

## **DECREE-LAW NR. 500/80 of October 20**

The creation of a free trade zone in the Autonomous Region of Madeira has been an old aspiration of the people from Madeira, substantiated by numerous interventions of the Region's own Government bodies which are no more than the expression of the feelings of the population itself.

One must recognize the special geo-strategic position of Madeira, characterized by a specific type of economy combined with a peculiar social-political configuration that demand the establishment of a free trade zone, which main aspect will be projected in the promotion of new Industry sectors aiming at improving the economic and social development of the Region.

Thus:

The Government decrees, under the terms of paragraph a), nr 1 of Article 201 of the Constitution, the following:

### **Article 1**

The creation of a free trade zone in the Autonomous Region of Madeira is hereby authorized.

### **Article 2**

The free trade zone referred to in the preceding article shall be of an industrial nature and will consist of an area of free importation and exportation of goods.

### **Article 3**

The definition of the legal and tax regime applicable to the goods, the nature, territorial scope, characteristics of the free trade zone and regulations for the industrial activity to be carried out therein shall be set out in a regulatory decree to be published by the Government of the Republic, upon the favourable opinion of the Regional Government.

### **Article 4**

Goods entered into the free trade zone being therein subject to manufacturing, transformation or repair, as well as goods remaining in the same condition as when they entered into such free trade zone, may be marketed in the remaining territory of the Republic. In this case such goods will either be imported and subject to subsequent payment of all due taxes and duties, or exported to third party countries.

## **Article 5**

The implementation of the provisions set out in the present decree shall take into consideration the conditions resulting from the negotiations aiming at the entering of Portugal into the EEC.

## **Article 6**

The present decree shall come into force on the day following its publication.

Seen and approved by the Ministers' Council on August 13, 1980 - *Francisco Sá Carneiro*.

Promulgated on October 11, 1980.

For publication.

The President of the Republic, ANTÓNIO RAMALHO EANES.