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L/3653/Add.14
27 July 1972

Limited Distribution

GENERAL AGREEMENT ON TARIFFS AND TRADE

Original: English

STATE TRADING

Notifications Pursuant to Article XVII:4(a)

Addendum

CZECHOSLOVAKIA

I. Enumeration of State-trading enterprises

The whole foreign trade of the Czechoslovak Socialist Republic is carried out by Czechoslovak socialist organizations authorized by the Federal Ministry of Foreign Trade. A list of these organizations follows:

A. Foreign Trade Enterprises

1. ART CENTRUM

   Czechoslovak Centre of Fine Arts
   Praha 1, V jámě 10

2. ARTIA

   Foreign Trade Corporation for Export and Import
   Praha 1, Ve smečkách 30

3. BRNO TRADE FAIRS AND EXHIBITIONS

   Trade fair and exhibition organizers
   Brno, Výstaviště 1

4. CENTROTEX

   Foreign Trade Company Limited
   Praha 7, Dukelských hrdinů 47

5. ČECHOFRACHT

   International Forwarding and Shipping Corporation
   Praha 1, Na příkopě 8

6. CZECHOSLOVAK FILMEXPORT

Praha 1, Václavské nám. 28

7. CZECHOSLOVAK CERAMICS

Foreign Trade Corporation
Praha 1, V jámě 1

8. CZECHOSLOVAK OCEAN SHIPPING

International Joint-Stock Company
Praha 1, Na můstku 11

9. EFEKTIM

Company Limited, Representation of Foreign Companies in Czechoslovakia
Praha 1, Václavské nám. 1

10. EXICO

Foreign Trade Company Limited
Praha 7, Třída dukelských hrdinů 47

11. FERROMET

Foreign Trade Corporation
Praha 1, Opletalova 27

12. FINCOM

Foreign Trade Joint-Stock Company
Praha 1, Washingtonova 7

13. GLASSEXPORT

Joint-Stock Company
Liberec, Třída 1. máje

14. CHEMAPOL Praha,

Foreign Trade Company Limited
Praha 10, Kodaňská 46

15. CHEMAPOL Bratislava,

Bratislava, Drieňova 24

16. IMEX

Import and Export
Praha 1, Revoluční 25

17. INCHEBA

Foreign Trade Corporation
Bratislava, Drieňova 24

18. INSPEKTA

Corporation for Superintending Export and Import Goods
Praha 1, V jámě 1

19. INTERAL

Company Limited
Bratislava, Gottwaldovo nám. 48

20. INTERCOOP

Foreign Trade Cooperative Company
Bratislava - Kútiky, Kuklovská 3

21. INTERSIM

Company Limited, Representation of Foreign Companies in Czechoslovakia
Praha 10, Průběžná 2916

22. INVESTA

Foreign Trade Company Limited for Import and Export of Engineering Products and Equipment, Praha 10, Kodaňská 46

23. JABLONEX

Foreign Trade Corporation
Jablonec nad Nisou, Palackého 41

24. KARAEXPORT

Foreign Trade Company Limited
Praha 2, Vyšehradská 25

25. KERAMETAL

Foreign Trade Company Limited
Bratislava, Gottwaldovo nám. 48

26. KOOSPOL

Foreign Trade Company Limited
Praha 7, Dukelských hrdinů 47

27. KOVO

Foreign Trade Corporation
Praha 7, Dukelských hrdinů 47

28. LIGNA

Foreign Trade Corporation
Praha 1, Vodičkova 41

29. MARTIMEX

Foreign Trade Company Limited
Martin, Thurzova 5

30. MEDIA

Association for Representing Foreign Firms in Czechoslovakia
Praha 4, Svatoslavova 33

31. MERKANTA

Import Company Limited
Praha 2, Balbínova 22

32. MERKURIA

Foreign Trade Corporation
Praha 7, Dukelských hrdinů 47

33. METALIMEX

Foreign Trade Corporation
Praha 1, Štěpánská 34

34. MOTOKOV

Foreign Trade Corporation
Praha 7, Dukelských hrdinů 47

35. OMNIA

Foreign Trade Corporation
Bratislava, ul. Červenej armády 4

36. OMNIPOL

Foreign Trade Corporation
Praha 1, Washingtonova 11

37. PHOENIX

Import Company Limited
Praha 1, Václavské nám. 56

38. POLYTECHNA

Foreign Trade Corporation
Technical Cooperation Agency
Praha 1, Václavské nám. 8

39. PRAGENT

Foreign Trade Company Limited
Praha 1, Vodičkova 30

40. PRAGOEXPORT

Foreign Trade Corporation
Praha 1, Jungmannova 34

41. PRAGOINVEST

Foreign Trade Corporation
Praha 9 - Vysočany, Českomoravská 23

42. RAPID

Czechoslovak Advertising Agency
Praha 1, ul. 28, října 13

43. REPHACHEM

Company Limited
Praha 10, Kodaňská 46

44. SIMEX

Foreign Trade Corporation
Praha 1, Washingtonova 7

45. SLOVART

Foreign Trade Company Limited
Bratislava, Gorkého 17/19

46. STROJEXPORT

Foreign Trade Corporation
Praha 1, Václavské nám. 56

47. STROJIMPORT

Foreign Trade Corporation Limited
Praha 3, Vinohradská 184

48. ŠKODAEXPORT

Foreign Trade Corporation
Praha 1, Václavské nám.56

49. TECHNOEXPORT Praha

Foreign Trade Company Limited
Praha 1, Václavské nám. 56

50. TECHNOEXPORT Bratislava

Foreign Trade Company Limited
Bratislava, Hollého 20

51. TRADEX

Association for Representing Foreign Firms
Praha 1, Jungmannovo nám. 7

52. TRANSAKTA Praha

Foreign Trade Corporation
Commercial Transaction Agency
Praha 1 - Malá Strana, Letenská 11

