WHEREAS by Resolution of 26 October 1951 the CONTRACTING PARTIES recognised (a) that concessions granted by the United States Government to contracting parties under the General Agreement had been nullified or impaired within the meaning of Article XXIII of the General Agreement as the result of import restrictions imposed in pursuance of Section 10*f of the United States Defence Production Act (b) that these import restrictions constituted an infringement of Article XI of the Agreement, (c) that a number of contracting parties had indicated that they had suffered serious damage as a result of this nullification or impairment and (d) that the circumstances were serious enough to justify recourse by those contracting parties to Article XXIII paragraph 2. and

WHEREAS by the said Resolution the CONTRACTING PARTIES
1. Counselling the contracting parties affected, in view of the continuing determination of the United States Government to seek the repeal of Section 10*f of the United States Defence Production Act, to afford to the United States Government a reasonable period of time in order to rectify the situation through such repeal and
2. Requested 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 7th Session of the CONTRACTING PARTIES on the action which it had taken and

WHEREAS the report and supplementary report submitted by the United States Government to the 7th Session on 10th September 1952 and 6th October 1952 respectively fail to remove the aforesaid nullification and impairment and

WHEREAS certain of the contracting parties affected, in
view of the late date at which the aforesaid reports by the United States Government were presented, have not had sufficient time to decide upon the specific measures to which they may resort in accordance with Article XXIII paragraph 2, and therefore are not in a position to submit these measures to the CONTRACTING PARTIES with a view to a determination by the CONTRACTING PARTIES as required by the said Article XXIII paragraph 2.

The CONTRACTING PARTIES decide as follows:

1. If an affected contracting party decides to take action in accordance with Article XXIII paragraph 2, suspending the application to the United States of certain obligations or concessions under the General Agreement, it shall communicate to the contracting parties and to the Executive Secretary details of the proposed measure or measures.

2. No action shall be taken to make such suspension effective for a period of 30 days from the date of such communication.

3. If by the expiry of this 30 day period no objection has been lodged either as to the appropriateness of the suspension proposed or as to its consistency with the provisions of Article XXIII, the contracting party concerned shall be free to put the proposed suspension into effect as if the specific measure had been expressly approved in accordance with paragraph 2 of Article XXIII.

4. If objections are lodged within the 30 day period, the contracting party proposing the suspension shall enter into consultation with the objecting contracting party or parties and if a satisfactory adjustment is arrived at as a result
of such consultation, shall be free to proceed to make the suspension effective.

5. If no satisfactory adjustment is effected in accordance with paragraph 4 above, the matter shall be referred to the CONTRACTING PARTIES either at the next regular Session or to a special Session of the CONTRACTING PARTIES convened in accordance with the Rules of Procedure.