

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(76) 349 final.

OCT 28 1976.

Brussels, 30th June 1976.

COMMISSION COMMUNICATION TO THE COUNCIL

on the negotiations between the Community and Portugal
for the conclusion of an Additional Protocol to the
Agreement between the European Economic Community and
Portugal and a Financial Protocol.

RECOMMENDATION FOR A COUNCIL DECISION

authorizing the Commission to open negotiations
with Portugal for the conclusion of an interim agreement

(submitted to the Council by the Commission)

COM(76) 349 final.

Commission Communication to the Council

on the negotiations between the Community and Portugal for the conclusion of an Additional Protocol to the Agreement between the European Economic Community and Portugal and a Financial Protocol.

1. The negotiations between the Community and Portugal for the conclusion of an Additional Protocol and a Financial Protocol were completed on 9 June 1976.

The texts of the two draft Protocols were the subject on 10 June 1976 of the enclosed exchange of letters between the Heads of the Delegations expressing their agreement on the two drafts.

On the occasion of this exchange of letters the Head of the Portuguese Delegation expressed his Government's wish that the two Protocols be signed, at ministerial level, in July if possible.

2. The texts of the Additional Protocol and the Financial Protocol embody the results of the negotiations carried out on the basis of the Council Directives of January and May 1976.

However, as regards Port, the Community Delegation agreed, after consulting the Article 113 Committee, that the tariff quota for bottled Port be increased but that the quota for Port in cask be reduced; on the other hand, the other requests which the Portuguese Delegation had submitted once again for wine, tomato concentrates and preserved sardines were not accepted.

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.

Brussels, 10 June 1976

Director-General for
External Relations

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.

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

Brussels, 10 June 1976

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 negotiations between the Community and Portugal for the conclusion of an Additional Protocol to the Agreement between the European Economic Community and the Portuguese Republic and a Finance Protocol, it was agreed between the two delegations to write into the minutes of the negotiations the following clarifications made by the two sides:

- (1) 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.

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 Additional Protocol 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.

- (iv) The Community Delegation took due note of the wish expressed by the Portuguese Delegation that as large a portion as possible of the amounts of financial aid be available in the initial years of application of the Financial Protocol.

In order to meet this wish, an effort will be made to make available to Portugal in the initial years of application of the Financial Protocol

as large a portion as possible, having regard to the overall commitments of the EIB, of the 50 million EUA not combined with an interest rate subsidy.

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.

Head of the Community Delegation

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 Additional Protocol to the Agreement between the European Economic Community and the Portuguese Republic and a Financial Protocol, 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.

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 Additional Protocol 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.

- (iv) The Community delegation took due note of the wish expressed by the Portuguese Delegation that as large a portion as possible of the amounts of financial aid be available in the initial years of application of the Financial Protocol.

In order to meet this wish, an effort will be made to make available to Portugal in the initial years of application of the Financial Protocol as large a portion as possible, having regard to the overall commitments of the EIB, of the 50 million EUA not combined with an interest rate subsidy.

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."

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.

Head of the Portuguese Delegation

RECOMMENDATION FOR A COUNCIL DECISION

authorizing the Commission to open negotiations with Portugal
for the conclusion of an interim agreement

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 the negotiations for the conclusion of an Additional Protocol
between the European Economic Community and Portugal have been completed;

Whereas, pending the entry into force of that Protocol, certain provisions
relating to trade in goods should be implemented as soon as possible
following signature of the Protocol,

HAS DECIDED AS FOLLOWS:

Sole Article

The Commission is hereby authorized to open negotiations for the conclusion
of an interim agreement relating to trade in goods between the European
Economic Community and Portugal, in accordance with the directives annexed
hereto.

The Commission shall conduct the negotiations in consultation with the
Special Committee provided for in Article 113 of the Treaty.

