

Proclamation 7689 of June 30, 2003**To Modify Duty-Free Treatment Under the Generalized System of Preferences**

By the President of the United States of America

A Proclamation

1. Pursuant to sections 501, 503(a)(1)(A), and 503(c)(1) of title V of the Trade Act of 1974, as amended (the “1974 Act”) (19 U.S.C. 2461, 2463(a)(1)(A), and 2463(c)(1)), the President may designate or withdraw designation of specified articles provided for in the Harmonized Tariff Schedule of the United States (HTS) as eligible for preferential tariff treatment under the Generalized System of Preferences (GSP) when imported from designated beneficiary developing countries.

2. Pursuant to section 503(a)(1)(B) of the 1974 Act (19 U.S.C. 2463(a)(1)(B)), the President may designate articles as eligible articles only for countries designated as least-developed beneficiary developing countries under section 502(a)(2) (19 U.S.C. 2462(a)(2)), if the President determines that such articles are not import-sensitive in the context of imports from such least-developed beneficiary developing countries.

3. Pursuant to section 503(c)(2)(A) of the 1974 Act (19 U.S.C. 2463(c)(2)(A)), beneficiary developing countries, except those designated as least-developed beneficiary developing countries or beneficiary sub-Saharan African countries pursuant to section 503(c)(2)(D) of the 1974 Act (19 U.S.C. 2463(c)(2)(D)), are subject to competitive need limitations on the preferential treatment afforded under the GSP to eligible articles.

4. Section 503(c)(2)(C) of the 1974 Act (19 U.S.C. 2463(c)(2)(C)), provides that a country that is no longer treated as a beneficiary developing country with respect to an eligible article may be redesignated as a beneficiary developing country with respect to such article if imports of such article from such country did not exceed the competitive need limitations in section 503(c)(2)(A) during the preceding calendar year.

5. Section 503(c)(2)(F) of the 1974 Act (19 U.S.C. 2463(c)(2)(F)), provides that the President may disregard the competitive need limitation provided in section 503(c)(2)(A)(i)(II) (19 U.S.C. 2463(c)(2)(A)(i)(II)) with respect to any eligible article from any beneficiary developing country if the aggregate appraised value of the imports of such article into the United States during the preceding calendar year does not exceed an amount set forth in section 503(c)(2)(F)(ii) (19 U.S.C. 2463(c)(2)(F)(ii)).

6. Pursuant to section 503(d) of the 1974 Act (19 U.S.C. 2463(d)), the President may waive the application of the competitive need limitations in section 503(c)(2)(A) with respect to any eligible article from any beneficiary developing country if certain conditions are met.

7. (a) Pursuant to sections 501 and 503(a)(1)(A) of the 1974 Act, and after receiving advice from the International Trade Commission in accordance with section 503(e) (19 U.S.C. 2463(e)), I have determined to designate certain articles, previously designated under section 503(a)(1)(B), as eligible articles when imported from any beneficiary

developing country. In order to do so, it is necessary to subdivide and amend the nomenclature of existing subheadings of the HTS.

(b) Furthermore, I have determined that it is appropriate to modify the application of duty-free treatment under title V of the 1974 Act for a certain article, in particular for a good previously eligible for such treatment that the Bureau of Customs and Border Protection reclassified.

8. Pursuant to section 503(a)(1)(B) of the 1974 Act, I have determined to designate certain articles as eligible articles under the GSP only for least-developed beneficiary developing countries.

9. Pursuant to section 503(c)(1) of the 1974 Act, and having considered the factors set forth in sections 501 and 502(c), I have determined to limit the application of duty-free treatment accorded to certain articles from certain beneficiary developing countries.

10. Pursuant to sections 503(c)(1) and 503(c)(2)(A) of the 1974 Act, I have determined that certain beneficiary countries should no longer receive preferential tariff treatment under the GSP with respect to certain eligible articles that were imported in quantities exceeding the applicable competitive need limitation in 2002.

11. Pursuant to section 503(c)(2)(C) of the 1974 Act, I have determined that certain countries should be redesignated as beneficiary developing countries with respect to certain eligible articles that previously had been imported in quantities exceeding the competitive need limitations of section 503(c)(2)(A).

