GENERAL AGREEMENT ON TARIFFS AND TRADE

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ACTION BY GOVERNMENTS RELEVANT TO THE PROVISIONS OF PART IV

Addendum

The following notification on the implementation of Part IV has been received from the Government of Czechoslovakia and should be included in Annex II of COM.TD/60.

CZECHOSLOVAKIA

1. Perhaps the major point in the field of application of Part IV is the implementation of the commitments mentioned in Article XXXVII of the General Agreement. It is well-known that in Czechoslovakia there are no obstacles to trade in products whose exportation is of special interest to the less-developed contracting parties. On the contrary, the Czechoslovak authorities are still striving to find ways and means of increasing such trade. This effort can be illustrated as follows.

2. After the approval of Part IV of the General Agreement, Czechoslovakia immediately acknowledged the principle of non-reciprocity, not only legally and theoretically, but especially from the practical point of view. It should not be forgotten that Czechoslovakia granted full tariff concessions to the developing countries without requiring them to make similar concessions - and that already before the end of the Kennedy Round. After signing the 1967 Geneva Protocol, containing the results of the Kennedy Round, Czechoslovakia immediately put into force the reduction of customs duties on articles of special interest for the developing countries and, as before, without asking for reciprocity.

3. Other active measures have been taken by the Czechoslovak authorities to encourage exports from the less-developed countries towards Czechoslovakia. For instance, several Czechoslovak trade missions have been sent to some developing countries such as India, Turkey, Pakistan, the countries of Latin America and so on. Samples of current consumer goods carried by these missions had been submitted to the domestic trade organizations to arouse their interest in imports of these products.

4. Mention might also be made of exhibitions of products from Mexico and India held in Prague at the initiative of the Czechoslovak authorities.

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5. Trade between the developing countries and Czechoslovakia regularly increased in recent years by from 5 to 7 per cent per year. In 1967, for the first time, there was a drop in this trade of about 10 per cent particularly due to a decrease in trade with Yugoslavia, Cuba and the United Arab Republic, but at the same time the volume of trade had increased in other relations. The structure of Czechoslovak imports from developing countries was altered in favour of imports of manufactured products which constituted more than 25 per cent of the total volume of Czechoslovak imports from the less-developed countries. During the three first quarters of the present year, the volume of trade in question again increased and exceeded by 14 per cent that of the corresponding period in 1967.

6. In conclusion, may I state that, as in the past, the Czechoslovak authorities will continue to make every endeavour to implement the results of Part IV of the General Agreement. But it must also be stressed that success is not entirely dependent on these positive efforts. Under the conditions of the economic reform which is now being carried out in Czechoslovakia, the aims of which have not in any way been changed, the results will depend more and more on the efforts made by the developing countries to invade the Czechoslovak market.