Done at

For the Council
The President

Brussels, 10 June 1976

ADDITIONAL PROTOCOL
TO THE AGREEMENT BETWEEN THE
EUROPEAN ECONOMIC COMMUNITY AND THE
PORTUGUESE REPUBLIC

HIS MAJESTY THE KING OF THE BELGIANS,

HER MAJESTY THE QUEEN OF DENMARK,

THE PRESIDENT OF THE FEDERAL REPUBLIC OF GERMANY,

THE PRESIDENT OF THE FRENCH REPUBLIC,

THE PRESIDENT OF IRELAND,

THE PRESIDENT OF THE ITALIAN REPUBLIC,

HIS ROYAL HIGHNESS THE GRAND DUKE OF LUXEMBOURG,

HER MAJESTY THE QUEEN OF THE NETHERLANDS,

HER MAJESTY THE QUEEN OF THE UNITED KINGDOM OF GREAT BRITAIN AND
NORTHERN IRELAND,

and

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

of the one part, and

THE PRESIDENT OF THE PORTUGUESE REPUBLIC,

of the other part,

WISHING to demonstrate their common desire to widen and strengthen their links on the basis of the Agreement between the European Economic Community and the Portuguese Republic and thus to promote a closer relationship between Portugal and the Community,

RESOLVED to establish wide-ranging cooperation which will contribute to Portugal's economic and social development,

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

TITLE I

TRADE MEASURES

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 rubberized	843
61.01	Men's and boys' outer garments	1 057
61.02	Women's, girls' and infants' outer garments	323
61.03	Men's and boys' outer garments, including collars, shirt fronts and cuffs	1 224
61.04	Women's, girls' and infants' under garments	103

Article 4

1. For the following products, originating in Portugal, the Community, as originally 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 t
	E. Other	1 500 t

2. 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 No	Description	Volumes	
		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: - Kraft paper and kraft board for wrapping, known as "kraft liner" E. Other	3 000 t	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	35 t
49.05	Maps and hydrographic and similar charts of all kinds, including atlases, wall maps and topographical plans, printed; A. Printed globes (terrestrial or celestial)		

Common Customs Tariff Heading No	Description	Volumes	
		Denmark	United Kingdom
49.07.	Unused postage, revenue and similar stamps of current or new issue in the country to which they are destined; stamp-impressed paper; banknotes, stock, share and bond certificates and similar documents of title; cheque books: A. Postage, revenue and similar stamps C. Other II. Other		
49.08	Transfers (Decalcomanias)		
49.09	Picture postcards, Christmas and other picture greeting cards, printed by any process, with or without trimmings		
49.10	Calendars of any kind, of paper or paperboard, including calendar blocks		
49.11	Other printed matter, including printed pictures and photographs: B. Other		

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.

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:

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 B. Salmonidae C. Herrings ex F. Bonito (<i>Sarda sp. p.</i>), mackerel and anchovies: - Bonito (<i>Sarda sp. p.</i>) and mackerel G. Other	100% 100% 100% 50% 100%
16.05	Crustaceans and molluscs, prepared or preserved	100%
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 - Cauliflowers	50% 30%
20.02	Vegetables prepared or preserved otherwise than by vinegar or acetic acid: ex H. Other, including mixtures: - Sweet peppers	30%

Article 9

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.

Common Customs Tariff Heading No	Description	Rate of reduction
22.05	<p>Wine of fresh grapes; grape must with fermentation arrested by the addition of alcohol:</p> <p>C. Other:</p> <p>III. Of an actual alcoholic strength exceeding 15° but not exceeding 18°, in containers holding:</p> <p>(a) 2 litres or less:</p> <p>ex 1. Port, Madeira, sherry, Tokay (Aszu and Szamorodni) and Setubal muscatel¹:</p> <p>- Port</p> <p>- Madeira</p> <p>- Setubal muscatel</p> <p>(b) More than 2 litres:</p> <p>ex 1. Port, Madeira, sherry and Setubal muscatel¹:</p> <p>- Port</p> <p>- Madeira</p> <p>- Setubal muscatel</p>	<p>60% (a)</p> <p>60% (b)</p> <p>60% (c)</p> <p>50% (d)</p> <p>50% (e)</p> <p>50% (f)</p>

