

**Proclamation 7103 of May 30, 1998****To Facilitate Positive Adjustment to Competition From 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, the USITC, pursuant to section 311(a) of the North American Free Trade Agreement Implementation Act ("NAFTA Implementation Act") (19 U.S.C. 3371(a)), made negative findings with respect to imports of wheat gluten from Canada and Mexico. The USITC also transmitted its recommendation made pursuant to section 202(e) of the Trade Act with respect to 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. 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 have determined to implement action of a type described in section 203(a)(3). Such action shall take the form of 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 one day, with annual increases in such quota limits of six percent in the second year and in the third year. Except for products of Canada, Mexico, Israel, beneficiary countries under the Caribbean Basin Economic Recovery Act (CBERA) and the Andean Trade Preference Act (ATPA), and other developing countries that have accounted for a minor share of wheat gluten imports, which shall be excluded from any restriction, such quantitative limitations shall apply to imports from all countries and the quota quantity shall be allocated among such countries. Pursuant to section 203(a)(1)(A) of the Trade Act (19 U.S.C. 2253(a)(1)(A)), I have further determined that these actions will facilitate efforts by the domestic industry to make a positive adjustment to import competition and provide greater economic and social benefits than costs.

3. 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 and 604 of the Trade Act, and section 301 of title 3, United States Code, do proclaim that:

(1) In order to establish quantitative limitations for wheat gluten classified in HTS subheadings 1109.00.10 and 1109.00.90, subchapter III of chapter 99 of the HTS is modified as provided in the Annex to this proclamation.

(2) Wheat gluten that is the product of Canada, of Mexico, of Israel, of beneficiary countries under the CBERA and the ATPA, and of developing countries listed in general note 4(a) to the HTS shall be excluded from the quantitative limitations established by this proclamation, and such imports shall not be counted toward such limitations for any quota period created herein.

(3) In the event that a quota quantity established by this proclamation and allocated to a country or to "other countries" is significantly underutilized, the United States Trade Representative is authorized to reallocate all or part of the unfilled portion of such quota quantity to any other country or countries and, upon publication of notice in the **Federal Register**, to modify the HTS provisions created by the Annex to this proclamation to reflect any such reallocation.

(4) 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.

(5) The modifications to the HTS made by this proclamation, including the Annex hereto, shall be effective with respect to goods entered, or withdrawn from warehouse for consumption, on or after 12:01 a.m. EDT on June 1, 1998, and shall continue in effect as provided in the Annex to this proclamation, unless such actions are earlier expressly modified or terminated.

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

WILLIAM J. CLINTON

## ANNEX

### Modifications to the Harmonized Tariff Schedule of the United States

Effective with respect to goods entered, or withdrawn from warehouse for consumption, on or after June 1, 1998, subchapter III of chapter 99 of the Harmonized Tariff Schedule of the United States is modified by inserting in numerical sequence the following new U.S. note, subheadings and superior text thereto, with the language inserted in the columns entitled "Heading/Subheading", "Article Description", and "Quota Quantity", and upon the close of June 1, 2002, these provisions and superior text shall be deleted from the HTS: