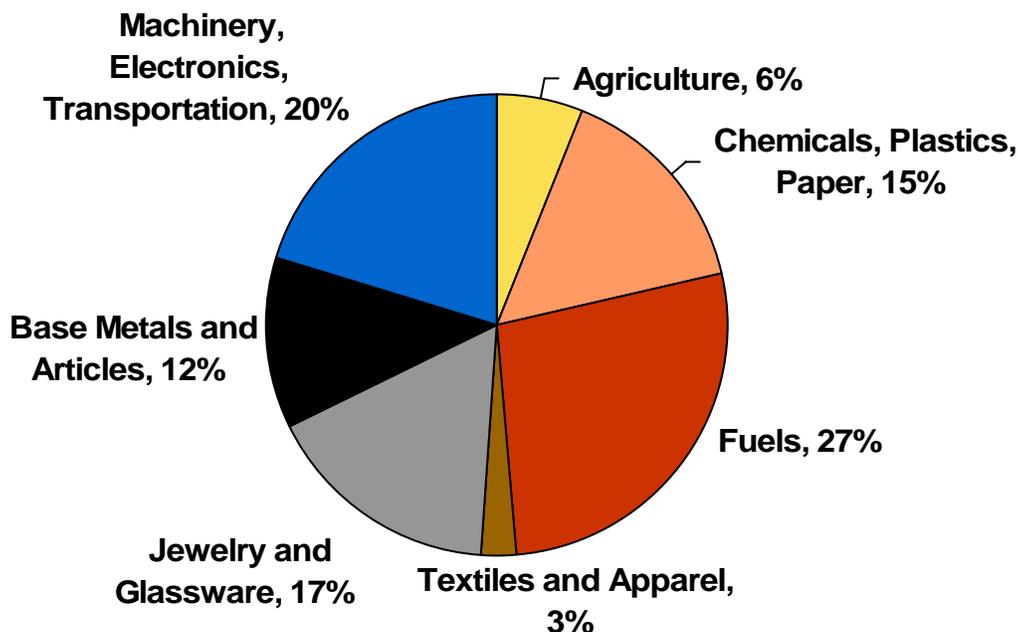


## **USE OF THE GENERALIZED SYSTEM OF PREFERENCES (GSP) BY FIJI**

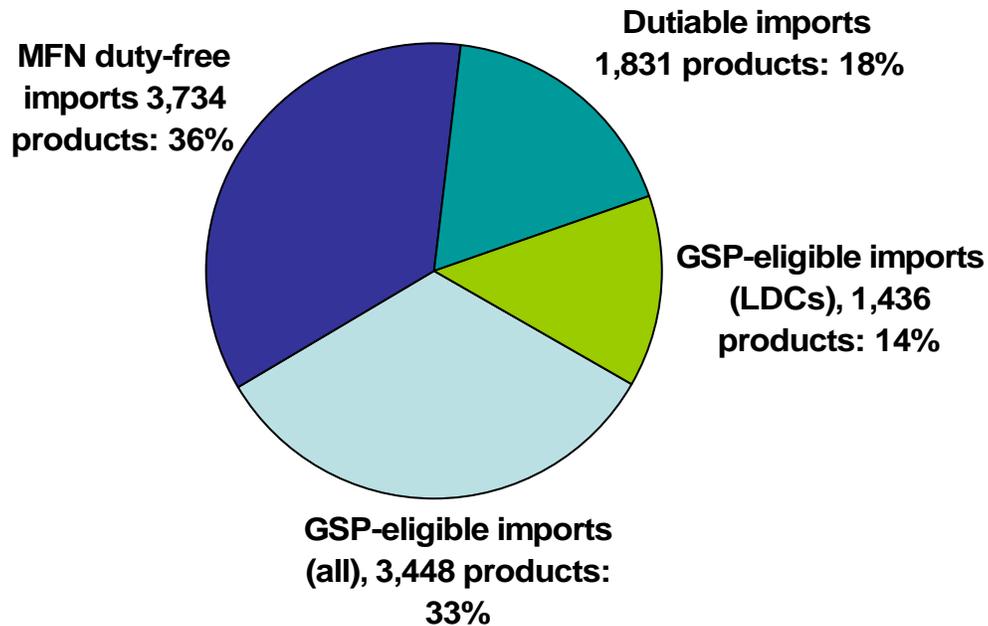
### **Generalized System of Preferences Program**

Congress created the U.S. GSP program in 1974, with broad bipartisan support, to expand the choices and decrease the costs of imports used by American industry and consumers while creating economic opportunities in developing countries. The GSP program provides preferential duty-free treatment for 3,448 products from Fiji and 130 other designated beneficiary developing countries (BDCs) and territories. An additional 1,436 articles from least-developed beneficiary developing countries (LDBDCs) are eligible for duty-free treatment. There are currently 43 least-developed GSP beneficiaries, including Kiribati, Samoa, Tuvalu, and Vanuatu. The Solomon Islands, located just to the northwest of Fiji, has recently requested LDBDC status.

U.S. imports under GSP in 2006 from all beneficiaries totaled \$32.6 billion, an increase of 22 percent over 2005. The combined GSP-eligible product lists include most dutiable manufactures and semi-manufactures, and certain agricultural, fishery, and primary industrial products (see. Top U.S. imports under GSP in 2006 were petroleum, gold jewelry, aluminum alloy products, refined copper cathodes, methanol, and silver jewelry:



Some articles are prohibited by the GSP statute from receiving GSP treatment, including textiles produced with cotton, wool, manmade fiber, other vegetable fiber (linen and ramie); watches; certain footwear and handbags; luggage; flat goods not made of silk; gloves other than sports gloves; and other leather items.



