

GENERAL AGREEMENT ON  
TARIFFS AND TRADE

RESTRICTED

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UNITED STATES INTERNATIONAL TRADE COMMISSION  
INVESTIGATIONS

Television Receivers

Addendum

MONITORING SYSTEM ON IMPORTS

The following communication dated 6 July 1977 has been received from the Permanent Mission of the United States.

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My authorities request that the following text be circulated to the CONTRACTING PARTIES. At the last paragraph of the text notes, this is not a withdrawal of concessions or suspension of GATT obligations but is, instead, a proposed United States action which will take place under certain conditions of the agreement with the Government of Japan.

On 4 April (L/4485) the United States notified the CONTRACTING PARTIES that the United States International Trade Commission had determined that the United States domestic industry producing like or directly competitive articles had been seriously injured as a result of increased imports of colour television receivers.

On 19 May 1977, the President of the United States determined to provide import relief to the domestic United States industry and instructed the Special Representative for Trade Negotiations to negotiate a moderation of imports of colour television receivers from the major United States supplier, and to assure that rapidly increasing imports from other sources do not disrupt the effectiveness of that agreement.

After discussions with the Government of Japan, the Government of Japan has undertaken unilaterally to moderate its exports of colour television receivers to the United States effective 1 July 1977. The United States has determined to institute the following unilateral monitoring system on imports of colour television receivers into the United States, reserving the authority to impose unilateral import restraints if certain conditions are met, as follows:

"Statistics on imports from Japan and from all other sources of articles covered by the agreement shall be collected on a monthly basis. Should the export restraint level specified in the orderly marketing agreement with the Government of Japan be exceeded, or should imports from countries not parties to such agreement increase in such quantities so as to disrupt the effectiveness of the orderly marketing agreement, the Special Representative, after consultation with representatives of member agencies of the Trade Policy Staff Committee, may make a determination that for the purposes of Section 203(E)(3) of the Trade Act the orderly marketing agreement does not continue to be effective.

"With respect to the products of Japan, beginning on 1 July 1977, the Special Representative may direct the Commissioner of Customs to restrict the entry, or withdrawal from warehouse, for consumption of articles subject to the orderly marketing agreement which are not accompanied by a valid export certificate showing authorization for export to the United States pursuant to the provisions of the agreement.

"With respect to the products of Japan, entry, or withdrawal from warehouse, for consumption of articles not accompanied by a valid export certificate will be denied for the remainder of a restraint year should the total amount of such articles entered, or withdrawn from warehouse, for consumption in the United States reach 3 per cent of the level for that restraint period specified in the agreement.

"With respect to the products of other countries, beginning on 1 July 1977, if the quantity of imports of all other countries, excluding Japan, of the articles subject to import relief under this proclamation appear likely during a twelve-month period to disrupt the effectiveness of the orderly marketing agreement, the Special Representative may initiate consultations with those countries responsible for such disruption and may prevent further entries of such articles for the remainder of the restraint period or otherwise moderate or restrict the imports from such countries pursuant to Section 203(G)(2) of the Trade Act, (19 U.S.C. 2253(G)(2)). Before exercising this authority, the Special Representative shall consult with representatives of the member agencies of the Trade Policy Staff Committee.

"Should the Special Representative determine to institute import restrictions on articles entered, or withdrawn from warehouse, for consumption from Japan or from other countries pursuant to this proclamation, such action shall become effective not less than eight days after such determination and any necessary changes in the TSUS have been published in the Federal Register'.

This action on the part of the Government of the United States is not at present a withdrawal of concessions or suspension of United States GATT obligations. Should the Government of the United States determine to take such action pursuant to the presidential proclamation the Government of the United States will notify the CONTRACTING PARTIES and provide affected CONTRACTING PARTIES the opportunity to consult under Article XIX.