Common Customs Tariff Heading No	Description	Rate of reduction
22.05 (continued)	<p>C. IV. Of an actual alcoholic strength exceeding 18° but not exceeding 22°, in containers holding:</p> <p>(a) 2 litres or less:</p> <p>ex 1. Port, Madeira, sherry, Tokay (Aszu and Szamorodni) and Setubal muscatel¹:</p> <p>- Port 60% (a)</p> <p>- Madeira 60% (b)</p> <p>- Setubal muscatel 60% (c)</p> <p>(b) More than 2 litres:</p> <p>ex 1. Port, Madeira, sherry and Setubal muscatel¹:</p> <p>- Port 50% (d)</p> <p>- Madeira 50% (e)</p> <p>- Setubal muscatel 50% (f)</p>	

¹ Entry under this subheading is subject to conditions 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.

TITLE II

COOPERATION IN THE SOCIAL FIELD

A. Cooperation in the field of labour

Article 10

1. The treatment accorded by each Member State to workers of Portuguese nationality employed in its territory shall not involve any discrimination based on nationality, as regards working conditions or remuneration, in relation to its own nationals.

2. Portugal shall accord the same treatment to workers that are nationals of a Member State and employed in its territory.

B. Cooperation in the field of social security

Article 11

1. Subject to the provisions of the following paragraphs, workers of Portuguese nationality and any members of their families living with them shall enjoy, in the field of social security, treatment involving no discrimination based on nationality in relation to nationals of the Member States in which they are employed.

2. All periods of insurance, employment or residence completed by such workers in the various Member States shall be added together for the purpose of pensions and annuities in respect of old age, death and invalidity, and also for that of medical care for the workers and for members of their families resident in the Community.

3. The workers in question shall receive family allowances for members of their families who are resident in the Community.

4. The workers in question shall be able to transfer freely to Portugal, at the rates applied by virtue of the law of the debtor Member State or States, any pensions or annuities in respect of old age, death, industrial accident or occupational disease, or of invalidity resulting from industrial accident or occupational disease.

Article 12

Portugal shall accord to workers that are nationals of a Member State and employed in its territory, and to the members of their families, treatment similar to that specified in Article 11(1) and (4).

Article 13

1. Before the end of the first year after entry into force of the Protocol, the Joint Committee shall adopt provisions to implement the principles set out in Articles 11 and 12.

2. The Joint Committee shall adopt the detailed rules for administrative cooperation providing the management and control guarantees necessary for the application of paragraph 1 of this Article.

Article 14

The provisions adopted by the Joint Committee in accordance with Article 13 shall not affect any rights or obligations arising from bilateral agreements linking Portugal and the Member States where those agreements provide for more favourable treatment of Portuguese or Member State nationals.

TITLE III

INDUSTRIAL, TECHNOLOGICAL AND FINANCIAL COOPERATION

Article 15

The Community and Portugal shall institute cooperation with the aim of contributing to the economic and social development of Portugal and of strengthening existing links for the mutual benefit of the Parties.

Cooperation shall range as widely as possible over the industrial, technical, technological and financial fields.

Article 16

The aim of industrial and technological cooperation shall be, within the limits of the opportunities open to the Community, particularly those specified by the Financial Protocol, to promote measures likely to contribute to the development of Portugal's economy.

Article 17

The Community shall participate in the financing of measures to promote the development of Portugal under the conditions laid down in the Protocol relating to financial cooperation.

TITLE IV

GENERAL AND FINAL PROVISIONS

Article 18

Article 33(1) of the Agreement shall be replaced by the following provisions.

The Joint Committee shall be composed of representatives of the Community and its Member States on the one hand, and of representatives of Portugal on the other.

Article 19

From the beginning of 1979, the Contracting Parties shall examine, in accordance with the procedure adopted for negotiating the Agreement, the results of the Agreement and any improvements which could be made by either side as from 1 January 1980, on the basis of the experience gained during the functioning of the Agreement and of the objectives defined therein.

Article 20

1. This Protocol shall form an integral part of the Agreement between the European Economic Community and the Portuguese Republic.

