

eight, and of the Independence of the United States of America the two hundred and twelfth.

RONALD REAGAN

Proclamation 5787 of March 31, 1988

Amending the Generalized System of Preferences

*By the President of the United States of America
A Proclamation*

1. Pursuant to Title V of the Trade Act of 1974, as amended (the Trade Act) (19 U.S.C. 2461 *et seq.*), in Proclamation 5365 of August 30, 1985 (50 FR 36220), I designated specified articles provided for in the Tariff Schedules of the United States (TSUS) (19 U.S.C. 1202) as eligible for preferential tariff treatment under the Generalized System of Preferences (GSP) when imported from designated beneficiary developing countries.

2. Pursuant to section 504(c) of the Trade Act, as amended (19 U.S.C. 2464(c)), those beneficiary developing countries not designated as least-developed beneficiary developing countries are subject to limitations on the preferential treatment afforded under the GSP. Pursuant to section 504(c)(5) of the Trade Act, as amended, a country that has not been treated as a beneficiary developing country with respect to an eligible article may be redesignated with respect to such article if imports of such article from such country did not exceed the limitations in section 504(c)(1) (after application of paragraph (c)(2)) during the preceding calendar year. Further, pursuant to section 504(d)(1) of the Trade Act, as amended (19 U.S.C. 2464(d)(1)), the limitation provided in section 504(c)(1)(B) shall not apply with respect to an eligible article if a like or directly competitive article was not produced in the United States on January 3, 1985.

3. Pursuant to sections 503(a) and 504(a) of the Trade Act, as amended (19 U.S.C. 2463(a) and 2464(a)), in order to subdivide and amend the nomenclature of existing items for the purposes of the GSP, I have determined, after taking into account information and advice received under section 503(a), that the TSUS should be modified to adjust the original designation of eligible articles. In addition, pursuant to Title V of the Trade Act, as amended, I have determined that it is appropriate to designate specified articles provided for in the TSUS as eligible for preferential tariff treatment under the GSP when imported from designated beneficiary developing countries, and that such treatment for other articles should be terminated. I have also determined, pursuant to section 504(a) and (c)(1) of the Trade Act, that certain beneficiary countries should no longer receive preferential tariff treatment under the GSP with respect to certain eligible articles. Further, I have determined, pursuant to section 504(c)(5) of the Trade Act, that certain countries should be redesignated as beneficiary developing countries with respect to specified previously designated eligible articles. These countries have been excluded from benefits of the GSP with respect to such eligible articles pursuant to section 504(c)(1) of the Trade Act. Last, I have determined that section 504(c)(1)(B) of the Trade Act should not

apply with respect to certain eligible articles because no like or directly competitive article was produced in the United States on January 3, 1985.

4. In Proclamation 5758 of December 24, 1987 (52 FR 49129), I suspended the preferential treatment afforded under the GSP to articles imported from Chile and removed Chile from the enumeration in TSUS general headnote 3(e)(v)(A) of independent countries whose products are eligible for benefits under the GSP. In order to take such suspension into account, I have determined that the TSUS should be modified to remove references to particular articles imported from Chile which had been ineligible for preferential treatment under the GSP.

5. Section 604 of the Trade Act (19 U.S.C. 2483) confers authority upon the President to embody in the TSUS the substance of the relevant provisions of that Act, of other acts affecting import treatment, and of actions taken thereunder.

NOW, THEREFORE, I, RONALD REAGAN, President of the United States of America, acting under the authority vested in me by the Constitution and laws of the United States, including but not limited to Title V and section 604 of the Trade Act of 1974, do proclaim that:

(1) In order to provide preferential tariff treatment under the GSP to certain designated eligible articles, and to provide that one or more countries should no longer be treated as beneficiary developing countries with respect to certain eligible articles for purposes of the GSP, the TSUS are modified as provided in Annex I to this Proclamation.

(2)(a) In order to provide preferential tariff treatment under the GSP to certain countries which have been excluded from the benefits of the GSP for certain eligible articles imported from such countries, following my determination that a country not previously receiving such benefits should again be treated as a beneficiary developing country with respect to such article, the Rates of Duty Special column for each of the TSUS items enumerated in Annex II(a) to this Proclamation is modified: (I) by deleting from such column for such TSUS items the symbol "A*" in parentheses, and (II) by inserting in such column the symbol "A" in lieu thereof.

(b) In order to provide that one or more countries should no longer be treated as beneficiary developing countries with respect to an eligible article for purposes of the GSP, the Rates of Duty Special column for each of the TSUS items enumerated in Annex II(b) to this Proclamation is modified: (I) by deleting from such column for such TSUS items the symbol "A" in parentheses, and (II) by inserting in such column the symbol "A*" in lieu thereof.

(3) General headnote 3(e)(v)(D) to the TSUS, listing those articles that are eligible for benefits of the GSP except when imported from the beneficiary countries listed opposite the enumerated TSUS items for those articles, is modified as provided in Annex III to this Proclamation.

