

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

RESTRICTED

MTN.GNG/NG2/W/25

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Group of Negotiations on Goods (GATT)

Negotiating Group on Non-Tariff Measures

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COMMUNICATION FROM CZECHOSLOVAKIA

The attached communication, dated 3 November 1988, has been received from the delegation of Czechoslovakia with the request that it be circulated to the members of the Group.

Communication from Czechoslovakia

I.

In accordance with the Chairman's proposal adopted by the Negotiating Group on Non - Tariff Measures at its meeting on February 25 1988 Czechoslovakia hereby submits for consideration views and proposals on modalities for negotiations in the area of non - tariff measures

Principles for negotiations

- All participants should join the process of these negotiations.
- There should be no exclusion of non - tariff measures which could be notified to and dealt with by this negotiating group.
- There shall be no concession requested for the fulfilment of the rollback commitments.
- The results of the negotiations should be applied on a most - favoured-nation and non - discriminatory basis within a fixed time frame.

Approaches to negotiations

In the light of the manifold nature and wide range of non - tariff measures several negotiating approaches may be required to deal effectively with the non - tariff measures. Particular attention should be devoted to multilateral approaches or systematic or formula approaches to deal with categories of problems of general interest. Request - offer procedures can supplement the multilateral approaches where product specific or ad hoc measures are involved. From the previous GATT multilateral trade negotiations it is, however, evident that offers made in response to requests left a large body of non - tariff measures intact.

Multilateral approach

In case of quantitative restrictions the problem is that the existing framework and rules are adequate but are not being applied.

The need arises to strengthen the general principle that quantitative restrictions cannot be used under the GATT except as provided for under the relevant specific GATT provisions. Social, historical or similar reasons for the maintenance of quantitative restrictions cannot be considered valid justifications and consequently are irrelevant to GATT obligations.

To deal effectively with the issues in the area of non - tariff measures and in particular of quantitative restrictions requires inter alia to establish procedures for detailed periodic reviews of non - tariff measures which are in conformity with GATT or the legal status of which is uncertain. Such reviews should reexamine grounds and justification for the application of these measures with the objective to reduce or eliminate them in cases when grounds for their application ceased to exist /in cases like: termination of waivers or exceptions, misuse of exceptions or grandfather clause, justification on BOP grounds without the appropriate procedures being followed etc./

Among problems of such general character as to warrant a multilateral approach directed towards the establishment of new international rules or guidelines particular attention deserve those which are related to the rules of origin, customs and consular formalities, and fees, dues and other import charges.

The rules of origin vary unnecessarily both from product to product and from one country or group of countries to another and they may be used as instruments of commercial policy themselves. Efforts should be, therefore, made by MTN in cooperation with the CCC to develop a harmonized multilateral approach to rules of origin.

Custom and consular formalities have become excessive, burdensome and expensive in some countries. These procedures should be simplified and the incidence of consular fees reduced progressively with the objective to remove completely consular requirements.

Fees and charges levied on or in connection with importation are applied by a number of countries. They are in some cases excessive and their complexity causes additional problems. Transparency of these measures should be improved and the relevant international rules should be respected and applied.

II.

Attached is the indicative list of significant non - tariff measures applied against Czechoslovak exports which should be eliminated under Sections C and D of The Ministerial Declaration of the Uruguay Round. Czechoslovakia reserves the right to table additional measures.

Indicative List of Non - Tariff Measures for Action under Section C
and D of the Ministerial Declaration

Country	Description of the NTM	Classification
1	2	3
Australia	Customs formalities	II G
	Quantitative import restrictions	IV A
	Antidumping duties	II G
Austria	Quantitative restrictions and import licensing	IV A
Belgium	Quantitative restrictions and import licensing	IV A
France	Quantitative restrictions	IV A
	Licensing procedures	
	Restrictive technical regulations and standards	III B
Germany, Federal Republic of	Quantitative restrictions and import licensing	IV A
	Restrictive technical regulations	III B
Greece	Quantitative restrictions and import licensing procedures	IV A
	Prior import deposits	V A
	Discriminatory credit restrictions	V D
	Various import taxes	V B
Italy	Quantitative restrictions and licensing	IV A
Japan	Quantitative restrictions	IV A
	Licensing procedures	
	Import embargoes	IV B
Netherlands	Quantitative restrictions	IV A
	Licensing procedures	
Portugal	Quantitative restrictions	IV A
	Import licensing	
	Various import taxes	V B

1	2	3
Spain	Quantitative restrictions	
	Import licensing	IV L
Turkey		
	Import licensing	IV L
	Surcharges	V B
	Import embargoes	IV B
United Kingdom	Quantitative restrictions	IV A
	Import surcharges	IV B