### **How does an import receive GSP duty-free treatment?**

A GSP-eligible import must meet the following requirements:

- It must be included in the list of GSP-eligible articles.
- It must be imported into the United States directly from the GSP beneficiary or pass through another country on a through bill of lading.
- The article must be the growth, product, or manufacture of the GSP beneficiary.
- When a producer in Fiji imports inputs for a product from outside of the country, the sum of the cost or value of materials produced in Fiji in addition to the direct costs of processing must equal at least 35 percent of the product's appraised value when the product is sold for export to the United States.
- Imported materials can be counted toward the 35 percent value-added requirement if they are "substantially transformed" into new and different constituent materials, which are then used to produce or manufacture the eligible article to be exported. "Substantially transformed" means that U.S. customs would classify the constituent materials as different items.
- The exporter/importer must request duty-free treatment under GSP by placing an "A," before the U.S. tariff line (HTSUS) number that identifies the import on Form 7501, the U.S. Customs entry form (see below).

# U.S. Customs Form 7501

15-11-2007 10:58am From Trade Compliance 2022441386 1 167 > 002/002 F-326

| DEPARTMENT OF HOMELAND SECURITY<br>U.S. Customs and Border Protection<br>ENTRY SUMMARY   |                                    |                                     |                                 | 1. Mer Code/Entry No.<br>RWC 000               | 12. Entry Type<br>01 ABI/A  | 3. Summary Date<br>10/04/2006         |
|--|------------------------------------|-------------------------------------|---------------------------------|--|---|---------------------------------------|
|  |                                    |                                     |                                 | 4. Surety No.                                  | 5. Bond Type<br>8   | 7. Entry Date<br>09/24/2006           |
|  |                                    |                                     |                                 | 10. Country of Origin<br>TR                    | 11. In port Date<br>09/24/2006                                    |                                       |
|  |                                    |                                     |                                 | 14. Exporting Country<br>TR                    | 16. Expiry Date<br>09/30/2006                                     |                                       |
| 19. Country of Origin  |                                    | 17. LT. Date                        |                                 | 18. Foreign Port of Loading<br>55735           |   | 20. U.S. Port of Loading<br>2704      |
| 21. Location of Goods (G.D. No.)   |                                    |                                     |                                 | 22. Consignee No.                              |   | 24. Reference No.                     |
| 25. Ultimate Consignee Name and address  |                                    |                                     |                                 | 28. Importer No.                               |   |                                       |
| City   |                                    |                                     |                                 | City   |   |                                       |
| State IN   |                                    |                                     |                                 | State IR                                       |   |                                       |
| Zip  |                                    |                                     |                                 | Zip  |   |                                       |
| 27. 28. Description of Merchandise   |                                    |                                     |                                 |  |   |                                       |
| Line No.   | A. HTSUS No.<br>B. ADICVD Case No. | C. Gross Weight<br>D. Manifest Qty. | 31. Net Quantity in HTSUS Units | A. Entered Value<br>B. CHGS<br>C. Relationship | 32. A. HTSUS Rate<br>B. ADICVD Rate<br>C. IRC Rate<br>D. Vase No. | Duty and L.R. Tax<br>Dollars<br>Cents |
| 001  | M 0465000914                       | 11                                  | B03GR1365LY                     | NOT RELATED                                    | 2700 CABS   |                                       |
|  | INVOICE 00001                      |                                     |                                 | 51840  | FREE  | 0.00                                  |
|  | DISPOSABLE SAMPLES RUBBER GL       | 16940                               | 112500 DRR                      | 03959  |   |                                       |
|  | HARBOR MAINTENANCE FEE             |                                     |                                 |  | 0.125%  | 64.00                                 |
|  | MERCHANDISE PROCESSING FEE         |                                     |                                 |  | 0.21%   | 108.86                                |
| Other Fee Summary to: Dock 34  |                                    |                                     |                                 | 32. Total Entered Value                        |   | TOTALS                                |
| Duty \$47.00   |                                    |                                     |                                 | \$1,840.00                                     |   |                                       |
| LOR \$4.00   |                                    |                                     |                                 | Total Other Fees \$173.66                      |   |                                       |
| 36. DECLARATION OF IMPORTER OF RECORD (OWNER OR PURCHASER) OR AUTHORIZED AGENT   |                                    |                                     |                                 | CBP USE ONLY                                   |   |                                       |
| I declare that I am the <input type="checkbox"/> importer of record and that the actual owner, purchaser, or consignee for CBP purposes is as shown above, OR <input checked="" type="checkbox"/> owner or purchaser or agent thereof. I further declare that the merchandise was obtained pursuant to a purchase or agreement to purchase or pursuant to a purchase or agreement to purchase and the statements in this invoice as to the value, price, value, quantities, rates, drawbacks, fees, commissions, and royalties are true and correct, and goods or services provided to the holder of the merchandise either free of or reduced cost are duly disclosed. I will immediately furnish to the appropriate CBP office any information showing a difference between what is stated hereon and what is actually true. |                                    |                                     |                                 | A. U.S. CODE<br>853                            |   | 37. Out                               |
| 41. DECLARANT NAME   |                                    |                                     |                                 | REASON CODE                                    |   | 38. Tax                               |
| TITLE  |                                    |                                     |                                 | C. Ascertained Tar                             |   |                                       |
|  |                                    |                                     |                                 | D. Ascertained Char                            |   | 173.86                                |
|  |                                    |                                     |                                 | E. Ascertained Total                           |   | 173.66                                |
| 47. Broker/Importer Information (Name, address, phone number)  |                                    |                                     |                                 | 48. Broker/Importer File No.<br>6841           |   | 40. Tot                               |
|  |                                    |                                     |                                 |  |   | 173.66                                |

## Customs Documentation and Requirements

The producer should retain the following documents for at least five years in order to ensure GSP duty-free treatment:

- A. To verify the 35 percent rule of origin rule:
  1. Dated invoices for materials used to produce good and from where
  2. Description of product and quantity
- B. If processing operations are involved:
  1. Description of processing and location
  2. Direct costs of processing operations
- C. For agricultural exports:
  1. Producer's statement verifying on which town and farm the product is grown
  2. Description of product and quantity
  3. Dated invoices for costs incurred

## Agricultural Exports

- Ensure products are free from microbial contamination, foreign material, pests, diseases, and chemical residues
- Must comply with USDA or FDA requirements

- Care must be taken during each step:
  - Production – Packing – Shipping (fresh products)
  - Production - Processing – Packaging – Packing – Shipping (processed products)

### **Thirty-five percent value-added requirement**

- Cost of Fiji inputs and labor must equal 35% of product's price when sold
- To count toward that 35%, imported inputs must be “substantially transformed” in Fiji and then used to help produce or manufacture item
- “Substantially transformed” means that the item's name, character, or use differs from when it was imported

### **Imports from Fiji under GSP**

In 2007, Fiji exported \$69.7 million to the United States under the GSP program. The products mainly consist of mineral water (\$56.7m), molasses (\$4.3m), raw cane sugar (3.4 million), dasheens (\$1.8m), and cane molasses (\$1.6 million). Imports are up 32 percent over 2006, when \$52.8 million in goods were imported from Fiji under GSP. Approximately 45.6 percent of all U.S. imports from Fiji in 2007 entered under the GSP program. This compares to 36.2 percent of all imports in 2006.

Attachment A shows U.S. imports from Fiji that entered duty-free under GSP in 2005, 2006, and 2007. Through YTD 2007 (October), claimed GSP imports comprised thirty percent of all U.S. imports from Fiji.

### **Recommendations to make greater use of available GSP preferences**

- Ensure that all GSP-eligible products are marked as eligible on the U.S. customs entry form (see Attachment B).
- Export products to the United States that are currently exported elsewhere but would receive duty-free treatment if imported by the United States.
- Expand the opportunities for Fijian artisans by entering into a GSP certified handicraft arrangement and export more MFN duty-free and GSP-eligible handicraft products.
- Explore additional opportunities for GSP-eligible exports by looking at other Pacific Islands' trade (see Attachment C).

### **Fijian Exports to Other Markets**

Several types of exports from Fiji are not exported to the United States. If they were, they would be eligible for duty-free treatment under GSP or are MFN duty-free. These include:

- |                                |                               |
|--------------------------------|-------------------------------|
| • copper ores and concentrates | • cane sugar                  |
| • coffee                       | • copra                       |
| • cocoa beans                  | • antiques over 100 years old |
| • non-coniferous wood          | • vanilla beans               |
| • tropical wood plywood        | • aluminum waste and scrap    |
| • palm oil                     |                               |

### **Handicrafts**

|  |  |
|--|--|
| Many handicraft exports enter the United States duty-free, either for all countries or from GSP beneficiaries: |  |
| jewelry (other than imitation)   | fur head coverings                               |
| traditional games  | wind, string, and drum musical instruments       |
| paintings, sculpture, and wall hangings  | picture frames                                   |
| many types of carpets, kilims, and rugs  | certain hats, certain baskets and handbags of    |
| wooden statuettes, boxes, and other wood items   | bamboo, rattan, palm leaf and vegetable material |
| walking sticks   |  |



## **GSP certified textile handicraft arrangements**

Fifteen GSP beneficiary countries can export several certified handicraft items duty-free under GSP because the countries have “certified textile handicraft arrangements” with the United States. The agreement allows the United States to give duty-free treatment to U.S. imports, that have been certified by the beneficiary country, of hand-loomed and folklore wall hangings; hand-loomed and folklore pillow covers; and certain hand-woven textile floor coverings. Duties saved range from 3.8 percent to 4.3 percent. No Pacific Island economies have entered into certified textile handicraft arrangements.

## **Need more information?**

### **Office of the U.S. Trade Representative Website:**

GSP guidebook, lists of GSP-eligible and ineligible products, notices:

- [http://www.ustr.gov/Trade\\_Development/Preference\\_Programs/GSP/Section\\_Index.html](http://www.ustr.gov/Trade_Development/Preference_Programs/GSP/Section_Index.html)

### **U.S. Tariff Schedule:**

- <http://www.usitc.gov/tata/hts>

### **Potential exports to the U.S. and elsewhere:**

- <http://www.intracen.org/menus/countries.htm>

### **Department of Homeland Security: Customs & Border Protection:**

- <http://www.customs.gov/xp/cgov/import/>

### **Customs Entry Form 7501:**

- <https://forms.customs.gov/customsrf/getformharness.asp?formName=cf-7501-form.xft>
- <http://www.customs.treas.gov/xp/cgov/toolbox/publications/>

