

**GENERAL AGREEMENT
ON TARIFFS AND TRADE**

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**NOTIFICATION UNDER PARAGRAPH 3 OF
THE DECLARATION ON TRADE MEASURES TAKEN FOR
BALANCE-OF-PAYMENTS PURPOSES¹**

Slovakia - Introduction of an Import Surcharge

The following communication, dated 11 March 1994, has been received from the Permanent Mission of the Slovak Republic.

In accordance with the Declaration on Trade Measures Taken for Balance-of-Payments Purposes adopted on 28 November 1979, the Slovak Republic is hereby submitting a notification concerning the application of a temporary measure in the form of an import surcharge which came into effect on 3 March 1994.

May I request you to circulate the attached notification to all contracting parties and assure you of our close cooperation with the Secretariat on this matter.

The Slovak Republic has been implementing a fundamental reform of the economy and continuing the liberal foreign trade policy which was introduced under the previous Czech and Slovak Federal Republic.

The economic programme of the Slovak Government has confirmed continuity in the transformation to a market economy with an open and liberal foreign trade régime with a low level of tariff protection and minimum use of non-tariff barriers. The active participation of the Slovak Republic in the Uruguay Round is proving that this trend will prevail in the long term prospect.

However, the destabilizing influence of the transformation process itself, deterioration of terms of trade resulting from continuing downward trend in trade with previous major trading partners, as well as the negative impact of macroeconomic developments in the last three years have led to a further decline of economic output and a growing foreign trade deficit. The development of the Slovak economy in 1993 was influenced by the division of CSFR and the following division of the Czecho-Slovak currency, tax reform and the recession in developed economies.

The development of the balance of payments of the Slovak Republic in the first year of its independent monetary system was uneven and negatively influenced by declining export performance supported by an increase of imports and changes from internal supplier relations with the Czech Republic to the foreign trade relations. Further unfavourable development of foreign trade would have serious consequences on the foreign exchange reserves with a negative impact on the restructuralization process of the Slovak economy. The foreign exchange reserves of the NBS declined from US\$545,2 million in October 1993 to US\$441,5 million in January 1994. In January 1994 foreign debt reached US\$3.1 billion and the trade deficit increased from US\$480 million in October 1993 to US\$685 million in November 1993.

In order to prevent the worsening of the situation and to reach the necessary stabilization of the country's monetary reserves, the Government of the Slovak Republic adopted on 3 March 1994 a temporary restrictive measure on imports of consumer goods and foodstuffs under Article XII:2 (a) of the General Agreement on Tariffs and Trade in the form of a 10 per cent import surcharge. The measure is considered as a short-term supplementary element within the framework of the economic policy aimed at the improvement of the country's external equilibrium.

In introducing this temporary measure the Government of the Slovak Republic is ready to consult with the contracting parties on the measure it has taken.

ANNEX

HS.				
02	4415	5608	8527	7118
04	4416	5609	8528	7315
06	4417	57	8529	7317
07	4418	5801	8531	7318
08	4419	5802	8539	7319
09	4420	5903	8544	7320
11	4421	5904	8703	7321
15	4602	5905	8711.10	7322
16	4814	5906	8711.20	7323
1701	4815	5907	8712	7324
1704	4817	5908	8714	7403
1806	4818.20	8206	8716	7415
19	4818.30	8207	8801	7417
20	4818.50	8211	8903	7418
21	4819	8212	9001	7615
22	4820	8213	9006	7616
2309.10	4821	8214	60	8007
24	4823.60	8215	61	8201
2501.00.91	4908	8301	62	8202
31	4909	8302	63	8203
3213	4910	8306	64	8204
3303	4911	8308	6503	8205
3304	5006	8310	6504	9007
3305	5007	8403	6505	9008
3306	5109	8407.21	6506	9029
3307	5110	8409	66	9101
3401.11	5111	8418	6801	9102
3402	5112	8421	6802	9103
3405	5113	8422	6804	9104
3406	5204	8423.10	6809	9105
3506	5207	8433.19	6810	9113
3605	5208	8450	6811	92
3606	5210	8458	6813.10	93
3918	5211	8481.80	6815	9401
3919	5212	8482	69	9404
3922	5306	8484	7009	9405
3924.90	5309	8506	7011	95
3926	5310	8507	7012	96
4010	5311	8511	7013	97
4011	5401	8512	7020	
4012	5406	8513	7101	
4013	5407	8516	7103	
4016	5408	8518	7104	
42	5511	8519	7106	
4302	5512	8521	7113	
4303	5513	8522	7114	
4304	5514	8523	7115	
4401	5515	8524	7116	
4414	5516	8525	7117	