



Federal Register

**Friday,
February 18, 2000**

Part V

The President

Proclamation 7273—To Facilitate Positive Adjustment to Competition From Imports of Certain Steel Wire Rod

**Memorandum of February 16, 2000—
Action Under Section 203 of the Trade Act of 1974 Concerning Steel Wire Rod**

Presidential Documents

Title 3—

Proclamation 7273 of February 16, 2000**The President****To Facilitate Positive Adjustment to Competition From Imports of Certain Steel Wire Rod****By the President of the United States of America****A Proclamation**

1. On July 12, 1999, the United States International Trade Commission (USITC) transmitted to the President a report on 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 certain steel wire rod provided for in subheadings 7213.91, 7213.99, 7227.20 and 7227.90.60 of the Harmonized Tariff Schedule of the United States (HTS). The USITC commissioners were equally divided with respect to the determination required under section 202(b) of the Trade Act (19 U.S.C. 2252(b)) regarding whether such steel wire rod is being imported into the United States in such increased quantities as to be a substantial cause of serious injury, or threat of serious injury, to the domestic industry producing a like or directly competitive article.

2. Section 330(d)(1) of the Tariff Act of 1930, as amended (the “Tariff Act”) (19 U.S.C. 1330(d)(1)) provides that when the USITC is required to determine under section 202(b) of the Trade Act whether increased imports of an article are a substantial cause of serious injury, or the threat thereof, and the commissioners voting are equally divided with respect to such determination, then the determination agreed upon by either group of commissioners may be considered by the President as the determination of the USITC. Having reviewed the determinations of both groups of commissioners, I have decided to consider the determination of the group of commissioners voting in the affirmative to be the determination of the USITC.

3. Pursuant to section 311(a) of the North American Free Trade Agreement Implementation Act (the “NAFTA Implementation Act”) (19 U.S.C. 3371(a)), the USITC made negative findings with respect to imports of steel wire rod from Mexico and Canada. The USITC commissioners voting in the affirmative also transmitted to the President their recommendations made pursuant to section 202(e) of the Trade Act (19 U.S.C. 2252(e)) with respect to the action that would address the serious injury or threat thereof to the domestic industry and be most effective in facilitating the efforts of the domestic industry to make a positive adjustment to import competition.

4. Pursuant to section 203 of the Trade Act (19 U.S.C. 2253), and after 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) and to provide exclusions for enumerated steel wire rod products (“excluded products”). Pursuant to section 312(a) of the NAFTA Implementation Act (19 U.S.C. 3372(a)), I have determined that imports of steel wire rod from Mexico, considered individually, do not account for a substantial share of total imports and do not contribute importantly to the serious injury, or threat of serious injury, found by the USITC, and that imports from Canada, considered individually, do not contribute importantly to such injury or threat. Accordingly, pursuant to section 312(b) of the NAFTA Implementation Act (19 U.S.C. 3372(b)), I have excluded steel wire rod the product of Mexico or Canada from the action I am taking under section 203 of the Trade Act.

5. Such action shall take the form of a tariff-rate quota on imports of steel wire rod (other than excluded products), provided for in HTS subheadings 7213.91, 7213.99, 7227.20 and 7227.90.60, imposed for a period of 3 years plus 1 day, with annual increases in the within-quota quantities and annual reductions in the rate of duty applicable to goods entered in excess of those quantities in the second and third years, as provided for in the Annex to this proclamation.

6. Except for products of Mexico and of Canada, which shall all be excluded from this restriction, such tariff-rate quota shall apply to imports of steel wire rod from all 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 this action will facilitate efforts by the domestic industry to make a positive adjustment to import competition and provide greater economic and social benefits than costs.

7. 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 of America, including but not limited to sections 203 and 604 of the Trade Act, do proclaim that:

(1) In order to establish a tariff-rate quota on imports of steel wire rod (other than excluded products), classified in HTS subheadings 7213.91, 7213.99, 7227.20 and 7227.90.60, subchapter III of chapter 99 of the HTS is modified as provided in the Annex to this proclamation.

(2) Such imported steel wire rod that is the product of Mexico or of Canada shall be excluded from the tariff-rate quota established by this proclamation, and such imports shall not be counted toward the tariff-rate quota limits that trigger the over-quota rates of duty.

