

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**

[Filed with the Office of the Federal Register, 8:45 a.m., June 2, 1998]

NOTE: This proclamation was published in the *Federal Register* on June 3. This proclamation was released by the Office of the Press Secretary on June 1.

### **Memorandum on Adjustment to Competition From Imports of Wheat Gluten**

*May 30, 1998*

*Memorandum for the Secretary of the Treasury, the Secretary of Agriculture, the United States Trade Representative*

*Subject:* Action Under Section 203 of the Trade Act of 1974 Concerning Wheat Gluten

On March 18, 1998, the United States International Trade Commission (USITC) submitted to me a report that contained: (1) a determination pursuant to section 202 of the Trade Act of 1974 (19 U.S.C. 2252) (the "Trade Act") that imports of wheat gluten

are being imported into the United States in such increased quantities as to be a substantial cause of serious injury to the domestic industry; and (2) negative findings made pursuant to section 311(a) of the North American Free Trade Agreement Implementation Act (the "NAFTA Implementation Act") (19 U.S.C. 3371(a)) with respect to imports of wheat gluten from Canada and Mexico.

After considering all relevant aspects of the investigation, including the factors set forth in section 203(a)(2) of the Trade Act (19 U.S.C. 2253), I have implemented actions of a type described in section 203(a)(3). Specifically, I have determined that the most appropriate action is a quantitative limitation on imports of wheat gluten. I have proclaimed such action for a period of approximately 3 years in order to provide time for the domestic industry to implement an adjustment plan that will facilitate its positive adjustment to import competition. I have set the quantitative limitation at an amount equal to 126.812 million pounds in the first year, an amount which represents total average imports in the crop years ending June 30, 1993, through June 30, 1995. This amount will increase by six percent annually for the duration of the relief period. I believe that this amount is the relief necessary to remedy the serious injury and to promote positive adjustment. The quota is allocated based on average import shares in the period covered by the crop years ending June 30, 1993, through June 30, 1995. Shares of countries excluded from the quota are assigned on a pro rata basis to countries subject to the quota. To ensure that the quota is substantially filled, I have authorized the United States Trade Representative to reallocate any significant unused quota allocations. I considered taking other forms of action, such as increasing tariffs on imports of wheat gluten, and have determined that action in such forms would not, in light of the nature of trade in wheat gluten, meet the goals of remedying serious injury and facilitating industry adjustment.

I agree with the USITC's findings under section 311(a) of the NAFTA Implementation Act, and therefore determine, pursuant to section 312(a) of the NAFTA Implementa-

tion Act, that imports of wheat gluten produced in Canada do not contribute importantly to the serious injury caused by imports and that imports of wheat gluten produced in Mexico do not account for a substantial share of total imports of such wheat gluten. Therefore, pursuant to section 312(b) of the NAFTA Implementation Act, the quantitative limitation will not apply to imports of wheat gluten from Canada or Mexico. Similarly, the limitation will not apply to imports of wheat gluten from Israel, and beneficiary countries under the Caribbean Basin Economic Recovery Act (CBERA) and the Andean Trade Preference Act (ATPA), in light of the USITC's statement that its recommendation does not apply to imports from those countries. Moreover, other developing countries that have accounted for a minor share of wheat gluten imports are excluded from the quantitative limitation.

As an additional means of arriving at a long-term solution to this trade issue, I have directed the United States Trade Representative, with the assistance of the Secretary of Agriculture, to seek to initiate international negotiations to address the underlying cause of the increase in imports of the article or otherwise to alleviate the injury found to exist.

I have determined that the actions described above will facilitate efforts by the domestic industry to make a positive adjustment to import competition and provide greater economic and social benefits than costs. This action provides the domestic industry with necessary temporary relief from increased import competition, while also assuring our trading partners significant continued access to the United States market.

I also note that, pursuant to section 204 of the Trade Act, the USITC will monitor developments with respect to the domestic industry, including progress and specific efforts made by workers and firms in the domestic industry to make a positive adjustment to import competition, and will provide to me and to the Congress a report of its monitoring no later than the date that is the midpoint of the period the action is in effect.

The United States Trade Representative is authorized and directed to publish this determination in the *Federal Register*.

**William J. Clinton**

NOTE: This memorandum was released by the Office of the Press Secretary on June 1.

**Letter to Congressional Leaders  
Transmitting the Proclamation and  
Memorandum on an Adjustment to  
Competition From Imports of Wheat  
Gluten**

*May 30, 1998*

*Dear Mr. Speaker: (Dear Mr. President:)*

Pursuant to section 203(b)(1) of the Trade Act of 1974, I am transmitting to you copies of my proclamation and memorandum describing the action I have taken, and the reasons therefor, under section 203(a)(1) of the Trade Act of 1974 concerning wheat gluten.

Sincerely,

**William J. Clinton**

NOTE: Identical letters were sent to Newt Gingrich, Speaker of the House of Representatives, and Albert Gore, Jr., President of the Senate. This letter was released by the Office of the Press Secretary on June 1.

**Joint Statement on the Visit of His  
Highness Shaikh Essa Bin Salman Al-  
Khalifa, the Amir of the State of  
Bahrain**

*June 1, 1998*

President Clinton received His Highness Shaikh Essa Bin Salman Al-Khalifa, the Amir of the State of Bahrain at the White House on June 1, 1998. The Amir's visit reflects the close and long-standing relationship between the State of Bahrain and the United States of America as well as the commitment of both governments to high-level consultations on a broad range of issues of mutual interest.

The President and the Amir discussed the deep and enduring ties between their two nations, commemorating the fiftieth anniversary of the U.S. Navy's relationship with Bahrain and the one hundredth anniversary of

the American hospital in Bahrain. The President recognized the United States' historic friendship with Bahrain and underscored our commitment to build on this strong foundation of partnership by continuing this close relationship into the twenty-first century.

The two parties discussed issues of mutual concern, focusing particularly on their shared commitment to peace, security and stability in the Middle East. Both His Highness and the President pledged to continue their close cooperation in pursuit of a just, comprehensive and lasting peace in the Middle East based on Security Council Resolutions 242 and 338 and the principle of land for peace. The President reviewed America's ongoing efforts to reinvigorate the peace process. Bahrain expressed its respect and appreciation for these efforts. Both sides agreed that the best way to achieve the peace so greatly desired is by the full implementation of each side's obligations under the Oslo and Washington Accords. The two sides recognized the importance of resuming negotiations on the Syrian and Lebanese tracks as soon as possible and expressed their support for the implementation of Resolutions 425 and 426.

The President and the Amir discussed the situation in the Gulf, affirming their shared commitment to upholding regional security in the face of external threats. Both sides recognized the importance of stable boundaries between states, and emphasized the need to resolve the outstanding territorial disputes throughout the region by peaceful and legitimate means acceptable to the parties.

The United States and Bahrain call upon Iraq to fully implement all Security Council resolutions including full disclosure of its Weapons of Mass Destruction. As members of the Security Council, Bahrain and the United States continue to support the mission and functioning of the UN Special Commission (UNSCOM). Both governments expressed great sympathy for the Iraqi people and call upon Iraq to comply fully with all United Nations Security Council Resolutions. The two sides agreed that UN Security Council Resolutions must be enforced and made clear that the Iraqi government bears sole responsibility for the misery of the Iraqi