

USDA ANNOUNCES SPECIAL IMPORT QUOTA #22 FOR UPLAND COTTON

WASHINGTON, August 31, 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 September 7, 2006, allowing importation of 23,276,125 kilograms (106,906 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 exceeds the Northern Europe price by more than 1.25 cents per pound. This condition was met during the consecutive 4-week period ending today.

Quota number 22 will be established as of September 7, 2006, and will apply to upland cotton purchased not later than December 5, 2006, and entered into the U.S. not later than March 5, 2007. The quota is equivalent to one week's consumption of upland cotton by domestic mills at the seasonally-adjusted average rate for the period May 2006 through July 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 22, in chapter 99, subchapter III, subheading 9903.52.22 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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