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Treaty Series No. 47 (1974)

### Agreement

between the Member States of the European Coal and Steel Community and the European Coal and Steel Community, of the one part, and the Portuguese Republic, of the other part

with Final Act

Brussels, 22 July 1972

[The Agreement entered into force on 1 January 1974]

Presented to Parliament
by the Secretary of State for Foreign and Commonwealth Affairs
by Command of Her Majesty

November 1974

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HER MAJESTY'S STATIONERY OFFICE

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#### AGREEMENT

#### BETWEEN THE MEMBER STATES OF THE EUROPEAN COAL AND STEEL COMMUNITY AND THE EUROPEAN COAL AND STEEL COMMUNITY, OF THE ONE PART, AND THE PORTUGUESE REPUBLIC OF THE OTHER PART

The Kingdom of Belgium, the Kingdom of Denmark, the Federal Republic of Germany, the French Republic, Ireland, the Italian Republic, the Grand Duchy of Luxembourg, the Kingdom of the Netherlands, the Kingdom of Norway, the United Kingdom of Great Britain and Northern Ireland, being Member States of the European Coal and Steel Community, and the European Coal and Steel Community, of the one part, and the Portuguese Republic of the other part,

WHEREAS the European Economic Community and the Portuguese Republic are concluding an Agreement concerning the sectors covered by that Community, (1)

PURSUING the same objectives and desiring to find like solutions for the sector covered by the European Coal and Steel Community,

HAVE DECIDED, in pursuit of these objectives and considering that no provision of this Agreement may be interpreted as exempting the Contracting Parties from the obligations which are incumbent upon them under other international agreements, to conclude this Agreement:

#### ARTICLE 1

This Agreement shall apply to products covered by the European Coal and Steel Community which are specified in the Annex and originate in that Community or the Portuguese Republic.

#### ARTICLE 2

- No new customs duty on imports shall be introduced in trade between the Community and Portugal.
- 2. Customs duties on imports shall be progressively abolished in accordance with the following timetable:
  - (a) on 1 April 1973 each duty shall be reduced to 80% of the basic duty;
  - (b) four further reductions of 20% each shall be made on:
    - 1 January 1974
    - 1 January 1975
    - 1 January 1976
    - 1 July 1977.

1. The provisions concerning the progressive abolition of customs duties on imports shall also apply to customs duties of a fiscal nature.

The Contracting Parties may replace a customs duty of a fiscal nature or the fiscal element of a customs duty by an internal tax.

2. Denmark, Ireland, Norway and the United Kingdom may retain until 1 January 1976 a customs duty of a fiscal nature or the fiscal element of a customs duty in the event of implementation of Article 38 of the "Act concerning the Conditions of Accession and the Adjustments to the Treaties" (2) drawn up and adopted within the Conference between the European Communities and the Kingdom of Denmark, Ireland, the Kingdom of Norway and the United Kingdom of Great Britain and Northern Ireland.

#### ARTICLE 4

- 1. The basic duty to which the successive reductions provided for in Article 2 are to be applied shall, for each product, be the duty actually applied on 1 January 1972.
- 2. The reduced duties calculated in accordance with Article 2 shall be applied rounded to the first decimal place.

Subject to the application by the Community of Article 39 (5) of the "Act concerning the Conditions of Accession and the Adjustments to the Treaties" drawn up and adopted within the Conference between the European Communities and the Kingdom of Denmark, Ireland, the Kingdom of Norway and the United Kingdom of Great Britain and Northern Ireland, as regards the specific duties or the specific part of the mixed duties in the Irish Customs Tariff, Article 2 shall be applied, with rounding to the fourth decimal place.

#### ARTICLE 5

- 1. No new charge having an effect equivalent to a customs duty on imports shall be introduced in trade between the Community and Portugal.
- 2. Charges having an effect equivalent to customs duties on imports introduced on or after 1 January 1972 in trade between the Community and Portugal shall be abolished upon the entry into force of the Agreement.

Any charge having an effect equivalent to a customs duty on imports, the rate of which on 31 December 1972 is higher than that actually applied on 1 January 1972, shall be reduced to the latter rate upon the entry into force of the Agreement.

- 3. Charges having an effect equivalent to customs duties on imports shall be progressively abolished in accordance with the following timetable:
  - (a) by 1 January 1974 at the latest each charge shall be reduced to 60% of the rate applied on 1 January 1972;

- (b) three further reductions of 20% each shall be made on:
  - 1 January 1975
  - 1 January 1976
  - 1 July 1977.

No customs duty on exports or charge having equivalent effect shall be introduced in trade between the Community and Portugal.

Customs duties on exports and charges having equivalent effect shall be abolished not later than 1 January 1974.

#### ARTICLE 7

Protocols Nos. 1 and 2 lay down the special treatment applicable to imports of certain products into Portugal.

#### ARTICLE 8

The provisions determining the rules of origin for the application of the Agreement between the European Economic Community and the Portuguese Republic signed this same day shall also be applicable to this Agreement.

#### ARTICLE 9

A Contracting Party which is considering the reduction of the effective level of its duties or charges having equivalent effect applicable to third countries benefiting from most-favoured-nation treatment, or which is considering the suspension of their application, shall, as far as may be practicable, notify the Joint Committee not less than thirty days before such reduction or suspension comes into effect. It shall take note of any representations by the other Contracting Party regarding any distortions which might result therefrom.

