# COMMISSION OF THE EUROPEAN COMMUNITIES

COM(76) 350 final Brussels, 2 July 1976

# Recommendation for a <u>COUNCIL REGULATION (EEC)</u>

concluding an Interim Agreement between the European Economic Community and the Portuguese Republic

(submitted to the Council by the Commission)

COM(76) 350 final

#### COMMISSION COMMUNICATION TO THE COUNCIL

on the negotiations between the Community and Portugal for the conclusion of an Interim Agreement between the European Economic Community and Portugal.

1. With a view to the speedy implementation of the trade provisions of the Additional Protocol with Portugal, the Commission encloses with this communication the draft Interim Agreement, the Annexes thereto and the Exchange of Letters, to which the Portuguese Delegation has given its agreement.

The delegations have agreed to write into the minutes of the negotiations certain points of clarification which were made by the two sides (annexed hereto).

2. The Commission recommends that the Council approve the results of the negotiations and set in motion the procedure for signature and conclusion. The Commission accordingly transmits herewith the recommendation for a Regulation concluding the Interim Agreement.

The Interim Agreement should be signed at the same time as the Additional Protocol and the Financial Protocol.

3. The delegations agreed to write into the minutes of the negotiations certain points of clarification made by the two sides (annexed hereto).

4. The Commission recommends that the Council approve the results of the negotiations and set in motion the procedures for the signature and conclusion of the Protocols with Portugal.

The Commission will transmit to the Council in due course a recommendation for a regulation concluding the Protocols.

5. In addition, the Commission transmits herewith a recommendation for a Council Decision authorizing the Commission to open negotiations with Portugal for the conclusion of an interim agreement on certain provisions of the Additional Protocol.

#### COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels 10 June 1976

Director-General for External Relations

Your Excellency,

#### <u>Completion of the negotiations for the conclusion of Protocols between</u> the Community and Portugal

The Community delegation and the Portuguese Delegation, meeting in Brussels for the negotiation of the Additional Protocol to the Agreement between the European Economic Community and Portugal and the Financial Protocol, recorded at their meeting of 9 June 1976 their agreement on the texts indicated below, which will be submitted for approval to the relevant authorities of the two delegations:

Additional Protocol to the Agreement between the European Economic Community and the Portuguese Republic;

Financial Protocol between the European Economic Community and the Portuguese Republic.

I have the honour to enclose the texts in French. The texts of the documents in the other languages will be adopted after revision by legal/linguistic experts.

His Excellency Mr António de Siqueira Freire Head of the Portuguese Mission I should be grateful if you would confirm your agreement with the contents of this letter.

I also enclose the text of an exchange of letters relating to the minutes of the negotiations, to be signed at the same time as the Protocols.

Please accept, Your Excellency, the assurance of my highest consideration.

Roland de Kergorlay Head of the Community delegation

#### PORTUGUESE MISSION TO THE EUROPEAN COMMUNITIES BRUSSELS

Sir,

I have the honour to acknowledge receipt of your letter of 10 June 1976 worded as follows:

"Your Excellency,

#### Completion of the negotiations for the conclusion of Protocols between the Community and Portugal

The Community delegation and the Portuguese Delegation, meeting in Brussels for the negotiation of the Additional Protocol to the Agreement between the European Economic Community and Portugal and the Financial Protocol, recorded at their meeting of 9 June 1976 their agreement on the texts indicated below, which will be submitted for approval to the relevant authorities of the two delegations:

Additional Protocol to the Agreement between the European Economic Community and the Portuguese Republic;

Financial Protocol between the European Economic Community and the Portuguese Republic.

I have the honour to enclose the texts in French. The texts of the documents in the other languages will be adopted after revision by legal/linguistic experts.

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

Mr.Roland de Kergorlay Head of the Community delegation

#### PORTUGUESE MISSION TO THE EUROPEAN COMMUNITIES BRUSSELS

.

I have the honour to inform you that I am in agreement with the contents of this letter.

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

H.E. António de Siqueira Freire Head of the Portuguese Delegation Exchange of letters relating to the minutes of the negotiations between the European Economic Community and the Portuguese Republic.

#### Letter No 1

Sir,

At the time of the neogtiations between the Community and Portugal for the conclusion of an Interim Agreement pending the entry into force of the Additional Protocol to the Agreement between the European Economic Community and the Portuguese Republic, it was agreed between the two delegations to write into the minutes of the negotiations the following clarifications made by the two sides:

(i) The Community confirms that it reserves the right to refer the matter to the Joint Committee and possibly to invoke the safeguard clause in respect of sectoral or regional difficulties in the event of disturbances in the paper and paperboard sector resulting from divergent trends of the prices of pulp and paper, or from a disproportion in deliveries of these two categories of products.

The Community draws the attention of the Portuguese Delegation to the difficulties affecting the Community paper industry and in particular the newsprint sector. Accordingly the Community, while respecting the special arrangements for duty-free quotas provided for in the paper sector, will have recourse to the most appropriate means specified by the Agreement in order to prevent any distrubance on the Community market (particularly as regards prices) which might aggravate the situation.  (ii) The Community notes the observations made during the negotiations by the Portuguese Delegation concerning the importance to the Portuguese economy of exports of textile products to the Community markets.

The Community also draws the attention of the Portuguese Delegation to the difficulties at present confronting the Community textile industry.

However, particularly as regards the products for which Portugal will take the necessary measures so that its exports to the United Kingdom do not exceed a certain level, the Community confirms its intention of avoiding as far as possible the adoption of measures likely to aggravate the difficulties referred to by the Portuguese Delegation.

