 subjects: SCHEDULE XX - UNITED STATES
SUSPENSION OF OBLIGATIONS OR CONCESSIONS UNDER ARTICLE XIX

The Contracting Parties were informed in GATT/AIR/90 of the Report of the United States Tariff Commission to the President in which the Commission unanimously found, in the Escape Clause Case regarding the Linen Towelling Industry, that the Industry had been injured by increased imports.

The following communication has now been received from the United States Government:

"This letter is to inform you that the White House announced on 26 June that the President had accepted the Tariff Commission's finding and its recommendation to increase the import Tariff on Towelling, dutiable under Tariff Paragraph 1010, from 10 per cent ad valorem to 40 per cent ad valorem effective after the close of business on 25 July 1956. The increased duty will apply to Towelling, i.e., Fabrics chiefly used for making towels of flax, hemp or ramie, or of which these substances or any of them is the component material of chief value. The increase brings the duty on Towelling dutiable under Tariff Paragraph 1010 into line with the duty on similar imports under Paragraph 1009(a). The increased duty does not affect other types of imports under Paragraph 1010, which comprise the bulk of entries under that Paragraph.

"The estimated value of 1955 imports of Towelling on which the duty is being increased is as follows:

| United Kingdom | $481,000 |
| Belgium        | 465,000  |
| Japan          | 45,000   |

"The Department of State has informed the embassies of the United Kingdom, Belgium and Japan of the President's decision."

E. Wyndham White