ARTICLE XIX - UNITED STATES

Compensation for Actions on Wilton Carpets and Sheet Glass

The secretariat has received from the delegation of the United States the attached text of an agreement signed on 31 December 1962 by representatives of Japan and the United States which provides compensation for the tariff increases by the United States on carpets and glass under Article XIX of the General Agreement (cf. documents L/1509 and addenda, L/1530 and addenda and L/1951).
ANNEX

Agreement Supplementary to the
General Agreement on Tariffs and Trade

The delegations of Japan and the United States of America;

Considering the reciprocal concessions and advantages for the promotion of trade provided for in their respective schedules annexed to the General Agreement on Tariffs and Trade (hereinafter referred to as the General Agreement);

Taking cognizance of Proclamations Nos. 3454 and 3455 issued by the President of the United States of America on 19 March 1962 and Proclamation No. 3458 on 27 March 1962, in accordance with Article XIX of the General Agreement, with respect to certain products described in items 219 and 1117(a) in Part I of Schedule XX of the Sixth Protocol of Supplementary Concessions to the said General Agreement; (hereinafter referred to as "Schedule XX - 1956"); and

Recognizing the desirability of maintaining the general level of reciprocal and mutually advantageous concessions in the General Agreement;

Agree as follows:

As compensatory adjustment for such action of 19 March 1962, the United States shall, on and after 1 February 1963 subject to the provisions of the schedule attached and of the General Agreement on Tariffs and Trade, apply to products described in such schedule treatment no less favourable than the treatment indicated therein as though such treatment were provided for such products in part of Schedule XX - 1956, with the understanding that as soon as practicable such treatment will be specifically included in Schedule XX - 1956.

In the event that the action by the United States of America in the Proclamations referred to above is modified or terminated so as to result in a lower rate of duty for any product the rate of duty on which was increased as a result of those Proclamations, the Government of the United States and the Government of Japan, and if appropriate, the governments of other contracting parties to the General Agreement, will enter into negotiations or consultations with a view to reaching a mutually satisfactory compensatory adjustment of the balance of concessions under that Agreement.

In witness whereof the undersigned, being duly authorized by their respective governments, have signed this agreement.

Done at Geneva, in duplicate, this thirty-first day of December one thousand nine hundred and sixty-two.

For Japan: For the United States of America:
<table>
<thead>
<tr>
<th>Paragraph</th>
<th>Description of products</th>
<th>Rates of duty</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>A</td>
</tr>
<tr>
<td>1209</td>
<td>Handkerchiefs and woven mufflers, wholly or in chief value of silk, finished or unfinished, and valued at more than $5 per dozen: Hemmed or hemstitched (except block-printed by hand)</td>
<td>25% ad val.</td>
</tr>
<tr>
<td>1210</td>
<td>Clothing and articles of wearing apparel of every description, manufactured wholly or in part, wholly or in chief value of silk, and not specially provided for: Scarves</td>
<td>30% ad val.</td>
</tr>
<tr>
<td>1513</td>
<td>Toys, not specially provided for: Toys capable of emitting sound and in the forms of musical instruments</td>
<td>29% ad val.</td>
</tr>
</tbody>
</table>

*The word "Paragraph" refers to the respective paragraphs appearing in the Tariff Act of 1930.*
GENERAL NOTES

Subject to the provisions of this Schedule, to the provisions of the General Agreement on Tariffs and Trade relating to Part I of Schedule XX thereto, and to the provisions of section 350(a)(4)(B) and (C) of the Tariff Act of 1930, as now amended (72 Stat. (pt. 1) 674), the rates specified in the rate columns in this Schedule will become effective as follows:

(a) Rates in Column A will become initially effective on the day provided therefor in the proclamation by the President of the United States to carry out the provisions of this Schedule, and rates in Column B will become initially effective upon the expiration of a full period of one year after the related rate in Column A became initially effective.

(b) For the purposes of sub-paragraph (a) above, the phrase "full period of one year" means a period or periods aggregating one year exclusive of the time, after a rate becomes initially effective, when, by reason of legislation of the United States or action thereunder, a higher rate of duty is being applied.