Moreover, for 1976, the Community states that it is willing to hold consultations immediately with Portugal before imposing third country duties pursuant to Article 2 (1) of Protocol No 1 to the Agreement between the Community and Portugal.

(iii) As regards the application of Article 6 of the Interim Agreement and the exchange of letters relating thereto, the Portuguese Delegation stated that goods which have already left the factory for Portugal at the time of notification will not be affected by the new measures for a period of thirty days from the date of publication of those measures in Portugal's official journal.

The Portuguese Delegation also stated that the third countries referred to in the exchange of letters include the EFTA countries.

I should be grateful if you would confirm that your Delegation is in agreement with the contents of this letter.

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

- 2 -

#### Letter No 2

Sir,

I have the honour to acknowledge receipt of your letter of worded as follows:

"At the time of the negotiations between the Community and Portugal for the conclusion of an Interim Agreement pending the entry into force of the Additional Protocol to the Agreement between the European Economic Community and the Portuguese Republic, it was agreed between the two delegations to write into the minutes of the negotiations the following clarifications made by the two sides:

(i) The Community confirms that it reserves the right to refer the matter to the Joint Committee and possibly to invoke the safeguard clause in respect of sectoral or regional difficulties in the event of disturbances in the paper and paperboard sector resulting from divergent trends of the prices of pulp and paper, or from a disproportion in deliveries of these two categories of products.

The Community draws the attention of the Portuguese Delegation to the difficulties affecting the Community paper industry and in particular the newsprint sector. Accordingly the Community, while respecting the special arrangements for duty-free quotas provided for in the paper sector, will have recourse to the most appropriate means specified by the Agreement in order to prevent any disturbance on the Community market (particularly as regards prices) which might aggravate the situation. (ii) The Community notes the observations made during the negotiations by the Portuguese Delegation concerning the importance to the Portuguese economy of exports of textile products to the Community markets.

The Community also draws the attention of the Portuguese Delegation to the difficulties at present confronting the Community textile industry.

However, particularly as regards the products for which Portugal will take the necessary measures so that its exports to the United Kingdom do not exceed a certain level, the Community confirms its intention of avoiding as far as possible the adoption of measures likely to aggravate the difficulties referred to by the Portuguese Delegation.

However, for 1976, the Community states that it is willing to hold consultations immediately with Portugal before imposing third country duties pursuant to Article 2(1) of Protocol No 1 to the Agreement between the Community and Portugal.

(iii) As regards the application of Article 6 of the Interim Agreement and the exchange of letters relating thereto, the Portuguese Delegation stated that goods which have already left the factory for Portugal at the time of notification will not be affected by the new measures for a period of thirty days from the date of publication of those measures in Portugal's official journal.

The Portuguese Delegation also stated that the third countries referred to in the exchange of letters include the EFTA countries.

I should be grateful if you would confirm that your Delegation is in agreement with the contents of this letter".

I have the honour to confirm that my Delegation is in agreement with the contents of this letter.

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

- 2 -

#### RECOMMANDATION

FOR

#### COUNCIL REGULATION (EEC) No.

concluding an Interim Agreement between the Buropean Economic Community and the Portuguese Republic

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 recommendation from the Commission,

Whereas, pending the entry into force of the Additional Protocol signed in on , it is necessary to conclude the Interim Agreement between the European Economic Community and the Portuguese Republic signed in on

HAS ADOPTED THIS REGULATION:

#### Article 1

The Interim Agroement between the European Economic Community and Portugal and the Exchanges of Letters annexed to the Final Act are hereby concluded, approved and confirmed on behalf of the Community.

The texts of the Interim Agreement and of the Final Act are annexed to this Regulation.

.../...

#### Article 2

The President of the Council of the European Communities shall carry out, on behalf of the Community, the notification procedure provided for in Article 12 of the Interim Agreement.

#### Article 3

This Regulation shall enter into force on the third day following 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

For the Council

## INTERIM AGREEMENT BETWEEN THE

EUROPEAN ECONOMIC COMMUNITY AND THE

PORTUGUESE REPUBLIC

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

of the one part, and

THE PRESIDENT OF THE PORTUGUESE REPUBLIC,

of the other part,

WHERFAS an Additional Protocol to the Agreement between the European Economic Community and the Portuguese Republic was signed this day;

WHEREAS pending the entry into force of that Protocol, certain provisions thereof relating to trade in goods should be implemented as speedily as possible by means of an interim Agreement,

HAVE DECIDED to conclude this Agreement and to this end have designated as their plenipotentiaries:

#### TITLE I

#### TRADE MEASURIES

#### 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", shall be supplemented as follows:

#### A. Industrial products

#### Article 2

By way of derogation from Article 3 of the Agreement, products falling within Chapters 25 to 99 of the Brussels Nomenclature - excluding the products covered by Annex I, by Section A of Protocol No 1 and by Table I of Protocol No 2 to the Agreement - and originating in Portugal, shall be imported into the Community free of customs duties.

