

SUPPORTING STATEMENT
International Trade Administration
Committee for the Implementation of Textile Agreements (CITA)
Procedures for Considering Requests and Comments from the Public under the Textile
and Apparel Safeguard Provision of the United States – Oman Free Trade Agreement
OMB CONTROL NO. 0625-XXXX

A. JUSTIFICATION

This is a request for approval of a new information collection.

1. Explain the circumstances that make the collection of information necessary.

Title III, Subtitle B, Section 321 through Section 328 of the United States-Oman Free Trade Agreement Implementation Act (the “Act”) implements the textile and apparel safeguard provisions, provided for in Article 3.1 of the United States-Oman Free Trade Agreement (the “Agreement”). This safeguard mechanism applies when, as a result of the elimination of a customs duty under the Agreement, an Omani textile or apparel article is being imported into the United States in such increased quantities, in absolute terms or relative to the domestic market for that article, and under such conditions as to cause serious damage or actual threat thereof to a U.S. industry producing a like or directly competitive article. In these circumstances, Article 3.1 permits the United States to increase duties on the imported article from Oman to a level that does not exceed the lesser of the prevailing U.S. normal trade relations (NTR)/most-favored-nation (MFN) duty rate for the article or the U.S. NTR/MFN duty rate in effect on the day before the Agreement entered into force.

The Statement of Administrative Action accompanying the Act provides that CITA will issue procedures for requesting such safeguard measures, for making its determinations under section 322(a) of the Act, and for providing relief under section 322(b) of the Act.

In Proclamation No. 8332 (73 FR 80289, December 31, 2008), the President delegated to CITA his authority under Subtitle B of Title III of the Act with respect to textile and apparel safeguard measures.

The textile and apparel safeguard provision will be of considerable benefit to firms manufacturing textile and apparel goods in the United States in the event that an industry finds itself to be adversely impacted by duty-free imports of textiles and apparel from Oman.

CITA has prepared interim procedures to implement these responsibilities. These will be published at the close of the thirty-day PRA FRN comment period.

CITA must collect information in order to determine whether a domestic textile or apparel industry is being adversely impacted by imports of these products from Oman, thereby allowing CITA to take corrective action to protect the viability of the domestic textile and apparel industry, subject to section 322(b) of the Act.

2. Explain how, by whom, how frequently, and for what purpose the information will be used. If the information collected will be disseminated to the public or used to support information that will be disseminated to the public, then explain how the collection complies with all applicable Information Quality Guidelines.

An interested party in the U.S. domestic textile and apparel industry may file a request for a textile and apparel safeguard action with CITA. Consistent with longstanding CITA practice in considering textile and apparel safeguard actions, CITA will consider an interested party to be an entity (which may be a trade association, firm, certified or recognized union, or group of workers) that is representative of either: (A) a domestic producer or producers of an article that is like or directly competitive with the subject Omani textile or apparel article; or (B) a domestic producer or producers of a component used in the production of an article that is like or directly competitive with the subject Omani textile or apparel article.

In order for a request to be considered, the requestor must provide the following information in support of a claim that a textile or apparel article from Oman is being imported into the United States in such increased quantities, in absolute terms or relative to the domestic market for that article, and under such conditions as to cause serious damage or actual threat thereof, to a U.S. industry producing an article that is like, or directly competitive with, the imported article:

- 1) name and description of the imported article concerned;
- 2) import data demonstrating that imports of an Omani origin textile or apparel article that are like or directly competitive with the articles produced by the domestic industry concerned are increasing in absolute terms or relative to the domestic market for that article;
- 3) U.S. domestic production of the like or directly competitive articles of U.S. origin indicating the nature and extent of the serious damage or actual threat thereof, along with an affirmation that to the best of the requester's knowledge, the data represent substantially all of the domestic production of the like or directly competitive article(s) of U.S. origin;
- 4) imports from Oman as a percentage of the domestic market of the like or directly competitive article; and
- 5) all data available to the requester showing changes in productivity, utilization of capacity, inventories, exports, wages, employment, domestic prices, profits, and investment, and any other information, relating to the existence of serious damage or actual threat thereof caused by imports from Oman to the industry producing the like or directly competitive article that is the subject of the request. To the extent that such information is not available, the requester should provide best estimates and the basis there for.

