# Supporting Statement African Growth and Opportunity Act (AGOA) Textile Certificate of Origin 1651-0082

### A. Justification

 Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statue and regulation mandating or authorizing the collection of information.

The African Growth and Opportunity Act (AGOA) was adopted by the U.S. with the enactment of the Trade and Development Act of 2000 (PL.106-200). The objectives of AGOA are (1) to provide for extension of duty-free treatment under the Generalized System of Preferences (GSP) to import sensitive articles normally excluded from GSP duty treatment, and (2) to provide for the entry of specific textile and apparel articles free of duty and free of any quantitative limits from the countries of sub-Saharan Africa.

For preferential treatment under AGOA, the exporter is required to prepare a certificate of origin and provide it to the importer. The certificate of origin includes information such as contact information for the importer, exporter and producer; the basis for which preferential treatment is claimed; and a description of the imported merchandise. The importers are required to have the certificate in their possession at the time of the claim, and to provide it to Customs and Border Protection (CBP) upon request. The collection of this information is provided for in 19 CFR 10.214, 10.215, and 10.216.

Instructions for complying with this regulation are posted on CBP.gov website at: https://www.cbp.gov/trade/rulings/informed-compliance-publications

This collection of information applies to the importing and trade community who are familiar with import procedures and with the CBP regulations.

2. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.

This information is reviewed by CBP officers in order to determine whether it is sufficient for duty-free treatment.

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

collection techniques or other forms of information technology, e.g. permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also describe any consideration of using information technology to reduce burden.

This information can be submitted electronically via the Document Image System into the Automated Commercial Environment (ACE).

4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.

This information is not duplicated in any other place or any other form.

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

This information collection does not have an impact on small businesses or other small entities.

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

If this information was not collected, CBP would not be able to ensure that duty-free or reduced-duty treatment is provided on imported goods under the Act.

7. Explain any special circumstances that would cause an information collection to be conducted in a manner:

This information is collected in a manner consistent with the guidelines of 5 CFR 1320.5(d)(2).

8. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the agency in response to these comments. Specifically address comments received on cost and hour burden.

Public comments were solicited through two Federal Register notices published on February 20, 2019 (84 FR 5102) and on June 13, 2019 (84 FR 27644). On which no comments were received.

9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.

There is no offer of a monetary or material value for this information collection.

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

A PIA for ACE, dated July 31, 2015, and a SORN for Import Information System, dated July 26, 2016 (Vol. 81, Page 48826), will be included in this ICR. No assurances of confidentiality are provided to respondents.

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. This justification should include the reasons why the agency considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.

There are no questions of a sensitive nature.

#### 12. Provide estimates of the hour burden of the collection of information.

INFORMATION COLLECTION	TOTAL ANNUAL BURDEN HOURS	NO. OF RESPONDENTS	NO. OF RESPONSES PER RESPONDENT	TOTAL RESPONSES	TIME PER RESPONSE
AGOA TEXTILE CERTIFICATE OF ORIGIN	7.9992	12	2	24	20 minutes (.0333 hours)

#### **Public Cost**

The estimated cost to the respondents is \$246. This is based on the estimated burden hours (7.9992) multiplied by (x) the average loaded hourly wage rate for importers (\$30.79). CBP calculated this loaded wage rate by first multiplying the Bureau of Labor Statistics' (BLS) 2018 median hourly wage rate for Cargo and Freight Agents (\$20.77), which CBP assumes best represents the wage for importers, by the ratio of BLS' average 2018 total compensation to wages and salaries for Office and Administrative Support occupations (1.4824), the assumed occupational group for importers, to account for non-salary employee benefits.<sup>1,2</sup>

<sup>1</sup> Source of median wage rate: U.S. Bureau of Labor Statistics. Occupational Employment Statistics, "May 2018 National Occupational Employment and Wage Estimates United States." Updated April 2, 2019. Available at https://www.bls.gov/oes/2018/may/oes\_nat.htm. Accessed June 4, 2019.

<sup>2</sup> The total compensation to wages and salaries ratio is equal to the calculated average of the 2018 quarterly estimates (shown under Mar., June, Sep., Dec.) of the total compensation cost per hour worked for Office and Administrative Support occupations (\$27.3350) divided by the calculated average of the 2018 quarterly estimates

This figure is in 2018 U.S. dollars and CBP assumes an annual growth rate of 0 percent; the 2018 U.S. dollar value is equal to the 2019 U.S. dollar value.

13. Provide an estimate of the total annual cost burden to respondents or record keepers resulting from the collection of information.

There are no record keeping, capital, start-up or maintenance costs associated with this information collection.

14. Provide estimates of annualized cost to the Federal Government. Also provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses (such as equipment overhead, printing, and support staff), and any other expense that would not have been incurred without this collection of information.

The estimated annual cost to the Federal Government associated with the review of these records is \$127. This is based on the number of responses that must be reviewed (12) multiplied by (x) the time burden to review and process each response (0.1667 hours) = 2.04 hours multiplied by (x) the average hourly loaded rate for a CBP Trade and Revenue employee  $(\$62.01)^3 = \$127$ .

15. Explain the reasons for any program changes or adjustments reported in Items 12 or 13.

There is no increase or decrease in estimated burden hours. There is no change to information being collected.

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

This information collection will not be published for statistical purposes.

17. If seeking approval to not display the expiration date, explain the reasons that displaying the expiration date would be inappropriate.

This collection of information does not involve a form, so it would not be appropriate to display the expiration date.

<sup>(</sup>shown under Mar., June, Sep., Dec.) of wages and salaries cost per hour worked for the same occupation category (\$18.4400). Source of total compensation to wages and salaries ratio data: U.S. Bureau of Labor Statistics. Employer Costs for Employee Compensation. Employer Costs for Employee Compensation Historical Listing March 2004 – December 2018, "Table 3. Civilian workers, by occupational group: employer costs per hours worked for employee compensation and costs as a percentage of total compensation, 2004-2018." March 2019. Available at https://www.bls.gov/web/ecec/ececqrtn.pdf. Accessed June 4, 2019.

<sup>3</sup> CBP bases this wage on the FY 2019 salary and benefits of the national average of CBP Trade and Revenue positions, which is equal to a GS-12, Step 6. Source: Email correspondence with CBP's Office of Finance on June 12, 2019.

## 18. "Certification for Paperwork Reduction Act Submissions."

CBP does not request an exception to the certification of this information collection.