

Presidential Documents

Proclamation 10857 of November 8, 2024

To Facilitate Positive Adjustment to Competition From Imports of Fine Denier Polyester Staple Fiber

By the President of the United States of America

A Proclamation

1. On August 26, 2024, the United States International Trade Commission (USITC) transmitted to the President a report (USITC Report) on its investigation under section 202 of the Trade Act of 1974, as amended (the “Trade Act”) (19 U.S.C. 2252), with respect to imports of fine denier polyester staple fiber (fine denier PSF). The product subject to the USITC’s investigation and determination excluded certain fine denier PSF described in the USITC’s Notice of Institution, 89 *FR* 18435 (March 13, 2024), and listed in subdivision (c)(ii) of Note 32 in the Annex to this proclamation.
2. The USITC reached an affirmative determination under section 202(b) of the Trade Act (19 U.S.C. 2252(b)) that fine denier PSF is being imported into the United States in such increased quantities as to be a substantial cause of serious injury to the domestic industry producing an article like or directly competitive with the imported article.
3. Pursuant to section 301(a) of the United States-Mexico-Canada Agreement Implementation Act (the “USMCA Implementation Act”) (19 U.S.C. 4551(a)), the USITC made findings as to whether imports of Canada and Mexico, considered individually, account for a substantial share of total imports and contribute importantly to the serious injury caused by imports. The USITC made negative findings of substantial share and contribution to injury with respect to imports of fine denier PSF from Canada and Mexico, considered individually.
4. Pursuant to statutes implementing certain free trade agreements to which the United States is a party, the USITC further found that imports of fine denier PSF that are a product of Australia, each Dominican Republic-Central America-United States Free Trade Agreement country (i.e., Costa Rica, the Dominican Republic, El Salvador, Guatemala, Honduras, and Nicaragua) (CAFTA–DR countries), Colombia, Jordan, the Republic of Korea, Panama, Peru, and Singapore, individually, are not a substantial cause of serious injury or threat thereof.
5. Furthermore, pursuant to section 403 of the Trade and Tariff Act of 1984 (Public Law 98–573, 98 Stat. 2948, 3016 (1984)) (19 U.S.C. 2112 note), the USITC found that the serious injury substantially caused by imports to the domestic industry producing a like or directly competitive article does not result from the reduction or elimination of any duty provided for under the United States-Israel Free Trade Agreement. The USITC also found, pursuant to 19 U.S.C. 2703(e), that the serious injury substantially caused by imports to the domestic industry producing a like or directly competitive article does not result from duty-free treatment provided for under the Caribbean Basin Economic Recovery Act (CBERA) provisions of the Caribbean Basin Initiative trade program or the Generalized System of Preferences (GSP) program.
6. The USITC Commissioners transmitted to the President their individual recommendations that each of them considered would address the serious injury to the domestic industry and be most effective in facilitating the

efforts of the domestic industry to make a positive adjustment to import competition.

7. On September 10, 2024, the United States Trade Representative (USTR) requested additional information from the USITC under section 203(a)(5) of the Trade Act (19 U.S.C. 2253(a)(5)). On October 10, 2024, the USITC provided a response that identified unforeseen developments that led to the importation of fine denier PSF into the United States in such increased quantities as to be a substantial cause of serious injury (USITC Supplemental Report). The USITC Supplemental Report also reported, *inter alia*, that increased imports of fine denier PSF products of all countries other than Australia, Canada, the CAFTA–DR countries, Colombia, Israel, Jordan, the Republic of Korea, Mexico, Panama, Peru, and Singapore are a substantial cause of serious injury to the domestic industry.

8. Pursuant to section 203 of the Trade Act (19 U.S.C. 2253), and after taking into account the considerations specified in section 203(a)(2) of the Trade Act (19 U.S.C. 2253(a)(2)), the USITC Report, and the USITC Supplemental Report, I have determined to implement action of a type described in section 203(a)(3) (19 U.S.C. 2253(a)(3)) (safeguard measure), with regard to the following fine denier PSF: fine denier PSF, not carded or combed, measuring less than 3.3 decitex (3 denier) in diameter, whether coated or uncoated. Fine denier PSF is classifiable in the Harmonized Tariff Schedule of the United States (HTS) in subheading 5503.20.00 and described in statistical reporting number 5503.20.0025 or 9813.00.0520.

