The following communication has been received from the United States delegation regarding certain changes in Schedule XX. If no objection is received by the 18th April these adjustments will be included in Annex A to Schedule XX of the Torquay Protocol provided negotiations with regard to these adjustments have been successfully concluded and notified to the Secretariat before that date.

"Reference is made to the statement by the United States Government, in announcing that it did not intend during the Torquay negotiations to invoke Article XXVIII, that certain adjustments in existing concessions were being considered (GATT/TN.2/14/Add.4). There follows an explanation of the adjustments of this nature in Schedule XX with respect to which discussions have been or are being held by the United States with the contracting parties with which the relevant concessions were initially negotiated and with other contracting parties which it is believed would be materially affected.

**Geneva Part I, Item 781**

"**Onion powder** - At the time of the Geneva negotiations the United States Government understood that onion powder was classified under the third item 775 as a vegetable reduced to flour, the duty applicable to which is 17½% ad valorem. However, a court decision has held that onion powder is dutiable at 12½% ad valorem under item 781 as a spice not especially provided for. The concession in the third item 775 has been withdrawn under Article XXVII following the withdrawal of China from the General Agreement, and onion powder is not supplied to the United States by any contracting party. Negotiations are being carried on for the withdrawal of onion powder from item 781.

**Geneva, Part I, Item 909**

"**Corduroys** - At Geneva a concession was negotiated on corduroys, 52 inches or more in width, valued at 50¢ or more per square yard. The rate was bound at 30¢ ad valorem. Now it is proposed to reword the concession to be a specific rate of 25¢ per square yard, with limitations of not less than 25¢ ad valorem nor more than 50¢ ad valorem. Under such a re-wording a greater concession would be accorded with respect to higher value corduroys, but varying increases in rate from 30¢ to 50¢ ad valorem would result from the change in the case of corduroys valued at 50¢ or more but not over 83¢ per square yard.

**Geneva, Part I, Item 1205 (First)**

"**Dyed stencil silk** - In the Geneva negotiations the United States granted a reduction in duty from 45 to 25 percent ad valorem on all-silk fabrics, bleached, printed, dyed, or colored, and valued over 85.50 per pound. Stencil silk is a highly specialized industrial fabric used in textile printing, photography, and the graphic arts in the preparation of stencil screens or master plates for the reproduction of designs. It is normally used in the undyed form. Recently manufacturers in countries not contracting parties have been dyeing stencil silk in order to take advantage of the 25 percent duty on dyed silk fabrics referred to above. The United States is discussing the withdrawal of stencil silk from the first item 1205. Stencil silk is not produced in any contracting party other than the United States."
Geneva, Part I, Item 1532 (a)

"Women's and children's leather gloves - The minimum ad valorem rates on women's and children's leather gloves in the second proviso to item 1532 (a) are as follows:

Machine seamed, not lined, and not trimmed with fur:
Not over 12 inches in length ................. 40%  
Over 12 inches in length .................. 35%

Hand seamed, not lined, and not trimmed with fur:
Not over 12 inches in length ................. 35%  
Over 12 inches in length .................. 30%

Other ........................................ 25%

"Under a recent court decision gloves which are seamed partly by hand and partly by machine have been declared dutiable under this proviso, not as machine-seamed and not as hand-seamed, but as "other" at 25 percent. It was intended by the United States Government at Geneva that the provision for "other" gloves should apply only to gloves which are lined, or trimmed with fur. The United States is discussing an alteration of the classification in the proviso to provide that the minimum ad valorem rates applicable to hand-seamed gloves shall be applicable also to gloves seamed partly by hand and partly by machine.

Geneva, Part II, Item 408

"Citrus fruit boxes - The Tariff Act of 1930 specifies a rate of 25% ad valorem on boxes containing certain fruit, but provides that the rate on the boxes of which the thin wood, comprising certain parts of such boxes, was manufactured in the United States and exported therefrom as fruit box shocks, shall be one-half of the rate on similar boxes of entirely foreign manufacture. At Geneva a rate of 10% ad valorem was negotiated on the boxes of Cuban origin, and the dutiable status of Cuban boxes made with thin wood of United States manufacture so exported was bound at one-half the rate for other Cuban boxes. In connection with an attempt to simplify the tariff treatment of such boxes whether or not made with such thin wood, the United States has under negotiation with Cuba the establishment of a single rate of 6½% ad valorem on all boxes, whether or not made with thin wood of United States manufacture exported as fruit box shocks.

Geneva, Part II, Items 501 and 502

"Sugar - The concessions in items 501 and 502 provide for rate applicable to sugar and liquid sugar without qualification. The United States Government feels that, should legislation comparable to that now imposing import quotas on the importation of sugar, which are justified under paragraph 2(c) (1) of Article XI, cease to be in effect, it would be necessary to reappraise the situation as to the duty on sugar. For this purpose negotiations are being carried on for the addition of a note limiting the concession in item 501 in Part II to the period during which such quota legislation is in effect. The language would be comparable to that by which the concession on sugar is limited by the note following item 502 Part I of Schedule XX contained in Annex A to the Ancey Protocol of Terms of Accession. Consideration is being given to the inclusion in any such note of a proviso under which a lower rate than that which would otherwise apply, subject to a quota limitation, might thereafter be proclaimed by United States."