ARTHUR ROBINION & HEDDERY, CKS LIDNARY

1990-91-92

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

THE SENATE

CUSTOMS TARIFF AMENDMENT BILL 1992

SUPPLEMENTARY EXPLANATORY MEMORANDUM

(Circulated by the Authority of the Minister for Industry, Technology and Commerce, Senator the Honourable John N Button)

AMENDMENTS OF THE CUSTOMS TARIFF AMENDMENT BILL 1992

TO BE MOVED ON BEHALF OF THE GOVERNMENT

GENERAL OUTLINE

The purpose of this Bill is to enact three amendments to the Customs Tariff Amendment Bill 1992, as follows:

- delete the reference to "Macedonia" in Amendment No. 4 of Schedule 5 of the Customs Tariff Amendment Bill 1992 and replace this with a reference to "Former Yugoslav Republic of Macedonia";
- . delete Bosnia-Hercegovina from the list of places accorded the benefits of the Australian System of Tariff Preferences (ASTP) and include it (as Bosnia and Herzegovina) in the list of countries; and
- delete Montenegro from the list of places accorded the benefits of the ASTP.

FINANCIAL STATEMENT

These amendments do not incur any additional financial outlay. Their financial impact has been included in the Financial Statement provided in the original Explanatory Memorandum.

CUSTOMS TARIFF AMENDMENT BILL 1992

DETAILED DESCRIPTION OF THE AMENDMENTS

Section 10 of the Customs Tariff Amendment Bill 1992 provides that Schedule 5 of this Bill and the following amendment will operate on and from 1 January 1992.

Schedule 1 to the <u>Customs Tariff Act 1987</u> contains a list of those countries and places which are accorded the benefits of the Australian System of Tariff Preferences (ASTP).

Australia has supported international efforts to achieve a peaceful resolution of the Yugoslav conflict. Those former Yugoslav Republics which have co-operated with the European Community peace efforts have been exempted from the Australian economic measures and are eligible to receive the benefits of the ASTP.

The Customs Tariff Amendment Bill 1992 contains a number of amendments to give effect to these initiatives, including according Macedonia the benefits of the ASTP.

As the Socialist Federal Republic of Yugoslavia has been formally dissolved, it is appropriate that the fully descriptive name of "Former Yugoslav Republic of Macedonia" be used in this context and in Schedule 1 to the <u>Customs</u> Tariff Act 1987.

The Amendment to the Amendment Bill gives effect to this change.

A new Section 16 inserted in the Customs Tariff Amendment Bill 1992 will provide for a new Schedule 11 to operate on and from 1 May 1992.

Schedule 5 of the Customs Tariff Amendment Bill 1992, operative 1 January 1992, contains an amendment to Schedule 1 to the Principal Act to accord Bosnia-Hercegovina the benefits of the ASTP. As Australia had not formally recognised Bosnia-Hercegovina as a country at that time, it was listed as a place in Schedule 1 to the <u>Customs Tariff Act 1987</u>.

Following decisions by the United Nations and the European Community, Australia has now formally recognised Bosnia and Herzegovina as an independent country.

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As a consequence, a new Schedule 11, operative 1 May 1992 has been inserted in the Customs Tariff Amendment Bill 1992. This Schedule contains two amendments which remove Bosnia-Hercegovina from the list of places and include it, as Bosnia and Herzegovina, in the list of countries. The title of the country has been amended to conform with that now accepted internationally.

A new Section 17 inserted in the Customs Tariff Amendment Bill 1992 will provide for a new Schedule 12 to operate on and from 2 June 1992.

Schedule 6 of the Customs Tariff Amendment Bill 1992, operative 1 March 1992, contains an amendment to Schedule 1 to the Principal Act to accord Montenegro the benefits of the ASTP.

Following the recent decision by the United Nations (contained in Resolution No. 757) to impose sanctions against Serbia and Montenegro, the Australian Government has also decided to withdraw the benefits of the ASTP from Montenegro. This action is in accordance with wider trade sanctions to be imposed by the Australian Government against Serbia and Montenegro.

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