## ATTACHMENT ONE

### All Import Commodities: Customs Value by Special Import Program and Customs Value For -- GSP For Fiji

#### U.S. Imports For Consumption

#### Annual Data

| Import Program | HTS Number  | 2005                     | 2006       | 2007       | Percent Change<br>2006 -<br>2007 |
|----------------|---|--------------------------|------------|------------|----------------------------------|
|                |   | <i>In Actual Dollars</i> |            |            |                                  |
| GSP            | 22011000<br>Mineral waters and aerated waters, not containing added sugar or other sweetening matter nor flavored                                 | 48,194,502               | 39,717,652 | 56,708,234 | 42.8%                            |
| .              | 17039050<br>Molasses nesi   | 0                        | 4,213,582  | 4,252,750  | 0.9%                             |
| .              | 17011110<br>Cane sugar, raw, in solid form, w/o added flavoring or coloring, subject to add. US 5 to Ch.17  | 4,063,915                | 5,884,527  | 3,430,159  | -41.7%                           |
| .              | 07149010<br>Fresh or chilled dasheens, whether or not sliced or in the form of pellets  | 1,592,979                | 1,771,223  | 1,775,536  | 0.2%                             |
| .              | 17031050<br>Cane molasses nesi  | 4,330,700                | 0          | 1,620,000  | N/A                              |
| .              | 20060030<br>Ginger root, preserved by sugar (drained, glace or crystallized)  | 276,806                  | 282,343    | 332,445    | 17.7%                            |
| .              | 07141010<br>Cassava (manioc), frozen, whether or not sliced or in the form of pellets   | 46,836                   | 106,687    | 296,061    | 177.5%                           |
| .              | 06049960<br>Foliage, branches, parts of plants and grasses, suitable for bouquets or ornamental purposes, dyed, impregnated or otherwise prepared | 0                        | 44,371     | 209,790    | 372.8%                           |
| .              | 19059090<br>Bakers' wares communion wafers, empty capsules suitable for pharmaceutical use, sealing wafers, rice paper and similar products, nesi | 120,846                  | 138,973    | 154,846    | 11.4%                            |

|   |  |        |        |         |        |
|---|--|--------|--------|---------|--------|
| . | 07149045<br>Frozen dasheens/yams/arrowroot/salep/Jerusalem artichokes/similar roots & tubers (but not cassava, sweet potatoes & Chinese water chestnuts) | 6,210  | 35,631 | 145,554 | 308.5% |
| . | 34013010<br>Organic surface-active products for wash skin, in liquid or cream, contain any aromatic/mod aromatic surface-active agent, put up for retail | 67,689 | 29,195 | 118,333 | 305.3% |
| . | 63079098<br>National flags and other made-up articles of textile materials, nesoi  | 56,660 | 71,315 | 75,953  | 6.5%   |
| . | 22021000<br>Waters, including mineral waters and aerated waters, containing added sugar or other sweetening matter or flavored                           | 25,867 | 50,540 | 74,325  | 47.1%  |
| . | 33073050<br>Bath preparations, other than bath salts   | 80,080 | 63,590 | 68,561  | 7.8%   |
| . | 16041980<br>Prepared or preserved fish, whole or in pieces, but not minced, nesi   | 0      | 0      | 56,150  | N/A    |
| . | 21069099<br>Food preparations not elsewhere specified or included, not canned or frozen  | 16,558 | 12,272 | 52,325  | 326.4% |
| . | 20059997<br>Vegetables nesoi,& mixtures of vegetables,prepared or preserved otherwise than by vinegar or acetic acid, not frozen, not preserved by sugar | 0      | 0      | 30,819  | N/A    |
| . | 44092905<br>Nonconiferous wood continuously shaped along any of its ends, wether or not also continuously shaped along any its edges or faces            | 0      | 0      | 28,976  | N/A    |
| . | 07149060<br>Dried dasheens, yams, arrowroot, salep, Jerusalem artichokes, and similar roots and tubers nesoi, whether or not sliced but not in pellets   | 20,008 | 0      | 27,507  | N/A    |
| . | 85044095<br>Static converters (for example, rectifiers), nesoi   | 0      | 0      | 24,101  | N/A    |
| . | 44123940<br>Plywood of wood sheets, n/o 6 mm thick each, with outer plies of coniferous wood, with face play nesoi, not or clear surface covered         | 0      | 0      | 22,270  | N/A    |

|                       |  |                   |                   |                   |               |
|-----------------------|--|-------------------|-------------------|-------------------|---------------|
| .                     | 85299026<br>Transceiver assemblies for the apparatus of subheading 8526.10, other than printed circuit assemblies                                    | 0                 | 0                 | 18,160            | N/A           |
| .                     | 09109960<br>Spices, nesi   | 10,037            | 3,694             | 16,500            | 346.7%        |
| .                     | 44201000<br>Wooden statuettes and other wood ornaments   | 55,912            | 25,024            | 16,238            | -35.1%        |
| .                     | 07108070<br>Vegetables nesi, uncooked or cooked by steaming or boiling in water, frozen, not reduced in size   | 8,023             | 10,506            | 15,435            | 46.9%         |
| .                     | 69120048<br>Ceramic (o/than porcelain or china) household tableware and kitchenware, nesoi   | 0                 | 0                 | 14,256            | N/A           |
| .                     | 19019090<br>Flour-, meal-, starch-, malt extract- or dairy-based food preps not containing cocoa and not containing specific amounts of dairy, nesoi | 19,191            | 13,098            | 12,312            | -6.0%         |
| .                     | 20089990<br>Fruit nesi, and other edible parts of plants nesi, other than pulp and excluding mixtures, otherwise prepared or preserved, nesi         | 17,652            | 4,833             | 11,774            | 143.6%        |
| .                     | 39232900<br>Sacks and bags (including cones) for the conveyance or packing of goods, of plastics other than polymers of ethylene                     | 3,680             | 26,754            | 10,840            | -59.5%        |
| .                     | 07129085<br>Dried vegetables nesoi, and mixtures of dried vegetables, whole, cut, sliced, broken or in powder, but not further prepared              | 25,428            | 58,503            | 9,313             | -84.1%        |
| <b>Subtotal - GSP</b> |  | <b>59,039,579</b> | <b>52,564,313</b> | <b>69,629,523</b> | <b>32.5%</b>  |
| <b>All Other:</b>     |  | <b>340,503</b>    | <b>243,783</b>    | <b>103,672</b>    | <b>-57.5%</b> |
| <b>Total</b>          |  | <b>59,380,082</b> | <b>52,808,096</b> | <b>69,733,195</b> | <b>32.1%</b>  |

