

INTRODUCTION OF HARMONIZED SYSTEM CHANGES INTO
WTO SCHEDULES OF TARIFF CONCESSIONS ON 1 JANUARY 1996

Decision of 13 December 1995¹

The General Council,

Recognizing that the adoption of the Harmonized Commodity Description and Coding System (hereinafter referred to as the "Harmonized System") has, in addition to facilitating international trade and the analysis of trade statistics, ensured greater uniformity in countries' customs classification, thus enabling them to monitor and protect the value of tariff concessions;

Noting that, in accordance with Article 16 of the Harmonized System Convention, the Council of the World Customs Organization adopted a Recommendation on 6 July 1993 concerning amendments to the Harmonized System to come into force on 1 January 1996 (hereinafter referred to as "HS96 changes");

Recalling the simplified procedures adopted by the Committee on Tariff Concessions to implement changes in the Harmonized System², in particular paragraph 2 of those procedures, which in certain cases may require negotiation or consultation under Article XXVIII of GATT 1994,

Considering that the Members concerned would need more time to proceed with consultations or possible Article XXVIII negotiations,

Acting pursuant to the provisions of paragraph 3 of Article IX of the WTO Agreement,

Decides, in view of the exceptional circumstances, to suspend the application of the provisions of Article II of GATT 1994, until 30 June 1996, for the purpose of enabling the Members listed in the Annex to implement on 1 January 1996 the recommended amendments to the Harmonized System nomenclature, subject to the following conditions:

- (i) The Member concerned shall submit, to the extent possible, by 31 December 1995, the documentation required under paragraph 2 of the simplified procedures adopted by the Committee on Tariff Concessions to implement changes in the Harmonized System¹;

¹Adopted in accordance with the Procedures on WTO Decision-Making under Articles IX and XII of the WTO Agreement agreed by the General Council (WT/L/93).

²BISD 39S/300.

if this is not possible:

- (a) the Member concerned shall submit by 31 December 1995, the pages of its consolidated schedule containing the proposed changes together with an accompanying letter indicating the concessions which may have been altered or one copy of its national tariff in either its national language or in one of the WTO official languages, with the HS96 changes clearly indicated; and
 - (b) the Member concerned shall submit by 31 March 1996 the remaining documentation required under paragraph 2 of the simplified procedures adopted by the Committee on Tariff Concessions to implement changes in the Harmonized System;
- (ii) the Member concerned shall, where necessary, promptly enter into negotiations and consultations with interested Members pursuant to paragraphs 1-3 of Article XXVIII of GATT 1994;
- (iii) the negotiations and consultations mentioned above shall be completed not later than 30 June 1996;
- (iv) pending the entry into force of the results of the negotiations or consultations mentioned above, the other Members will be free to suspend concessions initially negotiated with the Member concerned to the extent that they consider that adequate compensation is not offered by the Member concerned.

ANNEX

MEMBERS WHICH HAVE REQUESTED TO BE COVERED BY

THE WAIVER UNDER THE ABOVE DECISION

Argentina
Brazil
Brunei Darussalam
Canada
Colombia
Cuba
Cyprus
Czech Republic
European Communities
Hungary
Iceland
India
Indonesia
Israel
Malaysia
Mexico
Norway
Paraguay
Philippines
Poland
Singapore
Slovak Republic
Slovenia
South Africa
Sri Lanka
Switzerland
Thailand
Tunisia
Turkey
United States
Uruguay
Venezuela
Zimbabwe