

GENERAL AGREEMENT ON  
TARIFFS AND TRADE

RESTRICTED

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URUGUAY - IMPORT SURCHARGES

The following letter, dated 6 March 1978, and accompanying document have been received from the Permanent Delegation of Uruguay.

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I have pleasure in forwarding herewith the text of Decree No. 125/977 of 2 March 1977 modifying various aspects of the surcharge régime in effect in our country.

This Decree provides that the minimum rate of surcharge is to be 10 per cent, and likewise provides for a general reduction in the surcharges of 75, 120, 150 and 200 per cent to the levels of 65, 90, 110 and 150 per cent respectively. In addition the above-mentioned Decree explicitly revokes the régime established by the Decrees of 14 April 1963 and 2 December 1975. Under the latter Decree a surcharge of 7 per cent had been established.

Decree No. 125/977 - Establishing a minimum surcharge of 10 per cent on the import of all articles and goods entering the country, subject to the exceptions stipulated.

Ministry of the Economy and Finance.

Montevideo, 2 March 1977.

Having regard to the Decree of 14 April 1963 and Decree No. 794/974 of 10 October 1974.

Whereas Article 1 of the first Decree mentioned above established a minimum surcharge on imports as a general measure, while the second Decree mentioned above made provision by Article 1 thereof for a general reduction in the import surcharges mentioned.

Considering: (I) That the utilization of the surcharge as an instrument of economic policy has resulted: in very extensive effective protection for certain activities enjoying effective protection inconsistent with the efficient allocation of national resources; and in a substantial quantity of imports exempt from any surcharge, to the detriment of the public finances;

(II) That it is an economic policy objective of the present Government gradually to introduce one single protection conducive to economic efficiency;

(III) That in furtherance of the objective mentioned in the preceding paragraph it is appropriate, on the one hand, to eliminate existing exemptions from the minimum surcharge and, on the other hand, generally to reduce the existing surcharges on the import of goods.

The President of the Republic hereby decrees as follows:

Article 1 - A minimum surcharge of a general character at the rate of 10 per cent is hereby established in respect of the import of all articles, merchandise, products and goods entering the country, with the exception of those subject to a higher surcharge or which are specifically exempt from the said minimum surcharge.

Article 2 - All goods which, while not having been declared to be of a luxury character or in competition with domestic industry, are not specifically exempt from the minimum surcharge established under Article 1 of this Decree, shall be deemed in principle and temporarily to be non-essential.

Article 3 - The minimum surcharge of a general character to which this Decree refers shall be applicable even in cases where the merchandise, articles, products and goods subject to surcharges of more than 10 per cent are granted exemption therefrom. In such cases, the exemption shall only affect that part of the surcharge which exceeds the amount of the minimum surcharge.

Article 4 - The minimum surcharge established by Article 1 of this Decree shall be collected by the Central Bank of Uruguay on the basis of the assessment made at the time of the import declaration. The said surcharge shall not be the subject of any re-assessment and shall be refunded only in the event of complete cancellation of the declaration.

Article 5 - Imports of the following articles, merchandise, products and goods shall be exempt from the minimum surcharge:

- (a) Imports effected under the régime of temporary admission or replacement declarations;
- (b) Precious metals in coin or in ingots.

Article 6 - All administrative provisions exempting from the minimum surcharge the import of articles, merchandise, products and goods not included in the preceding article are hereby cancelled.

Article 7 - The surcharges of 75 per cent, 120 per cent, 150 per cent and 200 per cent established in respect of the import of certain goods shall be replaced in general by surcharges of 65 per cent, 90 per cent, 110 per cent and 150 per cent respectively.

Article 8 - The Decrees of 14 April 1963 and No. 923/975 of 2 December 1975 are hereby revoked.

Article 9 - This Decree shall be reported to the Council of the State.

Article 10 - This Decree shall be communicated, etc. - MENDEZ -  
VALENTIN ARISMENDI.