#### Article 3

The volumes for 1976 of the ceilings to which imports into the Community of the products listed below, originating in Portugal, are subject pursuant to Article 2 of Protocol No 1 to the Agreement, shall be as follows:

Common Customs Tariff heading No	Description	Amount of ceiling in metric tons
45.03	Articles of natural cork	11 473
55.05	Cotton yarn, not put up for retail sale	9 771
56.07	Woven fabrics of man-made fibres (discontinuous or waste)	2 767
59.04	Twine, cordage, ropes and cables, plaited or not	9 782
60.05	Outer garments and other articles, knitted or crocheted, not elastic nor rubberised	843
64 .01	Men's and boys' outer garments	1 057
61.02	Women's, girls' and infants' outer garments	323
61.03	Men's and boys' under garments, including collars, shirt fronts and cuffs	1 224
61.04	Women's, girls' and infants' under	103

#### Article 4

 For the following products originating in Portugal, the Community, as origianly constituted, and Ireland, shall open, for the period from 1 January 1976 to 31 December 1983, annual zero-duty tariff quotas for the volumes indicated:

Common Customs Tariff heading No	Description	Volumes	
48.01	Paper and paperboard (including cellulose wadding), machine- made, in rolls or sheets:		
	C. Kraft paper and kraft board:		
	ex II. Other:		·
	- Kraft paper and kraft board for wrapping, known as "kraft liner"	42 000 met	ic tons
	as krait liner	42 000 met	
	E. Other	<b>1</b> 500 met	ic tons

 If the Protocol does not enter into force at the beginning of the calendar year, the quotas referred to in paragraph 1 shall be opened pro rata. 3. Article 1(4) of Protocol No 1 to the Agreement and Annex A to that Protocol shall be replaced by the following provisions.

For the products listed below, originating in Portugal, Denmark and the United Kingdom may open, for the period from 1 January 1976 to 31 December 1983, annual zero-duty tariff quotas up to the volumes indicated:

Common customs Tariff heading	Description	Volumes	
No		Denmark	United Kingdom
48.01	Paper and paperboard (including cellulose wadding), machine-made, in rolls or sheets:		
	C. Kraft paper and kraft board: ex II. Other:	3 000 t	
	- Kraft paper and kraft board for wrapping, known as "kraft liner"		
	E. Other		15 000 t
48.05	Paper and paperboard, corrugated (with or without flat surface sheets), creped, crinkled, embossed or perforated, in rolls or sheets:		
	B. Other		
49.03	Children's picture books and painting books	70 t	
49.05	Maps and hydrographic and similar charts of all kinds, including atlases, wall maps and topographical plans, printed; printed globes terrestrial or celestial) A. Printed globes (terrestrial or celestial)		

		Vo	Lures
Common Customs Tariff Heading No	Description	Denmark	Kingdom
49.07 49.08 49.09	<pre>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 Transfers (Decalcomanias) Picture postcards, Christmas and other picture greeting cards, printed by any</pre>		
49•10 49•11	process, with or without trimmings Calendars of any kind, of paper or paperboard, including calendar blocks Other printed matter, including printed		
	pictures and photographs: B. Other		

4. From 1 January 1977 the volumes indicated in the tables in paragraphs 1 and 3 shall be increased annually by 5%.

#### Article 5

By way of derogation from Article 3 of the Agreement and Article 4 of Protocol No 1 thereto, the customs duties on imports into Portugal of the products listed in Annex 1, originating in the Community, shall be progressively abolished in accordance with the following rates and timetable:

Timetable		Rate of reduction
1 July	1977	70
1 January	1980	70
1 January	1983	80 .
1 January	1985	100

#### Article 6

By way of derogation from Articles 3 and 5 of the Agreement and Article 4 of Protocol No 1 thereto, Portugal may, for the products listed in Annex II, originating in the Community, apply a customs duty not exceeding 20% ad valorem; the customs duties thus introduced on imports from the Community shall be progressively abolished in accordance with the following rates and timetable:

Timetable	Rate of reduction
1 July 1977	10
1 January 1980	30
1 January 1983	60
1 January 1985	100

#### Article 7

By way of derogation from Article 6(1) of Protocol No 1 to the Agreement and on the basis of a reasoned request from Portugal, the Joint Committee may authorize Portugal to take the measures specified in the said Article beyond the limit of 10% of the total value of Portuguese imports in 1970 from the Community as originally constituted and from Denmark, Ireland and the United Kingdom.

#### B. Agricultural products

#### Article 8

Duties on imports into the Community of the products listed below and originating in Portugal shall be reduced in the proportions indicated for each of them, in accordance with the conditions laid down in Article 6 of Protocol No 8 to the Agreement:

	₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩	<u></u>
Common Customs Tariff Heading No	Description	Rate of reduction
16,04	Prepared or preserved fish, including	
	caviar and caviar substitutes:	
	A. Caviar and caviar substitutes	100% (a)
	B. Salmonidae	100% (a)
	C. Herrings	100% (a)
	ex F. Bonito (Sarda sp. p.), mackerel	
	and anchovies:	
	- Bonito (Sarda sp. p.) and mackerel	50% (a)
	G. Other	100% (a)
16₀05	Anustassana and mallusas amenanad an	
	Crustaceans and molluscs, prepared or	100% (a)
· · ·	preserved	
20.01	Vegetables and fruit, prepared or	•.
	preserved by vinegar or acetic acid, with	
	or without sugar, whether or not containing	
•	salt, spices or mustard:	
	ex B. Other:	
	- Cucumbers and sweet peppers	50% (b)
	- Cauliflowers	30% (b)
20.02	Vegetables prepared or preserved otherwise	
· · · · · · · · · · · · · · · · · · ·	than by vinegar or acetio acid:	
	ex H. Other, including mixtures:	
	- Sweet peppers	30% (б)
		•

(a) Denmark and the United Kingdom shall apply Article 6(2)

(b) Denmark and the United Kingdom shall apply paragraphs 1 and 4 of Article 6(2)

21

#### Article 9

- 8 --

1. From 1 January 1977 Article 4 of Protocol No 8 to the Agreement shall be replaced by the following provisions.

Duties on imports into the Community of the products listed below and originating in Portugal shall be reduced in the proportions and within the limits of the tariff quota indicated for each of them, in accordance with the conditions laid down in Article 6 of Protocol No 8 to the Agreement.

