

GENERAL AGREEMENT ON
TARIFFS AND TRADE

RESTRICTED

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ARTICLE XIX -- ACTION BY THE UNITED STATES

Addendum

Clothes-pins

The following communication dated 6 March 1979 has been received from the Permanent Mission of the United States.

The United States advised the CONTRACTING PARTIES in GATT document L/4759 of the recommendation by the United States International Trade Commission (USITC) to impose a quota on imports of certain clothes-pins and offered to consult with the CONTRACTING PARTIES and those contracting parties having a substantial interest as exporters of clothes-pins regarding the proposed action.

Following consultations under Article XIX and review of the relevant factors as provided by United States Law, the President announced on 8 February 1979 his decision to grant modified import relief to the United States clothes-pin industry. Presidential Proclamation Number 4640 entitled "Temporary Quantitative Limitation on the Importation into the United States of Certain Clothes-pins", dated 23 February 1979, was published in the Federal Register on 26 February 1979, and its provisions became effective on 23 February 1979. The Proclamation provides a global quota on imports of wood and plastic spring clothes-pins (Tariff Schedules of the United States 790.05). The global quota limits the importation of clothes-pins valued at no more than US\$1.70 a gross to 2 million gross annually for three years. The quota is administered quarterly as follows:

<u>Category</u>	<u>Quota allocation</u>
Valued not over 30 cents per gross	500,000 gross
Valued over 30 cents per gross but not over US\$1.35 per gross	600,000 gross
Valued over US\$1.35 per gross but not over US\$1.70 per gross	900,000 gross
TOTAL	2,000,000 gross

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To ensure that as much of the quota as possible is filled, the relief measure has been designed to allow flexible quota allocations to be shifted from unfilled to filled categories during the year. Imports of all spring clothes-pins entering under TSUS 790.05 totalled approximately 2.1 million gross in 1978.

The United States International Trade Commission had recommended relief over a five-year period in the form of a global quota limiting the importation of clothes-pins valued at no more than US\$2.10 per gross to 3,200,000 gross and allocated as follows:

<u>Category</u>	<u>Allocation (gross)</u>
Valued not over 80 cents per gross	200,000
Valued over 80 cents per gross but not over US\$1.35 per gross	400,000
Valued over US\$1.35 per gross but not over US\$1.70 per gross	600,000
Valued over US\$1.70 per gross but not over US\$2.10 per gross	2,000,000
TOTAL	3,200,000

The relief chosen is thus significantly less restrictive than the USITC recommendation as it excludes clothes-pins valued at more than US\$1.70 per gross and sets the annual quota for the remainder at 2 million gross, 800,000 gross more than the figure recommended by the USITC.

The United States reaffirms its readiness to consult with the CONTRACTING PARTIES and with those contracting parties having a substantial interest as exporters of clothes-pins regarding this action.

