

WORLD TRADE ORGANIZATION

WT/BOP/N/21

16 May 1997

(97-2058)

Committee on Balance-of-Payments Restrictions

Original: English

NOTIFICATION UNDER PARAGRAPH 9 OF THE UNDERSTANDING ON THE BALANCE-OF-PAYMENTS PROVISIONS OF THE GENERAL AGREEMENT ON TARIFFS AND TRADE 1994

The following communication, dated 6 May 1997, has been received from the Permanent Mission of the Slovak Republic.

Pursuant to Article XII:4 of the General Agreement on Tariffs and Trade as well as to Article 9 of the Understanding on Balance-of-Payments Provisions of the GATT 1994, the Slovak Republic wishes hereby to notify to the WTO Members that the Slovak Government adopted an import deposit scheme, effected from 1 May 1997 by Decree No. 122 of the Ministry of Economy. The respective Decree with annex is attached.

The import deposit scheme is based on an obligatory six-month non-interest bearing deposit equivalent to 20 per cent of the invoiced price of the imported product. It applies to most consumer goods and foodstuffs on a non-discriminatory basis.

The purpose of the import deposit scheme is to address with immediate effect the current account deficit, representing more than 10 per cent of GDP, threatening the balance-of-payments position and consequently leading to decline of foreign exchange reserves. This measure, temporary in nature, is a supplementary element to the broader set of economic, fiscal, monetary and income policy measures in short, medium and longer term perspective aimed at completion of the transformation process, support restructuralization of economy and stabilization of the country's external equilibrium.

The import deposit scheme has been taken as a measure less restrictive in effect on trade than other alternative measures justifiable under the respective GATT balance-of-payments provisions. The Slovak Government will carefully consider its elimination depending on balance-of-payments developments.

The Slovak Republic is ready to enter into consultations under Article XII:4 of the GATT 1994 in the Committee on Balance of Payments on the measure it has taken, pursuant to the respective provisions and procedures.

Issues on 1 May 1997

**Decree No. 122
of the Ministry of Economy of the Slovak Republic,
dated April 29, 1997
on the introduction of an import deposit**

Pursuant to Article 56, Paragraph 1, Subparagraph (b) of the Act No. 42/1980 LC on Economic Relations with Foreign Countries in the wording of Act No. 102/1988 LC and Act No. 113/1990 LC, the Ministry of Economy hereby issues the following decree:

Article 1

- (1) Imported goods, listed in Annex to this Decree, shall be released, by Customs authorities¹, into free circulation² if the declarant or his representative³ submit a document proving the lodging of an import deposit.
- (2) Goods shall be released into free circulation without the submission of the above if:
- a) actual price payable⁴ (hereinafter "invoiced price") is equal to or lower than 5000 SK,
 - b) the goods in question are not imported for commercial purposes⁵,
 - c) the goods in question are provided free of charge,
 - d) the goods in question are imported to settle receivables payable by the Government,
or
 - e) the goods in question are exempt from customs duties.⁶

Article 2

For the purposes of the present Decree, the following terms shall be understood as defined below:

- a) The term "import deposit" shall be understood to mean an amount in the Slovak currency equal to 20 per cent of the invoiced price of the goods to be imported, deposited for a period of six months and bearing no interest (hereinafter "import deposit"),

¹Article 15, 16 and 17 of Act No. 180/1996 LC.

²Article 95, 96 and 98 of Act No. 180/1996 LC.

³Article 4 of Act No. 180/1996 LC.

⁴Article 29 of Act No. 180/1996 LC.

⁵Article 2, Subparagraph (g) of Act No. 180/1996 LC.

⁶Article 20 of Act No. 180/1996 LC.

- b) The term "receivable payable to the Government" shall be understood to mean receivable which the Ministry of Finance of the Slovak Republic registers among financial assets of the Slovak Republic and which has resulted from credit lines or other forms of foreign trade transactions funded by the state budget on the basis of:
1. intergovernmental credit arrangements that the Slovak Republic is bound, or
 2. international agreements on clearing systems of payments, or
 3. international barter agreements, or
 4. loans provided in the past from Central foreign exchange funds to governments or to banks of other countries.

Article 3

- (1) The import deposit shall be deposited by declarant or his representative with any bank having seat in Slovakia (hereinafter "the bank"). The bank shall issue a document proving the deposit to the declarant or his representative.
- (2) The document shall contain, in particular, the following:
- a) identification data of the bank,
 - b) identification number of the document,
 - c) identification data of declarant or his representative: the trade name, seat and identification number for legal person; the name, surname, birth register number and permanent residence for natural persons,
 - d) invoiced price of imported goods,
 - e) amount of deposit in Slovak currency, including the deposition date,
 - f) additional information specifying the purpose of the document,
 - g) date of issue, stamp of issuing bank, name, surname, position and signature of responsible representative of issuing bank.

Article 4

- (1) For the purposes of this Decree, the conversion of foreign currencies into Slovak Koruna shall be based on the exchange rate of the Slovak National Bank in effect on the deposition date. The converted amount shall be rounded down to whole Slovak Koruna.
- (2) Concerning imported goods to settle receivables to the Government, their purpose shall be confirmed by a certificate issued by the Ministry of Finance of the Slovak Republic.