	Description	Rate of reduction
22.05	<pre>Wine of fresh grapes; grape must with fermentation arrested by the addition of alcohol: C. Other: III. Of an actual alcoholic strength exceeding 15<sup>°</sup> but not exceeding 18<sup>°</sup>, in containers holding: (a) 2 litres or less: ex 1. Port, Madeira, sherry, Tokay (Aszu and Szamorodni) and Setubal muscate1<sup>1</sup>: - Port - Madeira - Setubal muscate1 (b) More than 2 litres:</pre>	60% (a) 60% (b) 60% (c)
	ex 1. Port, Madeira, sherry and Setubal muscatel <sup>1</sup> : - Port - Madeira - Setubal muscatel	50% (d) 50% (e) 50% (f)

Common Customs Tariff Heading No	Description	Rate of reduction
22.05 (continued)	C. IV. Of an actual alcoholic strength exceeding 18° but not exceeding 22°, in containers holding: (a) 2 litres or less: ex 1. Port, Madeira, sherry, Tokay (Aszu and Szamorodni) and Setubal muscatel <sup>1</sup> : - Port - Madeira - Setubal muscatel	60% (a) 60% (d) 60% (c)
	<pre>(b) More than 2 litres: ex 1. Port, Madeira, sherry and Setubal muscatel<sup>1</sup>: - Port - Madeira - Setubal muscatel</pre>	50% (d) 50% (e) 50% (f)

<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 35 000 hl for products falling within these two subheadings.
- (b) Within a total annual tariff quota of 1 500 hl for products falling within these two subheadings.
- (c) Within a total annual tariff quota of 1 000 hl for products falling within these two subheadings.
- (d) Within a total annual tariff quota of 280 000 hl for products falling within these two subheadings.
- (e) Within a total annual tariff quota of 14 500 hl for products falling within these two subheadings.
- (f) Within a total annual tariff quota of 2 000 hl for products falling within these two subheadings.

תר

For 1976 the following provisions shall apply from the date of entry into force of the Agreement.

Duties on imports into the Community of the products listed below and originating in Portugal shall be reduced in the proportions and within the limits of the tariff quota indicated for each of them, in accordance with the conditions laid down in Article 6 of Protocol No 8 to the Agreement.

Common Customs Tariff Heading No	Description	Rate of reduction
22.05	Wine of fresh grapes; grape must with	
	fermentation arrested by the addition	
	of alcohol:	
	C. Other:	
	III. Of an actual alcoholic strength	
	exceeding 15° but not exceeding	
	18°, in containers holding:	
	(a) 2 litres or less:	
	ex 1. Port, Madeira, sherry,	
	Tokay (Aszu and Szamorodni)	
	and Setubal muscate1":	· ·
	- Port	60% (a
	- Madeira	50% (b
	- Setubal muscatel	50% (c
	(b) More than 2 litres:	
	ex 1. Port, Madeira, sherry	
	and Setubal muscatel <sup>1</sup> :	
" <b>\</b>	- Port	50% (d
1	- Madeira	50% (ъ
	- Setubal muscatel	50% (c)

Common Customs Tariff Heading No	Description	Rate of reduction
22.05 (continued)	C. IV. Of an actual alcoholic strength exceeding 18° but not exceeding 22°, in containers holding:	
	(a) 2 litres or less:	
	ex 1. Port, Madeira, sherry, Tokay (Aszu and	
	Szamorodni) and Setubal muscate [1]:	
	- Port	60% (a)
	- Madeira	50% (b)
	- Setubal muscatel	50% (c)
	(b) More than 2 litres:	
	ex 1. Port, Madeira, sherry	
	and Setubal muscatel	
	- Port	50% (d)
	- Madeira	50% (b)
	- Setubal muscatel	50% ( 0)

(1) Entry under this subheading is subject to conditions to be determined by the competent authorities.

- (a) Within a total annual tariff quota of 35 000 hl for products falling within these two subheadings.
- (b) Within a total annual tariff quota of 16 000 hl for products falling within these four subheadings.
- (c) Within a total annual tariff quota of 3 000 hl for products falling within these four subheadings.
- (d) Within a total annual tariff quota of 285 000 hl for products falling within these two subheadings.

The increase in the volumes of the tariff quotas over those fixed by Article 4 of Protocol No. 8 shall be applied pro rata.

#### TITLE II

#### GENERAL AND FINAL PROVISIONS

#### Article 10

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

Annexes I and II shall form an integral part of this Agreement.

#### Article 11

This Agreement 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 Agreement 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 Agreement shall enter into force on the first day of the second month following the date on which the notifications provided for in paragraph 1 have been given.

It shall be applicable until the entry into force of the Additional Protocol signed this day or until 31 December 1977, whichever is the earlier.

· ·

ANNEXES

### Annex I

Products referred to in Article 5

Portuguese Customs Tariff heading No	Description
28.54	Hydrogen peroxide (including solid hydrogen peroxide)
32.09.04	Varnishes
05	Prepared water pigments of the kind used for finishing leather; paints and enamels; pigments in linseed oil, white spirit, spirits of turpentine, varnish or other paint or enamel media; stamping foils; dyes or other colouring matter in forms or packings of a kind sold by retail: - Not specified
32.12	Glaziers' putty; grafting putty; painters' fillings; non-refractory surfacing preparations; stopping, sealing and similar mastics, including resin mastics and cements
32.13.02	Writing ink, printing ink and other inks: - Not specified

.

