PORTUGAL - CHANGES IN THE IMPORT REGIME

Intensification of the Import Surcharge Scheme

Notification by the Delegation of Portugal

1. The Portuguese Government deemed it indispensable to extend the duration of the import surcharge scheme instituted by Government Decree No. 271-A/75 of 31 May 1975, and as subsequently amended, until 31 December 1977. This extension was enforced by Government Decree No. 122-A/77 dated 31 March 1977.

2. The Government further embarked upon a wider set of measures aimed at redressing national economy and checking constant deterioration of the balance-of-payments situation. Such measures included intensification of the surcharge scheme and introduction, on a temporary basis, of quantitative restrictions on imports of a number of less-essential products.

3. Intensification of the surcharge scheme, which amounts to levying of a 60 per cent surcharge on imports of a number of goods, previously subject to a 30 per cent surcharge, was submitted for approval by the Assembly of the Republic. Acting in accordance with paragraph (d) of Article 164 of the Constitution, the Assembly adopted Law No. 34/77, which applies the import surcharge of 60 per cent referred to in Article 2 of Government Decree No. 720-B/76 of 9 October 1976 to goods listed in Annex I to the present notification. Rules set out in Article 10 of the Preliminary Instructions of the Portuguese Import Tariff, as well as all other relevant provisions of Government Decree No. 720-B/76, are applicable to goods henceforth subjected to the 60 per cent import surcharge.

Law No. 34/77 entered into force on the date of its publication in the Official Gazette, i.e., on 3 June 1977, and will remain so until 31 December 1977.

Intensification of the surcharge aims at more substantial results in curbing less-essential imports, since at the previous level of 30 per cent - the expected decline effects were not forthcoming.
4. Tables indicating product coverage of the import surcharge scheme, with reference to total imports in 1975 and 1976, are drawn in Annex II to this notification.

5. Imports of products now transferred from the 30 per cent list to the 60 per cent list, amounted to Esc 1 196 million in 1975 and to Esc 1 341 million in 1976, i.e., 1.2 and 1.0 per cent of total imports during those two years, respectively (Tables I and II of Annex II).

6. Imports of products previously subject to the 60 per cent surcharge represented Esc 1 298 million in 1975 and Esc 1 274 million in 1976, i.e., 1.31 per cent and 0.97 per cent of total imports respectively (Table III of Annex II).

7. After necessary adjustments, deriving from the transfer of some products to the 60 per cent list, imports of products subject to the 30 per cent surcharge represented Esc 27 864 million in 1975, i.e., 28.01 per cent of total imports and, on the basis of provisional data, about Esc 36 685 million in 1976, which means 28.04 per cent of total imports in 1976 (Table IV of Annex II).

8. Imports of products at present covered by the 60 per cent surcharge i.e., those referred to in Government Decree No. 720-B/76 and in Law No. 34/77, amounted to Esc 2 494 million in 1975, or 2.5 per cent of total imports in that year, and, on the basis of provisional data, Esc 2 614 million in 1976 or 2 per cent of total imports (Tables IV and V of Annex II).
## ANNEX I

List of Products Subject to 60 Per Cent Import Surcharge
Established by Law No. 34/77

