

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(79) 556 final

Brussels, 6th December 1979

COMMISSION COMMUNICATION TO THE COUNCIL  
ON THE NEGOTIATIONS BETWEEN THE COMMUNITY AND PORTUGAL  
FOR THE CONCLUSION OF A SUPPLEMENTARY PROTOCOL BETWEEN  
THE EUROPEAN ECONOMIC COMMUNITY AND PORTUGAL

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COMMISSION COMMUNICATION TO THE COUNCIL

on the negotiations between the Community and Portugal  
for the conclusion of a Supplementary Protocol between  
the European Economic Community and Portugal

1. The negotiations between the Community and Portugal for the conclusion of a Supplementary Protocol were completed on 21 November 1979.

The draft Protocol and exchange of letters on ECSC products were the subject of the attached exchange of letters, dated 22 November, between the Heads of Delegation, indicating their agreement ad referendum to the contents.

2. These texts reflect the results of negotiations conducted on the basis of the October 1979 Council directives. With regard to paper, port, pineapples and the minimum price spread for preserved sardines, however, the Community Delegation after consulting the Article 113 Committee, agreed to certain adjustments in order to take at least part of the Portuguese Delegation's requests into account.

Further requests by the Portuguese Delegation, however, with regard inter alia to wine, tomato concentrate, sardines, flowers and certain fruit and vegetables, were not accepted.

3. The Commission recommends that the Council approve the results of the negotiations and initiate the signing and conclusion procedures. To that end the Commission is sending the Council herewith a recommendation for a regulation concluding the Protocol and laying down provisions for its implementation and the text of the Protocol itself.

COMMISSION  
OF THE  
EUROPEAN COMMUNITIES

Delegation for the Enlargement  
Negotiations

Brussels

22 November 1979

Sir,

Completion of negotiations for the conclusion of a Supplementary Protocol between the Community and Portugal.

On 21 November 1979 the Community Delegation and the Portuguese Delegation, meeting in Brussels to negotiate a Supplementary Protocol between the European Economic Community and the Portuguese Republic, recorded their agreement ad referendum on the following texts, which will be submitted for approval to the competent authorities of both delegations:

- Supplementary Protocol between the European Economic Community and the Portuguese Republic;
- Exchange of letters concerning products within the province of the Treaty establishing the European Coal and Steel Community.

I have the honour to send you herewith the above texts in French. They will be adopted in the other languages following legal and linguistic revision.

I should be obliged if you would confirm your agreement with the contents of this letter.

With regard to the question raised by the Portuguese Delegation concerning the observance of Community minimum import prices for prepared and preserved sardines falling within heading No 16.04 D of the Common Customs Tariff, the

Mr Pedro Pires de Miranda  
Head of the Portuguese Delegation

Community Delegation has taken sympathetic note of Portugal's concern that it should not be the only country obliged to adhere to minimum prices.

Please accept, Sir, the assurance of my highest consideration.

Roland de Kergorlay  
Head of the Community Delegation

PORTUGUESE MISSION  
TO THE EUROPEAN COMMUNITIES  
BRUSSELS

Brussels, 22 November 1979

Sir,

I have the honour to acknowledge receipt of your letter of today's date, worded as follows:

"Completion of negotiations for the conclusion of a Supplementary Protocol between the Community and Portugal.

On 21 November 1979 the Community Delegation and the Portuguese Delegation, meeting in Brussels to negotiate a Supplementary Protocol between the European Economic Community and the Portuguese Republic, recorded their agreement ad referendum on the following texts, which will be submitted for approval to the competent authorities of both delegations:

- Supplementary Protocol between the European Economic Community and the Portuguese Republic;
- Exchange of letters concerning products within the province of the Treaty establishing the European Coal and Steel Community.

I have the honour to send you herewith the above texts in French. They will be adopted in the other languages following legal and linguistic revision.

I should be obliged if you would confirm your agreement with the contents of this letter.

Mr Roland de Kergorlay  
Head of the Community Delegation

With regard to the question raised by the Portuguese Delegation concerning the observance of Community minimum import prices for prepared and preserved sardines falling within heading No 16.04 D of the Common Customs Tariff, the Community Delegation has taken sympathetic note of Portugal's concern that it should not be the only country obliged to adhere to minimum prices".

I have the honour to confirm my agreement with the contents of that letter.

Please accept, Sir, the assurance of my highest consideration.

Pedro Pires de Miranda  
Head of the Portuguese Delegation

Proposal for a  
COUNCIL REGULATION (EEC)

concerning the conclusion of a Supplementary  
Protocol between the European Economic Community  
and the Portuguese Republic

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THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,  
and in particular Article 113 thereof,

Having regard to the proposal from the Commission,

Whereas a Supplementary Protocol should be concluded between the European  
Economic Community and the Portuguese Republic,

HAS ADOPTED THIS REGULATION:

Article 1

The Supplementary Protocol between the European Economic Community and the  
Portuguese Republic and the declarations and exchange of letters annexed to  
the Final Act are hereby approved on behalf of the Community.

The texts referred to in the preceding paragraph are annexed to this Regulation.



Article 2

The President of the Council shall give the notifications provided for in Article 11.