**Attachment B: GSP-Eligible U.S. Imports from Fiji (Claimed and Not Claimed)**

| HTS NUMBER | GSP Eligible | Product Description   | MFN rate   | Import program claimed by importer | 2005         | 2006         |
|------------|--------------|---|--|------------------------------------|--------------|--------------|
| 22011000   | A            | Mineral waters and aerated waters, not containing added sugar or other sweetening matter nor flavored                                 | 0.26 cents/liter   | GSP                                | \$48,194,502 | \$39,717,652 |
| 17011110   | A*           | Cane sugar, raw, in solid form, w/o added flavoring or coloring, subject to add. US 5 to Ch.17  | 1.4606 cents/kg less 0.020668 cents/kg for each degree under 100 degrees (and fractions of a degree in proportion) but not less than 0.943854 cents/kg | GSP                                | \$4,063,915  | \$5,884,527  |
| 17039050   | A*           | Molasses nesi   | 0.01 cents/kg of total sugars  | GSP                                | \$0          | \$4,213,582  |
| 07149010   | A            | Fresh or chilled dasheens, whether or not sliced or in the form of pellets  | 2.30%  | GSP                                | \$1,592,979  | \$1,771,223  |
| 22011000   | A            | Mineral waters and aerated waters, not containing added sugar or other sweetening matter nor flavored                                 | 0.26 cents/liter   | No program claimed                 | \$41,127     | \$897,545    |
| 20060030   | A            | Ginger root, preserved by sugar (drained, glaze or crystallized)  | 2.40%  | GSP                                | \$276,806    | \$282,343    |
| 19059090   | A            | Bakers' wares communion wafers, empty capsules suitable for pharmaceutical use, sealing wafers, rice paper and similar products, nesi | 4.50%  | GSP                                | \$120,846    | \$138,973    |
| 07141010   | A*           | Cassava (manioc), frozen, whether or not sliced or in the form of pellets   | 7.90%  | GSP                                | \$46,836     | \$106,687    |
| 63079098   | A            | National flags and other made-up articles of textile materials, nesoi   | 7.00%  | GSP                                | \$56,660     | \$71,315     |
| 44122936   | A*           | Plywood nesoi, at least one hardwood outer ply nesoi, no particle board, not surface-covered beyond clear/transparent, face ply nesoi | 8.00%  | GSP                                | \$0          | \$65,584     |
| 33073050   | A            | Bath preparations, other than bath salts  | 4.90%  | GSP                                | \$80,080     | \$63,590     |

|          |    |  |                 |                    |          |          |
|----------|----|--|-----------------|--------------------|----------|----------|
| 07129085 | A  | Dried vegetables nesoi, and mixtures of dried vegetables, whole, cut, sliced, broken or in powder, but not further prepared                    | 8.30%           | GSP                | \$25,428 | \$58,503 |
| 22021000 | A  | Waters, including mineral waters and aerated waters, containing added sugar or other sweetening matter or flavored                             | 0.2 cents/liter | GSP                | \$25,867 | \$50,540 |
| 06049960 | A  | Foliage, branches, parts of plants and grasses, suitable for bouquets or ornamental purposes, dyed, impregnated or otherwise prepared          | 7.00%           | GSP                | \$0      | \$44,371 |
| 07149045 | A* | Frozen dasheens/yams/arrowroot/salep/Jerusalem artichokes/similar roots & tubers (but not cassava, sweet potatoes & Chinese water chestnuts)   | 6.00%           | GSP                | \$6,210  | \$35,631 |
| 34013010 | A  | Organic surface-active products for wash skin, in liquid or cream, contain any aromatic/mod aromatic surface-active agent, put up for retail   | 4.00%           | GSP                | \$67,689 | \$29,195 |
| 20059097 | A  | Vegetables nesoi, & mixtures of vegetables, prepared or preserved otherwise than by vinegar or acetic acid, not frozen, not preserved by sugar | 11.20%          | GSP                | \$18,004 | \$27,049 |
| 39232900 | A  | Sacks and bags (including cones) for the conveyance or packing of goods, of plastics other than polymers of ethylene                           | 3.00%           | GSP                | \$3,680  | \$26,754 |
| 44121340 | A  | Plywood sheets n/o 6 mm thick, with specified tropical wood outer ply, with face ply nesoi, not surface-covered beyond clear/transparent       | 8.00%           | GSP                | \$0      | \$26,067 |
| 44201000 | A  | Wooden statuettes and other wood ornaments   | 3.20%           | GSP                | \$55,912 | \$25,024 |
| 44219097 | A  | Articles of wood, not elsewhere specified or included  | 3.30%           | GSP                | \$22,678 | \$24,069 |
| 22021000 | A  | Waters, including mineral waters and aerated waters, containing added sugar or other sweetening matter or flavored                             | 0.2 cents/liter | No program claimed | \$0      | \$18,526 |
| 08119010 | A* | Bananas and plantains, frozen, in water or containing added sweetening   | 3.40%           | GSP                | \$61,740 | \$17,325 |

