

March 12, 2007

## MEMORANDUM TO OFFICE OF THE U. S. TRADE REPRESENTATIVE

To: Ms. Gloria Blue  
Executive Secretary  
Trade Policy Staff Committee  
Office of the U. S. Trade Representative  
Washington, DC

cc: Ms. Tiffany M. Moore  
Assistant U. S. Trade Representative for  
Intergovernmental Affairs and Public Liaison

Ms. Ingrid V. Mitchem  
Director  
Industry Trade Advisory Center

From: George M. Keller  
Chairman, ITAC-11  
Small and Minority Business

Subject: Response to Federal Register Notice: Request for Comments from Public  
on the 2005 WTO Ministerial Division on Duty-Free Quota-Free Market  
Access for the Least Developed Countries

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Response Due by March 15, 2007

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We have reviewed the subject document and our committee's comments are as follows:

ITAC-11 generally supports the expansion of trade proposed by the WTO for the Least Developed Countries under the proposed concept of Duty-Free Quota-Free Market Access. We do, however, believe that the concept of Duty-Free Quota Market Access should be implemented under a phased-in transition period. We believe that Quota-Free Market Access should be granted immediately to the Least Developed Countries in order to facilitate immediate expansion of trade between these countries and the U. S. We further believe that duty free access should be phased in over a transition period that would be over the same transition period for reduction of duties on U. S. products exported to the Least Developed Countries. If there is no scheduled reduction by the Least Developed Countries, then the duty on products from the Least Developed Countries to the U. S. would be retained until such duty elimination is mutually reciprocated between the parties.

It is ITAC-11's position that increased international trade between the U. S. and the Least Developed Countries can be facilitated by Quota-Free Access to the U. S. while protecting U. S. small and minority business through a phased in reduction of duties. ITAC-11 believes this fair and balanced approach to trade will benefit small and minority business in both the exporting and importing countries.

Respectfully submitted this 12<sup>th</sup> day of March, 2007.

**From:** unity equity [unity.equity@gmail.com]  
**Sent:** Friday, March 16, 2007 12:21 AM  
**To:** FN-USTR-FR0704  
**Subject:** "Duty-Free, Quota-Free"  
15 March 2007

**Ms. Gloria Blue**  
Executive Secretary  
Trade Policy Staff Committee  
Office of the United States Trade Representative (USTR)

Subject: Comments on the 2005 WTO Ministerial Decision on Duty-Free  
Quota-Free Market Access for the Least-Developed Countries (LDCs)

**Dear Ms. Gloria,**

Warmest greetings from Bangladesh. As you know, during the Sixth WTO Ministerial Conference in Hong Kong, as stated in Annex F of the Ministerial Declaration, Member countries agreed that developed-country Members shall, and developing-country Members declaring themselves in a position to do so should 'Provide duty-free and quota-free market access on a lasting basis, for all products originating from all LDCs by 2008 or no later than the start of the implementation period in a manner that ensures stability, security and predictability'. However, the text of the following paragraph of the declaration loosens the above clause by stating that 'Members facing difficulties at this time to provide market access as set out above shall provide duty-free and quota-free market access for at least 97 per cent of products originating from LDCs, defined at the tariff line level, by 2008 or no later than the start of the implementation period'. On behalf of the people of Bangladesh, we welcome the Office of the United States Trade Representative (USTR) for giving us the opportunity to provide our comments on the above declarations.

We strongly believe that as per the initial commitment, all developed-country Members and advanced developing-country Members shall immediately provide duty-free and quota-free market access for all products originating from all LDCs. There should not be any provision of offering duty-free and quota-free market access for at least 97 per cent of products originating from LDCs. As you know, LDCs have very few items in their basket while exporting those to other countries. Since 1971, number of LDCs has been increasing due to many countries' failure to build their capacity of export diversification and industrialization. These marginalized LDCs would be further marginalized if some of their export items were excluded in getting duty-free and quota-free market access because of the provision of duty-free and quota-free market access for at least 97 per cent of their products.

From the context of Bangladesh, you may be aware that more than 75 per cent export earning of the country is contributed by a single

sector, readymade garments (RMG) sector. More than 2 million workers of this sector are women, whose livelihoods along with their family members are directly related with export performance of the sector. Therefore, in case of the exclusion of RMG products from duty-free and quota-free market access due to the clause of 97 per cent coverage of the products in the Ministerial declaration, the interests of Bangladesh as an LDC would be severely affected and the livelihoods of millions of people related with the sector would be at stake.

Considering the above facts, we urge to the Office of the USTR for taking necessary steps so that 100 per cent of products originating from all LDCs get duty-free and quota-free market access to all developed and advanced developing countries' markets. We also call for the immediate inclusion of such clause in the domestic law of the United States along with other developed and advanced developing countries. Considering the harsh realities LDCs are experiencing, United States along with other developed and all developing countries should support for the inclusion of a clause mentioning the provision of providing duty-free and quota-free market access for all products originating from LDCs in the text of Non-Agricultural Market Access (NAMA) during the multilateral trade negotiation.

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Sincerely yours,  
Mohammad Shahid Ullah  
Dhaka, Bangladesh

# AMTAC

American Manufacturing Trade Action Coalition

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Washington, DC 20006

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amtac@amtacdc.org

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April 13, 2007

Ms. Gloria Blue  
Executive Secretary  
Trade Policy Staff Committee  
Office of the U.S. Trade Representative  
1724 F Street, NW  
Washington, D.C. 20508

**Via Electronic Mail: FR0704@ustr.eop.gov**

**RE: DUTY-FREE/QUOTA-FREE MARKET ACCESS FOR LEAST-DEVELOPED COUNTRIES**

Dear Ms. Blue:

Thank you for the opportunity to comment on implementation of the WTO commitment on duty-free, quota-free (DFQF) market access in the United States for least-developed countries (LDCs). The following comments are provided on behalf of the members of the American Manufacturing Trade Action Coalition (AMTAC).

AMTAC is a trade association founded by domestic manufacturers who are committed to maintaining manufacturing in the United States. AMTAC represents a wide range of industrial sectors including chemicals, furniture, tool and die, mold making, metal products, packaging products including corrugated containers, lumber and luggage producers. Additionally, the single largest component of AMTAC's membership consists of producers from the textile and apparel sectors.

**Overall:**

We are highly concerned about implementation of the DFQF commitment and the details of the final program as this concession has significant potential to harm U.S. manufacturing interests, especially in the textile and apparel industry. We note that the U.S. trade deficit with the 32 WTO-member LDCs totaled nearly \$17 billion in 2006. This figure is larger than our trade deficits with major exporters including Taiwan, Russia, Thailand, Korea, and India. Furthermore, we ran a \$6 billion deficit in textiles and apparel, the largest contributing sector to the imbalance behind imports of oil.

While some LDCs, such those included in African Growth and Opportunity Act (AGOA), already have quota and duty free treatment in the U.S. for sensitive products such as textiles and apparel, most do not. This is will likely mean major changes to current trade flows. In fact, the DFQF program for LDCs holds the strong potential to substantially undercut existing preference programs such as AGOA, DR-CAFTA and NAFTA. The U.S. has traditionally granted

preferences on a regional basis to further larger geopolitical objectives. This generic DFQF program will now supersede that longstanding facet of U.S. international trade policy by basing these DFQF preferences purely on economic development.

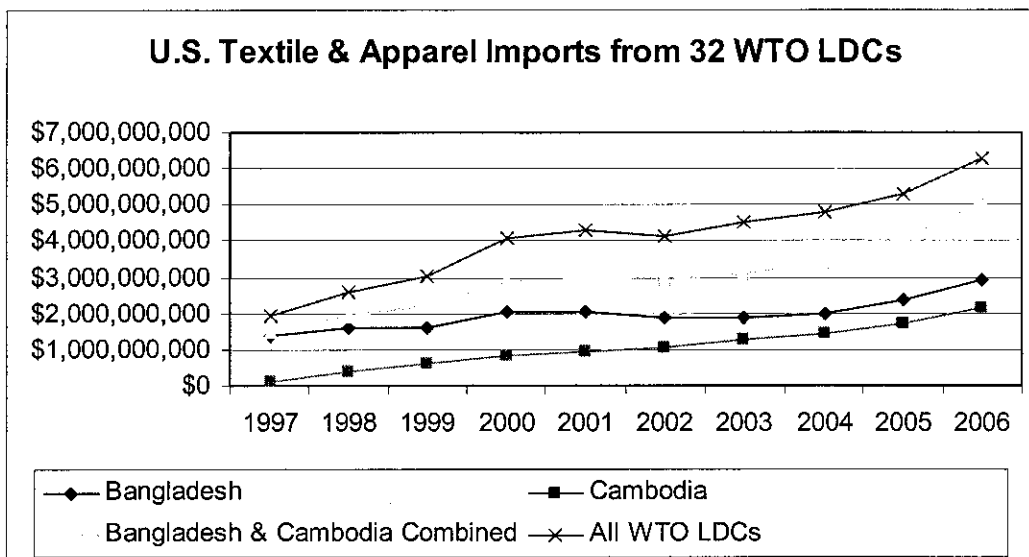
Furthermore, Customs enforcement will be an enormous and potentially insurmountable challenge, with the DFQF program creating numerous new transshipment points. By definition, LDCs have limited internal resources and capabilities to police illegal transshipments. There are also considerable safety concerns as many countries will be difficult for customs personnel to visit in order to verify data. The U.S. State Department currently has travel warnings in place for seven of the 32 WTO LDCs and two additional LDCs in the process of WTO accession. Countries like China will undoubtedly take advantage of the unstable environment in many of these countries to bypass current quotas and duties on sensitive products like textiles and apparel.

