

**INTRODUCTION OF HARMONIZED SYSTEM 1996 CHANGES
INTO WTO SCHEDULES OF TARIFF CONCESSIONS**

Israel – Schedule XLII

Decision of 17 May 2004¹

The General Council,

Considering that the Members of the WTO, by their Decisions of 13 December 1995, 18 July 1996, 24 April 1997, 22 October 1997, 24 April 1998, 14 October 1998, 15 June 1999, 4 November 1999, 3 May 2000, 8 December 2000, 08 May 2001, 13 May 2002, 15 October 2002, 24 July 2003 and 16 December 2003², acting pursuant to the provisions of paragraph 3 of Article IX of the WTO Agreement, suspended the application of the provisions of Article II of GATT 1994 until 30 April 2004, for the purpose of enabling the Members listed in the Annex to implement the recommended amendments to the Harmonized System nomenclature;

Considering that by their Decision of 8 May 2001 the Members of the WTO also agreed that it would be the last time an extension of HS96 waiver would be granted on a collective basis, but that this would not, however, preclude Members from requesting waivers on an individual basis.

Noting that Israel has requested a waiver for reasons explained in its request³;

Considering that Israel would need more time to proceed with consultations or possible Article XXVIII negotiations;

Acting pursuant to the provisions of paragraph 3 of Article IX of the WTO Agreement,

Decides, in view of the exceptional circumstances, to suspend the application of the provisions of Article II of GATT 1994, until 31 October 2004, for the purpose of enabling Israel to implement the recommended amendments to the Harmonized System nomenclature, subject to the following conditions:

- (i) Israel shall, where necessary, promptly enter into negotiations and consultations with interested Members pursuant to paragraphs 1-3 of Article XXVIII of GATT 1994;
- (ii) the negotiations and consultations mentioned above shall be completed not later than 31 October 2004;

¹ Adopted in accordance with the Decision-Making Procedures under Articles IX and XII of the WTO Agreement agreed by the General Council in November 1995 (WT/L/93).

² WT/L/124 + Corr.1, WT/L/173, WT/L/216, WT/L/243, WT/L/268, WT/L/281, WT/L/303, WT/L/338, WT/L/351, WT/L/379, WT/L/400, WT/L/455, WT/L/487, WT/L/531 and WT/L/554.

³ G/L/670.

- (iii) pending the entry into force of the results of the negotiations or consultations mentioned above, the other Members will be free to suspend concessions initially negotiated with Israel to the extent that they consider that adequate compensation is not offered by Israel.
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