|          |    |  |        |                    |          |          |
|----------|----|--|--------|--------------------|----------|----------|
| 44219097 | A  | Articles of wood, not elsewhere specified or included  | 3.30%  | No program claimed | \$2,945  | \$15,668 |
| 19019090 | A  | Flour-, meal-, starch-, malt extract- or dairy-based food preps not containing cocoa and not containing specific amounts of dairy, nesoi | 6.40%  | GSP                | \$19,191 | \$13,098 |
| 85269200 | A  | Radio remote control apparatus   | 4.90%  | No program claimed | \$0      | \$12,502 |
| 21069099 | A  | Food preparations not elsewhere specified or included, not canned or frozen  | 6.40%  | GSP                | \$16,558 | \$12,272 |
| 39231000 | A  | Boxes, cases, crates and similar articles for the conveyance or packing of goods, of plastics  | 3.00%  | No program claimed | \$0      | \$12,047 |
| 85279095 | A  | Reception apparatus for radiotelegraphy, radiotelephony, radiobroadcasting, nesoi  | 6.00%  | GSP                | \$8,450  | \$11,600 |
| 20079950 | A  | Guava and mango pastes and purees, being cooked preparations   | 1.30%  | GSP                | \$0      | \$11,072 |
| 07108070 | A  | Vegetables nesi, uncooked or cooked by steaming or boiling in water, frozen, not reduced in size   | 11.30% | GSP                | \$8,023  | \$10,506 |
| 44209080 | A  | Wood marquetry and inlaid wood; wooden articles of furniture, nesoi  | 3.20%  | No program claimed | \$0      | \$8,843  |
| 44190080 | A  | Wooden tableware and kitchenware, other than forks and spoons  | 3.20%  | GSP                | \$2,700  | \$6,470  |
| 85273900 | A  | Radiobroadcast receivers nesoi, including apparatus capable of receiving also radiotelephony or radiotelegraphy                          | 3.00%  | No program claimed | \$0      | \$6,157  |
| 20089990 | A  | Fruit nesoi, and other edible parts of plants nesoi, other than pulp and excluding mixtures, otherwise prepared or preserved, nesoi      | 6.00%  | GSP                | \$17,652 | \$4,833  |
| 85269200 | A  | Radio remote control apparatus   | 4.90%  | GSP                | \$0      | \$4,651  |
| 71131950 | A* | Precious metal (o/than silver) articles of jewelry and parts thereof, whether or not plated or clad with precious metal, nesoi           | 5.50%  | No program claimed | \$0      | \$4,642  |
| 85371090 | A  | Boards, panels, consoles, desks, cabinets, etc., equipped with apparatus for electric control, for a voltage not exceeding 1,000, nesoi  | 2.70%  | GSP                | \$0      | \$4,333  |

|          |    |   |                 |                    |          |         |
|----------|----|---|-----------------|--------------------|----------|---------|
| 44209080 | A  | Wood marquetry and inlaid wood; wooden articles of furniture, nesi  | 3.20%           | GSP                | \$5,135  | \$4,261 |
| 71131950 | A* | Precious metal (o/than silver) articles of jewelry and parts thereof, whether or not plated or clad with precious metal,nesoi       | 5.50%           | GSP                | \$19,028 | \$4,030 |
| 07142010 | A* | Sweet potatoes, frozen, whether or not sliced or in the form of pellets   | 6.00%           | GSP                | \$0      | \$3,820 |
| 09109960 | A  | Spices, nesi  | 1.90%           | GSP                | \$10,037 | \$3,694 |
| 85044095 | A  | Static converters (for example, rectifiers), nesoi  | 1.50%           | No program claimed | \$0      | \$3,411 |
| 85243980 | A  | Pre-recorded discs for laser reading systems, reproducing sound and images or images only, nesoi                                    | 2.70%           | GSP                | \$0      | \$3,046 |
| 08119052 | A  | Mangoes, frozen, whether or not previously steamed or boiled  | 10.90%          | GSP                | \$7,644  | \$3,004 |
| 18063290 | A  | Cocoa preps, not filled, in blocks, slabs or bars weighing 2kg or less,   | 6.00%           | GSP                | \$0      | \$2,951 |
| 22029090 | A  | Nonalcoholic beverages, nesi, not including fruit or vegetable juices of heading 2009   | 0.2 cents/liter | GSP                | \$6,787  | \$2,900 |
| 33079000 | A  | Depilatories and other perfumery, cosmetic or toilet preparations. nesoi  | 5.40%           | GSP                | \$0      | \$2,817 |
| 19023000 | A  | Pasta nesi  | 6.40%           | GSP                | \$0      | \$2,761 |
| 71131929 | A  | Gold necklaces and neck chains (o/than of rope or mixed links)  | 5.50%           | GSP                | \$0      | \$2,559 |
| 39231000 | A  | Boxes, cases, crates and similar articles for the conveyance or packing of goods, of plastics                                       | 3.00%           | GSP                | \$0      | \$2,400 |
| 20060070 | A  | Fruit nesi, and nuts, except mixtures, preserved by sugar (drained, glace or crystallized)  | 8.00%           | GSP                | \$0      | \$2,209 |
| 69119000 | A* | Porcelain or china (o/than bone china) household and toilet articles (other than tableware or kitchenware), nesoi                   | 5.40%           | GSP                | \$0      | \$2,160 |
| 33074100 | A  | Agarbatti and other odoriferous preparations which operate by burning, to perfume or deodorize rooms or used during religious rites | 2.40%           | GSP                | \$0      | \$2,030 |
| 46021009 | A  | Baskets and bags of bamboo other than wickerwork  | 10.00%          | GSP                | \$0      | \$2,020 |

