

# Presidential Documents

Title 3—

The President

Proclamation 7626 of November 13, 2002

## To Implement Modifications to the Caribbean Basin Economic Recovery Act and the African Growth and Opportunity Act

By the President of the United States of America

### A Proclamation

1. Section 3107 of the Trade Act of 2002 (Public Law 107–210) amended the Caribbean Basin Economic Recovery Act (Title II of the Trade Act of 2000, Public Law 106–200) (CBERA) to modify the type and quantity of textile and apparel articles eligible for the preferential tariff treatment now accorded to designated beneficiary Caribbean Basin Trade Partnership Act (CBTPA) countries.

2. Section 3108 of the Trade Act of 2002 amended the African Growth and Opportunity Act (Title I of the Trade Act of 2000, Public Law 106–200) (AGOA) to modify the type and quantity of textile and apparel articles eligible for the preferential tariff treatment now accorded to designated beneficiary sub-Saharan African countries.

3. In order to implement the tariff treatment provided under sections 3107 and 3108 of the Trade Act of 2002, it is necessary to modify the Harmonized Tariff Schedule of the United States (HTS).

4. Section 604 of the Trade Act of 1974 (19 U.S.C. 2483) (1974 Trade Act) authorizes the President to embody in the HTS the substance of the relevant provisions of that Act, and of other acts affecting import treatment, and actions thereunder, including the removal, modification, continuance, or imposition of any rate of duty or other import restriction.

NOW, THEREFORE, I, GEORGE W. BUSH, President of the United States of America, acting under the authority vested in me by the Constitution and the laws of the United States, including section 604 of the 1974 Trade Act, do proclaim that:

(1) In order to provide the preferential treatment provided for in section 213(b)(2)(A) of the CBERA (19 U.S.C. 2703(b)(2)(A)), as amended by section 3107(a) of the Trade Act of 2002, the HTS is modified as provided in Annex I to this proclamation.

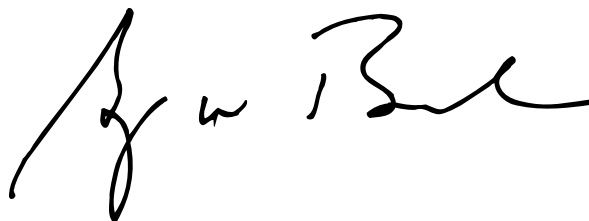
(2) In order to provide for the preferential treatment provided for in section 112(b) of the AGOA (19 U.S.C. 3721(b)), as amended by section 3108(a) of the Trade Act of 2002, the HTS is modified as provided in Annex II to this proclamation.

(3) Any provisions of previous proclamations and Executive Orders that are inconsistent with this proclamation are superseded to the extent of such inconsistency.

(4) This proclamation is effective with respect to eligible articles entered, or withdrawn from warehouse for consumption, on or after August 6, 2002; except that section I of Annex I to this proclamation relating to the dyeing, printing, and finishing of fabrics shall be effective with respect to eligible articles entered, or withdrawn from warehouse for consumption, on or after September 1, 2002; and except that section II of Annex I and Annex II relating to increases in the amount of certain articles eligible for duty-free treatment shall be effective with respect to articles entered, or withdrawn

from warehouse for consumption, on or after the dates provided in such annex sections.

IN WITNESS WHEREOF, I have hereunto set my hand this thirteenth day of November, in the year of our Lord two thousand two, and of the Independence of the United States of America the two hundred and twenty-seventh.

A handwritten signature in black ink, appearing to read "G. W. Bush". The signature is written in a cursive, stylized manner with a large initial "G" and a long, sweeping underline.

## ANNEX I

Subchapters II and XX of chapter 98 of the Harmonized Tariff Schedule of the United States (HTS) are modified as provided in the annex sections set forth below.

Section I. Effective with respect to goods entered, or withdrawn from warehouse for consumption, on or after September 1, 2002, chapter 98 of the HTS is modified as follows:

A. U.S. note 7(b) to subchapter II of such chapter is modified—

(i) by inserting in subdivision (i) of such note, immediately after “States)”, the phrase “provided they otherwise comply with the provisions of this note”;

(ii) by inserting after the sentence which ends “quantitative limitations.” the following new sentence:

“Apparel articles entered on or after September 1, 2002, that are assembled in a beneficiary CBTPA country from knitted or crocheted fabrics or from woven fabrics shall be eligible to receive the duty treatment provided for in this note only if all dyeing, printing and finishing of such fabrics from which the articles are assembled is carried out in the United States.”

B. U.S. note 2(a) to subchapter XX of such chapter is modified by deleting “9820.11.30” and by inserting in lieu thereof “9820.11.33”, and by inserting at the end of such note subdivision the following new sentence:

“For purposes of subheadings 9820.11.03, 9820.11.06, 9820.11.18, and 9820.11.33, apparel articles entered on or after September 1, 2002, that are assembled in a beneficiary CBTPA country from knitted or crocheted fabrics or from woven fabrics shall be eligible to receive the duty treatment provided for in this note only if all dyeing, printing and finishing of such fabrics from which the articles are assembled is carried out in the United States.”

