

Message to the Congress on Trade With South Africa April 21, 1994

To the Congress of the United States:

I am writing to inform you of my intent to add South Africa to the list of beneficiary developing countries under the Generalized System of Preferences (GSP). The GSP program offers duty-free access to the U.S. market and is authorized by the Trade Act of 1974.

I have carefully considered the criteria identified in sections 501 and 502 of the Trade Act of 1974. In light of these criteria, I have deter-

mined that it is appropriate to extend GSP benefits to South Africa.

This notice is submitted in accordance with section 502(a)(1) of the Trade Act of 1974.

WILLIAM J. CLINTON

The White House,
April 21, 1994.

NOTE: The related proclamation is listed in Appendix D at the end of this volume.

Message to the Congress Reporting on Trade With China April 21, 1994

To the Congress of the United States:

Pursuant to section 406 of the Trade Act of 1974 (19 U.S.C. 2436) and sections 202 and 203 of the Trade Act of 1974 (as those sections were in effect on the day before the date of the enactment of the Omnibus Trade and Competitiveness Act of 1988), I have determined the action I will take with respect to the affirmative determination of the United States International Trade Commission (USITC), on the basis of its investigation (No. TA-406-13), that market disruption exists with respect to imports from China of honey provided for in heading 0409 and subheadings 1702.90 and 2106.90 of the Harmonized Tariff Schedule of the United States.

After considering all relevant aspects of the investigation, including those set forth in section 202(c) of the Trade Act of 1974, I have determined that import relief for honey is not in the national economic interest of the United States. However, I am directing the United States Trade Representative (USTR), in consultation with the appropriate agencies to develop a plan to monitor imports of honey from China. The monitoring program is to be developed within thirty days of this determination.

Since I have determined that the provision of import relief is not in the national economic interest of the United States, I am required by that section 203(b) of the Trade Act of 1974

to report to Congress on the reasons underlying this determination.

In determining not to provide import relief, I considered its overall costs to the U.S. economy. The USITC majority recommendation for a quarterly tariff rate quota (a 25 percent ad valorem charge on the first 12.5 million pounds each quarter, increasing to 50 percent on amounts above that level), to be applied for three years, would cost consumers about \$7 million while increasing producers' income by just \$1.9 million. The other forms of relief recommended by other Commissioners would also result in substantial costs to consumers while offering little benefit to producers.

In addition, the gap between production and consumption in the United States is approximately 100 million pounds, with imports of honey from China helping to fill that gap at the low end for industrial use. Any restrictions on imports of honey from China would likely lead to increased imports from other countries rather than significantly increased market share for U.S. producers.

Although rising somewhat since 1991, U.S. honey inventories are not large by historical experience, either in absolute amounts or relative to consumption. Honey stocks reported by the U.S. Department of Agriculture were much higher in the mid-1980's (about 75 percent of consumption in 1985 and 1986), before falling