**Textiles and Apparel:**

Overall, due to the grand scale of this commitment, DFQF treatment for LDCs will certainly be disruptive for the U.S. textile and apparel market, with the degree of impact relating to the exact terms of the program. U.S. preferences generally have a yarn forward rule-of-origin for textiles and apparel, which requires the use of U.S. yarns and fabrics or component parts from the free trade country itself. The rule of origin for the DFQF program has yet to be determined, creating considerable anxiety for U.S. textile and apparel producers.

Adding to these general concerns is the fact that major textile producers such as Bangladesh and Cambodia fall under the LDC grouping. Without the help of any sort of preference program (GSP excludes most textile and apparel products), Bangladesh had a 6 percent share of the U.S. apparel market by volume in 2006 as the third largest supplier behind apparel giants China and Mexico. In value terms, U.S. total textile and apparel imports from Bangladesh were \$2.9 billion in 2006.

Cambodia is only slightly smaller in value terms, with exports to the U.S. totaling over \$2.1 billion in 2006. Together, these two countries represent the vast majority of U.S. imports from LDCs. In fact, nearly 81% percent of textile and apparel imports from LDCs came from these two countries in 2006. As you can see, Bangladesh and Cambodia are making large inroads to the U.S. market unaided and will likely be the primary beneficiaries under the DFQF program.



Unless a NAFTA-type yarn forward rule of origin is included in the DFQF program, U.S. imports from LDCs will undercut existing preference and free trade partners which must use U.S. components, or in some cases their own, to receive duty free access. Under liberal rules of origin, non-LDC countries like China will be major winners as they will be able to provide component parts for assembly to countries that will be granted duty free access under this new program. It is also important to note that “developing countries” are not obligated to provide DFQF access for LDCs. Therefore major emerging economies such as China and India can exempt themselves from the commitment to open their markets to LDCs.

**Exemption for Sensitive Products:**

In addition to the inclusion of a yarn forward rule of origin, AMTAC strongly recommends that certain sensitive textile and apparel products be exempted from the DFQF program entirely. It is our understanding that the Hong Kong text contains a provision which allows industrialized countries to exempt 3 percent of their tariff code from this concession. Textile and apparel products have traditionally been ineligible for similar programs such as the General System of Preferences (GSP), and, as previously noted, the LDC group includes strong competitors in numerous textile and apparel categories. Furthermore, the categories covered by the U.S./China Textile Bilateral Agreement represent additional sensitivities and transshipment concerns.

Specifically, we have identified the following sensitive product categories in recent efforts such as the China Safeguard process and free trade agreement negotiations with South Korea. We ask that these products be exempted from any DFQF program.

**Apparel Products**

332/432/632 – Cotton, Wool & Man-Made Fiber (MMF) Hosiery  
 338/339 – Cotton Knit Shirts  
 340/640 – Men’s and Boys’ Woven Shirts  
 345/645/646 – Cotton and MMF Sweaters  
 347/348 – Cotton Trousers  
 349/649 – Cotton & MMF Brassieres

352/652 – Cotton & MMF Underwear  
 359S/659S – Cotton & MMF Swimwear  
 443 – Men’s and Boys’ Wool Suits  
 447 – Men’s and Boys’ Wool Trousers  
 638/639 – MMF Knit Shirts  
 647/648 – MMF Knit Trousers  
 847 – Silk or Vegetable Fiber Trousers

**Textile Products**

200- Yarns for Retail Sale and Sewing Thread  
 222- Knit Fabric  
 224 – Pile/Tufted Fabrics  
 226 – Cheesecloth, Batistes, Lawns/Voile  
 229 – Special Purpose Fabric  
 301 – Combed Cotton Yarn  
 363 – Cotton Pile Towels  
 410 – Wool Woven Fabric  
 611 – Woven Fabric >85% Artificial Staple

618 – Woven Artificial Filament Fabric  
 619 – Polyester Filament Fabric, Light-weight  
 620 – Other Synthetic Filament Fabric  
 622 – Glass Fiber Fabric  
 628 – MMF Twills/Sateens Staple/Filament  
 369pt/666pt – Cot. & MMF Curtains & Drapery  
 666pt – MMF Napery  
 669pt – Tents and Tarpaulins

In addition to this general listing of categories, we would be pleased to supply more detailed information, such as 8 digit tariff codes and descriptions, if necessary.

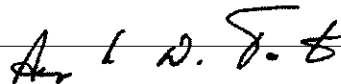
**Conclusion:**

The United States has been enormously generous in providing developing and least developed countries preferential access to the U.S. market. In 2006, the U.S. imported products worth \$368 billion under preference programs and free trade agreements from around 130 countries, the vast majority of which are considered developing or least-developed. Furthermore, \$13.4 billion of imports from LDCs alone qualified for preferential duty treatment in 2006. This figure represents over half of total imports from LDCs, meaning that existing preference programs are being utilized to a significant degree.

In our view, the United States already has more than adequate arrangements in place based on regional concerns. The DFQF program will supplant the current framework, quite possibly resulting in severe negative consequences for U.S. manufacturers and existing preference and free trade partners. Considering the loss of nearly three million manufacturing jobs and 485,300 textile and apparel jobs since January 2001, additional opening of the U.S. market through one-sided concessions like the DFQF program will likely lead to further worsening of the U.S. trade deficit and accelerated job losses.

Thank you for the opportunity to comment, and please feel free to contact the AMTAC office at (202) 452-0866 with any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "A. D. T.", is written over a horizontal line.

Augustine D. Tantillo  
Executive Director

April 12, 2007

Gloria Blue  
Executive Secretary  
Trade Policy Staff Committee  
Office of the U.S. Trade Representative

Submission by email to [FR0704@ustr.eop.gov](mailto:FR0704@ustr.eop.gov)

**Re: Comments on the 2005 WTO Ministerial Decision on Duty-Free, Quota-Free Market Access for Least-Developed Countries, January 18, 2007, Federal Register (Volume 72, Number 11) pp. 2316-2317**

These comments are submitted by nine nonprofit organizations representing consumer, citizen and taxpayer groups, humanitarian organizations, and public policy groups. These organizations are participants in the Sugar Reform Alliance, an on-going coalition to reform the U.S. sugar program.<sup>1</sup>

The signatories to these comments support the World Trade Organization's Ministerial Declaration adopted in Hong Kong 18 December 2005, specifically, the agreement regarding Least Developed Countries (LDCs) and duty-free, quota-free market access.

In these comments we will be focusing on the need to include sugar under this rubric.

LDCs face multiple hurdles in achieving higher living standards for their populations. With low life-expectancies and an average Gross National Income (GNI) per person of only \$378 (in 2005), economic growth and development are urgent and essential to achieve better prospects for the more than 750 million people living in LDCs.<sup>2</sup>

While the United States has been a major contributor of humanitarian and economic assistance to many LDCs, allowing poor countries to take full advantage of markets in the United States would be an important step for their sustainable economic growth. U.S. trade policy should be consistent with these overall goals.

At the latest WTO Ministerial Meeting in Hong Kong in December 2005, the United States and other WTO members recognized the need for LDCs to have greater access to developed countries' markets and thus expand their trade opportunities. The text adopted states:

***36) Decision on Measures in Favour of Least-Developed Countries***

*We agree that developed-country Members shall, and developing-country Members declaring themselves in a position to do so should:*

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<sup>1</sup> For further information, see the Sugar Reform Alliance's website [www.sourssubsidies.org](http://www.sourssubsidies.org)

<sup>2</sup> <http://devdata.worldbank.org/external/CPProfile.asp?PTYPE=CP&CCODE=LDC>



*(a)(i) Provide duty-free and quota-free market access on a lasting basis, for all products originating from all LDCs by 2008 or no later than the start of the implementation period in a manner that ensures stability, security and predictability.*

*(ii) Members facing difficulties at this time to provide market access as set out above shall provide duty-free and quota-free market access for at least 97 per cent of products originating from LDCs, defined at the tariff line level, by 2008 or no later than the start of the implementation period. In addition, these Members shall take steps to progressively achieve compliance with the obligations set out above, taking into account the impact on other developing countries at similar levels of development, and, as appropriate, by incrementally building on the initial list of covered products.*

Many LDCs have preferential agreements with developed countries that provide duty-free and sometimes quota-free access. However, such programs may be temporary and thus not provide certainty over time that the agreements will continue. Other preferential programs may restrict the goods and products that receive such treatment, which can lead to countries focusing narrowly in areas where they might not otherwise be competitive.

