

Council for Trade in Goods
6 October April 1997

Original: English

SRI LANKA - ESTABLISHMENT OF A NEW SCHEDULE VI

Request for Extension of Time-Limit

The following communication, dated 19 September 1997, has been received from the Permanent Mission of Sri Lanka.

I refer to your fax of 16 September 1997 on the above subject. I furnish below the factual information being requested with regard to Sri Lanka's request for an extension of the time-limit for the current waiver.

1. Date of original waiver: 8 November 1988¹.
2. Date of submission of documents relevant to the HS implementation: 12 January 1990².
3. Number of extensions and dates when granted: fifteen extensions, as follows: 24/07/89; 16/07/90; 07/12/90; 01/07/91; 04/12/91; 20/07/92; 03/12/92; 19/07/93; 17/01/94; 21/07/94; 09/12/94; 31/08/95; 13/12/95, 18/07/96 and 16/07/97.
4. Number of countries with which Article XXVIII negotiations have been initiated: four (Australia, European Union, New Zealand and United States).
5. Number of countries with which Article XXVIII negotiations have been concluded: none.
6. Status of outstanding Article XXVIII negotiations as well as a general outline of relevant problems, if any:

The present situation is that Sri Lanka has received counter proposals from two countries with which it has already initiated Article XXVIII negotiations. These proposals are being examined by the appropriate authorities in Sri Lanka and it is envisaged that further consultations would be necessary with them to arrive at an acceptable solution. In so far as the negotiations with the remaining trading partners are concerned, Sri Lanka hopes to enter into consultations shortly with one on the basis of the proposal it had received from them sometime back while the other would be contacted shortly requesting for specific proposals, if any, for consideration by Sri Lanka. While every effort is being made to conclude these negotiations as early as possible, it is unlikely that they would be completed by 31 October 1997.

¹BISD, 35S/22.

²SECRET/HS/26.

7. Outlook for concluding the process:

As it has been indicated on previous occasions, it is the intention of Sri Lanka to conclude its Article XXVIII negotiations with the least possible delay. However its efforts so far unfortunately have been hampered by several constraints, the most important of which continues to be the security situation which prevails in the country which has consumed vast human and financial resources for safeguarding the territorial integrity of the country. Meanwhile, some of the proposals which Sri Lanka has received from its trading partners have also not been particularly helpful owing to the extremely sensitive nature of such requests politically and more so, at a time when the country is experiencing much economic hardship on account of the ongoing ethnic conflict. Furthermore, it is also felt that the authorities in Sri Lanka would equally require some more time to engage in consultations with all relevant agencies concerned with regard to the latest proposals received following the progress of these consultations so far. In this context, it is worthwhile noting that the recent establishment of Commission on Trade and Tariff in Sri Lanka with the responsibility of looking into an anomalies and changes concerning tariff matters, henceforth, will also need to be consulted on whatever recommendations concerning any future changes to the country's tariff structure arising out of these negotiations.

In view of the above circumstances, Sri Lanka will require a further extension of six months to conclude these negotiations.

Sri Lanka wishes to extend its appreciation to the countries concerned for the understanding shown and assures them that these negotiations will be finalized to the satisfaction of all parties concerned within the stipulated time.