#### ARTICLE 10

- 1. No new quantitative restriction on imports or measure having equivalent effect shall be introduced in trade between the Community and Portugal.
- 2. Quantitative restrictions on imports shall be abolished on 1 January 1973 and any measures having an effect equivalent to quantitative restrictions on imports shall be abolished not later than 1 January 1975.

#### ARTICLE 11

From 1 July 1977 products originating in Portugal may not enjoy more favourable treatment when imported into the Community than that applied by the Member States of the Community between themselves.

The Agreement shall not modify the provisions of the Treaty establishing the European Coal and Steel Community(3) or the powers and jurisdiction deriving therefrom.

#### ARTICLE 13

The Agreement shall not preclude the maintenance or establishment of customs unions, free trade areas or arrangements for frontier trade, except insofar as they alter the trade arrangements provided for in the Agreement, in particular the provisions concerning rules of origin.

#### ARTICLE 14

The Contracting Parties shall refrain from any measure or practice of an internal fiscal nature establishing, whether directly or indirectly, discrimination between the products of one Contracting Party and like products originating in the territory of the other Contracting Party.

Products exported to the territory of one of the Contracting Parties may not benefit from repayment of internal taxation in excess of the amount of direct or indirect taxation imposed on them.

#### ARTICLE 15

Payments relating to trade in goods and the transfer of such payments to the Member State of the Community in which the creditor is resident or to Portugal shall be free from any restrictions.

#### ARTICLE 16

The Agreement shall not preclude prohibitions or restrictions on imports, exports or goods in transit justified on grounds of public morality, law and order or public security, the protection of life and health of humans, animals or plants, the protection of national treasures of artistic, historic or archaeological value, or the protection of industrial and commercial property. Such prohibitions or restrictions must not, however, constitute a means of arbitrary discrimination or a disguised restriction on trade between the Contracting Parties.

#### ARTICLE 17

Nothing in the Agreement shall prevent a Contracting Party from taking any measures:

- (a) which it considers necessary to prevent the disclosure of information contrary to its essential security interests;
- (b) which relate to trade in arms, munitions or war materials or to research, development or production indispensable for defence purposes, provided that such measures do not impair the conditions of competition in respect of products not intended for specifically military purposes;
- (c) which it considers essential to its own security in time of war or serious international tension.

- 1. The Contracting Parties shall refrain from any measure likely to icopardize the fulfilment of the objectives of the Agreement.
- 2. They shall take any general or specific measures required to fulfil the obligations under the Agreement.

If either Contracting Party considers that the other Contracting Party has failed to fulfil an obligation under the Agreement, it may take appropriate measures under the conditions and in accordance with the procedures laid down in Article 24.

#### ARTICLE 19

- 1. The following are incompatible with the proper functioning of the Agreement in so far as they may affect trade between the Community and Portugal:
  - (i) all agreements between undertakings, decisions by associations of undertakings and concerted practices between undertakings which have as their object or effect the prevention, restriction or distortion of competition as regards the production of or trade in goods;
  - (ii) abuse by one or more undertakings of a dominant position in the territories of the Contracting Parties as a whole or in a substantial part thereof;
  - (iii) any public aid which distorts or threatens to distort competition by favouring certain undertakings or the production of certain goods.
- 2. Should a Contracting Party consider that a given practice is incompatible with this Article, it may take the appropriate measures under the conditions and in accordance with the procedures laid down in Article 24.

#### ARTICLE 20

- 1. The Community shall extend, for products of Chapter 73 of the Brussels Nomenclature covered by the Agreement, the application of Article 60 of the Treaty establishing the European Coal and Steel Community and of the implementing decisions thereto to sales of undertakings falling within its jurisdiction to the territory of Portugal, while ensuring to this end adequate transparency of freight rates for deliveries to the territory of Portugal.
- In the matter of prices, Portugal shall ensure for deliveries, of products
  of Chapter 73 of the Brussels Nomenclature covered by this Agreement, by
  undertakings subject to its jurisdiction, both in the territory of Portugal and
  to the Common Market:
  - (a) Observance of the prohibition on unfair competition
  - (b) Observance of the principle of non-discrimination
  - (c) Disclosure of prices ex the chosen basing point and of conditions of sale
- (d) Observance of the rules on alignment, while ensuring to this end adequate transparency of freight rates.

Portugal shall take the measures required continually to achieve the same effects as those produced by the implementing decisions taken by the Community in this matter.

As regards deliveries to the Common Market, Portugal shall also ensure observance of other decisions by the Community prohibiting alignment on quotations from certain third countries, having regard to the transitional provisions concerning the accession of Denmark and Norway to the Community.

As regards deliveries to the Irish market, Portugal shall furthermore ensure observance of the transitional provisions applying to the accession of Ireland to the Community and limiting the possibilities of alignment on this market.

The Community has provided Portugal with a list of decisions implementing Article 60 and ad hoc decisions concerning the prohibition on alignment and with the text of the transitional provisions concerning the Danish, Irish and Norwegian markets. It will also inform Portugal immediately if any change in the decisions referred to above is adopted.

3. If the offers made by Portuguese undertakings are detrimental or liable to be so to the proper functioning of the Community market or if the offers made by Community undertakings are detrimental or liable to be so to the proper functioning of the Portuguese market and if any such detriment is attributable to differential application of the rules established under paragraphs 1 and 2 or to breach of those rules by the undertakings in question, the Contracting Party concerned may take appropriate measures under the conditions and in accordance with the procedures laid down in Article 24.

