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Proclamation 7641—To Modify Rules of Origin Under the North American Free Trade Agreement

January 17, 2003

By the President of the United States of America

A Proclamation

1. Presidential Proclamation 6641 of December 15, 1993, implemented the North American Free Trade Agreement (the "NAFTA") with respect to the United States and, pursuant to the North American Free Trade Agreement Implementation Act (the "NAFTA Implementation Act"), incorporated in the Harmonized Tariff Schedule of the United States (the "HTS") the tariff modifications and rules of origin necessary or appropriate to carry out the NAFTA.

2. Section 202 of the NAFTA Implementation Act provides rules for determining whether goods imported into the United States originate in the territory of a NAFTA party and thus are eligible for the tariff and other treatment contemplated under the NAFTA. Section 202(q) of the NAFTA Implementation Act (19 U.S.C. 3332(q)) authorizes the President to proclaim, as a part of the HTS, the rules of origin set out in the NAFTA and to proclaim modifications to such previously proclaimed rules of origin, subject to the consultation and layover requirements of section 103(a) of the NAFTA Implementation Act (19 U.S.C. 3313(a)).

3. I have determined that the modifications to the HTS proclaimed in this proclamation pursuant to sections 201 and 202 of the NAFTA Implementation Act are appropriate. For goods of Mexico, I have decided that the effective date of the modifications shall be determined by the United States Trade Representative (USTR).

4. Section 604 of the Trade Act of 1974, as amended (the "1974 Act") (19 U.S.C. 2483), authorizes the President to embody in the HTS the substance of the relevant provisions of that Act, 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, including section 604 of the 1974 Act, section 202 of the NAFTA Implementation Act, and section 301 of title 3, United States Code, do hereby proclaim:

(1) In order to modify the rules of origin under the NAFTA, general note 12 to the HTS is modified as provided in the Annex to this proclamation.

(2) 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.

(3) The modifications made by the Annex to this proclamation shall be effective with respect to goods of Canada that are entered, or withdrawn from warehouse for consumption, on or after January 1, 2003. The modifications made by such Annex shall be effective with respect to goods of Mexico that are entered, or withdrawn from warehouse for consumption, on or after a date to be announced in the *Federal Register* by the USTR.

In Witness Whereof, I have hereunto set my hand this seventeenth day of January, in the year of our Lord two thousand three, and of the Independence of the United States of America the two hundred and twenty-seventh.

George W. Bush

[Filed with the Office of the Federal Register, 8:45 a.m., January 22, 2003]

NOTE: This proclamation was published in the *Federal Register* on January 23. This item was not

received in time for publication in the appropriate issue.

Memorandum on Extending Waiver of Section 907 of the FREEDOM Support Act With Respect to Assistance to the Government of Azerbaijan

January 17, 2003

Presidential Determination No. 2003–12

Memorandum for the Secretary of State

Subject: Presidential Determination on Extending Waiver of Section 907 of the FREEDOM Support Act with Respect to Assistance to the Government of Azerbaijan

Pursuant to the authority contained in Title II of the Kenneth M. Ludden Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2002 (Public Law 107–115), I hereby determine and certify that extending the waiver of section 907 of the FREEDOM Support Act of 1992 (Public Law 102–511):

- is necessary to support United States efforts to counter international terrorism;
- is necessary to support the operational readiness of United States Armed Forces or coalition partners to counter international terrorism;
- is important to Azerbaijan's border security; and
- will not undermine or hamper ongoing efforts to negotiate a peaceful settlement between Armenia and Azerbaijan or be used for offensive purposes against Armenia.

Accordingly, I hereby extend the waiver of section 907 of the FREEDOM Support Act.

You are authorized and directed to notify the Congress of this determination and to arrange for its publication in the *Federal Register*.

George W. Bush

[Filed with the Office of the Federal Register, 8:45 a.m., January 24, 2003]

NOTE: This memorandum was published in the *Federal Register* on January 27. This item was not received in time for publication in the appropriate issue.

The President's Radio Address

January 18, 2003

Good morning. In the coming weeks, the House and Senate will consider my proposals to speed up economic growth and generate new jobs for American workers. Part of that plan is designed to help America's small businesses, in particular, which create millions of jobs each year and account for about half the Nation's economic output.

Small-business owners represent the enterprise of the whole Nation and the diverse talents of our people. Nearly 40 percent of small firms are owned by women. Close to 15 percent of America's small-business owners come from minority groups, and the trend of minority ownership is accelerating. These minority-owned firms, more than 3 million strong, provide opportunities and give life to local economies across America.

To help small business, Government should not try to manage the economy from Washington. Government's role is to create an environment in which employers succeed and hire new people.

My jobs-and-growth plan will help in several specific ways. I am proposing tax relief for everyone who pays Federal income taxes. Two years ago, Congress approved income tax reductions that will not go into full effect until 2006. My plan would make these reductions effective immediately, to boost the economy in the short term and help insure long-term growth. If tax relief is good enough for Americans 3 years from now, it is even more necessary today, when our recovery is not as strong as it should be.

Small businesses stand to gain a great deal from this measure. After all, more than two-thirds of taxpayers who pay the highest marginal tax rates are small-business owners who include their profits when they file their individual tax returns with the IRS. All together, the tax relief I propose will give 23 million small-business owners an average tax cut of $2,042 this year. And I'm asking Congress to make those reductions permanent, so that