## UNITED STATES INTERNATIONAL TRADE COMMISSION Washington, D.C.

## **Investigation No. 1205-13**

## **Recommended Modifications in the Harmonized Tariff Schedule**

**AGENCY**: U.S. International Trade Commission.

**ACTION**: Notice of Institution of Investigation.

SUMMARY: The U.S. International Trade Commission (Commission) has instituted Investigation No. 1205-13, *Recommended Modifications in the Harmonized Tariff Schedule*, 2020, pursuant to section 1205 of the Omnibus Trade and Competitiveness Act of 1988 (the 1988 Act) (19 U.S.C. 3005), in order to recommend to the President such modifications in the Harmonized Tariff Schedule of the United States (HTS) as the Commission considers necessary or appropriate concerning: (1) the World Customs Organization's (WCO) Recommendation of June 28, 2019 that Contracting Parties to the International Convention on the Harmonized Commodity Description and Coding System (Convention) modify their tariff schedules to conform with amendments to the Harmonized System expected to enter into force on January 1, 2022; and (2) the HTS nomenclature for blanched peanuts to conform the HTS with a recent WCO classification opinion.

## **DATES**:

October 1, 2019: Posting of the WCO's Recommendation of June 28, 2019, on the Commission website.

March 2020 (actual date to be announced later): Posting of the Commission's proposed recommendations on the Commission's website.

April 2020 (actual dates to be announced later): Scheduling of a public hearing and setting out dates by which interested Federal agencies and the public must file any written views with the Commission on the Commission's proposed recommendations.

September 2020 (actual date to be announced later): Transmittal of the Commission's report to the President.

**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 to the Commission, U.S. 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 Information System (EDIS) at https://edis.usitc.gov/internal/.

FOR FURTHER INFORMATION CONTACT: Daniel P. Shepherdson, Attorney-Advisor, Office of Tariff Affairs and Trade Agreements ((202) 205-2598, or <a href="Daniel.Shepherdson@usitc.gov">Daniel.Shepherdson@usitc.gov</a>) or Vanessa Lee, Nomenclature Analyst, Office of Tariff Affairs and Trade Agreements ((202) 205-2053, or <a href="Vanessa.Lee@usitc.gov">Vanessa.Lee@usitc.gov</a>). 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 about the Commission is available by accessing the Commission website at <a href="https://www.usitc.gov/">https://www.usitc.gov/</a>. 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**: Section 1205(a) of the Omnibus Trade and Competitiveness Act of 1988 (the 1988 Act) (19 U.S.C. 3005(a)) requires that the Commission keep the Harmonized Tariff Schedule of the United States (Harmonized Tariff Schedule or HTS) under continuous review and periodically recommend to the President such modifications in the HTS as the Commission considers necessary or appropriate to conform the HTS with amendments made to the International Convention on the Harmonized Commodity Description and Coding System (Convention), which contains the Harmonized System nomenclature in the Annex to the Convention.

On June 28, 2019, the WCO adopted recommended amendments to the Harmonized System nomenclature that are scheduled to enter into force on January 1, 2022. The amendments are the sixth in a series of such amendments and are part of the WCO's ongoing program of periodically reviewing and updating the Harmonized System nomenclature. The Commission has posted a copy of the WCO amendments on its website at <a href="https://www.usitc.gov/">https://www.usitc.gov/</a>. The Commission will recommend to the President such modifications in the HTS as it considers necessary or appropriate to conform the HTS with such amendments.

As part of this investigation, the Commission will also consider whether it is necessary or appropriate to recommend a modification to the HTS nomenclature for blanched peanuts to conform the HTS with a 2018 opinion of the WCO's Harmonized System Committee, which classified certain blanched peanuts in heading 1202 of the Harmonized System. Before the WCO opinion, Customs and Border Protection (CBP) had consistently classified blanched peanuts in heading 2008 based in part on an HTS subheading in chapter 20 that provided for blanched peanuts.

An up-to-date copy of the HTS, which incorporates the Harmonized System in its overall structure, is available on the Commission's website at <a href="https://www.usitc.gov/">https://www.usitc.gov/</a>.

PROPOSED RECOMMENDATIONS, OPPORTUNITY TO COMMENT: In preparing its recommended modifications, the Commission will prepare proposed recommendations and then provide an opportunity to interested Federal agencies and the public to present their views in writing and/or at a public hearing on those proposed recommendations. The Commission expects to post the proposed recommendations on its website in March 2020, and will publish a notice in the Federal Register at that time providing notice of their availability and the procedures for filing written views, including the date by which such written views must be filed. To assist the public in understanding the proposed changes and in developing comments, the Commission will include, with the proposed recommendations, a non-authoritative cross-reference table linking the proposed tariff codes to the corresponding current tariff codes. Persons using the cross-

reference table should be aware that the cross-references shown are subject to change during the course of the investigation.

**RECOMMENDATIONS TO THE PRESIDENT:** The Commission will submit its recommended modifications to the President in the form of a report that will include a summary of the information on which the recommendations were based, together with a statement of the probable economic effect of each recommended change on any industry in the United States. The report also will include a copy of all written views submitted by interested Federal agencies and a copy or summary, prepared by the Commission, of the views of all other interested parties. The Commission expects to submit that report in September 2020.

By order of the Commission.

Lisa Barton

Secretary to the Commission

Issued: October 1, 2019