Article 3

This Regulation shall enter into force on the day of its publication in the Official Journal of the European Communities.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,

For the Council  
The President

Brussels, 21 November 1979

DRAFT

SUPPLEMENTARY PROTOCOL  
BETWEEN THE COMMUNITY AND PORTUGAL

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DRAFT

SUPPLEMENTARY PROTOCOL  
BETWEEN THE COMMUNITY AND PORTUGAL

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THE EUROPEAN ECONOMIC COMMUNITY,

of the one part, and

THE PORTUGUESE REPUBLIC,

of the other part,

DESIRING to strengthen their links on the basis of the Agreement between the European Economic Community and the Portuguese Republic and hence promote a closer relationship between the two Parties with a view to the integration of Portugal into the Community,

RESOLVED to maintain their cooperation and thereby help Portugal to cope with the difficulties it is facing in developing and restructuring its economy,

HAVE DECIDED to conclude this Protocol:

## Article 1

The provisions of the Agreement between the European Economic Community and the Portuguese Republic signed on 22 July 1972, hereinafter called the 'Agreement', and the provisions of the Additional Protocol to the Agreement between the European Economic Community and the Portuguese Republic signed on 20 September 1976, hereinafter called the 'Protocol', is supplemented as set out in the articles below.

## Article 2

1. By way of derogation from the provisions of the Agreement and the Protocol, Portugal may suspend until 31 December 1982 the dismantling of tariffs vis-à-vis the Community at the level reached on 31 December 1979 in respect of the following products:
  - (a) parts falling within heading ex 87.07 in List A of Annex II to the Agreement, as regards the fiscal component of customs duties;
  - (b) the products in List C of Annex II to the Agreement;
  - (c) the products in List A of Annex D to Protocol No. 1 to the Agreement listed in the Annex hereto;
  - (d) the products in List B of Annex D to Protocol No. 1 to the Agreement;
  - (e) the products in Annex II to the Protocol, with the exception of the products listed in paragraph 2 and the products falling within tariff subheadings 59.08.01 and 59.08.02 (textile fabrics impregnated, coated, covered or laminated with preparations of cellulose derivatives or of other artificial plastic materials, weighing not more than 1,400g per m<sup>2</sup>).

2. For the products in Annex II to the Protocol listed below, Portugal may, in the event of the application of Article 6 of the Protocol, suspend tariff dismantling until 31 December 1982 following a 10% reduction in the duty thus introduced.

Portuguese Customs Tariff No.	Description
39.07	Articles of materials of the kinds described in heading Nos. 39.01 to 39.06:
02	Wearing apparel
69.13	Statuettes and other ornaments, and articles of personal adornment; articles of furniture:
02	Of porcelain or china
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:
03	Of welded, rolled or wrought iron or steel
90.07	Photographic cameras; photographic flashlight apparatus and flashbulbs other than discharge lamps of heading No. 85.20:
02	Not specified: Weighing up to 20 kg each

Portuguese Customs Tariff No.	Description
94.01	Chairs and other seats (other than those falling within heading No. 94.02), whether or not convertible into beds, and parts thereof:
05	Of iron or steel
94.03	Other furniture and parts thereof:
05	Of iron or steel
97.02	Dolls
97.03	Other toys; working models of a kind used for recreational purposes:
02	Not specified
98.10	Mechanical lighters and similar lighters, including chemical and electrical lighters, and parts thereof, excluding flints and wicks:
03	Gilt or silvered, or of rolled precious metals

Article 3

By way of derogation from Article 6(1) of Protocol No. 1 to the Agreement, Portugal may, until 31 December 1982 and within the limits laid down in Article 6 of Protocol No. 1 to the Agreement and Article 7 of the Protocol, introduce, increase or reintroduce ad valorem customs duties in so far as its industrialization and development make protective measures necessary.

Article 4

The Contracting Parties shall examine from the beginning of 1982, in accordance with the procedure adopted for negotiating the Agreement, the arrangements applicable to imports into Portugal, as set out in Articles 2 and 3 in order to determine the arrangements that are to apply from 1 January 1983 onwards.

Article 5

1. Article 4(1) of the Protocol is replaced by the following text:

1. For the period from 1 January 1980 to 31 December 1983, imports into the Community as originally constituted and Ireland of the following products originating in Portugal shall be subject to annual ceilings free of customs duties:

CCT Heading No.	Description	Ceiling (tonnes)
48.01	Paper and paperboard (including cellulose wadding); in rolls or sheets:	
	C. Kraft paper and kraft board:	
	ex II. Other:	
	- Kraft liner	60,000
	F. Other	2,000

When a ceiling on imports of a product is reached, the Community may reintroduce the residual duties for the product in question until the end of the calendar year.

