



COMMITTEE FOR THE IMPLEMENTATION OF TEXTILE AGREEMENTS

Request for Public Comment on a Commercial Availability Request under the U.S. - Korea Free Trade Agreement

AGENCY: Committee for the Implementation of Textile Agreements (CITA).

ACTION: Request for public comments concerning a request for modification of the U.S.-Korea Free Trade Agreement (KORUS) rules of origin for certain textile and apparel products.

SUMMARY: The Government of the United States received a request from the Government of Korea, submitted on September 24, 2018, to initiate consultations under the KORUS. The Government of Korea is requesting that the United States and Korea (“the Parties”) consider revising the rules of origin for certain yarns, woven fabrics, and knit apparel to address availability of supply of fibers and yarns in the territories of the Parties.

The President of the United States may proclaim a modification to the KORUS rules of origin for textile and apparel products after the United States reaches an agreement with the Government of Korea on a modification under the KORUS to address issues of availability of supply of fibers, yarns, or fabrics in the territories of the Parties. CITA hereby solicits public comments on this request, in particular with regard to whether certain fibers, yarns, and knit fabrics can be supplied by the U.S. domestic industry in commercial quantities in a timely manner.

DATES: Comments must be submitted by **[INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]** to the Chairman, Committee for the Implementation of Textile Agreements, Room 30003, United States Department of Commerce, Washington, DC 20230.

FOR FURTHER INFORMATION CONTACT: Maria D’Andrea-Yothers, Office of Textiles

and Apparel, U.S. Department of Commerce, (202) 482-1550.

SUPPLEMENTARY INFORMATION:

Authority: Section 202(o)(3)(C) of the United States – Korea Free Trade Agreement Implementation Act (19 U.S.C. 3805 note) (KORUS Implementation Act); Executive Order 11651 of March 3, 1972, as amended.

Background: Article 4.2.3 of the KORUS provides that, on the request of either Party, the Parties shall consult to consider whether the rules of origin applicable to a particular textile or apparel good should be revised to address issues of availability of supply of fibers, yarns, or fabrics in the territories of the Parties. In the consultations, pursuant to Article 4.2.4 of the KORUS, each Party shall consider all data presented by the other Party that demonstrate substantial production in its territory of a particular fiber, yarn, or fabric. The Parties shall consider that there is substantial production if a Party demonstrates that its domestic producers are capable of supplying commercial quantities of the fiber, yarn, or fabric in a timely manner. The KORUS Implementation Act provides the President with the authority to proclaim as part of the Harmonized Tariff Schedule of the United States, modifications to the KORUS rules of origin set out in Annex 4-A of the KORUS as are necessary to implement an agreement with Korea under Article 4.2.5 of the KORUS, subject to the consultation and layover requirements of Section 104 of the KORUS Implementation Act. *See* Section 202(o)(3)(C)(iii) of the KORUS Implementation Act.

Executive Order 11651 established CITA to supervise the implementation of textile trade agreements and authorizes the Chairman of CITA to take actions or recommend that appropriate officials or agencies of the United States take actions necessary to implement textile trade agreements. 37 FR 4699 (March 4, 1972), reprinted as amended in 7 U.S.C. Sec. 1854 note.

The Government of the United States received a request from the Government of Korea, submitted on September 24, 2018, requesting that the United States consider whether the KORUS rule of origin for certain yarns, woven fabrics, and knit apparel should be modified to allow the use of certain fibers and yarns that are not originating under the KORUS. The fibers and yarns subject to this request, and their specific end-uses, are described below.

Item Number	Input Product Description	Input Product Classification, Harmonized Tariff Schedule of the U.S. (HTSUS)	End-Use Product Description	End-Use Product Classification (HTSUS)
1	Certain viscose rayon staple fibers	5504.10 or 5507.00	Cotton yarn (other than sewing thread), containing less than 85% by weight of cotton, not put up for retail sale	5206
2	Certain textured and non-textured cuprammonium rayon filament yarns	5403.39	Woven fabrics of artificial filament yarn, including woven fabrics obtained from materials of HTSUS heading 5405	5408
3	Certain cashmere yarn	5108	Sweaters, pullovers, sweatshirts, waistcoats (vests) and similar	6110

articles, knitted or crocheted	
Other made-up clothing accessories, knitted or crocheted	6117
Knitted or crocheted parts of garments or of clothing accessories	6117

CITA is soliciting public comments regarding this request, particularly with respect to whether the fibers and yarns described above can be supplied by the U.S. domestic industry in

commercial quantities in a timely manner. Comments must be received no later than **[INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

Interested persons are invited to submit such comments or information electronically to OTEXA_Korea_FTA@trade.gov, and/or in hard copy to: Chairman, Committee for the Implementation of Textile Agreements, Room 30003, U.S. Department of Commerce, 14th and Constitution Avenue, N.W., Washington, DC 20230.

If comments include business confidential information, commenters must submit a business confidential version in hard copy to the Chairman of CITA, and also provide a public version, either in hard copy or electronically. CITA will protect any information that is marked business confidential from disclosure to the full extent permitted by law. All public versions of the comments will be posted on OTEXA's Web site for Commercial Availability proceedings under KORUS: https://otexa.trade.gov/ca/ca_Korea.htm

Terry Labat,
Acting Chairman,
Committee for the Implementation of Textile Agreements.

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