

Proclamation 7741 of December 4, 2003

**To Provide for the Termination of Action Taken With
Regard to Imports of Certain Steel Products**

*By the President of the United States of America
A Proclamation*

1. Proclamation 7529 of March 5, 2002, implemented actions (safeguard measures) of a type described in section 203(a)(3)(A) and (B) of the Trade Act of 1974, as amended (19 U.S.C. 2253(a)(3)(A) and (B)) (the “Trade Act”), with respect to imports of certain flat steel (consisting of slabs, plate, hot-rolled steel, cold-rolled steel, and coated steel), hot-rolled bar, cold-finished bar, rebar, certain welded tubular products, carbon and alloy fittings, stainless steel bar, stainless steel rod, tin mill products, and stainless steel wire, as defined in paragraph 7 of Proclamation 7529 (collectively, “certain steel products”).

2. In Proclamation 7529 and Proclamation 7576 of July 3, 2002, I authorized the United States Trade Representative (USTR) to further consider any request for exclusion of a particular product and upon finding that a particular product should be excluded, to modify the provisions of the Harmonized Tariff Schedule of the United States (HTS) created by the Annex to Proclamation 7529 to exclude such particular product from the pertinent safeguard measure established in Proclamation 7529. Pursuant to that authorization, the USTR published four notices of exclusions of products from the safeguard measures in the **Federal Register** at 67 Fed. Reg. 16484 (April 5, 2002), 67 Fed. Reg. 46221 (July 12, 2002), 67 Fed. Reg. 56182 (August 30, 2002), and 68 Fed. Reg. 15494 (March 31, 2003). The USTR also published notice in the **Federal Register** of technical corrections to that Annex.

3. In a Memorandum of March 5, 2002 (67 Fed. Reg. 10593), pursuant to section 203(a)(3)(I) of the Trade Act (19 U.S.C. 2253(a)(3)(I)), I instructed the Secretary of the Treasury and the Secretary of Commerce to establish a system of import licensing to facilitate the monitoring of imports of certain steel products. To provide for efficient and fair administration of this action, pursuant to section 203(g) of the Trade Act, I instructed the Secretary of Commerce to publish regulations in the **Federal Register** establishing such a system of import licensing (the “Licensing System”). Those regulations were published on December 31, 2002, at 67 Fed. Reg. 79845.

4. Section 204(a) of the Trade Act (19 U.S.C. 2254(a)) requires the United States International Trade Commission (ITC) to monitor developments with respect to the domestic industry while action taken under section 203 remains in effect. If the initial period of a safeguard action exceeds 3 years, then the ITC must submit to the President a report on the results of such monitoring not later than the date that is the mid-point of the initial period of the safeguard action. The ITC report in Investigation Number TA-204-9 was submitted on September 19, 2003.

5. Section 204(b)(1)(A) of the Trade Act (19 U.S.C. 2254(b)(1)(A)) authorizes the President to reduce, modify, or terminate a safeguard action if, after taking into account any report or advice submitted by the ITC and after seeking the advice of the Secretary of Commerce and the Secretary of Labor,

he determines that changed circumstances warrant such reduction, modification, or termination. The President's determination may be made, *inter alia*, on the basis that the effectiveness of the action taken under section 203 has been impaired by changed economic circumstances.

6. In view of the information provided in the ITC report, and having sought advice from the Secretary of Commerce and the Secretary of Labor, I determine that the effectiveness of the actions taken under section 203(a)(3)(A) and (B) of the Trade Act with respect to imports of certain steel products and the exclusions from and technical corrections to the coverage of Proclamation 7529 has been impaired by changed economic circumstances. Accordingly, I have determined, pursuant to section 204(b)(1)(A)(ii), that termination of the actions taken under section 203(a)(3)(A) and (B) set forth in Proclamation 7529 taken with respect to certain steel imports is warranted. The action taken under section 203(a)(3)(I) set forth in the Memorandum of March 5, 2002, requiring the licensing and monitoring of imports of certain steel products remains in effect and shall not terminate until the earlier of March 21, 2005, or such time as the Secretary of Commerce establishes a replacement program.

7. Section 604 of the Trade Act (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, 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 of America, including, but not limited to sections 204 and 604 of the Trade Act and section 301 of title 3, United States Code, do proclaim that:

(1) The HTS is modified as provided in the Annex to this proclamation.

(2) The United States Trade Representative is authorized, upon his determination that the Secretary of Commerce has established a replacement program pursuant to paragraph 6 of this proclamation, to terminate the action under section 203(a)(3)(I) of the Trade Act set forth in the Memorandum of March 5, 2002, and the Licensing System and to publish notice of this determination and action in the **Federal Register**.

(3) 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.

(4) The modifications to the HTS made by this proclamation shall be effective with respect to goods entered, or withdrawn from warehouse for consumption, on or after 12:01 a.m., eastern standard time, December 5, 2003.

IN WITNESS WHEREOF, I have hereunto set my hand this fourth day of December, 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.

GEORGE W. BUSH

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Title 3—The President

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 12:01 a.m., eastern standard time, December 5, 2003, subchapter III of chapter 99 of the Harmonized Tariff Schedule of the United States is modified by striking U.S. note 11, subheadings 9903.72.03 through 9903.83.00, and all superior descriptions to any such subheadings.