In a World Bank study, *Trade, Doha and Development: A Window into the Issues*, the importance of broad market access was made in a chapter by Paul Brenton and Takako Ikezuki:

Preference schemes would be enhanced by

- Extending coverage to all products and making schemes permanent (as with the EBA).
- Liberalizing rules of origin and simplifying the process of certifying compliance.

If all schemes had the same simple and easy-to-apply rules, a producer in a least developed country could make production and investment decisions on the basis of equal and predictable access to all industrial markets.<sup>3</sup>

While WTO members in the 2005 decision made allowances for countries that faced economic difficulties in providing complete duty-free and quota-free access for LDCs, the United States, as one of the most successful economies, should not be included in the group that “cannot afford” to allow the poorest nations such access to its markets. The United States should not claim the 3 percent exemption for certain so-called “sensitive” products, such as sugar. We urge the United States not to seek to exclude 3 percent of tariff lines from duty-free, quota-free access; if it nonetheless does so, we strongly recommend that sugar not be included in such exclusions.

Several LDCs are efficient sugar producers and have the potential to increase their sugar exports if provided with market opportunities in richer countries. Their increased export earnings could be used to improve the day-to-day lives of their people, letting countries develop on the basis of their own efforts rather than on the handouts of wealthy nations.

An expansion of duty-free exports from those countries would not threaten the economic viability of sugar producers in the United States, but would provide more competition to the benefit of the U.S. economy.

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<sup>3</sup> Paul Brenton and Takako Ikezuki, “The Value of Trade Preferences for Africa,” *Trade, Doha, and Development: A Window into the Issues* (World Bank: 2006), p. 228  
<http://siteresources.worldbank.org/INTRANET/TRADE/Resources/239054-1126812419270/18.TheValue.pdf>

Opening the U.S. sugar market to imports from LDCs would help U.S. consumers who currently pay a higher price for sugar and sugar-containing products because of the import restrictions. Higher food prices hurt especially consumers on low and fixed-income and families with children. In addition, lower prices that competition could bring could help sustain jobs in the sugar-using industry.

The continuing problems in concluding the Doha Round negotiations are in major part due to the lack of agreement on agricultural support and protection. A successful Doha agreement would bring benefits for U.S. consumers and producers; protecting the profits of a small number of sugar producers would jeopardize these potential benefits.

Such a protectionist approach also undermines the United State's leadership in the Doha negotiations. Denying economic opportunities for some of the poorest countries in the world would set an unfortunate example and discourage further participation of poor countries in trade negotiations.

The policy of excluding sugar, as well as several other products, leads to unnecessary burdens for poor countries, especially those that are not included in preferential systems and are subject to high tariffs. For example, according to Ed Gresser, economist at the Progressive Policy Institute, the U.S. collects more tariffs from Bangladesh than it does from France, whose exports are much higher in value and volume.<sup>4</sup> This additional burden is difficult to justify. The contention that the United States supports trade liberalization and economic development is cast in doubt with such policies.

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In conclusion, we urge the United States to support the 2005 Ministerial Decision to provide duty-free, quota-free market access for the Least-Developed Countries.

Sincerely,

**Citizens Against Government Waste**

**Competitive Enterprise Institute**

**Consumer Federation of America**

**Consumers for World Trade**

**The DKT Liberty Project**

**Foundation for Democracy in Africa**

**FreedomWorks**

**Hudson Institute's Center for Global Food Issues**

**National Taxpayers Union**

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<sup>4</sup> Cited in *Finance and Development*, a quarterly publication of the International Monetary Fund, September 2002, Volume 39, Number 3, <http://www.imf.org/external/pubs/ft/fandd/2002/09/smith.htm>

**COMMUNICATION  
FROM THE FEDERATION OF BANGLADESH  
CHAMBERS OF COMMERCE AND INDUSTRY**

We are responding hereby (A) to questions raised in the communication from the United States" vide document symbol "WT/COMTD/W/149" to the Committee on Trade and Development on Paragraph 36) of Annex F of the Hong Kong Ministerial declaration relating to "Duty-Free, Quota-Free Market Access" for the Least-Developed Countries.

We are also taking this opportunity to propose an "**Understanding on the Interpretation of Paragraph 36) of Annex F of the Hong Kong Ministerial**" (B).

**(A) QUESTIONS AND RESPONSES:**

**Q 1. What does "Duty-Free, Quota-Free Market Access for the Least-Developed Countries' mean?**

**R 1.** Paragraph 36) of Annex F of the Hong Kong Ministerial Declaration states that LDCs shall be provided duty-free and quota-free market access on a lasting basis, for all products originating from all LDCs **by 2008 or no later than the start of the implementation period [between the options LDCs obviously prefer which ever is earlier]** in a manner that ensures stability, security and predictability.

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**Q 2. What does " developing-country Members declaring themselves in a position to do so' mean?**

**R 2.** This means that the developing-country Members shall have the flexibility in implementing the decision of Paragraph 36) of Annex F of the Hong Kong Ministerial Declaration. Developing-country Members may only be required to grant duty-free and quota-free market access to products already in trade under any RTA, PTA and or FTA with them. They shall also have longer phase out period in granting duty-free and quota-free market access to all 100% product originating from all LDCs.

**Q 3. What does "Members facing difficulties' mean?**

**R 3.** Members facing difficulties at this time\_ to provide market access for 100% products originating from all LDCs may exclude from the list of products eligible for duty-free and quota-free market access not more than 3 per cent of products exported by all LDCs. In addition, these Members shall take steps to progressively achieve compliance\_by incrementally building on the initial list of covered products.

Members shall not be construed to be facing difficulties in respect of any product which are already in trade under any RTA , PTA, or FTA or any other preferential or duty free market entry facilities and these products shall not be excluded from the list of products eligible for duty-free and quota-free market access.

The term "Members facing difficulties" shall not be construed to adopt any pre-emptive, discriminatory and restrictive trade measure against any particular product or LDC and shall not

be meant or cause to exclude any product which is already in trade under duty free, quota free and preferential market access regimes.

**Q 5. What does “taking into account the impact on other developing countries at similar levels of development” mean?**

**R 5.** Members providing duty-free and quota-free market access is to take into account the impact on other developing countries at similar levels of development and they may also qualify for appropriate treatment after due consultation as set out in Article XXIV of GATT 1994

Members facing difficulties, within the meaning of WTO contingency measures, to provide duty-free and quota-free market access for any product, is required to notify, documenting reasons and evidence there of, to the Committee on Trade and Development for review and consultation with the interested parties.

**Q 6. Does "Duty-Free, Quota-Free Market Access for the Least-Developed Countries' apply to LDCs all alike without any discrimination?**

**R 6.** Notwithstanding any thing contained in any existing duty free and quota free market access regime, the notified product coverage and phasing out schedule of exclusion list shall apply for all LDCs without discrimination.

[Reference Note 1: “Decision of the CONTRACTING PARTIES” of 25 June 1971, relating to the establishment of “generalized, non-reciprocal and non discriminatory preferences beneficial to the developing countries” (BISD 18S/24).]

[Reference Note 2: “Decision of The Doha Ministerial Conference”, 14 November 2001— “12.2.Reaffirms that preferences granted to developing countries pursuant to the Decision of the Contracting Parties of 28 November 1979 ("Enabling Clause") should be generalised, non-reciprocal and non-discriminatory.”].

**Q 7. What is the impact of "Duty-Free, Quota-Free Market Access for the Least-Developed Countries' on domestic economy and existing trading partners including Bangladesh?**

**R 7.** WTO Members have already committed to provide "Duty-Free, Quota-Free Market Access for the Least-Developed Countries' under Paragraph 36) of Annex F of the Hong Kong Ministerial Declaration.

The US has already declared its commitment to enhance trade in textiles and apparel through its submission, TN/MA/W/18/Add.14 dated 15 May 2006, circulated through the WTO Negotiating Group on Market Access, recognizing that:

- “Textiles, apparel, footwear, and travel goods are products of importance to a range of countries, both developed and developing.” and
- Urged WTO Members to reduce “barriers to trade in textiles, apparel, footwear, and travel goods.”

“As affirmed in Annex B, Paragraph 26, of the Hong Kong Ministerial Text, non-tariff barriers (NTBs) are an integral and important part of the non-agricultural market access (NAMA)

negotiations. Consistent with paragraph 22 of the Ministerial Declaration, the United States now respectfully submits to WTO Members this draft negotiating text on reducing barriers to trade in textiles, apparel, footwear, and travel goods.”

