The GATT Secretariat has published the Report on the withdrawal by the United States of a Tariff Concession under Article XIX of the GATT. The 41 page Report, including appendices, is on sale through U.N. Sales Agents. U.S. $0.35 or Sw.Fr. 1.50.

The Report is the outcome of a protest by Czechoslovakia at the Fifth Session against the action of the United States in deciding to withdraw one of the tariff concessions which had been negotiated at Geneva in 1947 and which had been in force since January 1948. An investigation by the U.S. Tariff Commission had found that certain articles on which rates of duty had been reduced and bound against increase — namely hats, caps, bonnets and hoods for women's wear of a certain description and within a certain price range — were being imported in increased quantities and under such conditions as to cause serious injury to domestic industry. The Commission concluded that the withdrawal of the concession was necessary in order to prevent continuance of the injury. Accordingly the U.S. Government decided to act under the "escape clause" contained in GATT Article XIX and to withdraw the concession with effect from December 1, 1950. Consultations as required under the GATT, were held with the several countries substantially interested as exporters of the products concerned and agreement was reached with these countries, with the exception of Czechoslovakia. Czechoslovakia protested against the action of the United States on the ground that certain conditions of Article XIX had not been fulfilled. The Czechoslovak complaint was referred to a working party which completed its report in March 1951.

The Report falls into six sections: introduction, the requirements of Article XIX, existence of the conditions required for action under Article XIX, extent and duration of the action taken by the U.S., procedural requirements of Article XIX and conclusions. The appendices contain a communication from the U.S. delegation on the decision to withdraw the concession, a memorandum by the Czechoslovak delegation protesting against the U.S. action, the details of the U.S. tariff item specifying the products concerned and the text of Article XIX.

The Report embodies the findings of the members other than the two parties concerned and comes to the conclusion that there was no conclusive evidence that the action taken by the U.S. Government under Article XIX constituted a breach of its obligations under GATT. They pointed out, however, that in their opinion action under the Article XIX "escape clause" procedure is essentially of an emergency character and a government taking such action should keep the
position under review and be prepared to reconsider the matter as soon as the action is no longer necessary to prevent or remedy serious injury.

When the Report was adopted by the Contracting Parties at their Sixth Session in October 1951 the U.S. representative stated that the President had requested the Tariff Commission to examine carefully the course of development in order to report to him any changes which might make it possible partially or completely to restore the concession without the danger of renewed injury.

The Czechoslovak representative did not agree with the conclusions of the Report when it was adopted in October 1951. Except for this dissension the Report was approved by the Contracting Parties as embodying their collective views; they also agreed to publish it because of its value in relation to the interpretation of GATT Article XIX.