

# GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

C/W/437/Corr.2

6 July 1984

Limited Distribution

## DEVELOPMENTS IN THE TRADING SYSTEM OCTOBER 1983 - MARCH 1984

### Corrigendum

The secretariat has received the following factual corrections to the background document prepared for the last special session of the Council on developments in the trading system (C/W/437 and Corr.1).

#### Page 3, paragraph 7:

Second sentence: delete "extended its existence to 1994" and replace by "put forward legislation to extend its scheme for a further ten-year period until June 1994".

Last sentence: delete first part of sentence up to "... in total value:" and replace by "In March, the United States announced a revision of its present GSP scheme which resulted in both a limitation of preferential treatment on a product-specific basis as well as an expansion in product eligibility;"

#### Page 4, paragraph 9:

Third sentence: replace "voluntarily" by "unilaterally".

#### Page 6, paragraph 15

Last sentence: delete "Peru" and insert an additional sentence: "In the case of Peru, the prior licensing régime has been relaxed and the product coverage has been reduced to the point where comparison with the system in effect in 1979 is now very limited; on the other hand, the temporary 10 per cent surcharge has been extended for a further twelve months."

#### Page 6, paragraph 20:

Delete the first sentence and replace by "Canada has been exploring with the United States the possibility of establishing free-trade links in such industrial sectors as steel, mass transit equipment, computer services and agricultural equipment."

#### Page 8, paragraph 28:

Delete "763/83" and replace by "768/83".

#### Page 9, paragraph 28 (cont'd):

India: after "rayon filament yarn" insert "(an unbound GATT item)".

Page 11, paragraph 29 (cont'd)

Delete final sub-paragraph and replace by:

"- On 30 March 1984, the United States implemented its annual changes which included an expansion of product coverage for twenty-two new products under the GSP as well as the limitation of preferential treatment on a product-specific basis. The value of trade newly excluded from duty-free treatment as a result of these changes was \$2.4 billion in 1983. An additional \$9.5 billion in 1983 remains ineligible for GSP treatment from some beneficiaries due to competitive need and previous discretionary graduation actions."

Page 14, paragraph 50:

After the last sentence insert: "The prior deposit: (a) applies solely to overdue operations (i.e. those not completed within the period stipulated in the Letter of Credit); (b) a prior deposit, equivalent to the amount of the import duties, is required and can be applied to pay for the corresponding duties. It should be noted that Decree No. 319/83 provides a transitional régime for the suspension of imports not considered essential. All other imports, which constitute the major part, are subject to the presentation of a sworn declaration of import needs which is then processed automatically. Products originating in the Latin American Integration Association (LAIA) are exempt from import suspension."

Page 14, paragraph 51:

Delete the last sentence and replace by: "This quota was based on an estimated total market size of around 420,000 units for 1984; the quota size is subject to review mid-year on the basis of developments in the market outlook."

Page 15, paragraph 56:

Add: "The prolongation of its surcharge was taken for balance-of-payments purposes as notified in the context of Peru's Article XVIII:B consultations carried out in December 1983."

Page 21, paragraph 92

Delete heading "United States/Republic of Korea" and replace by "Republic of Korea".

Delete heading "United States/South Africa" and replace by "South Africa". Delete the final word of this paragraph and replace by "reviewed".