

## VI. DISPUTES, CONSULTATIONS, AND WTO NOTIFICATIONS

### (1) Disputes and Consultations under the GATT and WTO

1. The Czech Republic has not been a party to any dispute under the GATT or the WTO.
2. Following a notification by Austria in March 1993 that it would take emergency action under GATT Article XIX in respect of imports of cement from the Czech Republic and certain other countries, the Czech Republic requested Article XIX consultations with Austria on the matter.<sup>1</sup> The Czech Republic also requested consultations with Austria following the notification by Austria in April 1993 that it would take emergency action under GATT Article XIX in respect of imports of fertilizer from the Czech Republic and certain other countries.<sup>2</sup> Consultations were held on these issues in June 1993 and were held again in March 1994 for fertilizer only. As a result of consultations, the Czech Republic agreed to limit its exports of these products to Austria. These agreements are no longer in effect, according to the authorities.

### (2) Dispute Settlement under Other Fora

3. Disputes between the Czech Republic and Slovakia within the context of the Customs Union are to be settled by an Arbitration Commission established on an ad hoc basis for each dispute; decisions of an Arbitration Commission are binding on the parties (Chapter II(5)(i)). No disputes have been brought to a Commission. Disputes between the Czech Republic and the European Union in the context of their Association Agreement are to be referred to the Joint Committee, which oversees the Agreement<sup>3</sup>; in the event that a dispute cannot be resolved by the Joint Committee, an arbitration panel shall be appointed and the majority vote of the panel becomes binding on the parties.<sup>4</sup> Under the terms of the Agreement Between the EFTA States and the Czech Republic, if an EFTA State or the Czech Republic considers that the other party has failed to fulfil an obligation under the Agreement, it may follow the Agreement's provisions for safeguards, which require that consultations between the parties take place in the Joint Committee that supervises and administers the Agreement. The dispute settlement provisions of the Central European Free Trade Agreement (CEFTA) and of the Free Trade Agreement Between the Czech Republic and the Republic of Slovenia are identical to those under the Czech-EFTA Agreement; no disputes have been brought under the Czech-EFTA Agreement.

### (3) Notification Obligations under the WTO

4. The Czech Republic, based on its obligations under various WTO Agreements and GATT CONTRACTING PARTY decisions, has been actively making notifications to the WTO. A survey of the the status of selected notification obligations is contained in Table VI.1. This table gives a brief description of the notification obligation, the source of the obligation, and the periodicity. If a

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<sup>1</sup>GATT document L/6899/Add.6.

<sup>2</sup>GATT document L/7204/Add.2.

<sup>3</sup>The Joint Committee was originally established by the Agreement on Trade and Commercial and Economic Cooperation, signed between the European Economic Community and the Czech and Slovak Federal Republic in May 1990. The Joint Committee continues to oversee the Agreement pending the establishment of the Association Council provided for in the Association Agreement.

<sup>4</sup>Panels consist of one member appointed by each party and a third member appointed by the Joint Committee.

notification has been received, the document number and date of the notification are indicated and, in some cases, comments are given. If no notification has been received, the scheduled date of the first notification is indicated.

**Table VI.1**  
**Status of selected notification requirements to the WTO, as at December 1995**

WTO agreement	Description of requirement	Periodicity	Document No. of most recent notif. (if none, date of scheduled notification).	Comments
Agriculture (Art. 18)	Info. on tariff quotas	Once, then changes	G/AG/N/CZE/1, June 1995	Tariff quotas on 24 products
Agriculture (Art. 18)	Volume of imports under tariff quotas	Annual, end of MY	(March 1996)	
Agriculture (Art. 5)	Summary of special safeguards taken	Annual, end of MY	(March 1996)	
Agriculture (Art. 18)	Aggregate Measure of Support	Annual, end of MY	(March 1996)	
Agriculture (Art. 18)	Export subsidies (outlays, quantities)	Annual, end of MY	(March 1996)	
Subsidies (Art. 25)	Existing subsidy programmes	Annual	G/SCM/N/3/CZE, December 1995	Provides info. on 11 subsidy programmes
Subsidies (Art. 32)	Laws & regs.	Upon estab. of laws & regs.; changes	G/SCM/N/1/CZE/1, March 1995	None in force. Legislation is under preparation.
Subsidies (Art. 25)	Countervailing duty actions taken	Every six months	G/SCM/N/4/Add.1, July 1995	Notification that no actions were taken in the second half of 1994
Anti-dumping (Art. 18)	Laws & regs.	Upon estab. of laws & regs.; changes	G/ADP/N/1/CZE/1, March 1995	None in force. Legislation is under preparation
Anti-dumping (Art. 16)	Anti-dumping actions taken	Every six months	G/ADP/N/4/Add.1, December 1995	Notification that no actions were taken in the first half of 1995
Safeguards (Art. 12)	Laws & regs.	Upon estab. of laws & regs.; changes	G/SG/N/1/CZE/1, May 1995	None in force; legislation had not yet been adopted.
Tech. Barr. to Trade (Art. 15)	Laws, regs. & admin. arrangements	Once, upon EIF	G/TBT/2, Nov. 1995. See also G/TBT/CS/N/8	Laws regs., procedures & WTO Enquiry Point. Some material had previously been notified.
Tech. Barr. to Trade (Art. 2)	Technical regulations	Ad hoc	G/TBT/Notif. 95.286	Thirteen notifications during 1995
GATT 1947	State trading	Every three years (changes annually)	G/STR/N/1/CZE, and Corr.1, Oct. 1995	Notification of the State Fund for Market Regulation
GATT 1994 (Art. XXIV)	Formation of, or an agree. leading to, a customs union or free trade area	Ad hoc	GATT L/7495, June 1994 (regarding CEFTA)	Notifs. cover EFTA ('92), Slovenia ('94), Slovakia ('93) & EU Inter. Agree. ('92). The EU Assoc. Agree. has not been notified.
GATT CPs dec. (BISD 32S/92-93)	Complete notifications on non-tariff measures	Every two years, beg. January 1996	(January 1996)	
GATT CPs dec. (BISD 34S/66)	Integrated database	Annual	Relevant info. submitted in 1995 during TPR process	Includes (i) m.f.n. and preferential tariffs in effect in 1995, and (ii) trade data for 1994
Rules of Origin (RO)	Nonpref. & pref. RO; changes	Nonpref: Apr. 1995. Pref.: promptly after EIF	G/RO/N/2, June 1995	
GATS (Art. III)	New or changed laws & regs. affecting trade covered by specific commits.	Annual	(January 1996)	

**Sources:** WTO documents G/NOP/W/2/Rev.1 and G/NOP/W/5, and the WTO Agreements.  
EIF - entry into force of the WTO Agreement (January 1995); MY - marketing year.

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