2. Article 1(4) of Protocol No. 1 to the Agreement shall be replaced by the following:

4. For the period from 1 January 1980 to 31 December 1983, imports into Denmark and the United Kingdom of the following products originating in Portugal shall be subject to annual ceilings free of customs duties:

UNITED KINGDOM

CCT Heading No.	Description	Ceiling (tonnes)
48.01	Paper and paperboard (including cellulose wadding), in rolls or sheets:  C. Kraft paper and kraft board:  ex II. Other:  - Kraft liner  F. Other	}
48.05	Paper and paperboard, corrugated (with or without flat surface sheets), creped, crinkled, embossed or perforated, in rolls or sheets:  B. Other	



UNITED KINGDOM (continued)

CCT Heading No.	Description	Ceiling (tonnes)
49.03	Children's picture books and painting books	21,025
49.05	Maps and hydrographic and similar charts of all kinds, including atlases, wall maps and topographical plans, printed: A. Printed globes (terrestrial or celestial)	
49.07	Unused postage, revenue and similar stamps of current or new issue in the country to which they are destined; stamp-impressed paper; banknotes, stock, share and bond certificates and similar documents of title; cheque books: A. Postage, revenue and similar stamps C. Other: II. Other	
49.08	Transfers (decalcomanias)	
49.09	Picture postcards, Christmas and other picture greeting cards, printed by any process, with or without trimmings	
49.10	Calendars of any kind, of paper or paperboard, including calendar blocks	
49.11	Other printed matter, including printed pictures and photographs: B. Other	

DENMARK

CCT Heading No.	Description	Ceiling (tonnes)
48.01	Paper and paperboard (including cellulose wadding), in rolls or sheets: C. Kraft paper and kraft board: ex II. Other: - Kraft liner ex F. Other: - Bible paper, manifold (thin typing) paper, other printing paper and writing paper containing not more than 5% of mechanical wood pulp - Paper and paperboard consisting of two or more layers of different composition (duplex, triplex, multiplex etc.)	4,000 5,000

DENMARK (continued)

CCT Heading No.	Description	Ceiling (tonnes)
48.07	Paper and paperboard, impregnated, coated, surface-coloured, surface-decorated or printed (not constituting printed matter within Chapter 49) in rolls or sheets:  ex C. of white pulp, coated or impregnated with kaolin or coated or impregnated with artificial plastic materials, weighing not less than 160g per m <sup>2</sup> : - Coated paper  ex D. Other: - Coated paper	500
ex Chapter 48	Paper and paperboard; articles of paper pulp, of paper or of paperboard with the exception of:  - Products falling within subheading 48.01 A (newsprint) - Kraft liner falling within subheading ex 48.01 C II - Coated paper falling within subheadings 48.07 ex C and ex D. - The products falling within subheading 48.01 ex F. listed above	
49.03	Children's picture books and painting books	
49.05	Maps and hydrographic and similar charts of all kinds, including atlases, wall maps and topographical plans, printed:  A. Printed globes (terrestrial or celestial)	
49.07	Unused postage, revenue and similar stamps of current or new issue in the country to which they are destined; stamp-impressed paper; banknotes, stock, share and bond certificates and similar documents of title; cheque books:  A. Postage, revenue and similar stamps C. Other: II. Other	90
49.08	Transfers (decalcomanias)	
49.09	Picture postcards, Christmas and other picture greeting cards, printed by any process, with or without trimmings	
49.10	Calendars of any kind, of paper or paperboard, including calendar blocks	
49.11	Other printed matter, including printed pictures and photographs:  B. Other	

When a ceiling on imports of a product is reached, Denmark and the United Kingdom may reintroduce the residual duties for the product in question until the end of the calendar year.

3. Article 4(5) of the Protocol is deleted.

Article 6

The Protocol annexed hereto lays down the special treatment applicable to imports of motor vehicles and the motor vehicle assembly industry in Portugal.

Article 7

Duties on imports into the Community of the products listed below originating in Portugal shall be reduced by the proportion indicated for each of them:

CCT Heading No.	Description	Rate of reduction (%)
08.01	Dates, bananas, coconuts, Brazil nuts, cashew nuts, pineapples, avocados, mangoes, guavas and mangosteens, fresh or dried, shelled or-not: C. Pineapples	70
16.04	Prepared or preserved fish, including caviar and caviar substitutes: E. Tunny ex F. Bonito (Sarda spp), mackerel and anchovies: - Bonito (Sarda spp) and mackerel - Anchovies	60 60 50
20.02	Vegetables prepared or preserved otherwise than by vinegar or acetic acid: F. Capers and olives - Olives - Capers	60 60

Article 8

Duties on imports into the Community of prepared or preserved sardines of Common Customs Tariff subheading 16.04 D originating in Portugal shall be reduced by 60% provided that the minimum prices agreed by exchange of letters are observed.

Article 9

1. Duties on imports into the Community of the products listed below originating in Portugal shall be reduced by the proportion and within the limits of the annual Community tariff quota indicated for each of them:

CCT Heading No.	Description	Rate of reduction (%)
22.05	<p>Wine of fresh grapes; grape must with fermentation arrested by the addition of alcohol:</p> <p>C. Other:</p> <p>I. Of an actual alcoholic strength by volume not exceeding 13% vol, in containers holding:</p> <p>ex a) Two litres or less</p> <p>- Verde</p> <p>- Dão</p> <p>II. Of an actual alcoholic strength by volume, exceeding 13% vol but not exceeding 15% vol, in containers holding:</p> <p>ex a) Two litres or less</p> <p>- Dão</p>	<p>30 (a)</p> <p>30 (b)</p> <p>30 (b)</p>

