBERA program during 2015–16. Where available, data collected and provided by U.S. embassies in response to the Commission's request served as a primary source of information for this analysis. As in previous reports, written submissions to the Commission also served as a source of CBERA-specific information.[100] Data on macroeconomic conditions and forecasts, as well as on investment flows, were obtained from various sources published by international organizations, including the IMF, the UN Economic Commission for Latin America and the Caribbean (ECLAC), and the UN Conference on Trade and Development (UNCTAD).

Summary of Macroeconomic Forecasts of Supply and Demand

The IMF forecasts economic growth rates for the world, as well as various regions and individual countries, in terms of annual percent change in gross domestic product (GDP). Since past economic growth can foreshadow growth in the near-term future, such projections are often used as indicators of possible import growth in the future.

The IMF reports world growth in recent years as fairly steady, averaging 3.4–3.5 percent from 2012 to 2015, before slipping to 3.1 percent in 2016. The IMF forecasts a rebound to 3.5–3.6 percent in 2017–18, and possibly 3.8 percent by the year 2022. For the United States, the IMF reported economic growth at a lower level, averaging 2.2 percent over 2012–15 before declining to 1.6 percent in 2016. For the near-term future, the IMF projects U.S. GDP to grow by 2.3 percent in 2017 and 2.5 percent in 2018, before declining to 1.7 percent by 2022 (table 2.7). On the other hand, the IMF reports that economic growth for the Latin America and Caribbean region declined steadily since 2010, from a peak of 6.1 percent in 2010 to a low of -1.0 percent in 2016, although the IMF forecasts growth in the region to pick up to 1.1 percent in 2017 and 2.0 percent in 2018.

Forecasts for a large region such as Latin America and the Caribbean can, however, often obscure variations within the region, such as for CBERA beneficiary countries.[101] During the recent 2015–16 period, for example, GDP growth averaged over 3 percent in Antigua and Barbuda (3.8 percent), Grenada (4.7 percent), Guyana (3.2 percent), and St. Kitts and Nevis (3.9 percent). At the opposite end, during 2015–16, other CBERA countries experienced economic contractions, such as The Bahamas (-0.9 percent), Dominica (-0.6 percent), and Trinidad and Tobago (-2.9 percent). However, the IMF forecasts positive economic growth in 2017 and 2018 in the range of 1.0–3.6 percent, as well as out to 2020, for all the CBERA economies.[102]

[100] The Commission published a notice of investigation the *Federal Register*, inviting the public to file written submissions relating to this report, and received a number of submissions, including from beneficiary government officials. The notice was published in the *Federal Register* on March 17, 2017 (82 *Fed. Reg.* 14231, March 17, 2017). A copy of the notice is reproduced in appendix A.

[101] As noted, there were 17 CBERA program beneficiary countries and territories in 2016: Antigua and Barbuda, Aruba, The Bahamas, Barbados, Belize, The British Virgin Islands, Curaçao, Dominica, Grenada, Guyana, Haiti, Jamaica, Montserrat, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, and Trinidad and Tobago; see chapter 1 for more details.

[102] IMF, *World Economic Outlook 2017*, April 2017, table A1.

Table 2.7: IMF forecasts of real GDP in the CBERA countries and the United States, 2015–18 and 2022 (annual percentage change)

Country	2015	2016	2017P	2018P	2022P
CBERA countries					
Antigua and Barbuda	3.8	3.7	2.2	1.7	1.7
Aruba	([a])	([a])	([a])	([a])	([a])
Bahamas	-1.7	0.0	1.4	2.2	1.3
Barbados	0.9	1.6	1.7	1.8	1.2
Belize	2.9	-1.0	3.0	2.3	2.0
British Virgin Islands	([a])	([a])	([a])	([a])	([a])
Curaçao	([a])	([a])	([a])	([a])	([a])
Dominica	-1.8	0.6	3.0	2.1	1.5
Grenada	6.2	3.1	2.7	2.7	2.7
Guyana	3.1	3.3	3.5	3.6	2.8
Haiti	1.2	1.4	1.0	3.0	3.0
Jamaica	1.0	1.5	2.0	2.4	2.8
Montserrat	([a])	([a])	([a])	([a])	([a])
St. Kitts and Nevis	4.9	2.9	3.5	3.4	2.7
St. Lucia	1.8	0.8	0.5	1.5	1.5
St. Vincent and the Grenadines	0.6	1.8	2.5	2.8	2.8
Trinidad and Tobago	-0.6	-5.1	0.3	3.4	1.4
United States	2.6	1.6	2.3	2.5	1.7

Source: Data are from IMF, *World Economic Outlook 2017*, April 2017, table A1.
Note: "P" = projected years (2017, 2018, 2022). Data are unavailable for CBERA beneficiary countries Aruba, The British Virgin Islands, Curaçao, and Montserrat.
[a] Not available.

Summary of Foreign Direct Investment in the Region

Given the limited amount of domestic capital typically available in smaller economies—such as in the Caribbean—attracting FDI is important to developing the export-oriented projects typically needed to take advantage of preference programs such as CBERA. As mentioned above, limited information is available on CBERA-specific investment—for example, from U.S. embassies or other official sources in the region. Therefore, the following discussion relies largely on overall trends in FDI flows to countries in the Caribbean region as indicators of such investment.

Overall, preliminary data from the United Nations show that net FDI in the Latin America and Caribbean region rebounded from its 2009 low of $72 billion following the global economic downturn to $135 billion by 2015, the most recent annual data available.[103] However, preliminary data indicate that investment flows to the region fell again in 2016 by about 20 percent.[104] Aggregating the most recent data for CBERA countries from available sources, FDI flows to CBERA economies appeared to average somewhat above $5 billion during 2011–2013 before rising to nearly $7 billion in 2014, and then falling sharply to under $4 billion in 2015 (table 2.8).[105]

Table 2.8: Worldwide net foreign direct investment flows into CBERA countries, 2011–15 (million dollars)

Host region/economy	2011	2012	2013	2014	2015
CBERA countries					
Antigua and Barbuda	65	133	95	149	148
Aruba	489	-316	226	247	-23
Bahamas	1,533	1,073	1,111	1,596	385
Barbados	758	186	46	791	335
Belize	95	193	92	138	59
British Virgin Islands	(a)	(a)	(a)	(a)	(a)
Curaçao	69	57	18	69	175
Dominica	35	59	23	33	34
Grenada	43	31	113	38	60
Guyana	247	278	201	238	117
Haiti	119	156	162	99	106
Jamaica	144	413	595	591	794
Montserrat	2	3	4	6	4
St. Kitts and Nevis	110	108	136	118	76
St. Lucia	81	74	92	91	93
St. Vincent and the Grenadines	86	115	160	109	120
Trinidad and Tobago	1,831	2,453	1,995	2,488	1,214
Total	5,708	5,015	5,069	6,801	3,698

Source: Based on data from UN ECLAC, *Preliminary Overview of the Economies of Latin America and the Caribbean 2016*, December 6, 2016, 97, table A1.10; UN ECLAC, *Foreign Direct Investment in Latin America and the Caribbean 2016*, June 15, 2016, 78, table A2.1; UNCTAD, *World Investment Report 2016,* June 2017, online FDI/MNE database (accessed June 22, 2017).
Note: Data presented are from UN ECLAC, except for Aruba, The British Virgin Islands, Curaçao, and Montserrat. Data for these four countries are from UNCTAD, *World Investment Report 2016*, June 2016, accessed June 22, 2017). Data for the British

[103] UN ECLAC, *Preliminary Overview of the Economies of Latin America*, December 6, 2016, 97, table A1.10. Earlier, this estimate had run as high as $93 billion in 2009, reaching $179 billion by 2015, showing that large fluctuations are to be expected in these data. UN ECLAC, *Foreign Direct Investment in Latin America*, June 15, 2016, 78, table I.A2.1.

[104] Preliminary data from UNCTAD in early 2017 indicated that economic recession in Latin America and the Caribbean during 2015–16, along with weak commodity prices worldwide for the region's principal exports, were key elements in an estimated 19 percent decline in FDI flows to the region. UNCTAD, "Global FDI Flows Slip In 2016," February 1, 2017, 5.

[105] CBERA data reported here are aggregated from the UN ECLAC *Preliminary Overview* data from December 2016, followed by data from the UN ECLAC *Foreign Direct Investment* report from June 2016 as needed. In addition, data for several CBERA countries not cited by UN ECLAC are typically published by UNCTAD, and these data are also used when needed. Moreover, the UN adjusts data for 16 Caribbean countries considered to be financial centers: Anguilla, Antigua and Barbuda, Aruba, The Bahamas, Barbados, The British Virgin Islands, Cayman Islands, Curaçao, Dominica, Grenada, Montserrat, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, Sint Maarten, and the Turks and Caicos Islands. CBERA data aggregated here exclude data reported for the British Virgin Islands (BVI) as a financial center; the BVI's reported financial flows appear to distort foreign investment flow data.

Virgin Islands are not reported due to its role as an international financial center and resulting distortions in FDI flows. Aggregated data for CBERA countries are the sum of the country data available.
[a] Not available.

The top five CBERA economies in terms of FDI flows during 2014–15 were Trinidad and Tobago ($1,851 million averaged over 2014–15), the Bahamas ($991 million), Jamaica ($693 million), Barbados ($563 million), and Guyana ($178 million). These flows have been aggregated from the most recent data reports and averaged over 2014–15 to dampen fluctuations.[106]

Constraints on FDI in CBERA Countries

CBERA beneficiary countries can face special challenges in attracting FDI. UNCTAD research in the area of small island states—a description covering many CBERA beneficiary countries—indicates that distinguishing challenges can include small market size, a narrow resource base, and a high vulnerability to natural disasters.[107] One observer estimated that the cost of such a natural disaster can affect up to 30 percent of GDP for economies in the Caribbean region.[108]

The small size of these countries' domestic economies can keep them from reaching economies of scale in production, resulting in high unit costs. Small markets and the high costs of compliance with global regulation have also put some banking centers in the region under stress,[109] which can both pose short-term problems and affect investment in the longer term. Smaller domestic markets can also increase dependence on imports of raw materials and intermediate products, as well as on export markets as an outlet for production. A heavier reliance on trade, coupled with limited export diversification, can put these smaller economies at higher risk of exogenous shocks, such as swings in world commodity prices of needed imports or disruption of air or sea transport that is often more critical to these economies' ability to trade than to other countries.[110]

For CBERA beneficiary countries, products for export are sensitive to economic growth in their overseas markets, most particularly in the United States.[111] Recent IMF forecasts for sluggish economic growth in the United States of 2.3 and 2.5 percent in 2017 and 2018, respectively, may suggest lackluster increases in CBERA exports to the U.S. market in the near term. Although somewhat higher growth is projected for

[106] To illustrate the fluctuations often found in reported data, FDI flows to the same five economies in 2015 alone were reported as Trinidad and Tobago ($1,214 million in 2015), the Bahamas ($385 million), Jamaica ($794 million), Barbados ($693 million), and Guyana ($117 million).
[107] UNCTAD, "FDI in Small Island Developing States," September 1, 2014. UNCTAD research in this area addresses a broader grouping than the Caribbean—the so-called Small Island Developing States (SIDS)—which encompass 29 countries and territories worldwide. The Caribbean island countries included in the SIDS grouping are Antigua and Barbuda, Bahamas, Barbados, Dominica, Grenada, Jamaica, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, and Trinidad and Tobago. As a consequence, many of the conclusions reached in this research apply directly to CBERA island economies.
[108] Sally Yearwood, Executive Director of Caribbean Central American Action, statement to the United States House of Representatives Committee on Foreign Affairs, February 28, 2017.
[109] Ibid.
[110] UNCTAD, "FDI in Small Island Developing States," September 1, 2014.
[111] The strength of the U.S. economy has an important effect on the region. One observer pointed to the travel and tourism sector, as well as the financial and other service sectors, being key economic drivers in recent years. Sally Yearwood, Executive Director of Caribbean Central American Action, statement to the United States House of Representatives Committee on Foreign Affairs, Subcommittee on the Western Hemisphere, July 14, 2016, 2.

the world economy, the IMF reports it as likely averaging 3.3 percent annually during 2015–16, with projected growth of 3.5 and 3.6 percent in 2017 and 2018, respectively.[112]

Investment in Selected CBERA Countries and Future Effect of CBERA

The sluggish growth forecast for the United States and the CBERA countries[113] is likely to indicate slow growth in U.S. imports under the CBERA program. The following section, which focuses on economic growth and recent investment flows to beneficiary countries—and, where available, on any specific CBERA-related investment activities—suggests that tepid U.S. growth in the near future is likely to lead to lackluster export growth from these countries under the CBERA program. As a consequence, the future effect of CBERA on the United States and U.S. industries is likely to continue to be small. Moreover, country representatives have noted that the role of services exports is gaining importance for many CBERA countries. Diversion of investment from goods into service sectors is likely to limit the quantity and value of goods exports from these countries under CBERA.[114] The predominant services within the region include tourism, education, financial services, and business services and are seeking to promote medical tourism.

The Bahamas

With the exception of a 3.1 percent growth rate in 2012, The Bahamas' GDP has remained relatively flat since the world 2008–09 recession, fluctuating in a range of -1.5 to 1.5 percent since 2010. The IMF estimates no growth for The Bahamas in 2016, possibly increasing to 1.7 percent in 2017 and 1.8 percent in 2018. Since the global downturn, FDI flows to The Bahamas increased from a low of $873 million in 2009 to nearly $1.6 billion in 2014, before falling steeply. FDI was reportedly only $385 million in 2015, the latest year recorded (table 2.8).

The Bahamas was designated an original beneficiary of CBERA. The benefits under CBI/CBERA offer products manufactured in The Bahamas duty-free and quota-free entry into the United States provided a product meets certain defined rules of origin, as in the case of polystyrene beads used in the production of Styrofoam products—the country's largest export to the United States. The Bahamas continues to use the CBERA preference program as incentive to attract investment into manufacturing businesses in the domestic economy. The Bahamas has also applied for benefits under CBTPA, but as of March 2016 had not yet met all of the requirements for its application to be ratified.

Belize

Belize has been largely successful in recovering from the global economic downturn of 2008–09, albeit with year-to-year fluctuations. Economic growth reached a recent peak of 4.1 percent in 2014 before

[112] IMF, *World Economic Outlook*, April 2017.
[113] Ibid.
[114] USITC staff meeting with regional government representatives, May 23, 2017; written submissions to the USITC from the Embassy of Jamaica, the Embassy of St. Kitts and Nevis, and the Embassy of Trinidad and Tobago.

slipping to 2.9 percent in 2015 and contracting -1.0 percent in 2016. The IMF, however, expects the economy to rebound to 3.0 percent growth in 2017, then to 2.3 percent growth in 2018.[115]

FDI in Belize has averaged approximately $112 million over the 2010–15 period, although with notable fluctuations. It fell from approximately $138 million in 2014 to roughly $59 million in 2015.[116] Major U.S. investments in Belize are predominantly in the tourism and agriculture sectors—particularly the sugar industry—as well as in oil exploration, although low international oil prices have dampened exploration in recent years.[117]

Guyana

Guyana's economy recovered from the global downturn in 2008–09 with a steady increase in economic growth, rising from a low of 3.3 percent in 2009 to 5.4 percent by 2011. Economy growth remained at roughly a 5.1 percent average over 2011–13 before subsiding to 3.1 percent in 2015 and 3.3 percent in 2016. The IMF forecasts Guyana's economy to maintain this growth level in the near term, expanding slightly to 3.5 percent in 2017 and 3.6 in 2018.[118]

FDI flows to Guyana followed a similar pattern over this period, rising from a low of $164 million in 2009 to a high of $294 million by 2012, then slipping to $255 million in 2014 and falling by over 50 percent to $122 million in 2015.[119] Reports of exploratory oil drilling off Guyana's coast beginning in March 2015 may bolster investment again.[120] Guyana offers multiple investment opportunities, covering traditional industries (such as sugar, rice, timber, and mining); nontraditional export industries (such as fresh fruits and vegetables, agroprocessing, aquaculture, value-added forestry products, and light manufacturing); and services exports (such as call centers, tourism, and information technology services). However, the government has had limited success in attracting FDI other than in extractive industries.[121]

The United States remains Guyana's most significant trading partner, with Guyana's major exports to the United States in 2015 continuing to be non-monetary gold, fish and shellfish, aluminum and bauxite, lumber and wood, apparel, and household goods.[122]

Haiti

Following the world downturn of 2008–09, economic growth in Haiti rebounded from -5.5 percent in 2010 to 5.5 percent in the following year. More recently, however, Haiti's economic growth rate has fallen from 4.2 percent in 2013 to 2.8 percent in 2014, 1.2 percent in 2015, and 1.4 in 2016. The IMF

[115] IMF, *World Economic Outlook*, April 2017.
[116] UNCTAD, *World Investment Report 2016*, June 22, 2016; UN ECLAC, *Foreign Direct Investment in Latin America*, June 15, 2016.
[117] USDOC, ITA, *Belize Country Commercial Guide*, August 18, 2016.
[118] IMF, *World Economic Outlook*, April 2017.
[119] UNCTAD, *World Investment Report 2016*, June 22, 2016; UN ECLAC, *Foreign Direct Investment in Latin America*, June 15, 2016; USDOS, EB, "2016 Investment Climate Statements—Guyana," July 5, 2016.
[120] USDOS, EB, "2016 Investment Climate Statements—Guyana," July 5, 2016.
[121] USDOC, ITA, *Guyana Country Commercial Guide*, September 21, 2016.
[122] Ibid.

expects slow growth to continue in 2017, at approximately 1.0 percent, before rising again to 3.0 percent in 2018.[123]

After the global downturn, FDI flows to Haiti rose to $178 million in 2010 and averaged roughly $153 million during the next three years, 2011–2013. Thereafter, Haiti's inflows of FDI fell again, to $99 million in 2014 and $104 million in 2015.[124]

Haiti's post-recession economic growth was driven largely by expansion in the hospitality sector and manufacturing. More recently, its poor growth has been attributed largely to the political uncertainties surrounding elections held in 2015, in addition to severe drought in 2013–15 that reduced agricultural production.[125] The government has designated tourism, agriculture, construction, energy, and manufacturing as the key sectors for investment. In particular, the garment industry in Haiti continues to do well. With the extension of supportive U.S. legislation such as the HOPE Acts through 2025, Haiti remains attractive for large-scale manufacturing operations in textile and apparel.[126]

Jamaica

Jamaica's economy recovered from the 2008–09 world downturn, and slowly but steadily has expanded its economy from 0.2 percent in 2013 to 1.5 percent by 2016. The IMF forecasts continued expansion to 2.0 percent in 2017, and 2.4 percent in 2018.[127]

Jamaica has attracted increasing amounts of FDI during this time, rising from a low of $218 million in 2011 to $794 million in 2015.[128] Following two decades of stagnant growth, this increase in FDI is considered to stem in part from an agreement reached in May 2013 between the government and the IMF to simplify the country's tax and investment regime over a four-year period (2013–17).[129] FDI is reportedly being attracted largely to two key sectors—tourism and infrastructure—which received roughly two-thirds of all investments in 2014.[130] The government of Jamaica has noted that the CBERA/CBTPA program has contributed significantly to expanded trade and investment between the United States and Jamaica, promoting economic growth and production capacity that has helped the economic development of the country.[131]

[123] IMF, *World Economic Outlook*, April 2017.
[124] UNCTAD, *World Investment Report 2016*, June 22, 2016; UN ECLAC, *Foreign Direct Investment in Latin America*, June 15, 2016.
[125] USDOS, EB, "2016 Investment Climate Statements—Haiti," July 5, 2016.
[126] USDOC, ITA, *Haiti Country Commercial Guide*, July 12, 2016. See also chapter 1.
[127] IMF, *World Economic Outlook*, April 2017.
[128] UNCTAD, *World Investment Report 2016*, June 22, 2016; UN ECLAC, *Foreign Direct Investment in Latin America*, June 15, 2016.
[129] USDOS, EB, "2016 Investment Climate Statements—Jamaica," July 5, 2016.
[130] Ibid.
[131] Government of Jamaica, Ministry of Foreign Affairs and Foreign Trade, written submission to the USITC, May 11, 2017.

Trinidad and Tobago

The economy in Trinidad and Tobago is strongly tied to the energy sector, which accounts for about one-third of its GDP, 35 percent of government revenues, and 80 percent of its export earnings.[132] The worldwide decline in energy prices and dwindling reserves and production led the undiversified economy of Trinidad and Tobago into recession in the latter half of 2015—a recession that continued through 2016.[133] According to the Ministry of Finance, the Trinidad and Tobago economy has faced three consecutive years of economic decline caused by a 23 percent fall in petroleum output between 2013 and 2016, with oil production dropping to its lowest level in 50 years in 2016.[134] With economic growth between -0.6 and 2.7 percent during 2011–15, the IMF forecasts an economic contraction for Trinidad and Tobago of -5.1 percent for 2016, with a possible recovery to 0.3 percent growth in 2017, perhaps reaching 3.4 percent growth by 2018.[135]

FDI flows to Trinidad and Tobago increased following the 2008–09 financial recession, increasing from a low of $709 million in 2009 to plateau at roughly $2.0–2.5 billion during 2012–14 before falling steeply to $1.2–1.6 billion in 2015, the latest year available.[136] Whereas the previous fall in world oil prices in the 1980s, and subsequent recession in Trinidad and Tobago, led to increased FDI in natural gas exploration in the country—investment that later helped revive the economy—such investment is considered less likely in this recession, given that substantial other sources of natural gas have since come online in the United States.[137]

Beyond the energy sector, CBERA-related investment appears to be minor at best. According to one business survey circulated to roughly a dozen companies in 2016 by exporTT Ltd—the national export promotion agency—and the American Chamber of Commerce, virtually none of the companies canvassed would have invested originally without CBERA preferences. During 2015–16, however, according to the survey responses, none of these companies exported any product through the CBERA program. However, one company reported that its investment of $10 million in 2016 aimed at expanding its product exports under the CBERA/HOPE program.[138]

Eastern Caribbean Countries

Economic growth has been moderate in the Eastern Caribbean islands, many of which recovered from the 2008–09 global downturn only recently, in the years 2013–16.[139] Since the downturn, the governments of Antigua and Barbuda and of Saint Vincent and the Grenadines have proved more

[132] USDOS, EB, "2016 Investment Climate Statements—Trinidad and Tobago," July 5, 2016; USDOS, U.S. Embassy in Port of Spain, "RE: United States International Trade Commission Biennial Caribbean Basin Investment Survey," June 1, 2017.
[133] USDOS, U.S. Embassy in Port of Spain, "RE: United States International Trade Commission Biennial Caribbean Basin Investment Survey," June 1, 2017.
[134] Government of Trinidad and Tobago, *2017 Mid Year Budget Review*, May 10, 2017, 1.
[135] IMF, *World Economic Outlook*, April 2017.
[136] UNCTAD, *World Investment Report 2016*, June 22, 2016; UN ECLAC, *Foreign Direct Investment in Latin America*, June 15, 2016.
[137] Ibid.
[138] USDOS, U.S. Embassy in Port of Spain, "RE: United States International Trade Commission Biennial Caribbean Basin Investment Survey," June 1, 2017.
[139] IMF, *World Economic Outlook*, April 2017.

successful in attracting FDI to their islands than have Dominica, Grenada, St. Kitts and Nevis, and St. Lucia.[140]

For Antigua and Barbuda, FDI increased from a low of $68 million in 2011 to $154 million in 2015. Although less robust, FDI flows to St. Vincent and the Grenadines rose from $86 million in 2011 to $121 million in 2015. For the remaining islands, recent FDI reached an average level of $99 million for St. Kitts and Nevis, $94 million for St. Lucia, $49 million for Grenada, and $36 million for Dominica, all approximately 10–20 percent lower than the FDI levels reached in 2011–12. Recent FDI to these countries has focused primarily on the tourism sector and related construction.[141]

Although fluctuating recently between -$35 million in 2013 and $254 million in 2015, Barbados' economy has seen FDI inflows second only to those of bigger Caribbean economies such as Trinidad and Tobago, the Bahamas, and Jamaica over the past five years; these inflows averaged $276 million over the 2011–15 period. For all but 2 of the past 10 years, at least half of exports from Barbados to the United States have been under the CBERA preference program. These exports have ranged from sails to edibles such as rum, condiments and syrups, jam and jellies, sauces, seasonings, and biscuits.[142]

[140] UNCTAD, *World Investment Report 2016*, June 22, 2016; UN ECLAC, *Foreign Direct Investment in Latin America*, June 15, 2016.
[141] UN ECLAC, *Foreign Direct Investment in Latin America*, June 15, 2016, 67–68.
[142] Government of Barbados, Ministry of Foreign Affairs and Foreign Trade, Submission to the USITC, *Report on the Benefits and Potential Benefits to be Derived by Barbados under the Caribbean Basin Initiative*, June 2, 2017, 4–5.

Chapter 3
Impact of CBERA on the Beneficiary Countries

This chapter addresses the economic impact of CBERA on the economy of the beneficiary countries during 2015–16. The first section describes some of the economic and noneconomic factors that have influenced the impact of CBERA trade preferences on the beneficiary countries. The second section examines the degree to which CBERA has helped the beneficiary countries in meeting the goals of the Caribbean Basin Initiative (CBI)—encouraging economic growth and development by promoting the production and export of nontraditional products. The final section examines the impact of CBERA through economic profiles of the countries that were the leading suppliers of imports under CBERA during the two-year period 2015–16: Trinidad and Tobago, Haiti, The Bahamas, and Jamaica.

Overview

The impact of CBERA on the beneficiary countries during 2015–16 has not changed significantly from that reported in previous reports in this series. CBERA preferential trade benefits continue to have small positive effects on Caribbean exports and on the Caribbean economies, with those effects largely concentrated in a few countries. Countries generally focus on only a few products to export under CBERA, but each country's export niche is relatively unique. The region continued a weak recovery from the 2008–09 global economic downturn. Its reliance on volatile export sectors coupled with a decline in many world commodity prices, have helped to diminish the impact of CBERA during the current reporting period. In previous reports, Caribbean government officials and other regional stakeholders have suggested ways in which the CBERA program could be made more effective. In particular, they mentioned the expansion of product coverage, extending CBERA preferences to trade in services, and relaxing certain product eligibility requirements.[143]

[143] For further details, see USITC, *CBERA: Impact on U.S. Industries and Consumers and on the Beneficiary Countries—22nd Report, 2013–14*, Inv. 332-227, September 2015, and previous issues. U.S. embassies providing information for this report have called for the inclusion of services under CBERA. See: USDOS, U.S. Embassy (Belmopan), Embassy Belmopan: Caribbean Basin Investment Survey Input (17 Belmopan 314), June 14, 2017; USDOS, U.S. Embassy (London), RE: UK Response: United States International Trade Commission Biennial Caribbean Basin Investment Survey (17 London 2026), April 26, 2017; USDOS, U.S. Embassy (Nassau), The Bahamas: U.S. International Trade Commission Biennial Caribbean Basin Investment Survey (17 Nassau 264), June 6, 2017; USDOS, U.S. Embassy (Port of Spain), RE: United States International Trade Commission Biennial Caribbean Basin Investment Survey, electronic mail communication, June 1, 2017

Factors That Lessen the Utilization and Impact of CBERA

Overall, utilization of CBERA provisions by designated beneficiary countries—that is, the share of U.S. imports entering under CBERA relative to total U.S. imports from a given beneficiary country—has slipped over recent years, from 26.2 percent in 2012 to 21.8 percent in 2015, and 16.4 percent in 2016 (table 3.1).[144]

In the most recent 2015–16 period, use of the program's provisions has split among roughly two groups: (1) larger economies that made more significant use of CBERA provisions in their trade with the United States, and (2) smaller economies that made less or little use of the program's provisions. CBERA utilization rates have recently been greatest for Haiti (40 percent), Belize (39 percent), Jamaica (27 percent), and the Bahamas (21 percent), averaged over the most recent 2015–16 period. Other beneficiary countries with relatively significant utilization rates of CBERA provisions have been Barbados (19 percent), St. Kitts and Nevis (17 percent), Grenada (17 percent), and Trinidad and Tobago (16 percent). Beneficiary countries making little use of CBERA provisions in recent trade with the United States include St. Lucia (4 percent), Guyana (4 percent), Dominica (3 percent), and St. Vincent and the Grenadines (1 percent) (see table 3.1).[145]

[144] Note that some beneficiary countries have high CBERA utilization rates due to small total export values to the United States.

[145] Antigua and Barbuda, Aruba, The British Virgin Islands, Curaçao, and Monserrat have all made less than a 1 percent utilization measure of their trade under CBERA in the 2015–16 period.

Table 3.1: CBERA utilization rates, by source, 2012–16

Country[a]	2012	2013	2014	2015	2016
			Percent		
Trinidad and Tobago	26.9	25.8	21.7	19.4	13.2
Haiti	56.4	44.7	45.2	44.8	35.5
Guyana	1.0	1.0	2.4	8.1	0.4
Jamaica	45.2	22.9	26.9	28.3	25.0
Bahamas	24.9	24.8	29.8	19.7	23.1
Curaçao	0.0	0.0	1.8	0.0	0.0
Belize	82.3	78.0	62.5	48.9	29.0
St. Kitts and Nevis	39.3	34.9	32.2	18.5	14.9
Barbados	7.1	3.8	10.6	33.9	4.6
British Virgin Islands	3.4	1.6	0.5	0.1	0.0
Antigua and Barbuda	0.3	0.3	0.2	1.2	0.2
Aruba	0.0	0.0	0.1	0.3	0.1
St. Lucia	12.1	19.4	7.5	4.6	4.1
Grenada	4.1	3.1	4.5	18.9	14.5
St. Vincent and the Grenadines	5.9	4.9	12.9	0.9	1.5
Dominica	6.7	6.5	4.4	4.5	0.8
Montserrat	1.3	0.0	0.0	0.0	0.0
All other	0.0	0.0	0.0	0.0	0.0
Former CBERA beneficiaries					
Panama	4.9	0.0	0.0	0.0	0.0
Total	576.4	0.0	0.0	0.0	0.0
Overall rate for program	26.2	26.5	23.2	21.8	16.4

Source: Compiled from official statistics of the U.S. Department of Commerce (USDOC) (accessed May 8, 2017). Data reflect all official USDOC revisions for 2012–16 as of that date.

Note: Data on U.S. imports from CBERA countries include U.S. imports from Panama through October 2012.

[a] Countries that were CBERA beneficiaries as of December 31, 2016.

Haiti and Belize have had some of the highest CBERA utilization rates over the past five years. Haiti has traditionally shown one of the highest utilization rates among beneficiary countries as a major exporter of apparel to the United States under CBERA, on average a 45 percent rate over the 2012–16 period.[146] Belize has shown a utilization rate over the same period of over 60 percent on average, although falling to 49 percent in 2015 and dropping sharply to 29 percent in 2016, as Belize's principal export under the program, crude petroleum, has suffered with the recent worldwide decline in oil prices.[147] Similarly,

[146] Includes under CBTPA, but not HOPE/HELP provisions.

[147] Despite the sharp decline in CBERA utilization due to falling oil prices, representatives from the Ministry of Trade in Belize did confirm to U.S. officials that a substantial percentage of other exports from Belize qualify under the CBERA program, such as cane molasses and sugar, citrus oils, conch, lobster, mahogany woods, orange juice concentrate, and shrimp. They also pointed out that CBERA has helped develop a number of nontraditional industries in the country, including cacao beans, coconuts, dried bananas, jams and jellies, mangos, peas, pepper sauce, and red kidney beans. USDOS, U.S. Embassy (Belmopan), Embassy Belmopan: Caribbean Basin Investment Survey Input (17 Belmopan 314), June 14, 2017.

Trinidad and Tobago's decline in energy exports to the United States under CBERA also contributed to a decline in Trinidad and Tobago's utilization rate. Trinidad and Tobago's utilization rate averaged 21 percent during 2012–16, but fell to 13 percent in 2016 as world oil prices declined.[148]

Jamaica and The Bahamas have also made use of the program's provisions for their exports to the United States. Under the program, Jamaica exports alumina made from bauxite ore and The Bahamas exports styrene pellets (the primary constituent for styrofoam), averaging 30 percent and 24 percent utilization rates, respectively, for their exports under CBERA preferences during the 2012–16 period.

