

TARIFFS AND TRADE

Committee on Tariff Concessions

MEETING OF 11 MAY 1988

Annotated Agenda

Reference is made to GATT/AIR/2585 of 19 April 1988 convening the meeting.

Item A - Status of implementation of the Harmonized System

A new document TAR/W/74 reflecting the situation concerning the application of the Harmonized System by GATT contracting parties has been prepared by the secretariat.

Item B - Pending negotiations and submission of documentation related to the Harmonized System (TAR/W/67/Rev.6)

Negotiations under Article XXVIII for the transposition of schedules into the Harmonized System are presently being carried out by Czechoslovakia, Thailand and Yugoslavia. Indonesia has submitted its HS documentation which has been circulated with document SECRET/HS/18 on 25 March 1988.

Item C - Completion of columns 5, 6 and 7 in the Harmonized System schedules

Reference is made to TAR/W/65/Rev.1, paragraph 2. Of the thirteen consolidated Harmonized System schedules annexed to the three Geneva (1987) Protocols, only two (Hong Kong and Zimbabwe) contain all the information required by the Council Decision of 26 March 1980 (BISD 27S/22) on the introduction of the Loose-Leaf System. A target date, possibly the end of 1988, might be envisaged for the submission of the missing information by the delegations concerned.

Item D - Decision on floating Initial Negotiating Rights (INRs) for the Harmonized System schedules

Through the introduction of the Harmonized System, the GATT tariff schedules of a considerable number of contracting parties have been put on a completely new basis. It is therefore considered necessary that a decision similar to those at the end of the Kennedy and Tokyo Rounds should be taken, in order to determine the Initial Negotiating Rights for the

purpose of Article XXVIII concerning concessions granted on a multilateral basis. A draft decision, for consideration by the Committee and final approval by the Council, is annexed to this document.

Item E - Submission of results of bilateral Harmonized System negotiations

According to the procedures for negotiations under Article XXVIII (BISD, 27S/26, paragraphs 5 and 6), contracting parties are expected to send to the secretariat bilateral reports upon the completion of their negotiations. Very few such reports have as yet been received. It is not intended to circulate these documents but to keep them in the secretariat for reference purposes.

Item F - Status of loose-leaf schedules

Document TAR/W/23/Rev.19 will reflect the present situation relating to the submission of consolidated schedules in loose-leaf form.

Item G - Date of next meeting

FLOATING INITIAL NEGOTIATING RIGHTSDraft Decision

1. The CONTRACTING PARTIES note that as a result of the tariff negotiations in connection with the introduction of the Harmonized Commodity and Description Coding System, the Geneva (1987) Protocol to the General Agreement on Tariffs and Trade, the Second Geneva (1987) Protocol to the General Agreement on Tariffs and Trade, and the Third Geneva (1987) Protocol to the General Agreement on Tariffs and Trade were drawn up. They also note that further protocols in connection with the introduction of the Harmonized System by other contracting parties are expected to be drawn up.

2. The CONTRACTING PARTIES adopt the following decision:

In respect of the concessions specified in the Schedules annexed to the Geneva (1987) Protocol to the General Agreement on Tariffs and Trade, the Second Geneva (1987) Protocol to the General Agreement on Tariffs and Trade, the Third Geneva (1987) Protocol to the General Agreement on Tariffs and Trade, and any further protocols to be drawn up in connection with the introduction of the Harmonized System, a contracting party shall, when the question arises, be deemed for the purposes of the General Agreement to be a contracting party with which a concession was initially negotiated if it had during a representative period prior to the time when the question arises a principal supplying interest in the product concerned. This decision does not affect initial negotiating rights which are the result of bilateral negotiations and which have been duly notified.