CCT Heading No.	Description	Rate of Reduction (%)
	<p>III. Of an actual alcoholic strength by volume exceeding 15% vol but not exceeding 18% vol, in containers holding:</p> <p>a) Two litres or less:</p> <p>ex 1. Port, Madeira, sherry, Tokay (Aszu and Szamorodni) and Setubal muscatel<sup>1</sup>:</p> <p style="padding-left: 40px;">- Port</p> <p style="padding-left: 40px;">- Madeira</p> <p style="padding-left: 40px;">- Setubal muscatel</p> <p>b) More than two litres:</p> <p>ex 1. Port, Madeira, sherry and Setubal muscatel<sup>1</sup></p> <p style="padding-left: 40px;">- Port</p> <p style="padding-left: 40px;">- Madeira</p> <p style="padding-left: 40px;">- Setubal muscatel</p> <p>IV. Of an actual alcoholic strength by volume exceeding 18% vol but not exceeding 22% vol, in containers holding:</p> <p>a) Two litres or less:</p> <p>ex 1. Port, Madeira, sherry, Tokay (Aszu and Szamorodni) and Setubal muscatel<sup>1</sup>:</p> <p style="padding-left: 40px;">- Port</p> <p style="padding-left: 40px;">- Madeira</p> <p style="padding-left: 40px;">- Setubal muscatel</p> <p>b) More than two litres:</p> <p>ex 1. - Port, Madeira, sherry and Setubal muscatel<sup>1</sup>:</p> <p style="padding-left: 40px;">- Port</p> <p style="padding-left: 40px;">- Madeira</p> <p style="padding-left: 40px;">- Setubal muscatel</p>	<p>60 (c)</p> <p>60 (d)</p> <p>60 (e)</p> <p>50 (f)</p> <p>50 (g)</p> <p>50 (h)</p> <p>60 (c)</p> <p>60 (d)</p> <p>60 (e)</p> <p>50 (f)</p> <p>50 (g)</p> <p>50 (h)</p>

<sup>1</sup> Entry under this subheading is subject to conditions to be determined by the competent authorities.

- (a) Within a total annual tariff quota of 5,000 hl for products falling within these two subheadings.
- (b) Within a total annual tariff quota of 2,000 hl for products falling within these two subheadings.
- (c) Within a total annual tariff quota of 80,000 hl for products falling within these two subheadings. This volume shall be fixed at 100,000 hl from 1 July 1980.

- (d) Within a total annual tariff quota of 4,000 hl for products falling within these two subheadings.
- (e) Within a total annual tariff quota of 2,000 hl for products falling within these two subheadings.
- (f) Within a total annual tariff quota of 280,000 hl for products falling within these two subheadings. This volume shall be fixed at 260,000 hl from 1 July 1980.
- (g) Within a total annual tariff quota of 14,500 hl for products falling within these two subheadings.
- (h) Within a total annual tariff quota of 1,000 hl for products falling within these two subheadings

2. For the wines listed in paragraph 1 to come within the tariff quotas the reference price applicable to them must be adhered to and the prices at which those wines are imported into the Community must at no time be less than the free-at-Community-frontier reference prices.
3. The tariff reduction provided for in paragraph 1 for Verde and Dão wine shall be made after it has been ascertained that the Portuguese law governing wine covered by a registered designation of origin is equivalent to the corresponding Community law and after an exchange of letters to that effect has been concluded between the relevant authorities.

#### Article 10

The Annex and the Protocol on motor vehicles shall form an integral part of this Protocol.

This Protocol shall form an integral part of the Agreement between the European Economic Community and the Portuguese Republic signed on 22 July 1972.

Article 11

This Protocol is drawn up in duplicate in the Danish, Dutch, English, French, German, Italian and Portuguese languages, each of these texts being equally authentic.

Article 12

1. This Protocol shall be subject to ratification, acceptance or approval in accordance with the Contracting Parties' own procedures; the Contracting Parties shall notify each other that the procedures necessary to this end have been completed.
2. This Protocol shall enter into force on the first day of the month following the date on which the notifications provided for in paragraph 1 are given.

ANNEX

PRODUCTS IN LIST A OF ANNEX D  
TO PROTOCOL NO 1 TO THE AGREEMENT  
REFERRED TO IN ARTICLE 2

Portuguese Customs Tariff Heading No	Description
39.03	Regenerated cellulose; cellulose nitrate, cellulose acetate and other cellulose esters, cellulose ethers and other chemical derivatives of cellulose, plasticized or not (for example, collodions, celluloid); vulcanized fibre:  Artificial plastic materials, whether or not combined with paper fabrics or other materials:  Other products:
13	Plate, sheets and strip, not specified: Weighing up to 160 g per square metre, unprinted
42.02	Travel goods (for example, trunks, suit cases, hat-boxes travelling-bags, rucksacks), shopping-bags, handbags, satchels, brief-cases, wallets, purses, toilet-cases, tool-cases, tobacco-pouches, sheaths, cases, boxes (for example, for arms, musical instruments, binoculars, jewellery, bottles, collars, footwear, brushes) and similar containers, of leather or of composition leather, of vulcanized fibre, of artificial plastic sheeting, of paperboard or of a textile fabric:
06	Not specified
48.16	Boxes, bags and other packing containers, of paper or paperboard; box files, letter trays and similar articles, of paper or paperboard, of a kind commonly used in offices, shops and the like:  Boxes, bags and other packing containers
01	Printed