|          |    |   |                 |                    |          |         |
|----------|----|---|-----------------|--------------------|----------|---------|
| 42010060 | A* | Saddlery and harnesses for animals nesi, (incl. traces, leads, knee pads, muzzles, saddle cloths and bags and the like), of any material  | 2.80%           | GSP                | \$0      | \$1,803 |
| 67029065 | A  | Artificial flowers/foilage/fruit & pts thereof; articles of artif. flowers, etc.; all the foregoing of materials o/than plast./feath./mmf | 17.00%          | GSP                | \$0      | \$432   |
| 39241020 | A  | Plates, cups, saucers, soup bowls, cereal bowls, sugar bowls, creamers, gravy boats, serving dishes and platters, of plastics             | 6.50%           | GSP                | \$878    | \$360   |
| 07141010 | A* | Cassava (manioc), frozen, whether or not sliced or in the form of pellets   | 7.90%           | No program claimed | \$2,592  | \$0     |
| 08119010 | A* | Bananas and plantains, frozen, in water or containing added sweetening  | 3.40%           | No program claimed | \$9,655  | \$0     |
| 08119052 | A  | Mangoes, frozen, whether or not previously steamed or boiled  | 10.90%          | No program claimed | \$2,528  | \$0     |
| 15159080 | A  | Fixed vegetable fats and oils and their fractions nesoi, whether or not refined, not chemically modified                                  | 3.20%           | No program claimed | \$9,167  | \$0     |
| 19059090 | A  | Bakers' wares communion wafers, empty capsules suitable for pharmaceutical use, sealing wafers, rice paper and similar products, nesi     | 4.50%           | No program claimed | \$10,698 | \$0     |
| 21069099 | A  | Food preparations not elsewhere specified or included, not canned or frozen   | 6.40%           | No program claimed | \$3,026  | \$0     |
| 22029090 | A  | Nonalcoholic beverages, nesi, not including fruit or vegetable juices of heading 2009   | 0.2 cents/liter | No program claimed | \$2,160  | \$0     |
| 46021080 | A  | Basketwork and other articles, nesoi, of vegetables materials, nesoi  | 2.30%           | No program claimed | \$3,289  | \$0     |
| 63079098 | A  | National flags and other made-up articles of textile materials, nesoi   | 7.00%           | No program claimed | \$16,330 | \$0     |
| 85271950 | A  | Radiobroadcast receivers, capable of operation w/o external power, nesi   | 3.00%           | No program claimed | \$7,110  | \$0     |
| 90329060 | A  | Parts and accessories for automatic regulating or controlling instruments and apparatus, nesi   | 1.70%           | No program claimed | \$8,000  | \$0     |

|          |    |  |                               |     |             |     |
|----------|----|--|-------------------------------|-----|-------------|-----|
| 07149020 | A  | Fresh or chilled yams, whether or not sliced or in the form of pellets   | 6.40%                         | GSP | \$11,033    | \$0 |
| 07149060 | A  | Dried dasheens, yams, arrowroot, salep, Jerusalem artichokes, and similar roots and tubers nesoi, whether or not sliced but not in pellets | 8.30%                         | GSP | \$20,008    | \$0 |
| 09109100 | A  | Mixtures of spices   | 1.90%                         | GSP | \$2,896     | \$0 |
| 15159080 | A  | Fixed vegetable fats and oils and their fractions nesoi, whether or not refined, not chemically modified                                   | 3.20%                         | GSP | \$6,804     | \$0 |
| 17031050 | A  | Cane molasses nesi   | 0.01 cents/kg of total sugars | GSP | \$4,330,700 | \$0 |
| 17049035 | A  | Sugar confections or sweetmeats ready for consumption, not containing cocoa, other than candied nuts or cough drops                        | 5.60%                         | GSP | \$2,192     | \$0 |
| 18069090 | A  | Chocolate and preps w/cocoa, nesoi, not put up for retail sale   | 6.00%                         | GSP | \$8,407     | \$0 |
| 19021940 | A  | Uncooked pasta, not stuffed or otherwise prepared, not containing eggs, nesi, including pasta packaged with sauce preparations             | 6.40%                         | GSP | \$2,058     | \$0 |
| 19041000 | A  | Prepared foods obtained by the swelling or roasting of cereals or cereal products  | 1.10%                         | GSP | \$2,385     | \$0 |
| 20011000 | A  | Cucumbers including gherkins, prepared or preserved by vinegar or acetic acid  | 9.60%                         | GSP | \$7,830     | \$0 |
| 20019038 | A  | Vegetables (including olives) nesoi, prepared or preserved by vinegar or acetic acid   | 9.60%                         | GSP | \$3,492     | \$0 |
| 20089950 | A  | Papayas, other than pulp, otherwise prepared or preserved, nesi  | 1.80%                         | GSP | \$5,831     | \$0 |
| 20098060 | A  | Juice of any other single fruit, nesi, (including cherries and berries), concentrated or not concentrated                                  | 0.5 cents/liter               | GSP | \$18,930    | \$0 |
| 21039090 | A  | Sauces and preparations  | 6.40%                         | GSP | \$7,953     | \$0 |
| 39232100 | A* | Sacks and bags (including cones) for the conveyance or packing of goods, of polymers of ethylene   | 3.00%                         | GSP | \$560       | \$0 |
| 42023990 | A  | Articles of a kind normally carried in the pocket or handbag, with outer surface of vulcanized fiber or of paperboard                      | 20.00%                        | GSP | \$2,333     | \$0 |

|          |    |   |                       |     |          |     |
|----------|----|---|-----------------------|-----|----------|-----|
| 44121431 | A* | Plywood sheet n/o 6 mm thick, at least one outer ply of nonconiferous wood, with face ply nesi, not surfacecovered beyond clear/transparent | 8.00%                 | GSP | \$27,283 | \$0 |
| 44182080 | A  | Doors of wood, other than French doors  | 4.80%                 | GSP | \$38,770 | \$0 |
| 46021018 | A  | Baskets and bags of vegetable material, nesi  | 4.50%                 | GSP | \$11,308 | \$0 |
| 69139050 | A  | Ceramic (o/than porcelain, china or earthenware) ornamental articles, nesi  | 6.00%                 | GSP | \$5,200  | \$0 |
| 82119220 | A  | Kitchen and butcher knives w/fixed blades, with rubber or plastics handles  | 0.8 cents each + 4.6% | GSP | \$2,145  | \$0 |
| 85251070 | A  | Transmission apparatus for radiobroadcasting  | 3.00%                 | GSP | \$4,911  | \$0 |
| 85271950 | A  | Radiobroadcast receivers, capable of operation w/o external power, nesi   | 3.00%                 | GSP | \$15,138 | \$0 |

## Attachment C

### U.S. Imports from the Pacific Island Region

U.S. imports were \$265.2 million in 2006, a decrease of 15% (\$45.4 million) from the \$310.6 million 2004. Imports under the GSP program were \$57.3 million (21.6% of all U.S. imports from the region) in 2006, an increase of \$18.5 million over the same two-year period (U.S. imports entering under GSP from the region were 12.5% of all imports from the region in 2004). U.S. imports entering under FAS provisions were \$716,000 in 2006 (0.27 percent of all imports), down 40% from 1.2 million in 2004 (0.39% of all imports).

