GENERAL AGREEMENT ON

L/6331 27 April 1988 Limited Distribution

TARIFFS AND TRADE

INDONESIA - ESTABLISHMENT OF A NEW SCHEDULE XXI Decision of 22 April 1988

<u>Considering</u> that the Government of the Republic of Indonesia has notified the CONTRACTING PARTIES that in accordance with the decision of the Customs Co-operation Council that the CCCN be replaced by the Harmonized Commodity Description and Coding System (Harmonized System) on 1 January 1988, the Government of Indonesia has decided to implement the Harmonized System on 1 April 1988;

<u>Considering</u> that the Government of Indonesia has recently completed the process of transposing its Customs Tariff from CCCN to the Harmonized System, and that its Harmonized System documentation required under the procedures of Article XXVIII has already been submitted to the GATT Secretariat and will be circulated to the contracting parties shortly;

Noting that the Government of Indonesia has emphasized that in the process of conversion there has been no changes either in product description, tariff rates of bound items or Initial Negotiating Rights, but that the Government of Indonesia is prepared to enter into consultations with any interested contracting parties;

<u>Recognizing</u> that in view of the time constraint, it will not be possible for the Government of Indonesia to terminate consultations under the procedures of Article XXVIIT of the General Agreement before the scheduled date of implementation;

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

<u>Decide</u>, 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 Indonesia to implement, on 1 April 1988, the Harmonized Commodity Description and Coding System, subject to the following conditions:

- 1. The Government of Indonesia 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 1988.
- 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 Indonesia to the extent that they consider that adequate compensation is not offered by the Government of Indonesia.

¹The Decision was adopted by postal ballot. There were 59 votes in favour and none against.