Proclamation 10053—To Take Certain Actions Under the United States-Mexico-Canada Agreement Implementation Act and for Other Purposes June 29, 2020

By the President of the United States of America

A Proclamation

1. On November 30, 2018, the United States, Mexico, and Canada entered into the Agreement between the United States of America, the United Mexican States, and Canada (the "USMCA"), attached as an Annex to the Protocol Replacing the North American Free Trade Agreement with the Agreement between the United States of America, the United Mexican States, and Canada (the "Protocol"), and on December 10, 2019, the United States, Mexico, and Canada amended the USMCA through the Protocol of Amendment to the Agreement between the United States of America, the United States approved the Protocol and the USMCA, as amended, in section 101(a) of the United States-Mexico-Canada Agreement Implementation Act (the "USMCA Implementation Act")(Public Law 116–113, 134 Stat. 11, 14 (19 U.S.C. 4511(a))).

2. On April 24, 2020, pursuant to authority delegated to the United States Trade Representative (USTR), the USTR submitted to the Congress the written notice required under section 106(a)(1)(G) of the Bipartisan Congressional Trade Priorities and Accountability Act of 2015 (title I of Public Law 114–26, 129 Stat. 319, 350 (19 U.S.C. 4205(a)(1)(G))) and, in accordance with section 101(b) of the USMCA Implementation Act, notified the Congress that the USMCA will enter into force on July 1, 2020.

3. Section 103(c)(1) of the USMCA Implementation 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 articles 2.4, 2.5, 2.7, 2.8, 2.9, 2.10, 6.2, and 6.3, the Schedule of the United States to Annex 2–B, including the appendices to that Annex, Annex 2–C, and Annex 6–A of the USMCA.

4. Section 103(c)(4) of the USMCA Implementation Act requires the President to take such actions as may be necessary in implementing the tariff-rate quotas set forth in the Schedule of the United States to Annex 2–B of the USMCA to ensure that imports of agricultural goods do not disrupt the orderly marketing of agricultural goods in the United States.

5. Section 103(c)(5)(A) of the USMCA Implementation Act authorizes the President to proclaim, as part of the Harmonized Tariff Schedule of the United States (HTS), the provisions set forth in Annex 4–B; the provisions set forth in paragraph 2 of article 3.A.6 of Annex 3–A; the provisions set forth in paragraph 5 of Annex 3–B; and the provisions set forth in paragraphs 14(b), 14(c), and 15(e) of section B of Appendix 2 to Annex 2–B of the USMCA.

6. Section 103(c)(5)(A) of the USMCA Implementation Act also authorizes the President to proclaim any additional subordinate category that is necessary to carry out section 202 and section 202A of the USMCA Implementation Act consistent with the USMCA.

7. Section 103(c)(5)(B) of the USMCA Implementation Act authorizes the President to proclaim modifications to the provisions proclaimed under the authority of section 103(c)(5)(A), subject to the consultation and layover provisions of section 104, as are necessary to implement an agreement under article 6.4 of the USMCA.

8. Section 105(a) of the USMCA Implementation Act authorizes the President to establish or designate within the Department of Commerce an office to serve as the United States Section of the Secretariat established under article 30.6 of the USMCA.

9. Section 202 of the USMCA Implementation Act sets forth certain rules for determining whether a good is an originating good for purposes of implementing preferential tariff treatment provided for under the USMCA. Section 202A of the USMCA Implementation Act sets forth certain rules for determining whether certain automotive goods are originating goods for purposes of implementing preferential tariff treatment provided for under the USMCA. I have decided that it is necessary to include the rules of origin set forth in sections 202 and 202A of the USMCA Implementation Act in the HTS.

10. Section 207 of the USMCA Implementation Act authorizes the President to take certain actions relating to trade with Canada and Mexico, including with respect to textile and apparel goods.

11. Executive Order 11651 of March 3, 1972 (Textile Trade Agreements), as amended, established the Committee for Implementation of Textile Agreements (CITA), consisting of representatives of the Departments of State, the Treasury, Commerce, and Labor, and the Office of the USTR, with the representative of the Department of Commerce as Chairman, to supervise the implementation of textile trade agreements. Consistent with section 301 of title 3, United States Code, when carrying out functions vested in the President by statute and assigned by the President to the 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.

