An article is a product of a country or instrumentality only if (i) it is wholly the growth, product, or manufacture of that country or instrumentality, or (ii) in the case of an article which consists in whole or in part of materials from another country or instrumentality, it has been substantially transformed into a new and different article of commerce with a name, character, or use distinct from that of the article or articles from which it was so transformed.

See also 19 C.F.R. § 177.22(a).

A substantial transformation occurs when an article emerges from a process with a new name, character, and use different from that possessed by the article prior to processing. A substantial transformation will not result from a minor manufacturing or combining process that leaves the identity of the article intact. See United States v. Gibson-Thomsen Co., 27 C.C.P.A. 267 (1940); and National Juice Products Ass’n v. United States, 628 F. Supp. 978 (Ct. Int’l Trade 1986).

You claim that the country of origin is either the United States or Mexico for two reasons. First, you state that the source of crude is “an embargo issue for feedstock in the Solicitation.” Second, you claim there is “no double transformation” as in CBP Headquarters Ruling Letters (“HQ”) 555032, dated September 23, 1996 and HQ 562387, dated July 30, 2002, because the processes in those situations involved “old technology”/mixture-based processes that consisted of hydro-desulfurization, platformers and naphtha-blends. However, in this case, ANOI, Inc. proposes to refine, by the process of distillation, and additional processes, U.S. or Mexican origin, petroleum crude oil at the Reliance Petroleum Refinery inJamnagar, India into U.S. JP5 specification jet fuel. You state that a “straight-run” process occurs because it used a Merox Oxidation unit that involves no chemical mixing except for inclusion of the JP5 additive, which is required by DLA. Accordingly, you claim no substantial transformation occurs in India.

In this case, we find the JP5 specification jet fuel is clearly a new and different article with a new name, character, and use from that of the petroleum crude oil from which it was refined. Although there may be no double substantial transformation, the process to create jet fuel from straight crude oil to straight-run distillate still involves desalting and the application of heat distillation coupled with the utilization of the Merox Oxidation unit to remove sulfur, which results in the creation of jet fuel.

Therefore, we find the country of origin of the produced JP5 will be the country in which the substantial transformation (distillation) occurs, namely India.

HOLDING:

Based upon the specific facts of this case, the country of origin of the JP5 jet fuel for purposes of U.S. Government procurement will be India.
DEPARTMENT OF HOMELAND SECURITY

Federal Emergency Management Agency

North Carolina; Amendment No. 10 to Notice of a Major Disaster Declaration

AGENCY: Federal Emergency Management Agency, DHS.

ACTION: Notice.

SUMMARY: This notice amends the notice of a major disaster declaration for the State of North Carolina (FEMA–4393–DR), dated September 14, 2018, and related determinations.

DATES: This amendment was issued November 15, 2018.


SUPPLEMENTARY INFORMATION: The notice of a major disaster declaration for the State of North Carolina is hereby amended to include the following areas among those areas determined to have been adversely affected by the event declared a major disaster by the President in his declaration of October 14, 2018, and related determinations.

Guilford County for Public Assistance, including direct federal assistance (already designated for Individual Assistance).

Mcdowell County for Public Assistance, including direct federal assistance.

The following Catalog of Federal Domestic Assistance Numbers (CFDA) are to be used for reporting and drawing funds: 97.030, Community Disaster Loans; 97.031, Coral Brown Fund; 97.032, Crisis Counseling; 97.033, Disaster Legal Services; 97.034, Disaster Unemployment Assistance (DUA); 97.046, Fire Management Assistance Grant; 97.048, Disaster Housing Assistance to Individuals and Households; 97.049, Presidentially Declared Disaster Assistance—Disaster Housing Operations for Individuals and Households; 97.050, Presidentially Declared Disaster Assistance to Individuals and Households—Other Needs; 97.036, Disaster Grants—Public Assistance (Presidentially Declared Disasters); 97.039, Hazard Mitigation Grant.

Brock Long,
Administrator, Federal Emergency Management Agency.