

United States International Trade Commission

Modifications to the Harmonized Tariff Schedule of the United States to Implement the Dominican Republic - Central America - United States Free Trade Agreement With Respect to Guatemala

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June 2006



U.S. International Trade Commission

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Pursuant to the letter of request from the United States Trade Representative of June 23, 2006, set forth in the Appendix hereto, and pursuant to section 1207(a) of the Omnibus Trade and Competitiveness Act, the Commission is publishing the following modifications to the Harmonized Tariff Schedule of the United States (HTS) to implement the Dominican Republic-Central America-United States Free Trade Agreement, as approved in the Dominican Republic-Central America-United States Free Trade Agreement Implementation Act, with respect to Guatemala.

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Annex

Effective with respect to goods that are entered, or withdrawn from warehouse for consumption, on or after July 1, 2006, the Harmonized Tariff Schedule of the United States (HTS) is modified as provided herein, with bracketed matter included to assist in the understanding of proclaimed modifications. The following supersedes matter now in the HTS.

(1). General note 4 is modified as follows:

(a). by deleting from subdivision (a) the following country from the enumeration of independent beneficiary developing countries:

Guatemala

(b). by deleting from subdivision (d) the following subheadings and the country set out opposite each such subheading:

0708.10.20	Guatemala
0710.80.65	Guatemala
0710.80.70	Guatemala
0710.80.93	Guatemala
0802.90.80	Guatemala
0811.90.55	Guatemala
2921.42.23	Guatemala
2933.39.23	Guatemala

(c). deleting from subdivision (d) the country set opposite each subheading:

1701.11.20	Guatemala
1702.90.35	Guatemala

(d). by making the following conforming changes to the HTS: for the following subheadings, the Rates of Duty 1-Special subcolumn is modified by deleting the symbol "A*" and inserting an "A" in lieu thereof.

0708.10.20
0710.80.65
0710.80.70
0710.80.93
0802.90.80
0811.90.55
2921.42.23
2933.39.23

Annex (continued)

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(2). General note 7 is modified as follows:

(a). by deleting from subdivision (a) the following country from the enumeration of designated beneficiary countries:

Guatemala

(b). by adding to the list of countries in subdivision (b)(i)(C) the following country:

Guatemala

(3). General note 17 is modified as follows:

(a). by deleting from subdivision (a) the following country from the enumeration of designated beneficiary countries:

Guatemala

(b). by adding to the list of countries in subdivision (e)(ii)(B) the following country:

Guatemala

(4). General note 29(a)(iii) is modified by inserting after “El Salvador” and before “Honduras, Nicaragua” the expression “Guatemala,”.

(5). U.S. note 7(b) to subchapter II of chapter 98 is modified as follows:

(a). by deleting from subdivision (i) the following country from the enumeration of designated beneficiary countries:

Guatemala

(b). by adding to the list of countries in subdivision (ii)(C)(2) the following country:

Guatemala

(6). Subchapter XX of chapter 98 is modified as follows:

(a). by deleting from U.S. note 1 the following country from the enumeration of designated beneficiary countries:

Guatemala

(b). by adding to U.S. note 5(c)(ii) the following country:

Guatemala

Annex (continued)

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(7). (a). U.S. note 25 to subchapter XXII of chapter 98 is modified by inserting after subdivision (a)(ii) the following new subdivision (a)(iii):

“(iii) During the period from July 1, 2006 through December 31, 2006, the aggregate quantity of goods described in U.S. note 23 to this subchapter of each party to the Agreement as defined in general note 29(a) enumerated in the table below that is entered under subheading 9822.05.20 shall be limited to the aggregate quantity (set forth in metric tons) specified below for that country:

Guatemala	32,000”
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(b). Subdivision (b)(ii) of such U.S. note 25 is modified by inserting in the table in such note the following country in alphabetical sequence, and inserting in such table the associated quantities for that country set forth herein for each of the years already specified in such subdivision:

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
			(metric tons)		
“Guatemala	32,640	33,280	37,000	37,740	38,480”
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
			(metric tons)		
“Guatemala	39,220	42,000	42,840	43,680	44,520”
	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
			(metric tons)		
“Guatemala	47,000	47,940	48,880	49,820	50,760”

(c). The following country and associated quantity for that country is inserted in alphabetical sequence in the table in the final sentence of such subdivision (b)(ii):

	<u>Quantity</u>
	(metric tons)
“Guatemala	940”

(8). The last sentence of U.S. note 1 to subchapter IV of chapter 99 is modified by adding “, Guatemala” at the end of the list of countries.

