

# WORLD TRADE ORGANIZATION

S/C/N/93  
18 January 1999

(99-0136)

Council for Trade in Services

Original: English

## NOTIFICATION PURSUANT TO ARTICLE III.3 OF THE GENERAL AGREEMENT ON TRADE IN SERVICES

The following notification has been received from the delegation of the Czech Republic.

1. **Member notifying:**

The Czech Republic

2. **Notification under:**

Article III, paragraph 3, of the General Agreement on Trade in Services.

3. **Date of entry into force:**

1 April 1998

**Duration**

Indefinite

4. **Agency responsible for implementation and enforcement of the measures:**

The Czech Securities Commission

5. **Description of the measures:**

Measures

Act of the Czech Securities Commission No. 15/1998 Coll. of Laws

Description

- The purpose of the Act is to establish the position, scope of performance, powers and organizational structure of the Securities Commission of the Czech Republic and to specify the rights and obligations of legal entities operating on the capital market.
- Unless stated in the mentioned Act or elsewhere, the general laws for administrative procedures shall apply for the procedures carried out by the Commission.
- The fulfilment of obligations by natural and legal persons as established in the mentioned Act and in special acts dealing with the capital market and are subject to state supervision

by the Securities Commission. In order to perform state supervision, the Commission has the authority to carry out inspections.

- The Commission issues administrative decisions.
- To deal with the violation of statutory obligations, the Act contains special provisions concerning corrective measures, sanctions and procedures related therewith, as well as special provisions on precautions beyond the scope of general regulations.
- The activities of banks, pension funds and insurance companies on the capital market are subject to state supervision by the Commission within the scope of its powers.
- The Securities Commission keeps and regularly publishes lists of persons and entities with relations to the capital market and publishes a bulletin with these lists, any significant information or communications.
- The Act also establishes the obligations for organisers of public markets and individual investors to provide information on concluded transactions.
- The Securities Commission co-operates with other state administration bodies (exchange of information with the Czech National Bank and the Ministry of Finance, as necessary for their activities) and other institutions, for example The Parliament of the Czech Republic and Chamber of Auditors of the Czech Republic.
- Within the framework of international co-operation with the respective administration agencies and institutions involved in the supervision of the capital market, and applying the principle of reciprocity and restriction for a particular purpose, the Commission provides information about the capital market participants.
- The supreme body of the Securities Commission is the Presidium (consisting of 5 members) headed by a chairman (who decides on appeals against resolutions). The Act specifies the conditions for appointment, performance and activities of the Presidium and employees of the Securities Commission, including their obligations related to confidentiality. The special Act will specify the remuneration of employees of the Commission.
- The Commission is funded from the state budget.
- The Act amends and modifies the following regulations:
  - Act on the Establishment of Ministries and Other Central Bodies 2/1969
  - Act on Securities 591/1992
  - Act on the Stock Exchange 214/1992
  - Act on Bonds 530/1990
  - Commercial Code 513/1991
  - Act on Trade Enterprises 455/1991
  - Act on Investment Companies and Investment Funds 248/1992

- Act on Supplementary Pension Insurance with State Contribution 42/1994
- Act on the Czech National Bank 6/1993
- Act on Some Measures against Legalisation of Gains from Criminal Activities and Modifications and Amendments to the Related Acts 61/1996
- Code of Civil Procedures 99/1963

**6. Members specifically affected, if any:**

None

**7. The texts are available from:**

Collection of Laws of the Czech Republic, Year 1998, Part 5, Distributed on 6 February 1998.  
The Act of the Czech Securities Commission No. 15/1998 Coll. of Laws.

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