## \*SPC&B Textile Report\*

A Newsletter for Clients of Sharretts, Paley, Carter & Blauvelt, P.C.

## Congress Finally Passes AGOA, DR-CAFTA, and Burma Legislation



August 3, 2012

Yesterday, both the House and the Senate passed the legislation that extends the AGOA third country fabric provision for lesser developed countries, which was due to expire next month, until September 2015. The bill also implements "fixes" to DR-CAFTA rules of origin and extends the import restrictions against Burma (Myanmar).

Passage of the bill, which the President is expected to sign as soon as it reaches his desk, will allow designated lesser developed countries in sub-Saharan Africa to continue to use third-country fabric for production of apparel for importation duty free into the United States.

The DR-CAFTA fixes include a clearer definition of women's sleepwear is subject to a single transformation rule, clarification of the requirement that all sewing thread must be originating, and allowing for rib knit waistbands and spandex used in the production of short supply garments to be non-originating.

Finally, the import restrictions on Burmese goods will be extended for an additional three years.

If you would like to learn more about importing under AGOA or DR-CAFTA, please contact Gail Cumins at <u>gcumins@spcblaw.com</u> or Donna Shira at <u>dshira@spcblaw.com</u>, or call us at 212-425-0055.

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