GENERAL AGREEMENT ON
TARIFFS AND TRADE

UNITED STATES TARIFF CLASSIFICATION

Decision of 20 July 1963

Considering that the United States proposes to give effect, pursuant to the
Tariff Classification Act of 1962, to a revision and consolidation of its customs
laws with a view to the establishment of a more logical arrangement and terminology
better adapted to present-day trade, to the elimination of classification anomalies,
and to simplification of the determination and application of tariff classifications;

Considering that such revision, consolidation and simplification, embodied in
the Tariff Schedules of the United States, as reported by the Tariff Commission on
15 November 1960 and as modified in supplemental reports, all of which are submitted
to other contracting parties (hereinafter referred to as "the Tariff Schedules
of the United States"), will result in some incidental increases and decreases
in rates of duty provided for in the United States schedules of tariff concessions
negotiated under the General Agreement;

Considering that the United States has obtained authorization under
Article XXVIII:4 of the General Agreement to renegotiate the deviations from the
United States tariff concessions introduced by the tariff reclassification,
including any incidental rate increases above the rates now provided for in the
United States schedules negotiated under the General Agreement, has circulated to
other contracting parties and, Switzerland material, in the language of the Tariff
Schedules of the United States, indicating the substance of a proposed consolidated
Schedule XX and of a proposed United States Schedule to the Declaration on the
Provisional Accession of Switzerland to the General Agreement, of 22 November 1958,
is already engaged in the appropriate procedures including negotiations and
consultations envisaged by Article XXVIII with contracting parties, and has re­
affirmed its intention to continue such procedures with a view to reaching
agreement as expeditiously as is practicable; and

Considering that, with a view to making the benefits of the Tariff Schedules
of the United States available to traders as promptly as practicable and to
expediting preparations for a new substantial round of trade negotiations on the
basis of such Tariff Schedules, the United States desires to be able to make the
Tariff Schedules of the United States effective before the appropriate procedures
referred to above have been completed:

1This Decision was adopted by the CONTRACTING PARTIES by postal ballot by thirty-
seven votes in favour and none against (Ref. C/11/16). Two countries recorded abstentions.
Since the concessions granted by the United States to Switzerland and annexed to
the Declaration of 22 November 1958 will be affected by this decision, the
Swiss Government, although not entitled to participate in the vote, has informed
the Executive Secretary that it supports the waiver request of the United States Government.
The CONTRACTING PARTIES, acting pursuant to the provisions of Article XXV:5 of the General Agreement, and in accordance with the procedures adopted by them on 1 November 1956;

Decide:

1. In view of the exceptional circumstances, to suspend the application of Article II of the General Agreement and of paragraph 1 of the Declaration of 22 November 1958 to the extent necessary to enable the United States to put into effect the Tariff Schedules of the United States prior to the completion of the appropriate procedures under the General Agreement; provided that during the period from the effective date of the said Tariff Schedules to the completion of the applicable procedures under Article XXVIII the United States does not, except pursuant to the provisions of the General Agreement, increase any column 1 rate in the said Tariff Schedules above the level provided therefor under the Tariff Classification Act, unless such classification includes no products now provided for in a Schedule XX to the General Agreement.

2. During the period from the effective date of the Tariff Schedules of the United States to the completion of the applicable procedures under Article XXVIII, to permit any other contracting party to suspend concessions initially negotiated with the United States to the extent it considers that adequate compensation is not at the time being offered by the United States. Any contracting party taking action under the previous sentence shall have full regard to the effect of such action on the interests of other contracting parties. The rights of such other contracting parties under the General Agreement in relation to any such suspension are in no way impaired by this Decision.

3. This waiver shall not extend beyond 30 June 1964.

4. For the purpose of this Decision, a United States Schedule to the Declaration of 22 November 1958 shall be treated as a Schedule XX to the General Agreement, and Switzerland shall be treated as a contracting party to the General Agreement.