

GENERAL AGREEMENT ON

RESTRICTED

TARIFFS AND TRADE

L/6198

3 July 1987

Limited Distribution

Original: English

UNITED STATES - SECTION 337 OF THE TARIFF ACT OF 1930

Recourse to Article XXIII:2 by the European Economic Community

The following communication, dated 2 July 1987, has been received from the Permanent Delegation of the Commission of the European Communities, with the request that it be circulated for the information of contracting parties and that the matter be placed on the agenda of the Council for its meeting on 15 July 1987.

On 22 April 1987 the European Community requested consultations with the United States under Article XXIII:1 of the General Agreement concerning the application of Section 337 of the US Tariff Act 1930 (document L/6160).

The request for consultations resulted from an examination of a specific case where for the purpose of enforcing private intellectual property rights imported goods were subjected to a separate and distinct procedure solely by virtue of their non-US origin. The EC considered that a denial of national treatment within the meaning of Article III of the General Agreement resulted from the different rules applicable under Section 337 and that this denial does not fall within the provisions of Article XX(d) of the General Agreement. The EC therefore considers the benefits accruing to it under the General Agreement are being nullified and impaired through the application of the provisions of Section 337.

Despite repeated attempts to arrange for consultations to take place this has proved difficult. The earliest date that could be arranged is 10 July next. In these circumstances, and in the event that no mutually satisfactory agreement is found in the intervening period, the European Economic Community hereby requests that the GATT Council, at its meeting on 15 July 1987, establish a panel to examine this matter and to make such findings or recommendations as may be appropriate.