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

Article 21

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

Article 22

1. This Protocol shall be subject to ratification, acceptance or approval in accordance with the Contracting Parties' own procedures; the Contracting Parties shall notify each other that the procedures necessary to this end have been completed.

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

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):
02	- Artificial resins: - 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:
03	- Up to 5 kg - 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

Portuguese Customs Tariff heading No	Description
48.11	Wallpaper and linocrusta; 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:
03	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	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)
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 or painted glass, or of 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	Iron or steel wire, whether or not coated, but not insulated - Not covered with textile materials: - Clad with other materials by any process
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 of 300 litres or less - 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	<p>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</p> <p>Tubular rivets and bifurcated rivets:</p>
03	Not specified
84.01	<p>Steam and other vapour-generating boilers (excluding central heating hot water boilers capable also of producing low pressure steam); super-heated water boilers:</p>
02	- Weighing more than 20 tons each
84.15	<p>Cabinets and other furniture imported with their respective refrigerating units:</p>
03	- Weighing more than 200 kg each
84.17	<p>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:</p>
01	Instantaneous or storage water heaters, of a kind used for domestic purposes
06	Parts

Portuguese Customs Tariff heading No	Description
84.24.05	Agricultural and horticultural machinery for soil preparation or cultivation (for example, ploughs, harrows, cultivators, steel and fertiliser 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
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	Weighing up to 50 kg each
02	Weighing more than 50 kg but not more than 300 kg each
05	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	<p>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;</p> <p>- Non-automatic make and break switches; isolating switches and rheostats: - Weighing up to 2 kg each: - Of unspecified materials</p> <p>12 - Switchboards and control panels</p>
85.20	<p>Electric filament lamps and electric discharge lamps (including infra-red and ultra-violet lamps); arc-lamps; electrically ignited photographic flashbulbs: For lighting purposes:</p>
01	- Filament lamps
02	- Not specified

Portuguese Customs Tariff heading No	Description
85.23.04	Insulated (including enamelled or anodised) electric wire, cable bars, strip and the like (including co-axial cable), whether or not fitted with connectors - With metal armour or sheathing, whether or not covered with other materials: - Not specified
90.03	Frames and mountings, and parts thereof, for spectacles, pince-nez, lorgnettes, goggles and the like:
02	- Of rolled gold or gilt
03	- Of unspecified materials
90.04	Spectacles, pince-nez, lorgnettes, goggles and the like, corrective, protective or other:....
04	- Not specified
90.16.02	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

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 appliqué 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	Not 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

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 uncatarated 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, polyvinyl chloride, polyvinyl acetate, polyvinyl chloroacetate, and other polyvinyl 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:

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 10	Celluloid 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 vulcanised 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 02	Man-made fibres (discontinuous), not carded, combed or otherwise prepared for spinning: Synthetic textile fibres: Not specified
56.02 02	Continuous filament tow for the manufacture of man-made fibres (discontinuous): Not specified
56.04 02	Man-made fibres (discontinuous or waste), carded, combed or otherwise prepared for spinning: Synthetic textile fibres: 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 artificial plastic material:
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

Portuguese Customs Tariff heading No	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, scrapers, scythes 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

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 ^a
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
06	Machine-tools not specified
84.51.01	Typewriters
84.59	Machines and 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
02	Weighing more than 2 kg each
04	Not specified

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

Brussels, 10 June 1976

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

HIS MAJESTY THE KING OF THE BELGIANS,
HER MAJESTY THE QUEEN OF DENMARK,
THE PRESIDENT OF THE FEDERAL REPUBLIC OF GERMANY,
THE PRESIDENT OF THE FRENCH REPUBLIC,
THE PRESIDENT OF IRELAND,
THE PRESIDENT OF THE ITALIAN REPUBLIC,
HIS ROYAL HIGHNESS THE GRAND DUKE OF LUXEMBOURG,
HER MAJESTY THE QUEEN OF THE NETHERLANDS,
HER MAJESTY THE QUEEN OF THE UNITED KINGDOM OF GREAT BRITAIN AND
NORTHERN IRELAND,

and

THE COUNCIL OF THE EUROPEAN COMMUNITIES,
of the one part, and

THE PRESIDENT OF THE PORTUGUESE REPUBLIC,
of the other part,

ANXIOUS to pursue the action initiated by the Community to make emergency
exceptional aid available to Portugal, with a view to promoting the
accelerated development of the Portuguese economy in the context of
cooperation between the European Economic Community and Portugal,