If CITA determines that the request provides the information necessary for it to be considered, CITA will publish a notice in the **Federal Register** seeking public comments regarding the request. The comment period shall be 30 calendar days. The notice will include a summary of

the request. Any interested party may submit information to rebut, clarify, or correct public comments submitted by any interested party.

CITA will make a determination on any request it considers within 60 calendar days of the close of the comment period. If CITA is unable to make a determination within 60 calendar days, it will publish a notice in the **Federal Register**, including the date it will make a determination.

If a determination under section 322(b) of the Act is affirmative, CITA may provide tariff relief to a U.S. industry to the extent necessary to remedy or prevent serious damage or actual threat thereof and to facilitate adjustment by the domestic industry to import competition. The import tariff relief is effective beginning on the date that CITA's affirmative determination is published in the **Federal Register**.

Entities submitting requests, responses or rebuttals to CITA may submit both a public and confidential version of their submissions. If the request is accepted, the public version will be posted on the dedicated Oman Free Trade Agreement textile safeguards section of the Office of Textiles and Apparel (OTEXA) website. The confidential version of the request, responses or rebuttals will not be shared with the public as it may contain business confidential information. Entities submitting responses or rebuttals may use the public version of the request as a basis for responses.

This information collection is not required to comply with the Department's Information Quality Guidelines because the documents that will be made available to the public are public filings by private entities requesting that CITA make a determination that a textile or apparel article from Oman is being imported into the United States in such increased quantities, in absolute terms or relative to the domestic market for that article, and under such conditions as to cause serious damage or actual threat thereof, to a U.S. industry producing an article that is like, or directly competitive with, the imported article, or by private entities responding to such a request. These documents are not authored by CITA, nor are they intended to represent CITA's views. Further, the information collected is used solely as the basis for administrative determinations under the US-Oman FTA. These filings will become part of the record of the proceedings, but may not be used to make determinations in any future proceedings.

3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological techniques or other forms of information technology.

The procedures for considering requests and comments for textile and apparel safeguard actions on imports from Oman do not provide for the collection of information through automated, electronic, mechanical, or other technological techniques. All requests and comments must be provided in a paper format to OTEXA (DOC).

4. Describe efforts to identify duplication.

The information provided by participants in a safeguard proceeding is unique in that it relates to the impact of imported textile and apparel products from Oman on the domestic industry. There is no chance for duplication as no other U.S. government agency collects this information.

5. If the collection of information involves small businesses or other small entities, describe the methods used to minimize burden.

Standardized criteria and instructions are utilized to help ensure that the burden on small businesses is minimized. In addition, the amount of information requested has been reduced to the minimum necessary to determine whether or not imported textiles from Oman are adversely affecting the domestic textile or apparel industry.

6. Describe the consequences to the Federal program or policy activities if the collection is not conducted or is conducted less frequently.

If the collection of requests and comments were not conducted, CITA would be unable to determine if certain textile or apparel imports were having a negative impact on the domestic textile or apparel industry, and thus would not be able to take measures to protect the industry. Therefore, the United States would not be in compliance with its obligations under the Agreement.

7. Explain any special circumstances that require the collection to be conducted in a manner inconsistent with OMB guidelines.

None.

8. Provide information on the PRA Federal Register notice that solicited public comments on the information collection prior to this submission. Summarize the public comments received in response to that notice and describe the actions taken by the agency in response to those comments. Describe the efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instructions and recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported.

The PRA Federal Register notice that solicited public comments on the information collection for the U.S.-Oman FTA textile safeguard mechanism was published on August 24, 2009 (74 FR 42648). No public comments were received in response to the notice.

CITA was first required to publish procedures for textile safeguard mechanisms under the U.S.-Australia Free Trade Agreement on April 28, 2006 (71 FR 25154). At that time, CITA consulted with domestic industry stakeholders regarding the availability of data required by the procedures, the frequency of collection, and the recordkeeping requirements. The procedures to effectuate the textile safeguard mechanism under the Agreement are identical to the procedures published under the U.S.-Australia Free Trade Agreement. CITA consults on a regular basis with domestic industry stakeholders regarding the operation of the textile safeguard mechanisms under our Free Trade Agreements.

9. Explain any decisions to provide payments or gifts to respondents, other than remuneration of contractors or grantees.

Not Applicable.

10. Describe any assurance of confidentiality provided to respondents and the basis for assurance in statute, regulation, or agency policy.