(9). The U.S. notes and provisions of subchapter XV of chapter 99 are modified as follows:

(a). U.S. note 5 is modified as follows:

(i). in subdivision (a) and (b), by deleting “El Salvador, Honduras or Nicaragua” in the first and second sentence and inserting “El Salvador, Guatemala, Honduras or Nicaragua” in lieu thereof.

(ii). in subdivision (a), by inserting in the table in such subdivision the following country and the associated quantity for that country under the specified years, and inserting a new period “July 1-December 31, 2006” with the appropriate country and associated quantity.

Annex (continued)

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	<u>7/1/2006- 12/31/2006</u>	<u>2007</u> (liters)	<u>2008</u>	<u>2009</u>	<u>2010</u>
"Guatemala	305,596	320,876	336,919	353,765	371,454"
	<u>2011</u>	<u>2012</u> (liters)	<u>2013</u>	<u>2014</u>	<u>2015</u>
"Guatemala	390,026	409,528	430,004	451,504	474,079"
	<u>2016</u>	<u>2017</u> (liters)	<u>2018</u>	<u>2019</u>	<u>2020</u>
"Guatemala	497,783	522,672	548,806	576,246	605,059"
	<u>2021</u>	<u>2022</u> (liters)	<u>2023</u>	<u>2024</u>	
"Guatemala	635,312	667,077	700,431	735,453"	

(iii). in subdivision (b), by inserting in the table in such subdivision the following country and the quantities for such country under the specified years, and inserting a new period "July 1-December 31, 2006" with the appropriate country and associated quantity.

	<u>7/1/2006- 12/31/2006</u>	<u>2007</u> (liters)	<u>2008</u>	<u>2009</u>	<u>2010</u>
"Guatemala	91,679	96,263	101,076	106,130	111,436"
	<u>2011</u>	<u>2012</u> (liters)	<u>2013</u>	<u>2014</u>	<u>2015</u>
"Guatemala	117,008	122,858	129,001	135,451	142,224"
	<u>2016</u>	<u>2017</u> (liters)	<u>2018</u>	<u>2019</u>	<u>2020</u>
"Guatemala	149,335	156,802	164,642	172,874	181,518"
	<u>2021</u>	<u>2022</u> (liters)	<u>2023</u>	<u>2024</u>	
"Guatemala	190,594	200,123	210,129	220,636"	

(b). U.S. note 8 is modified as follows:

(i). in subdivision (a) and (b), by deleting "El Salvador or Nicaragua" in the first and second sentence and inserting "El Salvador, Guatemala or Nicaragua" in lieu thereof.

(ii). in subdivision (a), by inserting in the table in such subdivision the following countries and the associated quantities for such country under the specified years, and inserting a new period "July 1-December 31, 2006" with the appropriate country and associated quantity.

Annex (continued)

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	<u>7/1/2006- 12/31/2006</u>	<u>2007</u> (metric tons)	<u>2008</u>	<u>2009</u>	<u>2010</u>
"Guatemala	250	263	276	289	304"
	<u>2011</u>	<u>2012</u> (metric tons)	<u>2013</u>	<u>2014</u>	<u>2015</u>
"Guatemala	319	335	352	369	388"
	<u>2016</u>	<u>2017</u> (metric tons)	<u>2018</u>	<u>2019</u>	<u>2020</u>
"Guatemala	407	428	449	471	495"
	<u>2021</u>	<u>2022</u> (metric tons)	<u>2023</u>	<u>2024</u>	
"Guatemala	520	546	573	602"	

(iii). in subdivision (b), by inserting in the table in such subdivision the following country and the quantities for such country under the specified years, and inserting a new period "July 1-December 31, 2006" with the appropriate country and quantity.

