

No. 20821

**UNITED STATES OF AMERICA
and
CANADA**

**Memorandum of Understanding regarding the staging of
certain tariff reductions, reached on the Tokyo Round
of the Multilateral Trade Negotiations (with annexes).
Signed at Washington on 17 and 21 September 1979**

Authentic text: English.

Registered by the United States of America on 1 March 1982.

**ÉTATS-UNIS D'AMÉRIQUE
et
CANADA**

**Mémoire d'accord concernant l'échelonnement de cer-
taines réductions tarifaires convenu lors des négocia-
tions commerciales multilatérales dites de Tokyo (avec
annexes). Signé à Washington les 17 et 21 septembre
1979**

Texte authentique : anglais.

Enregistré par les États-Unis d'Amérique le 1^{er} mars 1982.

MEMORANDUM OF UNDERSTANDING¹ BETWEEN CANADA AND THE UNITED STATES REGARDING THE STAGING OF CERTAIN TARIFF REDUCTIONS

The Governments of Canada and the United States agree to accelerated implementation of certain of their MTN tariff concessions, in consecutive annual staged reductions, commencing on January 1, 1980. These concession items are specified in the attached annexes:

— Annex A: Canadian Tariff Reductions: Proposed Phasing Modifications.

— Annex B: U.S.A. Tariff Reductions: Proposed Phasing Modifications.

Implementation of the agreed staging by Canada and the United States of tariff concessions on live cattle is contingent upon conclusion of U.S. negotiations with Mexico and confirmation of the United States offer to reduce its tariff on TSUS 100.45 (live cattle 200-700 lbs.) This agreement on accelerated staging will be incorporated in the respective GATT schedules of the two parties.²

[Signed — Signé]³

For Canada

9/21/79

(Date)

[Signed — Signé]⁴

For the United States

9/17/79

(Date)

ANNEX A

CANADIAN TARIFF REDUCTIONS: PROPOSED PHASING MODIFICATIONS

T.I	Product description	Base rate	Concession rate	Proposed phasing
CANADA				
<i>Livestock and Meat</i>				
501-1	Live cattle	1.5¢/lb	(1¢/lb)*	3 steps (1.3¢/lb., 1.1¢/lb., 1.0¢/lb.)
502-1	Sheep, lambs and goats ..	\$2/head	\$1/head	2 steps (\$1.50/head, \$1.00/head)
600-1	Live hogs	0.5¢/lb	Free	1 step (free)
704-1	Pork, fresh or frozen	0.5¢/lb	Free	1 step (free)
705-1	Meat, fresh or frozen, n.o.p.	1.25¢/lb	Free	1 step (free)
707-1	Edible meat offal	0.5¢/lb (applied free)	Free	1 step (free)

* Contingent upon U.S.A. confirming offer to tariff on cattle 200-700 lbs. from 2½¢/lb. to 1¢/lb.

¹ Came into force on 21 September 1979 by signature.

² See "Geneva (1979) Protocol to the General Agreement on Tariffs and Trade" in United Nations *Treaty Series*, vols. 1187 to 1193, No. A-814XC, and vol. 55, p. 187.

³ Signed by Gerald Shannon — Signé par Gerald Shannon.

⁴ Signed by Richard R. Rivers — Signé par Richard R. Rivers.

