GENERAL AGREEMENT ON
TARIFFS AND TRADE

CONTRACTING PARTIES
Twentieth Session

NICARAGUAN IMPORT DUTIES

Extension of Time-Limit in Decision of 20 November 1959

Draft Decision

Considering that the CONTRACTING PARTIES by Decision of 20 November 1959 waived, subject to specified terms and conditions, the provisions of paragraph 1 of Article II of the General Agreement to the extent necessary to allow the Government of Nicaragua to apply a temporary increase in customs duties, as an emergency measure designed to overcome the existing threat to its monetary reserves and to ensure the success of its stabilization programme, to those items included in Schedule XXIX which were specified in the table annexed to the Decision and that the above-mentioned Decision expired on 30 June 1962;

Considering that the rates of duty of Nicaragua temporarily increased under the Decision of 20 November 1959 have been aligned, with three exceptions, in accordance with the terms of the Central American Agreement on the Equalization of Import Duties and Charges and that in cases where the rates of duty, as aligned, are higher than the rates specified in Schedule XXIX, the increases are in accordance with the Decision of 23 November 1961 which authorizes Nicaragua to increase rates of duty on products included in Schedule XXIX above the level specified therein for the purpose of applying the equalized Central American rates of duty;

Considering that the Government of Nicaragua recently instituted a major fiscal reform, the precise effects of which cannot at this stage be estimated, and has therefore requested to be allowed further to maintain the temporarily increased rates on the three items listed in the table annexed hereto, the rates of duty on which have not been aligned with the equalized Central American rates of duty;

1BISD, Eighth Supplement, page 52.

2BISD, Tenth Supplement, page 48.
Taking account of the intention of the Government of Nicaragua that the increases shall be progressively reduced or eliminated and that they shall only be applied to the extent that the reasons mentioned in the preceding consideration justify their maintenance;

The CONTRACTING PARTIES, acting pursuant to the provisions of paragraph 5 of Article XXV of the General Agreement and in accordance with the procedures adopted by them on 1 November 1956,

Decide to extend until 30 November 1963 the period during which the temporary increase in the customs duties included in Schedule XXIX and specified in the table annexed hereto may be maintained under the Decision of 20 November 1959, subject to the terms and conditions contained in that Decision which are not inconsistent with the above considerations.

ANNEX

Rates of Temporary Increase in Customs Duties
Authorized under the Decision

<table>
<thead>
<tr>
<th>Tariff item No.</th>
<th>Description of products</th>
<th>Increase in ad valorem rate of c.i.f. value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ex 732-01-01</td>
<td>Automotive vehicles (jeeps and similar)</td>
<td>10%</td>
</tr>
<tr>
<td>Ex 732-03-02</td>
<td>Trucks, pick-up trucks and panel trucks, tank trucks, and refrigerator trucks</td>
<td>5%</td>
</tr>
<tr>
<td>863-01-00-2</td>
<td>Motion picture films (other than education and scientific) exposed, developed or not, silent or sound</td>
<td>15%</td>
</tr>
</tbody>
</table>