12. Pursuant to section 503(c)(2)(F) of the 1974 Act, I have determined that the competitive need limitation provided in section 503(c)(2)(A)(i)(II) should be waived with respect to certain eligible articles from certain beneficiary developing countries.

13. Pursuant to section 503(d) of the 1974 Act, I have determined that the competitive need limitations of section 503(c)(2)(A) should be waived with respect to certain eligible articles from certain beneficiary developing countries. I have received the advice of the International Trade Commission on whether any industries in the United States are likely to be adversely affected by such waiver, and I have determined, based on that advice and on the considerations described in sections 501 and 502(c), that such waivers are in the national economic interest of the United States.

14. Section 604 of the 1974 Act, as amended (19 U.S.C. 2483), 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 of America, including but not limited to title V and section 604 of the 1974 Act, do proclaim that:

(1) In order to provide that one or more countries that have not been treated as beneficiary developing countries with respect to one or more eligible articles should be redesignated as beneficiary developing countries with respect to such article or articles for purposes of the GSP, and, in order to provide that one or more countries should no longer

be treated as a beneficiary developing country with respect to one or more eligible articles for purposes of the GSP, general note 4(d) to the HTS is modified as provided in section A of Annex I to this proclamation.

(2) In order to designate certain articles as eligible articles for purposes of the GSP, the HTS is modified by amending and sub-dividing the nomenclature of certain existing HTS subheadings as provided in section B of Annex I to this proclamation.

(3)(a) In order to designate certain articles as eligible articles for purposes of the GSP when imported from any beneficiary developing country, the Rates of Duty 1-Special subcolumn for such HTS subheadings is modified as provided in section C(1) of Annex I to this proclamation.

(b) In order to designate certain articles as eligible articles for purposes of the GSP when imported from any beneficiary developing country other than India, the Rates of Duty 1-Special subcolumn for such HTS subheadings is modified as provided for in section C(2) of Annex I to this proclamation.

(c) In order to designate certain articles as eligible articles for purposes of the GSP when imported from any least-developed beneficiary developing country, the Rates of Duty 1-Special subcolumn for such HTS subheadings is modified as provided in section C(3) of Annex I to this proclamation.

(d) In order to provide preferential tariff treatment under the GSP to a beneficiary developing country that has been excluded from the benefits of the GSP for certain eligible articles, the Rates of Duty 1-Special subcolumn for such HTS subheadings is modified as provided for in section C(4) of Annex I to this proclamation.

(e) In order to provide that one or more countries should not be treated as a beneficiary developing country with respect to certain eligible articles for purposes of the GSP, the Rates of Duty 1-Special subcolumn for such HTS subheadings is modified as provided for in section C(5) of Annex I to this proclamation.

(4) A waiver of the application of section 503(c)(2)(A)(i)(II) of the 1974 Act shall apply to the eligible articles in the HTS subheadings and to the beneficiary developing countries listed in Annex II to this proclamation.

(5) A waiver of the application of section 503(c)(2)(A) of the 1974 Act shall apply to the eligible articles in the HTS subheading and to the beneficiary developing countries set forth in Annex III to this proclamation.

(6) Any provisions of previous proclamations or Executive orders that are inconsistent with the actions taken in this proclamation are superseded to the extent of such inconsistency.

(7)(a) The modifications made by Annex I to this proclamation shall be effective with respect to articles entered, or withdrawn from warehouse for consumption, on or after July 1, 2003.

(b) The actions taken in Annex II to this proclamation shall be effective on July 1, 2003.

(c) The actions taken in Annex III to this proclamation shall be effective on the date of publication of this proclamation in the **Federal Register**.

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

GEORGE W. BUSH

Annex I

Modifications to the Harmonized Tariff
Schedule of the United States (HTS)

Effective with respect to articles entered, or withdrawn from
warehouse for consumption, on or after July 1, 2003.