HAVE DESIGNATED as their Plenipotentiaries:

HIS MAJESTY THE KING OF THE BELGIANS:
HER MAJESTY THE QUEEN OF DENMARK:
THE PRESIDENT OF THE FEDERAL REPUBLIC OF GERMANY:
THE PRESIDENT OF THE FRENCH REPUBLIC:
THE PRESIDENT OF IRELAND:
THE PRESIDENT OF THE ITALIAN REPUBLIC:
HIS ROYAL HIGHNESS THE GRAND DUKE OF LUXEMBOURG:
HER MAJESTY THE QUEEN OF THE NETHERLANDS:
HER MAJESTY THE QUEEN OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND:
THE COUNCIL OF THE EUROPEAN COMMUNITIES:
THE PRESIDENT OF THE PORTUGUESE REPUBLIC:

WHO, having exchanged their full powers, found in good and due form,

HAVE AGREED AS FOLLOWS:

Article 1

The Community shall participate, within the framework of financial cooperation, in the financing of projects designed to contribute to the economic and social development of Portugal.

Article 2

1. For the purposes specified in Article 1 and for a period of five years from the entry into force of this Protocol or from 1 January 1978, whichever is the later, an amount of up to 200 million European units of account (EUA) may be committed in the form of loans from the European Investment Bank, hereinafter called the "Bank", accorded from its own resources on the terms set out in its Statute.
2. Of the loans referred to in paragraph 1, a maximum amount of 150 million EUA shall attract interest rate subsidies of 3% per annum, it being understood that the cost to the Community of financing such subsidies must not exceed 30 million EUA.
3. The following shall be eligible for financing: capital projects helping to increase productivity and to diversify the Portuguese economy, and promoting in particular the industrialization of the country and the modernization of its agriculture, that have been submitted to the Bank by the Portuguese State or, with the latter's agreement, by public or private undertakings having their seat or a place of business in Portugal.
- 4.(a) Examination of the eligibility of the projects and the granting of loans shall be undertaken in accordance with the detailed rules, conditions and procedures laid down by the Bank's Statute.

(b) The conditions governing repayment of each loan shall be established on the basis of the economic and financial characteristics of the project to be financed.

5. Loans will carry the same rate of interest as that applied by the Bank on the day of signature of the loan agreement. However, loans for the sectors defined below shall have priority claim to the interest rate subsidy of 3% per annum referred to in paragraph 2:

loans to Portuguese development agencies for financing small and medium-sized businesses;

economic infrastructure, including energy;

agricultural development and the processing of agricultural and fishery products.

This definition of sectors may be amended by agreement between the Community and Portugal.

Article 3

1. The funds to be committed each year shall be distributed as evenly as possible throughout the period of application of this Protocol.

2. Any funds not committed by the end of the period of five years referred to in Article 2(1) may be used, until exhausted, in accordance with the same arrangements as provided for in this Protocol.

Article 4

Aid contributed by the Bank for the execution of projects may, with the agreement of Portugal, take the form of cofinancing.

Article 5

The execution, management and maintenance of works that are the subject of financing under this Protocol shall be the responsibility of Portugal or the other recipients referred to in Article 2.

The Bank shall make sure that its financial aid is expended in accordance with the agreed allocations and to the best economic advantage.

Article 6

1. Portugal shall apply to contracts awarded for the execution of projects financed by the Bank fiscal and customs arrangements at least as favourable as those applied in respect of other international organizations.

2. Portugal shall take the necessary measures to ensure that interest and all other payments due to the Bank in respect of loans granted under this Protocol are exempted from any national or local taxes or levies.

Article 7

Where a loan is accorded to a beneficiary other than the Portuguese State, the provision of a guarantee by the latter may be required by the Bank as a condition of the grant of the loan.

