WORLD TRADE

ORGANIZATION

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ARTICLE XXVIII:5 NEGOTIATIONS

<u>Notification by the United States Relating to the Withdrawal of</u> <u>Substantially Equivalent Concessions Under Article XXVIII:3 in Response to</u> <u>Actions by the European Communities With Respect to Husked and Milled Rice</u>

Addendum

The following communication, dated 1 March 2005, is being circulated at the request of the Delegation of the United States.

The European Communities, in document G/SECRET/18 (2 July 2003), notified the World Trade Organization and its Members of its intention to modify the tariff concessions on items 100620 (husked rice) and 100630 (milled rice) in Schedule CXL of the European Communities annexed to the General Agreement on Tariffs and Trade (GATT 1994). In connection with that notification, the United States, in document G/SECRET/18/Add.1 (28 January 2005), notified Members that:

"Unless an agreement can be reached regarding compensation, the United States will find it necessary to exercise its rights under [GATT 1994] Article XXVIII:3 to withdraw substantially equivalent tariff concessions on products of interest to the European Union. Accordingly, the United States hereby notifies Members that it withdraws the concessions in Schedule XX on the tariff items listed in the attachment to this notice. Unless the United States provides further notice to the Members, the withdrawal of these concessions shall take effect at midnight on 1 March 2005."

The United States and the European Communities have since reached an agreement in connection with the European Communities' modification of its rice tariff concessions, as part of which the European Communities has agreed to the extension of the deadline for withdrawing concessions under Article XXVIII:3 of the GATT 1994. On 28 February 2005, the General Council formally recognized an extension of the deadline for withdrawing concessions under GATT 1994 Article XXVIII:3 in connection with the European Communities' modification of its rice tariff concessions.

In light of the agreement with the European Communities and the 28 February 2005 General Council decision, the United States does not find it necessary at this time to withdraw concessions in its Schedule XX, as listed in the attachment to document G/SECRET/18/Add.1. Accordingly, the United States hereby notifies Members that it withdraws the 28 January 2005 notification of its intent to withdraw substantially equivalent concessions. Accordingly, the withdrawal of concessions specified in document G/SECRET/18/Add.1 and the attachment thereto shall not take effect at midnight on 1 March 2005, as previously notified.