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INDIA - AUXILIARY DUTY OF CUSTOMS

Extension of Waiver

Communication from India

Addendum

The following communication, dated 26 March 1985, has been received from the Permanent Mission of India with the request that it be circulated to contracting parties and that the matter be placed on the Agenda for the next Council meeting.

1. It will be recalled that with reference to the waiver granted to the Government of India to enable it to apply the auxiliary duty of customs on the items included in Schedule XII - India until 31 March 1985, my delegation had made a statement at the last Council meeting held on 12 March 1985 informing the CONTRACTING PARTIES of our intention to provide further information regarding the possible need for a request for a further extension of the waiver.

2. I am now instructed by my authorities to state that a provision to continue the auxiliary duty of customs at the existing rates for a further period of one year, i.e. up to 31 March 1986, has been included in the proposals placed before the Indian Parliament on 16 March 1985 through the Finance Bill of 1985. This decision of my authorities must be viewed in the context of the expanding developmental activities and the need for larger resources under the continuing difficult financial resources position.

3. I might mention that while, on account of the large budgetary deficit, there has been an increase in auxiliary duty of customs on several other items, the Government of India has not proposed any increase in the existing levels of auxiliary duty of customs on the GATT-bound items. In view of the above, it is requested that the extension of the waiver may be granted to the Government of India for the continuance of the auxiliary duty of customs for a further period of one year on the existing terms and conditions.