

GENERAL PREFERENTIAL TARIFF REDUCTION ORDER, 1996

SOR/96-6

ORDER REDUCING THE RATES OF CUSTOMS DUTIES SET OUT IN THE GENERAL PREFERENTIAL TARIFF

SHORT TITLE

1. This Order may be cited as the *General Preferential Tariff Reduction Order, 1996*.

REDUCTION OF GENERAL PREFERENTIAL TARIFF RATES

2. For each tariff item No. set out in column I of Schedule I, the General Preferential Tariff rate of customs duty set out in Schedule I to the *Customs Tariff* is reduced to the rate of customs duty set out in column II of that tariff item No., effective January 1, 1996.

3.(1) For each tariff item No. set out in column I of Schedule II, the General Preferential Tariff rate of customs duty set out in Schedule I to the *Customs Tariff* is reduced to the greater of

(a) the rate of customs duty set out in column II of that tariff item No., and

(b) the lesser of

(i) the General Preferential Tariff rate of customs duty applicable to that tariff item No. as at December 31, 1995, less one per cent and any fraction of a per cent resulting from the calculation, and

(ii) a rate equal to two thirds of the Most-Favoured-Nation Tariff rate of customs duty applicable to that tariff item No., less any fraction of a per cent resulting from the calculation, effective January 1, 1996.

(2) Where the rate referred to in paragraph (1)(b) is greater than the rate referred to in paragraph (1)(a), the rate referred to in paragraph (1)(b) is reduced as of January 1 of each year after 1996 by one per cent, until such time as the difference between that rate and the rate referred to in paragraph (1)(a) is less than one per cent, at which time the rate referred to in paragraph (1)(a) shall apply.

INTRODUCTION OF GENERAL PREFERENTIAL TARIFF RATES

4. For each tariff item No. set out in column I of Schedule III, the symbol "X" under the heading "General Preferential Tariff" in Schedule I to the *Customs Tariff* is replaced with the rate of customs duty set out in column II of that tariff item No., effective January 1, 1996.

5.(1) For each tariff item No. set out in column I of Schedule IV, the symbol "X" under the heading "General Preferential Tariff" in Schedule I to the *Customs Tariff* is replaced by the greater of

(a) the rate of customs duty set out in column II of that tariff item No., and

(b) a rate equal to two thirds of the Most-Favoured-Nation Tariff rate of customs duty applicable to that tariff item No., less any fraction of a per cent resulting from the calculation, effective January 1, 1996.

(2) Where in respect of a tariff item No. the rate referred to in paragraph (1)(b) is greater than the rate referred to in paragraph (1)(a), the rate set out under the heading "General Preferential Tariff" in Schedule I to the *Customs Tariff* in respect of that tariff item No. is replaced with a rate equal to the rate referred to in paragraph (1)(b) reduced, as of January 1 of each year after 1996, by one per cent, until such time as the difference between that rate and the rate of customs duty referred to in paragraph (1)(a) in respect of that tariff item No. is less than one per cent, at which time the rate set out under the heading "General Preferential Tariff" of that Schedule is replaced by the rate referred to in paragraph (1)(a).

[The Schedules are not reproduced here. The amendments prescribed by these Regulations have been incorporated in the consolidated version of the *Customs Tariff*.]