Section A. General note 4(d) to the HTS is modified by:

(1). deleting the following subheadings and the country set out opposite such subheading:

0711.30.00 Turkey	4106.21.90 Pakistan
0712.90.74 Turkey	4106.22.00 Pakistan
1602.50.09 Argentina	4107.19.50 Argentina
1703.90.50 Poland	4107.99.50 Argentina
2002.90.40 Turkey	4113.10.30 Pakistan
2005.10.00 Turkey	4113.10.60 Pakistan
2007.99.50 Brazil	4411.29.90 Brazil
	4823.90.20 Philippines
2008.19.30 Pakistan;	7113.19.29 Turkey
Turkey	7116.10.10 Thailand
	7409.39.50 Hungary
3904.21.00 Brazil	8211.92.60 Pakistan
4006.10.00 Brazil	8211.95.50 Pakistan
4010.19.50 Brazil	8414.51.00 Thailand
4012.90.45 Sri Lanka	8528.12.16 Thailand
4101.20.50 Brazil	8544.30.00 Thailand
4101.50.50 Brazil	9105.19.10 Brazil
4101.90.50 Brazil	9105.19.40 Brazil
4103.10.30 Pakistan	9405.30.00 Thailand

(2). deleting the country set out opposite the following subheadings:

0805.50.30 Turkey	2934.99.15 Brazil
0805.90.01 Turkey	3824.90.40 Brazil
2907.23.00 Brazil	7113.19.50 Turkey
2915.31.00 Brazil	7403.11.00 Kazakhstan

(3). adding, in numerical sequence, the following provisions and countries set out opposite them:

0410.00.00 Indonesia	2921.43.15 India
0711.40.00 India	2921.43.22 India
1602.50.09 Brazil	3806.90.00 India
1901.20.02 Colombia	4012.11.80 India
2903.69.08 India	4106.21.10 Peru
2917.12.10 India	4107.11.80 Argentina

Annex I (continued)

Section A. (con)

(3). (con).

4107.99.60	Colombia	6802.93.00	Brazil
4412.13.25	Brazil	7113.19.25	Turkey
4412.14.25	Brazil	7614.10.50	Ecuador
4412.19.30	Russia	7615.19.30	Thailand
4802.56.60	Colombia	8525.40.80	Indonesia
4816.20.00	Indonesia	9001.30.00	Indonesia
5702.99.20	India	9305.10.40	Peru

(4). adding, in alphabetical order, the country or countries set out opposite the following subheadings:

1806.32.55	Dominican Republic	3823.19.20	Philippines
2403.91.20	Dominican Republic	6501.00.60	Ecuador
2905.11.20	Chile	7106.92.50	Brazil
3815.90.10	Panama		

Section B. The HTS is modified as provided in this section, with bracketed matter included to assist in the understanding of proclaimed modifications. The following provisions supersedes matter now in the HTS. The subheadings and superior text are set forth in columnar format, and material in such columns is inserted in the columns of the HTS designated "Heading/Subheading", "Article Description", "Rates of Duty 1 General", "Rates of Duty 1 Special", and "Rates of Duty 2", respectively.

(1)(a). Subheading 2903.69.70 is superseded and the following provisions inserted in numerical sequence:

[Halogenated derivatives of hydrocarbons:]			
[Halogenated derivatives of aromatic hydrocarbons:]			
[Other:]			
2903.69.08	p-Chlorobenzotrifluoride, and 3,4-Dichlorobenzotrifluoride	5.5%	Free (A,CA,D,E, L,J,MX) 1.3% (JO)
			15.4¢/kg + 71%*
[Other:]			
2903.69.80	Other	5.5%	Free (A,CA,D,E, L,J,K,MX) 1.3% (JO)
			15.4¢/kg + 71%*

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Annex I (continued)

Section B. (con.)

(b). Conforming changes:

(i) For subheadings 2903.69.08 and 2903.69.80 on January 1, 2004, the rate of duty followed by the symbol "JO" in parentheses and the symbol "JO" in parentheses are deleted from the Rates of Duty 1-Special subcolumn and the symbol "JO" is inserted in alphabetical order in the parentheses following the Free rate of duty in such subcolumn.

(ii) The article descriptions of headings 9902.28.09, 9902.28.10 and 9902.32.82 are modified by deleting "2903.69.70" and inserting "2903.69.80" in lieu thereof.

