



For Immediate Release  
Office of the Press Secretary  
July 27, 2006

## **To Implement the United States-Bahrain Free Trade Agreement, and for Other Purposes**

A Proclamation by the President of the United States of America

1. On September 14, 2004, the United States entered into the United States-Bahrain Free Trade Agreement (USBFTA). The USBFTA was approved by the Congress in section 101(a) of the United States-Bahrain Free Trade Agreement Implementation Act (the "USBFTA Implementation Act") (Public Law 109-169, 119 Stat. 3581) (19 U.S.C. 3805 note).
2. Section 105(a) of the USBFTA Implementation Act authorizes the President to establish or designate within the Department of Commerce an office that shall be responsible for providing administrative assistance to panels established under Chapter 19 of the USBFTA.
3. Section 201 of the USBFTA Implementation Act authorizes the President to proclaim such modifications or continuation of any duty, such continuation of duty-free or excise treatment, or such additional duties, as the President determines to be necessary or appropriate to carry out or apply Articles 2.3, 2.5, 2.6, 3.2.8, and 3.2.9, and the schedule of reductions with respect to Bahrain set forth in Annex 2-B of the USBFTA.
4. Consistent with section 201(a)(2) of the USBFTA Implementation Act, Bahrain is to be removed from the enumeration of designated beneficiary developing countries eligible for the benefits of the Generalized System of Preferences (GSP). Further, consistent with section 604 of the Trade Act of 1974 (the "1974 Act") (19 U.S.C. 2483), as amended, I have determined that other technical and conforming changes to the Harmonized Tariff Schedule of the United States (HTS) are necessary to reflect that Bahrain is no longer eligible to receive benefits of the GSP.
5. Section 202 of the USBFTA Implementation Act provides certain rules for determining whether a good is an originating good for the purpose of implementing preferential tariff treatment under the USBFTA. I have decided that it is necessary to include these rules of origin, together with particular rules applicable to certain other goods, in the HTS.
6. Section 204 of the USBFTA Implementation Act authorizes the President to take certain enforcement actions relating to trade with Bahrain in textile and apparel goods.
7. Sections 321-328 of the USBFTA Implementation Act authorize the President to take certain actions in response to a request by an interested party for relief from serious damage or actual threat thereof to a domestic industry producing certain textile or apparel articles.
8. Executive Order 11651 of March 3, 1972, as amended, establishes the Committee for the Implementation of Textile Agreements (CITA) to supervise the implementation of textile trade agreements.
9. Presidential Proclamation 7747 of December 30, 2003, implemented the United States-Singapore Free Trade Agreement (the "USSFTA") with respect to the United States and, pursuant to the United States-Singapore Free Trade Agreement Implementation Act (the "USSFTA Implementation Act") (Public Law 108-78, 117 Stat. 948) (19 U.S.C. 3805 note),

incorporated in the HTS the tariff modifications and rules of origin necessary or appropriate to carry out the USSFTA.

10. Section 202 of the USSFTA Implementation Act provides rules for determining whether goods imported into the United States originate in the territory of a USSFTA party and thus are eligible for the tariff and other treatment contemplated under the USSFTA. Section 202(o) of the USSFTA Implementation Act authorizes the President to proclaim, as a part of the HTS, the rules of origin set out in the USSFTA and to proclaim modifications to such previously proclaimed rules of origin, subject to the consultation and layover requirements of section 103(a) of the USSFTA Implementation Act.

11. The United States and Singapore have agreed to modifications to certain USSFTA rules of origin. Modifications to the USSFTA rules of origin set out in Proclamation 7747 are therefore necessary.

12. Section 604 of the 1974 Act, as amended, authorizes the President to embody in the HTS the substance of relevant provisions of that Act, or other Acts affecting import treatment, and of actions taken thereunder, including the removal, modification, continuance, or imposition of any rate of duty or other import restriction.

NOW, THEREFORE, I, GEORGE W. BUSH, President of the United States of America, acting under the authority vested in me by the Constitution and the laws of the United States of America, including but not limited to section 604 of the 1974 Act; sections 105(a), 201, 202, 204, and 321-328 of the USBFTA Implementation Act; section 202 of the USSFTA Implementation Act; and section 301 of title 3, United States Code, do hereby proclaim:

(1) In order to provide generally for the preferential tariff treatment being accorded under the USBFTA, to set forth rules for determining whether goods imported into the customs territory of the United States are eligible for preferential tariff treatment under the USBFTA, to provide certain other treatment to originating goods for the purposes of the USBFTA, to provide tariff-rate quotas with respect to certain originating goods, to reflect Bahrain's removal from the enumeration of designated beneficiary developing countries for purposes of the GSP, and to make technical and conforming changes in the general notes to the HTS, the HTS is modified as set forth in Annex I of Publication 3830 of the United States International Trade Commission, entitled, Modifications to the Harmonized Tariff Schedule of the United States to Implement the United States-Bahrain Free Trade Agreement (Publication 3830), which is incorporated by reference into this proclamation.

(2) In order to implement the initial stage of duty elimination provided for in the USBFTA and to provide for future staged reductions in duties for products of Bahrain for purposes of the USBFTA, the HTS is modified as provided in Annex II of Publication 3830, effective on the dates specified in the relevant sections of such publication and on any subsequent dates set forth for such duty reductions in that publication.

(3) The Secretary of Commerce is authorized to exercise my authority under section 105(a) of the USBFTA Implementation Act to establish or designate an office within the Department of Commerce to carry out the functions set forth in that section.

(4) The amendments to the HTS made by paragraphs (1) and (2) of this proclamation shall be effective with respect to goods entered, or withdrawn from warehouse for consumption, on or after the relevant dates indicated in Annex II to Publication 3830.

(5) The CITA is authorized to exercise my authority under section 204 of the USBFTA Implementation Act to exclude textile and apparel goods from the customs territory of the United

States; to determine whether an enterprise's production of, and capability to produce, goods are consistent with statements by the enterprise; to find that an enterprise has knowingly or willfully engaged in circumvention; and to deny preferential tariff treatment to textile and apparel goods.

(6) The CITA is authorized to exercise my authority under subtitle B of title III of the USBFTA Implementation Act to review requests, and to determine whether to commence consideration of such requests; to cause to be published in the Federal Register a notice of commencement of consideration of a request and notice seeking public comment; to determine whether imports of a Bahraini textile or apparel article are causing serious damage, or actual threat thereof, to a domestic industry producing an article that is like, or directly competitive with, the imported article; and to provide relief from imports of an article that is the subject of such a determination.

(7) In order to modify the rules of origin under the USSFTA, general note 25 to the HTS is modified as provided in Annex I to this proclamation.

(8) The modifications made by Annex I to this proclamation shall be effective with respect to goods of Singapore that are entered, or withdrawn from warehouse for consumption, on or after August 1, 2006.

(9) In order to make technical corrections to the HTS, the HTS is modified as provided in Annex II to this proclamation.

(10) The modifications made by Annex II to this proclamation shall be effective with respect to articles entered, or withdrawn for consumption, on or after the dates provided in that Annex.

(11) All provisions of previous proclamations and Executive Orders that are inconsistent with the actions taken in this proclamation are superseded to the extent of such inconsistency.

IN WITNESS WHEREOF, I have hereunto set my hand this twenty seventh day of July, in the year of our Lord two thousand six, and of the Independence of the United States of America the two hundred and thirty-first.

GEORGE W. BUSH

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