(3) I hereby suspend, pursuant to section 503(c)(1) of the Trade Act (19 U.S.C. 2463(c)(1)), duty-free treatment for steel wire rod the product of beneficiary countries under the Generalized System of Preferences (GSP) (Title V of the Trade Act, as amended (19 U.S.C. 2461–2467)); pursuant to section 213(e)(1) of the Caribbean Basin Economic Recovery Act, as amended (CBERA) (19 U.S.C. 2703(e)(1)), duty-free treatment for steel wire rod the product of beneficiary countries under that Act (19 U.S.C. 2701–2707); pursuant to section 204(d)(1) of the Andean Trade Preference Act, as amended (ATPA) (19 U.S.C. 3203(d)(1)), duty-free treatment for steel wire rod the product of beneficiary countries under that Act (19 U.S.C. 3201–3206); and pursuant to section 403(a) of the Trade and Tariff Act of 1984 (19 U.S.C. 2112 note), duty-free treatment for steel wire rod the product of Israel under the United States-Israel Free Trade Area Implementation Act of 1985 (the “IFTA Act”) (19 U.S.C. 2112 note), to the extent necessary to apply the tariff-rate quota to those products, as specified in the Annex to this proclamation.

(4) During each of the first three quarters of a quota year, any articles subject to the tariff-rate quota that are entered, or withdrawn from warehouse for consumption, in excess of one-third of the annual within-quota quantity for that quota year (as specified in the Annex to this proclamation) shall be subject to the over-quota rate of duty then in effect. During the fourth quarter of a quota year, any articles subject to the tariff-rate quota that are entered, or withdrawn from warehouse for consumption, in excess of the remaining quantity of the annual within-quota quantity for that quota year shall be subject to the over-quota rate of duty then in effect. The remaining quantity shall be determined by subtracting the total quantity of goods entered at the in-quota rate during the first three quarters of the quota year from the annual within-quota quantity for that quota year.

(5) Effective at the close of March 1, 2003, or at the close of the date which may earlier be proclaimed by the President as the termination of the import relief set forth in the Annex to this proclamation, the suspension of duty-free treatment under the GSP, the CBERA, the ATPA and the IFTA Act shall terminate, unless otherwise provided in such later proclamation, and qualifying goods the product of beneficiary countries or of Israel entered under such programs shall again be eligible for duty-free treatment.

(6) Effective at the close of March 1, 2004, or such other date that is one year from the close of this relief, the U.S. note and tariff provisions established in the Annex to this proclamation shall be deleted from the HTS.

(7) 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.

(8) 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 March 1, 2000, 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 sixteenth day of February, in the year of our Lord two thousand, and of the Independence of the United States of America the two hundred and twenty-fourth.



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 March 1, 2000, 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", "Rates of Duty 1-General", "Rates of Duty 1-Special", and "Rates of Duty 2", respectively.

"9. For purposes of subheadings 9903.72.01 through 9903.72.15, inclusive, the following steel products (enumerated by reference to common commercial usage) are excluded from such subheadings, and no entries of such products shall be permitted or included therein or counted toward the quantities specified for any quota period:

- (a) Tire cord quality wire rod measuring 5.0 mm or more but not more than 6.0 mm in cross-sectional diameter, with an average partial decarburization of no more than 70 microns in depth (maximum 200 microns); having no inclusions greater than 20 microns; capable of being drawn to a diameter of 0.30 mm or less with 3 or fewer breaks per ton, imported pursuant to a purchase order from a tire manufacturer or a tire cord wire manufacturer in the United States for tire cord quality wire rod, and containing by weight the following elements in the proportions shown:
- 0.68 percent or more of carbon,
 - less than 0.01 percent of aluminum,
 - 0.040 percent or less, in the aggregate, of phosphorus and sulfur,
 - 0.008 percent or less of nitrogen, and
 - not more than 0.55 percent, in the aggregate, of copper, nickel and chromium;
- (b) Valve spring quality wire rod containing by weight 0.43 percent or more but not more than 0.73 percent of carbon, having a maximum inclusion content to ASTM A-877, Table 4, imported pursuant to a purchase order from an automotive valve spring or automotive brake spring manufacturer in the United States for automotive valve spring or automotive brake spring quality wire rod, measuring 5.5 mm or more but not more than 18 mm in cross-sectional diameter and having a partial decarburization of no more than 0.127 mm in depth and seams of no more than 0.075 mm in depth, or if measuring over 9.5 mm but not more than 18 mm in cross-sectional diameter either:
- having a partial decarburization of not over 1.3 percent of the diameter of the rod, a zero ferrite (total) decarburization and seams of no more than 0.075 mm in depth, or
 - if AISI grade 6150, having a partial decarburization of not more than 0.127 mm in depth, a zero ferrite (total) decarburization and a seam depth of not more than 1 percent of the diameter;
- (c) Class III pipe wrap quality wire rod measuring 10.3 mm in cross-sectional diameter, with an average partial decarburization per coil of no more than 70 microns in depth, having no inclusions greater than 20 microns, free of injurious piping and undue segregation, having a heat tensile strength minimum of 170 ksi and a maximum of 177 ksi, and containing by weight the following elements in the proportions shown:
- 0.72 percent or more of carbon,
 - 0.50 percent or more but not more than 1.10 percent of manganese,
 - not more than 0.030 percent of phosphorus,
 - not more than 0.035 percent of sulfur, and
 - 0.10 percent or more but not more than 0.35 percent of silicon;
- (d) Aircraft quality cold heading quality wire rod measuring 5.5 mm or more but not more than 19.0 mm in cross sectional diameter for the grades enumerated herein, meeting the requirements defined in the aerospace and military specifications listed for each grade:

Grade	Specification
4037	AMS6300, 2301
4130	AMS6370, 2301; MIL-S6758
4140	AMS6382, 2301; MIL-S5626
4340	AMS6415, 2301; MIL-S5000
8740	AMS6322, 2301; MIL-S6049
PWA722	AMS6304, 2301,

having a diameter tolerance of plus 0.25 mm and minus 0.25 mm, having an out of roundness tolerance of not more than 0.30 mm, having surface seam of not more than the greater of 0.07 mm or 1.0 percent of the diameter in depth, free from complete decarburization, partial decarburization no more than the greater of 0.10 mm or 1.0 percent of the diameter in depth, having micro-structure meeting the aircraft cleanliness requirements of AMS2301, and having grain size predominantly No. 5 or finer;

- (e) Aluminum cable steel reinforced ("ACSR") quality steel wire rod, measuring either (i) 7.2 mm or more but not more than 7.8 mm in cross-sectional diameter or (ii) 9.2 mm or more but not more than 9.8 mm in cross-sectional diameter, in the following strength/grade/size requirements:
- 95 kgf/mm² for AISI grade 1045 wire rod measuring 7.2 mm or more but not more than 7.8 mm in cross-sectional diameter,
 - 92 kgf/mm² for AISI grade 1045 wire rod measuring 9.2 mm or more but not more than 9.8 mm in cross-sectional diameter,

- 100 kgf/mm² for AISI grade 1050 wire rod measuring 7.2 mm or more but not more than 7.8 mm in cross-sectional diameter, or
- 98 kgf/mm² for AISI grade 1050 wire rod measuring 9.2 mm or more but not more than 9.8 mm in cross-sectional diameter,

processed exclusively by heat-treating on an in-line fused salt bath patenting process that results in having a tensile strength tolerance range of plus or minus 5 kgf/mm², and having an ovality of no more than 0.30 mm.

(f) Piano wire string quality wire rod measuring either 5.5, 6.0, 6.5, 7.0 or 8.0 mm in cross-sectional diameter, the foregoing with an average partial decarburization of no more than 70 microns in depth (maximum 200 microns), having no inclusions greater than 20 microns, capable of being drawn to a diameter of 0.30 mm or less with 3 or fewer breaks per ton, imported pursuant to a purchase order from a piano wire string manufacturer in the United States for piano wire string quality wire rod, and containing by weight the following elements in the proportions shown:

- 0.72 percent or more but not more than 1.0 percent of carbon,
- less than 0.01 percent of aluminum,
- not more than 0.040 percent, in the aggregate, of phosphorus and sulfur,
- not more than 0.003 percent of nitrogen,
- not more than 0.55 percent, in the aggregate, of copper, nickel and chromium, and
- less than 0.60 percent of manganese;

(g) Grade 1085 annealed bearing quality wire rod, of a quality for manufacturing bearings, AISI grade 1085, annealed, 100 percent spheroidized, having maximum inclusions not exceeding ASTM A295, Table 3, with no samples of such rod showing globular oxide inclusions larger than 0.001 inches nor more than ten globular oxide inclusions between 0.0005 and 0.001 inches per square inch of sample area, the foregoing containing by weight the following elements in the proportions shown:

- 0.80 percent or more but not more than 0.85 percent of carbon,
- 0.70 percent or more but not more than 1.00 percent of manganese, and
- not more than 15 ppm of oxygen;

(h) 1080 tire bead wire quality wire rod measuring 5.5 mm or more but not more than 7.0 mm in cross-sectional diameter, with an average partial decarburization of no more than 70 microns in depth (maximum 200 microns), having no inclusions greater than 20 microns, capable of being drawn to a diameter of 0.78 mm or larger with 0.5 or fewer breaks per ton, imported pursuant to a purchase order from a tire manufacturer or a manufacturer of tire wire products in the United States for inclusion in tires, and containing by weight the following elements in the proportions shown:

- 0.78 percent or more of carbon,
- less than 0.03 percent of soluble aluminum,
- not more than 0.040 percent, in the aggregate, of phosphorous and sulfur,
- not more than 0.004 percent of nitrogen, and
- not more than 0.055 percent, in the aggregate, of copper, nickel and chromium."

