## GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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#### IMPORT QUOTA SYSTEM

#### Portugal

The following communication, dated 29 September 1983, has been received from the delegation of <u>Portugal</u>.

### SYSTEM OF QUOTAS FOR SOME CONSUMER GOODS PORTUGAL

1. Portugal has recently notified the Government Order no 331-A/82, of 31 March 1983, and is doing now another notification of a measure of the same kind.

It is the intention of the Portuguese authorities not to delay the notification of measures affecting foreign trade as ocurred with the above-mentioned Government Order.

- 2. Unfortunately, the reasons referred in previous notification are still valid and have recommended the application of the system of quotas for some consumer goods for another year.
- In fact, where in 1979 the balance of current accounts was nearly offset, a deep deterioration occurred in 1980 and, since that year, the annual results have been worsening.

The deficit in 1980,1981 e 1982 has reached, respectively, the following values in \$US dollars: 1,2 billion, 2,9 billion and 3,2 billion.

4. The above referred system, introduced in 1977, has been maintained henceforth on a non discriminatory and temporary basis as a tool to avoid the continuing deterioration of the Portuguese balance of payments.

- 5. The general framework of the system was kept but some amendments were introduced in it, of which the following have to be emphasized:
  - Three quotas were dropped (that for domestic clothes washing machines and those for certain kind of primary cells and batteries);
  - The cases where the reversion for tradional importers of the 15 per cent reserve intended for new importers, when the share in that reserve has no commercial value, are clarified;
  - Although the coverage of the system was iduced (by the elimination of three quotas) the increasing in the remaining ones represents a global increas: in value of 27 per cent to take into account the Escudo devaluation and the inflation in the countries of origin of goods and to keep, as far as possible, the level of imports in terms of quantity;
  - The lay-out of the description of goods was modified as far as sub-headings are concerned, as a consequence of the adoption of the structure of the EEC Common Customs Tariff.
- 6. The evolution of imports of less essential consumer goods under the system of quotas, as well as their ventilation by countries of origin over the period 1980/82, are contained in Annex II to this notification.

#### ANNEX I

#### Portuguese System of Import Quotas for Some Consumer Goods

### Government Order nº673-A/83, of 9 June 1983 (Non-official translation)

The need to reduce the deficit in the balance of pay ments recommends the maintenance of the system of quotas for consumer goods covered by Government Order nº331-A/82, of 31 March.

Under present Order, that will be kept in force during one year period, the system of quotas will be maintained with the elimination of three quotas and the increase of the global value of the remaining quotas.

Some minor amendments and adjustments were introduced in the present system of quotas in order to fully reach its goals.

Therefore, under Decree-Law n9720-A'76, of 9 October:

The Government of the Portuguese Republic, through the Ministers of Finance and Planning, of Agriculture, Forestry and Food and of Industry and Energy, has decided as follows:

#### Paragraph 1

As from 1 April 1983 to 31 March 1984 imports of goods on the List at Annex will be subject to the import quota system.

#### Paragraph 2

The Directorate General of External Trade (Direcção-Geral do Comércio Externo), or other entities given powers for the granting of import licences, are empowered to allocate among importers the import quotas.

#### Paragraph 3

Sub-paragraph 1: The criterion to be used as basis of allocation of quotas is the amount of imports made by each importer during 1975 and 1976. The annual import quota of each product subject to the system will be equal to the product of the arithmetic average of those imports by a ratio between the value of the global quota established for each product in this Government Order and the average value of the total imports of each product during 1975 and 1976. This criterion will be applied except as otherwise provided in the following sub-paragraphs; freedom of choice as to origin markets will be maintained.

Sub-paragraph 2: Evidence of the level of imports reached during that period, to be submitted to the entities mentioned in paragraph 2 above, will have to be made by means of proper Customs clearance forms.

Sub-paragraph 3: Evidence of the levels of imports  $d\underline{u}$  ring 1975 and 1976, to be presented by each importer, shall not be required whenever the proper Customs clearance forms have already been submitted to the entities referred to in paragraph 2 above.

Sub-paragraph 4: The allocation criterion foreseen in sub-paragraph 1 above does not apply:

- a) whenever another allocation criterion is set through an enactment from the Secretary of State for the External Trade, for the quota for products classified under heading 08.01;
- b) in the case of importers referred to in next sub-paragraph under(a).

Sub-paragraph 5: An amount of 15 per cent of each import quota shall be set apart for full allocation among:

- a) importers who, having imported no goods subject to the quota concerned during 1975 and 1976, apply for imports of those goods during the deadline foreseen in next sub-paragraph;
- b) importers already covered by sub-paragraph 1 hereof provided that their share in that quota will not in any case be lower than those of importers mentioned under (a) hereof.

Sub-rargraph 6: Applications mentioned under (a) of the preceding sub-paragraph will have to be submitted until the end of the fifth month of enforcement of this Government Order.

Sub-paragraph 7: Whenever an enactment by the Secretary of State for the External Trade sets out a special allocation criterion in accordance with sub-paragraph 4 (a) above, it will specify whether or not the 15 per cent reserve scheme applies.