#### ARTICLE 21

Where an increase in imports of a given product is or is likely to be seriously detrimental to any production activity carried on in the territory of one of the Contracting Parties and where this increase is due to:

- (i) the partial or total reduction in the importing Contracting Party, as
  provided for in the Agreement, of customs duties and charges having
  equivalent effect levied on the product in question; and
- (ii) the fact that the duties or charges having equivalent effect levied by the exporting Contracting Party on imports of raw materials or intermediate products used in the manufacture of the product in question are significantly lower than the corresponding duties or charges levied by the importing Contracting Party;

the Contracting Party concerned may take appropriate measures under the conditions and in accordance with the procedures laid down in Article 24.

#### ARTICLE 22

If one of the Contracting Parties finds that dumping is taking place in trade with the other Contracting Party, it may take appropriate measures against this practice in accordance with the provisions of the Agreement(\*)

<sup>(\*)</sup> United Nations Treaty Series, Vol. 651 (No. 814—LVIII), available through Agency Settion, Her Majesty's Stationery Office, P.O. Box 569, London, SEI 9NY. Tel. 01-928 6977, Ext. 410.

on Implementation of Article VI of the General Agreement on Tariffs and Trade, under the conditions and in accordance with the procedures laid down in Article 24.

#### ARTICLE 23

If serious disturbances arise in any sector of the economy or if difficulties arise which could bring about serious deterioration in the economic situation of a region, the Contracting Party concerned may take appropriate measures under the conditions and in accordance with the procedures laid down in Article 24.

#### ARTICLE 24

- 1. In the event of a Contracting Party subjecting imports of products liable to give rise to the difficulties referred to in Articles 21 and 23 to an administrative procedure, the purpose of which is to provide rapid information on the trend of trade flows, it shall inform the other Contracting Party.
- 2. In the cases specified in Articles 18 to 23, before taking the measures provided for therein or, in cases to which paragraph 3 (e) applies, as soon as possible, the Contracting Party in question shall supply the Joint Committee with all relevant information required for a thorough examination of the situation with a view to seeking a solution acceptable to the Contracting Parties.

In the selection of measures, priority must be given to those which least disturb the functioning of the Agreement.

The safeguard measures shall be notified immediately to the Joint Committee and shall be the subject of periodical consultations within the Committee, particularly with a view to their abolition as soon as circumstances permit.

- 3. For the implementation of paragraph 2, the following provisions shall apply:
  - (a) As regards Article 19, either Contracting Party may refer the matter to the Joint Committee if it considers that a given practice is incompatible with the proper functioning of the Agreement within the meaning of Article 19 (1).

The Contracting Parties shall provide the Joint Committee with all relevant information and shall give it the assistance it requires in order to examine the case and, where appropriate, to eliminate the practice objected to.

If the Contracting Party in question fails to put an end to the practice objected to within the period fixed by the Joint Committee, or in the absence of agreement in the Joint Committee within three months of the matter being referred to it, the Contracting Party concerned may adopt any safeguard measures it considers necessary to deal with the serious difficulties resulting from the practices in question; in particular it may withdraw tariff concessions.

(b) As regards Article 20, the Contracting Parties shall provide the Joint Committee with all relevant information and shall give it the assistance it requires in order to examine the case and, where appropriate, to consider an appropriate sanction for the practice in question.

In the absence of agreement within the Joint Committee or, according to the case, if no satisfactory sanction is imposed on the undertaking at fault, the Contracting Party concerned may take the measures it considers necessary to deal both with the difficulties resulting from differences in application or from infringement and with the risk of distortion of competition. These measures may in particular take the form of withdrawal of tariff concessions and release of the undertakings concerned from the commitment to comply with price rules in their dealings on the other Contracting Party's market.

The safeguard measures shall be notified immediately to the Joint Committee and shall be the subject of periodical consultations within that Committee, particularly with a view to their abolition as soon as circumstances permit.

In urgent cases, the Contracting Party concerned may make a direct request to the other Contracting Party:

- (i) to put an immediate stop to the practice objected to,
- (ii) to take steps to impose a sanction on the undertaking at fault.

If the Contracting Party concerned does not consider that the matter has been settled satisfactorily, it may initiate the procedure provided for within the Joint Committee.

(c) As regards Article 21, the difficulties arising from the situation referred to in that Article shall be referred for examination to the Joint Committee, which may take any decision needed to put an end to such difficulties.

If the Joint Committee or the exporting Contracting Party has not taken a decision putting an end to the difficulties within thirty days of the matter being referred, the importing Contracting Party is authorized to levy a compensatory charge on the product imported.

The compensatory charge shall be calculated according to the incidence on the value of the goods in question of the tariff disparities in respect of the raw materials or intermediate products incorporated therein.

- (d) As regards Article 22, consultation in the Joint Committee shall take place before the Contracting Party concerned takes the appropriate measures.
- (e) Where exceptional circumstances requiring immediate action make prior examination impossible, the Contracting Party concerned may, in the situations specified in Articles 21, 22 and 23 and also in the case of export aids having a direct and immediate incidence on trade, apply forthwith the precautionary measures strictly necessary to deal with the situation

Where one or more Member States of the Community or Portugal is in difficulties or is seriously threatened with difficulties as regards its balance of payments, the Contracting Party concerned may take the necessary safeguard measures. It shall inform the other Contracting Party forthwith.

