

USDA ANNOUNCES SPECIAL IMPORT QUOTA #19 FOR UPLAND COTTON

WASHINGTON, June 22, 2006 - The Department of Agriculture's Commodity Credit Corporation today announced a special import quota for upland cotton that permits importation of a quantity of upland cotton equal to one week's domestic mill use. The quota will be established on June 29, 2006, allowing importation of 23,905,847 kilograms (109,799 bales) of upland cotton.

This action is being carried out under the authority of PL 107-171, enacted May 13, 2002, which requires that a special import quota be determined and announced immediately if, for any consecutive 4-week period, the U.S. Northern Europe price, adjusted for the value of any cotton user marketing certificate issued, exceeds the Northern Europe price. This condition was met during the consecutive 4-week period ending today.

Quota number 19 will be established as of June 29, 2006, and will apply to upland cotton purchased not later than September 26, 2006, and entered into the U.S. not later than December 25, 2006. The quota is equivalent to one week's consumption of upland cotton by domestic mills at the seasonally-adjusted average rate for the period March 2006 through May 2006.

Today's announced quota is established under Presidential Proclamation 6301 dated June 7, 1991, and Presidential Proclamation 6948 dated Oct. 29, 1996, and will be referenced as the Secretary of Agriculture's Special Cotton Import Quota Announcement Number 19, in chapter 99, subchapter III, subheading 9903.52.19 of the HTS. The quota is not divided by staple length or by country of origin, and does not apply to Extra Long Staple (ELS) cotton. The quota identifies a quantity of imports that is not subject to the over-quota tariff rate of a tariff-rate quota. The quota does not affect existing tariff rates or phytosanitary regulations. Future quotas, in addition to the quantity announced today, will be established if price conditions warrant.

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