12. Section 324 of the USMCA Implementation Act authorizes the President to take certain actions if the United States International Trade Commission (the "Commission") finds that United States long-haul trucking services are being, or are threatened with being, materially harmed.

13. Section 611(a) of the USMCA Implementation Act requires the President to consult with the appropriate congressional committees and stakeholders before each joint review under article 34.7 of the USMCA.

14. Section 1206(a) of the Omnibus Trade and Competitiveness Act of 1988 (the "1988 Act") (Public Law 100–418, 102 Stat. 1107, 1151 (19 U.S.C. 3006(a))) authorizes the President to proclaim modifications to the HTS based on the recommendations of the Commission under section 1205 of the 1988 Act (19 U.S.C. 3005) if the President determines that the modifications are in conformity with United States obligations under the International Convention on the Harmonized Commodity Description and Coding System (the "Convention") and do not run counter to the national economic interest of the United States.

15. In Proclamation 9549 of December 1, 2016, pursuant to section 1206(a) of the 1988 Act, the President proclaimed modifications to the HTS to conform it to the Convention, to promote the uniform application of the Convention, to establish additional subordinate tariff categories, and to make technical and conforming changes to existing provisions. These modifications to the HTS were set forth in Annex I of Publication 4653 of the Commission, which was incorporated by reference into the proclamation.

16. On May 6, 2003, the President entered into the United States-Singapore Free Trade Agreement (the "USSFTA"). The USSFTA was approved by the Congress in section 101(a) of the United States-Singapore Free Trade Agreement Implementation Act (the "USSFTA Act") (Public Law 108–78, 117 Stat. 948, 949 (19 U.S.C. 3805 note)).

17. Proclamation 7747 of December 30, 2003, implemented the USSFTA with respect to the United States and, pursuant to the USSFTA Act, incorporated in the HTS the schedule of duty reductions and rules of origin necessary or appropriate to carry out the USSFTA.

18. Section 201 of the USSFTA 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 articles 2.2, 2.5, 2.6, and 2.12 and Annex 2B (including the schedule of United States duty reductions with respect to originating goods) of the USSFTA. The United States and Singapore are parties to the Convention.

19. I have determined that, pursuant to section 201 of the USSFTA Act and section 1206(a) of the 1988 Act, modifications to the HTS are necessary or appropriate to ensure the continuation of tariff and certain other treatment accorded to originating goods under tariff categories modified in Proclamation 9549 and to carry out the duty reductions proclaimed in Proclamation 7747.

20. On November 22, 2006, the United States entered into the United States-Colombia Trade Promotion Agreement (the "USCTPA"), and on June 28, 2007, the United States and Colombia amended the USCTPA. The Congress approved the USCTPA, as amended, in section 101(a) of the United States-Colombia Trade Promotion Agreement Implementation Act (the "USCTPA Act") (Public Law 112–42, 125 Stat. 462, 463–64 (19 U.S.C. 3805 note)).

21. Proclamation 8818 of May 14, 2012, implemented the USCTPA with respect to the United States and, pursuant to sections 201(a) and 203(o) of the USCTPA Act, incorporated in the HTS the schedule of duty reductions and rules of origin necessary or appropriate to carry out the USCTPA.

22. Section 201 of the USCTPA 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 articles 2.3, 2.5, 2.6, and 3.1.13, and Annex 2.3 (including the schedule of United States duty reductions with respect to originating goods) of the USCTPA. The United States and Colombia are parties to the Convention.

23. I have determined that, pursuant to section 201 of the USCTPA Act and section 1206(a) of the 1988 Act, modifications to the HTS are necessary or appropriate to ensure the continuation of tariff and certain other treatment accorded to originating goods under tariff categories modified in Proclamation 9549 and to carry out the duty reductions proclaimed in Proclamation 8818.

24. Section 203 of the USCTPA Act provides rules for determining whether goods imported into the United States originate in the territory of a party to the USCTPA and thus are eligible for the tariff and other treatment contemplated under the USCTPA. A rule of origin was inadvertently omitted from general note 34 to the HTS in Proclamation 8818. I have determined that a technical correction to general note 34 to the HTS is necessary to provide for the intended tariff and certain other treatment accorded under the USCTPA to originating goods of Colombia.