C. The article description of subheading 9820.11.03 is modified by deleting “and” appearing immediately before “(2)” and by inserting after the word “schedule” the following phrase “, and (3) meet the requirements of U.S. note 2(a) to this subchapter”.

D. The article description of subheading 9820.11.06 (as modified by section III of this annex) is further modified by inserting at the end thereof the phrase “, under the terms of U.S. note 2(a) to this subchapter”.

E. The article description of subheading 9820.11.18 is modified by inserting at the end thereof the phrase “, and under the terms of U.S. note 2(a) to this subchapter”.

F. U.S. note 3(a) to subchapter XX of such chapter is modified by deleting the final period at the end of subdivision (iii) and by inserting in lieu thereof “; or”, and by inserting the following new subdivision:

“(iv) thread, used to assemble such apparel article, that is dyed, printed or finished in one or more CBTPA beneficiary countries.”

G. The article description of subheading 9820.11.33 (as added by section III of this annex) is modified by inserting at the end thereof the phrase “, under the terms of U.S. note 2(a) to this subchapter”.

Section II. Effective with respect to goods entered, or withdrawn from warehouse for consumption, on or after October 1, 2002, chapter 98 of the HTS is modified as follows:

A. The tabulation in U.S. note 2(b) to subchapter XX of such chapter is modified by deleting “336,400,000” and by inserting in lieu thereof “500,000,000”; by deleting “and subsequent 12-

month periods”; by deleting “390,224,000” and by inserting in lieu thereof “850,000,000”; and by inserting at the end thereof the following item:

“October 1, 2004 through September 30, 2005  
and subsequent 12-month periods..... 970,000,000”.

B. U.S. note 2(d) to subchapter XX of such chapter is modified by deleting from at each instance the phrase “fabric components” and by inserting in lieu thereof the phrase “fabrics (exclusive of all findings and trimmings)”; by inserting between “fabric” and “contained” at each instance the phrase “(exclusive of all findings and trimmings)”; by inserting between “entity” and “during” at each instance the phrase “that are entered and eligible under subheading 9820.11.15”; by inserting between the words “entered” and “during” at each instance the phrase “and eligible under subheading 9820.11.15”; and by deleting the phrase “in the preceding 12-month period” and inserting in lieu thereof the phrase “entered during the preceding 12-month period”.

Section III. Effective with respect to goods entered, or withdrawn from warehouse for consumption, on or after August 6, 2002, chapter 98 of the HTS is modified as follows:

A. U.S. note 7(b)(i) to subchapter II of such chapter is modified by inserting in subdivision (b)(i) before “assembled” the words “sewn or otherwise”, and by inserting after the first appearance of the word “cut” the phrase “, or from components knit-to-shape,”.

B. The tabulation in U.S. note 2(c) to subchapter XX of such chapter is modified by deleting “5,651,520” and by inserting in lieu thereof “9,000,000”; by deleting “and subsequent 12-month periods”; by deleting “6,555,763” and by inserting in lieu thereof “10,000,000”; and by inserting at the end thereof the following item:

“October 1, 2004 through September 30, 2005  
and subsequent 12-month periods..... 12,000,000”

C. The article description of subheading 9820.11.03 is modified by inserting after “62” the words “sewn or otherwise”, and by inserting after “cut” the phrase “, or from components knit-to-shape,”.

D. The article description of subheading 9820.11.06 is deleted and the following new article description is inserted in lieu thereof:

“Apparel articles sewn or otherwise assembled in one or more such countries with thread formed in the United States from fabrics wholly formed in the United States and cut in one or more such countries from yarns wholly formed in the United States, or from components knit-to-shape in the United States from yarns wholly formed in the United States, or both (including fabrics not formed from yarns, if such fabrics are classifiable under heading 5602 or 5603 of the tariff schedule and are wholly formed in the United States)”.

E. The following new subheading is inserted in numerical sequence in subchapter XX of such chapter, with the material inserted in the columns entitled “Heading/Subheading”, “Article Description”, and “Rates of Duty 1-Special”:

	: [Articles....]	:	:	:
“9820.11.33	:	Apparel articles sewn or otherwise assembled in one or	:	:
	:	more such countries with thread formed in the United	:	:
	:	States, the foregoing (i) from components cut in the	:	:
	:	United States and in one or more such countries from	:	:
	:	fabric wholly formed in the United States from yarns	:	:
	:	wholly formed in the United States (including fabrics not	:	:
	:	formed from yarns, if such fabrics are classifiable under	:	:
	:	heading 5602 or 5603 of the tariff schedule), or (ii) from	:	:
	:	components knit-to-shape in the United States and one or	:	:

:	more such countries from yarns wholly formed in the	:	:	:
:	United States, or (iii) from any combination of two or	:	:	:
:	more of the foregoing knitting-to-shape or cutting	:	:	:
:	operations.....	:	Free	:

## ANNEX II

Subchapters II and XIX of chapter 98 of the Harmonized Tariff Schedule of the United States (HTS) are modified as provided in the annex sections set forth below.

