



March 17, 2010

Ms. Kim Glas, Chairperson Committee for the Implementation of Textile Agreements Room 3001 US Department of Commerce 14<sup>th</sup> and Constitution Avenue, NW Washington, DC 20230

> RE: Request for Public Comment on a Commercial Availability Request under the US-Singapore Free Trade Agreement

Dear Ms. Glas:

The National Council of Textile Organizations is filing these comments in response to the *Federal Register* notice from CITA on February 8, 2010 requesting public comment on a commercial availability request under the US-Singapore Free Trade Agreement for a number of knit and woven fabrics.

We note that the first thirteen fabrics in this request do not appear to have been approved for short supply in any previous free trade agreement or preference program, but all the others have been considered in some form.

All of the yarns for all of the fabrics in the petition are available from US producers, but some of the fiber must be imported. For example, rayon fiber has not been produced in the United States for many years, so yarns and knit fabrics made from this fiber are often disqualified under the current rules of the US-Singapore FTA when the fiber quantity exceeds the *de minimis* allowance. However, a lack of availability of the fiber should not result in approval of a commercial availability designation for downstream products. CITA recognized this issue in implementing the revised commercial availability rules for the DR-CAFTA, and we strongly urge that this common sense rule be replicated in the US-Singapore FTA.

Regarding fiber, we note that for purposes of the Federal Trade Commission product labeling, rayon from bamboo is still rayon. Rayon is a generic fiber term designating a specific production process to produce fiber from any cellulosic feedstock, whether from bamboo,

910 17<sup>th</sup> Street, NW, Suite 1020 • Washington, DC 20006 • 202-822-8028 • fax: 202-822-8029 469 Hospital Drive, Suite C • Gastonia, NC 28054 • 704-824-3522 • fax: 704-671-2366 www.ncto.org wood pulp, or other sources. US spinners currently import rayon fiber from bamboo and other sources to produce 100% rayon and blended yarns.

A large US fiber and yarn producer currently produces staple and filament recycled polyester fiber in the deniers requested. However, from an enforcement perspective, there is no way Customs or other officials will be able to verify whether the polyester used in fabrics and finished products is virgin or recycled. We strongly urge CITA to consider whether enforcement is possible before allowing a commercial availability designation for any product.

We object to allowing a commercial availability designation for the first thirteen fabrics. Having spoken with several knitters, we believe that all of these fabrics as described in the petition are available from domestic producers. The *Federal Register* notice only lists the fabrics at the 8-digit level in the Harmonized Tariff System and some of the fabric descriptions are vague, so a customer in Singapore would need to provide additional specifications in these cases. This would include such things as warp or weft, single or double, circular or flat, and knit pattern.

The latter eighteen fabric descriptions provide a much higher level of detail, which is helpful in determining if the products are available from domestic sources. Some of them specify the staple length of the fiber in the yarn, but don't provide performance characteristics to explain why this is needed. If unusual specifications cannot be justified, CITA should reject the product. This would be consistent with the policy CITA instituted for commercial availability petitions in DR-CAFTA after years of practical experience dealing with such petitions and after consultation with the industry.

Thank you for providing NCTO the opportunity to provide these comments. If you need more information, please do not hesitate to contact us.

Sincerely,

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Michael S. Hubbard Vice President