

RESTRICTED

GENERAL AGREEMENT ON TARIFFS AND TRADE

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YUGOSLAVIA - MEASURES WITHIN THE FRAMEWORK OF THE PROGRAMME OF STABILIZATION IN THE AREA OF FOREIGN TRADE

The following communication, dated 22 November 1982, has been received from the Permanent Mission of Yugoslavia.

We are enclosing herewith the notification of measures taken by Yugoslavia within the framework of the programme of stabilization in the area of foreign trade, namely:

- Decision on the conditions for the import of raw materials and other primary materials and manufacturing components intended for the production of goods to be exported and paid in convertible currency (Official Gazette of the SFRY, No. 64/1982), and
- Decision on the compensatory arrangements with foreign countries (Official Gazette of the SFRY, No. 12/1982).

83-0004

DECISION

On the Conditions for the Import of Raw Materials and other
Primary Materials and Manufacturing Components Intended for
the Production of Goods to be Exported and Paid in
Convertible Currency

1. For the purpose of producing export goods to be paid in convertible currency, raw materials and other primary materials and manufacturing components may be imported if their value does not exceed 50 per cent of the value of goods to be exported.
2. The raw materials and other primary materials and manufacturing components which are imported subject to item 1 of this Decision may not be used for the production of goods that shall be sold in Yugoslavia.
3. The raw materials and other primary materials and manufacturing components referred to in item 1 of this Decision may be imported on the basis of the approval of the Federal Secretariat for Foreign Trade which shall be given for each individual arrangement.

The approval from paragraph 1 of this item shall specify the kind and value of raw materials and other primary materials and manufacturing components which are to be imported, the kind and value of goods which are to be exported as well as the deadline for the export of the latter.

4. Enclosed to the application for the approval referred to in item 3 of this Decision, the concerned organization of associated labour shall submit to the Federal Secretariat for Foreign Trade the specification of the kind and value of raw materials and other primary materials and manufacturing components which it imports, the kind and value of domestic raw materials and other primary materials and manufacturing components, the value of labour and the value and kind of goods which are exported, as well as a statement in writing to the effect that it shall export the goods such produced within the specified period.
5. If it is envisaged that the raw materials and other primary materials and manufacturing components imported under the provisions of this Decision should be imported on the basis of commodity quotas and/or foreign exchange quotas, the approval from item 3 of this Decision shall also give the right to the import of the relevant goods on such basis.
6. The measures concerning the temporary restriction of imports, adopted on the basis of Article 46 of the Law on Trade in Goods and Services with Foreign Countries, do not apply to the raw materials and other primary materials and manufacturing components which are imported under the provisions of this Decision.

7. The competent customs offices shall control and keep special records of the imports approved and exports effected under the provisions of this Decision and shall inform thereof the Federal Customs Administration, the competent national bank of the republic and/or the competent national bank of the province and the Federal Secretariat for Foreign Trade.

8. The instructions on the manner of and procedure for submitting the application and relevant documentation for the approval of imports to the effect of this Decision shall be given, if necessary, by the Federal Secretariat for Foreign Trade, upon consultations with the Federal Customs Administration and the National Bank of Yugoslavia.

9. An organization of associated labour shall be fined with Din 5,000 to Din 100,000 in the following cases:

- (1) if it has not used the imported raw materials and other primary materials and manufacturing components for the production of goods for export (item 1);
- (2) if it has sold the produced goods at the domestic market (item 2);
- (3) if it has not exported the produced goods within the specified period and in accordance with the specified value (item 4).

In case of the offence from paragraph 1 of this item, the responsible person in the organization of associated labour shall also be fined with Din 500 to Din 20,000.

The offence from paragraph 1 of this item may also entail the pronouncement of the protective measure of the seizure of the imported goods as well as of the goods produced for export, if not exported within the specified period.

If the goods produced for export have been sold in Yugoslavia, for the offence from paragraph 1 of this item a protective measure may be pronounced to the effect of the seizure of the material gains equivalent to the value of the sold goods.

10. This Decision shall enter into force on the second day from the date of its publishing in "The Official Gazette of the SFRY".

14 October 1982
Belgrade

The Federal Executive Council

President
Milka Planinc

DECISION

On the Compensatory Arrangements with Foreign Countries

1. The export and import of goods and services under compensatory arrangements with foreign countries can be carried out by the organizations of associated labour registered for foreign trade transactions, on the basis of a special licence.

2. The licence for compensatory arrangements with foreign countries shall be granted by the Federal Secretariat for Foreign Trade, subject to prior opinions of the Federal Secretariat for the Market and General Economic Affairs, the National Bank of Yugoslavia and the Chamber of Economy of Yugoslavia, which are obliged to give their opinions within seven days from the receipt of the application.

The Federal Secretariat for Foreign Trade is obliged to decide on the application referred to in paragraph 1 of this item within twenty days from the date of the receipt of the application.

If the competent federal bodies from paragraph 1 of this item reject an application for licence for a compensatory arrangement, or postpone its consideration, they are obliged to supply reasons for rejecting the application or for the postponement.

If the competent federal bodies do not decide on an application for licence for a compensatory arrangement within the period specified in paragraph 1 and paragraph 2 of this item, it shall be deemed that the licence has been granted, and the Federal Secretariat for Foreign Trade is obliged to issue a certificate thereon replacing the licence for the compensatory arrangement, not later than three days from the date of the expiry of the specified period.

3. The compensatory arrangements with foreign countries can be approved if the value of the export, as a rule, exceeds the value of the import under such arrangements.

When issuing the licence to the effect of paragraph 1 of this item, special care shall be taken of the balancing of export and import value as regards types of goods and regional distribution.

4. The compensatory arrangements with foreign countries cannot be such as to disrupt the stability of the domestic market.

5. The compensatory arrangement may be approved if one of the following conditions is met:

- (1) if the compensatory arrangement ensures the selling of certain goods in foreign countries the export of which, under normal trade conditions, has become difficult;
- (2) if the compensatory arrangement provides export to a country in which it is difficult to sell Yugoslav goods;
- (3) if the compensatory arrangement does not jeopardize the export of goods which is effected under previously concluded long-term or other trade contracts with foreign countries;
- (4) if the compensatory arrangement ensures export of goods to new markets;
- (5) if the compensatory arrangement provides for the export of goods exceeding the quantities and values specified in commodity lists, as well as for the export of goods not included in the lists envisaged by the protocol on the exchange of goods and services with a given country;
- (6) if the compensatory arrangement provides for such an export which shall enable the import of goods deficient at the domestic market;
- (7) if the compensatory arrangement provides a more balanced trade with foreign countries.

6. For the purpose of co-ordinating foreign trade with various countries, particularly with the developing ones, the compensatory arrangements can encompass a number of organizations of associated labour with broader lists of export and import goods (barter-deals).

7. For the goods which are exported i.e. imported on the basis of a commodity quota, a foreign exchange quota, a licence or a consent, the decision on the approval of a compensatory arrangement shall, at the same time, give the right to the import and/or export of such goods.

8. Instructions on the submission of applications for licences for compensatory arrangements and on the documentation which should be enclosed to such applications, shall be given by the Federal Secretariat for Foreign Trade.

9. On the date of the entering into force of this Decision, the Decision on the Compensatory Arrangements with Foreign Countries ("The Official Gazette of the SFRY", No. 62/77) shall become invalid.

L/5435
Page 6

10. This Decision enters into force on the eighth day from the date of its publishing in "The Official Gazette of the SFRY".

Belgrade
25 February 1982

The Federal Executive Council

President
Veselin Djuranović

Official Gazette of the SFR of Yugoslavia, No. 12/1982.