ARTICLE XXVIII:5 NEGOTIATIONS

Schedule LXXII - European Economic Community

Addendum

The following communication dated 22 April 1986 has been received from
the Permanent Mission of Thailand.

I have the honour to submit through you the following to the
contracting parties:

1. Reference is made to the communication of the European Communities
dated 3 March 1986 reproduced in GATT document SECRET/259/Add.4 of
6 March 1986 concerning the temporary suspension of the EEC concession on
tariff item CCT 07.06 A.

2. The European Communities concession on tariff item CCT 07.06 A in
Schedule LXXII-EEC was temporarily suspended from 1 January 1983 to
31 December 1986 by the joint communication of EEC and Indonesia reproduced
in GATT document SECRET/259/Add.2 of 5 August 1982 and by the joint
communication of EEC and Brazil reproduced in GATT document SECRET/259/Add.3
of 27 August 1982 which were concluded and addressed to the contracting
parties before Thailand became a contracting party of GATT.

3. Before 1982, Thailand exported the products under tariff item
CCT 07.06 A to EEC in the following quantities:

- 1979 = 3,814,730 MT
- 1980 = 4,920,830 MT
- 1981 = 5,456,881 MT

Since 1982 and under the bilateral agreement fixing quantitative limit
for exports between Thailand and EEC, which is due to expire on
31 December 1986, Thailand has been exporting the products under tariff
item CCT 07.06 A as follows:

- 1982 = 7,296,741 MT
- 1983 = 4,964,954 MT
- 1984 = 5,916,084 MT
- 1985 = 4,692,179 MT

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5. Thailand became a contracting party of GATT on 20 November 1982 and Thailand has since been the principal GATT supplier to EEC for the products covered by the EEC tariff concession item CCT 07.06 A.

6. Tariff concession item CCT 07.06 A of Schedule LXXII-EEC is temporarily suspended until 31 December 1986 by the two joint communications addressed to the contracting parties as mentioned in paragraph 2 above. There is no linkage between the period of temporary suspension of the EEC concession in GATT in the joint communications and the automatic extension provided in the bilateral agreements between EEC and Indonesia and EEC and Brazil. Therefore, the duration of such temporary suspension shall be governed by the period which EEC, Indonesia and Brazil jointly declared to the contracting parties in the said joint communications. These two joint communications simply provided that the concession be temporarily suspended until 31 December 1986 without reference to any further period thereafter.

7. A temporary suspension of tariff concession item CCT 07.06 A of Schedule LXXII-EEC for any further period after 31 December 1986 should be effected by the same means and procedure as had brought into effect the temporary suspension between 1 January 1983 to 31 December 1986, i.e. by joint communications addressed to the contracting parties by EEC and all GATT suppliers including Thailand, the principal GATT supplier of the products under this item.

8. If all the GATT suppliers and EEC agree to the temporary suspension of the tariff concession of item CCT 07.06 A of Schedule LXXII-EEC for a new period, then a tariff quota appearing in the Annex to the GATT document SECRET/259/Add.4 of 6 March 1986 should be adjusted accordingly.