## GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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## FINLAND - INTERNAL REGULATIONS HAVING AN EFFECT ON IMPORTS OF CERTAIN PARTS FOR FOOTWEAR

The following communication has been received from the European Communities with the request that it be circulated to contracting parties.

On 26 January 1982 the Board of the Export and Import Licensing in Finland decided for the year 1983 to make exports of leather footwear to the Soviet Union subject, <u>inter alia</u>, to the condition that the soles incorporated in such footwear (ex CCT 64.05 B) should be of domestic origin.

It is the opinion of the European Communities that the implementation of this decision will constitute an infringement of certain provisions of the General Agreement, in particular those of Article III, and will result in a substantial disruption of the Community's exports of this product to Finland with serious economic and social consequences.

The European Communities have therefore expressed to the Finnish authorities in bilateral contacts in Brussels, Geneva and Helsinki, their concern at the implications of the decision and have invited them to consider appropriate solutions. In addition on 23 September the European Communities held consultations with Finland under Article XXIII:1. In the absence of any satisfactory solution the European Communities wish to refer the matter to the CONTRACTING PARTIES.

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