**“Desiring to promote cooperative and effective approaches to enhance trade in textiles, apparel, footwear, and travel goods.”** the US submission, TN/MA/W/18/Add.14 dated 15 May 2006 defines its position as follows:

- *“Recalling* that pursuant to paragraph 16 of the Doha Ministerial Declaration, Members agreed to negotiations aimed at reducing or as appropriate eliminating tariffs and non-tariff barriers on non-agricultural products;”
- *“Recognizing* the important contribution of the textile, apparel, footwear, and travel goods sectors to global economic growth and development;”

**Apparel continues to constitute one of the fastest growing categories of imports from the CBERA countries and territories**--growing from just 5.5 per cent of total US imports from the region in 1984, to more than 36 per cent in 2004, valued at US\$10.0 billion. Apparel has ranked as the leading category of US imports from the region since 1988.

Total US imports (preferential and non-preferential imports combined) from CBERA countries increased to \$27.6 billion in 2004. Of this amount, \$10.8 billion, or 39 per cent, entered under CBERA (including CBTPA) preferences. In comparison, CBERA accounted for 13 per cent of the total in 2000.

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In 2004, the Dominican Republic continued to lead all countries in taking advantage of CBERA, as they have done in virtually every year since the program became effective, accounting for 24 per cent of US imports under the CBERA provisions. Honduras continued to be the second largest user with 21 per cent of the share. Trinidad and Tobago, El Salvador, Guatemala, and Costa Rica round out the leading users of the program, accounting for a combined 58 per cent of the share.

Possible adverse impact of “Duty-Free, Quota-Free Market Access for the Least-Developed Countries” in respect of any product, if there be any, is to be resolved only under existing WTO contingency measures as an contractual obligation of the contracting parties.

Impact assessment of “Duty-Free, Quota-Free Market Access for the Least-Developed Countries’ on domestic economy and existing trading partners could only be carried out for new products, other than those already being traded under any RTA, PTA, or FTA or any other preferential or duty free market entry facilities.

The term “Members facing difficulties” shall not be construed to condone any pre-emptive, discriminatory and restrictive trade measure against any particular product or LDC and shall not be meant or cause to exclude any product which is already in trade under any RTA, PTA, or FTA or any other preferential or duty free market entry facilities.

**“Duty-Free, Quota-Free” market access for Bangladesh in US.:**

1. Bangladesh is complying all commitments with regards to labour standards, child labour elimination and such other sanitary and non-sanitary requirements and more so when LDCs like Bangladesh are trying to come out of marginalization with a view to bringing a drastic cut in their poverty level through enhanced trade.

2. Bangladesh's merchandises face high tariff wall to get into the coveted US market. Import tariffs on Bangladeshi products averaged 15.8 per cent whereas the rates ranged between less than one per cent and 2.5 per cent for imports from Norway, Canada, Sweden, Netherlands and UK. Bangladeshi products, on an average, faced 15.87 per cent above the tariff rates applied to countries with most favoured nations' tags, which was 3.7 per cent in 2004.

3. In fact Bangladesh garment lost its rightful advantage in the US market when US adopted discriminatory trade policies against 14 LDCs of the Asia-Pacific region including Bangladesh and enacted Trade and Development Act-2000 (TDA-2000) and the African Growth and Opportunity Act-2000 (AGOA) and Caribbean Basin Trade Partnership Act (CBTPA), 2000 pledging special support to quite a large number of the Caribbean and African countries contrary to the provision of non-discrimination of the Enabling Clause and paragraph 12.2 of Doha Ministerial Conference Declaration.

The CBTPA, effective 1 October 2000, enhanced CBERA benefits by authorizing preferential tariff treatment for certain qualifying apparel articles. The CBTPA also extended NAFTA-equivalent duty treatment to a number of products previously excluded from the CBERA, including certain tuna, petroleum products, certain footwear, and some watches and watch parts.

The Trade Act of 2002, passed on 6 August 2002, further amended the CBERA to expand the type and quantity of textile and apparel articles eligible for the preferential tariff treatment accorded to designated beneficiary CBTPA countries.

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4. Any shrinkage of garment industry in Bangladesh, which employs about 1.8 million people -- many of whom are women -- will give stimulus to conservatism. It may accentuate poverty to create desperadoes. Poor countries cannot have the luxury of setting up industries without being sure where to sell the products.

**(B) Proposed "Understanding on the Interpretation of Paragraph 36) of Annex F of the Hong Kong Ministerial on "Duty-Free, Quota-Free Market Access for the Least-Developed Countries"**

**Members hereby agree as follows:**

1. Developed and developing country members [in a position to do so] shall provide market access for 100% existing export products, defined at the tariff line level, originating from LDCs. Products originating from LDCc shall also be exempted from all other charges and duties other than service charges.

2 Developed and developing country Members [in a position to do so] shall provide on a lasting basis, non reciprocal duty free and quota free market access for all products originating from all LDCs, without discrimination, by 2008 or no later than the start of the implementation period, **which ever is earlier**, in a manner that ensures stability, security and predictability.

[Completion of the DDA therefore should not be a prerequisite for the implementation of the DFQF initiative .in a manner that will result in meaningful opportunities for products of LDCs].

3. Products already in trade under any RTA , PTA, or FTA or any other preferential or duty free market entry facilities shall not be excluded from the list of products eligible for duty-free and quota-free market access.

The term “Members facing difficulties” shall not be construed to adopt any pre-emptive, discriminatory and restrictive trade measure against any particular product or LDC and shall not be meant or cause to exclude any product which is already in trade under duty free, quota free and preferential market access regimes.

4. Countries facing difficulties at this time may exclude from the list of products eligible for duty-free and quota-free market access, subject to paragraph 3 above, not more than 3 per cent of products exported by all LDCs.

5 Rules of Origin: Preferential Rules of Origin applicable to imports from LDCs shall be uniform, non-restrictive and simplified, based on value addition criteria (summation of FOB value of exports – summation of CIF value of imports >or = 30%) to match their industrial capabilities. Members should adopt measures accordingly and notify them within [an end date.]

6. Members facing difficulties, within the meaning of WTO contingency measures, to provide duty-free and quota-free market access for any product, shall notify, documenting reasons and evidence there of, to the Committee on Trade and Development for review and consultation with the interested parties.

7. Notwithstanding any thing contained in any existing duty free and quota free market access regime, the notified product coverage and phasing out schedule of exclusion list shall apply for all LDCs without discrimination.

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[**Reference Note 1: “Decision of the CONTRACTING PARTIES” of 25 June 1971**, relating to the establishment of “generalized, non-reciprocal and **non discriminatory preferences** beneficial to the developing countries” (BISD 18S/24).]

[**Reference Note 2: “Decision of The Doha Ministerial Conference”**, 14 November 2001— “12.2.Reaffirms that preferences granted to developing countries pursuant to the Decision of the Contracting Parties of 28 November 1979 (“Enabling Clause”) should be generalised, non-reciprocal **and non-discriminatory.**”].

**8. LDCs shall be exempted from NTMs and NTBs not notified in WTO.** Technical and financial assistance for LDCs shall be ensured for capacity building to facilitate compliance of notified NTMs and NTBs. Certificates on Technical Regulations & Standards issued by the respective designated national agencies shall be accepted. Non-acceptability of conformity assessment certificates of any particular product, if and when arise, should be resolved by mutual cooperation programmes without restricting its trade.

**9. Preference Erosion:** The present margin of preference for products originating from LDC shall not be diminished. LDCs shall be provided with adequate policy, technical and financial support “necessary to face the results of MFN multilateral trade liberalisation” for predicable and growing global market share, commensurate with their development needs. [The commitment accepted by the contracting parties under the WTO vide, **GATT Article 1 sub-para 2, 3 and 4**]

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Manzur ahmed  
Adviser, FBCCI  
Bangladesh

## Doherty, Julia

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**From:** LFMEAB [lfmeab@banglamail.net]  
**Sent:** Sunday, April 15, 2007 4:14 AM  
**To:** FN-USTR-FR0704  
**Subject:** Duty-Free and Quota-Free Market Access to USA

Dear Sir,

Bangladesh has traditionally been an exporter of raw material i.e., leather and the bulk of the export earnings from this sector has been from export of crust and to a lesser extent, finished leather.

However in keeping with the GOB policy to move towards more value added exports as well as export product diversification, many local and foreign entrepreneurs have invested into building export capacity for leather footwear and leather products such as bags and wallets.

Today more than 41 companies are exporting their products to some of the most demanding markets in the world such as Japan, Germany, Italy, France, UK. Our product quality is slowly gaining credibility with brands such as ESPERIT, NANNINI, THIERRY MUGLER, SUMORI CHISATO, HUSH PUPPIES, CACHAREL, and PICARD already sourcing products from Bangladesh.

This has been possible through the initiative of our exporters as well as the PREFERENTIAL MARKET ACCESS that our products enjoy in EU and Japan. This has helped create a comparative advantage for Bangladeshi exporters vis-à-vis from Chinese and Indian suppliers.

China is the undisputed leader in this sector in terms of volume and India is in the second position, and both of these countries have had in place for over 35 years a structured and planned supportive policy framework for market penetration. This framework includes export incentives, fiscal and tax advantages for this sector, subsidized land, grants for machinery, marketing assistance, and intensive human resource development schemes.

