

WORLD TRADE ORGANIZATION

G/SG/N/1/HUN/2

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Committee on Safeguards

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NOTIFICATIONS OF LAWS, REGULATIONS AND
ADMINISTRATIVE PROCEDURES RELATING
TO SAFEGUARD MEASURES

HUNGARY

The following communication, dated 9 June 1995, has been received from the Permanent Mission of Hungary.

Further to my letter of 13 April 1995, please find enclosed the text of Hungary's current legislation on safeguard measures. As it was notified to the Committee on Safeguards, this legislation has been reviewed in the light of the Agreement on Safeguards, but the new text is not yet ready for submission for the reasons referred to in document G/SG/N/1/HUN/1.

Government Decree No. 113/1990 (XII.23.) Korm.
on safeguard measures that may be applied on imports of goods, services
and rights representing material value

The Government, acting under the authority granted to it by Section 29 of Act No. III of 1974 on Foreign Trade and with regard to the obligations undertaken by the Republic of Hungary upon its accession to the General Agreement on Tariffs and Trade, adopts the following provisions on safeguard measures that may be applied on imports of goods, services and rights representing material value (hereinafter referred to as products):

Section 1

If a product is being imported into the territory of the Republic of Hungary in such increased quantities or under such conditions as to cause serious injury or threaten to cause injury to the domestic industry that produces like or directly competitive products, safeguard measures provided for in this decree may be applied on imports.

Section 2

In order to remedy injury or threat of injury referred to in Section 1, the Minister for International Economic Relations may, after having heard the opinion of the competent ministers as well as the opinion of the producers' and consumers' organizations and, in the case of sectors falling under the supervision of the Minister for Industry and Trade, in agreement with the Minister for Industry and Trade.

- (a) establish an import quota;
- (b) in agreement with the Minister of Finance and the President of the Competition Office and with due regard to international obligations of the Republic of Hungary, introduce an import surcharge;
- (c) seek undertaking from the exporter on the price and/or the volume of the product being imported;
- (d) take other measures (withdrawal of import licences or modification of their terms, imposition of a licensing requirement) that prevent or may remedy the injury (hereinafter referred to as "safeguard measures");

for a period not exceeding 1 year.

Section 3

1. Proceedings to determine safeguard measures may be initiated upon a written application or *ex officio*.
2. An application may be submitted in writing to the Ministry of International Economic Relations by the producer or producers of the product affected by imports. The application shall contain facts and data relating to the imports in question, as well as information substantiating the threat of injury.

3. Domestic producer shall mean a producer of the domestic product concerned whose output constitutes a major proportion of the domestic production or manufacturing of that product.
4. A final decision terminating the proceedings shall be made within 90 days from the date of receipt of the application or, in the case of *ex officio* proceedings, from the date of initiation.
5. The initiation of a proceeding and all substantial decisions shall be notified in writing to the parties concerned by the proceeding (exporters and/or importers of the product, domestic producers of the product and the competent authorities of the exporting country) and a public notice shall be given in the official journal of the Ministry of International Economic Relations.
6. Before taking a safeguard measure that affects a major proportion of consumers, the opinion of consumers' organizations shall also be asked for.

Section 4

The provisions of this decree shall be applied in cases where no international agreement provides otherwise.

Section 5

In the course of a proceeding concerning safeguard measures the provisions of Act No. IV of 1957 on the General Rules of State Administration Procedures shall be applied unless decree 1/1982 (I.16.) KkM of the Minister for Foreign Trade provides otherwise.

Section 6

This decree shall enter into force on 1 January 1991.