Further to the acceptances stated in document L/4914/Rev.5 and Add.1-6, the following legal instrument has been accepted on the date specified:

E. Agreement on Interpretation and Application of Articles VI, XVI and XXIII of the General Agreement on Tariffs and Trade

- Spain 14 April 1982

The acceptance was accompanied by the following communication:

With respect to the provisions of paragraph 2, Article 9 of the Agreement on Interpretation and Application of Articles VI, XVI and XXIII of the General Agreement on Tariffs and Trade (the Subsidies Code), and to practices outlined in the annex to the Code, the Government of Spain has initiated the process of bringing its laws, regulations and administrative procedures into conformity with the provisions of the Code.

The Government of Spain has already taken steps in this direction and intends to modify further its fiscal system, introducing the value added tax in place of the current turnover tax. This important change in the Spanish fiscal system, and the method of its application, will require a transition period in order for the Government of Spain to adapt its laws, regulations and administrative procedures to the new fiscal system.

During this period of transition, the Government of Spain will introduce no new export incentive schemes, the use of which is proscribed by the Code. Neither will the Government of Spain expand or increase existing schemes which may be inconsistent with the Code.

The Government of Spain, therefore, in accepting the Code, reserves its position on the application of the provisions of paragraph 5(a), Article 19, inasmuch as, without prejudice to the rights and obligations of any signatories under the General Agreement or the Code, the Government of Spain will undertake all the necessary steps in order to bring its laws, regulations and administrative procedures into conformity with the provisions of the Code within a reasonable period of time, and in no case later than 31 December 1984.