<table>
<thead>
<tr>
<th>Portuguese customs tariff heading number</th>
<th>Description of goods</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Chapter 11</strong></td>
<td></td>
</tr>
<tr>
<td>11.05</td>
<td>Flour, meal and flakes of potato</td>
</tr>
<tr>
<td><strong>Chapter 12</strong></td>
<td></td>
</tr>
<tr>
<td>ex 12.01.01</td>
<td>Groundnuts, shelled or not, for immediate consumption</td>
</tr>
<tr>
<td><strong>Chapter 19</strong></td>
<td></td>
</tr>
<tr>
<td>19.03</td>
<td>Macaroni, spaghetti and similar products</td>
</tr>
<tr>
<td>19.05</td>
<td>Prepared foods obtained by the swelling or roasting of cereals or cereal products (puffed rice, corn flakes and similar products)</td>
</tr>
<tr>
<td><strong>Chapter 21</strong></td>
<td></td>
</tr>
<tr>
<td>21.07.04</td>
<td>Other food products containing added sugar</td>
</tr>
<tr>
<td>21.07.05</td>
<td>Other food products not containing added sugar</td>
</tr>
<tr>
<td><strong>Chapter 39</strong></td>
<td></td>
</tr>
<tr>
<td>39.07.02</td>
<td>Articles of materials of the kinds described in heading No's. 39.01 to 39.06: wearing apparel</td>
</tr>
<tr>
<td>39.07.03</td>
<td>Do., Floor coverings: cellular</td>
</tr>
<tr>
<td>39.07.04</td>
<td>Do., do., not specified</td>
</tr>
<tr>
<td>ex 39.07.05</td>
<td>Do., articles not specified, printed or not (excluding industrial protective and safety equipment such as hearing protectors, welding helmets and face shields)</td>
</tr>
<tr>
<td><strong>Chapter 44</strong></td>
<td></td>
</tr>
<tr>
<td>44.24</td>
<td>Household utensils of wood</td>
</tr>
<tr>
<td>44.28</td>
<td>Other articles of wood</td>
</tr>
<tr>
<td>Portuguese customs tariff heading number</td>
<td>Description of goods</td>
</tr>
<tr>
<td>------------------------------------------</td>
<td>----------------------</td>
</tr>
<tr>
<td>Chapter 45</td>
<td></td>
</tr>
<tr>
<td>45.03</td>
<td>Articles of natural cork</td>
</tr>
<tr>
<td>Chapter 48</td>
<td></td>
</tr>
<tr>
<td>48.14</td>
<td>Writing blocks, envelopes, letter cards, plain postcards, correspondence cards, boxes, pouches, wallets and writing compendiums, of paper or paperboard, containing only an assortment of paper stationery</td>
</tr>
<tr>
<td>48.15.10</td>
<td>Other paper and paperboard, cut to size or shape: toilet paper</td>
</tr>
<tr>
<td>48.19</td>
<td>Paper or paperboard labels, whether or not printed or gummed</td>
</tr>
<tr>
<td>Chapter 58</td>
<td></td>
</tr>
<tr>
<td>58.01</td>
<td>Carpets, carpeting and rugs, knotted (made up or not)</td>
</tr>
<tr>
<td>Chapter 69</td>
<td></td>
</tr>
<tr>
<td>69.11</td>
<td>Tableware and other articles of a kind commonly used for domestic or toilet purposes, of porcelain or china (including biscuit porcelain and parian)</td>
</tr>
<tr>
<td>69.12</td>
<td>Tableware and other articles of a kind commonly used for domestic or toilet purposes, of other kinds of pottery</td>
</tr>
<tr>
<td>Chapter 70</td>
<td></td>
</tr>
<tr>
<td>70.13</td>
<td>Glassware (other than articles falling within heading No. 70.19 of a kind commonly used for table, kitchen, toilet or office purposes, for indoor decoration, or for similar uses</td>
</tr>
<tr>
<td>Chapter 73</td>
<td></td>
</tr>
<tr>
<td>73.36</td>
<td>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</td>
</tr>
<tr>
<td>73.38</td>
<td>Articles of a kind commonly used for domestic purposes, builders' sanitary ware for indoor use, and parts of such articles and ware, of iron or steel</td>
</tr>
<tr>
<td>Portuguese customs tariff heading number</td>
<td>Description of goods</td>