CBERA beneficiary countries face a number of obstacles that can curtail exports and contribute to low utilization rates of CBERA provisions. In addition to their vulnerability to natural disasters such as hurricanes, poor infrastructure is a common factor, including inadequate roads, ports, and telecommunications. High energy and labor costs, weak public institutions as well as underdeveloped private sectors, and at times crime and security issues, can deter investors and make it difficult to attract needed foreign capital.[149]

As noted in chapter 2, CBERA countries generally have small domestic labor and consumer markets, meaning that it is more difficult for investors to benefit from returns to scale or from strong local demand. These countries are also vulnerable to natural disasters, including hurricanes, earthquakes, and volcanoes, which add considerable risk to investment within the region. Because many of the countries maintain large levels of public debt, they face instability in their interest rates and foreign exchange markets, which may deter investors, as occurred in Jamaica in 2012.[150] In addition, the role of services exports is gaining importance for many CBERA countries, especially those with limited natural resources.[151] This limitation would impact the quantity and value of exports of goods from these countries and thus be reflective in a lower CBERA-utilization rate.

On the other hand, the region benefits from geographic proximity to U.S. markets. Often, cultural similarities with the United States, such as the English language, can offer opportunities for U.S. firms.[152] Such advantages can create "nearshore" opportunities for U.S. firms. Jamaica, for example, shares the English language as well as an overlapping time zone with the United States, which has attracted significant FDI from U.S. services firms to the Montego Bay Free Zone, a large export-driven complex focused on information technology services. A recent U.S. law—the U.S.-Caribbean Strategic

[148] The U.S. Embassy in Trinidad and Tobago has reported that severe government budget cuts are in large measure due to declining economic competitiveness in the energy industry, where revenues from the energy sector have fallen 92 percent during 2015–16, leading to shrinking government revenues; the government depends on the energy industry for roughly 35 percent of its revenue. USDOS, U.S. Embassy (Port of Spain), RE: United States International Trade Commission Biennial Caribbean Basin Investment Survey, email message, June 1, 2017.
[149] See chapter 2 for more information concerning foreign investment flows to the region.
[150] IMF, *Caribbean Small States*, February 20, 2013.
[151] USITC meeting with regional government representatives, May 23, 2017.
[152] UNCTAD, FDI in Small Island Developing States, September 1, 2014.

Engagement Act—aims to strengthen cooperation in the Western Hemisphere between the United States and the Caribbean in the areas of trade, security, economic development, and energy.[153] Similarly, activities centered around financial services have opened in countries such as Antigua and Barbuda, The Bahamas, Barbados, and St. Kitts and Nevis, even though the export of services is not eligible for CBERA preferences.

Impact of CBERA

As mentioned in chapter 1, CBERA was enacted as the trade component of the Caribbean Basin Initiative (CBI). The overarching goal of the CBI is to encourage economic growth and development in beneficiary countries in the Caribbean Basin through the promotion of production and exports of nontraditional products. Therefore, the Commission's evaluation of the economic impact of CBERA in this chapter addresses the extent to which eligible countries are making use of the program to diversify their production and exports as part of an overall strategy to attain sustainable economic growth.

This series of reports has generally found that CBERA has had small positive effects on Caribbean exports.[154] The countries with the highest CBERA utilization rates[155] offer examples of ways in which CBERA has led to the development of export-driven industries that have had positive economic effects in the region. Overall, the top products imported under CBERA provisions most recently in 2016 have been methanol ($257.9 million); T-shirts, tank tops, and similar cotton garments ($206.8 million); petroleum oils and minerals ($86.2 million); sweaters, pullovers, and similar knit cotton garments ($84.3 million); primary forms of polystyrene ($66.6 million); yams ($21.1 million); food preparations, not canned or frozen, not elsewhere specified ($15.9 million); melamine ($12.1 million); and T-shirts, tank tops, and similar garments made of manmade fibers ($11.9 million).[156] The utilization rates by the CBERA beneficiary countries of Trinidad and Tobago, Haiti, The Bahamas, and Jamaica are covered in the country profiles that follow.

[153] The U.S.-Caribbean Strategic Engagement Act (Pub. L. No. 114-291) was signed into law December 16, 2016. Under the act, the U.S. State Department is to develop a strategy that will—among other objectives—create an annual U.S.-Caribbean Dialogue to be held with Caribbean leaders; hold a trade and investment conference with the Caribbean focused on increasing and improving bilateral trade, investment, and regulatory matters; and help channel technical support and resources to countries in the region looking to reform and increase investment in their energy and utility sectors, which in turn could help reduce the region's reliance on imported fuels as well as spur U.S. exports of energy-related technology. U.S. House of Representatives, Committee on Foreign Affairs, "Engel, Ros-Lehtinen Release Multi-year State Department Strategy," June 20, 2017.

[154] The Commission's 15th report (2001) undertook an econometric analysis of the original CBERA preference program. The results suggested that CBERA may have had an overall impact on income growth in the region, but that effect was small and was significant only when combined with trade and foreign exchange reforms undertaken by the beneficiary countries themselves. See USITC, *Impact of the Caribbean Basin Economic Recovery Act, 15th Report, 1999–2000*, September 2001.

[155] The CBERA utilization rate is defined in this report as U.S. imports for consumption entered under CBERA divided by total U.S. imports for consumption from CBERA beneficiaries. See table 3.1 for additional information on country-specific CBERA utilization rates. Note that some beneficiary countries have high CBERA utilization rates being based on small dollar values of exports to the United States.

[156] Includes imports under CBTPA, but not Haiti HOPE/HELP provisions.

Trinidad and Tobago: Economic Profile

Overview

Trinidad and Tobago ranked as the largest CBERA economy in 2016, with a GDP of $22.2 billion (table 3.2). With abundant supplies of fossil fuel, Trinidad and Tobago is the largest oil and natural gas producer in the Caribbean.[157] The country was also the world's sixth-largest liquefied natural gas (LNG) exporter in 2015.[158] As natural gas is the feedstock for ammonia and methanol production, Trinidad and Tobago's natural gas resources also offer it a comparative advantage in downstream products; the country is one of the world's leading exporters of both ammonia and methanol.[159] Besides energy products, Trinidad and Tobago also supplies manufactured goods, notably food products and beverages, as well as cement to the Caribbean region. In addition, the country is a regional financial center with a well-regulated and stable financial system.[160]

Table 3.2: Trinidad and Tobago: Selected economic indicators, 2012–16

	2012	2013	2014	2015	2016
GDP (nominal, billion US $)	23.2	24.4	26.0	24.1	22.2
Real GDP growth (%)	1.3	2.7	-0.6	-0.6	-2.3
Population (million)	1.3	1.4	1.4	1.4	1.4
GDP per capita (US $ at PPP)	28,795	30,525	33,237	34,047	33,153
Goods exports (million US $)	12,916	18,745	14,566	10,804	9,225
Goods imports (million US $)	-11,644	-12,629	-11,276	-9,474	-8,998
Energy exports (million US $)[a]	9,781	15,188	9,348	6,395	n.a.
Energy imports (million US $)[a]	5,589	7,141	4,727	2,598	n.a.
Exports under CBERA (million US $)[b]	2171.2	1640.7	1234.5	830.3	383.5
Trade balance (million US $)	1,272	6,116	3,290	1,330	227.0
Current account balance (million US $)	-1,603	4,170	920	-717	-1,849
Total external debt (in stock, million US $)	5,445	6,224	7,399	7,206	8,322

Source: EIU, *Country Report First Quarter 2017: Trinidad and Tobago*, February 3, 2017.
[a] Data for 2014–2015 includes only January to September.
[b] Data compiled from official statistics of the U.S. Department of Commerce (USDOC) (accessed June 11, 2017).

From 2015 to 2016, the overall economy of Trinidad and Tobago experienced a slight contraction, partially due to a decrease in global energy prices and the production of shale oil and natural gas in the United States, Canada, Argentina, and China.[161] The country's real GDP growth rate declined 0.6 percent in 2015 and fell again by 2.3 percent in 2016 (table 3.2).[162] Meanwhile, the decrease in the country's domestic production of crude petroleum, refined petroleum products, and natural gas likely reduced the country's economic growth. The quantity of crude petroleum production fell from 2014 to 2015 as a result of issues with upstream producers.[163] Trinidad and Tobago's natural gas production also declined

[157] USDOE, EIA, "Trinidad and Tobago," January 2016.
[158] Ibid.
[159] Methanol Institute, "About Methanol" (accessed April 26, 2017); Government of Trinidad and Tobago, Ministry of Energy and Energy Affairs, "Consolidated Bulletins—December 2016," February 9, 2017.
[160] CIA, "Trinidad and Tobago" (accessed April 11, 2017).
[161] Government of Trinidad and Tobago, Ministry of Trade and Industry, Written submission to the USITC, June 12, 2017.
[162] EIU, *Country Report First Quarter 2017: Trinidad and Tobago,* February 3, 2017.
[163] Central Bank of Trinidad and Tobago, *Annual Economic Survey 2015,* 2015, 13.

significantly from 2014 to 2016. Total production of natural gas dropped 18.2 percent to an average of 3,330 million cubic feet per day in 2016, mainly due to maintenance work and facility upgrades by the country's two largest natural gas producers—British Petroleum of Trinidad and Tobago and BG Group of Trinidad and Tobago.[164]

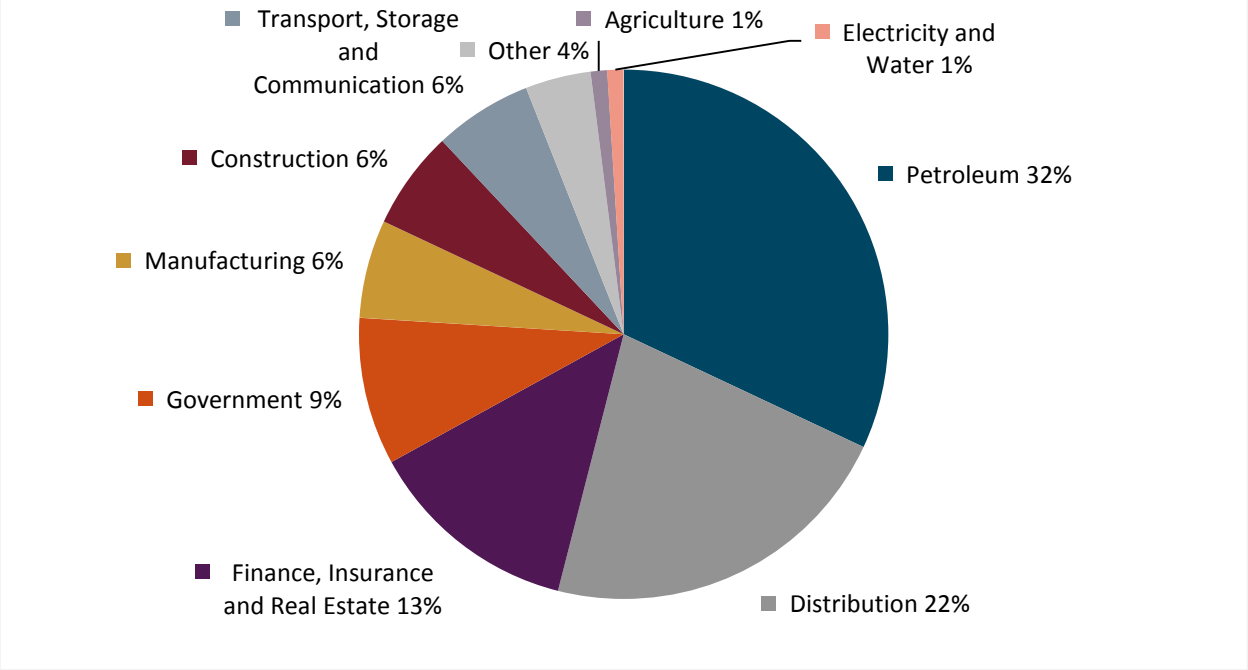
The maintenance and natural gas supply issues impacted the downstream production of methanol as well: in 2016, methanol production fell by around 15.6 percent to 4.5 million mt, after it had remained steady from 2014 to 2015.[165] When output contracted in Trinidad and Tobago's energy sector, the country's slight economic growth from 2012 to 2014 was supported mainly by its non-energy sectors, particularly by the construction and financial services industries. In 2015, the growth in the non-energy sector was not enough to mitigate the contraction in its energy sector, thereby most likely resulting in an overall decline in GDP. [166]

Trinidad and Tobago's domestic economic output consists mainly of the production of energy-related products, namely crude and refinery petroleum products, natural gas, and petrochemicals (methanol, ammonia, urea, and melamine).

From 2010 to 2015, the government revenue from the energy sector fell sharply by 41.4 percent. This has been partially offset by revenue from non-energy sources, which has more than doubled, rising by 121 percent from 2011 to 2016. [167] Even so, the decline in revenue from the energy sector has placed pressure on the pressure on the government to raise taxes and cut spending to close its budget gap.[168]

[164] Ibid., 16; Government of Trinidad and Tobago, Ministry of Energy and Energy Affairs, "Consolidated Bulletins—December 2016," February 9, 2017.
[165] Central Bank of Trinidad and Tobago, *Annual Economic Survey 2014,* 2014, 18; Central Bank of Trinidad and Tobago, *Annual Economic Survey 2015,* 2015, 16; Government of Trinidad and Tobago, Ministry of Energy and Energy Affairs, "Consolidated Bulletins—December 2016," February 9, 2017.
[166] Central Bank of Trinidad and Tobago, *Annual Economic Survey 2013,* 2013, 5; Central Bank of Trinidad and Tobago, *Annual Economic Survey 2014*, 2014, 6; Central Bank of Trinidad and Tobago, *Annual Economic Survey 2015,* 2015, 5. Though activity in the commercial bank sub-industry in Trinidad and Tobago facilitated growth in the finance, insurance, and real estate sector in the past (up 4.7 percent in 2013 and 3.3 percent in 2014), in 2015 the growth rate fell to 1.9 percent. Moreover, the construction sector dropped in value added from a 2.9 percent expansion in 2014 to 1.5 percent in 2015. The manufacturing sector declined by 1.6 percent due to the closure of the country's largest iron and steel producer, ArcelorMittal. Also, the agriculture sector declined by 3.2 percent in 2015 due to the unavailability of root crops. The distribution services sector of Trinidad and Tobago declined to 0.2 percent growth in 2015, a significant drop compared to the 3 percent growth recorded in 2014. Central Bank of Trinidad and Tobago, *Annual Economic Survey 2013,* 2013, 11; Central Bank of Trinidad and Tobago, *Annual Economic Survey 2014*, 2014, 12; Central Bank of Trinidad and Tobago, *Annual Economic Survey 2015,* 2015, 8–9.
[167] Central Bank of Trinidad and Tobago, *Annual Economic Survey 2015*, 2015, 30, table 9.
[168] USDOS, U.S. Embassy in Port of Spain, written submission to the USITC, June 1, 2017.

Figure 3.1: Trinidad and Tobago: Composition of GDP, 2015



Source: Central Bank of Trinidad and Tobago, *Annual Economic Survey 2015*, 2015, 72, table A.3.
Note: See corresponding data table F.3

Figure 3.1 shows the major economic sectors of Trinidad and Tobago in 2015, with the petroleum, distribution services, and financial services sectors being the top three sectors contributing to the overall output of the economy.[169] In recent years, the government of Trinidad and Tobago has sought to promote sustainable economic growth. The National Development Strategy for 2016–30, which was released by the country's Ministry of Planning and Development in 2017, targets five "Development Strategies for 2020": (1) developing human capital, (2) delivering good governance, (3) providing quality infrastructure and transport, (4) building globally competitive businesses, and (5) improving its environment.[170]

Trade Profile

Merchandise exports from Trinidad and Tobago to the world totaled $9.2 billion in 2016, a decline from $10.8 billion in 2015 (table 3.2).[171] Energy-sector products accounted for the majority of Trinidad and Tobago's exports in 2014 and 2015.[172] The decline of Trinidad and Tobago's exports to the world was mainly due to the falling value of its energy-sector exports, which fell from $9.3 billion in 2014 to

[169] The distribution services, according to the WTO definition, include retail and wholesale services. USITC, *Recent Trends in U.S. Service Trade: 2015,* May 2015, 37.
[170] Government of Trinidad and Tobago, Ministry of Planning and Development, "Draft National Development Strategy 2016–2030 (Vision 2030)," April 2017; Government of Trinidad and Tobago, Ministry of Trade and Industry, "Written Submission to the USITC," June 12, 2017.
[171] EIU, *Country Report First Quarter 2017: Trinidad and Tobago,* February 3, 2017.
[172] Total energy-sector exports are not available for 2016.

$6.4 billion in 2015 (table 3.2).[173] As noted earlier, lower production and declining crude petroleum prices were factors in this decline.[174]

Trinidad and Tobago's merchandise imports totaled $8.9 billion in 2016, an increase after imports dropped by $1.8 billion in 2015 (table 3.2). The country's energy imports, however, declined from $4.7 billion in 2014 to $2.6 billion in 2015. The decrease of energy-sector imports was slightly offset by an increase in non-energy-sector imports, which rose from $4.0 billion in 2014 to $4.5 billion in 2015.[175]

The United States is Trinidad and Tobago's largest single-country trading partner. In 2016, the United States supplied over one-quarter (25.8 percent) of Trinidad and Tobago's imports (table 3.3). Leading U.S. exports to Trinidad and Tobago in 2014 were aircraft, petroleum products, cellphones, and wheat. The United States also is the leading market for Trinidad and Tobago's exports, accounting for 43.7 percent of total Trinidadian exports (table 3.3). Leading U.S. imports from Trinidad and Tobago included anhydrous ammonia, methanol, natural gas, and petroleum.[176]

Table 3.3: Trinidad and Tobago: Main trade partners, 2016 (percent)

Leading markets for exports and share		Leading sources of imports and share	
United States	43.7	United States	25.8
Mexico	6.4	Gabon	18.6
Turkey	5.7	Russia	10.1
Chile	4.5	Colombia	6.7

Source: IMF, Direction of Trade Statistics database (accessed March 28, 2017).

Investment Profile

Trinidad and Tobago is generally open to foreign direct investment (FDI) and traditionally has welcomed U.S. investors, although several U.S. firms encountered problems in 2016, according to the U.S. Department of State.[177] The bulk of Trinidad and Tobago's net FDI is concentrated in its petroleum and gas extraction sector.[178] Leading sources of FDI include the United States, Canada, and China.[179] In 2015, the United States contributed 45 percent of total FDI inflows to Trinidad and Tobago accounting for approximately $367.2 million in direct investments in Trinidad and Tobago.[180]

Trinidad and Tobago generally ranked high in ease of doing business when compared to most of the other CBERA countries, according to World Bank measures. In 2016, Trinidad and Tobago ranked 96th of 190 countries in the World Bank's overall Ease of Doing Business Index[181]—the third-highest overall score for CBERA countries. It also ranked 69th of 190 countries in the subcategory "ease of starting a

[173] Central Bank of Trinidad and Tobago, *Annual Economic Survey 2015, 2015*, 48. Data include only January–September for 2014 and 2015.
[174] Ibid., 37.
[175] Ibid., 48. Data include only January–September for 2014 and 2015.
[176] USITC DataWeb/USDOC (accessed April 17, 2017).
[177] USDOS, "2016 Investment Climate Statement—Trinidad and Tobago," June 2016.
[178] Trinidad and Tobago's mining, quarrying, and petroleum sector represented more than 80 percent of FDI stock in the country in 2014. UNCTAD, *World Investment Report 2016*, 2016, 83.
[179] USDOS, "2016 Investment Climate Statement—Trinidad and Tobago," June 2016.
[180] USDOS, U.S. Embassy (Port of Spain), email to the USITC, June 1, 2017.
[181] All rankings are benchmarked to June 2016. World Bank, "Doing Business 2017," June 1, 2016.

business."[182] Trinidad and Tobago excelled in three categories: "getting electricity," where it ranked 31st; "getting credit," where it ranked 44th; and "protecting minority investors," where it ranked 53rd. The latter score most likely reflects the country's status as a regional financial center, an industry that has been built on Trinidad and Tobago's large energy export earnings.[183]

According to the U.S. Department of State, an ineffective judiciary system, theft, and other crimes are among the most serious problems in doing business in Trinidad and Tobago.[184] Trinidad and Tobago ranked worse than most other countries with respect to enforcing contracts (168th) and registering property (150th).[185] According to the U.S. Department of State, due to the country's relatively inefficient judicial system, the process of deciding on and awarding contracts can at times turn opaque without warning, despite a proposing company's best efforts to comply with all requirements. Resolution of legal conflicts also tends to be time consuming, deterring international investment and the establishment of new firms.[186]

Impact of CBERA

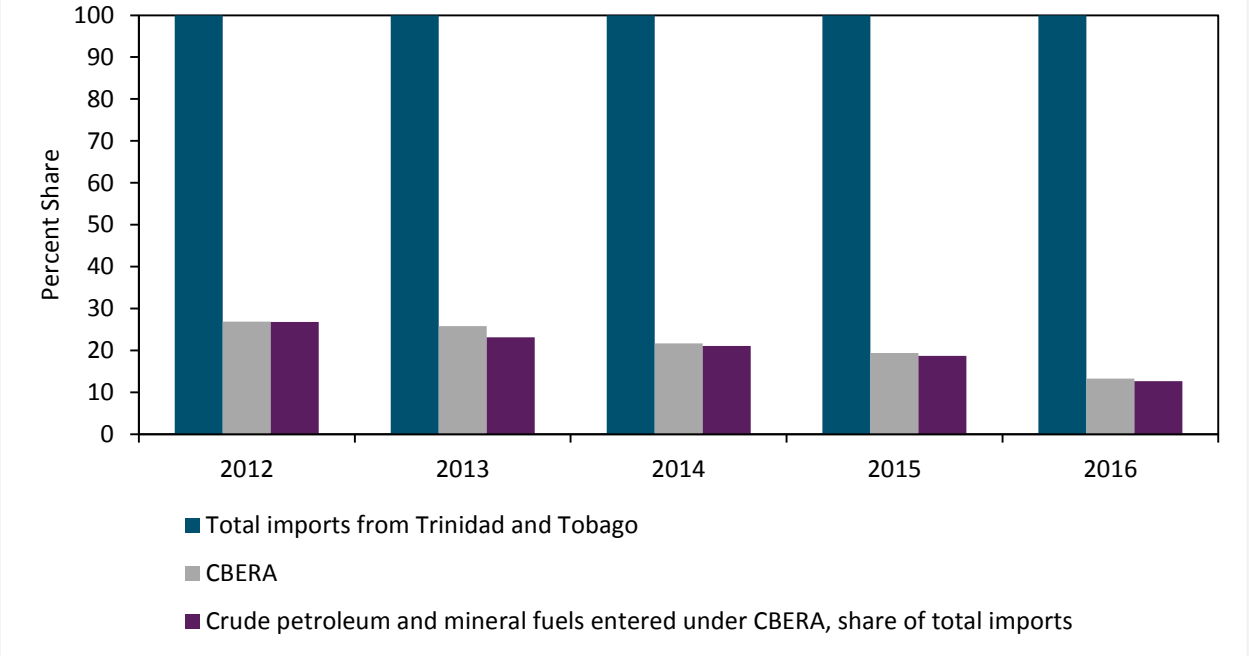
Trinidad and Tobago registered the seventh-highest CBERA utilization rate in 2016. This rate has declined from 26.9 percent in 2012 to 21.7 percent in 2014 and to 13.2 percent in 2016 (table 3.1). Whereas total U.S. imports from Trinidad and Tobago fell from $5.7 billion in 2014 to $2.9 billion in 2016[187]—the result, as noted earlier, of a decrease in U.S. imports of energy products—Trinidad and Tobago's energy sector and certain downstream products continued to benefit from the CBERA program (figure 3.2).[188] Trinidad and Tobago remained the leading source of U.S. imports under CBERA, though imports decreased from $1.2 billion in 2014 to $383.5 million in 2016. Exports from Trinidad and Tobago under CBERA represent 4.2 percent of total exports from the country and 1.7 percent of GDP.

The country's energy-sector exports included methanol (HTS 2905.11.20) and crude petroleum (HTS 2709.00.20). Together they made up over 99 percent of U.S. energy imports under CBERA, and 39 percent by value of all U.S. imports under CBERA 2016.[189] Trinidad and Tobago supplied 100 percent of the methanol and crude petroleum imported into the United States under CBERA during 2016. Its third-largest export under CBERA was melamine (HTS 2933.61.00) —a resin used to make kitchenware and tableware, flooring laminates, wall adhesives, and a variety of other applications. Produced as a downstream product of Trinidad and Tobago's methanol and ammonia industries since May 2010,[190]

[182] World Bank, "Doing Business 2017," June 1, 2016.
[183] Ibid.; USITC, *Caribbean Basin Economic Recovery Act: Impact on U.S. Industries and Consumers and on Beneficiary Countries, 2011–2012,* 2013, 4–21.
[184] USDOS, EB, "2016 Investment Climate Statement—Trinidad and Tobago," June 2016.
[185] World Bank, "Doing Business 2017," June 1, 2016.
[186] USDOS, EB, "2016 Investment Climate Statement—Trinidad and Tobago," June 2016.
[187] See appendix E, table E.2.
[188] Trinidad and Tobago graduated from the U.S. Generalized System of Preferences (GSP) beginning January 1, 2010, meaning that products previously eligible for duty-free entry into the United States under either GSP or CBERA became eligible only under the CBERA program. USDOS, Embassy of the United States, Port of Spain, "Trinidad and Tobago GSP Graduation," July 2, 2008.
[189] See chapter 4, tables 4.1 and 4.2.
[190] Government of Trinidad and Tobago, Ministry of Energy and Energy Affairs, "Downstream Gas Industry," 2012.

U.S. melamine imports under CBERA from this country dropped almost by half from its peak of $23.7 million in 2011 to $12.1 million in 2016.[191]

Figure 3.2: Trinidad and Tobago: Total U.S. imports and imports under CBERA, 2012–16



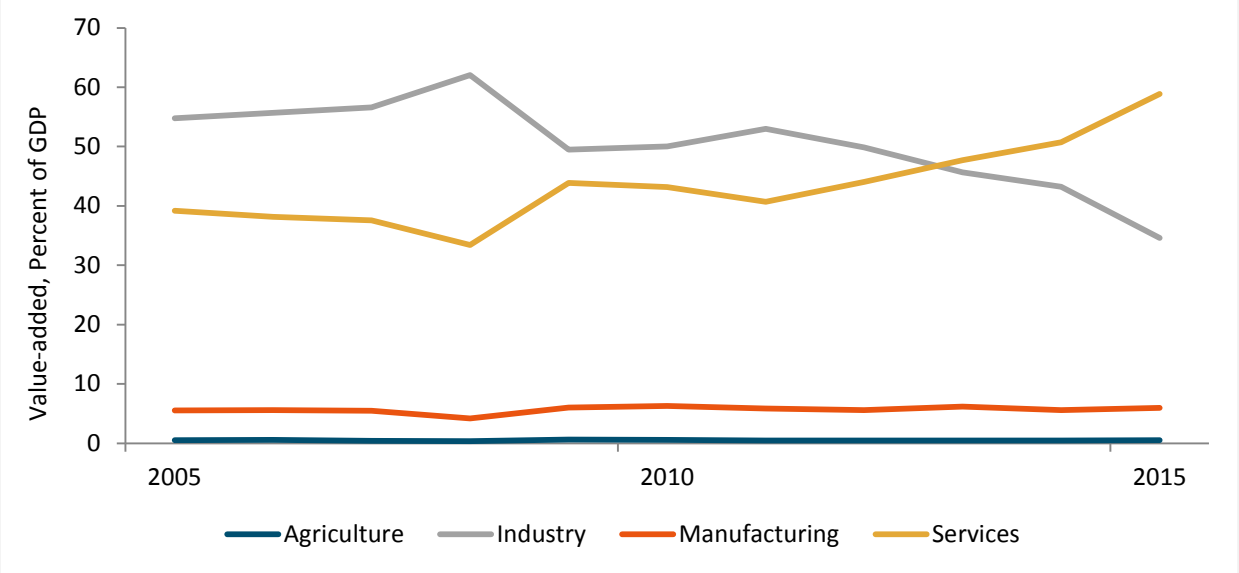
Source: Compiled from official statistics of the U.S. Department of Commerce (USDOC) (accessed April 13, 2017). Data reflect all official USDOC revisions for 2012–16 as of that date.
Note: In this figure, crude petroleum and mineral fuels include crude petroleum (HTS 2709.00.20) and methanol (HTS 2905.11.20). See corresponding data table F.4.

Trends in the Services Sector[192]

Trinidad and Tobago has seen a rise in the services sector as a proportion of GDP since reaching a low of 38.4 percent of GDP in 2006. In 2014, services had risen to 58.9 percent of GDP, its highest point in the last two decades. This has been accompanied by a fall in industry as a proportion of GDP, which is predominantly made of petroleum production (figure 3.3).[193] Manufacturing and agriculture have also seen modest declines. While U.S. imports under CBERA have declined (figure 3.2), the finance, insurance, and real estate industries have risen as a share of GDP, from 10 percent in 2011 to 12.8 percent in 2015.[194]

[191] See Chapter 4 for a detailed discussion on the drivers behind the decline of melamine exports from Trinidad and Tobago.
[192] Although CBERA only applies to merchandise imports, services are an increasingly important part of the economy for many beneficiary countries. This importance has an impact on the utilization rates of the CBERA, thus the services sector is discussed in this section.
[193] World Bank, Databank, "World Development Indicators" (accessed June 5, 2015).
[194] Central Bank of Trinidad and Tobago, *Annual Economic Survey 2015,* 2015, 72.

Figure 3.3: Trinidad and Tobago: Value-added by sector, percent of GDP, 2005–14



Source: World Bank Development Indicators (accessed June 5, 2015).
Note: See corresponding data table F.5

Haiti: Economic Profile

Overview

With a per capita GDP of $706 in 2016 (table 3.4), Haiti is the poorest CBERA country and remains one of the poorest countries in the world. Haiti ranked 163rd of 188 on the 2016 United Nations' Human Development Index, a composite index combining life expectancy, educational attainment, and income.[195] With an estimated 10.9 million people in 2016, Haiti also has the highest population of any CBERA country. Haiti's real GDP growth rose to 1.4 percent in 2016 despite nominal GDP falling; consumer price inflation rose sharply for a second consecutive year, from 4.6 percent in 2014 to 13.8 percent in 2016.[196]

[195] UNDP, *Haiti Human Development Report 2016*, 2016.
[196] EIU, *Country Report First Quarter 2017: Haiti*, February 10, 2017.

Table 3.4: Haiti: Selected economic indicators, 2012–16

	2012	2013	2014	2015	2016
GDP (nominal, billion US $)	7.8	8.4	8.7	8.4	7.7
Real GDP growth (%)	2.9	4.2	2.8	1.2	1.4
Population (million)	10.3	10.4	10.6	10.7	10.9
GDP per capita (US $ at PPP)	757	808	821	785	706
Inflation (%)	6.3	5.9	4.6	9.0	13.8
Goods exports (million US $)	778.8	914.9	960.9	1,029.00	952.2
Goods imports (million US $)	3,079.30	3,329.20	3,666.20	3,445.30	3,335.80
Exports under CBERA (million US $)[a]	436.8	362.3	405.4	433.4	317.9
Current account balance (million US $)	-1,418.70	-1,287.20	-1,364.80	-723	-560.2
Total external debt (billion US $)	1.2	1.6	1.9	2.1	2.2

Source: EIU, *Country Report First Quarter 2017: Haiti*. February 10, 2017.

[a] Data compiled from official statistics of the U.S. Department of Commerce (USDOC) (accessed June 11, 2007). Does not include exports under the provisions of the HOPE and HELP Acts.