Portuguese Customs Tariff Heading No	Description
48.16 (contd)	Unprinted or, when excluded from the preceding subheading, printed: Of paper
02	Boxes or drums Of card or paperboard:
05	Boxes or drums
48.21	Other articles of paper pulp, paper, paperboard or cellulose wadding Not specified: Of paper pulp or cellulose wadding:
05	For other purposes Of paper:
07	Unprinted
49.09	Picture postcards, Christmas and other picture greeting cards, printed by any process, with or without trimmings:
01	Cut out or in the form of sheets
49.10	Calendars of any kind, of paper or paperboard, including calendar blocks
49.11	Other printed matter, including printed pictures and photographs:
11	Not specified
51.04	Woven fabrics of man-made fibres (continuous), including woven fabrics of monofil or strip of heading No 51.01 or 51.02:
02	Not specified

Portuguese Customs Tariff Heading No	Description
58.04	Woven pile fabrics and chenille fabrics (other than terry towelling or similar terry fabrics of cotton falling within heading No 55.08 and fabrics falling within heading No 58.05):
01	Of silk
02	Of man-made textile fibres
03	Of wool or other animal hair
58.05	Narrow woven fabrics, and narrow fabrics (bolduc) consisting of warp without weft assembled by means of adhesive, other than goods falling within heading No 58.06:
01	Narrow woven fabrics of silk
02	Narrow woven fabrics of man-made textile fibres
58.07	Chenille yarn (including flock chenille yarn), gimped yarn (other than metallized yarn of heading No 52.01 and gimped horsehair yarn); braids and ornamental trimmings in the piece; tassels, pompoms and the like:  Not incorporating metal:
03	Of silk or man-made fibres
58.08	Tulle and other net fabrics (but not including woven, knitted or crocheted fabrics), plain:
02	Of man-made textile fibres
58.09	Tulle and other net fabrics (but not including woven, knitted or crocheted fabrics), figured; hand or mechanically made lace, in the piece, in strips or in motifs:
02	Of man-made textile fibres
59.02	Felt and articles of felt, whether or not impregnated or coated:  In sheets, not specified, neither impregnated nor coated with bituminous or similar materials:
06	Rugs, carpets and runner-carpets

Portuguese Customs Tariff Heading No	Description
59.10	Linoleum and materials prepared on a textile base in a similar manner to linoleum, whether or not cut to shape or of a kind used as floor coverings; floor coverings consisting of a coating applied on a textile base, cut to shape or not:
02	Weighing more than 1 400 g per square metre
59.12	Textile fabrics otherwise impregnated or coated; painted canvas being theatrical scenery, studio backcloths or the like:
	Textile fabrics otherwise impregnated or coated:
01	Weighing up to 400 g per square metre
02	Weighing more than 400 but not more than 1 400 g per square metre
59.13	Elastic fabrics and trimmings (other than knitted or crocheted goods) consisting of textile materials combined with rubber threads:
	Of a width of not more than 50 cm:
01	Of silk or man-made textile fibres
03	Of other fibres
60.01	Knitted or crocheted fabric, not elastic or rubberized:
	Of man-made textile fibres:
02	Continuous
03	Discontinuous
04	Of wool or other animal hair
05	Of other fibres
61.06	Shawls, scarves, mufflers, mantillas, veils and the like:
01	Of silk or man-made textile fibres

Portuguese Customs Tariff Heading No	Description
64.05	Parts of footwear (including uppers, in-soles and screw-on heels) of any material except metal:
03	Of rubber or artificial plastic materials
73.31	Nails, tacks, staples, hook-nails, corrugated nails, spiked cramps, studs, spikes and drawing pins, or iron or steel, whether or not with heads of other materials, but not including such articles with heads of copper:
02	For drawing-boards and offices
73.32	Bolts and nuts (including bolt ends and screw studs), whether or not threaded or tapped, and screws (including screw hooks and screw rings), of iron or steel; rivets cotters, cotter-pins, washers and spring washers, of iron or steel:  Not specified  Of cast iron, cast steel or malleable cast iron:
04	Planed, varnished, enamelled, painted, polished, threaded or tapped, turned or clad with plastic materials or any other base metals
05	Not specified
82.04	Hand tools, including glazier's diamonds, not falling within any other heading of this Chapter; blowlamps, anvils; vices and clamps, other than accessories for, and parts of, machine tools; portable forges; grinding wheels with frameworks (hand or pedal operated):
07	Die stocks
82.05	Interchangeable tools for hand tools, for machine tools or for power-operated hand tools (for example, for pressing, stamping, drilling, tapping, threading, boring, broaching, milling, cutting, turning, dressing, morticing or screw driving), including dies for wire-drawing, extrusion dies for metal, and rock drilling bits:
02	Twist drills, spoon bits, bits, milling-cutters, chucks (other than adjustable or extensible chucks), screwing dies, taps and chaser dies

Portuguese Customs Tariff Heading No	Description
85.19	Electrical apparatus for making and breaking electrical circuits, for the protection of electrical circuits, or for making connections to or in electrical circuits (for example, switches, relays, fuses, lightning arresters, surge suppressors, plugs, lampholders and junction boxes); resistors, fixed or variable (including potentiometres), other than heating resistors; printed circuits; switchboards (other than telephone switchboards) and control panels:
18	Parts
89.01	Ships, boats and other vessels not falling within other headings of this Chapter:  Other:  Mechanically propelled:
07	Not specified, of a gross tonnage: Not exceeding 4 000 tons

## PROTOCOL

concerning the special treatment applicable to imports of motor vehicles and the motor vehicle assembly industry in Portugal

### Article 1

By way of derogation from Protocol No 6 to the Agreement, Portugal is authorised to retain until 31 December 1984 the arrangements set out in the following articles applicable to the assembly and importation of motor vehicles for the transport of persons, goods or materials of heading No 87.02 of the Brussels Nomenclature.