<i>T.I</i>	<i>Product description</i>	<i>Base rate</i>	<i>Concession rate</i>	<i>Proposed phasing</i>
1001-4	Pork sausage	1¼¢/lb	0.6¢/lb	1 step (0.6¢/lb.)
1001-1	Bacon, hams, shoulders, and other prepared or preserved pork	1¼¢/lb	1¢/lb	1 step (1¢/lb.)
1400-1	Tallow	10%	4%	2 steps (7%, 4%)
20650-1	Dried blood, n.o.p.	7½%	Free	1 step (free)
25900-1	Lard oil and neat's foot oil.	17½%	12½%	2 steps (15%, 12½%)
<i>Fruits and Vegetables</i>				
10652-1	Orange juice, n.o.p.	5%	3%	4 steps (4½%, 4%, 3½%, 3%)
10707-1	Cranberries, frozen	10%	6%	3 steps (8.6%, 7.3%, 6.0%)
<i>Grains and Oilseeds</i>				
6905-2	Cattle food containing molasses, not containing dairy products	10%	4%	2 steps (7%, 4%)
6921-2	Feeds, n.o.p.	5%	Free	2 steps (2½%, free)
6922-2	Bran, shorts and mid- dlings	5%	Free	2 steps (2½%, free)
6923-2	Dried beet pulp	10%	4%	2 steps (7%, 4%)
6924-2	Brewers' and distillers' grains and malt sprouts	5%	Free	2 steps (2½%, free)
6925-2	Grain hulls	5%	Free	2 steps (2½%, free)
6926-2	Flaxseed screenings	5%	Free	2 steps (2½%, free)
6927-2	Screenings, n.o.p.	5%	Free	2 steps (2½%, free)
6928-2	Mixed feeds, mixed feed ingredients and by- products from milling of grains	5%	Free	2 steps (2½%, free)
6929-2	Alfalfa meal or grass meal.	20%	10%	2 steps (15%, 10%)
71110-1	Dog and cat food	7.5%	6%	2 steps (6.7%, 6.0%)
<i>Nursery Stock</i>				
7945-1	Rosebushes, n.o.p.	3¢/each	Free	2 steps (1½¢/each, free)

ANNEX B

U.S.A. TARIFF REDUCTIONS: PROPOSED PHASING MODIFICATIONS

TSUS No.	Product description	Base rate	Concession rate	Proposed phasing
U.S.A.				
<i>Livestock and Meat</i>				
100.40	Cattle under 200 lbs. each, within quota	1½¢/lb (5.1%)	1¢/lb	3 steps (1.3¢/lb., 1.1¢/lb., 1.0¢/lb.)
100.43	Cattle under 200 lbs. each, over quota	2½¢/lb (9.5%)	1¢/lb	3 steps (2.0¢/lb., 1.5¢/lb., 1.0¢/lb.)
100.45	Cattle 200-700 lbs. each ..	2½¢/lb (8.0%)	1¢/lb ¹	3 steps (2.0¢/lb., 1.5¢/lb., 1.0¢/lb.)
100.53	Cattle over 700 lbs. each, within quota	1½¢/lb (5.7%)	1¢/lb	3 steps (1.3¢/lb., 1.1¢/lb., 1.0¢/lb.)
100.55	Cattle over 700 lbs. each, over quota	2½¢/lb (11.9%)	1¢/lb	3 steps (2.0¢/lb., 1.5¢/lb., 1.0¢/lb.)
100.50	Dairy cows over 700 lbs. each, for dairy purposes	0.7¢/lb (1.7%)	Free	1 step (free)
100.85	Live hogs	0.5¢/lb (1.4%)	Free	1 step (free)
106.40	Pork, fresh, chilled or frozen	0.5¢/lb (0.7%)	Free	1 step (free)
106.80	Edible offals, 20¢/lb. or less	0.5¢/lb	Free	2 steps (0.2¢/lb., free)
106.85	Edible offals, over 20¢/lb.	2.5%	Free	1 step (free)
107.10	Fresh pork sausages	1.6¢/lb (1.4%)	0.6¢/lb	1 step (0.6¢/lb.)
107.15	Pork sausages, other than fresh	1.625¢/lb (1.1%)	0.6¢/lb	1 step (0.6¢/lb.)
107.30	Pork, other than sausages, prepared or preserved, not canned	2¢/lb (1.2%)	1¢/lb	1 step (1.0¢/lb.)
² 191.15	Semen of bovine animals .	2.5%	Free	1 step (free)
<i>Fruits and Vegetables</i>				
³ 137.78	Fiddlehead ferns, fresh, chilled or frozen	25%	10%	5 steps (22%, 19%, 16%, 13%, 10%)
⁴ 138.30	Rutabagas, fresh, chilled, or frozen, cut or sliced .	17.5%	7%	4 steps (14.8%, 12.2%, 9.6%, 7.0%)

¹ Confirmation dependent on the outcome of the U.S.A./Mexico MTN negotiations. Mexico is the principal supplier of this item.

