At meetings of the Working Party on the Accession of Portugal the Portuguese Government informed the Working Party (L/1411 and Add.1) that it intended "to take measures directed towards a new stage in the process of domestic integration in order to ensure that all the objectives inherent in the concept of a free-trade area under the General Agreement on Tariffs and Trade shall be achieved in the case of the various Portuguese territories within a period which may be shorter but will not exceed in any case the period for the elimination of customs tariffs between Portugal and other signatories to the Stockholm Convention as provided for in Annex G to said Convention".

The Portuguese have since submitted the text of the "Law relating to the Unification of Portuguese Markets" (TN.60/14).

The secretariat has accordingly prepared a draft intended to cover this point and to be inserted in the Protocol embodying the results of the 1960/61 Tariff Conference. This draft is annexed hereto for discussion by the Working Party.

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1L/1411, page 11.
PROPOSED SUB-PARAGRAPH IN PARAGRAPH 3 OF THE PROTOCOL REGARDING PORTUGUESE RELATIONS WITH OVERSEAS PROVINCES

( ) The provisions of the General Agreement shall not require any of the customs territories in respect of which Portugal may be applying the General Agreement provisionally or in respect of which it may have acceded thereto pursuant to sub-paragraph (b) of paragraph 12 of this Protocol, to eliminate or to extend to other contracting parties such more favourable treatment in respect of customs duties or charges or other restrictive regulations of commerce as may at any time be in force exclusively between Portugal's separate customs territories, on the understanding that:

(i) The Government of Portugal (I) will, in accordance with the Constitution of the Portuguese Republic, eliminate, not later than 1 January 1974, duties and other restrictive regulations of commerce, on substantially all the trade between Portugal's separate customs territories in products originating in such territories, and (II) that such elimination will take place at least at the rate provided for in Portuguese Decree-Law No. 44.016 of 8 November 1961.

(ii) The Government of Portugal shall communicate to the Executive Secretary to the CONTRACTING PARTIES not later than 30 September 1956, the plan provided for in Article 12 of Decree-Law 44.016, and shall promptly so report other decisions made in the implementation of the Decree-Law particularly, but not limited to, action taken pursuant to the sub-paragraph of Article 1, Article 16 and Article 38. These communications shall be considered by the CONTRACTING PARTIES as if they have been submitted in accordance with the procedures outlined in paragraph 7 (c) of Article XXIV of the General Agreement.