Article 8

Throughout the duration of the loans accorded pursuant to this Protocol, Portugal shall undertake to make available to debtors enjoying such loans and guarantors of the loans the foreign currency necessary for the payment of interest and commission and the repayment of capital.

Article 9

The results of financial cooperation may be examined within the Joint Committee referred to in Article 32 of the Agreement between the European Economic Community and the Portuguese Republic.

Article 10

This Protocol forms an integral part of the Agreement between the European Economic Community and the Portuguese Republic.

Article 11

1. This Protocol shall be ratified, accepted, or approved by the Signatory States and the European Economic Community in accordance with their respective procedures. The relevant acts shall be exchanged at Brussels.
2. This Protocol shall enter into force on the first day of the second month following the date on which the acts referred to in paragraph 1 are exchanged.

Article 12

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

FINAL ACT

The plenipotentiaries of

His Majesty the King of the Belgians,

Her Majesty the Queen of Denmark,

The President of the Federal Republic of Germany,

The President of the French Republic,

The President of Ireland,

The President of the Italian Republic,

His Royal Highness the Grand Duke of Luxembourg,

Her Majesty the Queen of the Netherlands,

Her Majesty the Queen of the United Kingdom of Great Britain and Northern Ireland,

and of THE COUNCIL OF THE EUROPEAN COMMUNITIES,

of the one part,

and of THE PRESIDENT OF THE PORTUGUESE REPUBLIC,

of the other part,

meeting at Brussels on

for the signature:

- of the Additional Protocol to the Agreement between the European Economic Community and the Portuguese Republic and its Annexes,

- and of the Financial Protocol,

have, on signing the Protocols,

- adopted the Joint Declaration on the concept of "Contracting Parties",

- taken note of the Declarations listed below:

1. Declaration by the European Economic Community on Article 2 of the Financial Protocol,
 2. Declarations by the Representative of the Government of the Federal Republic of Germany on the application of the Additional Protocol and the Financial Protocol to Berlin and on the definition of the expression "German National",
- and taken note of the Exchanges of Letters, as regards the Additional Protocol:

- relating to Article 3,
- relating to Article 6,
- relating to Portuguese labour employed in the Community,
- relating to industrial and technological cooperation.

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

The Plenipotentiaries have agreed that these Declarations and Exchanges of Letters shall be subjected, in the same manner as the Agreement, to any procedures that may be necessary to ensure their validity.

Declaration by the European Economic Community on
Article 2 of the Financial Protocol

1. The European unit of account used to express the amounts specified in Article 2 of the Financial Protocol is defined as the sum of the following amounts in the currencies of the Member States of the Community:

German mark	0.828
Pound sterling	0.0885
French franc	1.15
Italian lira	109
Dutch guilder	0.286
Belgian franc	3.66
Luxembourg franc	0.14
Danish krone	0.217
Irish pound	0.00750

2. The value of the European unit of account in any given currency is equal to the sum of the equivalent in that currency of the amounts of currency referred to in paragraph 1. It is calculated by the Commission using daily market exchange rates.

The daily values of the unit of account in the various national currencies are published in the Official Journal of the European Communities.

JOINT DECLARATION ON THE CONCEPT OF "CONTRACTING PARTIES"

The Contracting Parties agree to interpret the Additional Protocol and the Financial Protocol to the effect that the expression "Contracting Parties" which appears in the Protocols means on the one hand the Community and the Member States, or either the Community or the Member States alone, and on the other hand the Portuguese Republic. The meaning to be attributed to this expression in each case is to be deduced from the corresponding provisions of the Treaty establishing the European Economic Community.

DECLARATIONS

Declaration by the Representative of the Government
of the Federal Republic of Germany on the
application of the Additional Protocol and
the Financial Protocol to Berlin

The Additional Protocol and the Financial Protocol shall equally apply to Land Berlin unless, within a period of three months from the entry into force of the said Protocols, the Government of the Federal Republic of Germany has made a declaration to the contrary to the other Contracting Party.

