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Chairman
Committee for the Implementation of Textile Agreements
Room 30003
United States Department of Commerce
Washington, DC 20230.

Submitted via email to
OTEXA_Bahrain_FTA@trade.gov

Also via email to
Terry.Labat@trade.gov and Maria.D'Andrea-Yothers@trade.gov

Subject: Request for Public Comment on a Commercial Availability Request Under the
U.S.-Bahrain Free Trade Agreement

To Whom It May Concern:

I write as a consultant to the U.S. textile industry to oppose the request to modify the rules of origin for knit apparel classified in chapter 61 of the Harmonized Tariff Schedule of the United States ("HTSUS") under the U.S.-Bahrain Free Trade Agreement ("USBFTA"), published May 22, 2017, at 82 FR 23204. I understand that my clients, Elastic Fabrics of American and the Darlington division of the George C. Moore will be filing their own comments as domestic U.S. manufacturers of the subject fabrics.

The request from the Government of Bahrain should be rejected "out of hand" as failing to present any factual basis for the request. No attempt is made in the request to demonstrate short supply of the fabric in the region. No evidence is presented of any attempt to contact potential suppliers in the U.S. or Bahrain.

The sole justification given in the request for modifying the rules of origin is the July 31, 2016, expiration of the USBFTA Tariff Preference Level ("TPL") provision, in the amount of 65 million square meter equivalents. The TPL is a derogation from the general "yarn forward" rule of the USBFTA. The yarn forward rule is at the very foundation of U.S. FTA policy as respects apparel and textile products. The TPL was a generous *temporary* dispensation from the rule. Now that it is expired it is inappropriate to invoke it as justification for changes to the rules of origin.

1. Bahrain agreed to the yarn forward rule and should live up to that agreement.

2. The expiration of the TPL, after ten years, is one of the provisions of the agreement. Bahrain had ten years, during that transition period, to build its own industry to supply these fabrics or establish business relations with U.S. textile manufacturers who made these fabrics. It appears that Bahrain did neither.
3. This list is so broad in scope as to place a huge number of fabrics made in the U.S. on an effective "short supply" list.
4. It would be unfair to the other 17 nations that are free trade partners with the U.S. under the terms of 11 agreements who, with only narrow, carefully carved out exceptions, operate under the yarn forward rule.
5. If granted, this request will prompt other current and future free trade partners to seek short supply status for the same fabrics.
6. Unlike the expired TPL, which was capped at 65 million square meters annually, the request is unlimited as to quantity, and, if approved, would create an incentive for Bahrain to increase production of apparel and home textile articles of third-country fabric.

Because these fabrics are available from domestic U.S. sources that will be harmed were the request granted, and because no U.S. textile industry interests can possibly be aided by the requested changes, I urge in the strongest terms that the U.S. reject this request *in toto*.

If you have any questions about our opposition you may contact me at 617-237-6008 or david@agathonassociates.com.

Yours,



David Trumbull
May 31, 2017