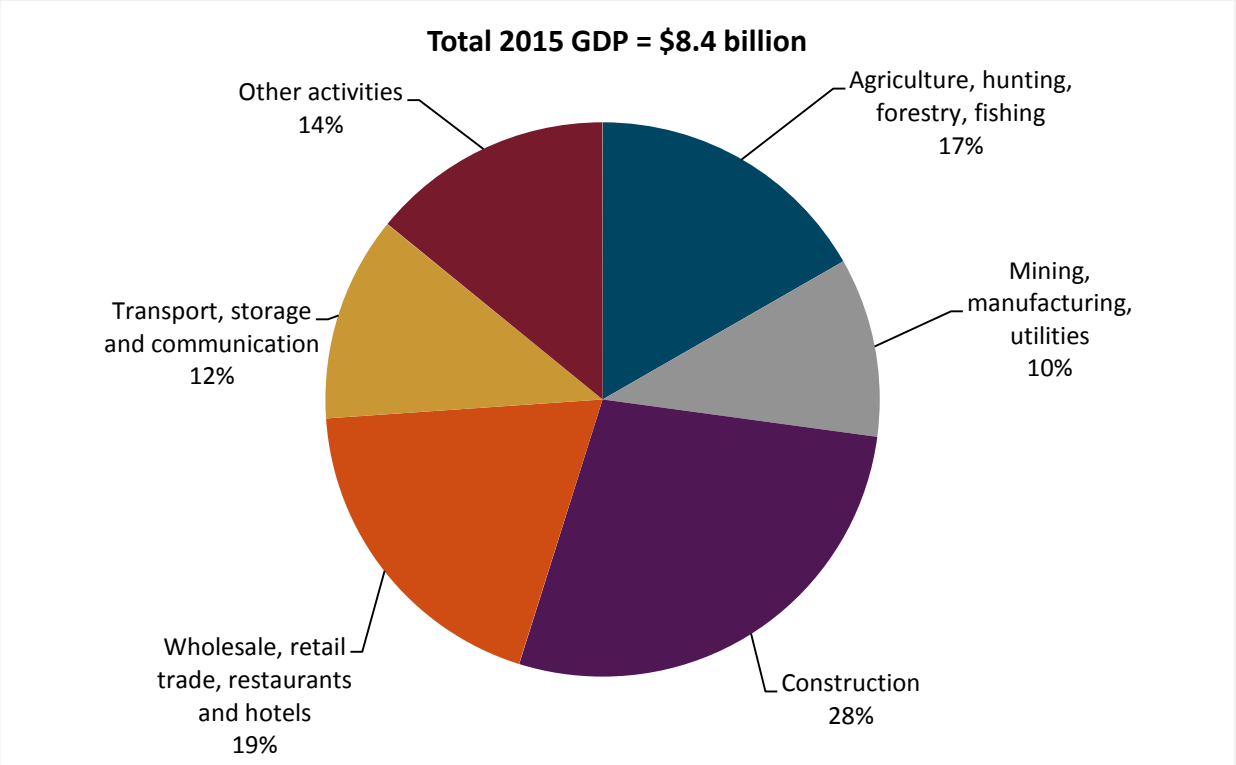
Seven years after the devastating 2010 earthquake that struck Haiti, the country remains vulnerable to natural disasters. In October 2016, the country was hit by category 4 Hurricane Matthew, which was the most devastating disaster since the earthquake. The World Bank estimates that damages and losses from the hurricane could reach up to $1.9 billion (22 percent of GDP).[197] The damage includes $600 million of losses in agriculture, livestock, and fishing, as well as the destruction of over 500 schools. Haiti has already faced several pressing challenges: public expenditures for post-hurricane construction are on the rise, despite internal revenues only composing 13 percent of GDP. In addition, Haiti's growth has slowed to just over 1 percent over the past two years, and its fiscal deficit is expected to widen in 2017.[198] Haiti's governance system also continued to be weakened by the 2010 earthquake, in which about 30 percent of its civil servants were killed.[199] According to the Economist Intelligence Unit, instability in political institutions has also slowed the effectiveness of government projects and hindered growth. The inauguration of a new president in February 2017 may restore some stability, though Haiti's divided legislature remains an impediment.[200]

Haiti remains highly dependent on international donations, loans, and nongovernmental organizations to finance its development and import needs.[201] In 2016, the United States gave over $101 million to aid the 2.1 million Haitians impacted by the hurricane, including nearly $3.5 million to open schools. Since the 2010 earthquake, the United States has funded a total of $4.7 billion of aid for Haiti.[202]

Construction accounted for 28 percent of the Haitian economy in 2015 as the country continued to rebuild its infrastructure from the earthquake (figure 3.4). This was followed by wholesale/retail trade and agriculture, 19 and 17 percent of GDP, respectively. Transport, storage, and communication accounted for 12 percent of GDP, followed by mining, manufacturing, and utilities, which accounted for 10 percent of GDP.

[197] World Bank, "Haiti Overview," April 11, 2017.
[198] Ibid.
[199] UNDP, "Haiti: From Recovery to Sustainable Development" (accessed March 28, 2017).
[200] EIU, *Haiti: Country Report First Quarter*, February 10, 2017.
[201] Ibid.
[202] USAID, "Caribbean Hurricane Matthew—Fact Sheet #19," April 4, 2017

Figure 3.4: Haiti: Composition of GDP, 2015



Source: UN Statistics Division, National Accounts database (accessed April 12, 2017).
Note: Most recent data available. See corresponding data table F.6.

Trade Profile

Haiti's estimated exports to the world remained fairly consistent from 2014 to 2016 at just over $1 billion, of which over $850 million is composed of textiles and apparel exports to the United States.[203] After rising to $939 million in 2015, mining and manufacturing exports to the United States returned to their 2014 level of about $870 million in 2016. Agriculture exports to the United States shrank by over 40 percent, from $20 million in 2014 to $12 million in 2016,[204] as the country recovers from severe drought conditions in 2015.[205]

In 2015, the United States was Haiti's largest export market (table 3.5), accounting for 85.2 percent of Haiti's exports. Articles of apparel and clothing accessories made up the majority of these exports. Other leading exports to the United States included edible fruits and nuts, cocoa, and prepared feathers and down. The Dominican Republic was Haiti's largest source of imports in 2016, accounting for 35.2 percent of the total, while the United States, at 24.5 percent, was Haiti's second-largest source. Leading U.S.

[203] IMF, Direction of Trade Statistics (DOTS) database (accessed April 12, 2017); USDOS, EB, "2016 Investment Climate Statement—Haiti," 2016.
[204] Compiled from tariff and trade data from the USDOC and the USITC (accessed April 13, 2017).
[205] EIU, *Haiti: Country Report First Quarter*, February 10, 2017.

exports to Haiti in 2016 included cereals, mineral fuels, meat, and electrical machinery and equipment.[206]

Table 3.5: Haiti: Main trade partners, 2015 (percent)

Leading markets for exports and share		Leading sources of imports and shared	
United States	85.2	Dominican Republic	35.2
Canada	3.0	United States	24.5
Mexico	2.2	Former Netherlands Antilles	9.4
Thailand	1.2	China	2.0

Source: EIU, *Haiti: Country Report First Quarter*, February 10, 2017.

Investment Profile

According to the U.S. Department of State, Haiti's laws encourage FDI, its import and export policies are nondiscriminatory, and there is no significant public opposition to foreign investment in Haiti. Since 2011, the Haitian government has enacted legislation to strengthen its anti-money-laundering and anti-corruption laws. Haiti is also considering changes in its mining, insurance, and labor legislation that may improve the investment environment. However, FDI inflows to Haiti totaled $104 million in 2015, making Haiti one of the smallest recipients in the region.[207] In 2016, according to the World Bank, Haiti ranked 181st of 190, one of the world's lowest among countries in ease of doing business. Also, Haiti ranked far below the next CBERA country of Grenada, which ranked 138th.[208]

Investment in Haiti's apparel assembly sector is encouraged under CBERA, particularly by the additions of CBTPA and the HOPE and HELP Acts.[209]

Impact of CBERA

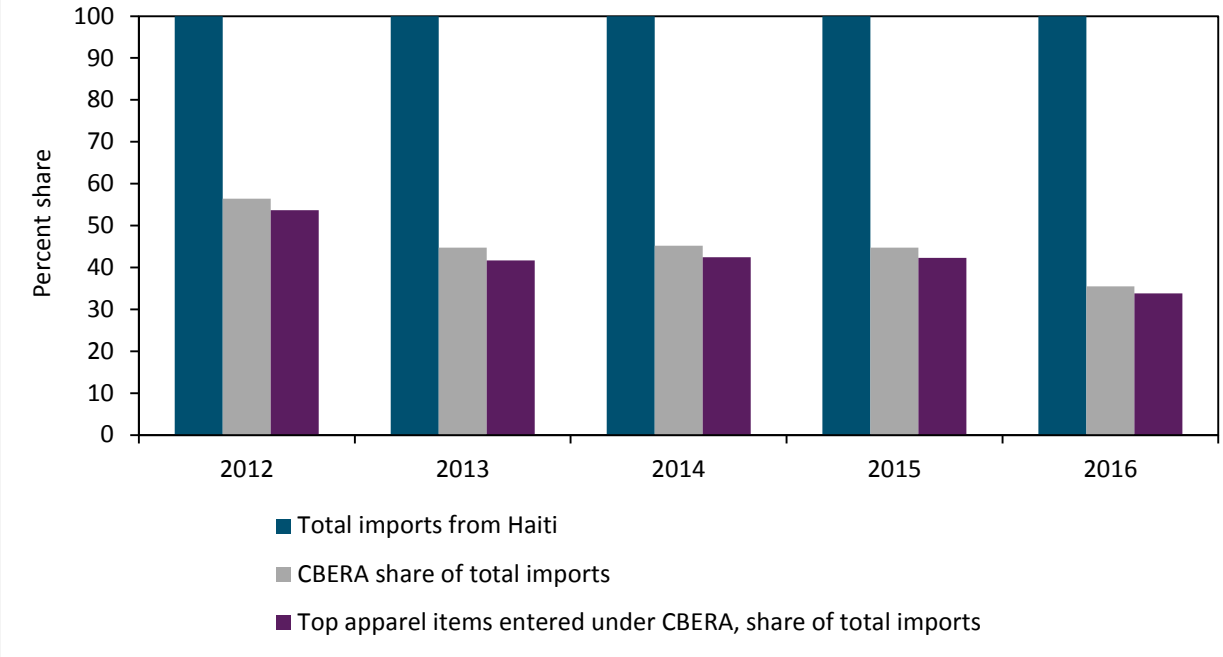
Haiti has been the second-largest source of U.S. imports under the CBERA program in recent years.[210] In 2016, the value of U.S. imports under CBERA was $317.8 million out of a total of $895.2 million, representing 33.4 percent of all exports from Haiti and 4.1 percent of its GDP.[211] As a consequence, Haiti had the highest CBERA/CBTPA utilization rate of 35.5 percent in 2016 (table 3.1). This high utilization reflects in large part Haiti's longstanding reliance on apparel exports to the United States, where apparel assembly—sewing clothing and other articles made of imported yarn and fabric—provides Haiti's leading manufacturing activity and largest export industry. Cotton T-shirts (HTS 6109.10.00) and knitted cotton tops (HTS 6110.20.20), the top two export products, together accounted for 91.6 percent of all imports from Haiti under CBERA/CBTPA (figure 3.5).[212]

Total U.S. imports from Haiti rose steadily after the earthquake, until declining from $968.2 million in 2015 to $895.2 million in 2016. Haiti's CBERA/CBTPA utilization rate, however, has declined fairly

[206] Compiled from tariff and trade data from the USDOC and the USITC (accessed April 13, 2017).
[207] USDOS, EB, "2016 Investment Climate Statement—Haiti," 2016.
[208] World Bank, "Doing Business 2017."
[209] See section on U.S. imports classified by import program in chapter 2 and section on the HOPE and HELP Acts in chapter 1.
[210] The HOPE and HELP Acts are discussed separately in chapter 4.
[211] Includes CBTPA but does not include HOPE/HELP. USITC DataWeb/USDOC (accessed April 17, 2017).
[212] Ibid. (accessed June 22, 2017).

steadily since 2010. The decline reflects the shift in the legal framework chosen for Haiti's apparel exports to the United States, from CBERA to the HOPE and HELP Acts. These acts, designed to function as a complement to the CBTPA benefits for apparel,[213] provide more liberal rules of origin for textile and apparel exports as a way to assist in Haiti's earthquake recovery.[214] The value of U.S. imports under the HOPE and HELP Acts increased steadily, rising from $303.4 million in 2012 to $535.0 million in 2016.[215] HOPE allows duty-free imports of certain apparel using yarns and fabrics from any country, whereas CBTPA requires use of yarns and fabrics from the United States for duty-free treatment. HELP expands preferences for apparel goods and creates new preferences for certain non-apparel textile goods, in addition to extending CBTPA and HOPE preferences through September 2025.[216]

Figure 3.5: Haiti: Total U.S. imports and imports under CBERA, 2012–16



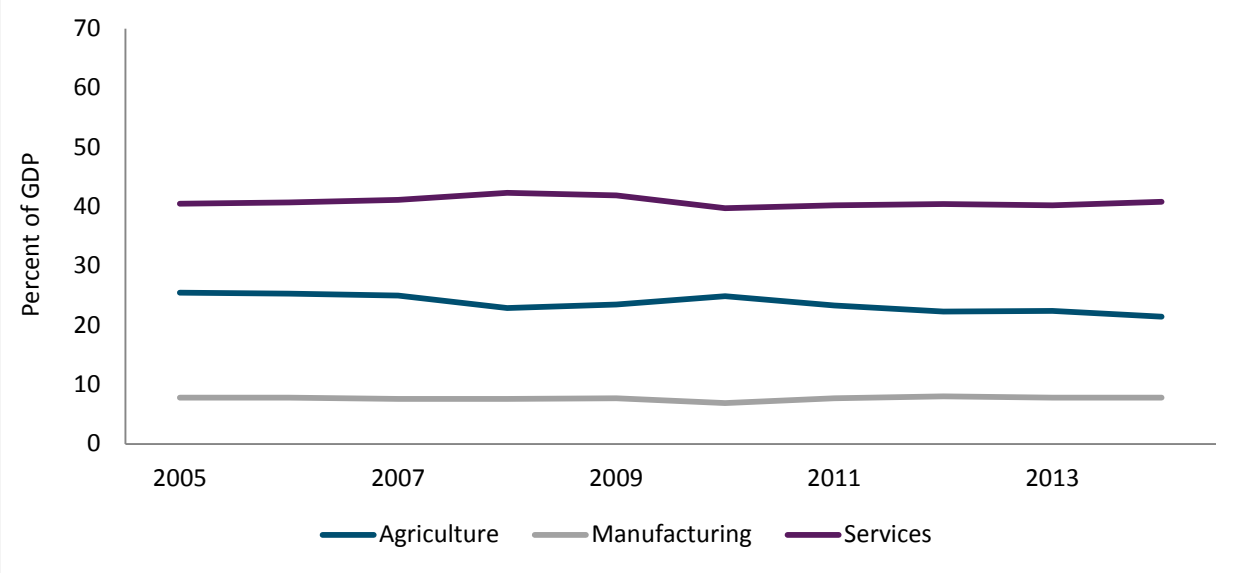
Source: Compiled from official statistics of the U.S. Department of Commerce (USDOC) (accessed April 13, 2017). Data reflect all official USDOC revisions for 2012–16 as of that date.
Note: In this figure, top apparel items include only the three leading apparel imports from Haiti under CBERA in 2012–16: knitted cotton T-shirts (HTS 6109.10.00), knitted cotton tops (HTS 6110.20.20), and T-shirts of manmade fibers (HTS 6109.90.10). Data include CBTPA but does not include HOPE/HELP. See corresponding data table F.7.

[213] Association des Industries d'Haiti, written submission to USITC, May 18, 2017.
[214] The HOPE and HELP Acts are further described in chapter 1 of this report. The expansion of Haiti's textile and apparel exports to the United States is discussed in greater detail in chapter 4. The HOPE and HELP Acts are considered critical to Haiti's economic recovery and support for a sustainable economy in Haiti. USFCS and USDOS, *Doing Business in Haiti: 2013*, chapter 6. The HOPE and HELP Acts have been key in the recovery of Haiti's apparel industry, which accounted for some 90 percent of national export earnings and provided about 30,000 jobs in 2013, according to the U.S. State Department. USDOS, WHA, "Fact Sheet: U.S. Relations with Haiti," March 23, 2017.
[215] USDOC, ITA, OTEXA, "U.S. Imports under Trade Preference Programs," (accessed April 25, 2017).
[216] USDOC, ITA, OTEXA, "Trade Preferences for Haitian Textiles and Apparel" (accessed April 26, 2017).

Trends in the Services Sector

Haiti remains vulnerable to natural disasters, such as the magnitude 7.0 earthquake in 2010, and most recently, Hurricane Matthew, which struck Haiti on October 4, 2016.[217] Failure to recover from past disasters has contributed to the long-term decline in Haiti's agricultural sector, which fell from 28.8 percent of GDP in 1998 to 21.5 percent in 2014 (figure 3.6). Services have steadily increased as a percentage of GDP from 38.5 percent in 1998 to 40.8 percent in 2014. Government spending and construction have risen, while manufacturing has remained constant, at 7.8 percent of GDP in 2014.[218]

Figure 3.6: Haiti: Value-added by sector, percent of GDP, 2005–14



Source: World Bank Development Indicators.
Note: See corresponding data table F.8.

The Bahamas: Economic Profile

Overview

The Bahamian economy grew in 2016, but the country has experienced volatile real GDP growth since 2012 (table 3.6). GDP per capita has steadily increased from $21,000 in 2012 to $22,500 in 2016, a 7.1 percent increase during this time period. The World Bank classifies The Bahamas as a high-income economy.[219] The Bahamas trade deficit has fluctuated in recent years from $2.4 billion in 2012 to $2.1 billion in 2014 to $2.2 billion in 2016. Leading industries in The Bahamas include tourism, banking,

[217] World Bank, "Haiti Overview," April 11, 2017.
[218] Bank of the Republic of Haiti, *Annual Report 2014*, 2016, Table 1.1a; Bank of the Republic of Haiti, *Annual Report 2006, Statistical Annex* (accessed June 5, 2017).
[219] The World Bank classifies countries as "high-income economies" if they have annual per capita gross national income on a purchasing power parity (PPP) basis greater than $12,476. World Bank, "New Country Classifications by Income Level," July 1, 2016.

oil bunkering,[220] maritime, and transshipment.[221] In May 2016, the estimated labor force was 215,880, with a 76.9 percent labor force participation rate.[222]

Table 3.6: The Bahamas: Selected economic indicators, 2012–16

	2012	2013	2014	2015	2016
GDP (nominal, billion US $)	8.4	8.5	8.6	8.9	9.0
Real GDP growth (%)	3.1	0.0	-0.5	-1.7	0.3
Population (million)	0.4	0.4	0.4	0.4	0.4
GDP per capita (US $ at PPP)	21,000	21,250	21,500	22,250	22,500
Goods exports (million US $)	984	955	834	527	882
Goods imports (million US $)	-3,386	-3,166	-3,316	-2,953	-3,070
Exports under CBERA (million US $)[a]	130.5	141.7	158.2	88.4	68.4
Trade balance (million US $)	-2,402	-2,211	-2,090	-2,426	-2,188
Current account balance (million US $)	-1,505	-1,494	-1,928	-1,409	-1,585
Foreign-exchange reserves (million US $)	846.9	807.4	874.3	895.5	918.4

Source: EIU, *The Bahamas Economy Annual Indicators*, January 13, 2017.

[a] Data compiled from official statistics of the U.S. Department of Commerce (USDOC) (accessed June 11, 2017).

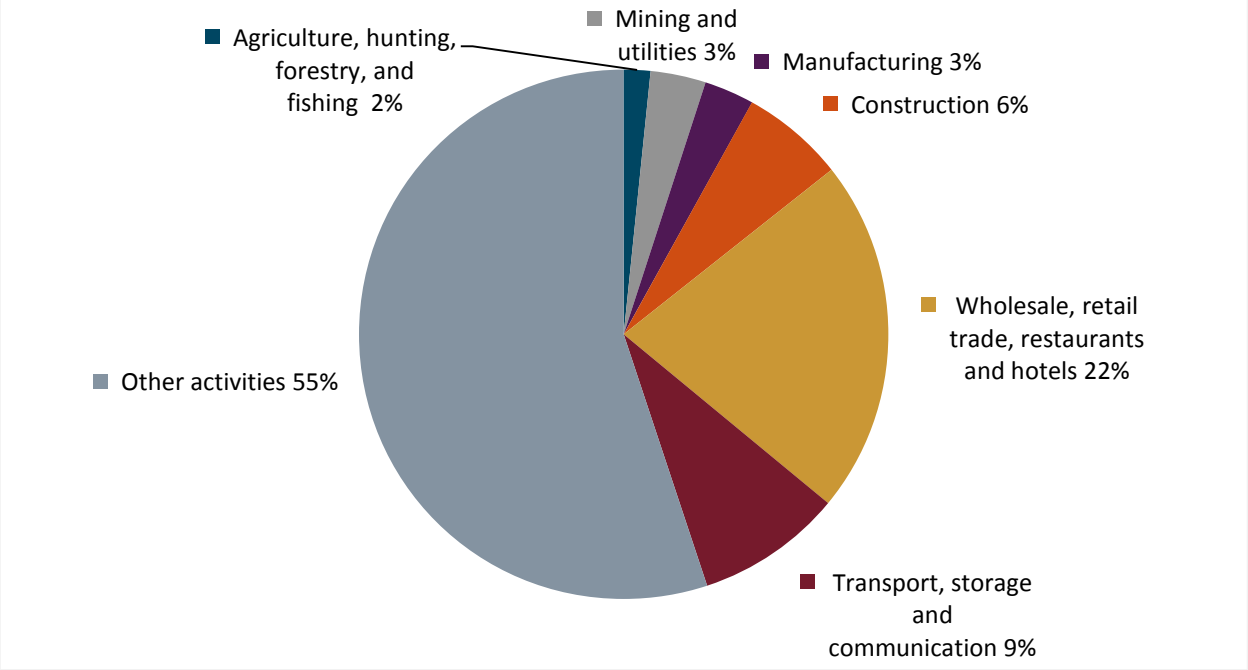
The most significant share of The Bahama's GDP is wholesale/retail trade, restaurants, and hotels, which accounted for 21.7 percent of GDP in 2015 (figure 3.7). The remainder of The Bahama's GDP is composed of construction (6.3 percent), transport, storage, and communication (8.9 percent), manufacturing (3 percent), mining and utilities (3.4 percent), and agriculture (1.6 percent).

[220] Oil bunkering refers to oil storage. Multinational petroleum corporations, such as Shell, store a large amount of crude petroleum in big storage containers in The Bahamas when there is not enough space at these companies' refinery sites.

[221] CIA, "The Bahamas" (accessed March 30, 2017).

[222] Government of The Bahamas, Department of Statistics, May 2016.

Figure 3.7: The Bahamas: Composition of GDP, 2015



Source: UN Statistics Division, National Accounts database (accessed March 22, 2017).
Note: Most recent data available. See corresponding data table F.9.

Trade Profile

The value of exports from The Bahamas declined from $984 million in 2012 to $882 million in 2016, with exports of polystyrene (HTS 3903.11.00) to the United States under CBERA decreasing from 13.2 percent of the value of all exports in 2012 to 7.6 percent in 2016.[223] Other leading export commodities in 2015 included crawfish, aragonite, and crude salt.[224] Imports to The Bahamas also declined over the same time period, slipping from $3.4 billion in 2012 to $3.1 billion in 2016. Leading import commodities in 2015 included machinery and transport equipment, manufactures, chemicals, mineral fuels, and food and live animals.[225]

The United States is the largest source of imports for The Bahamas. In 2016, U.S. exports accounted for 31 percent of total imports to The Bahamas (table 3.7). Leading U.S. exports to The Bahamas included mineral oils, styrene, jewelry, wood, lubricants, and tractors.[226]

[223] USITC DataWeb/USDOC (accessed March 27, 2017).
[224] CIA, "The Bahamas" (accessed March 30, 2017).
[225] Ibid.
[226] USITC DataWeb/USDOC (accessed July 27, 2017).

Table 3.7: The Bahamas: Main trade partners, 2016 (percent)

Leading markets for exports and share		Leading sources of imports and share	
United States	16.9	United States	31.0
Dominican Republic	15.9	South Korea	16.7
Poland	15.4	Japan	14.1
India	14.7	Singapore	6.6

Source: IMF Direction of Trade Statistics (DOTS) database (accessed April 4, 2017).

The United States was The Bahamas' largest export market and accounted for 16.9 percent of exports, though the Dominican Republic, Poland, and India were close behind with 15.9, 15.4, and 14.7 percent shares of the Bahamian export market, respectively. Leading U.S. imports from The Bahamas included polystyrene, frozen lobster and crawfish, gravel, light oil motor fuel, and salt.[227]

Investment Profile

Economic growth in the Bahamas is driven by the tourism sector, which accounts for nearly 75–80 percent of GDP and directly or indirectly employs half of the country's labor force.[228] According to the World Bank, in 2016 The Bahamas ranked 121st of 190 countries in overall ease of doing business. The Bahamas ranks below some CBERA countries, such as Jamaica (67th), St. Lucia (86th), and Trinidad and Tobago (96th), though it ranks above others, such as Guyana (124th), St. Vincent and the Grenadines (125th), and Haiti (181st).[229] While The Bahamas continues to attract significant investment from all over the world, FDI inflows have fluctuated dramatically in recent years. FDI inflows went from $1.1 billion in 2013 to $1.6 billion in 2014 and then dropped sharply to just $408 million in 2015.[230]

Part of this drop-off in FDI can be explained by The Bahamas' losing its competitive edge for attracting investment to other CBERA countries, with issues relating to property registration, electricity, access to credit, and protections for minority investors hindering the development of new business opportunities.[231] Three other factors causing uncertainty around the growth in the tourism industry have all served to dampen investment prospects in The Bahamas: (1) high crime rates;[232] (2) as in the Caribbean generally, the Zika virus epidemic;[233] and (3) the opening of Cuba to American tourists.[234] In addition, difficulty associated with the 2,220-room Baha Mar resort has had one of the largest negative impacts on the Bahamian economy in recent years. Because of the bankruptcy of the original project owner and consequent delays in the opening, analysts revised GDP growth estimates downwards from earlier projections that had assumed an on-time completion in December 2014.[235] As a result of all these factors, The Bahamas continues to struggle with high unemployment (12.7 percent in May 2016).[236]

The Bahamas' public debt has continued to grow in recent years, in part due to government borrowing (the Bahamian government borrowed $150 million in late 2016 to rebuild the $700 million worth of

[227] USITC DataWeb/USDOC (accessed July 27, 2017).
[228] CIA, "The Bahamas" (accessed July 13, 2017).
[229] World Bank, "Doing Business 2017," June 1, 2016.
[230] UNCTAD, *Bahamas Country Fact Sheet 2016.*
[231] USDOS, EB, "The Bahamas Investment Climate Statement 2016" (accessed March 31, 2017).
[232] IDB, "The Costs of Crime," February 2017.
[233] World Bank, "The Short-term," February 18, 2016.
[234] EIU, *The Bahamas: Country Report 1st Quarter 2016*, January 20, 2016.
[235] Ibid.
[236] Government of The Bahamas, Department of Statistics, May 2016.

damage caused by Hurricane Matthew, which hit the country in October 2016).[237] In an effort to shrink the deficit, the Bahamian government implemented a 7.5 percent value-added tax (VAT), imposed on goods imported from outside the Bahamas, starting on January 1, 2015.[238] Revenues from the VAT in 2015 exceeded expectations, amounting to 6 percent of GDP.[239] A report following a visit from an IMF delegation in July 2016 noted that fiscal consolidation driven by the introduction of the VAT and low oil prices have continued to reduce the Bahamian deficit to 3.5 percent of GDP, down from 5.6 percent in fiscal year (FY) 2013–14 and 4.4 percent in FY 2014–15. However, national finances leave the country's economy vulnerable to shocks like natural disasters.[240] The IMF projected 0.5 percent growth in GDP in 2016, with the potential to grow 1–1.5 percent in the medium term as the Baha Mar resort opens and hires employees.[241]

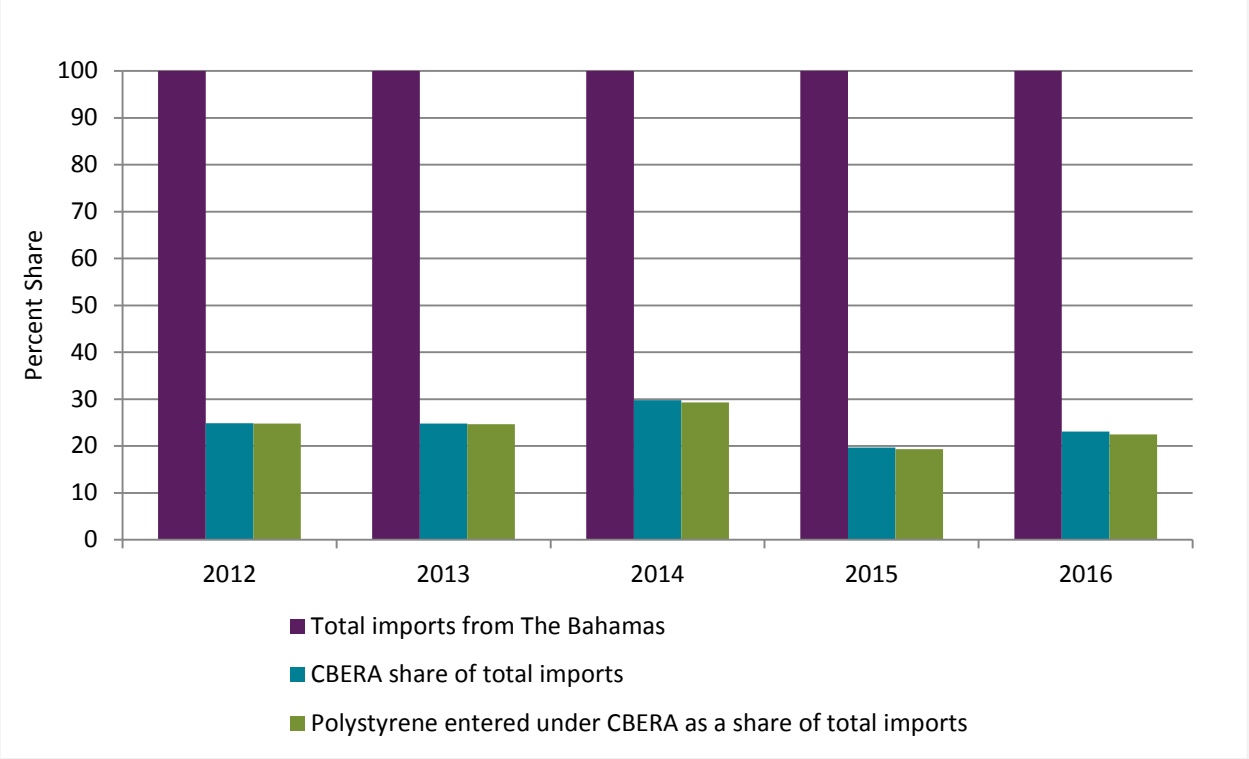
Despite the Bahamian government's efforts to shore up national finances, Moody's downgraded The Bahamas' bond rating in August 2016, citing persistent increases in the country's debt-to-GDP ratio and the expectation of lower medium-term growth compared to similarly rated peers. However, Moody's also changed its outlook for the country from negative to stable, with the expectation that economic performance would strengthen in the years ahead.[242] In December 2016, Standard & Poor's followed suit, downgrading The Bahamas' credit rating to "junk" status while upgrading the country's long-term outlook from negative to stable.[243]

Impact of CBERA

The Bahamas had the fourth-highest CBERA utilization rate at 23.1 percent. The country was the fourth-largest source of U.S. imports under CBERA, which reached $68.4 million in 2016, representing 7.8 percent of total exports from The Bahamas, but only 0.01 percent of its GDP, which is primarily services oriented. U.S. imports under CBERA from The Bahamas are almost entirely made up of polystyrene (HTS 3903.11.00), a plastic product used in many forms of packaging and other consumer uses (figure 3.8). Other U.S. imports from The Bahamas include cucumbers (HTS 0707.00.50, HTS 0707.00.40, and HTS 0707.00.20), natural sponges (HTS 0511.99.36), prepared crabmeat (HTS 1605.10.40), metal-finishing machine tools (HTS 8460.90.80), and cigars (HTS 2402.10.80). Polystyrene enters duty free exclusively under CBERA, as The Bahamas is not a GSP beneficiary country.

