

GENERAL AGREEMENT  
ON TARIFFS AND  
TRADE

ACCORD GENERAL SUR  
LES TARIFS DOUANIERS  
ET LE COMMERCE

RESTRICTED  
LIMITED B  
GATT/CP/34  
13 September 1949  
ORIGINAL: ENGLISH

CONTRACTING PARTIES

SCHEDULE XX (ANNECY) - UNITED STATES

Note by the Government of the United States

A copy of a Note addressed to the Government of Cuba, explaining the inclusion of some items in Part II of Schedule XX to the Annecy accession documents, has been received from the Delegation of the United States for distribution to the contracting parties:

"The United States Ambassador presents his compliments to the Minister of Foreign Affairs of Cuba, and brings to his notice the following solution which the United States Delegation at the Third Session of the Contracting Parties to the General Agreement on Tariffs and Trade has adopted in order to prevent the possibility of language in the exclusive agreement between the United States and Cuba, of October 30, 1947, having the effect of increasing the rates of duty now applicable to certain Cuban products in accordance with paragraph 2(c)(ii) of that agreement.

"Rates of duty lower than the most-favoured-nation rates are now being applied by the United States to certain Cuban products, which are not described in the United States schedule (Schedule XX) to the General Agreement on Tariffs and Trade, by virtue of paragraph 2(c)(ii) of the exclusive agreement. Moreover, paragraph 2(b) of the exclusive agreement provides that products of Cuba described in Part I, but not in Part II, of Schedule XX shall be subject to the customs treatment provided for in Part I of the Schedule, that is to the most-favoured-nation rate of duty.

"At Annecy the United States has, in the case of four articles which enjoy lower rates in accordance with paragraph 2(c)(ii) if products of Cuba, negotiated with acceding governments most-favoured-nation rates which are higher than the rates now applicable to Cuban products.

"The provision for these products in Part I of the United States schedule (Schedule XX) to the Annecy protocol of accession without any provision with respect to such products in Part II of that schedule might have the effect, under paragraph 2(b) of the exclusive agreement, of making the new most-favoured-nation rates set forth in Part I applicable to such articles of Cuban origin, and thus of increasing the rates now applicable to the Cuban products. Consequently, the following descriptions, without rates, and note are being included as Part II of Schedule XX to the Annecy protocol:

'119- Casein or lactarene and mixtures of which casein or lactarene is the component material of chief value, not specially provided for

'412- Spring clothespins

'743- Lemons, if not entered during a period when the most-favoured-nation rate for lemons is 2 cents per pound or less pursuant to item 743 in Part I of Schedule XX, as supplemented

'772- Tomatoes, prepared or preserved in any manner

'NOTE: The rates for products of Cuba described above shall be determined as though, for the purposes of paragraph 2(b) of the exclusive agreement between the United States and Cuba signed on October 30, 1947, such products were not provided for in either Part I or Part II of this Schedule XX, as supplemented.'

"Item 743 in Part I, including the note thereto, will be as follows:

'743- Lemons ..... 1-1/4¢ per lb. NOTE: The United States reserves the right to increase the rate to 2-1/2 cents per pound on lemons which are entered in any calendar year in excess of an aggregate quantity by weight equal to 5 per centum of the production of lemons in the United States during the preceding calendar year.'

"Comparable wording would be included as Part II to the appropriate Divisions of Schedule XX to the Annex Decision on Terms of Accession should Alternative B of the accession documents (GATT/CP.3/83) be adopted.

"A copy of this note will be transmitted to the Secretariat of the Interim Commission for the International Trade Organization for transmission to other contracting parties and to acceding governments for their information.

"Habana, Cuba, August 30, 1949)"

