

CLIENT ALERT

USTR Invites Public Comments on 2008 Import Statistics and Review of Country Practice Petitions under the Generalized System of Preferences Program

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Summary: The Office of the United States Trade Representative (USTR) has announced that calendar year 2008 statistics relating to competitive need limitations (CNLs) under the Generalized System of Preferences (GSP) program are now available online. 74 Fed. Reg. 9,642 (March 5, 2009). USTR will be accepting public comments until 5:00 p.m. on March 23, 2009, regarding (1) potential revocation of CNL waivers; (2) possible *de minimis* CNL waivers; and (3) possible redesignations of articles currently not eligible for GSP benefits because they previously exceeded the CNL thresholds. Additionally, the USTR announced a schedule for hearings and public comments related to petitions to modify the GSP status of certain beneficiary countries because of country practices. 74 Fed. Reg. 11,141 (March 16, 2009).

The GSP Program: 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 the President grants a waiver of the CNL for that product.

Import Statistics Online: In order to provide notice of those articles whose imports have exceeded these statutory CNLs, the USTR has posted lists on its website that contain, for each article, the Harmonized Tariff Schedule of the United States (HTSUS) classification, country of origin, value of imports of the article in 2008, and the percentage of total U.S. imports that each country represents. The lists also indicate the status of GSP eligibility, including (1) articles that exceeded CNLs; (2) articles that are not currently receiving GSP duty-free treatment, but may be considered for GSP treatment based on 2008 data; and (3) articles subject to waiver revocation.

Parties who import using GSP preferences should consult these lists to confirm that their products remain eligible under the program, have not exceeded any CNLs, and are not in danger of waiver revocation. Those parties that have exceeded the CNLs or are in danger of having a waiver revoked may submit public comments by **5:00 p.m. on Monday, March 23, 2009**, on <http://www.regulations.gov> to docket number USTR-2009-0008. Parties whose imports are not currently receiving GSP benefits but that may now be eligible are likewise encouraged to submit comments.

Review of Country Practice Petitions: Additionally, the USTR's Trade Policy Staff Committee (TPSC) is currently reviewing several country practice petitions: Petitions regarding worker rights in Bangladesh, Niger, the Republic of the Philippines, and Uzbekistan; and petitions regarding protection of intellectual property in Lebanon, Russia, and Uzbekistan. The GSP Subcommittee of the TPSC will hold a public hearing regarding those petitions accepted for the 2008 Annual Review on **April 24, 2009 at 9:00 a.m.** All interested parties wishing to testify at this hearing must submit a Notice of Intent to Testify and a Hearing Statement to the USTR by **April 2, 2009 at 5:00 p.m.** Parties not wishing to appear at the hearing, but to submit pre-hearing briefs or statements, must do so by this same deadline. Submission instructions and requirements can be found in the Federal Register at 74 Fed. Reg. 11,141 (March 16, 2009).

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

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