

It is the policy of the Portuguese authorities to increase the country's harvesting capacity so as to exploit fully the resources of the EEZ. Meanwhile, it has granted Spain access to surplus stocks under the fisheries agreement between the two states.

External Relations

Portugal is much less dependent than Spain upon catches in third country waters. Such catches account for about a quarter of Portuguese landings of fish for human consumption compared with three-fourths in Spain. Portuguese vessels fish in Canadian waters, under a bilateral agreement which includes commercial concessions by Portugal, and in the NAFO regulatory area. Portugal plays an active role in NAFO and has succeeded to a considerable extent in maintaining its allocations in the area. Portugal has close relations with West African states whose fishery zones contain surplus stocks. It has concluded fishery agreements with several of these states, providing employment to its distant water fleet. Joint ventures have also been undertaken by Portuguese companies; these raise questions of compatibility. No special problems are to be foreseen in the Community's assumption of responsibility for Portugal's multilateral fisheries relations.

Market Organization

Major reforms will be required. Of significance to Newfoundland is the application of reference prices for salted and dried cod.

Commercial Policy

Commercial concessions to third countries such as Canada will have to be adapted. However, whereas alignment with the CCT will lead to liberalization in Spain's tariffs, the Community is more vigorous than Portugal in its tariffs and tariff quotas on salted and dried cod. Unless there are revisions, Canada will again be disadvantaged relative to Iceland and Norway (Portugal is now a member of EFTA).