</tr>
<tr>
<td>----------------------------------------</td>
<td>----------------------</td>
</tr>
<tr>
<td><strong>Chapter 82</strong></td>
<td></td>
</tr>
<tr>
<td>82.09.02</td>
<td>Knives with cutting blades, serrated or not (including pruning knives), other than knives falling within heading No. 82.06: not specified: gilt or silvered</td>
</tr>
<tr>
<td>82.09.03</td>
<td>Do., do., other</td>
</tr>
<tr>
<td>82.14</td>
<td>Spoons, forks, fish eaters, butter knives, ladles and similar kitchen or tableware</td>
</tr>
<tr>
<td><strong>Chapter 83</strong></td>
<td></td>
</tr>
<tr>
<td>83.07.04</td>
<td>Lamps and lighting fittings, not specified</td>
</tr>
<tr>
<td><strong>Chapter 87</strong></td>
<td></td>
</tr>
<tr>
<td>87.09.01</td>
<td>Motor-cycles, auto-cycles and cycles fitted with an auxiliary motor, with or without side-cars: side-cars of all kinds: motor-cycles and cycles fitted with an auxiliary motor, of a cylinder capacity not exceeding 50 cc.</td>
</tr>
<tr>
<td>87.09.04</td>
<td>Do., without side-cars or not fitted with bodies: of a cylinder capacity not exceeding 125 cc.</td>
</tr>
<tr>
<td><strong>Chapter 90</strong></td>
<td></td>
</tr>
<tr>
<td>ex 90.07.01</td>
<td>Photographic cameras; photographic flashlight apparatus, weighing up to 20 kg each (excluding parts of the foregoing photographic cameras and flashlight apparatus)</td>
</tr>
<tr>
<td>ex 90.09.01</td>
<td>Image projectors (other than cinematographic projectors); photographic (except cinematographic) enlargers and reducers, weighing up to 20 kg each (excluding parts of the foregoing apparatus)</td>
</tr>
<tr>
<td><strong>Chapter 91</strong></td>
<td></td>
</tr>
<tr>
<td>91.01.02</td>
<td>Watches, other than stop-watches: not decorated or trimmed with pearls or natural or artificial precious stones: without bracelets or other accessories: of silver</td>
</tr>
<tr>
<td>91.01.05</td>
<td>Do., do., with bracelets or any other permanently-fitted accessories: incorporating precious metals</td>
</tr>
<tr>
<td>Portuguese customs tariff heading number</td>
<td>Description of goods</td>
</tr>
<tr>
<td>-----------------------------------------</td>
<td>----------------------</td>
</tr>
<tr>
<td><strong>Chapter 91 (cont'd)</strong></td>
<td></td>
</tr>
<tr>
<td>91.01.06</td>
<td>Do., do., do., gilt or of rolled precious metals</td>
</tr>
<tr>
<td>91.01.07</td>
<td>Do., do., decorated or trimmed with pearls or natural or artificial precious or semi-precious stones</td>
</tr>
<tr>
<td>91.04.05</td>
<td>Other clocks: not specified</td>
</tr>
<tr>
<td><strong>Chapter 92</strong></td>
<td>Sound-recording media, prepared for recording; wires, strips and tapes (excluding magnetic tapes and cassettes used exclusively for recording used by electronic computers)</td>
</tr>
<tr>
<td>ex 92.12.01</td>
<td>Do., recorded, not specified</td>
</tr>
<tr>
<td>92.12.04</td>
<td></td>
</tr>
<tr>
<td><strong>Chapter 96</strong></td>
<td>Other brooms and brushes (including brushes of a kind used as parts of machines); paint rollers, squeegees and mops</td>
</tr>
<tr>
<td>96.02</td>
<td></td>
</tr>
<tr>
<td><strong>Chapter 98</strong></td>
<td>Fountain pens, stylograph pens and pencils (including ball-point pens and pencils) and other pens, pen-holders, pencil-holders and similar holders, propelling pencils and sliding pencils; parts and fittings thereof, other than those falling within heading No. 98.04 or 98.05 (excluding parts and accessories thereof)</td>
</tr>
</tbody>
</table>
| ex 98.03                                | }
ANNEX II

