GENERAL AGREEMENT ON TARIFFS AND TRADE

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Special Distribution

Multilateral Trade Negotiations

PROTOCOL SUPPLEMENTARY TO THE GENEVA (1979) PROTOCOL TO THE GENERAL AGREEMENT ON TARLETS AND TRADE

Note by the Secretariat

Reproduced hereunder is the draft text of a "Protocol Supplementary to the Geneva (1979) Protocol to the General Agreement on Tariffs and Trade". Interested delegations are requested to submit to the secretariat any comment they might have on the draft text by 1 September 1979.

The contracting parties to the General Agreement on Tariffs and Trade and the European Economic Community which participated in the Multilateral Trade Negotiations 1973-79 (hereinafter referred to as "participants"),

CONSIDERING that a part of the tariff negotiations carried out in the Multilateral Trade Negotiations have been completed subsequent to the establishment of the Geneva (1979) Protocol to the General Agreement on Tariffs and Trade (hereinafter referred to as "the Geneva (1979) Protocol").

HAVING agreed to put into effect the results of these negotiations which involve concessions or contributions offered in negotiations leading to the establishment of, or additional to those included in, the schedules annexed to the Geneva (1979) Protocol, or which concern concessions or contributions made by participants not having a schedule annexed to that Protocol.

HAVE through their representatives agreed as follows:

1. The schedule of tariff concessions annexed to this Protocol relating to a participant shall become a Schedule to the General Agreement on Tariffs and Trade (hereinafter referred to as "the General Agreement") relating to that participant on the day on which this Protocol enters into force for it pursuant to paragraph 5.

- 2. (a) The reductions agreed upon by each participant shall, except as may be otherwise specified in a participant's schedule, be implemented in equal annual rate reductions beginning 1 January 1980 and the total reduction become effective not later than 1 January 1987. A participant which begins rate reductions on 1 July 1980 or on a date between 1 January and 1 July 1980 shall, unless otherwise specified in that participant's schedule, make effective two eighths of the total reduction to the final rate on that date followed by six equal instalments beginning 1 January 1982. The reduced rate should in each stage be rounded off to the first decimal. The provisions of this paragraph shall not prevent participants from implementing reductions in fewer stages or at earlier dates than indicated above.
 - (b) The implementation of the annexed schedules in accordance with paragraph 2(a) above shall, upon request, be subject to multilateral examination by the participants having accepted this Protocol. This would be without prejudice to the rights and obligations of contracting parties under the General Agreement.
- After the schedule of tariff concessions annexed to this Protocol relating to a participant has become a Schedule to the General Agreement pursuant to the provisions of paragraph 1, such participant shall be free at any time to withhold or to withdraw in whole or in part the concession in such schedule with respect to any product for which the principal supplier is any other participant or any government having negotiated for accession during the Multilateral Trade Negotiations, but the schedule of which, as established in the Multilateral Trade Negotiations, has not yet become a Schedule to the General Agreement. Such action can, however, only be taken after written notice of any such withholding or withdrawal of a concession has been given to the CONTRACTING PARTIES and after consultations have been held, upon request, with any participant or any acceding government, the relevant schedule of tariff concessions relating to which has become a Schedule to the General Agreement and which has a substantial interest in the product involved. Any concessions so withheld or withdrawn shall be applied on and after the day on which the schedule of the participant or the acceding government which has the principal supplying interest becomes a Schedule to the General Agreement.
- 4. (a) In each case in which paragraph 1(b) and (c) of Article II of the General Agreement refers to the date of that Agreement, the applicable date in respect of each product which is the subject of a concession provided for in a schedule of tariff concessions annexed to this Protocol shall be the date of this Protocol, but without prejudice to any obligations in effect on that date.

- (b) For the purpose of the reference in paragraph 6(a) of Article II of the General Agreement to the date of that Agreement, the applicable date in respect of a schedule of tariff concessions annexed to this Protocol shall be the date of this Protocol.
- 5. (a) This Protocol shall be open for acceptance by participants, by signature or otherwise, until 30 June 1980.
 - (b) This Protocol shall enter into force on 1 January 1980 for those participants which have accepted it before that date, and for participants accepting after that date, it shall enter into force on the dates of acceptance.
- 6. This Protocol shall be deposited with the Director-General to the CONTRACTING PARTIES who shall promptly furnish a certified copy thereof and a notification of each acceptance thereof, pursuant to paragraph 5, to each contracting party to the General Agreement and to the European Economic Community.
- 7. This Protocol shall be registered in accordance with the provisions of Article 102 of the Charter of the United Nations.

Delegations concerned are requested to indicate to the secretariat, as soon as possible, their intention to annex to this Protocol schedules of tariff concessions, and to submit their schedule for verification to their negotiating partners by 1 October 1979, either directly or through the secretariat. Guidelines for the preparation of the schedules are set out in document MTN/TAR/W/52, paragraphs 5 and 7-8.

It is the intention that the Protocol will be opened for acceptance in mid-October.