Sub-paragraph 8: If, from the allocation of the 15 per cent reserve scheme to the importers referred to in sub-paragraph 5 (a) above, results, for certain quota, an individual share representing a reduced amount with no commercial value, the referred allocation shall be canceled, unless, exceptionnally, otherwise decided by enactment by the Secretary of State for the External Trade. For this purpose will be considered as having no commercial value the shares allocated to the importers provided that their value is less than 10 per cent of the arithmetic average of the shares of the same quota allocated in accordance with sub-paragraph 1 of this paragraph.

Sub-paragraph 9: In those cases where the 15 per cent reserve was not allocated either by the reason referred to in foregoing sub-paragraph or by lack of candidates under sub-paragraph 5 (a) of this paragraph, the shares, calculated in accor-

dance with sub-paragraph 1 of this paragraph, will not be reduced from 15 per cent of their value.

#### Paragraph 4

Beyond the import quotas set out in the list at Annex, authorization may be granted for additional import quotas through a previous joint enactment by the Secretaries of State for the External Trade and for Industry. The value of these additional import quotas cannot exceed the national value added to Portuguese exports:

- a) Products manufactured by the Portuguese importer to be exported to the foreign manufacturer of the product to be imported;
- b) Products manufactured by the Portuguese importer, regardless the destination country, if the compensation import product is included in the importer industrial activity area. These areas will be stated through the due Ministry of Industry and Energy's Departments;
- c) Products from other national industries exported to and intended to be strictly used for industrial purposes by the foreign manufacturer that supplies the goods to be imported;
- d) Capital goods produced by national manufacturers, regardless the destination country, included in the capital goods categories to be defined through the due Ministry of Industry and Energy's Departments.

#### Paragraph 5

For the purposes of the preceding paragraph, the necessary evidence of the export value shall be submitted to the Directorate General of External Trade (Direcção-Geral do Comércio Externo).

#### Paragraph 6

Any doubtful cases arising from this Order will be settled through a joint enactment by the Ministers of Finance and Planning, Trade and Tourism and by the Minister of Industry and Energy.

#### Paragraph 7

The present Government Order produces its effects since 1 April 1983.

# ANNEX TO GOVERNMENT ORDER Nº 673-A/83 Quotas for the period 1st April 1983 to 31st March 1984

Tariff heading on 31.12.1982	Present tariff heading	Value in thousand escudos
08.01	08.01 Dates, bananas, coconuts, Brazil nuts, cashew nuts, pineapples, avocados, mangoes, guavas and mangosteens, fresh or dried, shelled or not	800 000
73.36	73.36 Stoves (including stoves with subsidiary boilers for central heating), ranges, cookers, grates, fires and other space heaters, gas-rings, plate warmers with burners wash boilers with grates or other heating elements, and similar equipment, of a kind used for domestic purposes, not electrically operated, and parts thereof, of iron or steel	

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Tariff heading on 31.12.1982	Present tariff heading	Value in thousand escudos
84.15.02	84.15 Refrigerators and refrigerating equipment(electrical and other):  C. Other:  I. Refrigerators of a capacity of more than 340 litres:	
	a) Refrigerators:	
	ex2. Chests and other furniture, imported with their refrigerating equipment:	
	-Weighing up to 200Kg.per unit	<b>`</b>
	exII. Other:	1
	<ul> <li>Chests and other furniture im ported with their refrigerating equipment, weighing up to 200Kg per unit</li> </ul>	883 000
84.17.01	84.17 Machinery, plant and similar laboratory equipment, whether or not electrically heated, for the treatment of materials by a process involving a change of temperature such as heating, cooking, roasting, distilling, rectifying, sterilising, pasteurising, steaming, drying, evaporating, vapourising, condensing or cooling, not being machinery or plant of a kind used for domestic purposes; instantaneous or storage water heaters, non-electrical:	
	F. Other:	
	I. Water heaters, mon-electric:	
	a) For domestic purposes:	
	1. Instantaneous or stora- ge	168 000

Tariff heading on 31.12.1982	Present tariff heading	Value in thousand escudos
84.41.01	84.41 Sewing machines; furniture special- ly designed for sewing machines;se- wing machine needles:	
	A. Sewing machines; furniture spe- cially designed for sewing machi nes:	
	I.Sewing nichines(lock-stitch only), with heads of a weight not exceeding 16Kg without motor or 17Kg including the motor; sewing machine heads(loch -stitch only), of a weight not exceeding 16Kg without motor or 17 Kg including the motor:	
The state of the s	a) Sewing machines having a value (not including frames tables or furniture)of more than 65ECU each:	
	1.For domestic purposes	,
	b) Other:	
	1.For domestic purposes	267 000
	II. Other sewing machines and other sewing machine heads:	
	a) For domestic purposes	
	•	
ex85.06 Vacuum cleaners	85.06 Electro-mechanical domestic applion ces. with self-contained electric motor:  exA.Vacuum cleaners	102 000
	·	

