

# WORLD TRADE ORGANIZATION

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Committee on Balance-of-Payments Restrictions

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

### Communication from the Slovak Republic

The following communication, dated 5 June 1999, has been received from the Permanent Mission of the Slovak Republic.

Pursuant to the notification obligation in paragraph 9 of the Understanding on Balance-of-Payments Provision of the GATT 1994, the Government of the Slovak Republic would like to inform the WTO Members that it has introduced an import surcharge of 7 per cent as from 1 June 1999. The legal basis for introduction of the import surcharge is Decree of Ministry of Finance of the Slovak Republic No. 118/1999 Coll. (attached).

The import surcharge has been introduced in order to redress a difficult balance-of-payments situation and a low level of foreign currency reserves. In 1998, the current account deficit amounted to US\$ 2,0631 million and foreign trade deficit amounted to US\$ 2,2925 million. At the beginning of the year 1999, the level of foreign currency reserves declined considerably and deterioration of the external position of the Slovak economy has further continued.

The import surcharge was adopted as a measure of a temporary character to supplement a wide system of macroeconomic measures, with impact on monetary, fiscal and income policy measures, of the Slovak Government addressing current negative developments in Slovak economy. The level of the import surcharge has been determined with the aim to remedy the balance-of-payments and foreign reserves situation.

The import surcharge is applied on an MFN basis to all products with the exception of some agricultural items, basic raw materials and inputs (i.e. black coal, energy, iron ore, natural gas and some basic inputs for the textile and tanning industry) listed in the Annex to Decree No. 118/1999 Coll.

The Government of the Slovak Republic envisages application of this measure until the end of year 2000 according to the timetable specified in the Basic Document for the consultations as well as taking into account the actual balance-of-payments situation.

Taking into consideration all aspects of macroeconomic development, the Government of the Slovak Republic considers that this measure is in conformity with the relevant provisions of the Article XII of the GATT and Understanding on the Balance-of-Payments Provisions of the GATT 1994.

The Slovak Republic is ready to enter into consultations in the WTO Committee on Balance-of-Payments Restrictions under Article XII of the GATT 1994 and all applicable provisions and procedures.

The Ministry of Finance of the Slovak Republic  
DECREE No. 118/1999 Coll. ON IMPORT SURCHARGE

28 May 1999

The Ministry of Finance of the Slovak Republic pursuant to Article 56 of Law No. 42/1980 Coll. on "External Economic Relations" in the wording of Law No. 102/1988 Coll. and Law No. 113/1990 Coll. has enacted the following:

Article 1

- (1) The import surcharge is imposed on imported goods, except goods listed in paragraph (2).
- (2) The import surcharge is not imposed on goods covered under paragraph (1) in the following cases:
  - (a) imported goods of commercial character listed in the Annex of this Decree
  - (b) imported goods listed in specific regulation<sup>1</sup>
  - (c) documented re-import<sup>2</sup>
  - (d) goods sent by the foreign supplier as a remedy for the goods reclaimed.
- (3) For the purposes of this Decree it is understood that imported goods are:
  - (a) goods released into free circulation<sup>3</sup>
  - (b) goods released into the inward processing within the drawback system<sup>4</sup>
  - (c) re-imported goods released into free circulation from outward processing<sup>5</sup>
  - (d) unlawful imported goods and goods removed from customs supervision.

Article 2

The base for the import surcharge is the customs value of goods.<sup>6</sup> The rate of the import surcharge on goods quoted in Article 1, paragraph (1) is 7 per cent of the basis.

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<sup>1</sup> Decree of the Ministry of Finance of the SR No. 17/1994 Coll. on Exemption of Goods from the Import Duty as amended,

Decree of the Ministry of Finance of the SR No. 4/1998 Coll. on Reliefs of Non-Cash Contributions from the Import Duty,

Decree of the Ministry of Finance of the SR No. 39/1998 Coll. on Exemption of Goods, being subject to debt of the Slovak Republic, from the Import Duty,

Decree of the Ministry of Finance of the SR No. 115/1999 Coll. on Exemption of Machines, Machinery Equipment, Equipment and Tools from Import Duty.

<sup>2</sup> Articles 193 to 195 of the National Council of the Slovak Republic No. 180/1996 of Coll. the Customs Act.

<sup>3</sup> Article 95 to 98 of the Customs Act.

<sup>4</sup> Article 122 and further of the Customs Act.

<sup>5</sup> Article 157 and further of the Customs Act in wording of the Act of the National Council of the Slovak Republic No. 386/1996 of Coll.

<sup>6</sup> Article 27 to 41 of the Customs Act.

Article 3

For imported goods that have received a customs declaration before this Decree enters into effect current regulations are applied.

Article 4

This Decree enters into effect as from 1 June 1999.