CITA will protect from disclosure any business confidential information that is marked “business confidential” to the full extent permitted by law. Specifically, these provisions include 5 U.S.C. § 552(b)(4), which protects confidential information from disclosure under the Freedom of Information Act, and 18 U.S.C. § 1905, which prohibits disclosure of confidential information by U.S. government employees or officers. If business confidential information is provided, one copy of a non-confidential version must also be provided, in which business confidential information is summarized or, if necessary, deleted.

11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private.

No questions of a sensitive nature are asked.

12. Provide an estimate in hours of the burden of the collection of information.

It is estimated that **1 Request** will be filed per year. The average amount of time required to prepare each Request is estimated at 4 hours. The total annual burden for all Requests is estimated to be 4 hours.

<u>Activity</u>	<u>Time Required</u>
Preparing Request	3 hours
Preparing Supporting Documentation	1 hour

Total Time per Request	4 hours
Times 1 Request per Year	4 hours

It is estimated that 5 Comments will be filed per year in response to the Request. The average amount of time required to prepare each Comment is estimated at 4 hours. The total annual burden for all Comments is estimated to be 20 hours.

<u>Activity</u>	Time Required
Preparing Comments	3 hours
Preparing Supporting Documentation	1 hour

Total Time per Request	4 hours
Times 5 Requests per Year	20 hours

Estimated Total Annual Burden Hours = 24

13. Provide an estimate of the total annual cost burden to the respondents or record-keepers resulting from the collection (excluding the value of the burden hours in #12 above).

It is estimated that 1 Request will be filed per year. The estimated cost of telephone calls is estimated to be \$40. And the postage and delivery costs are estimated to be \$20. The total annual cost burden for all Requests is estimated to be \$60.

<u>Activity</u>	<u>Cost</u>
Telephone calls	\$40
Postage and delivery services	\$20

Total Cost per Request	\$60
Times 1 Request per Year	\$60

It is estimated that 5 Comments will be filed per year. The estimated cost of telephone calls is estimated to be \$40. And the postage and delivery costs are estimated to be \$20. The total annual cost burden for all Comments is estimated to be \$450.

<u>Activity</u>	<u>Cost</u>
Telephone calls	\$40
Postage and delivery services	\$20

Total Cost per Comment	\$60
Times 5 Comments per Year	\$300

Estimated Total Cost Burden to Respondents = \$360

14. Provide estimates of annualized cost to the Federal government.

The average amount of time to review and process Requests and Comments is estimated at an average annual total of 30 hours (5 hours per Request and Comments for an average of 1 Request per year and 5 Comments per year). The estimated average public sector salary for persons processing the Request is \$40 per hour. The total annual cost to the government is estimated at \$1,200 per year.

<u>Activity</u>	<u>Time Required</u>	<u>Cost</u>
Initial Processing of Request: Review and Ensure Compliance with CITA's Procedures;	1 hour	\$40
Notify Interested Parties (if accepted); draft and publish FR Notice for CITA requesting public comments (30 calendar days); obtain proper clearances.	1 hour	\$40
Review confidential/non-confidential comments (60 calendar days)	1 ½ hours	\$60
Draft and publish FR for CITA (if affirmative determination) and Obtain Proper Clearances	1 hour	\$40
Publish Decision on OTEXA's Website	½ hour	\$20
Total Cost per Request and Comments	5 hours	\$200
Times 1 Request and 5 Comments per year	30 hours	\$1,200

15. Explain the reasons for any program changes or adjustments.

This is a new collection.

16. For collections whose results will be published, outline the plans for tabulation and publication.

If CITA determines that the request provides the necessary information for it to be considered, it publishes a **Federal Register** notice seeking public comments on the request, which will include a summary of the request and the date by which comments must be received. Public comments will be available for review by the public.

17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons why display would be inappropriate.

The textile safeguard mechanism in the U.S.-Oman Free Trade Agreement (FTA) remains in effect for the life of the FTA, i.e., there is no expiration date for the ability of either the U.S. or Oman to utilize this mechanism. Therefore, there can be no expiration of the information collection as prescribed above as long as the FTA is in force. CITA is requesting not to display an expiration date to avoid public confusion that the textile safeguard mechanism would expire. The OMB control number will be displayed on the OTEXA website <http://otexa.ita.doc.gov/>.

18. Explain each exception to the certification statement.

Not applicable.

B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS

This collection of information does not employ statistical methodologies.