Article 17

Insert the following explanatory paragraph between paragraphs 2 and 3:

"A combination of the following circumstances shall be regarded as sufficient justification to refrain from carrying out negotiations directed to the reduction or elimination of tariffs:

(a) that the purpose of the tariffs is exclusively fiscal; and
(b) that more than 25 per cent of the fiscal revenue is obtained from such tariffs taken as a whole."

Grounds

The following amendment is based on the need to prevent disturbances in the fiscal structure of those countries which are obliged by their special economic conditions to base their system of taxation primarily on tariffs, and is also dictated by the fact that, in the opinion of the delegation of El Salvador, the phrase "having regard to its economic position and the provisions of the Charter as a whole" is too vague, in view of the vital importance presented by this problem in the case of those countries which are under-developed economically.