[237] EIU, *The Bahamas: Country Report 1st Quarter 2017*, January 6, 2017.
[238] Government of The Bahamas, *Value Added Tax Act*, 2014.
[239] IMF, *The Bahamas: 2016 Article IV Consultation*, July 2016.
[240] Ibid.
[241] Ibid. The Baha Mar is a $4.2 billion resort, including a casino and golf course, which is anticipated to employ thousands of workers.
[242] Moody's, "Rating Action," August 21, 2016.
[243] Hartnell, "Bahamas Receives 'Junk,'" December 21, 2016.

Figure 3.8: The Bahamas: Total U.S. imports and imports under CBERA, 2012–16



Source: compiled from official statistics of the U.S. Department of Commerce.
Note: In this figure, polystyrene is classified under HTS 3909.11.00. See corresponding data table.F10.

U.S. imports of polystyrene under CBERA have fallen almost by half since 2012, from $129.4 million in 2012 to $67 million in 2016—a 48 percent decrease. Polystyrene accounted for 98 percent of U.S. imports from The Bahamas under CBERA in 2016.

Despite declining imports, CBERA still remains an important factor in the Bahamian polystyrene industry. The largest Bahamian exporter of polystyrene, Polymers International Ltd., reported that the benefits of CBERA were indispensable to the company's continued operation, and that the existence of the program informed the New Zealand company's decision to locate in the Bahamas.[244]

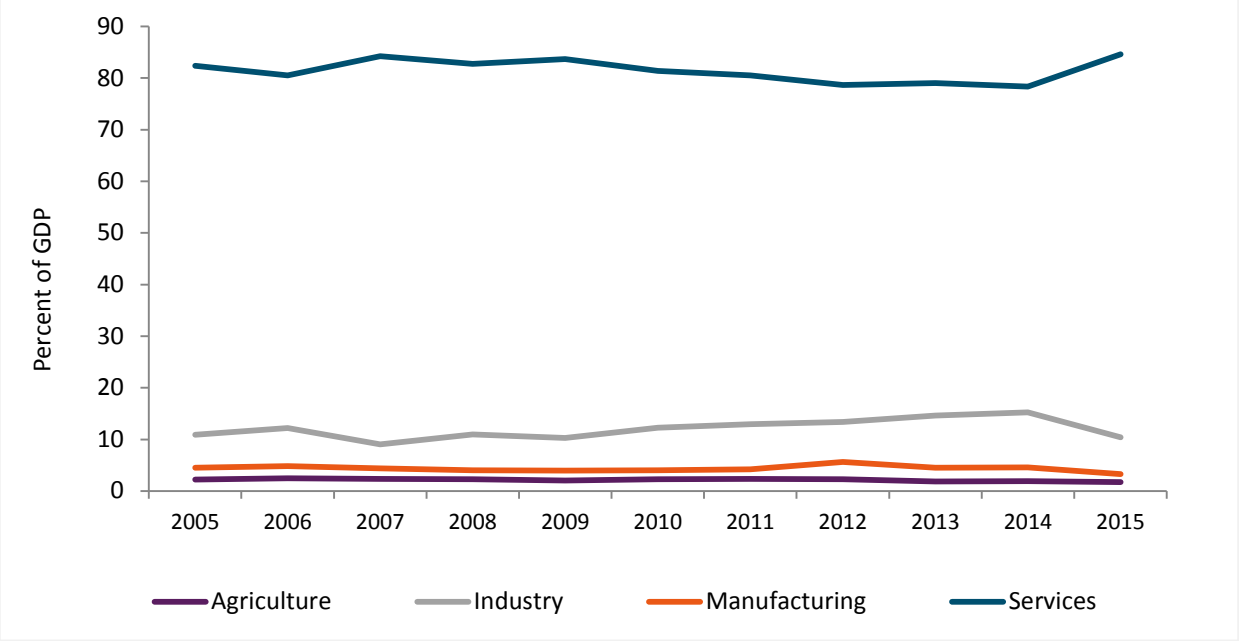
Overall, total U.S. imports from The Bahamas followed the same trend as that of polystyrene. They fell roughly 48 percent in 2012–16, being valued at $130.5 million in 2012 and at $68.4 million in 2016.

Trends in the Services Sector

The Bahamas' services sector has comprised nearly 80 percent of the national GDP since the 1990s (see figure 3.9).

[244] USDOS, U.S. Embassy in The Bahamas, June 6, 2017.

Figure 3.9: The Bahamas sectoral breakdown of value-added, percent of GDP, (2005–15)



Source: World Bank Development Indicators. (accessed March 27, 2017).
Note: See corresponding data table F.11.

Of the industries within the services sector, for the past five years, real estate services comprised around 15 percent of gross value - added by all Bahamian industries, and banking and insurance services comprised around 11 percent.[245] The services sector as a whole is a large employer in the Bahamas, with 36 percent of the total employed population in the Bahamas working in the community, social, and personal services sector, 18 percent working in the hotels and restaurants sector, and 14 percent working in the wholesale and retail sector.[246]

Jamaica: Economic Profile

Overview

Jamaica's GDP of $13.9 billion (table 3.8) made it the second-largest CBERA economy in 2015, behind Trinidad and Tobago. Jamaica's population has remained steady at 2.8 million people since 2011 making it the second-most populous CBERA country after Haiti. The World Bank classifies Jamaica as an upper-middle-income economy with an estimated GDP per capita of $4,952 in 2016.[247] In 2016, Jamaica's labor force was estimated to be 1.3 million people with an estimated unemployment rate of 13.8 percent.[248] Thanks to low oil prices and the improving growth in the United States,[249] Jamaica's own growth rate

[245] Government of The Bahamas, *National Accounts*, May 2016.
[246] Government of The Bahamas, *Labour Force*, May 2016.
[247] The World Bank classifies countries as "upper-middle-income economies" if they have per capita gross national income on a purchasing power parity (PPP) basis of between $4,036 and $12,475. World Bank, "New Country Classifications by Income Level," July 1, 2016.
[248] CIA, "Jamaica" (accessed March 31, 2017).
[249] World Bank, *Country Overview: Jamaica* (accessed March 31, 2017).

has picked up significantly since 2012, going from a period of economic contraction to a 1.6 percent growth rate in 2016.

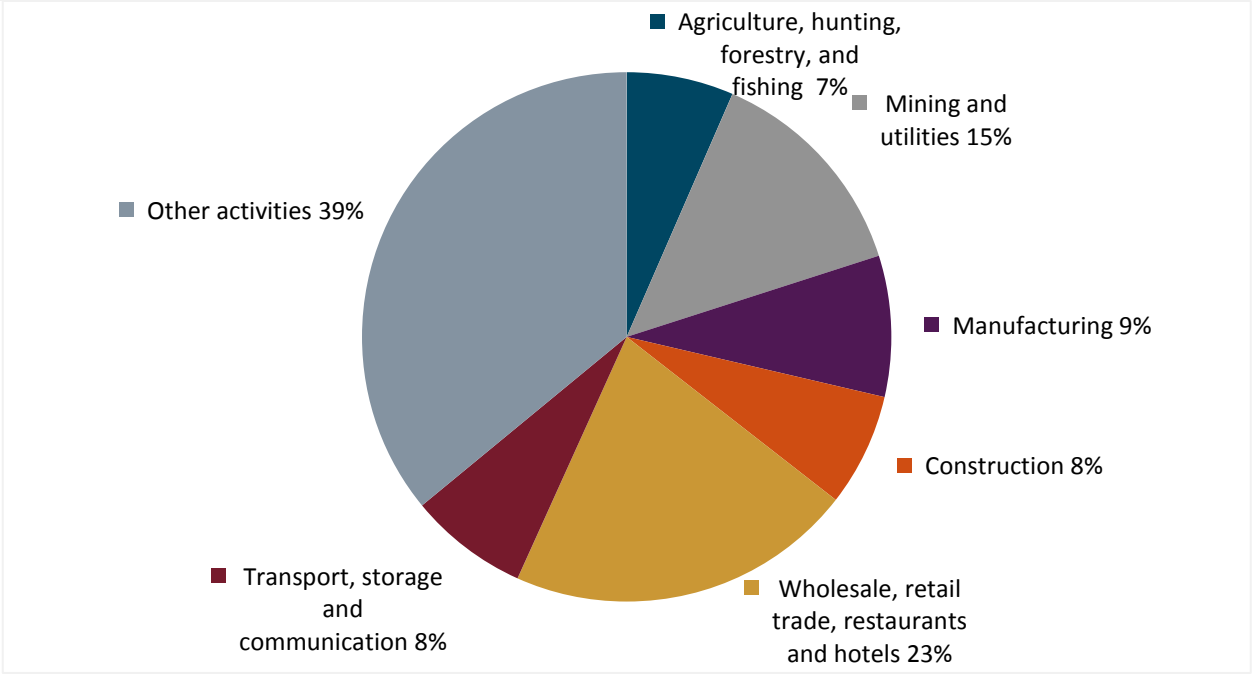
Table 3.8: Jamaica: Selected economic indicators, 2012–16

	2012	2013	2014	2015	2016
GDP (nominal, billion US $)	14.802	14.277	13.897	14.262	13.823
Real GDP growth (%)	-0.5	0.2	0.5	0.9	1.4
Population (million)	2.8	2.8	2.8	2.8	2.8
GDP per capita (US $ at PPP)	5,286	5,099	4,963	5,094	4,952
Inflation (%)	8.0	9.5	6.4	3.7	1.7
Goods exports (million US $)	1,729	1,581	1,449	1,286	1,040
Goods imports (million US $)	-5,634	-5,458	-5,208	-4,450	-4,081
Exports under CBERA (million US $)[a]	206.2	90.2	71.8	81.6	75.2
Trade balance (million US $)	-3,906	-3,878	-3,759	-3,164	-3,041
Current account balance (million US $)	-1,440	-1,357	-1,114	-400	-111

Source: EIU, Jamaica Economy Annual Data and Forecast, April 6, 2017.
[a] Data compiled from official statistics of the U.S. Department of Commerce (USDOC) (accessed May 8, 2017).

Next to the various services economic activities that fall under the "other activities" category, the most significant share of Jamaica's GDP is wholesale/retail trade, restaurants, and hotels, which accounted for 23.2 percent of GDP in 2015 (figure 3.10). The remainder of Jamaica's GDP is composed of manufacturing (9.4 percent), transport, storage, and communications (8 percent), construction (7.5 percent), agriculture (7.1 percent), and mining and utilities (14.8 percent).

Figure 3.10: Jamaica: Composition of GDP, 2015



Source: UN Statistics Division, National Accounts (accessed March 22, 2017).
Note: Most recent data available. See corresponding data table F.12.

Trade Profile

Jamaica's total goods exports declined from $1.7 billion in 2012 to $1.04 billion in 2016 (table 3.8). Leading exports for Jamaica include alumina, bauxite, sugar, rum, coffee, yams, beverages, chemicals, apparel, and mineral fuels.[250] Jamaica's imports also declined, from $5.6 billion in 2012 to $4.1 billion in 2016. Leading import commodities include food and consumer goods, industrial supplies, fuel, machinery and transport equipment, and construction materials.[251]

The United States is Jamaica's single-largest trade partner. In 2016, U.S. exports to Jamaica accounted for 39.0 percent of Jamaica's imports (table 3.9). Leading U.S. exports to Jamaica include fuel oils, wheat, corn, sodium hydroxide, and soybean oil residues.[252] The United States was also the leading market for Jamaica's exports in 2016, accounting for 40.8 percent of total Jamaican exports. Leading U.S. imports from Jamaica include ores, yams, gold scrap, cane sugar, fruits, nuts, and vegetables.[253]

Investment Profile

According to the U.S. Department of State, Jamaica recognizes the importance of FDI as a driver of economic growth, and is implementing structural reforms to improve its investment climate.[254] The Jamaican government has streamlined internal procedures, making it easier to start a business and obtain a construction permit; introduced an employment tax credit and increased the depreciation rate for industrial buildings, making tax payment simpler and less costly; and has established processes and policies that make it easier for businesses to resolve insolvency.[255] Jamaica has no restrictions on holding or transferring funds associated with investments and protects property rights under the constitution.[256] Because of these improvements, Jamaica has ranked highly in the World Bank's ease of doing business index, increasing from 94th of 185 countries in 2013[257] to 64th out of 189 countries in 2015 before dropping off slightly to 67th out of 190 in 2016, making Jamaica the CBERA country highest on the index for the past two years.[258] Foreign direct investment inflows have increased from $595 million in 2013 to $794 million in 2015.[259]

Table 3.9: Jamaica: Main trade partners, 2016 (percent)

Leading markets for exports and share		Leading sources of imports and share	
United States	40.8	United States	39.0
Canada	11.9	China	6.4
Netherlands	10.2	Japan	6.2
Russia	5.8	Venezuela	1.3

Source: IMF, Direction of Trade Statistics (DOTS) database (accessed July 13, 2017).

[250] CIA, "Jamaica" (accessed March 31, 2017).
[251] Ibid.
[252] USITC DataWeb/USDOC (accessed March 31, 2017).
[253] Ibid.
[254] USDOS, EB, "Jamaica Investment Climate Statement 2016," 2016.
[255] World Bank, "Doing Business 2016," 2016.
[256] USDOS, EB, "Jamaica Investment Climate Statement 2016" 2016.
[257] World Bank, "Doing Business 2014."
[258] World Bank, "Doing Business 2017."
[259] UNCTAD, *Jamaica Country Fact Sheet 2016.*

In an effort to encourage investment and bolster confidence in the economy, Jamaica has implemented several economic reforms supported by the IMF under its Extended Fund Facility (EEF), initiated in May 2013. The World Bank and the Inter-American Development Bank each lent $510 million in addition to the IMF's $932 million over the four-year program.[260] While the country's public debt has declined steadily as a result of the reforms required by EEF, Jamaica still possesses one of the highest levels of debt in the world, equivalent to 128.7 percent of its GDP in FY 2015–16.[261]

Jamaican Energy Initiatives

Because of their low supply of internal fossil fuel resources and their high demand for power due to their energy-intensive tourism sectors, CBERA countries and other Caribbean nations experience electricity rates that are typically two to three times higher than the U.S. average rates.[262] Through the Caribbean Energy Security Initiative (CESI), which increases access to financing for projects promoting energy security and clean energy sources, the U.S. government, through the Overseas Private Investment Corporation (OPIC), has dedicated $90 million for construction of wind energy projects in Jamaica.[263]

In August 2016, BMR Energy opened a 36.3-megawatt wind project, funded by the International Finance Corporation, with the support of the Canadian government and OPIC.[264] In July 2015, OPIC also pledged $47 million toward the financing of a 20-megawatt solar project under CESI. The solar photovoltaic facility, owned by Content Solar Ltd., opened in August 2016.[265]

Finally, in late 2016 the U.S. Agency for International Development (USAID) awarded a grant to a 37-megawatt solar project in Westmoreland, Jamaica, through its Clean Energy Finance Facility for the Caribbean and Central America, as part of an effort to provide assistance to undercapitalized renewable energy projects.[266]

Impact of CBERA

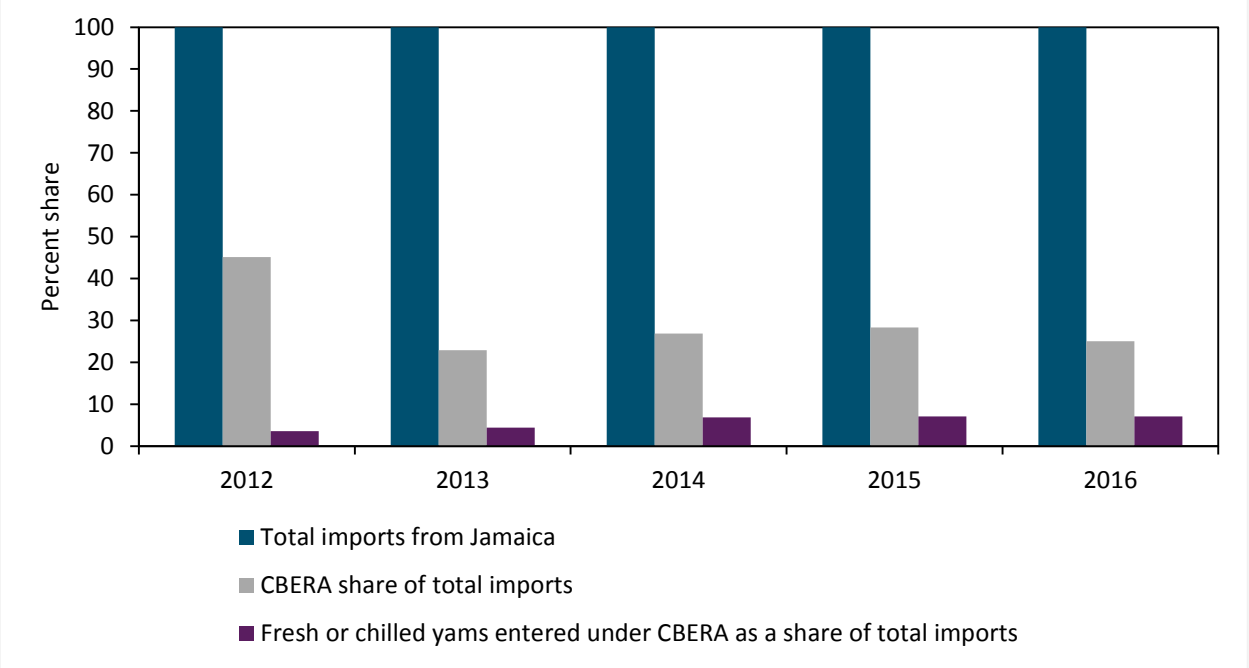
The government of Jamaica has acknowledged the deep and lasting contribution of CBERA to the trade relationship between Jamaica and the United States, highlighting the program's role in increasing investor confidence and promoting the overall economic development of the country.[267] Jamaica had the third-highest CBERA utilization rate—registering 25 percent in 2016, behind Haiti and Belize—while being the third-largest supplier of imports under CBERA at $75.2 million. This value represents 6.0 percent of total exports from Jamaica, but only 0.01 percent of the country's GDP. Total U.S. imports from Jamaica have been steadily declining since 2012. During this period the value of total U.S. imports from Jamaica has declined from $457 million in 2012 to $300 million in 2016, a decline of 34 percent. Imports under CBERA declined significantly from $206 million in 2012 to $90 million in 2013 (figure

[260] World Bank, "Inter-American Development," April 8, 2013.
[261] IMF, "Eleventh and Twelfth Reviews under the Extended Fund Facility," June 2016.
[262] Trinkunas, "Making the Caribbean," January 23, 2015.
[263] Oleaga, "Caribbean Energy Summit 2015," January 27, 2015.
[264] OPIC, "BMR Today Inaugurates," August 11, 2016.
[265] WRB Enterprises, "Content Solar Ltd.," August 28, 2016.
[266] USAID, "USAID Announces First," January 3, 2017.
[267] Government of Jamaica, Ministry of Foreign Affairs and Trade, written submission by Jamaica to the USITC, May 11, 2017, 2.

3.11). Imports continued to shrink to $75.2 million in in 2016, representing a 64 percent decrease from 2012. Much of this decline is attributable to significantly reduced imports of fuel ethanol (HTS 2207.10.60) from its peak of $150 million in 2012. In 2013 these shipments fell to $19.3 million before falling to and remaining at zero from 2014–16. CBERA-eligible exports make up a relatively small part of Jamaica's economy, somewhere between 5 and 12 percent of all exports annually from Jamaica over the past five years.

Other U.S. imports from Jamaica under CBERA included fresh or chilled yams (HTS 0714.30.10), sauces and preparations (HTS 2103.90.90), preserved or prepared fruits nuts and vegetables (HTS 2008.99.90, 2005.99.97), nonalcoholic beverages (HTS 2202.90.90), processed cheese (HTS 0406.30.24), and mixed condiments and seasonings (HTS 2103.90.80). Imports of prepared or preserved vegetables (HTS 2005.99.97) grew by almost 30 percent from 2015 to 2016 to $5.3 million. Jamaica was the sole provider of yams to the United States under CBERA for the third year running, with U.S. imports of Jamaican yams totaling $21 million in 2016.

Figure 3.11: Jamaica: Total U.S. imports and imports under CBERA, 2012–16



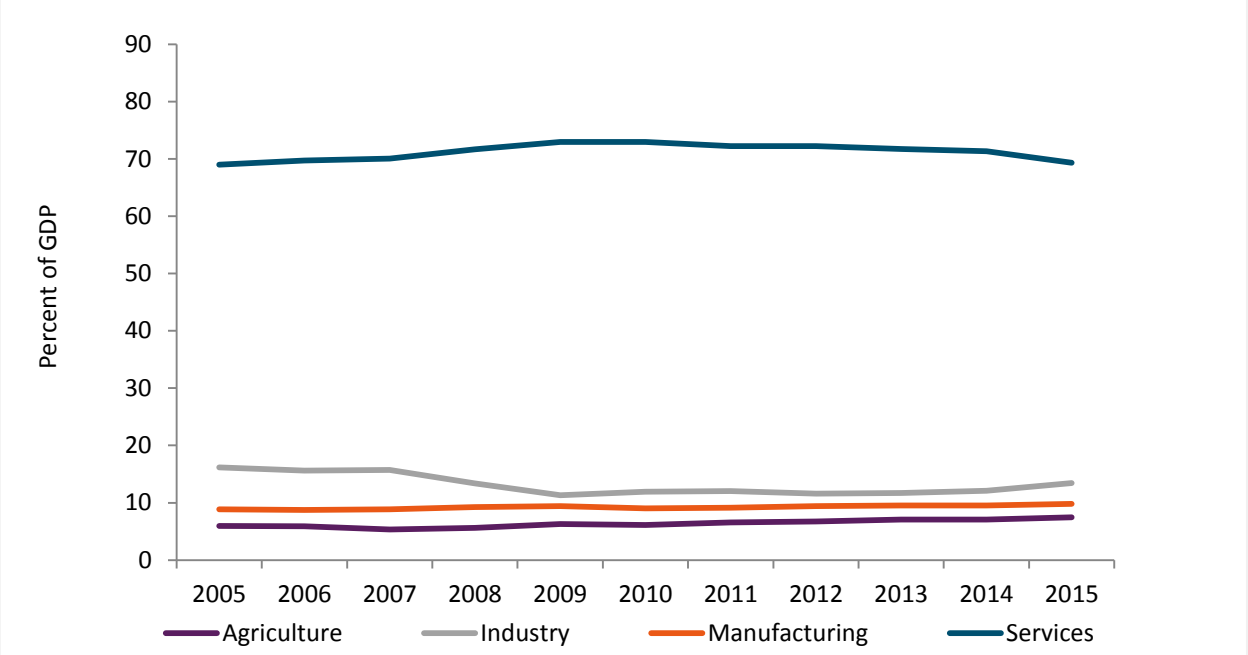
Source: Compiled from official statistics of the U.S. Department of Commerce.
Note: In this figure, fresh or chilled yams are classified under HTS 0714.30.10. See corresponding data table F.13.

Trends in the Services Sector

The services sector has comprised over 70 percent of Jamaica's GDP since the mid-2000s, growing nearly 20 percentage points from 1993 to 2009. The Jamaican services sector accounts for about 70 percent of GDP, and has expanded somewhat as other industrial sectors have downsized. This trend has been evident over the past 20 years, as can be seen in figure 3.12. Within the services sector, nearly 20 percent of the Jamaican labor force is employed in the wholesale and retail and in repair of motor vehicle and equipment sectors. Tourism is a large contributor to Jamaica's growing services sector as

well, with hotels and restaurant services and real estate, renting, and business activities employing a combined 14 percent of the Jamaican labor force.[268]

Figure 3.12: Jamaica sectoral breakdown of value-added, percent of GDP, 2005–15



Source: World Bank Development Indicators.
Note: See corresponding data table F.14.

The resilience of the Jamaican tourism sector in the face of economic downturn has been evident in recent years. As the mining industry has struggled to recover from the global financial downturn, with firms contracting production and declaring bankruptcy as recently as February 2016,[269] the tourism industry has rebounded, posting record earnings in 2016.[270]

[268] Statistical Institute of Jamaica, *The Jamaican Labour*, 2017.
[269] EIU, *Jamaica Country Report*, September 2016.
[270] Ibid., December 2016.

Chapter 4
U.S. Imports under CBERA by Country and Product

This chapter covers U.S. imports under the CBERA program[271] from countries that were designated beneficiary countries for 2015–16. As previously highlighted in chapter 2, U.S. imports from CBERA countries declined in 2016 for a fifth consecutive year to $5.3 billion, down from $12.0 billion in 2012, primarily due to sharp decreases in U.S. imports of energy-related products from the region.[272] The decline in exports from the region to the United States mirrors an overall decline in merchandise exports from the region to the world, although services exports continue to grow. (See box 4.1 for additional information on the importance of services exports for the region.) As this chapter highlights, U.S. imports under the CBERA program have followed a similar trend, declining 43.2 percent from 2015 to 2016 after having consistently decreased in value since 2012. The largest contributors to this decline, mirroring the drop in total U.S. imports from CBERA countries as a whole, are energy-related products, in this instance crude petroleum and methanol.

Box 4.1: Merchandise Exports on the Decline, While Services Exports Rise

Since 2012, both the value of U.S. imports under the CBERA program and the value of U.S. imports from CBERA countries have decreased. The decrease in the value of U.S. imports under the program may not reflect a decline in the importance of CBERA to the U.S. economy, per se, so much as it reflects the growing importance of trade in services in the region. Several government officials from CBERA beneficiary countries noted the importance of the role of services exports, given the CBERA countries' sparse natural resources, which tends to limit exports of goods.[a]

While complete bilateral services data between individual CBERA countries and the United States are lacking, global export values from the region are instructive. In 2016, the Caribbean community (CARICOM) exported $12.0 billion in services globally (representing 42.8 percent of all trade in goods and services), compared to $14.7 billion in merchandise trade (57.2 percent). In 2012 the division was far less even; CARICOM exported $11.0 billion in services, which comprised 33.1 percent of total trade, compared to $22.4 billion in merchandise trade, a 66.9 percent share of total trade. While merchandise trade still exceeds services trade, services exports have been growing each year, while merchandise exports comprise a diminishing share of regional exports, partially due to the decline in exports of energy-related products. Overall, Caribbean economies are becoming more reliant on services, specifically tourism, education, financial services, and business services, and are seeking to promote medical tourism as well.

[271] The data for U.S. imports under CBERA include U.S. imports under CBERA as amended by CBTPA. Trade data under the HOPE and HELP Acts are reported and analyzed separately under the Textile and Apparel Products section.

[272] Energy-related products refer to crude and refinery petroleum products, natural gas, and petrochemicals (methanol, ammonia, urea, and melamine). In this instance, the two main energy-related products responsible for the decline in U.S. imports from CBERA countries were methanol and ammonia.

[a] Meeting with regional government representatives, May 23, 2017; written submissions from Embassy of St. Kitts and Nevis and Embassy of Trinidad and Tobago.

The analysis in this chapter focuses primarily on 2016, the most recent year, although trends or changes with respect to other years are highlighted when appropriate. Data are reported for 2012–16 (five years). The data on U.S. imports presented in this chapter are for U.S. imports for consumption, which only includes merchandise that has physically cleared through U.S. Customs.[273]

Overview

Products receiving preferential treatment under CBERA totaled $875.7 million in 2016, a decline of 43.2 percent from $1.5 billion in 2015. U.S. imports under CBERA have been declining since 2012, driven predominantly by declining imports of energy products, specifically crude petroleum and methanol, from Trinidad and Tobago. Energy products accounted for 39.3 percent of imports under CBERA in 2016, with Trinidad and Tobago supplying 99.9 percent of such imports. Textiles and apparel, supplied mainly by Haiti, accounted for 34.9 percent of imports under CBERA in 2016; agricultural products, 14.4 percent; and other mining and manufacturing products,[274] 11.4 percent.

U.S. Imports under CBERA by Source[275]

In 2016, U.S. imports that entered under CBERA decreased 43.2 percent to $875.7 million, down from $1.5 billion in the previous year (table 4.1). This is the fifth consecutive year that U.S. imports under CBERA declined. The decline in 2016 was preceded by a 21.9 percent decrease from 2014 to 2015. The drop in imports in 2015 and 2016 is attributable to declines, in both volume and value, in U.S. imports of methanol, as well as crude petroleum, from Trinidad and Tobago.

[273] This chapter reflects the Census Bureau's latest revision of trade statistics for 2015–16. Thus, the trade data for these years in this chapter could differ from those in the previous CBERA reports and other USITC reports. All trade under CBERA discussed in the report is merchandise trade, as CBERA does not cover trade in services. "Imports for consumption" measures the total value of merchandise that physically clears U.S. Customs and Border Protection (Customs) for entry into the United States, as well as goods withdrawn from Customs bonded warehouses or U.S. foreign-trade zones, which immediately enter U.S. consumption channels. Merchandise being held in bonded warehouses or U.S. foreign-trade zones is included in statistics on general imports but is not included in statistics on imports for consumption until it is specifically withdrawn for consumption. To measure U.S. trade with CBERA countries, this report uses imports for consumption because CBERA is a tariff preference program, and tariffs are only applied to imports for consumption. See USDOC, ITA, "Trade Data Basics" (accessed April, 26, 2017); USITC, "A Note on U.S. Trade Statistics," August 22, 2014.

[274] "Other mining and manufacturing products" are defined as everything not otherwise categorized as an agricultural, energy, or textiles and apparel product in tables 4.3, 4.4, or 4.5 in this chapter, with the exception of all items classified in HTS chapters 98 and 99, which are excluded from the data.

[275] This section compares trade under the program with CBERA beneficiary countries in 2015–16 to trade with these countries in 2013–14. Trade data presented for 2012–16 reflect a number of changes in the composition of the CBERA countries. During this five-year period, Curaçao was designated a beneficiary country for purposes of CBERA and CBTPA, effective January 1, 2014. Before that, Panama's designation as a beneficiary country was terminated when the U.S.-Panama Trade Promotion Agreement entered into force on October 31, 2012. Panama is thus referred to as "former CBERA beneficiary" in the data presented in this chapter.

Table 4.1: U.S. imports for consumption under CBERA, by source, 2012–16

Source	2012	2013	2014	2015	2016	Change 2015–16
			Million $			Percent
Current CBERA beneficiaries[a]						
Trinidad and Tobago	2,171.2	1,640.7	1,234.5	830.3	383.5	-53.8
Haiti[b]	436.8	362.3	405.4	433.4	317.9	-26.7
Jamaica	206.2	90.2	71.8	81.6	75.2	-7.8
Bahamas	130.5	141.7	158.2	88.4	68.4	-22.6
Belize	131.9	104.8	60.6	36.9	17.1	-53.5
St. Kitts and Nevis	22.3	18.9	18.3	10.5	7.3	-30.3
Barbados	3.8	2.1	5.3	22.6	2.3	-90.1
Grenada	0.3	0.3	0.4	1.7	1.8	4.7
All others	7.9	8.2	18.8	36.5	2.3	-93.6
Former CBERA beneficiary						
Panama	26.3	(c)	(c)	(c)	(c)	(c)
Grand total	3,137.4	2,369.1	1,973.3	1,541.8	875.7	-43.2
			Percent of total			Percentage points
Current CBERA beneficiaries[a]						
Trinidad and Tobago	69.2	69.3	62.6	53.9	43.8	-0.2
Haiti	13.9	15.3	20.5	28.1	36.3	0.3
Jamaica	6.6	3.8	3.6	5.3	8.6	0.6
Bahamas	4.2	6.0	8.0	5.7	7.8	0.4
Belize	4.2	4.4	3.1	2.4	2.0	-0.2
St. Kitts and Nevis	0.7	0.8	0.9	0.7	0.8	0.2
Barbados	0.1	0.1	0.3	1.5	0.3	-0.8
Grenada	0.0	0.0	0.0	0.1	0.2	0.8
All others	0.3	0.3	1.0	2.4	0.3	-0.9
Former CBERA beneficiary						
Panama	0.8	(c)	(c)	(c)	(c)	(c)
Grand total	100.0	100.0	100.0	100.0	100.0	0.0

Source: Compiled official statistics of the U.S. Department of Commerce (USDOC) (accessed May 8, 2017). Data reflect all official USDOC revisions for 2012–16 as of that date.

