

TO IMPLEMENT THE
UNITED STATES-KOREA FREE TRADE AGREEMENT
8783

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BY THE PRESIDENT OF THE UNITED STATES OF AMERICA

A PROCLAMATION

1. On June 30, 2007, the United States entered into the United States-Korea Free Trade Agreement (the "Agreement"). The Congress approved the Agreement in section 101(a) of the United States-Korea Free Trade Agreement Implementation Act (the "Implementation Act") (Public Law 112-41, 125 Stat. 428).

2. Section 105(a) of the Implementation Act authorizes the President to establish or designate within the Department of Commerce an office that shall be responsible for providing administrative assistance to panels established under chapter 22 of the Agreement.

3. Section 201 of the Implementation Act authorizes the President to proclaim such modifications or continuation of any duty, such continuation of duty-free or excise treatment, or such additional duties, as the President determines to be necessary or appropriate to carry out or apply Articles 2.3, 2.5, and 2.6, and Annex 2-B, Annex 4-B, and Annex 22-A of the Agreement.

4. Section 201(d) of the Implementation Act authorizes the President to proclaim the tariff treatment therein for certain motor vehicles of Korea.

5. Section 202 of the Implementation Act sets forth certain rules for determining whether a good is an originating good for the purpose of implementing preferential tariff treatment provided for under the Agreement. I have decided that it is necessary to include these rules of origin, together with particular rules applicable to certain other goods, in the Harmonized Tariff Schedule of the United States (HTS).

6. Section 202(o) of the Implementation Act authorizes the President, upon receiving a request from an interested entity, to determine that a fabric, yarn, or fiber is or is not available in commercial quantities in a timely manner in the United States; to establish procedures governing the submission of a request for any such determination and ensuring appropriate public participation in any such determination; to add to the list of the United States as set forth in Appendix 4-B-1 of the Agreement any fabric, yarn, or fiber determined to be not available in commercial quantities in a timely manner in the United States; or to remove from the list in Appendix 4-B-1 of the Agreement any fabric, yarn, or fiber that the President has previously added to that list.

7. Section 207 of the Implementation Act authorizes the President to take certain enforcement actions relating to trade with Korea in textile and apparel goods.

8. Subtitle C of title III of the Implementation Act authorizes the President to take certain actions in response to a request by an interested party for relief from serious damage or actual threat thereof to a domestic industry producing certain textile or apparel articles.

9. Executive Order 11651 of March 3, 1972, as amended, established the Committee for the Implementation of Textile Agreements (CITA), consisting of representatives of the Departments of State, the Treasury, Commerce, and Labor, and the Office of the United States Trade Representative, with the representative of the Department of Commerce as Chairman, to supervise the implementation of textile trade agreements. Consistent with section 301 of title 3, United States Code, when carrying out functions vested in the President by statute and assigned by the President to CITA, the officials collectively exercising those functions are all to be officers required to be

appointed by the President with the advice and consent of the Senate.

10. Section 604 of the Trade Act of 1974, as amended (the "1974 Act"), 19 U.S.C. 2483, authorizes the President to embody in the HTS the substance of relevant provisions of that Act, or other Acts affecting import treatment, and of actions taken thereunder, including the removal, modification, continuance, or imposition of any rate of duty or other import restriction.

NOW, THEREFORE, I, BARACK OBAMA, President of the United States of America, by virtue of the authority vested in me by the Constitution and the laws of the United States of America, including but not limited to section 604 of the 1974 Act; sections 105(a), 201, 202, 207, and subtitle C of title III of the Implementation Act; and section 301 of title 3, United States Code, and having made the determination under section 101(b) of the Implementation Act necessary for the exchange of notes, do hereby proclaim:

(1) In order to provide generally for the preferential tariff treatment being accorded under the Agreement, to set forth rules for determining whether goods imported into the customs territory of the United States are eligible for preferential tariff treatment under the Agreement, to provide certain other treatment to originating goods of Korea for the purposes of the Agreement, the HTS is modified as set forth in Annex I of Publication 4308 of the United States International Trade Commission, entitled "Modifications to the Harmonized Tariff Schedule of the United States to Implement the United States-Korea Free Trade Agreement," which is incorporated by reference into this proclamation.

(2) In order to implement the initial stage of duty elimination provided for in the Agreement and to provide for future staged reductions in duties for originating goods of

Korea for purposes of the Agreement, the HTS is modified as provided in Annex II of Publication 4308, effective on the dates specified in the relevant sections of such publication and on any subsequent dates set forth for such duty reductions in that publication.

(3) The amendments to the HTS made by paragraphs (1) and (2) of this proclamation shall be effective with respect to goods entered, or withdrawn from warehouse for consumption, on or after the relevant dates indicated in the Annexes of Publication 4308.

(4) The Secretary of Commerce is authorized to exercise the authority of the President under section 105(a) of the Implementation Act to establish or designate an office within the Department of Commerce to carry out the functions set forth in that section.

(5) The CITA is authorized to exercise the authority of the President under section 202(o) of the Implementation Act to determine that a fabric, yarn, or fiber is or is not available in commercial quantities in a timely manner in the United States; to establish procedures governing the request for any such determination and ensuring appropriate public participation in any such determination; to add any fabric, yarn, or fiber determined to be not available in commercial quantities in a timely manner in the United States to the list in Appendix 4-B-1 of the Agreement; or to remove from the list in Appendix 4-B-1 of the Agreement any fabric, yarn, or fiber that the President has previously added to that list.

(6) The CITA is authorized to exercise the authority of the President under section 207 of the Implementation Act to direct the exclusion of certain textile and apparel goods from the customs territory of the United States and to direct the

denial of preferential tariff treatment to textile and apparel goods.

(7) The CITA is authorized to exercise the functions of the President under subtitle C of title III of the Implementation Act to review requests, and to determine whether to commence consideration of such requests; after an appropriate determination, to cause to be published in the *Federal Register* a notice of commencement of consideration of a request and notice seeking public comment; to determine whether imports of a Korean textile or apparel article are causing serious damage, or actual threat thereof, to a domestic industry producing an article that is like, or directly competitive with, the imported article; and to provide relief from imports of an article that is the subject of an affirmative determination as to damage or threat.

(8) The United States Trade Representative (USTR) is authorized to fulfill the obligations of the President under section 104 of the Implementation Act to obtain advice from the appropriate advisory committees and the United States International Trade Commission on the proposed implementation of an action by Presidential proclamation; to submit a report on such proposed action to the appropriate congressional committees; and to consult with those congressional committees regarding the proposed action.

(9) The USTR is authorized to modify U.S. note 4 to subchapter XX of chapter 99 of the HTS in a notice published in the *Federal Register* to reflect modifications pursuant to paragraph (6) of this proclamation by the CITA to the list of fabrics, yarns, or fibers in Annex 4-B-1 of the Agreement.

(10) All provisions of previous proclamations and Executive Orders that are inconsistent with the actions taken in

this proclamation are superseded to the extent of such inconsistency.

IN WITNESS WHEREOF, I have hereunto set my hand this sixth day of March, in the year of our Lord two thousand twelve, and of the Independence of the United States of America the two hundred and thirty-sixth.

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