9. Pursuant to section 203 of the Trade Act (19 U.S.C. 2253), the action I have determined to take shall be a safeguard measure in the form of a quantitative restriction on imports of fine denier PSF described in paragraph 8 of this proclamation, admitted temporarily free of duty under bond and entered under subheading 5503.20.00 and described in statistical reporting number 5503.20.0025 or 9813.00.0520, imposed for a period of 4 years, with annual reductions in the within-quota quantities in the second, third, and fourth years. Admission of certain imported articles free of duty under bond is commonly known as a Temporary Importation under Bond (TIB). TIB entries are subject to the conditions appearing in Chapter 98, Subchapter XIII, of the HTS (19 U.S.C. 1202) as well as regulations promulgated by U.S. Customs and Border Protection and the Department of the Treasury.

10. The quantitative restriction of TIB entries described in paragraph 9 of this proclamation shall be allocated among all countries except those countries the products of which are excluded from such quantitative restriction, pursuant to paragraphs 13 through 16 of this proclamation.

11. This safeguard measure shall apply to imports of all countries, except as provided in paragraphs 13 through 16 of this proclamation.

12. I have found, pursuant to section 203(e)(4) of the Trade Act (19 U.S.C. 2253(e)(4)), that the most recent 3 years that are representative of imports of fine denier PSF and for which data are available are 2018 through 2020, because that period covers the 3 most recent years before the surge in imports, particularly under TIB entry, from 2021 to 2023. Setting a quantitative restriction of zero pounds for the first year of this action is consistent with this representative period because the USITC Report indicates that there were no imports of fine denier PSF under TIB entry during 2018 through 2020.

13. This safeguard measure shall not apply to imports of any product described in paragraph 8 of this proclamation of a developing country, as listed in subdivision (b)(iii) of Note 32 in the Annex to this proclamation, as long as such a country's share of total imports of the product, based on imports during a recent representative period, does not exceed 3 percent, provided that imports that are the product of all such countries with less than 3 percent import share collectively account for not more than 9 percent of total imports of the product. If I determine that a surge in imports of a product described in paragraph 8 of this proclamation of a developing

country that is a World Trade Organization (WTO) Member results in imports of that product from that developing country exceeding either of the thresholds described in this paragraph, I may modify this action to apply to such product of such country.

14. Pursuant to section 302(a) of the USMCA Implementation Act (19 U.S.C. 4552(a)), I have determined after considering the USITC Report and the USITC Supplemental Report that imports of fine denier PSF that are the product of Canada and Mexico, considered individually, do not account for a substantial share of total imports and do not contribute importantly to the serious injury found by the USITC. Accordingly, pursuant to section 302(b) of the USMCA Implementation Act (19 U.S.C. 4552(b)), I have excluded fine denier PSF that is the product of Canada or Mexico from the action I am taking under section 203 of the Trade Act (19 U.S.C. 2253).

15. After considering the USITC Report and the USITC Supplemental Report, I have also made the following determinations with regard to fine denier PSF that is the product of the following trading partners:

(a) I have determined that imports of fine denier PSF that are the product of Australia are not a substantial cause of the serious injury found by the USITC, and I have therefore determined to exclude such imports that are the product of Australia from the action I am taking under section 203 of the Trade Act (19 U.S.C. 2253), pursuant to section 331(b) of the United States-Australia Free Trade Agreement Implementation Act (Public Law 108–286, 118 Stat. 919, 949 (2004)) (19 U.S.C. 3805 note);

(b) In light of the USITC's finding that imports of fine denier PSF that are the product of each CAFTA–DR country individually are not a substantial cause of serious injury or threat thereof, I have determined to exclude such imports that are the product of each of the CAFTA–DR countries from the action I am taking under section 203 of the Trade Act (19 U.S.C. 2253), pursuant to section 331(b) of the Dominican Republic-Central America-United States Free Trade Agreement Implementation Act (the “CAFTA–DR Act”) (Public Law 109–53, 119 Stat. 462, 495 (2005)) (19 U.S.C. 4101(b));

(c) In light of the USITC's finding that imports of fine denier PSF that are the product of Colombia are not a substantial cause of serious injury or threat thereof, I have determined to exclude such imports that are the product of Colombia from the action I am taking under section 203 of the Trade Act (19 U.S.C. 2253), pursuant to section 331(b) of the United States-Colombia Trade Promotion Agreement Implementation Act (Public Law 112–42, 125 Stat. 462, 493–94 (2011)) (19 U.S.C. 3805 note);