#### **U.S. imports in 2006 from the region, in order of largest trade value:**

- Tunas and skipjack, not in airtight containers or in oil in bulk containers;
- Coffee;
- Estimated imports of low-valued transactions;
- Light oil motor fuel; and
- Cocoa beans.

#### **Imports entering duty-free under the GSP program in 2006 (with most favored nations (MFN) duties saved):**

- Mineral water (\$39.7 million) - 0.26 cents/liter;
- Raw cane sugar (\$8.7 million);
- Molasses (\$4.2 million) - 0.01 cents/kg;
- Fresh or chilled dasheens (\$1.8 million) - 2.3%;
- Juice of certain single fruits, including cherries and berries (\$1.1 million) - 0.5 cents/liter;
- Ginger root (\$282,000) - 2.4%; and
- Cassava (\$145,000) - 7.9%.

**Other 2006 imports of large trade value under GSP included** food preparations, fruit and nut flour, national flags, wooden statuettes, plywood of at least one hardwood outer ply, bath preparations, yams, dried vegetables, organic surface-active agents, other waters, and dyed foliage for bouquets or ornamental purposes.

**Approximately \$2.2 million in U.S. imports from the Pacific Islands were eligible for duty-free entry under GSP, assuming that the imports complied with the GSP rules of origin, but were not claimed as such on their entry forms.** Examples in 2005 or 2006 were:

- \$176,923 in active yeasts (6.4% tariff) from the Cook Islands;
- \$897,545 in mineral waters (0.26 cents/liter tariff) from Fiji;
- \$15,053 in wooden statutes (3.2%) from Papua New Guinea;
- \$235,092 in dried fruit other than of citrus fruit, bananas, plantains, nuts, figs, pineapples, dates, guavas, mangos and mangosteens (2.5%) from Samoa;
- \$92,287 in gold jewelry, including gold-plated jewelry with platinum (4.1%) from the Solomon Islands;
- \$25,046 in palmitic and stearic acid (5%) and \$2,700 in sweet potatoes (4.5%) from Tonga; and
- \$81,000 in food preparations (6.4%) from Vanuatu.

#### **World Imports from the Pacific Island Economies**

A number of dutiable products are exported to the world from the region, but are not exported in large volumes to the United States. Export of these products to the United States could be explored, many of which are eligible for duty-free treatment under GSP:

- baskets of wicker and other vegetable materials;
- active yeasts;
- balsa, mahogany and other types of woods;
- coniferous wood in chips or particles;
- untreated non-coniferous wood in the rough;
- aluminum waste and scrap;
- frozen fish fillets, livers, and roes;
- big-eyed, albacore and other tunas;
- mollusks;
- organo-sulfur compounds;

- calcium phosphate, aluminum calcium phosphate and phosphate chalk;
- unwrought nickel;
- copper ores and concentrates;
- fresh or chilled vegetables;
- fermented black tea and other partly fermented teas;
- coconut oil, including copra; and
- medicinal plants

| Imports from South Pacific economies by leading markets, 2006 |                   |                |                  |               |                  |                |                |
|---|-------------------|----------------|------------------|---------------|------------------|----------------|----------------|
| Supplying South Pacific economy                               | Importing country |                |                  |               |                  |                |                |
|   | United States     |                | Australia (2005) | New Zealand   | European Union   | Japan          | China          |
|   | GSP               | Total          |                  |               |                  |                |                |
| In Thousands of dollars                                       |                   |                |                  |               |                  |                |                |
| Cook Islands  | 16                | 2,098          | 424              | 701           | 927              | 3,368          | 1,196          |
| Fed. States of Micronesia                                     | 0                 | 885            | 18               | 1             | 76               | 3,639          | 73             |
| Fiji  | 52,808            | 145,793        | 145,900          | 34,126        | 144,607          | 51,771         | 1,228          |
| Kiribati  | 0                 | 1,346          | 386              | 10            | 703              | 2,125          | 1              |
| Nauru   | 0                 | 274            | 151              | 35            | 359              | 435            | 1              |
| Niue  | 51                | 73             | 1                | 263           | 11,819           | 936            | 0              |
| Palau   | 0                 | 605            | 2                | 1             | 116              | 40,478         | 5              |
| <b>Papua New Guinea</b>                                       | <b>2,902</b>      | <b>83,624</b>  | <b>1,529,816</b> | <b>36,408</b> | <b>501,351</b>   | <b>659,717</b> | <b>391,849</b> |
| Rep. Marshall Islands   | 0                 | 14,520         | 25               | 51            | 317,084          | 18,612         | 202            |
| Samoa   | 1,255             | 4,223          | 0                | 1,662         | 594              | 1,059          | 12             |
| Solomon Islands   | 3                 | 2,193          | 2,752            | 1,675         | 14,547           | 23,022         | 124,862        |
| Tonga   | 164               | 7,265          | 483              | 1,716         | 308              | 6,685          | 13             |
| Tuvalu  | 0                 | 23             | 69               | 1             | 743              | 0              | 76             |
| Vanuatu   | 85                | 2,274          | 3,379            | 393           | 9,657            | 29,344         | 1,052          |
| <b>Total</b>  | <b>57,284</b>     | <b>265,196</b> | <b>1,683,406</b> | <b>77,043</b> | <b>1,002,891</b> | <b>840,591</b> | <b>502,570</b> |