

mitments that it will ensure that all state-owned and state-invested enterprises will make purchases and sales based solely on commercial considerations, such as price, quality, marketability, and availability, and that U.S. business firms will have an adequate opportunity to compete for sales to and purchases from these enterprises on nondiscriminatory terms and conditions. In addition, the Government of China will not influence, directly or indirectly, commercial decisions on the part of state-owned or state-invested enterprises, including on the quantity, value, or country of origin of any goods purchased or sold, except in a manner consistent with the Marrakesh Agreement Establishing the World Trade Organization (WTO Agreement). China has also confirmed that state trading enterprises will make purchases that are not for government use. The obligations that China will assume under the WTO Agreement, including China's protocol of accession, meet the requirements of section 1106(b)(2)(A), (19 U.S.C. 2905(b)(2)(A)), and thus my determinations under section 1106(a) do not require invocation of the non-application provisions of the WTO Agreement.

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

GEORGE W. BUSH.

DETERMINATIONS REGARDING STATE TRADING ENTERPRISES—SEPARATE CUSTOMS TERRITORY OF TAIWAN, PENGHU, KINMEN, AND MATSU

Memorandum of President of the United States, Nov. 9, 2001, 66 F.R. 57359, provided:

Memorandum for the United States Trade Representative

Section 1106(a) of the Omnibus Trade and Competitiveness Act of 1988, (19 U.S.C. 2905(a)) (the "1988 Act"), requires the President to determine for any major trading country that is acceding to the World Trade Organization (WTO) whether state trading enterprises account for a significant share of the exports of that major trading country or goods that compete with imports into that country and whether such state trading enterprises unduly burden and restrict, or adversely affect, the foreign trade of the United States or the United States economy, or are likely to result in such a burden, restriction, or effect.

Taiwan, known in the WTO as "the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu," is in the final stage of its accession to the WTO. Thus, pursuant to section 1106(a) of the 1988 Act [19 U.S.C. 2905(a)], I determine that state trading enterprises do not account for a significant share of the exports of the Separate Customs Territory of Taiwan, Penghu, Kinmen, and Matsu or of goods that compete with exports to the Separate Customs Territory. Further, I determine that such state trading enterprises do not unduly burden and restrict, or adversely affect, the foreign trade of the United States or the United States economy, and are not likely to result in such a burden, restriction, or effect.

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

GEORGE W. BUSH.

§ 2906. Definitions

For purposes of this chapter:

(1) The term "distortion" includes, but is not limited to, a subsidy.

(2) The term "foreign country" includes any foreign instrumentality. Any territory or possession of a foreign country that is administered separately for customs purposes, shall be treated as a separate foreign country.

(3) The term "GATT" means the GATT 1947 (as defined in section 3501(1)(A) of this title).

(4) The term "implementing bill" has the meaning given such term in section 2191(b)(1) of this title.

(5) The term "international trade" includes, but is not limited to—

(A) trade in both goods and services, and

(B) foreign direct investment by United States persons, especially if such investment has implications for trade in goods and services.

(6) The term "state trading enterprise" means—

(A) any agency, instrumentality, or administrative unit of a foreign country which—

(i) purchases goods or services in international trade for any purpose other than the use of such goods or services by such agency, instrumentality, administrative unit, or foreign country, or

(ii) sells goods or services in international trade; or

(B) any business firm which—

(i) is substantially owned or controlled by a foreign country or any agency, instrumentality, or administrative unit thereof,

(ii) is granted (formally or informally) any special or exclusive privilege by such foreign country, agency, instrumentality, or administrative unit, and

(iii) purchases goods or services in international trade for any purpose other than the use of such goods or services by such foreign country, agency, instrumentality, or administrative unit, or which sells goods or services in international trade.

(Pub. L. 100-418, title I, §1107, Aug. 23, 1988, 102 Stat. 1134; Pub. L. 103-465, title VI, §621(a)(5), Dec. 8, 1994, 108 Stat. 4993.)

REFERENCES IN TEXT

This chapter, referred to in text, was in the original "this part", meaning part 1 (§§1101 to 1107) of subtitle A of title I of Pub. L. 100-418, which enacted this chapter and amended sections 2131, 2133, and 2191 of this title. For complete classification of part 1 to the Code, see Tables.

CODIFICATION

Section is comprised of subsec. (a) of section 1107 of Pub. L. 100-418. Subsec. (b) of section 1107 of Pub. L. 100-418 amended sections 2131 and 2191 of this title.

AMENDMENTS

1994—Par. (3). Pub. L. 103-465 substituted "the GATT 1947 (as defined in section 3501(1)(A) of this title)" for "the General Agreement on Tariffs and Trade".

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103-465 effective on the date on which the WTO Agreement enters into force with respect to the United States [Jan. 1, 1995], see section 621(b) of Pub. L. 103-465, set out as a note under section 1677k of this title.

CHAPTER 18—IMPLEMENTATION OF HARMONIZED TARIFF SCHEDULE

Sec.
3001.
3002.
3003.

Purposes.

Definitions.

Congressional approval of United States accession to the Convention.

(a) Congressional approval.

(b) Acceptance of final legal text of Convention by President.