	Portuguese Customs Tariff heading No	Description
	35.06	Prepared glues not elsewhere specified or included; products suitable for use as glues put up for sale by retail as glues in packages not exceeding a net weight of 1 kg:
	01	Put up for sale by retail in packages not exceeding a net weight of 1 kg
	02	Not specified
	37.03.01	Blue-print paper
	39.01	Condensation, polycondensation and polyaddition products, whether or not modified or polymerised, and whether or not linear (for example, phenoplasts, aminoplasts, alkyds, polyallyl esters, and other unsaturated polyesters, silicones):
		- Artificial resins:
•	02	- Not specified
	39.07.05	Articles of materials of the kinds described in headings Nos 39.01 to 39.06:
		- Articles not specified, printed or not
	40.11.02	Rubber tyres. tyre cases, interchangeable tyre treads, inner tubes and tyre flaps, for wheels of all kinds:
		- Up to 5 kg
	03	- More than 5 kg, but not more than 20 kg
	42.02.	Cigar and cigarette cases, match-holders, tobacco pouches and purses
	03	Wallets; ladies' handbags
· .		۱ ۱
	•	

	- 3 -
Portuguese Customs Tariff hcading No	Description
48.11	Wallpaper and lincrusta; window transparencies of paper
48.13.01	Carbon and similar paper
02	Duplicator stencils and the like
48.15.10	Toilet paper
53-05-03	Wool and fine animal hair, other than rabbit or hare hair, combed:
	In the form of slubbings: undyed
53.11	Woven fabrics of sheep's or lambs' wool or of fine animal hair:
01	Weighing up to 200 grams per square metre
02	Weighing more than 200 but not more than 350 grams per square metre
03	Weighing more than 350 but not more than 450 grams per square metre
04	Weighing more than 450 grams per square metre
56.01	Man-made fibres (discontinuous), not carded, combed or otherwise prepared for spinning:
	Synthetic:
03	Of artificial textile fibres

Portuguese Customs Tariff heading No	Description
56.05	Yarn of man-made fibres (discontinuous or waste), not put up for retail sale:
01	Effect yarns
58.04 05	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) Of other fibres: Dyed
68.04	Millstones, grindstones, grinding wheels and the like (including grinding, sharpening, polishing, trueing and cutting wheels, heads, discs and points), of natural stone (agglomerated or not), of agglomerated natural or artificial abrasives, or of pottery, with or without cores, shanks, sockets, axles and the like of other materials, but without frameworks; segments and other finished parts of such stones and wheels, of natural stone (agglomerated or not), of agglomerated natural or artificial abrasives, or of pottery:
	For other purposes:
02	Of artificial materials
70.21	Other articles of glass:
01	Of coloured, matt, engraved, irisated, cut, marbled, opaque, opaline, painted, or moulded glass, with hollows or protruding parts
71.05	Silver, including silver gilt and platinum- plated silver, unwrought or semi-manufactured:
02	Beaten or rolled, and in the form of wire
71.16	Imitation jewellery: Watch straps of base metal or base metal alloys:
06	Imitation jewellery, not specified

·

;

•

Portuguese Customs Tariff heading No	Description
73.14.02	<pre>Iron or steel wire, whether or not coated, but not insulated - Not covered with textile materials: - Coated with other materials by any process</pre>
03	Not specified
73•15•59	Alloy steel and high-carbon steel in the forms mentioned in headings Nos 73.06 to 73.14: - Wire: - Not specified: - Other products
73.24.01	Containers, of iron or steel, for compressed or liquefied gas - Of a capacity up to and including 300 thes - Welded
73•37 02	Boilers (excluding boilers of heading No 84.01) and radiators, for central heating, not electrically heated and parts thereof, of iron or steel; air heaters and hot air distributors (including those which can also distribute cool or conditioned air), not electrically heated, incorporating a motor-driven fan or blower, and parts thereof, of iron or steel: Of welded, rolled or wrought iron or steel
76.02	Wrought bars, rods, angles, shapes and sections, of aluminium; aluminium wire

	Portuguese Customs Tariff heading No	Description
	83.09	Clasps, frames with clasps for handbags and the like, buckles, buckle-clasps, hooks, eyes, eyelets and the like, of base metal, of a kind commonly used for clothing, travel goods, handbags, or other textile or leather goods; tubular rivets and bifurcated rivets, of base metal Tubular rivets and bifurcated rivets:
•	03	Not specified
	84.01	Steam and other vapour-generating boilers (excluding central heating hot water boilers capable also of producing low pressure steam); super-heated water boilers:
-	02	- Weighing more than 20 tons each
	84.15	Cabinets and other furniture imported with their respective refrigerating units:
	03	- Weighing more than 200 kg each
	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:
	01	Instantaneous or storage water heaters, of a kind used for domestic purposes
	06	Parts

	g - 1
Portuguese Customs Tariff heading No	Description
84.24.05	Agricultural and horticultural machinery for soil preparation or cultivation (for example, ploughs, harrows, cultivators, seed and fertilizer distributors); lawn and sports ground rollers:
84.27.01	Combined grape-crushing and juice-separating machines, and continuous grape-pulp presses
84.40.03	Machinery for washing clothes
84.47	Band saws with or without carriages, circular saws, surface-planing machines, planing machines, spindle moulding-machines, wood paring, drilling and splitting machines, and slide lathes:
04	- Weighing more than 2 000 kg but not more than 5 000 kg each
•	
<b>0</b>	
84.61	Taps, cocks, valves and similar appliances, for pipes, boiler shells, tanks, vats and the like, including pressure reducing valves and thermostatically controlled valves:
· 03	Of iron or steel
85.01	Electrical goods of the following descriptions: generators, motors, converters (rotary or static), transformers, rectifiers and rectifying apparatus, inductors:
01 02	Weighing up to 50 kg each Weighing more than 50 kg but not more than
05	300 kg each Monophase motors: Weighing up to 10 kg each
06	Weighing more than 10 kg but not more than 30 kg each
12	Generators and converters; motors, not specified: - Weighing up to 100 kg each