Section I. Effective with respect to goods entered, or withdrawn from warehouse for consumption, on or after August 6, 2002, chapter 98 of the HTS is modified as follows:

A. U.S. note 7(a) to subchapter II of such chapter is modified by inserting in the first sentence immediately after “apparel articles” the phrase “sewn or otherwise”, and by inserting after “cut” the phrase “, or from components knit-to-shape,”.

B. U.S. note 2(d) to subchapter XIX of such chapter is modified by inserting in alphabetical sequence the following countries: “Republic of Botswana” and “Republic of Namibia”.

C. U.S. note 3(b) to subchapter XIX of such chapter is modified by deleting the comma after the word “zippers” and inserting parentheses around the phrase “including zipper tapes”.

D. The article description of subheading 9819.11.03 is modified by inserting after “62” the words “sewn or otherwise”, and by inserting after the first appearance of the word “cut” the phrase “, or from components knit-to-shape,”.

E. The article description of subheading 9819.11.06 is deleted and the following new article description is inserted in lieu thereof:

“Apparel articles sewn or otherwise assembled in one or more such countries with thread formed in the United States from fabrics wholly formed in the United States and cut in one or more such countries from yarns wholly formed in the United States, or from components knit-to-shape in the United States from yarns wholly formed in the United States, or both (including fabrics not formed from yarns, if such fabrics are classifiable under heading 5602 or 5603 of the tariff schedule and are wholly formed in the United States)”.

F. The article description of subheading 9819.11.09 is modified by inserting after “countries),” the phrase “or from components knit-to-shape in one or more such countries from yarns originating either in the United States or in one or more such countries, or apparel articles wholly formed on seamless knitting machines in such a country from yarns originating either in the United States or one or more such countries,”.

G. The article description of subheading 9819.11.12 is modified by inserting after “assembled” the phrase “, or knit-to-shape and wholly assembled, or both,”; by deleting “a lesser developed such country” and by inserting in lieu thereof “in one or more such lesser developed countries”; and by inserting before “if entered” the phrase “regardless of the country of origin of the fabric or the yarn used to make such articles,”.

H. The article description of subheading 9819.11.18 is modified by deleting “18.5” and by inserting in lieu thereof “21.5”.

I. The following new subheading is inserted in numerical sequence in subchapter XIX, with the material inserted in the columns entitled "Heading/Subheading", "Article Description", and "Rates of Duty 1-Special":

	: [Articles...:]	:	:	:
"9819.11.30	: Apparel articles sewn or otherwise assembled in one or	:	:	:
	: more such countries with thread formed in the United	:	:	:
	: States, the foregoing (i) from components cut in the	:	:	:
	: United States and in one or more such countries from	:	:	:
	: fabric wholly formed in the United States from yarns	:	:	:
	: wholly formed in the United States (including fabrics not	:	:	:
	: formed from yarns, if such fabrics are classifiable under	:	:	:
	: heading 5602 or 5603 of the tariff schedule), or (ii) from	:	:	:
	: components knit-to-shape in the United States and one or	:	:	:
	: more such countries from yarns wholly formed in the	:	:	:
	: United States, or (iii) from any combination of two or	:	:	:
	: more of the foregoing knitting-to-shape or cutting	:	:	:
	: operations.....	:	: Free	:

Section II. Effective with respect to goods entered, or withdrawn from warehouse for consumption, on or after October 1, 2002, chapter 98 of the HTS is modified as follows:

- A. U.S. note 2(b) to subchapter XIX of such chapter is modified by deleting from the tabulation "2.0714" and by inserting in lieu thereof "4.2414", by deleting "2.3571" and by inserting in lieu thereof "4.7931", by deleting "2.6428" and by inserting in lieu thereof "5.3448", by deleting "2.9285" and by inserting in lieu thereof "5.8965", by deleting "3.2142" and by inserting in lieu thereof "6.4482", and by deleting "3.5" and by inserting in lieu thereof "7.0"; and
- B. Such U.S. note 2(b) is further modified by deleting "subheadings" and by inserting in lieu thereof the "subheading", by deleting the phrase "and 9819.11.12", and by inserting below the tabulation the following new material and tabulation:

"Apparel articles from a lesser developed beneficiary sub-Saharan African country enumerated in subdivision (d) of this note, when such articles are described in and entered under subheading 9819.11.12, shall be counted toward the limit set forth in this note for apparel articles described in and entered under subheading 9819.11.09 and shall, in each of the one-year periods beginning on October 1, 2002, and October 1, 2003, be limited to an aggregate quantity not to exceed the applicable percentage set forth herein of aggregate square meter equivalents of all apparel articles imported into the United States in the preceding 12-month period for which data are available:

<u>12-month Period</u>	<u>Applicable Percentage</u>
October 1, 2002 through September 30, 2003	2.0714
October 1, 2003 through September 30, 2004	2.3571

Such apparel articles described in subheading 9819.11.12 during the 12-month periods enumerated above shall be allowed to enter regardless of the country of origin of the fabric or yarn used to make such articles."