

Annex 4-B
FIBERS, YARNS, AND FABRICS NOT AVAILABLE IN COMMERCIAL QUANTITIES

1. Within 30 business days of the date it receives a request from an interested entity, an importing Party shall add a fiber, yarn, or fabric to its list in Appendix 4-B-1, if it determines, based on information supplied by interested entities, that the fiber, yarn, or fabric is not available in commercial quantities in a timely manner in its territory, or if no interested entity objects to the request.
2. If there is insufficient information to make the determination in paragraph 1, the importing Party may extend the period within which it must make that determination by no more than 30 business days, in order to meet with interested entities to substantiate the information.
3. The importing Party shall deny the request if it:
 - (a) determines that the fiber, yarn, or fabric is available in commercial quantities in a timely manner in its territory; or
 - (b) does not make the determination in paragraph 1 within 30 business days of the expiration of the period within which it must make that determination, as specified in paragraph 1 or 2.
4. Within 30 business days of the date it receives a request from an interested entity, an importing Party that has added a fiber, yarn, or fabric to its list in Appendix 4-B-1 pursuant to paragraph 1 may delete the fiber, yarn, or fabric from its list if it determines, based on information supplied by interested entities, that the fiber, yarn, or fabric is available in commercial quantities in a timely manner in its territory. The deletion shall not take effect until six months after the date the importing Party publishes its determination.
5.
 - (a) Subject to subparagraph (b), an importing Party shall accord preferential tariff treatment to a good provided for in HS Chapter 51, 52, 54, 55, 58, or 60 that satisfies the requirements of Rule 1 of Section XI of Annex 4-A.
 - (b) An importing Party shall apply the treatment provided for in subparagraph (a) to goods imported into its territory up to a quantity of 100 million square meter equivalents in each of the first five calendar years in which this Agreement is in force.
6.
 - (a) Subject to subparagraph (b), an importing Party shall accord preferential tariff treatment to a good provided for in HS Chapter 61 or 62 that satisfies the requirements of Rule 2 or 3 of Section XI of Annex 4-A.
 - (b) An importing Party shall apply the treatment provided for in subparagraph (a) to goods imported into its territory up to a quantity of 100 million square meter equivalents in each of the first five calendar years in which this Agreement is in force.
7. To determine the quantity of square meter equivalents that is charged against the annual

quantities set out in paragraph 5 or 6, the importing Party shall apply the conversion factors listed in, or utilize a methodology based on, the *Correlation: U.S. Textile and Apparel Category System with the Harmonized Tariff Schedule of the United States of America*, U.S. Department of Commerce, Office of Textiles and Apparel (2007), or successor publication.

8. If an importing Party determines that an exporter, producer, or other person in the exporting Party has engaged in conduct described in Article 4.3.5, the importing Party may deduct from the maximum quantities set out in paragraphs 5 and 6 a quantity of up to three times the quantity of goods involved in such conduct. The importing Party shall provide written notice to the exporting Party of its intent to invoke this paragraph, and shall set out its findings and conclusions on all pertinent issues of law and fact in its notice.

9. On the written request of the exporting Party, the importing Party shall require an importer claiming preferential tariff treatment for a good under this Annex to submit to the importing Party a certificate of eligibility, properly completed and signed by an authorized official of the exporting Party and presented at the time of importation of the good into the importing Party.

10. (a) On the request of a Party, the Parties shall consult on the implementation and operation of this Annex. The consultations shall commence within 30 days of delivery of the request.

(b) During the fifth calendar year in which this Agreement is in force, the Parties shall consult on the implementation and operation of this Annex, and shall consider whether to extend the period specified in paragraph 13 for the application of this Annex.

11. Promptly after the date this Agreement enters into force, each Party shall publish the procedures it will follow in considering requests under paragraphs 1 and 4.

12. For purposes of this Annex, **interested entity** means a Party, a potential or actual purchaser of a textile or apparel good, or a potential or actual supplier of a textile or apparel good.

13. Unless the Parties otherwise agree, this Annex shall cease to apply beginning on January 1 of the sixth calendar year in which this Agreement is in force.