EXECUTIVE OFFICE OF THE PRESIDENT THE UNITED STATES TRADE REPRESENTATIVE WASHINGTON, D.C. 20508

FEB 1 0 2012

The Honorable Deanna Tanner Okun Chairman United States International Trade Commission 500 E Street, S.W. Washington, D.C. 20436

Dear Chairman Okun:

The Trade Policy Staff Committee (TPSC) has recently decided to accept certain product petitions for the 2011 Annual Review for modification of the Generalized System of Preferences (GSP) and to review certain additional cotton products for possible designation as eligible articles for GSP benefits for least-developed beneficiary developing countries. Modifications to the GSP program that may result from this review are expected to be announced on or before June 30, 2012, and to become effective on or before July 1, 2012. In this connection, I am making the requests set out below.

In accordance with sections 503(a)(1)(A), 503(e), and 131(a) of the Trade Act of 1974, as amended ("the 1974 Act"), and pursuant to the authority of the President delegated to the United States Trade Representative (USTR) by sections 4(c) and 8(c) and (d) of Executive Order 11846 of March 31, 1975, as amended, and pursuant to section 332(g) of the Tariff Act of 1930, I hereby notify the Commission that the article identified in Part A of the enclosed Annex is being considered for designation as an eligible article for purposes of the GSP program, and I request that the Commission provide its advice as to the probable economic effect on U.S. industries producing like or directly competitive articles, on U.S. imports, and on U.S. consumers of the elimination of U.S. import duties on that article for all beneficiary developing countries under the GSP program.

In accordance with sections 503(a)(1)(B), 503(e), and 131(a) of the 1974 Trade Act, and pursuant to the authority of the President delegated to the USTR by sections 4(c) and 8(c) and (d) of Executive Order 11846 of March 31, 1975, as amended, and pursuant to section 332(g) of the Tariff Act of 1930, I hereby notify the Commission that the articles identified in Part B of the enclosed Annex are being considered for designation as eligible articles for countries designated as least-developed beneficiary developing countries under the GSP program, and I request that the Commission provide its advice as to the probable economic effect on U.S. industries producing like or directly competitive articles, on U.S. imports, and on U.S. consumers of the elimination of U.S. import duties on those articles for least-developed beneficiary developing countries under the GSP program.

Under authority delegated by the President, pursuant to section 332(g) of the Tariff Act of 1930, and in accordance with section 503(d)(1)(A) of the 1974 Act, I request that the Commission provide advice on whether any industry in the United States is likely to be adversely affected by a waiver of the competitive need limitations specified in section 503(c)(2)(A) of the 1974 Act for the countries and articles specified in Part C of the enclosed Annex. Further, in accordance with section 503(c)(2)(E) of the 1974 Act, I request that the Commission provide advice with respect to whether like or directly competitive products were being produced in the United States on January 1, 1995. I also request that the Commission provide advice as to the probable economic effect on total U.S. imports, as well as on consumers, of the requested waivers. With respect to the competitive need limit in section 503(c)(2)(A)(i)(I) of the 1974 Act, the Commission is requested to use the dollar value limit of \$150,000,000.

To the extent possible, I would appreciate it if the probable economic effect advice and statistics (profile of the U.S. industry and market and U.S. import and export data) and any other relevant information or advice is provided separately and individually for each U.S. Harmonized Tariff Schedule subheading for all products subject to this request.

In accordance with USTR policy on implementing Executive Order 13526, as amended, I direct you to mark or identify as "Confidential," for a period of ten years, such portions of the Commission's report and its working papers that contain the Commission's advice and assessment of probable economic effects on domestic industries producing like or directly competitive articles, on U.S. imports, and on U.S. consumers. Consistent with the Executive Order, this information is being classified on the basis that it concerns economic matters relating to the national security. In addition, USTR considers the Commission's report to be an inter-agency memorandum that will contain predecisional advice and be subject to the deliberative process privilege.

I request that you submit an outline of this report as soon as possible to enable USTR officials to provide you with further guidance on its classification, including the extent to which portions of the report will require classification and for how long. Based on this outline, an appropriate USTR official with original classification authority will provide you with written instructions. All confidential business information contained in the report should also be clearly identified.

I would greatly appreciate if the requested advice, including those portions indicated as "Confidential" be provided to my Office by no later than 90 days from receipt of this letter. Once the Commission's confidential report is provided to my Office, and we review and approve the classification marking, the Commission should issue, as soon as possible thereafter, a public version of the report containing only the unclassified information, with any confidential business information deleted.

The Commission's assistance in this matter is greatly appreciated.

