YUGOSLAVIA

The following communication, dated 12 June 1992, has been received from the Permanent Mission of Yugoslavia with the request that it be circulated to contracting parties.

With reference to the communication of the United States Trade Representative circulated in L/7022, I have been instructed by my authorities to provide you with the following statement:

The authorities of the Federal Republic of Yugoslavia express their regret and utmost concern that the United States have declared they do not accept that the Federal Republic of Yugoslavia assumes GATT membership of the Socialist Federal Republic of Yugoslavia, as well as the participation of the representatives of the Federal Republic of Yugoslavia in GATT activities.

Problems of state succession appeared in GATT from time to time and were dealt with either pursuant to Article XXVI, if applicable, or in a pragmatic way. The aim was to find the best solutions appropriate to GATT's character and in the general interest of the contracting parties. Continuity of membership has never been denied if the country in question was ready to take over all GATT obligations and to exercise the rights of the former state which it was a part of.

The Federal Republic of Yugoslavia officially informed the GATT\footnote{L/7000.} that it shall strictly respect the "continuity of the international personality of Yugoslavia and shall continue to fulfil all the rights conferred to and obligations assumed by the Socialist Federal Republic of Yugoslavia in international relations, including its membership in all international treaties ratified or acceded to by Yugoslavia".

In view of the above, the authorities of the Federal Republic of Yugoslavia consider that any hasty decision of the CONTRACTING PARTIES, guided exclusively by political considerations, will represent a serious precedent, especially at a moment when the situation which had led to the
contesting of the possibility that the Federal Republic of Yugoslavia continues GATT membership of the Socialist Federal Republic of Yugoslavia is changing at a very fast pace.

We are convinced that such an approach would serve no positive purpose to solve the complex crisis within the territory of the former Socialist Federal Republic of Yugoslavia. It is neither in the interest of GATT -- whose primary rôle is to promote international trade and cooperation -- to be politicized and to take a leading rôle and go ahead of the United Nations in deciding on the status of a state and state succession.

The authorities of the Federal Republic of Yugoslavia are making all efforts and have taken concrete steps to comply with all the requests addressed to them in the relevant resolutions of the UN Security Council. It is their wish to contribute to the cessation of hostilities and to find a peaceful solution through negotiations. For these reasons, we believe the present trade and broader economic sanctions against the Federal Republic of Yugoslavia will not be long lasting. Henceforth, it would be important that the Federal Republic of Yugoslavia continues to participate in GATT activities and to contribute within its possibilities.

Agreement on the above would be the best contribution of the CONTRACTING PARTIES to put an end to the civil war and to resolve the crisis, as well as to re-establish normal economic and trade relations and to revitalize economic activities and development in the territory of the former Socialist Federal Republic of Yugoslavia.