Memorandum of March 1, 2004

Delegation of Certain Reporting Authority

Memorandum for the United States Trade Representative

By the authority vested in me as President by the Constitution and the laws of the United States, including section 301 of title 3, United States Code, I hereby delegate to you the functions conferred upon the President by section 163 of the Trade Act of 1974, as amended (19 U.S.C. 2213), to provide the specified report to the Congress.

You are authorized and directed to publish this memorandum in the **Federal Register**.

GEORGE W. BUSH

THE WHITE HOUSE,

Washington, March 1, 2004.

Notice of March 2, 2004

Continuation of the National Emergency Blocking Property of Persons Undermining Democratic Processes or Institutions in Zimbabwe

On March 6, 2003, by Executive Order 13288, I declared a national emergency blocking the property of persons undermining democratic processes or institutions in Zimbabwe, pursuant to the International Emergency Economic Powers Act (50 U.S.C. 1701–1706). I took this action to deal with the unusual and extraordinary threat to the foreign policy of the United States constituted by the actions and policies of certain members of the Government of Zimbabwe and other persons to undermine Zimbabwe's democratic processes or institutions, thus contributing to the deliberate breakdown in the rule of law in Zimbabwe, to politically motivated violence and intimidation in that country, and to political and economic instability in the southern African region.

Because the actions and policies of these persons continue to pose an unusual and extraordinary threat to the foreign policy of the United States, the national emergency declared on March 6, 2003, and the measures adopted on that date to deal with that emergency must continue in effect beyond March 6, 2004. Therefore, in accordance with section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)), I am continuing for 1 year the national emergency blocking the property of persons undermining democratic processes or institutions in Zimbabwe.

This notice shall be published in the **Federal Register** and transmitted to the Congress.

GEORGE W. BUSH

THE WHITE HOUSE,

March 2, 2004.

Memorandum of March 3, 2004

Presidential Determination on Imports of Certain Ductile Iron Waterworks Fittings from the People's Republic of China

Memorandum for the United States Trade Representative

Consistent with section 421 of the Trade Act of 1974, as amended (19 U.S.C. 2451), I have determined the action I will take with respect to the affirmative determination of the United States International Trade Commission (USITC Investigation TA–421–4) regarding imports of certain ductile iron waterworks fittings (pipe fittings) from China. After considering all relevant aspects of the investigation, I have determined that providing import relief for the U.S. pipe fittings industry is not in the national economic interest of the United States. In particular, I find that the import relief would have an adverse impact on the United States economy clearly greater than the benefits of such action.

The facts of this case indicate that imposing the USITC's recommended tariff-rate quota remedy or any other import relief available under section 421 would be ineffective because imports from third countries would likely replace curtailed Chinese imports. The switch to third country imports could occur quickly because the major U.S. importers already import substantial quantities from countries such as India, Brazil, Korea, and Mexico. Because importers' existing inventories of imports will likely cover demand for approximately 6 to 12 months from the imposition of import relief, a switch from China to alternative import sources would not likely lead to significant additional demand for domestically produced pipe fittings, even accounting for a time lag in making that switch. Under these circumstances, import relief would provide no meaningful benefit to domestic producers.

In addition, import relief would cost U.S. consumers substantially more than the increased income that could be realized by domestic producers. Indeed, the USITC estimated that its recommended remedy would generate a negative net domestic welfare effect of between $2.3 million and $3.7 million in the first year alone.

While not necessary in reaching my determination that imposing import relief would have an adverse impact on the United States economy clearly greater than the benefits, it is also worth noting two additional points: