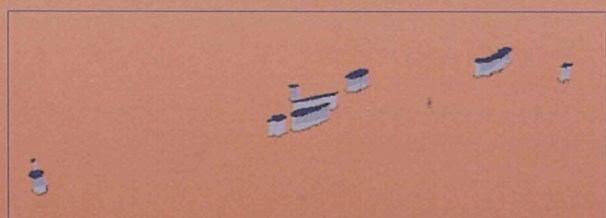


PORTRAIT OF THE REGIONS

PORTUGAL





PORTRAIT OF THE REGIONS

PORTUGAL



A lot more information on the European Union is available on the Internet, via the Europa server (<http://europa.eu.int>).

A bibliography can be found at the end of this publication.

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Preface

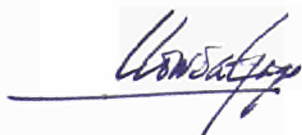
The *Portraits of the Regions* first appeared in 1993, covering the twelve Member States which then formed the European Union. A fourth volume in 1996 dealt with the Member States which had joined the Union on 1 January 1995 and the remaining members of the European Free Trade Association. Eurostat and the Portuguese National Statistical Institute are now collaborating in a new edition of the Portrait of the Regions of Portugal.

The reason for this new edition was the world fair, Expo 98, to be held in Lisboa. Visitors to the fair will find the opportunity to become better acquainted with a country which has made a major contribution to western civilisation, and this volume may be of some assistance to that end. The socio-economic characteristics of each region, its strengths and its weaknesses are presented in statistics, figures, maps and commentaries covering the territory, population, labour market, economic activity and environmental situation.

This is more than a revised version of the Portuguese section of the 1993 Portrait of the Regions. For the first time, this edition deals in detail with the 30 groups of municipalities which make up the third level of the Nomenclature of Territorial Units for Statistics, harmonised across the European Union. In addition, and in line with Expo '98's general theme *The Oceans*, particular attention has been paid to each region's relations with the sea. This volume emphasises the diversity of the regions of Portugal, whilst casting light on the role the sea has played in their development.

This edition of the Portrait of the Regions was completed in close collaboration between the Portuguese National Statistical Institute and Eurostat, the Statistical Office of the European Communities. It is the fruit of a major exercise in co-ordination and drafting. Our thanks go to all those who have contributed to its success.

Carlos C. Gago



Yves Franchet





Technical team

The texts and other elements for analysis presented in this edition are the result of the collaboration given by a large number of technicians from the Regional Delegations of the National Statistics Institute, of whom we would like to mention:

Norte - António Eduardo Pereira; **Centro** - Pedro Nogueira Ramos and Alexandra Rodrigues; **Lisboa e Vale do Tejo** - Maria Goretti Roda, Ana Alexandrino Silva and Magda Ribeiro; **Alentejo** - Carlos Almeida and António Medeiros; **Algarve** - Carlos Almeida and António Medeiros; **Madeira** - João José Silva Martins and Helena Maria G. Santa-Rodrigues; **Açores** - Rui Duarte Gonçalves Luís; **Gabinete Censos 2001/Núcleo de Cartografia** – Francisco Caldeira.

Consultant

João Ferrão

Photographs

Norte: the photographs of the Minho-Lima, the Cávado, the Ave and Alto Trás-os-Montes were supplied by ADETURN - Association for the Development of Tourism in the Northern Region. The photograph of Grande Porto was supplied by the Porto City Council and the photograph of Entre Douro e Vouga was supplied by EUROPARQUE.

Centro: The photographs of the Baixo Vouga, Pinhal Litoral, Dão-Lafões and the Beira Interior Sul were supplied by the Commission for Regional Co-ordination of the Centro.

Lisboa e Vale do Tejo: the photographs of all of the NUTS were supplied by the Commission for Regional Co-ordination of the Lisboa e Vale do Tejo.

Alentejo: the photographs of all of the NUTS were supplied by the Commission for Regional Co-ordination of the Alentejo.

Algarve: the photograph was supplied by the Commission for Regional Co-ordination of the Algarve.

Maps

Source: ACP – Automóvel Clube de Portugal; INE/ Gabinete Censos 2001/Núcleo de Cartografia

Translation

Translation Service, Commission of the European Communities, Luxembourg.

Proof Reading: German – Leonor Griesler; French – Fátima Moreira; English - António Medeiros.

The content of the texts does not necessarily reflect the official views of the National Statistics Institute and of EUROSTAT.

Despite the fact that this publication complied with a common structure, some difference in content is inevitable, by reason of the very nature of this publication, the aim of which is to portray the regions through clearly showing their individual characteristics.

PUBLICATION STRUCTURE

Each NUTS II region is presented on 8 pages, following an identical layout.

Page 1

Topography, climate, main characteristics (1)
Region's potential and constraints (2)

Page 2

Similar Regions (3)
Inter-regional imbalances (4)

Page 3

Population structure and development (5)
Training and Labour supply (6)

Page 4

Employment development and structure (7)
Unemployment (8)

Page 5

Structure of the economic fabric (9)
Cost of Labour and family incomes (10)

Page 6

Agriculture, industry and services (11)
Business Structure (12)

Page 7

Services rendered to the community (13)
Tourist Potential (14)

Page 8

The importance of the sea in a regional context (15)
Environment (16)

Each NUTS III sub-region is presented on 2 pages, following an identical layout.

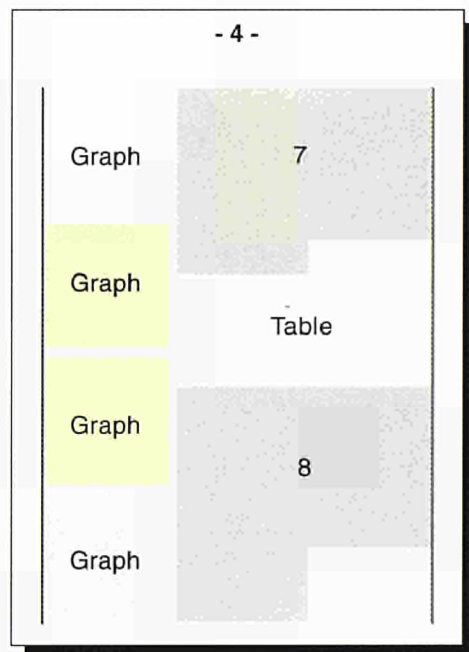
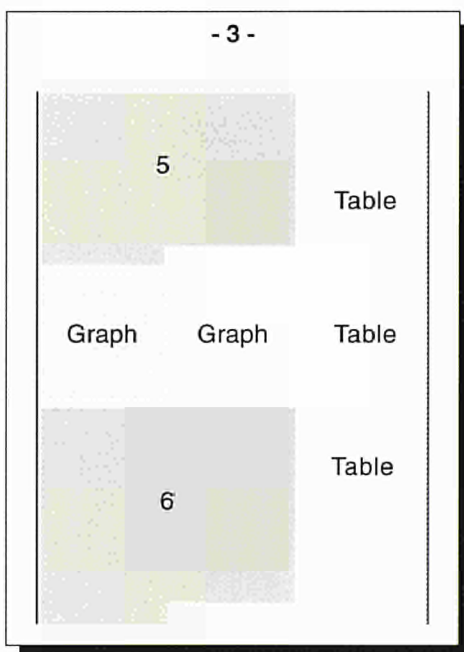
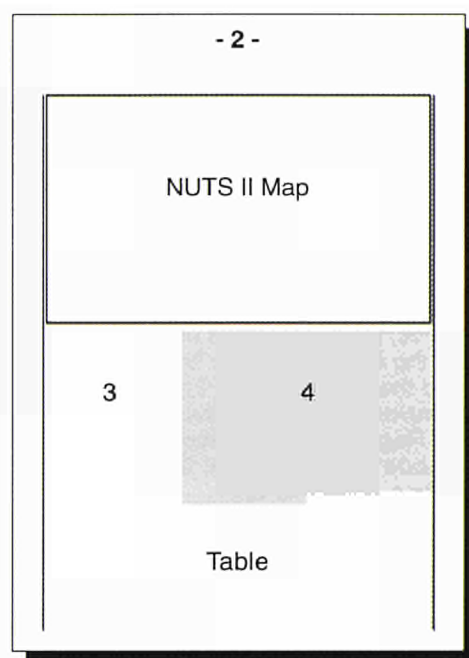
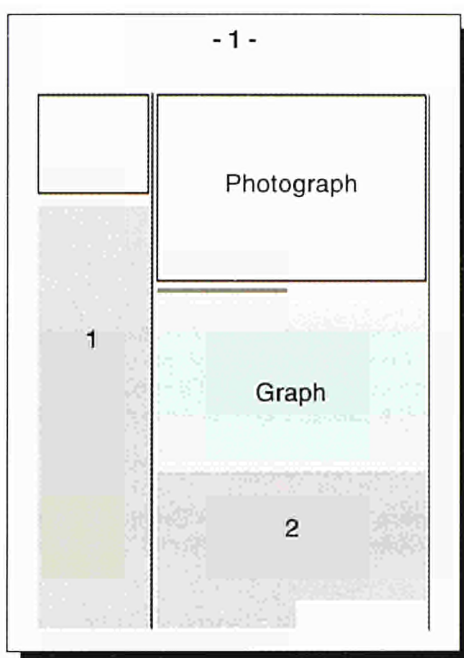
Page 9

Topography, climate, main characteristics (17)
Region's potential and constraints (18)

Page 10

Similar Regions (19)
Economic, social and demographic structure (20)

The description of each NUTS II and III is preceded by an introduction giving a summary presentation of Portugal, and at the end of the publication explanatory notes can be found, together with the key for the maps and the symbols and abbreviations used within this publication.



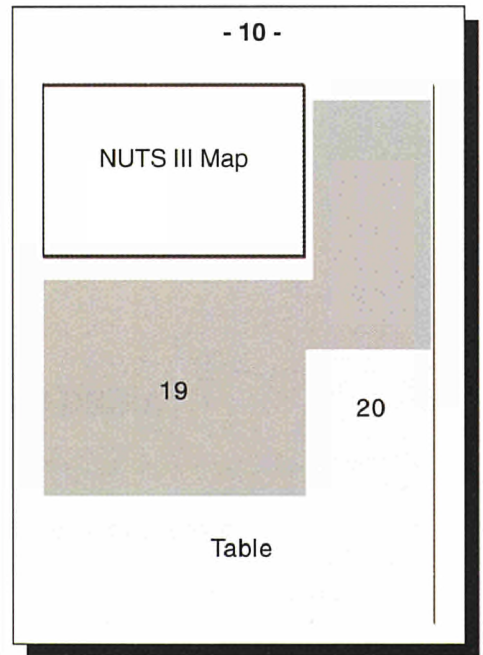
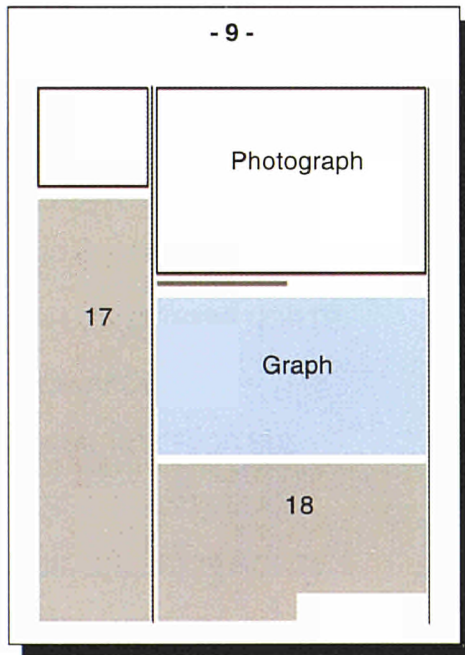
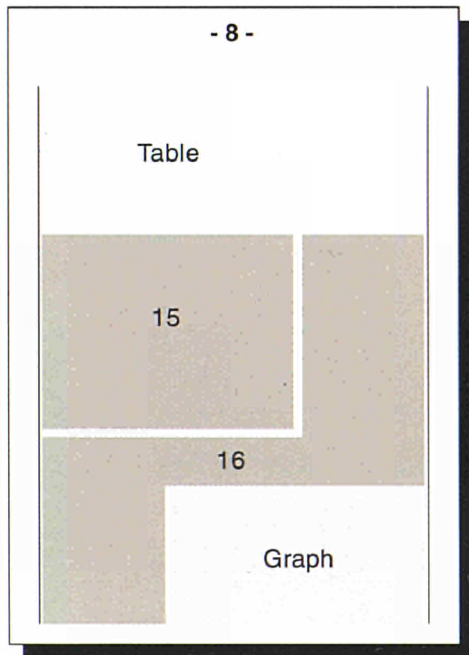
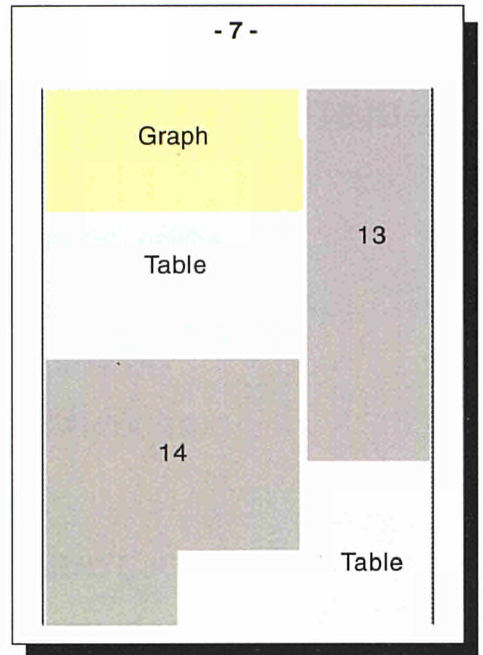
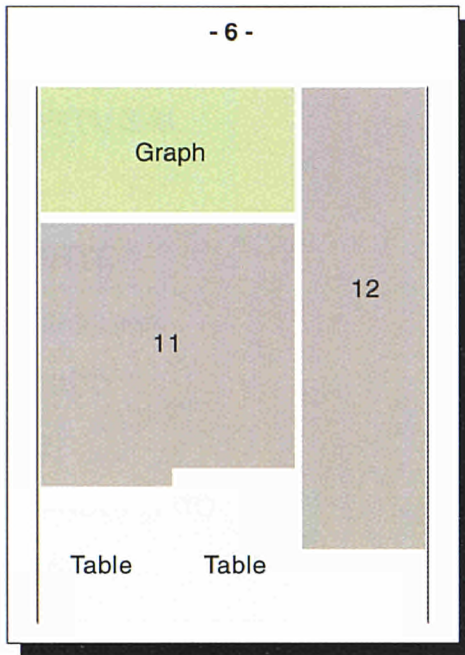
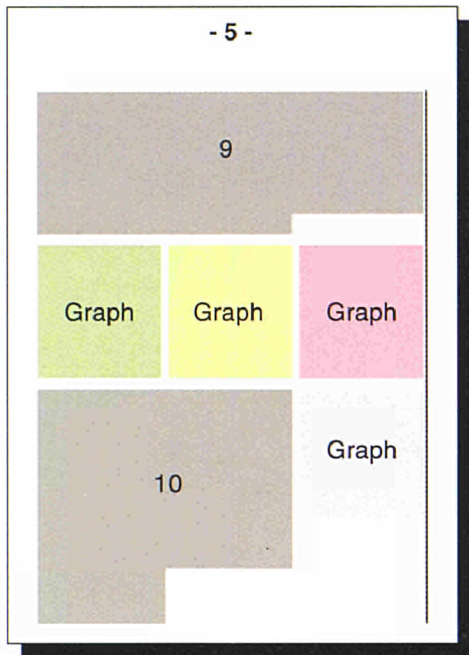
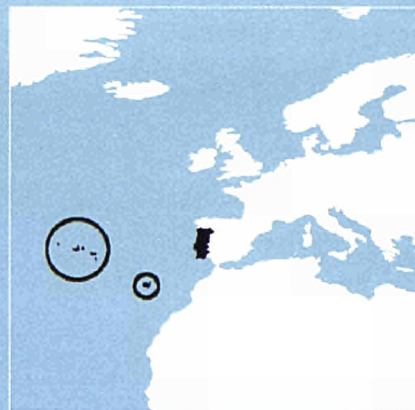


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PORTUGAL



With a surface area of 91 906 sq. km and a resident population of 9.9 million, Portugal comprises a part of continental Europe and the archipelagos of the Açores and Madeira.

In administrative terms, the country is subdivided into two autonomous regions – the Açores and Madeira – and 18 districts comprising 305 municipalities and 4 241 civil parishes. The NUTS (three at level 1, seven at level 2 and thirty at level 3), which are used as a reference for statistical data, do not correspond to the national administrative divisions.

The municipality has traditionally been responsible for managing the municipal facilities and building the basic infrastructures. The current trend is towards extending their powers to include the promotion of development, and specifically the promotion of local economic activities and environmental protection.

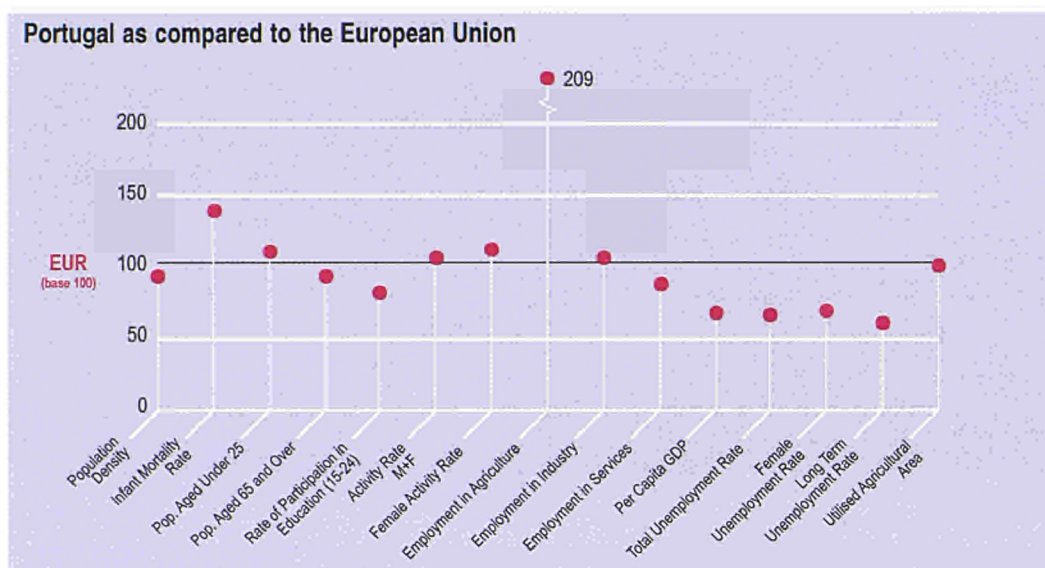
The responsibilities and powers of the parish are restricted almost exclusively to day-to-day administration and the construction and maintenance of certain infrastructures. However, some municipalities have delegated wider powers to the parishes.

In Continental Portugal, each of the 18 administrative districts is still administered by a representative of the State, but this territorial unit will vanish with the establishment of administrative regions which, unlike the districts, will have a statute of local autonomy and will have powers to manage public services and to co-ordinate and support the work of the municipalities.

The two autonomous regions of the Açores and Madeira are quite distinct, in political and administrative terms, from the future administrative regions of continental Portugal, in that they own have legis-

lative and executive powers, whereas the continental regions will only have administrative autonomy and regulatory powers in certain areas.

Portugal as compared to the European Union



The population of Portugal is irregularly distributed over the country. A very large part of the population lives in the metropolitan areas of Lisboa and Porto, or at least in the coastal strip linking these two conurbation's along the main national lines of communication, the end points being the towns of Setúbal (in the south) and Braga (in the north). To this strip might be added the southern coast – the Algarve – which is also densely populated, at least as regards the coastal towns.

In contrast to the coastal strip (which rarely exceeds 50 km in width), the population density in the interior of the country is relatively low. In some places most distant from the sea, and with more difficult communications, there is even a worrying process of (relative) depopulation. However, all the indications are that, over the last few years, most of the towns in the interior continued to grow, with the depopulation limited to the rural areas, although these losses were higher than the increase in the urban population. The population of the interior is part of the marked trend towards the increasing urbanisation of Portugal.

The differing demographic trends in the coastal areas and in the interior over the

last few decades is a natural reflection of the imbalance in economic opportunities. In historical terms, however, the process was never as simple as a mere transfer of population from a backward interior to a developed coastal area. One of the main reasons for the decline in population in the interior was emigration, mainly to the rest of Europe, with the last great wave occurring in the 1960s and the early 1970s. On the other hand, the large-scale return of ex-colonists from Africa in the mid-1970s, together with the trend of emigrants returning from other European countries, largely favoured the coastal strip. At any rate, this complex pattern of migratory flows involving third countries and other continents affected the regions of Portugal to differing degrees, and all the indications are that the main reasons for this were mainly economic.

The result is that the principal pockets of industrial activity and the major centres of the service industry are located in the coastal regions. Industry, particularly if export-oriented, is located in the Norte region, extending from the city of Porto northwards towards Braga and southwards to the area of Aveiro in the Centro region. Service Industries are a marked

feature of the economy in Lisboa e Vale do Tejo region, while tourism is the principal economic activity in the Algarve and Madeira. The regions of Alentejo and the Açores, which are relatively more dependent on activities in the primary sector, in particular agriculture and fishing, have the lowest *per capita* GDP of all the NUTS II regions in Portugal.

	Population Density	Infant Mortality Rate	Pop. Aged Under 25	Pop. Aged 65 and Over	Activity Rate		Employment			Unemployment Rate
	inhab/sq.km.	‰	%	%	M+F	F	Agriculture	Industry	Services	M+F
	1993	1993	1993	1993	1995	1995	1995	1995	1995	1996
Norte	164,2	9,1	39,0	11,8	58,9	50,2	11,4	41,9	46,7	7,0
Centro	72,4	8,0	33,7	17,1	60,7	52,7	23,9	31,1	45,0	4,0
Lisboa e Vale do Tejo	276,3	7,9	33,0	14,0	58,4	50,3	3,1	25,7	71,2	8,7
Alentejo	19,9	8,5	30,0	20,0	51,4	41,5	17,2	22,9	59,9	13,2
Algarve	68,8	6,4	32,0	18,0	53,0	43,1	10,8	15,9	73,3	10,0
Açores	102,4	10,8	43,0	12,0	51,7	34,2	21,0	23,3	55,6	9,3
Madeira	326,8	14,1	42,0	12,0	54,3	44,6	14,0	31,6	54,7	5,3
Portugal	107,5	8,6	35,0	14,0	58,1	49,5	11,5	32,2	56,3	7,4
EUR	115,9	6,5	32,0	15,0	55,2	45,0	5,3	30,2	64,3	10,9

PORTUGAL

NORTE



The Norte region is bounded to the north and east by Spain and to the west by the Atlantic Ocean. It extends southwards to include the municipalities lying immediately beyond the River Douro.

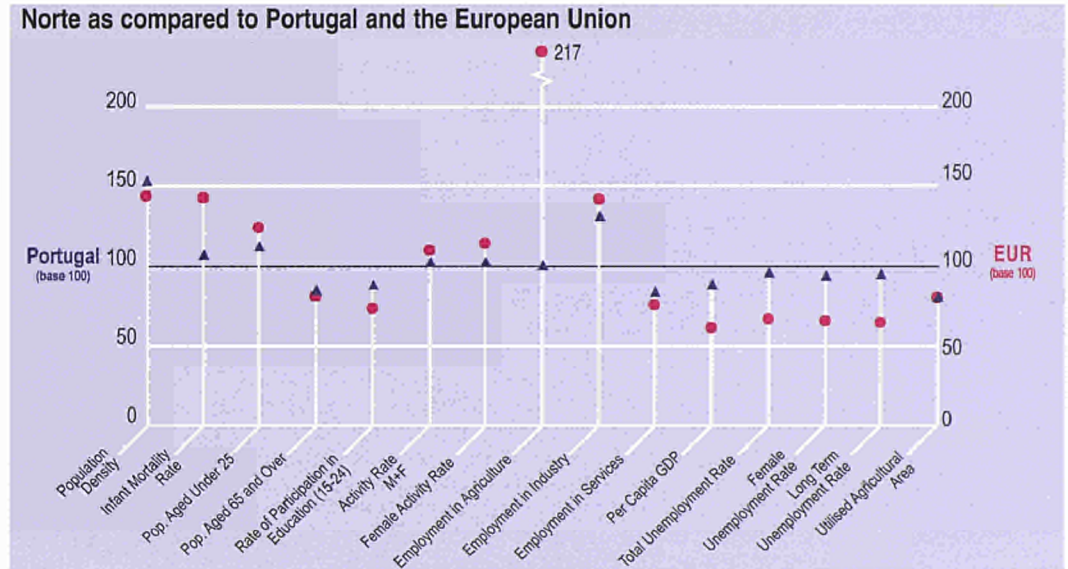
The climate, though generally temperate, is far from uniform: the coast, subject to maritime influences, experiences pleasant temperatures (mild winters and moderate summers), abundant rainfall, chiefly in autumn and winter, and frequent changes in the weather; the interior, cut off from the coast by a mountain range which shields it from the west wind, is prone to continental influences producing short, hot summers, long cold winters, extremes of temperature and sparse rainfall.

The mountains in the north-west form an amphitheatre open to the sea, with fertile valleys and forests, chiefly of Mediterranean pine; these separate the north-west from the inland north, which has a less rugged terrain, undulating uplands and forests of oak and chestnut.

The coast is easily reached from Spain and southern Portugal. The interior has over the past few years received massive investment in new road, rail and air links, constructed with support from the European Community, which have largely eliminated the access difficulties of the past.



Porto is the main urban centre the Norte region, which concentrates more than a third of the Portuguese population.



A changing population, entrepreneurial spirit and a region of contrasts

The population of the Norte region, one of the youngest in Europe, is probably its greatest asset. The Norte is still the country's demographic reserve, having recorded a natural population growth (the difference between live births and deaths) in 1995 roughly equivalent to 3‰ of the resident population.

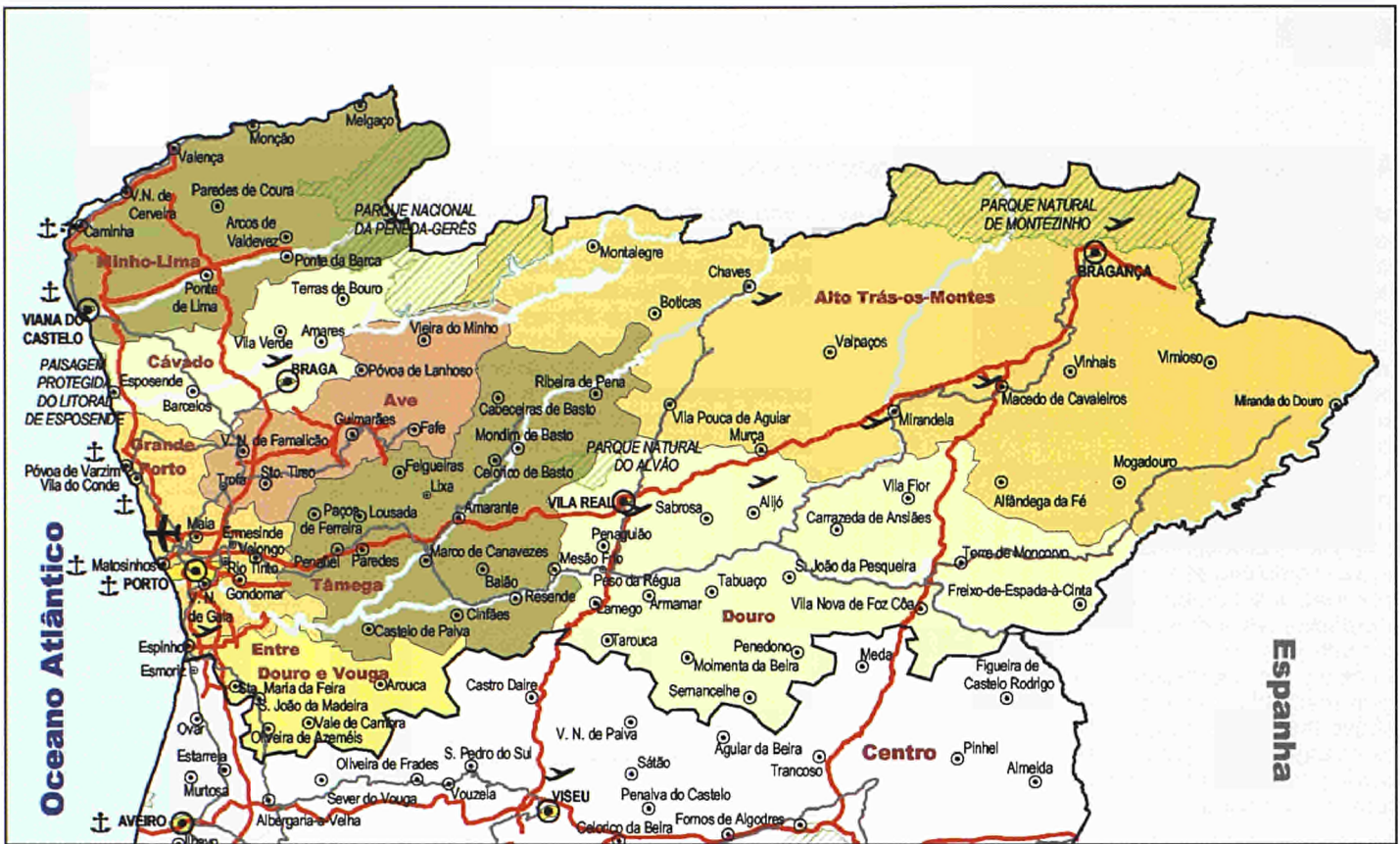
Because of the pronounced entrepreneurial ability of this population, the Norte stands out from the rest of Portugal for its degree of industrialisation, its export capacity and for the fact that many of the largest privately-owned economic units established in Portugal in recent years originate from this region.

The reverse of this coin is to be seen in the reasons for the competitiveness which underpins the Norte region's entrepreneurial fabric. Despite the modernisation drive of recent years, all too frequently the region's ability to compete still relies on a cheap workforce in traditional industries which are labour-intensive and generate little added value.

This state of affairs poses a potential threat to the region's competitive edge, chiefly from the growing liberalisation of world trade and competition from countries whose labour condi-

tions allow them an even cheaper workforce. It also means that little income is generated and distributed to workers.

If we add to this picture the severe problems faced by agriculture, it follows that a significant number of families live under harsh economic conditions or even in poverty. Tâmega, Douro, Minho-Lima and Alto Trás-os-Montes are amongst the six sub-regions of Portugal with the lowest *per capita* purchasing power. Grande Porto, on the other hand, has the country's second highest *per capita* purchasing power. This lack of balance brings us to what is probably the biggest obstacle to the development of the Norte region: its extreme intra-regional asymmetry.



Which EU regions are similar to the Norte?

Population:

approximately 160 inhabitants per sq. km
 Toscana (I)
 Comunidad Valenciana (E)
 approximately 39% of the residents are under 25 years of age:
 Andalucía (E)
 Nord-Pas-de-Calais (F)

Employment:

approximately 42% in industry
 Navarra (E)
 Karlsruhe (D)
 approximately 47% in services
 Ipeiros (EL)

A profound imbalance between coast and interior

The Norte region shows severe intra-regional imbalances at several levels.

A high proportion of the region's population, investment and public and private services is concentrated in the metropolitan area of Porto, which thus occupies a dominant position. The occupation density is high enough in some districts to have an adverse effect on the quality of life. The socio-cultural dynamics of the zone are the strongest in the Norte region, and its economic structure is the most diversified, with the tertiary sector strongly represented.

The zones falling within the metropolitan area of Porto (above all Ave, Cávado and Entre Douro e Vouga, but also part of Tâmega and Minho-Lima) are highly industrialised, particularly in the textiles and clothing, footwear, furniture and timber and cork branches. Urban settlement is moderate, and extensive rural districts still survive. The tertiary sector and socio-cultural facilities lag behind the industrial dynamism of these areas.

Lastly, the eastern half of the region (the sub-regions of Douro and Alto Trás-os-Montes) and the mountains of the north-west are predominantly rural areas with little socio-economic dynamism. Unmodernised agriculture also plays an important part in the production structure. The population, which is ageing and increasingly sparse, suffers from a lack of opportunity, which causes a significant number of individuals to seek alternatives elsewhere – formerly mainly abroad, but nowadays mainly in the coastal area of the region. It is to be hoped that recent years' spread of higher-education establishments and vast improvements to communications will allow these zones to develop more fruitfully in the future.

	Resident Population	Population Density	Pop. Aged Under 25	Pop. Aged 65 and Over	Schoolchildren Registered	Doctors per 1 000 Population	Telephones per 1 000 Population
	1 000	inhab./sq.km.	%	%	1 000	No.	No.
	1996	1996	1995	1995	1994/95	1995	1996
Minho-Lima	249,7	113,0	34,4	17,8	46,4	1,3	300,1
Cávado	371,0	298,5	40,8	10,2	89,3	1,8	278,7
Ave	477,2	385,5	39,3	9,8	93,8	1,1	274,5
Grande Porto	1 191,7	1 458,7	34,3	11,7	283,2	5,4	408,4
Tâmega	531,5	202,2	41,6	10,3	97,4	0,5	210,4
Entre Douro e Vouga	263,1	306,3	36,7	11,3	44,8	1,0	299,7
Douro	234,7	57,1	35,7	17,1	50,7	1,2	286,1
Alto Trás-os-Montes	225,9	27,6	33,5	19,0	47,4	1,2	312,8
Norte	3 544,8	166,6	36,9	12,3	753,0	2,5	317,2
Portugal	9 934,1	108,2	33,9	14,7	2 375,1	3,0	374,9

A young population concentrated on the coast

More than a third of the Portuguese population lives in the Norte region. The population is fairly unevenly distributed, its density in Grande Porto being some 50 times greater than in Alto Trás-os-Montes, for example. This imbalance is worsening, with the population concentrating ever more densely along the coast while some areas of the interior remain depopulated.

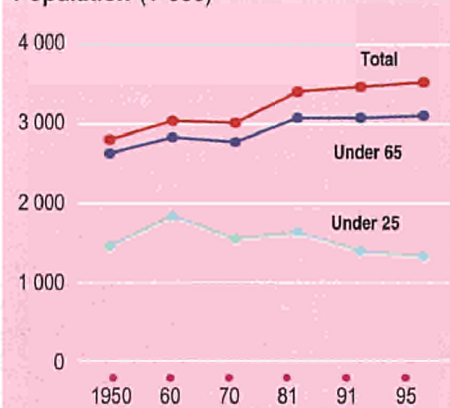
The age structure reveals a relatively young population. In Portugal, only the autonomous regions of the Atlantic archipelagos have a younger population. The population living in the North is ageing, however, with numbers of elderly people increasing while numbers of young people fall.

Recently the population of the Norte region reached an annual growth rate well above that of the period 1981-91, owing to changes in migratory behaviour. According to available estimates, the Norte region has changed a formerly negative

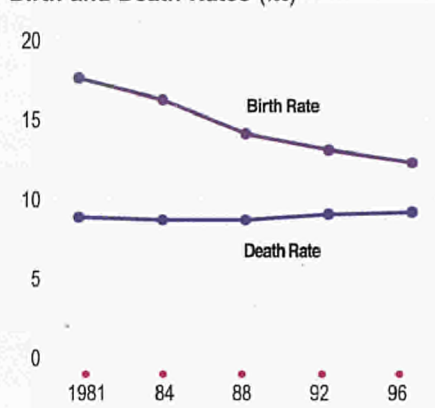
migration trend into a positive (if moderate) one since 1993 (inclusive).

The birth rate continues to fall, despite a slight upturn in 1996. The death rate remains fairly stable, although the ageing of the population results in slight increases. To summarise, the population growth resulting from the difference between live births and deaths is still positive, but becoming less pronounced.

Population (1 000)



Birth and Death Rates (‰)



Population by Age, 1991

Age	H+F	H+F	H	F
	(1 000)	(%)		
< 15	767,4	22,1	23,4	20,9
15-24	626,4	18,0	18,9	17,3
25-39	775,1	22,3	22,7	22,0
40-54	568,2	16,4	16,1	16,6
55-64	338,6	9,7	9,3	10,2
>= 65	397,0	11,4	9,6	13,1
Total	3 472,7	100,0	100,0	100,0

Population Balance, 1980/96 (1 000)

Population 31.12.1980	3 410,1
Births	527,2
Deaths	300,9
Balance on Migration	-161,5
Population 31.12.1990	3 474,9
Births	263,7
Deaths	188,4
Balance on Migration	-5,4
Population 31.12.1996	3 544,8

Prolonged schooling means an older and better-qualified workforce

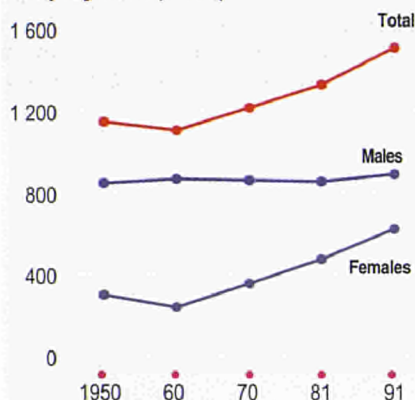
The economically active population of the Norte region is approximately 1 680 000, or roughly 56% of the total. About 45% of the active population is female.

One marked characteristic of recent years has been improved enrolment in education, particularly through prolonged attendance at school, which in turn leads to a higher and increasing average age at which young people enter the labour market. The workforce is therefore also older. Young people aged under 25 now account for a smaller proportion of the labour force, their relative weight having fallen from 21% in 1992 to 17% in 1996. A better-qualified workforce can also be expected as a result of increased enrolment in training. Particularly striking is the rise in the number of students in higher education, which quintupled in only seven years, with a 36% increase between the 1992/1993 and 1994/1995 academic years. This boom in higher education is due largely to the private sector and to polytechnics.

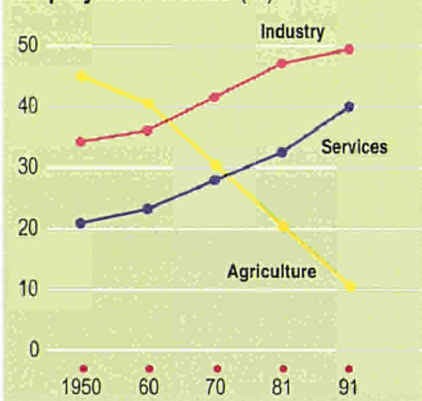
Students Enrolled, 1994/95

Type of Education	M+F (1 000)
Pre-school Education	62,2
Elementary Education	530,0
Secondary Education	133,9
Occupational Training	9,3
Higher Education	89,5

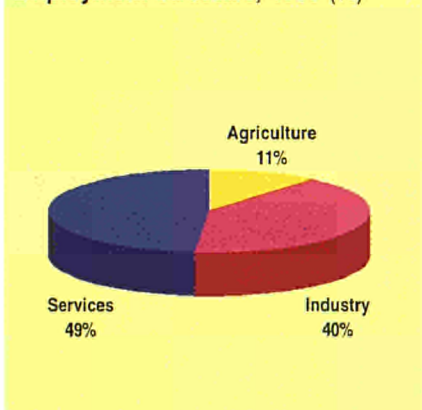
Employment (1 000)



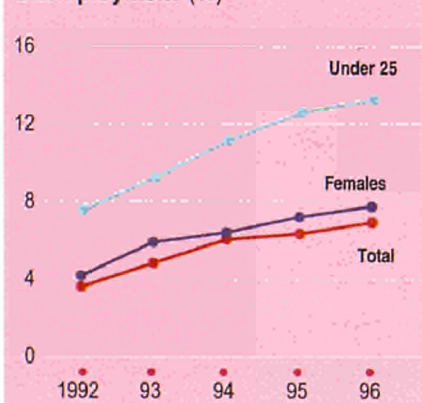
Employment Trends (%)



Employment Structure, 1996 (%)



Unemployment (%)



Strong geographical concentration of employment

The geographical distribution of employment in the Norte region is fairly uneven: 30% of jobs are to be found in the Grande Porto zone alone; this, together with Cávado, Ave, Tâmega and Entre Douro e Vouga, accounts for 80% of the employment in the region. At the other end of the scale, the interior zones of Douro and Alto Trás-os-Montes account for almost half the area of the Norte region but only slightly more than a tenth of its total employment.

About half the region's employment is in the tertiary sector; manufacturing (including construction) accounts for some two-fifths of the total and agriculture for just over 10% (in 1996). This sectoral breakdown varies throughout the region, however, sometimes widely. The secondary sector is particularly well-represented in Ave, where it accounts for over 60% of jobs, chiefly in the textile industry, but also in Entre Douro e Vouga, Tâmega and Cávado. The tertiary sector is most prominent in Grande Porto, with commercial services accounting for over two-fifths of all jobs. The primary sector predominates in Minho-Lima and above all in Douro and Alto Trás-os-Montes.

Paid work for an employer is the most common form of employment, particularly

in the more heavily industrialised zones (Ave) and those with a large tertiary sector (Grande Porto), where it accounts for some four-fifths of total jobs. In Alto Trás-os-Montes, however, fewer than half of all jobs are for an employer, owing to the predominance of traditional family-based agriculture. Self-employment is usually on a one-person basis. Part-time working is rare.

The proportion of women in the labour force is higher than the national average, doubtless because of industrial specialisation in textiles and clothing.

In the past few years the volume of work in the Norte region has fallen slightly (by some 3% between 1992 and 1996), revealing insufficient capacity for job creation.

Employment Characteristics (%)

	Total Employment			Employed Workers				
	Under 25	25-54 years	Over 54	Total	Part Time	without a permanent contract		
	1996			1996	1992	1996	1992	1996
Males	16	67	17	70	:	:	9	9
Females	16	71	13	73	:	:	10	11
Total	16	69	16	72	4	7	9	10

Rising unemployment, above all long-term

Unemployment rates have shown a steady increase during the 1990s, almost doubling between 1992 and 1996.

The labour market is heavily segmented as a result of attributes such as the age and qualifications of the worker, for example.

It is not easy to find a job, and the level of youth unemployment is particularly high. The youth unemployment rate remained at roughly double the overall rate throughout in the period.

Women are particularly vulnerable to fluctuations in the labour market. The female unemployment rate is consistently, but not significantly, higher than the overall rate. The picture in long-term unemployment is particularly dismal following a drastic rise in numbers. Of the 116 000 jobless in the region in 1996, nearly half (46%) had been out of work for over a year. The number of long-term unemployed persons tripled between 1992 and 1996. Many of these are persons who are *de*

facto excluded from the labour market, since they have little hope of finding a job.

Export orientation of traditional industry

The production structure of the Norte region is largely based in traditional sectors which are often labour-intensive, low-productivity and strongly export-oriented. Despite some modernisation in recent years, however, competitiveness is still largely dependent on low labour costs. Some 35% of firms based in the Norte region are in the distributive trades, 26% in manufacturing, 9% in construction, 8% in hotels and catering and 20% in the tertiary sector. Only 2% of firms in the Norte region are in the primary sector. This under-representation of primary activities is due simply to the fact that farming in the region is traditionally a family affair and few holdings are run by agricultural companies. Four-fifths of manufacturing firms are in textiles, clothing and leather; the furniture branch, the timber, cork and papermaking pulp branch and the metals industry each account for a tenth, and the food and beverages industry for 9%.

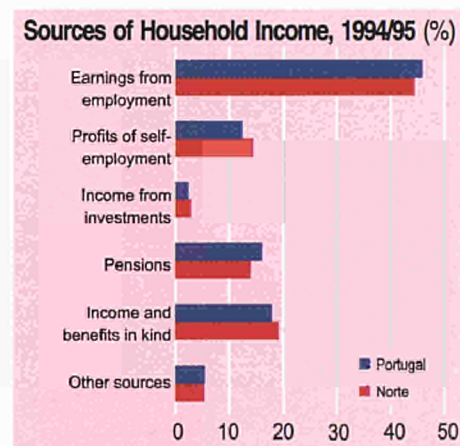
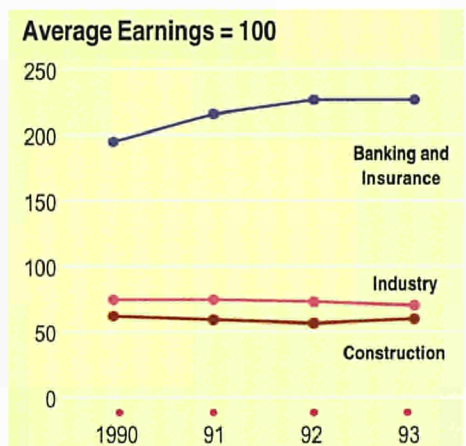
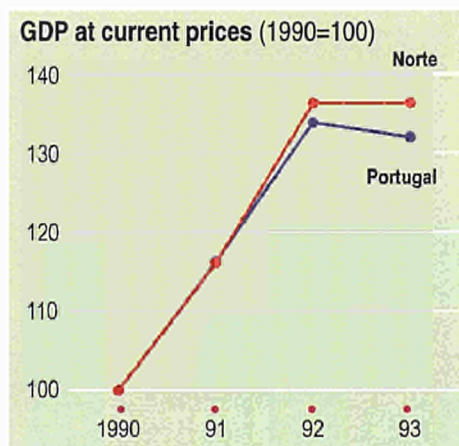
Most of them are small companies with an average number of employees per firm of 14.

A high proportion of industrial output goes for export. About two-fifths of Portugal's exports come from firms in the Norte region, which also accounts for about a third of the country's imports. The textiles, clothing and leather industries account for 60% of the region's exports and machinery and electrical equipment for roughly an eighth.

Overall, the average level of earnings in the Norte region is the lowest in Portugal. This situation inevitably encourages labour-intensive manufacturing processes which, together with a specialisation pattern which favours some industrial sectors with low value added, results in relatively low productivity.

The efforts being made to modernise industry are directed chiefly at renovating equipment and introducing new products

and/or markets. Investment by industry in research and development is still in its infancy, with a few successful exceptions.



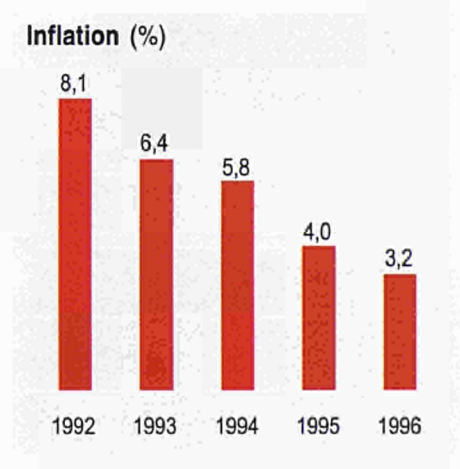
Low wages and a changing consumption structure

Earnings in the Norte region are on average fairly low, particularly in the secondary sector in which it specialises and in which its wages are the lowest in Portugal. Agricultural earnings in the Norte region are likewise the lowest in the country. However, since the North includes Portugal's second largest metropolitan area, the Grande Porto zone with its relatively high concentration of services such as banking and insurance, average earnings in these branches are above the national average.

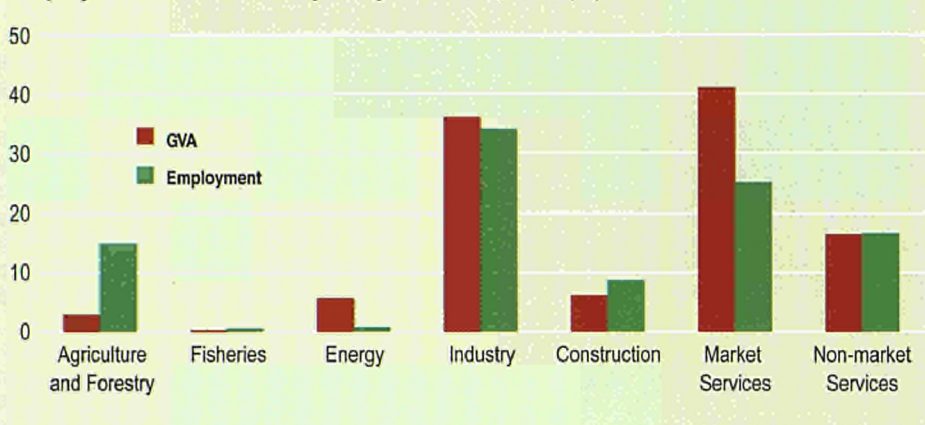
About three-fifths of family income comes from employment. Self-employment brings in roughly 14% of the region's family income – a figure above the national average. Pensions make a slightly smaller contribution to family incomes in the Norte than in other regions of Portugal.

Household consumption patterns show that family expenditure on food, beverages and tobacco account for some 24% of the total (1994/1995 data) – a sharp

drop from the figure of five years ago, which was about 39%. This trend is a sure sign of an improved standard of living amongst households. Next, transport and communications and clothing, water, heating and lighting each account for some 19% of total family expenditure.



Employment and GVA: Analysis by Branches, 1993 (%)



Declining agriculture, low industrial productivity and restructuring in the distributive trades

Agriculture in the Norte region has suffered in recent years from radical changes in agricultural markets, despite the unquestionable quality of certain regional products such as meat and wine. The number of farm holdings fell by some 21% between 1989 and 1995 while the utilised agricultural area shrank by 7%. It is usually the smallest holdings which fail to survive the changes. Despite this, three quarters of all holdings have fewer than five hectares of land. Most farming is done on an own-account basis, without recourse to bank loans or organised accounting, and with intensive use of family labour. The farmers of today are a relatively elderly section of the population and their income is derived chiefly from sources other than farming. The leading farm products are potatoes, maize and wine.

Manufacturing is heavily concentrated in the western half of the region, as are certain branches of activity such as textiles and clothing, footwear, furniture and some metals production. Containment of labour costs has enabled the problem of low productivity to be side-stepped and sustained a marked level of exports. The dif-

ficulties of maintaining this pattern of productivity are likely to grow, however, unless production processes are redirected towards other competitive advantages than cheap labour.

The distributive trades are the leading activity in the services sector and are undergoing a major restructuring phase reflected largely in the growth of out-of-town hypermarkets and shopping centres. Financial activities and business services show a higher geographical concentration than does manufacturing.

Strong sectoral and geographical concentration of the biggest firms

The economic fabric of the Norte region is dominated by small firms. The biggest firms are also highly concentrated, above all at geographical level but also in sectoral terms.

Some 61% of firms in the Norte region employ fewer than five people, 89% fewer than 20 and 95% fewer than 40. Only 100 firms have 500 or more employees, equivalent to 0.1% of the total. It must be borne in mind, however, that these figures refer only to companies based in the Norte region and exclude industrial or commercial establishments in the Norte region which belong to firms based outside the region.

Small units are particularly common in the tertiary sector (where 96% of firms have fewer than 20 workers) and in the primary sector (90%). A quarter of companies in the secondary sector employ 20 or more persons; this is therefore the sector in which most large companies in the Norte region are concentrated.

Of the 100 companies in the Norte region with more than 500 employees, 31 are in the textile and/or clothing industries and 13 in the leather and footwear branch.

Of those same 100 companies in the Norte region with over 500 employees, 52 are located in the Grande Porto zone, and a further 27 in the Ave sub-region. Neither of the two inland sub-regions (Douro and Alto Trás-os-Montes) appears on this list of the 100 leading employers.

Lastly, of the 100 biggest companies in the North (by number of employees), four are chiefly publicly-owned and 22 owned by foreign entities.

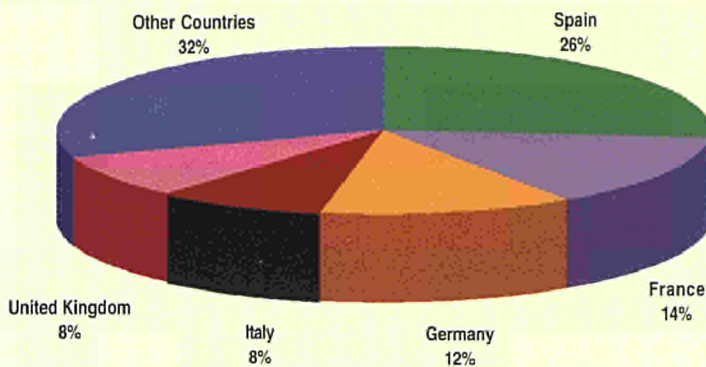
Agriculture, 1995

Holdings (No.)	152 165
Total Labour Force (ALU)	230 535
Area Under Agriculture (ha)	735 428
Head of Livestock (CN)	236 187

Main Enterprises, 1996

Name	Workforce	Activity
Modelo Continente Hipermercados, S.A.	> 4000	Supermarkets and Hypermarkets
Banco Português Atlântico, S.A.	> 4000	Banking and Finance
Soc. de Const. Soares da Costa, S.A.	> 4000	Construction
Banco Borges & Irmão, S.A.	> 3000	Banking and Finance
Efacec-Emp. Fabril de Máq. Electricas, S.A.	>3000	Mfr. Elec. Machinery & Ind. Equipment
Banco Mello Comercial, S.A.	>2000	Banking and Finance
Rohde - Soc. Ind. de Calçado Luso-Alemã, Lda.	> 2000	Footwear
Fábrica Têxtil Riopela, S.A.	> 2000	Textiles
Modelo Hiper-Exploração Centros Comerciais, S.A.	> 2000	Supermarkets and Hypermarkets
Têxtil Manuel Gonçalves, S.A.	> 2000	Textiles

Foreign Visitors, 1996



Tourist Activity

	1990	1996
Hotel Establishments (No.)	417	383
Accommodation Capacity (No.)	26 113	26 489
Total Guests (No.)	1 320 001	1 417 113
Total Overnight Stays (No.)	2 459 997	2 546 673
Occupation Rate (%)	26,17	26,71
Average Length of Stay in Nights (days)	1,86	1,80

Under-exploited tourism potential

The Norte region has two distinct tourism zones: the western half is more or less identical to the area known generically as *Costa Verde*, whose main attraction for tourists is the coastal strip, above all its beaches; the rest of the Norte region is fairly mountainous, offering good natural conditions for rural tourism, but it is little exploited for the purpose. Overall, the Norte is not one of Portugal's best-developed tourist attractions, despite its natural potential.

Some four-fifths of the available hotel accommodation is concentrated in the *Costa Verde*, the region chosen by 83% of guests accommodated in the Norte.

Turnover in the Norte region's hotels is highest in August and September and relatively sparse in January and February. Two-thirds of the guests are usually resident in Portugal. Trips are often non-touristic, so that the average length of stay is very short. The average occupancy rate is also fairly low.

Camp sites are an important adjunct to tourist accommodation in the Norte region. The number of campers frequenting the region's camp sites in 1995 was roughly a quarter of the number of hotel guests. The average length of stay at a camp site (3.2 days) is inevitably greater

than that of hotel stays, since camping holidays are always motivated by tourism.

The city of Porto concentrates its resources on health

Health structure indicators reveal extreme discrepancies between the various zones of the Norte region.

Half of the region's 59 hospitals are in Grande Porto and over a third in the city of Porto itself. The number of beds per thousand inhabitants therefore ranges from less than one in Tâmega and Entre Douro e Vouga to nearly six in Cávado and Grande Porto. Three in five hospitals are State-run.

The geographical concentration of doctors is even greater than that of hospitals: some three-quarters of clinics in the Norte are in Grande Porto. The imbalance is obvious: there are roughly ten times more physicians per thousand inhabitants in Grande Porto than in Tâmega.

The recent trend in the basic indicator of infant mortality is fairly positive: the indicator of the mid-1980s, around 20‰, fell by 50% on average from 1991 to 1995. Here, too, there are substantial intra-regional discrepancies, however: the rate of infant mortality in Alto Trás-os-Montes is around double that of Ave.

Other socio-cultural areas reflect the health picture. Some 55% of higher-education establishments in the Norte region are in the city of Porto, for example. Over 70% of public events in the region in 1994 took place in the Grande Porto zone; the figure rises to 95% if cinema showings are excluded.

Health

	Norte	Portugal
Hospital Beds per 1 000 Population 1995 (No.)	3,80	4,63
Doctors per 1 000 Population 1995 (No.)	2,55	2,96
Mean Infant Mortality Rate (‰) 1991/95	9,69	8,92

Fisheries and Maritime Transport

Fisheries	1991	1995
Vessels (No.)	2 346	2 049
Registered Fishermen (No.)	8 736	6 325
Catch Landed Quantity (t)	57 220	51 762
Catch Landed Value (1 million PTE)	9 282	8 219
Maritime Transport	1991	1995
Cargo Loaded (1 000 t)	3 309	3 100
Cargo Unloaded (1 000 t)	8 587	10 147
Port Employees (No.)	924	421
Vessels Entering Port (No.)	2 947	2 844

Major commercial port activity and a dwindling fishing fleet

The Norte region has two major commercial ports: Viana do Castelo and above all Leixões. The latter has one of Portugal's biggest freight docks, similar in size to that of Lisboa and appreciably exceeded only by Sines (which handles virtually only petroleum, petroleum derivatives and mineral fuels).

Roughly 75-80% of Portugal's international goods traffic (incoming and outgoing goods) is shipped by sea, and roughly a quarter of international movements of goods by sea (incoming and outgoing) pass through the ports of the Norte region. The cargo throughput of Leixões (situated in Grande Porto) is roughly 27 times that of Viana do Castelo (in Minho-Lima).

The Norte region is also the site of substantial fishing activity, concentrated primarily in the ports mentioned above and in Póvoa de Varzim (in Grande Porto). About a fifth of Portugal's total catch is landed in the Norte region.

Two aspects of the fishing fleet which deserve mention are its dwindling size and its current modernisation. From 1991 to 1996 the number of fishing boats registered in the Norte region fell by about 15%. This trend is due entirely to a fall in non-motorised vessels, whose numbers in 1996 were only a quarter of those recorded in 1991. Over 92% of the North fishing fleet was motorised by 1996, as compared with only about 75% in 1991.

The decline of the fishing fleet can also be seen in the number of registered fishermen, which fell by just over 25% during the five years in question, and in the quantities of fish landed in the ports, down by 23%.

The environment: some black spots

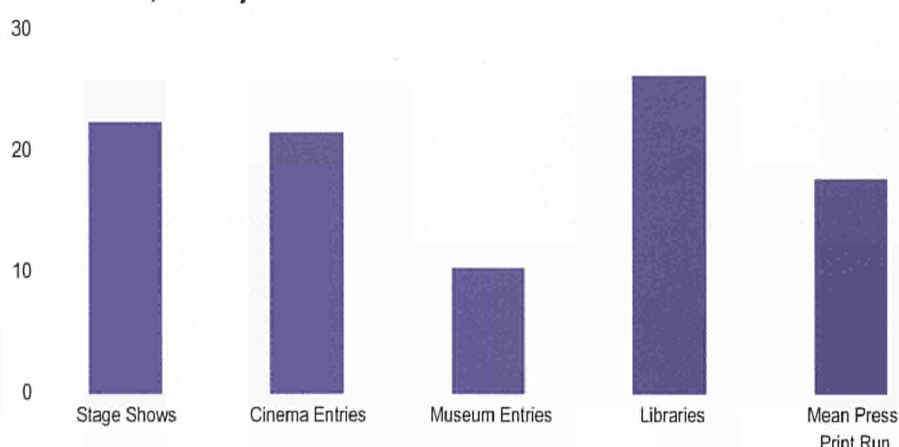
Although the environment of the Norte region is largely unscathed by industrial development in vast expanses of its territory and benefits from traditional agricultural practices, it suffers in certain areas from inadequate management.

Air quality is generally good; only in the Grande Porto zone are appreciable levels of atmospheric pollution recorded as a result of heavy road traffic and emissions from a few large industrial plants, but even these are insignificant.

The main sources of water pollution are the textile industry, olive oil production and domestic effluent, chiefly affecting the Ave, Cávado and Leça rivers.

Some 56% of the population is without a waste-water treatment system, but only 7% lack solid waste collection facilities. The forests, an important natural resource, suffer from forest fires every year. About 5% of the Norte region's woodland was destroyed by fire in 1993 and 1994. The regions has about 30 environmental-protection associations. The Peneda-Gerês and Montesinho National Parks head the list of protected areas.

1995 Culture, Country %



MINHO-LIMA



The development of rural tourism in Minho-Lima is based upon the advantage of the natural beauty and architectural patrimony of this region.

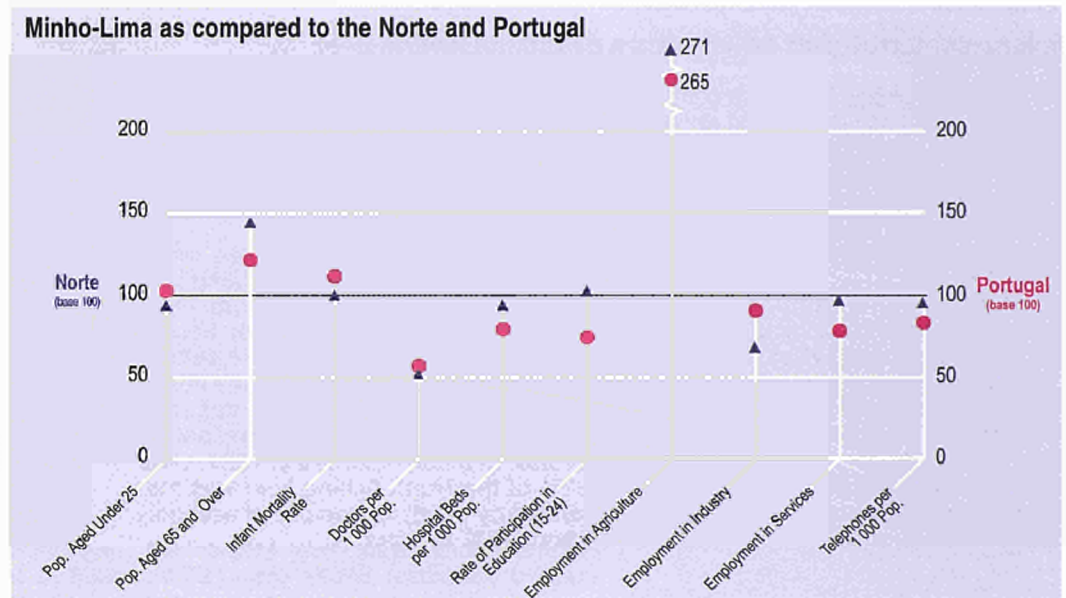
This sub-region is bounded to the north by the River Minho (here forming the border with Spain), to the west by the Atlantic Ocean, to the east by Spain and to the south by the districts straddling or flanking the left bank of the River Lima. To the south, Minho-Lima borders Cávado, another sub-region of the North of Portugal.

With an area of 2 210 sq. km, Minho-Lima is the fourth biggest sub-region of the Norte. Its coastline has a number of beaches. It has a fairly abundant river system, since the two main rivers which give the sub-region its name are served by many other small watercourses, the biggest of which are tributaries of the Minho or the Lima. The terrain, fairly flat at the coast, becomes more mountainous towards the interior, culminating in the Serra da Peneda, which borders Spain to the east. This range has a maximum altitude of 1 374 m and forms part of the Peneda-Gerês National Park, a zone of great ecological importance which, as we shall see, extends beyond the borders of the Minho-Lima sub-region.

The coastal city of Viana do Castelo is the largest conurbation in this predominantly rural sub-region.

About 35% of the territory is wooded, while 29% consists of farmland (1995 data).

Minho-Lima as compared to the Norte and Portugal



A determining geographical location

Minho-Lima, situated at the extreme north-west of Portugal, suffered for centuries from its peripheral location and its consequent inaccessibility, exacerbated by the rugged mountain terrain of its eastern zones. The recent opening-up of frontiers as part of the building of the European Union and the improved access through investment in road-building have brought new opportunities, however, and given the sub-region a different profile. Far from being a peripheral zone, the Minho-Lima of today is a point of entry into Portugal: a bridge linking Portugal and Spain via Minho and Galicia, two regions with great historical and cultural affinities.

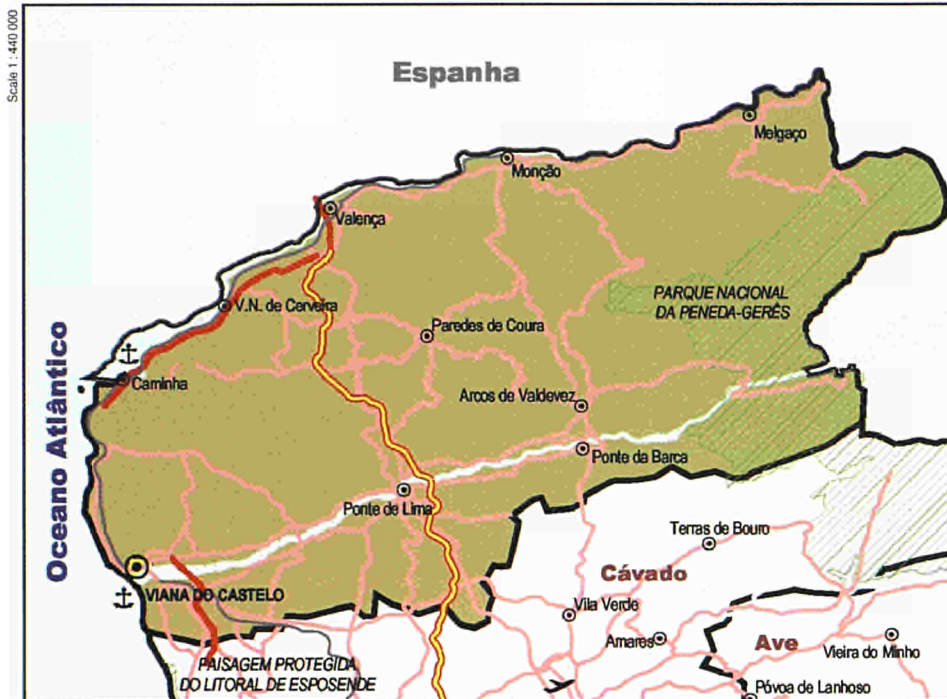
Minho-Lima's geographical position is thus a determining factor for any study of this sub-region of the Norte. It can be expected to become progressively less of an obstacle and more of a development factor.

The sub-region's years of isolation have, however, left it the legacy of an economic base centred largely on the primary sector. The industrial sector (including energy and water) employed roughly 19% of workers in 1996, and its effects are felt chiefly in the western half of Minho-

Lima, above all in Viana do Castelo.

The low average income of the population is a further determining factor. The *per-capita* purchasing power recorded in Minho-Lima is the sixth lowest of the Portuguese sub-regions.

The low level of industrial development also preserves the environment. Minho-Lima, particularly the Minho valley and the Gerês mountain range, is an area of natural beauty with ample potential for tourism. Portugal's *vinho verde*, though not exclusively from this subregion, has one of its main strongholds in Minho-Lima and is both one of the area's characteristic products and a prime asset in its economic development.



Conflicting demographic trends, low industrialisation and internal imbalances

Despite its coastal position, in some respects Minho-Lima has more in common with the sub-regions of the interior than with the more highly-developed zones of the Portuguese coast. This applies, for example, to its population and economic specialisation.

Following a drop of some seven thousand inhabitants (-2.6%) between the 1981 and 1991 censuses, during the 1990s the population figures have seen a certain stabilisation due entirely to a reversal of migratory behaviour. Since 1993 Minho-Lima has recorded a positive migratory balance, demonstrating its increasing attractiveness as a place to live.

The balance between births and deaths has, on the other hand, been negative since 1989 as a result of a drop in the birth rate – now roughly 9‰ after falling from some 16‰ in the early 1980s. The mortality rate has remained stable at around 12‰.

The halt in the population decline is not therefore preventing the ageing of the population. The proportion of under-15 age group fell from 20.6% to 17.4% between 1991 and 1995. By 1995, Minho-

Lima already had 102 residents aged over 65 for every 100 under 15; the figures for 1991 and 1981 respectively had been 81 and 52 elderly people per 100 young people.

Minho-Lima's economic structure shows limited industrialisation, above all in its eastern half, which is dominated by agriculture.

The 1991 population census reveals a large primary sector, accounting for some 30% of jobs, in Minho-Lima's employment profile. The tertiary sector dominates with 38% of jobs, with the social domain (including public administration, education and health) accounting for 18% of total employment and the distributive trades, hotels and restaurants for 15%. Only 5% of jobs are in the remaining services (transport, communications, financial services, real estate and other business services). The secondary sector is dominated by the construction industry, which in 1991 accounted for some 15% of total employment – higher than in any other sub-region of the Norte. Lastly, some 17% of jobs in Minho-Lima in that year were in manufacturing, chiefly in the textile/clothing and

timber products branches.

The 1996 data suggest a similar structure apart from a fall-off in construction (now accounting for only 10% of jobs) and an increase in services, particularly business services (now at around 7%).

The percentage of persons working for an employer (54%) is the second lowest of the sub-regions of the Norte, largely because of the dominance of family labour (above all in agriculture, but also in the distributive trades).

Only two firms in Minho-Lima employ more than 500 persons, the biggest being Estaleiros Navais de Viana do Castelo, a publicly-owned shipbuilding company with over 1 000 employees. A third of the resident population and 45% of firms in Minho-Lima are to be found in the municipality of Viana do Castelo, giving the district an industrial dynamic unparalleled elsewhere in the sub-region and three-quarters of Minho-Lima's industrial turnover.

Which EU regions are similar to the Minho-Lima?

Population density:

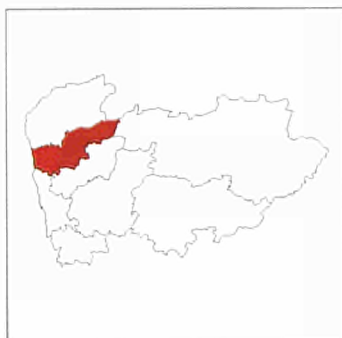
110 a 120 inhabitants per sq.km
Birkenfeld (D)
Calvados (F)

Average annual variation in population: approximately -0,4% between 1983 and 1993

Caltanissetta (I)

	Area	Resident Population	Population Change	Population Density	Schoolchildren Registered	Mean Infant Mortality Rate	Hospital Beds per 1 000 Pop.
	sq. km.	1 000	%	inhab/sq. km.	1 000	‰	No.
	1996	1996	1986/96	1996	1994/95	1991/95	1995
Minho-Lima	2 210	249,7	-3,4	113,0	46,4	9,7	3,5
Cávado	1 243	371,0	6,7	298,5	89,3	9,0	6,0
Ave	1 238	477,2	5,0	385,5	93,8	7,8	2,1
Grande Porto	817	1 191,7	2,9	1 458,7	283,2	9,9	5,5
Tâmega	2 629	531,5	1,3	202,2	97,4	10,5	1,2
Entre Douro e Vouga	859	263,1	6,1	306,3	44,8	7,9	1,2
Douro	4 112	234,7	-9,4	57,1	50,7	10,9	4,2
Alto Trás-os-Montes	8 170	225,9	-14,7	27,6	47,4	14,6	4,1
Norte	21 278	3 544,8	0,8	166,6	753,0	9,7	3,8
Portugal	91 835	9 934,1	-0,7	108,2	2 375,1	8,9	4,6

CÁVADO



The Cávado sub-region is bounded to the north by Minho-Lima and to the west by the Atlantic; at its extreme north-east it has a short border with Spain. To the south and south-east it is bounded by the River Cávado or by districts straddling or flanking its left bank. The city of Braga is the largest conurbation in a sub-region with an area of over 1 240 sq. km. Only the extreme north-east remains predominantly rural, the rest of the area showing diffuse urban settlement.

The terrain is diverse, ranging from oceanic beaches to mountains in the far north-east, dominated by the Amarela and Gerês ranges (maximum altitude 1 508 m and extending into the Alto Trás-os-Montes sub-region). Cávado includes part of the Peneda-Gerês National Park, important to nature conservation.

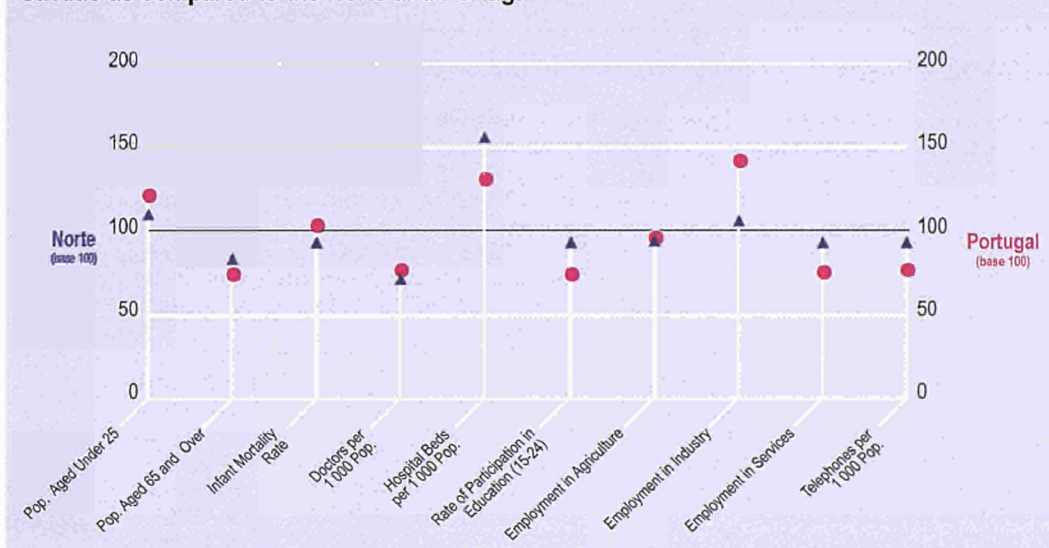
Environmental protection is also well in evidence on the coast, where the dunes are protected as an *Área de Paisagem Protegida do Litoral de Esposende*.

In 1995, 29% of the sub-region was forested and 31% farmland.



The centre of Braga is full of historical constructions, most of all religious ones. Here tradition and modernity join together.

Cávado as compared to the Norte and Portugal



Strong demographic dynamism and a shortage of business services

The Cávado sub-region has a population which is not only one of the youngest in Portugal (on a par with other sub-regions of the North, such as Ave and Tâmega), but also one of the fastest-growing.

Cávado is also relatively well-served by communal facilities and records some of the best values for certain social indicators of the sub-regions of the Norte. It has, for example, the second best hotel network in the North (14 establishments), surpassed only by Grande Porto. In the health field, Cávado has ten hospitals, eight of which are in the private sector. The average number of beds per thousand inhabitants (about six) is the highest in the Norte region.

In the cultural area, the proportion of the resident population of Cávado having attended public cultural events in 1995 was higher than in any other sub-region of the Norte. The 50 publications issued in Cávado also recorded the highest average annual print run per publication per 100 inhabitants for the region.

Where education is concerned, the University of Minho in Braga is one of the largest in the country in terms of student numbers and the

second largest in the Norte region.

The dynamism of the city of Braga itself, one of the main urban centres of the Norte region, can be viewed as a development factor for the Cávado sub-region.

Cávado's economic structure shows a relatively large industrial base and an appreciable degree of diversification. There is, however, a distinct shortage of market services other than the distributive trades, hotels and restaurants – i.e. of services intended primarily for businesses – i.e. of services intended primarily for businesses. In 1996, only 5% of jobs in Cávado were in this branch – the lowest figure of the sub-regions of the Norte.



and 5% in the rest of the tertiary sector (chiefly business services). Lastly, construction provided 12% of jobs and the primary sector 11%.

The data available for 1996 indicate a fall-off in the relative importance of manufacturing which, together with the extraction industry and the energy and water branch, now accounts for only 35% of jobs in Cávado. This trend will have been offset by an increase in the tertiary sector, particularly in the distributive trades, hotels, restaurants and services of a predominantly social nature.

Cávado has five companies with over 500 employees, three of which are in the consumer electronics field while the other two are textile firms. Blaupunkt Auto-Rádio Portugal Ltd employs some 2 000 persons.

Economic structure following the dynamic demographic trend

The growth in Cávado's population has been accompanied by a dynamic economy, giving it the lowest unemployment figures in the Norte region (4.4% in 1996).

Between the 1981 and 1991 censuses the resident population of Cávado grew by some 24 000 (+7.4%). The rate of demographic growth increased further in the 1990s to the current rate of 1% per year. Over the past ten years Cávado has shown the second fastest population growth rate in the country.

The population expansion is due primarily to natural growth, evidenced in the difference between births and deaths. Although the birth rate declined by some 20‰ in the early 1980s to the current figure of 13‰, it is the second highest of the Norte sub-regions. The mortality rate is also one of the lowest, at around 8‰. In recent years Cávado's population growth has been further supplemented by migration, which in the 1980s showed slightly negative figures.

With such a dynamic demographic structure it is hardly surprising that Cávado has

a fairly young population, even though some ageing of the population is evident. Cávado's ageing coefficient, which in 1981 was 27 inhabitants aged over 65 per 100 aged under 15, had risen by 1995 to 47 over-65s per 100 under-15s.

Manufacturing is crucial to Cávado's economic structure. The municipalities of Braga and Barcelos dominate business activity, accounting for over four-fifths of Cávado's businesses plus, of course, workers and turnover. Municipalities such as Terras de Bouro, Amares and Vila Verde, on the other hand, record little business activity, most employment being in the primary sector (according to 1991 data).

In 1991, manufacturing provided some two-fifths of all employment in Cávado, above all in textiles and clothing, which accounted for one in four jobs. The tertiary sector accounted for 37% of total employment, 17% of which was in services of a predominantly social nature (including public administration, education, health and personal services), 15% in the distributive trades, hotels and restaurants

Which EU regions are similar to the Cávado?

Population density:
280 a 290 inhabitants per sq.km.
Turnhout (B)
Rastatt (D)

Average annual variation in population:
approximately 0,6% between 1983 and 1993
Pyrenées Atlantiques (F)
Groot - Rijnmond (NL)

	Area	Resident Population	Population Change	Population Density	Schoolchildren Registered	Mean Infant Mortality Rate	Hospital Beds per 1 000 Pop.
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Norte	21 278	3 544,8	0,8	166,6	753,0	9,7	3,8
Portugal	91 835	9 934,1	-0,7	108,2	2 375,1	8,9	4,6

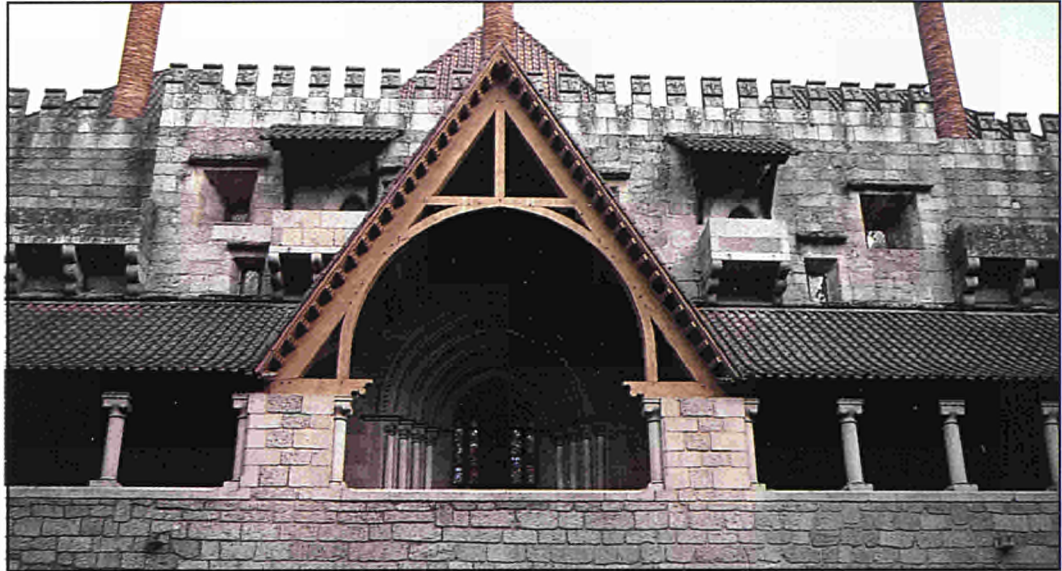
AVE



The Ave sub-region with an area of 1 240 sq. km, is bounded to the north-west by Cávado and to the south-east by the Tâmega sub-region. The River Ave, which crosses the whole of Ave from north-east to south-west from its source in the Serra da Cabreira to the frontier with Grande Porto, and its many tributaries are the sub-region's unifying feature. The final stretch of the River Ave and its mouth at the Atlantic are outside the Ave sub-region, however.

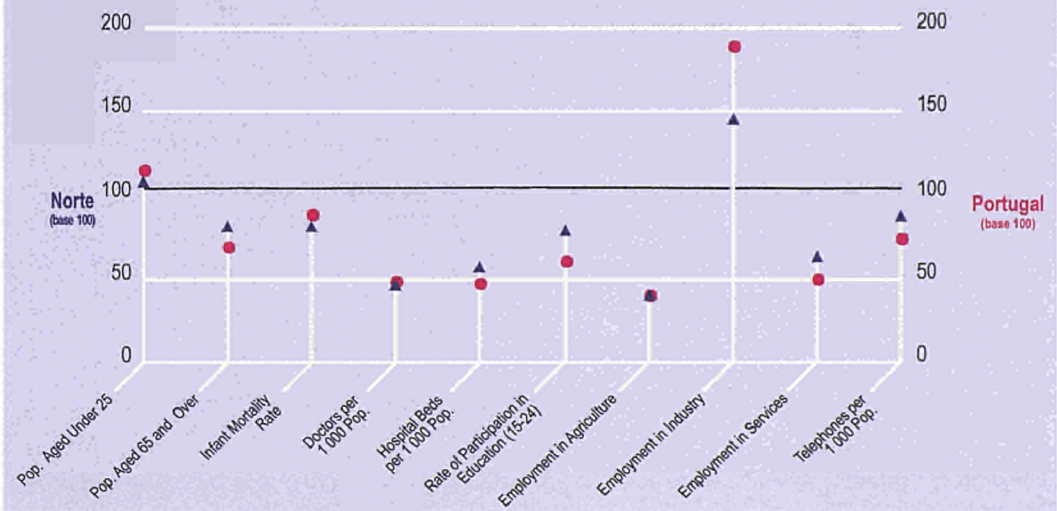
The far north of this sub-region is rural. Apart from this, Ave is the second most urban sub-region in the Norte after Grande Porto. It has several medium-sized towns, including Guimarães, the *cidade-berço*, so called because of its seminal role in the founding of the Portuguese nation, the cradle of Portuguese civilisation.

The 1995 figures on land use revealed a pattern of 33% farmland and 43% woodland.



In XII century, the Portucalense county, from which Portugal was formed, had its sovereigns residence placed in Guimarães. That's why it is said that "Here was born Portugal".

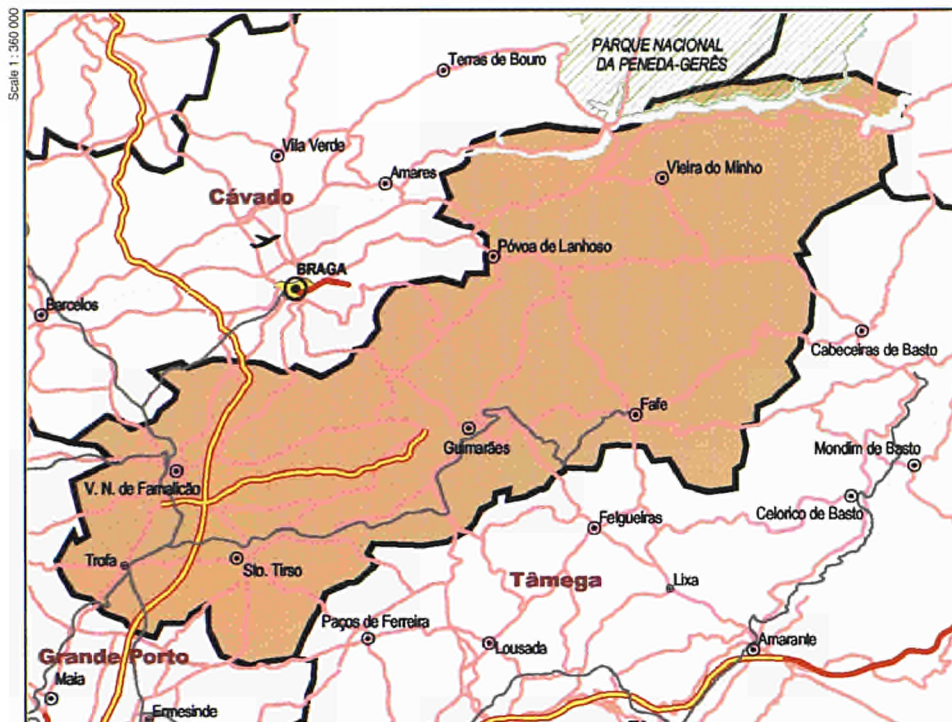
Ave as compared to the Norte and Portugal



Marked urbanisation and a dominant textile industry

The Ave sub-region is indissolubly linked with the textile and clothing industry, which provides most of the employment in the area and accounts for most of its business turnover. Over two-fifths of jobs in the textile industry in the Norte are to be found in Ave. The textile and clothing branch is thus the main driving force behind the sub-region's economic structure. Ave's economy is, in fact, almost excessively dependent on textiles and clothing. Since most of the output from these industries is destined for export, Ave is somewhat vulnerable to fluctuations in the relevant international markets. Since low productivity and low earnings are further characteristics of these branches, they have scant effect on the local economy in terms of the creation and distribution of wealth. In demographic terms, Ave is relatively young and is subject to less ageing of the population than most other sub-regions of Portugal. The region's proportion of persons aged 65 or over, when compared to its total population is lower in Ave than in any other sub-region. Ave's industrial and demographic dynamic to some extent explains the existence in the sub-region of a substantial network of medium-

sized towns or even of a conurbation taking in much of the municipalities of Guimarães, Santo Tirso and Vila Nova de Famalicão. The strong manufacturing sector means high rates of employment amongst the under 25 age group. Ave, like Tâmega and Entre Douro and Vouga, thus has one of Portugal's lowest percentages of students in the population aged 15 to 24 (23.5% in 1991). Lastly, it is worth mentioning that Ave has the lowest rate of infant mortality in the Norte.



A young population and a strong manufacturing base

Ave has the fourth densest population of the sub-regions of Portugal, after Grande Lisboa, Grande Porto and the Setúbal Peninsula. The municipalities of Guimarães, Vila Nova de Famalicão and Santo Tirso account for over four-fifths of the population of Ave.

Between 1981 and 1991 the number of residents in Ave increased by some 28 000 (+6.5%). From 1991 to 1996 the population again increased, this time by some 18 000 (+3.8%).

The growth in Ave's population is due to an excess of births over deaths. The birth rate, which was around 19‰ in the early 1980s, has now dwindled to 13‰. The mortality rate is the lowest of the sub-regions of the Norte, remaining stable at just above 7‰. Between 1985 and 1991 Ave recorded fairly high negative migration figures, but these were not sufficient to offset the natural demographic growth. Since then the migration rates have been lower and in recent years have even turned positive.

With its very young population Ave is, together with Cávado and Tâmega, one of the sub-regions of the North in which over

a fifth of the population is aged 15 or under. Yet even Ave's population is ageing, albeit slowly. Its 1995 ageing coefficient was 47 over-65s per 100 aged 15 or under. In 1981 there had been only 26 elderly per 100 young people.

Ave's economic structure is dominated by manufacturing, which in 1991 provided nearly 63% of jobs, 48% in the textile and clothing branch. Construction accounted for some 9% of employment in Ave and the tertiary sector 24%: 11% in the distributive trades, hotels and restaurants, 10% in social services (public administration, education, health and personal services) and only 3% in other services. Roughly 4% of jobs were in the primary sector.

The latest (1996) data show a slight decline in industrial jobs (now accounting for only 53% of the total), offset above all by more jobs in the distributive trades, hotels and restaurants (now 15%) and in transport, communications, financial services, real estate and other business services, which now provide 6% of the sub-region's employment. The percentage of persons working for an employer – 83%

is the highest in the Norte region. Some of the largest companies in the Norte region are in Ave, which accommodates 27 of the region's 100 biggest employers, 20 in the textile and clothing industry and six, only one of which is in the textile branch, with a majority of foreign shareholders.

Ave's lively economic activity is not always matched in other fields. There is, for example, no record of any public cultural events other than cinema sessions. The 35 publications issued in Ave total an average annual *per capita* print run which is the second lowest in the Norte region, exceeding only that of the relatively deprived sub-region of Alto Trás-os-Montes.

Which EU regions are similar to the Ave?

Population density:

370 a 380 inhabitants per sq.km.
Lombardia (I)
Leuven (B)

Average annual variation in population: approximately 0,5% between 1983 and 1993

Côte-d'Or (F)
Drama (EL)

	Area	Resident Population	Population Change	Population Density	Schoolchildren Registered	Mean Infant Mortality Rate	Hospital Beds per 1 000 Pop.
	sq. km.	1 000	%	inhab/sq. km.	1 000	‰	No.
	1996	1996	1986/96	1996	1994/95	1991/95	1995
Minho-Lima	2 210	249,7	-3,4	113,0	46,4	9,7	3,5
Cávado	1 243	371,0	6,7	298,5	89,3	9,0	6,0
Ave	1 238	477,2	5,0	385,5	93,8	7,8	2,1
Grande Porto	817	1 191,7	2,9	1 458,7	283,2	9,9	5,5
Tâmega	2 629	531,5	1,3	202,2	97,4	10,5	1,2
Entre Douro e Vouga	859	263,1	6,1	306,3	44,8	7,9	1,2
Douro	4 112	234,7	-9,4	57,1	50,7	10,9	4,2
Alto Trás-os-Montes	8 170	225,9	-14,7	27,6	47,4	14,6	4,1
Norte	21 278	3 544,8	0,8	166,6	753,0	9,7	3,8
Portugal	91 835	9 934,1	-0,7	108,2	2 375,1	8,9	4,6

GRANDE PORTO



The city of Porto (the biggest in the Norte region and the second largest in the country) exerts polarisation effects far beyond its physical borders, forming a conurbation covering most of the 820 sq. km of this sub-region, which is the smallest in the Norte in terms of area. Urban settlement is, however, less intensive in certain areas of Grande Porto which have more of a semi-urban character – above all the extreme south-east and the northern zones, except the coastal strip.

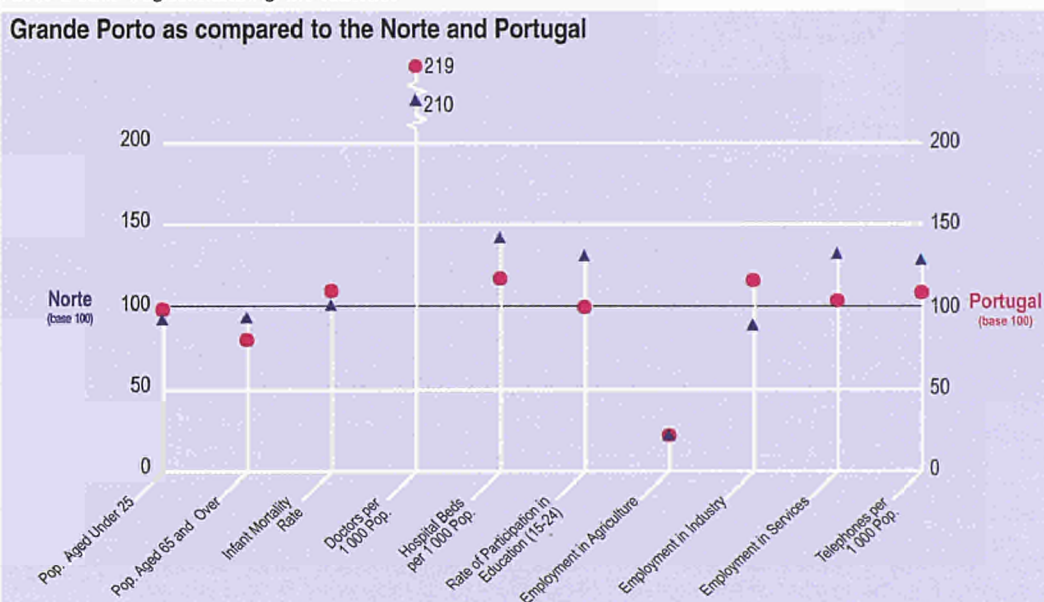
Over half the coastline of the Norte is in Grande Porto. Its beaches suffer from the effects of a dense population, however. The mouths of three rivers lie within the sub-region: the Ave (at Vila do Conde), the Leça (at Matosinhos) and the Douro (one of the great rivers of the Iberian Peninsula, which flows into the sea between Porto and Vila Nova de Gaia).

The excellent access to Grande Porto makes it (and above all Porto itself) the point of departure for all main lines of communication, particularly road links, across the north of Portugal, whether in a northerly direction (Braga, Minho, Spain), towards the interior (Vila Real, Bragança etc.) or to the south (Lisboa, the Algarve and beyond).

In 1995, 29% of the area of Grande Porto was wooded and 26% was farmland.



Porto historical centre, classified as worldwide patrimony, is an urban agglomeration which grew from the River Douro edges climbing the hillside.



A metropolitan district concentrating the resources of the Norte

The attractions of this metropolitan district centred in Porto are such that it now houses a third of the population and around half of all businesses in the North; its network of infrastructures and communal facilities is also unequalled in the region. Some of Grande Porto's functions thus extend beyond its actual territory and serve the whole of the Norte, making it the true regional centre.

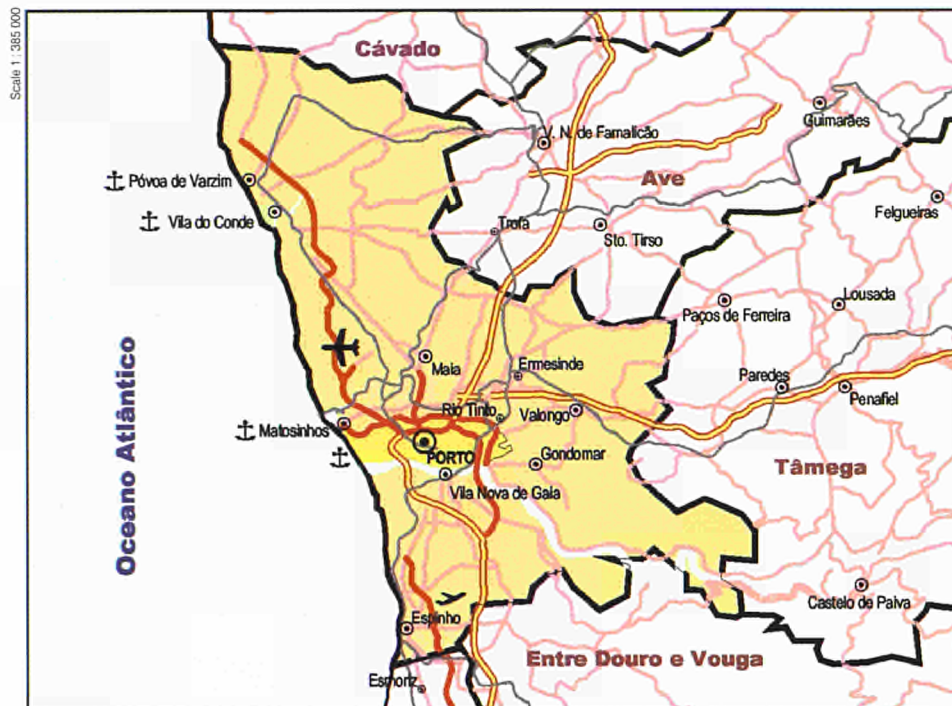
In addition to the road and rail network linking Grande Porto with the whole of the Norte region, the rest of Portugal and Europe, the sub-region has a major commercial seaport and the North's only international airport, both essential to an internationalised regional economy.

The concentration of facilities and resources in this sub-region makes itself felt in various fields. In the health sector, for example, half of the Norte region's hospitals and 70% of its doctors are in Grande Porto, which has at least three times as many doctors as any other sub-region of the Norte. 70% of the Norte region's students in higher education study in Grande Porto. The sub-region's hotel capacity is 55% of the total for the region, and it has more

fixed-line telephones than any other sub-region of the North.

The *per capita* purchasing power of the Grande Porto population is exceeded in Portugal only by that of Grande Lisboa.

Grande Porto's attractions are likewise reflected in its population density, which is by far the highest in the Norte, and in the presence of 15 of the 20 largest employers in the region. The pressures arising from the development of the metropolitan district create imbalances in certain areas, environmental degradation and social exclusion being two of the problems encountered. Grande Porto inevitably has the highest unemployment rate of the sub-regions of the Norte (10.2% in 1996).



A distinctive demographic trend and growth in service jobs

The demographic trends in Grande Porto are typical of a metropolitan district, showing population losses in the centre of Porto and gains in the suburbs. Grande Porto also appears gradually to be turning into a centre for services.

The population of Grande Porto increased by some 50 000 (+ 4.5%) between 1981 and 1991 and by another 20 000 (+ 1.7%) between 1991 and 1995. Demographic growth was seen in most municipalities in the sub-region, but not in Porto, which lost 25 000 inhabitants between 1981 and 1991 and another 20 000 by 1995. Grande Porto shows a positive but dwindling natural population balance (the difference between live births and deaths). The birth rate fell by roughly 16‰ to 12‰ between the early 1980s and the mid-1990s, while the mortality rate varied between 8‰ and 9‰. Here, too, the Porto municipality distinguished itself by being the only sub-region to register a negative natural population growth: since the beginning of the 1990s its birth rate has fallen by some 12‰ to 10‰ while the mortality rate varied between 11‰ and 12‰.

During the 1980s Grande Porto recorded negative and sometimes strongly negative migration rates, but these were never enough to offset the growth in the population. By the 1990s slightly positive migration rates had begun to appear. The Porto municipality still shows fairly strongly negative migration rates, however.

The ageing coefficient of the population resident in the city of Porto (which in 1995 showed 106 persons aged over 65 per 100 under 15) is far above that of any other municipality in the sub-region. Grande Porto as a whole also shows increasing ageing of the population, with 65 elderly persons per 100 young people in 1995, compared with only 34 in 1981.

The decline in the population of the Porto municipality does not mean that there is less employment in the city, however. Many workers commute to the city, bringing traffic congestion on its main access routes.

Employment patterns in Grande Porto show increasing specialisation in the tertiary sector.

The 1991 census data attribute roughly 53% of jobs to the tertiary sector: 21% to the distributive trades, hotels and restaurants, 20% to services of a social nature (chiefly public administration, education, health and personal services) and 12% to transport, communications, financial services, real estate and other business services. Manufacturing accounted for 34% of jobs in Grande Porto, with the textile industry providing 14%. Construction provided 10% of jobs and the primary sector 2%.

The data available for 1996 show heavy losses in the relative weight of manufacturing and the construction industry, which now account for only 30% of jobs in Grande Porto. The percentages of jobs in services have increased accordingly: education from 5% in 1991 to 10% in 1995), real estate and business services from 4% to 7%, health also from 4% to 7%, the distributive trades, hotels and restaurants from 21% to 24% and financial intermediation and insurance from 3% to 5%.

Which EU regions are similar to the Grande Porto?

Population density:

1400 a 1500 inhabitants per sq.km.
Oldenburg, Krfr. St. (D)
Würzburg, Krfr. St. (D)

Average annual variation in population:

approximately 0,3% between 1983 and 1993

Zuid-Limburg (NL)
Rieti (I)

Area	Resident Population	Population Change	Population Density	Schoolchildren Registered	Mean Infant Mortality Rate	Hospital Beds per 1 000 Pop.
	sq. km.	1 000	%	inhab./sq. km.	1 000	No.
	1996	1986/96	1996	1994/95	1991/95	1995
Minho-Lima	2 210	249,7	-3,4	113,0	46,4	3,5
Cávado	1 243	371,0	6,7	298,5	89,3	6,0
Ave	1 238	477,2	5,0	385,5	93,8	2,1
Grande Porto	817	1 191,7	2,9	1 458,7	283,2	5,5
Tâmega	2 629	531,5	1,3	202,2	97,4	1,2
Entre Douro e Vouga	859	263,1	6,1	306,3	44,8	1,2
Douro	4 112	234,7	-9,4	57,1	50,7	4,2
Alto Trás-os-Montes	8 170	225,9	-14,7	27,6	47,4	4,1
Norte	21 278	3 544,8	0,8	166,6	753,0	3,8
Portugal	91 835	9 934,1	-0,7	108,2	2 375,1	4,6

Norte

TÂMEGA



The Tâmega, is the third largest sub-region, with 2 630 sq. km, in the Norte of Portugal, having borders with five other sub-regions of the Norte and also with the Centro region.

Some parts of Tâmega, above all those in the north, are extremely rural, while other areas, such as those closest to Grande Porto and Ave, are fairly heavily built up. Some 46% of the total area was wooded in 1995 and 19% was farmland.

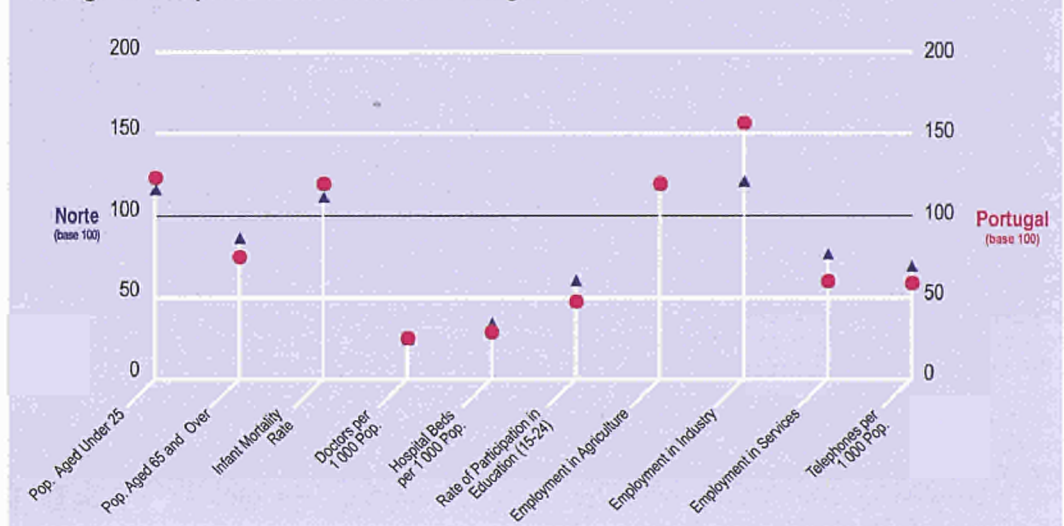
The sub-region has a fairly network of watercourses, dominated by the River Tâmega, which rises in Spain and crosses the sub-region from north-east to south-west from the Ribeira de Pena to the meeting-point of the municipalities of Penafiel, Marco de Canaveses and Castelo de Paiva. Here the Tâmega flows into the River Douro, which crosses the sub-region in an east-west direction, separating the municipalities of Baião, Marco de Canaveses and Penafiel on its right bank from Resende, Cinfães and Castelo de Paiva on its left bank. In addition to various minor watercourses there is also the River Sousa, which runs parallel to the Tâmega from Felgueiras to Paredes before entering the sub-region of Grande Porto, where it meets the Douro.

The most salient feature of the sub-region's relief is the Serra de Marão range (1 416 m) in the municipalities of Amarante and Baião, at the frontier with the Douro sub-region.



This region, strongly heterogeneously, shows up a ruralism, which is clear in many parcels of its territory.

Tâmega as compared to the Norte and Portugal



A young population with low purchasing power in a heterogeneous sub-region

Together with Ave and Cávado, Tâmega is one of the sub-regions of the North with least ageing of the population. The proportion of residents aged under 25 is one of the biggest in the country, exceeded only by that of the Açores.

Tâmega is, however, relatively under-developed in terms of social provision. In the health field, for example, there are fewer hospital beds and physicians per thousand inhabitants in Tâmega than in any other sub-region of the North. Tâmega has only one higher-education establishment, and that belongs to the private sector. In 1991 Tâmega was the sub-region of Portugal with the lowest percentage of students in the population aged 15 to 24. It is also the sub-region of the North with the fewest fixed-line telephones per thousand inhabitants. Cultural activity is limited: as in Ave and Douro, cinema sessions are the only public cultural event, and even these are relatively poorly attended, audience numbers per thousand inhabitants of Tâmega being the lowest in the Norte region.

The population of Tâmega has little purchasing power. Only one other sub-region of Portugal (Pinhal Interior South, in the Centre region) has a *per capita* purchasing power smaller than that of Tâmega.

Another salient feature of Tâmega is its heterogeneity, as reflected in the purchasing power of the population and in the industrial specialisation of the sub-region. The most northerly municipalities (the Basto zone and Ribeira de Pena) and the extreme south-east (Cinfães, Resende and Baião) record particularly low levels of purchasing power; these are areas dominated by the primary sector. In the remaining municipalities, however, where purchasing power is a little higher, manufacturing is the main sector of activity.



employment in this branch in the Norte region.

The dominant industry in Lousada was textiles, however, which in 1991 provided 39% of jobs in the municipality. The textile industry is fairly widespread, however, and is well represented not only in other municipalities of Tâmega (such as Paços de Ferreira, Penafiel and Marco de Canavezes), but also in other sub-regions of the Norte.

The furniture industry is particularly highly concentrated in Paredes and Paços de Ferreira. In 1991, some two-fifths of all jobs in this branch in the Norte region were in these two municipalities.

Tâmega has six companies employing over 500 persons in the construction industry and in footwear and clothing.

Different industries in different municipalities

The resident population of Tâmega grew by some 12 000 (+2.4%) between 1981 and 1991 and by another 13 000 (+2.5%) by 1995. The sub-region systematically has more births than deaths; it also has a negative migration rate, which from 1987 to 1990 was sufficient to shrink the resident population.

The birth rate is the highest in the Norte region, despite falling by some 20‰ to 14‰ since the early 1980s. The mortality rate has remained stable at around 8‰. The age structure shows a very young population, even though progressive ageing is apparent: in 1981 Tâmega had only 27 over-65s for every 100 under-15s; by 1995 this had become 46 aged over 65 per 100 aged under 15.

According to the 1991 census data, the sectoral structure of employment in Tâmega was dominated by manufacturing, which provided 42% of jobs, chiefly in textiles (16% of the total), the leather and footwear industry (9%) and a miscellaneous group of branches led by the furniture trade (10%). The tertiary sector accounted for some 30% of jobs in 1991:

14% in the distributive trades, hotels and restaurants, 13% in services of a social nature (public administration, health, education and personal services) and 3% in transport, communications, financial services, real estate and other business services. The primary sector provided only 16% of jobs, 2% of which were in the extractive industry. Lastly, 12% of all jobs in Tâmega in 1991 were in construction.

The data available for 1996 is incomplete, but nevertheless indicates a fall-off in the employment share of manufacturing which, together with the extractive industry and energy and water supply, now accounts for only 37% of jobs. The distributive trades, hotels and restaurants have increased their share to 17%, as have transport, communications, financial services, real estate and other business services, which now provide 6% of all jobs. Some of Tâmega's municipalities specialise very strongly in certain branches of industry.

The leather and footwear trade, for example, provided 49% of jobs in 1991 in Felgueiras, which provided a fifth of all

Which EU regions are similar to the Tâmega?

Population density:
190 a 200 inhabitants per sq.km.
Veurne (B)
Valencia (E)

Average annual variation in population:
approximately 0,1% between 1983 and 1993
Oost - Groningen (NL)
Oristano (I)

	Area	Resident Population	Population Change	Population Density	Schoolchildren Registered	Mean Infant Mortality Rate	Hospital Beds per 1 000 Pop.
	sq. km.	1 000	%	inhab/sq. km.	1 000	‰	No.
	1996	1996	1986/96	1996	1994/95	1991/95	1995
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Ave	1 238	477,2	5,0	385,5	93,8	7,8	2,1
Grande Porto	817	1 191,7	2,9	1 458,7	283,2	9,9	5,5
Tâmega	2 629	531,5	1,3	202,2	97,4	10,5	1,2
Entre Douro e Vouga	859	263,1	6,1	306,3	44,8	7,9	1,2
Douro	4 112	234,7	-9,4	57,1	50,7	10,9	4,2
Alto Trás-os-Montes	8 170	225,9	-14,7	27,6	47,4	14,6	4,1
Norte	21 278	3 544,8	0,8	166,6	753,0	9,7	3,8
Portugal	91 835	9 934,1	-0,7	108,2	2 375,1	8,9	4,6

ENTRE DOURO E VOUGA



This sub-region, with roughly 860 sq. km is located between the Douro and the Vouga is a small area at the southern limit of the Norte region of Portugal and is separated from the sea by only a few kilometres. It lies at the edges of two important areas of influence and happens to draw benefit from both – from Porto to the north and from Aveiro to the south.

Entre Douro e Vouga has borders to the north with the sub-regions of Grande Porto and Tâmega and to the south, east and west with the Centro region of Portugal.

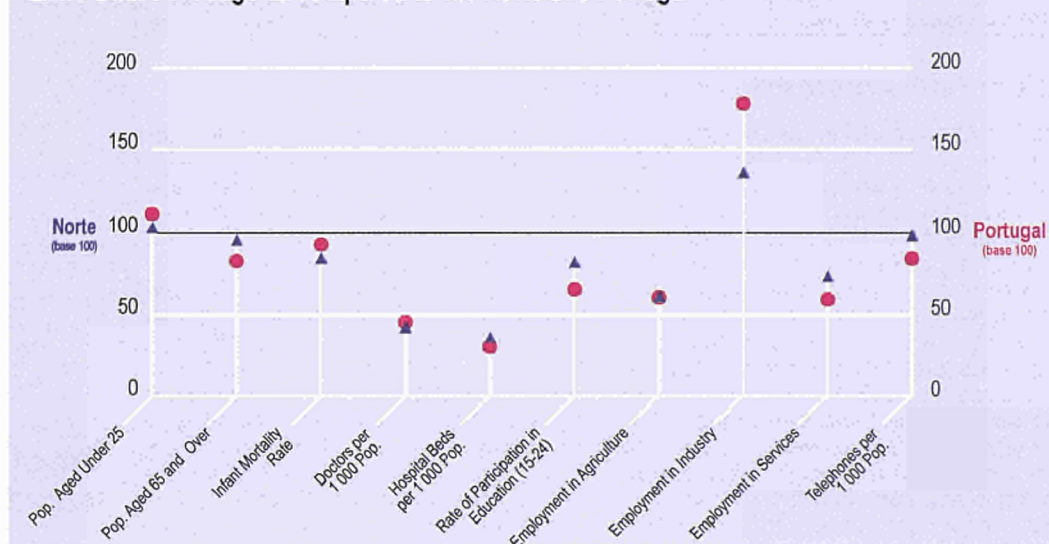
The western half of the sub-region is predominantly urban or semi-urban; its eastern half, consisting of uplands including the Freita range and part of the Arada range, is clearly rural. Entre Douro e Vouga is the sub-region of the Norte with the smallest utilised agricultural area in percentage terms (only 12% in 1995); to compensate, it has the largest percentage of woodland (52%).

The Rivers Douro and Vouga, which give the area its name, are both outside its limits. The sub-region has an abundant network of watercourses, but these tend to be relatively small, the largest being the Rivers Paiva, Arda and Caima.



At Santa Maria da Feira people can find a new area to support business activity, where industrial fairs and related events can take place.

Entre Douro e Vouga as compared to the Norte and Portugal



Heavy industrialisation and a high activity rate

Entre Douro e Vouga is the second most industrialised sub-region in the Norte, after Ave. Its specialisation differs from that of the rest of the Norte region.

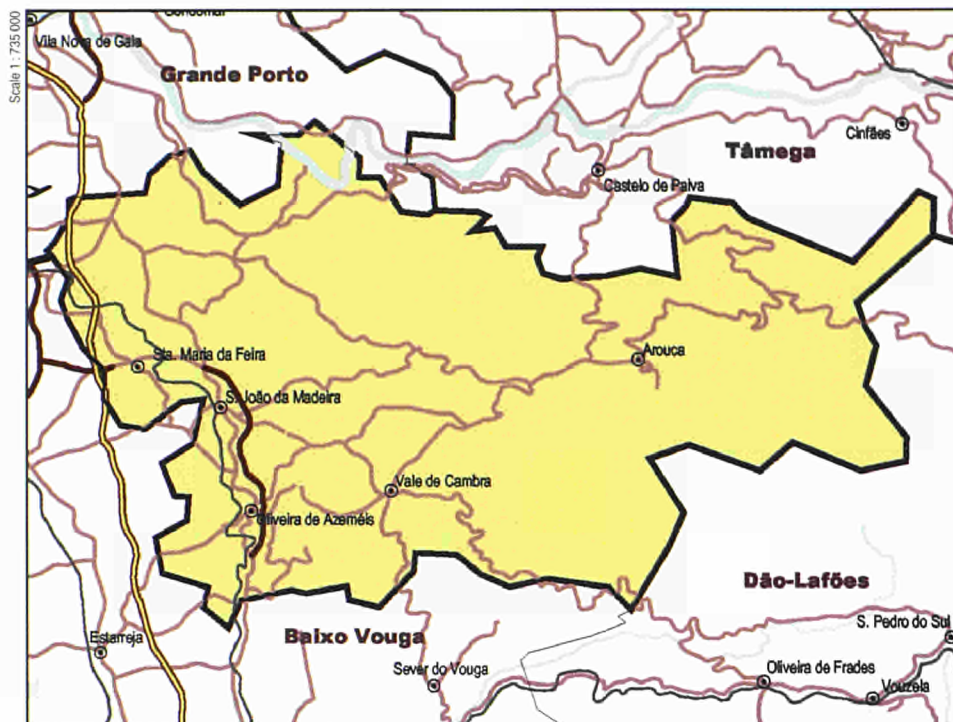
The three main industries are base metals and metal products and the wood and cork and above all leather and footwear branches, both of which are more highly concentrated in Entre Douro e Vouga than anywhere else in the Norte. In 1991 the sub-region accounted for some 39% of all jobs in the wood and cork products branch in the Norte of Portugal and, in 1995, for some 46% of all employees of wood and cork companies in the Norte region. Entre Douro e Vouga accounted for 45% of jobs in leather and footwear in the Norte region in 1991 and for 41% of all employees in the branch in 1995. The strong export drive of these two industries sustains an internationalised economy in Entre Douro e Vouga and is the source of much of the internationalisation of the Norte region as a whole.

Entre Douro e Vouga also records the highest activity rates and the second lowest unemployment rate (close behind Cávado and with a virtually identical value) in the Norte of Portu-

gal. The number of students in the population aged 15 to 24 in 1991 was low, however (at 23.8%, the third lowest value in Portugal, after Tâmega and Ave), indicating that the young people of the sub-region tend to enter the labour market at an early age.

The economic structure of Entre Douro e Vouga also shows a lack of development of business services to cater for the lively industrial activity in the area. The proximity of the metropolitan districts of Aveiro and above all Porto, where there is a good supply of this type of services, has alleviated this problem, however. Between 1991 and 1996 there was nevertheless a certain amount of growth in this sector: in recent years the municipality of Santa Maria da Feira has seen the development of a substantial business support structure with, *inter alia*, an exhibition hall and conference centre.

ENTRE DOURO E VOUGA



growth in business services (now providing 6% of jobs). Services of a predominantly social nature and the primary sector together provide 26% of employment, which implies a substantial growth in this type of service.

The largest urban centre in Entre Douro e Vouga is the city of São João da Madeira, whose attraction as a workplace is demonstrated by the fact that its workforce is almost twice the size of its resident population.

Eight of the 100 biggest employers in the Norte region, each with over 500 employees, are located in Entre Douro e Vouga, but only two of these employ more than 1 000 persons. Half of these companies, including the three largest employers, have a majority of foreign shareholders.

Strong population growth and foreign capital in the biggest companies

In the past ten years Entre Douro e Vouga has recorded the third biggest population growth of the sub-regions of Portugal, after the Península de Setúbal and Cávado. The number of residents in Entre Douro e Vouga increased by over 15 000 (+6.5%) between 1981 and 1991 and by another 9 000 (+3.4%) by 1995 — a result of natural population growth (the balance between live births and deaths), despite a drop of 17‰ in the birth rate to roughly 12‰ since the early 1980s. The mortality rate varied between 7 and 8‰ in this period. Migration rates remained very slightly negative throughout the 1980s.

The falling birth rate has, of course, brought with it some ageing of the population, but by no means the most marked in the Norte region. The number of residents aged over 65 per 100 aged under 15 increased from 30 to 58 between 1981 and 1995.

Entre Douro e Vouga's economic structure is dominated by the secondary sector, which in 1991 provided two-thirds of all jobs. Manufacturing accounted for 58% of jobs in the sub-region, with leather

and footwear accounting for 26%, wood and cork products 11% and base metals and metal products 7%. Only 8% of jobs were in construction — the lowest figure in the Norte region. The tertiary sector provided 27% of employment in Entre Douro e Vouga, with the distributive trades, hotels and restaurants providing 13%, services of a social nature (public administration, health, education and personal services) 10% and transport, communications, financial services, real estate and other business services only 4%. Lastly, the primary sector accounted for 6% of jobs in the sub-region.

The structure revealed in 1991 shows certain variations, however, with the primary sector taking a bigger share in the less densely-populated municipalities of the east (a third of all jobs in Arouca and 21% in Vale de Cambra) and manufacturing a smaller share (26% in Arouca and 43% in Vale de Cambra).

The data available for 1996 are still incomplete, but they indicate a fall-off in the share of the secondary sector (now accounting for only 56% of jobs) and a

Which EU regions are similar to the Entre Douro e Vouga?

Population density:

290 a 300 inhabitants per sq.km.

Catania (I)

Oost - Nederland (NL)

Average annual variation in population:

approximately 0,6% between

1983 and 1993

Kop van Noord - Holland (NL)

Oxfordshire (UK)

	Area	Resident Population	Population Change	Population Density	Schoolchildren Registered	Mean Infant Mortality Rate	Hospital Beds per 1 000 Pop.
	sq. km.	1 000	%	inhab/sq. km.	1 000	‰	No.
	1996	1996	1986/96	1996	1994/95	1991/95	1995
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Ave	1 238	477,2	5,0	385,5	93,8	7,8	2,1
Grande Porto	817	1 191,7	2,9	1 458,7	283,2	9,9	5,5
Tâmega	2 629	531,5	1,3	202,2	97,4	10,5	1,2
Entre Douro e Vouga	859	263,1	6,1	306,3	44,8	7,9	1,2
Douro	4 112	234,7	-9,4	57,1	50,7	10,9	4,2
Alto Trás-os-Montes	8 170	225,9	-14,7	27,6	47,4	14,6	4,1
Norte	21 278	3 544,8	0,8	166,6	753,0	9,7	3,8
Portugal	91 835	9 934,1	-0,7	108,2	2 375,1	8,9	4,6

DOURO

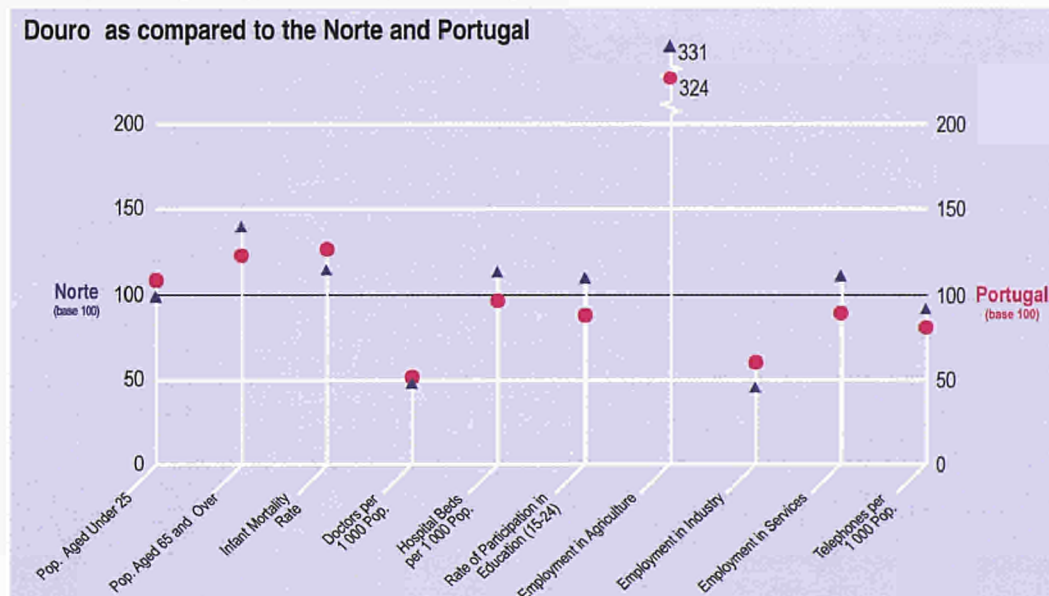


River Douro winds its way through highly declivous hillsides, where the soil utilisation is made in terraces, revealing the typical landscape of this region.

Bounded to the east by the River Douro (here forming the frontier with Spain), to the north by the sub-region of Alto Trás-os-Montes, to the west by the sub-region of Tâmega and to the south by the Centro region of Portugal, Douro has an area of 4 110 sq. km, making it the second largest sub-region in the Norte. In 1995, about 32% of its area was wooded and 34% farmland.

The sub-region is profoundly rural, the main centre of population being the conurbation formed by Vila Real, Peso da Régua and Lamego at the western fringe of the Douro area.

Watercourses are plentiful and are dominated by the River Douro which, after forming the frontier with Spain, crosses the entire sub-region in an east-west direction, appearing in twelve of Douro's 19 municipalities. The steep-sided Douro valley forms the typical landscape of the area. Some of the major Douro tributaries are the Rivers Côa, Sabor, Tua, Pinhão and Corgo.



Sparse economic activity despite the production of port wine

This sub-region encompasses virtually the whole of the registered wine-growing region of Douro, which produces some famous table and dessert wines. Port wine, the region's world-famous export, owes its name to the fact that it was traditionally sold in Porto and Vila Nova de Gaia. Its vineyards, however, are in Douro, where wine-growing is one of the great assets of an otherwise severely depressed sub-region.

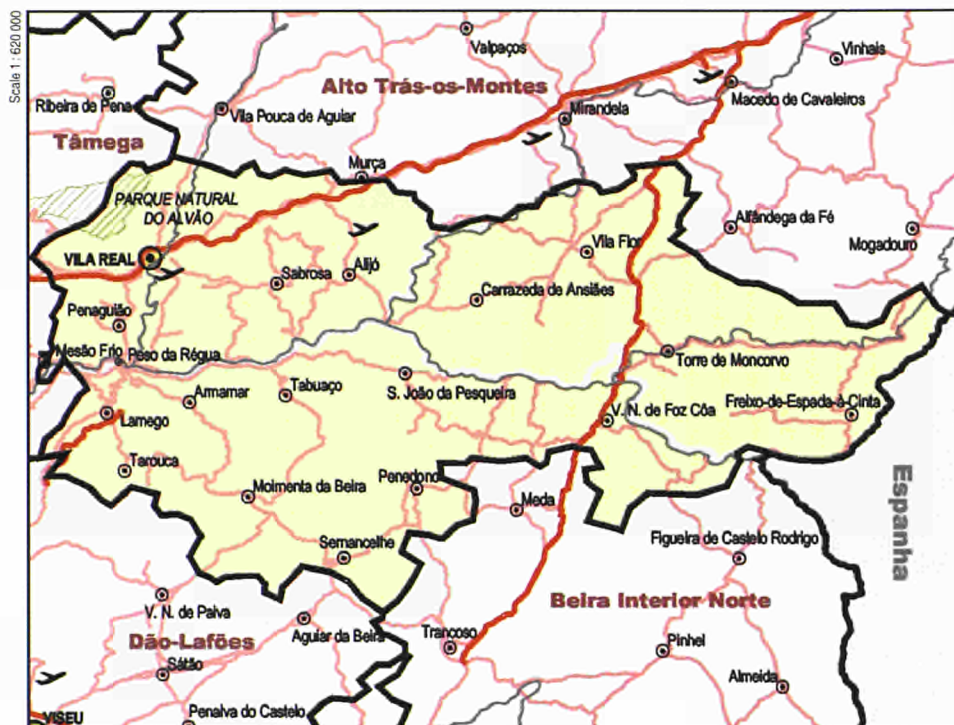
The population of Douro has declined constantly over the past ten years and shows pronounced ageing. Between the 1991 census and the end of 1995 the number of residents aged under 15 fell by 18%. Population density, undermined by years of isolation, is showing no signs of increasing. Two municipalities, Torre de Moncorvo and Freixo de Espada à Cinta, have fewer than 20 inhabitants per square kilometre on average.

Industrialisation is in its infancy and is centred on the beverages industry. Most production takes place in small units; there is no company in the sub-region which employs more than 500 persons.

The level of economic activity in Douro is the lowest of the sub-regions of the Norte. Only in Alto Trás-os-Montes is the activity rate of women under 25 lower than in Douro.

The average purchasing power of the population is the second lowest in the Norte and the third lowest in Portugal. The municipalities of Vila Real, Peso da Régua and Lamego nevertheless record *per capita* purchasing power figures which are well above those in the rest of the sub-region.

Since the main towns in Douro are concentrated close to its western fringe, the rest of the territory remains largely untouched by the beneficial effects of their urban dynamics. There appears to be no network of medium-sized towns capable of fostering the development of the sub-region.



tor now accounts for 18% of jobs, the distributive trades, hotels and restaurants for 16% and business services for 7%. Overall, Douro has very few facilities compared with the rest of the Norte region, and those that exist tend to be concentrated at its western edge. The hotel network, for example, is restricted to the municipalities of Vila Real, Lamego and Mesão Frio. The only hospitals and 73% of Douro's physicians are in Lamego, Vila Real and Peso da Régua. The only higher-education establishments are in Lamego and Vila Real. All this leaves the Douro sub-region profoundly deprived in terms of basic communal facilities. Again in the social sphere, Douro is one of the three sub-regions of the North whose only public cultural events are cinema sessions, the other two being Ave and Tâmega.

Demographic decline and internal asymmetry

Douro and Alto Trás-os-Montes are the two least-developed sub-regions of the Norte. The investment in access in recent years, such as improvements to the road network, has not yet had an appreciable effect on Douro's development. The lack of opportunities causes a high proportion of the population to abandon the sub-region and move elsewhere.

The resident population of Douro fell by some 23 000 (-8.7%) between 1981 and 1991 and by another 4 000 (-1.5%) by 1995. This was due chiefly to an almost permanently negative migration rate, but natural population growth (the difference between live births and deaths) has likewise been negative since 1990.

The birth rate, 17‰ at the beginning of the 1980s, now lies at around 9‰. The mortality rate has varied in recent years between 11‰ and 12‰.

There is pronounced ageing of the Douro population, with the number of residents aged over 65 per 100 under-15s more than doubling from 45 to 96 between 1981 and 1995.

In 1991 the economic structure of the sub-region was primarily agricultural, the primary sector accounting for 37% of jobs. The tertiary sector provided 43% of employment: 23% in services of a predominantly social nature (public administration, education, health, personal services etc.), 15% in the distributive trades, hotels and restaurants and 5% in transport, communications, financial services, real estate and business services. Lastly, the secondary sector accounted for 20% of jobs in Douro in 1991: 12% in construction, only 7% in manufacturing and about 1% in energy and water supply. This 1991 sectoral structure of employment in Douro gave it the second largest share of primary-sector jobs in the Norte region, the second smallest share of secondary-sector jobs and also the second largest share of tertiary-sector employment, chiefly in the social domain, behind Alto Trás-os-Montes in all cases.

The few data available for 1996 indicate that this situation is continuing; recorded changes are minimal. The secondary sec-

Which EU regions are similar to the Douro?

Population density:

50 a 60 inhabitants per sq. Km.
Messinia (EL)
Charente (F)

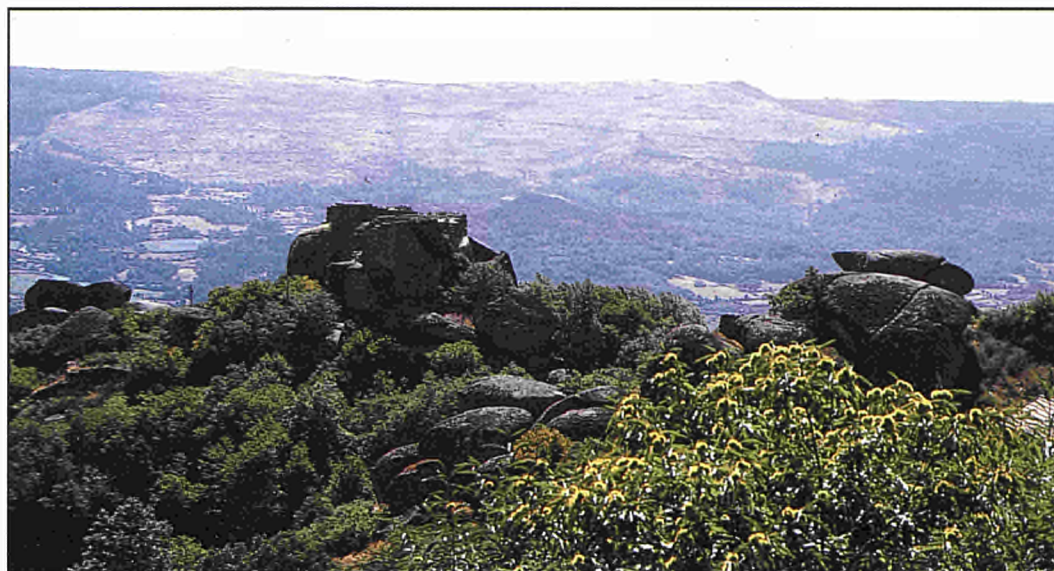
Average annual variation in population:

approximately -1,1% between 1983 and 1993
Döbeln (D)

Area	Resident Population	Population Change	Population Density	Schoolchildren Registered	Mean Infant Mortality Rate	Hospital Beds per 1 000 Pop.	
	sq. km.	1 000	%	inhab/sq. km.	%	No.	
	1996	1986/96	1996	1994/95	1991/95	1995	
Minho-Lima	2 210	249,7	-3,4	113,0	46,4	9,7	3,5
Cávado	1 243	371,0	6,7	298,5	89,3	9,0	6,0
Ave	1 238	477,2	5,0	385,5	93,8	7,8	2,1
Grande Porto	817	1 191,7	2,9	1 458,7	283,2	9,9	5,5
Tâmega	2 629	531,5	1,3	202,2	97,4	10,5	1,2
Entre Douro e Vouga	859	263,1	6,1	306,3	44,8	7,9	1,2
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Norte

ALTO TRÁS-OS-MONTES



From upland it is revealed a rustic landscape which shapes the characteristics of the local people.

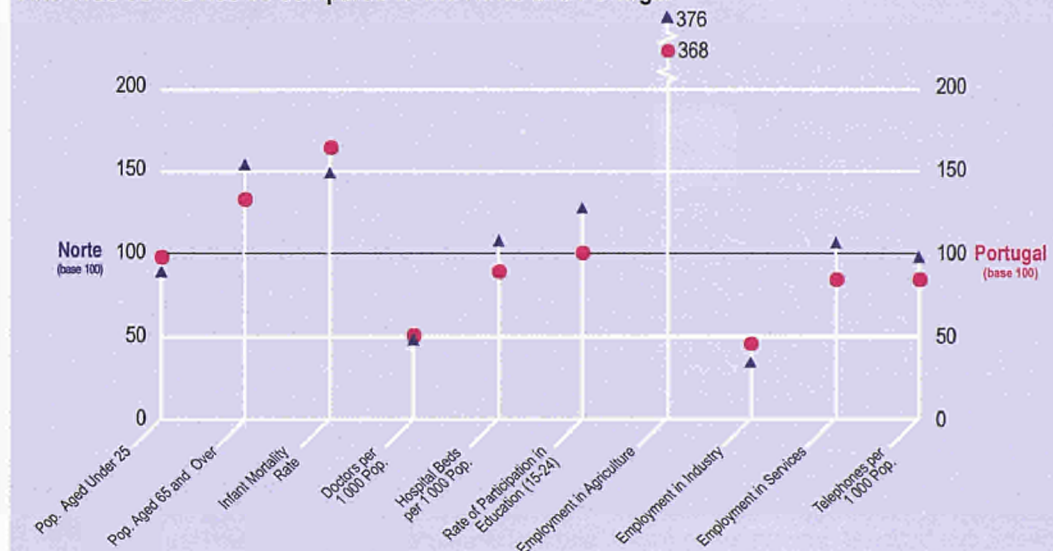
The Alto Trás-os-Montes with 8 170 sq. km is the biggest sub-region of the Norte in terms of area. Situated at the extreme north-east of Portugal, Alto Trás-os-Montes is bounded to the north and east by Spain, to the south by the sub-regions of Douro and Tâmega and to the west by Cávado, Ave and Tâmega.

It has a fairly rugged terrain dominated by the Larouco (maximum altitude 1 527 m), Montesinho (1 340 m and part of the Montesinho Nature Park), Nogueira (1 320 m) and Padrela (1 148 m) ranges. The river network is also plentiful, the main watercourses being the Rivers Douro (forming part of the frontier with Spain), Sabor, Tua, Tâmega and Cávado.

The cities of Bragança, Chaves and Mirandela are the main urban centres, scattered across a landscape which is the most profoundly rural in the Norte region. In 1995, some 42% of the total area of the sub-region consisted of farmland (the highest value in the North), while 34% was wooded.

The sub-region is traditionally isolated, but has in recent years received substantial investment which has significantly improved access by road and, more recently, air.

Alto Trás-os-Montes as compared to the Norte and Portugal



A general demographic decline

Alto Trás-os-Montes is a profoundly depressed area in both demographic and economic terms. Precisely because of its sparse population and lack of industrialisation, however, the sub-region has great potential as a centre for rural tourism, and one which has scarcely been exploited to date.

The resident population has dwindled appreciably. Only one other sub-region of Portugal (Pinhal Interior South, in the Centro region) has seen more demographic losses in the past ten years than Alto Trás-os-Montes. The population is dwindling even in the municipalities incorporating the sub-region's main urban centres. Overall the population is the sparsest in the Norte region, and it is ageing faster than anywhere else.

The infant mortality rate is by far the highest in the Portuguese sub-regions, with an average value of 14.6‰ in the period 1991 to 1995; the next highest rate, in the Açores, was 11.6‰. The production structure of this sub-region is based on small firms and is more strongly dependent on the primary sector than that of any other sub-region of the Norte. Unemployment in 1996 was 7.5% – the second highest rate in the Norte region.

The resident population of Alto Trás-os-Montes has the fifth lowest *per capita* purchasing power of the sub-regions of Portugal. Purchasing power is higher in the towns, however, particularly in Bragança.

Alto Trás-os-Montes has the advantage of a network of towns which, though fairly small, are well dispersed across its territory. The main communal facilities are to some extent devolved as a result – at any rate to a far greater extent than in Douro, the other interior sub-region of the Norte. There are hospitals, for example, in Bragança, Chaves, Mirandela and Macedo de Cavaleiros and higher-education establishments in Bragança, Chaves and Macedo de Cavaleiros.

ALTO TRÁS-OS-MONTES

Scale 1: 970 000



A dominant primary sector and an ageing population

Alto Trás-os-Montes lost some 37 000 inhabitants (-13.7%) between the 1981 and 1991 censuses and a further 8 000 (3.5%) by the end of 1995.

From the beginning of the 1980s the drop in the population has been due to substantial migratory flows out of the sub-region. Since 1989 the natural population balance (the difference between live births and deaths) has also been negative, in 1993 becoming the leading cause of population loss.

The birth rate has fallen constantly from the 15‰ observed in the early 1980s to 8‰ at present. At the same time the mortality rate increased from 11‰ to 13‰, giving Alto Trás-os-Montes both the lowest birth rate and the highest mortality rate in the Norte. The ageing index of the population in 1995 showed 118 residents aged over 65 per 100 aged under 15; in 1981 there had been 48 elderly per 100 young people. These figures give Alto Trás-os-Montes both the highest proportion of over-65s and the smallest proportion of under-15s in the Norte region, the under-15 population having dwindled by as

much as 22% between the 1991 census and the end of 1995.

The economic structure in Alto Trás-os-Montes is dominated by the primary sector, which in 1991 provided 41% of the employment in the sub-region, the leading product being meat, above all beef. The secondary sector is poorly represented, accounting for only 17% of jobs in 1991: 10% in construction, 6% in manufacturing and fewer than 1% in energy and water supply. The tertiary sector provided the remaining 43% of jobs, 24% in services of a predominantly social nature (public administration, health, education, personal services etc.), 14% in the distributive trades, hotels and restaurants and only 5% in transport, communications, financial services, real estate and other business services.

The data available for 1996, though incomplete, show a further decline in the share of the secondary sector compared with the other sub-regions of the Norte. Together with the extractive industries this sector now accounts for only 13% of jobs in Alto Trás-os-Montes in 1996. As much

as 18% of the employment in the sub-region is now in the distributive trades, hotels and restaurants, and 7% in the business services group.

Also in 1996, Alto Trás-os-Montes stood out as the sub-region of the Norte with the lowest percentage of persons working for an employer. This is due above all to the dominant primary sector, with its high proportion of self-employment and family labour.

Production tends to take place in small-scale units. None of the companies based in Alto Trás-os-Montes employs more than 500 persons.

Lastly, the regional press in Alto Trás-os-Montes records the lowest annual average *per capita* print run in the Norte region.

Which EU regions are similar to the Alto Trás-os-Montes?

Population density:

25 a 30 inhabitants per sq.km
Ariège (F)
Satakunta (FIN)

Average annual variation in population:

approximately -1,7% between 1983 and 1993
Altenburgerland (D)

Area	Resident Population	Population Change	Population Density	Schoolchildren Registered	Mean Infant Mortality Rate	Hospital Beds per 1 000 Pop.
	sq. km.	1 000	%	inhab/sq. km.	1 000	No.
	1996	1986/96	1996	1994/95	1991/95	1995
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Portugal	91 835	9 934,1	-0,7	108,2	2 375,1	4,6

PORTUGAL

CENTRO



The Centro region is subdivided for statistical purposes into ten sub-regions, which do not correspond to any administrative entities. In all it comprises 78 municipalities, across an area extending from the Atlantic Ocean in the west to the Spanish border in the east, and bounded in the north by the Norte region and to the south by Lisboa e Vale do Tejo and Alentejo regions.

The region is crossed by the country's principal mountain range, which reaches 1991 metres in the Serra da Estrela. In the west, closest to the ocean, the topography is fairly flat, with a few limestone outcrops. Morphologically the coastal strip is distinctive as sedimentary rock, whilst the interior is composed of very ancient rock formations, principally schist and granite.

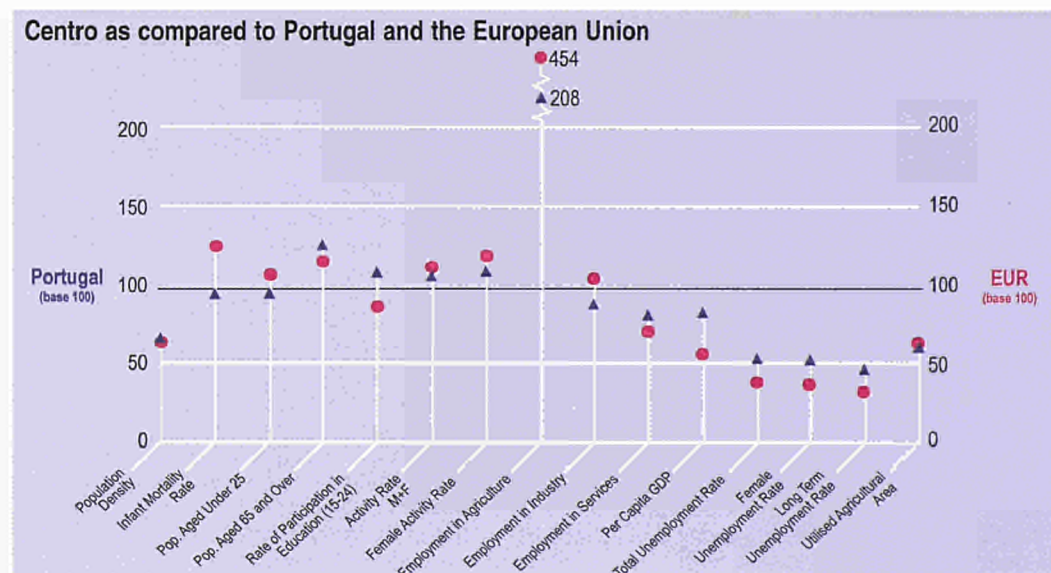
Mean annual temperatures vary around 16°C. Precipitation is spread unevenly throughout the year, and highest in the mountainous inland areas, where it can take the form of snow.

Water is fairly abundant, and the region is divided between two of the main river systems of the Iberian peninsula, the Tejo and the Douro rivers. The Mondego river, which runs its entire course within Portugal, is also important in national terms. The Vouga and the Lis rivers have much smaller catchment areas.

In land use, the region's forest is significant, accounting for more than a third of all Portuguese woodland. The most usual species are pine and eucalyptus.



Coimbra, the largest city in the Centro region, is also its major service centre with important educational and health infrastructures, of which the university with its seven hundred years of history stands out.

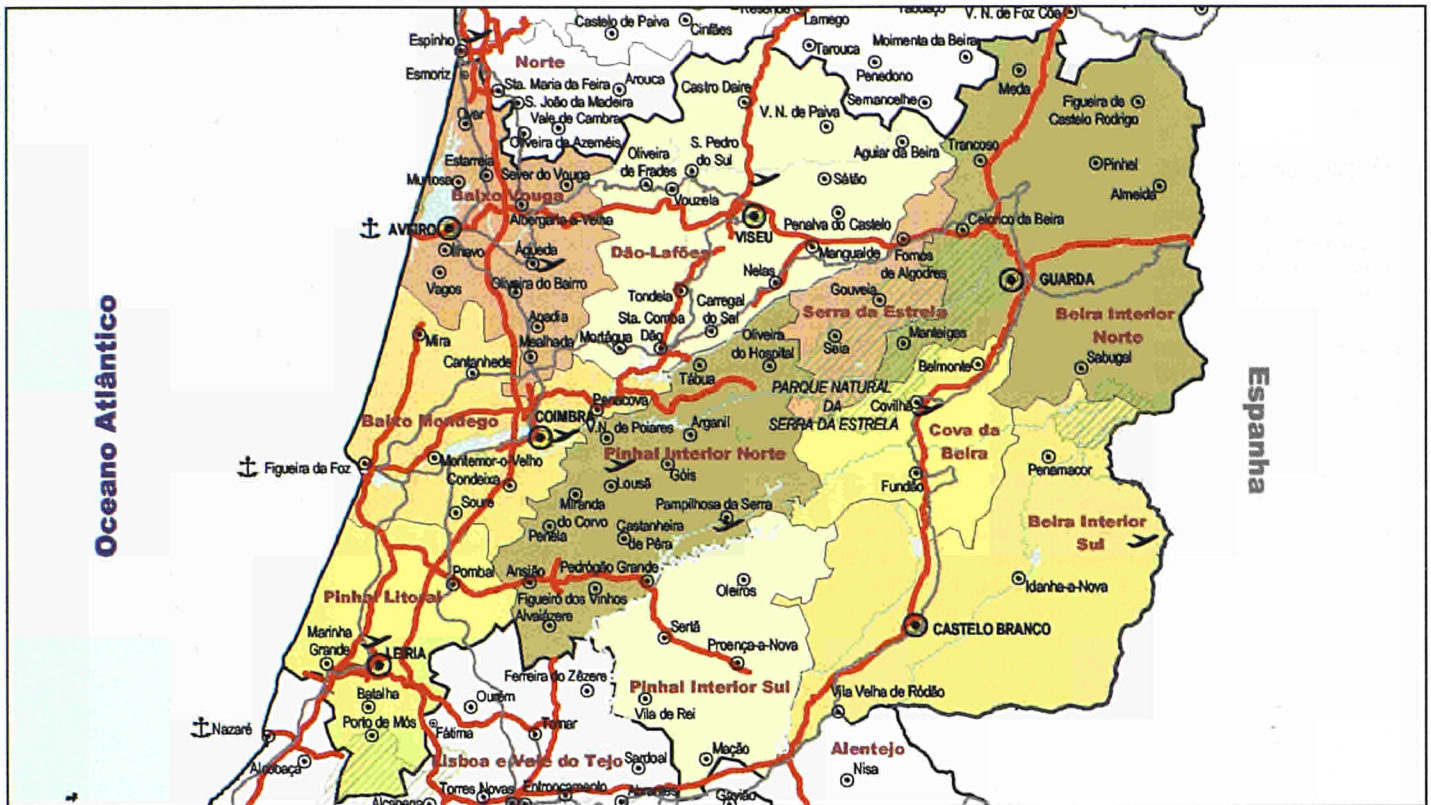


Potential for and barriers to development

A privileged geographical location is quite probably the Centro region's greatest economic asset. The Centro region lies between Portugal's two principal urban centres, Porto and Lisboa; it is crossed by the country's main motorway, it has good connections both by road and rail with the rest of Europe across the border at Vilar Formoso, and two medium-sized sea ports at Aveiro and Figueira da Foz, the former being Portugal's main ocean-going fishing port.

The region has a strong industrial tradition, which is not limited to the coastal strip but extends to certain inland areas (although it is then concentrated on traditional industrial sectors); it has an adequate supply of services, especially education and health infrastructure, and notably in the University of Coimbra, dating from the 13th century. The region has extensive forests areas covering more than 30% of its entire territory. Also important is the region's cultural, historical and natural heritage, which offers considerable tourist potential.

The Centro region development has nonetheless been impeded by a number of factors which must be dealt with urgently. First, there is the generally ageing population and flight from the countryside in the inland areas of the region, which is likely to worsen given the heavy dependence of employment on traditional agriculture in these areas. In addition to this demographic and economic profile there are natural shortcomings, in the entrepreneurial environment and in skilled labour which do not make things any easier to set up in industry or services. The inadequacies of the road system within the region have gradually been overcome in recent years.



Which EU regions are similar to the Centro?

Area:

approximately 24000 sq.km.
Lorraine (F)
Piemonte (I)

Employment:

approximately 45% in services
Galicia (E)

Unemployment:

approximately 4%
Vorarlberg (A)
Berkshire, Bucks., Oxfordshire (UK)

Heavy imbalance between coastal strip and interior

Centro region shows a marked contrast between the coastal strip and the interior, with the coastal strip being more heavily populated and urbanised: the three coastal areas of Baixo Vouga, Baixo Mondego and Pinhal Litoral account for less than a quarter of the Centro's area but more than half its population. Here, too, can be found the region's three principal urban centres of Coimbra, Aveiro and Leiria. This imbalance has worsened in recent years, with population growth in the coastal strip at the expense of the inland areas of the region, where the population has been declining. Despite this general decline, most urban centres even inland have seen their population grow, most notably Viseu. The flight from the countryside is thus in part the result of an urbanisation process which is taking place inland as well as on the coast.

But this intra-regional imbalance is not limited to demography. It can also be seen in the level of economic activity and in social phenomena. Aveiro and Leiria are the region's two main industrial centres, with evident success in manufacturing. The Covilhã-Seia corridor, inland, also has a lengthy industrial tradition but is heavily dependent on the textile industry. The heavy dependence on this type of industries is cause for concern for the local economies in the area. Coimbra is above a centre for the services, with a concentration of activities such as education, health and justice, plus various political and administrative bodies. Other factors contribute to a higher standard of living along the coast than inland, including better access to the country's metropolitan areas and availability of cultural and leisure services.

	Resident Population	Population Density	Pop. Aged Under 25	Pop. Aged 65 and Over	Schoolchildren Registered	Doctors per 1 000 Population	Telephones per 1 000 Population
	1 000	inhab/sq.km.	%	%	1 000	No.	No.
	1996	1996	1995	1995	1994/95	1995	1996
Baixo Vouga	360,2	199,3	34,7	13,8	78,5	1,8	336,8
Baixo Mondego	326,7	158,4	30,9	16,3	87,3	8,7	365,8
Pinhal Litoral	228,7	131,4	33,7	14,0	45,4	1,4	378,3
Pinhal Interior Norte	133,5	51,0	30,2	22,7	20,9	0,7	337,4
Dão-Lafões	281,5	80,8	35,0	17,4	55,7	1,7	300,3
Pinhal Interior Sul	46,2	24,2	27,0	26,8	6,1	0,6	332,8
Serra da Estrela	52,3	60,0	31,3	20,9	9,2	1,0	325,3
Beira Interior Norte	113,1	27,8	29,5	24,1	23,4	1,4	355,4
Beira Interior Sul	78,2	20,9	26,4	26,2	16,0	1,9	388,2
Cova da Beira	89,8	65,4	30,7	19,4	20,8	1,3	372,2
Centro	1 710,1	72,3	32,3	17,7	363,3	2,9	346,9
Portugal	9 934,1	108,2	33,9	14,7	2 375,1	3,0	374,9

Declining population

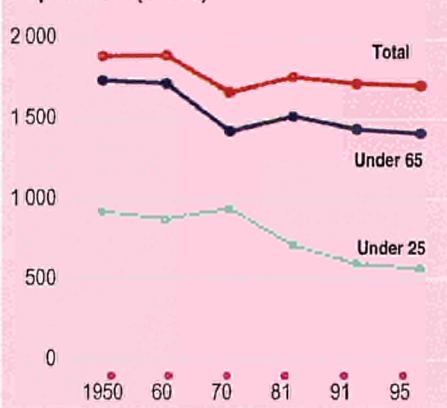
The 1980s saw a slight decline in the population of the Centro region, and estimates suggest that the trend has continued throughout the 1990s. The decline is the net result of two conflicting trends: a negative balance on natural population increase, and a positive balance on migration. The negative natural population increase is because since the late 1980s the birth rate has fallen below the mortality rate, despite the decrease in the mortality rate over the last 20 years.

The positive balance on migration in the Centro region is due to the heavy migration flow's of the 1960s and early 1970s, which affected principally the region's inland population, has almost completely dried up. There may even have been a return of former migrants, but in some cases they seem to have chosen to return to live in the coastal areas rather than inland. Immigration as such is negligible in the Centro region. The positive balance also reflects the ability of certain mid-sized

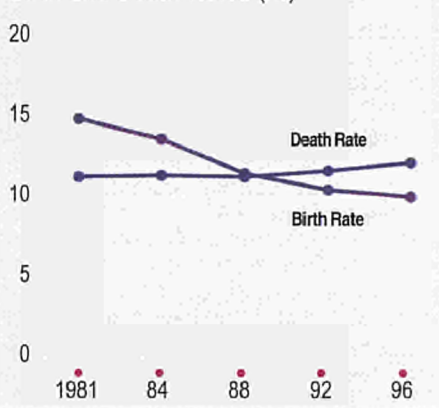
urban centres, Aveiro and Leiria in particular, to attract new population.

Although the region's global natural population increase is negative, along the coastal strip where the young population is greater, the birth rate is still ahead of the mortality rate. In the contrary, in the interior, the migratory balance remains negative although it is positive for the region as a whole. The result of these two factors is an asymmetric pattern for population change, with an increase along the coast and a decrease inland, with the latter tendency slightly stronger overall.

Population (1 000)



Birth and Death Rates (‰)



Population by Age, 1991

Age	M+F	M+F	M	F
	(1 000)	(%)		
< 15	328,4	19,1	20,3	17,9
15-24	263,8	15,3	16,3	14,4
25-39	337,5	19,6	20,1	19,2
40-54	298,3	17,3	17,1	17,5
55-64	207,3	12,0	11,6	12,5
>= 65	286,4	16,6	14,6	18,5
Total	1 721,7	100,0	100,0	100,0

Population Balance, 1980/96 (1 000)

Population 31.12.1980	1 763,1
Births	221,8
Deaths	196,7
Balance on Migration	-63,1
Population 31.12.1990	1 725,2
Births	104,4
Deaths	121,9
Balance on Migration	2,4
Population 31.12.1996	1 710,1

Support for education

The academic year of 1994/95 saw a total of more than 50 000 students in higher education in the Centro region, with 90% of these in the public-sector higher education. Three universities stand out in the region: Coimbra, with more than 20 000 students, Aveiro and Covilhã. The three offer a wide range of faculties, including medicine, engineering, law, economics and management, architecture, science and arts. The region also has five Polytechnic Institutes. The scale of higher education has grown impressively over recent years. For example, in 1981 the total of students in higher education in the region was less than 15 000, nearly all of them at the university of Coimbra.

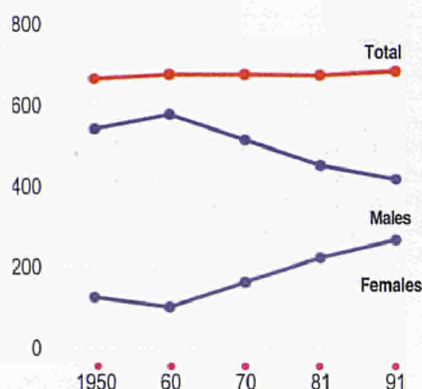
There nevertheless remains a shortfall in vocational training outside higher education. In 1994/95 fewer than 6 000 students were registered for vocational courses over 50 establishments throughout the region. Although it must not be forgotten that secondary education also offers

some branches of vocational training, and that short courses in particular can also be supplied by other bodies, the totals do suggest a shortage in the supply of this kind of training, which consequent effects on the labour market.

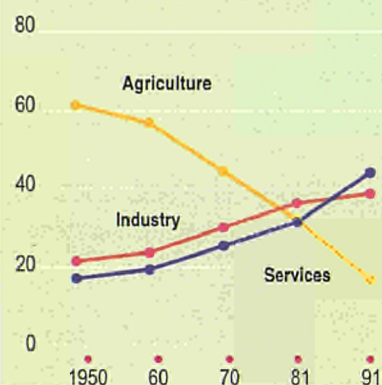
Students Enrolled, 1994/95

Type of Education	M+F (1 000)
Pre-school Education	35,8
Elementary Education	238,2
Secondary Education	74,4
Occupational Training	6,0
Higher Education	50,9

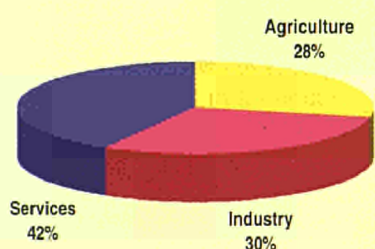
Employment (1 000)



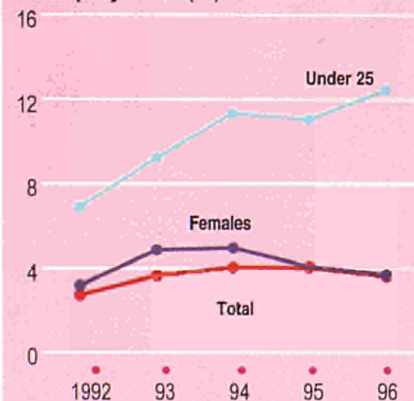
Employment Trends (%)



Employment Structure, 1996 (%)



Unemployment (%)



Rising employment in recent years ...

At 60%, the activity rate in Centro region exceeds the Portuguese average. There has been as in 1993, a slight rise in the active population over recent years with occasional slumps due to short-term factors. This growth in the active population has naturally been driven by the growth in employment. Essentially it is due to the growth in female employment and in the number of active females, a trend which has been discernible since the 1960s. Nonetheless, recent years have also shown a small but significant increase in male employment and the male activity rate. The female activity rate stood at 54% in 1996, with the differential between the two sexes thus narrowed.

The above average activity rate observed in the Centro region is essentially due to high activity rates in the older population strata. This is particularly the case in rural areas. Inversely, the region's active younger age strata (under 35 years of age) is below the national average, females in particular.

The growth in employment in the region stems mainly from self-employment – one person businesses with no employees. The number of employees has fallen steadily, and at the same time there has

been an increase in the number of temporary employment contracts.

The primary sector continues to account for more than 25% of employment in the Centro region, although over the long term the ratio has fallen dramatically as activity has shifted towards the industrial and tertiary sectors. In 1996 the services accounted for more than 40% of employment in the region, with industry and other secondary sector activity accounting for around 30%. The continuing considerable weight of the primary sector is mainly produced in the inland areas of the region.

Employment Characteristics (%)

	Total Employment			Employed Workers				
	Under 25	25-54 years	Over 54	Total	Part Time		without a permanent contract	
	1996			1996	1992	1996	1992	1996
Males	13	60	27	58	:	:	9	11
Females	9	65	26	54	:	:	15	11
Total	11	62	27	56	11	16	12	11

... and moderate unemployment

Unemployment in the Centro region in 1996 stood at 3.6%, less than half the national rate. There were more unemployed males than females, yet, the female unemployment rate was slightly the higher of the two – the difference being the higher number of active males. Unemployment had risen in 1993 and 1994, but fell back again in the following years, and during this period the rates for males and females drew closer together. Despite this improvement in the unemployment rate, there is likely to have been a worsening of the long-term unemployment component in the regional total. The numbers of unemployed continue to concentrate on the lower age groups, even though the annual average number of young people seeking their first job has declined.

Centro region's unemployment rate is the lowest of any region in Portugal, and amongst the lowest in the European Union, but this does not prevent the exis-

tence of a few pockets of unemployment which are disturbing from the social point of view. Elsewhere in the region, notably Aveiro and its industrial surroundings, it is estimated that unemployment is negligible, being no more than its irreducible minimum.

The downside of this low unemployment in Centro region is the persistence of very traditional sectors of activity, notably in inland areas. The very heavy presence of agriculture in employment is in all probability an indication that under-employment has taken the place of unemployment in the regional economy. The fundamental consequence of this is the low productivity of the Centro's economy.

Productivity difficulties ...

The productivity of the Centro region's economy is below the Portuguese national average, in fact it is the lowest in any Portuguese region. Even so, and with the exception of a few special cases, branch-by-branch analysis shows that enterprises in the Centro region are no less productive than their counterparts in other regions engaged in the same activities. The lower overall productivity of the region is partly the reflection of the relative weight of a few traditional branches of activity with lower productivity. In addition, it reflects the particularly low level of development of certain branches: agriculture (but not forestry) construction, retailing and the hotels and catering trades.

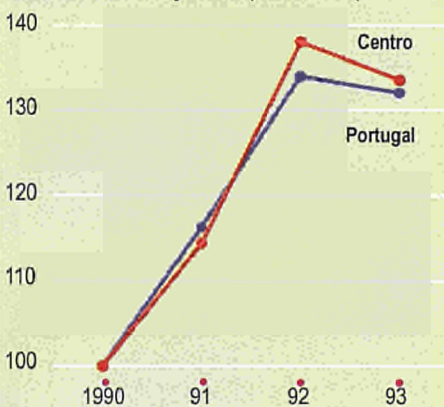
Agriculture plays a particular role in the economy of Centro region, accounting for little more than 4% of regional value added but well over 20% of employment. The high share of employment arises for no other reason than the num-

bers of self-employed and of non-remunerated family workers. The proportion of remunerated agricultural workers in the total remunerated workforce is again around 4%. What this seems to indicate is that agriculture is a refuge occupation, with family holdings taking in workers from other branches who have become unemployed, in addition to employing permanently the oldest and least qualified segments of the active population.

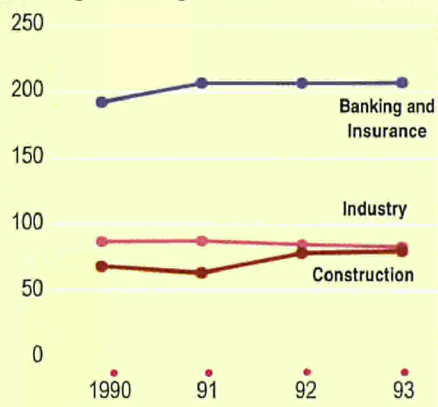
Despite the low level of productivity marking its economy, the region's per capita GDP, while still below the national average, equals or surpasses that of some other regions: it is higher than that of Açores, and around the same level as in Alentejo and Madeira. This relatively advantageous situation is the reflection of the high level of employment in the resident population, itself the combined effect of the Region's low level of unemployment and high rate of activity.

As to growth, the region's GDP grew faster than the Portuguese average in 1992 but in 1993, a particularly bleak year for the Portuguese economy, regional GDP shrank by more than the national average in ECU terms and probably also in real terms. The employment effects of this decline were, fortunately, largely compensated by a decline in the number of active persons.

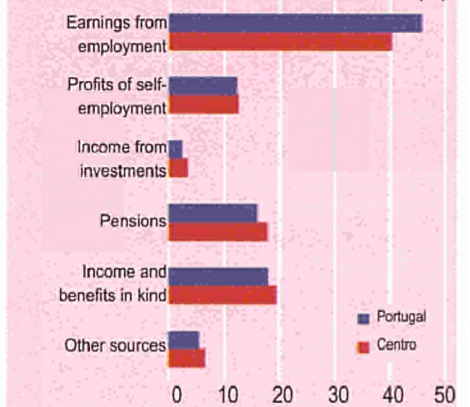
GDP at current prices (1990=100)



Average Earnings = 100



Sources of Household Income, 1994/95 (%)



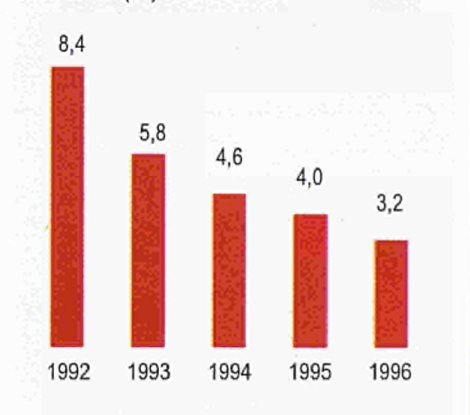
... and the implications for output

Average earnings of wage-earning employees in the region, adjusted for the number of hours worked, in 1990-93 stood at 93% of the national average, thus confirming a slow trend towards convergence. Low earnings in the region are likely to be both the cause and the effect of the low mean level of productivity observed.

The low average wage, taken together with the lower proportion of employees in the total, means that income from employment plays a less important role as a source of household income than in the country as a whole. Conversely, income from self-employment and in kind are more significant in the region than nationally, indicating a relatively greater significance for "informal" activities in the regional economy. These activities, as in the case of agriculture has mentioned earlier, help to cushion the employment effects of economic difficulties.

At the same time, private international transfers (mainly remittances from abroad by emigrant) are usually considered as a component of disposable household income. Although emigration flows from all parts of the country have declined considerably for the past 20 years or so, the Centro region was in the 1960s and early 1970s one of the principal origins of this emigration, which is why it is still the recipient of substantial flow of remittances from abroad. As a consequence, per capita disposable household income is higher in Centro region than in other regions with a similar or higher per capita GDP such as Alentejo or the Norte.

Inflation (%)



Employment and GVA: Analysis by Branches, 1993 (%)



More industry than the national average

Services are the principal branch of activity in the Centro region, accounting for more than 60% of the region's GVA and more than 40% of its employment. But industry also plays a significant role in the region, exceeding the national average in terms of GVA and practically equalling it in terms of employment. The primary sector, too, is significant in employment terms, although its contribution to GVA is less than 7%. This lopsided situation is due entirely to agriculture: forestry contributes around 2% to GVA, but very much less to employment. The forest is clearly one of the region's assets. Fisheries account for 0.5% of GVA and 0.4% of employment.

The region's industry is fairly diverse but still possesses a considerable weight of branches which are technically unsophisticated and labour-intensive: textiles in particular but also ceramics, porcelain, glass, etc. The textile industry is mainly concentrated inland, in a handful of municipalities which have been unable to develop any alternative industries. On the coast, meanwhile, new, less traditional industries have been set up, mainly associated with the automobile industry. The construction of transport equipment

(which includes regionally-important forms of transport other than cars, such as motorcycles and bicycles) was, in terms of GVA, the second most important branch of industry in the Centro region after textiles. In particular, the region accounts for more than 30% of the transport equipment branch's GVA, exceeded only by Lisboa e Vale do Tejo. Cement manufacturing is also significant in the regional economy. The paper and board industry has suffered difficulties in recent years, resulting from the international market, but remains one of the region's principal exporters.

A lack of entrepreneurial structure for SMEs

Enterprises in Centro region are very predominantly SMEs. More than 98% of the firms established in the region have fewer than 100 employees, this figure, however, impressive though it is, is little different from that for Portugal as a whole. Even more significant is the fact that almost all of the remaining firms are also SMEs. With the exception of one enterprise in Ovar with more than 5000 employees, there is no private-sector firm in the Centro region with more than 100 employees. Evidently, certain major firms with their headquarters in Lisboa or Porto have industrial establishments and sometimes office premises in the Centro region. These establishments, which are sometimes public-sector enterprises, may in many cases be bigger in employment terms than most firms actually registered in the Centro region. There are also a number of regional public-sector enterprises, usually the result of the regional break-up of a major nationalised enterprise as part of the restructuring process. A second point about the major firms located in the Centro region is that they are mainly in business, in the most traditional branches, and frequently located inland in the depressed industrial areas. It is therefore scarcely surprising that each year a few more disappear, whilst others scale back their operations severely. Big is thus no longer synonymous with sound, in terms of the Centro region's economy. Although there have been exceptions, the clearest examples of economic success in the region have been amongst small businesses. The best example was the explosive growth, particularly in the early 1980s of the plastic moulding industry in and around Marinha Grande, where a number of small businesses using advanced technology managed to become the suppliers of several of the world's leading multinationals.

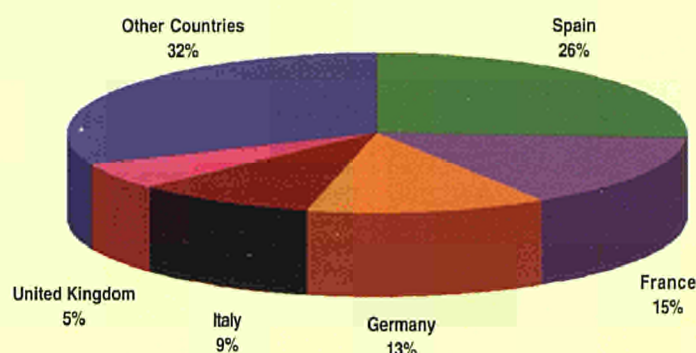
Agriculture, 1995

Holdings (No.)	134 426
Total Labour Force (ALU)	168 981
Area Under Agriculture (ha)	646 842
Head of Livestock (CN)	182 019

Main Enterprises, 1996

Name	Workforce	Activity
Yazaki Saltano de Portugal-Componentes	> 5000	Other Electrical Equipment
Sanitana-Fáb. de Sanitários de Anadia, Lda	> 800	Ceramic Products
Faiart-Faianças e Porcelanas S.A.	> 800	Ceramic Products
Nova Penteação e Fiação da Covilhã, Lda	> 600	Textile Weaving
Tovartex - Indústria Têxtil Lda	> 600	Knitwear Manufacturers
Francisco Manuel Gomes Cabral Lda	> 600	Manufacture of Articles of Clothing
J. Fernandes F. Simões e Filhos Lda.	> 600	Textile Weaving
A Penteadora-Soc.Ind. Penteação Fiação Lãs	> 500	Textile Weaving
IVIMA - Emp. Ind. do Vidro da Marinha S.A.	> 500	Manufacture of Glass and Glassware
VULCANO -Termo-domésticos S.A.	> 500	Manufacture of Other Domestic Equipment

Foreign Visitors, 1996



Tourist Activity

	1990	1996
Hotel Establishments (No.)	294	274
Accommodation Capacity (No.)	18 262	20 512
Total Guests (No.)	864 113	919 702
Total Overnight Stays (No.)	1 548 442	1 645 327
Occupation Rate (%)	23,55	22,28
Average Length of Stay in Nights (days)	1,79	1,79

A tourist industry directed mainly at the home market

As in most regions of Portugal, tourism has some importance in Centro region, although the production of tourism-related goods and especially services is at a lower level than in other regions. The hotel and restaurant branch, for example, accounts for only 3% of regional GVA, while for the country as a whole it is not far short of 5% and in certain regions such as Madeira and Algarve it can reach and even exceed 20%.

The hotel capacity in the Centro region accounts for around 10% of the national total, but it attracts little more than 5% of overnight stays, and only 2-3% by foreign visitors. In camping, camp-site capacity in the region accounts for 30% of overnight stays. These figures point clearly to the type of tourist that the region serves: principally aimed at the domestic market, with an essentially medium-to-low price bracket domestic demand. In contrast to other regions, hotels have a low occupancy rate.

Notwithstanding this framework, the Centro region has numerous virtually unexplored tourist possibilities, particularly in the area of domestic demand: spas, green tourism, historic towns and natural parks. In international terms the region has only two major attractions: the city of

Coimbra and the monastery at Batalha. But there are also niches in this international market which are worth promoting harder, including the Ria de Aveiro.

Poor geographical balance in the availability of health services

Although services account for more than 60% of regional GVA, thus taking the largest share, this percentage is still short of the Portuguese average which is nearly 70%. However, the shortfall is mainly attributable to market services, since at almost 20% of regional GVA, non-market services are above the Portuguese national average. Amongst the services produced, health services (both market and non-market) stand out at almost 5% of GVA, compared with little more than 4% nationally.

The availability of services in the region, notably health services, is far from equal throughout the region. Coimbra is the region's main centre for health services, and important even nationally. Both the region's central hospitals are located there, as well as numerous specialized clinics. Thus, although most health indicators show the region to be up to, if not above, the national average, the figures in respect of Coimbra municipality look even better. The number of physicians per 1000 population is almost 19, far higher than anywhere else in Portugal. But elsewhere in the region, and particularly inland, health services are quite clearly inadequate in terms of quantity and even quality.

Health

	Centro	Portugal
Hospital Beds per 1 000 Population 1995 (No.)	4,90	4,63
Doctors per 1 000 Population 1995 (No.)	2,86	2,96
Mean Infant Mortality Rate (‰) 1991/95	7,93	8,92

Fisheries and Maritime Transport

Fisheries	1991	1995
Vessels (No.)	1 432	1 293
Registered Fishermen (No.)	4 954	3 270
Catch Landed Quantity (t)	25 933	23 054
Catch Landed Value (1 million PTE)	4 548	4 504
Maritime Transport	1991	1995
Cargo Loaded (1 000 t)	1 312	1 183
Cargo Unloaded (1 000 t)	880	1 679
Port Employees (No.)	276	236
Vessels Entering Port (No.)	1 239	1 247

Almost 150 km of beach ...

Between Esmoriz in the municipality of Ovar and São Pedro de Moel in Marinha Grande, the Centro region possesses almost 150 km of coast, in effect almost uninterrupted sand beach. The shallow incline of virtually the entire coastline means that there is practically no rock and the coast takes the form of a single, uninterrupted beach. This is naturally a tourist magnet, although the public it attracts are essentially from the region. Amongst the many seaside resorts, Figueira da Foz stands out; it is also the only casino town in the region.

The sea and the coast-line provide a wide range of economic activities in addition

to tourism. Some are craft trades, less important to the region's economy than to its cultural image, and serving as a symbol of the certain areas or of the region as a whole: this is the case with the salt pans and seaweed harvesting around Aveiro and, to a certain extent, the extensive fish-curing (cod fish curing) in and around Figueira da Foz.

Other activities on the high seas do nevertheless carry some economic weight, and some are at the peak of technology. Industrial fishing, which coexists in the region with small-scale fishing and is based principally in the port at Aveiro, is an example of a technology-intensive activity.

Meanwhile, the sea remains important to communications, and Centro region possesses two medium size commercial ports in Aveiro and Figueira da Foz.

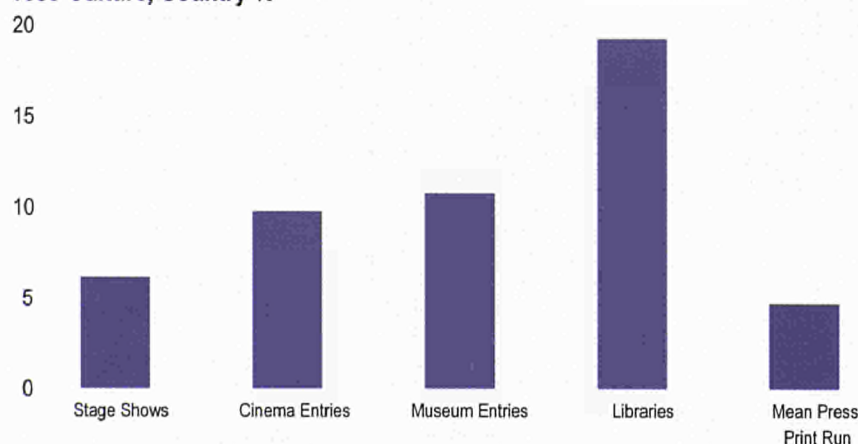
... and a region of contrasts between the mountains and the ocean

Marked contrasts are a feature of the Centro Region. Inland, the region includes the highest mountain range in Portugal, the Serra da Estrela (the only place in Portugal where winter sports can be practised), many rivers, dams and extensive forests. The coastal strip is low-lying, although there are occasional limestone outcrops where caves are common. Spas and mineral springs are abundant throughout the region.

Forest fires have badly depleted the region's forests over recent years, partly as a result of poorly-organised planting. As a result, traditional species are being replaced by the faster-growing eucalyptus. There are no particular problems of atmospheric pollution except in a few specific industrial areas: Estarreja, Leirosa, Souselas. Water quality, and particularly bathing water, has earned the EU blue flag for numerous beaches along the region's coast.

Main services – electricity and water supply, sewage, drainage, and water treatment – have gradually been brought up to standard thanks to efforts by the local authorities with help from the ERDF, and are now at a satisfactory level.

1995 Culture, Country %



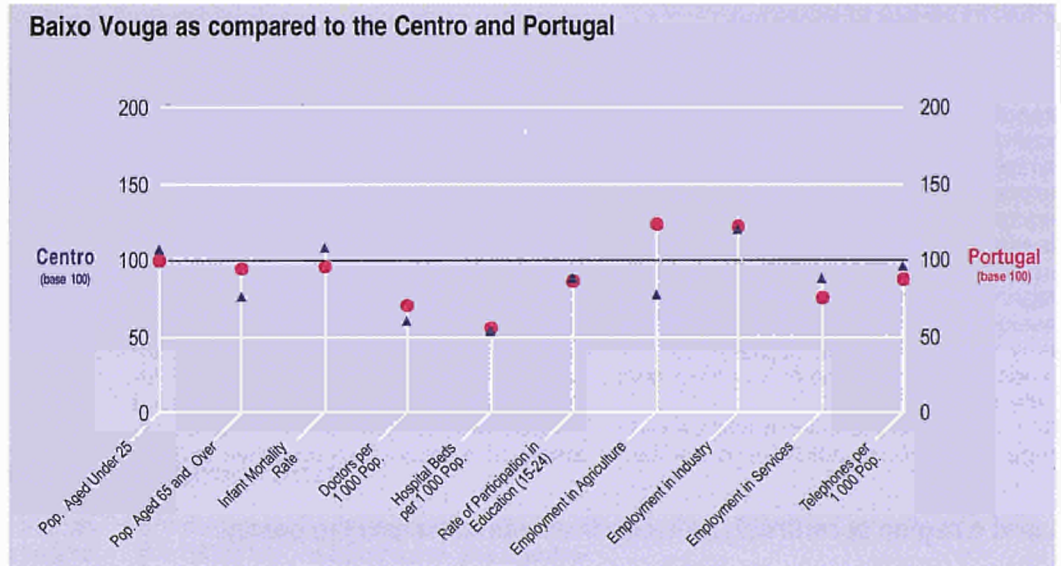
BAIXO VOUGA



The Aveiro estuary, which flows through the city of Aveiro in the Baixo Vouga, has strong potential as a tourist attraction, as yet not much exploited.

The Baixo Vouga has an area of 1807 sq. km and comprises 12 municipalities: Aveiro, Águeda, Albergaria-a-Velha, Anadia, Estarreja, Ílhavo, Mealhada, Murtosa, Oliveira do Bairro, Ovar, Sever do Vouga and Vagos. To the north it is bounded by the Norte region, to its south and east by the Baixo Mondego and Dão-Lafões, and to the west by the Atlantic Ocean.

The region is an alluvial plain, drained by the river Vouga and its tributaries. Towards its borders, the east in particular, there is some higher ground, occasionally exceeding 1000 m in altitude. The coastline is a vast and virtually continuous beach. The Baixo Vouga contains the largest single break in the Portuguese coast: the Ria de Aveiro. This comprises numerous arms of the sea, stretching over seven municipalities (including Mira, in the Baixo Mondego), with a total area of more than 6000 ha, and known to geologists as a *haff*, a formation also notably found in the Baltic.

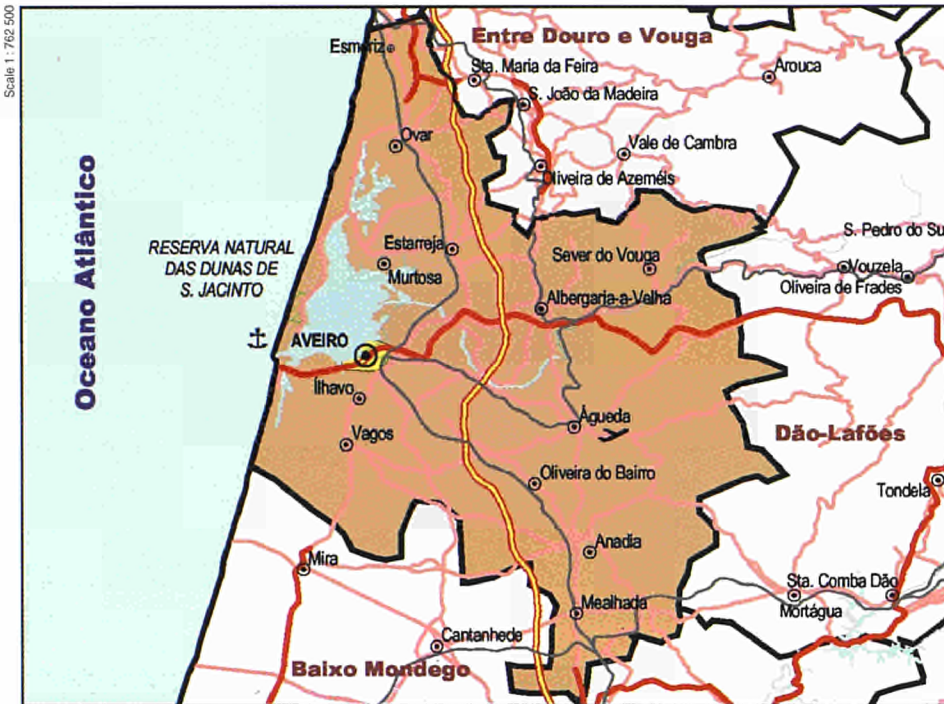


Dynamic in both demography and industry

The Baixo Vouga has the advantage of a relatively youthful population with dynamic population growth. The region's ability to strongly attract population seems to be built on its economic, and particularly its industrial, potential. Industry takes the biggest share of employment in the region, but the most interesting feature is its diversity, including significant representation of certain sectors, including the most modern in the Portuguese economy, and leading-edge technologies with a strong export record. For agriculture the soil is fertile, and the region possesses one of Portugal's principal delimited wine-growing areas, the Bairrada. Livestock farming and fishing are also represented in the region's primary sector. The region also has a balanced local services sector, with an important role for the University of Aveiro. This university was founded only recently, but is making a name particularly in technology.

The Baixo Vouga is one of the sub-regions of the Centro closest to Porto, and its close links with this metropolis have made a decisive contribution to the region's development. Baixo Vouga is crossed by the country's principal road

and rail routes, heading for Porto from the south. The region is also crossed by one of Portugal's principal east-west routes, leading inland from the docks at Aveiro to the Centro's most important border crossing at Vilar Formoso. The region's weak points include environmental difficulties, in air pollution notably around Estarreja municipality, and in the multiple threats to the delicate environmental balance of the Ria de Aveiro. This is particularly significant since it affects and could harm one of the most important tourist assets, in a region where tourism is yet to be developed.



Heavily urbanised, with Aveiro as its main city

In 1996 the population of the Baixo Vouga stood at around 360 000, making it the most heavily populated of the entire Centro region. With 200 inhabitants per square kilometre it also had the greatest population density. This leading demographic position is largely the result of the intense population growth of recent years, exceeding 7% between 1981 and 1996. This growth arises from a positive balance on both natural population increase and migration. The growth in natural population increase is nonetheless stagnating, largely as a result of a decline in the birth rate. The birth rate is still higher than the Portuguese average (and the death rate lower), a reflection of the region's relatively youthful population. The rate on migration, meanwhile, was noteworthy at an annual 0.33% in 1995.

The main city of the Baixo Vouga is Aveiro, although it is in fact no more than the focal point of a heavily urbanised area, comprising numerous interlinked centres with substantial commuter flows amongst them. This conurbation involves mainly the

municipalities of Aveiro, Ílhavo, Albergaria, Águeda, Estarreja and Ovar. Industry is concentrated particularly in Ovar and Águeda. The Baixo Vouga is in any case a mainly industrial region: census data from 1991 showed that 47% of the employed population had jobs in industry. Aveiro is the centre for the services sector. The primary sector may be undervalued in view of the agricultural qualities of much of the region's soil. Agriculture nevertheless has its importance as a secondary activity of many workers in other branches of activity. Tourism has some importance in spa towns such as Curia (Anadia) and Luso (Mealhada), but the region's – as yet unexploited – great tourist asset is the Ria de Aveiro.

The industrial structure of the Baixo Vouga is well-balanced, with a range of processing industries located in the region. Motor vehicle manufacture and vehicle parts are concentrated in the municipalities of Ovar and Aveiro (there is also some vehicle manufacture in Águeda, mainly bicycles and motorcycles). Basic metals and

metal products industries are mainly located in Águeda, and most textile industries are in Ovar, although they are also present in Águeda. Chemicals are significant in Estarreja. There is also an important tradition of the other non-metallic mineral industries, which are found across the region. The food and beverages industries are found mainly in the southern half of the region. There is a tradition of sparkling wine production in Anadia, which is located in the heart of the Bairrada delimited wine region.

Which EU regions are similar to the Baixo Vouga?

Population density:

190 a 200 inhabitants per sq.km.

Sicilia (I)
Région Wallonne (B)

Birth rate:

approximately 12‰

Päijät-Häme (FIN)
Bari (I)

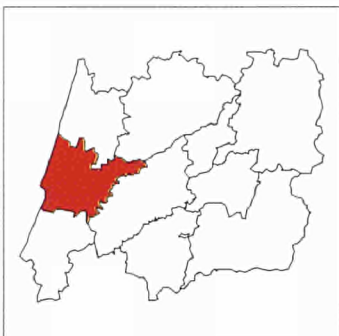
Death rate:

approximately 10‰

Orne (Fr)
Keski-Suomi (F)

	Area	Resident Population	Population Change	Population Density	Schoolchildren Registered	Mean Infant Mortality Rate	Hospital Beds per 1 000 Pop.
	sq. km.	1 000	%	inhab/sq. km.	1 000	‰	No.
	1996	1996	1986/96	1996	1994/95	1991/95	1995
Baixo Vouga	1 807	360,2	3,9	199,3	78,5	8,7	2,7
Baixo Mondego	2 062	326,7	-2,1	158,4	87,3	6,3	14,0
Pinhal Litoral	1 741	228,7	3,0	131,4	45,4	7,6	2,5
Pinhal Interior Norte	2 617	133,5	-9,8	51,0	20,9	9,3	1,3
Dão-Lafões	3 483	281,5	-4,9	80,8	55,7	8,1	2,8
Pinhal Interior Sul	1 906	46,2	-19,1	24,2	6,1	4,1	0,9
Serra da Estrela	872	52,3	-7,2	60,0	9,2	9,1	0,8
Beira Interior Norte	4 069	113,1	-10,8	27,8	23,4	7,3	3,8
Beira Interior Sul	3 738	78,2	-7,0	20,9	16,0	11,3	4,9
Cova da Beira	1 373	89,8	-8,8	65,4	20,8	7,9	4,4
Centro	23 668	1 710,1	-3,3	72,3	363,3	7,9	4,9
Portugal	91 835	9 934,1	-0,7	108,2	2 375,1	8,9	4,6

BAIXO MONDEGO



Figueira da Foz, in the Baixo Mondego, is one of the many beaches located along the 150 km long coastline of the Centro region.

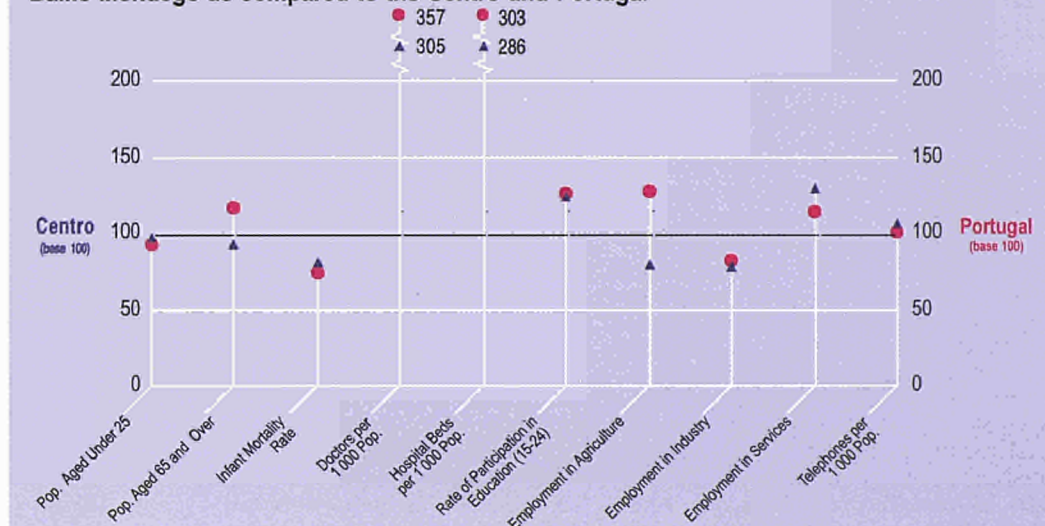
The Baixo Mondego has an area of 2062 sq. km and comprises eight municipalities: Coimbra, Cantanhede, Condeixa-a-Nova, Figueira da Foz, Mira, Montemor-o-Velho, Penacova and Soure. To the north it is bounded by the Baixo Vouga and Dão-Lafões, to its south and east by, respectively, Pinhal Litoral and Pinhal Interior Norte, and to the west by the Atlantic Ocean.

The region is crossed from east to west by the Mondego, the longest entirely Portuguese river, which rises in the Serra da Estrela and joins the ocean at Figueira da Foz. The Mondego drives the Centro region's largest hydro-electric power station, at Aguieira, near Penacova, fed by the dam at Raiva in the same municipality. The coast is mainly beach.

Morphologically the Baixo Mondego comprises some mountain, mainly in the municipality of Penacova, plains, and sandy alluvial soil closer to the coast. Agricultural conditions improve as we approach the coast, with prominence being given to the *campos do Mondego* – the Mondego fields, which have a reputation for fertility and good growing conditions are located in the region's central strip.

Average temperatures are around 15°–16°C, although in the summer they can reach 40°C in the areas furthest from the ocean.

Baixo Mondego as compared to the Centro and Portugal



A major university and medical centre

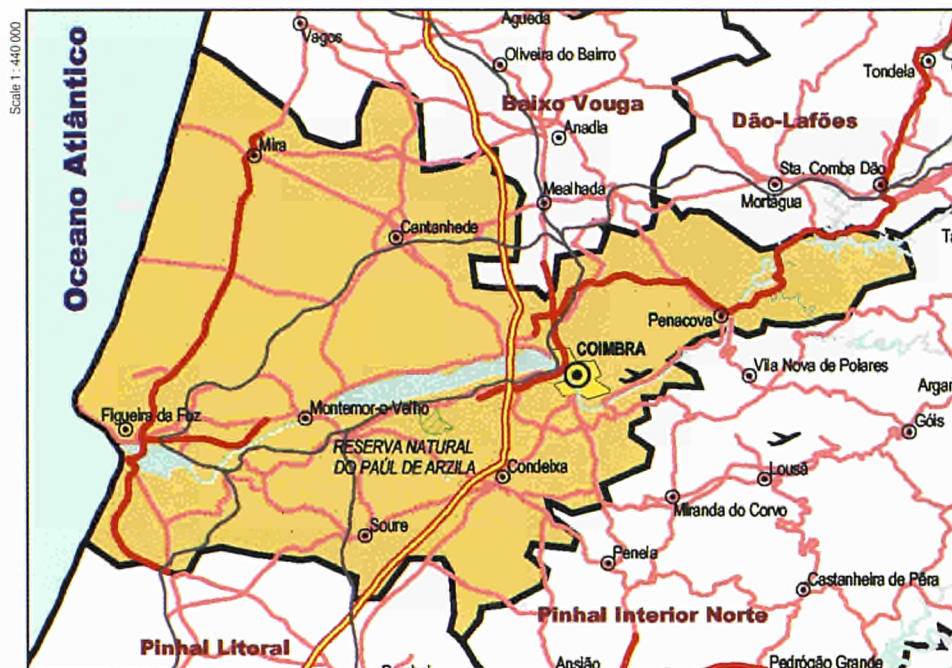
The Baixo Mondego region has special access advantages, the result of its strategic situation on the Portuguese coast and relatively close to both the country's leading conurbations, Lisboa and Porto. The country's principal highway and the main north-south railway, both linking Lisboa and Porto, cross the region and bring it critical advantages in development. The still incomplete East-West IP3 highway links the Baixo Mondego to certain inland regions.

According to the latest census data the municipality of Coimbra, the most important urban center in the Baixo Mondego, has the largest population of the Centro region, with most of its population living in urban surroundings – that is, municipalities with more than 2000 inhabitants. This is a big advantage for the region, since Coimbra acts as a magnet for a range of activities almost invariably associated with major urban populations.

Coimbra thus stands out regionally and even nationally as one of the major centres for services, in particular hospitals and university. The region has numerous specialised hospitals and two of the region's general hospitals. The

university of Coimbra, in addition to being one of the region's motors, is rated amongst the country's most prestigious universities. It is one of the great universities, attracting countless tourists, and is additionally associated with many research centres operating in a wide range of specialisations.

The Baixo Mondego's weak point is the low level of industry in its economy, at least in the light of the socio-economic conditions capable of driving the region's development – its geographical location, and the availability of skilled labour. Indeed the region's resident population has declined slightly over recent years.



Wide-ranging supply of quality services

Baixo Mondego is one of the Centro's most heavily-populated regions, with a total population exceeding 300 000. Only the Baixo Vouga came close to this figure in 1996. However, whilst the population of the Baixo Vouga has risen recently, that of Baixo Mondego has fallen slightly (less than 1%) between 1981 and 1996. The main reason for this decline in population in virtually all municipalities except Coimbra.

Population density in the region is high, particularly in comparison with that of the Centro region. The Baixo Mondego nevertheless shows substantial internal imbalances of population density, with Coimbra showing a density in excess of 400 per sq. km, whilst Penacova falls short of 75 per sq. km. Figueira da Foz, one of the Centro's commercial ports, is the Baixo Mondego's second city, giving the region a binomial structure from several points of view between Coimbra and Figueira da Foz. Nonetheless, the highway connections between the two cities are still less than ideal, and worsened by the heavy daily traffic in both directions.

The region's economic fabric is clearly marked by the domination of the tertiary sector in employment: it occupies more than half the resident employed population, and more than 70% of Coimbra's. The available range of services is wide and of high quality, with a specialisation in health and education. The Baixo Mondego is one of Portugal's most favoured regions, whether expressed in terms of doctors or hospital beds per head of population, or in terms of education rates. Also significant are public administration generally, and the considerable supply of recreational and cultural services, ahead of any other Baixo region of the Centro in both quantity and quality. Census data show that industry accounts for 30% of employment in the Baixo Mondego; less than the Centro region average. Noteworthy amongst the principal industries are paper and pulp, with two major installations in the municipality of Figueira da Foz. Miscellaneous non-metallic mineral products is another industrial sector of notable weight in employment, and predominating in the mu-

nicipalities of Coimbra (cement, and ceramics in general) and Condeixa-a-Nova (associated with the manufacture of 'Coimbra' tableware). In Penacova, the principal industry is timber and cork. Textiles are worth a mention generally across the region, being important for the employment they generate despite a less significant volume of turnover.

As in the Baixo Vouga, agriculture can be regarded as falling short of the level which would be justified by certain fertile soils. Agriculture is nonetheless frequently a secondary activity of those employed in other sectors of activity.

From the tourist's point of view the Baixo Mondego is a rather attractive region, with around a quarter of the entire accommodation of the Centro region – mainly in the municipalities of Coimbra and Figueira da Foz. A substantial contribution to this is made by the University and mediaeval city of Coimbra, the ruins of Conímbriga, and the seaside resort at Figueira da Foz.

Which EU regions are similar to the Baixo Mondego?

Area:

approximately 2000 sq.km.

Güstrow (D)
Rotenburg (D)

Population density:

150 a 160 inhabitants per sq.km.

Gotha (D)
Loire-Atlantique (F)

Birth rate:

approximately 10‰

Haute-Loire(Fr)

	Area	Resident Population	Population Change	Population Density	Schoolchildren Registered	Mean Infant Mortality Rate	Hospital Beds per 1 000 Pop.
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Baixo Vouga	1 807	360,2	3,9	199,3	78,5	8,7	2,7
Baixo Mondego	2 062	326,7	-2,1	158,4	87,3	6,3	14,0
Pinhal Litoral	1 741	228,7	3,0	131,4	45,4	7,6	2,5
Pinhal Interior Norte	2 617	133,5	-9,8	51,0	20,9	9,3	1,3
Dão-Lafões	3 483	281,5	-4,9	80,8	55,7	8,1	2,8
Pinhal Interior Sul	1 906	46,2	-19,1	24,2	6,1	4,1	0,9
Serra da Estrela	872	52,3	-7,2	60,0	9,2	9,1	0,8
Beira Interior Norte	4 069	113,1	-10,8	27,8	23,4	7,3	3,8
Beira Interior Sul	3 738	78,2	-7,0	20,9	16,0	11,3	4,9
Cova da Beira	1 373	89,8	-8,8	65,4	20,8	7,9	4,4
Centro	23 668	1 710,1	-3,3	72,3	363,3	7,9	4,9
Portugal	91 835	9 934,1	-0,7	108,2	2 375,1	8,9	4,6

PINHAL LITORAL



The Pinhal Litoral has an area of 1741 sq. km and comprises five municipalities: Leiria, Batalha, Marinha Grande, Pombal and Porto de Mós. To the north it is bounded by the Baixo Mondego, to its south by Lisboa e Vale do Tejo region, to the east by part of the Pinhal Interior Norte and again by Lisboa e Vale do Tejo, and to the west by the Atlantic Ocean.

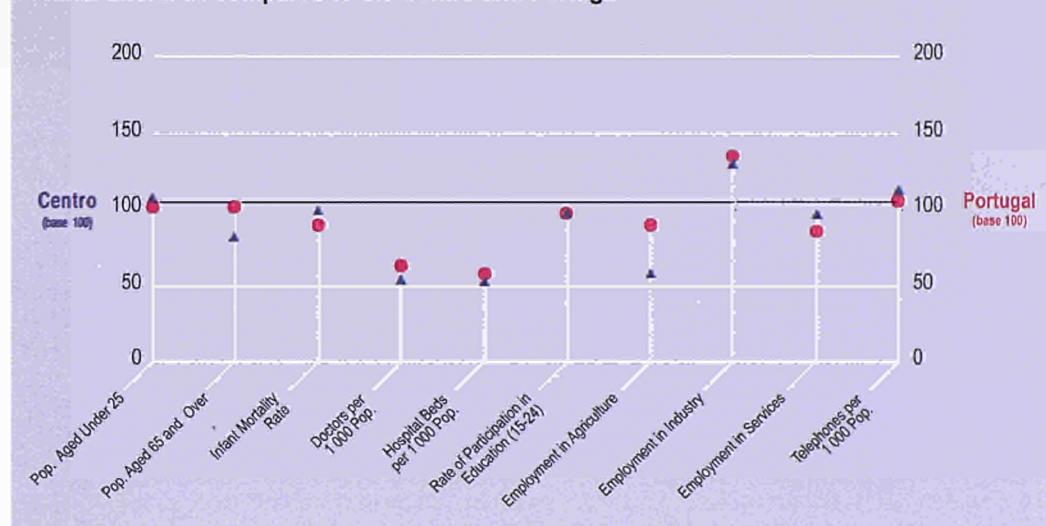
It is not a particularly hilly region, and has no major heights, although there are a few outcrops of rocky limestone in the northern municipality of Pombal, and again in Porto de Mós in the south of the region. The Pinhal Litoral has many of Portugal's most famous caves (although the privilege is shared with other regions), including those of Santo António, Mira de Aire, Alvados and Moeda. These are splendid limestone formations with watercourses and spacious chambers underground, and countless stalactites and stalagmites, the product of both time and nature.

The main river of the region is the Lis, which rises in the Serra d'Aire and joins the Atlantic at Praia de Vieira (municipality of Marinha Grande), with as its main tributary the Lena. The region has a coast of level beach, although it is as yet little developed for tourism. Woodlands dominate the land usage, with Mediterranean pine the principal species, notably in the celebrated *pinhal de Leiria* — the Leiria pine forest in Marinha Grande municipality, a strip of coastal pine forest extending over up to 8.4 km east–west and 18.7 km north–south.



The city of Leiria, proud of its history, is today one of the main poles of attraction in a region in the midst of economic and demographic growth.

Pinhal Litoral as compared to the Centro and Portugal

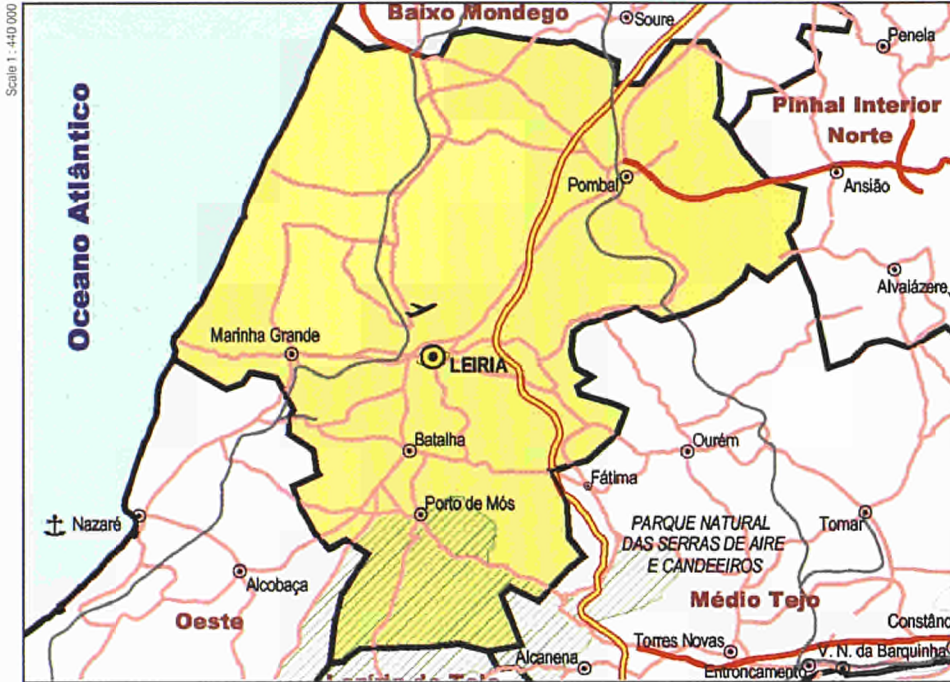


Good connections

Geographically, the Pinhal Litoral is strategically situated. First, it is the Baixo region of the Centro closest to Lisboa; secondly the region is crossed by the main north-south motorway linking Lisboa and Porto. For railways there is the main north-south line with a station at Pombal, and the west coast line from Lisboa to Figueira da Foz via Leiria. Leiria is also a major highway hub, at the intersection of the IC2, the old main road from Lisboa to Porto, with highways to Figueira da Foz, Fátima and Marinha Grande, in addition to the motorway. Another very clear feature of the regional economy of the Pinhal Litoral is the weight of industry in all of its municipalities. Marinha Grande has one of the Centro region's highest rates of industrial employment, with 63%. The main industries in the region are those associated with moulding, glass and plastics. In demographic terms, the Pinhal Litoral has great potential. Not just because it has a young population, but also because it has the population growth essential to development. This and Baixo Vouga were the only areas of the entire Centro region to show population growth from the start of the 1980s, with the increase in

the Pinhal Litoral between 1981 and 1996 being around 6%.

The region's main weakness derives from the decline over recent years of certain traditional industries, in particular glass, where a fair number of businesses are on the verge of bankruptcy or going through a difficult process of economic recovery. With industrial activity fundamental to the region's economy, industrial conflict has begun to appear, adding the threat of unemployment to social tensions and popular uneasiness.



Importance of industry

In 1996 the resident population of Pinhal Litoral was around 230 000, producing one of the highest densities in the Centro region and exceeded only by the two other coastal regions. The population growth has been the result of two concurrent phenomena: a positive balance on migration (with for the Centro region a strongly positive migration rate of +0.34% for 1995) and a positive balance on natural population increase, with the birth rate exceeding the death rate. This dynamic population growth can be expected to continue for some years to come, given the youthfulness of all municipalities in the region. Leiria is the region's main urban centre, hardly surprising since it is also the administrative centre. This accounts for the above-average weight of the tertiary sector in the city's employment compared with the other municipalities: the supply of services is proportionate to the population served. Intra-regional commuter traffic is mainly towards Leiria, although the latest census also shows the influence of Marinha Grande, where a substantial number of people living in Leiria are employed.

Even so, the region's output is dominated by industrial activity, in spite of the difficulties currently being faced by several sectors. The manufacture of non-metallic mineral products stands out. In the main this concerns glass, glassware and lead crystal at works in Batalha, Porto de Mós and Marinha Grande. Next in terms of employment come the manufacture of machinery and general equipment, and textiles, located mainly in Marinha Grande and Porto de Mós, respectively. Manufacture of rubber and plastics is another significant industry in the region, notably in Leiria and Marinha Grande.

With only 9% of agricultural employment (according to census definitions) Pinhal Litoral has the lowest level of any sub-region in the Centro.

For tourism, the region has a rich historical and cultural heritage, with castles in Pombal, Leiria and Porto de Mós and the monastery of Batalha, to which much of the tourist activity in the region is attributable. The Batalha monastery is one of the largest and finest gothic buildings in Portugal, and the first in the Manueline style

of the 16th century. Proximity to Fátima is another tourist asset, since the sanctuary there is one of the most celebrated religious sites in Portugal or indeed the world, attracting many thousands of pilgrims each year from Portugal and abroad. Monte Real in Leiria municipality is a major spa town, although it attracts few visitors from outside Portugal.

Which EU regions are similar to the Pinhal Litoral?

Population density:

120 a 130 inhabitants per sq.km.
Flevoland (NL)
Oise (F)

Birth rate:

approximately 11‰
Matera (I)

Death rate:

approximately 10‰
Arlon (B)
Trento (I)

	Area	Resident Population	Population Change	Population Density	Schoolchildren Registered	Mean Infant Mortality Rate	Hospital Beds per 1 000 Pop.
	sq. km.	1 000	%	inhab/sq. km.	1 000	‰	No.
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Centro	23 668	1 710,1	-3,3	72,3	363,3	7,9	4,9
Portugal	91 835	9 934,1	-0,7	108,2	2 375,1	8,9	4,6

PINHAL INTERIOR NORTE



The Pinhal Interior Norte has an area of 2617 sq. km and comprises 14 municipalities: Alvaiázere, Ansião, Arganil, Castanheira de Pêra, Figueiró dos Vinhos, Góis, Lousã, Miranda do Corvo, Oliveira do Hospital, Pampilhosa da Serra, Pedrógão Grande, Penela, Tábua and Vila Nova de Poiares. To the north it is bounded by Dão-Lafões and the Serra da Estrela, to the west by the Baixo Mondego and part of the Pinhal Litoral, to the east by the Pinhal Interior Sul and Cova da Beira and to the south by Lisboa e Vale do Tejo region.

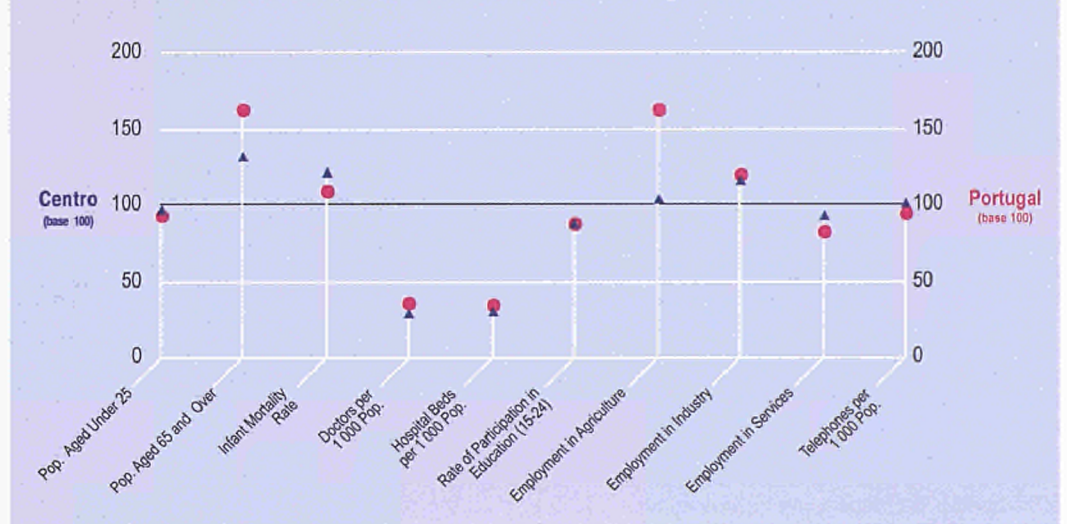
It is an upland region, including two ranges of mountains in the Serra da Lousã and the Serra do Açor. Serra da Lousã is around 30 km in length, is of algonquic rock, one of the largest areas of agnotozoic geology in Portugal. The Serra do Açor is 33 km long and 12 km broad, consisting mainly of schist. Both offer magnificent scenery, a delight for visitors. Further south there is the limestone Serra de Alvaiázere, covered with heather and small orchid varieties.

The region is drained by the Ceira and the Alva, two of the main tributaries of the Mondego. But the region also includes part of the Tejo basin, with the Santa Luzia dam on the river Unhais at Pampilhosa da Serra, and those of Bouçã and Cabril on the river Zêzere, located on the boundary between Pedrógão Grande and the Pinhal Interior Norte. In fact the Zêzere, the main tributary of the Tejo, forms part of the boundary with the Pinhal Interior Sul.



The threat of desertification hovers over several villages in the Pinhal Interior Norte despite the fact that the indisputable interest of many traditional buildings has at times attracted city dwellers.

Pinhal Interior Norte as compared to the Centro and Portugal



Densely forested mountains

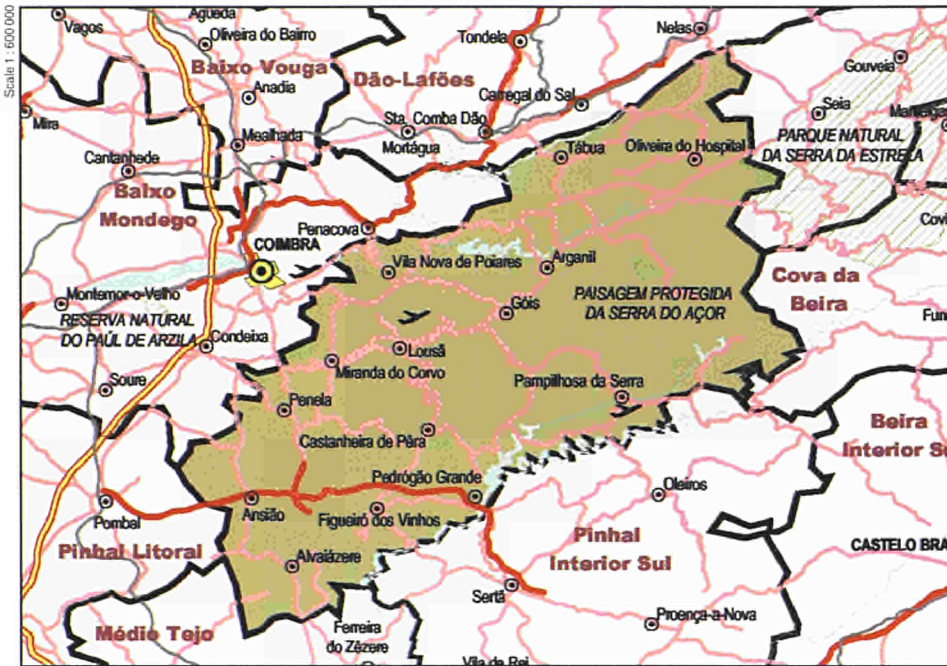
Pinhal Interior Norte is a region where mountainous terrain is a dominant feature. The area is heavily forested, which has evidently given rise to numerous economic activities. This natural wealth has nonetheless been decimated by the many major forest fires of recent years. One of the consequences of this misfortune has been the replacement of pine forest with eucalyptus, as a faster-maturing species.

Together with the wealth of forest, the region possesses some remarkable landscapes which may be rated a tourist asset, already attracting local tourism and walkers. But they are mainly day trippers, and the region has one of the lowest numbers of overnight hotel stays in the entire Centro region.

Connections between Coimbra and the principal townships and municipal capitals have improved greatly over recent years. But the region is still off the main national highways — no major highway even touches it — communications between its main centres are difficult and above all the links between municipalities remain, despite laudable efforts, a contributory factor to the isolation of certain townships, especially those in mountain areas.

Pinhal Interior Norte has thus recorded a number of substantial falls in population, particularly since the early 1980s. These falls have been greatest in municipalities such as Pampilhosa da Serra, Góis and Pedrógão Grande, where the decline in population since 1981 has been in the range 24–30% and the rural exodus has reached disturbing levels. The ageing of the population is another serious problem in the more mountainous regions.

PINHAL INTERIOR NORTE



A very disparate region

Pinhal Interior Norte is a region of very disparate characteristics, probably the result of the high number of municipalities it comprises. Three areas with distinct characteristics can in fact be identified. First, in the west are a number of municipalities whose dominant feature is their proximity to Coimbra. As the suburbs of a major city, their demographic, economic and social structure is clearly changing. These municipalities are Vila Nova de Poiares, Lousã, Miranda do Corvo and Penela, where the population density is higher than the regional average and where youth indicators are clearly ahead of the rest of the region.

In the north the municipalities of Oliveira de Hospital and Arganil can be identified as having a certain industrial aptitude diffused through countless small businesses, principally in the textile and timber trades. Lastly, in the south-east of the region, a group of mountainous, sparsely-populated municipalities where the rural exodus and the ageing of the population have been a constant in recent years. This is clearly true of Pampilhosa da Serra, Góis and

Pedrógão Grande, where more than 30% of the resident population are elderly, the population is dwindling rapidly and the death rate substantially exceeds the Centro region's average. Strangely, the abandonment of these areas was due not to the massive emigration of the 1960s, but to internal migration, with Lisboa as the preferred destination.

In this very mixed region, mention must be made of Castanheira de Pêra which, despite being the smallest municipality in the region and having a limited population, has a very significant proportion of its employment in the industrial sector: more than 60% according to the 1991 census, principally in textiles. For a number of reasons this industry is fairly depressed, with social and economic problems the result of worsening unemployment.

Agriculture remains important in terms of the numbers employed – 17%. Given that most land in the region is not well suited to farming, and that the predominance of agriculture is greatest in the most elderly municipalities and where the rural exodus is

greatest, this figure is clearly too high. The supply of services looks rather weak. Census data show that services account for a little under 40% of the resident population, but this may overstate the importance of services in the region's economy, since it conceals the fact that some of the residents employed in the tertiary sector and living in the municipalities close to Coimbra commute there to work. Together with this limited supply of services is a skeletal urban structure: apart from Lousã, Miranda do Corvo and Oliveira de Hospital, there was not a single municipality whose population exceeded 2 000.

Which EU regions are similar to the Pinhal Interior Norte?

Population density:

50 a 60 inhabitants per sq.km.

Rioja (E)
Tayside (UK)

Birth rate:

approximately 9‰

Goslar (A)
Rieti (I)

Death rate:

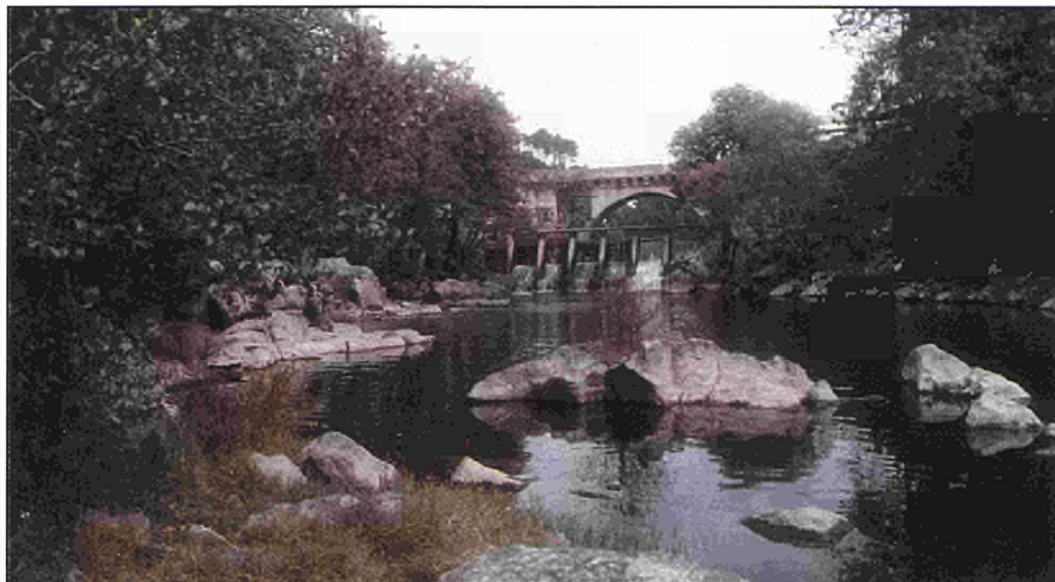
approximately 16‰

Reichenbach (D)

	Area	Resident Population	Population Change	Population Density	Schoolchildren Registered	Mean Infant Mortality Rate	Hospital Beds per 1 000 Pop.
	sq. km.	1 000	%	inhab/sq. km.	1 000	‰	No.
	1996	1996	1986/96	1996	1994/95	1991/95	1995
Baixo Vouga	1 807	360,2	3,9	199,3	78,5	8,7	2,7
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Beira Interior Norte	4 069	113,1	-10,8	27,8	23,4	7,3	3,8
Beira Interior Sul	3 738	78,2	-7,0	20,9	16,0	11,3	4,9
Cova da Beira	1 373	89,8	-8,8	65,4	20,8	7,9	4,4
Centro	23 668	1 710,1	-3,3	72,3	363,3	7,9	4,9
Portugal	91 835	9 934,1	-0,7	108,2	2 375,1	8,9	4,6

Centro

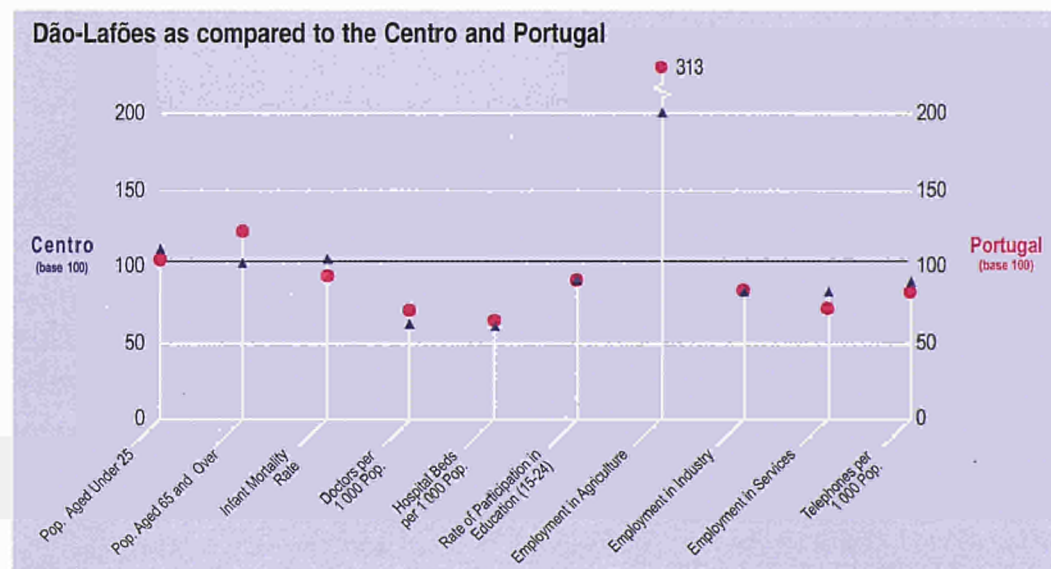
DÃO-LAFÕES



Dão-Lafões is still a region of contrasts in which the demographic dynamism of Viseu, and the industrial vein to be found in some municipalities blend with the simple beauty of the rural scenery.

The Dão-Lafões has an area of 3483 sq. km and comprises 15 municipalities: Viseu, Aguiar da Beira, Carregal do Sal, Castro Daire, Mangualde, Mortágua, Nelas, Oliveira de Frades, Penalva do Castelo, Santa Comba Dão, São Pedro do Sul, Sátão, Tondela, Vila Nova de Paiva and Vouzela. To the north it is bounded by the Norte region, to the west by the Baixo Vouga, to the south by parts of the Baixo Mondego, the Pinhal Interior Norte and the Serra da Estrela, and to the east by part of the Beira Interior Norte and again by the Serra da Estrela. It lies midway between the Atlantic coast and the Spanish border.

In the north the region is drained by the River Paiva, a tributary of the Douro, and by the upper reaches of the Vouga. But the south of the region is in the basin of the Mondego, whose principal tributary in the region is the River Dão. There is considerable diversity of terrain, from the fairly fertile river valleys, through the extensive high plain between the Caramulo and the Estrela, where the town of Viseu lies at an altitude of 494 m, to the high mountain areas where winter temperatures fall below zero and snow can remain on the ground. The geology is mainly granite in the north and schist in the south.



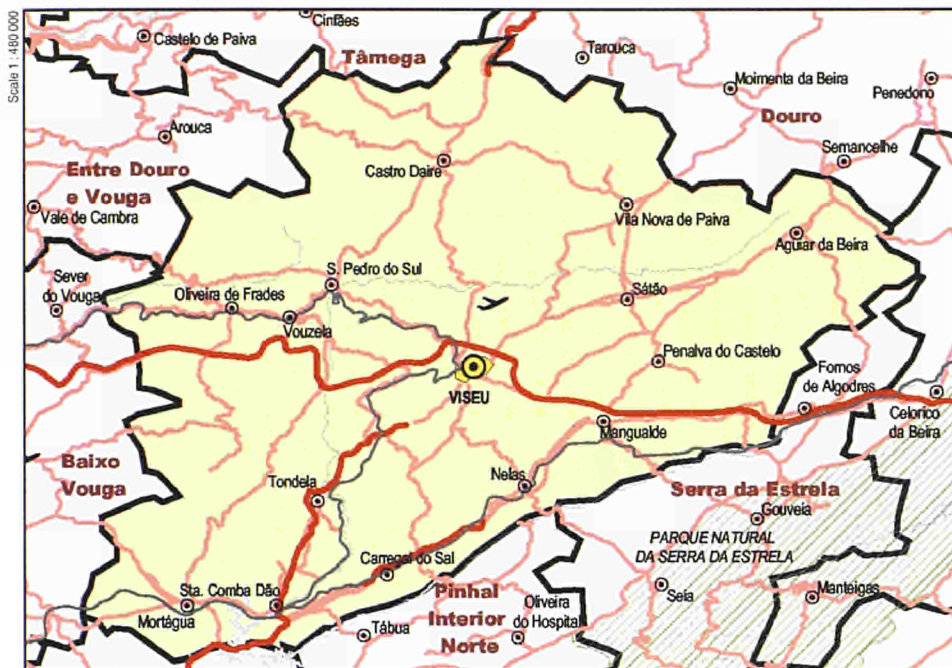
Mid-way between the Atlantic coast and the Spanish border

Dão-Lafões has a privileged situation on the IP5, the main route from the coastal strip of Centro region to its most important border crossing at Vilar Formoso, originating in the Baixo Vouga. Dão-Lafões is also crossed by the IP3, which originates in the Baixo Mondego at Figueira da Foz, intersects with the IP5 in Viseu and continues northwards. Some sections of this highway are still under construction. There are goods and passenger rail services in the south of the region, served by the Beira Alta line from Figueira da Foz through to Vilar Formoso.

Another of the region's strengths is that it embraces a large part of one of Portugal's long-standing quality wine producing regions, the Dão. This wine has a style of its own and an excellent reputation which experts consider amply merited. But a weakness in Dão-Lafões is the high proportion of the resident population employed in agriculture, as defined by the latest census. Agriculture is even more significant in the northern municipalities of Aguiar da Beira, Castro Daire, Penalva do Castelo, São Pedro do Sul, Sátão and Vila Nova de Paiva, a *forti-*

ori since they are not particularly suited to agriculture.

The region thus seems divided into two sub-regions, although this is not unconnected with its considerable size as a sub-region. In the north, access is poorer, the economy heavily dependent on agriculture, and the population shows strong indicators of ageing. In the centre and south, meanwhile, road and rail connections have been built, industry plays a more dynamic role, and the land is more fertile.



Viseu's mediaeval centre naturally contributes to the town's tourist potential. Medicinal spa waters, including some of considerable therapeutic value, have led to the development of numerous thermal establishments, although many are of only local interest. Amongst the spa towns São Pedro do Sul stands out for the therapeutic qualities of its waters and the beauty of the local countryside.

A wine-growing tradition

Population density in Dão-Lafões in 1996 was just under 81 person's per sq. km, close to the mean figure for Centro region. Disparities within the area are wide, peaking in Viseu with almost 160 people per sq. km, while municipalities such as Aguiar da Beira and Vila Nova de Paiva had rates as low as 30 people per sq. km. Natural population increase was negative for the area as a whole and for every municipality except Viseu, an indication of the demographic dynamism of this town. The migration balance for the area as a whole was positive, but not in every municipality. Dão-Lafões is thus relatively young compared with other non-coastal areas of the Centro region, and the youthfulness of its population is more or less evenly distributed across the area.

For its economy, the region has excellent conditions for vines and wine-making: a rugged landscape where the hills enclose the vineyards and protect them from ocean and continental winds, the right soil and exposure, and high-quality native grape varieties. This delimited region's controlling organisation, which monitors

wine quality and typicity, is located in Viseu. Co-operatives play a major role in wine production and marketing. The Dão-Lafões forest is also relatively important, with maritime pine the main species, although oak and chestnut groves are also found. As a result of disastrous forest fires, and previous poor forest management, there has been a tendency to replant pine with eucalyptus.

The region has some industry, though this is mainly apparent in the southern municipalities of Mangualde, Nelas, Santa Comba Dão and Carregal do Sal. In terms of employment, the dominant industries are textiles, timber and cork, and food, beverages and tobacco. Notably the automobile industry is present in Mangualde, and the basic metals and metal products industry in Tondela and Viseu.

For services, the region offers a balanced range for the local market, comparable to that of the coastal municipalities of the Centro region. In tourism it has around 15% of the Centro region's overnight capacity, and Viseu has amongst the largest hotel capacities of the entire Centro.

Which EU regions are similar to the Dão-Lafões?

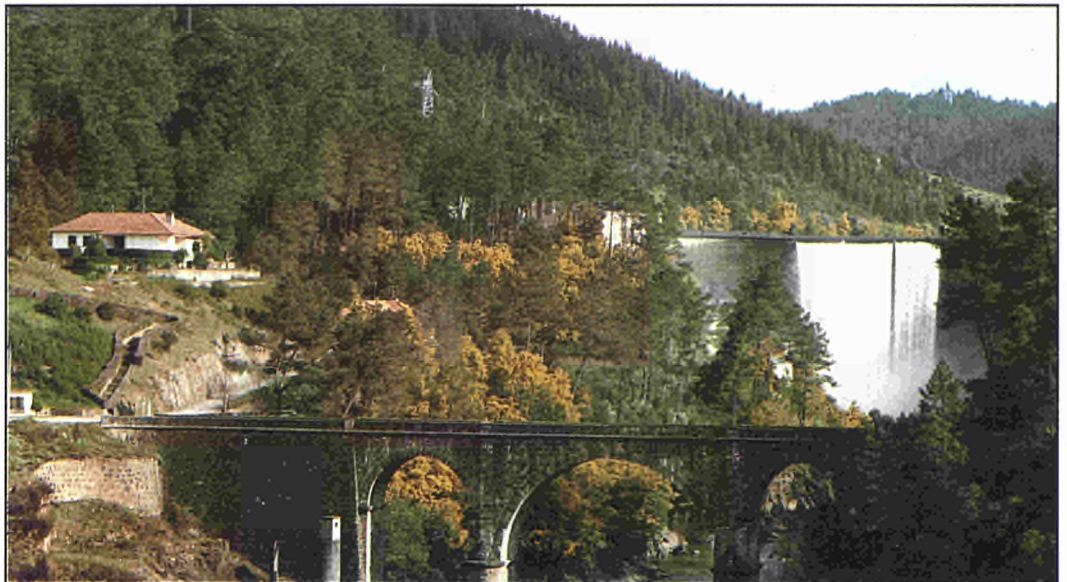
Area:
approximately 3500 sq.km.
Fyns amt (DK)

Population density:
80 a 90 inhabitants per sq.km.
Andalucia (E)
Vogelsbergkreis (D)

Birth rate:
approximately 10,5‰
Waremme (B)
Saône-et-Loire (F)

	Area	Resident Population	Population Change	Population Density	Schoolchildren Registered	Mean Infant Mortality Rate	Hospital Beds per 1 000 Pop.
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PINHAL INTERIOR SUL

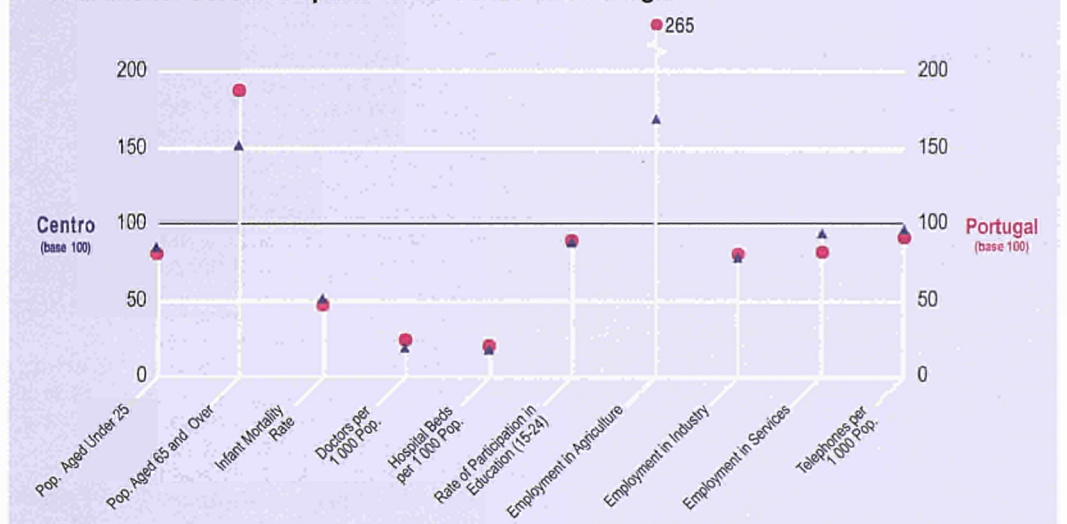


The hydroelectric energy, which is one of the factors of wealth in the Pinhal Interior Sul, is produced in several dams such as this one, located on the Zezere river on the regions border.

The Pinhal Interior Sul has an area of 1906 sq. km and comprises five municipalities: Mação, Oleiros, Proença-a-Nova, Sertã and Vila de Rei. To the north it is bounded by part of Cova da Beira and Pinhal Interior Norte, the boundary with the latter lying essentially along the river Zézere, to the west and south by Lisboa e Vale do Tejo region, and to the east by Beira Interior Sul. It is a region which marks the morphological transition from the coastal strip to the inland areas of the Centro region.

The region falls entirely within the Tejo basin, and includes major dams at Cabril, Bouçã, Pracana and Belver. Cabril dam, on the river Zézere, is on the border of Sertã municipality and holds back one of the largest stretches of water in Portugal, offering excellent opportunities for countless leisure activities. The Bouçã dam is also on the region's boundary, with Pinhal Interior Norte. The Pracana and Belver dams, on the confines of Mação municipality, form part of the Tejo-Ocresa system. Geographically the region is fairly hilly, containing the entire length of the Serra dos Alvóelos and part of the Serra do Muradal, which forms the boundary with the Beira Interior Sul.

Pinhal Interior Sul as compared to the Centro and Portugal



Green landscapes

The predominant colour in the landscape of the Pinhal Interior Sul is green. The region has substantial forest representing one of its strongest resources: according to 1990 data from the Directorate-General for Forestry, more than 50% of the territory is under woodlands. Historically the main species has been the maritime pine, though it is tending to be replaced with eucalyptus. Here as elsewhere in the Centro region, forest fires over the last decade have hit the region hard, and contributed to the decline in economic activities centred on the forest.

Water resources are another major asset. The bigger dams turn to advantage the region's mountainous terrain and rivers with the production of hydro-electric power, notably at the Cabril dam, the second-largest in the Centro region in terms of output.

Access has never been easy. However, completion of part of the IC8, a new highway planned to cross the south of the region from west to east, may have improved the situation, facilitating connections to the coast. Clearly, though, the entire length of the highway must be complete for it to achieve its aim of becom-

ing a major route through the Centro region, with all the resultant benefits.

The largest municipality in the region is Sertã. However, the Pinhal Interior Sul has no centre of population which can be described as 'urban', since according to the 1991 census there was not a single township with more than 2000 inhabitants, and no municipality had as many as 20 000. Hand in hand with this strikingly rural character goes a low proportion of the population employed in the services sector, and Pinhal Interior Sul is the sub-region with the lowest percentage of services sector employment in the entire Centro region.

PINHAL INTERIOR SUL



Ageing population, deserted region

In 1996 the population of Pinhal Interior Sul was around 46 000, marking the region as one of the most sparsely-populated in the whole of Portugal. Population density is well below the average of the Centro region (although that of Beira Interior Sul is even lower). The situation has worsened over recent years, with a 20% slump in the population between the census of 1981 and the figures of 1996. This is a very steep decrease indeed, given that the next worst declines in the Centro region were approximately -12% recorded in Beira Interior Norte and Pinhal Interior Norte.

This population decline could worsen further in the coming decade, since the proportion of over-65s in the population is rather high – the highest, in fact, of any sub-region in the Centro: in 1995 around 40% of the population were retired, compared with a regional average of 28%. Illiteracy is still a problem, the highest in the Centro region at around 25% according to the 1991 census, and even higher

amongst females. These high illiteracy figures are a consequence of the isolation of the population and, of course, its age. In addition to its elderly population, Pinhal Interior Sul is rather overweight in the primary sector's share of the resident population. In a mountain region with no special agricultural qualities, that is disturbing. The rural exodus is already a fact, and it seems bound to worsen, since the population even of the municipal capitals (with the exception of Proença-a-Nova) shrank between the censuses of 1981 and 1991.

Industry's share of employment is below average, with notably a multitude of small sawmills associated with the timber trades. It has already been noted that the supply of services is restricted, but in leisure and culture it is virtually nil: the region is not recorded as possessing a single cinema, stage or museum. Health indicators are equally impoverished, a fact not unconnected with the lack of any hospital in the entire territory.

Which EU regions are similar to the Pinhal Interior Sul?

Population:

approximately 49000 inhabitants
Arlon (B)

Population density:

20 a 30 inhabitants per sq.km.
Lakonia (EL)
Extremadura (E)

Death rate:

approximately 17‰
Trieste (I)

	Area	Resident Population	Population Change	Population Density	Schoolchildren Registered	Mean Infant Mortality Rate	Hospital Beds per 1 000 Pop.
	sq. km.	1 000	%	inhab/sq. km.	1 000	‰	No.
	1996	1996	1986/96	1996	1994/95	1991/95	1995
Baixo Vouga	1 807	360,2	3,9	199,3	78,5	8,7	2,7
Baixo Mondego	2 062	326,7	-2,1	158,4	87,3	6,3	14,0
Pinhal Litoral	1 741	228,7	3,0	131,4	45,4	7,6	2,5
Pinhal Interior Norte	2 617	133,5	-9,8	51,0	20,9	9,3	1,3
Dão-Lafões	3 483	281,5	-4,9	80,8	55,7	8,1	2,8
Pinhal Interior Sul	1 906	46,2	-19,1	24,2	6,1	4,1	0,9
Serra da Estrela	872	52,3	-7,2	60,0	9,2	9,1	0,8
Beira Interior Norte	4 069	113,1	-10,8	27,8	23,4	7,3	3,8
Beira Interior Sul	3 738	78,2	-7,0	20,9	16,0	11,3	4,9
Cova da Beira	1 373	89,8	-8,8	65,4	20,8	7,9	4,4
Centro	23 668	1 710,1	-3,3	72,3	363,3	7,9	4,9
Portugal	91 835	9 934,1	-0,7	108,2	2 375,1	8,9	4,6

Centro

SERRA DA ESTRELA



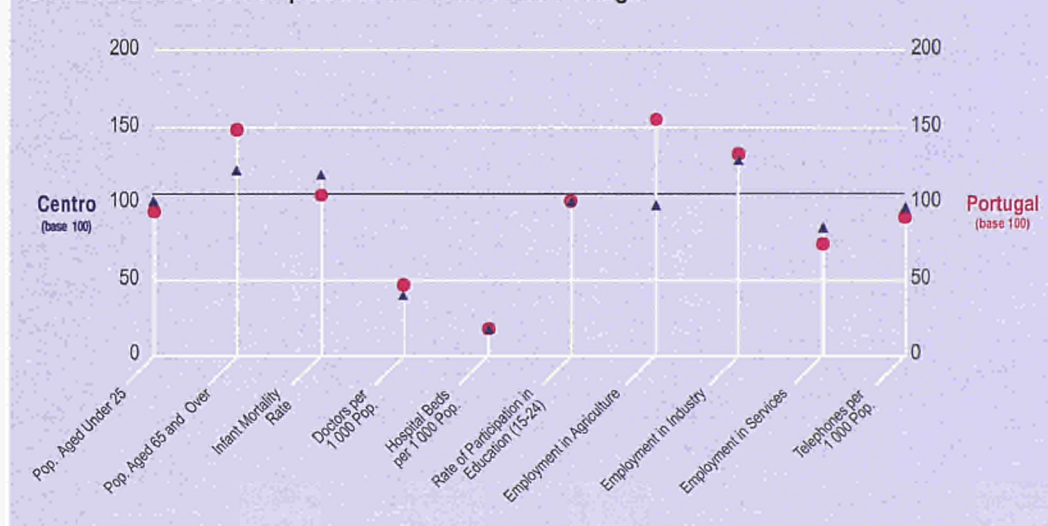
This region, located in mainland Portugal's largest mountain range, is home to some of the best spots in which to practice winter sports.

The Serra da Estrela has an area of 872 sq. km and comprises three municipalities: Fornos de Algodres, Gouveia and Seia. To the north it is bounded by Dão-Lafões and the Beira Interior Norte, to the west by the Pinhal Interior Norte, to the south by the Cova da Beira and to the east again by the Beira Interior Norte.

The region embraces the mountains whose name it bears, the main mountain range in Portugal. However, only the northern slopes of the Serra da Estrela mountains lie entirely within the region. The Serra da Estrela lies at the western end of the Iberian meseta, the backbone of the Iberian peninsula. Generally speaking, the highest ground of the meseta takes the form of high plains, surrounded by scarps with the valleys running to their foothills.

Serra da Estrela is rich in water, with many springs. Two of the country's principal rivers rise within the area: the Mondego and the Zêzere. Both rise in the highest areas of the sierra, (at 1410 m and 1920 m respectively), but the mountain ridge forces them apart, one to the north and the other to the south, in two of the broadest river basins in the country. The climate is essentially that of any high mountain region: windy, misty and damp, with intense cold and wide temperature variations. The soil is mainly rocky granite and schist.

Serra da Estrela as compared to the Centro and Portugal



Winter sports

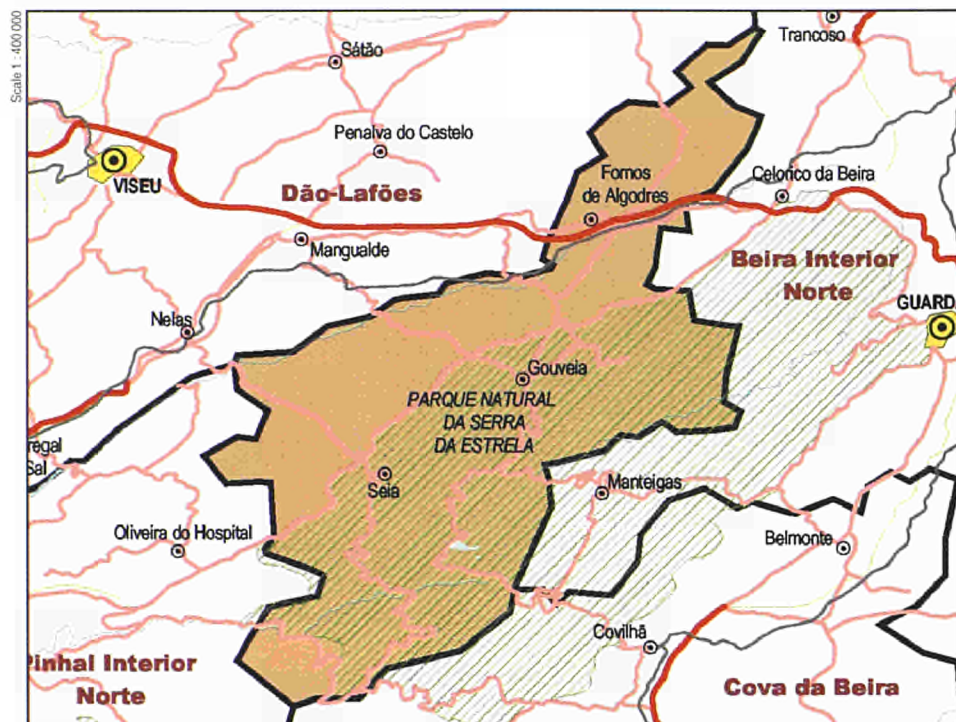
The Serra da Estrela has traditionally had an industrial vocation, and this should be seen as an advantage for the region. The latest census shows 48% of the region's employed population as working in the secondary sector. The textile industries' dominant position means that this industrial vocation is nonetheless somewhat lopsided.

Another of the region's strengths lies in its tourist potential. The heritage includes several important vestiges of prehistoric and the earliest recorded times, but the most important fact is that winter snows remain on the ground, thus making the Serra da Estrela Portugal's only region where winter sports are possible. The Serra da Estrela is also known as the origin of one of Portugal's most celebrated cheeses, the *queijo da serra*, a distinction which it shares with other sub-region reviewed in this work.

The region's principal weakness is the downside of one of its most striking strengths: its industrial vocation. Serra da Estrela seems to have lost some of the advantages which led to its industrial specialisation, and at the same time has both missed the opportunity to modernise and failed to diversify into other sec-

tors with a more attractive future. The result is that textiles is by some distance the region's principal employer, mainly in the municipalities of Seia and Gouveia.

SERRA DA ESTRELA



Industrial specialisation based on textiles

Population density in the Serra da Estrela is around 60 per sq. km, undoubtedly a reflection of the region's climate and morphology and below the average for the Centro region. In population terms, Seia is the largest municipalities, and Fornos de Algodres the smallest. Although the total population has dwindled by 8% since the 1981 census, it still shows some signs of youthfulness, at least in comparison with other regions of the same type inland. Even so, the natural population increase is heavily negative, with births around 7‰ and the death rate around 14‰.

The three municipalities of the Serra da Estrela have a rather disparate economic profile. Fornos de Algodres is fundamentally agricultural, but Gouveia and Seia have an industrial tradition. The region has for many years specialised in textiles, benefiting from two important factors: first, the abundant water from high-altitude springs and lakes providing hydro-electricity, and secondly, the abundant supply

of the necessary raw material – wool – since it has the qualities needed to develop and maintain high-quality grazing even during the hottest period of the year. The services sector, according to census methodology, employed only around 35% of the resident population.

The region has an unparalleled natural heritage, with countless sites of great beauty, views over the valleys and ancient towns where time seems to have stood still. The Serra da Estrela also has numerous vestiges from prehistoric and the earliest recorded times, including standing stones, tumuli, and carvings. In particular the dolmen in Corga de Matança, (Fornos de Algodres) a polygonal chamber four metres high with nine granite standing stones, dates from Neolithic times (fifth millennium BC) and the fort of Santiago, where polished stone axes, flint arrowheads and ceramics dating from the third millennium BC have been discovered. Notwithstanding the tourist potential of snow slopes, there have

been co-ordinated efforts to promote the region not just for winter sports, but throughout the year. The range of facilities on offer is now much wider: skiing, mountaineering, snowboard, hunting and fishing, canoeing, parasailing, hang-gliding, rambling, and many others. The Serra da Estrela also offers a wide range of craft trades.

For all these reasons, the Serra da Estrela has the highest hotel occupancy rate of the entire Centro region – this being an indicator which allows an estimation of the extent to which the tourist supply is used. Sight should nonetheless not be lost of the fact that this is amongst the areas of the Centro with the lowest hotel capacity. The tourists who visit the region are predominantly Portuguese.

Which EU regions are similar to the Serra da Estrela?

Area:

approximately 870 sq.km.
Zeeuwsch-Vlaanderen (NL)

Population density:

60 a 70 inhabitants per sq.km.
Potenza (I)
Philippeville (B)

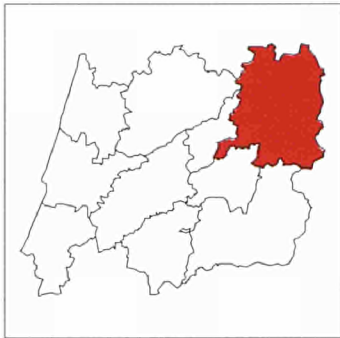
Birth rate:

approximately 8‰
Perugia (I)
Creeuse (F)

	Area	Resident Population	Population Change	Population Density	Schoolchildren Registered	Mean Infant Mortality Rate	Hospital Beds per 1 000 Pop.
	sq. km.	1 000	%	inhab/sq. km.	1 000	‰	No.
	1996	1996	1986/96	1996	1994/95	1991/95	1995
Baixo Vouga	1 807	360,2	3,9	199,3	78,5	8,7	2,7
Baixo Mondego	2 062	326,7	-2,1	158,4	87,3	6,3	14,0
Pinhal Litoral	1 741	228,7	3,0	131,4	45,4	7,6	2,5
Pinhal Interior Norte	2 617	133,5	-9,8	51,0	20,9	9,3	1,3
Dão-Lafões	3 483	281,5	-4,9	80,8	55,7	8,1	2,8
Pinhal Interior Sul	1 906	46,2	-19,1	24,2	6,1	4,1	0,9
Serra da Estrela	872	52,3	-7,2	60,0	9,2	9,1	0,8
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Beira Interior Sul	3 738	78,2	-7,0	20,9	16,0	11,3	4,9
Cova da Beira	1 373	89,8	-8,8	65,4	20,8	7,9	4,4
Centro	23 668	1 710,1	-3,3	72,3	363,3	7,9	4,9
Portugal	91 835	9 934,1	-0,7	108,2	2 375,1	8,9	4,6

Centro

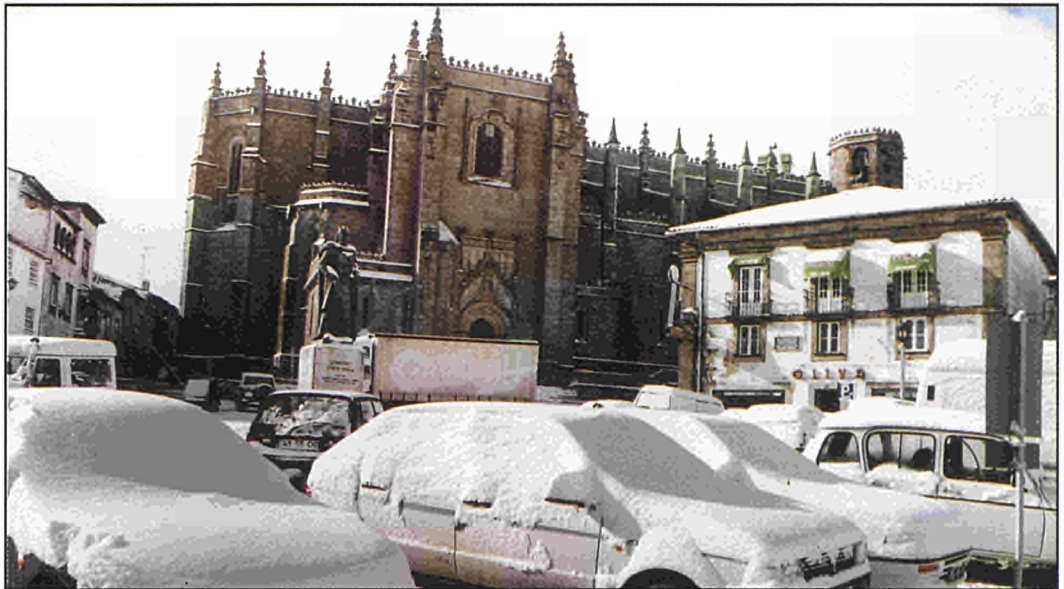
BEIRA INTERIOR NORTE



The Beira Interior Norte has an area of 4069 sq. km and comprises nine municipalities: Guarda, Almeida, Celorico da Beira, Figueira de Castelo Rodrigo, Manteigas, Meda, Pinhel, Sabugal and Trancoso. To the north it is bounded by the Norte Region, to the west by Dão-Lafões and Serra da Estrela, to the south by Cova da Beira and Beira Interior Sul, and to the east by Spain.

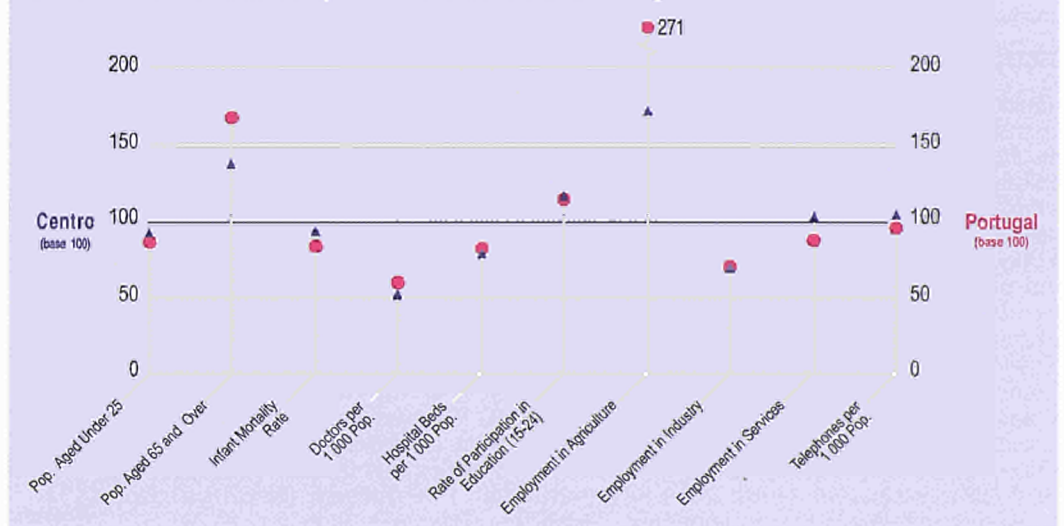
The region is extremely mountainous, with some municipalities lying in the main cordillera of the Serra da Estrela: Manteigas, Celorico da Beira, Sabugal and Guarda. Guarda is in fact Portugal's highest settlement at 1056 m and one of the highest in the whole Iberian peninsula. The region is for the most part drained by two river systems. The Côa, which crosses the region from south to north, is a tributary of the Douro. Further west the water drains towards the Mondego, where the Caldeirão dam was built to generate hydro-electricity but mainly to safeguard water supplies for the region around Guarda. Geologically, the region is mainly granite and schist.

Average annual temperatures are around 10°–11°C, although at higher altitudes the average can be below 10°C, with snow remaining on the ground through part of the year.



The city of Guarda, in the Beira Interior Norte, is the highest of the Portuguese cities and one of cities located at the highest altitude on the Iberian Peninsula.

Beira Interior Norte as compared to the Centro and Portugal



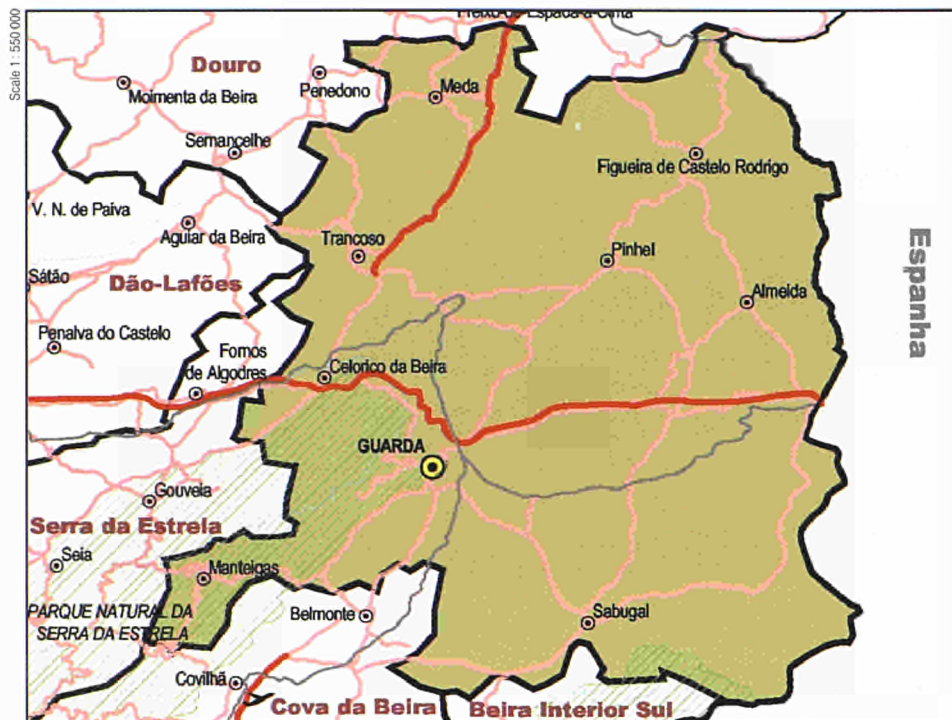
Frontier region

Geographical location has been a determining factor in the regional economy of the Beira Interior Norte. The region includes the town of Vilar Formoso in the municipality of Almeida, which is the Centro region's principal terrestrial border. It is by far the most important point of entry for incoming foreign traffic, both by road – via the IP5, linking the border to the coast – and by rail, via the Beira Alta line. From the highways aspect the IP2 is also under construction – a long-standing wish of the local population – providing the Region with a major north-south inland link.

