

GENERAL AGREEMENT ON

RESTRICTED

TARIFFS AND TRADE

W.45/4

20 November 1989

Limited Distribution

CONTRACTING PARTIES
Forty-Fifth Session

Original: Spanish

CHILE - ESTABLISHMENT OF A NEW SCHEDULE VII

Communication from Chile

The following communication dated 10 November 1989 has been received from the Permanent Mission of Chile with the request that it be circulated to the contracting parties and considered by the CONTRACTING PARTIES at their forty-fifth session.

It is my duty to inform you, and through your kind offices the CONTRACTING PARTIES at their forthcoming session in December 1989, that Chile has completed the transposition of its Customs Tariff into the Harmonized System, but the necessary documentation for the procedures provided for in Article XXVIII is being prepared.

Consequently, and since Chile will apply the Harmonized System as from 1 January 1990, it will not be possible to hold the Article XXVIII consultations before the planned date for the application of the Harmonized System.

Chile therefore requests that it be granted a temporary exemption from its obligations under Article II of the General Agreement until 31 April 1991.

To facilitate consideration of this matter, the text of a draft decision is annexed.

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ANNEX

CHILE - ESTABLISHMENT OF A NEW SCHEDULE VII

Draft Decision

Considering that the Government of Chile has notified the CONTRACTING PARTIES that it has decided to implement the Harmonized Commodity Description and Coding System (Harmonized System) as from 1 January 1990;

Considering that the Government of Chile has stated that the process of transposing its Customs Tariff into the Harmonized System is terminated, and that its Harmonized System documentation required under the procedures of Article XXVIII is being prepared and will be circulated to contracting parties as soon as possible;

Recognizing that, in view of the time constraint, it will not be possible for the Government of Chile to conduct negotiations and consultations under the procedures of Article XXVIII of the General Agreement before the scheduled date of implementation;

Considering that the Government of Chile has requested a waiver from its obligations under Article II of the General Agreement until 30 April 1991;

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 enable the Government of Chile to implement, on 1 January 1990, the Harmonized Commodity Description and Coding System, subject to the following conditions:

1. The Government of Chile 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 30 April 1991.
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 the Government of Chile to the extent that they consider that adequate compensation is not offered by Chile.