Brigita Schmögnerová  
Minister of Finance  
of the Slovak Republic

## ANNEX to Decree No. 118/1999 Coll.

## List of Trading Commodities Exempted from the Import Surcharge:

010210	Beef cattle – pedigree cattle
010511	Fowls of the species <i>Gallus domesticus</i> :
01051200	Turkeys
010519	Live poultry, ducks, geese, turkeys weighing not more than 185 g
03	Fish and crustacea, mollusc, and other water invertebrates
04022911	Special types of milk for toddlers, hermetically sealed in vessels whose net contents do not exceed 500 g. with the fat content not more than 10%
09011100	Coffee, not roasted
1006	Rice
130219	Other vegetable saps and extracts
18010000	Cocoa beans, whole or broken, raw or roasted
200911 to 200940	Fruit juices (incl. grape must) and vegetable juices, unfermented and not containing added spirits, with added sugar or other sweetening matter
2301	Powder, drillings and agglomerated products of cylindrical shape, bean and similar produced shapes of meat, mince, fish or crustacea or other water invertebrates, unfit for human consumption, greaves
23040000	Pressed residue and other solid waste, also crushed or agglomerated in a small cylindrical shape, bean or similar shapes after the extraction of soya oil
25010031	Salt (including table salt and denatured salt) and pure sodium chloride, also dissolved, used to produce the chemical reaction for preparation of other products (separation Na from C1)
250300	Sulphur of any kind, other than sublimated, precipitated and colloid
25041000	Natural graphite in powder or flakes
2505	Natural sand of any kind, also dyed, except sand containing metals of Chapter 26
2506	Quartz (other than natural 'sands'); quartzite, whether or not roughly trimmed or merely cut, by sawing or otherwise, into blocks or slabs of a rectangular (including square) shape
2507	Kaolin and other kaolin clays, whether or not calcined
2508	Other clays (not including expanded clays of heading No 6806), andalusite, cyanide and sillimanite, whether or not calcined; mullite; chamotte or dinas earth
25292100	Fluorspar containing by weight 97% or less of calcium fluoride
2601	Iron ores and their concentrates including roasted pyrite
26020000	Manganese ores and their concentrates including iron-manganese ores and concentrates containing 20% manganese or more, calculated for the dry weight
26030000	Copper ores and their concentrates
26060000	Aluminium ores and concentrates
26100000	Chrome ores and their concentrates
2613	Molybdenum ores and their concentrates
2701	Black coal, briquette, bullet and similar solid fuel processed from black coal
2708	Pitch and pitch coke, obtained from coal tar or from other mineral tars
270900	Mineral oil and oil of bitumen mineral, raw
27112100	Earth gas in gaseous form
2712	Petroleum jelly; paraffin wax, microcrystalline petroleum wax, slack wax, ozokerite, lignite wax, peat wax, other mineral waxes, and similar products obtained by – synthesis or by other processes, whether or not coloured
27160000	Electrical energy

280300	Carbon (carbon blacks and other forms of carbon not elsewhere specified or included)
28046900	Silicon – others
2809	Phosphorus oxide, phosphoric acid and multi-phosphoric acids
281000	Boron oxides, boron acids
28182000	Aluminium oxide, other than artificial corundum
28362000	Disodium carbonate
38160000	Refractory cements, mortars, concretes and similar compositions, other than products of heading No. 3801
4001	Natural rubber, balata, gutta-percha, guajal, chicle and similar natural types of rubber, in primary form, or boards, sheet or band
4002	Synthetic rubber and faktis (oil rubber) in primary form or boards, sheet or band, mixture of products of item 4001 with these product categories in primary form or boards, sheet or band
40030000	Reclaimed rubber in primary forms or in plates, sheets or strip
4101	Unprocessed leather of bovine, equine and other ungulate species, fresh or salted, dried, limed, pickled or otherwise preserved but not untanned, unprocessed into skin parchment nor otherwise prepared also dehaired or split
4103	Other unprocessed leather (fresh or salted, dried, limed, pickled or otherwise preserved but untanned, not processed into skin parchment, nor otherwise prepared) also dehaired or split, other than excluded with the note 1b) or c) from this Chapter
4501	Natural cork, raw or simple prepared, cork waste, crushed, granulated or minced
45020000	Natural cork de-barked or simple roughly cut, or in rectangular (or square) cubicle, board, sheet or band (including semi-products with sharp edges intended for caps)
5101	Wool, non-carded and non-teased
5105	Wool and fine or rough hair of animals, carded or teased (including strips of carded wool)
520100	Cotton non-carded and non-teased
5301	Linen, rough or processed but not shinned, linen tow, linen waste (including waste of yarn and cut material)
5302	True hemp, rough or processed, but non-twisted, tow and waste from true hemp (including waste of yarn and cut material)
5303	Jute and other stalk fibres (except linen, true hemp, and ramie) rough, unprocessed but non-twisted, tow and waste from such fibres (including waste of yarn and cut material)
5304	Sisal and other textile fibres of Agave species, rough or processed but untwisted, tow and waste from such fibres (including waste of yarn and cut material)
6902	Refractory bricks, blocks, tiles and similar refractory ceramic constructional goods, other than those of siliceous fossil meals or similar siliceous earths
7004	Flat glass drawn or blown, also with reflection or absorption layer, otherwise non-processed
7005	Table float glass and table glass flatted or glazed, also with a surface of absorption reflection or non-reflection layer, otherwise unprocessed
7201	Rough iron and furnace spiegel cast iron in loaf, block or other basic forms
7202	Ferro-alloy
7204	Ferrous waste and scrap; remelting scrap ingots of iron or steel
7213	Bars and rods, hot-rolled, in irregularly wound coils, of iron or non-alloy steel
7217	Wire of iron or non-alloy steel
79011210	Zinc unrefined containing zinc weight from 99.995% to 99.99%
81041100	Rough (unprocessed) magnesium containing at least 99.8% weight of magnesium
84013000	Non-spent (non-irradiated) fuel elements (cans) (Euraton)

8713	Invalid carriages, whether or not motorised or otherwise mechanically propelled
9018	Medical, surgical, dental or veterinary instruments and tools, including scintigraphic instruments, other electric treatment instruments as well as sigh-testing instruments
9021	Orthopaedic aids and instruments, including crutches, treatment and surgical bands and medical support bandages; splints, walking callipers, and other aids and instruments for treatment of fractures; prosthetic appliances and instruments; hearing aids and other instruments carried in hand or on the person or implanted into the organism for compensation impacts of any failure or disability

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