

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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CEYLON - INCREASES IN BOUND DUTIES

Communication from Ceylon

The secretariat has received the following communication from the permanent representative of Ceylon.

I wish to invite your attention to the decision of the CONTRACTING PARTIES on 25 November 1968 (BISD, Sixteenth Supplement, page 22) granting a waiver to Ceylon from the provisions of paragraph 4 of Article I and of paragraph 1 of Article II of the General Agreement in order to maintain customs duties on certain products in excess of those specified in Schedule VI.

Although the waiver is valid until 31 December 1970, the Government of Ceylon is unable to comply with the conditions 1 and 2 of the waiver, because the tariff reform which we, at the time of requesting the waiver, had expected to be completed before 1 October 1969, has not yet been finalized. We are therefore still not aware how the tariff reform, when completed, will affect the bound items in Schedule VI and also whether any of the duties will still be in excess of the bound rates. It would, therefore, serve no useful purpose at this stage for Ceylon to enter into negotiations or consultations with interested contracting parties, as required in the waiver, on the basis of the present duties which are higher than those specified in Schedule VI.

The Government of Ceylon has, therefore, requested me to seek an extension of the date on which Ceylon is required to notify the CONTRACTING PARTIES of the final results of the tariff reform for a further period of one year, i.e. until 1 October 1970.