#### ARTICLE 26

- 1. A Joint Committee is hereby established, which shall be responsible for the administration of the Agreement and shall ensure its proper implementation. For this purpose, it shall make recommendations and take decisions in the cases provided for in the Agreement. These decisions shall be put into effect by the Contracting Parties in accordance with their own rules.
- 2. For the purpose of the proper implementation of the Agreement the Contracting Parties shall exchange information and, at the request of either Party, shall hold consultations within the Joint Committee.
  - 3. The Joint Committee shall adopt its own rules of procedure.

#### ARTICLE 27

- 1. The Joint Committee shall consist of representatives of the Contracting Parties.
  - 2. The Joint Committee shall act by mutual agreement.

#### ARTICLE 28

- 1. Each Contracting Party shall preside in turn over the Joint Committee, in accordance with the arrangements to be laid down in its rules of procedure.
- 2. The Chairman shall convene meetings of the Joint Committee at least once a year in order to review the general functioning of the Agreement.

The Joint Committee shall, in addition, meet whenever special circumstances so require, at the request of either Contracting Party, in accordance with the conditions to be laid down in its rules of procedure.

3. The Joint Committee may decide to set up any working party that can assist it in carrying out its duties.

#### ARTICLE 29

1. Where a Contracting Party considers that it would be useful in the common interest of the Contracting Parties to develop the relations established by the Agreement by extending them to fields not covered thereby, it shall submit a reasoned request to the other Contracting Party.

The Contracting Parties may instruct the Joint Committee to examine this request and, where appropriate, to make recommendations to them, particularly with a view to opening negotiations. These recommendations may, where appropriate, aim at the attainment of a concerted harmonization, provided that the autonomy of decision of the Contracting Parties is not impaired.

2. The agreements resulting from the negotiations referred to in paragraph 1 will be subject to ratification or approval by the Contracting Parties in accordance with their own procedures.

The Annex and the Protocol to the Agreement shall form an integral part thereof.

#### ARTICLE 31

Any Contracting Party may denounce the Agreement by notifying the other Contracting Party. The Agreement shall cease to be in force twelve months after the date of such notification.

#### ARTICLE 32

The Agreement shall apply, on the one hand, to the territories to which the Treaty establishing the European Coal and Steel Community applies upon the terms laid down in that Treaty and, on the other, to the European territory of the Portuguese Republic.

#### ARTICLE 33

This Agreement is drawn up in duplicate, in the Danish, Dutch, English, French, German, Italian, Norwegian and Portuguese languages, each of these texts being equally authentic.(5)

This Agreement will be approved by the Contracting Parties in accordance with their own procedures.

It shall enter into force on 1 January 1973 provided that the Contracting Parties have notified each other before that date that the procedures necessary to this end have been completed.

In the event of application of Article 2(3) of the Decision of the Council of the European Communities of 22 January 1972 concerning the accession of the Kingdom of Denmark, Ireland, the Kingdom of Norway and the United Kingdom of Great Britain and Northern Ireland to the European Coal and Steel Community,(6) this Agreement may take effect only for the States that have deposited the instruments specified in that paragraph.

After 1 January 1973, this Agreement shall enter into force(7) on the first day of the second month following the notification referred to in paragraph 3. The final date for such notification shall be 30 November 1973.

The provisions applicable on 1 April 1973 shall be applied upon the entry into force of this Agreement if it enters into force after that date.

Done at Brussels on this twenty-second day of July in the year one thousand nine hundred and seventy-two.

#### [For signatures see page 24]

<sup>(5)</sup> For texts in Danish, Dutch, French, German and Italian see Official Journal of the European Communities No. L250 of 19 December 1973. Texts in all languages will appear in the United Nations Treaty Series. Both publications are available through Agency Section, Her Majesty's Stationery Office, P.O. Box 569, London, SEI 9NY. Tel.: 01-928 6977, ext. 410.

<sup>(\*)</sup> Treaty Series No. 2 (1973), Cmnd. 5189.
(\*) Belgium, Denmark, France, the Federal Republic of Germany, the Republic of Ireland, Italy, Luxembourg, the Netherlands, the United Kingdom and the European Coal and Steel Community, of the one part, and Portugal, of the other part, notified each other on 20 November 1073 the hot part of the Agreement of the Agreem 29 November 1973 that the procedures necessary for the entry into force of the Agreement had been completed and the Agreement therefore entered into force on 1 January 1974.

#### ANNEX

#### LIST OF PRODUCTS REFERRED TO IN ARTICLE 1 OF THE AGREEMENT

Brussels Nomenclature heading No.	Description
26.01	Metallic ores and concentrates and roasted iron pyrites:  A. Iron ores and concentrates and roasted iron pyrites: II. other.  B. Manganese ores and concentrates, including manganiferous iron ores and concentrates with a manganese content of 20% or more by weight.
26.02	Slag, dross, scalings and similar waste from the manufacture of iron or steel:  A. Blast-furnace dust.
27.01	Coal; briquettes, ovoids and similar solid fuels manufactured from coal.
27.02	Lignite, whether or not agglomerated.
27.04	Coke and semi-coke of coal, of lignite or of peat: A. of coal: II. other. B. of lignite.
73.01	Pig iron, cast iron and spiegeleisen, in pigs, blocks, lumps and similar forms.
73.02	Ferro-alloys: A. Ferro-manganese: I. containing more than 2% by weight of carbon (high carbonferro-manganese).
73.03	Waste and scrapmetal of iron or steel.
73.05	Iron or steel powders; sponge iron or steel:  B. Sponge iron or steel.
73.06	Puddled bars and pilings; ingots, blocks, lumps and similar forms, of iron or steel.
73.07	Blooms, billets, slabs and sheet bars (including tinplate bars), of iron or steel; pieces roughly shaped by forging, of iron or steel:  A. Blooms and billets: I. rolled.  B. Slabs and sheet bars (including tinplate bars): I. rolled.
73.08	Iron or steel coils for re-rolling.
73.09	Universal plates of iron or steel.
73.10	Bars and rods (including wire rod), of iron or steel, hot-rolled, forged, extruded, cold-formed or cold-finished (including precision-made); hollow mining drill steel:  A. not further worked than hot-rolled or extruded.  D. clad or surface-worked (for example, polished, coated):  I. not further worked than clad:  (a) hot-rolled or extruded.

