

UNITED STATES INTERNATIONAL TRADE COMMISSION

Washington, DC

(Investigation No. 332-448)

Textiles and Apparel: Assessment of the Competitiveness of Certain
Foreign Suppliers to the U.S. Market

AGENCY: United States International Trade Commission

ACTION: Institution of investigation, scheduling of public hearing, and request for public comments.

EFFECTIVE DATE: October 10, 2002

SUMMARY: Following receipt of a request from the United States Trade Representative (USTR) on September 16, 2002, the Commission instituted investigation No. 332-448, Textiles and Apparel: Assessment of the Competitiveness of Certain Foreign Suppliers to the U.S. Market, under section 332(g) of the Tariff Act of 1930 (19 U.S.C. 1332(g)) for the purpose of assessing the textile and apparel industries of certain foreign suppliers with respect to their competitiveness and other factors pertinent to their adjustment to the final completion of the phaseout of quotas required by the Uruguay Round Agreement on Textiles and Clothing (ATC) on January 1, 2005.

FOR FURTHER INFORMATION CONTACT: For general information, contact Robert W. Wallace (202-205-3458; wallace@usitc.gov) or Kimberlie Freund (202-708-5402; kfreund@usitc.gov) of the Office of Industries. For information on legal aspects, contact William Gearhart of the Office of the General Counsel (202-205-3091; wgearhart@usitc.gov). 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 access to the Commission should contact the Office of the Secretary at 202-205-2000. General information about the Commission can be found on its Internet server at <http://www.usitc.gov>. The public record for this investigation may be viewed on the Commission's electronic docket (EDIS-ON-LINE) at <http://dockets.usitc.gov/eol/public/>.

BACKGROUND: As requested by the USTR, the Commission will assess the textile and apparel industries of certain countries that are currently suppliers to the U.S. market with respect to their competitiveness and other factors pertinent to their adjustment to ATC completion. These countries include: (a) significant ATC suppliers to the U.S. market, (b) Mexico, and (c) other supplying countries with preferential access to the U.S. market. In the letter, the USTR requested that, to the extent practicable, the Commission's analysis should discuss factors such as textile and apparel consumption, production, employment, and prices in major textile and apparel exporting countries, as well as their textile and apparel trade, particularly with industrial country markets. The USTR requested that the Commission provide the information in a confidential report by June 30, 2003.

In consultation with USTR staff, countries identified as significant ATC suppliers to the U.S. market for purposes of this investigation are Bangladesh, China, Egypt, Hong Kong, India, Indonesia, Korea, Malaysia, Macao, Pakistan, the Philippines, Sri Lanka, Taiwan, Thailand, and Turkey. Countries identified as "other supplying countries with preferential access to the U.S. market" are Israel, Jordan, and certain designated beneficiary countries under the African Growth and Opportunity Act, the Andean Trade

Promotion and Drug Eradication Act, and the United States-Caribbean Basin Trade Partnership Act. In the request letter, the USTR referred to the ATC, which entered into force with the WTO agreements in 1995 and created special interim rules to govern trade in textiles and apparel among World Trade Organization Members for 10 years. The ATC called for the gradual and complete elimination of import quotas on textiles and apparel established by the United States and other importing countries under the Multifiber Arrangement and predecessor arrangements by January 1, 2005. Also in the request letter, USTR stated that, in anticipation of the final completion of the quota phaseout required by the ATC, "it may be that significant changes will occur in the global pattern of production, trade and consumption of these products. It would be most helpful for the Administration to be able to anticipate the nature of these changes as much as possible."

PUBLIC HEARING: A public hearing in connection with the investigation will be held at the U.S. International Trade Commission Building, 500 E Street SW, Washington, DC, beginning at 9:30 a.m. on January 22, 2003. All persons shall have the right to appear, by counsel or in person, to present information and to be heard. Requests to appear at the public hearing should be filed with the Secretary, United States International Trade Commission, 500 E Street SW, Washington, DC 20436, no later than 5:15 p.m., January 6, 2003. Any prehearing briefs (original and 14 copies) should be filed no later than 5:15 p.m., January 8, 2003; the deadline for filing post-hearing briefs or statements is 5:15 p.m., February 4, 2003. In the event that, as of the close of business on January 6, 2003, no witnesses are scheduled to appear at the hearing, the hearing will be canceled. Any person interested in attending the hearing as an observer or non-participant may call the Secretary to the Commission (202- 205-1806) after January 6, 2003, for information concerning whether the hearing will be held.

WRITTEN SUBMISSIONS: In lieu of or in addition to participating in the hearing, interested parties are invited to submit written statements (original and 14 copies) concerning the matters to be addressed by the Commission in its report on this investigation. Commercial or financial information that a submitter desires the Commission to treat as confidential must be submitted on separate sheets of paper, each clearly marked "Confidential Business Information" at the top. All submissions requesting confidential treatment must conform with the requirements of section 201.6 of the Commission's Rules of Practice and Procedure (19 C.F.R. 201.6). 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 such confidential business information in the report it sends to the USTR. To be assured of consideration by the Commission, written statements relating to the Commission's report should be submitted to the Commission at the earliest practical date and should be received no later than the close of business on February 4, 2003. All submissions should be addressed to the Secretary, United States International Trade Commission, 500 E Street SW, Washington, DC 20436. The Commission's rules do not authorize filing submissions with the Secretary by facsimile or electronic means.

LIST OF SUBJECTS: Textiles, apparel, quotas, and imports

By order of the Commission.

Marilyn R. Abbott
Secretary to the Commission

Issued: October 10, 2002