Tariff heading on 31.12.1982	Present tariffheading	Value in thousand escudos
ex85.06 Other	85.06 Electro-mechanical domestic appliances, with self-contained electric motor:	
	exA. Floor polishers  B. Other	578 000
85.12.01/02	85.12 Electric instantaneous or storage water heaters and immersion heaters; electric soil heating apparatus and electric space heating apparatus; electric hair dressing appliances (for example, hair dryers, hair cur- lers, curling tong heaters) and elec tric smoothing irons; electro-ther- mic domestic appliances; electric heating resistors, other than those of carbon:  A. Electric instantaneous or stora- ge water heaters and immersion heaters:	
	a) Electric instantaneous or storage water heaters b) Electric water immersion heaters	150 000
	b) Other apparatus  D. Electric smoothing irons	

Tariff heading on 31.12.1982	Present tariff heading	Value in thousend escudos
85.12.06	85.12 Electric instantaneous or storage water heaters and immersion heaters; electric soil heating apparatus and electric space heating apparatus; electric hair dressing appliances (for example, hair dryers, hair curlers, curling tong heaters) and electric smoothing irons; electro-thermic domestic appliances; electric heating resistors, other than those of car bon:  E. Electro-thermic domestic applian ces:  II Other:  b) Toasters	
Negotiente agent de August	tea preparationg) Other appliances	)         

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Tariff heading on 31.12.1982	Present tariff heading	Value in thousand escudos
85.15.01	85.15 Radiotelegraphic and radiotelephonic transmission and reception apparatus; radio-broadcasting and television transmission and reception apparatus(including receivers incorporating sound recorders or reproducers) and television cameras; radio navigational aid apparatus, radiar apparatus and radio remote control apparatus:  A. Radiotelegraphic and radiotelephonic transmission and reception apparatus; radio-broadcasting and television transmission and reception apparatus(including receivers incorporating sound recorders or reproducers) and television cameras:  III. Receivers, whether or not incorporating sound recorders or reproducers:  b) Other:  1. Pocket receivers for calling or paging	

Tariff heading on 31.12.1982	Present tariffheading	Value in thousand escucios
85.15.02	85.15 Radiotelegraphic and radiotelephonic transmission and reception apparatus; radio-broadcasting and television transmission and reception apparatus (including receivers incorporating sound recorders or reproducers) and television cameras; radio navigational aid apparatus, radar apparatus and radio remote control apparatus:	
	A. Radiotelegraphic and radiotele- phonic transmission and reception apparatus; radio-broadcasting and television transmission and re- ception apparatus (including re- ceivers incorporating sound re- corders or reproducers) and tele vision cameras:	
TO COLUMN TO COL	III. Peceivers, whether or not in- corporating sound recorders or reproducers:	
	b) Other:	
and the second	2. Other:	
	cc) For television	265 000

Tariff heading on 31.12.1982	Present tariff heading	Value in thousand escudos
87.09.01/87.10	87.99 Motor-cycles, auto-cycles and cycles fitted with an auxiliary motor, with or without side-cars; side-cars of all kinds:	
	A. Motor-cycles and cycles fitted with an auxiliary spark ignition motor, with or without side-cars, of a cylinder capacity:	
	I. Up to 50 cm <sup>3</sup>	36 000
87.09.03/04/05	87.09 Motor-cycles, auto-cycles and cycles fitted with an auxiliary motor, with or without side-cars; side-cars of all kinds:	
And the second s	A. Motor-cycles and cycles fitted with an auxiliary spark ignition motor, with or without side-cars, of a cylinder capacity:	·
	II. Of more than 50 cm3:	
:	a) Scooters	\
	b) Other:	
\$ \$	ex2. Other:	
Programme (CATAS)	-Other than side-cars	94 000
Popper and Colors	B. Other:	
	exII. Other:	
	-Other than side-cars	
- C.	•	

Tariff heading on 31.12.1982	Present tariff heading	Value in thousand escudos
92.12.01	92.12 Gramophone records and other sound or similar recordings; matrices for the production of records, prepared record blanks, film for mechanical sound recording, prepared tapes, wires, strips and like articles of a kind commonly used for sound or similar recording:	
	A. Prepared for recording, but not recorded:	
	I. Tapes and strips	)
	II. Other:	183 000
	a) Wires	.,
93.04/05	93.04 Other firearms, including Very pistols, pistols and revolvers for firing blank ammunition only, line -throwing guns and the like	
	93.05 Arms of other descriptions, including air, spring and similar pistols, rifles and guns	241 000
94.01 /03	94.01 Chairs and other seats (other than those falling within heading no 94.02), whether or not convertible into beds, and parts thereof	149 000
A CENTRAL	94.03 Other furniture and parts thereof	

Tariff heading on 31.12.1952	Present tariff heading	Value in thousand escudos
97.01/02/03	97.01 Wheeled toys designed to be ridden by children (for example, toy bicycles and pedal motor cars); dolls' prams and dolls' push chairs	<b>577 000</b>

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