Excellent connections to Europe and to the principal coastal centres ought to have made the Beira Interior Norte a region of high potential, at least in terms of industrial location. Alas, it does not seem to have grasped this advantage. In fact, it is the sub-region with the lowest percentage of the resident population employed in the industrial sector: 26%, according to the 1991 census. This means that the agricultural sector is still employing too many people, particularly given that the mountain and high plains regions are not generally particularly fertile.

Demography is another of the region's weak points. The trend has been poor over several decades, with the same rapid rural exodus observed elsewhere inland in the Centro region, and with no sign of the flow abating in the next few years.

BEIRA INTERIOR NORTE



Heavy emigration

In 1996 the population of Beira Interior Norte stood at around 110 000. Even so, the density was amongst the lowest in Centro region. At the same time, the overall decrease in the population since 1981 had been around 13%. The reason for this was twofold: first, several years of negative natural population increase (the population showing strong indications of ageing) and at the same time, the abandonment of the countryside in the search for better-paid work, in the coastal regions of the country and, very frequently, abroad. Although this slump affected all the municipalities of the region, it was least bad in Almeida and Guarda. This is certainly the effect of the substantial trade activity in these two municipalities, resulting essentially from cross-border tourism.

The Beira Interior Norte was during the 1960s and 1970s one of the most important sources of emigration in the course of a massive rural exodus. Although this was the cause of the depopulation now visible, it also means that the region is

one of the main beneficiaries of migrants' remittances from abroad.

The region's economy is thus rather heavily dependent on the primary sector (29% of employment, according to the 1991 census) particularly in view of the qualities of the soil. Industry is mainly concerned with construction, textiles, and food, beverages and tobacco, the latter partly in connection with the celebrated *queijo da serra* and dairy produce in general. As for services, the municipalities of Guarda and Almeida naturally stand out: according to the census, more than 50% of the employed resident population was employed in the tertiary sector, with a strong propensity to distributive trade, in particular the commercial activity built around cross-border tourism, which is critical in the region's economy.

For tourism the Beira Interior Norte has the monuments of the town of Guarda, and a number of smaller castles and fortifications associated with the region's strategic position in the history of Portu-

gal and the defence of the nation's territory. Proximity to the Spanish border has positive effects on tourism, both in terms of passing traffic and as a destination for cross-border excursions. Even so, in 1995 Beira Interior Norte was the sub-region with the lowest occupancy rate for its hotels. This certainly reflects the region's strategic situation on the route of countless tourists, and points to its inability to persuade them to stay longer.

Which EU regions are similar to the Beira Interior Norte?

Population:

approximately 116000 inhabitants
Günzburg (D)

Population density:

20 a 30 inhabitants per sq. km.
Salamanca (E)
Haute-Corse (F)

Death rate:

approximately 15‰
Pírmáséns, Krfr.St (A)

Area	Resident Population	Population Change	Population Density	Schoolchildren Registered	Mean Infant Mortality Rate	Hospital Beds per 1 000 Pop.	
	sq. km.	1 000	%	inhab/sq. km.	1 000	%	
	1996	1986/96	1996	1994/95	1991/95	1995	
Baixo Vouga	1 807	360,2	3,9	199,3	78,5	8,7	2,7
Baixo Mondego	2 062	326,7	-2,1	158,4	87,3	6,3	14,0
Pinhal Litoral	1 741	228,7	3,0	131,4	45,4	7,6	2,5
Pinhal Interior Norte	2 617	133,5	-9,8	51,0	20,9	9,3	1,3
Dão-Lafões	3 483	281,5	-4,9	80,8	55,7	8,1	2,8
Pinhal Interior Sul	1 906	46,2	-19,1	24,2	6,1	4,1	0,9
Serra da Estrela	872	52,3	-7,2	60,0	9,2	9,1	0,8
Beira Interior Norte	4 069	113,1	-10,8	27,8	23,4	7,3	3,8
Beira Interior Sul	3 738	78,2	-7,0	20,9	16,0	11,3	4,9
Cova da Beira	1 373	89,8	-8,8	65,4	20,8	7,9	4,4
Centro	23 668	1 710,1	-3,3	72,3	363,3	7,9	4,9
Portugal	91 835	9 934,1	-0,7	108,2	2 375,1	8,9	4,6

Centro

BEIRA INTERIOR SUL



The Beira Interior Sul has an area of 3738 sq. km and comprises four municipalities: Castelo Branco, Idanha-a-Nova, Penamacor and Vila Velha de Ródão. To the north it is bounded by the Beira Interior Norte and the Cova da Beira, to the west by the Pinhal Interior Sul, to the east by the Spanish province of Cáceres and to the south by the River Tejo marking the border with Spain and then the Alentejo region.

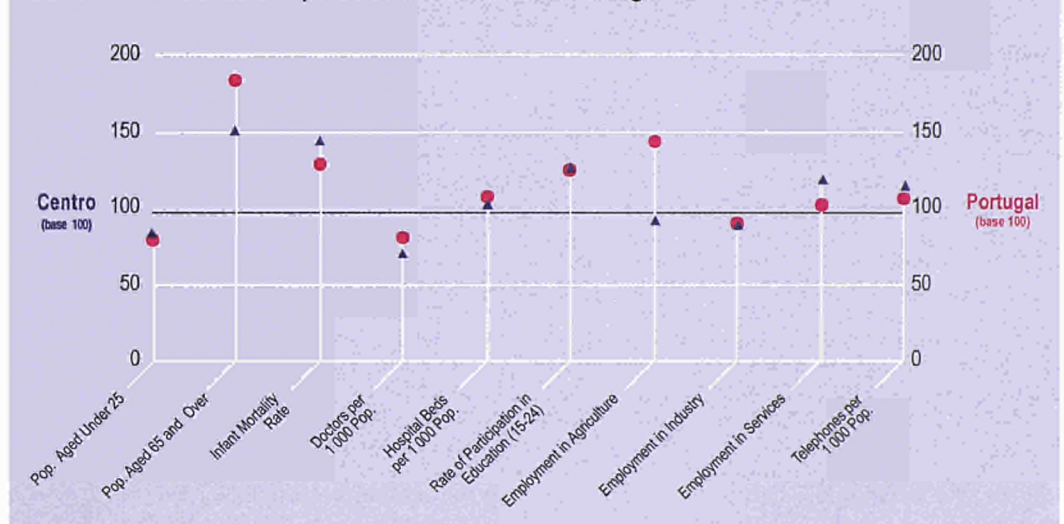
Morphologically the Beira Interior Sul is surrounded by a series of mountain ranges, which do not make easier the access to and from other regions. These are, in order, the Serra da Estrela, the Gardunha, the Moradal, the Alvéolos and the Malcata. Even within the region, on a lesser scale, there is the Serra de Monsanto. The region forms part of the Tejo basin, being crossed from north to south by two of its tributaries, the Ocreza and the Ponsul. A number of dams have been built to improve the region's agriculture, notably on the Ponsul to serve the area around Idanha.

The mean annual temperature is around 15°C, though in summer it can reach 40°C.



The village of Monsanto, which is considered the most Portuguese of Portugal's villages and which is the setting for folk tales and fables told in Portuguese literature, is today an important tourist attraction.

Beira Interior Sul as compared to the Centro and Portugal



Elderly population

The Beira Interior Sul lies in the interior of the Centro region. Some of the connections from the coastal conurbations are still inadequate, partly because of the mountains surrounding the region. From other points of view the region appears less isolated: access from the north via Covilhã, and especially from Lisboa, has improved, although the distance from the latter is never going to be shortened. There is also the planned IC8 across the region from west to east, but the completed sections of this highway do not yet even reach the edge of the Beira Interior Sul.

Another of the region's important aspects is its natural, historic and tourist heritage. Though it has no major monuments, there is still the Serra da Malcata, Penha Garcia, the Portas de Ródão (a narrow passage formed by huge mounds of rock on either bank of the river), Monsanto, the village reputed to be the most typical of the whole of Portugal, and the spa at Monfortinho. Each of these belongs in the category 'leisure' preserved from the bustle and pressure of urban life, and where nature is within arm's reach at every moment.

Amongst the region's greatest weaknesses is the population decline recorded over several decades. The population shrank by some 9% between the census of 1981 and the estimated figures for 1996. Even in the years to the 1970s, when an increase in population was observed generally across the nation, the population of the Beira Interior Sul was declining. This is the sub-region with Portugal's lowest percentage of young people, as well as being one of the most elderly and one with very disturbing levels of illiteracy.

BEIRA INTERIOR SUL



High levels of illiteracy

In 1996 the Beira Interior Sul had around 78 000 inhabitants, the municipality of Castelo Branco alone accounting for two thirds of them. Steady negative population growth has reduced all the totals, particularly in the municipalities of Idanha-a-Nova, Penamacor and Vila Velha de Ródão, where the discrepancies with the regional average are very marked and the death rate can be as much as five times the birth rate. With a high proportion of the elderly in the region, and a correspondingly low proportion of young people, this situation is going to persist if not worsen in the future. The net result is a low population density, with Idanha-a-Nova scoring the lowest density in the entire Centro region.

Illiteracy is a serious problem: the region has one of the worst rates even amongst comparable regions in the Centro region: the 1991 census reported 23% of the resident population as illiterate, with a peak of 37% in Idanha-a-Nova.

For comparison, the mean for the Centro region was 14%. Of the persons recorded as illite-rate, agricultural employees account for substantially more than half, and that could be taken as emblematic of the region.

According to the latest census, the Beira Interior Sul has 15% of its employed resident population working in the primary sector. Local detail varies considerably, however, with more than 30% in Idanha-a-Nova and Penamacor. The secondary sector shows greater specialisation in Castelo Branco and Vila Velha de Ródão. In the latter municipality the figure is the result of two facts: it is a very small municipality where a very large wood-pulp mill has a virtual monopoly on local employment. Broadly, the region is dominated by activities associated with the food, beverages and tobacco industries, and textiles. Cheese making stands out, however, with the nationally-reputed *Bordado de Castelo Branco*.

As to the services sector, the district of Castelo Branco stands out naturally with a markedly better supply of services than that of other municipalities in the region, the result of its situation as district capital. The area's proximity to the Spanish border suggests a potential for the development of significant cross-border tourism, but the fact is that at no time in history has it been possible to describe the commercial traffic between the two regions as 'intense'.

Which EU regions are similar to the Beira Interior Sul?

Area:

approximately 4100 sq.km.
Las Palmas (E)

Population density:

20 a 30 inhabitants per sq.km.
Kalmar län (S)
Borders (UK)

Death rate:

approximately 16‰
Baden-Baden, Stadtkr (D)

Area	Resident Population	Population Change	Population Density	Schoolchildren Registered	Mean Infant Mortality Rate	Hospital Beds per 1 000 Pop.	
	sq. km. 1996	1 000 1996	% 1986/96	inhab/sq. km. 1996	1 000 1994/95	% 1991/95	No. 1995
Baixo Vouga	1 807	360,2	3,9	199,3	78,5	8,7	2,7
Baixo Mondego	2 062	326,7	-2,1	158,4	87,3	6,3	14,0
Pinhal Litoral	1 741	228,7	3,0	131,4	45,4	7,6	2,5
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Pinhal Interior Sul	1 906	46,2	-19,1	24,2	6,1	4,1	0,9
Serra da Estrela	872	52,3	-7,2	60,0	9,2	9,1	0,8
Beira Interior Norte	4 069	113,1	-10,8	27,8	23,4	7,3	3,8
Beira Interior Sul	3 738	78,2	-7,0	20,9	16,0	11,3	4,9
Cova da Beira	1 373	89,8	-8,8	65,4	20,8	7,9	4,4
Centro	23 668	1 710,1	-3,3	72,3	363,3	7,9	4,9
Portugal	91 835	9 934,1	-0,7	108,2	2 375,1	8,9	4,6

Centro

COVA DA BEIRA



The Cova da Beira has an area of 1372 sq. km and comprises three municipalities: Belmonte, Covilhã and Fundão. To the north it is bounded by the Serra da Estrela and the Beira Interior Norte, to the west by the Pinhal Interior Norte, to the south by the Pinhal Interior Sul and to the south and east by the Beira Interior Sul.

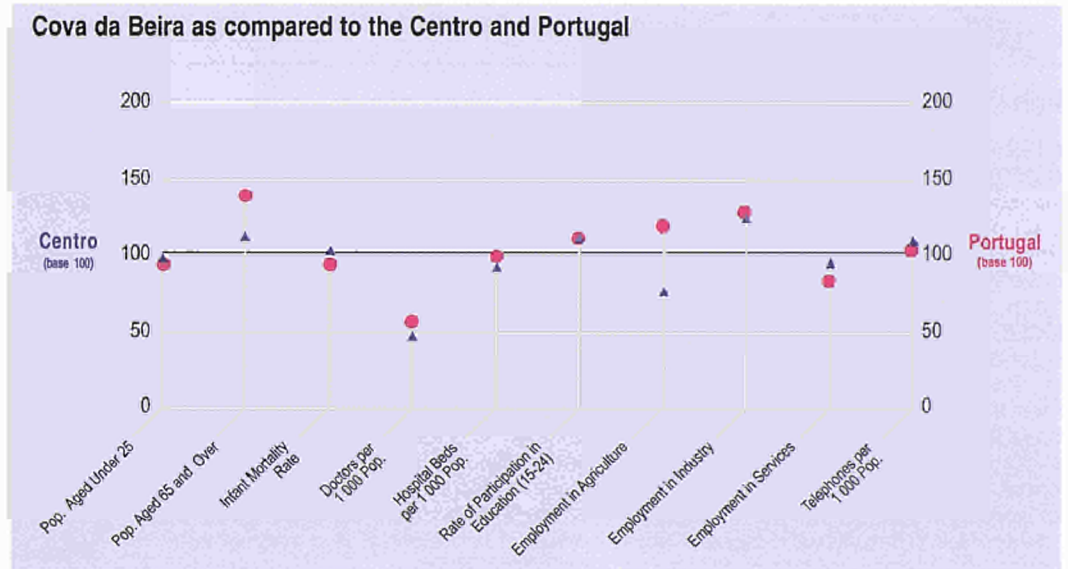
Despite its small size, the Cova da Beira shows clear contrasts between mountain and high plains. Covilhã itself is situated at the base of the great ridge which rises to the peak of the Serra da Estrela.

The Fundão municipality itself owes its name ("Valley floor") to the position left to it by nature in the process of geological formation. It lies within a valley bounded by the Estrela and the Gardunha, making highly fertile farming land. The region has abundant water, lying in the basin of the river Zêzere, whose steep falls and volume of water provide a notable wealth in hydro-electricity, generated mainly for the benefit of other sub-region.

In climate, altitude results in considerable differences, with the mountain environment giving annual average temperatures of the order of 9°–10°C, whilst in the valleys – in practice the Fundão – mean annual temperatures are noticeably higher, around 14°–15°C.



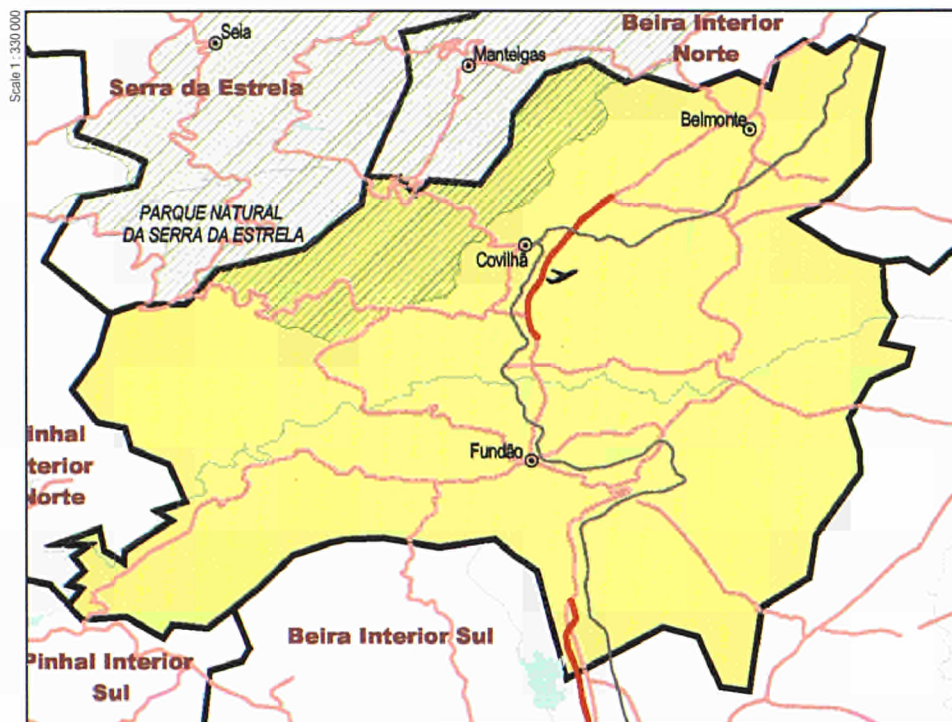
The University of Beira Interior, located in Covilhã, took over former industrial facilities, a circumstance which can be considered symbolic of the way in which this region has been transformed.



A university inland in the Centro region

The Cova da Beira has a substantial industrial tradition, almost exclusively in the textile trades. The entrepreneurial environment is found throughout the region, but most notably in the municipality of Covilhã, where industry is most concentrated. Indeed, Covilhã was one of the country's first centres for weaving, and even now the *Associação Nacional dos Industriais de Lanifícios* – the national wool industry association – has its headquarters there. The Universidade da Beira Interior has also helped the region. Although it was founded only recently, it has been successful in attracting students – more than 4000, which is a very large number given the region's population. The university's impulsion and influence on the region can be noted in many ways. An example is the establishing of a degree course in textile engineering, which provides the background needed by the technical managers who are essential to the further development of the region's main industry. The fact that the university has taken over former industrial buildings is a symbol of the way in which the region is restructuring.

The region's agricultural potential lies in its situation in the foothills of the mountains, where the climate is ideal for fruit-growing. The problems of modernising Cova da Beira's traditional industry can be noted as the region's chief weakness. As is the case in Serra da Estrela, the comparative advantages underlying the region's industrial specialisation have lost relevance, and the problems of industrial restructuring have worsened. The textile industry remains the leading employer, but countless businesses are facing problems of financial survival, with all the resultant social problems. Additional problems which should not be overlooked are the population decline of recent years and the difficulties of access to certain parts of the region.



Estrela will not permit snow to remain on the ground around the year. The result is that in mild winters winter sports must be practised on a limited scale.

Importance of the textile industry

The Cova da Beira has the second highest population density of the inland Centro region, after Dão-Lafões, but still below the average for the region as a whole. Recent years have seen a decline in population, the result of a negative balance on migration and negative natural population increase. Between 1981 and 1996 the region's population dwindled by around 10%. Poor communications with the outside world have hastened this process, despite the improved links with Castelo Branco and thence to Lisboa. Completion of the IP2, which crosses the Centro region from north to south, will undoubtedly improve access into the Cova da Beira.

As has already been shown, the Cova da Beira is a mainly industrial area. Data from the 1991 census show that 47% of the employed population was in the industrial sector, compared with 39% for the Centro region as a whole. On a more local scale Covilhã stands out with more than 50% of the resident working popula-

tion employed in industry. The mainstay of this industry has always been textiles, with documentary records of textile activity in the municipality from as early as the mid-17th century: the textile trades were founded on the abundant local supplies of wool and the availability of power in the form of water courses. Recent years have seen a steady succession of mill closures, reflected in the opening of the University in the splendid premises of the former Royal Cloth Mills, and the Fundão municipal offices in those of the former Royal Woollen Mills.

Cova da Beira has good conditions for agriculture, notably in the municipality of Fundão and to a lesser extent Belmonte. The main crops are, in order, apples, peaches, pears and cherries.

The services sector occupies around 41% of the region's employed population. For tourism, the Cova da Beira lies at the heart of the areas where winter sports can be practised, although this depends on the winter since the climate of the Serra da

Which EU regions are similar to the Cova da Beira?

Area:

approximately 1400 sq.km.
Gwent (UK)

Population density:

60 a 70 inhabitants per sq.km.
Südösterreich (A)
Daun (D)

Death rate:

approximately 14‰
Vercelli (I)
Stollberg (A)

	Area	Resident Population	Population Change	Population Density	Schoolchildren Registered	Mean Infant Mortality Rate	Hospital Beds per 1 000 Pop.
	sq. km.	1 000	%	inhab/sq. km.	1 000	%	No.
	1996	1996	1986/96	1996	1994/95	1991/95	1995
Baixo Vouga	1 807	360,2	3,9	199,3	78,5	8,7	2,7
Baixo Mondego	2 062	326,7	-2,1	158,4	87,3	6,3	14,0
Pinhal Litoral	1 741	228,7	3,0	131,4	45,4	7,6	2,5
Pinhal Interior Norte	2 617	133,5	-9,8	51,0	20,9	9,3	1,3
Dão-Lafões	3 483	281,5	-4,9	80,8	55,7	8,1	2,8
Pinhal Interior Sul	1 906	46,2	-19,1	24,2	6,1	4,1	0,9
Serra da Estrela	872	52,3	-7,2	60,0	9,2	9,1	0,8
Beira Interior Norte	4 069	113,1	-10,8	27,8	23,4	7,3	3,8
Beira Interior Sul	3 738	78,2	-7,0	20,9	16,0	11,3	4,9
Cova da Beira	1 373	89,8	-8,8	65,4	20,8	7,9	4,4
Centro	23 668	1 710,1	-3,3	72,3	363,3	7,9	4,9
Portugal	91 835	9 934,1	-0,7	108,2	2 375,1	8,9	4,6

PORTUGAL

LISBOA E VALE DO TEJO



The Lisboa and Vale do Tejo region has an area of 11 931 square km and comprises 51 municipalities grouped into five sub-regions (Oeste, Grande Lisboa, Península de Setúbal, Médio Tejo and Lezíria do Tejo). It is bounded to the west by the Atlantic Ocean, to the north by the Centro region, and to the south and east by the Alentejo region.

The climate is generally temperate (average temperatures range from 11°C to 23°C), with moderate rainfall, mild winters and dry, hot summers, and a maritime influence in the sub-regions of Grande Lisboa, Oeste and Península de Setúbal.

The area is virtually flat, with low rounded hills, except in the Oeste with its varied landscape of coastal plateaux cut by deep valleys, sandy shorelines, cliffs and limestone escarpments.

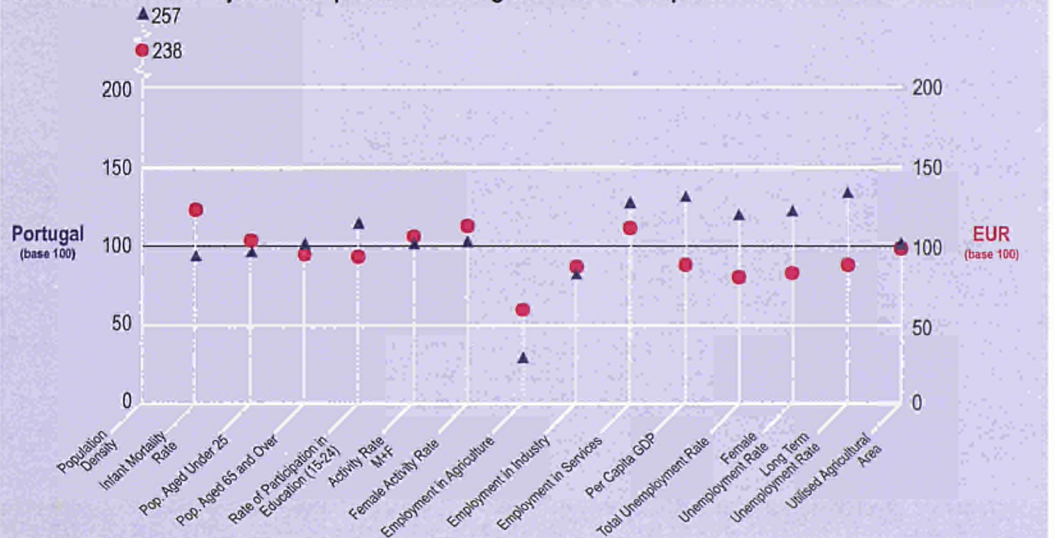
The terrain is generally fertile and highly suited to farming; the less fertile land is given over to forestry, mainly coniferous species. The Tejo River is the main factor affecting the agriculture, substantial changes in its volume bringing frequent flooding, creating the flood plains which make fertile land and govern the types and seasonal distribution of crops.

The region's main natural resources are limestone for industrial and decorative applications, clay, special white sand, rock salt, and mineral and table waters. The main water resources are the Tejo, Sorraia, Alviela, Rio Maior, Zêzere and Nabão rivers.



Lisboa, Europe's port of entry and the point from which ships set off in search of the "New World".

Lisboa e Vale do Tejo as compared to Portugal and the European Union



Privileged location

The region can boast remarkable economic potential.

It hosts the main political and economic decision-making bodies, the country's largest companies and economic and financial groups, and a substantial part of the scientific and technological research institutions. Its historical and environmental heritage is ideal for the development of tourist activities.

The region is at the crossroads of the main routes linking the North and the South and the coast with the interior, as well as the main international communications facilities (ports, airports and road/rail terminals), providing direct access to the main markets of Europe.

The motorways (A1, A2, A8, etc.), first-class roads (IP) and Lisboa inner and outer ring roads (the CRIL and CREL) which criss-cross the various sub-regions cater for large-scale movement, particularly commuter traffic, and accelerate the development of economic activity, as primarily reflected in the Lisboa Metropolitan Area, (Grande Lisboa and the Península de Setúbal).

Yet the region of the capital, the powerhouse of the country's economic development, still

presents essentially Mediterranean landscapes in the "Terra Saloia", while nature reserves and lush, green fields predominate towards the Ribatejo and Estremadura where large estates jostle small holdings.

There are, however, some persistent blocks to development which are holding the Region back:

- congested transport infrastructures extend the time needed to commute to work in the capital for thousands, push up travel costs and reduce leisure time;
- unregulated development harms the environment and reduces tourist potential;
- rural areas lack transport, drainage and water supply, education, health and communications facilities, and trading networks are poorly organised.



Which EU regions are similar to Lisboa e Vale do Tejo?

Population density:

approximately 280 inhabitants per sq.km.

Pistoia (I)
Liège (B)

Employment:

approximately 3% in agriculture

Cataluña (E)
Zuid-Holland (NL)

approximately 71% in services

Flevoland (NL)
Hainaut (B)

A region of contrasts

The region presents marked contrasts. Upstream, along the Tejo, a predominantly agricultural area with fertile soils stands in sharp contrast to Grande Lisboa, whose population is mostly employed in the services sector and forms an enormous human mass living in the vast suburbs and faces the problems typical of a large congested urban area. The imbalance is clear, in that some 75% of the population is concentrated in less than one-quarter of the physical space.

These tensions are even more manifest in the increasing density of population in the municipalities bordering the city of Lisboa – Amadora has 7 786 and Oeiras 3 386 inhabitants per sq. km while, South of the Tejo, the municipalities of Almada and Barreiro have more than 2 000.

Central Lisboa is the area where services, health, education and research and cultural activities predominate, along with the leading economic groups and political and economic decision-makers. It draws in a substantial part of direct investment, both in the services sector, led by banking activity and distribution firms associated with large-scale shopping

centres, and in the industrial sector, led by the manufacturing industry (Autoeuropa, Ford, Renault, etc.).

The Península de Setúbal is densely populated and highly industrialised, with employment concentrated in industry. Unemployment has traditionally held at levels of approximately 2% above the national average, but is being pushed down by industrial reconversion.

The sparsely populated agricultural areas hold out fewer prospects of development. Some recovery could follow on from the installation of second homes built to take advantage of the existing road infrastructure, the setting up of social services and the abundance of green spaces.

Mention should also be made of the industrialisation of areas along the Tejo, largely as a result of the spread of transport and communications facilities.

	Resident Population	Population Density	Pop. Aged Under 25	Pop. Aged 65 and Over	Schoolchildren Registered	Doctors per 1 000 Population	Telephones per 1 000 Population
	1 000	inhab/sq.km.	%	%	1 000	No.	No.
	1996	1996	1995	1995	1994/95	1995	1996
Oeste	362,7	144,4	32,2	16,1	66,2	1,1	362,1
Grande Lisboa	1 833,1	1 737,6	31,0	14,3	464,2	6,0	517,7
Península de Setúbal	662,4	436,1	33,1	12,2	141,8	2,1	426,7
Médio Tejo	224,9	87,3	30,3	19,6	42,7	1,2	348,7
Lezíria do Tejo	230,4	54,0	30,2	18,0	43,5	1,5	338,2
Lisboa e Vale do Tejo	3 313,5	277,7	31,5	14,7	758,4	4,0	458,5
Portugal	9 934,1	108,2	33,9	14,7	2 375,1	3,0	374,9

The population and its characteristics

The region has a population of some 3.5 million, or 35 % of the country's total. The rising population trend of the last thirty years appears to have flagged and levelled off over the last ten years. Stable population numbers are accompanied by an overall ageing of the population as the number of elderly persons increases in relative terms.

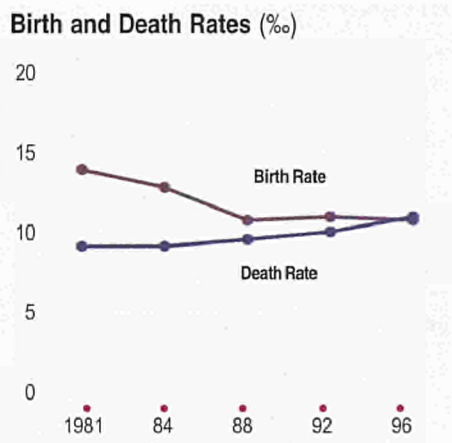
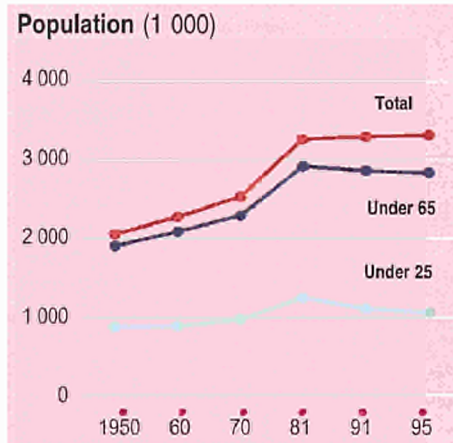
The birth rate has declined gradually, falling by approximately three points over the last 20 years to 10.7‰, whilst the death rate has levelled off, and a slightly negative balance was recorded in 1995, in marked contrast to the national trend.

The clear trend towards population ageing in the sub-regions is the result of low birth rates and migratory movements.

This reversal in population numbers is irregularly distributed in territorial terms, however. Notwithstanding the low birth rate, population growth rates are still

high, especially in the municipalities on the edges of Lisboa and on the south bank, because the region offers many attractions.

With positive surpluses, this is the area upon which most internal migrants converge, as well as the prime destination for foreign immigrants, and Africans from Cabo Verde and Angola in particular. This population is generally young and active, and the vast majority work in the building trade, a pattern recently reinforced by work on EXPO '98.



Occasional "hiccups" in an expanding area

The female labour market is expanding, and working women in the region number 3% more than the average for mainland Portugal. Some 60% of administrative activities in the mainland are carried out by women, and more than half of them are concentrated here.

In pre-university education, during the academic year 1994/95, some 7 000 students were enrolled in the 58 vocational training colleges which tend to offer technical training more geared to the labour market.

All branches of higher education are catered for in a range of universities and polytechnic institutes, public and private. It is some time now since these were located exclusively in Lisboa municipality, and they are proliferating in other sub-regions. A more recent development, as yet ill-defined, has seen private colleges burgeon to the point where attendance figures in the private sector are virtually on a par with the public

sector. With some 40% expansion in the last four years, the 53 private colleges were teaching over 60 000 students in 1994/95, and only 17 000 more were attending the 57 public establishments in the region.

This fact, combined with the promotion of in-house and vocational training, has given the workforce the means of acquiring the skills required by the market. The continuous expansion and diversification of the courses provided in higher education, research and vocational training institutions has made its mark on the skills and knowledge job applicants can offer.

Population by Age, 1991

Age	M+F	M+F	M	F
	(1 000)	(%)		
< 15	595,7	18,1	19,3	17,0
15-24	512,6	15,5	16,3	14,8
25-39	696,4	21,1	21,4	20,9
40-54	670,0	20,3	20,5	20,2
55-64	385,9	11,7	11,4	12,0
>= 65	436,1	13,2	11,2	15,1
Total	3 296,7	100,0	100,0	100,0

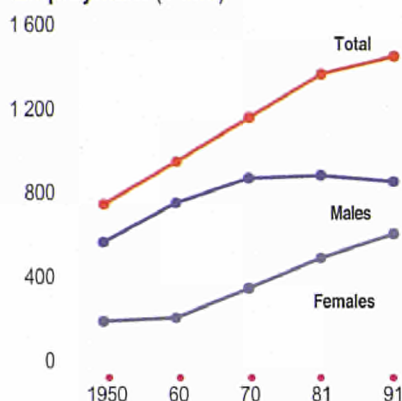
Population Balance, 1980/96 (1 000)

Population 31.12.1980	3 261,6
Births	388,3
Deaths	305,1
Balance on Migration	-45,7
Population 31.12.1990	3 299,1
Births	211,5
Deaths	206,5
Balance on Migration	9,3
Population 31.12.1996	3 313,5

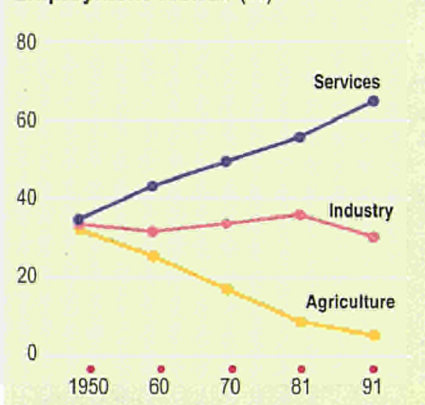
Students Enrolled, 1994/95

Type of Education	M+F (1 000)
Pre-school Education	59,0
Elementary Education	433,2
Secondary Education	187,7
Occupational Training	7,1
Higher Education	138,1

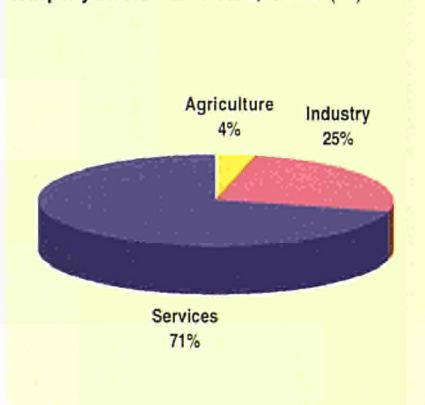
Employment (1 000)



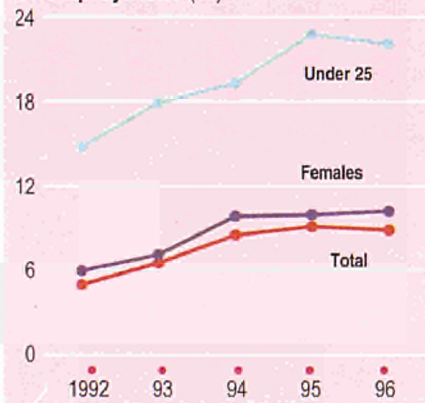
Employment Trends (%)



Employment Structure, 1996 (%)



Unemployment (%)



The swing towards service activities

The rate of activity in the region has mirrored the trend for the mainland, with a gradual and relatively steady increase over the last 30 years to the current 50%. The considerable increase in the number of working women and a slight decline in the number of men in employment have secured precarious stability in total employment figures.

People in full-time employment have tended to work shorter hours, with corresponding effects on their quality of life.

Jobs are rather unevenly distributed over the sectors of economic activity. The limited primary sector in the region is concentrated in the sub-regions of the Oeste, and Central and Lezíria do Tejo, while the secondary sector is predominant in the Península de Setúbal. Employment in the city of Lisboa is structured on similar lines to that of other comparable urban centres in the European Community, in that the primary sector is small, while the tertiary sector provides employment for nearly half the total workforce in this sector for the entire mainland. This phenomenon is the direct result of the concentration in the capital of activities linked to information technology, research and development, the public service, defence and security

and the main financial and insurance institutions.

The Grande Lisboa area has a virtual monopoly on senior management positions, leaving only one-fifth of the graduate workforce in other regions. Furthermore, the only conclusion to be drawn from the 1995 figures is that the "level of education of the workforce in active employment" is high. The 6 % of the population recorded as illiterate work in the primary and secondary sectors (construction).

Employment Characteristics (%)

	Total Employment			Employed Workers				
	Under 25	25-54 years	Over 54	Total	Part Time	without a permanent contract		
	1996			1996	1992	1996	1992	1996
Males	12	71	17	77	:	:	12	14
Females	10	77	13	84	:	:	17	13
Total	11	74	15	80	7	7	14	13

Activity indicators tending to improve

Unemployment in the region was around 8.8% for 1996. The rate is rising, and has doubled in the last five years, which compares unfavourably with the other regions, at roughly 1.5% above the national average. Recent quarterly figures point to some reversal in his trend, however.

All available indicators show youth unemployment becoming less acute, and a turnaround can be forecast in the near future. Applicants' levels of education are improving, particularly first job seekers aged between 14 and 24. This trend was first partially attenuated during the period between 1992 and 1995, when the numbers of people in this age group in active employment declined because more stayed on at school, although unemployment has since risen dramatically.

Systematically, females record the highest levels of unemployment even though they have followed the general trend. It should, however, be stressed that these divergent rates may partly be explained

because more men are in active employment, as corroborated by the balance of the sexes among the unemployed in recent years and in particular evidence among first-time job seekers.

The highest unemployment rates are recorded in the Península de Setúbal as a result of the decline of the industrial structure developed during the 1960s, which was dominated by shipbuilding, ship repair, and the steel and chemical industries.

LISBOA E VALE DO TEJO

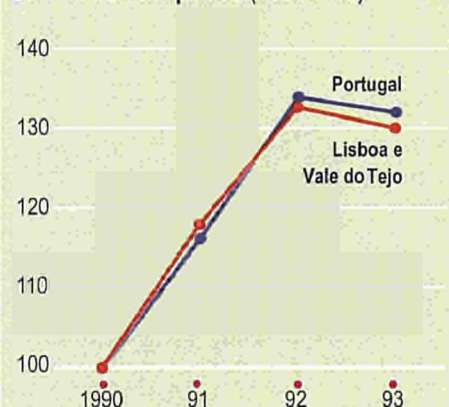
Productivity and purchasing power both better

Although the region can boast by far the best average productivity in all of Portugal, this record does not hold in every branch of activity, and there are considerable disparities. At the bottom of the scale, in 1993, Lisboa and Vale do Tejo region generated the lowest individual GVA in mainland Portugal in the minerals and metals industry. On the other hand, the productivity of activities linked to foodstuffs production and paper, for example, was far ahead of any other region in the country.

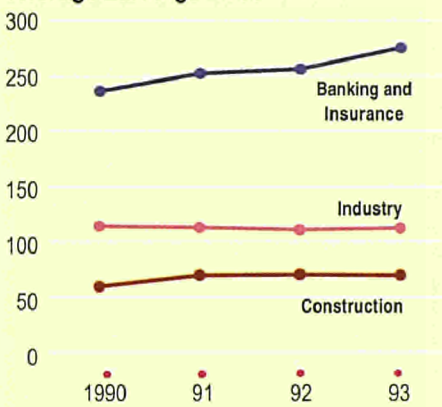
The numbers of the population in employment demonstrate that the contribution of the tertiary sector is substantially greater in Lisboa and Vale do Tejo than in the rest of the country and that, in turn, a comparatively smaller percentage of persons are employed in farming. These are major factors contributing to the higher productivity recorded by the Lisboa region. Generally speaking, tertiary activities are not only better developed technologically but they also generate greater value-

added than primary-sector units. This is reflected in the fact that per capita GDP is also substantially above the national average. Municipal purchasing power was 44.6 points above the national average in 1995. This is, beyond any doubt, a direct consequence of rising productivity levels, to some extent attenuated by the fact that the unemployment rate in Lisboa and Vale do Tejo is slightly higher than the national average.

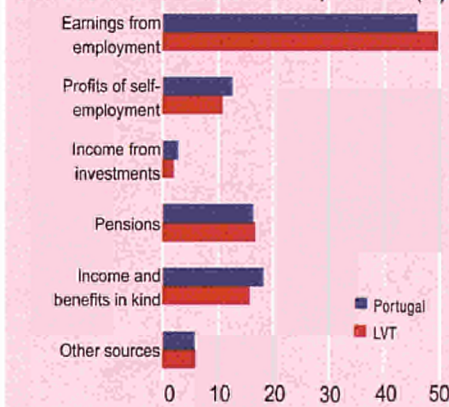
GDP at current prices (1990=100)



Average Earnings = 100



Sources of Household Income, 1994/95 (%)



Better standard of living indicators

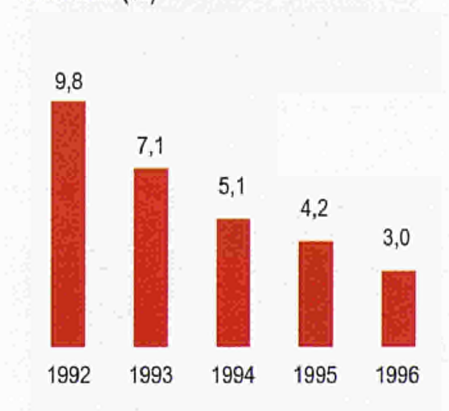
Generally, the standard of living of the population of Lisboa and Vale do Tejo is substantially higher than elsewhere in Portugal. This is understandable, given that average monthly earnings in this region are clearly higher (around 35%) than in the rest of the country.

Several indicators reflect that supremacy, including the following. The percentage of car owners in the region is considerably higher than the average for mainland Portugal (61.5% as against 55.4%), while the percentage of people taking holidays betrays an even greater gulf between this region and the rest of the country (43.4% as against 27.1%).

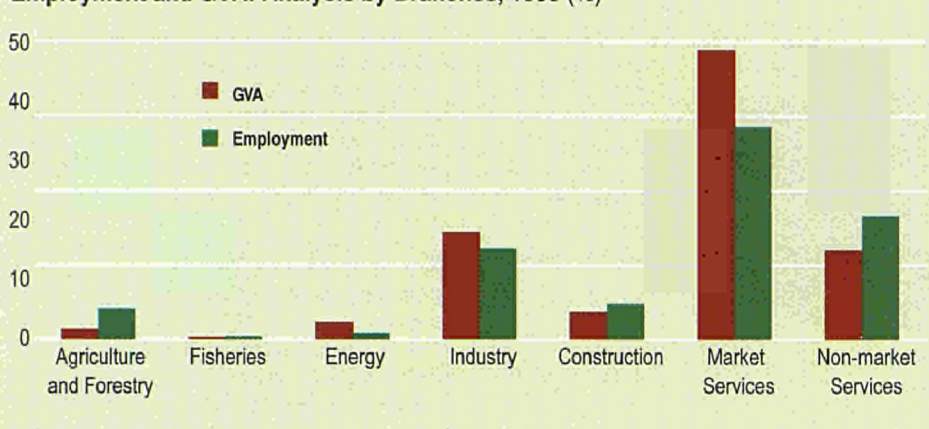
Of course, the annual average expenditure of households in Lisboa and Vale do Tejo is also above the national average: higher earnings make for higher consumption. Analysing the sums spent by heading, the greatest difference between expenditure by the region's residents and those of the rest of the country emerges in housing. In other words, this is the com-

ponent of spending which shows the greatest disparity, pointing to the conclusion that housing costs are also higher in this region.

Inflation (%)



Employment and GVA: Analysis by Branches, 1993 (%)



The secondary and tertiary sectors are the main sources of wealth

The registered area for farming and forestry in 1995 was around 5 000 sq. km of utilised agricultural area (UAA), which pales into insignificance in terms of the approximately 12 000 covered by the region. The economic accounts for agriculture confirm the recovery in its productive structure. It is, however, difficult to predict what consequences increasing bank borrowing will have on farmers' indebtedness. The scant significance of agriculture in the region is underlined by its contributions of around 2% of GVA and 6.5% of employment in the region, in marked contrast to the other regions.

The industrial sector has begun to recover slowly. In 1996, one-half of the all companies in the country had their head offices in the region, concentrated in the sub-regions of Grande Lisboa and the Península de Setúbal. Construction activity has increased, partly due to initiatives in connection with a large body of public and private-sector investment associated with Expo '98 and work on the new Vasco da

Gama Bridge over the Tejo. Other equally significant sectors are ship repairing and the engineering, steel-making and chemical industries which are mainly concentrated on the Península de Setúbal. With few businesses having survived in agriculture, fisheries and the extractive industry, services are the essential driving force behind regional dynamism. Services dominate activity and account for over 75% of regional GVA and nearly 70% of employment.

Business structure

In 1996, around 46% of all national companies had their head offices in the region. Major economic groups and most companies under foreign shareholder control (about 87 %) are concentrated in this region. This is hardly surprising, since it is perfectly natural for firms, and especially larger concerns and multinationals, to locate their central services in the capital. In fact, the Grande Lisboa sub-region alone hosts 70% of all companies with their head offices in Lisboa and Vale do Tejo. It is followed, at some distance, by the Península de Setúbal sub-region, with 13%.

It is curious to note that, although the number of companies in Portugal has risen considerably up to 1995 (+14%), the regional picture has been unaffected, to the point that the percentages have remained practically unchanged. This indicates that there have been no changes in companies' preferences for their head office location, with the result that the Lisboa region leads the field by far, and regional disparities have continued unchecked.

Looking at the structure of businesses, not only have a great number of firms their head offices in Lisboa and Vale do Tejo, it is also home to the greatest concentration of larger-scale units. In 1995, 41 of the 50 largest companies in Portugal had their head offices here. In particular, the three largest, Petrogal (fuel distribution), EDP – Electricidade de Portugal (hydro-electricity, electricity and gas) and PT - Portugal Telecom (telecommunications) – have their head offices in Lisboa. It is fair to say that the capital is where capital is to be found.

The sole exception is Autoeuropa – a German-American joint venture between Ford and Volkswagen for assembling vehicles located in Palmela, in the Península de Setúbal, which began full-scale operations in 1995 and is now ranked as the eighth-largest company in Portugal.

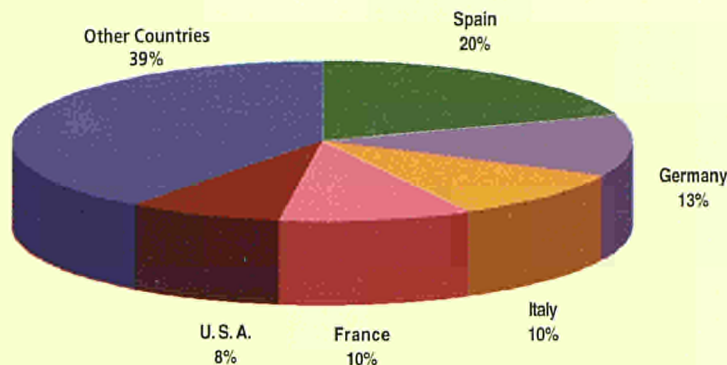
Agriculture, 1995

Holdings (No.)	71 430
Total Labour Force (ALU)	89 149
Area Under Agriculture (ha)	483 832
Head of Livestock (CN)	100 648

Main Enterprises, 1996

Name	Workforce	Activity
CTT- Correios de Portugal S.A.	> 5 000	Post and Telecoms
Portugal Telecom S.A.	> 5 000	Telecoms
Caixa Geral de Depósitos S.A.	> 5 000	Banking and Finance
Transportes Aéreos Portugueses S.A.	> 5 000	Airline
Banco Espírito Santo e Comercial de Lisboa S.A.	> 5 000	Banking and Finance
Pingo Doce-Distribuição Alimentar S.A.	> 5 000	Supermarkets and Hypermarkets
Banco Pinto & Sotto Mayor S.A.	> 4 000	Banking and Finance
Companhia Carris de Ferro de Lisboa S.A.	> 4 000	Urban Transport
Banco Comercial Português S.A.	> 4 000	Banking and Finance
Securitas-Serviço e Tecnologia de Segurança S.A.	> 4 000	Security Services and Technology

Foreign Visitors, 1996



Tourist Activity

	1990	1996
Hotel Establishments (No.)	464	425
Accommodation Capacity (No.)	41 815	48 545
Total Guests (No.)	2 474 179	2 644 199
Total Overnight Stays (No.)	5 798 170	6 040 706
Occupation Rate (%)	38,52	34,57
Average Length of Stay in Nights (days)	2,34	2,28

A magnet for tourism

The region is one of Portugal's prime tourist centres. The interior, with its own geographical features, offers various tourist attractions, and in particular the Zona dos Templários, the Costa de Prata and the Costa de Lisboa. The Lisboa coast is the country's second-largest tourist area (after the Algarve), and, in 1996, hosted 22% of all overnight stays in traditional accommodation (hotels, pousadas and pensões). Several factors explain why the region is a favourite. It must not be forgotten that, as the capital, Lisboa is usually a "must" for tourists, given its vast historical and architectural heritage. It is also the prime location for large-scale business and political conferences (the large multinationals are usually located in Grande Lisboa, and their managers travel frequently). Beyond the capital itself, the Costa de Lisboa offers a vast choice of very interesting tourist sites, such as Sintra, a town chosen as world heritage by UNESCO, and the entire surrounding area of protected countryside, Sintra-Cascais. Improved access roads, infrastructure and facilities have opened up the Península de Setúbal to international tourism, with the offer of extensive bathing beaches, the protected areas of the Tejo, Sado and Arrábida, and an ageless heritage of history, gastronomy and crafts.

This is quality tourism. Nation-wide, 9% of overnight accommodation is provided by five-star hotels; in Lisboa and Vale do Tejo, this rate rises to 14%. With the emphasis on quality, about 70% of nights spent in the region are in hotels, while the average for the country's regions is 46%, although, in compensation, more nights are spent in apartment hotels (19% nationally, as against 8% in Lisboa region) and apartments (13% and 1% respectively).

How is our health ...

Universal health care in the region is reflected in high scores against various indicators as compared with the rest of Portugal. Almost half the doctors in the country are pursuing their careers in Lisboa and Vale do Tejo, and particularly in the Grande Lisboa sub-region. The number of physicians for every 1 000 inhabitants is double the national average. The same applies to health centres. Less predominant, albeit still worthy of mention, are medical centres (around 43% of all those in the country) and hospital beds (nearly 40%). Medical services are often paid for in Lisboa and Vale do Tejo, as home to most of the private healthcare companies operating in Portugal. In terms of regional GVA, however, healthcare not only contributes broadly the same amount as is recorded nationally (around 4%), but the breakdown between private and public healthcare is the same. It should not be forgotten that the GVA allocated to healthcare comes from services provided for residents and non-residents of the region, which is significant in view of the number of people travelling to Grande Lisboa for specialist consultations and treatment. Therefore, although *per capita* GDP is around 20% above average in Lisboa and Vale do Tejo, the average household's mean expenditure on healthcare is not proportionate to this increased output, but is only slightly above the rest of the country.

Since health services are generally better, the infant mortality rate in Lisboa and Vale do Tejo has declined (as it has in other regions), to below the national average.

Health

	Lisboa e Vale do Tejo	Portugal
Hospital Beds per 1 000 Population 1995 (No.)	5,26	4,63
Doctors per 1 000 Population 1995 (No.)	4,03	2,96
Mean Infant Mortality Rate (‰) 1991/95	7,77	8,92

Fisheries and Maritime Transport

Fisheries	1991	1995
Vessels (No.)	4 223	3 476
Registered Fishermen (No.)	8 823	6 806
Catch Landed Quantity (t)	75 060	56 078
Catch Landed Value (1 million PTE)	21 012	17 512
Maritime Transport	1991	1995
Cargo Loaded (1 000 t)	3 790	4 130
Cargo Unloaded (1 000 t)	14 060	14 779
Port Employees (No.)	1 270	788
Vessels Entering Port (No.)	4 926	4 885

At the seaside ...

Environmental concerns, largely fired by the ecologist movements which have sprung up in recent years and by the adoption of Community guidelines, have fostered awareness of the issues of preserving the sea's resources at the expense of fisheries activity. The number of registered vessels has fallen consistently as a result, and the vast majority of those are small craft predominantly practising non-industrial fishing. The region nevertheless leads in this activity: it has 6 out of the 17 existing ports; handling a significant share of fish landings (26.4% by quantity and 35.6% by value); some species are only fished in this region, and 90% of all swordfish in particular. At the time of the last

census, some 30% of the total active resident population of the region stated that they pursued their economic activity in fishing. There is significant movement by vessels conducting international trade, specifically within the EU (31%), and 24% of total trade went through the port of Lisboa in the last year for which figures are available (1995).

The sea is of increasing economic importance as a communications route. Nationally, over 80% of incoming goods are brought in by sea, and this rate has held relatively stable in recent years. Most petroleum products come in by sea. More than half of them come in via the port of Lisboa, and the same applies to cereals.

The sea offers no less potential as a tourist attraction, as attested by the numbers who flock to the region's beach resorts.

The quality of the environment could be better

In environmental terms, rural areas have a distinct advantage over urban Lisboa, which is heavily industrialised. Although the rural population earns less, it is less affected by noise, air and water pollution, and town planning is generally better.

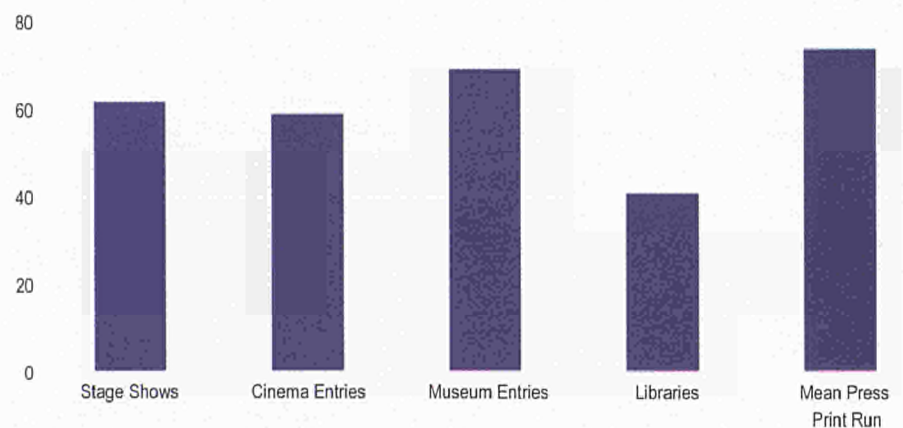
The densely populated coastline still faces some environmental problems. Waterways present high levels of pollution from households, compounded by the concentration of industrial establishments close to the rivers. Industrial pollution is still a problem in certain areas, particularly in the environs of Alcanena, Barreiro and Seixal, which affect the rivers Almonda and Alviela, and the Nabão river faces a proliferation of thermoelectric power stations.

Although this is the region in which the highest percentage of municipal solid waste is treated in many treatment units, concerns persist, particularly regarding the treatment of solid hospital waste.

Thanks to the combined efforts of national, regional and local agencies, and particularly in the supply of water and electricity and the collection and treatment of solid waste and waste water, however, the fundamental needs of the population are gradually being met.

Measures taken to improve environmental conditions and the quality of life include conserving and making the most of the region's natural heritage, with particular emphasis on protected areas.

1995 Culture, Country %



OESTE



The Oeste is an area comprising the municipalities of Alcobaça, Alenquer, Arruda dos Vinhos, Bombarral, Cadaval, Caldas da Rainha, Lourinhã, Mafra, Nazaré, Óbidos, Peniche, Sobral de Monte Agraço and Torres Vedras. These 13 municipalities occupy 2 512 sq. km, or just over 20% of the entire region. The sub-region has borders with Grande Lisboa to the south, the Lezíria do Tejo, the Centro region to the east and the Atlantic Ocean to the west.

A mass of low hills, bordered by a strip of fine pale sand justly known as “the silver coast”, the land rises gradually to reach its highest point in the Serra de Montejunto.

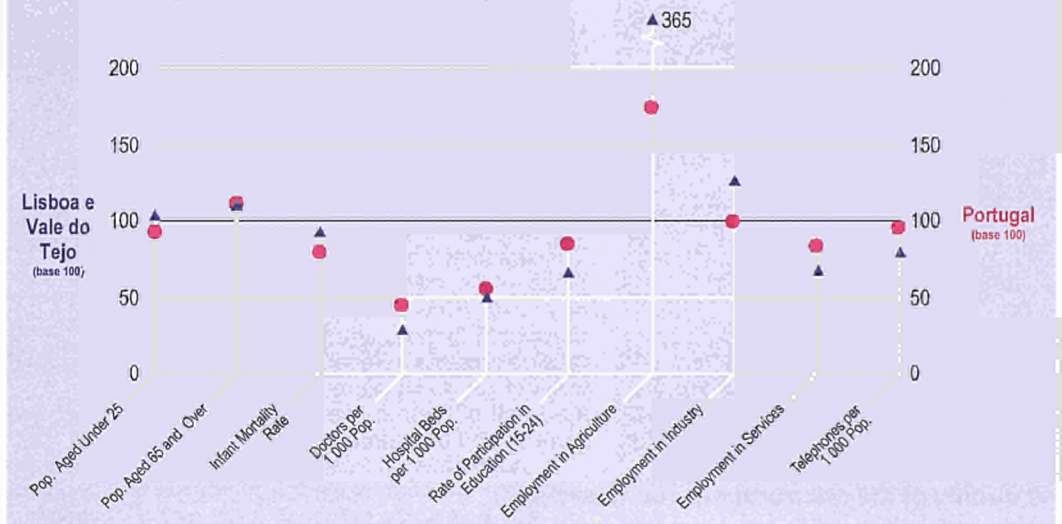
Off the coast, near Peniche, lies Berlenga island, a classified nature reserve. Inhospitable and rocky, with no fresh water, it is home to colonies of gulls and other protected birds.

It also contains relatively rich hydrogeological resources, such as non-metallic rock mines (kaolin, diatomite and rock salt), ornamental rock quarries and several thermal springs, and Vimeiro, Caldas da Rainha and Piedade in particular. The only watercourses run into the São Domingos dam, near Peniche, and the Lagoa de Óbidos in the municipality of Caldas da Rainha.



The windmills, which have contributed largely to the region's development in the recent past, lend romantic nostalgia to the landscape.

Oeste as compared to Lisboa e Vale do Tejo and Portugal



An ageing, essentially farming population

Although the sub-region has more than 100 Km of coast, it includes some of the least densely populated parts of the region, where population numbers have stagnated for decades. A number of opposing trends at infra-regional level account for this, judging by the census figures: while urban municipalities, and county towns or coastal resorts (the municipalities of Alcobaça, Caldas da Rainha and Torres Vedras) have clear attractions, other towns are decidedly rural, and their population dwindling. The ageing of the population in these municipalities is unmistakable, and in some, like Bombarral and Cadaval, the elderly represent more than 20% of the resident population.

It is always the youngest who leave to look for work, and this dichotomy leads to birth rates below those observed for the country as a whole while mortality rates are above the regional and national averages.

The 1991 census attests to the rural character of this sub-region, with municipalities where some 40% of the active population work in the primary sector, as against an average of 5% in the region. Most of the population has com-

pleted compulsory education and, according to the same source, roughly 18% of the population is illiterate.

This picture seems bound to change, however: the effects of the recent construction of the A8 motorway, in addition to the existing fast road (IP 6), will inevitably alter the structure and dynamics of the region, and new potential can be identified in the short-term.

The implementation of basic sanitation projects will also make for clean beaches, which are the principal tourist draw to a sub-region with plans for carving out a niche in quality tourism. Its historical heritage and tourist sites are of undeniable interest, and in particular the Monastery of Alcobaça, the Castle at Óbidos, Peniche Fort and Mafra's Convent, monuments all to the strategic value of the sub-region in days gone by.



Business and farming structures

Production is still partly based on the primary sector. According to 1991 census data, approximately 40% of the workers resident in the sub-region were employed in agriculture. More than 55% of the land is given over to agriculture, much of it growing grain cereals, followed by wine, potatoes and vegetables. Wine-growing is predominant in Torres Vedras and Alenquer, and fruit is grown in Alcobaca and Caldas da Rainha in particular.

The low level of education and advanced age of the population, combined with the limited size of the plots under crops, mean that farming is hardly mechanised as yet and can barely compete. This is farming for consumption, although a few industries process fresh fruit.

Business in the area is conducted by micro companies and small and medium-sized enterprises (SMEs). Over 50% of enterprises employ fewer than 4 workers. The average size of enterprises varies considerably from one sector to another, however: in 1995, some 14 600 people were working in the 2 700 companies registered in the retail trade, restaurant and hotel sector, while 1 500 manufacturing

companies employed an average 20 workers. The food industry and enterprises producing ceramics, porcelain and earthenware are located in the municipalities of Alcobaca and Caldas da Rainha in particular.

The lack of alternative employment, characterised by a marked dependence on farming and as yet relatively limited industrial activity, means that the working population resident in the more southerly municipalities of the sub-region, and Mafra and Torres Vedras in particular, have been drawn to the Lisboa metropolitan area and choose to commute to Grande Lisboa to pursue their careers (approximately 7%, according to 1991 census data). The purchasing power index for the municipality shows that the sub-region is still comfortably positioned in relation to other NUTS IIIs in Portugal.

Which EU regions are similar to the Oeste?

Average annual variation in population: approximately 0,1% between 1983 and 1993

Palermo (I)

Population density:

140 a 150 inhabitants per sq.km.