### Article 2

1. From 1 January 1980 Portugal shall open the annual import quotas given in Annex 1 for motor vehicles originating in the Community, having a kerb weight of less than 3 500 kg (CBU).
2. The Joint Committee may amend the list given in Annex 1.
3. From 1 January 1980 Portugal shall open an annual quota for the import of at least 425 units for motor vehicles originating in the Community, having a kerb weight of less than 3 500 kg, other than those mentioned in the list given in Annex 1.

No make of vehicle may be granted more than a fifth of the volume of the quota.

However, each make of vehicle shall be entitled to a minimum quota of 20 units.

Article 3

Portugal shall open the following annual import quotas for motor vehicles originating in the Community and having a kerb weight of more than 3 500 kg (CBU):

Timetable	Annual quota
1 January 1980	300 units
1 January 1981	300 units
1 January 1982	350 units
1 January 1983	350 units
1 January 1984	400 units

Article 4

1. For motor vehicles of an aggregate weight of less than 2 000 kg (CKD) for the transport of persons (subheading 87.06 A), Portugal shall allocate the individual Community makes of vehicle quotas at the beginning of each year; these shall be fixed by reference to the basic quotas granted in 1979 and set out in Annex II.

2. The quotas for Community makes of vehicle shall be updated each year through the application of a weighting to compensate for the increase in prices in Portugal and the trend of manufacturing costs for motor vehicles (CKD).

The sum of all makes of vehicle quotas (for Community and non-Community makes alike) shall be maintained at the equivalent in constant escudos of 38 000 motor vehicles.

3. The annual make-of-vehicle quotas and all data relating thereto shall be communicated to the Community at the appropriate time.

4. The make-of-vehicle quotas established by reference to the basic quota may be drawn upon freely up to 80% of the amount involved in 1980 and 1981 and up to 85% in 1982, 1983 and 1984.

Use of the remaining portion of the make-of-vehicle quotas shall be based on the Portuguese value-added input in actual exports of motor vehicles or components.

Article 5

1. Exporters having already used up the basic quota granted to them pursuant to Article 4 shall be allocated additional CKD quotas during the year on the basis of the Portuguese value-added input in exported motor vehicles or components.

The additional quotas thus allocated shall be weighted by reference to the coefficients given in Annex III.

2. Should the need arise, Portugal hereby states its readiness to fix, at a later stage and by mutual agreement, a ceiling for each make of vehicle equal to a percentage of the total of the basic quotas allocated to all makes.

Article 6

1. An additional quota for the importation of CKD motor vehicles shall be allocated to any Community investor who during the period 1980-1984 carries out investment operations in Portugal fulfilling all the following conditions:

the investment must involve a substantial financial input;

a minimum of 50% of the value-added in the motor vehicles or components in question must be of Portuguese origin.

the investment must have a significant impact on the manufacture of high-value parts, representing a new development for Portugal in the metalworking sector;

the investment must help create jobs requiring high skills;

the investment must have a significant impact on the value of exports.

2. The quota allocated under paragraph 1 may not exceed 25% of the sum of the basic quotas in 1980, 31% in 1981, 36% in 1982 and 1983 and 40% in 1984.

Article 7

The additional quotas under Articles 5 and 6 may not be combined.



LIST OF QUOTAS REFERRED TO IN ARTICLE 2 (1)

	1 January 1980	1 January 1981	1 January 1982	1 January 1983	1 January 1984
Alfa-Romeo	350	375	500	600	600
Audi (Auto Union)	350	375	500	600	600
BMW (Bayerische Motoren-Werke)	350	375	500	600	600
British Leyland (ex-BMC)	350	375	500	600	600
British Leyland (ex-Leyland)	350	375	500	600	600
British Leyland (Jaguar/Daimler)	350	375	500	600	600
Talbot (ex Chrysler) (France)	350	375	500	600	600
Talbot (ex Chrysler) (United Kingdom)	350	375	500	600	600
Citroën	350	375	500	600	600
Daimler-Benz	350	375	500	600	600
Fiat	350	375	500	600	600
Ford (Germany)	350	375	500	600	600
Ford (United Kingdom)	350	375	500	600	600
General Motors (Germany)	350	375	500	600	600
General Motors (United Kingdom)	350	375	500	600	600
Peugeot	350	375	500	600	600
Renault	350	375	500	600	600
VW (Volkswagen)	350	375	500	600	600
Volvo (Netherlands)	350	375	500	600	600

ANNEX II

BASIC MAKE-OF-VEHICLE QUOTAS REFERRED TO  
IN ARTICLE 4 (1) (1979)

	<u>Escudos x 1000</u>
FIAT .....	642.500
RENAULT .....	511.150
PEUGEOT .....	439.050
BLMC .....	435.450
CITROEN .....	402.620
FORD (D) (UK) .....	362.210
GENERAL MOTORS (D) (UK) .....	313.220
TALBOT (ex Chrysler)(F) (U.K.).....	149.970
VW .....	137.450
BMW .....	87.250
MERCEDES .....	37.900
ALFA ROMEO .....	13.420
AUDI .....	10.800

