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ORIGINAL : ENGLISH

GENERAL AGREEMENT ON TARIFFS AND TRADE  
Contracting Parties  
Second Session  
Item 16 on the Provisional Agenda

PREFERENCES FOR THE TRUST TERRITORY  
OF THE PACIFIC

Proposal by the Government of the United States

The United States is administering the former Japanese Mandated Islands in the Pacific under a trusteeship agreement with the United Nations. It is considered by the United States Government that the economic development of the inhabitants of the islands will be promoted by the importation into the United States and its territories and possessions of products of the trust territory free of duty and by the exemption of such products from certain internal taxes from which products of territories and possessions of the United States are exempt.

The exports from these islands consist principally of copra and unmanufactured trochus shells (both of which are on the free list in the Tariff Act of 1930) with some native handicraft articles of leaf, grass, or wood. United States import statistics show imports from these islands in 1947 amounting to about 281 thousand dollars, over 90% of which consisted of copra.

The United States desires to obtain a waiver, pursuant to article XXV, which would permit it to accord duty and tax preferences to the products of these islands imported into the United States and its territories and possessions.