I
1. The Working Party on the Accessions to the European Economic Communities, at its meeting on 7 December 1972, asked the secretariat to prepare a paper describing the situation of bindings in Part II - Preferential Tariff of Schedule XIX - United Kingdom.

II
2. With regard to products described in Part II of a schedule of concessions annexed to the GATT, paragraph 1(c) of Article II of the General Agreement defines the concept of "binding", in terms identical to those relating to products in Part I, in paragraph 1(b) of the same Article. Items in both parts of a schedule of concessions are "subject to the terms, conditions or qualifications set forth in that schedule".

III
3. The first four Schedules of the United Kingdom (all numbered "XIX") which were "annexed to the General Agreement" in the sense of Article II of the General Agreement are listed hereunder.

- Annexed originally to GATT 1947
- Annexed to Annecy Protocol 1949
- Annexed to Torquay Protocol 1951
- Annexed to Sixth Protocol of Supplementary Concessions 1956

Each of these Schedules contained a Part II.
4. In the Ninth Protocol of Rectifications and Modifications of 1959, the United Kingdom replaced these four Schedules by four up-to-date texts, which incorporated all previous rectifications and modifications. It was on this occasion that the United Kingdom officially adopted the Brussels Nomenclature for its schedules.

5. Further additions were made to Schedule XIX - Part II in the following instruments:

- Declaration on the Provisional Accession of Switzerland 22.11.58
- Protocol of Accession of Israel 6.4.62
- "Dillon Round" Protocol 16.7.62
- "Kennedy Round" Protocol 30.6.67

6. The Preferential Schedules (Schedule XIX - Part II) listed in the foregoing paragraphs contain no general note specifying that some of the items set forth therein are not bound.

IV

7. The continuous changes in the schedules of contracting parties through additions, modifications, rectifications, etc. resulted in a first consolidation of the Geneva, Annecy and Torquay Schedules of contracting parties and was printed in 1952. It was designed to be purely a working document and had no legal status.

"It is understood that only the original Schedules of Geneva, Annecy and Torquay, as modified and rectified, will continue to be effective." (BISD, Vol. II, page 144).

8. By the end of 1955, it was again felt (BISD, 4th Supplement, page 70) "that up-to-date consolidated schedules would be highly desirable" and arrangements were made for their preparation. The provisional draft consolidated schedule of the United Kingdom, distributed to all contracting parties for checking, is dated 4 May 1956. After this draft was approved, the United Kingdom, by letter of 1 May 1957, sent to the secretariat five copies of each of the final versions (in English and French), as well as an explanatory note (see Annex II). The same letter notified that copies of these documents had also been distributed to the contracting parties.

9. At the end of 1957, the question of giving legal status to consolidated schedules was again raised in connexion with the known intention of several contracting parties to replace by new texts the present legal texts of their schedules, in view of their adoption of new nomenclatures (cf. BISD, 6th Supplement, page 134, paragraph 12). The status of the consolidations of 1956/57 (which were

The United Kingdom delegation informs the secretariat, however, that the status of the majority of the entries in Part II of Schedule XIX is that they are included solely for the purpose of safeguarding the right to accord appropriate margins of preference and that they are not bound. A copy of a letter to this effect which was sent by the United Kingdom delegation on 1 June 1967 to the delegations of Commonwealth countries which had participated in the Kennedy Round negotiations is attached as Annex I.
never printed) remained that of "valuable documents for normal working purposes" (BISD, 5th Supplement, page 99, paragraph 10). Denmark, Norway and Sweden later availed themselves of the Ninth Protocol of Rectifications of 1959 to give legal status to their consolidated GATT Schedules.

10. The United Kingdom again circulated an unofficial consolidated Schedule in 1960. A copy of the covering note to that consolidation is attached (Annex III).

11. The copies of the consolidated Schedules of the United Kingdom mentioned in paragraphs 7-10 which are in the hands of the secretariat contain no general note indicating that some of the bindings appearing in Part II are not bound.

V

12. As regards any bilateral arrangements between contracting parties, qualifying commitments entered into under the GATT, the CONTRACTING PARTIES have taken the position that

"The determination of rights and obligations between governments arising under a bilateral agreement is not a matter within the competence of the CONTRACTING PARTIES (Decision of 9 August 1949; BISD, Vol. II, page 11)."
KENNEDY ROUND NEGOTIATIONS -

Entries in Part II of the United Kingdom Schedule

You will notice, when our Schedules are distributed, that in those cases where full rates of duty in the United Kingdom Tariff are to be reduced in respect of items for which preferential rates are chargeable we have, in accordance with our usual practice, entered appropriately reduced rates in Part II of the Schedule. We wish to make it clear that this is solely for the purpose of safeguarding our right to accord the appropriate margins of preference, since otherwise Article I, paragraph 4(a), of the General Agreement would require us to reinstate the preferential rate in force on 10 April 1947. These entries will not mean that the rates we are showing are being bound to Commonwealth countries in terms of Article II.