Note: Data on U.S. imports from CBERA countries include U.S. imports from Panama through October 2012. Data for 2012 include U.S. imports from Panama only for the period during which Panama was eligible for CBERA benefits before the U.S.-Panama TPA entered into force on October 31, 2012.

[a] Countries that were CBERA beneficiaries as of December 31, 2016.

[b] Does not include HOPE/HELP import data for Haiti.

[c] Not applicable.

U.S. Imports by Country under CBERA

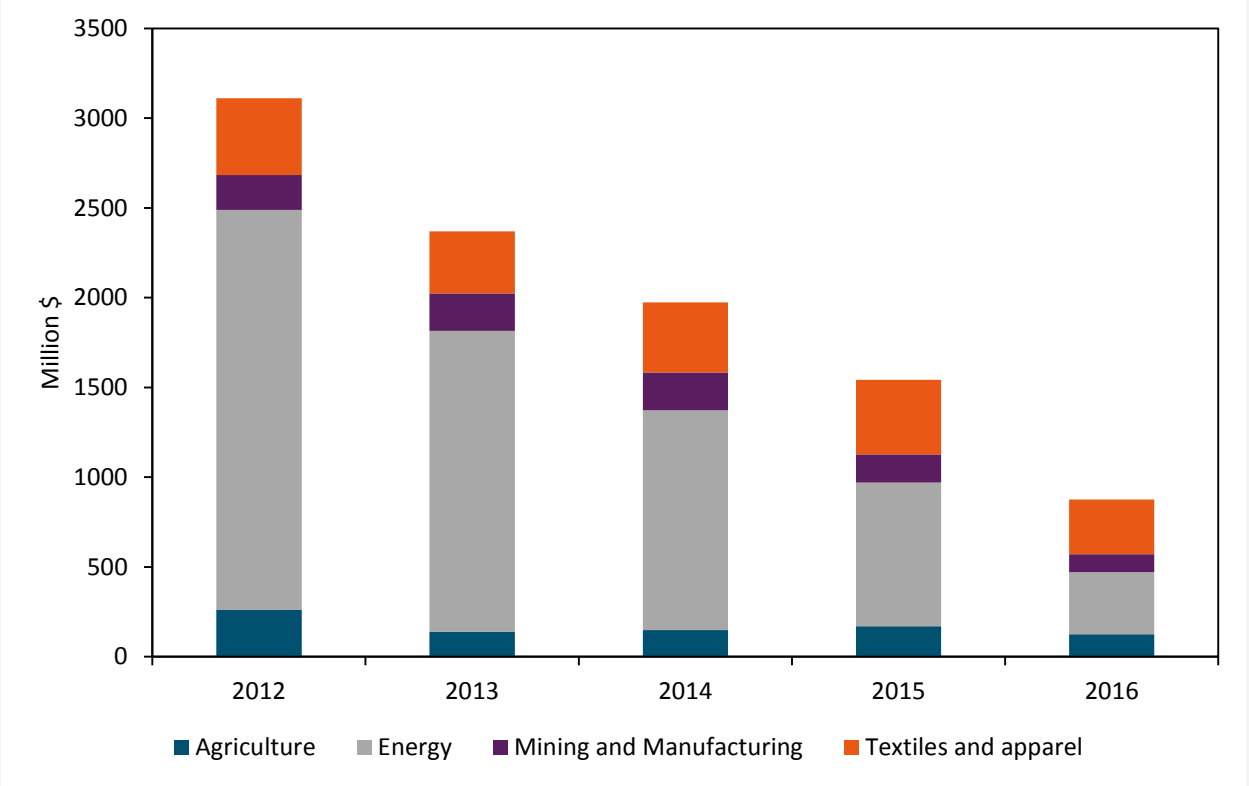
Trinidad and Tobago was the primary source of U.S. imports (mainly energy products) under CBERA. Trinidad and Tobago accounted for 43.8 percent of total U.S. CBERA imports in 2016 and for 53.9 percent in 2015 (see table 4.1 above). Although the share of energy products in CBERA imports has remained larger than other product categories, Trinidad and Tobago's share of CBERA imports has steadily declined since 2010, as the shares of certain apparel product imports from Haiti and agricultural products from Jamaica have grown.

In 2016, Haiti ranked second as a source of CBERA imports, and its share of CBERA imports has expanded each year since 2010.[276] Meanwhile, Jamaica ranks third as a source of CBERA imports, and its share has continued to increase from 2014 to 2016, due primarily to the continued increase of U.S. imports of certain agricultural products, specifically yams.

Product Composition and Leading Imports

Of the $875.7 million in imports under CBERA in 2016, energy products accounted for 39.3 percent; textiles and apparel (predominately apparel), 34.9 percent; agricultural products, 14.4 percent; and other mining and manufacturing products, 11.4 percent (figure 4.1). The four major product categories are analyzed in more detail below.

Figure 4.1: U.S. imports under CBERA, by major product categories,[a] 2012–16



Source: Compiled official statistics of the U.S. Department of Commerce (USDOC) (accessed May 8, 2017). Data reflect all official USDOC revisions for 2012–16 as of that date.
Note: See corresponding data table F.2.
[a] "Textiles and apparel" includes imports from Haiti under CBTPA, but under not HOPE/HELP.

[276] While the share of CBERA imports from Haiti has expanded each year since 2010, the value of these imports has fluctuated over the past five years. U.S. imports from Haiti under CBERA, as amended by CBTPA, as well as under the HOPE and HELP Acts, are discussed in more detail in the Textile and Apparel Products section.

Mineral Fuels and Other Energy Products

In 2016, the value of U.S. imports of energy products under CBERA was $344.4 million, the lowest level in the 2012–16 period. The value of U.S. imports of energy products under CBERA fell 56.9 percent, from $650.8 million in 2015 to $257.8 million in 2016. This decrease followed a 34.6 percent decline from $1.0 billion in 2014 to 2015 (table 4.2).

The continued decline of the value of U.S. imports of energy products under CBERA from 2014 to 2016 is chiefly due to the significant decrease in value and volume of methanol[277] and crude petroleum imports from Trinidad and Tobago. U.S. imports of methanol and crude petroleum accounted for 99.9 percent of all U.S. imports of energy products under CBERA in 2016. The decrease in U.S. imports under CBERA of crude petroleum is primarily because prices of crude petroleum dropped substantially from 2014 to 2016,[278] coupled with increasing domestic production. U.S. production has increased since 2012, but dropped slightly from 2015 to 2016 due to low prices, while total import volume has decreased since 2012, even though volume increased slightly from 2015 to 2016.

Table 4.2: U.S. energy imports[a] under CBERA, by major product and source, 2012–16 (million dollars)

Product category (HTS code)	Source	2012	2013	2014	2015	2016
Methanol (methyl alcohol) (HTS 2905.11.20)	Trinidad and Tobago	1,022.3	1,170.8	1,023.6	650.8	257.8
	Barbados	0.0	0.8	0.0	0.0	0.0
	Total	1,022.3	1171.5	1023.6	650.8	257.8
Petroleum oils and oil from bituminous minerals, crude (HTS 2709.00.20)	Trinidad and Tobago	1,062.1	293.0	165.1	144.9	86.2
	Belize	101.6	78.1	27.3	0.0	0.0
	Total	1,163.7	371.2	192.4	144.9	86.2
Refined petroleum products (HTS 2710)	Trinidad and Tobago	40.3	132.9	1.9	3.9	0.3
	Curaçao	0.0	0.0	5.2	0.0	0.0
	Panama	0.2	0.0	0.0	0.0	0.0
	Total	40.5	132.9	7.1	3.9	0.3
Fuel ethanol (HTS 2207.10.60 and 2207.20.00)	Jamaica	149.8	20.9	0.0	0.0	0.0
	Total	149.8	20.9	0.0	0.0	0.0
	Subtotal	2,376.2	1,696.5	1,223.1	799.6	344.4
	All other energy products	0.0	0.0	0.0	0.0	0.0
	Total	2,376.2	1,696.5	1,223.1	799.6	344.4

Source: Compiled from official statistics of the U.S. Department of Commerce (USDOC) (accessed May 8, 2017). Data reflect all official USDOC revisions for 2012–16 as of that date.
Note: Data on U.S. imports from CBERA countries include U.S. imports from Panama through October 2012. Data for 2012 include U.S. imports from Panama only for the period during which Panama was eligible for CBERA benefits before the U.S.-Panama TPA entered into force on October 31, 2012.

[277] See the Methanol section in chapter 2 for more information.
[278] The Brent spot price was $43.54/barrel in 2016, down from $52.32/barrel in 2015 and $98.97/barrel in 2014; EIA, "Spot Prices," n.d. (accessed May 25, 2017). The 2016 value is based on weekly spot prices.

[a] Energy imports are defined as HTS chapter 27 imports, as well as imports under HTS subheading 2905.11.20 and the fuel ethanol reported in HTS chapter 22.

There were no U.S. imports of fuel ethanol in 2016. The last year fuel ethanol was imported was in 2013.[279]

Textile and Apparel Products

The value of total U.S. imports for consumption of textiles and apparel[280] from CBERA countries decreased 5.2 percent, from $898.5 million in 2015 to $851.8 million in 2016, following an increase of 4.6 percent from 2014 to 2015 (table 4.3). Haiti remains by far the leading CBERA supplier of textiles and apparel, with U.S. imports totaling $848.5 million in 2016. This figure, however, is down 5.2 percent from $895.5 million in 2015. Guyana is the only other significant supplier of textiles and apparel under CBERA. In 2016, imports from Guyana totaled $2.0 million, down from $2.6 million in 2015 and $3.8 million in 2014.

Table 4.3: U.S. imports for consumption of textiles and apparel from CBERA countries, by source, 2012–16 (million dollars)

Country	2012	2013	2014	2015	2016
Current CBERA beneficiaries[a]					
Haiti	730.1	803.3	854.3	895.5	848.5
Guyana	5.7	4.1	3.8	2.6	2.0
All other	1.9	1.6	1.3	0.4	1.3
Grand total	737.7	809.0	859.4	898.5	851.8

Source: Compiled from official statistics of the U.S. Department of Commerce (OTEXA) (accessed May 18, 2017). Data reflect all official OTEXA revisions for 2012–2016 as of that date.

[a] Countries that were CBERA beneficiaries as of December 31, 2016.

The decrease in value of U.S. imports of textile and apparel goods under CBERA tracks a comparable drop of 6.4 percent in overall U.S. imports of textiles and apparel in 2016. This decline reflects a volatile retail environment in 2016, with some U.S. retailers facing bankruptcies and store closures.[281] Despite the challenges facing U.S. retailers and affecting overall demand, the outlook for the apparel industry in Haiti remains strong, with investors from Hong Kong, Taiwan, South Korea, and Sri Lanka recently announcing plans to open new or expand existing facilities and operations in Haiti.[282]

The anticipated growth in U.S. imports of apparel from Haiti can continue to be attributed to the combination of CBTPA and HOPE/HELP preference programs. CBTPA preferences rely on the use of U.S. yarns in U.S.-formed or regionally formed knit fabric in the production of apparel; such apparel is eligible for duty-free treatment upon entering the United States. Haiti HOPE/HELP trade preference programs offer unlimited duty-free treatment for certain apparel products and limited duty-free treatment for

[279] For a detailed explanation of trends in imports of fuel ethanol from CBERA countries, see chapter 2 in USITC, *CBERA: Impact on U.S. Industries and Consumers and on the Beneficiary Countries, 22nd Report*, 2013–14, September 2015, and previous reports.

[280] Apparel traditionally has accounted for nearly all imports from the CBERA countries, remaining at 99.9 percent of the total in 2016.

[281] U.S. apparel industry representative, email message to USITC staff, May 2, 2017; Just-style, "Ten Retail Trends to Watch For in 2017," January 23, 2017.

[282] U.S. apparel industry representative, email message to USITC staff, May 2, 2017; SONAPI Parc Industrial de Caracol, "2017 Q1 Report" (accessed June, 10 2017).

other apparel products, up to certain quotas known as tariff preference levels (TPLs). The HOPE/HELP preference rules for apparel permit the use of yarns and fabric of any origin which provides additional flexibility to buyers and manufacturers. Because some preference rules for both CBTPA and HOPE/HELP are capped by quantitative limits, industry sources emphasize that the programs can be strategically used in conjunction with each other to maximize duty-free benefits.[283] This is notable because CBTPA and HOPE/HELP currently have different expiration dates.[284]

Table 4.4: Duty-free U.S. imports for consumption of textiles and apparel from CBERA countries, 2012–16 (million dollars)

	2012	2013	2014	2015	2016
CBTPA subtotal	428.6	383.2	400.8	396.8	308.2
Haiti CBTPA	423.6	379.1	397.1	394.9	307.9
HOPE/HELP subtotal	303.4	421.9	453.4	497.6	535.0
Grand total	732.0	805.2	854.2	894.4	843.3

Source: Compiled from official statistics of the U.S. Department of Commerce (OTEXA) (accessed May 18, 2017). Data reflect all official OTEXA revisions for 2012–16 as of that date.

The value of U.S. imports of textiles and apparel entering under CBPTA trade preferences dropped 22.3 percent, from $396.8 million in 2015 to $308.2 million in 2016 (table 4.4). This decrease followed a slight decrease (less than 1 percent) from $400.8 million in 2014 to $396.8 million in 2015. By contrast to this decrease, the value of U.S. imports of textiles and apparel entering under HOPE/HELP trade preferences continued to grow, rising from $497.6 million in 2015 to $535.0 million in 2016; this reflects a shift in program use due to the additional trade preferences that HOPE/HELP offer. This annual increase of 7.5 percent follows an increase of 9.7 percent from $453.4 million imported under HOPE/HELP in 2014. Imports that entered free of duty under the HOPE Acts accounted for more than 63 percent of total U.S. duty-free imports of textiles and apparel goods from the region in 2016.

[283] Industry representatives, interview by USITC staff, at USITC headquarters, May 10, 2017.
[284] The Trade Preferences Extension Act of 2015 extended HOPE/HELP provisions until September 30, 2025; CBTPA expires on September 30, 2020.

Table 4.5: Textiles and apparel: U.S. general imports from CBERA countries, by duty treatment, 2016 (million dollars)

	Haiti	Guyana	All other	Total
Duty-free imports				
CBTPA				
Certain apparel of regional knit fabrics of U.S. yarns[a]	157.0	0.0	0.0	157.0
Certain knit T-shirts of regional fabrics of U.S. yarns[b]	103.5	0.0	0.0	103.5
Apparel cut and assembled from U.S. fabric[c]	47.3	0.3	0.0	47.6
All other	0.0	0.1	0.0	0.1
Subtotal	307.9	0.4	0.0	308.2
HOPE Acts				
HOPE knit apparel regional limit[d]	201.0	(h)	(h)	201.0
HOPE woven apparel regional limit[e]	140.4	(h)	(h)	140.4
HOPE value-added regional limits[f]	134.2	(h)	(h)	134.2
HOPE Earned Import Allowance program (EIAP)[g]	59.1	(h)	(h)	59.1
All other	0.3	(h)	(h)	0.3
Subtotal	535.0	(h)	(h)	535.0
Total	842.9	(h)	(h)	843.3
Dutiable imports (NTR rates)				
Total	5.6	1.6	1.3	8.5
Grand total	848.5	2.0	1.3	851.8

Source: Compiled from official statistics of the USDOC, International Trade Administration, Office of Textiles and Apparel (accessed May 8, 2017).
Note: Because of rounding, figures may not add to totals shown. Data in this table (U.S. general imports) are not comparable to data in table 4.3 and 4.5 (U.S. imports for consumption).
[a] HTS subheading 9820.11.09.
[b] HTS subheading 9820.11.12.
[c] HTS subheading 9820.11.06 and HTS 9820.11.18.
[d] HTS subheading 9820.61.35.
[e] HTS subheading 9820.62.05.
[f] HTS subheading 9820.61.25 and HTS 9820.61.30.
[g] HTS subheading 9820.62.25.
[h] Not applicable.

Table 4.5, above, shows U.S. general imports of textiles and apparel from CBERA countries by duty treatment. Most U.S. imports of textiles and apparel from the CBERA region continued to enter under trade preference programs in 2016; less than 1 percent of U.S. imports of textiles and apparel were dutiable at NTR rates.

U.S. imports of textiles and apparel entering under CBERA trade preferences (of which Haiti continues to account for the vast majority) are concentrated in a few products: knitted cotton T-shirts and tops; knitted cotton sweaters, pullovers, and similar articles; manmade-fiber T-shirt and tops; and manmade-fiber sweaters, pullovers, and similar articles. Together these accounted for two-thirds of U.S. imports of apparel from Haiti in 2016 (see table 4.6).

Table 4.6: U.S. textile and apparel imports[a] from CBERA countries,[b] by major product and source, 2012–16 (million dollars)

Product	Source	2012	2013	2014	2015	2016
T-shirts, singlets, tank tops and similar garments, knitted or crocheted, of cotton (HTS 6109.10.00)	Haiti	276.7	316.9	347.2	367.2	302.0
	All other countries	0.1	0.0	0.4	0.4	0.0
	Total	276.7	316.9	347.7	367.6	302.0
Sweaters, pullovers and similar articles, knitted or crocheted, of cotton, n.e.s.o.i. (HTS 6110.20.20)	Haiti	198.7	157.4	154.2	177.2	128.3
	All other countries	0.6	0.4	0.4	0.1	0.4
	Total	199.3	157.8	154.6	177.3	128.7
T-shirts, singlets, tank tops and similar garments, knitted or crocheted, of manmade fibers (HTS 6109.90.10)	Haiti	26.9	25.1	34.8	43.7	54.3
	All other countries	0.0	0.0	0.0	0.0	0.0
	Total	26.9	25.1	34.8	43.7	54.3
Sweaters, pullovers and similar articles, knitted or crocheted, of manmade fibers, n.e.s.o.i. (HTS 6110.30.30)	Haiti	17.0	23.8	27.2	42.3	80.8
	All other countries	0.0	0.0	0.0	0.2	0.3
	Total	17.0	23.8	27.2	42.4	81.1
	Subtotal	520.0	523.5	564.3	631.0	566.2
	All other textile and apparel products	218.8	252.6	287.2	290.4	287.3
	Total	738.8	776.2	851.4	921.4	853.5

Source: Compiled from official statistics of the U.S. Department of Commerce (USDOC) (accessed May 31, 2017). Data reflect all official USDOC revisions for 2012–16 as of that date.

Note: Data on U.S. imports from CBERA countries include U.S. imports from Panama through October 2012. Data for 2012 include U.S. imports from Panama only for the period during which Panama was eligible for CBERA benefits before the U.S.-Panama TPA entered into force on October 31, 2012. N.e.s.o.i. stands for "not elsewhere specified or included."

[a] Textile and apparel imports are defined as imports listed in HTS chapters 50 through 63.

[b] Under CBERA, nearly all of the U.S. imports of these products are duty-free under either CBTPA or HOPE/HELP.

More and more, investors in Haiti's apparel industry are seeking to diversify away from cotton basics (T-shirts, tops) to higher-value athletic wear of manmade-fiber materials.[285] This shift is driven by consumer demand, but also captures larger savings, since the duty rates for some apparel of artificial or synthetic fibers is as high as 32 percent. The basic cotton T-shirt production continues to rely on the CBTPA T-shirt provision (made from U.S. yarns but capped by a limit), whereas the manmade-fiber garments production relies on non-U.S. sources for yarns and fabrics (also subject to a variety of limits).

Other Mining and Manufacturing Products

U.S. imports of other mining and manufacturing products under CBERA totaled $99.7 million in 2016, and have decreased since 2014. In 2016, the value of the four leading U.S. imports of other mining and manufacturing products accounted for 84.1 percent of total U.S. imports of these products under CBERA

[285] U.S. apparel industry representative, email message to USITC staff, May 2, 2017; SONAPI Parc Industrial de Caracol, "2017 Q1 Report" (accessed May 8, 2017).

(table 4.7). The remainder of this subsection will focus on trends in imports of these four products under CBERA.

Table 4.7: U.S. other mining and manufacturing imports[a] under CBERA, by major product and source, 2012–16 (million dollars)

Product category (HTS code)	Source	2012	2013	2014	2015	2016
Polystyrene, expandable, in primary forms (HTS 3903.11.00)	Bahamas	129.4	140.5	155.8	86.9	66.6
	Total	129.4	140.5	155.8	86.9	66.6
Melamine (HTS 2933.61.00)	Trinidad and Tobago	21.5	16.8	16.9	4.2	12.1
	Total	21.5	16.8	16.9	4.2	12.1
Electrical Transformers other than liquid dielectric (HTS 8504.31.40)	Haiti	0.0	0.4	0.2	0.5	0.3
	St. Kitts and Nevis	0.0	0.0	0.0	2.5	3.4
	Total	0.0	0.4	0.2	3.0	3.7
Chandeliers and other electric ceiling or wall lighting fixtures (9405.10.80)	Trinidad and Tobago	3.9	2.4	2.2	1.7	1.4
	Total	3.9	2.4	2.2	1.7	1.4
	Subtotal	154.8	160.1	175.1	95.8	83.8
	All other mining and manufacturing products	39.0	47.7	36.1	61.1	15.9
	Total	193.8	207.8	211.2	156.9	99.7

Source: Compiled from official statistics of the U.S. Department of Commerce (USDOC) (accessed May 8, 2017). Data reflect all official USDOC revisions for 2012–16 as of that date.
Note: Data on U.S. imports from CBERA countries include U.S. imports from Panama through October 2012. Data for 2012 include U.S. imports from Panama only for the period during which Panama was eligible for CBERA benefits before the U.S.-Panama TPA entered into force on October 31, 2012. N.e.s.o.i. stands for "not elsewhere specified or included."
[a] Other mining and manufacturing imports are defined as everything not categorized as agricultural, energy, or textile and apparel imports in tables 4.3, 4.4, 4.5, or 4.6, with the exception of imports classified in HTS chapters 98 and 99, which are excluded from the data.

U.S. imports under CBERA of expandable polystyrene (EPS) in primary forms totaled $66.6 million in 2016, and it has decreased since 2014 (table 4.7). In 2016, such imports accounted for 66.8 percent of total U.S. imports of other mining and manufacturing products under CBERA; among CBERA countries, The Bahamas was the sole source of this product, and Polymers International Ltd. is the country's largest exporter.[286] The continued decline of U.S. imports under CBERA of EPS from 2014 to 2016 was due primarily to a shift in imports from the Bahamas to Mexico and Canada. The unit value of EPS from Mexico and Canada is now less than the unit value from the Bahamas. However, total U.S. imports of EPS from the world have decreased in quantity and value from 2014 to 2016.[287] This is potentially due to a decrease in major end use demand. The two largest users of EPS in the United States are the building and construction market and packaging sectors; the latter includes containers for food and drink. While

[286] USDOS, U.S. Embassy in The Bahamas (17 Nassau 264), June 6, 2017 .
[287] Carvajal and Ravindranath, *Chemical Economics Handbook: Polystyrene*, December 2014.

new home construction has slightly increased,[288] there are an increasing number of regulations, at both the city and state levels, banning the use of Styrofoam.[289]

The next leading product in this category, in terms of value, was melamine, used in making melamine resins and coatings, in tanning leather, and as a fertilizer additive. The value of U.S. imports of melamine under CBERA totaled $12.1 million in 2016, significantly higher than the $4.2 million in 2015. However, U.S. imports of this product were 43.7 percent lower in 2016 as compared to the level in 2012. Trinidad and Tobago is the sole source under CBERA of U.S. imports of this product. The decline in U.S. imports of melamine under CBERA from Trinidad and Tobago over the 2012–16 period was reportedly due to domestic natural gas curtailments that caused the sole melamine producer—Methanol Holdings (Trinidad) Ltd.—to shut down one of its two melamine plants.[290] The shortage of natural gas, the primary input in making the urea and ammonia that are converted into melamine, was due to several factors:[291] depletion of known gas reserves in Trinidad and Tobago,[292] the installation of safety upgrades after the BP/Deepwater Horizon accident,[293] and lack of investment in natural gas infrastructure in the country.

U.S. imports under CBERA of electrical transformers totaled $3.7 million in 2016, a slight increase from $3.0 million in 2015. St. Kitts and Nevis was the primary source of such imports, accounting for 91.9 percent of total U.S. imports of such products under CBERA in 2016. U.S. imports under CBERA of chandeliers and other electric ceiling or wall lighting fixtures were $1.4 million in 2016, down from $1.7 million in 2015. This 17.7 percent decrease followed a 24.0 percent decline from 2014 to 2015. Trinidad and Tobago is the sole import source (table 4.7).

Agricultural Products

In 2016, U.S. imports of agricultural products under CBERA totaled $126.2 million, a decrease of 25.7 percent from $169.9 million in 2015. By contrast, U.S. imports increased 13.9 percent from 2014 to 2015 (table 4.8). In 2016, the four leading agricultural product categories among U.S. imports under CBERA were yams, prepared foods, sauces and preparations, and orange juice.

U.S. imports under CBERA of yams totaled $21.1 million in 2016, a 3.6 percent increase from $20.4 million in 2015. The sole import source was Jamaica. The country has been actively trying to boost

[288] U.S. Census, New Home Construction, n.d. (accessed May 25, 2017).
[289] Pyzyk, "The Foam Fight," March/April 2015.
[290] For more information on natural gas curtailment in Trinidad and Tobago, see the Methanol section in chapter 2.
[291] A potential factor in the decrease in melamine imports in 2015 is a recent antidumping and countervailing duty case involving melamine from Trinidad and Tobago. A petition was filed with the USITC on November 14, 2014, to initiate antidumping and countervailing duty investigations against China and Trinidad and Tobago, Inv. Nos. 701-TA-526-527 and 731-TA-1262-1263 (Preliminary). In the final investigation, the Commission voted on December 2, 2015, in the affirmative 6-0, that a U.S. industry is materially injured by reason of imports of melamine from China that the U.S. Department of Commerce has determined are subsidized and sold in the United States at less than fair value. The Commission further determined that a U.S. industry is not materially injured or threatened with material injury by reason of imports of this product from Trinidad and Tobago. See USITC, "USITC Votes to Continue Cases on Melamine from China and Trinidad and Tobago," December 29, 2014 (Preliminary); USITC, "Melamine from China, but not Trinidad and Tobago, Injures U.S. Industry," December 2, 2015 (Final).
[292] Fisher, "LNG Breadbasket Trinidad and Tobago Facing Production Challenges," June 26, 2015.
[293] Jacobs, "Shale Forces Rethink in Trinidad and Tobago," February 2013, 28.

exports of agricultural goods such as yams due to increased demand for traditional produce.[294] In 2016, 10.4 million kilograms of yams were imported from Jamaica under CBERA, up 12.9 percent from 2015.

Table 4.8: U.S. agricultural and agro-industrial imports[a] under CBERA, by major product and source, 2012–16 (million dollars)

Product category (HTS code)	Source	2012	2013	2014	2015	2016
Yams, fresh or chilled (HTS 0714.30.10)	Jamaica	15.8	17.0	18.2	20.4	21.1
	Total	15.8	17.0	18.2	20.4	21.1
Food preparations n.e.s.o.i., not canned or frozen (HTS 2106.90.99)	Barbados	0.1	0.1	0.0	0.1	0.1
	Belize	0.0	0.0	0.0	0.0	0.1
	Haiti	0.2	0.4	0.1	0.0	0.0
	Jamaica	0.8	1.5	2.4	5.4	5.4
	Panama	0.1	0.0	0.0	0.0	0.0
	Trinidad and Tobago	4.7	6.3	7.3	7.9	10.3
	Total	5.9	8.3	9.8	13.4	15.9
Sauces and preparations therefor; n.e.s.o.i. (HTS 2103.90.90)	Barbados	0.1	0.0	0.0	0.0	0.0
	Belize	0.1	0.2	0.3	0.3	0.2
	Guyana	0.1	0.1	0.2	0.2	0.2
	Jamaica	3.1	3.5	4.8	6.3	6.2
	St. Lucia Is	0.2	0.3	0.2	0.3	0.2
	Trinidad and Tobago	1.1	1.3	1.6	1.5	1.4
	Total	4.7	5.4	7.1	8.6	8.2
Orange juice, not frozen, of a Brix value exceeding 20, unfermented (HTS 2009.19.00)	Belize	8.0	5.1	6.7	7.9	6.5
	Total	8.0	5.1	6.7	7.9	6.5
	Subtotal	34.7	35.8	41.9	50.4	51.7
	All other agricultural products	101.5	83.2	107.3	119.5	74.5
	Total	136.2	119.0	149.2	169.9	126.2

Source: Compiled from official statistics of the U.S. Department of Commerce (USDOC) (accessed May 8, 2017). Data reflect all official USDOC revisions for 2012–16 as of that date.
Note: Data on U.S. imports from CBERA countries include U.S. imports from Panama through October 2012. Data for 2012 include U.S. imports from Panama only for the period during which Panama was eligible for CBERA benefits before the U.S.-Panama TPA entered into force on October 31, 2012. N.e.s.o.i. stands for "not elsewhere specified or included."
[a] Agricultural and agro-industrial imports include imports in HTS chapters 01–24, excluding fuel ethanol.

Prepared foods, not canned or frozen, ranked second among agricultural imports under CBERA. In 2016, U.S. imports of prepared foods under CBERA totaled $15.9 million, up 18.1 percent from 2015. This increase is primarily due to increasing U.S. imports from Trinidad and Tobago, which comprised 65.1 percent of imports under the CBERA program for these products.

Sauces and preparations ranked third among U.S. imports of agricultural products under CBERA. Imports were similar to 2015, decreasing slightly to $8.2 million in 2016, from $8.6 million in 2015. Jamaica was the major source of imports, accounting for 76.3 percent of overall U.S. imports of such products under CBERA in 2016 (table 4.8).

[294] *Jamaica Observer*, "Jamaica Looking to Meet Fresh Produce Demand," August 13, 2015.

Orange juice, ranked fourth among U.S. imports of agricultural products under CBERA. In 2016, U.S. imports of orange juice decreased to $6.5 million from $7.9 million in 2015, with Belize being the sole source of imports (table 4.8). In 2016, the agricultural sector in Belize faced several challenges related to disease and plant closures, reducing total agricultural exports 25.0 percent. However, citrus was the least impacted, incurring only a minor fall in value.[295] U.S. production of fruit juice declined from 438,000 mt in 2014/2015 to 383,000 mt in 2015/16,[296] while U.S. consumption experienced a much lesser decline during the same period, decreasing from 674,000 mt in 2014/2015 to 634,000 mt in 2015/2016.[297]

[295] USDOS, U.S. Embassy in Belize, cable submission, June 14, 2017.
[296] The decline of U.S. production of fruit juice mainly reflects lower U.S. production of oranges, which fell from 5.7 million mt in 2014/15 to 5.4 million mt in 2015/2016. Production has fallen for the past five years.
[297] USDA, *Citrus: World Markets and Trade*, January 2017.

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Appendix A
Federal Register Notices

party suppliers have the capacity to replace the volume of articles potentially subject to the requested exclusion order and/or a cease and desist order within a commercially reasonable time; and

(v) explain how the requested remedial orders would impact United States consumers.

Written submissions must be filed no later than by close of business, eight calendar days after the date of publication of this notice in the **Federal Register**. There will be further opportunities for comment on the public interest after the issuance of any final initial determination in this investigation.

Persons filing written submissions must file the original document electronically on or before the deadlines stated above and submit 8 true paper copies to the Office of the Secretary by noon the next day pursuant to § 210.4(f) of the Commission's Rules of Practice and Procedure (19 CFR 210.4(f)). Submissions should refer to the docket number (''Docket No. 3204'') in a prominent place on the cover page and/or the first page. (*See* Handbook for Electronic Filing Procedures, Electronic Filing Procedures).[1] Persons with questions regarding filing should contact the Secretary (202–205–2000).