(2)(a). Subheading 2921.43.80 is superseded and the following provisions inserted in numerical sequence:

	[Amine-function compounds]			
	[Aromatic monoamines and their...]			
	[Toluidines and their...]			
"2921.43.22	N-Ethyl-N-(2-methyl-2-propenyl)-2,6-dinitro-4-(trifluoromethyl)benzenamine	0.2¢/kg + 7.7%	Free (A*,CA,D,E, IL,J,MX)	15.4¢/kg + 60%*
			0.4¢/kg + 4.5% (JO)	
	[Other]			
"2921.43.90	Other	0.2¢/kg + 7.7%	Free (A+,CA,D,E, IL,J,MX)	15.4¢/kg + 60%*
			0.4¢/kg + 4.5% (JO)	

(b). Conforming changes:

(i) For subheadings 2921.43.22 and 2921.43.90 on January 1, 2004, the rate of duty in the Rates of Duty 1-General subcolumn is deleted and "6.5%" is inserted in lieu thereof.

(ii) For subheadings 2921.43.22 and 2921.43.90 on January 1 for each of the dated columns listed below, the rate of duty in the Rates of Duty 1-Special subcolumn followed by the symbol "JO" is deleted and rate of duty for such dated column is inserted in lieu thereof.

<u>2004</u>	<u>2005</u>
0.2¢/kg + 2.2%	Free

(iii) The article description of heading 9902.30.49 is modified by deleting "2921.43.80" and inserting "2921.43.22" in lieu thereof.

(iv) The article descriptions of headings 9902.29.59, 9902.29.62 and 9902.32.12 are modified by deleting "2921.43.80" and inserting "2921.43.90" in lieu thereof.

Annex I (continued)

Section B. (con.)

(3) (a). Subheading 4202.92.05 is superseded by:

	[Trunks, suitcases, vanity cases,...]			
	[Other:]			
	[With outer surface of...]			
	[Insulated food...]			
	*With outer surface of textile materials:			
4202.92.04	Beverage bags whose interior incorporates only a flexible plastic container of a kind for storing and dispensing potable beverages through attached flexible tubing	7%	Free (A,CA,E,IL, MX)	40%
			1.7% (JO)	
4202.92.08	Other	7%	Free (CA,E,IL,J, MX)	40%*
			1.7% (JO)	

(b). Conforming change: For subheadings 4202.92.04 and 4202.92.08 on January 1, 2004, the rate of duty followed by the symbol "JO" in parentheses and the symbol "JO" in parentheses are deleted from the Rates of Duty 1-Special subcolumn and the symbol "JO" is inserted in alphabetical order in the parentheses following the Free rate of duty in such subcolumn.

(4). Subheading 7202.93.00 is superseded by:

	[Ferroalloys:]			
	[Other:]			
*7202.93	Ferronickel:			
7202.93.40	Containing by weight less than 0.02 percent of phosphorus or sulfur or less than 0.4 percent of silicon	5%	Free (A+,CA,D,E, IL,J,JO, MX)	25%
7202.93.80	Other	5%	Free (A,CA,D,E, IL,J,JO, MX)	25%*

(5) (a). Subheading 7202.99.50 is superseded by:

	[Ferroalloys:]			
	[Other:]			
*7202.99.20	Calcium silicon	5%	Free (A,CA,D,E, IL,J,JO, MX)	25%
7202.99.80	Other	5%	Free (A+,CA,D,E, IL,J,JO, MX)	25%*

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Annex I (continued)

Section B. (con.)

(b). Conforming change: The article description of heading 9902.72.02 is modified by deleting "7202.99.50" and inserting "7202.99.80" in lieu thereof.

(6). Subheading 8414.51.00 is superseded by:

	[Air or vacuum pumps, air or...]		
	[Fans.]		
"8414.51	Table, floor, wall, window, ceiling or roof fans, with a self-contained electric motor of an output not exceeding 125 W		
8414.51.30	Ceiling fans for permanent installation	4.7%	Free (A,C,CA,E, IL, J,JO,MX) 35%
8414.51.90	Other	4.7%	Free (A,C,CA,E, IL, J,JO,MX) 35%

Section C. Each enumerated article's preferential tariff treatment under the Generalized System of Preferences (GSP) in the HTS is modified as provided in this section.

(1). 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.

0406.20.51	1202.10.40	1901.90.42	2008.11.25
0406.90.41	1202.20.40	2001.90.20	2008.11.45

(2). 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.

