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OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

Generalized System of Preferences (GSP): Notice of Initiation of the 2016/2017

Annual GSP Product and Country Practices Review; Travel Goods Supplemental

Comment Period and Hearing; Deadlines for Filing Petitions

AGENCY: Office of the United States Trade Representative.

ACTION: Notice of public hearing and request for petitions and comments.

SUMMARY: The Office of the United States Trade Representative (USTR) is prepared to receive petitions to modify the list of articles that are eligible for duty-free treatment under the Generalized System of Preferences (GSP) program and to modify the GSP status of certain GSP beneficiary developing countries because of country practices.

USTR also is prepared to receive petitions requesting waivers of competitive need limitations (CNLs). In addition, USTR is seeking public comments and will convene a public hearing to receive additional information and stakeholder views regarding the potential addition of travel and luggage goods products for more economically advanced GSP beneficiary countries.

DATES: In order to be considered in the 2016/2017 Annual GSP Review, the GSP Subcommittee of the Trade Policy Staff Committee (TPSC) must receive petitions by the following deadlines:

Tuesday, October 4, 2016, 5:00 pm: Petitions to modify the list of articles eligible for duty-free treatment under GSP.

Tuesday, October 4, 2016, 5:00 pm: Petitions to review the GSP status of any beneficiary developing country.

Friday, December 2, 2016, 5:00 pm: Petitions requesting waivers of CNLs.

USTR will not consider petitions submitted after these deadlines. Decisions on which petitions are accepted for review, along with a schedule for any related public hearings and the opportunity for the public to provide comments, will be announced at a later date.

Travel Goods Supplemental Comment Period and Hearing

A supplemental comment period and hearing will be held to give stakeholders the opportunity to submit further information with respect to the possible addition of travel and luggage goods items as eligible articles for more advanced Beneficiary Developing Countries (BDCs). This will supplement information collected during the 2015 /2016 Annual Review. The schedule for the hearing and public comments is as follows:

Tuesday, October 4, 2016, 5:00 pm: Deadline for submission of comments, pre-hearing briefs and requests to appear at the hearing.

Tuesday, October 18, 2016, 9:30 am: The GSP Subcommittee of the TPSC will convene a public hearing on travel and luggage goods in Rooms 1 and 2, 1724 F Street NW, Washington DC 20508.

Tuesday, November 1, 2016, 5:00 pm: Deadline for submission of post-hearing comments or briefs.

ADDRESSES: You should submit written comments through the Federal eRulemaking Portal: <http://www.regulations.gov>. The docket number for the 2016/2017 Annual GSP

Review is USTR-2016-0009. The docket number for the Travel Goods Supplemental Comment Period and Hearing is USTR-2015-0013. Follow the instructions for submitting comments in section III below. If an interested party is unable to provide submissions as requested, please contact Naomi Freeman at (202) 395-2974 to arrange for an alternative method of transmission.

FOR FURTHER INFORMATION CONTACT: Naomi Freeman at (202) 395-2974 or GSP@ustr.eop.gov.

SUPPLEMENTARY INFORMATION:

The GSP program provides for the duty-free importation of designated articles when imported from designated beneficiary developing countries. The GSP program is authorized by Title V of the Trade Act of 1974 (19 U.S.C. 2461, *et seq.*), as amended (Trade Act), and is implemented in accordance with Executive Order 11888 of November 24, 1975, as modified by subsequent Executive Orders and Presidential Proclamations.

I. The 2016/2017 Annual GSP Review

GSP Product Review Petitions: Any interested party, including foreign governments, may submit petitions to:

- (1) Designate additional articles as eligible for GSP benefits, including to designate articles as eligible for GSP benefits only if imported from countries designated as least-developed beneficiary developing countries, or only from countries designated as beneficiary sub-Saharan African countries under the African Growth and Opportunity Act (AGOA);

(2) Withdraw, suspend or limit the application of duty-free treatment accorded under the GSP with respect to any article; and

(3) Otherwise modify GSP coverage.

Petitioners seeking to add products to eligibility for GSP benefits should note that, as provided in section 503(b) of the Trade Act (19 U.S.C. 2463(b)), certain articles may not be designated as eligible articles under GSP.

As specified in 15 CFR 2007.1, all petitions must include a detailed description of the product and the eight-digit subheading of the Harmonized Tariff Schedule of the United States (HTSUS) under which the product is classified.

Country Practices Review Petitions: Any interested party may submit a petition to review the GSP eligibility of any beneficiary developing country with respect to any of the designation criteria listed in sections 502(b) and 502(c) of the Trade Act (19 U.S.C. 2462(b) and (c)).

Competitive Need Limitations: Any interested party may submit a petition seeking a waiver of the 2016 CNL for individual beneficiary developing countries with respect to specific GSP-eligible articles (these limits do not apply to least-developed beneficiary developing countries or AGOA beneficiary countries). Before submitting petitions for CNL waivers, prospective petitioners may wish to review the 2016 year-to-date import trade data for products of interest. This data is available via the U.S. International Trade Commission's "Dataweb" database at <http://dataweb.usitc.gov/>. For more information on CNLs and how they apply to the GSP program, please visit the GSP page of the USTR

website at <https://ustr.gov/issue-areas/trade-development/preference-programs/generalized-system-preference-gsp>.