Portuguese Customs Tariff heading No	Description
85.03.01	Primary cells and primary batteries - Dry
85.12.01	Water heaters and space heaters
02	Smoothing irons and parts therefor
03	Stoves, cookers, ranges and similar cooking appliances, for domestic use
85.19.02	<ul> <li>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 potentiometers), other than heating resistors; printed circuits; switchboards (other than telephone switchboards) and control panels;</li> <li>Non-automatic make and break switches; isolating switches and rheostats:     <ul> <li>Weighing up to 2 kg each:</li> </ul> </li> </ul>
12	- Of unspecified materials
85.20	- Switchboards and control panels Electric filament lamps and electric discharge lamps (including infra-red and ultra-violet lamps); arc-lamps; electrically ignited photographic flashbulbs: For lighting purposes:
01	- Filament lamps
02	- Not specified

;

.

Portuguese Customs Tariff heading No	Description
85.23.04	<ul> <li>Insulated (including enamelled or anodised) electric wire, cable, bars, strip and the like (including co-axial cable), whether or not fitted with connectors</li></ul>
	- Not specified
90.03 02	Frames and mountings, and parts thereof, for spectacles, pince-nez, lorgnettes, goggles and the like:
03 90.04	- Of unspecified materials
90.04 04 90.16.02	Spectacles, pince-nez, lorgnettes, goggles and the like, corrective, protective or other: - Not specified Set squares, rules, protractors and French curves
91.04	Other clocks
02	- Desk, table or hanging clocks, complete, weighing more than 500 g; and such clocks, incomplete, of any weight
92.12	Sound-recording media: prepared for recording:
	Recorded:
04	- Not specified
94.01	Chairs and other seats (other than those falling within heading No 94.02), whether or not convertible into beds, and parts thereof:
06	- Of other materials

j	
Portuguese Customs Tariff heading No	Description
94.03	Other furniture and parts thereof:
	Of wood:
01	Carved, veneered, waxed, polished or varnished, turned, with mouldings, painted and covered with any materials other than leather or imitations thereof or than fabrics containing silk and man-made textile fibres
02	Inlaid, lacquered, gilt, with applique work of fine wood, decorated with metal or other materials and covered with leather and imitations thereof or with fabrics containing silk and man-made textile fibres
06	Of other materials
98.03.02	Ball-point pens and ball-point pencils, and parts and accessories therefor
98.08.01	Ribbons:
	- On spools, ready for use
98.10	Mechanical lighters and similar lighters, including chemical and electrical lighters, and parts thereof, excluding flints and wicks:
-	
04	No <sup>t</sup> specified
98.12	Combs, hair-slides and the like:
01	Of artificial plastic materials and of ebonite

## Annex II

# Products referred to in Article 6

r	
Portuguese Customs Tariff heading No	Description
24.44.04	Oxytetracyclin and erythromycin and their salts
39.01	Condensation, polycondensation and polyaddition products, whether or not modified or polymerised, and whether or not linear (for example, phenoplasts, aminoplasts, alkyds, polyallyl esters and other unsaturated polyesters, silicones):
	Artificial plastic materials, whether or not combined with paper, fabrics or other materials:
11	Plates, sheets and strip, rigid, weighing more than 160 grams per square metre, printed or not
16	Plates, sheet and strip, not specified: Weighing more than 160 grams per square metre, unprinted
39.02	Polymerisation and copolymerisation products (for example, polyethylene, polytetrahaloethylenes, polyisobutylene, polystyrene, polyvingl chloride, polyvingl acetate, polyvingl chloroacetate, and other polyvingl derivatives, polyacrylic and polymethacrylic derivatives, coumarone-indene resins):
03	Moulding products:
	Of polyvinyl chloride Artificial plastic materials, whether or not
	combined with paper, fabrics or other materials:

-	з	- 2 -
	Portuguese Customs Tariff heading No	Description
	39.02.06	Plates, sheets and strip, rigid, weighing more than 160 grams per square metre, printed or not
	39.03.06	Celluloid
	10	Plates, sheets, strip or tubes Other products: Plates, sheets and strip, rigid, weighing more than 160 grams per square metre, printed or not
-	39.07.02	Wearing apparel
	40.10.02	Transmission, conveyor or elevator belts or belting, of vulcanized rubber:
• .		Of any other cross-section
	44 • 14	Wood sawn lengthwise, sliced or peeled but not further prepared, of a thickness not exceeding 5 mm; veneer sheets and sheets for plywood, of a thickness not exceeding 5 mm:
	55.06	Cotton yarn, put up for retail sale
	56.01	Man-made fibres (discontinuous), not carded, combed or otherwise prepared for spinning:
		Synthetic textile fibres:
	02	Not specified
	56.02	Continuous filament tow for the manufacture of man-made fibres (discontinuous):
	02	Not specified
	56.04	Man-made fibres (discontinuous or waste), carded, combed or otherwise prepared for spinning:
		Synthetic textile fibres:
	02	Not specified