2917.12.10
2921.43.15
3806.90.00

(3). For the following subheadings, the Rates of Duty 1-Special subcolumn is modified by inserting the symbol "A+," in alphabetical order.

8211.91.20	8215.99.10
8215.99.01	8215.99.30

Annex I (continued)

Section C. (con.)

(4). 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.

0711.30.00	4010.19.50	4107.99.50	8211.95.50
0712.90.74	4012.90.45	4113.10.30	8528.12.16
1703.90.50	4101.20.50	4113.10.60	8544.30.00
2002.90.40	4101.50.50	4411.29.90	9105.19.10
2005.10.00	4101.90.50	4823.90.20	9105.19.40
2007.99.50	4103.10.30	7113.19.29	9405.30.00
2008.19.30	4106.21.90	7116.10.10	
3904.21.00	4106.22.00	7409.39.50	
4006.10.00	4107.19.50	8211.92.60	

(5). For the following provisions, the Rates of Duty 1-Special subcolumn is modified by deleting the symbol "A" and inserting an "A*" in lieu thereof:

0410.00.00	4107.11.80	4802.56.60	7614.10.50
0711.40.00	4107.99.60	4816.20.00	7615.19.30
1901.20.02	4412.13.25	5702.99.20	8525.40.80
4012.11.80	4412.14.25	6802.93.00	9001.30.00
4106.21.10	4412.19.30	7113.19.25	9305.10.40

Annex II

HTS subheading and countries for which the competitive need limitation provided in section 503(c)(2)(A)(i)(II) is waived

0305.69.60 Philippines	1401.90.40 Madagascar
0405.20.80 Poland	1604.15.00 Chile
0710.29.15 India	1605.90.10 Thailand
0712.90.70 Egypt	1605.90.55 Indonesia
0714.20.10 India	1701.11.05 Mauritius
0802.31.00 Turkey	1702.90.35 Brazil
0802.50.20 Turkey	1806.10.43 Brazil
0804.50.80 Philippines	1901.20.45 Argentina
0810.60.00 Thailand	1901.90.28 Poland
0813.30.00 Chile	2008.19.30 Turkey
0813.40.10 Thailand	2008.99.35 Thailand
1301.90.40 Brazil	2008.99.45 Philippines

Annex II (continued)

2008.99.50 Thailand	4107.11.60 Brazil
2305.00.00 Argentina	4107.19.40 India
2306.30.00 Argentina	4107.91.40 India
2515.12.20 Turkey	4107.92.40 Pakistan
2804.29.00 Russia	4412.99.46 Chile
2836.91.00 Chile	4802.54.10 Brazil
2840.11.00 Turkey	4802.54.20 Indonesia
2840.19.00 Turkey	4802.57.20 Indonesia
2841.61.00 Czech Republic	5208.31.20 India
2850.00.20 Russia	5208.32.10 India
2903.51.00 Romania	5208.41.20 India
2903.69.30 Russia	5208.42.10 India
2908.10.15 Hungary	5209.31.30 India
2909.50.40 Indonesia	5209.41.30 India
2917.19.10 Hungary	5607.90.35 Philippines
2917.32.00 Indonesia	5702.39.10 India
2918.21.10 Brazil	5702.49.15 India
2931.00.25 Brazil	6116.99.35 Philippines
2934.20.05 Brazil	6406.10.85 India
2938.10.00 Brazil	7114.19.00 India
4010.12.10 Hungary	7202.50.00 Kazakstan
4101.90.35 Brazil	7202.99.10 Brazil
4101.90.50 Brazil	8112.92.50 Chile
	8514.20.40 Thailand
	8546.10.00 Brazil

Annex III

HTS Subheading and Country Granted A Waiver of the Application of Section 503(c)(2)(A) of the 1974 Act

<u>HTS</u> <u>Subheading</u>	<u>Country</u>
1202.20.40	Argentina
2008.11.25	Argentina
7113.19.29	Turkey
7113.19.50	Turkey
7205.50.00	Kazakhstan
7202.93.80	Brazil
7418.19.50	India
8414.51.30	Thailand
8528.12.28	Thailand
8544.30.00	Thailand
9405.50.20	India
9405.50.40	India