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**Presidential Documents**

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Title 3—

Proclamation 7696 of August 27, 2003

The President

**To Extend Duty-Free Treatment for Certain Agricultural Products of Israel****By the President of the United States of America****A Proclamation**

1. On April 22, 1985, the United States entered into the Agreement on the Establishment of a Free Trade Area between the Government of the United States of America and the Government of Israel (FTA), which the Congress approved in the United States-Israel Free Trade Area Implementation Act of 1985 (the “FTA Act”)(19 U.S.C. 2112 Note).
2. On November 4, 1996, the United States entered into an agreement with Israel concerning certain aspects of trade in agricultural products, effective from December 4, 1996, through December 31, 2001 (the “1996 Agreement”), in order to maintain the general level of reciprocal and mutually advantageous concessions with respect to agricultural trade while acknowledging differing interpretations as to the meaning of certain rights and obligations in the FTA as to such trade.
3. Section 4(b) of the FTA Act provides that, whenever the President determines that it is necessary to maintain the general level of reciprocal and mutually advantageous concessions with respect to Israel provided for by the FTA, the President may proclaim such withdrawal, suspension, modification, or continuance of any duty, or such continuance of existing duty-free or excise treatment, or such additional duties as the President determines to be required or appropriate to carry out the FTA.
4. Consistent with section 4(b) of the FTA Act, President Clinton issued Proclamation 6962 of December 2, 1996, to provide to Israel through the close of December 31, 2001, access into the United States customs territory for specified quantities of certain agricultural products of Israel free of duty or certain fees or other import charges, consistent with the 1996 Agreement.
5. On December 31, 2001, the United States entered into an agreement with Israel to extend the 1996 Agreement through December 31, 2002, in order to allow for additional time to negotiate a successor arrangement to the 1996 Agreement. Consistent with section 4(b) of the FTA Act, I issued Proclamation 7554, of May 3, 2002, to provide to Israel through the close of December 31, 2002, access into the United States customs territory for specified quantities of certain agricultural products of Israel free of duty or certain fees or other import charges. Several rounds of negotiations were held in 2002 but did not result in conclusion of a successor arrangement to the 1996 Agreement.
6. On December 31, 2002, the 1-year extension of the 1996 Agreement expired. In order to allow additional time to conclude negotiations, the United States and Israel each have elected to extend through 2003 the tariff treatment provided for agricultural products in 2002 under the 1996 Agreement. Israel has already extended through 2003 the tariff benefits for United States agricultural imports provided in 2002 under the 1996 Agreement.
7. Consistent with section 4(b) of the FTA Act, I have determined that it is necessary, in order to maintain the general level of reciprocal and

mutually advantageous concessions with respect to Israel provided for by the FTA, to provide through the close of December 31, 2003, duty-free treatment for specified quantities of certain agricultural products of Israel.

8. Section 604 of the Trade Act of 1974 (19 U.S.C. 2483) (the "Trade Act") authorizes the President to embody in the Harmonized Tariff Schedule of the United States (HTS) the substance of the relevant provisions of that act, and of other acts affecting import treatment, and actions thereunder, including removal, modification, continuance, or imposition of any rate of duty or other import restriction.

NOW, THEREFORE, I, GEORGE W. BUSH, 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 section 4 of the FTA Act and section 604 of the Trade Act, do hereby proclaim:

(1) In order to maintain the general level of reciprocal and mutually advantageous concessions with respect to Israel provided for by the FTA, and, in particular, to provide duty-free treatment for specified quantities of certain agricultural products of Israel, subchapter VIII of chapter 99 of the HTS is modified as provided in the Annex to this proclamation.

(2) Any provisions of previous proclamations and Executive Orders that are inconsistent with the actions taken in this proclamation are superseded to the extent of such inconsistency.

(3)(a) The modifications to the HTS made by the Annex to this proclamation shall be effective with respect to goods that are the product of Israel and are entered, or withdrawn from warehouse for consumption, on or after January 1, 2003, including entries for which the liquidation of duties has not become final under section 514 of the Tariff Act of 1930, as amended (19 U.S.C. 1514).

(b) The provisions of subchapter VIII of chapter 99 of the HTS, as modified by the Annex to this proclamation, shall continue in effect through the close of December 31, 2003.

IN WITNESS WHEREOF, I have hereunto set my hand this twenty-seventh day of August, in the year of our Lord two thousand three, and of the Independence of the United States of America the two hundred and twenty-eighth.



**Annex****Modifications to Subchapter VIII of Chapter 99 of the Harmonized Tariff Schedule of the United States**

*Effective with respect to goods that are the product of Israel and are entered, or withdrawn from warehouse for consumption, on or after January 1, 2003, and through the close of December 31, 2003, subchapter VIII of chapter 99 of the HTS is modified as provided herein:*

1. U.S. note 1 to such subchapter is modified by striking “December 31, 2002,” and by inserting in lieu thereof “December 31, 2003.”

2. U.S. note 3 is modified by inserting at the end of the table therein the following additional applicable time period and quantity: “Calendar year 2003.....383,000”.

3. U.S. note 4 is modified by inserting at the end of the table therein the following additional applicable time period and quantity: “Calendar year 2003.....1,160,000”.

4. U.S. note 5 is modified by inserting at the end of the table therein the following additional applicable time period and quantity: “Calendar year 2003.....1,279,000”.

5. U.S. note 6 is modified by inserting at the end of the table therein the following additional applicable time period and quantity: “Calendar year 2003.....116,000”.

6. U.S. note 7 is modified by inserting at the end of the table therein the following additional applicable time period and quantity: “Calendar year 2003.....405,317”.

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