## GENERAL AGREEMENT ON TARIFFS AND TRADE

L/7404 31 January 1994 Limited Distribution

(94-0182)

## EL SALVADOR - ESTABLISHMENT OF A NEW SCHEDULE LXXXVII

Decision c. 26 January 1994

Considering that, in a communication dated 3 December 1993<sup>1</sup>, the Government of El Salvador notified the CONTRACTING PARTIES that, by Resolution No. 66 of 19 February 1993, El Salvador adopted the Central American Tariff System (SAC), which entered into force on 1 March 1993;

Considering that this new Tariff is based on the Harmonized Commodity Description and Coding System and replaces the Central American Uniform Tariff Nomenclature (NAUCA II);

<u>Taking into account</u> that the Harmonized System documentation required under the Article XXVIII procedures will shortly be submitted to the GATT Secretariat for circulation to the contracting parties as rapidly as possible;

Noting that, in order to implement the procedures established by the Council Decision of 12 July 1983 for the rectification and renegotiation of the schedules of concessions negotiated in GATT, in the context on the Harmonized System (BISD 30S/17), and to hold consultations under Article XXVIII, the Government of El Salvador requests a temporary exemption from its obligations under Article II of the General Agreement for a period of one year until 31 December 1994;

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

<u>Decide</u>, in view of the exceptional circumstances, to suspend the application of the provisions of Article II of the General Agreement to enable the Government of El Salvador to implement the Central American Tariff System, subject to the following conditions:

- 1. The Government of El Salvador will promptly enter into negotiations and consultations with interested contracting parties pursuant to paragraphs 1-3 of Article XXVIII.
- 2. The negotiations and consultations mentioned above shall be completed not later than 31 December 1994.
- 3. Pending the entry into force of the results of the negotiations and consultations mentioned, the other contracting parties will be free to suspend concessions initially negotiated with El Salvador to the extent that they consider that adequate compensation is not offered by the Government of El Salvador.

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