"	: Hot-rolled bars and rods of nonalloy or alloy steel, in irregularly : wound coils, of circular or approximately circular solid cross : section, having a diameter of 5 mm or more but less than 19 mm, : except such bars and rods enumerated in U.S. note 9 to this : subchapter and except bars and rods of alloy steel containing : by weight 24 percent or more of nickel, provided for in subheadings : 7213.91, 7213.99, 7227.20 and 7227.90.60, all the foregoing : except products of Canada or of Mexico: : If entered during the period from March 1, 2000, through : February 28, 2001, inclusive:	:	:	:
9903.72.01	: If entered during the period from March 1, 2000, : through May 31, 2000, inclusive, in aggregate : quantities not in excess of 477,783,962 kg.....	:	No change	No change
9903.72.02	: If entered during the period from June 1, 2000, : through August 31, 2000, inclusive, in aggregate : quantities not in excess of 477,783,962 kg.....	:	No change	No change
9903.72.03	: If entered during the period from September 1, 2000, : through November 30, 2000, inclusive, in aggregate : quantities not in excess of 477,783,962 kg.....	:	No change	No change

:[Hot-rolled...(con.):]				
:[If...(con.):]				
9903.72.04	If entered during the period from December 1, 2000, through February 28, 2001, inclusive, in aggregate quantities not in excess of the remaining quantity, if any, from 1,433,351,886 kg after the aggregate quantity entered under subheadings 9903.72.01 through 9903.72.03, inclusive, is subtracted therefrom.....	No change	No change	No change
9903.72.05	Other.....	The rate provided in the Rates of Duty 1 General subcolumn for the applicable subheading (7213.91, 7213.99, 7227.20 or 7227.90.60) + 10%		The rate provided in the Rates of Duty 2 column for the applicable subheading (7213.91, 7213.99, 7227.20 or 7227.90.60) + 10%
9903.72.06	If entered during the period from March 1, 2001, through May 31, 2001, inclusive, in aggregate quantities not in excess of 487,339,641 kg.....	No change	No change	No change
9903.72.07	If entered during the period from June 1, 2001, through August 31, 2001, inclusive, in aggregate quantities not in excess of 487,339,641 kg.....	No change	No change	No change
9903.72.08	If entered during the period from September 1, 2001, through November 30, 2001, inclusive, in aggregate quantities not in excess of 487,339,641 kg.....	No change	No change	No change
9903.72.09	If entered during the period from December 1, 2001, through February 28, 2002, inclusive, in aggregate quantities not in excess of the remaining quantity, if any, from 1,462,018,923 kg after the aggregate quantity entered under subheadings 9903.72.06 through 9903.72.08, inclusive, is subtracted therefrom.....	No change	No change	No change
9903.72.10	Other.....	The rate provided in the Rates of Duty 1 General subcolumn for the applicable subheading (7213.91, 7213.99, 7227.20 or 7227.90.60) + 7.5%		The rate provided in the Rates of Duty 2 column for the applicable subheading (7213.91, 7213.99, 7227.20 or 7227.90.60) + 7.5%
9903.72.11	If entered during the period from March 1, 2002, through March 1, 2003, inclusive: If entered during the period from March 1, 2002, through May 31, 2002, inclusive, in aggregate quantities not in excess of 497,086,434 kg.....	No change	No change	No change
9903.72.12	If entered during the period from June 1, 2002, through August 31, 2002, inclusive, in aggregate quantities not in excess of 497,086,434 kg.....	No change	No change	No change
9903.72.13	If entered during the period from September 1, 2002, through November 30, 2002, inclusive, in aggregate quantities not in excess of 497,086,434 kg.....	No change	No change	No change
9903.72.14	If entered during the period from December 1, 2002, through March 1, 2003, inclusive, in aggregate quantities in excess of the remaining quantity, if any, from 1,491,259,302 kg after the aggregate quantity entered under subheadings 9903.72.11 through 9903.72.13, inclusive, is subtracted therefrom.....	No change	No change	No change