25. On June 30, 2007, the United States entered into the United States-Korea Free Trade Agreement (the "KORUS"). The Congress approved the KORUS in section 101(a) of the United States-Korea Free Trade Agreement Implementation Act (the "KORUS Act") (Public Law 112–41, 125 Stat. 428, 430 (19 U.S.C. 3805 note)).

26. Proclamation 8783 of March 6, 2012, implemented the KORUS with respect to the United States and, pursuant to sections 201(a) and 202(o) of the KORUS Act, incorporated in the HTS the tariff modifications and rules of origin necessary or appropriate to carry out the KORUS.

27. Section 202 of the KORUS Act provides rules for determining whether goods imported into the United States originate in the territory of a party to the KORUS and thus are eligible for the tariff and other treatment contemplated under the KORUS. Section 202(0)(2)(B)(i) of the KORUS Act authorizes the President to proclaim, as a part of the HTS, the rules of origin set forth in the KORUS, and, subject to the consultation and layover requirements of section 104, to proclaim modifications to such previously proclaimed rules of origin.

28. The United States and Korea have agreed to modify a certain rule of origin under the KORUS and to apply the modified rule to their bilateral trade. On August 14, 2019, in accordance with section 104 of the KORUS Act, the USTR submitted a report to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives that sets forth the proposed modification to the specific textile rule of origin of the KORUS incorporated in the HTS. The consultation and layover period specified in section 104 expired on October 14, 2019.

29. In order to reflect the agreement between the United States and Korea related to the KORUS rules of origin, I have determined that it is necessary to modify the HTS.

30. Proclamation 8783 inadvertently omitted a rule of origin from general note 33 to the HTS. I have determined that a technical correction to general note 33 to the HTS is necessary to provide for the intended tariff and certain other treatment accorded under the KORUS to originating goods of Korea.

31. On June 28, 2007, the United States entered into the United States-Panama Trade Promotion Agreement (the "USPATPA"). The Congress approved the USPATPA in section 101(a) of the United States-Panama Trade Promotion Agreement Implementation Act (the "USPATPA Act") (Public Law 112–43, 125 Stat. 497, 498–99 (19 U.S.C. 3805 note)).

32. Proclamation 8894 of October 29, 2012, implemented the USPATPA with respect to the United States, and, pursuant to sections 201(a) and 203(o) of the USPATPA Act, incorporated in the HTS the tariff modifications and rules of origin necessary or appropriate to carry out the USPATPA.

33. Section 203 of the USPATPA Act provides rules for determining whether goods imported into the United States originate in the territory of a party to the USPATPA and thus are eligible for the tariff and other treatment contemplated under the USPATPA.

34. A rule of origin was inadvertently omitted from general note 35 to the HTS in Proclamation 8894. I have determined that a technical correction to general note 35 to the HTS is necessary to provide for the intended tariff and certain other treatment accorded under the USPATPA to originating goods of Panama.

35. In Proclamation 9955 of October 25, 2019, after considering the factors set forth in sections 501 and 502(c) of the Trade Act of 1974, as amended, (the "1974 Act") (Public Law 93–618, 88 Stat. 1978, 2066–69 (19 U.S.C. 2461 and 2462(c))), and in particular section 502(c)(7) of the 1974 Act (19 U.S.C. 2462(c)(7)), I suspended the duty-free treatment accorded under the Generalized System of Preferences (GSP) (19 U.S.C. 2461 et seq.) to certain eligible articles that are the product of Thailand. In order to reflect in the HTS this suspension of certain benefits under the GSP with respect to Thailand, Annex 2 of Proclamation 9955 modified general note 4(d) and certain subheadings of the HTS.

36. Section 604 of the 1974 Act (19 U.S.C. 2483) authorizes the President to embody in the HTS the substance of the relevant provisions of that Act, and of other Acts affecting import treatment, and actions thereunder, including removal, modification, continuance, or imposition of any rate of duty or other import restriction.

37. Annex 2 of Proclamation 9955 inadvertently omitted changes with respect to seven subheadings of the HTS. I have determined, pursuant to section 604 of the 1974 Act, that it is necessary to modify the HTS to correct those inadvertent omissions so that the intended tariff treatment is provided.

