

The Honorable Marwan J. Muasher  
Ambassador of the Hashemite Kingdom of Jordan  
Embassy of the Hashemite Kingdom of Jordan  
3504 International Drive, NW  
Washington, D.C. 20008

Dear Ambassador Muasher:

My Government is pleased to respond to the Government of the Hashemite Kingdom of Jordan's request contained in your letter to Ambassador Barshefsky to initiate an agreement on handicraft textile products under the U.S. Generalized System of Preferences (GSP). This letter sets forth the conditions necessary to establish a certification arrangement between our two Governments in order for the United States to grant duty-free treatment under the U.S. GSP program to certain handicraft textile products.

The U.S. GSP program offers duty-free market access for certain designated articles that are imported from the Hashemite Kingdom of Jordan (Title V of Trade Act of 1974). The U.S. GSP law provides that most textile articles are not eligible for the GSP program (section 503 (b) (1) (A) of the Trade Act of 1974). However, certain hand-loomed and folklore textile articles may be made eligible for GSP treatment pursuant to bilateral agreement. In particular, the United States Trade Representative is authorized to establish a bilateral certification arrangement whereby certain hand-loomed and folklore textile articles may be made eligible for GSP treatments additional U.S. note 2 to section XI of the Harmonized Tariff Schedule of the United States (HTS).

The following six categories of certified hand-loomed and folklore products may be made eligible for GSP treatment under the certified handicraft arrangement:

- (1) carpets and other textile floor coverings, knotted, whether or not made up, of wool or fine animal hair, in which the pile was hand-inserted or hand-knotted during weaving or knitting, with over 50 percent by weight of the pile being hair of the alpaca, guanaco, huarizo, llama, misti, suri or any combination of these hairs (HTS subheading 5701.10.13);
- (2) carpets and other textile floor coverings, woven, not tufted or flocked, whether or not made up, including "kelem", "Schumack" "karamanie" and similar hand-woven rugs (HTS subheading 5702.10.10);
- (3) carpets and other textile floor coverings, woven, not tufted or flocked, whether or not made by, including "kelem", "Schumacks", and similar hand-woven rugs: other, not of pile construction, made up, of wool or fine animal hair, woven, but not made on a power-driven loom (HTS) subheading 5702.91.20);
- (4) hand-woven tapestries of the type Goblins, Flanders, Aubusson, Beauvais and the like, and needle-worked tapestries (for example, petit point, cross-stitch), whether or not made up: other of wool or fine animal hair (HTS subheading 5805.00.20);
- (5) certain wall hangings of wool or fine animal hair, not knitted or crocheted (HTS subheading 6304.99.10);
- (6) certain pillow covers of wool or fine animal hair (HTS subheading 6304.99.40).

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The United States proposes that these six handicraft textile categories could be designated as GSP-eligible articles when they are certified as hand-loomed and folklore textile products in accordance with the following procedure:

(I) A valid certification must consist of the imprint of an official triangular stamp or seal on the front of the commercial invoice bearing (a) the name, signature, title and department of a Government official authorized to issue the certification; (b) the date the certification was signed; and (c) a statement in English that the fabrics or products covered by the certification are hand-loomed and folklore textile articles. For purposes of the GSP program, "certified hand-loomed and folklore" textile articles are defined as:

- (1) hand-loomed (i.e., not made on a power-driven loom) fabrics which are the product of a cottage industry;
- (2) hand-made (i.e., hand-cut, or hand-sewn (i.e., not made on a treadle machine or any other type of sewing machine)) products of a cottage industry made from such hand-loomed fabrics; or
- (3) traditional folklore textile products which have been made entirely by hand from such hand-loomed fabrics.

(II) The certification for GSP must be issued and dated prior to exportation of the shipment and should accompany the shipment to which it pertains. If the certification is not provided at the time of entry, ordinary customs duty will be required on entry. The importer may file a claim for duty-free GSP treatment under this handicraft textile arrangement by providing the necessary documentation up to 90 days after liquidation of entry.

(III) Your Government will provide my Government, through the Department of State, with the imprint in duplicate, of the triangular stamp or seal to be used for certifications and the names, signatures, titles and departments of the Government officials authorized to issue and sign them. Your Government will notify my Government two months in advance of any changes in the stamp or seal or of authorized officials and will provide my Government with original copies of any new stamp or seal, or newly authorized officials' names signatures, titles and departments. The number of officials so authorized should be limited to the number of officials authorized to sign visas for textile shipments under the bilateral textile agreement, or no more than three officials in the absence of such an agreement.

(IV) My Government will examine the materials provided. When my Government finds the materials to be in accordance with the above specifications, and so notifies your Government, a certification arrangement for purposes of GSP treatment for the six subject hand-loomed and folklore textile articles shall be considered to be in effect between our Governments. My Government will notify your Government of the date the certification arrangement is considered to be in effect between our two Governments. Properly certified hand-loomed and folklore textile articles from Jordan will be accorded GSP treatment, if they are entered, or withdrawn from warehouse, for consumption, on or after six weeks following the date on which notification is

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transmitted by my Government to your Government, provided that all other requirements normally applying to GSP-eligible articles are satisfied.

The U.S. acceptance of the certification arrangement is made on an understanding that your Government will verify the accuracy of the substance and procedure of the certification arrangement. In the event that the U.S. Government determines that any of the six subject handicraft textile articles, certified as hand-loomed and folklore products, should not have been so certified as hand-loomed and folklore products, should not have been so certified, then the U.S. Government may either not accept the certification with respect to any individual articles, or may announce that it considers the operation of the certification arrangement as unacceptable in either substance or procedure and not accept any certifications with respect to the importation of these articles from your country. To the extent that the certification is not accepted with respect to any article, that article will be subject to the duty which would be applicable in the absence of this arrangement.

In the event the U.S. Government considers the operation of the certification arrangement unacceptable in substance or procedure, my Government will notify your Government and consult upon request with a view to a mutually satisfactory resolution of the problems relating to the certification arrangement. If a mutually satisfactory solution is not possible, my Government reserves the right to suspend the arrangement in whole or in part or, if necessary, to terminate this certification arrangement.

My Government proposes that our Governments afford one another an opportunity for consultation, as necessary, in order to resolve administrative difficulties which may arise under this arrangement.

This letter and the letter of response on behalf of you Government accompanied by the required documentation and together with U.S. Government notification of acceptance of the documentation, shall constitute an arrangement between our two Governments for certification of hand-loomed and folklore articles for purposes of the GSP program. Such properly certified hand-loomed and folklore textile articles shall be granted GSP treatment, if they are entered, or withdrawn from warehouse, for consumption, six weeks following the date on which the U.S. Government's letter of notification of acceptance of your Government's documentation was communicated, provided that all other requirements normally applying to GSP-eligible articles are satisfied.

Sincerely,

H. Jon Rosenbaum  
Assistant U.S. Trade Representative for  
Trade and Development

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