

GENERAL AGREEMENT ON TARIFFS AND TRADE

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UNITED STATES - POSSIBLE SUSPENSION OF MOST-FAVOURLED-NATION TREATMENT TO POLAND

The following communication has been received from the Permanent Representative of Poland, with the request that it be circulated to contracting parties.

On 9 October, 1982, the President of the United States publicly announced his intention to bring about the suspension of Poland's most-favoured-nation status in the United States as quickly as possible.

Consequently, procedures have been initiated within the United States administration with a view to implementing this intention.

The mere announcement of this action does already begin to have a negative impact on commercial relations between Poland and the United States, as it tends to discourage actual and potential buyers and sellers.

The foresaid measures have been declared as taken in response to a decision made by the Polish Parliament with regard to internal legislative arrangement. The nature and the subject of this parliamentary decision are in no way related to commercial policies of Poland, nor do they affect economic and commercial interests of Poland's trading partners.

Under these circumstances the measures announced by the United States are uniquely placed within a purely political context and are clearly intended for political objectives.

The U.S. action, in its narrow technical sense is aimed - unilaterally and outside the established GATT laws and procedures - against the MFN treatment of a contracting party for which such treatment has been unconditionally guaranteed by basic provisions of the General Agreement.

There is, however, a broader dimension of the U.S. action. This dimension involves a violation of fundamental principles embodied in the General Agreement which are a cornerstone of the entire edifice of international trade. The implementation of the announced U.S. action will constitute the most serious precedent, with the profoundly damaging consequences for the stability and integrity of the GATT system and for the legitimate, economic security interests of each and every member of international trading community.

Therefore, Poland wishes to place this issue before the CONTRACTING PARTIES to call their attention to the gravity and singular importance of this matter and requests that it be included in the agenda of the 2 November GATT Council meeting for consideration and appropriate action.