

GENERAL AGREEMENT ON

TARIFFS AND TRADE

RESTRICTED

L/7193

25 March 1993

Limited Distribution

ACCESSION TO THE GATT OF THE CZECH REPUBLIC AND THE SLOVAK REPUBLIC: ADVANCES TO THE WORKING CAPITAL FUND

Note by the Director-General

1. As successor States to the former Czech and Slovak Federal Republic, the Czech Republic and the Slovak Republic will become contracting parties to the GATT on 15 April 1993, their rights and obligations having entered into force on 1 January 1993.

2. It will be recalled that at the time of the approval of the 1993 budget, Sw F 367,920 corresponding to 0.42 per cent of the total assessed contributions were assessed on the Czech and Slovak Federal Republic. The successor States have agreed to share the 1993 assessment of the former State on the basis of two-thirds for the Czech Republic and one-third for the Slovak Republic, resulting in assessments of Sw F 245,280 (0.28 per cent of total assessed contributions) and Sw F 122,640 (0.14 per cent) respectively. Interest earned in the context of the Early Payment Encouragement Scheme will also be shared on the same basis.

3. In conformity with the Rules governing the use of the Working Capital Fund, a government acceding to the General Agreement shall make an advance to the Working Capital Fund in accordance with the scale of contributions applicable to the budget of the year of its accession. The minimum advance to the Working Capital Fund amounts to 0.5 per cent of the principal of the Fund for countries whose share of the total trade of the contracting parties and associated governments is 0.5 per cent or less. Such advances shall be carried to the credit of the contracting parties which have made them. As proposed by the successor States, the advance of Sw F 18,978 carried to the credit of the former Czech and Slovak Federal Republic will be divided equally between the two successor States, the Czech Republic and the Slovak Republic and credited to the amounts due from these States as advances to the Working Capital Fund.

4. On the basis of the level of the Working Capital Fund of Sw F 5,361,326 on 1 January 1993, it is proposed to assess Sw F 26,807 on the Government of the Czech Republic and Sw F 26,807 on the Government of the Slovak Republic as advances to the Fund.

POINT FOR DECISION: Paragraph 4