

# GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

C/W/15

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COUNCIL

22 February - 3 March 1961

## DRAFT DECISION ON RENEGOTIATIONS BY INDONESIA

### Explanatory Notes

The attached draft Decision, when approved by the Council of representatives, will be submitted for adoption by the CONTRACTING PARTIES. Those Council members who are prepared to vote on the Decision at the present meetings will be invited to do so. Postal votes will be sought from those contracting parties which are not in a position to vote now or which are not represented at the Council.

RENEGOTIATION OF CONCESSIONS BY INDONESIA

Draft Decision

Considering that the Government of Indonesia has undertaken a general revision of its customs tariff which it considers necessary for general economic reasons following the adoption of a new foreign exchange régime,

Considering that these tariff modifications affect a number of items bound as a result of negotiations undertaken by or on behalf of Indonesia and specified in Schedule XXI, such modifications having been notified to the CONTRACTING PARTIES on 2 November 1960,

Considering that the Indonesian Government has stated that owing to the comprehensive nature of the measures taken, the need for urgent action and the difficulty in divulging detailed information in advance, it was not in a position to adhere strictly to the procedures of Article XXVIII,

Considering that in the process of the tariff revision a considerable simplification has been achieved through the abolition of various import charges and levies,

Considering that the Government of Indonesia is prepared to enter into negotiations under the relevant procedures of the General Agreement with the contracting parties concerned with a view to reaching agreement on the modifications affecting items specified in Schedule XXI,

The CONTRACTING PARTIES, acting pursuant to the provisions of Article XXV:5 of the General Agreement, and in accordance with the procedures adopted by them on 1 November 1956,

Decide, in view of the exceptional circumstances, to suspend the application of the provisions of Article II of the General Agreement to the extent necessary to enable the Government of Indonesia to apply the rates of duty which were put into effect on 24 August 1960 and which modify concessions specified in Schedule XXI, subject to the following conditions:

1. The Government of Indonesia shall by May 1961 enter into negotiations or consultations with interested contracting parties pursuant to paragraphs 1 to 3 of Article XXVIII.
2. The Government of Indonesia shall submit to the CONTRACTING PARTIES a report on the above-mentioned negotiations and the consultations at their autumn session in 1961.
3. Pending the conclusion of such negotiations, any interested contracting party will be free to suspend substantially equivalent concessions in its Schedule regarding which Indonesia has the right of initial negotiator, subject

to the condition that any third contracting party having a principal supplying interest or a substantial interest in the concessions so suspended will retain the right to suspend or withdraw substantially equivalent concessions initially negotiated with that contracting party.

4. In all other respects the negotiations and consultations shall be conducted in conformity with the relevant provisions of Article XXVIII.

