CONSIDERING

(1) that the Government of New Zealand is undertaking a general revision of its customs tariff, and that such revision will in some instances involve increases in rates of duty specified in Schedule XIII to the General Agreement;

(2) that the Government of New Zealand has accordingly given notice pursuant to paragraph 5 of Article XXVIII reserving its right to modify Schedule XIII in accordance with the procedures of paragraphs 1 to 3 of that Article;

(3) that such modification will be made in the context of a general revision of the tariff structure and nomenclature which for constitutional reasons is submitted to Parliament on a date which will permit legislative action to be completed in the same Parliamentary session;

(4) that in order to avoid unreasonable delays in applying the tariff reform it is essential that the measure be introduced during the 1958 Parliamentary session and that it will be impracticable to withhold its application until the completion of negotiations under Article XXVIII;

(5) that for technical reasons a partial application of the tariff, involving withholding the application of the increased rates on bound items, is not practicable;
The CONTRACTING PARTIES, acting pursuant to paragraph 5 of Article XXV of the General Agreement,

DECIDE,

in view of the exceptional circumstances, to suspend the application of the provisions of Article II of the General Agreement to the extent necessary to enable New Zealand to apply the revised tariff simultaneously with its submission to the New Zealand Parliament subject to the following conditions:

(1) the New Zealand Government will at the earliest possible date and prior to the approval and application of the revised tariff, advise contracting parties of the items which it proposes to modify or withdraw pursuant to paragraphs 1 - 3 of Article XXVIII and of the concessions which New Zealand proposes to apply as compensation for such modifications and withdrawals;

(2) the New Zealand Government will promptly thereafter enter into negotiations or consultations with interested contracting parties pursuant to paragraphs 1 - 3 of Article XXVIII;

(3) the negotiations or consultations mentioned above shall be completed by the end of the Thirteenth Session, unless the time-limit is extended by the CONTRACTING PARTIES;

(4) pending the entry into force of the results of the negotiations, the other contracting parties will be free to suspend concessions initially negotiated with New Zealand to the extent that they consider that adequate compensation is not at that time provided by the New Zealand Government, (subject, as regards contracting parties which have a principal supplying interest or a substantial interest therein, to procedures analogous to those provided for in Article XXVIII);

(5) concurrently with the application of the new rates of duty on items which are the subject of concessions in Schedule XIII, the New Zealand Government will apply the rates of duty offered as compensation for the concessions modified or withdrawn;

(6) the negotiations and consultations referred to in paragraph (2) above shall relate to the concessions provisionally offered as compensation for the modifications and withdrawals and to any requests made by interested contracting parties for other or additional compensations with a view to reaching a satisfactory adjustment consistent with the requirements of paragraph 2 of Article XXVIII;

(7) in all other respects the negotiations and consultations shall be conducted in conformity with the relevant provisions of Article XXVIII.