Brussels Nomenclature heading No.	Description
73.11	Angles, shapes and sections, of iron or steel, hot-rolled, forged, extruded, cold-formed or cold-finished; sheet piling of iron or steel, whether or not drilled, punched or made from assembled elements:  A. Angles, shapes and sections:  I. not further worked than hot-rolled or extruded.  IV. clad or surface-worked (for example, polished, coated):  (a) not further worked than clad:  1. hot-rolled or extruded.  B. Sheet piling.
73.12	Hoop and strip, of iron or steel, hot-rolled or cold-rolled: A. not further worked than hot-rolled. B. not further worked than cold-rolled: I. in coils for the manufacture of tinplate.(a) C. clad, coated or otherwise surface-treated: III. tinned: (a) Tinplate. V. other (for example, copper-plated, artificially oxidized, lacquered, nickel-plated, varnished, clad, parkerized, printed): (a) not further worked than clad: 1. hot-rolled.
73.13	Sheets and plates, of iron or steel, hot-rolled or cold-rolled:  A. "Electrical" sheets and plates:  B. other sheets and plates:  I. not further worked than hot-rolled.  II. not further worked than cold-rolled, of a thickness of: (b) more than 1 mm. but less than 3mm. (c) 1 mm or less.  III. not further worked than burnished, polished or glazed.  IV. clad, coated or otherwise surface-treated: (b) tinned:  1. Tinplate. 2. other. (c) zinc-coated or lead-coated. (d) other (for example, copper-plated, artificially oxidized, lacquered, nickel-plated, varnished, clad, parkerized, printed).  V. otherwise shaped or worked: (a) cut into shapes other than rectangular shapes, but not further worked: 2. other.
73.15	Alloy steel and high carbon steel in the forms mentioned in headings Nos. 73.06 to 73.14:  A. High carbon steel:  I. Ingots, blooms, billets, slabs and sheet bars: (b) other.  III. Coils for re-rolling.  IV. Universal plates.

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

Brussels Nomenclature heading No.	Description

- V. Bars and rods (including wire rod) and hollow mining drill steel; angles, shapes and sections:
  - (b) not further worked than hot-rolled or extruded.
    - (d) clad or surface-worked (for example, polished, coated):
      - 1. not further worked than clad: (aa) hot-rolled or extruded.
- VI. Hoop and strip:
  - (a) not further worked than hot-rolled.
  - (c) clad, coated or otherwise surface-treated:
    - not further worked than clad: (aa) hot-rolled.
- VII. Sheets and plates:
  - (a) not further worked than hot-rolled.
  - (b) not further worked than cold-rolled, of a thickness of:
  - less than 3 mm.
     polished, clad, coated or otherwise surface-treated.
  - (d) otherwise shaped or worked:
    - cut into shapes other than rectangular shapes, but not further worked.
- B. Alloy steel:
  - Ingots, blooms, billets, slabs and sheet bars:
     (b) other.
  - III. Coils for re-rolling.
  - IV. Universal plates.
  - V. Bars and rods (including wire rod) and hollow mining drill steel; angles, shapes and sections:
    - (b) not further worked than hot-rolled or extruded.
    - (d) clad or surface-worked (for example, polished, coated):
      - not further worked than clad: (aa) hot-rolled or extruded.
  - VI. Hoop and strip:
    - (a) not further worked than hot-rolled.
    - (c) clad, coated or otherwise surface-treated:
      - 1. not further worked than clad:
        - (aa) hot-rolled.
  - VII. Sheets and plates:
    - (a) "Electrical" sheets and plates.
    - (b) other sheets and plates:
      - not further worked than hot-rolled.
         not further worked than cold-rolled, of a thickness of:
        - (bb) less than 3 mm.
      - polished, clad, coated or otherwise surfacetreated.
      - 4. otherwise shaped or worked:
      - (aa) cut into shapes other than rectangular shapes, but not further worked.

Brussels Nomenclature heading No.	Description
73.16	Railway and tramway track construction material of iron or steel, the following: rails, check-rails, switch blades, crossings (or frogs), crossing pieces, point rods, rack rails, sleepers, fish-plates, chairs, chair wedges, sole plates (base plates), rail clips, bedplates, ties and other material specialized for joining or fixing rails:  A. Rails:  II. other.  B. Check-rails.  C. Sleepers.  D. Fish-plates and sole plates:  I. rolled.