Teramo (I)

Var (F)

Birth rate:

approximately 11‰

Zuid-Limburg (NL)

Kusel (D)

Area	Resident Population	Population Change	Population Density	Schoolchildren Registered	Mean Infant Mortality Rate	Hospital Beds per 1 000 Pop.	
	sq. km.	1 000	%	inhab/sq. km.	1 000	No.	
	1996	1986/96	1996	1994/95	1991/95	1995	
Oeste	2 512	362,7	0,8	144,4	66,2	7,1	2,6
Grande Lisboa	1 055	1 833,1	-2,2	1 737,6	464,2	8,2	7,3
Península de Setúbal	1 519	662,4	8,1	436,1	141,8	7,4	2,9
Médio Tejo	2 577	224,9	-3,9	87,3	42,7	7,5	3,2
Lezíria do Tejo	4 268	230,4	-2,1	54,0	43,5	6,9	2,4
Lisboa e Vale do Tejo	11 931	3 313,5	-0,1	277,7	758,4	7,8	5,3
Portugal	91 835	9 934,1	-0,7	108,2	2 375,1	8,9	4,6

GRANDE LISBOA

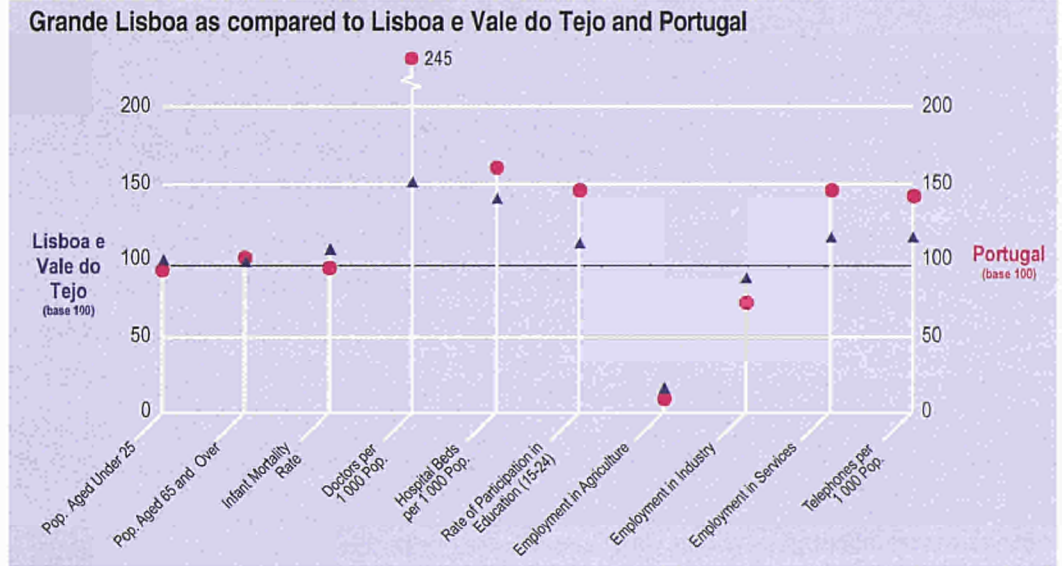


The canoe, the typical Tagus boat and the means of livelihood for many a fisherman in bygone days, has also been a source of inspiration to poets.

The Grande Lisboa is an area comprising the municipalities of Amadora, Cascais, Lisboa, Loures, Oeiras, Sintra and Vila Franca de Xira. These seven municipalities have an area of 1,055 sq. km, bordering on the Oeste sub-region to the North, Lezíria do Tejo to the east, the Atlantic Ocean to the west and the banks of the Tejo to the south.

The landscape is very varied, with restful beaches bordering on rugged terrain, and steep escarpments between Cape Roca and the Boca do Inferno. The mouth of the Tejo (the widest in the Iberian peninsula) is between the Fort of São Julião da Barra and the Torre do Bugio. Inland, at the very gates of Lisboa, the delightful Serra de Sintra is part of the protected Sintra-Cascais Nature Park. This range also contains the 210-hectare Parque da Pena, which, with the Parque de Monserrate, constitutes one of the prime jewels in the nation's natural heritage, with exceptional conditions and its own micro-climate.

The regional hydrography is dominated by the Tejo, one of its tributaries – the Trancão – and a few streams. The subsoil is limestone, sedimentary and microcrystalline. Cambissols dominate the entire region, ranging from the schists and quartzites of the Ordovician era to post-Palaeozoic sedimentary and volcanic rock.



Privileged by any definition

Grande Lisboa could not be more accessible by virtue of its strategic location and the fact that it includes the capital, the largest urban centre in all of Portugal.

Densely built-up, it has road, rail, sea and air routes to all the main cities and population centres in Portugal, and a busy network of communications to all major cities across the world. New integrated solutions are, however, being brought to bear on transport infrastructures to tackle congestion caused by heavy daily travel by the resident population and visitors coming to the region for work or recreation.

The sub-region's long-standing strategic position has marked it with innumerable historical and cultural sites and landscapes, many of which are considered world heritage.

This region can boast basic sanitation infrastructures and domestic water supply well above the national average and which cater for nearly all its inhabitants.

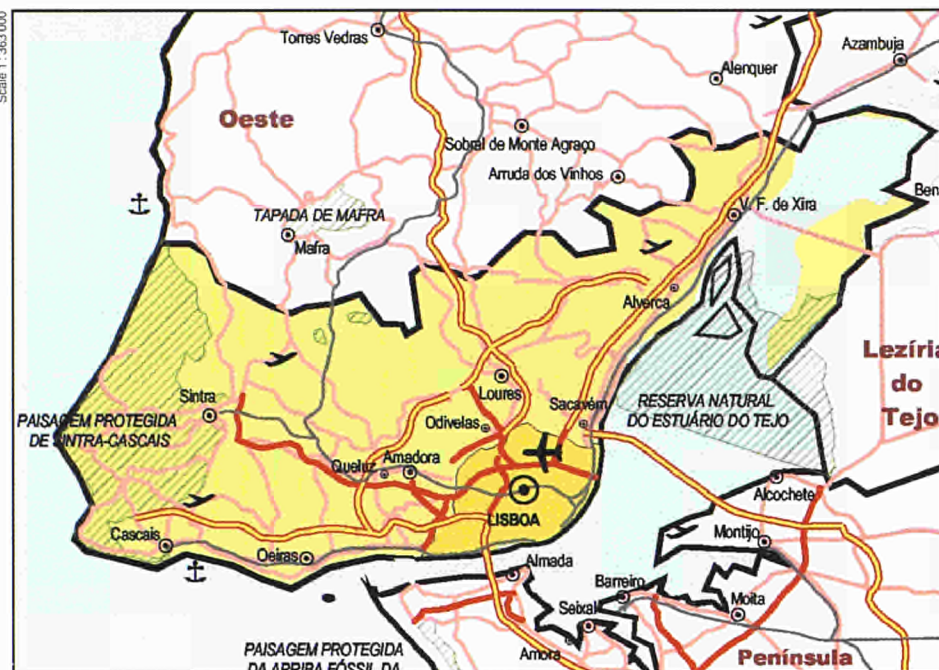
Other indicators betray regional imbalances and a heavy bias towards Grande Lisboa, and the capital in particular: in 1995, this sub-region accounted for 29.1% of hospital beds (7.3 beds for every 1 000 inhabitants, as against

5.3 in the region and 4.6 nationally), 32.2% of higher education establishments, 22.6% of all registered students, 25.4% of museums, 28.8% of libraries and 51.7 % of the audience for shows.

Of all the negative influences on this sub-region, population decline, and its effects in the immediate and not too distant future, may represent its greatest weak spot. In 1995, this urban sprawl was home to approximately 55% of the resident population of the region. In the short term, however, the gradual ageing of the population will depress activity levels.

Fluctuations in the population exhibit opposing trends: as the resident population of the capital declines (by 18% in the period 1981/91), surrounding municipalities and Amadora, Sintra and Cascais are growing. Notwithstanding, the total balance points to an overall decline of some 2% for the sub-region as a whole over the same period.

The population is ageing as a result of a fall in the birth rate (less steep than that of the region but close to that observed in Portugal as a whole) and a mortality rate close to the regional average.



The tertiary sector in the ascendant

In Portugal, Grande Lisboa is in a league of its own with a solid, dynamic tertiary sector, and the city of Lisboa has always led the way in promoting the move to this sector.

The last ten years have brought a marked increase in the services sector, led by tourism, the distributive trades, banking and business services, to the point that in 1991, 75% of the active population was employed in services. At the same time, activities linked to central government, health, education, defence and public order, significantly swell the numbers of the tertiary sector. This is also the branch of activity with the most working women, who account for over 75% of the total workforce in education, health and social services.

On the strength of its strategic position, domestic investment and ability to attract foreign investment, Grande Lisboa is the prime site for the head offices of leading companies, virtually the only one for banks and financial institutions, large distribution operations (whether or not associated with large shopping centres) and the services associated with accommodation and the restaurant trade. Breaking with the traditional model of cheap labour, a skilled workforce has begun to draw in

foreign investment and has been a trump card for the sub-region for some time.

A long-standing commitment to vocational and academic training was expressed in the setting up of universities and research centres, and middle and senior managers are recruited at levels far above those observed in other sub-regions.

The business structure of the area is, nevertheless, dominated by a huge number of small and medium-sized enterprises engaged in retail trade, hotels and catering. Of some 80 000 enterprises in these sectors in the Lisboa and Vale do Tejo region, around 50% are located in Grande Lisboa, particularly in Lisboa itself, which is home to more than 25% of all its enterprises.

At the beginning of the decade (1991), significant numbers of Grande Lisboa's active population (27%) were working in construction. Since then, however, several large-scale projects (e.g. construction of the outer and inner ring roads and the recently completed Colombo megastore centre), have forged changes in the structure of the population by sectors of activity and in the actual volume of employment. This trend is continuing, with current large-scale projects including the second bridge over the Tejo, Expo'98 and

the construction of the rail line across the older bridge. As a major employment catalyst, even at national level, these projects are the keystone in the considerable rise in employment in the construction sector, and this effect is, of course, much more evident in the sub-region of Grande Lisboa.

Employment in the primary sector is minuscule (less than 1%), and virtually confined to the municipalities of Loures and Sintra.

As part of the Lisboa and Vale do Tejo region with an average municipal purchasing power index of 144.60, the Grande Lisboa su-region scores an average of 188.30, and peaks in the city of Lisboa, which scores three times the national average of 102.00.

Which EU regions are similar to the Grande Lisboa?

Average annual variation in population: approximately -0,2% between 1983 and 1993

Agglom. Haarlem (NL)
Satakunta (FIN)

Population density:
1700 a 1800 inhabitants per sq.Km.
Fürth, Krfr, St (D)
Augsburg, Krfr, St (D)

Birth rate:
approximately 11‰
Devon (UK)

Area	Resident Population	Population Change	Population Density	Schoolchildren Registered	Mean Infant Mortality Rate	Hospital Beds per 1 000 Pop.
	sq. km.	1 000	%	inhab/sq. km.	1 000	%
Oeste	2 512	362,7	0,8	144,4	66,2	7,1
Grande Lisboa	1 055	1 833,1	-2,2	1 737,6	464,2	8,2
Península de Setúbal	1 519	662,4	8,1	436,1	141,8	7,4
Médio Tejo	2 577	224,9	-3,9	87,3	42,7	7,5
Lezíria do Tejo	4 268	230,4	-2,1	54,0	43,5	6,9
Lisboa e Vale do Tejo	11 931	3 313,5	-0,1	277,7	758,4	7,8
Portugal	91 835	9 934,1	-0,7	108,2	2 375,1	8,9

Lisboa e Vale do Tejo

PENÍNSULA DE SETÚBAL



The Península de Setúbal has an area of 1 519 sq. km comprising nine municipalities: Alcochete, Almada, Barreiro, Moita, Montijo, Palmela, Seixal, Sesimbra and Setúbal. To the south and east it is bounded by Alentejo Region, to the north by the Tejo and to the west by the Atlantic Ocean.

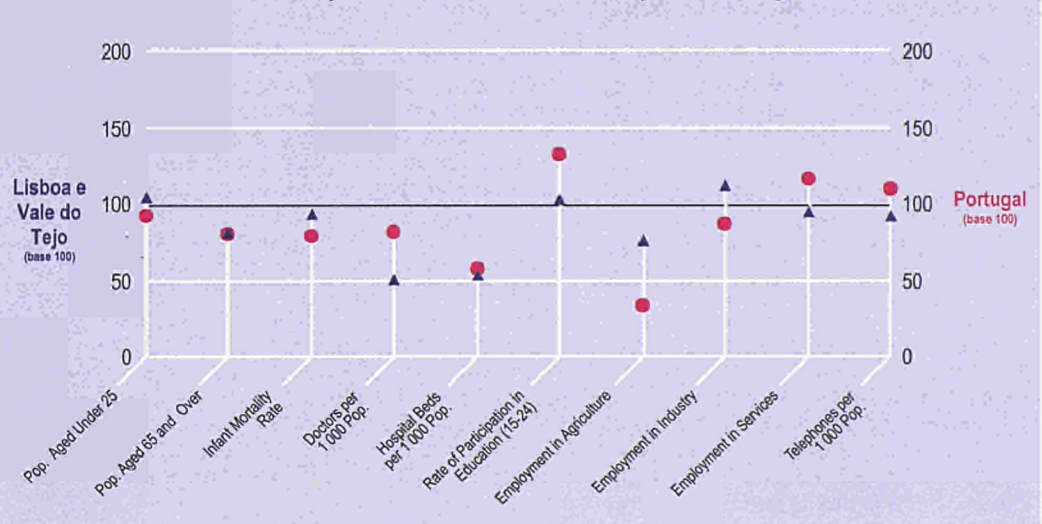
The landscape presents a range of features: the coast is sandy in places, and rocky in others, while the interior combines plains and low hills. The highest point of this limestone mass is in the Serra da Arrábida, which includes the Arrábida Nature Park close to Sesimbra, Palmela and Setúbal. The hydrographic network is formed by the Sado and Ribeiras do Oeste basins and, in particular, the Venda Velha dam.

Road and rail transport developed at the expense of river traffic, and the number of boats on the river fell to the extent that few traditional Tejo river craft, such as the fragata, falua and varino, remain. The few existing examples belong to Seixal council which has provided admirable support for reconstruction in the single remaining shipyard in the area of Sarihos Grandes – Montijo. The Ecomuseu Naval da Torre da Marinha in Seixal has much to offer in this regard.



In the Natural Reserve of the Sado Estuary. The flamingos, on a migratory visit, land an exotic shade to the landscape.

Península de Setúbal as compared to Lisboa e Vale do Tejo and Portugal



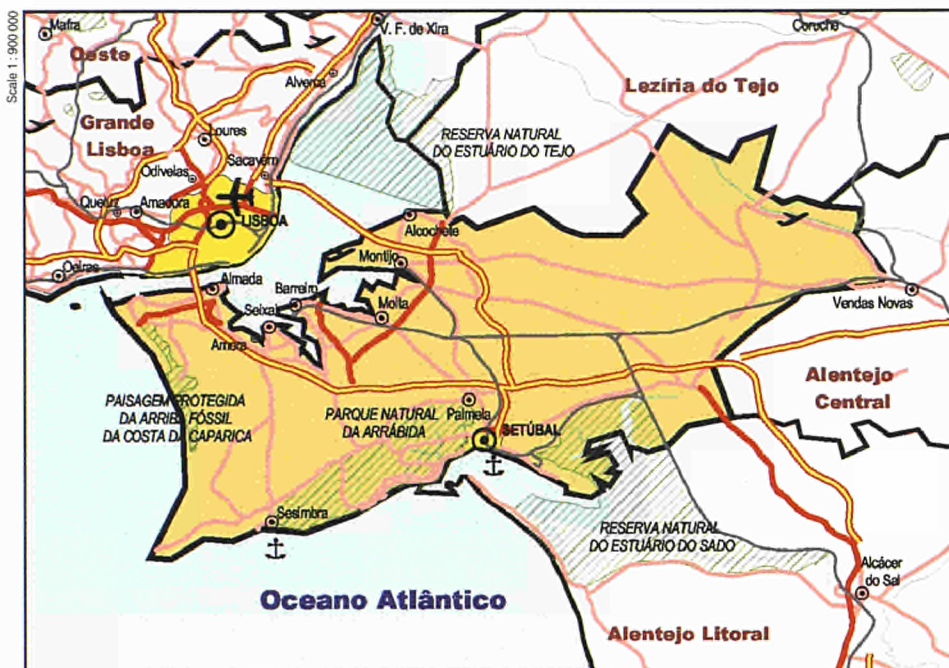
A young population, with great potential

The sub-region is crossed by a motorway intended to provide a direct link to Spain via Caia. There is access to the north bank of the Tejo by regular ferries and by the "Ponte 25 de Abril" bridge from Almada. Access should improve in the near future when the rail crossing over that bridge is inaugurated and the new Vasco da Gama bridge opened. The sub-region also has two aerodromes, in Samouco and Pegões-Cruz. The proximity of the capital and the main centres of employment developed in the industrialisation of the 1970s explain the attraction of the peninsula to the many migrants from other regions of Portugal (particularly the Alentejo) and the Portuguese-speaking countries of Africa who settled there. This phenomenon had marked effects on the residents of the area, but their dependence on Lisboa as the main pole of development soon emerged. People travelling to work in Grande Lisboa constitute the greatest inter-regional commuter traffic in the whole of the country: in 1991, 27% of the resident population travelled to work on the north bank every day.

It is the second most densely populated sub-region, combining the dynamism of the river-

side municipalities (Almada, Barreiro, Moita and Seixal, with population densities of 2000 inhabitants per sq. km) and the district capital, Setúbal. Nearly 25% of the population of the Península de Setúbal live in Almada. One of the youngest areas in the early 1980s, the percentage of elderly residents has risen to date (12.2% over 65 years of age in 1995), although this remains far below the regional and national averages.

Rapid population growth is perhaps the Achilles heel of the sub-region, because it has led to high unemployment and the growth of sprawling residential areas has gone unchecked and unregulated. Furthermore, dependence on the north bank for employment in the tertiary sector has created dormitory towns with poor living standards and the potential for social conflict in some municipalities.



Dynamic demographics and a catalyst for foreign investment

The Península de Setúbal has its own potential for progress at several levels which can expand its production base on the strength of agriculture and fisheries, industry and tourism. It enjoys a prime location, with good national and international access via air (Lisboa), surface (motorways) and maritime links (Setúbal). The Península de Setúbal is also close to the major supply markets as well as the major centres of consumption.

Although over 40% of the territory is given over to farming, this provides little employment (only 3% in 1991). The dominant activities are fruit, vegetable, flower and wine growing. Proximity to the sea, the estuaries of the Tejo and Sado rivers and to the commercial port of Setúbal encourages fishing, and the fish landed goes for export.

The secondary sector is distinguished by an industrial estate housing strategic large enterprises which have left the crisis of the late 1970s and early 80s far behind. This acts as a catalyst for foreign investment, especially in manufacturing industry. Other enterprises, in shipbuilding and repair, ferro-alloys, accommodation and hotel keeping, are still in recession (Lisnave, Setenave, Siderurgia and Torralta) and explain why the local unemployment rates are higher than the regional and even national levels.

Eight universities are located in the municipi-

palities of Almada and Setúbal, and some 10 000 students are registered in areas as diverse as healthcare, technology, physical education and applied mathematics, while the concentration of research and development centres expresses a strategic commitment to academic and vocational training to guarantee a skilled, specialised workforce fit to take up the challenges faced by the Metropolitan Area to which the sub-region belongs.

In terms of infrastructure and facilities, the tourist industry has made effective use of the sub-region's attractions (an agreeable climate, hills, beaches, estuaries and historical and cultural heritage). Drawing large number of foreign tourists from Spain, Germany and the United Kingdom, it is the second-most popular sub-region in Lisboa and Vale do Tejo.

Which EU regions are similar to the Península de Setúbal?

Area:
approximately 1500 sq.km.
Pieria (EL)

Average annual variation in population:
approximately 0,9% between 1983 and 1993

Sevilla (E)
Groot Amsterdam (NL)

Death rate:
approximately 9,5‰
Leuven (B)
Hertfordshire (UK)

Area	Resident Population	Population Change	Population Density	Schoolchildren Registered	Mean Infant Mortality Rate	Hospital Beds per 1 000 Pop.	
	sq. km.	1 000	%	inhab/sq. km.	1 000	No.	
	1996	1986/96	1996	1994/95	1991/95	1995	
Oeste	2 512	362,7	0,8	144,4	66,2	7,1	2,6
Grande Lisboa	1 055	1 833,1	-2,2	1 737,6	464,2	8,2	7,3
Península de Setúbal	1 519	662,4	8,1	436,1	141,8	7,4	2,9
Médio Tejo	2 577	224,9	-3,9	87,3	42,7	7,5	3,2
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Lisboa e Vale do Tejo	11 931	3 313,5	-0,1	277,7	758,4	7,8	5,3
Portugal	91 835	9 934,1	-0,7	108,2	2 375,1	8,9	4,6

MÉDIO TEJO



The Médio Tejo is an area of 2 577 sq. km comprising 11 municipalities: Abrantes, Alcanena, Constância, Entroncamento, Ferreira do Zêzere, Gavião, Ourém Sardeal, Tomar, Torres Novas and Vila Nova da Barquinha. To the south the region is bounded by Lezíria do Tejo and part of the Alentejo Region, to the east by the Alentejo and Centro regions and again by the Centro to the north and west.

The rivers Nabão, Tejo and Zêzere run through the region, and the Castelo de Bode dam is an important hydroelectric facility which supplies practically all the residential power for the Lisboa Metropolitan Area.

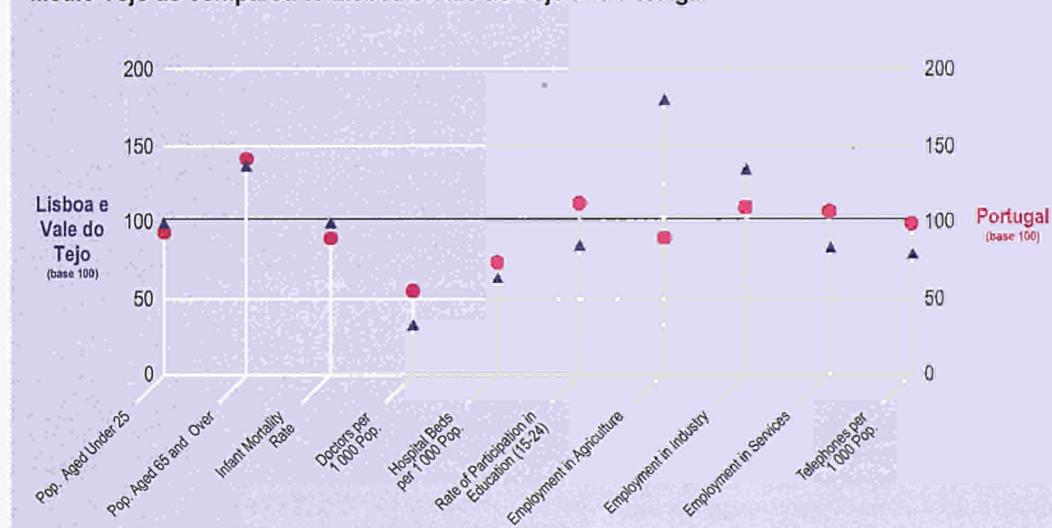
The subsoil is mainly limestone, and the caves of São Mamede and Minde are significant tourist attractions, renowned for their splendid stalactites and stalagmites. The land is flat other than in the salient of the sub-region into the Serras d'Aires and Candeeiros Nature Park, close to the town of Alcanena. The dense network of infrastructures north of the Tejo – sections of the North/South motorway and the IP6 – is in marked contrast to the south bank, which has no proper road or rail networks.

As one of the sub-regio's of the Lisboa and Vale do Tejo region has a marked diversity of soil types. According to the Soil Map of Europe, three major groups abound: podzols, luvisols (both orthic) and cambissols (chromic).



Medieval castles, dams and cliffs, follow close on one another's heels along one of the most beautiful Portuguese railroad routes.

Médio Tejo as compared to Lisboa e Vale do Tejo and Portugal



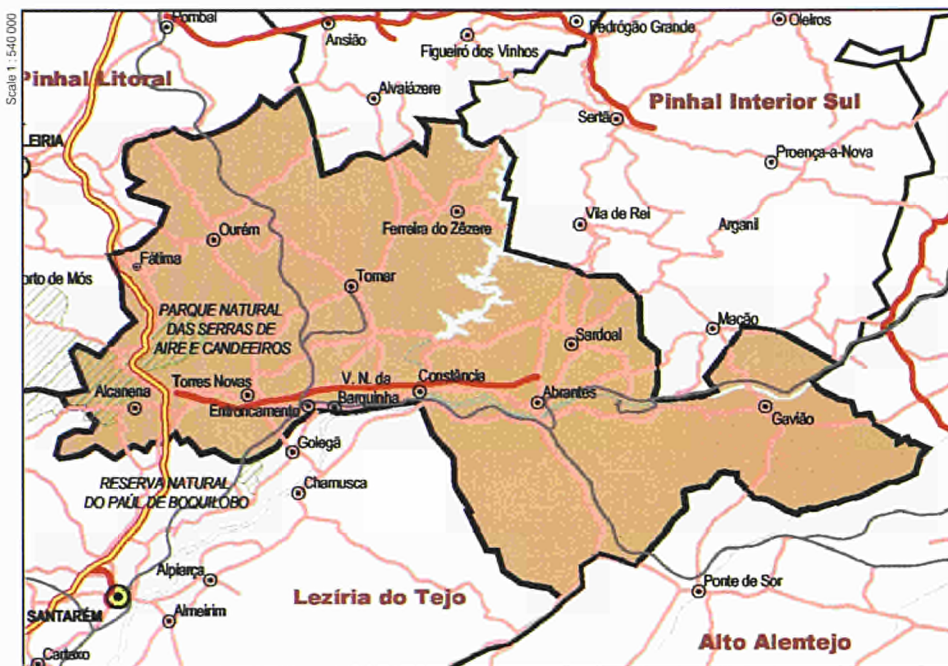
Varied landscapes make up for the distance from the sea

Médio Tejo is the sub-region furthest from the capital, is crossed by various lines of communication between the main centres of population, Torres Novas, Tomar and Abrantes. It has a huge number of high-quality hotels developed around the village of Fátima, in Ourém municipality. This site accounts for over 70% of overnight stays in hotels in the sub-region, drawing thousands of pilgrims each year, mainly from Portugal, Italy and Spain, to the shrine of the Virgin Mary.

The lack of a sea coast adjacent to this sub-region has not prevented its inhabitants making the most of other aspects to attract visitors seeking leisure and recreation. Thanks to a fair climate and countryside of undeniable beauty, the area around the dam and the riverbanks have been developed for recreation and sport in beautiful natural settings.

The sub-region is, however, faced with a number of difficulties as a result of declining population numbers (-4% in the last 10 years), disparities in population density in neighbouring municipalities (Entroncamento has 1086.4 inhabitants per sq. km; Gavião municipality is all but deserted, with 18.4 inhabitants per

sq. km), an overall ageing population (e.g. in Gavião, there are three times as many elderly people as children under 14) and some 30% of the population in employment are illiterate, as are an even greater number of females. With some 50% of the area under forest, the municipalities of Sardeal, Ourém and Abrantes were hard hit by fires in 1995. Over 5 000 hectares were burnt in a single year, tipping the precarious ecological balance and wreaking social and economic havoc.



Low activity rates

In 1981, Médio Tejo had the lowest activity rates for the region, a situation which has dragged on over the last ten years. The structure of employment shows a declining primary sector, while the secondary and tertiary sectors have gained ground. In 1991, half of the workforce was employed in services and a tenth in the primary sector, whilst the secondary sector provided 40% of employment as against 30% elsewhere in the region. Different patterns of industrial development between the municipalities of this NUTS region and the virtual absence of alternative employment make for uneven distribution of a range of activities:

- the secondary sector is particularly important in Alcanena (64.2% of the active population), with textile industries and 80% of all the tanning output of Portugal;
- the industrial triangle of Abrantes/Tomar/Torres Novas provides around 40% of local employment, specialising in mechanical engineering, the production of vehicle parts and civil engineering equipment, paper industries, graphic arts and furniture;
- in the municipality of Constância, the pulp industry provides 70% of industrial employment;

- in Ferreira do Zêzere and the adjacent area, the bulk of employment is in livestock farming and forestry.

The human factor is perhaps the main obstacle to the development of a region suffering from an ageing population, poor skills and an ill-qualified work force. The full impact of this situation was highlighted in 1991, when approximately 27 000 of the 85 000 active population declared that they had received no education whatsoever. The lack of intermediate and senior schools, other than in the municipalities of Tomar and Torres Novas, makes it difficult to assemble the scientific and technical potential necessary for much-needed development.

On the strength of great natural beauty (served by the Castelo do Bode reservoir and the Lago Azul), monuments (the Convento de Cristo has been classed as world heritage by UNESCO), and religious significance (the Marian Sanctuary at Fátima), tourism has shown most progress recently, following on directly and indirectly from the creation and development of other branches of activity.

Which EU regions are similar to the Médio Tejo?

Area:
approximately 2600 sq.km.
Luxembourg (L)

Average annual variation in population:
approximately -0,4% between 1983 and 1993

Kainuu (FIN)
Strathclyde (UK)

Death rate:
approximately 12,5‰
Tyne and Wear (UK)
Ferrara (I)

Area	Resident Population	Population Change	Population Density	Schoolchildren Registered	Mean Infant Mortality Rate	Hospital Beds per 1 000 Pop.	
	sq. km.	1 000	%	inhab/sq. km.	1 000	%	
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Médio Tejo	2 577	224,9	-3,9	87,3	42,7	7,5	3,2
Lezíria do Tejo	4 268	230,4	-2,1	54,0	43,5	6,9	2,4
Lisboa e Vale do Tejo	11 931	3 313,5	-0,1	277,7	758,4	7,8	5,3
Portugal	91 835	9 934,1	-0,7	108,2	2 375,1	8,9	4,6

LEZÍRIA DO TEJO



The Lezíria do Tejo is the largest area in the region with 4 268 sq. km, or around 36% of the total. It comprises 11 municipalities: Almeirim, Alpiarça, Azambuja, Benavente, Cartaxo, Chamusca, Coruche, Golegã, Rio Maior, Salvaterra de Magos and Santarém. Lezíria do Tejo is bounded by Grande Lisboa to the south, Alentejo Region to the east, Médio Tejo to the north, and Oeste region to the west.

The landscape is characterised by gently sloping hills less than 200 m high, sculpted by the Tejo and two tributaries, the Alviela and the Sorraia.

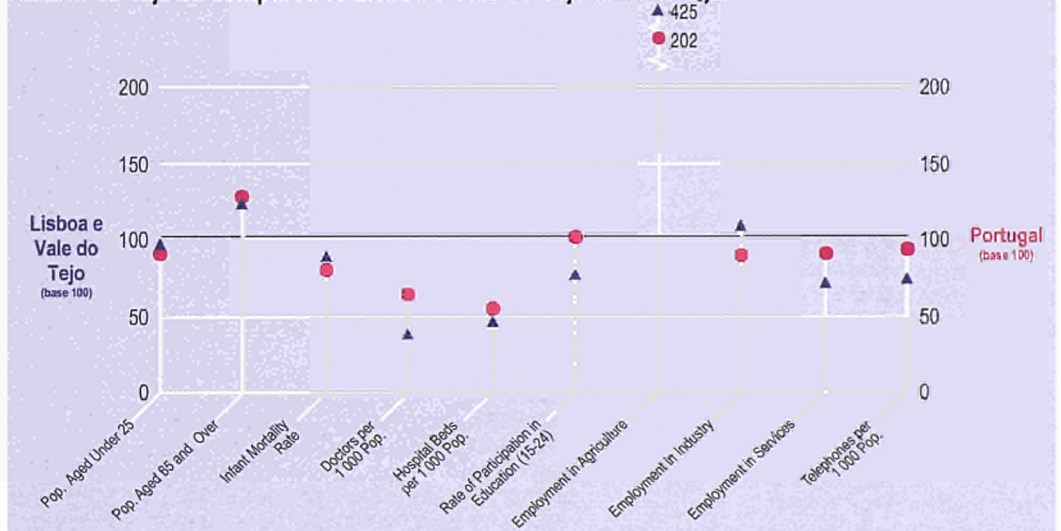
The sub-region includes one district capital, the city of Santarém, a node in the road and rail networks. The area is served by some 70 Km of motorway (A1) running parallel to the river, and the high-speed Lisboa-Porto rail link.

The soil in the area is typically podzol and orthic luvisol, the former associated with eutric cambissol.



Distinguished gentlemen, with their striking figures and singular apparel, are central features at the “Festa Brava” (Wild Party).

Lezíria do Tejo as compared to Lisboa e Vale do Tejo and Portugal



A rural area cheek-by-jowl with the Metropolitan Area

The river was the prime factor in the development of this geographical area, moulding its physical and its human characteristics.

Its banks are predominantly flood plain, its fertile soil fed by frequent floods, and natural grazing which favours the rearing of bulls and horses for bullfighting. An intimate of this “Festa Brava” is the Campino, the typical figure in his traditional brown waistcoat and green and red cap who lends some of its unique colour to the landscape. Astride his horse, staff in hand, the hardy campino keeps a trained eye on the bulls he guards.

The flood plain is also home to several stud-farms raising thoroughbreds for equestrian schools, and in particular the Lusitano, a breed whose unique character is recognised and prized the world over. Docile, but fast and strong, specialists say this is the ideal horse for the harness.

The predominant crops of the northern banks of the Tejo are olives, grapes and fruit, the population is scattered, and properties tend to be medium-sized. The south bank is given over to rice fields, cork and other plantations on large-scale properties. Several castles along the river

– Santarém, Almourol and Abrantes – attest to its importance as an access route for people and crops and to the need to protect these.

Areas like Cartaxo and Almeirim have the right conditions for wine growing, and schisty soils, good sunlight and micro-climates produce wines like Pontével and Porto de Muge. The museum of Vine and Wine is located in Cartaxo.

The main brake on the region’s development is its very proximity to the Lisboa metropolitan area. Sufficient hotel accommodation, education and healthcare facilities, etc. are lacking, partly because demand is deflected towards the national capital. Where services do exist, they tend to be concentrated around Santarém, the district capital.

LEZÍRIA DO TEJO



Activities concentrated in the district capital, Santarém

The Lezíria do Tejo sub-region has the second-lowest population of the whole Region of Lisboa and Vale do Tejo, a mere 230 000 inhabitants representing no more than 7% of the population of the whole region. The population has contracted by some 2% over the last 10 years, and demographic indicators hold out no prospects of an upturn. Birth rates below the regional and national averages combine with the highest death rates in the region and negative surpluses in every municipality other than Benavente, which is the closest to the Lisboa metropolitan area.

The population is essentially rural, with around 10% living in Santarém, the only town with more than 10 000 inhabitants. The district capital was home to 27% of the inhabitants of this sub-region in 1995. The economy of the region is very clearly based on the tertiary sector, which employs virtually half of the active popula-

tion. The concentration of health and education services in the district capital draws jobs away from the neighbouring municipalities.

While the industrial structure reveals little diversification, the secondary sector employed around 30% of the active population in 1991, largely in the agri-foods, metals and vehicle manufacturing industries.

The primary sector distinguishes the sub-region most clearly from Lisboa and Vale do Tejo as a whole. In Lezíria do Tejo, farming provides 20% of all jobs, as against a mere 5% for the whole region.

Which EU regions are similar to the Lezíria do Tejo?

Population:

approximately 230000 inhabitants
Aitoloakarnania (EL)
Haute-Saône (F)

Population density:

50 a 60 inhabitants per sq.km.
Vienne (F)
Ringkøbing (DK)

Birth rate:

approximately 9,5‰
Roma (I)
Auvergne (F)

Area	Resident Population	Population Change	Population Density	Schoolchildren Registered	Mean Infant Mortality Rate	Hospital Beds per 1 000 Pop.	
	1996	1986/96	inhab/sq. km.	1994/95	1991/95	1995	
sq. km.	1 000	%		1 000	‰	No.	
Oeste	2 512	362,7	0,8	144,4	66,2	7,1	2,6
Grande Lisboa	1 055	1 833,1	-2,2	1 737,6	464,2	8,2	7,3
Península de Setúbal	1 519	662,4	8,1	436,1	141,8	7,4	2,9
Médio Tejo	2 577	224,9	-3,9	87,3	42,7	7,5	3,2
Lezíria do Tejo	4 268	230,4	-2,1	54,0	43,5	6,9	2,4
Lisboa e Vale do Tejo	11 931	3 313,5	-0,1	277,7	758,4	7,8	5,3
Portugal	91 835	9 934,1	-0,7	108,2	2 375,1	8,9	4,6

PORTUGAL

ALENTEJO



The Alentejo region is situated in the south of Portugal and is bounded to the north by a section of the Tejo river, to the south by the Algarve mountains, to the west by the Atlantic Ocean and to the east by the Guadiana river and the border with Spain. It covers an area of 26 931 sq.km, or about a third of the country's total area, and has 46 municipalities. It is criss-crossed by the main national trunk roads, and in particular, those which link the north with the south (IP1 and IP2) and Lisboa with Madrid (IP7).

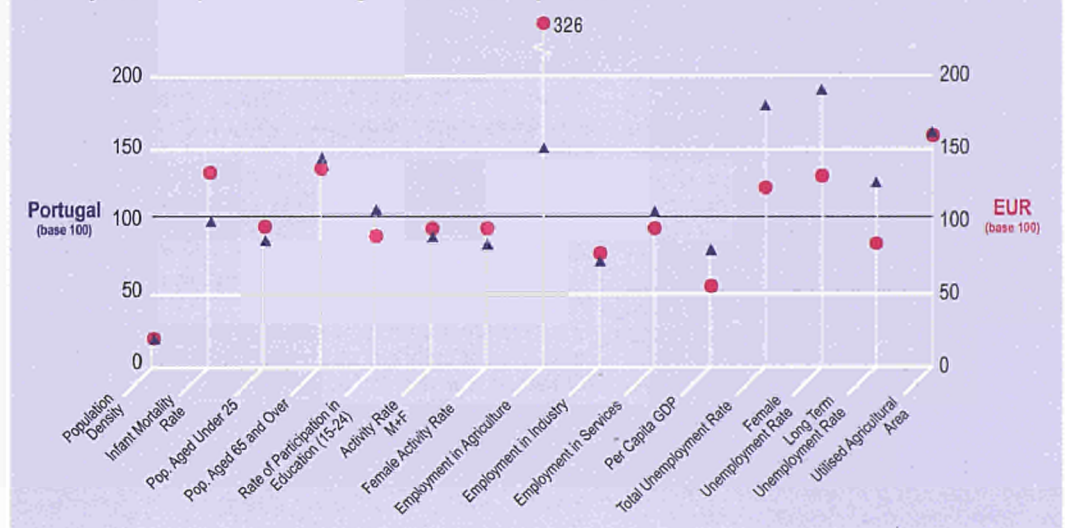
The region is characterised by a degree of uniformity in topographical terms. A salient feature is its slightly undulating plain which has an average altitude of about 200 m and contains elevations of various geological origins, the highest point being located in the São Mamede mountains near Portalegre, at 1025 m above sea level. The river system is formed by the Tejo in the north, the Guadiana in the east, the Sado in the west and the Mira in the south-west. Given its geographical situation, the region has a temperate climate with Mediterranean and continental features and is characterised by annual precipitation ranging from 400 to 600 mm, concentrated over a period of seven months (October to May), and hot, dry summers.

The Alentejo is predominantly agricultural and most of its area is devoted to farming (56%), about a third to woodland and just under 2% to built-up and developed areas. This region is also very rich in ornamental stone, copper pyrites and other mineral deposits of economic interest.



Typical scenery of the Alentejo penneplains with the Mediterranean vegetation characteristic of this region and cultivated fields.

Alentejo as compared to Portugal and the European Union



Potential yet to be exploited

This region has a potential which makes it attractive and can be summed up as follows:

- large areas of fertile land with good production potential and major hydro-agricultural investments planned for the future (e.g. the Alqueva reservoir);
- good road, port and railway infrastructures;
- a valuable cultural heritage resulting from contacts with other peoples, which is manifested by monuments throughout the region and reflected in culinary specialities, crafts, customs and traditions;
- its considerable environmental merits and the originality of its typically rural landscape.

The development of this region has been affected by various negative factors, such as:

- its population density, which is the lowest in the country, and the high average age of its population;
- the absence of an industrial tradition or of any propensity for investment;
- constrictions in trading circuits resulting from large numbers of middlemen between produc-

tion and final consumption;

- under-use of regional resources, due to poor links between sectors, resulting in a large portion of the region's raw materials leaving the region unprocessed.



Which EU regions are similar to the Alentejo?

Area:

approximately 27000 sq.km.
Bretagne (F)
Galicia (E)

Population:

approximately 535000 inhabitants
Cantabria (E)
Grampian (UK)

Employment:

approximately 17% in agriculture
Calabria (I)
Väli-Suomi (FIN)
approximately 60% in services
Limburg (B)
Brandenburg (D)

A population highly concentrated in small agglomerations

The Alentejo has a very low population density and is in fact one of the least populated regions in Portugal. However, most of the population is concentrated in small urban centres scattered over the entire vast territory. The rural landscape which typifies the region is occasionally interrupted by small groups of houses which accommodate the population working on the large farms.

When the situation of agriculture worsened as a result of economic policy, the population gradually abandoned the small settlements and the region began slowly to lose its population. In fact, since the early 1950s there has been a decline in the population of most municipalities and consequently a reduction of the population density in rural areas. At the same time, some of the population has moved to the region's main centres of development (the marble-quarrying area, larger towns and the Sines industrial centre) and to the coastal zone.

The largest urban centre is Évora. With some 50 000 inhabitants, Évora is the most important town in the region and offers a reasonable range of facilities and ser-

vices. After being classed in 1986 as part of the world's heritage, it has become part of the tourist circuits and over the past few years it has had a substantial increase in visitors. Apart from Évora, there are other towns such as Beja, Portalegre and Elvas, with populations ranging from 10 000 to 30 000 inhabitants. The towns of Beja and Portalegre are the capitals of the districts bearing their name and Elvas is a border town which benefits from its geographical location and a good transport network for the development of its trade.

	Resident Population	Population Density	Pop. Aged Under 25	Pop. Aged 65 and Over	Schoolchildren Registered	Doctors per 1 000 Population	Telephones per 1 000 Population
	1 000	inhab/sq.km.	%	%	1 000	No.	No.
	1996	1996	1995	1995	1994/95	1995	1996
Alentejo Litoral	94,3	17,9	30,0	18,6	17,9	0,6	351,5
Alto Alentejo	122,2	20,6	28,6	22,8	21,6	1,5	349,3
Alentejo Central	168,4	23,3	29,5	20,4	35,6	1,6	367,4
Baixo Alentejo	134,2	15,8	29,8	21,3	27,0	1,3	321,0
Alentejo	519,0	19,3	29,5	20,9	102,1	1,3	348,2
Portugal	9 934,1	108,2	33,9	14,7	2 375,1	3,0	374,9

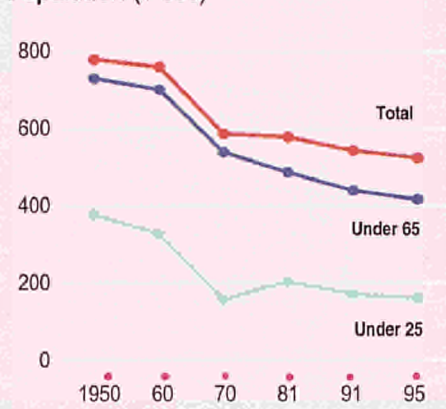
Decline in population

After a period of gradual and moderate increase in population in the first half of the century, the Alentejo region has suffered a decline in population since, especially in the 1960s. By the early 1990s, this downward trend had reduced the population of the Alentejo almost to the levels of the 1920s: little over half a million inhabitants or about 5% of the country's population, resulting in a population density of less than 20 inhabitants per sq. km.

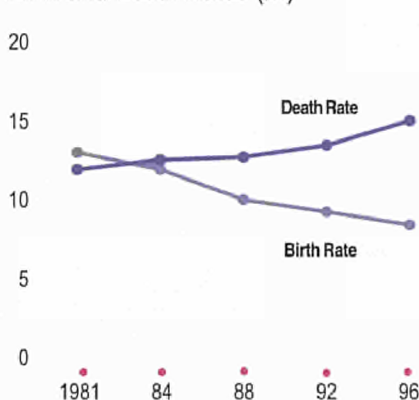
The strong emigration flows, apart from leading the decline of the region's population, has led to the ageing of the population. These factors together, have made a decisive contribution to the negative population balances and thus worsened the downward trends of the past few decades. The decline in population can be explained by various factors, but all are related to the structure of regional production. The latter is highly dependent on the agricultural sector which, by pro-

viding few job opportunities, contributes to the migratory flows to more attractive regions. On the other hand, the decrease in the rate of population renewal due to the progressive decline in the fertility rate as evidenced by the decline in the number of children per woman, together with other factors, amplify the trends towards population decline.

Population (1 000)



Birth and Death Rates (‰)



Population by Age, 1991

Age	M+F	M+F	M	F
	(1 000)	(%)		
< 15	95,0	17,5	18,2	16,8
15-24	72,9	13,4	14,1	12,8
25-39	101,0	18,6	19,4	17,9
40-54	93,4	17,2	16,9	17,5
55-64	76,1	14,0	13,7	14,2
>= 65	105,0	19,3	17,7	20,9
Total	543,4	100,0	100,0	100,0

Population Balance, 1980/96 (1 000)

Population 31.12.1980	578,4
Births	63,2
Deaths	70,4
Balance on Migration	-25,9
Population 31.12.1990	545,3
Births	27,9
Deaths	45,0
Balance on Migration	-9,1
Population 31.12.1996	519,0

An aged and unskilled population

Emigration, which affected in particular the active population, and notably those in the age group between 25 and 35, and also the region's economic characteristics have had a crucial influence on the current profile of the Alentejo's active population, which is characterised by low rates of activity, a high average age, low levels of education, low female employment rates and levels of unemployment above the national average.

Although the active population is old and, except in a restricted number of areas, it has a low level of professional qualifications. In the past few years this trend is being reversed since a growing number of young people have continued their studies beyond compulsory education, causing the skills profile of the active population to change significantly.

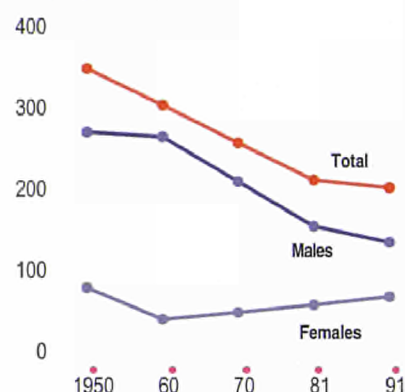
The extension of the school network and the more varied range of courses offered are the main reasons for the improvement in the education situation.

Currently, the Alentejo region has one university (the University of Évora), two private higher education establishments (Beja) and seven polytechnic establishments (the colleges of nursing of Beja, Évora and Portalegre; the higher education establishments of Beja and Portalegre; the College of Technology and Business Studies of Portalegre and the College of Agriculture of Beja). The education institutions are backed up by a growing number of vocational training schools which, with the former, provide a varied spectrum of options for education and vocational training.

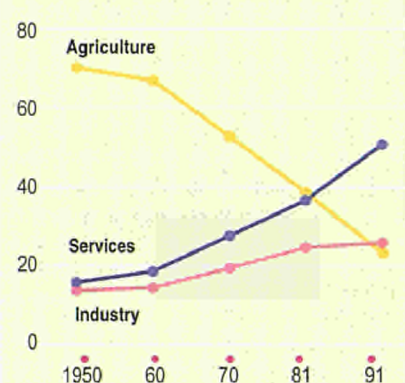
Students Enrolled, 1994/95

Type of Education	M+F (1 000)
Pre-school Education	10,9
Elementary Education	68,8
Secondary Education	22,9
Occupational Training	2,9
Higher Education	10,4

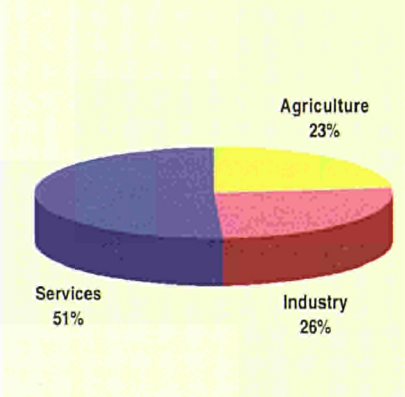
Employment (1 000)



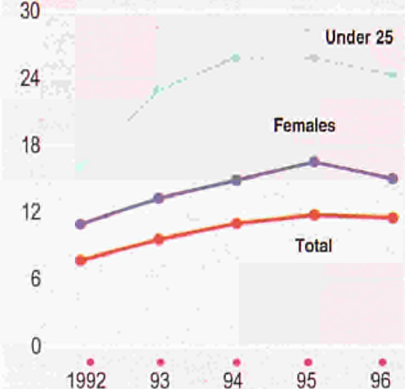
Employment Trends (%)



Employment Structure, 1996 (%)



Unemployment (%)



Most employment in services

The number of employees in the Alentejo region has declined as a direct result of the decrease in total population. Even so, in the past few decades, more and more women have entered the labour market to make up a third of the Alentejo's employed population by the early 1990s. In job terms, the region's economic basis is dominated by services, which account for just under two-thirds of all jobs. Agriculture's contribution to the labour market has been declining, but is still considerably higher than the national average, resulting basically from the existence of a large agricultural area and many large-scale agricultural holdings.

Services play an important role in the structure of regional employment as a result of the rise in the urban centres of two of the main sectors: commerce and public services. Agriculture and services employ over three quarters of the active population.

The secondary sector accounts for about a quarter of employment. The processing industry is the main branch of this sector since it provides 51% of secondary sector employment. Agri-food industries are the main industrial branch (37% of employment in the processing industry).

Timber and cork, textiles, and electrical and electronic machinery manufacture are also major elements in the region's employment profile.

As far as the regional employment trend is concerned, there has been a decline in the percentage of primary sector workers which has been offset by substantial increases in the tertiary sector and a slight increase in the secondary sector.

Employment Characteristics (%)

	Total Employment			Employed Workers				
	Under 25	25-54 years	Over 54	Total	Part Time	without a permanent contract		
	1996			1996	1992	1996	1992	1996
Males	15	65	20	69	:	:	16	25
Females	15	70	15	77	:	:	20	26
Total	15	67	19	72	10	9	18	25

Fewer young active persons and an increase in the inactive population

The gradual worsening of the demographic situation has had its effects on the profile of the region's active population. Accordingly, the ageing of the population means on the one hand an acute decline in the availability of young labour and, on the other hand, an increase in the inactive population at the top of the age pyramid. As a result, the active population has declined at a faster rate than the population as a whole.

The weakness of the region's economic base and its dependence on the agricultural sector are the cause of the highest jobless rates in Portugal. Notable are female unemployment, which represents 55% of total unemployment, and the large number of young unemployed persons (28% of the jobless total). Long-term unemployment is also substantial in this region since 38% of the jobless total decrease into this category.

Although the percentage of female employment in the total has risen in the past few years, it is still only about a third. The active population is affected by the population's age structure: which has resulted in the fact that a low percentage of the active population are under 25 years old and a high percentage of workers (24%) are over 55.

Low contribution to GDP

The Alentejo region, despite its large area, provides just under 4.3% of Portugal's gross domestic product and GVA at market price. Agriculture is the main activity of the primary sector, contributing 14% to the region's GVAmP and representing 17% of this sector's GVAmP in Portugal. The main crops are cereals for grain as a rain-fed crop, whose output makes up over 75% of the country's total rain-fed cereals. In recent years, other crops have made their appearance and are becoming significant, such as oilseeds, especially sunflowers, which in this region account for 95% of the total area in Portugal under this crop, and some protein and feed crops. Among the irrigated crops, the most important are tomatoes, rice, maize and sunflowers. Olive oil and wine production are also significant, less for the quantities produced than for the quality they offer the consumer. In livestock production, the main products

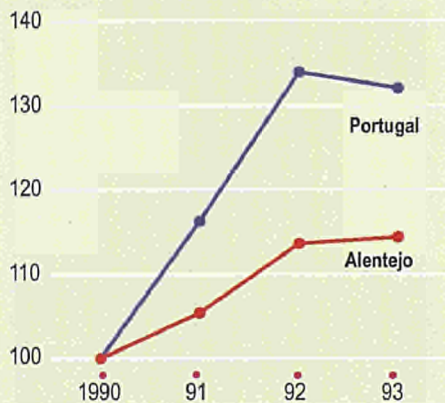
are meat (sheepmeat, beef and veal), sheep's wool and cheese. Cork, which accounts for 60% of national production, and eucalyptus wood are the main forestry products.

In the secondary sector, the extractive industries are particularly important. Their main activities are the extraction of ornamental stone and copper pyrites. This region produces 42% of the GVAmP of the national extractive industries. Ornamental stone production is at its highest in this region, which alone is responsible for 85% of national production of marble and 90% of the granite extracted in Portugal. The processing industry is not much developed and is poorly distributed over the region, the chemical and petroleum product industries are the main representative, are concentrated in the port and petrochemical complex of Sines. Next in importance are machinery and equipment manufacture, the timber and cork indus-

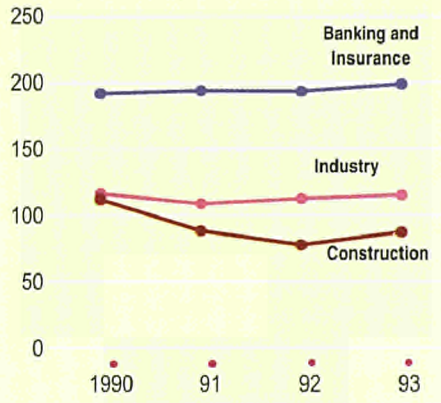
tries and the textile and clothing branch. The main firms are concentrated in Beja, Campo Maior, Évora, Portalegre, Sines, Vendas Novas and Vila Viçosa.

The distributive trades play an important role in the tertiary sector since they represent over 80% of this sector's trade volume in the region.

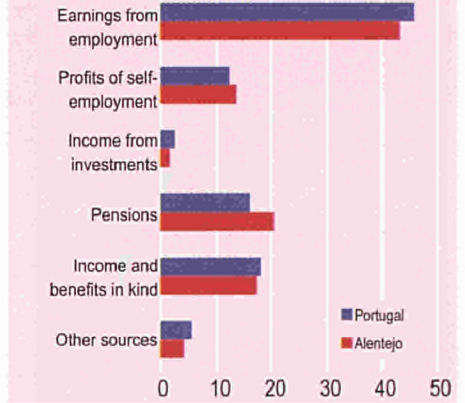
GDP at current prices (1990=100)



Average Earnings = 100



Sources of Household Income, 1994/95 (%)

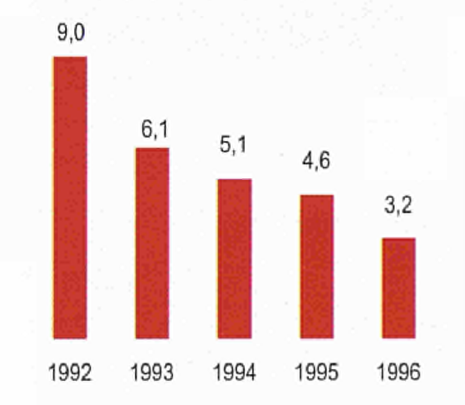


Low per capita yields

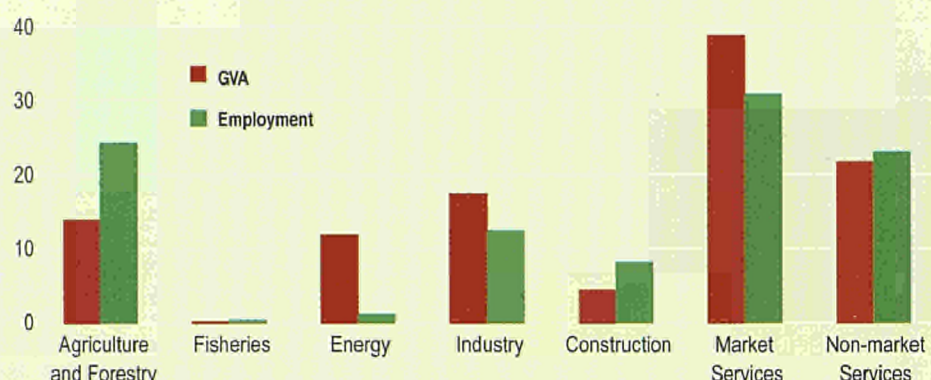
The predominance of agriculture in the Alentejo region and the fact that it is very important in terms of jobs (employees make up 55% of all agricultural workers), are the main factors responsible for the average monthly wage being 6% below national average earnings. But the industrial sector in this region has the best average wages and salaries in the country, some 15 percentage points above the national average. In the building industry the situation is the same, and although the average remuneration of this branch is only 88% of national average earnings, it is still the highest in mainland Portugal. In the specific case of industry, there are also some disparities in remuneration from branch to branch, especially between the food industries and the chemical industries, since the latter's remuneration levels are well above those of the former. The situation is the same in the tertiary sector where banks and insurance have much higher average remuneration than other branches, more than doubling

the average regional remuneration. The *per capita* gross disposable household income in the Alentejo is well below (16%) the national average. Financial benefits paid by the social security system are an important item in family budgets, especially in rural communities where these welfare payments represent 24% of the gross disposable income of households.

Inflation (%)



Employment and GVA: Analysis by Branches, 1993 (%)



Heavy dependence on agriculture, the extractive industries and retail trade

The Alentejo is a predominantly agricultural region and contains just under 50% of Portugal's utilised agricultural land. This activity is characterised by large farms and extensive unirrigated cereal and oilseed production, livestock rearing and forestry production. Placing the emphasis on the quality of products has been one of the latest developments and the designation of "seal of origin" has been obtained for a considerable number of animal products. The region has optimum potential for irrigation and with the construction of the Alqueva reservoir and the implementation of the Alentejo Irrigation Plan, about 200 000 ha of land will benefit from irrigation. The increase in the irrigated areas will make it possible to develop the production of other types of food products and complementary activities such as hunting, tourism and water sports.

There is not much of a processing industry tradition in the Alentejo. Production units are sparsely distributed and industrial complexes are underdeveloped except in the Sines industrial zone, where most of the processing industry is concentrated, in the form of the chemical and petroleum industries. The extractive industries, on the other hand, have important bases in this region and even

show signs of encouraging the development of enterprises associated with the working of ornamental stone, especially marble.

Productive services such as banking, insurance and commerce are undergoing some development in the Alentejo, especially in the larger urban areas where hypermarkets are also being established. In the rural areas, family-run small shops predominate. Most wholesale trading deal in products for agriculture, forestry and livestock farming, whilst the retail trade has more establishments selling food and drinks.

Small family businesses

The Alentejo's industrial environment is characterised by a weak structure dominated by small production units, frequently family-based. The development process which this region has undergone in the second half of the century, has led to most enterprises being held by sole entrepreneurs (86%) with a low percentage of companies (11% private limited companies, 0.2% public companies and 0.6% co-operatives). This type of business structure has a direct influence on jobs and hence the majority of firms (98%) have fewer than 20 persons working for them.

On the other hand, the concentration of the population in small localities has a decisive influence in that most firms belong to the tertiary sector (52%), and are family businesses providing for the most rudimentary needs of the rural population. At the moment, this trend is being reversed and large capacity shops (usually hypermarkets) are being built in the centres of mass consumption.

However, there are some sectors where a change has occurred in the business structure, as in the extractive industries, where the availability of natural resources has produced the right conditions for development. The region has almost 10% of all the extractive industry firms, with a sixth of all the industry's workers and a sales volume of over a fifth of the national total. It is also the region's extractive industry firms that employ on average the largest number of workers, although the large majority employ fewer than 20 persons. Recently, there have been changes in the processing industry following the implantation of large, mainly multinational firms in the Sines industrial zone and in Évora and Portalegre.

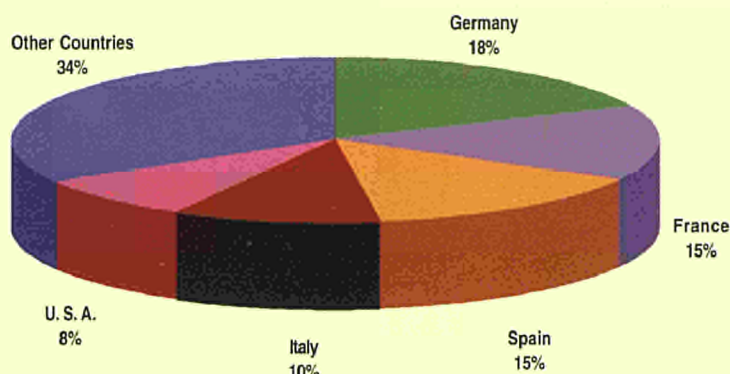
Agriculture, 1995

Holdings (No.)	36 114
Total Labour Force (ALU)	43 273
Area Under Agriculture (ha)	1 800 536
Head of Livestock (CN)	318 455

Main Enterprises, 1996

Name	Workforce	Activity
Somincor, S.A.	> 300	Mining
INLAN, S.A.	> 300	Mechanical Components
FINO'S, S.A.	> 300	Wollen Mills
Borealis, S.A.	> 300	Chemicals
LEE Portugal, Lda.	> 300	Clothing
ARJAL, Lda.	> 300	Metalworking
HOECHST, S.A.	> 300	Fibres

Foreign Visitors, 1996



Tourist Activity

	1990	1996
Hotel Establishments (No.)	81	92
Accommodation Capacity (No.)	6 079	7 011
Total Guests (No.)	376 468	425 283
Total Overnight Stays (No.)	724 399	732 079
Occupation Rate (%)	33,10	29,01
Average Length of Stay in Nights (days)	1,92	1,72

A wide variety of tourism products

With its varied and diversified tourist facilities, the Alentejo can respond to the most varied situations. Tourism in this region is developing in highly diverse fields: the seaside, camping, artificial lakes, golf, congresses and cultural events, hunting and fishing, rural tourism, agri-tourism, culture and heritage, gastronomy and handicrafts. The importance of tourism for this region having been recognised, major investments have been made, increasing the number of hotel and other establishments considerably so that the accommodation capacity has risen by 15% in the past six years, so that in 1996 it exceeded 7 000 beds, most of them in the Grândola (25%) and Évora municipalities (17%).

This region is an area of transit for tourists on their way to the Algarve and Spain, and as a result, fewer than 15% of the three million visitors who cross the region's borders take up accommodation in Alentejo's hotel establishments. Also, the average stay of tourists is short: 1.7 nights per guest, which results in occupancy rates of under 30%.

However, good access due to its proximity to the Lisboa metropolitan area and Spain, its cultural and nature heritage, hunting resources, high environmental

quality standards and scenic and ethnographic advantages are guarantees of the intrinsic potential for this sector to continue its unhindered development.

The handicap of distance

Services to the community in the Alentejo may be considered from two viewpoints: one related to the population served and another linked with the area covered by existing facilities. This means that facilities are located in the main urban centres, causing accessibility problems which affect the populations living in the rural areas in particular.

Supplies of the main services (health, education, social security, culture and sport) are concentrated in the main urban centres. Health is one of the most sensitive sectors in the region since, for specialised treatment, in a network of 10 hospitals only three (Beja, Évora and Portalegre) have an adequate range of facilities. The people of the Alentejo must consequently travel an average of 43 km to get hospital treatment, and the distance can be over 100 km.

Although the health situation in the Alentejo has improved in the past few years, it is still far from satisfactory as a result of certain disparities at sub-regional level. The high mortality rate is explained by the population's high average age. On the other hand, the infant and prenatal mortality rates, which in the early 1980s were particularly high, are now at a fairly acceptable level and close to the national average.

Health

	Alentejo	Portugal
Hospital Beds per 1 000 Population 1995 (No.)	3,55	4,63
Doctors per 1 000 Population 1995 (No.)	1,31	2,96
Mean Infant Mortality Rate (‰) 1991/95	8,41	8,92

Fisheries and Maritime Transport

Fisheries	1991	1995
Vessels (No.)	417	304
Registered Fishermen (No.)	1 329	623
Catch Landed Quantity (t)	8 640	10 023
Catch Landed Value (1 million PTE)	1 784	1 888
Maritime Transport	1991	1995
Cargo Loaded (1 000 t)	5 838	7 551
Cargo Unloaded (1 000 t)	10 317	15 020
Port Employees (No.)	468	236
Vessels Entering Port (No.)	809	986

High strategic value

The sea has a high strategic value in the Alentejo, not for its fishing activities but because of the existence of an extensive coastal strip and a strategically located port infrastructure.

Fishing is done from a small number of small-capacity boats and their contribution to regional GDP is low (0.3%). In relation to the volume of fish landed, the only port of relevance is Sines, with catches of up to 4.5% of the national total in tonnage and 4% of the national total in value. As far as the species caught are concerned, sea-fish represent the largest contingent of over 90% of catches, with sardines accounting for some 80% of the overall fish catch landed.

This region has an extensive coastal strip of some 130 km, which has been the subject of various planning programmes aimed at improving quality and providing tourist services as an alternative to those of other national and international regions. The qualities of the Alentejo coast line have not gone unnoticed by investors, who have installed there one of the largest tourist complexes in the country. Currently, efforts to develop tourism are concentrated more to the south to exploit the scenic beauty of the beaches of Porto Côvo and Vila Nova de Mil Fontes.

The development of the industrial centre created in Sines has led to the construction of a deep-water port with several ter-

minals which is being prepared to take large vessels and serve as an alternative to the commercial ports of Lisboa and Setúbal. This port already handles 45% of the cargo loaded at Portuguese ports and 34% of the cargo unloaded on national territory. Furthermore, thanks to improved road access, there is the prospect of extending the zone of influence of the port of Sines to the Extremadura region of Spain.

Rural life and a protected environment

This region's ecological conditions favour wine and olive oil production, the quality of which is the determining factor for the award of "designation of origin" seals, eight of which have been granted to wines and two to types of olive oil. Conditions are also good for extensive livestock farming, especially beef cattle, sheep, goats and woodland-fattened pigs. The quality of its livestock products such as meat, cheese, sausages and ham has become famous.

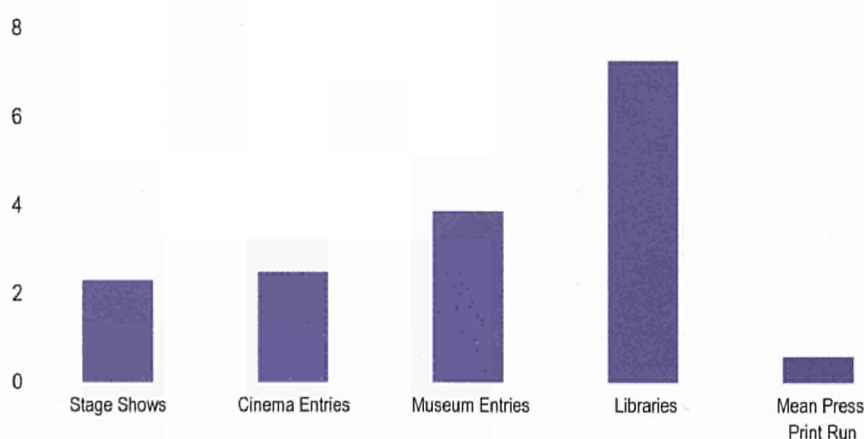
The region's rural character has led to the maintenance of high environmental standards and allows the natural heritage, which offers a range of scenery unique in Europe, to be preserved. The features include coastal plantations and vegetation zones (dunes, marshes and cliffs), inland wetlands, swamp areas and steppes which form the habitats of animal species threatened with extinction. This diversity has allowed the classification of 64 CORINE biotopes and three nature reserves (the Sado estuary, the protected landscape area of the south-eastern Alentejo and the nature park of the São Mamede mountains).

Crafts are another of the region's cultural resources, mainly in the form of stoneware, metal and cork articles, rugs and carpets from Arraiolos, tapestries from Portalegre and embroidery and lace from Nisa.

This region is rich in history and historical monuments, with traces of man from all the ages of history, in the form of nume-

rous dolmens, menhirs, cromlechs, forts, castles, churches, monasteries and manor houses. There are very few villages that have no castle to symbolise their origin. This makes the Alentejo Portugal's mediaeval treasure house.

1995 Culture, Country %



Alentejo

ALENTEJO LITORAL



The Alentejo Litoral is situated in the western part of the Alentejo region and is bounded to the north by the Lisboa e Vale do Tejo region, to the south by the Algarve region, to the west by the Atlantic Ocean and to the east by the Baixo Alentejo. It extends over an area of 5 262 sq. km, representing a fifth of the total area of the Alentejo and includes five municipalities. It is crossed by a national trunk road, the IP1, which links the north with the south of the country and links this sub-region with the Algarve.

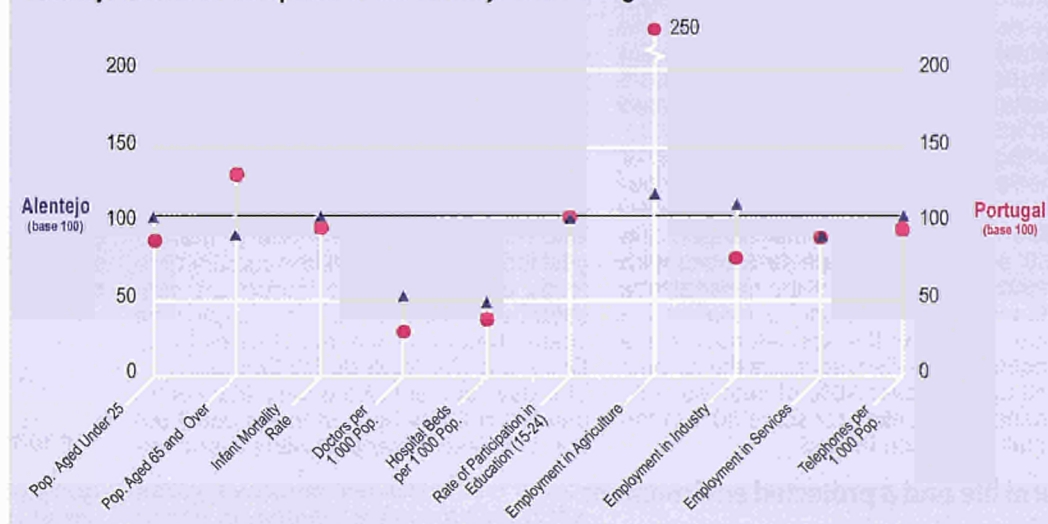
This sub-region has different types of landscape: in the west, a typical coastline landscape, with more or less extensive beach and, in the interior, a landscape of contrasts, with the Alentejo heath-land and the slightly undulating plain interrupted by hills of different geological origins. These hills very often continue into the coastal area and in some cases extend to the ocean. The river system is formed by the Sado and Mira. In view of its geographical situation, this sub-region has a Mediterranean climate with maritime features and has annual precipitation ranging from 600 to 800 mm, concentrated over a period of seven months (October to May), and hot, dry summers.

Although it has a coastline, the Alentejo Litoral has a strong agricultural component since 45% of its land is devoted to farming, about a quarter to woodland and just under 1% to built-up and developed areas. Despite the predominance of agriculture, this region has a rich natural heritage and, in Sines, the Alentejo's main industrial centre.



The Port of Sines was an infrastructure established as one of the main points for the Alentejo's development.

Alentejo Litoral as compared to the Alentejo and Portugal



Substantial natural resources but a lack of labour

The Alentejo's coastal region offers a good road and rail infrastructure providing good access to the metropolitan areas of Lisboa and Setúbal, to the Alentejo's main urban centres, and to the main urban centres of the Extremadura region of Spain. In addition, Sines has a port infrastructure and an industrial zone which, together with the transport infrastructure, provide a firm basis for the region's future development, which can thus serve as an alternative for industrial development outside the major urban centres. On the other hand, conservation of the scenic coastal landscape provides it with clear comparative advantages in the field of tourism. Nevertheless, there are a number of negative factors regarding manpower potential, infrastructure and economic activity which have prevented the Alentejo Litoral from emulating the progress of other Portuguese regions. The manpower potential, which is one of a region's main resources, is characterised by a high average age of the active population and of the population in general, as well by the low population density of the area. On the other hand, the dependence on the primary sector and high illiteracy rates are partly responsible

for the lack of mobility of labour between different activity sectors. With regard to infrastructure, there are substantial shortcomings in the fields of education and health. Finally, as far as the level of economic activity is concerned, the region's resources are underused, there is little willingness to promote invest, little or inadequate research, technological innovation and technical support for firms.

ALENTEJO LITORAL



Tourism is one of the sectors presenting the greatest potential for development in the near future. The availability of a long sea-coast with vast tracts of land, the application of controlled urban development, the possibility of developing recreational activities as well, such as hunting, fishing and water sports, and the improvements in accommodation, provide this region with the basis for establishing in the near future an area for major expansion in the tourist trade.

A very rural environment with potential for industrial and tourism development

In socio-economic terms, the Alentejo Litoral is affected by two distinct factors. On the one hand, in most of this sub-region the population depends on the primary sector. In this case both agriculture and fishing, and on the other hand, there are two areas of development: industry (the industrial complex in Sines) and tourism (the complex in Tróia). These two areas have mitigated the effects of the rural environment and minimised the decline and ageing of the population. As a result, the population age level for Sines municipality is the lowest in the Alentejo and lower than the average for Portugal. Most of the resident population is concentrated in small urban centres that are scattered over the vast territory. The main urban centres are Sines, Santiago do Cacém, Grândola, Alcácer do Sal and Santo André, which have populations of between 5 000 and 10 000 and a more or less diversified range of job opportunities. The sub-region economic basis in job terms is dominated by services which nevertheless still represent less than half of total employment. The primary sector, despite its decline in significance, still employs over 25% of the employed population.

As for unemployment, this region's rate is lower than that of the Alentejo as a whole, due to the job opportunities in the secondary sector.

In economic terms, agriculture continues to be the main sector in most municipalities of this sub-region, especially inland. Farming is basically targeted towards the production of cereals and extensive sheepmeat, beef and pigmeat production. Moreover, this sub-region has optimum potential for cork production, as attested by the large areas under managed cork oak. Fishing employs a small portion of the active population and is only carried out on a non-industrial scale, and only at the port of Sines.

The industrial environment is highly influenced by the Sines industrial complex, which is located in a modern, functional industrial zone where some of the Alentejo's biggest firms are based. These are responsible for some 26% of the region's processing industry business. For the future, there is a trend towards industrial development in the wake of the increase in the port's activity. Commerce is largely concentrated in the urban centres and is mainly represented in Santiago do Cacém.

Which EU regions are similar to the Alentejo Litoral?

Area:
approximately 5000 sq.km.
Islands (UK)

Population:
approximately 97000 inhabitants
Zuidwest - Friesland (NL)

Population density:
15 a 20 inhabitants per sq.km.
Gotlands län (S)

	Area	Resident Population	Population Change	Population Density	Schoolchildren Registered	Mean Infant Mortality Rate	Hospital Beds per 1 000 Pop.
	sq. km.	1 000	%	inhab/sq. km.	1 000	‰	No.
	1996	1996	1986/96	1996	1994/95	1991/95	1995
Alentejo Litoral	5 261	94,3	-8,1	17,9	17,9	8,5	1,6
Alto Alentejo	5 933	122,2	-8,6	20,6	21,6	9,2	4,9
Alentejo Central	7 227	168,4	-6,0	23,3	35,6	9,9	3,9
Baixo Alentejo	8 505	134,2	-13,3	15,8	27,0	5,8	3,3
Alentejo	26 926	519,0	-9,0	19,3	102,1	8,4	3,6
Portugal	91 835	9 934,1	-0,7	108,2	2 375,1	8,9	4,6

Alentejo

ALTO ALENTEJO



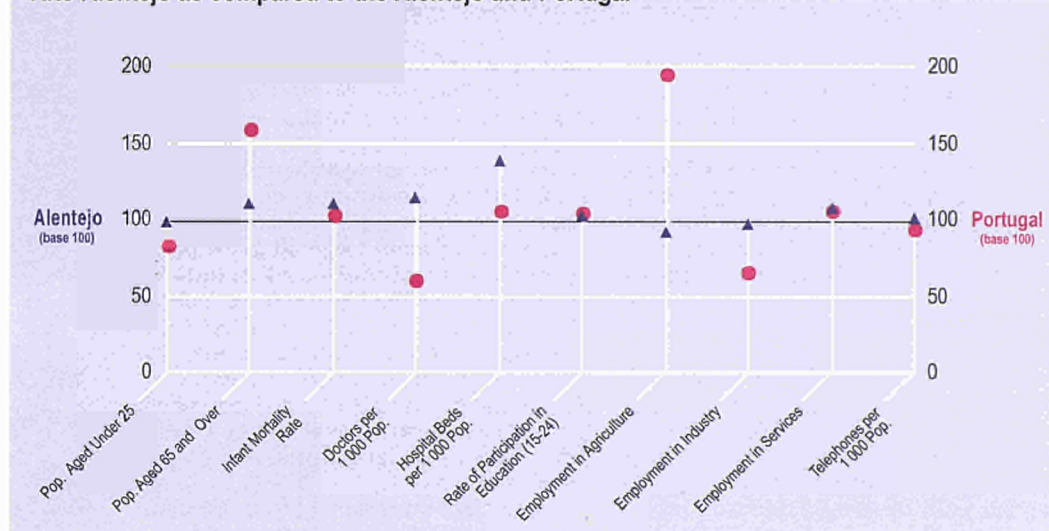
The creation of protected scenery has preserved some areas of ecological interest and scenic beauty such as the Serra de S. Mamede Natural Park.

The Alto Alentejo is situated in the northern part of the Alentejo region and is bounded to the north by a section of the Tejo river, to the south by Alentejo Central, to the west by the region of Lisboa e Vale do Tejo and to the east by the border with Spain. It extends over an area of 5 937 sq. km, which represents over a fifth of the total area of the Alentejo, and includes 14 municipalities. It is crossed by two national trunk roads: the IP2 going north-south and the IP7 crossing the south to the border.

This sub-region has a varied topography with the Alentejo Plain in the south and west and the foothills of the São Mamede mountains in the north, where the highest point in the Alentejo is situated at 1 025 m above sea-level. The river system is formed by the basins of the Tejo and the Guadiana. In view of its geographical situation, the Alto Alentejo has a temperate climate with Mediterranean and continental features but wetter than the Alentejo in general, characterised by annual precipitation ranging from 650 to 900 mm, concentrated over a period of seven months (October to May), and hot, dry summers.

The Alto Alentejo is predominantly agricultural with most of its area devoted to farming (51%), about a third to woodland and just under 2% to built-up and developed areas. Furthermore, this region has a very rich architectural and historical heritage and natural resources in the form of ornamental stone (granite) and substantial mineral reserves.

Alto Alentejo as compared to the Alentejo and Portugal



Substantial natural resources but a lack of labour

The northern Alentejo sub-region offers a highly varied range of options for economic activity such as the following:

- substantial uranium reserves, granite-quarrying areas and mineral water springs;
- vast areas with highly productive soil allowing different types of agricultural and forestry use, with the possibility of irrigation for over 20 000 ha and high-quality produce (wine, olive oil, cheese, beef, veal and sheepmeat);
- a border zone with various border points linked with the main towns of the Spanish Extremadura region;
- preservation of the rich and varied landscape of the São Mamede mountains and a valuable cultural heritage ensuing from its history which is evidenced by its monuments, regional culture, crafts, customs and traditions.

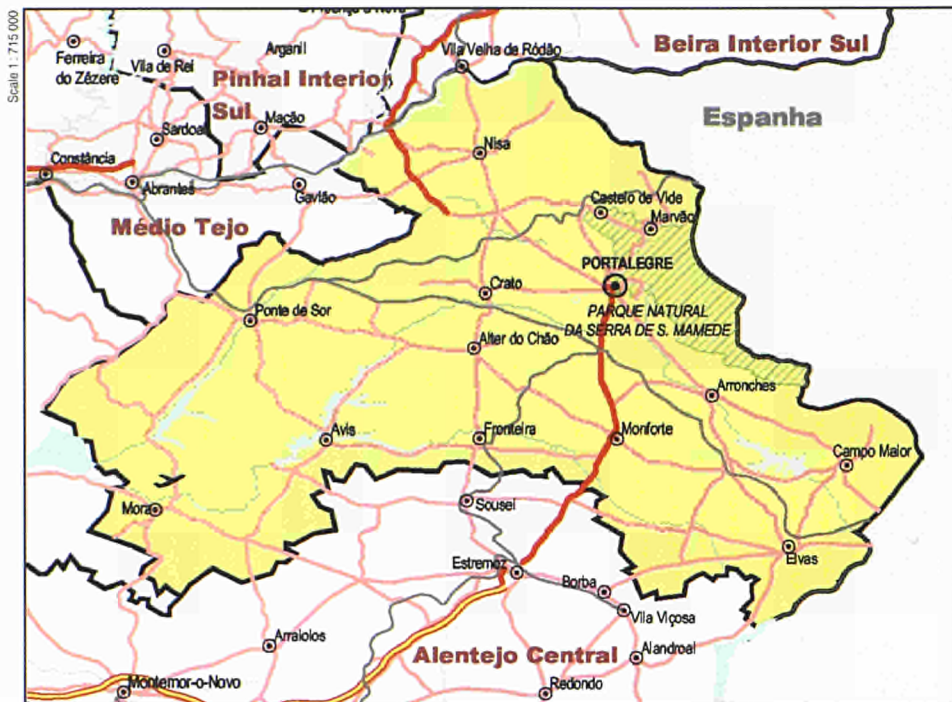
Nevertheless, there are a number of negative factors preventing the Alto Alentejo from emulating the progress of other European regions, such as:

- manpower potential, characterised by the high average age of the population, reflected in the proportion of the active population (less than two-fifths of the total population) and the

low population density;

- substantial dependence on the primary sector and high illiteracy rates responsible for the lack of mobility of labour between sectors.
- the meagre availability of water resources, the weak propensity to invest, the weakness of the region's industrial fabric and the lack of research, technological innovation and technical support for firms.

ALTO ALENTEJO



Socio-economic aspects affected by the lack of alternatives

Major dependence on the agricultural sector and lack of industrial development are the main factors responsible for the decline and ageing of the population of the Alto Alentejo. In the last forty years, this region has lost a third of its population, most of them young people, owing to the declining influence of agriculture on the economy and to the lack of alternatives to this activity. This situation has meant that the resident population has become the oldest in the Alentejo and one of the oldest in the country. Most of the resident population is concentrated in small urban centres scattered over the vast territory. The main urban centre is the town of Portalegre, which has about 20 000 inhabitants and presents a varied range of job alternatives. Other important centres are Évora, Ponte de Sôr and Campo Maior, with populations of between 5 000 and 15 000, which have an economic structure which is less dependent on agriculture.

The sub-region economic basis in job terms is dominated by services, which represent half of total employment. In turn, the primary sector, despite its decline in significance, still accounts for over 20%

of the employed population. As for unemployment, this sub-region has a lower rate than the Alentejo as a whole, also a result of the high average age of the population and the high number of pensioners: 36% of the resident population.

In economic terms, agriculture continues to be the main sector in most municipalities of this region. This activity is basically targeted towards the production of cereals, olive oil, wine and extensive sheep meat, beef and veal production. Apart from these, there are alternative products such as fresh fruit, cheese and traditional sausages; there are also complementary activities such as hunting and rural tourism. Placing the emphasis on the quality of products has had its effects, and the designation of "seal of origin" has been obtained for a considerable number of animal products. Moreover, the region has optimum potential for cork production, especially in the municipalities further to the west, where there are large cork-producing areas.

The industrial environment, like the region itself, is characterised by a weak structure with a predominance of small, family-based manufacturing units sparsely scat-

tered over the region. The main industries are located in the chief urban centres, especially in Portalegre, where some of the Alentejo's largest industrial companies are based, being responsible for 12% of the jobs of the Alentejo's processing industry. For the future, there is a trend towards the development of the extractive industries, especially granite which is abundant in the Alto Alentejo. Commerce is largely concentrated in the urban centres and particularly in Évora, where 22% of the region's commercial companies are located, deriving major commercial benefits from the town's geographical situation.

The tourism sector is one of those presenting the greatest potential for development in the near future. The products offered and the creation of accommodation units (capacity rose by 71% between 1991 and 1995) have established the objective conditions for dynamic development within the sector which in 1995 was responsible for accommodating 24% of the Alentejo's guests in hotel establishments.

Which EU regions are similar to the Alto Alentejo?

Area:
approximately 6000 sq.km.
Manche (F)

Population:
approximately 127000 inhabitants
Tuttlingen (D)

Population density:
20 a 25 inhabitants per sq.km.
Kronobergs län (S)

	Area	Resident Population	Population Change	Population Density	Schoolchildren Registered	Mean Infant Mortality Rate	Hospital Beds per 1 000 Pop.
	sq. km.	1 000	%	inhab/sq. km.	1 000	%	No.
	1996	1996	1986/96	1996	1994/95	1991/95	1995
Alentejo Litoral	5 261	94,3	-8,1	17,9	17,9	8,5	1,6
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Alentejo	26 926	519,0	-9,0	19,3	102,1	8,4	3,6
Portugal	91 835	9 934,1	-0,7	108,2	2 375,1	8,9	4,6

Alentejo

ALENTEJO CENTRAL



The Alentejo Central is located right in the centre of the Alentejo region and is bounded to the north by the Alto Alentejo, to the south by the Baixo Alentejo, to the west by Lisboa e Vale do Tejo region and to the east by a section of the River Guadiana and by the border with Spain. It has an area of 7 229 sq.km, more than a quarter of the Alentejo's total area, and has 14 municipalities. It is crossed by the two national trunk roads which cut across the Alentejo: the IP2 going north-south and the IP7 crossing the central area to the border.

This region is fairly uniform in its topography, with its monotonous, slightly undulating plain at an average altitude of about 200 m. The plain is interrupted by several hilly areas with different geological origins, the highest point being in the Serra de Ossa mountains, near the village of Redondo, at 625m above sea level. The river system is formed by the valleys of the Tejo, Guadiana and Sado. In view of its geographical situation and its similarity to the rest of the Alentejo, it has a temperate climate with Mediterranean and continental features characterised by annual precipitation ranging from 400 to 600 mm, concentrated over a period of seven months (October to May), and hot, dry summers.

The Alentejo Central is mainly agricultural, with most of its area (64%) devoted to farming, less than a third to woodland and just under 2% to built-up and developed areas. Despite its agricultural character, this region has a vast and rich architectural and historical heritage and large areas in which ornamental stone (marble and granite) are extracted.



Évora, world heritage; the largest urban centre in the Alentejo Central.

Alentejo Central as compared to the Alentejo and Portugal



Local potential for balanced development

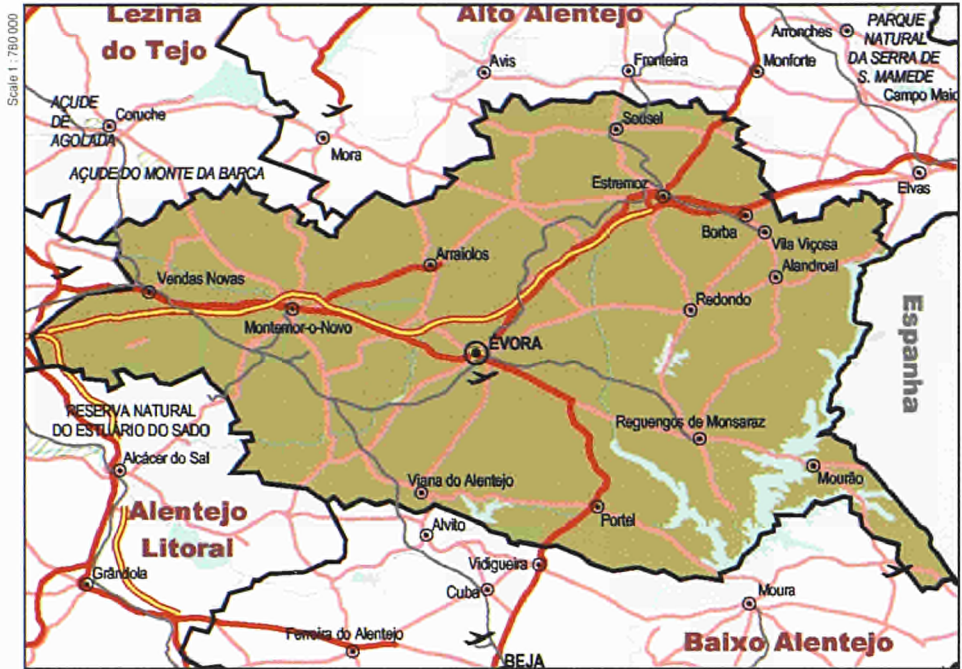
This sub-region has potential for progress giving it comparative advantages in many areas of production and cultural activity, and general attractivity, including:

- a subsoil rich in ornamental stone (marble and granite);
- vast areas of potentially good land allowing various options for agricultural and forestry use, especially for obtaining high quality produce (wine, olive oil, cheese, beef, and sheep and pork meat);
- a focal point for commerce in Évora, where most services are concentrated and a reasonable range of opportunities are available for jobs and education;
- improved access to the metropolitan areas of Lisboa and Setúbal and to the main urban centres of the Spanish Extremadura and Andalusia;
- good road and rail infrastructure, adequately-distributed energy and telecommunications and industrial parks in most municipalities;
- preservation of the landscape, the absence of pollution and a valuable cultural heritage ensuing from its history which is evidenced by its monuments, regional culture, crafts, customs and traditions.

The development of the Alentejo Central has been affected by several negative factors which prevent it from emulating the progress of other European regions, such as:

- its manpower potential, characterised by the ageing of the active population (which is nevertheless the youngest in the Alentejo) and the low population density;
- dependence on the primary sector and a high illiteracy rate, affecting the mobility of labour between sectors.
- lack of structural investments and of multiplier effects from existing investments;
- lack of water resources and willingness to invest, a weak regional industrial fabric and the lack of research, technological innovation and technical support for firms.

ALENTEJO CENTRAL



A region characterised by tourist attractions and mineral resources

The fact that the Alentejo Central is home to some of the region's main attractions has made it less dependent on the farming sector and is helping to improve its population age profile and give it the slowest population decline in the Alentejo. Nonetheless, in the last 40 years it has lost over a fifth of its population, mainly young people, and this has given the resident population a gradually older profile. Most of the resident population is concentrated in the municipal capitals, and the main urban centre in the region is the city of Évora, which has about 50 000 inhabitants and presents a varied range of job opportunities. Other important centres are Montemor-o-Novo, Estremoz, Vila Viçosa, Vendas Novas and Reguengos de Monsaraz, with populations ranging between 5 000 and 15 000, which have an economic structure less dependent on agriculture.

The Alentejo Central economic basis in job terms is dominated by services, which represent over half of total employment. In turn, the primary sector, despite its decline in significance, still accounts for over 20% of the employed population. As far as unemployment is concerned, this sub-region has a high rate but one which is

still lower than that of the Alentejo as a whole.

In economic terms, agriculture has lost its dominance but remains significant in most municipalities of this region. It is basically targeted towards the production of cereals, olive oil, wine and extensive sheepmeat, beef and veal production. Apart from these, there are alternative products such as fresh fruit, honey, cheese and traditional sausages; there are also complementary activities such as hunting and rural tourism. Placing the emphasis on the quality of products has had its effects, and the designation of "seal of origin" has been obtained for a considerable number of animal products. As to forestry, the main activities lie in the production of cork and wood for paper making pulp.

The industrial environment is characterised by a weak structure with a predominance of small, family-run manufacturing units, but there are also some large production units. The main industries, chiefly in the processing branch, are located near the main urban centres, especially in Évora, Montemor-o-Novo, Vendas Novas and Vila Viçosa, where some of the Alentejo's largest industrial

companies are based. There is a substantial extractive industry in this sub-region, where 72% of the Alentejo's extractive industry companies are located and 85% of the marble production of Portugal. Apart from marble, there is an abundance of granite in this area. Commerce is largely concentrated in the urban centres and is best represented in Évora, where some 34% of the region's commercial companies are located and account for 17% of the Alentejo's turnover. In view of its geographical location, tourist interest and strategic importance, it is highly attractive and is every day visited by large numbers of people from other parts of the country and abroad.

The tourism sector is one of those showing the most dynamic growth in this region by virtue of its good accommodation facilities and the great variety of products on offer – from the rich local heritage (Évora is also listed as world heritage), to traditional food and recreational activities such as hunting, angling and other related activities.

Which EU regions are similar to the Alentejo Central?

Area:

approximately 7000 sq.km.
Foggia (I)

Population:

approximately 170000 inhabitants
Neuwied (D)

Population density:

20 a 25 inhabitants per sq.km.
Ciudad Real (E)

	Area	Resident Population	Population Change	Population Density	Schoolchildren Registered	Mean Infant Mortality Rate	Hospital Beds per 1 000 Pop.
	sq. km.	1 000	%	inhab/sq. km.	1 000	‰	No.
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Alentejo

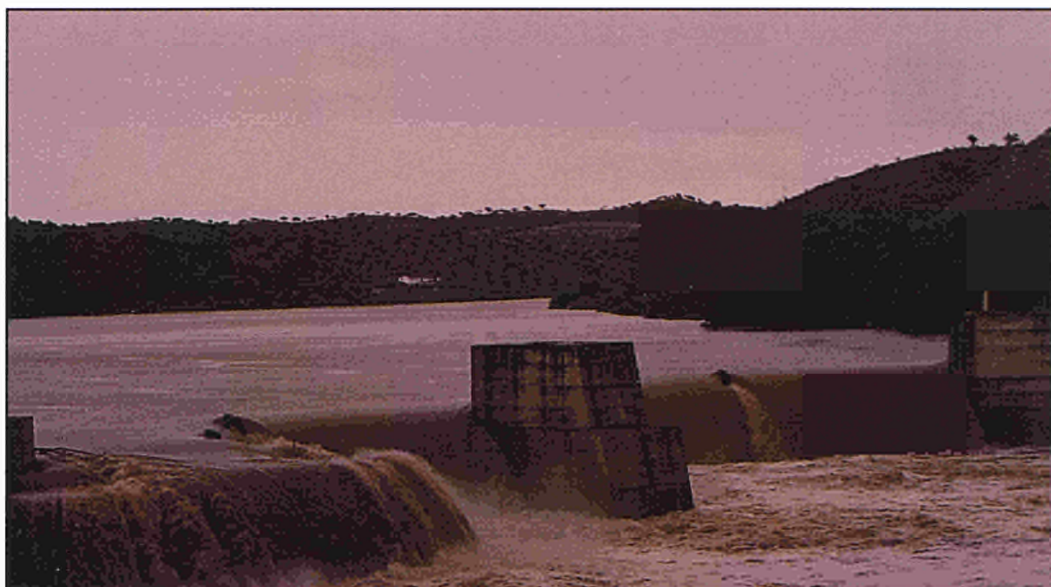
BAIXO ALENTEJO



The Baixo Alentejo is situated in the southern part of the Alentejo region and is bounded to the north by the Alentejo Central, to the south by the Algarve region, to the west by the Alentejo Litoral and to the east by a reach of the Guadiana and the border with Spain. It has an area of 8 503 sq. km, representing over a third of the Alentejo's total area, and has 13 municipalities. It is crossed by two national trunk roads: the IP2 going north-south until it joins the IP1 which crosses the southern area heading for the Algarve.

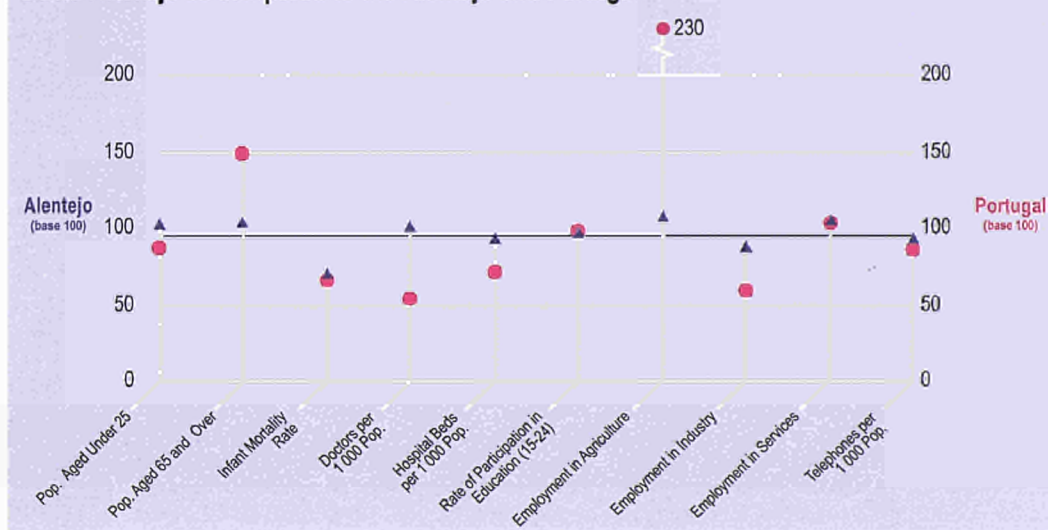
This sub-region has two distinct topographical features: the north and centre are dominated by the slightly undulating Alentejo P plain, which has an average altitude of about 200 m, and the east and south have hills of different geological origins and belonging to the Alentejo and Algarve mountains. The watershed system is formed by the valleys of the Guadiana, the Sado and the Mira rivers. In view of its geographical situation, like the rest of the Alentejo, it has a temperate climate with Mediterranean and continental features characterised by annual precipitation ranging from 400 to 600 mm, concentrated over a period of seven months (October to May), and hot, dry summers.

The Baixo Alentejo is predominantly agricultural and most of its area is devoted to farming (59%), about a quarter to woodland and just under 2% to built-up and developed areas. In spite of the predominance of agriculture, this region has a rich natural heritage and substantial mineral reserves.



The future Alqueva Dam, make the largest artificial Lake in Europe and will enable the development of irrigation in the Baixo Alentejo.

Baixo Alentejo as compared to the Alentejo and Portugal



Good farming potential and a downward population trend

This sub-region has great potential for farming in the form of a vast area of highly productive land which allows different options for agriculture and forestry, as well as the possibility of irrigation for 150 000 ha of agricultural land (the Alqueva reservoir and Alentejo Irrigation Plan) and the production of high quality products such as cheese, olive oil, wine, beef, veal, sheepmeat and pigmeat. The area also offers other opportunities for economic activity, such as good road, rail and air connections (the Beja air base), a subsoil rich in minerals (copper pyrites) and mineral water springs, a well-preserved landscape, little pollution and a rich cultural heritage as evidenced by local culture, crafts, customs and traditions.

However, there are also a number of negative factors, in terms of manpower potential and economic activity, that keep the Baixo Alentejo at the level of the most needy European regions. The manpower potential of this sub-region is affected by the population's high average age, which is reflected in the age of the active population, the downward trend in the overall population level, the low fertility rate and negative migratory balance which, taken

together, are responsible for the lowest population density in Portugal. Furthermore, substantial dependence on the primary sector and high levels of illiteracy aggravate the lack of mobility of labour between different sectors of activity. Finally, with regard to economic activity there is a lack of structural investments and existing investments are not properly utilised; there is an unwillingness to invest, the region's industrial fabric is very weak and there is not enough research, technological innovation or technical support for firms.

BAIXO ALENTEJO



A basically agricultural region with substantial mineral resources

The sub-region substantial dependence on agriculture and its inadequate industrial development have been the main reasons for the progressive decline and ageing of the Baixo Alentejo's population. In the past 40 years there has been a continuous outflow of people with the result that the population figures are now at about the level they were at in the 1950s. Most of the resident population are concentrated in the municipal capitals, the main urban centre being the town of Beja, which has about 25 000 inhabitants and presents a varied range of job opportunities. Other important centres are Moura, Aljustrel and Castro Verde, with populations of between 5 000 and 10 000, which have a more diversified economic structure that is less dependent on agriculture.

In employment terms the primary sector despite its decline in significance is still very important, employing over a quarter of the active population. However, most jobs are provided by the services industry which represents over half of all employment in this sub-region. As for unemployment, this area ranks with others in having the highest rate in Portugal.

In economic terms, agriculture continues

to be the main sector in most municipalities of this region. This activity basically targets the production of cereals in the central part (near Beja) and olive oil and wine in the east (Moura and Serpa). Apart from these, there are alternative products such as honey, cheese and traditional sausages; the region also offers complementary activities such as hunting and rural tourism. Placing the emphasis on the quality of produce has had its effects. The designation of "seal of origin" has been granted to a considerable number of animal products. There is definite potential for irrigation, and after the construction of the Alqueva reservoir and implementation of the Alentejo Irrigation Plan some 100 000 ha of land will be available for this purpose. The increase in irrigated areas will make it possible to produce other types of food products and allow the development of complementary activities such as hunting, tourism and water sports. The industrial environment is characterised by a very weak structure with a predominance of small, family-based manufacturing units sparsely scattered over the region. Among the most important activities are the extractive industries, and especially the mining of copper

pyrites of which the largest deposits in Europe are located here in the Neves-Corvo mining complex. The processing industries are not very well represented and are situated near the main urban centres of Beja and Moura. Commerce, which is generally on a small scale, is largely concentrated in the urban centres and is mainly represented in Beja which, due to its geographical situation and strategic importance within the sub-region, receives a daily influx of population from rural areas.

Tourism in this region is growing with the help of vast spectrum of products on offer, ranging from the area's rich cultural heritage to traditional gastronomy and recreational activities such as hunting and fishing. This sector will also be in a position to benefit, in the near future, from the construction of the Alqueva Reservoir.

Which EU regions are similar to the Baixo Alentejo?

Area:
approximately 8500 sq.km.
Örebro län (S)

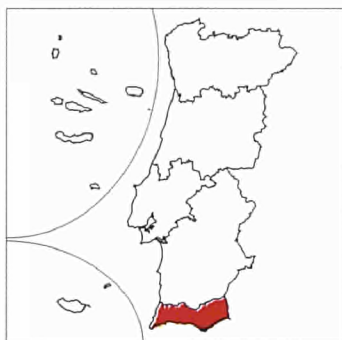
Population:
approximately 140000 inhabitants
Heidelberg, Stadtkr. (D)

Population density:
15 a 20 inhabitants per sq.km.
Värmlands län (S)

	Area	Resident Population	Population Change	Population Density	Schoolchildren Registered	Mean Infant Mortality Rate	Hospital Beds per 1 000 Pop.
	sq. km.	1 000	%	inhab/sq. km.	1 000	‰	No.
	1996	1996	1986/96	1996	1994/95	1991/95	1995
Alentejo Litoral	5 261	94,3	-8,1	17,9	17,9	8,5	1,6
Alto Alentejo	5 933	122,2	-8,6	20,6	21,6	9,2	4,9
Alentejo Central	7 227	168,4	-6,0	23,3	35,6	9,9	3,9
Baixo Alentejo	8 505	134,2	-13,3	15,8	27,0	5,8	3,3
Alentejo	26 926	519,0	-9,0	19,3	102,1	8,4	3,6
Portugal	91 835	9 934,1	-0,7	108,2	2 375,1	8,9	4,6

PORTUGAL

ALGARVE



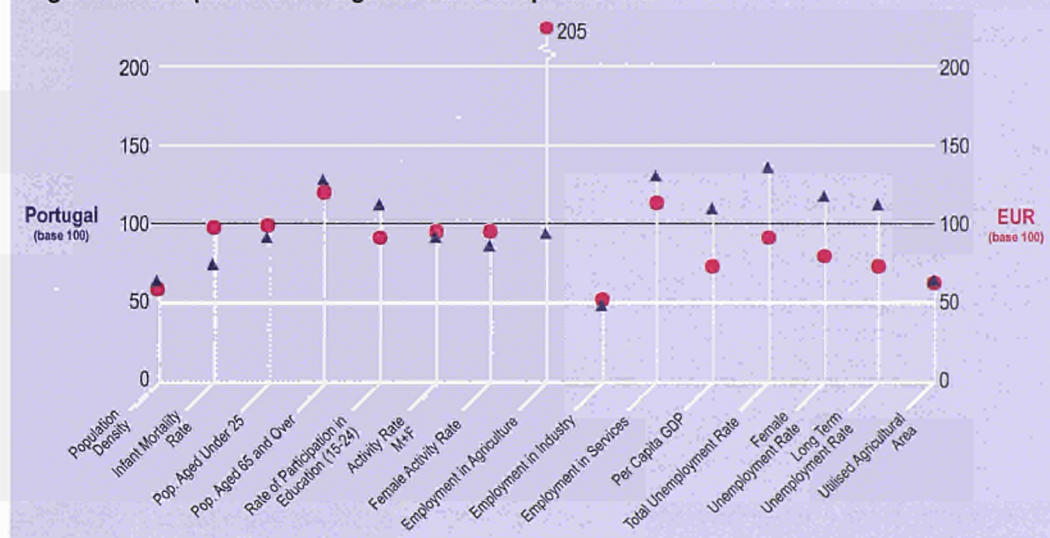
The Algarve region is situated in the far south of Portugal and is bounded on the north by the Alentejo region, on the south and west by the Atlantic Ocean, and on the east by the Guadiana river, which forms the border with Spain. It comprises an area of some 5 000 sq. km with 16 municipalities. It is crossed by one of the main national roads, which links the north of Portugal with the Spanish border and runs through the Algarve from west to east.

In topographical terms, it is divided into three distinct regions – a mountainous area, an intermediate zone and the coastal strip. The hills extend from west to east as far as the Guadiana. The intermediate zone has a band of gentle slopes with many rocky outcrops, while the coastal strip is practically flat. The climate is Mediterranean, with an average temperature of 25°C in the hottest month and 11°C in the coldest month. Precipitation occurs mainly in the autumn and winter in the form of torrential rain. The summers are hot and dry, and average annual sunshine is over 3000 hours. The hydrology is determined by the precipitation, which means that most of the watercourses are seasonal, with the exception of the Guadiana, whose catchment area is the only one of significance in the Algarve. The flora of the region is also determined by the climate and is extremely varied, the most common species being the cork oak, the holm oak, the almond, the carob, citrus species, the Açores beech and the fig.



Faro: The dock and the village aches, two of the city's landmarks.

Algarve as compared to Portugal and the European Union



A Mediterranean region situated on the Atlantic

Despite the important traditions and trade and cultural links established in the past with the other peoples of the Mediterranean, the Algarve remained relatively isolated until the start of the 20th century. The 1960s, when its tourist potential was discovered, leading to a new period of development.

The Algarve has significant potential for further development, as witness the following:

- the Mediterranean climate, with its mild winters, can attract a vast number of visitors with easy access because of the good road and air links;
- the current urban and regional planning measures allow for the development of various types of activity adapted to the potential of the region and capable of ensuring the positive development of the Algarve;
- the specialisation of agriculture on the basis of strengthening business capacity and attracting major foreign investment.

There are, however, negative aspects – most of them deriving from the unbalanced development which has favoured the coastal strip at the expense of the interior.

These can be summarised as follows:

- uncoordinated urban development as a result of the construction of compact and high-density infrastructures over large expanses of the coastal strip;
- the existence of bottlenecks in the distribution chain for agricultural produce, impeding the independent development of this sector;
- the abandonment of large tracts of land in the interior, formerly used for farming and livestock rearing, as a result of the emigration of farm labour. This is now jeopardising the continued existence of systems of mixed agriculture (farming/livestock rearing, forestry), in which the availability of labour is of paramount importance.



Which EU regions are similar to the Algarve?

Area:

approximately 5000 sq.km.

Baleares (E)
Leicestershire, Northampton (UK)

Population:

approximately 343000 inhabitants

Voralberg (A)
Brabant Wallon (B)

Employment:

approximately 16% in industry

Ionia Nisia (EL)
Utrecht (NL)

approximately 73% in services

Corse (F)
Wien (A)

Contrast between the coast and the hills

The problems of access to the hilly areas, the sparse population and the insufficient use of local resources have plunged this zone into social and economic decline, although the situation has improved in some respects in recent years. Despite the fact that the hill region represents 60% of the surface area of the Algarve, it accounts for little over 10% of the population. This imbalance in human settlement is reflected in the population density of the parishes, which ranges from 8 to several hundred inhabitants per sq. km, while the average population density for the Algarve is 70 inhabitants per sq. km.

The development that the region has seen in recent years was essentially due to the growth of the tourism sector, especially in the coastal strip, and has led to a concentration of economic activities along the coast. The hilly sub-region has only a few complementary functions of the economic activities on the coast – some of them of long-term importance, such as the provision of residential areas and the maintenance and conservation of natural resources, particularly water. In addition to these, there are also recreational facilities and rural tourism.

The contrast between the hilly and coastal

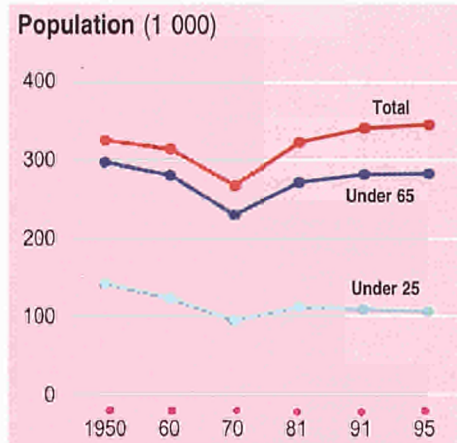
areas is also reflected in the distribution of towns, since the main urban centres – with the exception of Loulé – are concentrated in the coastal strip. With some 50 000 inhabitants, Faro is the largest town in the region and the one with the most facilities and services of regional significance. Other important towns are: Olhão, the main fishing port in the region; Portimão, Lagos, Loulé, Albufeira, Tavira e Vila Real de Santo António which are important tourist centers. These towns have populations ranging from 10 to 30 thousand people and different employment options.

	Resident Population	Population Density	Pop. Aged Under 25	Pop. Aged 65 and Over	Schoolchildren Registered	Doctors per 1 000 Population	Telephones per 1 000 Population
	1 000	inhab/sq.km.	%	%	1 000	No.	No.
	1996	1996	1995	1995	1994/95	1995	1996
Algarve	346,1	69,4	30,9	18,1	75,7	2,0	468,1
Portugal	9 934,1	108,2	33,9	14,7	2 375,1	3,0	374,9

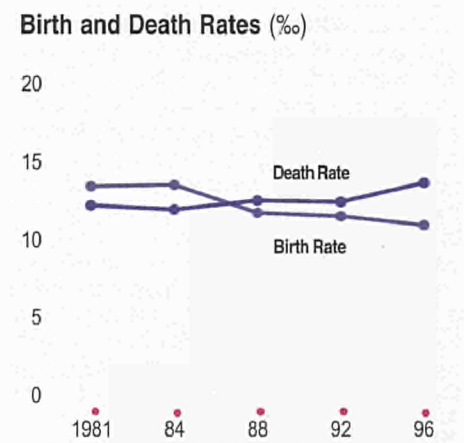
Population growth through immigration

The population of the Algarve has grown by 30% in the last 20 years, reversing the previous trend. Up till the start of the 1970s, the departure of the population for regions of Portugal where employment was available in industry or for the countries of northern Europe led to a rapid decrease in the resident population, which reached its lowest level in 1970 (268 000). Starting in the 1980s, the strong economic growth was decisive in attracting immigrants, with the result that, by 1991, the resident population had exceeded 340 000.

The proportion of young people (under 15) lies around 20% and is close to the national average. In the ten years from 1981 to 1991, this age category, as throughout Portugal, declined in the Algarve (-3.1%), although the drop is the smallest of all the regions in Portugal. This reflects an upward demographic trend, the result not only of natural growth but also a highly positive migratory balance – the best in Portugal over the last decade.



Despite this, the last few years have seen a birth rate below the national average, although it is higher along the coast (11‰) and substantially lower in the hills (7‰). A large number of foreigners have chosen the Algarve as their normal domicile, most of them from the United Kingdom. Tourism brings in more than 3 million visitors each year, which means that the population triples at certain times of the year.



Population by Age, 1991

Age	M+F	M+F	M	F
	(1 000)	(%)		
< 15	61,0	17,9	18,4	17,3
15-24	48,4	14,2	14,7	13,7
25-39	69,0	20,2	20,7	19,8
40-54	62,3	18,3	18,6	17,9
55-64	41,6	12,2	11,9	12,5
>= 65	59,1	17,3	15,7	18,8
Total	341,4	100,0	100,0	100,0

Population Balance, 1980/96 (1 000)

Population 31.12.1980	323,5
Births	40,8
Deaths	39,7
Balance on Migration	16,6
Population 31.12.1990	341,2
Births	22,6
Deaths	26,5
Balance on Migration	8,8
Population 31.12.1996	346,1

Education and training: the keys to development

Employment in the region is markedly seasonal, with a reduction in the number of jobs between summer and winter. The number of persons in employment during the winter months is 20% lower than the figure for the summer.

The level of education of those in employment has been improving. According to the 1991 census, 20% had educational qualifications beyond the statutory minimum period of schooling. This trend has been greatly helped by the existence of a range of vocational and professional schools which, in association with the tourism industry, have assisted the training and placement of professionals in the sector. Major efforts have been undertaken in agriculture in recent years to increase vocational training through a campaign which received substantial funding from the European Community.

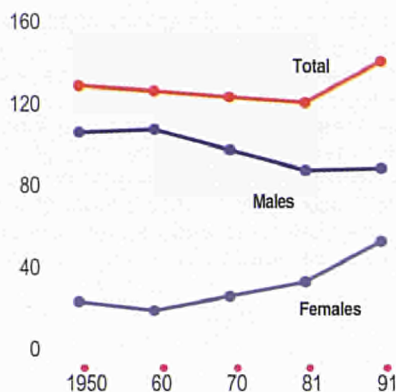
At the tertiary level, the University of the Algarve, which was set up in 1983, has been highly instrumental in meeting one

of the region's structural needs – the continuing difficulty in finding managerial staff. With a current roll of more than 5 000 students, it has developed fields of study of regional interest, such as marine biology, agriculture and fruit-growing, tourism and ecology, and has introduced courses which confer degrees after three to five years of study. Its main facilities are in Faro, with some installations in Vila Real de Santo António.

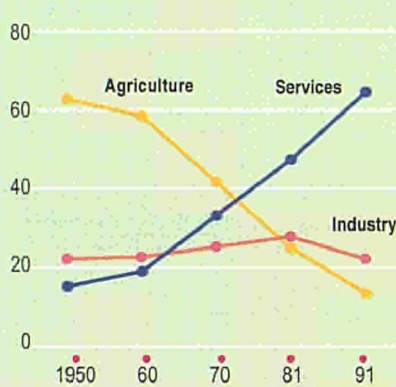
Students Enrolled, 1994/95

Type of Education	M+F (1 000)
Pre-school Education	5,4
Elementary Education	51,3
Secondary Education	17,4
Occupational Training	0,6
Higher Education	7,0

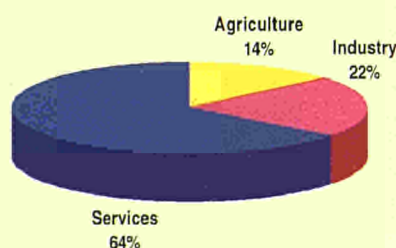
Employment (1 000)



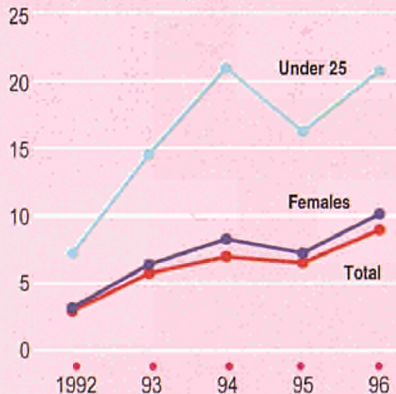
Employment Trends (%)



Employment Structure, 1996 (%)



Unemployment (%)



Seasonal employment

Employment in the region is highly dependent on tourism and varies according to the sector's seasons. In the summer months the labour market absorbs a large number of new workers, with peaks of the order of 30 000 new jobs.

The internal structure of employment in the region has followed the changes in economic activity and has been transformed over the last 30 years. In 1960 agricultural workers accounted for 59% of those in work, whereas the present figure is just under 12%. The service sector, which employed 18% of workers in 1960, now accounts for almost 70% of employment in the region. Presently in the secondary sector, which accounts for 18% of total employment, the construction industry and public works provide 12% of such employment, while employment in industry is declining, and provides only about 6% of total employment.

A range of activities, such as the buying and selling of property, the construction of hotel complexes, transport of tourists, recreation, leisure and provision of personal services, make employment in the region increasingly dependent on tourism.

Some of the jobs created in the Algarve are filled by workers from other regions.

This is particularly true in intensive agriculture and the civil engineering sector. In the holiday season, a large number of short-term jobs are taken up by students and other young people. Alongside this, there is also an informal component of employment, in the form of renting of private houses and the production of regional products such as confectionery and the crafts which, in view of the amount of income they generate, should not be regarded as insignificant.

Employment Characteristics (%)

	Total Employment			Employed Workers				
	Under 25	25-54 years	Over 54	Total	Part Time		without a permanent contract	
	1996			1996	1992	1996	1992	1996
Males	17	67	16	65	:	:	13	13
Females	13	77	10	74	:	:	17	21
Total	15	71	13	69	4	6	15	16

Low unemployment - mainly affecting women

The level of unemployment is relatively low compared with the National and European Community averages. Unemployment in the Algarve is above all functional unemployment associated with the highly seasonal nature of tourism in the region, as can be seen from the fact that the reduction in the number of jobs between the high and the low season accounts for about one-third of unemployment in the region. The decline of certain sectors of manufacturing industry, such as the canning and cork branches, has reduced the number of jobs and contributed to the increase in unemployment.

Women account for 41% of the economically active population and 46% of unemployment and are the group most affected by the seasonal fluctuations in unemployment. Unemployment amongst women in this region is above the national average. There are also large numbers of young people under 25 without work, corresponding to 31% of total un-

employment. Long-term unemployment is also of significance in this region, accounting for 40% of all those out of work.

A lack of diversity in the regional economy

The Algarve generates some 3.8% of Portugal's GDP and of its total GVAm. The economic structure of the region is in imbalance in terms of the distribution of employment and the sectors of economic activity. For instance, 75% of employment in the region is concentrated in the coastal strip and 73% of the population is employed in only four branches: agriculture, commerce, hotels and services. In terms of output, moreover, it is based essentially on only three fields which exploit its resources: agriculture, fishing and tourism. The narrow range of economic activities and the dependency on the external market (foreign tourists) make the productive structure in the Algarve extremely vulnerable.

Agriculture contributes 4% to the GVAm in the region and accounts for 4.5% of the GVAm in this sector in Portugal. This activity is based on intensive farming and is specialised in the production of fresh fruit and vegetables – particularly citrus fruit,

of which it is responsible for two-thirds of Portuguese production. In the inland areas dried fruits are important, especially almonds. In terms of livestock, the production, goes to small ruminants (sheep and goats) and pigs, in the hill areas, and to poultry rearing, which is of great importance in the municipality of Loulé.

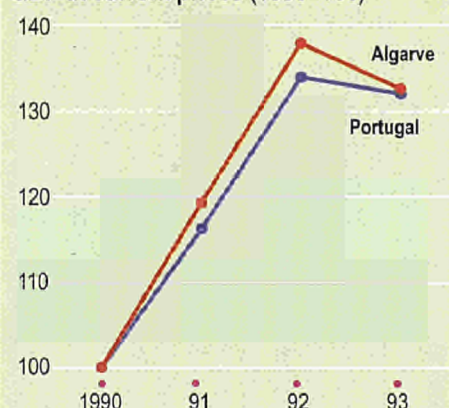
Although fishing is in decline, it still contributes 3% to the region's GVAm. Apart from that, it is a major employer (4.4% of employment) and supports the fish canning industry, which is the main processing industry in the region.

The secondary sector accounts for 14% of the region's GVAm, of which 6% is in construction and public works. The region's processing industry is not highly developed and comprises mainly foodstuffs, beverages and tobacco products, as well as non-metal minerals.

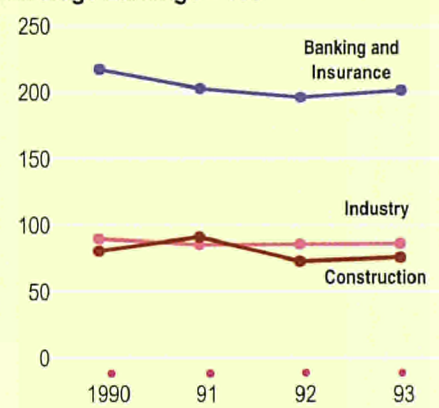
The structure of the region's economy is such that a large part of investment is concentrated in the construction industry

which, for its part, is an activity highly dependent on imports (energy, steel, etc.), with the result that the trade balance with other regions is negative. In short, the Algarve does not have a strong and independent sectoral structure capable of developing and diversifying the production sector, since it has to import most of the consumer products and capital needed to satisfy the needs of the regional market.

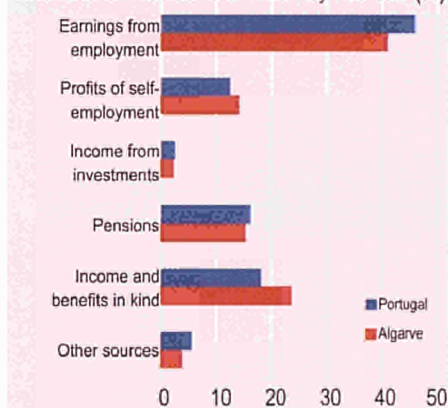
GDP at current prices (1990=100)



Average Earnings = 100



Sources of Household Income, 1994/95 (%)



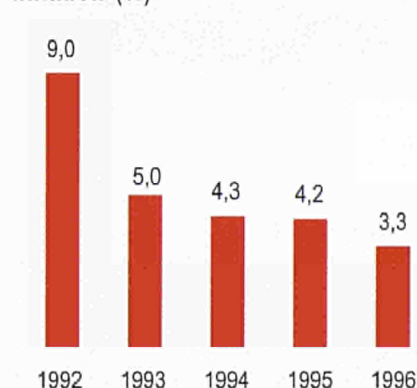
Competition between agriculture and tourism

Intensive horticulture (fruit and vegetables) and hotels are the sectors in which wages and salaries in the Algarve are the highest of all regions in Portugal. Competition between these two sectors, in which the hotels have gained the upper hand, is causing serious problems to agriculture because of the lack of labour. The reason for this is that the periods of greatest activity in the two sectors coincide, and it is very difficult for farmers to compete with tourism for local or regional labour. Average earnings in the Algarve are in general some 5% below the national average. However, the gross disposable household income *per capita* in the Algarve is 6% higher than the national average. The benefits paid by the social security system are a major item in family budgets, particularly in rural communities. These may be supplemented by pensions paid from the countries of northern Europe in the case of workers who have returned to Portugal. Most of the families in this region were affected by emigration

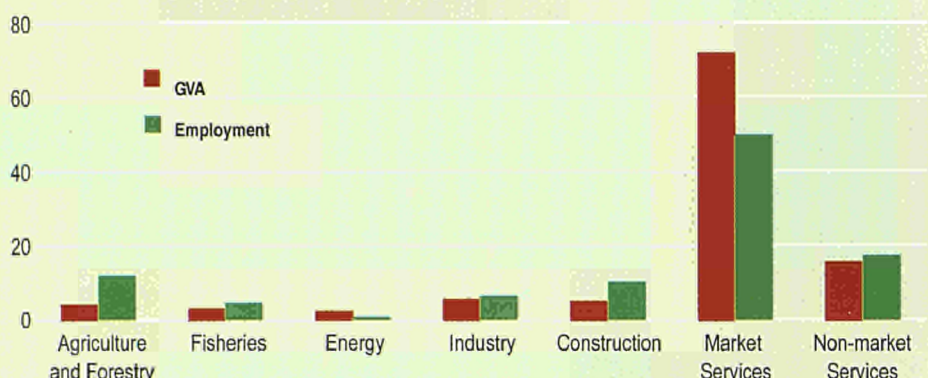
in the 1960s, hence the scale of these payments, which account for 5.6% of gross disposable household income.

There are also major differences between average earnings in the various branches. For instance, while industry and construction have average earnings of 85% of the national average for all branches, banks and insurance have average earnings of more than double that average. However, when average earnings in construction are compared with those in other regions, it emerges that those in the Algarve are amongst the highest in mainland Portugal.

Inflation (%)



Employment and GVA: Analysis by Branches, 1993 (%)



Fresh vegetables and tourist development to the fore

The growth of intensive farming and the abandonment of the hill regions of the Algarve have led to the decline of traditional agricultural produce (figs, almonds and carob beans). From the start of the 1980s, agriculture began to specialise and to use intensive systems for the production of fruit and vegetables in orchards or irrigated gardens. The region's climate offers comparative advantages for such systems of production, since it allows the produce to be marketed at the start of the season and hence to benefit from the added value resulting from early sales. Although it has been declining in recent years, the fishing sector is still of importance in the Algarve. Fishing in the region accounts for 22% of the national fleet, 29% of the registered fishermen and 21% of total annual production in the country. Aquaculture has been developing in recent years and, in addition to the traditional production of molluscs, there have been numerous successful experiments in fish farming involving the conversion of estuaries and salt-water lagoons. Industry is one of the sectors of minor significance in the economy of the region, which has never been known for its in-

dustrial base, with the exception of the canning and cork industries. In recent years, as a result of speculation in real estate and the seasonal nature of the supply of labour, the situation in industry has become worse and now amounts to a major crisis. Within the secondary sector, the branch which has shown most growth is construction and public works, which have derived some benefits from the development of tourism.

