UNITED STATES INTERNATIONAL TRADE COMMISSION Washington, DC 20436

Investigation No. AGOA-07

COMMERCIAL AVAILABILITY OF FABRIC AND YARNS IN AGOA COUNTRIES: CERTAIN DENIM

AGENCY: United States International Trade Commission

ACTION: Notice of determination

DETERMINATION: Based on the information developed in the subject investigation, the United States International Trade Commission determines, pursuant to section 112(c)(2)(B)(ii) of the African Growth and Opportunity Act (AGOA),¹ (1) that denim fabric² produced in beneficiary sub-Saharan African (SSA) countries will be available in commercial quantities during the period October 1, 2007 - September 30, 2008 (fiscal year 2008) for use by lesser developed beneficiary (LDB) SSA countries in the production of apparel articles receiving U.S. preferential treatment, and (2) that the quantity of such denim fabric that will be so available during fiscal year 2008 is 21,303,613 square meter equivalents.³

BACKGROUND: Section 112(c)(2)(A) of AGOA requires the Commission, following receipt of a petition, to determine whether a fabric or yarn is available in commercial quantities for use by LDB SSA countries, and if the Commission makes an affirmative determination, section 112(c)(2)(B)(i) of AGOA requires the Commission to determine the quantity of such fabric or yarn that will be so available in the following fiscal year. Section 112(c)(2)(B)(i) of AGOA requires the Commission to make similar determinations for the following year in each year thereafter through 2012 with respect to whether the fabric or yarn will be available in commercial quantities and the quantity so available. Section 112(c)(2)(B)(ii) of AGOA requires the Commission to determine, after the end of each year for which an availability determination was made, the extent to which the fabric or yarn determined to be available in commercial quantities for use in LDB SSA countries was used in the production of apparel articles receiving U.S. preferential treatment. Section 112(c)(2)(C) of AGOA deemed denim fabric to be available in commercial quantities in the amount of 30 million square meter equivalents (smes) during fiscal year 2007, as if the Commission had made an affirmative determination in response to a petition.

The determinations that the Commission has made here are made under section 112(c)(2)(B)(ii) of AGOA and concern whether the subject denim fabric will be available in commercial quantities during fiscal year 2008, and the quantity that will be so available.

Notice of the institution of the Commission's investigation and of the scheduling of a public hearing in connection therewith was given by posting a copy of the notice on the Commission's web site (<u>www.usitc.gov</u>) and by publishing the notice in the Federal Register of April 9, 2007 (72 F.R. 17578). The hearing was held on June 5, 2007, in Washington, D.C.; all persons who requested the opportunity

¹ 19 U.S.C. 3721(c)(2)(B)(ii).

² Denim articles provided for in subheading 5209.42.00 of the Harmonized Tariff Schedule. See section 112(c)(2(C) of AGOA, 19 U.S.C. 3721(c)(2)(C).

³ Commissioner Dean A. Pinkert determines that the quantity that will be so available during fiscal year 2008 is within a range from 21,303,613 smes to 25,017,171 smes.

were permitted to appear in person or by counsel.

The views of the Commission are contained in USITC Publication 3950 (September 2007), entitled *Commercial Availability of Fabric and Yarns in AGOA Countries: Certain Denim.*

By order of the Commission.

/s/ Marilyn R. Abbott Secretary to the Commission

Issued: September 25, 2007