

# GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

L/5539

22 September 1983

Limited Distribution

Original: English

## AGREEMENT BETWEEN FINLAND AND HUNGARY ON THE RECIPROCAL REMOVAL OF OBSTACLES TO TRADE

### Information Furnished by the Parties to the Agreement

This report covers the period from 1 July 1981 to 30 June 1983.

The Free Trade Agreement between Hungary and Finland entered into force on 1 January 1975.

The objective of the Agreement is to eliminate progressively the obstacles to substantially all the trade between the Parties, in accordance with the provisions of the General Agreement on Tariffs and Trade, concerning the establishment of free-trade areas.

The Agreement has functioned normally and has been applied in accordance with its provisions.

The main results are as follows:

1. During the period covered by the report, the remaining customs duties on imports of products falling within chapters 25-99 of the CCCN have been reduced in accordance with the provisions of Article 3 of the Agreement; customs duties on imports have been decreased as of 1 January 1983 to 20 per cent of the basic duties concerning the products laid down in the Protocol No. 2 of the Agreement.
2. Since the entry into force of the Agreement, no new quantitative restrictions have been introduced in trade between Hungary and Finland.

Upon the entry into force of the Agreement, Hungary eliminated the bilateral quantitative restrictions applied to goods originating in Finland and has administered her import system in conformity with Protocol No. 4 of the Agreement.

Finland has not applied on imports from Hungary quantitative restrictions other than those provided for in list "A" of Protocol No. 4 of the Agreement and maintained on a non-discriminatory basis.

3. The rules of origin in Protocol No. 3 of the Agreement which determines the eligibility of products for the tariff reduction under the Agreement have been applied as foreseen.

./.

4. A Joint Commission has been established to administer and supervise the implementation of the Agreement and also to act as forum for information and consultation procedures foreseen in the Agreement.

The Joint Commission has held, during the period covered by the report, two sessions: from 7 to 10 September 1981 in Helsinki and from 14 to 16 September 1982 in Budapest.

5. Approximately 100 per cent of the imports of Hungary from Finland and 95 per cent of the imports of Finland from Hungary are covered by the Agreement.

The volume of commercial exchanges in millions of United States dollars:

Imports by Hungary from Finland:

1981: 64.6, of which agriculture: 0.3  
1982: 78.3, of which agriculture: 1.5

Imports by Finland from Hungary:

1981: 57.5, of which agriculture: 9.9  
1982: 61.3, of which agriculture: 10.5