

RECTIFICATIONS AND MODIFICATIONS OF SCHEDULES

Schedule XII – India

Addendum

The following letter, dated 14 March 2000, sent by the Permanent Delegation of the European Communities to the Permanent Mission of India was received from the European Communities with the request that it be circulated to Members.

India's notification of 1 December 1999 concerning rectification and modifications to Schedule XII (doc. G/MA/TAR/RS/63)

With its notification of 1 December 1999 (Doc. G/MA/TAR/RS/63 of 16.12.1999) the Republic of India has modified particular tariff items in Schedule XII.

The Community has the following comments to make with regards to this notification.

The EC welcomes the fact that India has submitted above-mentioned notification, as provided for in the Memorandum of Understanding between the European Community and the Republic of India on arrangements in the area of market access for textile products (MoU) signed on 31.12.1994. However, the EC notes that the bound rates notified include a large number of mixed (*ad valorem* and specific) duties, whose number and amount are likely to exceed what is provided for in the MoU.

The European Communities do not intend to stand in the way of certification by the WTO Secretariat of the lines for which the notified rates do not a priori appear to be in contradiction with the EC-India MoU. These lines are shown at Annex 1. As far as the lines contained in Annex 2 to the present letter are concerned, the EC wishes to express a reservation, since in the European Communities' view the proposed bindings exceed the levels agreed in the MoU.

The European Communities understand that a notification cannot be certified where a Member has reservations on certain aspects of it. The EC therefore requests that India submit a revised notification limited to the tariff lines shown in Annex 1 so that these modifications can be certified as soon as possible. The EC also requests consultations on the tariff lines shown in Annex 2 with a view to India submitting a revised notification that should include specific rates not exceeding the values indicated in the last column thereof. It also requests an indication regarding when India will carry out the notification to the WTO for those textiles and clothing products covered by the US-India MoU agreed on 29 December 1994, and seeks confirmation that any specific duties that India might notify or apply in accordance with the US-India MoU will not be discriminatory against EU exports of the same products into India.

In addition to the above the EC would like to request clarification from India concerning the footnote contained in the notification, which seems to imply that the bindings will not be automatically effective upon a certain date or that they may remain suspended until the introduction of the "Finance Bill" for the respective financial year. The EC is of the opinion that India's bindings should apply as from 1.1.2000 and that all the other rates should apply automatically as of 1 January of the relevant years and should not be conditional upon the accomplishment of internal procedures.

Encl:

Annex 1: Lines for which the new Indian schedule can be certified

Annex 2: Lines for which the specific duties should be reduced to maximum values in a new notification.

Annex 1

No.	HS Code
1	510610
2	510620
14	520411
15	520419
16	520420
17	530911
18	530919
19	530921
20	530929
21	540110
22	540120
23	540210
24	540220
25	540231
26	540232
27	540233
28	540239
29	540241
30	540242
31	540243
32	540249
33	540251
34	540252
35	540259
36	540261
37	540262
38	540269
40	540743
45	540760
52	540792
54	540794
56	540823
57	540824
58	540832
59	550310
60	550320
61	550330
62	550340
63	550390
64	550931
65	550932
66	550952
67	550961
68	550991
69	551219
71	551299

72	551321
73	551322
75	551329
76	551331
77	551332
81	551342
82	551343
83	551349
85	551422
86	551423
87	551429
88	551431
89	551432
90	551433
91	551439
92	551441
93	551442
94	551443
95	551449
97	551512
98	551513
101	551522
105	551599
106	560300
109	570252
110	570292
112	570330
115	580121
117	580123
121	580131
127	580190
128	580219
129	580410
130	580421
131	580429
132	580430
133	581010
134	590310
135	590320
136	590390
137	591110
138	591120
139	591131
140	591132
141	591140
142	591190
145	610130
149	610441
151	610444
152	610449

153	610451
154	610452
155	610453
156	610459
157	610510
158	610520
159	610590
161	610620
162	610690
165	611010
168	611511
169	611512
170	611519
171	611520
172	611591
173	611593
174	611599
175	620111
176	620112
177	620191
178	620192
179	620211
180	620213
181	620291
182	620292
183	620311
184	620312
185	620319
186	620321
187	620322
188	620323
189	620329
190	620331
193	620341
196	620441
197	620443
198	620444
199	620449
201	620461
203	620510
204	620620
206	621030
207	621132
208	621133
209	621142
210	621143
211	621210
214	621430
215	621440
216	621490

217	621510
218	621520
219	621590

Annex 2

Tariff lines for which a new notification should be provided whose specific duties should not exceed certain maxima

N°	HS Code	Specific duty as notified (INR/unit)	maximum duty to be notified (INR/unit)
3	511111	155	70
4	511119	170	70
5	511120	90	50
6	511130	85	45
7	511190	105	55
8	511211	145	70
9	511219	175	80
10	511220	95	50
11	511230	130	60
12	511290	155	75
13	511300	60	35
39	540742	250	200
41	540744	250	225
42	540752	225	100
43	540753	225	180
44	540754	225	200
46	540772	265	210
47	540773	205	120
48	540774	310	200
49	540782	225	170
50	540783	225	140
51	540784	225	125
53	540793	155	120
55	540822	280	230
70	551229	225	160
74	551323	175	150
78	551333	195	160
79	551339	175	100
80	551341	110	90
84	551421	140	40
96	551511	205	160
99	551519	260	200
100	551521	200	175
102	551529	200	135
103	551591	160	150

104	551592	200	160
107	570232	105	95
108	570242	80	70
111	570320	70	55
113	570490	35	30
114	580110	210	170
116	580122	75	55
118	580124	135	85
119	580125	120	95
120	580126	180	130
122	580132	180	130
123	580133	150	120
124	580134	140	70
125	580135	130	110
126	580136	130	110
143	610110	700	600
144	610120	540	500
146	610210	595	560
147	610220	425	350
148	610230	475	430
150	610443	255	185
160	610610	125	55
163	610910	70	45
164	610990	130	90
166	611020	205	170
167	611030	270	200
191	620332	450	330
192	620339	765	680
194	620342	235	205
195	620432	660	540
200	620451	485	420
202	620462	215	190
205	621020	365	330
212	621410	400	280
213	621420	180	100
220	630120	285	240

Explanation:

Nº: Number of product line according to notification (total:163 lines)

Ad-valorem end rate: taken from notification (duties applied between 2000 and 2005)

Ad-valorem duties: Ad-valorem end rate applied to export prices (A to H), converted into Rupees (1€= 43,83 INR)

Specific duty as notified: see notification of 1.12.1999

Proposed maximum: Specific duty which is unlikely to "have an adverse impact" on EU exports