INDIA - AUXILIARY DUTY OF CUSTOMS

Extension of Time-Limit

A communication from the Government of India concerning continued application of the auxiliary duty of customs has been circulated in document L/4352. The following draft decision, extending until 30 June 1977 the validity of the waiver granted to India on 15 November 1973 (BISD 20S/26) and extended on 30 April 1974 (BISD 21S/25) and 5 May 1975 (L/4177), is circulated in order to facilitate the consideration by the Council of the communication from the Government of India.

Considering that the CONTRACTING PARTIES, by Decisions of 15 November 1973\(^1\), 30 April 1974\(^2\) and 5 May 1975\(^3\), waived until 30 June 1976 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 documents L/3934 and L/4007, on items included in Schedule XII - India,

Considering that the Government of India has notified the CONTRACTING PARTIES that, in view of the continuing difficult financial position and the necessity to mobilize resources for meeting essential developmental and other needs, it has decided to continue the levy of the auxiliary duty for another year until 30 June 1977,

Noting that the rates of the auxiliary duty of customs and the conditions governing its levy remain unchanged and that the incidence of the auxiliary duty on almost all items in Schedule XII continues to be either nil or 5 per cent.

Noting that the continued application of the auxiliary duties will become effective from 1 July 1976,

\(^1\)BISD, 20th Supplement, page 26
\(^2\)BISD, 21st Supplement, page 25
\(^3\)L/4177
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 30 June 1977 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/4352, on items included in Schedule XII.