REPORT BY THE CHAIRMAN OF THE COMMITTEE ON TARIFF CONCESSIONS

TO THE COUNCIL ON 1 NOVEMBER 1983

1. The Committee on Tariff Concessions has met twice in the course of the year: on 28 February and 20 October 1983.

2. The submission of schedules of concessions in loose-leaf form has progressed slowly. So far thirty countries have submitted their loose-leaf schedules, out of a total of sixty-two contracting parties that have a schedule. The Committee regretted that many countries had not yet submitted their schedules in loose-leaf form and that too much time was being taken for the verification of schedules already circulated. I therefore hope that the Council will agree with me when I urge contracting parties to submit their schedules in loose-leaf form as well as to accelerate the verification process.

3. The question of the legal status of loose-leaf schedules remained on the agenda of both meetings of the Committee. One delegation raised additional questions concerning this matter, which were circulated to contracting parties in document TAR/W/39. The secretariat replied to those questions in a letter addressed to the delegation concerned. On 20 October, the Committee decided to postpone further discussion of this item until the next meeting of the Committee.

4. At its meeting on 28 February 1983, the Committee on Tariff Concessions adopted a document containing special procedures for the rectification and re-negotiation of GATT schedules, which will become necessary in connection with the introduction of the Harmonized Commodity Description and Coding System (Harmonized System) elaborated in the Customs Co-operation Council. The Committee agreed that the adoption of the procedures could not in any way prejudice the position of contracting parties in respect of their ultimate decision on the adoption of the Harmonized System. The Committee also decided to submit the document containing the procedures to the GATT Council for approval. The Council approved the procedures, contained in document L/5470/Rev.1, at its meeting of 12 July 1983. At its June session, the CCC adopted the Harmonized System and agreed that the date of its introduction would in principle be 1 January 1987.

5. Following the approval of the procedures referred to in the preceding paragraph by the Council, experts of interested delegations held several informal meetings with a view to drafting proposals for the establishment of a common data base which would contain the data required for the negotiations under Article XXVIII prior to the introduction of the Harmonized System. The
views expressed by the informal group are contained in document TAR/W/41 which was submitted to the Committee on Tariff Concessions for its consideration on 20 October 1983. I stressed that the Committee needs to reach agreement on the data base in the near future if the secretariat is to have the data base ready for the negotiations. At that meeting, several delegations expressed the view that a common data base would be very useful for the conduct of future Article XXVIII negotiations. Some delegations stated that they did not have the technical means to participate in the exercise while others stated that they were still analyzing the implications of the establishment of a common data base. The Committee decided that certain aspects of the exercise needed to be considered further and that another meeting of the Committee would be necessary before an agreement could be reached.

6. At its meeting of 28 February the Committee discussed tariff escalation. Some delegates stressed that any further studies should avoid some of the problems which had been identified in connection with previous studies prepared by the secretariat. The point was also made that close co-ordination should be ensured with work on certain natural resource products following the Ministerial Declaration.

7. Following the recommendation by the Council at its meeting of 4 October 1983, the question of the application of Article XXVIII to new products was taken up in the Committee on 20 October. Several delegations underlined the importance of the matter and expressed interest to participate in consultations that I would hold in order to examine problems relating to the utilization of Article XXVIII. In addition, the Committee requested that the secretariat update a document listing all actions taken by contracting parties under Article XXVIII and to provide any other background material that might be useful for the consideration of the matter in the Committee.