Ambassador Ron Kirk

Sincerely,

Annex

The Harmonized Tariff Schedule of the United States (HTS) subheadings listed below have been accepted as product petitions for the 2011 Generalized System of Preferences (GSP) Annual Review for modification of the GSP. The tariff nomenclature in the HTS for the subheadings listed below are definitive; the product descriptions in this list are *for informational purposes only* (except in those cases where only part of a subheading is the subject of a petition). The descriptions below are not intended to delimit in any way the scope of the subheading. The HTS may be viewed on http://www.usitc.gov/tata/index.htm.

A. <u>Petitions for addition of a product to the list of eligible products for the Generalized System of Preferences for All Beneficiaries</u>

Accepted Case No.	HTS Subheading	Brief Description	Petitioner
2011-13	3923.21.00	Sacks and bags (including cones) for the conveyance or packing of goods, of polymers of ethylene. (Petition seeks GSP eligibility for statistical reporting number 3923.21.00.30, which would need to become a new eight-digit HTS subheading.)	S. C. Johnson and Son, Racine, WI & Government of Thailand

B. <u>Petitions for addition of a product to the list of eligible products for the Generalized System of Preferences for Least Developed Beneficiaries</u>

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Accepted Case No.	HTS Subheading	Brief Description
2011-01	5201.00.18	Cotton, not carded or combed, having a staple length under 28.575 mm (1-1/8 inches), n/harsh or rough, nesoi
2011-02	5201.00.22	Cotton, not carded or combed, staple length of 28.575 mm or more but under 34.925 mm, described in gen. note 15
2011-03	5201.00.24	Cotton,/carded or combed, harsh or rough, staple length 29.36875 mm or more but n/o 34.925 mm, white in color, quota described in ch 52 add US note 6
2011-04	5201.00.28	Cotton, not carded or combed, harsh or rough, staple length of 29.36875 mm or more but under 34.925 mm & white in color, nesoi
2011-05	5201.00.34	Cotton, not carded or combed, staple length of 28.575 mm or more but under 34.925 mm, other, quota described in chapter 52 add'l US note 7
2011-06	5201.00.38	Cotton, not carded or combed, staple length of 28.575 mm or more but under 34.925 mm, nesoi
2011-07	5202.91.00	Cotton garnetted stock
2011-08	5202.99.30	Cotton card strips made from cotton waste having staple length under 30.1625 mm & lap, sliver & roving waste, nesoi
2011-09	5203.00.05	Cotton fibers, carded or combed, of cotton fiber processed but not spun, described in gen. note 15
2011-10	5203.00.10	Cotton fibers, carded or combed, of cotton fiber processed but not spun, quota described in chapter 52 add'l US note 10
2011-11	5203.00.30	Cotton fibers, carded or combed, of cotton fiber processed, but not spun, nesoi
2011-12	5203.00.50	Cotton carded or combed, excluding fibers of cotton processed but not spun

C. <u>Petitions for waiver of competitive need limits for a product on the list of eligible products for the Generalized System of Preferences.</u>

Accepted Case No.	HTS Subheading	Brief Description	Petitioner
2011-14	1602.50.20 (Argentina)	Prepared or preserved beef in airtight containers, other than corned beef, not containing cereals or vegetables	Government of Argentina
2011-15	2840.19.00 (Turkey)	Disodium tetraborate (refined borax) except anhydrous	Istanbul Mineral & Metals Exporters Association
2011-16	2921.19.60 (Philippines)	Other acyclic monoamines and their derivatives	Government of Philippines
2011-17	2922.41.00 (Brazil)	Lysine and its esters and salts thereof	National Association of Brazilian Feed Industries
2011-18	3307.41.00 (India)	"Agarbatti" and other odoriferous preparations which operate by burning, to perfume or deodorize rooms or used during religious rites	Government of India
2011-19	4015.19.10 (Thailand)	Seamless gloves of vulcanized rubber other than hard rubber, other than surgical or medical gloves	Government of Thailand
2011-20	7606.12.30 (Indonesia)	Aluminum alloy, plates/sheets/strip, w/thick. o/0.2mm, rectangular (incl. sq), not clad	Government of Indonesia, Empire Resources of NJ, Galex, Inc. and Ta Chen International
2011-21	8415.90.80 (Thailand)	Parts for air conditioning machines, nesi	Mitsubishi Electric
2011-22	8708.30.50 (India)	Pts. & access. of mtr. vehicles of 8701, nesoi, and 8702-8705, brakes and servo-brakes & pts thereof	Brake Parts Inc. and EEPC India