The following communication dated 20 October 1988 has been received from the Permanent Mission of the Kingdom of Morocco with the request that it be circulated to the contracting parties and considered by the CONTRACTING PARTIES at their forty-fourth session.

The process of transposing our Customs Tariff from CCCN to the Harmonized System is in its final stages. Once this has been completed, the Harmonized System documentation required under the procedures of Article XXVIII will be prepared and circulated to the contracting parties as soon as possible.

The Kingdom of Morocco also wishes to emphasize that it will ensure that in the process of conversion no change in the tariff rates of bound items, the Initial Negotiating Rights or the product descriptions will take place. However, it is prepared to enter into consultations with any interested contracting parties. In view of the time constraint, it will certainly not be possible for the Kingdom of Morocco to conduct consultations as provided for in Article XXVIII before the implementation of the Harmonized System.

In order to enable the Kingdom of Morocco to implement the Harmonized System on 1 January 1989, the Kingdom of Morocco therefore requests a temporary exemption from its obligations under Article II of the General Agreement until 30 June 1989.

To facilitate consideration of this matter, the text of a draft decision is annexed.
ANNEX

MOROCCO - ESTABLISHMENT OF A NEW SCHEDULE LXXXI

Draft Decision

Considering that the Kingdom of Morocco has notified the CONTRACTING PARTIES that, in accordance with the decision of the Customs Co-operation Council that the CCCN be replaced by the Harmonized Commodity Description and Coding System (Harmonized System) on 1 January 1988, the Kingdom of Morocco has decided to implement the Harmonized System as from 1 January 1989;

Considering that the Kingdom of Morocco has stated that the process of transposing its Customs Tariff from the CCCN to the Harmonized System is in its final stages, and that its Harmonized System documentation required under the procedures of Article XXVIII will be circulated to contracting parties as soon as possible;

Noting that the Kingdom of Morocco has emphasized that it will ensure that in the process of conversion no change in the tariff rates of bound items, the Initial Negotiating Rights or the product descriptions will take place, and that the Kingdom of Morocco is prepared to enter into consultations with any interested contracting parties;

Recognizing that in view of the time constraint, it will not be possible for the Kingdom of Morocco to conduct consultations under the procedures of Article XXVIII of the General Agreement before the scheduled date of implementation;

The CONTRACTING PARTIES, acting pursuant to the provisions of Article XXV:5 of the General Agreement,

Decide, in view of the exceptional circumstances, to suspend the application of the provisions of Article II of the General Agreement to enable the Kingdom of Morocco to implement, on 1 January 1989, the Harmonized Commodity Description and Coding System, subject to the following conditions:

1. The Kingdom of Morocco will promptly enter into negotiations and consultations with interested contracting parties pursuant to paragraphs 1-3 of Article XXVIII.

2. The negotiations and consultations mentioned above shall be completed not later than 30 June 1989.

3. Pending the entry into force of the results of the negotiations or consultations mentioned above, the other contracting parties will be free to suspend concessions initially negotiated with the Kingdom of Morocco to the extent that they consider that adequate compensation is not offered by the Kingdom of Morocco.