

Export Promotion and Legislation

Master Thesis

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This Thesis' topic is introduced in part One. In Czechoslovakia international trade carried out mainly through product specialised trading houses until the early 1990s. This led to a situation where Czech companies in general knew how to produce marketable goods but had no experience with international trade. In many cases, managers were not familiar with the differences in business practices, and in wider commercial and social culture, of potential partners.

Part Two of the Thesis deals with the current system of export promotion in the Czech Republic. Early in the 1990s the Czech Government realised there was a need for introduction of the system of export promotion similar to those offered by other European countries. The Export Guarantee and Insurance Corporation ("EGAP") along with the Czech Export Bank ("CEB") were set up as Export Credit Agencies of the Czech Republic. This Thesis analyses and assesses products offered by both CEB and EGAP. For Czech business, export promotion is further complimented by the services of CzechTrade, the Government trade promotion agency, as well as by CzechInvest, Czech Centers and the Commercial and Economic Sections of Embassies and Consulates abroad.

Cooperation between financial institutions in the area of export credits and insurance is examined in part 2.6 of this Thesis, with a particular focus on the OECD Working Party on Export Credits and Credit Guarantees, the Working Group on Export Credits of the EU Council, International Union of Credit and Investment Insurers (the Berne Union), and the Working Group on Export Finance of the Czech Banking Association.

Part Three examines and analyses the OECD Arrangement on Officially Supported Export Credits, and the WTO Agreement on Subsidies and Countervailing Measures as well as European and Czech legislation regarding officially supported export credits.

Part Four of this Thesis presents a brief introduction of ECAs in Germany, Switzerland and the United Kingdom followed by some institutions' reactions to the Global Financial Crisis in part Five.

Part Six of the Thesis is a case study of recent Czech practices in export promotion, export of light rail vehicles of CKD Dopravni systemy to Manila in the Philippines.

Conclusions are presented in part Seven of the Thesis. A new Amendment to the Law No. 58/1995 of the Laws Collection is currently in the Czech Parliament. It is expected to change export promotion from the one "of the national substance" to the one "in the national interest." Further, if the said Amendment passes through, the Interest Make-Up Scheme will be introduced in the Czech law.

Klíčová slova: podpora exportu, exportní banka, pojištění exportu, Konsensus OECD

Key words: export promotion, export bank, credit insurance, OECD Consensus