

**Proclamation 7125 of September 18, 1998****To Modify Certain Provisions of the Special Textile and Apparel Regime Implemented Under the North American Free Trade Agreement**

*By the President of the United States of America*

*A Proclamation*

1. On December 17, 1992, the Governments of Canada, Mexico, and the United States entered into the North American Free Trade Agreement ("the NAFTA"). The NAFTA was approved by the Congress in section 101(a) of the North American Free Trade Agreement Implementation Act ("the NAFTA Implementation Act") (19 U.S.C. 3311(a)), and was implemented with respect to the United States by Presidential Proclamation 6641 of December 15, 1993.

2. Section 201(b)(1)(A) of the NAFTA Implementation Act (19 U.S.C. 3331(b)(1)(A)) authorizes the President to proclaim such modifications or continuation of any duty as the President determines to be necessary or appropriate to maintain the general level of reciprocal and mutually advantageous concessions with respect to Canada or Mexico provided for by the NAFTA, subject to the consultation and layover requirements of section 103(a) of the NAFTA Implementation Act (19 U.S.C. 3313(a)). Among the provisions previously proclaimed to implement the NAFTA schedule of concessions is heading 9802.00.90 of the Harmonized Tariff Schedule of the United States ("HTS"), which affords duty-free entry into the United States of certain textile and apparel goods assembled in Mexico, in which all fabric components were wholly formed and cut in the United States and then exported to Mexico ready for assembly and there assembled and returned to the U.S. customs territory.

3. In order to maintain the general level of reciprocal and mutually advantageous concessions under the NAFTA, I have determined that new provisions should be added to chapter 99 of the HTS to provide that specified apparel articles, which are assembled in Mexico using interlining fabrics that are cut but not formed in the United States, and which otherwise meet the conditions set forth in HTS heading 9802.00.90, may enter the United States free of duty on a temporary basis because the necessary interlining fabrics for such apparel are no longer formed in the United States. The consultation and layover requirements provided for in section 103(a) of the NAFTA Implementation Act have been observed.

4. Section 604 of the Trade Act of 1974, as amended (19 U.S.C. 2483)("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, WILLIAM J. CLINTON, 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, but not limited to, sections 103(a) and 201(b) of the NAFTA Implementation Act, sec-

tion 604 of the Trade Act, and section 301 of title 3, United States Code, do proclaim that:

(1) Subchapter VI of chapter 99 of the HTS is modified as provided in the Annex to this proclamation.

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

(3)(a) The modifications to the HTS made by this proclamation shall be effective with respect to goods entered, or withdrawn from warehouse for consumption, on or after the fifteenth day after the signing of this proclamation.

(b) At the close of the effective period specified therefor in the Annex, HTS subheadings 9906.98.02 and 9906.98.03 shall cease to apply to imported articles, except that goods described in such subheadings that were shipped and in transit on a through bill of lading on such specified date shall be eligible for the tariff treatment specified therein as if entered on the last day of such effective period. At the close of the day that is one year from the close of the effective period specified in such HTS subheadings, U.S. note 28 to subchapter VI of chapter 99, such subheadings and their immediately superior text beginning with the word "Apparel" shall all be deleted from the HTS.

(c) The United States Trade Representative is authorized, after obtaining advice from the appropriate advisory committees established under section 135 of the Trade Act (19 U.S.C. 2155), to extend the effective period of the new tariff provisions for one additional year, upon publication in the **Federal Register** of a notice modifying the new HTS subheadings accordingly.

IN WITNESS WHEREOF, I have hereunto set my hand this eighteenth day of September, in the year of our Lord nineteen hundred and ninety-eight, and of the Independence of the United States of America the two hundred and twenty-third.

WILLIAM J. CLINTON

*Annex*

*Effective with respect to goods entered, or withdrawn from warehouse for consumption, on or after the fifteenth day after the President signs this Proclamation, the Harmonized Tariff Schedule of the United States ("HTS") is modified by inserting in numerical sequence in subchapter VI of chapter 99 the following new U.S. note, tariff subheadings and superior text, with language inserted in columns of the HTS headed "Heading/Subheading", "Article Description", "Rates of Duty 1-Special", and "Effective Period", and with the new superior text inserted at the same level of indentation as the article description in subheading 9906.73.02:*

[U.S. Note:]  
"28.

For purposes of subheadings 9906.98.02 and 9906.98.03, the term "*interlining fabrics*" refers to the following:

(a) A chest plate, "hymo" piece or "sleeve header" of woven or weft-inserted warp knit construction, the foregoing of coarse animal hair or man-made filaments, of a type used in the manufacture of men's, boys', women's or girls' tailored suit jackets and suit-type jackets;

(b) A weft-inserted warp knit fabric that contains and exhibits properties of elasticity and resilience which render the fabric especially suitable for attachment by fusing with a thermoplastic adhesive to the coat-front, side body or back of men's or boys' tailored suit jackets and suit-type jackets; or

(c) A woven fabric that contains and exhibits properties of resiliency which render the fabric especially suitable for attachment by fusing with a thermo-plastic adhesive to the coat-front, side body or back of men's, boys', women's or girls' tailored suit jackets and suit-type jackets."

[HTS subheadings:]

"Apparel articles assembled in Mexico in which all fabric components were wholly formed and cut in the United States except interlining fabrics of a type described in U.S. note 28 to this subchapter that were cut in the United States but not formed therein and that are incorporated in such articles, the foregoing of a type otherwise described in heading 9802.00.90 of the tariff schedule:

9906.98.02

Men's or boys' suit-type jackets, whether or not imported as parts of suits or ensembles, the foregoing of wool or fine animal hair or of man-made fibers or subject to wool restraints or to man-made fiber restraints (provided for in subheadings 6103.11.00, 6103.12.10, 6103.12.20, 6103.19.10, 6103.19.15, 6103.19.90, 6103.21.00, 6103.23.00, 6103.29.10, 6103.31.00, 6103.33.10, 6103.33.20, 6103.39.10, 6103.39.80, 6203.11.10, 6203.11.20, 6203.12.10, 6203.12.20, 6203.19.20, 6203.19.30, 6203.19.90, 6203.21.00, 6203.23.00, 6203.29.20, 6203.31.00, 6203.33.10, 6203.33.20, 6203.39.10, 6203.39.20, or 6203.39.90)

Free (MX) On or before 08/31/99

9906.98.03

Women's or girls' suit-type jackets, whether or not imported as parts of suits or ensembles, the foregoing of wool or fine animal hair or of man-made fibers or subject to wool restraints or to man-made fiber restraints (provided for in subheadings 6104.11.00, 6104.13.10, 6104.13.20, 6104.19.10, 6104.19.15, 6104.19.80, 6104.21.00, 6104.23.00, 6104.29.10, 6104.29.20, 6104.31.00, 6104.33.10, 6104.33.20, 6104.39.10, 6104.39.20, 6204.11.00, 6204.13.10, 6204.13.20, 6204.19.10, 6204.19.20, 6204.19.80, 6204.21.00, 6204.23.00, 6204.29.20, 6204.29.40, 6204.31.10, 6204.31.20, 6204.33.10, 6204.33.20, 6204.33.40, 6204.33.50, 6204.39.20, 6204.39.30, or 6204.39.80)

Free (MX) On or before 08/31/99"