Product Coverage of the 60 Per Cent Import Surcharge
Established by Law Number 34/77 of 3 June 1977

TABLE I

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Imports (Esc '000)</td>
<td>1,195,668</td>
<td>1,340,581</td>
<td>112.0</td>
</tr>
<tr>
<td>% of total imports</td>
<td>1.2</td>
<td>1.02</td>
<td></td>
</tr>
</tbody>
</table>

Source: 1975: I.N.E., Trade by Commodities
1976: Provisional data
Table II

Imports of Products Subject to the 60 Per Cent Surcharge Established by Law Number 34/77

## 1975

<table>
<thead>
<tr>
<th>Country</th>
<th>Total Imports</th>
<th>Total Structure</th>
<th>Surcharge</th>
<th>Total Imports</th>
<th>Total Structure</th>
<th>Surcharge</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CEE (9)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Germany</td>
<td>201,206</td>
<td>0.20</td>
<td>16.83</td>
<td>284,210</td>
<td>0.22</td>
<td>21.20</td>
</tr>
<tr>
<td>Belgium-Luxemburg</td>
<td>26,999</td>
<td>0.03</td>
<td>2.26</td>
<td>26,426</td>
<td>0.02</td>
<td>1.97</td>
</tr>
<tr>
<td>France</td>
<td>128,332</td>
<td>0.03</td>
<td>2.79</td>
<td>133,486</td>
<td>0.10</td>
<td>9.96</td>
</tr>
<tr>
<td>Holland</td>
<td>33,379</td>
<td>0.13</td>
<td>10.73</td>
<td>31,053</td>
<td>0.02</td>
<td>2.32</td>
</tr>
<tr>
<td>Italy</td>
<td>155,470</td>
<td>0.16</td>
<td>13.0</td>
<td>188,636</td>
<td>0.14</td>
<td>14.07</td>
</tr>
<tr>
<td>Denmark</td>
<td>19,242</td>
<td>0.02</td>
<td>1.61</td>
<td>18,863</td>
<td>0.01</td>
<td>1.41</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>244,651</td>
<td>0.25</td>
<td>20.46</td>
<td>234,470</td>
<td>0.18</td>
<td>17.49</td>
</tr>
<tr>
<td>Ireland</td>
<td>1,029</td>
<td>0.001</td>
<td>0.09</td>
<td>4,880</td>
<td>0.004</td>
<td>0.36</td>
</tr>
<tr>
<td><strong>TOTAL CEE</strong></td>
<td>810,308</td>
<td>0.82</td>
<td>67.77</td>
<td>922,024</td>
<td>0.70</td>
<td>68.78</td>
</tr>
<tr>
<td><strong>EFTA</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Austria</td>
<td>26,926</td>
<td>0.03</td>
<td>2.25</td>
<td>11,473</td>
<td>0.009</td>
<td>0.86</td>
</tr>
<tr>
<td>Finland</td>
<td>7,703</td>
<td>0.008</td>
<td>0.64</td>
<td>14,173</td>
<td>0.01</td>
<td>1.06</td>
</tr>
<tr>
<td>Norway</td>
<td>3,981</td>
<td>0.004</td>
<td>0.33</td>
<td>4,359</td>
<td>0.003</td>
<td>0.33</td>
</tr>
<tr>
<td>Sweden</td>
<td>24,225</td>
<td>0.02</td>
<td>2.03</td>
<td>28,963</td>
<td>0.02</td>
<td>2.16</td>
</tr>
<tr>
<td>Switzerland</td>
<td>39,831</td>
<td>0.04</td>
<td>3.33</td>
<td>48,328</td>
<td>0.04</td>
<td>3.61</td>
</tr>
<tr>
<td>Iceland</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>27</td>
<td>0.00002</td>
<td>0.002</td>
</tr>
<tr>
<td><strong>TOTAL EFTA</strong></td>
<td>102,666</td>
<td>0.10</td>
<td>8.58</td>
<td>107,323</td>
<td>0.08</td>
<td>8.01</td>
</tr>
<tr>
<td>Spain</td>
<td>82,117</td>
<td>0.08</td>
<td>6.87</td>
<td>79,930</td>
<td>0.06</td>
<td>5.96</td>
</tr>
<tr>
<td>USA</td>
<td>54,414</td>
<td>0.06</td>
<td>4.55</td>
<td>56,835</td>
<td>0.04</td>
<td>4.24</td>
</tr>
<tr>
<td>Japan</td>
<td>43,839</td>
<td>0.04</td>
<td>3.67</td>
<td>46,941</td>
<td>0.04</td>
<td>3.50</td>
</tr>
<tr>
<td>Rest of the world</td>
<td>102,324</td>
<td>0.10</td>
<td>8.56</td>
<td>127,528</td>
<td>0.10</td>
<td>9.51</td>
</tr>
</tbody>
</table>

