GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

COM.TD/W/395/Add.3 3 Novembre 1983

Limited Distribution

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Original: English

Committee on Trade and Development Fifty-first Session 3,4 and 7 November 1983

> ACTION BY GOVERNMENTS RELEVANT TO THE PROVISIONS OF PART IV AND THE OPERATION OF THE ENABLING CLAUSE

Addendum

In response to GATT/AIR 1949 of 30 September 1983 the following communication, dated 21 October 1983, has been received from the delegation of <u>Canada</u>

In December 1982 legislation was passed to provide duty free entry for all goods eligible for General Preferential Tariff when imported from least developed countries. On 13 January 1983, an Order in Council was passed designating the following countries as least developed:

| Afghanistan | Lesotho |
|--------------------------|-----------------------------|
| Bangladesh | Malawi |
| Benin | Maldives |
| Bhutan | Mali |
| Botswana | Nepal |
| Burundi | Niger |
| Cape Verde | Rwanda |
| Central African Republic | Somalia |
| Chad | Sudan |
| Comoros | Uganda |
| Ethiopia | United Republic of Tanzania |
| Gambia | Upper Volta |
| Guinea | Western Samoa |
| Guinea-Bissau | Yemen Arab Republic |
| Haiti | Yemen Democratic Republic |
| Lao People's Democratic | |
| Republic | |
| | |

In addition, a separate amendment to the General Preferential Tariff Rules of Origin Regulations on 13 January 1983 increased the foreign material content limit on eligible exports from least developed countries to 60 percent from 40 percent and allowed for cumulative origin among least developed countries. In the 19 April 1983 budget, improvements to the General Preferential Tariff were introduced covering a wide range of products with a value of \$11.3 million in 1982. At the same time, legislation was introduced to extend the Canadian General Preferential Tariff scheme for a further 10 year period, that is until 30 June 1994 and to allow for amendment to the rules of origin to provide for global cumulative origin.

On 1 January 1983, a proportionate reduction was made in the General Preferential Tariff rates to take account of reductions in MFN rates introduced as a result of the staged tariff reduction agreed to in the MTN.