Any person desiring to submit a document to the Commission in confidence must request confidential treatment. All such requests should be directed to the Secretary to the Commission and must include a full statement of the reasons why the Commission should grant such treatment. *See* 19 CFR 201.6. Documents for which confidential treatment by the Commission is properly sought will be treated accordingly. All such requests should be directed to the Secretary to the Commission and must include a full statement of the reasons why the Commission should grant such treatment. *See* 19 CFR 201.6. Documents for which confidential treatment by the Commission is properly sought will be treated accordingly. All information, including confidential business information and documents for which confidential treatment is properly sought, submitted to the Commission for purposes of this Investigation may be disclosed to and used: (i) By the Commission, its employees and Offices, and contract personnel (a) for developing or maintaining the records of this or a related proceeding, or (b) in internal investigations, audits, reviews, and evaluations relating to the programs, personnel, and operations of the Commission including under 5 U.S.C. Appendix 3; or (ii) by U.S. government employees and contract personnel,[2] solely for cybersecurity purposes. All nonconfidential written submissions will be available for public inspection at the Office of the Secretary and on EDIS.[3]

This action is taken under the authority of section 337 of the Tariff Act of 1930, as amended (19 U.S.C. 1337), and of §§ 201.10 and 210.8(c) of the Commission's Rules of Practice and Procedure (19 CFR 201.10, 210.8(c)).

By order of the Commission.
Issued: March 13, 2017.

Lisa R. Barton,

Secretary to the Commission.

[FR Doc. 2017–05321 Filed 3–16–17; 8:45 am]

BILLING CODE 7020–02–P

[1] Handbook for Electronic Filing Procedures: *https://www.usitc.gov/documents/handbook_on_filing_procedures.pdf.*

[2] All contract personnel will sign appropriate nondisclosure agreements.

[3] Electronic Document Information System (EDIS): *https://edis.usitc.gov.*

INTERNATIONAL TRADE COMMISSION

[Investigation No. 332–227]

Caribbean Basin Economic Recovery Act: Impact on U.S. Industries and Consumers and on Beneficiary Countries

AGENCY: United States International Trade Commission.

ACTION: Scheduling of public hearing and opportunity to submit information in connection with the Commission's 23rd report.

SUMMARY: The Commission is inviting the public to appear at the public hearing and or to submit information in writing in connection with the preparation of its 23rd report under section 215 of the Caribbean Basin Economic Recovery Act, which requires the Commission to report biennially to the Congress and the President by September 30 of each reporting year on the economic impact of the Act on U.S. industries and U.S. consumers and on the economy of the beneficiary countries. The report is being prepared under Commission investigation No. 332–227, *Caribbean Basin Economic Recovery Act: Impact on U.S. Industries and Consumers and on Beneficiary Countries.* The report will cover trade during calendar years 2015 and 2016, and will be transmitted to the Congress and the President by September 29, 2017.

DATES:

April 13, 2017: Deadline for filing requests to appear at the public hearing.

April 20, 2017: Deadline for filing pre-hearing briefs and statements.

May 11, 2017: Public hearing.

May 18, 2017: Deadline for filing post-hearing briefs and statements.

May 18, 2017: Deadline for filing all other written submissions.

September 29, 2017: Transmittal of Commission report to Congress and the President.

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 file for this investigation may be viewed on the Commission's electronic docket (EDIS) at *https://edis.usitc.gov/edis3-internal/app.*

FOR FURTHER INFORMATION CONTACT: Project Leader Justino De La Cruz (202–205–3252 or *Justino.DeLaCruz@usitc.gov*) or Deputy Project Leader Heather Wickramarachi (202–205–2699 or *Heather.Wickramarachi@usitc.gov*) for information specific to this investigation. For information on the legal aspects of this investigation, contact William Gearhart of the Commission's Office of the General Counsel (202–205–3091 or *william.gearhart@usitc.gov*). The media should contact Margaret O'Laughlin, Office of External Relations (202–205–1819 or *margaret.olaughlin@usitc.gov*). Hearing-impaired individuals may obtain information on this matter by contacting the Commission's TDD terminal at 202–205–1810. General information concerning the Commission may also be obtained by accessing its Web site at *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.

SUPPLEMENTARY INFORMATION:

Background: Section 215(a)(1) of the Caribbean Basin Economic Recovery Act (CBERA) (19 U.S.C. 2704(a)(1)) requires that the Commission submit biennial reports to the Congress and the President regarding the economic impact of the Act on U.S. industries and consumers, and on the economy of the beneficiary countries. Section 215(b)(1) requires that the reports include, but not be limited to, an assessment regarding:

(A) The actual effect, during the period covered by the report, of

[CBERA] on the United States economy generally, as well as on those specific domestic industries which produce articles that are like, or directly competitive with, articles being imported into the United States from beneficiary countries; and

(B) the probable future effect which this Act will have on the United States economy generally, as well as on such domestic industries, before the provisions of this Act terminate.

The report will cover trade with the 17 beneficiary countries: Antigua and Barbuda, Aruba, The Bahamas, Barbados, Belize, British Virgin Islands, Curaçao, Dominica, Grenada, Guyana, Haiti, Jamaica, Montserrat, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, and Trinidad and Tobago.

Notice of institution of the investigation was published in the **Federal Register** of May 14, 1986 (51 FR 17678). The Commission plans to transmit the 23rd report, covering calendar years 2015 and 2016, by September 29, 2017.

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 May 11, 2017. Requests to appear at the public hearing should be filed with the Secretary, no later than 5:15 p.m., April 13, 2017, 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., April 20, 2017; and all post-hearing briefs and statements responding to matters raised at the hearing should be filed not later than 5:15 p.m., May 18, 2017. In the event that, as of the close of business on April 13, 2017, no witnesses are scheduled to appear at the hearing, the hearing will be canceled. Any person interested in attending the hearing as an observer or nonparticipant should contact the Office of the Secretary at 202–205–2000 after April 13, 2017, for information concerning whether the hearing will be held.

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., May 18, 2017. All written submissions must conform to the provisions of section 201.8 of the Commission's *Rules of Practice and Procedure* (19 CFR 201.8). Section 201.8 and the Commission's Handbook on Filing Procedures require that interested parties file documents electronically on or before the filing deadline and submit eight (8) true paper copies by 12:00 p.m. eastern time on the next business day. In the event that confidential treatment of a document is requested, interested parties must file, at the same time as the eight paper copies, at least four (4) additional true paper copies in which the confidential information must be deleted (see the following paragraph for further information regarding confidential business information). Persons with questions regarding electronic filing should contact the Office of the Secretary, Docket Services Division (202–205–1802).

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

The Commission will not include any confidential business information in the report it makes available to the public. However, all information, including confidential business information, submitted in this investigation may be disclosed to and used: (i) By the Commission, its employees and Offices, and contract personnel (a) for developing or maintaining the records of this or a related proceeding, or (b) in internal investigations, audits, reviews, and evaluations relating to the programs, personnel, and operations of the Commission including under 5 U.S.C. Appendix 3; or (ii) by U.S. government employees and contract personnel for cybersecurity purposes. The Commission will not otherwise disclose any confidential business information in a manner that would reveal the operations of the firm supplying the information.

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

By order of the Commission.

Issued: March 13, 2017.

Lisa R. Barton,

Secretary to the Commission.

[FR Doc. 2017–05319 Filed 3–16–17; 8:45 am]

BILLING CODE 7020–02–P

INTERNATIONAL TRADE COMMISSION

[Investigation Nos. 701–TA–556 and 731–TA–1311 (Final)]

Truck and Bus Tires From China

Determinations

On the basis of the record [1] developed in the subject investigations, the United States International Trade Commission (''Commission'') determines, pursuant to the Tariff Act of 1930 (''the Act''), that an industry in the United States is not materially injured or threatened with material injury by reason of imports of truck and bus tires from China, provided for in statistical reporting numbers 4011.20.1015 and 4011.20.5020 of the Harmonized Tariff Schedule of the United States, that have been found by the Department of Commerce (''Commerce'') to be sold in the United States at less than fair value (''LTFV''), and to be subsidized by the government of China.[2]

Background

The Commission, pursuant to sections 705(b) and 735(b) of the Act (19 U.S.C. 1671d(b) and 19 U.S.C. 1673d(b)), instituted these investigations effective January 29, 2016, following receipt of a petition filed with the Commission and Commerce by the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union, Pittsburgh, PA. The final phase of the investigations was scheduled by the Commission following notification of a preliminary determinations by Commerce that imports of truck and bus

[1] The record is defined in sec. 207.2(f) of the Commission's Rules of Practice and Procedure (19 CFR 207.2(f)).

[2] Chairman Rhonda K. Schmidtlein and Commissioner Irving A. Williamson determine that a domestic industry is materially injured by reason of subject imports. Commissioner Dean A. Pinkert did not participate in these investigations.

regulations also require ONRR to publish a due date for industry to pay additional royalties based on the major portion prices. Consistent with these requirements, this notice provides major portion prices for the 12 months of calendar year 2015.

DATES: The due date to pay additional royalties based on the major portion prices is July 31, 2017.

FOR FURTHER INFORMATION CONTACT: Michael Curry, Manager, Denver B, Western Audit & Compliance, ONRR, at (303) 231–3741, fax to (303) 231–3455, or email to *Michael.Curry@onrr.gov;* or John Davis, Denver B, Team 3, Western Audit & Compliance, ONRR, at (303) 231–3433, fax to (303) 231–3455, or email to *John.Davis@onrr.gov.* Mailing address: Office of Natural Resources Revenue, Western Audit & Compliance, Denver B, P.O. Box 25165, MS 62520B, Denver, Colorado 80225–0165.

SUPPLEMENTARY INFORMATION: On August 10, 1999, ONRR's predecessor, the Minerals Management Service, published a final rule titled ''Amendments to Gas Valuation Regulations for Indian Leases'' effective January 1, 2000 (64 FR 43506). The gas valuation regulations apply to all gas production from Indian (tribal or allotted) oil and gas leases, except leases on the Osage Indian Reservation.

The regulations require ONRR to publish major portion prices for each designated area not associated with an index zone for each production month beginning January 2000, as well as the due date for additional royalty payments. *See* 30 CFR 1206.174(a)(4)(ii). If you owe additional royalties based on a published major portion price, you must submit to ONRR by the due date, an amended form ONRR–2014, Report of Sales and Royalty Remittance. If you do not pay the additional royalties by the due date, ONRR will bill you late payment interest under 30 CFR 1218.54. The interest will accrue from the due date until ONRR receives your payment and an amended form ONRR–2014. The table below lists the major portion prices for all designated areas not associated with an index zone. The due date is the end of the month following 60 days after the publication date of this notice.

GAS MAJOR PORTION PRICES ($/MMBtu) FOR DESIGNATED AREAS NOT ASSOCIATED WITH AN INDEX ZONE

ONRR-designated areas	Jan 2015	Feb 2015	Mar 2015	Apr 2015
Blackfeet Reservation	1.88	1.78	1.70	1.47
Fort Belknap Reservation	4.54	4.44	4.45	4.14
Fort Berthold Reservation	3.04	2.65	2.94	2.24
Fort Peck Reservation	2.33	2.53	2.43	1.86
Navajo Allotted Leases in the Navajo Reservation	3.03	2.72	2.62	2.36
Turtle Mountain Reservation	2.39	2.72	2.87	2.17
ONRR-designated areas	May 2015	Jun 2015	Jul 2015	Aug 2015
Blackfeet Reservation	1.90	1.67	1.80	1.82
Fort Belknap Reservation	4.31	4.44	4.53	4.60
Fort Berthold Reservation	2.12	2.33	2.35	2.39
Fort Peck Reservation	1.73	1.99	1.66	1.58
Navajo Allotted Leases in the Navajo Reservation	2.39	2.61	2.67	2.73
Turtle Mountain Reservation	2.16	2.37	2.35	2.43
ONRR-designated areas	Sep 2015	Oct 2015	Nov 2015	Dec 2015
Blackfeet Reservation	1.76	1.57	1.49	1.26
Fort Belknap Reservation	4.41	4.35	4.18	4.19
Fort Berthold Reservation	2.20	2.22	1.92	1.88
Fort Peck Reservation	1.80	1.98	1.56	1.43
Navajo Allotted Leases in the Navajo Reservation	2.53	2.36	2.01	2.16
Turtle Mountain Reservation	2.24	2.26	1.95	1.94

For information on how to report additional royalties due to major portion prices, please refer to our Dear Payor letter dated December 1, 1999, on the ONRR Web site at *http://www.onrr.gov/ReportPay/PDFDocs/991201.pdf.*

Gregory J. Gould,

Director for Office of Natural Resources Revenue.

[FR Doc. 2017–09326 Filed 5–8–17; 8:45 am]

BILLING CODE 4335–30–P

INTERNATIONAL TRADE COMMISSION

[Investigation No. 332–227]

Caribbean Basin Economic Recovery Act: Impact on U.S. Industries and Consumers and on Beneficiary Countries

AGENCY: United States International Trade Commission.

ACTION: Cancellation of hearing.

SUMMARY: The public hearing in this investigation scheduled for May 11, 2017, has been cancelled. The two interested parties that filed requests to appear at the hearing have withdrawn their requests to appear.

DATES:

May 18, 2017: Deadline for filing all written submissions.

September 29, 2017: Transmittal of Commission report to Congress and the President.

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 file for this investigation may be viewed on the Commission's electronic docket (EDIS) at *https://edis.usitc.gov.*

FOR FURTHER INFORMATION CONTACT: Project Leader Justino De La Cruz (202–

205–3252 or *Justino.DeLaCruz@usitc.gov*) or Deputy Project Leader Heather Wickramarachi (202–205–2699 or *Heather.Wickramarachi@usitc.gov*) for information specific to this investigation. For information on the legal aspects of this investigation, contact William Gearhart of the Commission's Office of the General Counsel (202–205–3091 or *william.gearhart@usitc.gov*). The media should contact Margaret O'Laughlin, Office of External Relations (202–205–1819 or *margaret.olaughlin@usitc.gov*). Hearing-impaired individuals may obtain information on this matter by contacting the Commission's TDD terminal at 202–205–1810. General information concerning the Commission may also be obtained by accessing its Web site at *https://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: Section 215(a)(1) of the Caribbean Basin Economic Recovery Act (CBERA) (19 U.S.C. 2704(a)(1)) requires that the Commission submit biennial reports to the Congress and the President regarding the economic impact of the Act on U.S. industries and consumers, and on the economy of the beneficiary countries. Section 215(b)(1) requires that the reports include, but not be limited to, an assessment regarding:

(A) The actual effect, during the period covered by the report, of [CBERA] on the United States economy generally, as well as on those specific domestic industries which produce articles that are like, or directly competitive with, articles being imported into the United States from beneficiary countries; and

(B) the probable future effect which this Act will have on the United States economy generally, as well as on such domestic industries, before the provisions of this Act terminate.

The report will cover trade with the 17 beneficiary countries: Antigua and Barbuda, Aruba, The Bahamas, Barbados, Belize, British Virgin Islands, Curaçao, Dominica, Grenada, Guyana, Haiti, Jamaica, Montserrat, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, and Trinidad and Tobago.

Notice of institution of the investigation was published in the **Federal Register** of May 14, 1986 (51 FR 17678). The Commission plans to transmit the 23rd report, covering calendar years 2015 and 2016, by September 29, 2017.

By order of the Commission.

Issued: May 3, 2017.

Lisa R. Barton,

Secretary to the Commission.

[FR Doc. 2017–09300 Filed 5–8–17; 8:45 am]

BILLING CODE 7020–02–P

LEGAL SERVICES CORPORATION

Sunshine Act Meeting

DATE AND TIME: The Legal Services Corporation's Board of Directors will meet telephonically on Tuesday, May 23, 2017. Immediately following the Board of Directors telephonic meeting, the Operations and Regulations Committee will hold a telephonic meeting. The Board meeting will commence at 2:00 p.m., EDT, and the meetings will continue until the conclusion of the Committee's agenda.

LOCATION: John N. Erlenborn Conference Room, Legal Services Corporation Headquarters, 3333 K Street NW., Washington DC 20007.

PUBLIC OBSERVATION: Members of the public who are unable to attend in person but wish to listen to the public proceedings may do so by following the telephone call-in directions provided below.

CALL-IN DIRECTIONS FOR OPEN SESSIONS:

- Call toll-free number: 1–866–451–4981;
- When prompted, enter the following numeric pass code: 5907707348
- When connected to the call, please immediately ''MUTE'' your telephone.

Members of the public are asked to keep their telephones muted to eliminate background noises. To avoid disrupting the meeting, please refrain from placing the call on hold if doing so will trigger recorded music or other sound. From time to time, the Chair may solicit comments from the public.

STATUS OF MEETINGS: Open.

MATTERS TO BE CONSIDERED:

Board of Directors

1. Approval of agenda.
2. Consider and act on the Board of Directors' transmittal to accompany the Inspector General's Semiannual Report to Congress for the period of October 1, 2016 through March 30, 2017.
3. Public comment.
4. Consider and act on other business.
5. Consider and act on adjournment of meeting.

Operations and Regulations Committee—*briefing materials will be posted at http://www.lsc.gov/about-lsc/board/board-meetings.*

1. Approval of agenda.
2. Consider Rulemaking for 45 CFR part 1630 and 1631—Costs and Property.
- Ron Flagg, General Counsel and Vice President for Legal Affairs.
- Stefanie Davis, Assistant General Counsel.

3. Public comment.
4. Consider and act on other business.
5. Consider and act on adjournment of meeting.

CONTACT PERSON FOR INFORMATION: Katherine Ward, Executive Assistant to the Vice President & General Counsel, at (202) 295–1500. Questions may be sent by electronic mail to *FR_NOTICE_QUESTIONS@lsc.gov.*

ACCESSIBILITY: LSC complies with the Americans with Disabilities Act and Section 504 of the 1973 Rehabilitation Act. Upon request, meeting notices and materials will be made available in alternative formats to accommodate individuals with disabilities. Individuals needing other accommodations due to disability in order to attend the meeting in person or telephonically should contact Katherine Ward, at (202) 295–1500 or *FR_NOTICE_QUESTIONS@lsc.gov,* at least 2 business days in advance of the meeting. If a request is made without advance notice, LSC will make every effort to accommodate the request but cannot guarantee that all requests can be fulfilled.

Dated: May 4, 2017.

Katherine Ward,

Executive Assistant to the Vice President for Legal Affairs and General Counsel.

[FR Doc. 2017–09427 Filed 5–5–17; 11:15 am]

BILLING CODE 7050–01–P

LIBRARY OF CONGRESS

U.S. Copyright Office

[Docket No. 2017–5]

Pilot Program for Bulk Submission of Claims to Copyright

AGENCY: U.S. Copyright Office, Library of Congress.

ACTION: Public notice.

SUMMARY: The U.S. Copyright Office is announcing a pilot program that will allow for the bulk submission of claims to copyright in certain limited types of literary works. Specifically, at this time, the pilot program is limited to claims to single literary works that have a single author, where all content that appears in the work was created and is owned solely by that single author. Applicants that participate in the pilot will be required to provide author, title, and

Appendix B
Technical Notes to Chapter 2

Chapter 2 reports estimates of the effects of CBERA- exclusive imports[298] on U.S. consumer welfare and the value of domestic shipments for 20 HTS 8-digit products. The estimates are based on the partial equilibrium model described in this appendix.

Theory

The partial equilibrium model for each of the products assumes that the product is differentiated by whether it is a CBERA import (subscript C), a non-CBERA import (subscript N), or a U.S. domestic product (subscript D). The model also assumes that the supply of each of these types of the product is perfectly elastic, at prices $\overline{p_C}, \overline{p_N}, \text{ and } \overline{p_D}$.

In the market equilibrium that prevailed in 2016, the landed duty-paid prices of a given product in the United States were:

$$p_C = \overline{p_C} + f_C \tag{1}$$

$$p_N = \overline{p_N}(1+a_N) + s_N + f_N \tag{2}$$

$$p_D = \overline{p_D} \tag{3}$$

The variables $f_i, a_i, \text{ and } s_i$ are the international freight cost, ad valorem import duty, and specific import duty on type i imports.

In the absence of the CBERA preferences, the alternative market equilibrium price of the CBERA imports, delivered to the United States, would be:

$$p_C' = \overline{p_C}(1+a_C) + s_C + f_C \tag{4}$$

The ratio of the price of CBERA imports in the two equilibria is:

$$\frac{p_C'}{p_C} = \frac{\overline{p_C}(1+a_C) + s_C + f_C}{\overline{p_C} + f_C} \tag{5}$$

The alternative equilibrium prices of the non-CBERA imports and the domestic product would remain unchanged (i.e., $p_N' = p_N \text{ and } p_D' = p_D$).

The model assumes that U.S. consumers have constant elasticity of substitution (CES) preferences. The constant elasticity of substitution among the three types of the HTS 8-digit product (CBERA imports, non-CBERA imports, and the domestic product) is equal to σ. The constant elasticity of substitution between the HTS 8-digit product and other consumer products is equal to 1. In other words, there are

[298] Refer to U.S. imports that can enter free of duty only under the CBERA preferences.

Cobb-Douglas preferences in this higher, inter-product tier, a common assumption in multisector quantitative models of trade.

Given the CES preferences, the share of expenditures on the CBERA imports in the market equilibrium that prevailed in 2016 was:

$$\theta_C = \frac{\beta_C p_C^{1-\sigma}}{\beta_C p_C^{1-\sigma} + \beta_N p_N^{1-\sigma} + \beta_D p_D^{1-\sigma}} \quad (6)$$

The preference parameters $\beta_C, \beta_N,$ and β_D assign weights to each of the types of the product. The corresponding CES price index was:

$$P = \left[\beta_C p_C^{1-\sigma} + \beta_N p_N^{1-\sigma} + \beta_D p_D^{1-\sigma} \right]^{\frac{1}{1-\sigma}} = \left[\beta_C p_C^{1-\sigma} + \left(\frac{1-\theta_C}{\theta_C} \right) \beta_C p_C^{1-\sigma} \right]^{\frac{1}{1-\sigma}} \quad (7)$$

The second equality in equation (7) can be derived from the definition of θc in equation (6). The alternative equilibrium CES price index, absent the CBERA preferences, would be:

$$P' = \left[\beta_C \left(p_C ' \right)^{1-\sigma} + \beta_N \left(p_N \right)^{1-\sigma} + \beta_D \left(p_D \right)^{1-\sigma} \right]^{\frac{1}{1-\sigma}} = \left[\beta_C \left(p_C ' \right)^{1-\sigma} + \left(\frac{1-\theta_C}{\theta_C} \right) \beta_C p_C^{1-\sigma} \right]^{\frac{1}{1-\sigma}} \quad (8)$$

Therefore, the ratio of the CES price indices in the two equilibria would be:

$$\frac{p'}{p} = \left[\theta_C \left(\frac{p_C '}{p_C} \right)^{1-\sigma} + (1-\theta_C) \right]^{\frac{1}{1-\sigma}} \quad (9)$$

This index shows the change in the price of the composite bundle, allowing for changes in shares due to the relative price changes.

The effect on consumer welfare of moving from one equilibrium set of prices to the other is represented by the following equivalent variation:

$$EV = E \left(\frac{p'}{p} - 1 \right) \quad (10)$$

The variable E in equation (10) is total U.S. expenditure on all three types of the product. This is the effect on consumer welfare from the price change alone; it does not take into account any change in the disposable income of consumers due to the decrease in tariff revenues. The benefit to consumers could be offset if consumer incomes were reduced by the fiscal consequences of the decrease in tariff revenues—for example, if the lost revenues were offset by increased taxes rather than an increased fiscal deficit. Since the fiscal consequences are unknown, the model does not try to calculate these potential income effects.

However, it is straightforward to calculate the total change in U.S. tariff revenues, without drawing conclusions about its impact on the consumers' disposable income. Absent the CBERA preferences, the tariff revenues on non-CBERA imports would be:

$$TR_N' = TR_N \left(\frac{p'}{p} \right)^{\sigma-1} \quad (11)$$

The variable TR_N is the tariff revenues on non-CBERA imports that prevailed in 2016. The tariff revenues on CBERA imports would be:

$$TR_C' = \left(\frac{p'}{p} \right)^{\sigma-1} \left(\frac{p_C'}{p_C} \right)^{-\sigma} \left[V_C a_C + Q_C s_C \right] \quad (12)$$

The variable V_C is the customs value of CBERA imports of the product in 2016. The variable Q_C is the quantity of CBERA imports of the product in 2016. Therefore, the loss of tariff revenues (LOTR) due to the CBERA preferences would be:

$$LOTR = TR_N' + TR_C' - TR_N = TR_N \left[\left(\frac{p'}{p} \right)^{\sigma-1} - 1 \right] + \left(\frac{p'}{p} \right)^{\sigma-1} \left(\frac{p_C'}{p_C} \right)^{-\sigma} \left[V_C a_C + Q_C s_C \right] \quad (13)$$

Finally, the effect on the dollar value of domestic shipments would be:

$$V_D' - V_D = V_D \left[\left(\frac{p'}{p} \right)^{\sigma-1} - 1 \right] \quad (14)$$

The variable V_D is the value of domestic shipments of the product.

There may be some mitigating positive effects on the value of domestic shipments, including an increase in U.S. exports of intermediate goods to CBERA countries or an increase in domestic exports of final goods to third countries. However, these effects are not calculated in the partial equilibrium model used in this report, nor are the complex set of general equilibrium effects that result from the CBERA preferences.

Data Inputs

The tables in chapter 2 report the estimated dollar value and percentage change in U.S. consumer welfare and domestic shipments due to the CBERA preferences for an assumed value of the elasticity of substitution: $\sigma = 5$.[299] The following three tables report additional inputs into the partial equilibrium models.

[299] The elasticity of substitution is set to 5 to ensure that the model shows maximum effects. This elasticity used in the partial equilibrium models is consistent with the economics literature, as discussed in chapter 1.

Table B.1: Trade data for the 20 products, 2016

HTS number	Description	Customs value of CBERA imports	C.i.f. value of CBERA imports	Landed duty-paid value of CBERA imports	Quantity of CBERA imports	Units of quantity measure
			Thousand $		Volume	
2905.11.20	Methanol (methyl alcohol), other than imported only for use in producing synthetic natural gas (SNG) or for direct use as fuel	257,850	296,254	296,254	1,657,796,887	Liters
6109.10.00	T-shirts, singlets, tank tops and similar garments, knitted or crocheted, of cotton	206,745	210,157	210,157	14,000,585	Dozens
2709.00.20	Petroleum oils and oils from bituminous minerals, crude, testing 25 degrees A.P.I. or more	86,200	90,634	90,634	2,035,329	Barrels
6110.20.20	Sweaters, pullovers and similar articles, knitted or crocheted, of cotton, n.e.s.o.i.	84,342	85,792	85,792	5,509,892	Dozens
3903.11.00	Polystyrene, expandable, in primary forms	66,625	69,031	69,031	36,599,126	Kilograms
2106.90.99	Food preparations not elsewhere specified or included, not canned or frozen	15,898	16,253	16,253	2,901,931	Kilograms
2933.61.00	Melamine	12,106	12,703	12,703	8,142,686	Kilograms
6109.90.10	T-shirts, singlets, tank tops and similar garments, knitted or crocheted, of manmade fibers	11,853	12,058	12,058	602,741	Dozens
2103.90.90	Sauces and preparations therefor, n.e.s.o.i.	8,176	8,477	8,477	2,349,239	Kilograms
2009.19.00	Orange juice, not frozen, of a Brix value exceeding 20, unfermented	6,476	6,615	6,615	18,295,152	Liters
2009.11.00	Orange juice, frozen, unfermented and not containing added spirit	4,819	5,089	5,089	14,244,045	Liters
8504.31.40	Electrical transformers other than liquid dielectric, having a power handling capacity less than 1 kVA	3,665	3,834	3,834	348,836	Number
0807.20.00	Papayas (papaws), fresh	3,100	3,680	3,680	3,557,466	Kilograms
2202.10.00	Waters, including mineral waters and aerated waters, containing added sugar or other sweetening matter or flavored	2,556	2,837	2,837	3,476,106	Liters
0406.30.24	Cheddar cheese, processed, not grated or powdered, subject to additional US note 18 to Ch. 4	2,550	2,610	2,610	312,264	Kilograms
2208.40.20	Rum and tafia, in containers each holding not over 4 liters, valued not over $3/proof liter	2,228	2,374	2,374	790,989	Proof liters
0812.90.90	Fruit and nuts n.e.s.i., including mixtures containing nuts, provisionally preserved, but not for immediate consumption	1,963	1,998	1,998	340,723	Kilograms

HTS number	Description	Customs value of CBERA imports	C.i.f. value of CBERA imports	Landed duty-paid value of CBERA imports	Quantity of CBERA imports	Units of quantity measure
2308.00.98	Vegetable materials and vegetable waste, vegetable residues and byproducts, of a kind used in animal feeding, n.e.s.o.i.	1,810	1,930	1,930	12,054	not available
6110.30.30	Sweaters, pullovers and similar articles, knitted or crocheted, of manmade fibers, n.e.s.o.i.	1,830	1,863	1,863	121,185	Dozens
1704.90.35	Sugar confections or sweetmeats ready for consumption, not containing cocoa, other than candied nuts or cough drops	1,542	1,642	1,642	569,733	Kilograms

Source: Compiled from official statistics of the U.S. Department of Commerce (USDOC) (accessed June 6, 2017).
Note: The abbreviations n.e.s.o.i. and n.e.s.i. stand for "not elsewhere specified or included."

Table B.2: U.S. tariff rates for the 20 products, 2016

HTS number	Description	Ad valorem rate (percentage)	Specific rate ($ per unit of volume)	Estimated ad valorem rate (percentage)[a]
2905.11.20	Methanol (methyl alcohol), other than imported only for use in producing synthetic natural gas (SNG) or for direct use as fuel	5.5		
6109.10.00	T-shirts, singlets, tank tops and similar garments, knitted or crocheted, of cotton	16.5		
2709.00.20	Petroleum oils and oils from bituminous minerals, crude, testing 25 degrees A.P.I. or more		0.1050	0.2
6110.20.20	Sweaters, pullovers and similar articles, knitted or crocheted, of cotton, n.e.s.o.i.	16.5		
3903.11.00	Polystyrene, expandable, in primary forms	6.5		
2106.90.99	Food preparations not elsewhere specified or included, not canned or frozen	6.2		
2933.61.00	Melamine	3.5		
6109.90.10	T-shirts, singlets, tank tops and similar garments, knitted or crocheted, of manmade fibers	32.0		
2103.90.90	Sauces and preparations therefor, n.e.s.o.i.	6.4		
2009.19.00	Orange juice, not frozen, of a Brix value exceeding 20, unfermented		0.0785	19.4
2009.11.00	Orange juice, frozen, unfermented and not containing added spirit		0.0785	16.6
8504.31.40	Electrical transformers other than liquid dielectric, having a power handling capacity less than 1 kVA	6.6		
0807.20.00	Papayas (papaws), fresh	5.4		
2202.10.00	Waters, including mineral waters and aerated waters, containing added sugar or other sweetening matter or flavored		0.0200	1.20
0406.30.24	Cheddar cheese, processed, not grated or powdered, subject to additional US note 18 to Ch. 4	16.0		
2208.40.20	Rum and tafia, in containers each holding not over 4 liters, valued not over $3/proof liter		0.2370	13.3
0812.90.90	Fruit and nuts n.e.s.i., including mixtures containing nuts, provisionally preserved, but not for immediate consumption		0.0010	0.0
2308.00.98	Vegetable materials and vegetable waste, vegetable residues and byproducts, of a kind used in animal feeding, n.e.s.o.i.	1.4		
6110.30.30	Sweaters, pullovers and similar articles, knitted or crocheted, of manmade fibers, n.e.s.o.i.	32.0		
1704.90.35	Sugar confections or sweetmeats ready for consumption, not containing cocoa, other than candied nuts or cough drops	5.6		

Source: U.S. Harmonized Tariff Schedule, 2015.
Note: The abbreviations n.e.s.o.i. and n.e.s.i. stand for "not elsewhere specified or included."

