

Administration of Barack H. Obama, 2010

Proclamation 8596—To Adjust the Rules of Origin Under the United States-Bahrain Free Trade Agreement, Implement Modifications to the Caribbean Basin Economic Recovery Act, and for Other Purposes

November 1, 2010

By the President of the United States of America

A Proclamation

1. In Presidential Proclamation 8097 of December 29, 2006, pursuant to the authority provided in section 1206(a) of the Omnibus Trade and Competitiveness Act of 1988 (19 U.S.C. 3006(a)) (the "1988 Act"), the President modified the Harmonized Tariff Schedule of the United States (HTS) to reflect amendments to the International Convention on the Harmonized Commodity Description and Coding System (the "Convention").

2. Presidential Proclamation 8039 of July 27, 2006, implemented the United States-Bahrain Free Trade Agreement (USBFTA) with respect to the United States and, pursuant to section 101(a) of the United States-Bahrain Free Trade Agreement Implementation Act (the "USBFTA Implementation Act") (Public Law 109–169, 119 Stat. 3581) (19 U.S.C. 3805 note), incorporated in the HTS the schedule of duty reductions and rules of origin necessary or appropriate to carry out the USBFTA.

3. In order to ensure the continuation of the staged reductions in rates of duty for originating goods from Bahrain in categories that were modified to conform to the Convention, the President proclaimed in Presidential Proclamation 8097 modifications to the HTS that he determined were necessary or appropriate to carry out the duty reductions proclaimed in Proclamation 8039.

4. Bahrain is a party to the Convention. Because the substance of changes to the Convention are reflected in slightly differing form in the national tariff schedules of the parties to the USBFTA, the rules of origin set out in Annexes 3–A and 4–A of that Agreement must be changed to ensure that the tariff and certain other treatment accorded under the USBFTA to originating goods will continue to be provided under the tariff categories that were modified in Proclamation 8097. The USBFTA parties have agreed to make these changes in a protocol to the USBFTA, which will go into effect on November 1, 2010.

5. Section 202 of the USBFTA Implementation Act provides certain rules for determining whether a good is an originating good for purposes of implementing tariff treatment under the USBFTA. Section 202(j)(1)(A) of the USBFTA Implementation Act authorizes the President to proclaim the rules of origin set out in the USBFTA and any subordinate categories necessary to carry out the USBFTA, subject to certain exceptions set out in section 202(j)(2)(A).

6. I have determined that modifications to the HTS proclaimed pursuant to section 202 of the USBFTA Implementation Act and section 1206(a) of the 1988 Act are necessary or appropriate to ensure the continuation of tariff and certain other treatment accorded originating goods under tariff categories modified in Proclamation 8097 and to carry out the duty reductions proclaimed in Proclamation 8039.

7. Section 213A of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2703a) (CBERA), as amended by the Haiti Economic Lift Program Act of 2010 (Public Law 111–171,

124 Stat. 1194) (19 U.S.C. 2701 note) (the "HELP Act"), provides that preferential tariff treatment may be provided for apparel and other articles originating in Haiti that are imported directly from Haiti or the Dominican Republic into the customs territory of the United States.

8. In order to implement the tariff treatment provided for under the CBERA, as amended, it is necessary to modify the HTS.

9. Proclamation 7987 of February 28, 2006, implemented the Dominican Republic-Central America-United States Free Trade Agreement (CAFTA-DR). There was a technical error in the form of an inadvertent omission from Annex I of Publication 3829 of the United States International Trade Commission (USITC) entitled "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 El Salvador," which was incorporated by reference into Proclamation 7987.

10. I have determined that a technical correction to general note 29 to the HTS is necessary to provide the tariff and certain other treatment accorded under the CAFTA-DR to originating goods.

11. In Proclamation 8097 two technical errors were made in U.S. note 2 to subchapter XVII of chapter 98 of the HTS as set forth in Annex I of Publication 3898 of the USITC entitled "Modifications to the Harmonized Tariff Schedule of the United States Under Section 1206 of the Omnibus Trade and Competitiveness Act of 1988," which was incorporated by reference into Proclamation 8097.

12. I have determined that technical corrections to U.S. note 2 to subchapter XVII of chapter 98 of the HTS are necessary to provide the intended tariff treatment.

13. Proclamation 8405 of August 31, 2009, modified certain rules of origin of the North American Free Trade Agreement (NAFTA). Technical errors, including an inadvertent omission, were made in the modifications to general note 12 to the HTS as provided in Annex I of Publication 4095 of the USITC entitled "Modifications to the Harmonized Tariff Schedule of the United States to Adjust Rules of Origin Under the North American Free Trade Agreement," which was incorporated by reference into Proclamation 8405.

14. I have determined that technical corrections to general note 12 to the HTS are necessary to provide the tariff and certain other treatment accorded under the NAFTA to originating goods.

15. Section 604 of the Trade Act of 1974, as amended (the "1974 Act") (19 U.S.C. 2483), authorizes the President to embody in the HTS the substance of the 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. Section 1206(c) of the 1988 Act, as amended (19 U.S.C. 3006(c)), provides that any modifications proclaimed by the President under section 1206(a) of that Act may not take effect before the thirtieth day after the date on which the text of the proclamation is published in the *Federal Register*.

Now, Therefore, I, Barack Obama, President of the United States of America, by virtue of the authority vested in me by the Constitution and the laws of the United States of America, including but not limited to section 1206(a) of the 1988 Act, section 202 of the USBFTA Implementation Act, section 213A of CBERA, as amended, and section 604 of the 1974 Act, do proclaim that: (1) In order to reflect in the HTS the modifications to the rules of origin

under the USBFTA once those modifications go into effect, general note 30 to the HTS is modified as provided in Annex I to this proclamation.

(2) In order to implement the tariff treatment provided for in section 213A of CBERA, as amended, the HTS is modified as set forth in Annex II to this proclamation.

(3) In order to make the technical corrections to general note 29 to the HTS, the HTS is modified as set forth in paragraph 1 of Annex III to this proclamation.

(4) In order to make the technical corrections to U.S. note 2 to subchapter XVII of chapter 98 of the HTS, the HTS is modified as set forth in paragraph 2 of Annex III to this proclamation.

(5) In order to make technical corrections to general note 12 to the HTS, the HTS is modified as set forth in paragraph 3 of Annex III to this proclamation.

(6) The modifications and technical rectifications to the HTS set forth in Annex I to this proclamation shall be effective with respect to goods entered, or withdrawn from warehouse for consumption, on or after the later of (i) November 1, 2010, or (ii) the thirtieth day after the date of publication of this proclamation in the *Federal Register*.

(7) The modifications to the HTS set forth in Annexes II and III to this proclamation shall be effective with respect to articles entered, or withdrawn from warehouse for consumption, on or after the dates provided in those Annexes.

(8) 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.

In Witness Whereof, I have hereunto set my hand this first day of November, in the year of our Lord two thousand ten, and of the Independence of the United States of America the two hundred and thirty-fifth.

BARACK OBAMA

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NOTE: This proclamation and its annexes were published in the *Federal Register* on November 4.

Categories: Proclamations : U.S.-Bahrain Free Trade Agreement, rules of origin adjustment, Caribbean Basin Economic Recovery Act, modifications.

Subjects: Bahrain : Free trade agreement with U.S.; Caribbean nations : Trade with U.S.; Commerce, international : Caribbean Basin Economic Recovery Act.

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