Due to these considerable supports provided to our competitors in China and India, they have built up huge capacities and for many years Bangladesh has not been able to make a dent against these formidable competitors in the export markets.

However we are pleased to inform you that today although in absolute dollar terms the export figures are still very small, we are beginning to showing growth in the export of leather footwear as well as leather products.

Govt of Bangladesh figures reflect this growth and in 2005-2006 we experienced a growth of 30 % to over USD 100 million for the first time, from this sub-sector.

However our exports are still insignificant compared to China ( USD 39.2 billion from leather industries products and shoes in 2006) and India (USD 1.49 billion from leather footwear alone in April-September 2006).

We believe that leather products and footwear can be a very important export subsector for Bangladesh due to the following reasons:

1. Leather goods and footwear exports create much more value addition than export of RMG or leather. Average 1 sft of leather from Bangladesh earns USD1.75, one pair of shoe that consumes 2.8 sft of finished leather (2.8X1.75= 4.90\$) earns average 15USD. Our average value addition in this sector is 70%.
2. Leather goods and footwear is a new export product for Bangladesh that creates export product diversification which helps reduce overdependence on the garments sector.
3. Majority of Bangladesh leather footwear and goods are exported to Japan (more than 50%) and we all know that Japan is a very difficult market and together are the single largest export from Bangladesh to Japan. In 2004-2005 leather footwear and athergoods comprised 17.7% of our total exports to Japan and in 2005-2006 we were more than 20%.
4. This sector has very high employment generation potential, a single line 1000 pair per day shoe factory employs 500 people directly. Bangladesh has a large and young labour



force that is low cost and easy to train.

5. This sector employs primarily women in Bangladesh who have much more limited employment options than men here.

Given these advantages our exports of leather footwear and leather goods to USA are still insignificant and we believe that if we are granted DUTY FREE ACCESS to the US market we can start to be a viable sourcing option for US buyers to consider. As in EU and Japan we are confident that the PREFERENTIAL MARKET ACCESS provided to us helps us to gain an entry into this fiercely competitive market and then we can start to compete on our own.

We therefore request the office of the USTA to grant us DUTY FREE MARKET ACCESS to USA for all Bangladeshi products including leather goods and footwear.

The Bangladeshi entrepreneurs are firmly committed to this sector and we believe that with private initiative and supportive government policy we can become one of the highest export earners of this country.

Yours sincerely,

President  
Leathergoods & Footwear Manufacturers & Exporters Association of Bangladesh  
(LFMEAB)

## Doherty, Julia

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**From:** Karmojibinari [knari@agni.com]  
**Sent:** Monday, April 16, 2007 4:36 AM  
**To:** FN-USTR-FR0704  
**Subject:** "Duty-Free and Quota-Free"

15 April 2007

Ms. Gloria Blue  
Executive Secretary  
Trade Policy Staff Committee  
Office of the United States Trade Representative (USTR)

Subject: Comments on the 2005 WTO Ministerial Decision on Duty-Free Quota-Free Market Access for the Least-Developed Countries (LDCs)

Dear Ms. Gloria,

Warmest greetings from Bangladesh. As you know, during the Sixth WTO Ministerial Conference in Hong Kong, as stated in Annex F of the Ministerial Declaration, Member countries agreed that developed-country Members shall, and developing-country Members declaring themselves in a position to do so should 'Provide duty-free and quota-free market access on a lasting basis, for all products originating from all LDCs by 2008 or no later than the start of the implementation period in a manner that ensures stability, security and predictability'. However, the text of the following paragraph of the declaration loosens the above clause by stating that 'Members facing difficulties at this time to provide market access as set out above shall provide duty-free and quota-free market access for at least 97 per cent of products originating from LDCs, defined at the tariff line level, by 2008 or no later than the start of the implementation period'. On behalf of the people of Bangladesh, we welcome the Office of the United States Trade Representative (USTR) for giving us the opportunity to provide our comments on the above declarations.

We strongly believe that as per the initial commitment, all developed-country Members and advanced developing-country Members shall immediately provide duty-free and quota-free market access for all products originating from all LDCs. There should not be any provision of offering duty-free and quota-free market access for at least 97 per cent of products originating from LDCs. As you know, LDCs have very few items in their basket while exporting those to other countries. Since 1971, number of LDCs has been increasing due to many countries' failure to build their capacity of export diversification and industrialization. These marginalized LDCs would be further marginalized if some of their export items were excluded in getting duty-free and quota-free market access because of the provision of duty-free and quota-free market access for at least 97 per cent of their products.

From the context of Bangladesh, you may be aware that more than 75 per cent export earning of the country is contributed by a single sector, readymade garments (RMG) sector. More than 2 million workers of this sector are women, whose livelihoods along with their family members are directly related with export performance of the sector. Therefore, in case of the exclusion of RMG products from duty-free and quota-free market access due to the clause of 97 per cent coverage of the products in the Ministerial declaration, the interests of Bangladesh as an LDC would be severely affected and the livelihoods of millions of people related with the sector would be at stake.

Considering the above facts, we urge to the Office of the USTR for taking necessary steps so that 100 per cent of products originating from all LDCs get duty-free and quota-free market access to all developed and advanced developing countries' markets. We also call for the immediate inclusion of such clause in the domestic law of the United States along with other developed and advanced developing countries. Considering the harsh realities LDCs are experiencing, United States along with other developed and all developing countries should support for the inclusion of a clause mentioning the provision of providing duty-free and quota-free market access for all products originating from LDCs in

the text of Non-Agricultural Market Access  
(NAMA) during the multilateral trade negotiation.

Sincerely yours,  
Shirin Akhter  
President, Karmojibi Nari

**Doherty, Julia**

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**From:** quazi ahmed [legacyfl@hotmail.com]

**Sent:** Sunday, April 15, 2007 8:26 AM

**To:** FN-USTR-FR0704

Dear Sir,

Bangladesh has traditionally been an exporter of raw material i.e., leather and the bulk of the export earnings from this sector has been from export of crust and to a lesser extent, finished leather.

However in keeping with the GOB policy to move towards more value added exports as well as export product diversification, many local and foreign entrepreneurs have invested into building export capacity for leather footwear and leather products such as bags and wallets.

Today more than 41 companies are exporting their products to some of the most demanding markets in the world such as Japan, Germany, Italy, France, UK. Our product quality is slowly gaining credibility with brands such as ESPERIT, NANNINI, THIERRY MUGLER, TSUMORI CHISATO, HUSH PUPPIES, CACHAREL, and & PICARD already sourcing products from Bangladesh.

This has been possible through the initiative of our exporters as well as the PREFERENTIAL MARKET ACCESS that our products enjoy in EU and Japan. ~~This has helped created a comparative advantage for Bangladeshi exporters vis-à-vis from Chinese and Indian suppliers~~

China is the undisputed leader in this sector in terms of volume and India is in the second position, and both of these countries have had in place for over 35 years a structured and planned supportive policy framework for market penetration. This framework includes export incentives, fiscal and tax advantages for this sector, subsidized land, grants for machinery, marketing assistance, and intensive human resource development schemes.

Due to these considerable supports provided to our competitors in China and India, they have built up huge capacities and for many years Bangladesh has not been able to make a dent against these formidable competitors in the export markets.

However we are pleased to inform you that today although in absolute dollar terms the export figures are still very small, we are beginning to showing growth in the export of leather footwear as well as leather products.

Govt of Bangladesh figures reflect this growth and in 2005-2006 we experienced a growth of 30 % to over USD 100 million for the first time, from this sub-sector.

However our exports are still insignificant compared to China ( USD 39.2 billion from leather industries products and shoes in 2006) and India (USD 1.49 billion from leather footwear alone in April-September 2006).

We believe that leather products and footwear can be a very important export subsector for Bangladesh due to the following reasons:

4/16/2007

1. Leather goods and footwear exports create much more value addition than export of RMG or leather. Average 1 sft of leather from Bangladesh earns USD1.75, one pair of shoe that consumes 2.8 sft of finished leather (2.8X1.75= 4.90\$) earns average 15USD. Our average value addition in this sector is 70%.

2. Leather goods and footwear is a new export product for Bangladesh that creates export product diversification which helps reduce overdependence on the garments sector.

3. Majority of Bangladesh leather footwear and goods are exported to Japan (more than 50%) and we all know that Japan is a very difficult market and together are the single largest export from Bangladesh to Japan. In 2004-2005 leather footwear and leathergoods comprised 17.7% of our total exports to Japan and in 2005-2006 we were more than 20%.

4. This sector has very high employment generation potential, a single line 1000 pair per day shoe factory employs 500 people directly. Bangladesh has a large and young labour force that is low cost and easy to train.

5. This sector employs primarily women in Bangladesh who have much more limited employment options than men here.

Given these advantages our exports of leather footwear and leather goods to USA are still insignificant and we believe that if we are granted DUTY FREE ACCESS to the US market we can start to be a viable sourcing option for US buyers to consider. As in EU and Japan we are confident that the PREFERENTIAL MARKET ACCESS provided to us helps us to gain an entry into this fiercely competitive market and then we can start to compete on our own.