	<u>7/1/2006- 12/31/2006</u>	<u>2007</u> (metric tons)	<u>2008</u>	<u>2009</u>	<u>2010</u>
"Guatemala	75	79	83	87	91"
	<u>2011</u>	<u>2012</u> (metric tons)	<u>2013</u>	<u>2014</u>	<u>2015</u>
"Guatemala	96	100	106	111	116"
	<u>2016</u>	<u>2017</u> (metric tons)	<u>2018</u>	<u>2019</u>	<u>2020</u>
"Guatemala	122	128	135	141	148"
	<u>2021</u>	<u>2022</u> (metric tons)	<u>2023</u>	<u>2024</u>	
"Guatemala	156	164	172	181"	

(c). U.S. note 10 is modified as follows:

(i). in subdivision (a), by inserting in the table in such subdivision the following country and the associated quantities for such country under the specified years, and inserting a new period "July 1-December 31, 2006" with the appropriate country and associated quantity.

	<u>7/1/2006- 12/31/2006</u>	<u>2007</u> (metric tons)	<u>2008</u>	<u>2009</u>	<u>2010</u>
"Guatemala	500	525	551	579	608"

Annex (continued)

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	<u>2011</u>	<u>2012</u> (metric tons)	<u>2013</u>	<u>2014</u>	<u>2015</u>
"Guatemala	638	670	704	739	776"
	<u>2016</u>	<u>2017</u> (metric tons)	<u>2018</u>	<u>2019</u>	<u>2020</u>
"Guatemala	814	855	898	943	990"
	<u>2021</u>	<u>2022</u> (metric tons)	<u>2023</u>	<u>2024</u>	
"Guatemala	1,039	1,091	1,146	1,203"	

(ii). in subdivision (b), by inserting in the table in such subdivision the following country and the associated quantities for such country under the specified years, and inserting a new period "July 1-December 31, 2006" with the appropriate country and associated quantity.

	<u>7/1/2006- 12/31/2006</u>	<u>2007</u> (metric tons)	<u>2008</u>	<u>2009</u>	<u>2010</u>
"Guatemala	150	158	165	174	182"
	<u>2011</u>	<u>2012</u> (metric tons)	<u>2013</u>	<u>2014</u>	<u>2015</u>
"Guatemala	191	201	211	222	233"
	<u>2016</u>	<u>2017</u> (metric tons)	<u>2018</u>	<u>2019</u>	<u>2020</u>
"Guatemala	244	256	269	283	297"
	<u>2021</u>	<u>2022</u> (metric tons)	<u>2023</u>	<u>2024</u>	
"Guatemala	312	327	344	361"	

(d). U.S. note 14 is modified as follows:

(i). in subdivision (a), by inserting in the table in such subdivision the following country and the associated quantities for such country under the specified years, and inserting a new period "July 1-December 31, 2006" with the appropriate country and associated quantity.

	<u>7/1/2006- 12/31/2006</u>	<u>2007</u> (liters)	<u>2008</u>	<u>2009</u>	<u>2010</u>
"Guatemala	194,174	203,883	214,077	224,781	236,020"
	<u>2011</u>	<u>2012</u> (liters)	<u>2013</u>	<u>2014</u>	<u>2015</u>
"Guatemala	247,821	260,212	273,222	286,883	301,228"

Annex (continued)

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	<u>2016</u>	<u>2017</u> (liters)	<u>2018</u>	<u>2019</u>	<u>2020</u>
"Guatemala	316,289	332,103	348,709	366,144	384,451"
	<u>2021</u>	<u>2022</u> (liters)	<u>2023</u>	<u>2024</u>	
"Guatemala	403,674	423,857	445,050	467,303"	

(ii). in subdivision (b), by inserting in the table in such subdivision the following country and the associated quantities for such country under the specified years, and inserting a new period "July 1-December 31, 2006" with the appropriate country and associated quantity.

