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/4517. The following draft decision, extending until 31 March 1978 the validity of the waiver granted to India on 15 November 1973 (BISD, 20S/26) and extended on 30 April 1974 (BISD, 21S/25), 5 May 1975 (BISD, 22S/12) and 30 July 1976 (L/4385), 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, 30 April 1974, 5 May 1975 and 30 July 1976, waived 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 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 of customs for a further period of nine months from 1 July 1977,

1 BISD, 20th Supplement, page 26
2 BISD, 21st Supplement, page 25
3 BISD, 22nd Supplement, page 12
4 L/4385
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 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 1978 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/4517 on items included in Schedule XII.