

# GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

L/2418  
30 March 1965

Limited Distribution

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## PERUVIAN SCHEDULE - RENEGOTIATION

Decision of 25 March 1965<sup>1</sup>

Considering that the Government of Peru has carried out a reform of its customs tariff involving the adoption of the Brussels Nomenclature and the incorporation in the customs duty of the surcharges previously applied on importation;

Considering that the entry into force of the new tariff has involved the increase of a number of the rates of duty negotiated by Peru and incorporated in Schedule XXXV;

Noting that one of the main purposes of the tariff reform is to promote economic development by means of the customs tariff without recourse to quantitative restrictions or other non-tariff barriers, and without causing a decline in revenue,

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 the extent necessary to enable the Government of Peru to maintain in effect the increased rates of duty provided in its new tariff pending completion of negotiations for the modification or withdrawal of concessions in Schedule XXXV on items to which the new rates apply, subject to the following conditions:

1. The Government of Peru will promptly enter into negotiations or consultations with interested contracting parties pursuant to paragraphs 1-3 of Article XXVIII.

2. The Declaration of de facto application of Part IV of the General Agreement, including Article XXXVI:8 is applicable to the negotiations between contracting parties which have accepted the Declaration, and other contracting parties negotiating with Peru likewise accept the principle enunciated in Article XXXVI:8 as applicable to the negotiations.

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<sup>1</sup>The Decision was adopted by forty-five votes in favour and none against.

3. The negotiations and consultations mentioned above shall be related to the concessions to be offered by the Government of Peru as compensation for the modifications and withdrawals and to any requests made by interested contracting parties for other or additional compensation with a view to reaching a satisfactory adjustment consistent with the requirements of paragraph 2 of Article XXVIII and to the establishment of a new Schedule XXXV.

4. The negotiations or consultations mentioned above shall be completed before the end of the twenty-third session of the CONTRACTING PARTIES but in any case not later than 31 March 1966.

5. 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 Peru to the extent that they consider that adequate compensation, bearing in mind the provisions of paragraph 2 of this Decision, is not offered within a reasonable time by the Government of Peru (subject to the right of any third contracting party having a principal supplying interest or a substantial interest therein to withdraw substantially equivalent concessions initially negotiated with such other contracting parties).

6. Except as may be otherwise provided in this Decision, the negotiations or consultations mentioned above shall be conducted in conformity with the relevant provisions of Article XXVIII.