Article 5

The declarant or his representative who lodged the deposit may ask the bank to release and return the import deposit before the expiry of the six-month period if:

- a) the goods in question have not been released into free circulation or it is proven that the goods in question have been exported from the territory of the Slovak Republic

- b) customs authorities exempt or refund duty according to specific provisions.⁷

Article 6

This Decree shall become effective on the date of its publication.

Karol Cesnek
Minister of Economy

⁷Article 236 of Act No. 180/1996 LC.

Annex to Decree No. 122

HS/CN		HS/CN	
ex 01		ex 20	except for 200911 to 200940
0102	except for 010210	21	
0103	except for 01031000		
0105	except for 010511 to 010519	ex 22	except for 220429
02		ex 23	except for 2301; 2304; 230990
ex 04	except for 04022911; 04070011	ex 24	
ex 05	except for 05111	2402	
06		2403	
07		ex 25	
ex 08	except for 080300; 0805	2522	
ex 09	except for 09011; 0904; 0909	2523	
ex 10		ex 27	
10019010		27021000	
10019091		27100061	
10030010		27100065	
100510		27100066	
11		27100067	
ex 12	except for 12050010; 12060010; 1209	27100068	
13		27100071	
14		27100072	
15		27100074	
ex 16	except for 1603 to 1605	27100076	
17		27100077	
ex 18	except for 1801 to 1804	27100078	
19		27100085	
		27100087	
		27100088	
		27100089	
		27100091	
		27100092	
		27100094	
		27100096	
		27100098	
		271210	
		271220	
		28151100	
		28151200	
		28170000	

HS/CN

ex 29142200

ex 292151

30041010

ex 31

3102

ex 32

3208

3209

321000

3213

ex 3214

ex 33

330300

3304

3305

3306

3307

ex 34

3401

3402

3403

3404

3405

3406

ex 35

350510

36

ex 37

3701 except for 370110

37022000

370231

370232

37023900

37025300

37025400

370291

370293

3703 except for 37031000

ex 3706

3707

HS/CN

ex 38

38081040

38082030

38084020

38099100

ex 3812

ex 3820

ex 39

39011090

39013000

39021000

39041000

390610

390720

39076090

3917

3918

3919

ex 3920

3922

3923

3924

3925

392690

ex 40

ex 4009

4010

4012

4013 except for 40132000

4016

42

except for 420400

ex 43

4303

4304

ex 44

4401

4402

44032010

44032090

44039100

44039200

ex 440710

ex 440791

ex 440792

HS/CN

ex 440799
 ex 4409
 4411
 4412
 4414
 4415
 4416
 441700
 4418
 4419
 4420
 4421 except for 44219010

ex 45
 4503
 450410

 46

ex 48
 4813
 4814
 4815
 4817
 4818 except for 48184019
 4819
 4820 except for 482020
 4821
 482360

ex 49
 4908
 4909
 4910000
 4911

57

ex 58
 580211
 58021100
 58022000

ex 59
 5903 except for 59031010;
 59031090; 59032010;
 592090; 59039010;
 59039099

HS/CN

5904
 5905
 5906

60 except for 600110; 60019230

61 except for 6111

62 except for 6209

63

64 except for 6406

66 except for 6603

67

ex 68

6801
 6802
 6803
 6804
 6805
 6810
 6811

ex 69

6904
 6907
 6908
 6911
 691200
 6913
 6914

ex 70

7010
 7013

ex 71

7113
 7114
 7116
 7117
 7118

ex 73

73152000

HS/CN

7317
 7318
 7319
 7320
 7321
 7322
 7323
 7324
 ex 74
 7415
 7417
 7418
 ex 76
 7615
 ex 82
 8201
 8202
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 8211
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 8215
 ex 83
 8301
 8302
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 8308
 8309
 8310
 ex 84
 8403
 841320
 841451
 841821
 84182200
 84182900
 84184091
 84191100

HS/CN

84191900
 84211200
 84221100
 842310
 843120
 ex 843230
 843240
 84333010
 843311
 843319
 8450 except for 84502000;
 84509000
 845210
 8484
 ex 85
 8507
 8508
 8509
 8511 except for 85119000
 8512 except for 85129000
 85131000
 8516 except for 851680; 85169000
 8518
 8519
 8520
 8521
 8523
 8524
 8528
 8539 except for 85394100;
 85394910; 85394930;
 8553990
 ex 87
 8701 except for 870120
 8703
 8704
 8711
 871200
 871610
 ex 88
 8801
 88022010
 ex 89
 8903

HS/CN

ex 90
 9005
 90065100
 90065200
 900653
 90065900
 9007 except for 90072000;
 90079100; 90079200
 9008 except for 90089000
 9009 except for 900990

ex 91
 9101
 9102
 9103
 9104
 9105
 9106
 9113

92 except for 9209

ex 93
 9302
 9303
 9304
 9305
 9307

HS/CN

ex 94
 9401
 9403
 9404
 9405 except for 940560; 940591;
 940599
 9406

ex 95
 9504
 9505
 9506
 9507
 9508

96

97