(4)(a) In order to provide benefits under the GSP to specified designated eligible articles when imported from any designated beneficiary developing country—

(I) the Rates of Duty Special column for TSUS items 112.01, 131.27, 141.15, 141.83, and 755.15 is modified by inserting in the parentheses the symbol "A," immediately before "E" in each such item; and

(II) the Rates of Duty Special column for TSUS items 309.20 and 309.21 is modified by inserting the rate of "Free (A)" for each such item.

(b) In order to terminate preferential tariff treatment under the GSP for articles imported from all designated beneficiary developing countries, the Rates of Duty Special column for TSUS item 610.74 is modified by deleting the symbol "A*," in parentheses.

(5) The eligible articles imported from designated beneficiary developing countries and provided for in TSUS items 534.96 and 737.22 shall not be subject to the limitations of section 504(c)(1)(B) of the Trade Act, as amended.

(6) Effective with respect to articles the product of Israel that are entered, or withdrawn from warehouse for consumption, on or after the dates specified in Annex IV to this Proclamation, the rate of duty set forth in the Rates of Duty Special column followed by the symbol "I" in parentheses for each of the TSUS items enumerated in such Annex shall be deleted and the rate of duty provided in such Annex inserted in lieu thereof.

(7) The modifications made by this Proclamation shall be effective with respect to articles both: (a) imported on or after January 1, 1976, and (b) entered, or withdrawn from warehouse for consumption, on or after July 1, 1988.

IN WITNESS WHEREOF, I have hereunto set my hand this 31st day of March, in the year of our Lord nineteen hundred and eighty-eight, and of the Independence of the United States of America the two hundred and twelfth.

RONALD REAGAN

ANNEX I

Notes:

1. Bracketed matter is included to assist in the understanding of order modifications.
2. The following supersedes matter now in the Tariff Schedules of the United States (TSUS). The items and superior descriptions are set forth in columnar form, and material in such columns is inserted in the columns of the TSUS designated "Items", "Articles", "Rates of Duty 1", "Rates of Duty Special", and "Rates of Duty 2", respectively.

Effective as to articles entered, or withdrawn from warehouse for consumption, on or after July 1, 1988.

1. Item 370.84 is superseded by:

	[Other handkerchiefs,...:]			
	"Of silk:			
370.82	Containing 70 percent or more by weight of silk...	7.5% ad val.	Free (A,E) 3.8% ad val. (I)	60% ad val.
370.86	Other.....	7.5% ad val.	Free (E*) 3.8% ad val. (I)	60% ad val."

2. Item 372.50 is superseded by:

	[Mufflers,...:]			
	[Other articles,...:]			
	[Of silk:]			
	"Knit:			
372.47	Containing 70 percent or more by weight of silk.....	5.8% ad val.	Free (A,E) 2.9% ad val. (I)	60% ad val.

372.49 Other..... 5.8% ad val. Free (E*) 2.9% ad val. (I) 60% ad val."

3. Item 372.55 is superseded by:

[Mufflers,...]

[Other articles,...]

[Of silk:]

[Not knit:]

[Weighing...]

"Valued not over

\$5 per dozen:

372.53 Containing 70 percent or more by weight of silk.... 8% ad val. Free (A,E) 4% ad val. (I) 60% ad val.

372.57 Other..... 8% ad val. Free (E*) 4% ad val. (I) 60% ad val."

4. Item 389.40 is superseded by:

[Articles...]

[Other articles,...]

[Of man-made...]

"Knit (except pile or tufted construction):

389.44 Kitchenware scouring pads 12.5% ad val. Free (A) 6.3% ad val. (I) 72% ad val.

389.48 Other..... 12.5% ad val. 6.3% ad val. (I) 72% ad val."

5. Item 423.00 is superseded by:

[Other inorganic...]

"423.10 Niobium oxide..... 3.7% ad val. Free (A*,E,I) 25% ad val.

423.50 Other..... 3.7% ad val. Free (A,E,I) 25% ad val."

6. Item 534.97 is superseded by:

[Smokers'...]

"Other:

534.96 Kitchenware of glass-ceramics, non-glazed, greater than 75 percent by volume crystalline, containing lithium aluminosilicate, having a linear coefficient of expansion not exceeding 10×10^{-7} per Kelvin within a temperature range of 0° C to 300° C transparent, haze-free, exhibiting transmittances of infrared radiations in excess of 75 percent at a wavelength of 2.5 microns when measured on a sample 3 mm in thickness, and containing beta-quartz solid solution as the predominant crystal phase 6.9% ad val. Free (A,E,I) 40% ad val.

534.99 Other..... 6.9% ad val. Free (A,E,I) 40% ad val."

7. Items 642.20, 642.21, and 642.22 are superseded by:

[Strands,...]