38. Proclamation 9466 of June 30, 2016, modified the HTS to provide for the tariff treatment of goods covered by the 2015 World Trade Organization Declaration on the Expansion of Trade in Information Technology Products, pursuant to section 111(b) of the Uruguay Round Agreements Act (Public Law 103–465, 108 Stat. 4809, 4819–20 (19 U.S.C. 3521(b))). Proclamation 9466 modified the HTS in part by deleting all rates of duty in the "Rates of Duty 1-Special" subcolumn for certain subheadings.

39. In Proclamation 9687 of December 22, 2017, after considering the factors set forth in section 502(b) of the 1974 Act (19 U.S.C. 2462(b)), and in particular section 502(b)(2)(E) of the 1974 Act (19 U.S.C. 2462(b)(2)(E)), I terminated the suspension of Argentina's designation as a GSP beneficiary developing country. In order to reflect in the HTS the termination of the suspension of Argentina's designation as a GSP beneficiary developing country. Annex IV of Proclamation 9687 modified general note 4(d) and certain subheadings of the HTS.

40. In Proclamation 9687, after considering the factors set forth in sections 501 and 502(c) of the 1974 Act, and in particular section 502(c)(5) of the 1974 Act (19 U.S.C. 2462(c)(5)), I suspended the duty-free treatment accorded under the GSP to certain eligible articles that are the product of Ukraine. In order to reflect in the HTS the suspension of certain benefits with respect to Ukraine, Annex III of Proclamation 9687 modified general note 4(d) and certain subheadings of the HTS.

41. Proclamation 9687 inadvertently modified general note 4(d) to the HTS to include certain subheadings for which the rates of duty in the "Rates of Duty 1-Special" subcolumn were deleted by Proclamation 9466. I have determined, pursuant to section 604 of the 1974 Act, that it is necessary to modify the HTS to reflect the deletion of the rates of duty in the "Rates of Duty 1-Special" column for those subheadings.

Now, Therefore, I, Donald J. Trump, 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 sections 103(c), 105(a), 207, 324, and 611(a) of the USMCA Implementation Act; section 1206(a) of the 1988 Act; section 201 of the USSFTA Act; sections 201 and 203(o) of the USCTPA Act; sections 201 and 202(o) of the KORUS Act; sections 201 and 203(o) of the USPATPA Act; section 604 of the 1974 Act; and section 301 of title 3, United States Code, do proclaim that:

(1) In order to provide generally for the preferential tariff treatment being accorded under the USMCA, to set forth rules for determining whether goods imported into the customs territory of the United States are eligible for preferential tariff treatment under the USMCA, to provide tariffrate quotas with respect to certain originating goods of Canada, and to provide certain other treatment to originating goods for purposes of the USMCA, the HTS is modified as set forth in Annex I of Publication 5060 of the Commission, entitled "Modifications to the Harmonized Tariff Schedule of the United States to Implement the United States-Mexico-Canada Agreement" (Publication 5060). Publication 5060 is incorporated by reference into this proclamation.

(2) In order to implement the initial stage of duty reduction provided for in the USMCA, to provide for future staged reductions in duties for originating goods provided for in the USMCA, and to provide tariff-rate quotas with respect to certain goods provided for in the USMCA, the HTS is modified as set forth in Annex II of Publication 5060.

(3) The modifications to the HTS made by paragraphs (1) and (2) of this proclamation shall enter into effect on the dates indicated in Annexes I and II of Publication 5060.

(4) In order to reflect in the HTS the termination of tariff treatment under the North American Free Trade Agreement, the HTS is modified as set forth in Annex III of Publication 5060.

(5) The USTR is authorized to exercise my authority under section 103(c)(4) of the USMCA Implementation Act to take such action as may be necessary in implementing the tariff-rate quotas set forth in the Schedule of the United States to Annex 2–B of the USMCA to ensure that imports of agricultural goods do not disrupt the orderly marketing of agricultural goods in the United States. This action is set forth in Annex II of Publication 5060.

(6) The CITA, after consultation with the Commissioner of U.S. Customs and Border Protection (the "Commissioner"), is authorized to consult with representatives of Canada and Mexico for the purpose of identifying particular textile or apparel goods that are mutually agreed to be hand-loomed fabrics of a cottage industry, hand-made cottage industry goods made of those hand-loomed fabrics, traditional folklore handicraft goods, or indigenous handicraft goods, as provided in article 6.2 of the USMCA. The CITA is authorized to exercise my authority under section 103(c)(1) of the USMCA Implementation Act to provide duty-free treatment with respect to a good provided for under article 6.2 of the USMCA. The CITA.

