

COMMITTEE FOR THE IMPLEMENTATION OF TEXTILE AGREEMENTS

Consolidation and Amendment of Export Visa Requirements to Include the Electronic Visa Information System for Certain Cotton, Wool, Man-Made Fiber, Silk Blend and Other Vegetable Fiber Textiles and Textile Products Produced or Manufactured in Hong Kong

December 21, 1998.

AGENCY: Committee for the Implementation of Textile Agreements (CITA).

ACTION: Issuing a directive to the Commissioner of Customs consolidating and amending visa requirements.

EFFECTIVE DATE: January 1, 1999.

FOR FURTHER INFORMATION CONTACT: Lori E. Mennitt, International Trade Specialist, Office of Textiles and Apparel, U.S. Department of Commerce, (202) 482-3400.

SUPPLEMENTARY INFORMATION:

Authority: Section 204 of the Agricultural Act of 1956, as amended (7 U.S.C. 1854); Executive Order 11651 of March 3, 1972, as amended.

In exchange of notes dated December 15, 1998, the Governments of the United States and the Hong Kong Special Administrative Region of the People's Republic of China (HKSAR) agreed to amend the existing visa arrangement for cotton, wool, man-made fiber, silk blend and other vegetable fiber textiles and textile products in Categories 200-239, 300-369, 400-469, 600-670, 800-899, produced or manufactured in Hong Kong and exported on and after January 1, 1999. The amended arrangement consolidates existing provisions and new provisions for the Electronic Visa Information System (ELVIS). The Governments of the United States and the HKSAR will implement a 6-month test phase in which, in addition to the ELVIS requirements, shipments will continue to be accompanied by a visa. There will be a grace period beginning on January 1, 1999 and extending through January 14, 1999 during which shipments accompanied by an original Hong Kong visa will be permitted entry either with or without an ELVIS transmission. Beginning on January 15, 1999, textile products must be accompanied by an ELVIS transmission and an original Hong Kong visa.

Effective on January 1, 1999 neither a visa nor an ELVIS transmission will be required for products integrated in the second stage of the integration of textiles and clothing into GATT 1994

from WTO member countries (see 63 FR 53881, published on October 7, 1998). A visa will continue to be required for non-integrated products.

A description of the textile and apparel categories in terms of HTS numbers is available in the CORRELATION: Textile and Apparel Categories with the Harmonized Tariff Schedule of the United States (see **Federal Register** notice 62 FR 66057, published on December 17, 1997). Information regarding the 1999 CORRELATION will be published in the **Federal Register** at a later date. Also see 58 FR 2400, published on January 19, 1993; and 51 FR 27235, published on July 30, 1986.

Interested persons are advised to take all necessary steps to ensure that textile products entered into the United States for consumption, or withdrawn from warehouse for consumption, will meet the visa requirements set forth in the letter published below to the Commissioner of Customs.

Troy H. Cribb,

Chairman, Committee for the Implementation of Textile Agreements.

Committee for the Implementation of Textile Agreements

December 21, 1998.

Commissioner of Customs,

Department of the Treasury, Washington, DC 20229.

Dear Commissioner: This directive amends, but does not cancel, the directive issued to you on January 14, 1983, as amended, by the Chairman, Committee for the Implementation of Textile Agreements, that directed you to prohibit entry of certain cotton, wool, man-made fiber, silk blend and other vegetable fiber textiles and textile products, produced or manufactured in Hong Kong for which the Government of the Hong Kong Special Administrative Region of the People's Republic of China (HKSAR) has not issued an appropriate export visa.

Under the terms of section 204 of the Agricultural Act of 1956, as amended (7 U.S.C. 1854); and pursuant to the Uruguay Round Agreement on Textiles and Clothing and the Export Visa Arrangement, effected by exchange of notes dated December 15 1998, between the Governments of the United States and the HKSAR; and in accordance with the provisions of Executive Order 11651 of March 3, 1972, as amended, you are directed to prohibit, effective on January 1, 1999, entry into the Customs territory of the United States (i.e., the 50 states, the District of Columbia and the Commonwealth of Puerto Rico) for consumption and withdrawal from warehouse for consumption of cotton, wool, man-made fiber, silk blend and other vegetable fiber textiles and textile products in Categories 200-239, 300-369, 400-469, 600-670, 800-899, including part categories and merged categories, produced or manufactured in Hong Kong and exported on and after January 1, 1999 for which the Government of the HKSAR has not issued an

appropriate export visa and Electronic Visa Information System (ELVIS) transmission fully described below. Should additional categories, part-categories or merged categories become subject to import quotas, the entire category(s), part-category(s) or merged category(s) shall be included in the coverage of this arrangement. There will be a grace period beginning on January 1, 1999 and extending through January 14, 1999 during which shipments accompanied by an original Hong Kong visa will be permitted entry either with or without an ELVIS transmission. Beginning on January 15, 1999, textile products must be accompanied by an ELVIS transmission and an original Hong Kong visa.