(d) In light of the USITC's finding that the serious injury substantially caused by imports to the domestic industry producing a like or directly competitive article does not result from the reduction or elimination of any duty provided for under the United States-Israel Free Trade Agreement, I have determined, as part of the action I am taking under section 203 of the Trade Act (19 U.S.C. 2253), not to suspend the reduction or elimination of any duty on imports of fine denier PSF that are the product of Israel, pursuant to section 403 of the Trade and Tariff Act of 1984 (19 U.S.C. 2112 note);

(e) In light of the USITC's finding that imports of fine denier PSF that are the product of Panama are not a substantial cause of serious injury or threat thereof, I have determined to exclude such imports that are the product of Panama from the action I am taking under section 203 of the Trade Act (19 U.S.C. 2253), pursuant to section 331(b) of the United States-Panama Trade Promotion Agreement Implementation Act (Public Law 112–43, 125 Stat. 497, 529 (2011)) (19 U.S.C. 3805 note);

(f) In light of the USITC's finding that imports of fine denier PSF that are the product of Peru are not a substantial cause of serious injury or threat thereof, I have determined to exclude such imports that are the product of Peru from the action I am taking under section 203 of the

Trade Act (19 U.S.C. 2553), pursuant to section 331(b) of the United States-Peru Trade Promotion Agreement Implementation Act (Public Law 110-138, 121 Stat. 1455, 1486 (2007)) (19 U.S.C. 3805 note);

(g) I have determined that imports of fine denier PSF that are the product of Singapore are not a substantial cause of the serious injury found by the USITC, and I have therefore determined to exclude such imports that are the product of Singapore from the action I am taking under section 203 of the Trade Act (19 U.S.C. 2253), pursuant to section 331(b) of the United States-Singapore Free Trade Agreement Implementation Act (Public Law 108-78, 117 Stat. 948, 970 (2003)) (19 U.S.C. 3805 note); and

(h) In light of the USITC's finding that the serious injury substantially caused by imports to the domestic industry producing a like or directly competitive article does not result from duty-free treatment provided for under the CBERA provisions of the Caribbean Basin Initiative trade program, I have determined, as part of the action I am taking under section 203 of the Trade Act (19 U.S.C. 2253), not to suspend duty-free treatment pursuant to subsection 1 of 19 U.S.C. 2703(e), with respect to imports of fine denier PSF that are the product of any CBERA beneficiary country or territory.

16. Although the USITC found that imports of fine denier PSF that are a product of the Republic of Korea are not a substantial cause of serious injury or threat thereof, I have determined to include imports of fine denier PSF that are the product of the Republic of Korea in the action I am taking under section 203 of the Trade Act (19 U.S.C. 2253). Specifically, consistent with the recommendations of certain USITC Commissioners, I have found that excluding imports of the Republic of Korea from the quantitative restriction could significantly undermine this action.

17. While the USITC recommended excluding Jordan from this action under the United States-Jordan Free Trade Area Implementation Act (Public Law 107-43, 115 Stat. 243 (2001)) (19 U.S.C. 2112 note), I have instead determined to exclude such imports that are the product of Jordan as imports of a developing country from the action I am taking, pursuant to paragraph 13 of this proclamation.

18. While the USITC Commissioners recommended that I impose a tariff-rate quota on fine denier PSF imports, I have determined not to do so. The USITC Report indicates that TIB entries of fine denier PSF contributed significantly to the serious injury to the domestic industry. In addition, such TIB entries are undermining the effectiveness of existing trade actions on fine denier PSF. Therefore, I have decided to tailor this safeguard remedy to TIB entries of fine denier PSF. Furthermore, I have determined not to impose a tariff-rate quota on imports of fine denier PSF in the interest of balancing the competing interests of domestic fine denier PSF manufacturers and the impact of the safeguard remedy on downstream United States producers, including manufacturers of textiles, defense products, and consumer products, that rely on fine denier PSF.

19. Pursuant to section 203(a)(1)(A) of the Trade Act (19 U.S.C. 2253(a)(1)(A)), I have determined that this safeguard measure will facilitate efforts by the domestic industry to make a positive adjustment to import competition and provide greater economic and social benefits than costs. If I determine that further action is appropriate and feasible to facilitate efforts by the domestic industry to make a positive adjustment to import competition and provide greater economic and social benefits than costs, or if I determine that the conditions under section 204(b)(1) of the Trade Act (19 U.S.C. 2254(b)(1)) are met, I shall reduce, modify, or terminate the action established in this proclamation accordingly. In addition, if I determine within 30 days of the date of this proclamation, as a result of consultations between the United States and other WTO Members pursuant to Article 12.3 of the WTO Agreement on Safeguards, that it is necessary to reduce, modify, or terminate the safeguard measure, I shall proclaim the corresponding reduction, modification, or termination of the safeguard measure within 40 days of the date of this proclamation.

