

GATT/AIR/79

26 SEPTEMBER 1955

SUBJECT: SUSPENSION OF OBLIGATIONS OR CONCESSIONS UNDER ARTICLE XIX:3(a)
IN CONNEXION WITH THE ACTION OF THE UNITED STATES GOVERNMENT IN
RAISING THE BOUND RATES OF DUTY ON BICYCLES

THE CONTRACTING PARTIES WERE INFORMED IN GATT/AIR/77 THAT THE UNITED STATES GOVERNMENT, TAKING ACTION UNDER ARTICLE XIX, HAD RAISED THE RATES OF DUTY ON BICYCLES, BOUND UNDER ITEM NO. 371 IN SCHEDULE XX, AND WOULD CONSIDER REQUESTS FOR COMPENSATION. AT THE MEETING OF THE INTERSESSIONAL COMMITTEE COMMENCING ON 22 SEPTEMBER, THE REPRESENTATIVES OF SEVERAL CONTRACTING PARTIES REPORTED THAT THEY WERE CONSULTING WITH THE UNITED STATES GOVERNMENT REGARDING COMPENSATION, BUT IN THE EVENT OF FAILURE OF THE CONSULTATIONS THEY WOULD WISH TO AVAIL THEMSELVES OF THEIR RIGHT UNDER PARAGRAPH 3(a) OF ARTICLE XIX TO SUSPEND SUBSTANTIALLY EQUIVALENT OBLIGATIONS OR CONCESSIONS TO THE TRADE OF THE UNITED STATES. THESE REPRESENTATIVES THOUGHT IT UNLIKELY THAT THE CONSULTATIONS WOULD BE COMPLETED EARLY ENOUGH FOR SUCH ACTION, IN THE EVENT OF FAILURE, TO BE TAKEN WITHIN THE TIME-LIMIT PRESCRIBED IN ARTICLE XIX AND THEY THEREFORE SUGGESTED THAT THE CONTRACTING PARTIES MIGHT GRANT AN EXTENSION OF THE TIME-LIMIT. ACCORDINGLY, THE COMMITTEE PREPARED THE FOLLOWING DRAFT DECISION AND I WAS INSTRUCTED TO SUBMIT IT TO CONTRACTING PARTIES BY POSTAL BALLOT. CONTRACTING PARTIES ARE INVITED TO ADVISE ME, NOT LATER THAN 27 OCTOBER, WHETHER THEY APPROVE OF THIS DECISION. I MIGHT ADD THAT NEARLY ALL THE REPRESENTATIVES AND OBSERVERS ATTENDING THE MEETING OF THE INTERSESSIONAL COMMITTEE, INCLUDING THE UNITED STATES, HAVE ALREADY VOTED IN FAVOUR OF THIS DECISION.

DRAFT DECISION OF ... 1955 EXTENDING THE TIME LIMIT
IN ARTICLE XIX:3(a) FOR NOTIFICATION BY CONTRACTING PARTIES
OF ANY SUSPENSION OF OBLIGATIONS OR CONCESSIONS IN CONNEXION
WITH THE INCREASE IN THE UNITED STATES DUTIES ON BICYCLES
UNDER ARTICLE XIX

CONSIDERING THAT ON 19 AUGUST 1955 THE GOVERNMENT OF THE UNITED STATES TOOK ACTION UNDER ARTICLE XIX TO RAISE THE RATES OF DUTY ON BICYCLES BOUND UNDER ITEM NO. 371 IN SCHEDULE XX,

CONSIDERING THAT SEVERAL CONTRACTING PARTIES HAVE INFORMED THE UNITED STATES GOVERNMENT THAT THEY WISH TO ENTER INTO CONSULTATIONS UNDER ARTICLE XIX:2 IN RESPECT TO THIS ACTION WITH A VIEW TO REACHING AGREEMENT ON COMPENSATION, AND

CONSIDERING THAT THE SAID CONSULTATIONS MAY NOT HAVE BEEN COMPLETED IN TIME FOR THE SAID GOVERNMENTS TO AVAIL THEMSELVES, IN THE EVENT OF FAILURE OF THE CONSULTATIONS, OF THEIR RIGHT TO SUSPEND EQUIVALENT OBLIGATIONS OR CONCESSIONS PURSUANT TO PARAGRAPH 3(a) OF ARTICLE XIX,

THE CONTRACTING PARTIES

DECIDE THAT THE NINETY-DAY PERIOD PRESCRIBED IN ARTICLE XIX:3(a) SHALL BEGIN TO RUN AS FROM THE DATE OF THE COMPLETION OF THE AFORESAID CONSULTATIONS.

E. WYNDHAM WHITE