We therefore request the office of the USTA to grant us DUTY FREE MARKET ACCESS to USA for all Bangladeshi products including leather goods and footwear.

The Bangladeshi entrepreneurs are firmly committed to this sector and we believe that with private initiative and supportive government policy we can become one of the highest export earners of this country.

Yours sincerely,

Managing Director  
Legacy Footwear Ltd

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The average US Credit Score is 675. The cost to see yours: \$0 by Experian.

**Doherty, Julia**

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**From:** BGMEA [info@bgmea.com]  
**Sent:** Thursday, April 12, 2007 7:52 AM  
**To:** FN-USTR-FR0704  
**Cc:** rdti@bgmea.com  
**Subject:** BGMEA's opinion on excluded items under 3%

**To**  
**USTR, Washington**

**Subject: BGMEA's opinion on excluded items under 3%.**

Dear Officer in charge,

Please disregard the email that has been sent previously by us on March 15, 2007 and consider this email as a revised one.

We have been informed by our Ministry of Commerce that you are finalizing the strategy papers for upcoming WTO negotiations and we consider it very timely gesture that you are in the process of gathering/collecting information to be used in the input for further concession to LDCs' interest. As in Hong Kong, it was almost unanimously agreed that the 97% of the products will have duty free access. In view of globalized free market, now quite a long list of items covering almost all sectors are open under 3% basket which are open for further negotiations. ~~You may receive a comprehensive response from our Ministry of Commerce/Foreign Affairs/Different NGOs/Think Tank Institutions who may indicate different focused sectors as all the stakeholders are not having a single/common interest.~~

As you are aware that BGMEA, the largest trade association of Bangladesh takes care of the interest of more than 4000 factories with an employment of 2.2 million workers out of which 85% is women likes to convey its opinion as per the attached list. This one is mostly targeted to textile, apparel, clothing & ready made garments sectors which have been shown in the HS codes mentioned as per the attachment, covering the chapters of HS code of 61, 62 & 63. Therefore, our earnest request to you is to reconsider already agreed 97% items and include all the apparel items in the duty free access list (97%) which are in 3% list now. BGMEA will be grateful to receive your favorable response.

We are aware that as soon as the WTO negotiations are finalized, Bangladesh will abide by the agreed charters and clauses. However, the above request is for a sympathetic consideration as we are categorized as LDC. Bangladesh's export earning is almost dependent on RMG sector, as such we have made the appeal for further review and reconsideration.

With Kind Regards  
Yours Sincerely

**Ambassador Muhammad Kamaluddin**  
Consultant (International Affairs)

4/16/2007

**List of Bangladesh's exportable products for duty free and quota free market access 3%**

			2005
	HTS Number	Products	
1	61013015	Men's or boy's overcoat, etc., knitted or crocheted, of manmade fibers, containing 23% or more wool or fine animal hair, nesoi	0
2	61019090	Men's or boys' overcoats, carcoats, etc., of tex mats (other than wool, cotton or mmf), cont less than 70% wt silk, knitted or crocheted	0
3	61023005	Women's or girls' overcoats, carcoats, etc., knitted or crocheted, of manmade fibers, cont. 25% or more by weight of leather	0
4	61031100	Men's or boys' suits, knitted or crocheted, of wool or fine animal hair	0
5	61031210	Men's or boys' suits, knitted or crocheted, of synthetic fibers, containing 23 percent or more of wool or fine animal hair	0
6	61032300	Men's or boys' ensembles, knitted or crocheted, of synthetic fibers	0
7	61033100	Men's or boys' suit-type jackets and blazers, knitted or crocheted, of wool or fine animal hair	0
8	61034220	Men's or boys' bib and brace overalls, knitted or crocheted, of cotton	0
9	61041200	Women's or girls' suits, knitted or crocheted, of cotton	0
10	61041320	Women's or girls' suits, knitted or crocheted, of synthetic fibers, nesoi	0
11	61042300	Women's or girls' ensembles, knitted or crocheted, of synthetic fibers	0
12	61043100	Women's or girls' suit-type jackets and blazers, knitted or crocheted, of wool or fine animal hair	0
13	61043920	Women's or girls' suit-type jackets, knitted or crocheted, of textile materials nesoi	0
14	61044420	Women's or girls' dresses, knitted or crocheted, of artificial fibers, nesoi	0
15	61044990	Women's or girls' dresses, of textile mats (ex wool, cotton or mmf), containing under 70% by weight of silk or silk waste, knitted or croc	0
16	61045100	Women's or girls' skirts and divided skirts, knitted or crocheted, of wool or fine animal hair	0
17	61045310	Women's or girls' skirts & divided skirts, knitted or crocheted, of synthetic fibers, cont. 23% or more of wool or fine animal hair	0

18	61045910	Women's or girls' skirts and divided skirts, knitted or crocheted, of artificial fibers	0
19	61046210	Women's or girls' bib and brace overalls, knitted or crocheted, of cotton	0
20	61046310	Women's or girls' bib and brace overalls, knitted or crocheted, of synthetic fibers	0
21	61046980	Women's or girls' trousers, bib & brace overalls, breeches & shorts, of tex mats (ex wool, cotton or mmf), cont under 70% by wt of silk, k/c	0
22	61059080	Men's or boys' shirts, of textile materials (ex wool, cotton or mmf), containing under 70% by weight of silk or silk waste, knitted/crochete	0
23	61062010	Women's or girls' blouses and shirts, knitted or crocheted, of manmade fibers, containing 23 percent or more of wool or fine animal hair	0
24	61081990	Women's or girls' slips and petticoats, of textile materials (except mmf), containing under 70% by weight of silk, knitted or crocheted	0
25	61082210	Women's or girls' disposable briefs and panties designed for one-time use, of man-made fibers, knitted or crocheted	0
26	61101010	Sweaters, pullovers, sweatshirts, waistcoats (vests) and similar articles, knitted or crocheted, wholly of cashmere	0
27	61101020	Sweaters, pullovers, waistcoats (vests) and similar articles, knitted or crocheted, of wool or fine animal hair (excl. wholly of cashmere)	0
28	61101210	Sweaters, pullovers, sweatshirts, waistcoats (vests) and similar articles, knitted or crocheted, of Kashmir goats, wholly of cashmere	0
29	61103020	Sweaters, pullovers & similar articles, knitted or crocheted, of manmade fibers, containing 30 percent or more of silk or silk waste	0
30	61111000	Babies' garments and clothing accessories, knitted or crocheted, of wool or fine animal hair	0
31	61113020	Babies' blouses and shirts, except those imported as parts of sets, knitted or crocheted, of synthetic fibers	0
32	61119010	Babies' trousers, breeches and shorts, except those imported as parts of sets, knitted or crocheted, of artificial fibers	0
33	61119020	Babies' blouses and shirts, except those imported as parts of sets, knitted or crocheted, of artificial fibers	0
34	61119030	Babies' T-shirts, singlets and similar garments, except those imported as parts of sets, knitted or crocheted, of artificial fibers	0
35	61121910	Track suits, knitted or crocheted, of artificial fibers	0
36	61121980	Track suits, of textile materials (except cotton or mmf), containing less than 70% by weight of silk or silk waste, knitted or crocheted	0
37	61123900	Men's or boys' swimwear, knitted or crocheted, of textile materials other than synthetic fibers	0
38	61149010	Other garments nesoi, of textile materials (except wool, cotton or mmf), contain 70% or more by weight of silk or silk waste, knitted/croch	0
39	61149090	Other garment, nesoi, of textile materials (except wool, cotton or mmf), containing under 70% by wt of silk or silk waste, knitted/crocheted	0