## PROTOCOL No. 1 CONCERNING THE TARIFF TREATMENT APPLICABLE BY PORTUGAL TO CERTAIN PRODUCTS

#### ARTICLE 1

1. Notwithstanding Article 2 of the Agreement, customs duties on imports into Portugal of products originating in the Community as originally constituted and in Ireland, specified in the annexed list, shall be progressively abolished in the proportions and in accordance with the timetable given below:

Timetable			Rates of reduction—percentage
1 April 1973			20
l January 1974			30
1 January 1975			50
1 January 1976			60
1 July 1977			80
1 January 1980			100

2. For products originating in Denmark, Norway and the United Kingdom, and specified in this same list, customs duties on imports into Portugal shall be progressively abolished in the proportions and in accordance with the timetable given below:

Timetable			Rates of reduction—percenta			
1 January 1973			60			
1 January 1974			60			
1 January 1975			70			
1 July 1977			80			
1 January 1980			100			

3. From 1 July 1977, the most advantageous treatment resulting from the reductions made, in accordance with this Article, to the basic duties referred to in Article 4 of the Agreement, shall be applied by Portugal without discrimination to all the Member States of the Community.

#### ARTICLE 2

Notwithstanding Article 2 of the Agreement and Article 1 of this Protocol, and insofar as its industrialization and development necessitate protective measures, Portugal may until 31 December 1979 introduce, increase or reimpose ad valorem customs duties in accordance with the conditions and limits laid down in Article 6 of Protocol No. 1 of the Agreement between the European Economic Community and the Portuguese Republic, signed this same day.

#### ANNEX

LIST CONCERNING PRODUCTS IMPORTED INTO PORTUGAL AND SUBJECT TO THE DUTIES OF THE PORTUGUESE CUSTOMS TARIEF, REDUCED IN THE PROPORTIONS AND IN ACCORDANCE WITH THE TIMETABLES LAID DOWN IN ARTICLE 1

Portuguese Customs Tariff heading No.	Description					
27.01	Coal; briquettes, ovoids and similar solid fuels manufactured from coal:  Coal processed:					
04	Not specified.					
27.02	Lignite, whether or not agglomerated: Lignite, unprocessed. Lignite, processed: Agglomerates:					
03	Weighing not more than 1 kg.					
04	Not specified.					
73.09 01	Universal plates of iron or steel: not exceeding 300 mm. in width, and 60 mm. or less in thickness.					
73.10	Bars and rods (including wire rod), of iron or steel, hot-rolled, forged, extruded, cold-formed or cold-finished (including precision-made); hollow mining drill steel:					
ex 03	Wire rod in coils.  Solid twisted bars and rods for use in concrete or reinforced- cement structures, not further worked than hot-rolled or extruded.					
ex 04	Solid round bars and rods of a diameter not exceeding 170 mm., either not further worked than hot-rolled or extruded or not further worked than clad, hot-rolled or extruded.					
ex 05	Solid square bars and rods not exceeding 170 mm. in side, either not further worked than hot-rolled or extruded or not further worked than clad, hot-rolled or extruded.					
ex 06	Solid rectangular bars and rods of a width not exceeding 300 mm. and a thickness not exceeding 60 mm., either not further worked than hot-rolled or extruded or not further worked than clad, hot-rolled or extruded.					
ex 07	Other solid bars and rods the cross-section of which can be inscribed in a circle of a diameter of 170 mm., either not further worked than hot-rolled or extruded or not further worked than clad, hot-rolled or extruded.					
73.11	Angles, shapes and sections, of iron or steel, hot-rolled, forged, extruded, cold-formed or cold-finished; sheet piling of iron or steel, whether or not drilled, punched or made from assembled elements:					
ex 02	Twisted angles, shapes and sections for use in concrete or reinforced-cement structures, not further worked than hot- rolled or extruded.					
ex 03	Angles with equal or unequal limbs, with a limb width not exceeding 200 mm., either not further worked than hotrolled or extruded or not further worked than clad, hotrolled or extruded.					

