

CLIENT ALERT

USTR Commences Annual GSP Review of Competitive Need Limits

Oct.22.2008

The Office of the United States Trade Representative (USTR) has published a notice in the Federal Register regarding the 2008 annual product review of competitive need limitations (CNL) under the Generalized System of Preferences (GSP) program. 73 Fed. Reg. 61,444 (Oct. 16, 2008). The GSP program provides for the duty-free importation of designated articles from developing countries. However, if a developing country exports a quantity of the product to the United States exceeding the CNLs set by statute, that product will lose its GSP duty-free status, unless a waiver of the CNL is granted for that product.

Typically, the USTR publishes a "warning list" of products that may exceed CNLs for the present year. Notably, in conjunction with its 2008 Annual Review of the GSP program, the USTR will not be publishing a "warning list" this year. Instead, each interested party is responsible for conducting its own review of 2008 import data, which can be found on the International Trade Commission's website (<http://dataweb.usitc.gov>).

Parties who import using GSP preferences should take note of this development and ensure they are within the CNL limits. Those wishing to request CNL waivers for GSP-eligible products must submit petitions to the GSP Subcommittee of the Trade Policy Staff Committee. The deadline for those petitions to be considered in the 2008 annual review is **5:00 p.m. on Thursday, November 13, 2008.**

For more information, please contact the professional(s) listed below, or your regular Crowell & Moring contact.

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