WEIGHTING COEFFICIENTS REFERRED TO  
IN ARTICLE 5 (1)

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- CKD .....	0.7
- CBU and vehicle bodies .....	0.5
- Raw materials from extractive industries .....	0.1
- Other products, other than components from processing industries .....	0.3
- Semi-finished components .....	0.4
- Finished components :	
. Engines .....	1
. Gearboxes .....	0.9
. Other mechanical components .....	0.8
. Electrical components .....	0.7
. Other components .....	0.6
. Consumer goods .....	0.2
. Capital goods .....	0.6

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DECLARATION BY PORTUGAL  
ON ARTICLES 2 AND 3  
OF THE SUPPLEMENTARY PROTOCOL

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With regard to the application of Articles 2 and 3, Portugal gives the assurance that there will be no discrimination by comparison with the treatment accorded to countries with which Portugal has concluded free-trade agreements.

DECLARATION BY PORTUGAL ON  
ARTICLE 5 OF THE SUPPLEMENTARY PROTOCOL

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In exporting paper and paperboard to the Community Portugal undertakes to observe the traditional pattern of trade between it and the Community Member States in order to avoid disrupting the Community market in those products.

DECLARATION BY THE EUROPEAN ECONOMIC COMMUNITY  
ON ARTICLE 9 OF THE SUPPLEMENTARY PROTOCOL

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The European Economic Community reserves the right to adjust annually from 1 July 1981, by a proportion which it shall determine, the level of the tariff quotas for port established in Article 8 and entered in note (1) (c) and (f) in the light of the pattern of trade flows, where the tariff quota opened for port in containers holding more than two litres has not been fully utilized in the course of the reference year.

Such adjustment could take the form of an increase in the volume of the tariff quota established for port in containers holding two litres or less, combined with a simultaneous reduction, by an equal quantity, of the volume of the tariff quota established for port in containers holding more than two litres, the total annual tariff quota for port being maintained at 360 000 hl.

EXCHANGE OF LETTERS  
relating to Article 8 of the Supplementary Protocol  
between the European Economic Community  
and the Portuguese Republic

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Letter No 1

Sir,

Pursuant to Article 8 of the Supplementary Protocol between the European Economic Community and the Portuguese Republic signed on 1979, I have the honour to inform you that Portugal agrees to the extension to \_\_\_\_\_ of the detailed arrangements contained in the exchange of letters of 20 December 1972 between Portugal and the Community relating to the conditions in accordance with which prepared and preserved sardines falling within subheading 16.04 D of the Common Customs Tariff are imported into the Community.

The Government of Portugal undertakes, moreover, to ensure that the prices charged on imports into the Community from 1 January until 31 December 1980 shall not be less than the prices set in the Annex and also to prevent any deflection of trade.

Please accept, Sir, the assurance of my highest consideration.

For the Government of Portugal

**ANNEX**

Size		Net weight		Semi-gross weight less packaging	Capacity	Coefficients	Minimum prices customs duties included in CUP per carton of 100 tins	
Trade specification	Total height mm	ounces					cubic cm	Community
				in olive oil	in another sauce			
<i>Rectangular bottom</i>								
1/10 club	20	2	56	95	53	0.60	14,14	13,00
1/8 club	25	2 3/4	80	120	75	0.70	16,50	15,33
1/4 reduced	18	2 3/4	74	130	73	0.77	18,16	16,76
1/4 club	30	3 1/4	90	140	93	0.80	19,85	17,41
1/4 special	25	3 1/4	90	140	90	0.85	20,04	18,50
1/4 low plat	24	3 3/4	95	145	96	0.90	21,22	19,59
1/4 club	30	4 3/4	125	190	125	} 1.00	23,57	20,55
1/4 P 25				176	125			
1/4 usual	22	3 3/4	105	180	106	} 1.10	25,93	23,94
1/4 (club 30)				188	130			
1/4 usual	24	4 3/4	125	195	125	} 1.30	30,65	28,29
1/4 usual	30	5 1/4	150	240	169			
1/4 club	40	6 1/4	175	250	178	} 1.80	42,43	39,17
1/4 P 30				250	187			
1/4 American	30	7	200	300	207	1.60	37,72	34,52
1/4 usual	40	9 1/4	260	326	250	} 1.80	42,43	39,17
1/2 P				337	250			
1/4 club long	40	8 3/4	248	320	241	} 2.20	51,66	47,87
1/2 low	30	9 1/4	260	370	245			
1/4 usual long	40	11 1/2	325	423	313	2.50	59,94	54,40
1/4 usual	48	11	310	390	297	2.60	57,29	55,58
1/2 large	40	11 1/2	325	460	330	} 2.70	63,65	58,75
1/2 P				476	375			
1/1				902	750	} 4.65	109,63	101,19
1/4	80	27 1/2	780	950	771			
<i>Oval bottom</i>								
1/2 oval	40	15	425	555	452	3.40	80,15	73,99



Letter No 2

Sir,

I hereby acknowledge receipt of your letter of today, worded as follows :

"Pursuant to Article 8 of the Supplementary Protocol between the European Economic Community and the Portuguese Republic signed on 1979, I have the honour to inform you that Portugal agrees to the extension to of the detailed arrangements contained in the exchange of letters of 20 December 1972 between Portugal and the Community relating to the conditions in accordance with which prepared and preserved sardines falling within subheading 16.04 D of the Common Customs Tariff are imported into the Community.

