GENERAL AGREEMENT ON

TARIFFS AND TRADE

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HUNGARY - ESTABLISHMENT OF A NEW SCHEDULE LXXI

The following communication dated 24 October 1990 has been received from the Permanent Mission of Hungary with the request that it be circulated to the contracting parties and considered by the CONTRACTING PARTIES at the next meeting of the Council.

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 Hungary has decided to implement the Harmonized System as from 1 January 1991.

The process of transposing our Customs Tariff from CCCN to the Harmonized System is in its final stages. Once this has been completed, the Harmonized System documentation required under the procedures of Article XXVIII will be prepared and circulated to the contracting parties as soon as possible. Hungary wishes to emphasize that in the process of conversion, every effort is being made to ensure that no change in the tariff rates of bound items, the Initial Negotiating Rights or the product description will take place. However, Hungary is prepared to enter into consultations with any interested contracting parties. In view of the time constraint, it will not be possible for Hungary to conduct consultations under the procedures of Article XXVIII of the General Agreement before the scheduled date of implementation.

In order to enable Hungary to implement the Harmonized System on 1 January 1991, Hungary therefore requests a temporary exemption from its obligations under Article II of the General Agreement until 31 December 1991.