Portuguese Customs Tariff heading No.	Description
ex 04	T sections of a height not exceeding 180 mm., either not further worked than hot-rolled or extruded or not further worked than clad, hot-rolled or extruded.
ex 05	I and H sections of a height not exceeding 340 mm., either not further worked than hot-rolled or extruded or not further worked than clad, hot-rolled or extruded.
ex 06	U sections of a height not exceeding 320 mm., either not further worked than hot-rolled or extruded or not further worked than clad, hot-rolled or extruded.
ex 07	Other angles, shapes and sections, of a weight not exceeding 15 kg. per metre, either not further worked than hot-rolled or extruded or not further worked than clad, hot-rolled or extruded.
73.12 ex 01	Hoop and strip, of iron or steel, hot-rolled or cold-rolled: Hoop and strip, tinned (tinplate); hoop and strip, not further worked than clad, hot-rolled.
ex 03	Hoop and strip, not further worked than hot-rolled; hoop and strip, not further worked than cold-rolled, in coils, for the manufacture of tinplate.
73.13 ex 01	Sheets and plates, of iron or steel, hot-rolled or cold-rolled: Sheets and plates, tinned, zinc-coated, lead-coated and those coated with other metals by any process, excluding silvered, gilded, and platinum-plated sheets and plates; sheets and plates, cut into shapes other than rectangular shapes, but not further worked, coated with other metals by any process, excluding silvered, gilded and platinum-plated sheets and plates.
ex 02	Sheets and plates, printed, varnished, painted or coated with plastic materials and sheets and plates of a similar kind, cut into shapes other than rectangular shapes, but not further worked.
ex 03	"Electrical" sheets and plates; other sheets and plates, cold- rolled, either not further worked than rolled and of a thickness of less than 3 mm., not further worked than burnished, polished or glazed, artificially oxidized, lacquered, parkerized, etc., or cut into shapes other than rectangular shapes, but not further worked.
04	Sheets and plates, hot-rolled, of a thickness not exceeding 3 mm., not further worked than rolled, or coated or otherwise surface-coated, not specified, or cut into shapes other than rectangular shapes, but not further worked, not specified.
05	Sheets and plates, hot-rolled, of a thickness exceeding 3 mm., not further worked than rolled, or coated or otherwise surface-coated, not specified, or cut into shapes other than rectangular shapes, but not further worked, not specified.
73.15	Alloy steel and high carbon steel in the forms mentioned in headings Nos. 73.06 to 73.14:
ex 02	High carbon steel and products referred to in subparagraph (b) of the Note: ingots, excluding forged ingots.
09	High carbon steel and products referred to in subparagraph (b) of the Note: universal plates, of a width not exceeding 300 mm. and a thickness of 60 mm. or less.
ex 11	Products referred to in subparagraph (a) of the Note: wire in coils, including wire rod, not further worked than hot-rolled or extruded.
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Portuguese Customs Tariff heading No.	Description
ex 12	High carbon steel and products referred to in subparagraph (b) of the Note: wire in coils, including wire rod, not further
ex 15	worked than hot-rolled or extruded.  High carbon steel and products referred to in subparagraph (b) of the Note: twisted bars and rods for use in concrete or reinforced-cement structures, not further worked than hot-
ex 17	rolled or extruded.  High carbon steel and products referred to in subparagraph (b) of the Note: round bars and rods of a diameter not exceeding 170 mm., either not further worked than hot-rolled or extruded or not further worked than clad, hot-rolled or extruded.
ex 19	High carbon steel and products referred to in subparagraph (b) of the Note: square bars and rods not exceeding 170 mm. in side, either not further worked than hot-rolled or extruded or not further worked than clad, hot-rolled or extruded.
ex 21	High carbon steel and products referred to in subparagraph (b) of the Note: rectangular bars and rods of a width not exceeding 300 mm. and a thickness of 60 mm. or less, either not further worked than hot-rolled or extruded or not further worked than clad, hot-rolled or extruded.
ex 23	High carbon steel and products referred to in subparagraph (b) of the Note: other bars and rods the cross section of which can be inscribed in a circle of a diameter of 170 mm. or less, either not further worked than hot-rolled or extruded or not further worked than clad, hot-rolled or extruded.
ex 27	High carbon steel and products referred to in subparagraph (b) of the Note: twisted angles, shapes and sections for use in concrete or reinforced-cement structures, not further worked than hot-rolled or extruded.
ex 29	High carbon steel and products referred to in subparagraph (b) of the Note: angles with equal or unequal limbs, of a limb width not exceeding 200 mm., either not further worked than hot-rolled or extruded or not further worked than clad, hot-rolled or extruded.
ex 31	High carbon steel and products referred to in subparagraph (b) of the Note: T sections of a height not exceeding 180 mm., either not further worked than hot-rolled or extruded or not further worked than clad, hot-rolled or extruded.
ex 33	High carbon steel and products referred to in subparagraph (b) of the Note: I and H sections of a height not exceeding 340 mm., either not further worked than hot-rolled or extruded or not further worked than clad, hot-rolled or extruded.
ex 35	High carbon steel and products referred to in subparagraph (b) of the Note: U sections of a height not exceeding 320 mm., either not further worked than hot-rolled or extruded or not further worked than clad, hot-rolled or extruded.
ex 37	High carbon steel and products referred to in subparagraph (b) of the Note: other angles, shapes and sections, of a weight not exceeding 15 kg. per metre, either not further worked than hot-rolled or extruded or not further worked than hot-rolled or extruded.
ex 45	High carbon steel and products referred to in subparagraph (b) of the Note: hoop and strip, not further worked than hot-rolled or extruded.

Portuguese Customs Tariff heading No.	Description
ex 46	Products referred to in subparagraph (a) of the Note: sheets and plates, clad with other metals by any process, including those shaped or worked, cut into shapes other than rectangular shapes, but not further worked.
ex 47	High carbon steel and products referred to in subparagraph (b) of the Note: sheets and plates, clad with other metals by any process, including those shaped or worked, cut into shapes other than rectangular shapes, but not further worked.
ex 48	Products referred to in subparagraph (a) of the Note: sheets and plates, printed, varnished, painted, enamelled or coated with plastic materials, including those shaped or worked, cut into shapes other than rectangular shapes, but not further worked.
ex 49	High carbon steel and products referred to in subparagraph (b) of the Note: sheets and plates, printed, varnished, painted, enamelled or coated with plastic materials, including those shaped or worked, cut into shapes other than rectangular shapes, but not further worked.
ex 51	High carbon steel and products referred to in subparagraph (b) of the Note: "electrical" sheets and plates; other sheets and plates, cold-rolled, of a thickness of less than 3 mm, either not further worked than rolled or polished, including those otherwise shaped or worked, cut into shapes other than rectangular shapes, but not further worked.
ex 52	High carbon steel and products referred to in subparagraph (b) of the Note: sheets and plates, hot-rolled, of a thickness not exceeding 3 mm., either not further worked than rolled or polished, including those otherwise shaped or worked, cut into shapes other than rectangular shapes, but not further worked.
73.16	Railway and tramway track construction material of iron or steel, the following: rails, check-rails, switch blades, crossings (or frogs), crossing pieces, point rods, rack rails, sleepers, fishplates, chairs, chair wedges, sole plates (base plates), rail clips, bedplates, the plates of the plates (base plates), rail clips, bedplates, the plates of the plates (base plates).
ex 01	ties and other material specialised for joining or fixing rails: Rails, new or used, excluding those that are current-conducting, with parts of non-ferrous metal; check-rails.
ex 02	Sleepers; fish plates and sole-plates, rolled.

