

Presidential Documents

Title 3—**The President****Proclamation 7202 of May 28, 1999****To Eliminate Circumvention of the Quantitative Limitations Applicable to Imports of Wheat Gluten****By the President of the United States of America****A Proclamation**

1. On March 18, 1998, the United States International Trade Commission (USITC) transmitted to the President a unanimous affirmative determination in its investigation under section 202 of the Trade Act of 1974, as amended (the Trade Act) (19 U.S.C. 2252), with respect to imports of wheat gluten provided for in subheadings 1109.00.10 and 1109.00.90 of the Harmonized Tariff Schedule of the United States (HTS). Under section 202 of the Trade Act, the USITC determined that such wheat gluten is being imported into the United States in such increased quantities as to be a substantial cause of serious injury to the domestic industry producing a like or directly competitive article. Further, pursuant to section 311(a) of the North American Free Trade Agreement Implementation Act (NAFTA Implementation Act) (19 U.S.C. 3371(a)), the USITC made negative findings with respect to imports of wheat gluten from Canada and Mexico. Pursuant to section 202(e) of the Trade Act (19 U.S.C. 2253(e)), the USITC also transmitted to the President its recommendation on the action that would address the serious injury to the domestic industry and be most effective in facilitating the efforts of the domestic industry to make a positive adjustment to import competition.

2. On May 30, 1998, I issued Proclamation 7103, which implemented action of a type described in section 203(a)(3) of the Trade Act (19 U.S.C. 2253(a)(3)). Pursuant to section 203 of the Trade Act (19 U.S.C. 2253), and taking into account the considerations specified in section 203(a)(2) of the Trade Act, I determined to establish quantitative limitations on imports of wheat gluten, provided for in HTS subheadings 1109.00.10 and 1109.00.90, imposed for a period of 3 years plus 1 day, with annual increases in such quota limits of 6 percent in the second year and in the third year. These limitations were to apply to imports from all countries, and the quota quantity was to be allocated among such countries, except for products of Canada, Mexico, Israel, beneficiary countries under the Caribbean Basin Economic Recovery Act and the Andean Trade Preference Act, and other developing countries that accounted for a minor share of wheat gluten imports that I determined to exclude from any restriction. Pursuant to section 203(a)(1)(A) of the Trade Act (19 U.S.C. 2253(a)(1)(A)), I further determined that these actions would facilitate efforts by the domestic industry to make a positive adjustment to import competition and provide greater economic and social benefits than costs.

3. Despite the quantitative limitations on imports of wheat gluten, during the first restraint period quantities of wheat gluten the product of the European Community have been entered in excess of the allocated amount.

4. Section 204(b)(2) of the Trade Act (19 U.S.C. 2254(b)(2)) authorizes the President to take such additional action under section 203 of the Trade Act as may be necessary to eliminate any circumvention of any action previously taken under such section. Pursuant to section 204(b)(2) of the Trade Act, I have determined it is appropriate and feasible to take additional action pursuant to section 203(a)(3) of the Trade Act. Such action shall take the form of a reduction in the European Community's 1999/2000 wheat

gluten quota allotment in the amount of 5,204,000 kg, which represents the amount of wheat gluten that entered the United States in excess of the European Community's 1998 quota allocation. I determine this action is necessary to eliminate circumvention of the safeguard action previously undertaken in Proclamation 7103.

5. Section 604 of the Trade Act, as amended (19 U.S.C. 2483), authorizes the President to embody in the HTS the substance of the relevant provisions of that Act, and of other acts affecting import treatment, and actions thereunder, including the removal, modification, continuance, or imposition of any rate of duty or other import restriction.

NOW, THEREFORE, I, WILLIAM J. CLINTON, President of the United States of America, acting under the authority vested in me by the Constitution and the laws of the United States, including but not limited to sections 203, 204, and 604 of the Trade Act, do proclaim that:

(1) The allocation of the quota quantity for wheat gluten for the restraint period from June 1, 1999, through May 31, 2000, inclusive, that was accorded to wheat gluten the product of the European Community by the Annex to Presidential Proclamation 7103 of May 30, 1998, as set forth in subheading 9903.11.06 of subchapter III, chapter 99 of the HTS, is modified by striking the allocated quota quantity set forth for the European Community "25,983,000 kg" from such subheading and by inserting in lieu thereof the new allocated quota quantity for the European Community "20,581,000 kg".

(2) In order to ensure that any imports of wheat gluten the product of any country, or the product of the European Community, having an allocated share of the quantitative restraints set forth in subheadings 9903.11.05 through 9903.11.07, inclusive, of the HTS and superior text there-to, are limited to the specified share during a quota period, the HTS is modified by adding at the end of U.S. Note 7 to subchapter III of chapter 99 the following new paragraph:

"Whenever a quantity is allocated to a country, to 'other countries' or to the European Community under such subheadings, and the quota quantity specified for such country or countries or for the European Community has been entered for the specified restraint period, any shipments of wheat gluten the product of such country or countries or of the European Community entered in excess of such allocated quota quantity shall be charged to the allocation for such country or countries or for the European Community for the subsequent restraint period. If the allocated quantity for a country or countries or for the European Community under subheading 9903.11.07, including any quantity carried over from the restraint periods provided for in subheadings 9903.11.05 and 9903.11.06 and charged against the appropriate allocation under subheading 9903.11.07, has been entered, any imports in excess of the allocated quota quantity for a country or countries or for the European Community shall be entered into bonded warehouse or shall be exported, and shall not be entered into the customs territory of the United States until 12:00 a.m. e.d.t. June 1, 2001. The Secretary of the Treasury is authorized to take any necessary action in order to ensure that no shipments in excess of the allocation for a country or countries or for the European Community for the period from June 1, 2000 through June 1, 2001, inclusive, is entered into the customs territory of the United States."

(3) Subheading 9903.11.06 is modified by inserting after "Other" the word "countries".

(4) Any provision of any previous proclamation or Executive order that is inconsistent with the actions taken in this proclamation is superseded to the extent of such inconsistency.

(5) The modifications made in this proclamation shall be effective with respect to goods entered, or withdrawn from warehouse for consumption, on or after 12:01 a.m. e.d.t. on June 1, 1999, and shall continue in effect as provided until 11:59 p.m. e.d.t. on June 1, 2001, unless such actions are earlier expressly modified or terminated.

IN WITNESS WHEREOF, I have hereunto set my hand this twenty-eighth day of May, in the year of our Lord nineteen hundred and ninety-nine, and of the Independence of the United States of America the two hundred and twenty-third.

A handwritten signature in black ink, reading "William J. Clinton". The signature is written in a cursive style with a large, stylized "W" and "C".

[FR Doc. 99-14150

Filed 6-1-99; 10:59 am]

Billing code 3195-01-P