

DEPARTMENT OF COMMERCE

International Trade Administration

DEPARTMENT OF THE INTERIOR

Office of Insular Affairs

Allocation of Duty-Exemptions for Calendar Year 2010 for Watch Producers Located in the United States Virgin Islands

AGENCY: Import Administration, International Trade Administration, Department of Commerce; Office of Insular Affairs, Department of the Interior.

ACTION: Notice.

SUMMARY: This action allocates calendar year 2010 duty exemptions for watch assembly producers (“program producers”) located in the United States Virgin Islands (“USVI”) pursuant to Pub. L. 97-446, as amended by Pub. L. 103-465, Pub. L. 106-36 and Pub. L. 108-429 (“the Act”).

FOR FURTHER INFORMATION CONTACT: Gregory Campbell, Statutory Import Programs; phone number: (202) 482-2239; fax number: (202) 501-7952; and e-mail address:

Gregory.Campbell@trade.gov.

SUPPLEMENTARY INFORMATION: Pursuant to the Act, the Departments of the Interior and Commerce (“the Departments”) share responsibility for the allocation of duty exemptions among program producers in the United States insular possessions and the Northern Mariana Islands.

In accordance with Section 303.3(a) of the regulations (15 CFR 303.3(a)), the total quantity of duty-free insular watches and watch movements for calendar year 2010 is 1,866,000 units for the

USVI. This amount was established in Changes in Watch, Watch Movement and Jewelry Program for the U.S. Insular Possessions, 65 FR 8048 (February 17, 2000). There are currently no program producers in Guam, American Samoa or the Northern Mariana Islands.

The criteria for the calculation of the calendar year 2010 duty-exemption allocations among program producers within a particular territory are set forth in Section 303.14 of the regulations (15 CFR 303.14). The Departments have verified and, where appropriate, adjusted the data submitted in application form ITA-334P by USVI program producers and have inspected these producers' operations in accordance with Section 303.5 of the regulations (15 CFR 303.5).

In calendar year 2009, USVI program producers shipped 73,096 watches and watch movements into the customs territory of the United States under the Act. The dollar amount of corporate income taxes paid by USVI program producers during calendar year 2009, and the creditable wages and benefits paid by these producers during calendar year 2009 to residents of the territory was a combined total of \$1,501,892.

The calendar year 2010 USVI annual duty exemption allocations, based on the data verified by the Departments, are as follows:

<u>Program Producer</u>	<u>Annual Allocation</u>
Belair Quartz, Inc.	500,000

The balance of the units allocated to the USVI is available for new entrants into the program or existing program producers who request a supplement to their allocation.

Carole Showers
Acting Deputy Assistant Secretary
For Import Administration
Department of Commerce

Nikolao Pula
Acting Deputy Assistant Secretary
for Insular Affairs
Department of the Interior

March 2, 2010

(Date)

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(Date)