53. TUZEX

Foreign Trade Company Limited
Praha 1, Rytířská 13

54. UNICOOP

Foreign Trade Co-operative Company
Praha 1, Těšnov 5

55. UNIFRUX

Company Limited
Praha 8 - Karlín, Křižíkova 49

56. ZENIT

Association for Foreign Trade Representation
Praha 1, Široká 9

B. Production Enterprises Authorized to Conduct Transactions in the Particular Field of their own Manufactures

57. ČESKOSLOVENSKÉ HUDEBNÍ NÁSTROJE

National Corporation
Hradec Králové, Švermova 523

58. DREVOUNIA

Žilina

59. HYDROCONSULT Bratislava

Bratislava, Radlinského 57

60. CHIRANA

Stará Turá

61. KOH-I-NOOR

Pencil Production L.& C. Hardtmuth
National Corporation
České Budějovice

62. REMPO

Bratislava, Dukelská 5

63. SAGA

Slovak Art Galleries Association
Bratislava, Štúrova I/A

64. SIGMA

Olomouc

65. ŠKODA PLZEŇ

National Corporation
Plzeň, Českých bratri 30

66. VÍTKOVICKÉ ŽELEZÁRNY Kl. Gottwalda

National Corporation
Ostrava 31

67. ZAHRADNICTVO A REKREAČNÉ SLUŽBY MESTA BRATISLAVY

Bratislava, Odbojárov 9

68. ZÁVODY SILNOPROUDÉ ELEKTROTECHNIKY

Praha 2, Blanická 28

II. Reason and purpose for introducing and maintaining State-trading enterprises

The development of the national economy is guided by a system of economic plans including the plan of foreign trade. These plans lay down the guidelines for the economic policy and determine its objectives as well as the economic instruments, measures and activities to be undertaken to achieve these objectives. The balanced and proportional development of the national economy and of its particular branches is based, besides other factors, also on a purposeful and planned development of foreign trade. Its objectives and tasks are fulfilled by Czechoslovak socialist organizations authorized by the Federal Ministry of Foreign Trade to carry out foreign trade. Besides special foreign trade enterprises and joint stock companies of foreign trade a limited number of production enterprises as well as co-operatives have been authorized to carry out foreign trade.

The basic legal provision is the Law of 28 April 1948 No. 119 concerning the Organization of Foreign Trade and International Transport. Its main provisions have been included in document L/784/Add.1 and are on the file of the secretariat. This provision has been supplemented by Order of the Minister of Foreign Trade of 19 August 1968, No. 121 concerning authorization to foreign trade activities, as amended by Order of 25 November 1969 No. 164. This Order sets out the conditions for granting authorizations to foreign trade activities and for their withdrawal including the respective procedural provisions. The federal authority in foreign economy matters since 1 January 1971 is based on the Law of 20 December 1970 No. 133 concerning the competence of the federal ministries, namely the section concerning the Federal Ministry of Foreign Trade.

III. Description of the functioning of the notified enterprises

The enterprises enumerated in section I deal with exports as well as with imports in accordance with their authorization. All of these organizations are independent legal persons. The State is not liable for their commitments and they are not responsible for the commitments of the State. The same principle applies in the mutual relations between these organizations. Besides the enterprises enumerated in section I there are no other enterprises dealing with foreign trade activities, except enterprises and organizations which have been granted temporary or otherwise limited exceptions from the authorization of the organizations enumerated in section I by the Federal Ministry of Foreign Trade acting under Law No. 119/48, Article 2, paragraph 4.

The quantities of goods to be imported have to satisfy the needs of the individual branches of the economy taking into account the Czechoslovak external financial position. In carrying out imports the organizations of foreign trade do not need any import or exchange licence and they are free to choose their foreign sources of supply according to their commercial considerations. In the light of the new exchange regulations (Law No. 142 and Notice No. 143 of 1970) the organizations of foreign trade are in this respect in practice entirely free to carry out commercial transactions provided that they effectuate payments to foreign countries in accordance with the conditions laid down by the Czechoslovak State Bank.

The extent of exports corresponds to the endeavour to assure the most effective participation of the Czechoslovak economy in the international division of labour, and to secure payments facilities to cover th growing needs for imports, as well as other financial obligations.

The foreign trade enterprises determine and negotiate individual export prices according to the general principle to sell at world market prices and according to commercial considerations taking into account conditions and terms of sales. The majority of domestic prices are fixed by the State in accordance with the needs of the internal market and on the basis of considerations different to those valid for export prices. In most cases there is therefore no direct link between export prices and prices for domestic consumption. Export prices do not comprise the general turnover tax which is imposed on goods for domestic consumption.

There is no mark-up on imported goods being determined which would discriminate such goods in relation to similar goods of domestic origin. Imported goods are sold on the domestic market as a rule for the same prices as domestically produced goods of comparable quality.

The Foreign Trade Company Tuzex is selling in retail also for foreign currencies at world market price level.

The foreign trade organizations negotiate long-term purchase or sale contracts where advisable.

IV. Statistical information

Trade and production statistics for 1968, 1969 and 1970 covering all products are on the file of the secretariat.

V. Additional information

A new legal basis for the system of Czechoslovak foreign trade is under preparation. It is supposed to be published to the end of 1972 and enter into force in the first half of 1973.