The following communication has been received from the delegation of the United States.

The United States in GATT document L/4299 of 13 February 1976 had the honour to inform the contracting parties of the entry into force of the Generalized System of Preferences of the United States on 1 January 1976 and to provide the contracting parties with among other documentation the text of Title V of the Trade Act of 1974 authorizing the system. The United States hereby wishes to inform the contracting parties that section 502(b) of Title V of the Trade Act of 1974 was amended by section 1327 of the Tax Reform Act of 1976 (Public Law 94-455, 4 October 1976) to provide that the President shall not designate any country a beneficiary for GSP if such country aids or abets by granting sanctuary from prosecution to, any individual or group which has committed an act of international terrorism. The amendment also provides that this provision shall not prevent the designation of a country as a beneficiary for GSP if the President determines that such designation will be in the national economic interest of the United States and reports such determination to the Congress with his reasons therefor.

The text of the new amendment is as follows:

Section 1327. Trade Act of 1974 Amendments

Section 502(b) of the Trade Act of 1974 (Public Law 93-618; 88 Stat. 1978) is amended as follows:

(1) At the end of paragraph (5) thereof strike out "and".
(2) At the end of paragraph (6) thereof strike out the period and insert in lieu thereof a semi-colon and the word "and".

(3) Immediately below paragraph (6) thereof insert the following new paragraph:

"(7) if such country aids or abets, by granting sanctuary from prosecution to, any individual or group which has committed an act of international terrorism."

(4) In the unnumbered matter at the end thereof, immediately after "(5)", strike out "and" and immediately after "(6)" insert "and (7)".