Portuguese Customs Tariff heading No	Description
56.03	Waste (including yarn waste and pulled or garnetted rags) of man-made fibres (continuous or discontinuous), not carded, combed or otherwise prepared for spinning:
01	Of synthetic textile fibres
59.08	Textile fabrics impregnated, coated, covered or laminated with preparations of cellulose derivatives or of other articifial plastic materials
01	- Weighing up to 400 g per square metre
02	- Weighing more than 400 but not more than 1 400 g per square metre
68.06	Natural or artificial abrasive powder or grain, on a base of woven fabric, of paper, of paperboard or of other materials, whether or not cut to shape or sewn or otherwise made up
69.02	Refractory bricks, blocks, tiles and similar refractory constructional goods, other than goods falling within heading No 69.01:
69.13.02	Statuettes and other ornaments, and articles of personal adornment; articles of furniture:
	Of procelain or china
	• • • • • • • • • • • • • • • • • • •

•

Portuguese Customs Tariff heading No	Description
70.14	Illuminating glassware, signalling glassware and optical elements of glass, not optically worked nor of optical glass:
01	Lamp glasses:
	Not specified
02	Of coloured, matt, engraved, irisated, cut marbled, opaque, opaline or painted glass, or of moulded glass with hollows or protruding parts
73.25	Stranded wire, cables, cordage, ropes, plaited bands, slings and the like, of iron or steel wire, but excluding insulated electric cables
03	Other
73.35.04	Spiral springs, of round wire or rod exceeding 8 mm in diameter, or of square or rectangular bar the smallest dimension of which exceeds 8 mm
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: Not specified:
03	Of welded, rolled or wrought iron or steel
74.07	Tubes and pipes and blanks therefor, of copper; hollow bars of copper:
01	- Of a thickness not exceeding 1 mm
	Other:
04	Not specified
74.19	Other articles of copper
02	Other articles
•	

•

-

.

	- <b>5</b> -
Portugue <b>se</b> Customs Tariff heading <b>No</b>	Description
76.04	Aluminium foil (whether or not embossed, cut to shape, perforated, coated, printed, or backed with paper or other reinforcing material), of a thickness (excluding any backing) not exceeding 0.20 mm
01	Backed
02	Unbacked
82.01.01	Spades, hoes, forks, rakes, sorapers, soythes and sickles
82.02.01	Saws (non-mechanical) of all kinds, and blades therefor
: 02	Band-saw blades
82.04.03	Hammers, mortise chisels, stone chisels, heading chisels, centre-punches and chasing chisels
82.05.01	Heading chisels
83.01	Locks and padlocks (key, combination or electrically operated), and parts thereof, of base metal; frames incorporating locks, for handbags, trunks or the like, and parts of such frames, of base metal; keys for any of the foregoing articles, of base metal
83.02	Base metal fittings and mountings of a kind suitable for furniture, doors, staircases, windows, blinds, coachwork, saddlery, trunks, caskets and the like (including automatic door closers); base metal hat-racks, hat-pegs, brackets and the like
01	Of iron or steel
02	Of copper or copper alloys
03	Of other metal

.

ł

Portuguese Customs Tariff heading No	Description
83.13	Stoppers, crown corks, bottle caps, capsules, bung covers, seals and plombs, case corner protectors and other packing accessories, of base metal
83.15	Wire, rods, tubes, plates, electrodes and similar products, of base metal or of metal carbides, coated or cored with flux material, of a kind used for soldering, brazing, welding or deposition of metal or of metal carbides; wire and rods, of agglomerated base metal powder, used for metal spraying
84.06.02	Internal combustion piston engines:
	- Not specified
	- Of 25 kw or less <sup>a</sup>
04	Wet and dry cylinder liners, gudgeon pins, pistons and piston rings
84.15	Cabinets and other furniture imported with their respective refrigerating units:
04	Not specified
84.20	Balances, including scales:
	Automatic and semi-automatic:
01	Weighing up to 100 kg each
02	Weighing more than 100 kg and up to 250 kg each
84.22.07	Cranes, derricks and locomotive or wagon traversers; travelling cranes and travelling gantry cranes

'a Except removable outboard motors for boats.

Portuguese Customs Tariff heading No	Description
84•45	Slide-lathes, shaping machines, planing machines, drilling and boring machines, saw-sharpening machines, reciprocating saws, circular saws, and band saws, whether or not fitted with a carriage:
01	Weighing up to 1 000 kg each
02	Weighing more than 1 000 but not more than 2 000 kg each
84•47	Band saws with or without carriages, circular saws, surface-planing machines, planing machines, spindle moulding- machines, wood paring, drilling and splitting machines, and slide lathes:
01	Weighing up to 1 000 kg each
02	Weighing more than 1 000 kg but not more than 2 000 kg each
<b>06</b> .	Machine-tools not specified
84.51.01	Typewriters
84•59	Machines and other mechanical appliances, having individual functions, not falling within any other heading of this Chapter:
· · ·	Hydraulic presses:
03	Weighing up to 2 000 kg each
84.60.	Moulds:
04	For mechanical processes
84.61	Taps, cocks, valves and similar appliances, for pipes, boiler shells, tanks, vats and the like, including pressure reducing valves and thermostatically controlled valves:
01	Of copper or aluminium Weighing up to 2 kg each
- 02	Weighing more than 2 kg each
04	Not specified

-7-

44

Portuguese Customs Tariff heading No	Description
84.62	Bearings:
	With a single row of balls, from which the balls cannot be removed manually or in which the row of balls is not separable or in which the faces of the rings are aligned in the same plane:
. 02	Of an external diameter exceeding 36 mm but not exceeding 50 mm
03	Of an external diameter exceeding 50 mm but not exceeding 72 mm
85•13•03	Private telephone exchanges, with up to 50 internal lines
04	Not specified
90.07	Photographic cameras; photographic flashlight apparatus
01	Weighing up to 20 kg each
90.16.01	Drawing sets, extension pieces for compasses, compasses, drawing pens and similar instruments
90.24.02	Pressure gauges
90.28.02	Ammeters, voltmeters and wattmeters

