

GENERAL AGREEMENT ON

TARIFFS AND TRADE

L/6777

10 December 1990

Limited Distribution

HUNGARY - ESTABLISHMENT OF A NEW SCHEDULE LXXI

Decision of 7 December 1990¹

Considering that, in a communication dated 24 October 1990 (L/6756), the Government of Hungary has notified the CONTRACTING PARTIES that, in accordance with the decision of the Customs Co-operation Council to replace the CCCN 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;

Considering that the Government of Hungary has stated that the process of transposing its Customs Tariff from the CCCN to the Harmonized System is in its final stages, and that its Harmonized System documentation required under the procedures of Article XXVIII will be circulated to contracting parties as soon as possible;

Noting that the Government of Hungary has emphasized that it will ensure that in the process of conversion no change in the tariff rates of bound items, the Initial Negotiating Rights or the product descriptions will take place, and that Hungary is prepared to enter into consultations with any interested contracting parties;

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

Noting that, in view of the above, the Government of Hungary has requested to be temporarily exempted from its obligations under Article II of the General Agreement until 31 December 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 Hungary to implement, on 1 January 1991, the Harmonized Commodity Description and Coding System, subject to the following conditions:

¹The Decision was adopted by postal ballot. There were 63 votes in favour and none against.

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