A visa must accompany each shipment of the aforementioned textile products. A circular stamped marking in blue ink will appear on the front of the original export license. The original visa shall not be stamped on duplicate copies of the export license. The original export license with the original visa stamp will be required to enter the shipment into the United States. Duplicates of the export license and/or visa may not be used for this purpose.

Each visa stamp shall include the following information:

1. The visa number. The visa number shall be in the standard nine digit letter format, beginning with one numeric digit for the last digit of the year of export, followed by the two character alpha code specified by the International Organization for Standardization (ISO) (the code for the HKSAR is "HK"), and a six digit numerical serial number identifying the shipment; e.g., 9HK123456.

2. The date of issuance. The date of issuance shall be the day, month and year on which the visa was issued.

3. The original signature of the issuing official authorized by the Government of the HKSAR.

4. The correct category(s), part category(s), merged category(s), quantity(s) and unit(s) of quantity of the shipment in the unit(s) of quantity provided for in the 1992-1995 bilateral agreement and notified to the Textiles Monitoring Body and listed in Annex A to the Export Visa Arrangement shall be reported in the spaces provided within the visa stamp (e.g., "Cat. 340-510 DOZ").

Quantities must be stated in whole numbers. Decimals or fractions will not be accepted.

U.S. Customs shall not permit entry if the shipment does not have a visa, or if the visa number, date of issuance, signature, category, quantity or units of quantity are missing, incorrect, illegible, or have been crossed out or altered in any way. If the quantity indicated on the visa is less than that of the shipment, entry shall not be permitted. If the quantity indicated on the visa is more than that of the shipment, entry shall be permitted and only the amount entered shall be charged to any applicable quota.

If the visa is not acceptable then a new correct visa must be obtained from the Government of the HKSAR or a visa waiver may be issued by the U.S. Department of Commerce at the request of the Hong Kong

Economic and Trade Office in Washington, DC, for the Government of the HKSAR and presented to the U.S. Customs Service before any portion of the shipment will be released. The waiver, if used, only waives the requirement to present a visa with the shipment. It does not waive any quota requirement. Visa waivers will only be issued for classification purposes or for one-time special purpose shipments that are not part of an ongoing commercial enterprise.

If the visaed export license is deficient, the U.S. Customs Service will not return the original document after entry, but will provide the importer a certified copy of that visaed export license for use in obtaining a new correct visaed export license or a visa waiver.

ELVIS Requirements:

A. Each ELVIS message will include the following information:

- i. The visa number as defined above.
- ii. The date of issuance. The date of issuance shall be the day, month and year on which the visa was issued.
- iii. The correct category(s), part category(s), merged category(s), quantity(s) and unit(s) of quantity of the shipment in the unit(s) of quantity provided for in the 1992-1995 bilateral agreement and notified to the Textiles Monitoring Body and listed in Annex A to the Export Visa Arrangement.
- iv. The manufacturer ID number (MID). The MID shall begin with "HK," followed by the first three characters from each of the first two words of the name of the manufacturer, followed by the largest number on the address line up to the first four digits, followed by three letters from the city name.

B. Entry of a shipment shall not be permitted:

- i. if an ELVIS transmission has not been received for the shipment from the HKSAR;
- ii. if the ELVIS transmission for that shipment is missing any of the following:

- a. visa number
- b. category, part category or merged category
- c. quantity
- d. unit of measure
- e. date of issuance
- f. manufacturer ID number;
- iii. if the ELVIS transmission for the shipment does not match the information supplied by the importer with regard to any of the following:
- a. visa number
- b. category, part category or merged category
- c. unit of measure;
- iv. if the quantity being entered is greater than the quantity transmitted;
- v. if the visa number has previously been used, except in the case of a split shipment, or canceled, except when an entry has already been made using the visa number.

C. A new, correct ELVIS transmission from the HKSAR is required before a shipment that has been denied entry for one of the circumstances described above will be released.