Portuguese Customs Tariff heading No	Description
84•45	Slide-lathes, shaping machines, planing machines, drilling and boring machines, saw-sharpening machines, reciprocating saws, circular saws, and band saws, whether or not fitted with a carriage:
01	Weighing up to 1 000 kg each
02	Weighing more than 1 000 but not more than 2 000 kg each
84•47	Band saws with or without carriages, circular saws, surface-planing machines, planing machines, spindle moulding- machines, wood paring, drilling and splitting machines, and slide lathes:
01	Weighing up to 1 000 kg each
02	Weighing more than 1 000 kg but not more than 2 000 kg each
06	Machine-tools not specified
84.51.01	Typewriters
84.59	Machines and other mechanical appliances, having individual functions, not falling within any other heading of this Chapter:
	Hydraulic presses:
03	Weighing up to 2 000 kg each
84.60.	Moulds:
04	For mechanical processes
84.61	Taps, cocks, valves and similar appliances, for pipes, boiler shells, tanks, vats and the like, including pressure reducing valves and thermostatically controlled valves:
	Of copper or aluminium
01	Weighing up to 2 kg each
04	Weighing more than 2 kg each Not specified

- 7 -

Portuguese Customs Tariff heading No	Description
84.62	Bearings:
	With a single row of balls, from which the balls cannot be removed manually or in which the row of balls is not separable or in which the faces of the rings are aligned in the same plane:
. 02	Of an external diameter exceeding 36 mm but not exceeding 50 mm
03	Of an external diameter exceeding 50 mm but not exceeding 72 mm
85.13.03	Private telephone exchanges, with up to 50 internal lines
04	Not specified
90.07	Photographic cameras; photographic flashlight apparatus
01	Weighing up to 20 kg each
90.16.01	Drawing sets, extension pieces for compasses, compasses, drawing pens and similar instruments
90.24.02	Pressure gauges
90.28.02	Ammeters, voltmeters and wattmeters

Portuguese Customs Tariff heading 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:
	Of wood:
05	Of iron or steel
97.02	Dolls
97.03	Other toys; working models of a kind used for recreational purposes
02	Not specified
98.01	Buttons and button moulds, studs, cuff-links, and press-fasteners, including snap-fasteners and press-studs; blanks and parts of such articles:
· .	Other:
05	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

### FINAL ACT

The Representatives

of the European Economic Community

and

of the Portuguese Republic,

meeting at Brussels on for the signature of the Interim

Agreement between the European Economic Community and the Portuguese Republic,

have, on signing the Agreement, taken note of the Exchanges of Letters

- relating to Article 3,

- relating to Article 6.

The above Exchanges of Letters are annexed to this Final Act.

It has been agreed that these Exchanges of Letters shall be subjected, in the same manner as the Agreement, to any procedures that may be necessary to ensure their validity.

EXCHANGES OF LETTERS

### EXCHANGE OF LETTERS RELATING TO ARTICLE 3-

Sir,

During the negotiations which have resulted in the conclusion of an Interim Agreement between the European Economic Community and the Portuguese Republic, the volumes of the ceilings for textile products and clothing for 1976 were fixed at the levels set out in Article 3. In addition, Portugal will take the necessary measures so that its exports of the following products to the United Kingdom in 1976 do not exceed the following levels:

55.05	5 450 t
56.07	3 164 t
60.05	1 221 t
61.01	. <b>2</b> 500 t
61.02	625 t
61.03	900 t
61.04	212 t
62.02	8 500 t

I should be grateful if you would indicate the agreement of your Government to the foregoing.

Head of the Community Delegation

Sir,

In your letter of today's date you inform me as follows:

"During the negotiations which have resulted in the conclusion of an Interim Agreement between the European Economic

Community and the Portuguese Republic, the volumes of the ceilings for textile products and clothing for 1976 were fixed at the levels set out in Article 3. In addition, Portugal will take the necessary measures so that its exports of the following products to the United Kingdom in 1976 do not exceed the following levels:

55.05	5 450 t
56.07	3.164 t
60.05	1 221 t
61.01	2 500 t
61.02	625 t
61.03	900 t
61.04	212 t
62.02	8 500 t

I should be grateful if you would indicate the agreement of your Government to the foregoing."

I have the honour to indicate the agreement of my Government to the foregoing.

Head of the Portuguese Delegation

### Exchange of letters relating to Article 6

Sir,

The provisions of Article 6 of the Interim Agreement will not be applicable until the first day of the month following the date on which Portugal has notified the Community of the completion of the procedures necessary to ensure that the Community, as a result of the application of the provisions in question, is not treated less favourably than third countries.

Portugal will notify the Community of the basic duty rate for each of the products referred to in the said Article and the date from which the new duties will be applicable. In addition, Portugal will convert specific duties into <u>ad valorem</u> duties.

I should be grateful if you would indicate the agreement of your Government to the foregoing.

#### Head of the Community Delegation

Sir,

In your letter of today's date you inform me as follows:

"The provisions of Article 6 of the Interim Agreement will not be applicable until the first day of the month following the date on which Portugal has notified the Community of the completion of the procedures necessary to ensure that the Community, as a result of the application of the provisions in question, is not treated less favourably than third countries.

Portugal will notify the Community of the basic duty rate for each of the products referred to in the said Article and the date from which the new duties will be applicable. In addition, Portugal will convert specific duties into <u>ad valorem</u> duties.

I should be grateful if you would indicate the agreement of your Government to the foregoing."

I have the honour to indicate the agreement of my Government to the foregoing.

Head of the Portuguese Delegation