	<u>7/1/2006- 12/31/2006</u>	<u>2007</u> (liters)	<u>2008</u>	<u>2009</u>	<u>2010</u>
"Guatemala	58,252	61,165	64,223	67,434	70,806"
	<u>2011</u>	<u>2012</u> (liters)	<u>2013</u>	<u>2014</u>	<u>2015</u>
"Guatemala	74,346	78,064	81,967	86,065	90,368"
	<u>2016</u>	<u>2017</u> (liters)	<u>2018</u>	<u>2019</u>	<u>2020</u>
"Guatemala	94,887	99,631	104,613	109,843	115,335"
	<u>2021</u>	<u>2022</u> (liters)	<u>2023</u>	<u>2024</u>	
"Guatemala	121,102	127,157	133,515	140,191"	

(e). The superior text to subheading 9915.04.01 reading "Of El Salvador, Honduras or Nicaragua:" is deleted and a new superior text reading "Of El Salvador, Guatemala, Honduras or Nicaragua:" is inserted in lieu thereof.

(f). The superior text to subheading 9915.04.30 reading "Of El Salvador or Nicaragua:" is deleted and a new superior text reading "Of El Salvador, Guatemala or Nicaragua:" is inserted in lieu thereof.

(10). Additional U.S. note 4 to chapter 9 is modified by adding at the end of the list of countries ", Guatemala".

(11). Effective with respect to goods of Nicaragua, under the terms of general note 29 to the tariff schedule, that are entered, or withdrawn from warehouse for consumption, on or after April 1, 2006, subchapter XV of chapter 99 of the Harmonized Tariff Schedule of the United States (HTS) is hereby modified as follows:

(a). The following new subdivision (d) is inserted in alphabetical sequence in U.S. note 15 to such subchapter:

"(d) For purposes of heading 9915.61.05, the term "originating trousers, breeches or shorts of Nicaragua, under the terms of general note 29 to the tariff schedule" refers only to such apparel articles, not knitted or

Annex (continued)

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crocheted, of cotton or of man-made fibers, and made from U.S.-formed fabric of U.S.-formed yarn, that (I) are classifiable in the subheadings in the first column below and meet the descriptions set out opposite such subheadings, and (II) are originating goods of Nicaragua under the terms of general note 29 to the tariff schedule. Goods described in this note that are originating goods of Nicaragua under the applicable rules set forth in general note 29 for the provisions of chapter 62 listed in the first column below must be reported under heading 9915.61.05 as well as under the appropriate provision of chapter 62.

- | | | |
|------|------------|---|
| (1) | 6203.42.40 | Trousers, breeches or shorts of cotton, for men or boys, other than such goods for boys imported as parts of playsuits; |
| (2) | 6203.43.35 | Water resistant trousers or breeches of synthetic fibers, for men or boys; |
| (3) | 6203.43.40 | Trousers, breeches or shorts of synthetic fibers, for men or boys, other than such goods for boys imported as parts of playsuits; |
| (4) | 6203.49.20 | Trousers, breeches or shorts of artificial fibers (other than containing 36 percent or more by weight of wool or fine animal hair), for men or boys, other than such goods for boys imported as parts of playsuits; |
| (5) | 6203.49.80 | Trousers or breeches of other textile materials, for men or boys, the foregoing subject to cotton restraints or subject to man-made fiber restraints; |
| (6) | 6204.62.40 | Trousers, breeches or shorts of cotton, for women or girls, other than such goods for girls imported as parts of playsuits; |
| (7) | 6204.63.30 | Water resistant trousers or breeches of synthetic fibers, for women or girls; |
| (8) | 6204.63.35 | Trousers, breeches or shorts of synthetic fibers, for women or girls, other than such goods for girls imported as parts of playsuits; |
| (9) | 6204.69.25 | Trousers, breeches or shorts of artificial fibers, for women or girls, other than such goods for girls imported as parts of playsuits; |
| (10) | 6204.69.60 | Trousers, breeches or shorts of silk or silk waste, for women or girls, the foregoing subject to cotton restraints or subject to man-made fiber restraints; |
| (11) | 6204.69.90 | Trousers, breeches or shorts of other textile materials, for women or girls, the foregoing subject to cotton restraints or subject to man-made fiber restraints; |
| (12) | 6210.40.50 | Trousers, breeches or shorts of man-made fibers, for men or boys; |
| (13) | 6210.40.90 | Trousers, breeches or shorts, other than such goods having a fiber content of 70 percent or more by weight of silk or silk waste, the foregoing for men or boys; |
| (14) | 6210.50.50 | Trousers, breeches or shorts of man-made fibers, for women or girls; |
| (15) | 6210.50.90 | Trousers, breeches or shorts, other than such goods having a fiber content of 70 percent or more by weight of silk or silk waste, the foregoing for women or girls; |
| (16) | 6211.20.15 | Trousers or breeches, water resistant, imported as parts of ski-suits, the foregoing for men, boys, women or girls; |
| (17) | 6211.20.38 | Trousers or breeches of cotton or of man-made fibers, imported as parts of ski-suits, the foregoing for men or boys; |
| (18) | 6211.20.68 | Trousers or breeches of cotton or of man-made fibers, imported as parts of ski-suits, the foregoing for women or girls; |
| (19) | 6211.32.00 | Track suit trousers of cotton, for men or boys; |