Table B.3: Domestic production and exports for the 20 products, 2016 (thousand $)

HTS number	Description	Domestic production	Domestic exports
2905.11.20	Methanol (methyl alcohol), other than imported only for use in producing synthetic natural gas (SNG) or for direct use as fuel	1,156,351	310,544
6109.10.00	T-shirts, singlets, tank tops and similar garments, knitted or crocheted, of cotton	768,787	153,757
2709.00.20	Petroleum oils and oils from bituminous minerals, crude, testing 25 degrees A.P.I. or more	130,000,000	8,067,548
6110.20.20	Sweaters, pullovers and similar articles, knitted or crocheted, of cotton, n.e.s.o.i.	363,324	72,665
3903.11.00	Polystyrene, expandable, in primary forms	924,065	164,104
2106.90.99	Food preparations not elsewhere specified or included, not canned or frozen	23,000,000	3,337,633
2933.61.00	Melamine	120,000	30,889
6109.90.10	T-shirts, singlets, tank tops and similar garments, knitted or crocheted, of manmade fibers	189,591	37,918
2103.90.90	Sauces and preparations therefor, n.e.s.o.i.	5,500,000	1,158,461
2009.19.00	Orange juice, not frozen, of a Brix value exceeding 20, unfermented	38,700	15,300
2009.11.00	Orange juice, frozen, unfermented and not containing added spirit	171,000	121,000
8504.31.40	Electrical transformers other than liquid dielectric, having a power handling capacity less than 1 kVA	500,000	129,323
0807.20.00	Papayas (papaws), fresh	10,600	9,600
2202.10.00	Waters, including mineral waters and aerated waters, containing added sugar or other sweetening matter or flavored	60,000,000	356,980
0406.30.24	Cheddar cheese, processed, not grated or powdered, subject to additional US note 18 to Ch. 4	1,350,000	30,000
2208.40.20	Rum and tafia, in containers each holding not over 4 liters, valued not over $3/proof liter	25,400	5,200
0812.90.90	Fruit and nuts n.e.s.i., including mixtures containing nuts, provisionally preserved, but not for immediate consumption	21,000	1,100
2308.00.98	Vegetable materials and vegetable waste, vegetable residues and byproducts, of a kind used in animal feeding, n.e.s.o.i.	260,000	971
6110.30.30	Sweaters, pullovers and similar articles, knitted or crocheted, of manmade fibers, n.e.s.o.i.	469,200	93,840
1704.90.35	Sugar confections or sweetmeats ready for consumption, not containing cocoa, other than candied nuts or cough drops	5,000,000	181,000

Source: USITC estimates from industry sources.
Note: The abbreviations n.e.s.o.i. and n.e.s.i. stand for “not elsewhere specified or included.”

Appendix C
Written Submissions

In Commission factfinding reports, this appendix normally contains either summaries of positions submitted by interested parties, or lists the names of parties who filed a written submission but did not provide a written summary. For this investigation, no summaries were submitted, so the appendix lists only the names of the eight interested parties who submitted positions. Please see the Commission's Electronic Document Information System (EDIS) for full submissions (https://edis.usitc.gov/edis3-internal/app).

Interested parties

American Apparel & Footwear Association

Association des Industries d'Haiti (ADIH)

Embassy of Antigua and Barbuda

Embassy of Barbados

Embassy of the Republic of Trinidad and Tobago

Government of Jamaica

Sorini, Samet & Associates, LLC, on behalf of Gildan Activewear Inc.

St. Kitts-Nevis Chamber of Industry & Commerce, Inc.

Appendix D
Statistical Tables

Table D.1: U.S. imports for consumption from CBERA countries, by source, 2012–16

Source	2012	2013	2014	2015	2016	Change, 2015–16
			Million $			Percent
Current CBERA beneficiaries						
Antigua and Barbuda	9.6	8.5	7.9	6.7	17.4	161.1
Aruba	746.6	43.0	70.4	31.9	16.5	-48.2
Bahamas	524.5	571.6	531.2	448.9	296.2	-34.0
Barbados	53.9	55.0	50.0	66.5	49.0	-26.4
Belize	160.4	134.3	97.0	75.4	59.0	-21.7
British Virgin Islands	13.4	6.3	10.8	16.0	31.1	94.6
Curaçao	850.8	401.6	292.5	348.5	266.6	-23.5
Dominica	1.7	2.6	1.5	1.7	2.7	59.1
Grenada	8.3	9.5	9.8	9.1	12.5	36.2
Guyana	515.2	460.2	491.9	431.5	434.1	0.6
Haiti	774.1	809.6	897.3	968.2	895.2	-7.5
Jamaica	456.7	393.6	267.2	287.9	300.4	4.3
Montserrat	1.8	2.7	0.7	2.3	0.6	-74.4
St. Kitts and Nevis	56.9	54.2	56.9	56.7	49.1	-13.5
St. Lucia	15.2	16.5	15.6	28.5	13.8	-51.5
St. Vincent and the Grenadines	2.3	2.9	1.4	1.8	3.1	74.8
Trinidad and Tobago	8,076.5	6,366.3	5,693.8	4,280.0	2,895.6	-32.3
Former CBERA beneficiary						
Panama	539.8	([a])	([a])	([a])	([a])	([a])
Total	539.8	0.0	0.0	0.0	0.0	0.0
Grand total	12,267.9	9,338.5	8,495.9	7,061.5	5,342.8	-24.3

Source: Compiled from official statistics of the U.S. Department of Commerce (USDOC) (accessed May 8, 2017). Data reflect all official USDOC revisions for 2012–16 as of that date.

Note: Data on U.S. imports from CBERA countries include U.S. imports from Panama through October 2012.

[a] Not applicable.

Table D.2: U.S. imports for consumption under CBERA, by source, 2012–16

Source	2012	2013	2014	2015	2016	Change, 2015–16
			Million $			Percent
Current CBERA beneficiaries						
Antigua and Barbuda	0.0	0.0	0.0	0.1	0.0	-54.1
Aruba	0.0	0.0	0.1	0.1	0.0	-84.1
Bahamas	130.5	141.7	158.2	88.4	68.4	-22.6
Barbados	3.8	2.1	5.3	22.6	2.3	-90.1
Belize	131.9	104.8	60.6	36.9	17.1	-53.5
British Virgin Islands	0.5	0.1	0.1	0.0	0.0	2.5
Curaçao	0.0	0.0	5.4	0.0	0.1	3,168.9
Dominica	0.1	0.2	0.1	0.1	0.0	-71.0
Grenada	0.3	0.3	0.4	1.7	1.8	4.7
Guyana	5.3	4.5	11.9	34.9	1.6	-95.6
Haiti	436.8	362.3	405.4	433.4	317.9	-26.7
Jamaica	206.2	90.2	71.8	81.6	75.2	-7.8
Montserrat	0.0	0.0	0.0	0.0	0.0	([a])
St. Kitts and Nevis	22.3	18.9	18.3	10.5	7.3	-30.3
St. Lucia	1.8	3.2	1.2	1.3	0.6	-56.8
St. Vincent and the Grenadines	0.1	0.1	0.2	0.0	0.0	186.6
Trinidad and Tobago	2,171.2	1,640.7	1,234.5	830.3	383.5	-53.8
Former CBERA beneficiary						
Panama	26.3	([a])	([a])	([a])	([a])	([a])
Total	26.3	([a])	([a])	([a])	([a])	([a])
Grand total	3,137.4	2,369.1	1,973.3	1,541.8	875.7	-43.2

Source: Compiled from official statistics of the U.S. Department of Commerce (USDOC) (accessed May 8, 2017). Data reflect all official USDOC revisions for 2012–16 as of that date.

Note: Data on U.S. imports from CBERA countries include U.S. imports from Panama through October 2012.

[a] Not applicable.

[b] Less than $50,000.

Table D.3: Leading U.S. imports for consumption under CBERA, by HTS chapter, 2012–16

HTS chapter	Description	2012	2013	2014	2015	2016
				Million $		
61	Articles of apparel and clothing accessories, knitted or crocheted	425.2	343.6	387.8	414.8	305.4
29	Organic chemicals	1,043.9	1,188.3	1,040.5	655.1	270.0
27	Mineral fuels, mineral oils and products of their distillation; bituminous substances; waxes	1,204.2	504.1	199.5	148.8	86.5
39	Plastics and articles thereof	132.1	143.5	158.2	89.6	69.5
21	Miscellaneous edible preparations	19.1	22.9	26.4	28.6	30.1
07	Edible vegetables and certain roots and tubers	19.6	20.9	21.9	26.9	26.0
20	Preparations of vegetables, fruit, nuts, or other parts of plants	26.7	22.2	25.6	25.5	25.9
08	Edible fruit and nuts; peel of citrus fruit or melons	29.0	28.0	24.0	27.2	17.3
22	Beverages, spirits and vinegar	164.5	33.1	14.1	13.2	11.6
85	Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television recorders and reproducers, parts and accessories	24.6	23.9	22.0	13.2	9.4
94	Furniture; bedding, cushions etc.; lamps and lighting fittings n.e.s.o.i.; illuminated signs, nameplates and the like; prefabricated buildings	5.4	5.4	5.5	3.9	3.5
	All other	43.2	33.4	47.7	95.0	20.6
	Total	3,137.4	2,369.1	1,973.3	1,541.8	875.7
				Percent of total		
61	Articles of apparel and clothing accessories, knitted or crocheted	13.6	14.5	19.7	26.9	34.9
29	Organic chemicals	33.3	50.2	52.7	42.5	30.8
27	Mineral fuels, mineral oils and products of their distillation; bituminous substances; waxes	38.4	21.3	10.1	9.6	9.9
39	Plastics and articles thereof	4.2	6.1	8.0	5.8	7.9
21	Miscellaneous edible preparations	0.6	1.0	1.3	1.9	3.4
07	Edible vegetables and certain roots and tubers	0.6	0.9	1.1	1.7	3.0
20	Preparations of vegetables, fruit, nuts, or other parts of plants	0.9	0.9	1.3	1.7	3.0
08	Edible fruit and nuts; peel of citrus fruit or melons	0.9	1.2	1.2	1.8	2.0
22	Beverages, spirits and vinegar	5.2	1.4	0.7	0.9	1.3
85	Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television recorders and reproducers, parts and accessories	0.8	1.0	1.1	0.9	1.1
94	Furniture; bedding, cushions etc.; lamps and lighting fittings n.e.s.o.i.; illuminated signs, nameplates and the like; prefabricated buildings	0.2	0.2	0.3	0.3	0.4
	All other	1.4	1.4	2.4	6.2	2.4
	Total	100.0	100.0	100.0	100.0	100.0

Source: Compiled from official statistics of the U.S. Department of Commerce (USDOC) (accessed May 8, 2017). Data reflect all official USDOC revisions for 2012–16 as of that date.
Note: Data on U.S. imports from Panama through October 2012.

Table D.4: Leading U.S. imports for consumption under CBERA, 2012–16

HTS number	Description	2012	2013	2014	2015	2016
				Million $		
2905.11.20	Methanol (methyl alcohol), other than imported only for use in producing synthetic natural gas (SNG) or for direct use as fuel	1,022.3	1,171.5	1,023.6	650.8	257.9
6109.10.00	T-shirts, singlets, tank tops and similar garments, knitted or crocheted, of cotton	224.6	208.7	247.0	271.5	206.7
2709.00.20	Petroleum oils and oils from bituminous minerals, crude, testing 25 degrees a.p.i. or more	1,163.7	371.2	192.4	144.9	86.2
6110.20.20	Sweaters, pullovers and similar articles, knitted or crocheted, of cotton, n.e.s.o.i.	176.1	118.2	121.1	121.0	84.3
3903.11.00	Polystyrene, expandable, in primary forms	129.4	140.5	155.8	86.9	66.6
0714.30.10	Fresh or chilled yams (dioscorea spp.), whether or not sliced or in the form of pellets	15.8	17.0	18.2	20.4	21.1
2106.90.99	Food preparations not elsewhere specified or included, not canned or frozen	6.0	8.3	9.8	13.5	15.9
2933.61.00	Melamine	21.5	16.8	16.9	4.2	12.1
6109.90.10	T-shirts, singlets, tank tops and similar garments, knitted or crocheted, of manmade fibers	15.6	10.6	13.5	17.5	11.9
2103.90.90	Sauces and preparations therefor, n.e.s.o.i.	4.8	5.4	7.2	8.6	8.2
2009.11.00	Orange juice, frozen, unfermented and not containing added spirit	8.1	5.1	6.7	7.9	6.5
	All other	349.5	295.8	161.1	194.6	98.4
	Total	3,137.4	2,369.1	1,973.3	1,541.8	875.7

Source: Compiled from official statistics of the U.S. Department of Commerce (USDOC) (accessed May 8, 2017). Data reflect all official USDOC revisions for 2012–16 as of that date.
Note: Data on U.S. imports from CBERA countries include U.S. imports from Panama through October 2012.

Table D.5: Leading U.S. imports for consumption under CBERA, by source, 2012–16

Source	HTS number	Description	2012	2013	2014	2015	2016
					Thousand $		
Antigua and Barbuda	2103.90.90	Sauces and preparations therefor, n.e.s.o.i.	7.5	24.4	9	8.4	19.9
	8507.10.00	Lead-acid storage batteries of a kind used for starting piston engines	0	0	0	0	15
	7009.92.50	Glass mirrors (o/than rearview mirrors), framed, over 929 cm2 in reflecting area	0	0	0	0	2.6
	2208.40.20	Rum and tafia, in containers each holding not over 4 liters, valued not over $3/proof liter	0	0	0	72.7	0
	3917.40.00	Fittings of plastics, for plastic tubes, pipes and hoses, n.e.s.o.i.	0	0	0	0.6	0
		Total	7.5	24.4	9	81.6	37.4
Aruba	7113.19.50	Precious metal (o/than silver) articles of jewelry and parts thereof, whether or not plated or clad with precious metal,n.e.s.o.i.	0	0	24.5	0	9.5
	9405.40.80	Electric lamps and lighting fixtures n.e.s.o.i., not of base metal	0	0	0	0	4.9
	4202.92.20	Travel, sports and similar bags with outer surface of vegetable fibers, excl. cotton, not of pile construction	0	0	0	0.4	0.3
	1518.00.40	Animal or vegetable fats and oils, n.e.s.i., oxidized, dehydrated or otherwise chemically modified; inedible mixtures of fats and oils n.e.s.i.	0	0	29	74.7	0
	3924.10.20	Plates, cups, saucers, soup bowls, cereal bowls, sugar bowls, creamers, gravy boats, serving dishes and platters, of plastics	0	0	0	9.9	0
		Total	0	0	53.6	85.1	14.7
Bahamas	0302.59.11	Bregmacerotidae et al. fish, n.e.s.i., excl. fillets, livers and roes, fresh or chilled, scaled, in immediate containers weighing < 6.8 kg	0	0	0	4.3	0
	0306.14.20	Crabmeat, frozen	35.7	310.7	976.8	99.4	0
	0306.24.20	Crabmeat, not frozen	82.5	36.3	960.6	405.1	0
	0511.99.36	Natural sponges of animal origin	38.2	77.6	144.7	108.5	179
	0707.00.20	Cucumbers, including gherkins, fresh or chilled, if entered December 1 in any year to the last day of the following February, inclusive	0	0	0	62.8	245.8
		Total	129,357.6	140,482.3	155,766	87,115.4	67,929.1
Barbados	2208.40.60	Rum and tafia, in containers each holding over 4 liters, valued not over $0.69/proof liter	521.8	421.5	939.6	96.5	1,009.4

Source	HTS number	Description	2012	2013	2014	2015	2016
	2207.10.30	Undenatured ethyl alcohol of 80 percent vol. alcohol or higher, for beverage purposes	2,228	154.5	341.3	534.7	310.6
	9030.33.00	Instruments and apparatus, n.e.s.i., for measuring or checking electrical voltage, current, resistance or power, without a recording device	402.6	407.5	412.8	17,715.6	230.8
	9030.33.34	Resistance measuring instruments	0	0	0	0	178.9
	2208.40.20	Rum and tafia, in containers each holding not over 4 liters, valued not over $3/proof liter	0	0	0	17.9	138.3
		Total	3,152.4	983.5	1,693.7	18,364.7	1,868.1
Belize	2009.19.00	Orange juice, not frozen, of a Brix value exceeding 20, unfermented	8,038.9	5,070.6	6,681.3	7,912.1	6,475.8
	2009.11.00	Orange juice, frozen, unfermented and not containing added spirit	7,937.7	7,010.9	9,126.3	5,997.6	4,819.1
	0807.20.00	Papayas (papaws), fresh	9,245.6	10,618.3	6,444.1	6,349.3	1,970.9
	2308.00.98	Vegetable materials and vegetable waste, vegetable residues and byproducts, of a kind used in animal feeding, n.e.s.o.i.	2,335.9	2,423.1	1,903.9	2,043.8	1,809.9
	1703.10.50	Cane molasses n.e.s.i.	0	0	2,294.8	1,785.2	903.0
		Total	2,7558.0	25,122.9	26,450.4	24,088.0	15,978.6
British Virgin Islands	4203.10.40	Articles of apparel, of leather or of composition leather, n.e.s.i.	0	0	0	8.9	9.1
	7326.90.85	Iron or steel, articles, n.e.s.o.i.	0	0	49.1	0	0
	3926.90.99	Other articles of plastic, n.e.s.o.i.	0	0	1.0	0	0
	7020.00.60	Articles of glass, not elsewhere specified or included	0	96.6	0	0	0
	7013.37.60	Drinking glasses, n.e.s.o.i., o/than of pressed and toughened glass, o/than lead crystal, not cut or engraved, valued over $5 each	0	6.7	0	0	0
		Total	0	103.3	50.1	8.9	9.1
Dominica	0714.90.10	Fresh or chilled dasheens, whether or not sliced or in the form of pellets	75.4	146.6	40	51.8	12.2
	3307.10.20	Pre-shave, shaving or after-shave preparations, containing alcohol	36.9	23.4	7.8	16.5	6.6
	2103.90.80	Mixed condiments and mixed seasonings, not described in additional US note 3 to Ch. 21	0	0	0	3.5	3.5
	0714.40.10	Fresh or chilled taro (Colocasia spp.), whether or not sliced or in the form of pellets	0	0	0	4.8	0

Source	HTS number	Description	2012	2013	2014	2015	2016
	3901.20.50	Polyethylene having a specific gravity of 0.94 or more, in primary forms, n.e.s.o.i.	0	0	13.2	0	0
		Total	112.3	170	61	76.5	22.2
Grenada	0810.90.46	Fruit, not elsewhere specified or included, fresh	0	6.8	101	1,116.8	1,149.8
	0811.90.25	Cashew apples, mameyes colorados, sapodillas, soursops and sweetsops, frozen, in water or containing added sweetening	185.8	145.1	221.2	434.9	651.4
	0811.90.80	Fruit, n.e.s.i., frozen, whether or not previously steamed or boiled	0	0	0	21.9	5
	8438.90.90	Parts of machinery for the industrial preparation or manufacture of food or drink, other than sugar manufacturing, n.e.s.i.	0	0	0	0	3.1
	1806.20.50	Chocolate, over 2kg, cont. milk solids, not in blocks 4.5 kg or more, no milk solids, not GN15	0	0	57.8	80.1	0
		Total	185.8	151.8	380	1,653.7	1,809.3
Guyana	1006.30.90	Rice semi-milled or wholly milled, whether or not polished or glazed, other than parboiled	0	0	271.4	1,429.7	546.8
	6114.30.30	Garments n.e.s.o.i., knitted or crocheted, of manmade fibers	982.4	724.1	847.6	812.7	298.1
	2103.90.90	Sauces and preparations therefor, n.e.s.o.i.	75	108.3	175.9	179.2	165.5
	0712.90.85	Dried vegetables n.e.s.o.i., and mixtures of dried vegetables, whole, cut, sliced, broken or in powder, but not further prepared	0	0	0	9.9	109.1
	1517.10.00	Margarine, excluding liquid margarine	42.1	42.1	49.6	70.1	65.3
		Total	1,099.4	874.4	1,344.5	2,501.6	1,184.7
Haiti	6109.10.00	T-shirts, singlets, tank tops and similar garments, knitted or crocheted, of cotton	224,583.3	208,699.5	246,593.4	271,163.7	206,745.1
	6110.20.20	Sweaters, pullovers and similar articles, knitted or crocheted, of cotton, n.e.s.o.i.	175,477.1	117,846.5	120,775.3	120,847.2	84,342.1
	6109.90.10	T-shirts, singlets, tank tops and similar garments, knitted or crocheted, of manmade fibers	15,569.4	10,618.8	13,483.5	17,536.2	11,852.8
	0804.50.40	Guavas, mangoes, and mangosteens, fresh, if entered during the period September 1 through May 31, inclusive	6,079.3	8,386.1	8,506.3	8,174.5	6,257.5
	0804.50.60	Guavas, mangoes, and mangosteens, fresh, if entered during the period June 1 through August 31, inclusive	2,895.1	3,953.8	4,254.7	5,624.5	2,139.7
		Total	424,604.3	349,504.8	393,613.1	423,346.1	311,337.3
Jamaica	0714.30.10	Fresh or chilled yams (Dioscorea spp.), whether or not sliced or in the form of pellets	15,809.7	17,016.9	18,244	20,379.4	21,118.6
	2103.90.90	Sauces and preparations therefor, n.e.s.o.i.	3,130.1	3,470.9	4,820	6,270.2	6,234.7

Source	HTS number	Description	2012	2013	2014	2015	2016
	2106.90.99	Food preparations not elsewhere specified or included, not canned or frozen	842	1,459.1	2,369.3	5,424.8	5,422.9
	2008.99.90	Fruit n.e.s.i., and other edible parts of plants n.e.s.i., other than pulp and excluding mixtures, otherwise prepared or preserved, n.e.s.i.	4,524.3	4,470.2	3,862.9	4,558.8	5,350
	2005.99.97	Vegetables n.e.s.o.i., & mixtures of vegetables, prepared or preserved otherwise than by vinegar or acetic acid, not frozen, not preserved by sugar	2,919.8	3,538.5	3,991.7	4,089.6	5,287.8
		Total	27,225.8	29,955.5	33,287.9	40,722.8	43,414.0
Montserrat	8525.50.30	Transmission apparatus for television, n.e.s.o.i.	23.7	0	0	0	0
		Total	23.7	0	0	0	0
St. Kitts and Nevis	8504.31.40	Electrical transformers other than liquid dielectric, having a power handling capacity less than 1 kVA	9.3	15.1	0	2,514.6	3,358.5
	8537.10.90	Boards, panels, consoles, desks, cabinets, etc., equipped with apparatus for electric control, for a voltage not exceeding 1,000, n.e.s.i.	1,500.4	434.6	932.7	1,784.8	850.4
	8503.00.65	Stators and rotors for electric motors & generators of heading 8501, n.e.s.i.	606	1,377	1,610	1,462.8	627
	8536.50.90	Switches n.e.s.o.i., for switching or making connections to or in electrical circuits, for a voltage not exceeding 1,000 V	0	0	0	0	546.9
	8537.10.60	Boards, panels, etc., equipped with apparatus for electric control, for a voltage not exceeding 1,000, motor control centers	234	181.2	0	271.3	526.8
		Total	2,349.7	2,007.9	2,542.7	6,033.6	5,909.6
St. Lucia	2103.90.90	Sauces and preparations therefor, n.e.s.o.i.	237.8	324.4	249.6	343.9	180.2
	0709.99.05	Jicamas and breadfruit, fresh or chilled	94.3	9.7	0	365.2	127.2
	8536.90.85	Other electrical apparatus n.e.s.i., for switching or making connections to or in electrical circuits, for a voltage not exceeding 1,000 V, n.e.s.o.i.	0	0	0	0	127
	8536.90.80	Electrical apparatus n.e.s.i., for switching or making connections to or in electrical circuits, for a voltage not exceeding 1,000 V, n.e.s.o.i.	260.3	58.7	362.2	494.6	69.9
	0709.60.20	Chili peppers, fresh or chilled	0	0	0	22.9	57
		Total	592.5	392.8	611.7	1226.6	561.3
St. Vincent and the Grenadines	0714.90.10	Fresh or chilled dasheens, whether or not sliced or in the form of pellets	88.1	107.9	182.3	6.4	40.7

Source	HTS number	Description	2012	2013	2014	2015	2016
	0714.40.10	Fresh or chilled taro (Colocasia spp.), whether or not sliced or in the form of pellets	0	0	0	0	2.2
	0714.50.10	Fresh or chilled yautia (Xanthosoma spp.), whether or not sliced or in the form of pellets	0	0	0	0	2.2
	2202.90.90	Nonalcoholic beverages, n.e.s.i., not including fruit or vegetable juices of heading 2009	0	0	0	9.3	0
	0710.80.70	Vegetables n.e.s.i., uncooked or cooked by steaming or boiling in water, frozen, not reduced in size	0	12.3	0	0	0
		Total	88.1	120.2	182.3	15.7	45.1
Trinidad and Tobago	2905.11.20	Methanol (methyl alcohol), other than imported only for use in producing synthetic natural gas (SNG) or for direct use as fuel	1,022,303.2	1,170,752.7	1,023,570.1	650,812.5	257,850
	2709.00.20	Petroleum oils and oils from bituminous minerals, crude, testing 25 degrees A.P.I. or more	1,062,071.1	293,035.3	165,104.5	144,871.3	86,199.9
	2933.61.00	Melamine	21,544.1	16,798.4	16,917.5	4,236	12,105.7
	2106.90.99	Food preparations not elsewhere specified or included, not canned or frozen	4,744	6,325.8	7,284.9	7,947.9	10,343.3
	2202.10.00	Waters, including mineral waters and aerated waters, containing added sugar or other sweetening matter or flavored	4,363.2	4,090.4	3,894	1,987.1	1,575
		Total	2,115,025.6	1,491,002.6	1,216,770.9	809,854.7	368,073.8

Source: Compiled from official statistics of the U.S. Department of Commerce (USDOC) (accessed May 8, 2017). Data reflect all official USDOC revisions for 2012–16 as of that date.
Note: The abbreviations n.e.s.o.i. and n.e.s.i. stand for "not elsewhere specified or included."

Appendix E
U.S. Imports from CBERA Countries

This appendix examines total U.S. imports from CBERA countries—regardless of whether products are eligible for CBERA preferences. U.S. imports entering under the CBERA preference program were discussed in chapter 4 and U.S. imports benefiting exclusively from the CBERA program are analyzed in chapter 2 to gauge their impact on U.S. industries and consumers.

In 2016, the value of total U.S. imports from CBERA countries declined for a fifth consecutive year to $5.3 billion, from $7.1 billion in 2015 and $8.5 billion in 2014. Total U.S. imports from CBERA countries as a share of U.S. imports from the world were approximately 0.2 percent in 2016, down from 0.3 percent in 2015 and 0.4 percent in 2014, indicating that CBERA countries account for a small and declining share of total U.S. imports (table E.1).

Table E.1: U.S. imports for consumption from CBERA countries, 2012–16

Year	U.S. imports from CBERA countries	CBERA countries' share of U.S. imports from the world	U.S. imports under CBERA	Share of U.S. imports under CBERA in total U.S. imports from CBERA countries	Share of U.S. imports under CBERA in total U.S. imports from the world
	Value (million $)	Percent	Value (million $)	Percent	Percent
2012	11,956.9	0.5	3,137.4	26.2	0.1
2013	8,936.9	0.4	2,369.1	26.5	0.1
2014	8,495.9	0.4	1,973.3	23.2	0.1
2015	7,061.5	0.3	1,541.8	21.8	0.1
2016	5,342.8	0.2	875.7	16.4	0.0

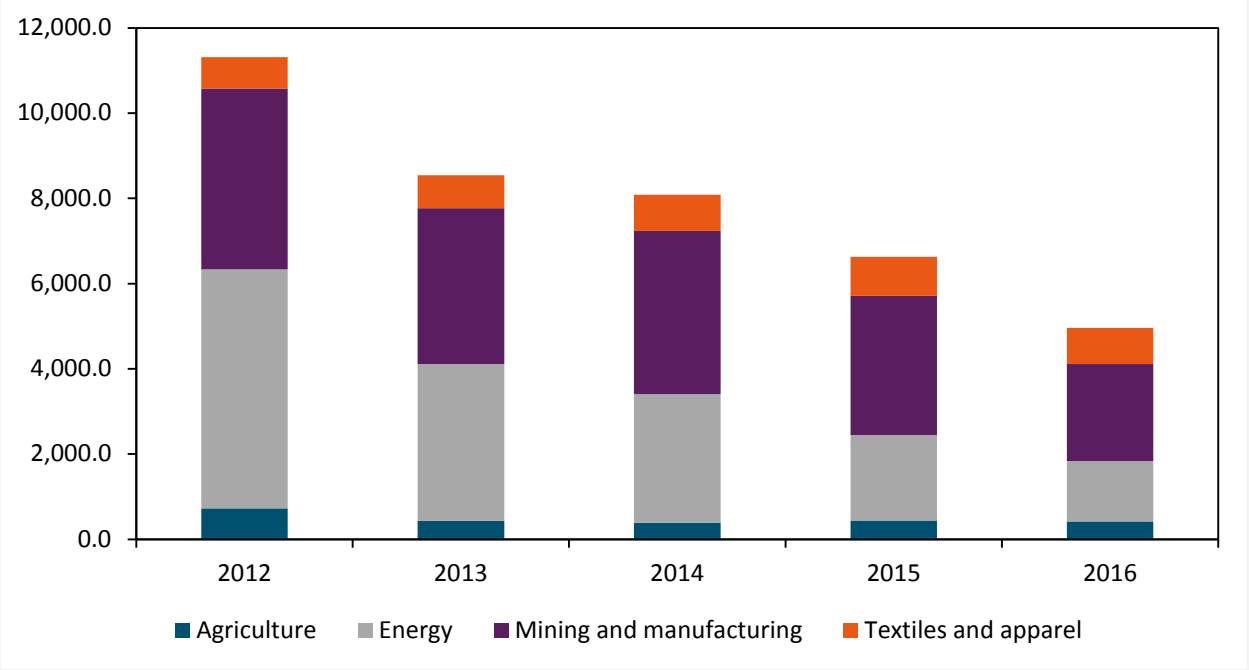
Source: Compiled from official statistics of the U.S. Department of Commerce (USDOC) (accessed May 8, 2017). Data reflect all official USDOC revisions for 2012–16 as of that date.
Note: Data on U.S. imports from CBERA countries include U.S. imports from Panama through October 2012. Data for 2012 include U.S. imports from Panama only for the period when Panama was still eligible for CBERA benefits before the U.S.-Panama TPA entered into force on October 31, 2012.

The decline of U.S. imports from CBERA countries from 2015 to 2016 was due mainly to the sharp decrease in U.S. imports of methanol and anhydrous ammonia. The value of U.S. imports of methanol fell by 60.0 percent ($393.1 million) from 2015 to 2016, continuing a decline in value since 2013, due primarily to low production volume. Additionally, the value of U.S. imports of anhydrous ammonia, a chemical widely used as a fertilizer and refrigerant, fell by 43.1 percent from 2015 to 2016, having previously decreased 15.6 percent from 2014 to 2015.This is due to reductions in both the price and quantity of imports from Trinidad and Tobago.

U.S. imports from CBERA countries are highly concentrated in two categories: other mining and manufacturing products, and energy products. Of the $5.3 billion in U.S. imports from CBERA countries in 2016, other mining and manufacturing products accounted for 42.6 percent;[300] energy products, 26.6 percent; textiles and apparel, 15.9 percent; and agricultural products, 7.8 percent (figure E.1)[301]. The majority of other mining and manufacturing products, as well as energy products, originated from Trinidad and Tobago.

[300] Includes products such as gold, ferrous products, polystyrene, and melamine, among others.
[301] Does not include imports under HS 98 and 99.

Figure E.1: U.S. imports from CBERA countries, by major product categories,[a] million dollars 2012–16



Source: Compiled official statistics of the U.S. Department of Commerce (USDOC) (accessed May 8, 2017). Data reflect all official USDOC revisions for 2012–16 as of that date.
Note: See corresponding data table F.15.
[a] Excludes HS 98 and 99.

Total U.S. Imports by Country

In 2016, Trinidad and Tobago, Haiti, Guyana, and Jamaica were the United States' leading sources of imports from CBERA countries, jointly accounting for 84.7 percent of the value of such imports (table E.2). U.S. imports from Jamaica and Guyana increased by 4.3 percent and 0.6 p5ercent, respectively, while U.S. imports from Trinidad and Tobago and Haiti declined with respect to 2015.