#### NOTE

For the purpose of applying duty rates, alloy steels shall be deemed to be divided into two categories:

(a) alloy steels containing by weight one or more of the following elements in the proportions given below:

2%	•••	 	or more of silicon
2%	•••	 	or more of manganese
2%		 	or more of chromium
2%		 	or more of nickel
0.3%		 	or more of molybdenum
0.3%		 	or more of vanadium
0.5%		 	or more of tungsten
0.5%		 	or more of cobalt
0.3%		 	or more of aluminium or
1%		 	or more of copper; and

(b) other alloy steels.

Alloy steels (No. 73.15), for which categories have been indicated, are the same as those referred to in Note 1 (d) of Chapter 73 of the Common Customs Tariff.

# PROTOCOL No. 2 CONCERNING THE REMOVAL OF CERTAIN QUANTITATIVE RESTRICTIONS IN FORCE IN PORTUGAL

Notwithstanding Article 10 of the Agreement, for products originating in the Community and specified in the list annexed to this Protocol, Portugal shall open, upon the entry into force of the Agreement, annual quotas for which the initial level and timetable of increases are indicated in that list. Imports into Portugal of these products will be free from restriction from 1 July 1977.

Where, for two consecutive years, imports into Portugal of the products originating in the Community and specified in the said list are less than the quotas opened, imports of these products shall be free from restriction.

#### ANNEX

Portuguese Customs Tariff	Description	Annual quotas laid down for the period from 1 January 1973 to 1 July 1977 (in metric tons)				
heading No.		1973	1974	1975	1976	1977
73.10  03  ex 04  ex 05  ex 06  ex 07	Bars and rods (including wire rod), of iron or steel, hot-rolled, forged, extruded, cold-formed or cold-finished (including precision-made); hollow mining drill steel: Twisted bars and rods for use in concrete or reinforced-cement structures	>500	600	750	900	550
73.13 ex 01	Sheets and plates, of iron or steel, hot-rolled or cold-rolled: Clad with other metals by any process: galvanized	4,000	4,440	4,840	5,320	2,930

#### FINAL ACT

The representatives of the Kingdom of Belgium, the Kingdom of Denmark, the Federal Republic of Germany, the French Republic, Ireland, the Italian Republic, the Grand Duchy of Luxembourg, the Kingdom of the Netherlands, the Kingdom of Norway, the United Kingdom of Great Britain and Northern Ireland, being Member States of the European Coal and Steel Community, of the European Coal and Steel Community and of the Portuguese Republic, assembled at Brussels on this twenty-second day of July in the year one thousand nine hundred and seventy-two, for the signature of the Agreement between the Member States of the European Coal and Steel Community, and the European Coal and Steel Community, of the one part, and the Portuguese Republic, of the other part, at the time of signature of this Agreement,

- -have adopted the following declaration annexed to this Act:
  - Interpretative declaration concerning the meaning of the expression "Contracting Parties" appearing in the Agreement,
- -and have taken note of the declarations listed below and annexed to this Act:
  - 1. Declaration by the European Coal and Steel Community concerning Article 19 (1) of the Agreement.
  - Declaration by the Government of the Federal Republic of Germany concerning the application of the Agreement to Berlin.

Done at Brussels on this twenty-second day of July in the year one thousand nine hundred and seventy-two.

[For signatures see page 24]

#### DECLARATIONS

INTERPRETATIVE DECLARATION CONCERNING THE MEANING OF THE EXPRESSION "CONTRACTING PARTIES" APPEARING IN THE AGREEMENT

The Contracting Parties agree to interpret the Agreement in the sense that the expression "Contracting Parties" appearing in the said Agreement means, on the one hand, the Community and the Member States, or solely the Member States or the Community and, on the other hand, Portugal. The meaning to be given in each case to this expression will be deduced from the provisions in question of the Agreement and from the corresponding provisions of the Treaty establishing the European Coal and Steel Community.

DECLARATION BY THE EUROPEAN COAL AND STEEL COMMUNITY CONCERNING
ARTICLE 19 (1) OF THE AGREEMENT

The European Coal and Steel Community declares that in the context of the autonomous implementation of Article 19(1) of the Agreement it will assess any practices contrary to this Article on the basis of criteria arising from the application of the rules of Articles 4(c), 65 and 66(7) of the Treaty establishing the European Coal and Steel Community.

DECLARATION BY THE GOVERNMENT OF THE FEDERAL REPUBLIC OF GERMANY CONCERNING THE APPLICATION OF THE AGREEMENT TO BERLIN

The Agreement is also applicable to Land Berlin, in so far as the Government of the Federal Republic of Germany does not make a declaration to the contrary within three months of the entry into force of the Agreement.

#### SIGNATURES TO AGREEMENT AND FINAL ACT

Belgium

Denmark

France

Germany, Federal Republic of

Ireland, Republic of

Italy

Luxembourg

Netherlands

Norway

United Kingdom

Commission of the Eugopean Communities

#### Portugal

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