GENERAL AGREEMENT

ON TARIFFS AND TRADE

L/7380 19 January 1994 Limited Distribution

(94-0091)

TUNISIA - TEMPORARY SUSPENSION OF BOUND DUTIES

Decision of 17 January 1994¹

Considering that the Government of Tunisia is implementing a vast economic reform programme undertaken with the co-operation of international financial institutions and that this programme, accompanied by certain tariff adjustment measures, provides <u>inter alia</u> for a liberalization of foreign trade;

Noting that this liberalization programme will consist in subjecting much of local industry to foreign competition and that tariffs will thus become the essential instrument of protection for domestic industry;

Considering that in the context of this re-organization the Tunisian authorities intend to introduce a temporary increase in customs duties for a limited number of tariff items and that the new rates will be phased out over a three-year period, the list of tariff items and proposed rates being contained in document L/7311;

Noting that, to this end, the Tunisian Government has requested that, pursuant to Article XXV:5 of the General Agreement, its obligations under Article II of the General Agreement be waived to enable it to suspend the bound duties for the tariff items concerned;

Considering that the Tunisian authorities held consultations pursuant to Article XXVIII;

The CONTRACTING PARTIES, acting pursuant to the provisions of Article XXV:5 of the General Agreement,

Decide, in view of the exceptional circumstances described above, to waive the provisions of Article II of the General Agreement for the Tunisian Government for a three-year period from 1 January 1994 in order to enable it to suspend the bound duties on the products mentioned in document L/7311. The Tunisian Government undertakes to phase out annually over the next three years the increased customs duties.

The Decision was adopted by postal ballot. There were 69 votes in favour and none against.