20. Section 604 of the Trade Act (19 U.S.C. 2483) authorizes the President to embody in the HTS the substance of the relevant provisions of that Act, and of other acts affecting import treatment, and actions thereunder, including the removal, modification, continuance, or imposition of any rate of duty or other import restriction.

NOW, THEREFORE, I, JOSEPH R. BIDEN JR., President of the United States of America, by the authority vested in me by the Constitution and the laws of the United States, including sections 203 and 604 of the Trade Act (19 U.S.C. 2253 and 2483), section 302 of the USMCA Implementation Act (19 U.S.C. 4552), section 331(b) of the United States-Australia Free Trade Agreement Implementation Act (19 U.S.C. 3805 note), section 331(b) of the CAFTA–DR Act (19 U.S.C. 4101(b)), section 331(b) of the United States-Colombia Free Trade Promotion Agreement Implementation Act (19 U.S.C. 3805 note), section 403 of the Trade and Tariff Act of 1984 (19 U.S.C. 2112 note), section 331(b) of the United States-Panama Trade Promotion Agreement Implementation Act (19 U.S.C. 3805 note), section 331(b) of the United States-Peru Trade Promotion Agreement Implementation Act (19 U.S.C. 3805 note), section 331(b) of the United States-Singapore Free Trade Agreement Implementation Act (19 U.S.C. 3805 note), and 19 U.S.C. 2703(e), do proclaim that:

(1) In order to establish a quantitative restriction on imports of fine denier PSF described in paragraph 9 of this proclamation, subchapter III of chapter 99 of the HTS is modified as provided in the Annex to this proclamation.

(2) The modifications to the HTS made by this proclamation, included in the Annex to this proclamation, shall be effective with respect to goods admitted temporarily free of duty under bond which are entered under HTS statistical reporting number 9813.00.0520, on or after 12:01 a.m. eastern standard time 15 days after the date of this proclamation, and shall continue in effect as provided in the Annex to this proclamation, unless such action is earlier expressly reduced, modified, or terminated.

(3) Imports of fine denier PSF that are the product of Australia, Canada, the CAFTA–DR countries, CBERA beneficiary countries and territories, Colombia, Israel, Mexico, Panama, Peru, or Singapore shall be excluded from the safeguard measure established in this proclamation, and such imports shall not be counted toward the quantitative restriction.

(4) Except as provided in clause (5) below, imports of fine denier PSF that are the product of developing countries, as listed in subdivision (b)(iii) of Note 32 in the Annex to this proclamation, shall be excluded from the safeguard measure established in this proclamation, and such imports shall not be counted toward the quantitative restriction.

(5) If, after the safeguard measure established in this proclamation takes effect, I determine that:

(a) the share of total imports of the product of a country listed in subdivision (b)(iii) of Note 32 in the Annex to this proclamation, based on imports during a recent representative period, exceeds 3 percent;

(b) imports of the product from all listed countries with less than 3 percent import share collectively account for more than 9 percent of total imports of the product; or

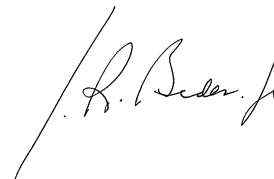
(c) a country listed in subdivision (b)(iii) of Note 32 in the Annex to this proclamation is no longer a developing country for purposes of this proclamation;

then I may revise subdivision (b)(iii) of Note 32 in the Annex to this proclamation to remove the relevant country from the list or suspend operation of that subdivision, as appropriate.

(6) One year from the termination of the safeguard measure established in this proclamation, the United States note and tariff provisions established in the Annex to this proclamation shall be deleted from the HTS.

(7) Any provision of previous proclamations and Executive Orders that is inconsistent with the action taken in this proclamation is superseded to the extent of such inconsistency.

IN WITNESS WHEREOF, I have hereunto set my hand this eighth day of November, in the year of our Lord two thousand twenty-four, and of the Independence of the United States of America the two hundred and forty-ninth.

A handwritten signature in black ink, appearing to read "R. Biden Jr.", is written on the right side of the page. The signature is slanted and includes a long, sweeping underline that extends to the left.