40	61151100	Panty hose and tights, knitted or crocheted, of synthetic fibers, measuring per single yarn less than 67 decitex	0
41	61159260	Stockings, socks, etc. (not surgical), knitted or crocheted, of cotton, containing lace or net	0
42	61159390	Stockings, socks, etc. nesoi, knitted or crocheted, of synthetic fibers (not containing lace or net)	0
43	61159918	Hosiery nesoi, knitted or crocheted, of artificial fibers, other than those containing lace or net	0
44	61161008	Other gloves, mittens and mitts, the foregoing specially designed for sports use, incl. ski and snowmobile gloves, mittens and mitts	0
45	61161013	Gloves, mittens & mitts, w/o four., k/c, coated w. plastics/rubber nesoi, cut & sewn, of veg. fibers, cont. > 50% by wt. of plastics/rubber	0
46	61161017	Gloves, mittens & mitts, w/o four., k/c, coated w. plastics/rubber, nesoi, cut & sewn, of veg. fibers, cont. 50 % or less wt. of plas./rub.	0
47	61161048	Gloves, mittens & mitts(excl sports), impreg etc, cut & sewn from pre-exist non-veg fib impreg fab, w/o fourch, con < 50% wt pla/rub k/c	0
48	61161065	Gloves, mittens & mitts(excl sports), impreg etc, not cut & sewn from pre-existing fabric, w/o fourch, cont < 50% by wt of text fib, k/c	0
49	61161095	Gloves, mittens & mitts(excl sports), impreg etc, not cut & sewn from pre-existing fab, w fourch, cont < 50% by wt of textile fiber, k/c	0
50	61169308	Gloves, mittens & mitts, for sports use, (incl. ski and snowmobile gloves, etc.), of synthetic fibers	0
51	61169948	Gloves, mittens & mitts (excl. those designed for sports etc.), knitted/crocheted, of artificial fibers, without fourchettes	0
52	61169954	Gloves, mittens & mitts (excl. those designed for sports etc.), knitted or crocheted, of artificial fibers, with fourchettes	0
53	61171010	Shawls, scarves, mufflers, mantillas, veils and the like, knitted or crocheted, of wool or fine animal hair	0
54	61172090	Ties, bow ties and cravats, containing under 70% by weight of silk or silk waste, knitted or crocheted	0
55	61178090	Made up clothing accessories(excl shawls, scarves, mufflers, mantillas, veils and the like; ties and cravat), con under 70% wt of silk, k/c	0
56	61179090	Parts of garments or of clothing accessories, containing under 70% by weight of silk or silk waste, knitted or crocheted	0
57	62011990	Men's or boys' overcoats, carcoats, capes, cloaks, & sim coats, of tex mats(except wool, cotton or mmf), cont under 70% by wt silk, not k/c	0
58	62019990	Men's or boys' anoraks, wind-breakers and similar articles, of text mats(except wool, cotton or mmf), cont under 70% by wt of silk, not k/c	0
59	62021330	Women's or girls' overcoats, carcoats, etc, not knitted or crocheted, of m-m fibers, cont. 36% or more of wool or fine animal hair, nesoi	0
60	62029110	Women's or girls' padded, sleeveless jackets, not knitted or crocheted, of wool or fine animal hair	0
61	62031120	Men's or boys' suits of wool or fine animal hair, not knitted or crocheted, nesoi	0

<b>62</b>	62031210	Men's or boys' suits, of synthetic fibers, not knitted or crocheted, containing 36 percent or more by weight of wool or fine animal hair	0
<b>63</b>	62031990	Men's or boys' suits, of textile mats(except wool, cotton or mmf), containing under 70% by weight of silk or silk waste, not knit or croch	0
<b>64</b>	62032210	Men's or boys' judo, karate and other oriental martial arts uniforms, not knitted or crocheted, of cotton	0
<b>65</b>	62033100	Men's or boys' suit-type jackets and blazers, of wool or fine animal hair, not knitted or crocheted	0
<b>66</b>	62033150	Men's or boys' suit-type jackets and blazers, of worsted wool fabric of wool yarn fiber avg diameter 18.5 micron or <, not knitt/crocheted	0
<b>67</b>	62033920	Men's or boys' suit-type jackets and blazers, not knitted or crocheted, of artificial fibers, under 36% by weight of wool	0
<b>68</b>	62034112	Men's or boys' trousers and breeches, other than of HTSA 6203.41.05, of wool yarn having average fiber diameter of 18.5 micron or less	0
<b>69</b>	62034115	Men's or boys' trousers and breeches, of wool or f. a. hair, not cont elastomer fib, not water resist, w belt loops, weighing under 9 kg/doz	0
<b>70</b>	62034310	Men's or boys' trousers, bib & brace overalls, breeches & shorts, not knitted or crocheted, of syn. fibers, cont. 15% or more of down, etc	0
<b>71</b>	62034910	Men's or boys' bib and brace overalls, not knitted or crocheted, of artificial fibers	0
<b>72</b>	62041100	Women's or girls' suits, not knitted or crocheted, of wool or fine animal hair	0
<b>73</b>	62041200	Women's or girls' suits, not knitted or crocheted, of cotton	0
<b>74</b>	62041910	Women's or girls' suits, not knitted or crocheted, of artificial fibers, containing 36 percent or more of wool or fine animal hair	0
<b>75</b>	62041920	Women's or girls' suits, not knitted or crocheted, of artificial fibers, nesoi	0
<b>76</b>	62041980	Women's or girls' suits, of textile material(except wool,cotton or mmf), containing under 70% by weight of silk or silk waste, not knit/croc	0
<b>78</b>	62042230	Women's or girls' ensembles, not knitted or crocheted, of cotton, other than judo, karate and other oriental martial arts uniforms	0
<b>79</b>	62042300	Women's or girls' ensembles, not knitted or crocheted, of synthetic fibers	0
<b>80</b>	62042920	Women's or girls' ensembles, not knitted or crocheted, of artificial fibers	0
<b>81</b>	62042940	Women's or girls' ensembles, not knitted or crocheted, of textile materials nesoi	0
<b>82</b>	62043110	Women's or girls' suit-type jackets & blazers, of wool or fine animal hair, not knitted or crocheted, cont. 30% or more of silk/silk waste	0
<b>83</b>	62044120	Women's or girls' dresses, not knitted or crocheted, of wool or fine animal hair, under 30% by weight of silk	0
<b>84</b>	62044220	Women's or girls' dresses, not knitted or crocheted, of cotton, containing 36 percent or more of flax fibers, other than certified	0

<b>85</b>	62044320	Women's or girls' dresses, not knit or crocheted, of synthetic fibers, containing 30% or more of silk or silk waste, other than certified	0
<b>86</b>	62044330	Women's or girls' dresses, of synthetic fibers, not knitted or crocheted, containing 36 percent or more of wool or fine animal hair, nesoi	0
<b>87</b>	62044430	Women's or girls' dresses, not knitted or crocheted, of artificial fibers, containing 36 percent or more of wool or fine animal hair	0
<b>88</b>	62044910	Women's or girls' dresses, not knitted or crocheted, containing 70% or more by weight of silk or silk waste	0
<b>89</b>	62045320	Women's or girls' skirts & divided skirts, nt knit or crocheted, of synthetic fibers, cont. 36% or more of wool or fine animal hair, nesoi	0
<b>90</b>	62045920	Women's or girls' skirts & divided skirts, nt knit or crocheted, of artificial fibers, cont. 36% or more of wool or fine animal hair, nesoi	0
<b>91</b>	62046310	Women's or girls' trousers, bib & brace overalls, breeches & shorts, nt knit or crocheted, of syn. fibers, cont. 15% or more of down, etc.	0
<b>92</b>	62046910	Women's or girls' bib and brace overalls, not knitted or crocheted, of artificial fibers	0
<b>93</b>	62046940	Women's or girls' trousers, bib and brace overalls, breeches & shorts, of silk or silk waste, cont > or = 70% wt silk or silk waste, not k/c	0
<b>94</b>	62059010	Men's or boys' shirts, of silk or silk waste, containing 70% or more by wt of silk or silk waste, not knitted or crocheted	0
<b>95</b>	62061000	Women's or girls' blouses, shirts and shirt-blouses, not knitted or crocheted, of silk or silk waste	0
<b>96</b>	62062030	Women's or girls' blouses and shirts, not knitted or crocheted, of wool or fine animal hair, nesoi	0
<b>97</b>	62082910	Women's or girls' nightdresses and pajamas, of textile materials(except cotton or mmf), cont > or = 70% by wt of silk or silk waste, not k/c	0
<b>98</b>	62091000	Babies' garments and clothing accessories, not knitted or crocheted, of wool or fine animal hair	0
<b>99</b>	62101090	Garments, nesoi, made up of fabrics of heading 5602 or 5603, not formed or lined w paper, not k/c	0
<b>100</b>	62105070	Wom's or girls' garm, nesoi, of fab of 5903/5906/5907, of tx mat(excl mmf), w/outer sur. impreg/etc. w/rub/plast comp obscuring fab, n k/c	0
<b>101</b>	62111240	Women's or girls' swimwear, of textile materials(except mmf), containing 70% or more by weight of silk or silk waste, not knit or crocheted	0
<b>102</b>	62112004	Anoraks, windbreakers and similar articles imported as parts of ski-suits, con 15% or more by wt of down & waterfowl plumage, etc, not k/c	0
<b>103</b>	62112008	Anoraks, windbreakers and similar articles imported as parts of ski-suits, con under 15% by wt of down & waterfowl plumage, etc, not k/c	0
<b>104</b>	62112048	Men's or boys' ski-suits nesoi, of tx mats(except wool or fine animal hair), con under 15% wt down etc, not water resist, not knitted/croch	0
<b>105</b>	62112058	Women's or girls' anoraks and sim art imported as pts of ski-suits, of tx mats(except wool), con < 15% wt down etc, not wat resist, n k/c	0
<b>106</b>	62112068	Women's or girls' trousers & breeches imp as pts of ski-suits, of tx mats(except wool), con < 15% wt of down etc, not wat resist, not k/c	0

