

UNITED STATES INTERNATIONAL TRADE COMMISSION  
Washington, DC

Investigation No. 332-436

*Apparel Inputs in “Short Supply” (2002): Effect of Providing Preferential Treatment to Apparel from Sub-Saharan African and Caribbean Basin Countries*

AGENCY: United States International Trade Commission

ACTION: Institution of investigation.

EFFECTIVE DATE: January 17, 2002

SUMMARY: Following receipt of a request from the United States Trade Representative (USTR) on January 14, 2002, the Commission instituted investigation No. 332-436, *Apparel Inputs in “Short Supply” (2002): Effect of Providing Preferential Treatment to Apparel from Sub-Saharan African and Caribbean Basin Countries*, under section 332(g) of the Tariff Act of 1930 (19 U.S.C. 1332(g)) to provide advice in connection with requests filed in 2002 with respect to the “short supply” provisions of the African Growth and Opportunity Act (AGOA) and the United States-Caribbean Basin Trade Partnership Act (CBTPA). The Commission conducted a similar investigation in 2001 to provide advice with respect to requests filed that year. During 2001, the Commission conducted 10 “short supply” reviews under investigation No. 332-428, *Apparel Inputs in “Short Supply” (2001): Effect of Providing Preferential Treatment to Apparel from Sub-Saharan African and Caribbean Basin Countries*.

FOR FURTHER INFORMATION CONTACT: For general information, contact Jackie W. Jones (202-205-3466; [jones@usitc.gov](mailto:jones@usitc.gov)) of the Office of Industries; for information on legal aspects, contact William Gearhart (202-205-3091; [wgearhart@usitc.gov](mailto:wgearhart@usitc.gov)) of the Office of the General Counsel. The media should contact Margaret O’Laughlin, Public Affairs Officer (202-205-1819). Hearing impaired individuals may obtain information on this matter by contacting the Commission’s TDD terminal on 202-205-1810. Persons with mobility impairments who will need special assistance in gaining access to the Commission should contact the Office of the Secretary at 202-205-2000. General information about the Commission may be obtained by accessing its Internet server (<http://www.usitc.gov>). The public record for this investigation may be viewed on the Commission’s electronic docket (EDIS On-Line) <http://dockets.usitc.gov/eol/public/>.

BACKGROUND: Section 112(b)(5) of the AGOA and section 213(b)(2)(A)(v) of the Caribbean Basin Economic Recovery Act, as added by section 211(a) of the CBTPA, allow preferential treatment for apparel made in beneficiary countries from certain fabrics or yarns to the extent that apparel of such fabrics or yarns would be eligible for preferential treatment, without regard to the source of the fabrics or yarns, under Annex 401 of the North American Free Trade Agreement. These sections also authorize the President, on request of an interested party, to proclaim preferential treatment for apparel made in beneficiary countries from additional fabrics or yarns, if the President determines that such fabrics or yarns cannot be supplied by the domestic industry in commercial quantities in a timely manner and the President complies with certain procedural requirements, one of which is to obtain the advice of the Commission. The President is required to submit a report to the House Ways and Means and Senate

Finance Committees that sets forth the action proposed to be proclaimed, the reasons for such action, and the advice obtained from the Commission and the appropriate advisory committee, within 60 days after a request is received from an interested party.

In Executive Order No. 13191, the President delegated to the Committee for the Implementation of Textile Agreements (CITA) the authority to determine whether particular fabrics or yarns cannot be supplied by the domestic industry in commercial quantities in a timely manner. He authorized CITA and the USTR to submit the required report to the Congress, and delegated to USTR the authority to obtain advice from the Commission.

As requested by the USTR, the Commission will provide advice regarding the probable economic effect of providing preferential treatment for apparel made in AGOA and/or CBTPA beneficiary countries from fabrics or yarns, regardless of the source of the fabrics or yarns, which allegedly cannot be supplied by the domestic industry in commercial quantities in a timely manner (i.e., which allegedly are in "short supply"). The advice will be provided as to the probable economic effect of such action on affected segments of the U.S. textile and apparel industries, workers in these industries, and consumers of affected goods.

The Commission will follow the same procedures as it did in conducting "short supply" reviews in 2001 under Investigation No. 332-428. Thus, during 2002, the Commission will provide advice for each "short supply" review under a single investigation number. The Commission will not publish notices in the *Federal Register* of receipt of individual requests for advice. Instead, the Commission will issue a news release each time it initiates an analysis, and the news release will identify the article(s) under consideration, indicate the deadline for submission of public comments on the proposed preferential treatment, and provide the name, telephone number, and Internet e-mail address of staff who will be able to provide additional information on the request. CITA publishes a summary of each request from interested parties in the *Federal Register*. To view these notices, see the Internet site of the U.S. Department of Commerce, Office of Textiles and Apparel (OTEXA), at <http://otexa.ita.doc.gov/fr.stm>. The Commission has developed a special area on its Internet site (<http://www.usitc.gov/shortsup/shortsupintro.htm>) to provide the public with information on the status of each request for which the Commission initiated analysis. The Commission has also developed a group list of facsimile addresses of interested parties or individuals who wish to be automatically notified via facsimile about any requests for which the Commission initiated analysis. Interested parties may be added to this list by notifying Jackie W. Jones (202-205-3466; [jones@usitc.gov](mailto:jones@usitc.gov)).

The Commission will submit its reports to the USTR not later than the 42d day after receiving a request for advice. The Commission will issue a public version of each report as soon thereafter as possible, with any confidential business information deleted.

**WRITTEN SUBMISSIONS:** Because of time constraints, the Commission will not hold public hearings in connection with the advice provided under this investigation number. However, interested parties will be invited to submit written statements (original and 3 copies) concerning the matters to be addressed by the Commission in this investigation. The Commission is particularly interested in receiving input from the private sector on the likely effect of any proposed preferential treatment on affected segments of the U.S.

textile and apparel industries, their workers, and consumers. Commercial or financial information that a person desires the Commission to treat as confidential must be submitted in accordance with section 201.6 of the Commission's Rules of Practice and Procedure (19 C.F.R. 201.6). The Commission's Rules do not authorize filing of submissions with the Secretary by facsimile or electronic means. All written submissions, except for confidential business information, will be made available in the Office of the Secretary to the Commission for inspection by interested parties. The Commission may include confidential business information submitted in the course of this investigation in the reports to the USTR. In the public version of these reports, however, the Commission will not publish confidential business information in a manner that could reveal the individual operations of the firms supplying the information. All submissions should be addressed to the Secretary, U.S. International Trade Commission, 500 E Street SW, Washington, DC 20436.

LIST OF SUBJECTS: Caribbean, African, tariffs, imports, yarn, fabric, and apparel.

By order of the Commission.

Marilyn R. Abbott  
Acting Secretary

Issued: January 18, 2002