

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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ARTICLE XIX. - ACTION BY THE UNITED STATES

Pianos

The Mission of the United States has transmitted to the secretariat the following communication, dated 2 March 1970, concerning action under Article XIX with respect to pianos.

It was announced on 24 February 1970 in Washington that the President of the United States, acting pursuant to provisions of the Trade Expansion Act of 1962¹ and Article XIX of the General Agreement, accepted the Tariff Commission finding that pianos provided for in TSUS Item 725.02 are, as a result in major part of concessions granted under trade agreements, being imported into the United States in such increased quantities as to threaten to cause serious injury to the domestic industry and issued a proclamation increasing the prevailing rate of duty on pianos to 13.5 per cent ad valorem to prevent such injury, effective for a three-year period commencing 21 February 1970.

In accordance with paragraph 2 of Article XIX of the General Agreement, the United States Government afforded the contracting parties having a substantial interest as exporters of pianos an opportunity to consult with it with respect to the Tariff Commission findings and possible action by the President.

The Presidential Proclamation does not affect the prevailing rate of duty applying to grand pianos. The staged Kennedy Round tariff reductions for grand pianos will continue to be implemented as scheduled.

In a related action, the President also authorized adjustment assistance for firms and workers in the domestic piano industry to help them adjust to the impact of import competition.

In the Kennedy Round, the rate of duty on pianos was reduced from 17 per cent ad valorem to 8.5 per cent, to be implemented in five stages. Since 1 January 1970, the rate has been 11.5 per cent. The President's action, in effect, re-establishes the rate of duty prevailing in 1969 and temporarily suspends the staging of the Kennedy Round tariff concessions at the second step of implementation.

¹Document L/3314