"Fitted with fittings, or made up into articles:

642.19 Ropes, cables or cordage fitted with fittings..... 5.7% ad val. Free (A*,E,I) 45% ad val.

642.23 Other..... 5.7% ad val. Free (A,E,I) 45% ad val."

642.24	If Canadian article and original motor-vehicle equipment (see head-note 2, part 6B, schedule 6).....	Free		
642.26	If certified for use in civil aircraft (see head-note 3, part 6C, schedule 6).....	Free		45% ad val."

Conforming change: Items 642.25 and 642.27 are redesignated as 642.28 and 642.29, respectively.

8. Item 682.41 is superseded by:

[Generators,....]
[Motors:]
"Of 1 horsepower or more, but not over 20 horsepower:

682.37	AC, polyphase.....	3.7% ad val.	Free (A*,E,I)	35% ad val.
682.38	Other.....	3.7% ad val.	Free (A,E,I)	35% ad val."

9. Item 737.24 is superseded by:

[Dolls,....]
[Other:]
[Dolls,....]
"Other:

737.19	Not over 13 inches in height.....	12% ad val.	Free (E,I)	70% ad val.
737.22	Other: Capable of electro-mechanical movement of body parts activated by, and synchronized with, an integral or accompanying cassette tape player or micro-processor	12% ad val.	Free (A,E,I)	70% ad val.
737.25	Other.....	12% ad val.	Free (E,I)	70% ad val."

Conforming change: Items 737.21 and 737.23 are redesignated as 737.17 and 737.18, respectively.

10. Item 745.71 is superseded by:

[Slide,....]
"Fasteners:

745.70	Valued not over 4 cents each.....	15% ad val.	Free (A*,E,I)	66% ad val.
745.72	Valued over 4 cents each..	15% ad val.	Free (E,I)	66% ad val."

ANNEX II

Modification in the TSUS of an Article's Preferential Tariff Treatment Designation under the GSP

(a) For the following TSUS items in the Rates of Duty Special column delete the symbol "A*" and insert an "A" in lieu thereof:

534.81	688.30	756.15
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(b) For the following TSUS items in the Rates of Duty Special column delete the symbol "A" and insert an "A*" in lieu thereof:

141.98	652.72	660.97	727.47
240.21	653.52	680.62	734.10
416.45	653.99	682.55	735.11
603.50	654.65	685.28	745.32
646.72	656.15	688.34	750.22
652.24	660.35	705.83	

ANNEX III

Modifications to General Headnote 3(e)(v)(D) of the TSUS

General Headnote 3(e)(v)(D) is modified—

(a) by deleting the following TSUS items numbers and the countries set opposite these numbers:

534.81	Taiwan	610.74	Republic of Korea Taiwan	688.30	Republic of Korea Hong Kong
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(b) by adding in numerical sequence, the following TSUS item numbers and countries set opposite them:

141.98	Mexico	653.99	Taiwan	685.28	Republic of Korea
240.21	Indonesia	654.65	Taiwan		Taiwan
416.45	Taiwan	656.15	Mexico		
423.10	Brazil	660.35	Israel	688.34	Hong Kong
603.50	Mexico	660.97	Singapore	705.83	Taiwan
642.19	Republic of Korea	680.62	Singapore	727.47	Taiwan
646.72	Taiwan	682.37	Taiwan	734.10	Taiwan
652.24	Taiwan			735.11	Taiwan
652.72	Republic of Korea	682.55	Singapore	745.32	Taiwan
653.52	Taiwan		Hong Kong	750.22	Taiwan

(c) by deleting the following countries opposite the following TSUS items:

155.20	Dominican Republic	612.06	Chile	737.98	Mexico
612.03	Chile	685.18	Taiwan		
		737.96	Mexico		

(d) by adding, in alphabetical order, the following countries opposite the following TSUS items:

408.72	Republic of Korea	678.50	Singapore	740.15	Thailand
648.80	Taiwan	734.77	Taiwan	774.58	Republic of Korea
676.15	Mexico	735.09	Republic of Korea	791.28	Argentina

ANNEX IV

Effective with respect to articles the product of Israel which are entered, or withdrawn from warehouse for consumption, on or after the dates set forth in the following tabulation.

For each of the following items created by Annex I of this Proclamation the rate of duty in the Rates of Duty Special column that is followed by the symbol "I" in parentheses is deleted and the following rate of duty is inserted on the date specified in lieu thereof followed by the symbol "I" in parentheses.

TSUS ITEM	January 1, 1989	January 1, 1990	January 1, 1992	January 1, 1995
370.82	3%	2.3%	0.8%	Free
370.86	3%	2.3%	0.8%	Free
372.47	2.3%	1.7%	0.6%	Free
372.49	2.3%	1.7%	0.6%	Free
372.53	3.2%	2.4%	0.8%	Free
372.57	3.2%	2.4%	0.8%	Free
389.44	5%	3.8%	1.3%	Free
389.48	5%	3.8%	1.3%	Free