

GENERAL AGREEMENT ON

RESTRICTED

TARIFFS AND TRADE

L/7127

27 November 1992

Limited Distribution

Original: English

CZECH AND SLOVAK FEDERAL REPUBLIC

Request for Participation in GATT of the Czech Republic and the Slovak Republic

The following communication, dated 27 November 1992, has been received from the Permanent Mission of the Czech and Slovak Federal Republic.

The Government of the Czech Republic and the Government of the Slovak Republic express their readiness to maintain strong common links from their previous coexistence in the Czech and Slovak Federal Republic after the dissolution. They express their common interest in keeping a high level of integration between their national economies and in ensuring their further development through a close political and economic cooperation.

The constitutional and legislative changes ongoing in the Czech and Slovak Federal Republic create all necessary prerequisites so that the Governments of the two successor States are able to take over and exercise all obligations of the present Federation. This process has been achieved by an approval of the respective Constitutional Act on the Dissolution of the Czech and Slovak Federal Republic on 25 November 1992.

The Czech Republic and the Slovak Republic thus acquired full autonomy in the conduct of their external commercial relations and of the other matters provided for in the General Agreement on Tariffs and Trade.

The Governments of the Czech Republic and of the Slovak Republic wish to express their determination and desire to assume and continue to exercise all general and specific duties and obligations arising from the General Agreement on Tariffs and Trade, the Arrangement Regarding International Trade in Textiles and its Protocols of Extension, the Tokyo Round Agreements and the Uruguay Round multilateral trade negotiations for the Czech and Slovak Federal Republic as one of its original contracting parties.

The Governments of both Republics are determined to continue in further developing and strengthening of trade and economic relations with the contracting parties and they express their readiness to contribute to the liberalization of international trade and the successful conclusion of the multilateral trade negotiations of the Uruguay Round.

. / .

The Governments of the Czech Republic and the Slovak Republic wish hereby to express their intention to become contracting parties to the General Agreement on Tariffs and Trade.

Both Governments are aware of the fact that the existing provisions of the General Agreement on Tariffs and Trade do not adequately address a situation such as that of the Czech Republic and of the Slovak Republic.

In the absence of more appropriate provisions, the Governments of the Czech Republic and of the Slovak Republic wish to express their desire to become contracting parties to the General Agreement on Tariffs and Trade at an early date and without the need to negotiate for their accession. They hope that the CONTRACTING PARTIES will be prepared to accept the Czech Republic and the Slovak Republic as contracting parties on the terms and conditions previously accepted by the Czech and Slovak Federal Republic.

In conformity with the intention to become contracting parties on the terms and conditions of the Czech and Slovak Federal Republic, the Governments of the Czech Republic and of the Slovak Republic have decided to pursue conforming commercial and customs policy towards third countries within a framework of a Customs Union established between the two States on 1 January 1993. The conforming commercial and customs policy shall emanate from the laws on customs tariffs, foreign trade and customs regulations presently in force on the territory of the Czech and Slovak Federal Republic.

The presently assumed obligations by the Czech and Slovak Federal Republic under the General Agreement on Tariffs and Trade provide a very high degree of concessions granted to the contracting parties. The degree of binding of the conventional rates being equal to 97 per cent, weighted average of only 5.7 per cent, low incidence of non-tariff measures applied, large participation in the Tokyo Round Agreements, a set of recently introduced autonomous liberalization measures and readiness to assume valuable obligations under the Uruguay Round constitute an important prerequisite for full future participation of both Republics in the General Agreement on Tariffs and Trade.

Both Governments are convinced that it is in the mutual interest of all the contracting parties to preserve a high degree of economic and trade relations between the present territory of the Czech and Slovak Federal Republic and the contracting parties in order to avoid unpredictable developments in commercial policy of both successor States outside the legal framework of the General Agreement on Tariffs and Trade. They therefore strongly believe that the CONTRACTING PARTIES will take the appropriate decision contributing thus to the smoothest transformation of the present Czech and Slovak Federal Republic into new independent States.