

**Implementation of the Dominican Republic-Central America-United States
Free Trade Agreement with Respect to the Dominican Republic and for
Other Purposes**

A Proclamation by the President of the United States of America

1. On August 5, 2004, the United States entered into the Dominican Republic-Central America-United States Free Trade Agreement (the "Agreement") with Costa Rica, the Dominican Republic, El Salvador, Guatemala, Honduras, and Nicaragua (the "Agreement countries"). The Agreement was approved by the Congress in section 101(a) of the Dominican Republic-Central America-United States Free Trade Agreement Implementation Act (the "Act") (Public Law 109-53, 119 Stat. 462) (19 U.S.C. 4011 note).
2. Section 201 of the 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 Article 3.3 and Annex 3.3 (including the schedule of United States duty reductions with respect to originating goods) of the Agreement.
3. Consistent with section 201(a)(2) of the Act, each Agreement country is to be removed from the enumeration of designated beneficiary developing countries eligible for the benefits of the Generalized System of Preferences (GSP) on the date the Agreement enters into force with respect to that country.
4. Consistent with section 201(a)(3) of the Act, each Agreement country is to be removed from the enumeration of designated beneficiary countries under the Caribbean Basin Economic Recovery Act (CBERA) (19 U.S.C. 2701 et seq.) on the date the Agreement enters into force with respect to that country, subject to the exceptions set out in section 201(a)(3)(B) of the Act.
5. Consistent with section 213(b)(5)(D) of the CBERA, as amended by the United States-Caribbean Basin Trade Partnership Act (CBTPA) (Public Law 106-200), each Agreement country is to be removed from the enumeration of designated CBTPA beneficiary countries on the date the Agreement enters into force with respect to that country.
6. Section 1634(c)(2) of the Pension Protection Act of 2006 (Public Law 109-280) (29 U.S.C. 1001 note) authorizes the President to proclaim a reduction in the overall limit in the tariff preference level for Nicaragua provided in Annex 3.28 of the Agreement if the President determines that Nicaragua has failed to comply with a commitment under an agreement between the United States and Nicaragua with regard to the administration of such tariff preference level.
7. Presidential Proclamation 6641 of December 15, 1993, implemented the North American Free Trade Agreement (NAFTA) with respect to the United States and, pursuant to the North American Free Trade Agreement Implementation Act (Public Law 103-182) (the "NAFTA Implementation Act"),

incorporated in the Harmonized Tariff Schedule of the United States (HTS) the tariff modifications and rules of origin necessary or appropriate to carry out the NAFTA.

8. Section 202 of the NAFTA Implementation Act (19 U.S.C. 3332) provides rules for determining whether goods imported into the United States originate in the territory of a NAFTA party and thus are eligible for the tariff and other treatment contemplated under the NAFTA. Section 202(q) of the NAFTA Implementation Act (19 U.S.C. 3332(q)) authorizes the President to proclaim, as a part of the HTS, the rules of origin set out in the NAFTA and to proclaim modifications to such previously proclaimed rules of origin, subject to the consultation and layover requirements of section 103(a) of the NAFTA Implementation Act (19 U.S.C. 3313(a)).

9. The United States and Mexico have agreed to modify certain NAFTA rules of origin. It is therefore necessary to modify the NAFTA rules of origin set out in Proclamation 6641.

10. Executive Order 11651 of March 3, 1972, as amended, established the Committee for the Implementation of Textile Agreements (CITA), consisting of representatives of the Departments of State, the Treasury, Commerce, and Labor, and the Office of the United States Trade Representative, with the representative of the Department of Commerce as Chairman, to supervise the implementation of textile trade agreements. Consistent with 3 U.S.C. 301, when carrying out functions vested in the President by statute and assigned by the President to CITA, the officials collectively exercising those functions are all to be officers required to be appointed by the President with the advice and consent of the Senate.

11. Section 604 of the Trade Act of 1974 (the "1974 Act") (19 U.S.C. 2483), 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.

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 201 of the Act, section 1634(c)(2) of the Pension Protection Act of 2006, section 202 of the NAFTA Implementation Act, section 301 of title 3, United States Code, and section 604 of the 1974 Act, and the Act having taken effect pursuant to section 107(a), do proclaim that:

(1) In order to provide generally for the preferential tariff treatment being accorded under the Agreement to the Dominican Republic, to provide certain other treatment to originating goods for the purposes of the Agreement, to provide tariff-rate quotas with respect to certain goods, to reflect the removal of the Dominican Republic from the enumeration of designated beneficiary developing countries for purposes of the GSP, to reflect the removal of the Dominican Republic from the enumeration of designated beneficiary countries for purposes of the CBERA and the CBTPA, and to make technical and

conforming changes in the general notes to the HTS, the HTS is modified as set forth in Annexes I and II of Publication 3901 of the United States International Trade Commission, entitled Modifications to the Harmonized Tariff Schedule of the United States to Implement the Dominican Republic-Central America-United States Free Trade Agreement With Respect to the Dominican Republic (Publication 3901), which is incorporated by reference into this proclamation.

(2) The CITA is authorized to exercise the function of the President under section 1634(c)(2) of the Pension Protection Act of 2006 of determining whether Nicaragua has failed to comply with a commitment under an agreement between the United States and Nicaragua with regard to the administration of the tariff preference level for Nicaragua provided in Annex 3.28 of the Agreement and, on making such a determination, to reduce the overall limit in the tariff preference level for Nicaragua provided in Annex 3.28 of the Agreement.

(3) In order to modify the rules of origin under the NAFTA, general note 12 to the HTS is modified as set forth in the Annex to this proclamation.

(4)(a) The amendments to the HTS made by paragraph (1) 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 I or II of Publication 3901.

(b) The amendments to the HTS made by paragraph (3) of this proclamation shall enter into effect on the date that the United States Trade Representative announces in the Federal Register that Mexico has completed its applicable domestic procedures to give effect to corresponding modifications to be applied to goods of the United States and shall, at that time, be effective with respect to goods of Mexico entered, or withdrawn from warehouse for consumption, on or after the date indicated in the Annex to this proclamation.

(c) Except as provided in paragraphs (4)(a) and (b) of this proclamation, this proclamation shall be effective with respect to goods entered, or withdrawn from warehouse for consumption, on or after March 1, 2007.

(5) Any 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-eighth day of February, in the year of our Lord two thousand seven, and of the Independence of the United States of America the two hundred and thirty-first.

GEORGE W. BUSH