INDIA - AUXILIARY DUTY OF CUSTOMS

Extension of Time-Limit

A communication from the Government of India concerning the continued application of the auxiliary duty of customs has been circulated in document L/4007. The following draft decision, extending for another year the validity of the waiver granted to India on 15 November 1973 (L/3969), is circulated in order to facilitate the consideration by the Council of the communication from the Government of India.

Draft Decision

Considering that the CONTRACTING PARTIES, by Decision of 15 November 1973, waived, until 31 March 1974, the application of the provisions of paragraph 1 of Article II of the General Agreement to the extent necessary to enable the Government of India to apply a temporary auxiliary duty of customs (as notified in document L/3934) on items included in Schedule XII - India,

Considering that the Government of India has notified the CONTRACTING PARTIES that, since the special circumstances which necessitated the imposition of the auxiliary duty continue to exist, it has been decided to continue the auxiliary duty for a further period of one year,

Noting that the terms and conditions of the auxiliary duty remain the same except that items previously subject to an auxiliary duty of 10 per cent ad valorem are from 1 March 1974 subject to a duty of 15 per cent but that almost all items included in Schedule XII remain subject to either nil or a 5 per cent duty,

Noting that the continued application of the auxiliary duty has become effective, on a provisional basis, from 1 March 1974 and is subject to approval with or without modification by the Indian Parliament,

Noting further the assurances of the Government of India that it will, upon request, promptly enter into consultations with any contracting party which considers that serious damage to its interests is caused or imminently threatened by the auxiliary duty,
The CONTRACTING PARTIES, acting pursuant to the provisions of paragraph 5 of Article XXV of the General Agreement,

Decide to waive until 31 March 1975 the application of the provisions of paragraph 1 of Article II of the General Agreement to the extent necessary to enable the Government of India to apply the auxiliary duty of customs, as notified in document L/4007, on items included in Schedule XII.