II. Travel Goods Supplemental Comment Period and Hearing

On June 30, 2016, the President designated certain travel and luggage goods articles as eligible for duty-free treatment to least-developed beneficiary developing countries (LDBDCs) and AGOA beneficiary countries. A decision regarding other, generally more advanced, beneficiary countries was deferred. In making any decision with regard to the provision of duty-free treatment for any eligible article from any beneficiary country, the President under section 501 of the Trade Act (19 U.S.C. 2461) must have due regard for the following factors:

- (1) The effect such action will have on furthering the economic development of the developing countries through the expansion of their exports;
- (2) The extent to which other major developed countries are undertaking a comparable effort to assist developing countries by granting generalized preferences with respect to imports of products of such countries;
- (3) The anticipated impact of such action on U.S producers of like or directly competitive products; and
- (4) The extent of the beneficiary developing countries' competitiveness with respect to eligible articles.

In the 2015/2016 GSP Annual Review, the President determined that a consideration of these factors justified the immediate provision of duty-free treatment to travel and luggage goods from LDBDCs and AGOA countries, but that more analysis was needed

with respect to such goods from other, generally more advanced, beneficiary countries. The request for public comments and hearing announced in this notice are intended to create an additional formal process to collect supplemental information relevant to a decision on whether to extend duty-free treatment to this last category of GSP beneficiaries.

Interested parties need not re-submit information previously provided. However, interested parties now have an opportunity to provide any new information or analysis with respect to the possible further extension of GSP benefits for non-LDBDCs for each of the travel and luggage tariff lines under consideration in light of the above mentioned statutory criteria.

USTR aims to conclude its review of luggage and travel goods by January 2017.

III. Requirements for Submissions

All submissions for the 2016/2017 GSP Annual Review and for the Travel Goods Supplemental Comment Period and Hearing must conform to the GSP regulations set forth at 15 CFR part 2007, except as modified below. These regulations are available on the USTR website at <https://ustr.gov/issue-areas/trade-development/preference-programs/generalized-system-preference-gsp/gsp-program-inf>.

All submissions must be in English and must be submitted electronically via <http://www.regulations.gov>, using docket number USTR-2016-0009 for the 2016/2017 GSP Annual Review, or docket number USTR-2015-0013 for the Travel Goods Supplemental Comment Period and Hearing. USTR will not accept hand-delivered submissions. USTR will not accept submissions for review that do not provide the

information required by §§ 2007.0 and 2007.1 of the GSP regulations, except upon a detailed showing in the submission that the petitioner made a good faith effort to obtain the information required.

In order to ensure the timely receipt and consideration of submissions, USTR strongly encourages submitters to make on-line submissions, using the www.regulations.gov website. To submit comments via www.regulations.gov, enter the docket number for this review – either USTR-2016-0009 or USTR-2015-0013 – on the home page and click “search.” The site will provide a search-results page listing all documents associated with this docket. Find a reference to this notice by selecting “Notice” under “Document Type” in the “Filter Results by” section on the left side of the screen and click on the link entitled “Comment Now.” For further information on using the www.regulations.gov website, please consult the resources provided on the website by clicking on “How to Use Regulations.gov” on the bottom of the home page.

The www.regulations.gov website allows users to provide comments by filling in a “Type Comment” field or by attaching a document using the “Upload file(s)” field. The GSP Subcommittee prefers that submissions be provided in an attached document. If a document is attached, it is sufficient to type “See attached” in the “Type Comment” field. USTR prefers submissions in Microsoft Word (.doc) or Adobe Acrobat (.pdf). If the submission is in an application other than those two, please indicate the name of the application in the “Type Comment” field.

Submissions must include, at the beginning of the submission or on the first page (if an attachment), the following text (in **bold** and underlined): (1) “**2016/2017 GSP Annual Review**” or “**Travel Goods Supplemental Comment Period and Hearing**” and (2)

the eight-digit HTSUS subheading number in which the product is classified (for product petitions) or the name of the country (for country practice petitions). Interested parties submitting petitions that request action with respect to specific products also should list at the beginning of the submission, or on the first page (if an attachment) the following information: (1) the requested action; and (2) if applicable, the beneficiary developing country.

Submissions should not exceed 30 single-spaced, standard letter-size pages in 12-point type, including attachments. Any data attachments to the submission should be included in the same file as the submission itself, and not as separate files. Please do not attach separate cover letters to electronic submissions; rather, include any information that might appear in a cover letter in the comments themselves. Similarly, to the extent possible, please include any exhibits, annexes, or other attachments in the same file as the submission itself, not as separate files.

Each submitter will receive a submission tracking number upon completion of the submissions procedure at www.regulations.gov that will be the submitter's confirmation that the submission was received. Submitters should keep the confirmation for their records. USTR is not responsible for any delays in a submission due to technical difficulties, and is not able to provide any technical assistance for the <http://www.regulations.gov> website.

As noted, USTR strongly urges submitters to use www.regulations.gov. Any alternative arrangements must be made with Naomi Freeman in advance of submission. You can contact Ms. Freeman at (202) 395-2974.

USTR may not consider for review documents that are not submitted in

accordance with these instructions.

Business Confidential Submissions: For any submissions containing business confidential information, the file name of the business confidential version should begin with the characters “BC”. Any page containing business confidential information must be clearly marked “BUSINESS CONFIDENTIAL” on the top of that page. Filers of submissions containing business confidential information must also submit a public version of their comments. The file name of the public version should begin with the character “P”. The “BC” and “P” should be followed by the name of the person or entity making the submission. Name submissions that do not contain business confidential information using the name of the person or entity making the submission.

Public Viewing of Review Submissions: Submissions in response to this notice, except for information granted “business confidential” status under 15 CFR 2003.6, will be available for public viewing pursuant to 15 CFR 2007.6 at <http://www.regulations.gov> upon completion of processing. You can view a submission by entering the docket number USTR-2016-0009 or USTR-2015-0013 in the search field at <http://www.regulations.gov>.

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