² New TSUS No. 191.16.

³ New TSUS item to be established from existing TSUS No. 137.86.

⁴ New TSUS item to be established from existing TSUS No. 138.50.

<i>TSUS No.</i>	<i>Product description</i>	<i>Base rate</i>	<i>Concession rate</i>	<i>Proposed phasing</i>
141.50	Onions, prepared or preserved, other than packed in salt, in brine, or pickled	17.5%	7%	4 steps (14.8%, 12.2%, 9.6%, 7.0%)
146.50	Blueberries, fresh or in brine	0.3¢/lb	Free	1 step (free)
146.68	Blueberries, frozen	3%	Free	1 step (free)
¹ 146.74	Raspberries, frozen	14%	7%	3 steps (11.6%, 9.3%, 7.0%)
¹ 146.84	Raspberries, prepared or preserved, other than frozen	14%	7%	3 steps (11.6%, 9.3%, 7.0%)
² 146.71	Cranberries, frozen	14%	6%	3 steps (11.3%, 8.6%, 6.0%)
³ 138.30	Cranberries, otherwise prepared or preserved	14%	10%	3 steps (12.6%, 11.3%, 10.0%)
<i>Grains and Oilseeds</i>				
175.18	Flaxseed (linseed)	50¢/bu of 56 lbs.	22¢/bu of 56 lbs.	2 steps (36¢/bu., 22¢/bu.)
175.48	Soybeans, certified for use as seed	1¢/lb	Free	1 step (free)
175.49	Soybeans, other	1¢/lb	Free	1 step (free)
175.51	Sunflower seed	0.4¢/lb	Free	1 step (free)
⁴ 184.85	Animals feeds, n.s.p.f., other than meat (not containing dairy products, includes alfalfa pellets)	7.5%	3%	2 steps (5.2%, 3.0%)
<i>Nursery Stock</i>				
⁵ 125.32	Bulbs, roots, etc., n.e.s., imported for horticultural purposes (provided earth attached)	5.5%	2.2%	2 steps (3.8%, 2.2%)
125.65	Rose plants	1¢ each	Free	2 steps (0.5¢/ea., free)

¹ New TSUS item to be established from existing TSUS No. 146.75.² New TSUS item to be established from existing TSUS No. 146.75.³ New TSUS item to be established from existing TSUS No. 146.75.⁴ New TSUS item to be established from existing TSUS No. 184.75.⁵ New TSUS item to be established from existing TSUS No. 125.30.

<i>TSUS No.</i>	<i>Product description</i>	<i>Base rate</i>	<i>Concession rate</i>	<i>Proposed phasing</i>
<i>Fish and Fish Products</i>				
110.55	Fish, fresh, chilled or frozen, n.e.s., other than cod, cusk, haddock, hack, pollock or Atlantic perch	2.5¢/lb	1.875¢/lb	First year reduction to 2.42¢/lb
111.76	Herring, whole or beheaded but not otherwise processed, other than hard-smoked	0.3¢/lb	Free	8 steps (0.26¢/lb., 0.22¢/lb., 0.19¢/lb., 0.15¢/lb., 0.11¢/lb., 0.07¢/lb., 0.04¢/lb., free)
<i>Chemicals</i>				
418.14	Carbide calcium compounds	0.21¢/lb (2.1% ad val.)	1.8%	First year reduction to 2.0%
485.20	Azides, fulminates and other explosives chiefly used as detonators for high explosives and in percussion caps and primers to ignite low explosives	4¢/lb	3¢/lb	First year reduction to 3.9¢/lb
<i>Metals</i>				
601.33	Molybdenum ore	12¢/lb on molybdenum content	9¢/lb on molybdenum content	8 steps (11.6¢/lb., 11.3¢/lb., 10.9¢/lb., 10.5¢/lb., 10.1¢/lb., 9.8¢/lb., 9.4¢/lb., 9.0¢/lb.)