(G.R. Denman)

C.A. Annis Esq.
Canadian Mission
(Delegation to the G.A.T.T.)
7 rue des Alpes,
1202 Genève.

Similar copies sent to: K.W. Ryan, Australian Mission
R.C.S. Roalkayer (Ceylon Mission)
J.M.K. Npakpa (Ghana Mission)
B.N. Swarup (Indian Mission)
K.B. Scott (Jamaican Mission)
M.T. Adebanjo (Nigerian Mission)
K.L. Press (New Zealand Mission)
A. Mahmood (Pakistan Mission)
R.A. Halloway (GATT Rep. for Sierra Leone)
E. Signoret (Permanent Mission for Trinidad and Tobago)
S. Kennan (Irish Perm. Mission)
H.J.P.L. Kruger (S. African Mission)
Spec(73)1
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ANNEX II

Board of Trade
Tariff Division
Horse Guards Avenue, London, S.W.1

1 May 1957

Dear Mr. Maggio,

Consolidation of Schedules

In accordance with the instructions in document L/600, enclosed are five copies of each of the complete final versions of the authentic and non-authentic (French) text of the schedules, together with copies of an explanatory note.

Copies of these documents have also been distributed to the contracting parties.

Yours sincerely,

(L.F. Tivey)

Mr. G. Maggio,
GATT Secretariat,
Villa le Bocage,
Route de Pregny,
Geneva,
Switzerland.
Consolidation of GATT Schedules

As indicated in document L/483/Add.4 the Government of the United Kingdom have prepared a final revised version of the authentic (English) text, together with the non-authentic (French) text, of the consolidation of Schedule XIX. One copy of each of these texts is enclosed.

It is requested that the information in the final column of the Schedule, relating to countries with which United Kingdom concessions were negotiated, should be regarded as confidential.

The Government of the United Kingdom have not put forward a revised Consolidated Schedule XIX in terms of the Brussels Nomenclature as the revision of the wording of the Nomenclature versions of the 1947, 1949 and 1951 concessions, which were based on the 1950 print of the Nomenclature, and the preparation of a United Kingdom tariff in Nomenclature form, are not yet completed. Since the introduction of a Nomenclature tariff in the United Kingdom is not imminent, there would be no advantage in putting forward at this stage a Consolidated Schedule XIX (Nomenclature Version), in which the necessary consolidation had not been fully achieved.

Board of Trade,
London.

1 May 1957
UNITED KINGDOM CONSOLIDATED SCHEDULE OF TARIFF CONCESSIONS
ACCORDED UNDER GATT
(MARCH 1960, EDITION)

1. The new United Kingdom Consolidated Schedule (copy attached), showing the total net commitments of the United Kingdom as they stood at March 1960, is circulated as a working document for the convenience of the contracting parties and the secretariat.

2. The new Consolidated Schedule incorporates the United Kingdom concessions shown in the Ninth Protocol of Rectifications and Modifications (published 17 August 1959), in the Declaration on the Provisional Accession of the Swiss Confederation to the General Agreement on Tariffs and Trade (published 22 November 1958), and in the Anglo-Brazilian Proces-Verbal to be annexed to the Protocol relating to negotiations for a new Schedule III (published 13 May 1959); it also incorporates the minor rectifications circulated under Spec(60)75 of 25 April 1960.

3. The only United Kingdom overseas dependent territories of the United Kingdom for which commitments existed, as at March 1960, in respect of tariff concessions accorded under GATT are the Bahamas and Hong Kong. These commitments, as they stood at March 1960, are shown at the end of the Consolidated Schedule.

4. The new Consolidated Schedule indicates, in relation to each concession listed, the country or countries with which that concession or some part of it is considered as having been initially negotiated. It will be understood that (as in the case of the previous United Kingdom Consolidated Schedule) where more than one country is indicated in relation to a particular concession in the new Consolidated Schedule, it does not necessarily follow that the whole of that concession was initially negotiated with each of the countries indicated.

Board of Trade,
London.

July 1960