107	62112078	Women's or girls' ski-suits nesoi, of tx mats(except wool), con under 15% by weight of down etc, not water resistant, not knit or crocheted	0
108	62114100	Women's or girls' track suits or other garments nesoi, not knitted or crocheted, of wool or fine animal hair	0
109	62122000	Girdles and panty-girdles	0
110	62132010	Handkerchiefs, not knitted or crocheted, of cotton, hemmed, not containing lace or embroidery	0
111	62141020	Shawls, scarves, mufflers, mantillas, veils and the like, not knitted or crocheted, containing less than 70% silk or silk waste	0
112	62159000	Ties, bow ties and cravats, not knitted or crocheted, of textile materials nesoi	0
113	62160021	Gloves, mittens and mitts(excl sports), w/o four, impreg etc, cut & sewn from pre-exist impreg fab, of non-veg fib, con < 50% wt plas/rub	0
114	62160038	Gloves, mittens & mitts (excl. for sports), not impregnated, coated or covered with plastics or rubber, of cotton, without fourchettes	0
115	62160046	Gloves, mittens & mitts, for sports use, incl. ski & snowmobile, of man-made fibers, not impregnated/coated with plastics or rubber	0
116	62160058	Gloves, mittens & mitts (excl. for sports), not impregnated, coated or covered with plastics or rubber, of mmf, with fourchettes	0
117	62171090	Made up clothing accessories(excl those of heading 6212), containing less than 70% by weight of silk or silk waste, not knitted or crocheted	0
118	62179010	Parts of garments or of clothing accessories (excl those of heading 6212), containing 70% or more by weight of silk or silk waste, not k/c	0
119	63019000	Blankets and traveling rugs, nesoi	0
120	63022150	Bed linen, not knit or crocheted, printed, of cotton, cont any embroidery, lace, braid, edging, trimming, piping or applique work, n/napped	0
121	63023170	Bed linen, not knit/croc, not printed, of cotton, not cont any embroidery, lace, braid, edging, trimming, piping or applique work, napped	0
122	63023220	Bed linen, not knitted or crocheted, not printed, of manmade fibers, nesoi	0
123	63024020	Table linen, knitted or crocheted, nesoi	0
124	63029920	Toilet and kitchen linen of textile materials nesoi, containing less than 85% by weight of silk or silk waste	0
125	63039210	Curtains/drapes, inter. blinds, etc. of syn fib, made up from fab of subh 5407.60.11/5407.60.21/5407.60.91, not knitted or crocheted	0
126	63039220	Curtains (including drapes), interior blinds and valances, nesoi, of synthetic fibers, not knitted or crocheted	0
127	63041905	Bedspreads, not knitted or crocheted, of cotton, containing any embroidery, lace, etc.	0
128	63041910	Bedspreads, not knitted or crocheted, of cotton, nesoi	0

<b>129</b>	63049300	Furnishing articles (excluding those of heading 9404 and other than bedspreads) not knitted or crocheted, of synthetic fibers	0
<b>130</b>	63052000	Sacks and bags of a kind used for the packing of goods, of cotton	0
<b>131</b>	63053300	Other sacks/bags for packing goods, of mm tex.mat.(not flex.intermed.bulk containers), of polyethylene or polypro. strip or the like	0
<b>132</b>	63053900	Sacks and bags of a kind used for the packing of goods, of man-made textile materials, nesoi	0
<b>133</b>	63061900	Tarpaulins, awnings and sunblinds, of textile materials other than of cotton or synthetic fibers	0
<b>134</b>	63062100	Tents of cotton	0
<b>135</b>	63072000	Lif jackets and lifebelts of textile materials	0
<b>136</b>	63079040	Cords and tassels of textile materials	0
<b>137</b>	63079085	Wall banners, of man-made fibers	0
<b>138</b>	63079099	National flags and other made-up articles of textile materials, nesoi	0
<b>139</b>	63090000	Worn clothing and other worn articles	0

**From:** kabir khan [kabirakhtar@gmail.com]

**Sent:** Wednesday, April 11, 2007 1:57 AM

**To:** FN-USTR-FR0704

**Subject:** Duty-Free and Quota-Free market access in US market from LDCs.

To

USTR

US Government.

Sub: submission to USTR on 100%Duty-Free and Quota-Free market access of LDCs.

Madam,

On behalf of LDC's I make a submission on 100%Duty-Free and Quota-free market access of LDCs to US market:

I support the commitment made by the United States to provide duty-free and quota-free market access for LDCs and also urge that this commitment be implemented as soon as possible and for all products from all LDCs.

As a resident of Bangladesh i urge that the United States act immediately to fulfill its commitment for DFQF access. That access should be made available to all products exported by all LDCs including Bangladesh, without exceptions, subject only to rules of origin that are transparent, simple, and contribute to facilitating market access for the LDCs. Granting this request would greatly in the process of socio-economic development , women empowerment and reform in Bangladesh, a country that desires to grow out of poverty through trade. Free access to the US market will safeguard jobs for millions of workers in Bangladesh about 80% of whom are women with very few other employment options.

This initiative will benefit US consumer, traders, and exporters, and will do no harm to Us producers and Us industries.

I reiterate my strong support of the objective of promoting international economic development through trade by expanding LDCs access to the US market with implementation of 100%duty-free and quota-free initiative.

Best regards,

AKHTARUZ ZAMAN KHAN KABIR

Dhaka, Bangladesh.

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kabirakhtar

## Doherty, Julia

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**From:** info [info@apexadelchi.com]  
**Sent:** Sunday, April 15, 2007 4:14 AM  
**To:** FN-USTR-FR0704  
**Subject:** Request for granting DUTY FREE ACCESS for Bangladesh

Dear Sir,

Bangladesh has been making steady progress in its efforts to foster economic growth and alleviate poverty for its 140 million people over the last decade. As one of the most densely populated countries in the world and more than 40% of the population under 40, the keys to sustaining growth and providing a better future will be employment generation.

The example of the RMG industry over the last two decades in poverty alleviation, womens empowerment, job creation ,backward linkages and support industry creation, and encouraging entrepreneurship are well documented.

Even though agriculture, directly and indirectly, continues to be the largest source of employment till today, it is apparent that manufacturing will need to take up this role in the near future if we are to continue to shift more and more people out of poverty .

Bangladesh must capitalize on its greatest asset, its human resources to create manufacturing capacity for the world that can compete globally through quality , cost and an emphasis on ethical sourcing. The RMG industry has already put us on the map and today the largest and most important buyers from all over the world are sourcing from Bangladesh.

However in the fiercely competitive global export markets the inherent strengths of giants such as China and India are obvious and as a result countries such as Bangladesh need additional leverage if we are to get a foot in the door.

This has been possible through preferential access to market and in this era of aid for trade, initiatives such as the GSP facility and EBA for EC have produced excellent results .

In this context the leather goods and footwear export sub sector has emerged as one with great potential for growth in Bangladesh. This sector has some inherent strengths such as :

- Domestic availability of raw material , with over 1.5% of the global cattle livestock in Bangladesh
- Good quality raw material that is known and in demand for its fine grain structure
- Established tanning industry for the last three decades that can convert this raw material into finished leather, the primary raw material for the goods and footwear industry.
- High value addition as a result
- Medium technology labour rich industry ideal for Bangladesh
- High competitive labour costs
- Available and easy to train labour

However despite these advantages our late entry into this sector( the first 100% EOU leather footwear company started in 1990!compared with the early 70's in India)as well as miniscule scale ( there are 30+ mechanized export shoe factories compared with 20,000 in China!)and the lack of a shoe manufacturing support and infrastructure industry in Bangladesh have prevented us from playing on a level playing field viz-a-viz both China and India.

The duty and quota free access provided for Bangladesh leather footwear in Europe and Japan has gone a long way to help offset these disadvantages and as a result the fledgling footwear and leather goods export industry of Bangladesh has been growing at over 25% the last three years. Almost 100% of these exports are destined for EU and Japan. The export of leather footwear and products to the USA is negligible as we do not enjoy any such comparative advantage viz-a-viz the entrenched market leader China and the rapidly gaining India.

Even then the quantum of exports is tiny just crossing USD 100+ million in fiscal 2006.

According to statistics exports of China's leather industries products and shoes reached USD 39.2 billion with an average price of USD 2.75/pair! In India leather footwear exports increased 19.1% between April-September 2006 to USD 1.49 billion , compared to same period in 2005.

So obviously in order to be able to compete on an even footing with these two behemoths Bangladesh will continue to need the additional comparative advantage of PREFERENTIAL MARKET ACCESS for the foreseeable future.

We would therefore strongly urge upon the USTA representative to use their office to lobby for and gain PREFERENTIAL MARKET ACCESS for all products made in Bangladesh for the US market.

We firmly believe that this market access will help us to offer a reason to US buyers to CONSIDER sourcing from Bangladesh so that we can then begin to compete on our own terms. This will not only help diversify our export basket and markets, it will create jobs and and it will help us better the lives of many Bangladeshi directly through direct and indirect employment.

Thanking you

Yours sincerely

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Managing Director  
Apex Adelchi Footwear Ltd

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This message has been scanned for viruses and dangerous content by MailScanner, and is believed to be clean.