

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, D.C.

Investigation No. Australia FTA-103-021

Viscose Rayon Staple Fiber: Probable Effect of Modification of
U.S.-Australia Free Trade Agreement Rules of Origin

AGENCY: United States International Trade Commission.

ACTION: Institution of investigation.

SUMMARY: Following a request received August 14, 2008, from the Office of the United States Trade Representative (USTR) under authority delegated by the President and pursuant to section 104 of the United States-Australia Free Trade Agreement (USAFTA) Implementation Act, the U.S. International Trade Commission (Commission) instituted Investigation No. Australia FTA-103-021, *Viscose Rayon Staple Fiber: Probable Effect of Modification of U.S.-Australia Free Trade Agreement Rules of Origin*.

DATES:

September 17, 2008: Deadline for filing all written statements.

October 23, 2008: Transmittal of Commission report to the Office of the United States Trade Representative.

ADDRESSES: All Commission offices, including the Commission's hearing rooms, are located in the United States International Trade Commission Building, 500 E Street SW, Washington, DC. All written submissions should be addressed to the Secretary, United States International Trade Commission, 500 E Street SW, Washington, DC 20436. The public record for this investigation may be viewed on the Commission's electronic docket (EDIS) at <http://www.usitc.gov/secretary/edis.htm>.

FOR FURTHER INFORMATION CONTACT: Project Leaders Jackie Jones (202-205-3466 or jackie.jones@usitc.gov) or Don Sussman (202-205-3331 or donald.sussman@usitc.gov) for information specific to this investigation. For information on the legal aspects of this investigation, contact William Gearhart of the Commission's Office of the General Counsel (202-205-3091 or william.gearhart@usitc.gov). The media should contact Margaret O'Laughlin, Office of External Relations (202-205-1819 or margaret.olaughlin@usitc.gov). Hearing-impaired individuals may obtain information on this matter by contacting the Commission's TDD terminal at 202-205-1810. General information concerning the Commission may also be obtained by accessing its Internet server (<http://www.usitc.gov>). Persons with mobility impairments who will need special assistance in gaining access to the Commission should contact the Office of the Secretary at 202-205-2000.

BACKGROUND: Chapter 4 and Annex 4-A of the USAFTA contain the rules of origin for textiles and apparel for application of the tariff provisions of the USAFTA. These rules are set forth for the United States in general note 28 to the Harmonized Tariff Schedule (HTS). According to the request letter, U.S. negotiators have recently reached agreement in principle with representatives of the Government of Australia to modify the USAFTA rules of origin for certain yarns because it has been determined that U.S. and Australian producers are not able to produce viscose rayon staple fiber in commercial quantities in a timely manner. Information supplied to the Commission indicates that the yarns affected include blends of viscose rayon staple fibers with synthetic fibers, e.g., polyester, and with other artificial fibers, e.g., acetate. Section 203(o) of the United States-Australia Free Trade Agreement Implementation Act (the Act) authorizes the President, subject to the consultation and layover requirements of section 104 of the Act, to proclaim such modifications to the rules of origin as are necessary to implement an agreement with

Australia pursuant to Article 4.2.5 of the Agreement. One of the requirements set out in section 104 of the Act is that the President obtains advice regarding the proposed action from the United States International Trade Commission.

The request letter asks that the Commission provide advice on the probable effect of the proposed modification of the USAFTA rules of origin noted above on U.S. trade under the USAFTA, on total U.S. trade, and on domestic producers of the affected articles. As requested, the Commission will submit its advice to USTR by October 23, 2008, and shortly thereafter will issue a public version of the report with any confidential business information deleted. Additional information concerning the articles and the proposed modifications can be obtained by accessing the electronic version of this investigation and the USTR request letter at the Commission Internet site (<http://www.usitc.gov>). The current USAFTA rules of origin applicable to U.S. imports can be found in general note 28 of the 2008 HTS (see "General Notes" link at <http://www.usitc.gov/tata/hts/bychapter/index.htm>). The HTS subheading affected is 5510.90. All other subheadings covered by the current rules of origin would experience no change.

WRITTEN SUBMISSIONS: No public hearing is planned. However, interested parties are invited to submit written statements concerning this investigation. All written submissions should be addressed to the Secretary, and should be received not later than 5:15 p.m., September 17, 2008. All written submissions must conform to the provisions of section 201.8 of the Commission's *Rules of Practice and Procedure* (19 C.F.R. 201.8). Section 201.8 requires that a signed original (or a copy so designated) and fourteen (14) copies of each document be filed. In the event that confidential treatment of a document is requested, at least four (4) additional copies must be filed, in which the confidential information must be deleted (see the following paragraph for further information regarding confidential business information). The Commission's rules authorize filing submissions with the Secretary by facsimile or electronic means only to the extent permitted by section 201.8 of the rules (see Handbook for Electronic Filing Procedures, http://www.usitc.gov/secretary/fed_reg_notices/rules/documents/handbook_on_electronic_filing.pdf). Persons with questions regarding electronic filing should contact the Secretary (202-205-2000).

Any submissions that contain confidential business information must also conform to the requirements of section 201.6 of the Commission's *Rules of Practice and Procedure* (19 C.F.R. 201.6). Section 201.6 of the rules requires that the cover of the document and the individual pages be clearly marked as to whether they are the "confidential" or "non-confidential" version, and that the confidential business information is clearly identified by means of brackets. All written submissions, except for confidential business information, will be made available for inspection by interested parties.

The Commission may include some or all of the confidential business information submitted in the course of this investigation in the report it sends to the USTR and the President. As requested by the USTR, the Commission will publish a public version of the report. However, in the public version, the Commission will not publish confidential business information in a manner that would reveal the operations of the firm supplying the information.

By order of the Commission.

/s/
Marilyn R. Abbott
Secretary to the Commission

Issued: August 28, 2008