

ROYAUME DU MAROC

Ministère délégué auprès du Ministre de
l'Industrie, du Commerce, de l'Investissement
et de l'Economie numérique chargé du
Commerce extérieur



المملكة المغربية
الوزارة المنتدبة لدى وزير الصناعة
والتجارة والاستثمار والاقتصاد الرقمي
المكلفة بالتجارة الخارجية

24 - - - -

1 - MARS 2016

Mr. Joshua Teitelbaum,
Chairman
Committee for the Implementation of Textile Agreements
Room H3 100
U.S. Department of Commerce
14th Street and Constitution Avenue
Washington, DC 20230
United States of America

Subject: Request to Modify the Rules of Origin for Certain Apparel Articles under the United States-Morocco Free Trade Agreement

Dear Mr. Teitelbaum,

On behalf of ARYANS, company located in Morocco, I hereby submit this request regarding the amendment of rules of origin applicable to certain apparel articles, to allow the use of certain third-country fabrics not commercially available in the countries of Morocco and the United States, in accordance with the provisions of Article 4.3 of our Free Trade Agreement (FTA).

ARYANS manufactures in Morocco and is one of the leaders of the best fashion brand, exporting approximately 40% of their production to the US market. As fast fashion suppliers, ARYANS has to ship the apparel good to the US market within a short time and has to satisfy the highly-specialized commercial US client's requirements.

As you know, ARYANS, has been using the Tariff Preference Level "TPL" provision of the FTA with the United States to allow duty-free access for garment sector. However, knowing that this flexibility was expired on December 31st, 2015, the company will face serious difficulties and loss of employment in the sector.

According to ARYANS, the fabrics used by the company in its productions are not commercially available in the territory of Morocco, neither in the USA. That is why we request to allow importation from third countries, in accordance with the provisions of Article 4.3 of our free trade agreement.

The fabrics subject to these requests are composed of:

- (1): 87-93% COT /5-9% PES/2-4% EL (**8371-DENIM BI-STRETCH**) 5209421000 and;
- (2): 87-93% COT /5-9% PES/2-4% EL (**8372-DENIM BI-STRETCH**) 5209421000 and;
- (3): 87-93% COT /5-9% PES/2-4% EL (**HYPER STRETCH- 47156 LAGERTA**) 5209421000 and;
- (4): 87-93% COT /5-9% PES/2-4% EL (**NEW ALTURA-D5369A131**) 5209421000.

Parcelle 14, Business center, aile nord Bd Erriyad,
Hay Riad B.P 610, Rabat Chellah, Maroc



قطعة 14، مركز الأعمال، الجناح الشمالي، شارع الرياض
حي الرياض، ص.ب. 610، الرباط هالة، المغرب

The fourth fabrics are special, and produced by unique suppliers; below you can find more details:

HYPERFLEX:

Hyperflex is a fabric with an amazing flexibility and 100% stretch material that never loses its shape. Hyperflex is the special way in which the fabric is created, using a thread made of 3 layers: the core of the thread is the Lycra for elasticity; Poly defines the middle, protecting the Lycra from breaking with wash and wear; the top layer of cotton is what gives the jeans their authentic denim look.

KNITTED DENIM:

Both principal techniques, weaving and knitting are used to produce denim fabrics/denim effects on fabrics. Woven denim is conventional and vastly used by valued consumers while knit denim is novice but substantially preferable due to flexibility, user-friendliness and comforts. One of the research showed that “denim” effect on knitted fabric could be made from three types of technologies.

BI-STRETCH:

Technology with an excellent performance, It is based on T400 fiber, a multi-component yarn in which different polymers are joined together within each filament. When exposed to heat, each polymer shrinks to a different degree, producing a smooth helical crimp. Because the crimp is not mechanically induced, T400 fiber gives greater, more durable stretch and recovery, and a softer, smoother hand than textured yarns that are used for stretch.

- Bi-component fiber for comfort stretch fabrics
- Low fabric growth and shrinkage for long lasting shape retention
- Excellent resistance to chemicals, including chlorine bleach

The fourth inputs are classified under HTS subheading 5209.42; the same fabric was approved by your government as short supply under CAFTA-DR in 2007, which confirms that such fabrics are not available in the United States. Further details are shown in the accompanying attachment.

Knowing that ARYANS relies on the importation of such fabrics to manufacture apparel goods (dresses, skirts, blouses and tops classified under the chapter 62), and since there is no source of supply in Morocco neither in the USA for the fabrics identified above, it is our hope that the government of USA takes appropriate steps to initiate a speedy consultations with the government of Morocco and undertakes the necessary measures to complete rapidly all the necessary reviews and assessments.

We believe that working cooperatively can accelerate the process to ensure that the benefits of the FTA are not interrupted nor reduced for U.S or Moroccan companies. The Government of Morocco stands ready to work with the Government of the United States to achieve this mutually beneficial outcome.



The attention of your good offices to consider this request at an early opportunity would be much appreciated. If you have any questions or require further information, please contact the focal point Ms. Latifa El Bouabdellaoui, Director of the International Trade Relations and I would ask that you let me know who will be designated by you to handle this consultation between our two governments.

Sincerely,

Mohammed Abbou
Minister Delegate in Charge of Foreign Trade
Kingdom of Morocco

Mohammed ABBOU
Ministre Délégué auprès du Ministre
De l'Industrie, du Commerce, de l'Investissement
et de l'Economie Numérique
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