

**GENERAL AGREEMENT  
ON TARIFFS AND TRADE**

L/7406  
31 January 1994  
Limited Distribution

(94-0184)

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**NICARAGUA - ESTABLISHMENT OF A NEW SCHEDULE XXIX**

**Decision of 26 January 1994**

Considering that, in a communication dated 2 December 1993<sup>1</sup>, the Government of Nicaragua notified the CONTRACTING PARTIES that Nicaragua had approved the Central American Tariff System (SAC) and that it had entered into force on 1 March 1993;

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

Taking into account that the Harmonized System documentation required in accordance with the procedures under Article XXVIII will be submitted shortly to the GATT Secretariat for circulation to contracting parties as soon as possible;

Noting that in order to fulfil the procedures established by the Council Decision of 12 July 1983 for correction and renegotiation of the schedules of concessions negotiated in GATT under the Harmonized System (BISD 30S/17) and in order to hold consultations in conformity with the provisions of Article XXVIII, the Government of Nicaragua has requested a temporary exemption from its obligations under Article II of the General Agreement for one year until 31 December 1994;

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

Decide 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 Nicaragua to apply the Central American Tariff System, subject to the following conditions.

1. The Government of Nicaragua 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 or consultations mentioned above, the other contracting parties will be free to suspend concessions initially negotiated with Nicaragua to the extent that they consider that adequate compensation is not offered by the Government of Nicaragua.

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<sup>1</sup>L/7356.