

F.No.19/2/2015-FT(Nafta)
Government of India
Ministry of Commerce & Industry
Department of Commerce
(NAFTA Division)

Udyog Bhawan, New Delhi
Dated, the 21st November, 2016

For m/a
DS (GSR)
22.11.16

Office Memorandum

Sub: Petition for waiver of Competitive Need Limitations (CNL) for the Generalized System of Preferences (GSP) for 'heterocyclic aromatic or modified aromatic pesticides with nitrogen hetero-atom (s) only' (HTS 2933.99.22) – reg.

The undersigned is directed to refer to the above mentioned subject and to say that Embassy of India, Washington D.C, USA intimated that USTR GSP "warning list" has been published by the Federal Register Notice No. 81 (Fed. Reg. 58547) in August, 2016 based on nine months of import data from January to September, 2016 (Copy enclosed). As per Embassy of India, the share of the 'heterocyclic aromatic or modified aromatic pesticides with nitrogen hetero-atom (s) only' (HTS 2933.99.22) is approaching 50% of all US imports from India and hence India may lose duty-free treatment by virtue of CNL that may be imposed.

2. The United States gives preferential tariff treatment to a large number of products if they originate from either beneficiary developing countries (BDCs) or least-developed beneficiary developing countries (LDBDCs). Generalized System of Preferences (GSP) imports from beneficiary countries subject to ceilings known as competitive need limitations (CNLs). As per GSP statute a BDC is to lose its GSP eligibility in a scenario where 50 percent or more of the value of total U.S. imports of that product is imported to USA, from a beneficiary country. GSP eligibility for articles from such countries terminates on July 1 of the next calendar year unless those products and beneficiaries are granted a CNL waiver before that date. CNLs can be waived to a product imported from a BDC provided if a petition is filed for waiver and accepted by the President, USA. While the President is required to place "great weight" on the extent to which the country is providing equitable and reasonable access to its market and basic commodity resources and the extent to which the country is providing reasonable and effective protection to U.S. intellectual property rights. If a waiver is granted, both the percentage limit and the dollar limit are waived. A waiver remains in effect until the President determines that it is no longer warranted due to changed circumstances. Petitions for CNL waivers must be submitted in the last quarter of a calendar year, i.e., before full-year trade data is available, in anticipation of a product exceeding the CNLs for that year.

3. It is therefore requested that Department of Chemicals & Petrochemicals may forward a suitable draft petition for waiver to be filed with USTR to this department

latest by 25-11-2016, for filing the same through Indian Embassy, USA. This may please be treated most urgent as last date for filing the petition with USTR is 02-12-2016.

Encl: as above

— Sd —

(P V Hari Krishna)
Director (Nafta)

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To

Shri Samir Kumar Biswas,
Joint Secretary,
Department of Chemicals & Petrochemicals.
Shastri Bhawan, New Delhi.

Copy to:

✓ Shri Sunil Kumar, Joint Secretary, CHEMEXCIL and (EP-CAP), Dept. of
Commerce, Udyog Bhawan, New Delhi - 110011

Sd/-
Shri Sunil Kumar

GENERALIZED SYSTEM OF PREFERENCES:

INTERIM 2016 IMPORT STATISTICS RELATING TO COMPETITIVE NEEDS LIMITATIONS

Based on January-September 2016 trade data

As described in the Federal Register notice) (81 Fed. Reg. 58547) published on August 25 2016, USTR is prepared to receive petitions requesting waivers of competitive need limitations (CNLs) for the Generalized System of Preferences (GSP). The table below provides information on products that, based on nine-month (January-September 2016) trade data, may exceed CNLs for 2016. This information is provided as a courtesy for informational purposes only. Regardless of whether or not an article is included on this list, all determinations and decisions regarding CNLs will be based on full calendar-year 2016 import data with respect to each GSP-eligible article. Interested parties are strongly encouraged to research the trade statistics for themselves. The U.S. International Trade Commission's "DataWeb" website is a useful source for this information. It can be accessed at <http://dataweb.usitc.gov/>.

HTS Number	Description	GSP Beneficiary Developing Country (BDC)	Interim 2016 Imports from BDC	Interim 2016 Imports from All Sources	BDC's Share of Interim Imports from All Sources
0410.00.00	Edible products of animal origin, nesoi	Indonesia	\$9,462,144	\$15,776,743	59.98%
0714.90.10	Fresh or chilled dashheens, whether or not sliced or in the form of pellets	Ecuador	\$22,632,268	\$43,332,863	52.23%
1104.29.90	Grains of cereals other than barley, oats or corn, hulled, pearled, clipped, sliced, kibbled or otherwise worked, but not rolled or flaked	Turkey	\$6,608,026	\$15,324,802	43.12%
2909.19.18	Ethers of acyc monohydric alcohols & deriv, nesoi	Brazil	\$57,734,480	\$126,754,994	45.55%
2933.99.22	Other heterocyclic aromatic or modified aromatic pesticides with nitrogen hereo-atom(s) only, nesoi	India	\$35,973,197	\$73,215,140	49.13%
4011.20.10	New pneumatic radial tires, of rubber, of a kind used on buses or trucks	Indonesia	\$115,128,021	\$2,944,641,800	3.91%
4409.10.05	Coniferous wood continuously shaped along any of its ends, whether or not also continuously shaped along any its edges or faces	Brazil	\$16,618,330	\$32,092,013	51.78%
6801.00.00	Setts, curbstones and flagstones, of natural stone (except slate)	Turkey	\$22,265,020	\$47,357,770	47.01%
6802.99.00	Monumental or building stone & arts. thereof, nesoi,	Brazil	\$115,181,136	\$263,155,948	43.77%

HTS Number	Description	GSP Beneficiary Developing Country (BDC)	Interim 2016 Imports from BDC	Interim 2016 Imports from All Sources	BDC's Share of Interim Imports from All Sources
8525.80.30	Television cameras, nesl	Thailand	\$121,774,682	\$1,541,144,805	7.90%
9001.50.00	Spectacle lenses of materials other than glass, unmounted	Thailand	\$116,550,886	\$525,087,455	22.20%