The Government of Portugal undertakes, moreover, to ensure that the prices charged on imports into the Community from 1 January until 31 December 1980 shall not be less than the prices set in the Annex and also to prevent any deflection of trade."

Please accept, Sir, the assurance of my highest consideration.

For the Council  
of the European Communities

**ANNEX**

Size		Net weight		Semi-gross weight less packaging	Capacity	Coefficients	Minimum prices customs duties included in CUP per carton of 100 tins	
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				in olive oil	in another sauce			
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1/2 large	40	11 1/2	325	460	330	2.70	63,65	58,75
1/2 P				476	375			
1/2				902	750	4.65	109,63	101,19
3/4	80	27 1/2	780	950	771			
<i>Oval bottom</i>								
1/2 oval	40	15	425	555	452	3.40	80,15	73,99

EXCHANGE OF LETTERS

ON ARTICLE 9 OF THE SUPPLEMENTARY PROTOCOL  
BETWEEN THE EUROPEAN ECONOMIC COMMUNITY AND  
THE PORTUGUESE REPUBLIC (VERDE AND DÃO WINES)

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NB: This exchange of letters will form an integral part of the Supplementary Protocol and can come into force only after its approval by the competent Community authorities, which is scheduled for 17 December.

Letter No 1

Sir,

I have the honour to inform you that pursuant to Article 9(3) of the Supplementary Protocol between the European Economic Community and Portugal, signed on \_\_\_\_\_, the Community has examined the Portuguese laws relating to wine with a designation of origin, to ascertain whether they are compatible with Community legislation in this field.

This examination, which constituted a precondition for the granting of the tariff concessions provided for in Article 9, showed that Portugal's laws on wine with a designation of origin, insofar as they relate to Verde and Dão wines, are equivalent to Community legislation.

I should be obliged if you would confirm that your Government is in agreement with the above.

Please accept, Sir, the assurance of my highest consideration.

For the Council of the  
European Communities

Letter No 2

Sir,

I have the honour to acknowledge receipt of your letter of today's date, which reads as follows:

"I have the honour to inform you that pursuant to Article 9(3) of the Supplementary Protocol between the European Economic Community and Portugal, signed on \_\_\_\_\_, the Community has examined the Portuguese laws relating to wine with a designation of origin, to ascertain whether they are compatible with Community legislation in this field.

This examination, which constituted a precondition for the granting of the tariff concessions provided for in Article 9, showed that Portugal's laws on wine with a designation of origin, insofar as they relate to Verde and Dão wines, are equivalent to Community legislation.

I should be obliged if you would confirm that your Government is in agreement with the above".

I have the honour to confirm that I am in agreement with the contents of your letter.

Pleas accept, Sir, the assurance of my highest consideration.

For the Government  
of Portugal

FINAL ACT

The representatives

OF THE EUROPEAN ECONOMIC COMMUNITY

and

OF THE PORTUGUESE REPUBLIC

meeting in Brussels on .....

for the signature of the Supplementary Protocol between

the European Economic Community and the Portuguese Republic,

have at the time of signature of this Protocol

- taken note of the following declarations :

1. Declaration by Portugal on Articles 2 and 3.

2. Declaration by Portugal on Article 5

3. Declaration by the European Economic Community on Article 9

and of

the exchange of letters relating to Article 8

the exchange of letters relating to Article 9

EXCHANGE OF LETTERS

concerning products within the province of the Treaty  
establishing the European Coal and Steel Community

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LETTER No 1

Sir,

During the negotiations for the conclusion of a Supplementary Protocol between the European Economic Community and Portugal, the Portuguese Delegation asked for a derogation in respect of ECSC products so that for these products too Portugal might remain able after 31 December 1979 to introduce, raise or reintroduce customs duties to assist new industries.

I have the honour to inform you that by way of derogation from Article 2 of Protocol No 1 to the Agreement between the Member States of the European Coal and Steel Community and the European Coal and Steel Community on the one hand, and the Portuguese Republic on the other, Portugal may until 31 December 1982 introduce, raise or reintroduce ad valorem customs duties within the limits laid down in the said Article 2 of Protocol No 1 to the Agreement, provided its industrialization and development require protective measures.

I should be obliged if you would confirm your agreement to the contents of this letter.

Please accept, Sir, the assurance of my highest consideration.



LETTER No 2

Sir,

I have the honour to acknowledge receipt of your letter of 22 November 1979, worded as follows :

"During the negotiations for the conclusion of a Supplementary Protocol between the European Economic Community and Portugal, the Portuguese Delegation asked for a derogation in respect of ECSC products so that for these products too Portugal might remain able after 31 December 1979 to introduce, raise or reintroduce customs duties to assist new industries.

I have the honour to inform you that by way of derogation from Article 2 of Protocol No 1 to the Agreement between the Member States of the European Coal and Steel Community and the European Coal and Steel Community on the one hand, and the Portuguese Republic on the other, Portugal may until 31 December 1982 introduce, raise or reintroduce ad valorem customs duties within the limits laid down in the said Article 2 of Protocol No 1 to the Agreement, provided its industrialisation and development require protective measures.

I should be obliged if you would confirm your agreement to the contents of this letter."

I have the honour to confirm my agreement with the contents of that letter.

Please accept, Sir, the assurance of my highest consideration.

