HARMONIZED COMMODITY DESCRIPTION AND CODING SYSTEM

Requests for Extension of Waivers

Proposal by Sweden

The Swedish delegation has requested the Secretariat to circulate the following statement made at the Council of 16 June 1993 on behalf of the Nordic countries, to the members of the Committee on Tariff Concessions prior to its next meeting.

The Council is, once again, faced with a very large number of requests for extension of waivers from countries that are still in the process of implementing the Harmonized System (HS).

On numerous previous occasions in the Council, the Nordic countries have joined others in expressing concern at the semi-automaticity involved in extending waivers of this kind. The habit of extending waivers more or less automatically, in our view, puts the credibility of the system at risk.

In the view of the Nordic countries, waivers from the General Agreement should be given in what are demonstrated to be exceptional circumstances only. Having read the requests for extension that we have before us today we note that the information given on the reasons for why an extension is required is often very limited. This observation is not new. It has been made by others at previous Council meetings. Despite repetition of the point, the situation has not improved. For an outsider, it is sometimes difficult to judge to what extent sufficient efforts are being made towards finalizing the HS implementation. We are, of course, very much aware that implementation sometimes may be held up by negotiating partners.

We are not going to oppose the extension of the waivers on the agenda for this meeting, but we are of the opinion that the way in which this matter is treated by the Council ought to be improved. With this in mind, I would suggest that the extension of the waivers be based on an understanding that the countries involved will give a full and detailed report, in writing, to the Committee on Tariff Concessions on the steps that are taken towards finalizing the HS implementation during the period covered by the respective waivers. Furthermore, I would suggest that the Tariff Committee hold, in due course, a full discussion on the basis of these reports. Such a discussion among tariff experts would hopefully benefit both the countries that are in the process of implementing HS and their partners.

The Committee on Tariff Concessions should be asked to report back to the Council on the matter in advance of any requests to the Council for additional extensions. This report would then constitute a basis for any further decisions of this kind. Let me hasten to add that we would, of course, expect all countries that are seeking extensions of waivers today to move rapidly to conduct and complete the negotiations necessary to re-establish their GATT Schedules and that no further extensions therefore will be needed.
Let me conclude by stating that the adoption of HS by all contracting parties is a precondition for a successful implementation of the Uruguay Round results. The 15 December has emerged as a firm deadline for the Round. Therefore, the completion before the end of the year of the necessary HS-related negotiations is more important now than ever.