

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

L/433

28 October 1955

Limited Distribution

SCHEDULE XX - UNITED STATES

Action under Article XIX to increase Duties on Item No. 371 - Bicycles

As was brought to the attention of contracting parties by airgram GATT/AIR/77 on 31 August 1955, the United States have taken action under the provisions of Article XIX to raise the rates of duty on bicycles under item No. 371 in Part I of Schedule XX. The new rates, which came into effect on 19 August 1955, are as follows:

Tariff Act of 1930, para- graph	Description of Products	Rate of Duty	Rate temporarily made effect- ive on 19 August 1955
371	Bicycles with or without tires, having wheels in diameter (measures to the outer circumference of the tire): Over 25 inches: If weighing less than 36 pounds complete without accessories and not designed for use with tires having a cross-sectional diameter exceeding 1-5/8 inches	\$1.25 each, but not less than 7-1/2% nor more than 15% ad val.	\$1.87½ each, but not less than 11¼% nor more than 22½% ad val.
	Other	\$2.50 each, but not less than 15% nor more than 30% ad val.	\$3.75 each, but not less than 22½% nor more than 30% ad val.

Tariff Act of 1930, paragraph	Description of Products	Rate of Duty	Rate temporarily made effective on 19 August 1955
371	(contd.) Bicycles with or without tires, having wheels in diameter (measures to the outer circumference of the tire):		
	Over 19 but not over 25 inches	\$2 each, but not less than 15% nor more than 30% ad val.	\$3 each, but not less than 22½% nor more than 30% ad val.
	Not over 19 inches	\$1.25 each, but not less than 15% nor more than 30% ad val.	\$1.87½ each, but not less than 22½% nor more than 30% ad val.

Before taking this action the United States approached a number of contracting parties and offered to consult with them in accordance with the provisions of Article XIX:2. At the September meeting of the Intersessional Committee several delegations indicated their wish to pursue consultations with the United States but desired also to reserve their right, if agreement were not reached, to avail themselves of the provisions of paragraph 3(a) of Article XIX which would enable them to suspend the application to the trade of the United States of concessions substantially equivalent to those suspended by the United States.

A Decision was therefore drafted for the approval of the CONTRACTING PARTIES. Votes were taken at the meeting of the Intersessional Committee (IC/SR.21) and, for those contracting parties not members of the Committee nor present as observers, by postal ballot (GATT/AIR/79). The text of the Decision follows.

DECISION OF 17 OCTOBER 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 the 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.