(7) The USTR is authorized to fulfill the obligations of the President under section 104 of the USMCA Implementation Act to obtain advice from the appropriate advisory committees and the Commission on the proposed implementation of an action by Presidential proclamation; to submit a report on such proposed action to the appropriate congressional committees; and to consult with those congressional committees regarding the proposed action.

(8) The Secretary of Commerce is authorized to exercise the authority of the President under section 105(a) of the USMCA Implementation Act to establish or designate an office within the Department of Commerce to carry out the functions set forth in that section.

(9) The CITA is authorized to review requests for modifications to a rule of origin for textile and apparel goods based on a change in the availability in the territories of the United States, Canada, and Mexico of a particular fiber, yarn, or fabric; to establish procedures governing such a request, providing that the person making the request bears the burden of demonstrating that a change is warranted, and ensuring appropriate public participation in review of a request; and to make a recommendation as to whether a requested modification to a rule of origin for a textile good based on a change in the availability of a particular fiber, yarn, or fabric is warranted.

(10) The CITA is authorized to exercise my authority under section 207(a)(2)(B) of the USMCA Implementation Act to direct appropriate action under section 207(a)(2)(D) with respect to textile and apparel goods.

(11) The CITA is authorized to exercise my authority under section 207(a)(1)(B) of the UMSCA Implementation Act to direct action under section 207(c) with respect to textile and apparel goods.

(12) The Secretary of the Treasury is authorized to exercise my authority under section 207(a)(1)(B) of the USMCA Implementation Act to direct action under section 207(a)(1)(B)(i) or section 207(c) with respect to goods other than textile or apparel goods.

(13) The USTR is authorized, after consultation with the Secretary of Transportation, to exercise my authority under section 324 of the USMCA Implementation Act.

(14) The USTR is authorized to exercise the function assigned to the President under section 611(a) of the USMCA Implementation Act to consult with the appropriate congressional committees and stakeholders regarding joint reviews under article 34.7 of the USMCA.

(15) In order to reflect in the HTS the modifications to the rules of origin under the USSFTA, general note 25 to the HTS is modified as set forth in Annex IV of Publication 5060.

(16) The modifications to the HTS made by paragraph (15) of this proclamation shall enter into effect on the date indicated in Annex IV of Publication 5060.

(17) In order to reflect in the HTS the modifications to the rules of origin under the USCTPA, general note 34 to the HTS is modified as set forth in Annex V of Publication 5060.

(18) The modifications to the HTS made by paragraph (17) of this proclamation shall enter into effect on the date indicated in Annex V of Publication 5060.

(19) In order to implement agreed amendments to a textile rule of origin under the KORUS, general note 33 to the HTS is modified as set forth in Annex VI of Publication 5060.

(20) The modifications to the HTS made by paragraph (19) of this proclamation shall enter into effect on the date indicated in Annex VI of Publication 5060.

(21) In order to make technical corrections necessary to provide the intended rules of origin under the USCTPA, the KORUS, and the USPATPA, the HTS is modified as set forth in Annex VII of Publication 5060.

(22) The modifications to the HTS made by paragraph (21) of this proclamation shall enter into effect on the dates indicated in Annex VII of Publication 5060.

(23) In order to provide the intended tariff treatment with respect to certain articles that are the product of Thailand, general note 4(d) and pertinent subheadings of the HTS are modified as set forth in Annex VIII of Publication 5060.

(24) The modifications to the HTS made by paragraph (23) of this proclamation shall enter into effect on the date indicated in Annex VIII of Publication 5060.

(25) In order to make technical corrections to reflect the rates of duty in the "Rates of Duty 1-Special" subcolumn for certain subheadings with respect to certain articles of Argentina and Ukraine, general note 4(d) and pertinent subheadings of the HTS are modified as set forth in Annex IX of Publication 5060.

(26) The modifications to the HTS made by paragraph (25) of this proclamation shall enter into effect on the date indicated in Annex IX of Publication 5060.

(27) 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-ninth day of June, in the year of our Lord two thousand twenty, and of the Independence of the United States of America the two hundred and forty-fourth.

DONALD J. TRUMP

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