Observations of the Czechoslovak Delegation on the draft of Tariff schedules as contained in document E/PC/T/153

1. The above mentioned draft puts all agreed notes and explanatory remarks straight behind the various tariff items, instead as is customary into a protocol (annexed final protocol) to the tariff schedules.

According to the procedure customarily followed by Czechoslovakia at the conclusion of agreements containing tariff concessions all agreed notes and explanatory remarks whose purpose was only to throw light on the extent of the agreed concession or which contained in advance agreed mutual concessions for a later and different arrangement of these concessions and further all provisions which had nothing in common with the customs tariff were not inserted in the tariff schedule but in a protocol attached to such schedule.

The reason for this procedure is based upon the fact that the particular tariff schedules change or bind provisions of the customs tariff i.e. of a law of which they become automatically a part - after constitutional approval - in accordance with the provisions of par.6 subpar.3 of the Czechoslovak customs law, without any further innerstate procedure. But provisions contained in a final annexed protocol change or bind explanatory notes to the customs tariff i.e. of a governmental ordinance or of legal provisions other than the customs tariff.

For these reasons Czechoslovakia must even in the case of a multilateral agreement retain her present system and reserves the right to attach to her schedule a protocol to contain all provisions of an explanatory character or notes which do not concern the customs regime etc. and which have no place in the customs tariff itself.

2. Czechoslovakia also requests the following provision to be inserted into her schedule:

"The value of the Czechoslovak crown in which the agreed specific rates of duties are expressed is understood to be the par value as accepted by the I.M.F. at the time of the signature of this Agreement. In case this currency is depreciated in accordance with the Articles of Agreement of the I.M.F. the Czechoslovak Government reserves its right to adjust the specific rates of duty in proportion to the depreciation of its currency."

The Czechoslovak delegation would have no objection if a similar clause is attached to all schedules as far as specific rates are concerned.

x/ Viz f.i. the provisions of the protocol to the Agreement between USA and Czechoslovakia of March 7, 1938 "Ad Schedule I - Section A" par.2 /fee for phytopathological inspection/ or par.5 /contents of sulphur dioxide in dried fruit admissible as not harmful to health./