Background In August 1952, under the Article XIX "escape clause" procedure, the United States increased its import duty on dried figs to $0.47 cents per pound. The former duty was $0.25 cents per pound, which was a concession granted to Turkey in the 1951 Torquay negotiations. At the Seventh Session, in October 1952, Greece, Italy and Turkey gave their views as to the effect of the United States duty increase on their export trade, and the Contracting Parties adopted a resolution by which (a) the United States Government undertook to request the United States Tariff Commission to review the facts and report on them at the Eighth Session, (b) the Turkish Government decided to apply, temporarily, certain increased rates of duty to imports from the United States, (c) the United States would consult as regards the possibility of making concessions to compensate Greece and Italy, respectively.

At the Eighth Session in October 1953 the Contracting Parties adopted a resolution noting that the United States Government was continuing its consultations with Greece and Italy, re-affirming their conviction that the most satisfactory solution would be for the United States to restore the concession on dried figs negotiated at Torquay and requesting the United States and other Governments concerned to report at the Ninth Session as to further action taken.

Reports of the interested Governments The United States Government has reported to the Contracting Parties that in accordance with the assurance given by the United States delegation at the Eighth Session, the United States Tariff Commission reviewed the situation again. Its report of 24 August 1954, indicated that conditions of competition with regard to the trade in imported and domestically produced figs had not changed materially. In its report the Tariff Commission noted that imports in 1953 were 7.8 million pounds, the highest level that had been reached since 1930, except for 1950 and that the estimated quantity available for export to the United States in 1954 would be equal to, if not greater than, that shipped in 1953. President Eisenhower approved this report on 11 September 1954.

Since it does not appear that a restoration of the concession can be effected within the immediate future the United States feels that the best solution would be for the United States to offer other concessions in its place. Therefore, on 13 November 1954, the United States gave public notice that it will seek to negotiate adequate compensatory concessions with the affected countries. Accordingly, the United States is now prepared to negotiate with the governments of those countries with regard to this matter, the United States report concluded.
In presenting the Report, Mr. Winthrop Brown, United States, confirmed that it did not seem likely that the present situation could be changed and for this reason the intention of the United States Government to negotiate compensatory concessions seemed the most desirable approach. Already, the United States Government was considering suggestions from the affected countries and he confirmed the intention of his Government to enter into negotiations under GATT procedures as soon as possible.

Mr. D. Bitsios, Greece, informed the Contracting Parties that the first contacts between the United States and Greek delegations had been made during the course of the Session and that the Greek delegation was ready to continue the negotiations. He asked that the matter should be maintained on the agenda of this Session, so that the results of the negotiations could be made known to the Contracting Parties.

Mr. E. Anzilotti, Italy, said that, although earlier consultations with the United States looking towards compensatory tariff revisions had not proved fruitful, new Italian proposals had recently been submitted, and he had been informed by the United States delegation that these proposals had been transmitted to Washington with a view to holding negotiations next February.

Mr. C.S. Hayta, Turkey, said that negotiations with the United States Government had already begun and he hoped they would be successfully completed soon.

It was agreed that the item should remain on the agenda of this Session so that at a later date the Contracting Parties would have an opportunity of noting further progress in the negotiations between the United States and the three-affected countries.