Annex (continued)

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- (20) 6211.33.00 Track suit trousers of man-made fibers, for men or boys;
- (21) 6211.42.00 Track suit trousers of cotton, for women or girls; or
- (22) 6211.43.00 Track suit trousers of man-made fibers, for women or girls."

(b). The following new heading is inserted in numerical sequence in such subchapter, with the material inserted in the columns entitled "Heading/Subheading", "Article Description", and "Rates of Duty 1 Special", respectively:

"9915.61.05	: Originating trousers, breeches or shorts of Nicaragua,	:	:	:
	: under the terms of general note 29 to the tariff schedule,	:	:	:
	: as described in subdivision (d) of U.S. note 15 to this	:	:	:
	: subchapter	:	: Free (P)"	:

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

JUN 23 2006

The Honorable Daniel R. Pearson
Chairman
U.S. International Trade Commission
500 E Street, SW
Washington, DC 20436

Dear Chairman Pearson:

The U.S. International Trade Commission (Commission) played an important role in supporting the negotiation of the Dominican Republic-Central America-United States Free Trade Agreement (CAFTA-DR). I appreciate the tremendous efforts the Commission made in connection with this agreement and the significant assistance that the Commission continues to provide in support of the Administration's other major negotiations.

President Bush is expected to proclaim preferential tariff treatment to implement the CAFTA-DR with respect to Guatemala effective as of July 1, 2006. USTR staff has worked closely with Commission staff on drafts of the modifications to the Harmonized Tariff Schedule of the United States (HTSUS) that the President will proclaim to implement the CAFTA-DR with respect to Guatemala and for other purposes. The texts of these tariff modifications are enclosed. I anticipate that subsequent proclamations will implement the CAFTA-DR's preferential tariff treatment with respect to other CAFTA-DR countries.

Accordingly, I request that the Commission publish as a formal Commission publication those changes to the HTSUS that the President will proclaim to implement the CAFTA-DR with respect to Guatemala and to implement statistical monitoring for previously proclaimed CAFTA-DR tariff provisions. I understand that the Commission will make this publication available to the public and that the proclaimed tariff modifications will be posted to the Commission's website. In addition, the Federal Depository Libraries will receive this information. I request that the Commission publish this document and transmit copies of the publication to the Office of the U.S. Trade Representative as quickly as possible.

The Commission's willingness to use the most efficient, cost-effective means to inform the public of proclaimed tariff modifications greatly assists our efforts to put this important agreement into force.

Sincerely,



Susan C. Schwab

Enclosure

CHAIRMAN



UNITED STATES INTERNATIONAL TRADE COMMISSION

WASHINGTON, D.C. 20436

June 26, 2006

The Honorable Susan C. Schwab
United States Trade Representative
600 Seventeenth Street, NW
Washington, DC 20508

Dear Ambassador Schwab:

Thank you for your letter of June 23, 2006, requesting that the Commission publish the text of the modifications to the Harmonized Tariff Schedule of the United States that the President will proclaim in connection with the entry into force of the Dominican Republic--Central America-United States Free Trade Agreement with respect to Guatemala.

We are publishing the text of the annexes as Commission Publication No. 3861 and will place the publication on the Commission's internet site as soon as possible. The Commission will make the document available to the public and to U.S. government depository libraries as you have requested.

If we may be of further assistance in this matter, please do not hesitate to contact us.

Sincerely,

A handwritten signature in blue ink that reads "Daniel R. Pearson". The signature is written in a cursive style.

Daniel R. Pearson