ANNEX I

TO MODIFY CHAPTER 99 OF THE HARMONIZED TARIFF SCHEDULE OF THE UNITED STATES

Effective with respect to goods admitted temporarily free of duty under bond which are entered under subheading 9813.00.0520, on or after 12:01 a.m. eastern standard time on November 23, 2024, subchapter III of chapter 99 of the Harmonized Tariff Schedule of the United States (HTS) is hereby modified by inserting in numerical sequence the following new U.S. note and provisions:

"32 Action Applicable to Imports of Fine Denier Polyester Staple Fiber.

- (a) For the purposes of subheading 9903.55.01 of this subchapter, the maximum annual aggregate quantity of all fine denier PSF products as defined in paragraph (c) below, that are admitted into the United States temporarily free of duty under bond and entered under statistical reporting number 9813.00.0520, when such goods are not the product of a country subject to exclusion as defined in paragraph (b), in any of the periods enumerated below shall be as follows:

If entered during the period from November 23, 2024, through November 22, 2025 0 kilograms

If entered during the period from November 23, 2025, through November 22, 2026 453,592 kilograms

If entered during the period from November 23, 2026, through November 22, 2027 907,185 kilograms

If entered during the period from November 23, 2027, through November 22, 2028 1,360,777 kilograms

- (b) For the purposes of this note and the application of subheading 9903.55.01, the following countries shall not be subject to the quantitative restriction for goods admitted into the United States temporarily free of duty under bond which are entered under statistical reporting number 9813.00.0520 provided for herein:

(i) Canada and Mexico;

(ii) Australia, Costa Rica, Dominican Republic, El Salvador, Guatemala, Honduras, Nicaragua, Colombia, Israel, Panama, Peru, and Singapore;

(iii) The following developing countries:

Afghanistan, Albania, Algeria, Angola, Armenia, Azerbaijan, Belize, Benin, Bhutan, Bolivia, Bosnia and Herzegovina, Botswana, Brazil, Burkina Faso, Burma, Burundi, Cambodia, Cameroon, Cape Verde, Central African Republic, Chad, Comoros, Congo (Brazzaville), Congo (Kinshasa), Côte d'Ivoire, Djibouti, Dominica, Ecuador, Egypt, Eritrea, Eswatini, Ethiopia, Fiji, Gabon, The Gambia, Georgia, Ghana, Grenada, Guinea, Guinea-Bissau, Guyana, Haiti, Iraq, Jamaica, Jordan, Kazakhstan, Kenya, Kiribati, Kosovo, Kyrgyzstan, Lebanon, Lesotho, Liberia, Madagascar, Malawi, Maldives, Mali, Mauritania, Mauritius, Moldova, Mongolia, Montenegro, Mozambique, Namibia, Nepal, Niger, Nigeria, North Macedonia, Pakistan, Papua New Guinea, Paraguay, Philippines, Rwanda, Saint Lucia, Saint Vincent and the Grenadines, Samoa, Sao Tomé and Principe, Senegal, Serbia, Sierra Leone, Solomon Islands, Somalia, South Africa, South Sudan, Sri Lanka, Suriname, Tanzania, Timor-Leste, Togo, Tonga, Tunisia, Tuvalu, Uganda, Ukraine, Uzbekistan, Vanuatu, Yemen (Republic of), Zambia and Zimbabwe; and

(iv) The following Caribbean Basin Economic Recovery Act beneficiary countries and territories:

Antigua and Barbuda, Aruba, the Bahamas, Barbados, Belize, British Virgin Islands, Curaçao, Dominica, Grenada, Guyana, Haiti, Jamaica, Montserrat, St. Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, and Trinidad and Tobago.

(c) Scope.

- (i) For the purposes of subheading 9903.55.01 of this subchapter, the term "fine denier polyester staple fiber" ("fine denier PSF") means fine denier polyester staple fiber, not carded or combed, measuring less than 3.3

decitex (3 denier) in diameter, whether coated or uncoated. The scope covers products classifiable in subheading 5503.20.00 and described in statistical reporting number 5503.20.0025 or 9813.00.0520.

(ii) Subheading 9903.55.01 shall not cover—

- (1) PSF equal to or greater than 3.3 decitex (more than 3 denier, inclusive) currently classifiable under HTS subheading 5503.20.00 and described in statistical reporting numbers 5503.20.0045 and 5503.20.0065; and
- (2) Low-melt PSF defined as a bi-component polyester fiber having a polyester fiber component that melts at a lower temperature than the other polyester fiber component, which is currently classifiable in HTS statistical reporting number 5503.20.0015."

[FR Doc. 2024-26714
Filed 11-13-24; 8:45 am]
Billing code 7020-02-C