GENERAL AGREEMENT ON
TARIFFS AND TRADE

CONTRACTING PARTIES
Sixth Session

ITEM 30
RESOLUTION OF THE CONTRACTING PARTIES
ON THE UNITED STATES IMPORT RESTRICTIONS
ON DAIRY PRODUCTS IMPOSED UNDER SECTION
104 OF THE UNITED STATES DEFENCE PRODUCTION
ACT

Proposal by the Chairman after consultation with interested
Delegations

The CONTRACTING PARTIES

TAKING NOTE of the statement made on September 24 by the United States
representative regarding Section 104 of the United States Defence Production
Act under which the United States Government has imposed restrictions on the
importation into the United States of a number of dairy products;

TAKING NOTE with satisfaction of the strong determination on the part of the
United States Government, as indicated in this statement, to seek repeal of
Section 104 of the Defence Production Act, and of the speedy action taken
looking toward such repeal;

TAKING NOTE of the further statement on October 26, by the United States re­
presentative reporting that such action had not yet resulted in such repeal;

RECOGNIZING that concessions granted by the United States Government to
contracting parties under the General Agreement have been nullified or impaired
within the meaning of Article XXIII of the General Agreement and that the
import restrictions in question constitute an infringement of Article XI of
the Agreement;

RECOGNIZING FURTHER that a large number of contracting parties have indicated
that they have suffered serious damage as a result of this nullification or
impairment, and that the circumstances are serious enough to justify recourse
by those contracting parties to paragraph 2 of Article XXIII;

RESOLVE, without prejudice to the rights of any contracting party under
paragraph 2 of Article XXIII,
TO COUNSEL the contracting parties affected, in view of the continuing determination of the United States Government to seek the repeal of Section 104 of the United States Defence Production Act and the high priority and urgency which it has stated it will give to further action to this end, to afford to the United States Government a reasonable period of time, as it has requested, in order to rectify the situation through such repeal; and

TO REQUEST the United States Government to report to the CONTRACTING PARTIES at as early a date as possible, and in any case not later than the opening of the Seventh Session of the CONTRACTING PARTIES, on the action which it has taken.