* Provisional data (I.N.E.)
Product Coverage of the 60 Per Cent Import Surcharge Established by Decree-Law Number 720-B/76 of 9 October 1976

### TABLE III

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Imports (Esc '000)</td>
<td>1,298,360</td>
<td>1,273,751</td>
<td>98.10</td>
</tr>
<tr>
<td>% of total imports</td>
<td>1.31</td>
<td>0.97</td>
<td></td>
</tr>
</tbody>
</table>

Source: 1975: I.N.E., Trade by Commodities 1976: Provisional data

Product Coverage of the Import Surcharge Scheme

### TABLE IV

<table>
<thead>
<tr>
<th></th>
<th>1975 (Esc '000)</th>
<th>Structure %</th>
<th>1976 (Esc '000)</th>
<th>Structure %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Surcharged goods:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total imports</td>
<td>99,474,040</td>
<td>100.0</td>
<td>130,812,619</td>
<td>100.0</td>
</tr>
<tr>
<td>30 per cent list</td>
<td>27,863,520</td>
<td>28.01</td>
<td>36,684,533</td>
<td>28.04</td>
</tr>
<tr>
<td>60 per cent list</td>
<td>2,494,028</td>
<td>2.5</td>
<td>2,614,332</td>
<td>2.0</td>
</tr>
<tr>
<td>Total imports</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1/ Including alterations introduced by Law No. 34/77

# Imports of Products Subject to the 60 Per Cent Surcharge as from 3 June 1977

(In Esc '000)

| TABLE V |
| --- | --- | --- | --- |
| | 1975 | 1976* | |
| | Total value | Structure | Total value | Structure |
| TOTAL IMPORTS | 99,470,040 | 2,494,028 | 130,812,619 | 1,99 | 100.00 |
| TOTAL SURCHARGE | 2.50 | 100.00 | 2.614,332 | |
| CEE (9) | | | |
| Germany | 304,139 | 0.31 | 12.20 | 417,282 | 0.32 | 15.96 |
| Belgium-Luxemburg | 48,755 | 0.05 | 1.96 | 48,253 | 0.04 | 1.85 |
| France | 236,052 | 0.24 | 9.46 | 236,358 | 0.18 | 9.04 |
| Holland | 156,463 | 0.16 | 6.27 | 118,275 | 0.09 | 4.52 |
| Italy | 283,259 | 0.28 | 11.36 | 308,932 | 0.24 | 11.82 |
| Denmark | 40,291 | 0.04 | 1.62 | 38,309 | 0.03 | 1.47 |
| United Kingdom | 458,665 | 0.46 | 18.39 | 467,098 | 0.36 | 17.86 |
| Ireland | 1,111 | 0.001 | 0.04 | 5,377 | 0.004 | 0.21 |
| TOTAL CEE | 1,528,735 | 1.54 | 61.30 | 1,639,884 | 1.25 | 62.73 |
| EFTA | | | |
| Austria | 56,796 | 0.06 | 2.28 | 38,396 | 0.03 | 1.47 |
| Finland | 9,807 | 0.009 | 0.35 | 17,597 | 0.01 | 0.67 |
| Norway | 9,806 | 0.01 | 0.39 | 9,497 | 0.007 | 0.36 |
| Sweden | 39,404 | 0.04 | 1.58 | 41,235 | 0.03 | 1.58 |
| Switzerland | 75,088 | 0.08 | 3.01 | 79,389 | 0.06 | 3.04 |
| Iceland | - | - | - | 27 | 0.00001 | 0.001 |
| TOTAL EFTA | 189,801 | 0.19 | 7.61 | 186,141 | 0.14 | 7.12 |
| Spain | 152,879 | 0.15 | 6.13 | 209,715 | 0.16 | 8.02 |
| USA | 78,894 | 0.08 | 3.16 | 75,946 | 0.06 | 2.90 |
| Japan | 161,601 | 0.16 | 6.48 | 132,381 | 0.10 | 5.06 |
| Rest of the world | 382,118 | 0.38 | 15.32 | 370,305 | 0.28 | 14.16 |

* Provisional data (I.N.E.)