D. Visa waivers will only be considered for one time special purpose shipments that are not part of an ongoing commercial enterprise and for legitimate classification purposes.

E. Shipments will not be released for twenty-four hours or 1 calendar day in the

event of a system failure. If system failure exceeds twenty-four hours or 1 calendar day, for the remaining period of the system failure the U.S. Customs Service will release shipments on the basis of the paper visaed document.

F. If a shipment from the HKSAR is allowed entry into the commerce of the United States with an incorrect visa, no visa, an incorrect ELVIS transmission, or no ELVIS transmission, and redelivery is requested but cannot be made, and after the Government of the HKSAR does not issue a visa or ELVIS transmission or request a visa waiver (if applicable), the shipment will be charged to the correct category limit whether or not a replacement visa or waiver is provided or a new ELVIS message is transmitted.

G. The U.S. Customs will provide the Government of the HKSAR with an electronic report on visa utilization which is accessible at any time. This report will contain:

- a. visa number
- b. category number
- c. unit of measure
- d. quantity charged to quota
- e. entry number
- f. entry line number

Other Provisions:

With the exception of suits of wool, man-made fibers, silk blend and/or non-cotton vegetable fibers, all textiles and textile products, including bona-fide gifts valued at US\$50 or less, imported for the personal use of the importer and not for resale, regardless of value, and properly marked commercial sample shipments valued at US\$800 or less do not require a visa or ELVIS transmission for entry and shall not be charged to agreement levels if applicable. Notwithstanding the foregoing, personal shipments of suits of wool, man-made fibers, silk blend and/or non-cotton vegetable fibers accompanying the traveler, regardless of value, do not require a visa or ELVIS transmission for entry and shall not be charged to agreement levels.

Effective on January 1, 1999 neither a visa nor an ELVIS transmission will be required for products integrated in the second stage of the integration of textiles and clothing into GATT 1994 from WTO member countries (see directive dated September 30, 1998) A visa will continue to be required for non-integrated products.

Any shipment which is not accompanied by a valid and correct visa and ELVIS transmission in accordance with the foregoing provisions, shall be denied entry by the Government of the United States unless the Government of the HKSAR authorizes the entry and any charges to the agreement levels.

The visa stamp remains unchanged.

The Committee for the Implementation of Textile Agreements has determined that this action falls within the foreign affairs exception to the rulemaking provisions of 5 U.S.C. 553(a)(1). This letter will be published in the **Federal Register**.

Sincerely,

Troy H. Cribb,
Chairman, Committee for the Implementation of Textile Agreements.

[FR Doc. 98-34328 Filed 12-28-98; 8:45 am]

BILLING CODE 3510-DR-F

COMMITTEE FOR THE IMPLEMENTATION OF TEXTILE AGREEMENTS

Amendment of Coverage of Unit of Quantity Requirement for Textile and Apparel Products Produced or Manufactured in Various Countries

December 21, 1998.

AGENCY: Committee for the Implementation of Textile Agreements (CITA).

ACTION: Issuing a directive to the Commissioner of Customs amending coverage of the requirement that visa quantities be in whole numbers only.

EFFECTIVE DATE: January 1, 1999.

FOR FURTHER INFORMATION CONTACT: Ross C. Arnold, International Trade Specialist, Office of Textiles and Apparel, U.S. Department of Commerce, (202) 482-4212.

SUPPLEMENTARY INFORMATION:

Authority: Section 204 of the Agricultural Act of 1956, as amended (7 U.S.C. 1854); Executive Order 11651 of March 3, 1972, as amended.

As stated in the notice and letter to the Commissioner of Customs dated November 30, 1998, published in the **Federal Register** on December 4, 1998 (see 63 FR 67053), the United States Government has notified all countries with visa arrangements with the United States of the requirement to issue visas in whole numbers. Effective on January 1, 1999, the following countries shall be excluded from this requirement: Bangladesh, Egypt, Peru, Trinidad and Tobago, and Turkey. For these five countries, Customs will not deny visas solely because they have decimals or fractions. However, Customs will continue to charge in whole units using standard rounding procedures.

The requirement for the use of whole numbers will be effective only for goods exported on and after January 1, 1999. For those countries in which the visa arrangement already requires the use of whole numbers, this requirement continues to apply.

In the letter published below, the Chairman of CITA directs the Commissioner of Customs to exclude the aforementioned countries from the requirement that the quantity stated on the visa be listed in whole numbers only. Also, the Commissioner of Customs is directed to implement the November 30, 1998 directive for textile