Declaration by the Representative of the Government
of the Federal Republic of Germany on the
definition of the expression "German National"

All Germans within the meaning of the Basic Law for the
Federal Republic of Germany are to be considered nationals
of the Federal Republic of Germany.

I/185/76-E

EXCHANGES OF LETTERS

EXCHANGE OF LETTERS RELATING TO ARTICLE 3

Sir,

During the negotiations which have resulted in the conclusion of an Additional Protocol to the 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.

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 Additional Protocol to the 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 Protocol 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 ad valorem 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 Protocol 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 ad valorem 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

EXCHANGE OF LETTERS

RELATING TO PORTUGUESE LABOUR EMPLOYED IN THE COMMUNITY

Sir, J

I have the honour to inform you, on behalf of the Member States of the Community, that the latter are ready to hold exchanges of views, in the context of talks to be arranged for that purpose, on Portuguese labour employed in the Community.

The purpose of these exchanges of views would be to examine the possibilities of making progress towards the attainment of equality of treatment for Community and Portuguese workers and the members of their families in respect of living and working conditions, having regard to the Community provisions in force.

Such exchanges of views, which would not be concerned with matters covered by the Protocol, would deal in particular with social and cultural questions.

Head of the Community Delegation

Sir,

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

"I have the honour to inform you, on behalf of the Member States of the Community, that the latter are ready to hold exchanges of views, in the context of talks to be arranged for that purpose, on Portuguese labour employed in the Community.

The purpose of these exchanges of views would be to examine the possibilities of making progress towards the attainment of equality of treatment for Community and Portuguese workers and the members of their families in respect of living and working conditions, having regard to the Community provisions in force.

Such exchanges of views, which would not be concerned with matters covered by the Protocol, would deal in particular with social and cultural questions."

Head of the Portuguese Delegation

EXCHANGE OF LETTERS RELATING TO INDUSTRIAL
AND TECHNOLOGICAL COOPERATION

Sir,

During the negotiations which have resulted in the conclusion of an Additional Protocol between the European Economic Community and the Portuguese Republic, it was agreed to make provision in Title III of that Protocol for industrial, technological and financial cooperation.

Industrial and technological cooperation is concerned, in particular, with the mutual exchange of economic and financial information, the development of infrastructures, the marketing of export products, cooperation between industries in the Community and Portugal and access for Portugal to technological know-how adapted to its specific needs. This list is indicative and in no sense excludes other fields of application which might be defined subsequently, since the Parties to the Agreement do not wish to prejudice the possibility of further development.

The Contracting Parties have agreed to facilitate the proper performance of cooperation and investment contracts which are of interest to both Parties and come within the framework of the Protocol.

It was also pointed out during the negotiations that the promotion of the various forms of cooperation depends in the first instance on the participation of business firms on both sides, and such participation will be correspondingly more active where investments - which it has been agreed to encourage - are well received and afforded satisfactory protection.

A working party of the Joint Committee will be responsible for ensuring that the provisions of the Protocol as regards industrial and technological cooperation and of this exchange of letters are implemented.

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 Additional Protocol between the European Economic Community and the Portuguese Republic, it was agreed to make provision of Title III of that Protocol for industrial, technological and financial cooperation.

Industrial and technological cooperation is concerned, in particular, with the mutual exchange of economic and financial information, the development of infrastructures, the marketing of export products, cooperation between industries in the Community and Portugal and access for Portugal to technological know-how adapted to its specific needs. This list is indicative and in no sense excludes other field of application which might be defined subsequently, since the Parties to the Agreement do not wish to prejudice the possibility of further development.

The Contracting Parties have agreed to facilitate the proper performance of cooperation and investment contracts which are of interest to both Parties and come within the framework of the Protocol.

It was also pointed out during the negotiations that the promotion of the various forms of cooperation depends in the first instance on the participation of business firms on both sides, and such participation will be correspondingly more active where investments - which it has been agreed to encourage - are well received and afforded satisfactory protection.

A working party of the Joint Committee will be responsible for ensuring that the provisions of the Protocol as regards industrial and technological cooperation and of this exchange of letters are implemented.

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

