

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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TARIFF NEGOTIATIONS RELATING TO
SCHEDULE IX - CUBA

Tariff Negotiations Committee

PROCEEDINGS OF THE FIRST MEETING

Held at the Palais des Nations, Geneva
on 14 November 1958

Chairman: Mr. PERDON (France)

Subject discussed: Preparation of negotiations

1. The Committee was composed of the following contracting parties, which had initially negotiated tariff concessions with Cuba under the General Agreement:

Australia	Haiti
Brazil	Norway
Canada	South Africa
Chile	United States
Czechoslovakia	

and of the Benelux governments, and France.

2. Mr. PERDON (France) was elected Chairman for this meeting.

3. Dr. VARGAS GOMEZ (Cuba) explained the difficulties the Cuban Authorities had encountered in preparing for such a complex exercise which involved: the adoption of a new nomenclature; the conversion of specific, ad valorem or mixed duties; the rounding off of duties as a technical change; proposed duty increases; withdrawals; and reductions. They had, therefore, elaborated a form of notification by means of which they would be able to indicate to contracting parties, with respect to each item in the old and in the proposed new schedule, the various operations involved.

4. The model which the Cuban Government proposed to follow had been distributed to members of the Committee (Spec/320/58). It was designed to tabulate as much information as possible by indicating, opposite the old and the new tariff items (the description of products being omitted as being too cumbersome) the type of action which they proposed to take, and the GATT procedure which they suggested should be followed. All the main facts would thus be available to members of the Committee before the start of the negotiations. Special information on individual items would, of course, be supplied as required during the negotiations.

5. The Cuban Government had notified (SECRET/101 and Add.1)¹ the items it proposed to negotiate under Article XXVIII. This list was of a provisional character and was subject to modification by the Cuban Government.

6. With respect to a suggestion by the representative of the United States that any changes which were not directly limited to changes of nomenclature (Column 7a), should be included under Articulos XVIII (Column 7b) or XXVIII (7c), the representative of Cuba pointed out that the notification mentioned in paragraph 5 above might become much longer if the CONTRACTING PARTIES adopted, as he feared they would do, the proposal of the Working Party on Schedules (L/913) that the conversion of specific duties should be considered in all cases as subject to re-negotiation. Although the Committee was not the appropriate place for discussing this subject, he wished to place on record his disappointment and regret that the members of the Working Party on Schedules had shown so little flexibility as to reject the Norwegian proposal (W.13/15), which would have greatly simplified the procedural arrangements while fully safeguarding the rights of any interested contracting parties. He realized that technically the conversion of specific into ad valorem duties was a modification of concessions and that, in some cases, the rights of other contracting parties might be impaired thereby. The Norwegian proposal took account of this fact and while it provided for specific duties to be converted through the ordinary rectification procedure, it protected the rights of any interested contracting parties, in that the latter were entitled to require re-negotiation with respect to any item in which the conversion appeared to affect their interests. He did not feel that the rigid view which had been taken was justified: it would in fact complicate the work without providing any better safeguards than those contained in the Norwegian proposal.

7. As to the date on which members of the Committee could expect to receive the Cuban Government's definitive notification in the form illustrated in Spec/320/58, the representative of Cuba indicated that there were still problems under investigation by his Government. He recalled that, among other things, his Government was authorized to negotiate concessions under Article XVIII and that a thorough examination would have to be completed before it could be decided which items fell under this category. He could anticipate at this stage that the full notification would be ready within forty-five days after his Government had completed its investigation.

¹ Further statistical information (Part II) is being distributed in SECRET/101/Add.2.