

RESTRICTED

MTN/3E/DOC/8/Add.8

9 December 1974

Special Distribution

GENERAL AGREEMENT ON
TARIFFS AND TRADE

Multilateral Trade Negotiations

GROUP 3(e) - BASIC DOCUMENTATION

Inventory of Quantitative Import Restrictions
Applied by Countries Other than those Covered
by the Joint Working Group

Addendum

HUNGARY

Explanatory Notes

1. The import is subject to licensing in Hungary. Foreign trade contracts with foreign physical or juridical persons can be concluded only after having obtained import licence issued by the Ministry of Foreign Trade. Licences can be applied for by enterprises and organizations authorized to carry on foreign trade activity. There is no fixed time-limit for presenting applications or issuing licences.

2. The import licence entitles its holder to conclude the transaction, to buy the necessary foreign exchange according to the regulations of the foreign exchange and to import the goods. This means that anybody who has obtained an import licence and has the necessary amount of national currency at his disposal, can freely buy the required amount of foreign exchange from the National Bank of Hungary which is the central body of foreign exchange monopoly and the operative foreign exchange policy.

3. The import licence can be individual or general licences.

The individual licence gives the right to conclude and transact the business to which it refers. Individual licences are issued for the import and export of goods and for other foreign trade transactions which are not subject to general licensing.

4. The vast majority of Hungarian imports is transacted on the basis of global licences.

The global licence empowers to the conclusion and transaction, in any country, of the foreign trade contract referring to the goods or services specified in the licence.

5. The functions of the licensing system are as follows:

- (a) Control of the import activity. The licensing system is a means of checking that only the enterprises should pursue foreign trade activity which are authorized to do so.
- (b) Control and influencing of the fulfilment of Government obligations assumed on a reciprocal basis in the bilateral agreements.
- (c) Safeguarding of the balance-of-payments situation in such a way that the import can continuously increase in proportion to the increase of export.

- Enterprises importing machinery from their own financial resources and from countries of a convertible currency should pay an import deposit.

The import deposit system is a temporary measure.

In 1968 the amount of import deposit was 150 per cent, in 1969 it was reduced to 100 per cent of the value of the imported machine. The enterprise can be released from the obligation to pay deposit in such a case when the import of the equipment in question increases the export capacity of the investing enterprise and if this export is directed to a market of convertible currency.

- The import from free-currency areas of certain goods being essential for the national economy is provisionally regulated by the Government through quotas. Such goods are the consumer goods, certain agricultural products and certain raw materials.

Reference: L/3301
L/3426

The following items are subject to quantitative restrictions:

08.01	Coconut, banana
08.02	Orange
08.03	Figs
12.01	Peanuts
16.02	Liver-cream
16.04	Canned fish
18.05	Cocoa powder
18.06	Chocolate
20.07	Fruit juices
21.02	Nescafé
21.04	Mixed seasonings
21.05	Soups in powder form
22.03	Beer
22.09	Spirits
24.02	Cigarettes