



TO MODIFY DUTY-FREE TREATMENT UNDER
THE GENERALIZED SYSTEM OF PREFERENCES AND FOR OTHER PURPOSES
8770
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BY THE PRESIDENT OF THE UNITED STATES OF AMERICA

A PROCLAMATION

1. Pursuant to section 503(b)(1)(G) of the Trade Act of 1974, as amended (the "1974 Act") (19 U.S.C. 2463(b)(1)(G)), articles that the President determines to be import-sensitive in the context of the Generalized System of Preferences (GSP) are not eligible to receive benefits under the GSP.

2. Pursuant to section 503(b)(1)(G) of the 1974 Act, and after receiving advice from the United States International Trade Commission (the "Commission"), I have determined that certain articles are import-sensitive in the context of the GSP.

3. On April 22, 1985, the United States and Israel entered into the Agreement on the Establishment of a Free Trade Area between the Government of the United States of America and the Government of Israel (USIFTA), which the Congress approved in the United States-Israel Free Trade Area Implementation Act of 1985 (the "USIFTA Act") (19 U.S.C. 2112 note).

4. Section 4(b) of the USIFTA Act provides that, whenever the President determines that it is necessary to maintain the general level of reciprocal and mutually advantageous concessions with respect to Israel provided for by the USIFTA,

the President may proclaim such withdrawal, suspension, modification, or continuance of any duty, or such continuance of existing duty-free or excise treatment, or such additional duties as the President determines to be required or appropriate to carry out the USIFTA.

5. In order to maintain the general level of reciprocal and mutually advantageous concessions with respect to agricultural trade with Israel, on July 27, 2004, the United States entered into an agreement with Israel concerning certain aspects of trade in agricultural products during the period January 1, 2004, through December 31, 2008 (the "2004 Agreement").

6. In Proclamation 7826 of October 4, 2004, consistent with the 2004 Agreement, the President determined, pursuant to section 4(b) of the USIFTA Act, that it was necessary in order to maintain the general level of reciprocal and mutually advantageous concessions with respect to Israel provided for by the USIFTA, to provide duty-free access into the United States through December 31, 2008, for specified quantities of certain agricultural products of Israel.

7. In 2008, 2009, and 2010, the United States and Israel entered into agreements to extend the period that the 2004 Agreement was in force for 1-year periods to allow additional time for the two governments to conclude an agreement to replace the 2004 Agreement.

8. To carry out the extension agreements, the President in Proclamation 8334 of December 31, 2008; Proclamation 8467 of December 23, 2009; and Proclamation 8618 of December 21, 2010, modified the Harmonized Tariff Schedule (HTS) of the United States to provide duty-free access into the United States for specified quantities of certain agricultural products of Israel, each time for an additional 1-year period.

9. On December 6, 2011, the United States entered into an agreement with Israel to extend the period that the 2004 Agreement is in force through December 31, 2012, to allow for further negotiations on an agreement to replace the 2004 Agreement.

10. Pursuant to section 4(b) of the USIFTA Act, I have determined that it is necessary, in order to maintain the general level of reciprocal and mutually advantageous concessions with respect to Israel provided for by the USIFTA, to provide duty-free access into the United States through the close of December 31, 2012, for specified quantities of certain agricultural products of Israel.

11. In Proclamation 8742 of October 31, 2011, I modified the HTS to promote the uniform application of the International Convention on the Harmonized Commodity Description and Coding System and to alleviate unnecessary administrative burdens. Those modifications became effective on December 3, 2011.

Certain conforming changes to the HTS were inadvertently omitted from Annex I to that proclamation. I have determined that certain technical corrections to the HTS are necessary to provide the tariff treatment intended to certain products that were subject to the modifications made in Proclamation 8742.

12. Section 604 of the 1974 Act (19 U.S.C. 2483) 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, 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 title V and section 604 of the 1974 Act, and section 4 of the USIFTA Act, do proclaim that:

(1) In order to provide that one or more articles should no longer be treated as eligible articles for purposes of the GSP, the Rates of Duty¹-Special subcolumn for the corresponding HTS subheading is modified as set forth in Annex I to this proclamation.

(2) The modification 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 January 1, 2012.

(3) In order to implement U.S. tariff commitments under the 2004 Agreement through December 31, 2012, the HTS is modified as provided in Annex II to this proclamation.

(4)(a) The modifications to the HTS set forth in Annex II to this proclamation shall be effective with respect to eligible agricultural products of Israel that are entered, or withdrawn from warehouse for consumption, on or after January 1, 2012.

(b) The provisions of subchapter VIII of chapter 99 of the HTS, as modified by Annex II to this proclamation, shall continue in effect through December 31, 2012.

(5) In order to make the technical corrections necessary to provide the tariff treatment intended to certain footwear products, the HTS is modified as set forth in Annex III to this proclamation.

(6) The modifications to the HTS set forth in Annex III to this proclamation shall be effective with respect to goods that are entered, or withdrawn from warehouse for consumption, on or after December 3, 2011.

(7) 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 twenty-ninth day of December, in the year of our Lord two thousand eleven, and of the Independence of the United States of America the two hundred and thirty-sixth.

ANNEX I

MODIFICATIONS TO THE HARMONIZED TARIFF SCHEDULE OF THE UNITED STATES

Effective with respect to goods entered, or withdrawn from warehouse for consumption, on or after January 1, 2012, the Harmonized Tariff Schedule of the United States (HTS) is modified as provided in this section. For the following subheadings, the Rates of Duty 1-Special subcolumn is modified by deleting the symbol "A":

9404.30.80

ANNEX II

TO EXTEND TEMPORARILY CERTAIN PROVISIONS OF THE HARMONIZED TARIFF SCHEDULE OF THE UNITED STATES

Effective with respect to eligible agricultural products of Israel which are entered, or withdrawn from warehouse for consumption, on or after January 1, 2012 and before the close of December 31, 2012, subchapter VIII of chapter 99 of the Harmonized Tariff Schedule of the United States is hereby modified as follows:

1. U.S. note 1 to such subchapter is modified by deleting “December 31, 2011” and by inserting in lieu thereof “December 31, 2012”.
2. U.S. note 3 to such subchapter is modified by adding at the end of the tabulation the following material, in the two columns specified in such note: “Calendar year 2012 466,000”.
3. U.S. note 4 to such subchapter is modified by adding at the end of the tabulation the following material, in the two columns specified in such note: “Calendar year 2012 1,304,000”.
4. U.S. note 5 to such subchapter is modified by adding at the end of the tabulation the following material, in the two columns specified in such note: “Calendar year 2012 1,534,000”.
5. U.S. note 6 to such subchapter is modified by adding at the end of the tabulation the following material, in the two columns specified in such note: “Calendar year 2012 131,000”.
6. U.S. note 7 to such subchapter is modified by adding at the end of the tabulation the following material, in the two columns specified in such note: “Calendar year 2012 707,000”.

ANNEX III
TO MAKE TECHNICAL AND CONFORMING CHANGES
IN SUBCHAPTER II OF CHAPTER 99 OF THE
HARMONIZED TARIFF SCHEDULE OF THE UNITED STATES

Effective with respect to goods entered, or withdrawn from warehouse for consumption, on or after December 3, 2011, headings 9902.13.91 and 9902.13.92 are each modified by deleting the word “subheading” from the article description of such headings and by inserting in lieu thereof the following expression:

“subheadings 6404.11.41, 6404.11.51, 6404.11.61, 6404.11.71, 6404.11.81,
6404.19.36, 6404.19.42, 6404.19.52, 6404.19.72, 6404.19.82 and”.

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