Trinidad and Tobago accounted for 54.2 percent of U.S. imports from CBERA countries in 2016, with imports consisting mostly of anhydrous ammonia, liquefied natural gas (LNG), ferrous products, and methanol. U.S. imports from Trinidad and Tobago declined for five consecutive years—from $8.1 billion in 2012 to $2.9 billion in 2016. The decline was mainly due to the decrease in the value of U.S. imports of energy-related products.[302]

[302] Energy-related products refer to crude and refinery petroleum products, natural gas, and petrochemicals (methanol, ammonia, urea, and melamine).

Table E.2: U.S. imports for consumption from CBERA beneficiary countries, by source, 2012–16

Source	2012	2013	2014	2015	2016	Change 2015–16
			Million $			Percent
Current CBERA beneficiaries						
Trinidad and Tobago	8,076.5	6,366.3	5,693.8	4,280	2,895.6	-32.3
Haiti	774.1	809.6	897.3	968.2	895.2	-7.5
Guyana	515.2	460.2	491.9	431.5	434.1	0.6
Jamaica	456.7	393.6	267.2	287.9	300.4	4.3
The Bahamas	524.5	571.6	531.2	448.9	296.2	-34
Curaçao	(a)	(a)	292.5	348.5	266.6	-23.5
Belize	160.4	134.3	97.0	75.4	59.0	-21.7
St. Kitts and Nevis	56.9	54.2	56.9	56.7	49.1	-13.5
All others	852.9	146.9	168.1	164.4	146.6	-10.9
Former CBERA beneficiary						
Panama	539.8	(a)	(a)	(a)	(a)	(a)
Total	539.8	0.0	0.0	0.0	0.0	(a)
Grand total	11,956.9	8,936.9	8,495.9	7,061.5	5,342.8	-24.3
			Percent of total			Percentage points
Current CBERA beneficiaries						
Trinidad and Tobago	67.5	71.2	67.0	60.6	54.2	-6.4
Haiti	6.5	9.1	10.6	13.7	16.8	3.0
Guyana	4.3	5.1	5.8	6.1	8.1	2.0
Jamaica	3.8	4.4	3.1	4.1	5.6	1.5
The Bahamas	4.4	6.4	6.3	6.4	5.5	-0.8
Curaçao	0.0	0.0	3.4	4.9	5	0.1
Belize	1.3	1.5	1.1	1.1	1.1	0.0
St. Kitts and Nevis	0.5	0.6	0.7	0.8	0.9	0.1
All others	7.1	1.6	2.0	2.3	2.7	0.4
Former CBERA beneficiary						
Panama	4.5	(a)	(a)	(a)	(a)	(a)
Total	4.5	0.0	0.0	0.0	0.0	(a)
Grand total	100.0	100.0	100.0	100.0	100.0	100.0

Source: Compiled from official statistics of the U.S. Department of Commerce (USDOC) (accessed May 8, 2017). Data reflect all official USDOC revisions for 2012–16 as of that date.

Note: Data on U.S. imports from CBERA countries U.S. imports from Panama through October 2012.

[a] Not applicable.

For example, U.S. imports of anhydrous ammonia from Trinidad and Tobago fell from $1,657 million in 2014 to $1,399 million in 2015, and to $796 million in 2016.[303] This decline can be explained by increasing U.S. domestic production of ammonia, as well as a declining profit margin on Trinidad and Tobago's ammonia exports to the United States. These trends reflect changes in both the price and availability of natural gas, which is a major feedstock for ammonia production. U.S. marketed production of natural gas[304] increased from 27,498 billion cubic feet in 2014 to 28,295 billion cubic feet in 2016,[305] which in turn resulted in an increase in U.S. production of ammonia; U.S. ammonia production rose from

[303] USITC DataWeb/USDOC (for HTS subheading 2814.10.00; accessed April, 28, 2017).

[304] Marketed production of natural gas refers to the gross withdrawals of gas less gas used for repressuring, quantities vented and flared, and nonhydrocarbon gases removed in treating or processing operations. EIA, "Natural Gas: Definitions, Sources and Explanatory Notes," http://www.eia.gov/dnav/ng/tbldefs/ng_prod_whv_tbldef2.asp (accessed May 10, 2017).

[305] EIA, "Natural Gas: Data," https://www.eia.gov/dnav/ng/ng_prod_sum_a_EPG0_VGM_mmcf_a.htm (accessed May 10, 2017).

9.3 million metric tons (mt) in 2014 to 9.8 million mt in 2016.[306] Meanwhile, Trinidad and Tobago's ammonia plants are running short of natural gas, which has affected ammonia production in the country.[307]

Besides anhydrous ammonia, the value of U.S. imports of methanol from Trinidad and Tobago declined by 60.0 percent between 2015 and 2016, from $655 million in 2015 to $262 million in 2016. This reflects an overall declining trend in total U.S. imports of methanol, primarily due to increased U.S. production.[308]

U.S. imports from Haiti accounted for 16.8 percent of U.S. imports from CBERA countries in 2016 and consisted primarily of textiles and apparel. The value of U.S. imports from Haiti fell by 7.5 percent in 2016 (see table E.2 above). The decline in U.S. imports of apparel products from CBERA, primarily from Haiti, can be attributed to a shift from such imports entering under CBTPA provisions to entering under the HOPE Acts.[309]

Guyana was the third-largest source of U.S. imports from CBERA beneficiaries in 2016, accounting for 8.1 percent of total U.S. imports from CBERA countries in 2016 (see table E.2 above). The value of U.S. imports from Guyana increased by 0.6 percent. This small increase was driven principally by an $11.2 million increase in nonmonetary gold. This is in contrast to a $58.8 million decrease in the U.S. imports of nonmonetary gold between 2014 and 2015. The increase was driven by higher declarations by small and medium-scale miners and production stemming from two new gold mining companies.[310] Guyana's gold mining industry has been growing rapidly in recent years, and from 2014 to 2016, over 68 percent of U.S. imports from Guyana consisted of nonmonetary gold.[311]

Jamaica was the fourth-largest source of U.S. imports from CBERA countries, accounting for 5.6 percent of total U.S. imports from CBERA beneficiaries in 2016 (see table E.2 above). The value of U.S. imports from Jamaica increased 4.3 percent from 2015 to 2016, due to substantial increases in the value of baked goods and beer, increases which were partially offset by declines in the value of aluminum ores and concentrates from the country.[312]

Product Composition and Leading Items

Table E.3 displays leading U.S. imports from CBERA countries by HTS chapters. Mineral fuels accounted for almost one-fourth (22.9 percent) of U.S. imports from CBERA countries in 2016. The five leading categories of U.S. imports from CBERA countries in 2016—mineral fuels, inorganic chemicals, knitted apparel, pearls, and iron and steel—together accounted for 66.3 percent of total U.S. imports from CBERA countries. In 2016, the decline in imports of mineral fuels and of inorganic and organic chemicals from CBERA countries was the main reason for the 24.3 percent decline in total U.S. imports from CBERA

[306] USGS, "Mineral Commodity Summaries," January 2017.
[307] eAmmonia, "Ammonia Boom in North America," April 14, 2016.
[308] For more information on U.S. production of methanol and imports from Trinidad and Tobago, please see the methanol section in chapter 2 of this report.
[309] See chapter 1 for more information on the HOPE/HELP acts.
[310] Bank of Guyana, Half Year Report 2016, https://www.bankofguyana.org.gy/bog/images/research/Reports/HalfYear2016.pdf.
[311] USITC DataWeb/USDOC (for HTS subheading 7108.12.00; accessed May 15, 2017).
[312] Ibid. (for HTS subheading 2606.00.00; accessed May 8, 2017).

countries from 2015 to 2016. All of the top 10 major product categories experienced declines in imports 2015–16 (table E.3).

Table E.3: Leading U.S. imports for consumption from CBERA countries, by major product category, 2012–16

HTS chapter	Description	2012	2013	2014	2015	2016
				Million $		
27	Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes	4,589.9	2,503.2	2,176.9	1,492.5	1,223.2
28	Inorganic chemicals; organic or inorganic compounds of precious metals, of rare-earth metals, of radioactive elements or of isotopes	2,047.8	1,822.4	1,659.9	1,401.8	840.7
61	Articles of apparel and clothing accessories, knitted or crocheted	569.1	578.6	634.6	725.9	682.7
71	Natural or cultured pearls, precious or semiprecious stones, precious metals; precious metal clad metals, articles thereof; imitation jewelry; coin	547.4	395.4	460.3	514.2	491.9
72	Iron and steel	745.7	642.1	662.9	445.2	305.3
29	Organic chemicals	1,053.4	1,196.7	1,060.9	677.0	299.8
03	Fish and crustaceans, molluscs and other aquatic invertebrates	235.9	162.4	157.8	174.0	172.7
31	Fertilizers	382.9	281.6	289.6	246.0	166.9
62	Articles of apparel and clothing accessories, not knitted or crocheted	168.1	191.6	212.4	190.4	165.7
	All other	1,616.7	1,162.9	1,180.5	1,194.5	994.0
	Total[a]	11,956.9	8,936.9	8,495.9	7,061.5	5,342.8
				Percent of total		
27	Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes	38.4	28.0	25.6	21.1	22.9
28	Inorganic chemicals; organic or inorganic compounds of precious metals, of rare-earth metals, of radioactive elements or of isotopes	17.1	20.4	19.5	19.9	15.7
61	Articles of apparel and clothing accessories, knitted or crocheted	4.8	6.5	7.5	10.3	12.8
71	Natural or cultured pearls, precious or semiprecious stones, precious metals; precious metal clad metals, articles thereof; imitation jewelry; coin	4.6	4.4	5.4	7.3	9.2
72	Iron and steel	6.2	7.2	7.8	6.3	5.7
29	Organic chemicals	8.8	13.4	12.5	9.6	5.6
03	Fish and crustaceans, molluscs and other aquatic invertebrates	2.0	1.8	1.9	2.5	3.2
31	Fertilizers	3.2	3.2	3.4	3.5	3.1
62	Articles of apparel and clothing accessories, not knitted or crocheted	1.4	2.1	2.5	2.7	3.1
	All other	13.5	13	13.9	16.9	18.6
	Total[a]	100.0	100.0	100.0	100.0	100.0

Source: Compiled from official statistics of the U.S. Department of Commerce (USDOC) (accessed May 8, 2017). Data reflect all official USDOC revisions for 2012–16 as of that date.

Note: Data on U.S. imports from CBERA countries include U.S. imports from Panama through October 2012.

[a] N.e.s.o.i. stands for "not elsewhere specified or included" and indicates that it is possible other types of products matching the description may be properly classified under other provisions of the HTS where explicitly specified or included.

Table E.4 shows the 20 leading U.S. imports from CBERA countries on an HTS 8-digit basis, ranked by their 2016 import value. Eleven of these items have an NTR duty rate of free. Only 3 of the items were dutiable in 2016.[313] The remaining 6 items entered mainly under CBERA and Hope Act provisions.

[313] The two items from HTS subheading 2710.19 found in table 2.4 are eligible for duty-free entry under CBTPA provided they meet the requirements under the rules of origin. In 2016, the majority of U.S. imports of these products from CBERA countries came from Trinidad and Tobago; of such imports from Trinidad and Tobago, however, only a small percentage entered free of duty.

Table E.4: Leading U.S. imports for consumption from CBERA countries, by HTS subheading, 2012–16

HTS number	Description	2012	2013	2014	2015	2016	2015–16 (% change)
		Million $					
2814.10.00[a]	Anhydrous ammonia	2,035.9	1,766.4	1,656.8	1,398.6	796.1	-43.1
2711.11.00[a]	Natural gas, liquefied	835.4	879.7	832.5	766.9	568.9	-25.8
7108.12.10[a]	Gold, nonmonetary, bullion and doré	442.7	348.6	390.5	464.5	450.3	-3.1
9801.00.10	U.S. goods returned without having been advanced in value or improved in condition while abroad	617.0	380.0	374.8	375.2	340.7	-9.2
7203.10.00[a]	Ferrous products obtained by direct reduction of iron ore	741.7	623.1	658.5	444.6	304.8	-31.4
6109.10.00[e]	T-shirts, singlets, tank tops and similar garments, knitted or crocheted, of cotton	276.8	316.9	347.7	367.6	302.0	-17.8
2905.11.20[b]	Methanol (methyl alcohol), other than imported only for use in producing synthetic natural gas (SNG) or for direct use as fuel	1,025.2	1,179.3	1,032.4	654.9	261.8	-60.0
2710.19.06[c,d]	Distillate and residual fuel oil (including blends) derived from petroleum or oils from bituminous minerals, testing > 25 degrees a.p.i.	2,255.1	962.1	749.5	215.8	194.8	-9.7
2710.12.15[c]	Light oil motor fuel from petroleum oils and bituminous minerals (o/than crude) or preps. 70%+ by wt. from petroleum oils	4.3	46.4	22.1	113.3	190.7	68.3
6110.20.20[e]	Sweaters, pullovers and similar articles, knitted or crocheted, of cotton, n.e.s.o.i.	199.3	157.8	154.6	177.3	128.7	-27.4
2606.00.00[a]	Aluminum ores and concentrates	107.8	144.4	138.5	139.9	123.1	-12.0
2709.00.20[f]	Petroleum oils and oils from bituminous minerals, crude, testing 25 degrees a.p.i. or more	1,237.2	371.2	192.4	156.8	104.6	-33.3
3102.80.00[a]	Mixtures of urea and ammonium nitrate in aqueous or ammoniacal solution	217.0	173.6	185.3	156.8	86.7	-44.7
6110.30.30[e]	Sweaters, pullovers and similar articles, knitted or crocheted, of manmade fibers, n.e.s.o.i.	17.0	23.8	27.2	42.4	81.1	91.3
3102.10.00[a]	Urea, whether or not in aqueous solution	165.8	107.9	104.2	85.9	80.0	-6.8
3903.11.00[b]	Polystyrene, expandable, in primary forms	130.3	141	155.8	87.0	66.6	-23.4

HTS number	Description	2012	2013	2014	2015	2016	2015–16 (% change)
6109.90.10[e]	T-shirts, singlets, tank tops and similar garments, knitted or crocheted, of manmade fibers	26.9	25.1	34.8	43.7	54.3	24.2
0306.17.00[a]	Other shrimps and prawns, cooked in shell or uncooked, dried, salted or in brine, frozen	71.1	52.4	46.5	51.0	53.9	5.7
0306.11.00[a]	Rock lobster and other sea crawfish, cooked in shell or uncooked, dried, salted or in brine, frozen	57.5	48.3	42.5	50.4	41.1	-18.5
6104.62.20[e]	Women's or girls' trousers, breeches and shorts, knitted or crocheted, of cotton	14.6	12.5	14.8	34.5	40.8	18.1
	Subtotal, top 20 product-based HTS subheadings	10,478.6	7,760.6	7,161.3	5,827.0	4,270.9	-26.7
	All other HTS subheadings	1,478.3	1,176.3	1,334.6	1,234.4	1,071.9	-13.2
	Total U.S. imports for consumption from CBERA countries during participation	11,956.9	8,936.9	8,495.9	7,061.5	5,342.8	-24.3

Source: Compiled from official statistics of the U.S. Department of Commerce (USDOC) (accessed May 8, 2017). Data reflect all official USDOC revisions for 2012–16 as of that date.

Note: Data on U.S. imports from CBERA countries include U.S. imports from Panama through October 2012.

[a] NTR duty free.

[b] Imported under the CBERA (excluding CBTPA) provisions in 2016.

[c] NTR duties paid on most imports in 2016.

[d] Before 2012, products currently classified in HTS subheading 2710.19.06 were classified in HTS subheading 2710.09.05.

[e] Imported under the HOPE Act in 2016.

[f] Imported under the CBTPA provisions in 2016.

Table E.5 shows the changes in import customs values, import quantities, and unit values for leading commodities imported by the United States from CBERA countries from 2014 to 2016. From 2015 to 2016, the imported value and quantities of anhydrous ammonia, methanol, T-shirts, sweaters, nonmonetary gold, and ferrous products all declined, while the imported value and quantities of light oil motor fuel increased. The imported values of both distillate and residual fuel oil and LNG fell, while their quantities increased (table E.5).

Table E.5: U.S. imports of major commodities from CBERA countries: changes in customs value, quantity, and unit values, 2014–15 and 2015–16 (percent)

Major commodities	2014–15	2015–16
Anhydrous ammonia (HTS 2814.10.00)		
Customs value	-15.6	-43.1
Quantity	-2.5	-5.2
Unit value	-13.4	-40.0
Natural gas, liquefied (HTS 2711.11.00)		
Customs value	-7.9	-25.8
Quantity	25.0	18.1
Unit value	-26.3	-37.2
Gold, nonmonetary, bullion and doré (HTS 7108.12.10)		
Customs value	18.9	-3.1
Quantity	29.7	-9.5
Unit value	-8.3	7.2
Ferrous products obtained by direct reduction of iron ore (HTS 7203.10.00)		
Customs value	-32.5	-31.4
Quantity	-7.9	-13.2
Unit value	-26.7	-21
T-shirts, singlets, tank tops and similar garments, knitted or crocheted, of cotton (HTS 6109.10.00)		
Customs value	5.7	-17.8
Quantity	8.1	-15.8
Unit value	-2.2	-2.4
Methanol (methyl alcohol), other than imported only for use in producing synthetic natural gas (SNG) or for direct use as fuel (HTS 2905.11.20)		
Customs value	-36.6	-60.0
Quantity	-26.5	-41.8
Unit value	-13.7	-31.3
Distillate and residual fuel oil (including blends) derived from petroleum or oils from bituminous minerals, testing < 25 degrees A.P.I. (HTS 2710.19.06)		
Customs value	-71.2	-9.7
Quantity	-45.0	23.4
Unit value	-47.7	-26.9
Light oil motor fuel from petroleum oils and bituminous minerals (o/than crude) or preps. 70%+ by wt. from petroleum oils (HTS 2710.12.15)		
Customs value	413.3	68.3
Quantity	648.5	112.8
Unit value	-31.4	-20.9
Sweaters, pullovers and similar articles, knitted or crocheted, of manmade fibers, n.e.s.o.i. (HTS 6110.20.20)		
Customs value	14.7	-27.4
Quantity	10.9	-24.4
Unit value	3.4	-4.0

Source: Compiled from official statistics of the U.S. Department of Commerce (USDOC) (accessed May 8, 2017). Data reflect all official USDOC revisions for 2012–16 as of that date.
Note: Data on U.S. imports from CBERA countries include U.S. imports from Panama through October 2012.

As noted previously, increasing U.S. domestic production of ammonia, together with decreasing production in Trinidad and Tobago due to the curtailment of the natural gas supply, were the principal causes of the decline of the value and quantity of such U.S. imports. U.S. imports of methanol from CBERA countries were also predominantly from Trinidad and Tobago; these, too, fell were down in

terms of both price and quantity due to increased U.S. production.[314]

The unit value of U.S. imported gold[315] from CBERA countries rose by 7.2 percent in 2016, following a decline of 8.28 percent in 2015 (see table E.5 above).[316] As noted earlier, this is primarily due to higher declarations by small and medium-scale miners and higher production stemming from two new gold mining companies.

U.S. imports of refined petroleum products from Trinidad and Tobago—specifically distillate and residual oil fuel and light oil motor fuel—increased in quantity from 2015 to 2016. This increase is partially due to an increase in the output and throughput of the Petrotrin refinery;[317] while the capacity of the refinery remained unchanged, capacity utilization increased. The value of imports for light oil motor fuel also increased from 2015 to 2016, while the value of U.S. imports of distillate and residual fuel oil decreased by 9.7 percent.

With respect to LNG, the decline in value and increase in quantity of such U.S. imports in 2016 was largely due to increased imports of LNG at lower price point from Trinidad and Tobago.

The price of LNG from Trinidad and Tobago was $4.06 per thousand cubic feet in 2016. While that is much lower than the price of LNG from Trinidad and Tobago in 2014, which was $9.71 per thousand cubic feet, it is still higher than that for natural gas imported in its gaseous state via pipeline from Canada and Mexico.[318] However, there are certain markets in the United States that are more dependent on LNG than pipeline imports, such as the U.S. Northeast, and this area saw a significant increase in imports of LNG from Trinidad and Tobago.[319] Those imports in 2016 increased to 84,190 million cubic feet in 2016, from 71,439 million cubic feet in 2015 and 42,818 million cubic feet in 2014.[320]

[314] For more information, see the Methanol section in chapter 2.
[315] Here U.S. imports of gold refer to U.S. imports of unwrought gold.
[316] This corresponds to a decline of gold price worldwide from 2014 to the end of 2016. Although there was a short period of increase (March–September 2016), prices quickly fell again afterwards.
[317] Trinidad and Tobago, Ministry of Energy and Energy Industries, *Consolidated Monthly Bulletins January–December 2016,* 53, no. 12, February 9, 2017.
[318] The U.S. price for natural gas imported via pipeline from Canada was $2.18 per thousand cubic feet in 2016 and $1.85 for Mexico; EIA, " Natural Gas Prices," n.d. (accessed May 30, 2017); EIA, "U.S. Natural Gas Imports by Country," n.d. (accessed May 30, 2017).
[319] Bloomberg, "Loneliest Natural Gas Terminal in U.S. Bucks Pipeline Trend," July 12, 2016.
[320] EIA, "U.S. Natural Gas Imports by Country," n.d. (accessed May 30, 2017).

Appendix F
Data Tables Corresponding to Figures in the Report

In compliance with Section 508, an amendment to the United States Workforce Rehabilitation Act of 1973, alternative text is used by screen readers to provide people with disabilities text equivalent for non-text elements. The tables in this appendix are referenced in the alternative text for the figures contained in the report.

Table F.1: U.S. imports from CBERA beneficiary countries, by import program and as a share of total imports, 2016

	Customs value	Share of imports	Average tariff
CBERA	875,743,782	16.4	0
Of which CBERA exclusive[1]	794,445,268	14.9	0
Of which CBERA/GSP overlap	81,298,514	1.5	0
GSP	27,926,841	0.5	0
Duty-free	3,659,054,603	68.5	0
Dutiable	780,055,634	14.6	8.4
Total	5,342,780,860	100.0	1.2

Source: Compiled from official statistics of the U.S. Department of Commerce (USDOC) (accessed May 13, 2017). Data reflect all official USDOC revisions for 2012–16 as of that date.
Note: "NTR" refers to normal trade relations (U.S. term; means the same as MFN elsewhere). "CBERA-exclusive imports" are imports that could only receive preferential entry under CBERA. "CBERA/GSP imports" are imports that were entered under CBERA but were also eligible for duty-free entry under the Generalized System of Preferences (GSP). "Avg. tariff" is the ad valorem equivalent tariff (i.e., the average tariff expressed as a percentage of the value of the imports, even if some tariffs were levied using some other measure, such as dollars per ton). Average tariffs are rounded to the nearest tenth of a percent and may not be equal to zero.
Note: Corresponds to figure ES.1.

Table F.2: U.S. imports under CBERA, by major product categories, million dollars [a] 2012–16

	2012	2013	2014	2015	2016
Agriculture	262.3	139.9	149.2	169.9	126.2
Energy	2,226.3	1,675.6	1,223.1	799.6	344.4
Mining and manufacturing	193.8	207.8	211.2	156.9	99.7
Textiles and apparel	428.7	345.8	389.8	415.5	305.4
Total	3,111.1	2,369.1	1,973.3	1,541.8	875.7

Note: Corresponds to figure ES.2 and figure 4.1. Data on U.S. imports from CBERA countries include U.S. imports from Panama through October 2012. N.e.s.o.i. stands for "not elsewhere specified or included."
[a] Agricultural imports are defined as imports under HTS chapters 01 through 24 (inclusive), excluding fuel ethanol from chapter 22, which is classified as an energy import. Energy imports are defined as all of chapter 27 imports, as well as methanol (HTS 2905.11.20) and the fuel ethanol reported in chapter 22. Textile and apparel imports are defined as imports in chapters 50 through 63 (inclusive). Mining and manufacturing imports are defined as everything not categorized as agricultural, energy, or textile and apparel imports, with the exception of imports classified in HTS chapters 98 and 99, which are excluded from the data.

Table F.3: Trinidad and Tobago: Composition of GDP, percent 2015

	Share
Petroleum	32
Distribution	22
Finance, insurance and real estate	13
Government	9
Manufacturing	6
Construction	6
Transport, storage and communication	6
Other	4
Agriculture	1
Electricity and water	1
Total	100

Source: Central Bank of Trinidad and Tobago, Annual Economic Survey 2015, 2015, 72, table A.3.
Note: Corresponds to figure 3.1.

Table F.4: Trinidad and Tobago: Total U.S. imports and imports under CBERA, percent 2012–16

Source	2012	2013	2014	2015	2016
Total imports from Trinidad and Tobago	100.0	100.0	100.0	100.0	100.0
CBERA	26.9	25.8	21.7	19.4	13.2
Crude petroleum and mineral fuels entered under CBERA, share of total imports	26.8	23.1	21.0	18.7	12.7

Source: Compiled from official statistics of the U.S. Department of Commerce (USDOC) (accessed April 13, 2017). Data reflect all official USDOC revisions for 2012–16 as of that date.
Note: Corresponds to figure 3.2. In this figure, crude petroleum and mineral fuels include crude petroleum (HTS 2709.00.20) and methanol (HTS 2905.11.20).

Table F.5: Trinidad and Tobago: Value added by sector, percent of GDP, 2005–14

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Industry	54.8	55.7	56.6	62.1	49.5	50.0	53.0	49.9	45.7	43.2	34.6
Services	39.2	38.2	37.5	33.4	43.9	43.1	40.7	44	47.7	50.7	58.9
Manufacturing	5.5	5.6	5.5	4.2	6.0	6.3	5.8	5.6	6.2	5.6	6.0
Agriculture	0.5	0.6	0.4	0.4	0.6	0.5	0.5	0.5	0.5	0.5	0.5

Source: World Bank Development Indicators.
Note: Corresponds to figure 3.3.

Table F.6: Haiti: Composition of GDP, 2015

	Share
Agriculture, hunting, forestry, fishing (ISIC A-B)	16.7
Mining, manufacturing, utilities	10.4
Manufacturing	9.8
Construction	27.7
Wholesale, retail trade, restaurants and hotels	19.0
Transport, storage and communication	12.0
Other activities	14.1
Total Value Added	100.0

Source: UN Statistics Division, National Accounts database (accessed April 12, 2017).
Note: Corresponds to figure 3.4. Most recent data available.

Table F.7: Haiti: Total U.S. imports and imports under CBERA, percent 2012–16

	2012	2013	2014	2015	2016
Total imports from Haiti	100.0	100.0	100.0	100.0	100.0
CBERA share of total imports	56.4	44.7	45.2	44.8	35.5
Top apparel items entered under CBERA, share of total imports	53.7	41.6	42.4	42.3	33.8

Source: Compiled from official statistics of the U.S. Department of Commerce (USDOC) (accessed April 13, 2017). Data reflect all official USDOC revisions for 2012–16 as of that date.
Note: Corresponds to figure 3.5. In this figure, top apparel items include only the three leading apparel imports from Haiti under CBERA in 2012-16: knitted cotton T-shirts (HTS 6109.10.00), knitted cotton tops (HTS 6110.20.20), and T-shirts of manmade fibers (HTS 6109.90.10). Data include CBTPA but does not include HOPE/HELP.

Table F.8: Haiti: Value-added by sector, percent of GDP, 2005–14

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Agriculture	25.5	25.3	25	22.9	23.5	24.9	23.3	22.3	22.4	21.5
Manufacturing	7.8	7.8	7.6	7.6	7.7	6.9	7.7	8.0	7.8	7.8
Services	40.5	40.7	41.1	42.3	41.9	39.7	40.2	40.4	40.2	40.8

Source: World Bank Development Indicators.
Note: Corresponds to figure 3.6.

Table F.9: The Bahamas: Composition of GDP, percent 2015

	Share
Agriculture, hunting, forestry, and fishing	1.6
Mining and utilities	3.4
Manufacturing	3.0
Construction	6.3
Wholesale, retail trade, restaurants and hotels	21.7
Transport, storage and communication	8.9
Other activities	55.1

Source: UN Statistics Division, National Accounts database (accessed March 22, 2017).
Note: Corresponds to figure 3.7. Most recent data available.

Table F.10: The Bahamas: Total U.S. imports and imports under CBERA, percent 2012–16

	2012	2013	2014	2015	2016
Total imports from the Bahamas	100.0	100.0	100.0	100.0	100.0
CBERA share of total imports	24.9	24.8	29.8	19.7	23.1
Polystyrene entered under CBERA as a share of total imports	24.8	24.7	29.3	19.4	22.5

Source: Compiled from official statistics of the U.S. Department of Commerce.
Note: Corresponds to figure 3.8. In this figure, polystyrene is classified under HTS 3909.11.00.

Table F.11: The Bahamas, sectoral breakdown of value-added, percent of GDP, 2005–15

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Agriculture	2.2	2.5	2.3	2.3	2.1	2.3	2.3	2.3	1.9	1.9	1.7
Industry	10.9	12.2	9.0	10.9	10.3	12.3	12.9	13.4	14.6	15.2	10.4
Manufacturing	4.5	4.8	4.4	4.0	4.0	4.0	4.2	5.7	4.5	4.6	3.3
Services	82.4	80.5	84.3	82.7	83.7	81.4	80.5	78.7	79.0	78.3	84.6

Source: World Bank Development Indicators.
Note: Corresponds to figure 3.9.

Table F.12: Jamaica: Composition of GDP, percent 2015

	Share
Agriculture, hunting, forestry, and fishing	7.1
Mining and utilities	14.8
Manufacturing	9.4
Construction	7.5
Wholesale, retail trade, restaurants and hotels	23.2
Transport, storage and communication	8.0
Other activities	39.3

Source: UN Statistics Division, National Accounts (accessed March 22, 2017).
Notes: Corresponds to figure 3.10. Most recent data available.

Table F.13: Jamaica: Total U.S. imports and imports under CBERA, 2012–16

Source	2012	2013	2014	2015	2016
Total imports from Jamaica	100.0	100.0	100.0	100.0	100.0
CBERA share of total imports	45.2	22.9	26.9	28.3	25.0
Fresh or chilled yams entered under CBERA as a share of total imports	3.5	4.4	6.8	7.1	7.1

Source: Compiled from official statistics of the U.S. Department of Commerce.
Notes: Corresponds to figure 3.11. In this figure, fresh or chilled yams are classified under HTS 0714.30.10.

Table F.14: Jamaica sectoral breakdown of value-added, percent of GDP, 2005–15

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Agriculture	5.9	5.9	5.3	5.6	6.3	6.1	6.6	6.7	7.0	7.1	7.4
Industry	16.2	15.6	15.7	13.4	11.3	11.9	12	11.6	11.7	12.1	13.4
Manufacturing	8.9	8.7	8.9	9.3	9.4	9.0	9.1	9.4	9.5	9.5	9.8
Services	69.0	69.7	70.1	71.7	73.0	72.9	72.2	72.3	71.7	71.4	69.3

Source: World Bank Development Indicators.
Note: Corresponds to figure 3.12.

Table F.15: U.S. imports from CBERA countries, by major product categories, 2012–16

	2012	2013	2014	2015	2016
Agriculture	722.3	431.1	389.0	442.4	415.3
Energy	5,614.9	3,682.5	3,014.7	2,004.3	1,420.3
Mining and manufacturing	4,238.2	3,657.7	3,831.4	3,263.2	2,276.6
Textiles and apparel	738.7	771.9	848.1	917.5	849.7
Total (excluding 98 and 99)	11,314.1	8,543.3	8,083.3	6,627.5	4,961.9

Source: Compiled from official statistics of the U.S. Department of Commerce (USDOC) (accessed May 8, 2017). Data reflect all official USDOC revisions for 2012–16 as of that date.
Note: Data on U.S. imports from CBERA countries include U.S. imports from Panama through October 2012. Data for 2012 include U.S. imports from Panama only for the period when Panama was still eligible for CBERA benefits before the U.S.-Panama TPA entered into force on October 31, 2012.
Note: Correspondence to figure E.1.