It is the tertiary sector which has shown the highest growth in recent years, and the Algarve is the region of Portugal with the highest proportion (49%) of the population employed in services relating to economic activity. This expansion is due mainly to tourism, particularly through the synergy it creates around it, and in terms of factor of production it has now overtaken agriculture and industry.

A structure based on tourism

The business structure of the Algarve is determined largely by the development model adopted in recent decades and based essentially on the growth of tourism. This development model explains why most of the undertakings are in the tertiary sector (64%), with particular emphasis on the retail trade and hotels and restaurants.

The fact that the economy is based on an activity of a seasonal nature and largely dependent on external markets has given a decisive push to the role of small businesses (with less than 20 workers), which account for 99% of the total number of businesses in the region. The most frequent legal forms – again under the influence of the development process adopted – are sole proprietorships (80%), with a low percentage of limited companies (17% private limited companies and 0.4% public limited companies).

As regards the other sectors, it is worth highlighting fishing which, despite the decline it is going through, is one of the sectors of traditional importance in this region, since it accounts for about a third of business in the primary sector and forms the basis for some of the job-creating processing industries (fish canning and boat building and repair).

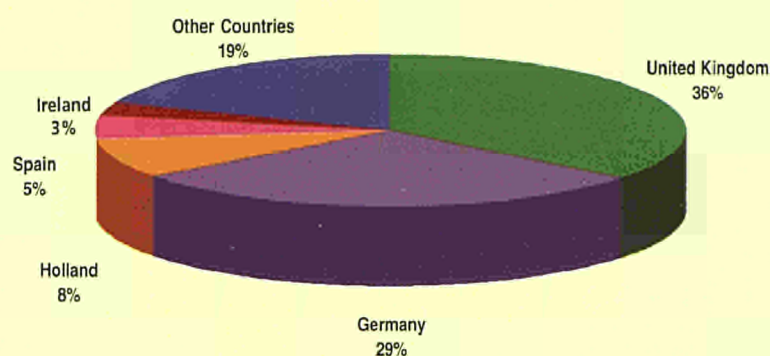
Agriculture, 1995

Holdings (No.)	17 930
Total Labour Force (ALU)	17 106
Area Under Agriculture (ha)	133 743
Head of Livestock (CN)	17 654

Main Enterprises, 1996

Nome	Workforce	Activity
EVA, S.A.	> 200	Transport
Marinoteis, S.A.	> 200	Hotel Promotion and Construction
Carmo & Braz, S.A.	> 200	Builders' Joinery
Vila Vita, Lda.	> 200	Tourism
Montechoro, S.A.	> 200	Tourism
S.T. Penina, S.A.	> 200	Tourism
COMALPE, S.A.	> 200	Fish Canning

Foreign Visitors, 1996



Tourist Activity

	1990	1996
Hotel Establishments (No.)	364	379
Accommodation Capacity (No.)	70 159	84 139
Total Guests (No.)	1 648 761	2 022 269
Total Overnight Stays (No.)	9 662 851	12 577 709
Occupation Rate (%)	38,26	41,52
Average Length of Stay in Nights (days)	5,86	6,22

Tourism – a key sector of the regional economy

Recent economic trends in the Algarve suggest the existence of an interrelationship between tourism and development in other sectors. Tourism is responsible for the development of other activities in the tertiary sector which are linked to it directly or indirectly, such as the construction industry and, through it, some branches of industry such as non-metallic mineral products.

On the other hand, tourism also lies behind a contradiction between the development of activities linked to it and the other sectors, and is responsible for aggravating the intraregional imbalances caused by a model which has favoured the coastal strip. Since it is competing with industry and agriculture for the various factors of production (business initiative, capital, labour, land and water), the development of tourism has pushed those sectors into second place, while at the same time increasing the regional economy's specialisation in an activity which is highly seasonal and dependent on external markets.

Despite all this, the beauty of its beaches and the magnificent weather make the Algarve one of the main tourist destinations in the country, and it is the region of Portugal with the greatest accommoda-

tion capacity (40% of the national total) and the largest number of overnight stays (45% of the national total) in 1996. This represents an occupancy rate of 42% – the highest in mainland Portugal.

Social situation influenced by economic development

The distribution of facilities in this region shows obvious imbalances, since their growth in recent years has progressed at a rate lower than required. Another aspect to be borne in mind is the dichotomy between the more highly-developed coast and the predominantly rural interior, with the result that the main facilities (health care, education, social security, culture and sport) are situated along the coast. This poses problems of accessibility, particularly for those living in the rural areas, and is reflected in the social and economic indicators. In the particular case of health care services, specialised care is provided by a network of four hospitals, of which only one (Faro) offers an acceptable range of specialisations. Because of this, the population of the Algarve has to travel an average of 25 km for hospital treatment, and in some cases the distance is over 80 km.

Although some progress has been made regarding the health care situation in the Algarve in recent years, this positive trend is still far from satisfactory, mainly because of the existence of various disparities at regional level. The most negative situation is reflected in the gross mortality rate which, at 13.3‰, is about three points higher than the national average as a result of the considerable ageing of the demographic structures. On the other hand, the infant and prenatal mortality rates, which were particularly high at the start of the 1980s, are now at fairly acceptable levels, and are even lower than the national average.

Health

	Algarve	Portugal
Hospital Beds per 1 000 Population 1995 (No.)	2,92	4,63
Doctors per 1 000 Population 1995 (No.)	1,99	2,96
Mean Infant Mortality Rate (‰) 1991/95	8,00	8,92

Fisheries and Maritime Transport

Fisheries	1991	1995
Vessels (No.)	3 832	2 735
Registered Fishermen (No.)	9 325	8 086
Catch Landed Quantity (t)	46 185	36 839
Catch Landed Value (1 million PTE)	14 497	10 274
Maritime Transport	1991	1995
Cargo Loaded (1 000 t)	145	298
Cargo Unloaded (1 000 t)	285	245
Port Employees (No.)	128	87
Vessels Entering Port (No.)	205	181

Basis for economic development

All development in the Algarve derives from the region's close relationship with the sea, initially for fishing and subsequently as the principal tourist attraction. Fishing activities are concentrated in various ports along the coast, the main ones in terms of numbers of boats, registered fishermen and catches landed being Olhão and Portimão. Although its contribution to regional GVA has declined (3%), it accounts for 24.5% of GVA in the sector in Portugal. The coastal strip has also seen the development of aquaculture which, taking advantage of the particularly favourable natural conditions, has achieved major growth and could, in the near future, become a credible alternative to the de-

cline in some sectors of fishing. On the other hand, the ports in the Algarve are not particularly suitable for sea transport, and movements of goods are not very significant, accounting for only 1% of cargo vessels entering Portuguese waters, 2% of goods transported and 0.5% of goods unloaded.

The strongest link in the region's relations with the sea is the tourist exploitation of the coast. This region has an extensive coastal strip with two distinct profiles: one to the east of Albufeira, with a low-lying coast and wide sandy beaches, and the other to the west of Albufeira, with cliffs extending to the edge of the sea and forming bays of extraordinary beauty. To-

gether with the typically Mediterranean climate, the characteristic features of the coastal strip are the basis for the stream of tourists to which the Algarve is host and which plays a major role in the economic activity of the region. The ability to attract tourists is a fact established by the tourism indicators, since in 1996 this region accommodated one-quarter of visitors to Portugal, 75% of whom were foreigners.

Biodiversity under threat

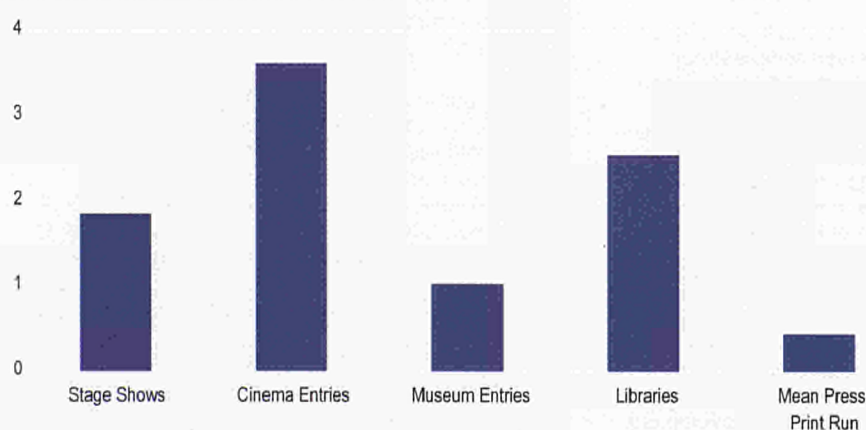
A region of contrasts under the influence of a Mediterranean bio climate and greatly influenced by human intervention, the Algarve still manages to preserve, in its interior, a wide range of natural systems. However, the unregulated settlement of the coastal region in recent years may have disastrous effects on the line of leeward dunes and on the windward cliffs, as a result of the enormous pressure exercised by the population and the urban development of these coastal systems. Many of the coastal forms are part of protected areas. These include, amongst other, the Parque Natural do Estuário da Ria Formosa (60 km of coastline), which comprises a wetland zone of great interest (fishing, mollusc fishing, mollusc farming, fish farming and salt production) and is used by birds migrating between Europe and North Africa. At the same time, however, it is under pressure from some 150 000 people living in the coastal strip. The quality of the environment in this region, apart from being essential for the living conditions of the inhabitants, is also a strategic element in economic competitiveness, since the environment is tourism's main resource. Projects to protect and preserve it, and in particular systems

which are weak or under threat, depend on preventing unregulated future development of construction, preserving farmland, protecting aquifers and conserving areas of environmental and ecological interest.

This region is also rich in history and historical monuments resulting from contacts with other civilisations, the most obvious

one of all being with Arab culture. Even today, there are obvious features of the Arab occupation, architectural traces of which can frequently be seen in the façades of the traditional houses of the Algarve.

1995 Culture, Country %



PORTUGAL

AÇORES



The Açores region is situated in the Atlantic Ocean between North America and Europe, 1 500 km from Lisboa, 700 km from the Madeira archipelago and 3 400 km from the United States. The Region is made up of nine islands forming three groups – the western group (Corvo and Flores), the central group (Pico, Faial, São Jorge, Graciosa and Terceira) and the eastern group (São Miguel and Santa Maria). The islands extend NW – SE over a distance of nearly 600 km between the islands furthest apart (Santa Maria and Corvo).

The total area of the Açores is 2 333 sq. km, ranging from the 17 sq. km of Corvo to the 747 sq. km of São Miguel. Because of the islands' volcanic origin, the terrain is very rugged. The maximum altitude on each island varies greatly, from 402 m on Graciosa to 2 351 m on Pico – the highest point on the Açores and in Portugal.

The natural features of the Açores result from their volcanic origin and the temperate maritime climate, both of which have shaped the development of human activities and their establishment in organised settlements.

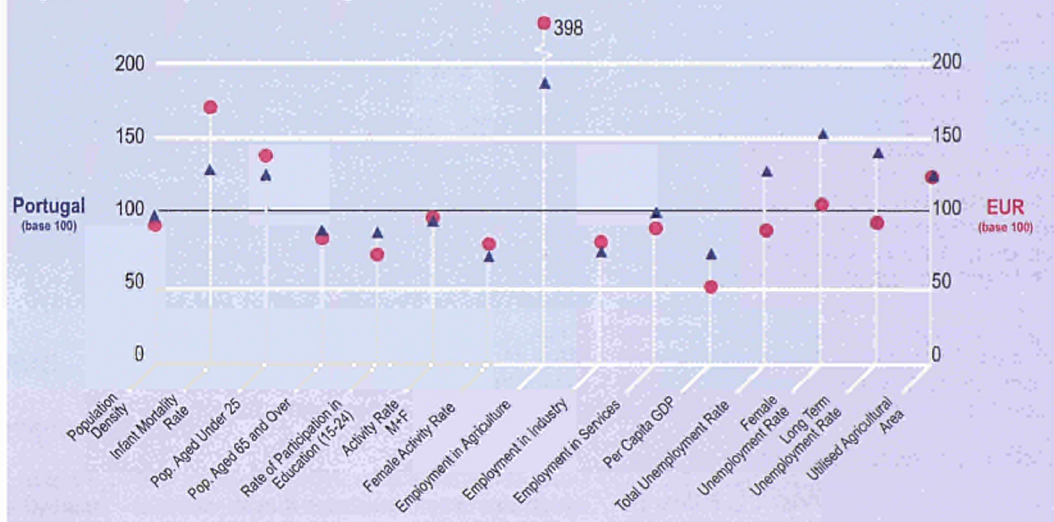
The climate is mild and humid, with average temperatures ranging from 14°C to 22°C and rainfall distributed regularly throughout the year. The position and intensity of the anticyclone of the Açores causes frequent changes in the weather and direction of the winds.

Since 1976 the Açores have formed an Autonomous Region with responsibility for its own resources, administration and financial and political affairs. Power lies with the Legislative Assembly and the Government. The State is represented in the Region by a governor.



The Açores, blessed by its natural beauty, which consists of nine enchanting islands to be preserved, hand in hand with development.

Açores as compared to Portugal and the European Union



Strengths and weaknesses

Amongst the Region's strengths are the following:

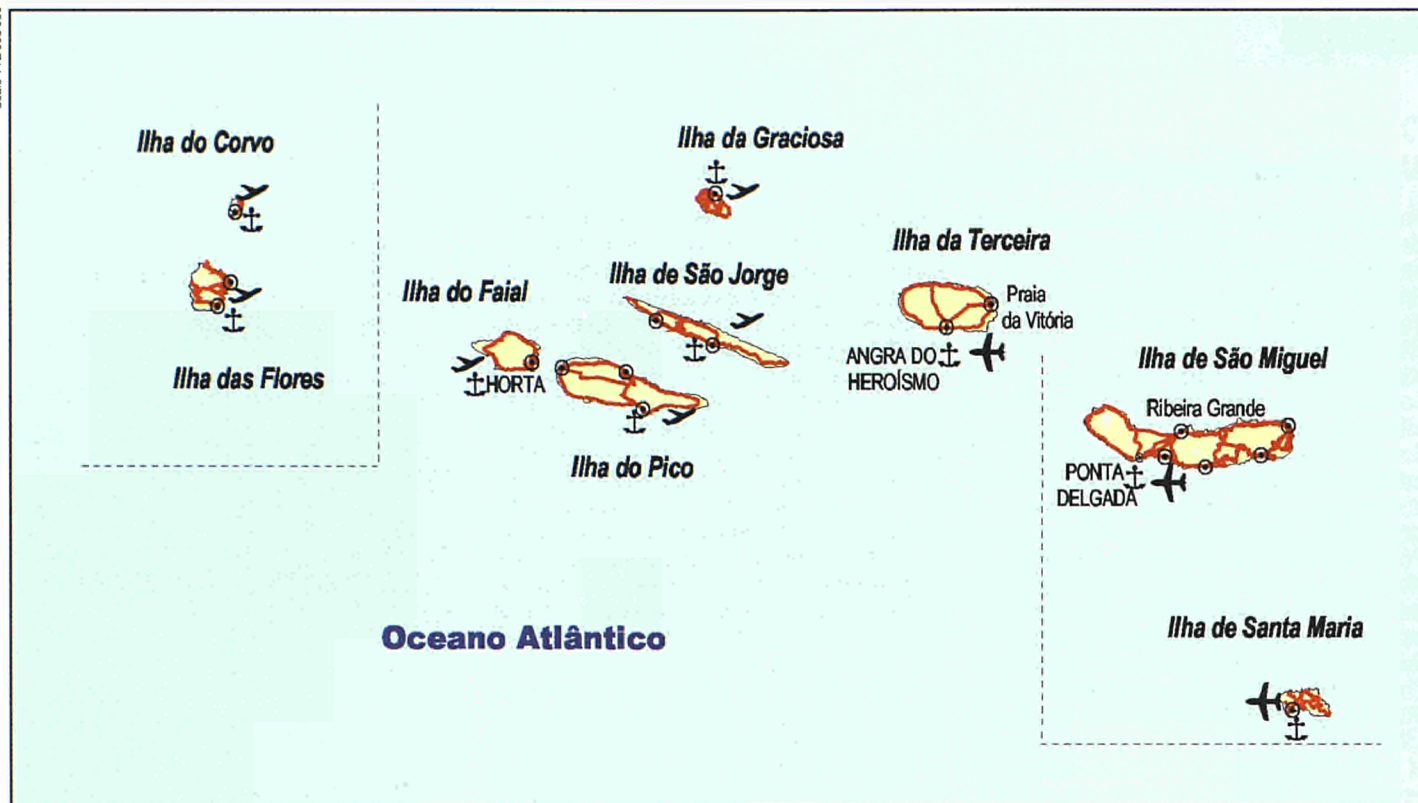
- The extremely fertile soil is highly suitable for certain crops and for pasture and forage. It is for this reason that the milk and meat produced in the Region are of such high quality.
- An unspoilt environment and beautiful landscapes which, coupled with the absence of polluting industries, represent a resource of unmatched social, cultural and economic value.
- The volcanic nature of the Region which has produced a unique landscape and produced geothermal resources which could possibly be exploited to produce energy.
- An exclusive economic zone of nearly a million sq. km, offering enormous potential for increased exploitation of the marine resources.

The Region's weaknesses include the following:

- The geographical situation of the archipelago, which is remote from the continents. This makes trade relations with the outside world more difficult.
- The small size of the territory and the dis-

tance between the islands. This requires a multiplicity of infrastructures to provide access (ports and airports) and essential social services whose degree of utilisation, compared with their capacity, is generally not very high.

- Deficiencies and difficulties in the transport sector both within and outside the Region.
- Fragmented ownership of land, making it difficult to increase mechanisation in agriculture and thereby raise productivity.



Which EU regions are similar to the Açores?

Area:
approximately 2300 sq.km.
Cheshire (UK)
Limburg (B)

Population:
approximately 240000 inhabitants
Luxembourg (B)
Flevoland (NL)

Remoteness – the main feature of both the Region and the individual islands

The fact that the Açores are situated “right in the middle of the Atlantic”, far from the continents on either side, imposes constraints of various kinds, normally subsumed under the heading of *Problems of Remoteness*: lack of access, insufficient economies of scale, increased transport and communication costs, adverse climatic conditions, etc. Since the Region is made up of widely scattered islands, each with its own distinct features, there is a situation of *Double Remoteness*: The total is not always the sum of the parts. Since there are intra-Regional imbalances, it is easy to appreciate that these are partly due to the visible imbalances between the islands.

Created an Autonomous Region in 1976 from three former districts – Ponta Delgada, comprising the islands of São Miguel and Santa Maria; Angra do Heroísmo then comprising the islands of Terceira, Graciosa and São Jorge, and the district of Horta, comprising the islands of Pico, Faial, Flores and Corvo – it is the islands which were formerly district capitals (São Miguel,

Terceira and Faial) which have the best essential economic and social infrastructures (ports, airports, road network, health care facilities, etc.) and, naturally, the greatest level of economic development. Nevertheless, great efforts have been made on the other islands to provide them with a modicum of access, which is vital in this Region.

São Miguel, with one-third of the population is the largest and most populous island in the Açores, has the main urban centre – Ponta Delgada – which is home to the main enterprises in the Region and the University of the Açores, and is also the seat of the Presidency of the Regional Government.

	Resident Population	Population Density	Pop. Aged Under 25	Pop. Aged 65 and Over	Schoolchildren Registered	Doctors per 1 000 Population	Telephones per 1 000 Population
	1 000	inhab/sq.km.	%	%	1 000	No.	No.
	1996	1996	1995	1995	1994/95	1995	1996
Açores	242,6	107,9	42,1	12,2	168,5	1,4	280,0
Portugal	9 934,1	108,2	33,9	14,7	2 375,1	3,0	374,9

Upward trend in population

The demography of the Açores has been determined more by migration than by natural population change.

From a maximum of 327 000 in 1960, the population of the Açores declined to 238 000 in 1991.

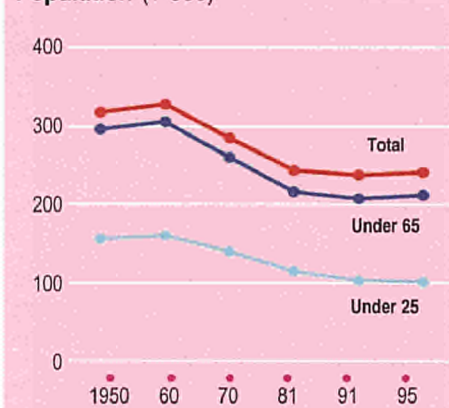
Since emigration mainly involved the population of working age, it had a direct effect on the age structure of the population and the balance between the generations, leading to the increased ageing of the population and reducing its capacity for rejuvenation.

Positive factors such as the increase in life expectancy and the reduction in infant mortality counterbalanced potential increases in the mortality rate, which has averaged about 11‰ in recent decades. The birth rate, for its part, fell from about 30‰ in the 1950s and 1960s to about 15‰ in the 1990s. This is partly the result of the reduced number of women of child-bearing age because of emigration, but it is also increasingly influenced by

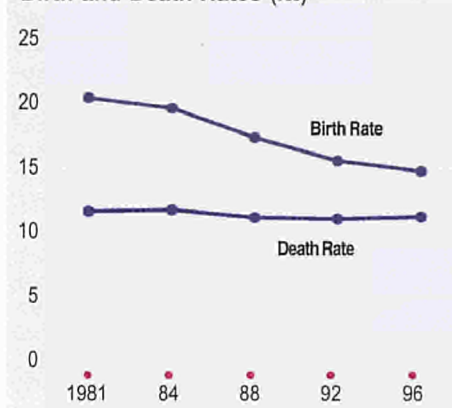
reproductive patterns involving various forms of restrictions on marriage and on the number of children per family. The natural or physiological balance is still positive, but the surplus of births over deaths is becoming ever smaller.

The age structure shows that the population of the Açores is still young compared with the average for Portugal. In the last census, the under-15 age group accounted for 26.4% of the total population. However, this reflected only the demography of the larger islands or those with even younger social structures, such as Santa Maria, São Miguel and Terceira. There are islands on which the population is ageing, such as Graciosa, Pico and Flores.

Population (1 000)



Birth and Death Rates (‰)



Improvements in education

The level of education of young people, in particular, and of the population of the Açores in general, has improved. At the time of the last census (1991), the illiteracy rate, at 14%, was considerably lower than the 23% recorded in 1981. Most of the youngest children are now being educated, and the proportion completing secondary or higher education, at 5.6%, has doubled since 1981. This phenomenon was particularly marked in the pre-school education, while there was a reduction in absolute terms in the numbers in primary education because of the falling birth rate. This trend in the demand for education was reflected in the rate of utilisation of school facilities. Some classrooms had to shut for lack of pupils, whereas saturation point has been reached in those levels of education which are still expanding. This trend is also being helped by population movements within the region, with people of working age migrating to areas where there are more jobs.

There are enough teachers to give an educationally acceptable teacher/pupil ratio, but about 40% of teachers are still not properly qualified.

There is also a certain imbalance between the subjects teachers choose, with most of them opting for traditional careers, and the demands of the market in terms of technical and vocational requirements. To remedy this, some municipalities in the Açores are already offering vocational training courses.

The University of the Açores is expanding its activities in terms of both new courses and research, and it is consolidating its position within the national framework.

Population by Age, 1991

Age	M+F	M+F	M	F
	(1 000)	(%)		
< 15	62,9	26,4	27,4	25,5
15-24	39,9	16,8	17,3	16,3
25-39	49,6	20,9	21,7	20,1
40-54	33,9	14,3	14,2	14,3
55-64	21,7	9,1	8,7	9,6
>= 65	29,7	12,5	10,8	14,2
Total	237,8	100,0	100,0	100,0

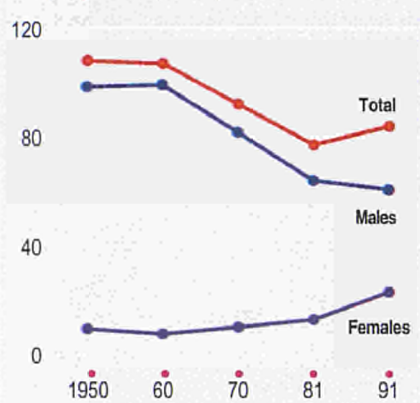
Population Balance, 1980/96 (1 000)

Population 31.12.1980	243,4
Births	45,4
Deaths	25,1
Balance on Migration	-25,5
Population 31.12.1990	238,2
Births	21,9
Deaths	16,2
Balance on Migration	-1,3
Population 31.12.1996	242,6

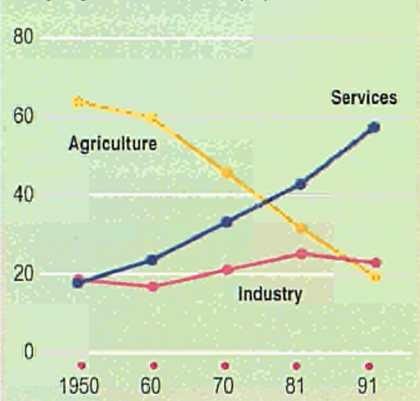
Students Enrolled, 1994/95

Type of Education	M+F (1 000)
Pre-school Education	6,6
Elementary Education	43,6
Secondary Education	9,7
Occupational Training	0,1
Higher Education	2,5

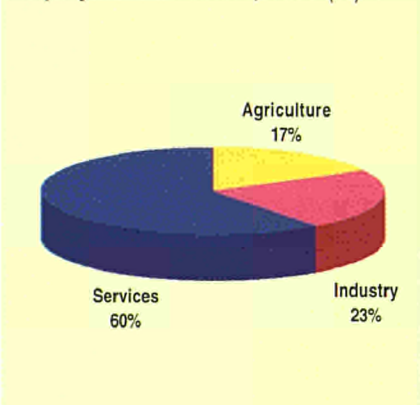
Employment (1 000)



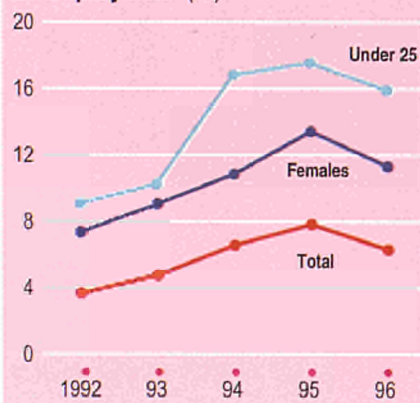
Employment Trends (%)



Employment Structure, 1996 (%)



Unemployment (%)



Changes in the structure of the economically active population

Demographic trends in the Açores have been determined by emigration, which has particularly affected the most promising sections of the population. Because of this, the potentially active population in the Autonomous Region of the Açores is smaller than in the regions with economic activities which create new jobs. According to the 1991 census, the potentially active population (aged 15 to 64) amounted to some 60% of the population, whereas the average for Portugal was 66%.

Traditionally, i.e. up till the 1970s, the labour market was structured according to male workers. The decline in the numbers of male workers was accompanied by a decrease in the number of jobs available. Since then, this correspondence has extended to the working population – at least in formal terms, since the labour relationship would mask a certain level of under-employment. At that time, the participation of women in the labour market amounted to some 10% of the potentially active female population. However, women's participation in the labour market has become more marked, in line with economic trends and the changes in habits and behaviour, rising from that 10% to 20% in 1981 and 35% in 1991. This change in the labour market has been accompanied by shifts in the sectoral distribu-

tion and the proportions of self-employment and employment. In 1991 women already accounted for more than 50% of jobs in certain service sectors (education, health care, social services and domestic service). Taking all branches together, women already accounted for 27.7% of jobs (40.3% in mainland Portugal).

When employment is broken down by sectors of economic activity, the most recent data show that the tertiary sector continues to have most jobs, with about 60.6%, followed by the secondary sector, with 22.9%, and the primary sector, with 16.5%.

In terms of occupational status, some 80% of women work for others, this being the highest figure for this category in the whole of Portugal. On the other hand, the economically active male population, which dominates the primary and secondary sectors, has the highest rate of self-employment (15.6%) of all regions in Portugal.

Employment Characteristics (%)

	Total Employment			Employed Workers				
	Under 25	25-54 years	Over 54	Total	Part Time		without a permanent contract	
	1996			1996	1992	1996	1992	1996
Males	18	67	15	70	:	:	23	26
Females	16	74	9	87	:	:	20	22
Total	17	70	13	76	6	7	22	25

Unemployment – a female phenomenon

Unemployment rates were never high as long as emigration exercised a stabilising function, despite its negative impact and the social imbalances it produced: distortion of the age pyramid, exodus of the most dynamic and entrepreneurial individuals, the impossibility of recouping the expenditure on emigrants before they found employment, etc.

At 4.2% in 1991, unemployment is not the structural or massive phenomenon produced by recession, but neither is it sporadic or residual, as it was in the 1950s and 1960s when it stood at only about 2%. Whereas unemployment formerly affected men looking for a first job, it is nowadays mainly a feature of women looking for a new job. In the first quarter of 1997, 35.8% of unemployed persons in the Açores were looking for a first job and 64.2 for a new job.

Since the start of the 1990s, the percentage of unemployed persons under 25

years of age has risen to reach 17.55% in 1995, although it fell to 15.93% in 1996. In 1960, men accounted for 96% of unemployed persons, while in 1991 this figure had fallen to 41%. In the same way, 71% of unemployed persons in 1960 were looking for a first job, in the General Population Census the corresponding figure had fallen to 40%.

Small economy specialised in natural resources

The agricultural sector is significant in terms of scale and organisation and is going through a period of transformation at several levels: commercial and institutional framework, infrastructures and holdings of economically viable size.

Cattle rearing, which accounts for more than two-thirds of agricultural production, is the most representative economic activity. Crop farming, accounting for the remaining third of production, is essentially for local consumption. Only forestry exports more than 30% of its output, but it probably accounts for less than 2% of agricultural production.

By far the principal market for dairy and meat products is mainland Portugal, through which the competition from other EU countries is beginning to be felt.

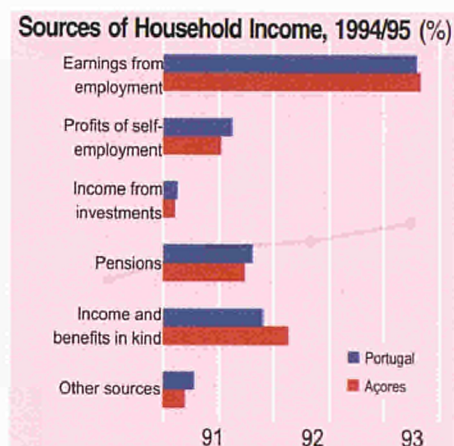
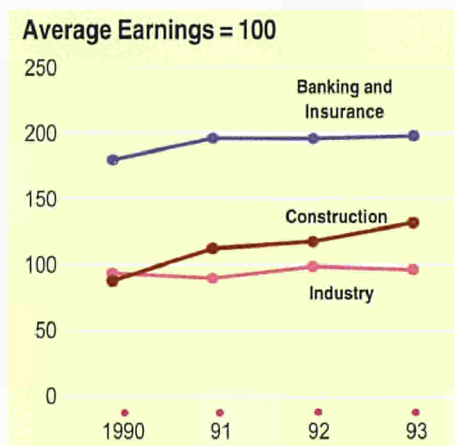
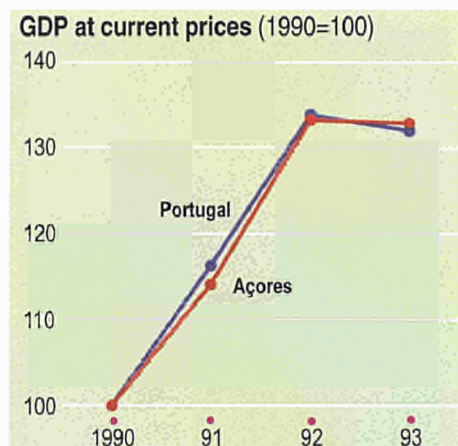
Fishery is a sector with a net surplus. The volume of catches landed in the Açores is distributed equally between migratory and benthic species, although catches of

tuna sometimes vary greatly. The migratory species are essentially destined for industrial processing, while the seabed fish are refrigerated for marketing.

The relative availability and quality of raw materials mentioned earlier has historically favoured the establishment of processing industries. The industrial sector shows a reasonable level of productivity and comprises large undertakings at regional level, particularly in the agri-food branch (dairy products and preserves). This latter is responsible for some 80% of the output of the processing industries, 90% of industrial exports and 60% of total exports. In contrast, the output of the other processing industries is limited more to local consumption, is protected from outside competition by the transport costs and is exported only in particular situations. The structure of regional competition is based essentially on prices and has been repositioned to

take account of the recognition and marketing of the ecological component of the products.

The tertiary sector is marked by some sales of services to the outside, such as transport and tourism, but is directed towards internal demand and requirements.



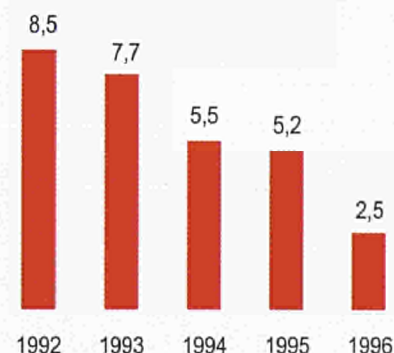
Employment is still the main source of income

There is a certain parallelism between the structures of earnings and income in the Autonomous Region of the Açores and those throughout Portugal. This is particularly evident in the branches of the most relevant institutional component. In market-oriented activities there are some deviations deriving from local socio-economic structures, with a tendency for average earnings to be lower than the national level.

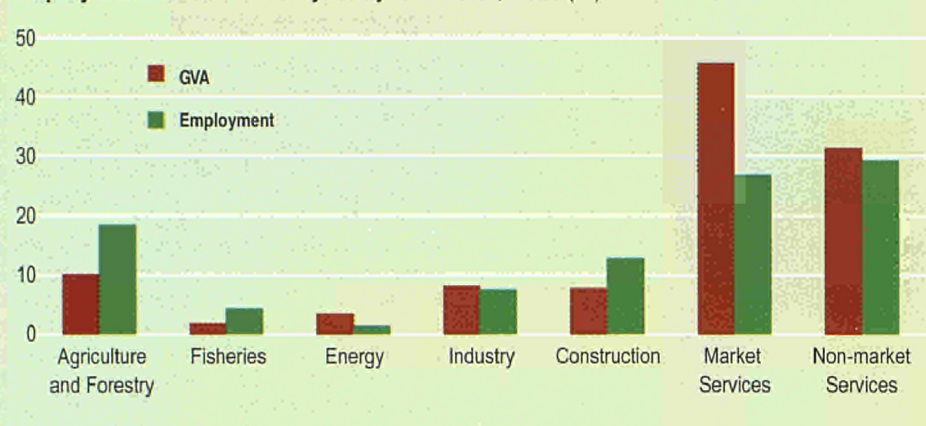
According to the 1994/95 Family Budget Survey, the structure of the average annual net incomes in the Açores did not differ significantly from that in mainland Portugal. The principal source of family income was earnings from work (58%), mostly from work for others. This is followed, in descending order of importance, by income in kind (21%) and government transfers in the form of old-age and retirement pensions, allowances and various subsidies.

Price trends in the Açores have recently been very different from elsewhere in Portugal. Between 1995 and 1996 inflation fell from 5.2% to 0.8%, excluding housing. A careful analysis of this phenomenon showed that it was the result of an atypical situation in the group "Expenditure on educational services", which distorted the price trend in the region. After a detailed study it was decided that the best way to eliminate this distortion was to calculate a new aggregate "Total excluding housing and educational services", as this best reflected the price trend in this region. After this adjustment, inflation would be 4.8% in 1995 and 2.5% in 1996.

Inflation (%)



Employment and GVA: Analysis by Branches, 1993 (%)



From the primary to the tertiary sector

The economy of the Açores is focused on natural resources or on their processing for outside markets – the main one being mainland Portugal, which is simultaneously the region's principal supplier, followed by foreign markets for specific products such as fish, crustaceans and embroidered goods.

The fact is that all economic activity in the Açores has always been based on the primary sector. This extends downstream to processing activities in the agri-food sector (dairy products and fish preserves), forming a chain which has the highest rates of productivity in the archipelago.

The primary sector continues to make a greater contribution to the region's gross value added, compared with the national average – 11% in 1993, while the secondary sector accounted for 18%, slightly down on the figure for 1990. The services sector contributes 71% of gross added value, making it the most dynamic sector of the Açores' economy.

An analysis of the structure of employment by sector of activity shows that, since

the start of the 1980s, the primary sector has declined in importance compared with the services sector, while the secondary sector has maintained its contribution in terms of employment.

Services emerges as the major employer in terms of the creation of administrative jobs and new professions, in particular with the entry into the labour market of women in services such as education, health care and domestic service.

Small businesses

One feature of the Açores is the predominance of small businesses, since the large number of very small undertakings – i.e. with up to four employees – accounts for the overwhelming majority of enterprises in the region. Some 93% of businesses in the Açores belong to this size class.

In line with the country as a whole, the predominant legal form among businesses in the Autonomous Region of the Açores is the sole proprietorship, accounting for 88% of the total. This is followed, in descending order, by private limited companies (11%), co-operative societies, public limited companies and partnerships.

The largest undertakings, in terms of both numbers of employees and turnover, are to be found on the islands of São Miguel and Terceira.

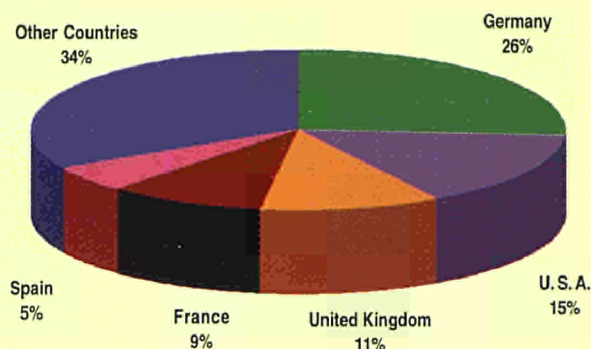
Main Enterprises, 1996

Name	Workforce	Activity
Lacto Ibérica-Indústria de Lacticínios e Queijo S.A.	> 500	Dairy
Ediçor - Edificadora Açoreana LDA	> 200	Construction
Insco - Insular de Hipermercados S.A.	> 200	Retailing
Caetano & Mont'alverne S.A.	> 200	Retailing
Marques LDA	> 200	Construction
Edimar ACE	> 100	Construction
E.L.A.-Empresa de Lacticínios dos Açores S.A.	> 100	Dairy
Sinaga-Sociedade de Indústrias Agrícolas Açorianas S.A.	> 100	Sugar
Lacticínios Loreto S.A.	> 100	Dairy
Castanheira & Soares LDA	> 100	Construction

Agriculture, 1995

Holdings (No.)	20 140
Total Labour Force (ALU)	15 902
Area Under Agriculture (ha)	116 881
Head of Livestock (CN)	63 742

Foreign Visitors, 1996



Tourist Activity

	1990	1996
Hotel Establishments (No.)	53	59
Accommodation Capacity (No.)	3 490	3 630
Total Guests (No.)	126 239	163 705
Total Overnight Stays (No.)	363 497	429 631
Occupation Rate (%)	28,93	32,88
Average Length of Stay in Nights (days)	2,88	2,62

Modest growth in tourism

Tourism in the Açores is based on the diversity of an environment with a landscape and history which is part of the western world, but geographically and culturally distinct. The smallness of the islands is in contrast to the vastness of the surrounding Atlantic Ocean.

Access to the islands is mainly by air, with links to both sides of the North Atlantic, although flights are more frequent to continental Europe, in particular via Lisboa. Apart from the air links, large cruise ships call in at the islands, and ocean-going yachts make for the ports on the islands, particularly the marinas on São Miguel and Faial which are staging points for international regattas.

Tourist accommodation is mainly in traditional hotels, but as new and more varied initiatives are starting to become available, such as rooms on farms. There were 3 630 beds in hotels in various categories and on various islands in 1996.

Tourism is highly seasonal, and the average number of overnight stays is low. The stream of visitors starts growing in spring and reaches its maximum in the months of July and August. The average stays is a few days (approximately three) for most visitors. Only those whose principle rea-

son for travelling is family visits remain longer. However, in terms of economic effects, this longer stay is counterbalanced by lower average daily spending, since these visitors frequently stay at their own homes or those of relatives, instead of in hotels.

Visitors from mainland Portugal account for two thirds of hotel guests, while Germans have emerged in recent years as the main category of foreign visitors.

Health care as an indicator of regional development

All municipalities in the Açores have health centres functioning as extensions of the main health care infrastructures. More than three quarters have in-patient facilities, with an official total of 398 places in 345 beds, some 72.3% of them intended for general medicine.

There are three district general hospitals in the region on the islands of São Miguel, Terceira and Faial, with a total of 764 beds. In recent years the region has increased the number of beds in health care establishments with in-patient facilities, with an increase of some 6.1% over 1987, giving an average annual increase of about 0.74%. In 1995 these health care establishments had 1 959 beds.

The number of working doctors fell in 1995 compared with the previous year to 422, or one physician for 572 inhabitants. The number of nursing staff in the health care establishments with in-patient facilities has increased considerably (40.2%) since 1987 at an average annual rate of about 4.2%.

The increase in the number of beds has led to an improvement in the quality of the service, since the number of inhabitants per bed fell from 130 in 1987 to 123 in 1995.

The increase in the population and the decrease in the number of doctors has led to a rise in the number of inhabitants per physician compared with the previous year; there were about 572 inhabitants per physician in 1995 as against only 563 in 1994. This trend in this indicator is mainly due to the variations in the number of doctors, which it follows closely.

Health

	Açores	Portugal
Hospital Beds per 1 000 Population 1995 (No.)	7,83	4,63
Doctors per 1 000 Population 1995 (No.)	1,40	2,96
Mean Infant Mortality Rate (‰) 1991/95	11,55	8,92

Fisheries and Maritime Transport

	1991	1995
Fisheries		
Vessels (No.)	1 884	1 767
Registered Fishermen (No.)	4 108	4 420
Catch Landed Quantity (t)	12 855	20 610
Catch Landed Value (1 million PTE)	3 727	4 591
Maritime Transport		
Cargo Loaded (1 000 t)	333	404
Cargo Unloaded (1 000 t)	983	1 177
Port Employees (No.)	197	222
Vessels Entering Port (No.)	2 291	2 816

A sea of potential

As islands discovered – or at least populated and developed – for reasons of strategy, it was always essential to move goods and people over wide stretches of the ocean. From natural bases vital to international trade routes, they have become areas which require more sophisticated technical infrastructures in order to have access to movements of goods and people in an age when transport has a greater range and no need for intermediate stops. Nowadays, infrastructures and technology of a scale and dynamism suitable for providing a process of sustained economic growth are prerequisites for offering useful products to consumers. Sea transport has been generally con-

tainerised and new routes for distributing cargoes have been introduced. This process and the relative organisation provide technical solutions offering a wider choice in terms of shippers and equipment, with a view to improving results, in particular by reducing costs. Within the extensive exclusive economic zone of the Autonomous Region of the Açores, the exploitation of fisheries resources has concentrated on areas under 500 m in depth, including the coastal waters and the fishing banks which provide almost all the benthic fish, as well as migratory species, in particular tuna.

The volumes of these two major groups of species fished in the waters of the

Açores were of the order of nine thousand tonnes each in the 1990s. However, in terms of value, the benthic fish were worth almost three times as much as the other catches.

Despite a certain revival in fishing in recent years, there remain structural limitations deriving from a fishing fleet made up of small boats with low productivity.

A "natural" environment requiring special care

In a society with a high average population density, but without demographic pressure, with major industries involved in processing natural resources, but without the typical large factories of heavy industry, with an increasing demand for tourism, but without intensive mass consumption, there would appear to be no sources of ecological malfunctioning which might result in overall imbalances or irreversible ruptures.

Nevertheless, the inherent fragility of small ecosystems is sensitive to pests and relatively intensive forms of land use, either through urbanisation, changes in consumption patterns or the economic exploitation of agricultural land.

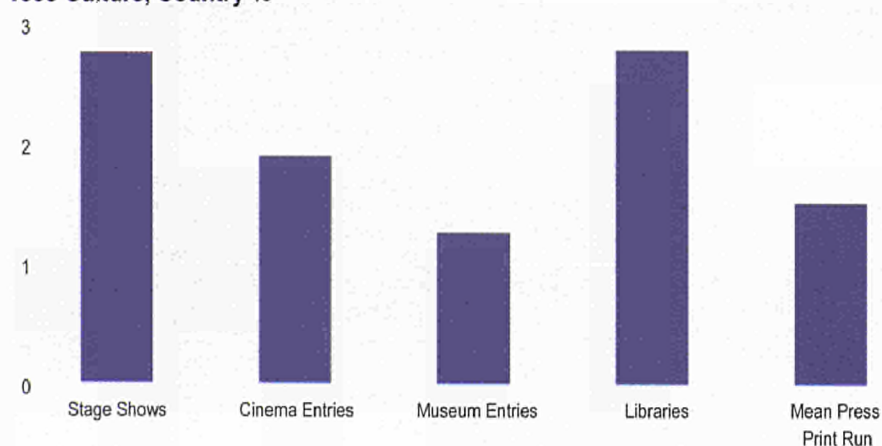
The environmental impact of urbanisation is assuming a certain relevance. Because of the construction of roads and the increase in the number of cars and in solid waste and waste water, as well as the construction industry, with the opening of quarries for stone and sand, etc., the effects of urban sprawl are to be found above all in the coastal strip, since the terrain and climate are not conducive to the settlement of the interior and higher areas (essentially above 300 m).

Intensive methods of arable and livestock farming, such as the use of chemical products and cattle grazing, have a negative effect on the soil and the water, increasing the danger of infiltration into the soil and subsoil.

The measures being taken under the environmental policy aimed at tackling the

most pressing questions include educational schemes, the management of solid waste and the establishment of protected areas.

1995 Culture, Country %



PORTUGAL

MADEIRA



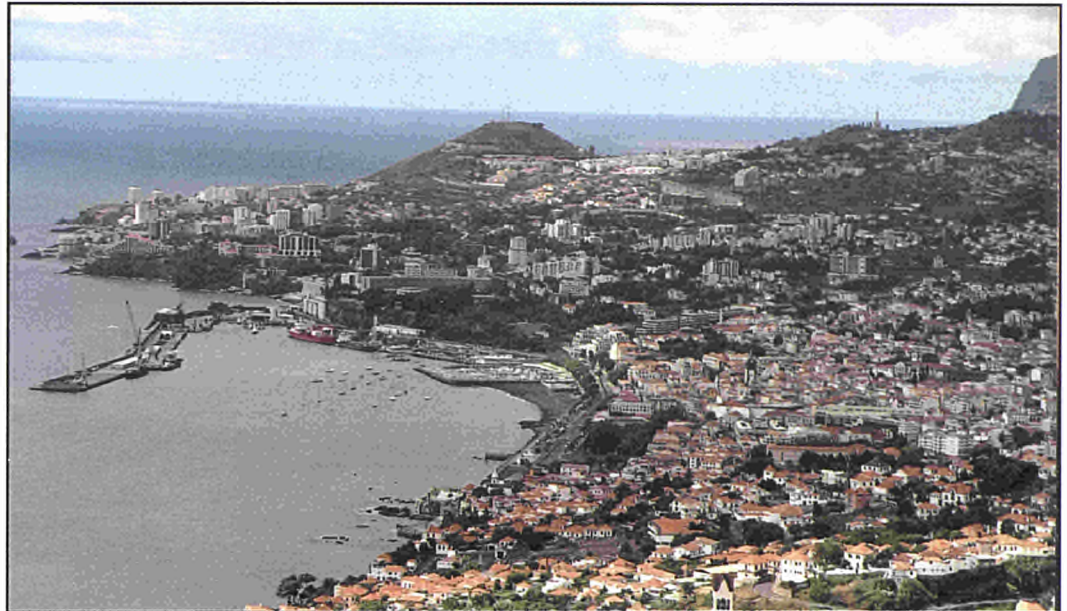
The Madeira Archipelago is an Autonomous Region of the Portuguese Republic with its own legislative and executive bodies. In administrative terms, the territory is divided into 11 municipalities and 53 parishes.

The Autonomous Region of Madeira consists of the inhabited islands of Madeira (737 sq. km) and Porto Santo (42 sq. km), and the uninhabited Ilhas Desertas (14 sq. km) and Ilhas Selvagens (4 sq. km). It is located in the North Atlantic, off the north-western coast of Africa, between 30°N and 33°N.

Its capital, Funchal, is the region's main centre of economic development.

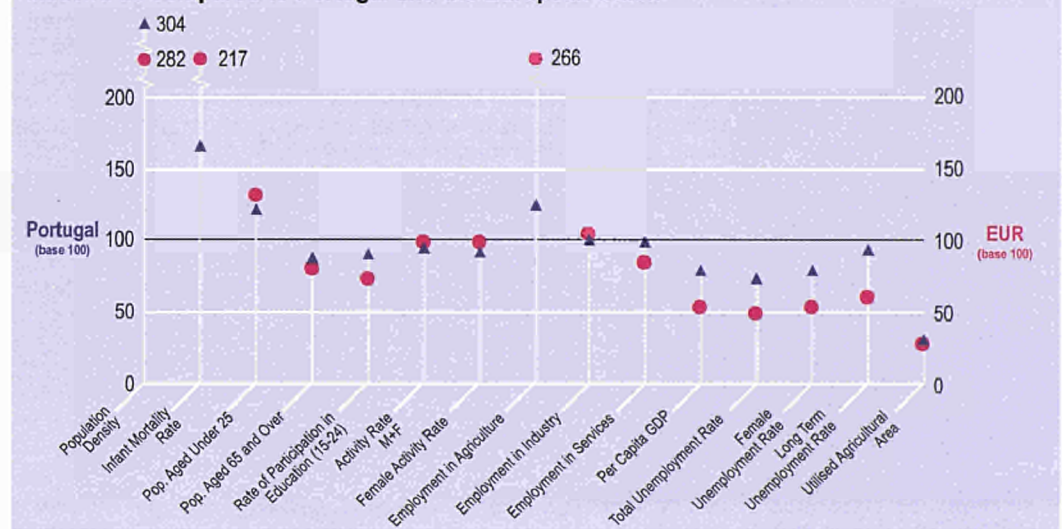
The region has a temperate and mild climate with a narrow temperature range; it also has a large variety of micro-climates due mainly to altitude and wind exposure. Average air temperatures vary between 16°C and 22°C and the average relative air humidity does not exceed 72%.

Its uneven terrain (deep valleys, high mountains and steep cliffs) and natural woodland are extremely valuable from the point of view of science, water resources, the economy, landscape, tourism and culture.



The city of Funchal.

Madeira as compared to Portugal and the European Union



Island landscape and natural beauty

The region's small size, the discontinuity of its territory and its peripheral and insular situation cause substantial additional costs which hinder both imports and exports of traditional products such as bananas, wickerwork, Madeira wine and embroidery.

The region's mountainous character has led to the scattering of the population over large areas, it impedes the development of mechanised agriculture and hinders access to inland areas because of the roughness of the terrain. The climate and fertility of the soil provide favourable conditions for producing subtropical fruit and exotic flowers.

The region's potential lies mainly in its geographical location, and its typical climate and landscape have contributed a great deal towards developing tourism there.

The region's strategic position with regard to the main shipping routes has favoured the es-

tablishment of international bodies; an Industrial Free Zone has been created and an Off-Shore Financial Centre and International Centre for the Registration of Ships have been set up.



Which EU regions are similar to the Madeira?

Population:

approximately 255000 inhabitants
 Corse (F)
 Rioja (E)

Unemployment rate:

approximately 5%
 Tuebingen (A)
 Steiermark (A)

Employment:

approximately 55% in services
 Dessau (A)
 Comunidad Valenciana (E)

Concentration of the population and economic activities on the south coast

The region's population density is high, since the areas over 1 000 m in altitude are unpopulated. The population is concentrated in the lower areas, and in particular in the municipalities on the southern coast in Funchal's area of influence where most of the population lives and most secondary and tertiary sector activities are exercised.

This bias in the population's distribution causes problems of urban planning and housing, most of which stem from the population's abandonment of the municipalities of the north and west coasts. There, conditions are less favourable for the settlement of the population, agriculture being the predominant activity.

Porto Santo has a low population density and the tertiary sector is predominant on this island.

The current trend is to set up development centres in less populated areas to reduce existing disparities, for example,

by increasing investment in tourism, especially on the west coast and on Porto Santo.

The renewal of the road network with the recent construction of expressways, some of which are not yet finished, has played a central role in reducing these imbalances.

	Resident Population	Population Density	Pop. Aged Under 25	Pop. Aged 65 and Over	Schoolchildren Registered	Doctors per 1 000 Population	Telephones per 1 000 Population
	1 000	inhab/sq.km.	%	%	1 000	No.	No.
	1996	1996	1995	1995	1994/95	1995	1996
Madeira	258,0	324,6	40,1	12,0	154,1	1,5	296,8
Portugal	9 934,1	108,2	33,9	14,7	2 375,1	3,0	374,9

Population and decline in emigration

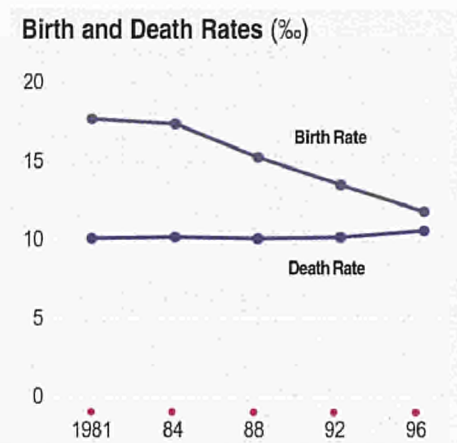
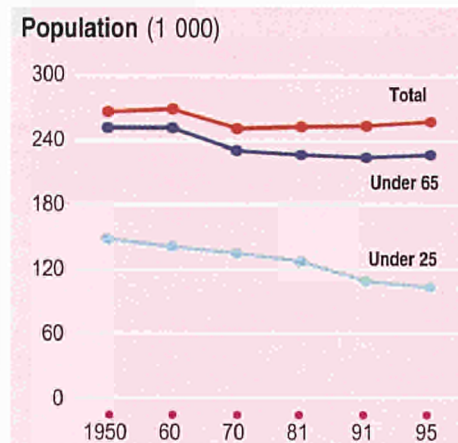
The resident population of Madeira increased until 1950, when the highest ever figure of 269 769 was recorded. Between 1950 and 1960 the population remained practically unchanged, basically as a result of two factors with opposite effects: an increasing emigration flow and a high birth rate of about 32 per thousand population.

As from 1960 there was a considerable decline in the population so that in 1970 it totalled 251 135 as a result of the vast increase in emigration during that decade and the fall in the birth rate.

The trend from 1970 to 1991 was characterised by a fairly moderate increase in the population (253 426 in 1991 according to the last census) at an average annual 0.5‰, which can be explained by the slowing-down in emigration (especially in the 1980s), the progressive reduction in the birth rate and the influx of people originating from the African territories in the 1970s.

Analysis of the population by major age category shows that the category of young persons aged up to 19 years, which accounted for 45.2% of the total population in 1950, is on a continuous decline in percentage terms, since their proportion of the total population in 1991 was 34.3%. This situation stems from the continuing fall in the birth rate, which fell from 31.1‰ in 1950 to 14.0‰ in 1991.

On the other hand, the "65 and over" category almost doubled between 1950 and 1991. In fact, in 1950 this age group made up 5.7% of the overall population but by 1991 it had risen to 11.6%. This situation reflects a clear trend towards the ageing of the region's population, mainly resulting, as already mentioned, from the fall in the birth rate associated with the improvement in the population's standard of living.



Availability of labour

The active population is extremely young: 60% are under 40 years old and about a third under 25. The increase in the population of working age has led to an increase in labour.

On the other hand, in the past few years there has been an increase in the level of qualification and specialisation of the labour force, especially among the youngest age groupings, in the wake of the expansion of technical and higher education. Here the contributions of the University of Madeira, the College of Hotel Services and Tourism of Madeira and the College of Nursing, among others, should be mentioned.

The region's activity rate in 1996, on the basis of the population aged 14 or over, was 53.0%, representing about 45.0% for females and 63.0% for males.

Within each activity sector, the most important branches are: commerce (16.0%) and hotels and catering (11.0%) for the tertiary sector, the textile and shoe indus-

tries (9.0%) and building trade (13.0%) for the secondary sector, and agriculture (10.0%) for the primary sector.

Population by Age, 1991

Age	M+F	M+F	M	F
	(1 000)	(%)		
< 15	62,0	24,5	26,8	22,4
15-24	46,8	18,5	19,6	17,5
25-39	53,6	21,2	21,4	21,0
40-54	37,4	14,7	14,0	15,4
55-64	24,2	9,5	8,5	10,4
>= 65	29,4	11,6	9,7	13,2
Total	253,4	100,0	100,0	100,0

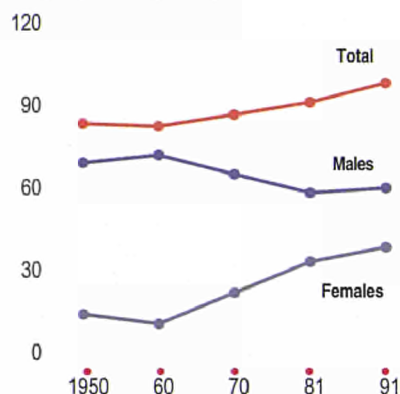
Population Balance, 1980/96 (1 000)

Population 31.12.1980	252,8
Births	40,5
Deaths	27,4
Balance on Migration	-12,3
Population 31.12.1990	253,6
Births	19,8
Deaths	15,6
Balance on Migration	0,2
Population 31.12.1996	258,0

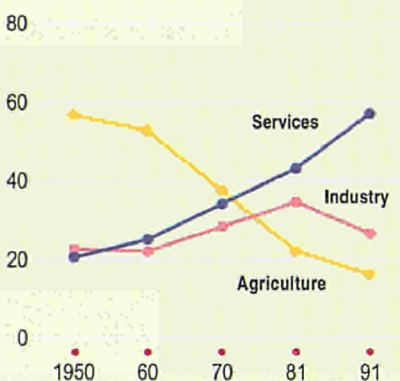
Students Enrolled, 1994/95

Type of Education	M+F (1 000)
Pre-school Education	5,1
Elementary Education	41,3
Secondary Education	7,8
Occupational Training	x
Higher Education	2,2

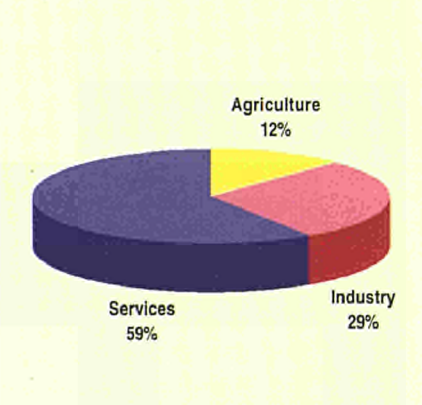
Employment (1 000)



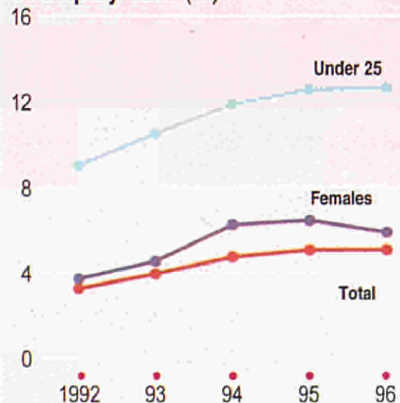
Employment Trends (%)



Employment Structure, 1996 (%)



Unemployment (%)



Concentration of employment in the tertiary sector

The active population is mainly concentrated in the "25 to 54 years" age category. Over the long term, the activity rate is tending to increase in line with the trend which has become evident over the past few years, as confirmed by the results of the Employment Survey conducted in the region.

Some forms of sub-employment are frequent in agriculture and crafts, especially in the sectors of Madeira embroidery and wickerwork, and concern the female population in particular.

As far as the sectoral make-up of employment is concerned, a sharp increase can be seen in the tertiary sector to the cost of the primary sector due to the expansion of tourism and associated activities, commerce in general, education and health services. In fact, 45.0% of all jobs were in this sector in 1990, and by 1996 the figure had risen to 59.0%.

Employment has fallen in agriculture, whereas the situation in the secondary sector has remained practically stationary. As far as the distribution of employment

according to the situation within the profession is concerned, employees represent 82.4% of total employment and 64.5% of these are in the tertiary sector.

Employment Characteristics (%)

	Total Employment			Employed Workers				
	Under 25	25-54 years	Over 54	Total	Part Time	without a permanent contract		
	1996			1996	1992	1996	1992	1996
Males	18	66	16	82	:	:	11	4
Females	11	70	19	83	:	:	10	4
Total	15	68	17	82	14	11	11	4

Unemployment is low

In this region, the unemployment rate, at 5.0%, is lower than in the other Portuguese regions and other EU countries.

Unemployment is not evenly spread: it affects young people and the female population in particular. Long-term unemployment has started to increase in the past few years and women are more badly affected in this case, too.

The jobless rate for males is 4.5% whereas for females it is 5.8%.

Unemployed persons seeking their first job represent 27.0% of the total unemployed population, the remaining 73.0% having already been employed and seeking a new job. The proportion of unemployed women has always been greater than that of men, whether seeking their first job or a new one.

The free zone in the development of the region's economy

Industry in the region is not very diversified and consists basically of traditional craft activities (embroidery, tapestries and wickerwork) oriented to the external market. As a result, productivity is low and most establishments are small.

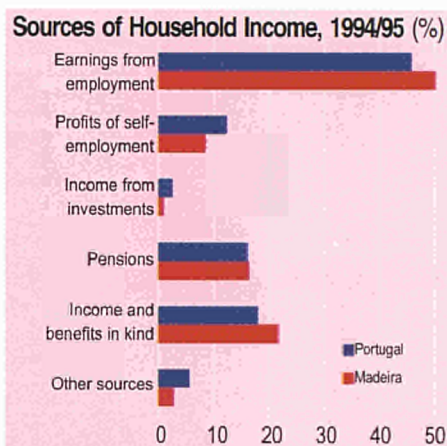
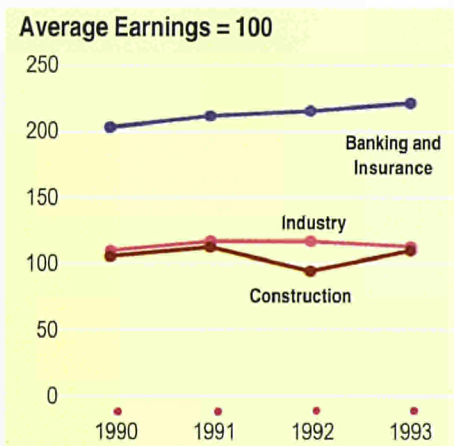
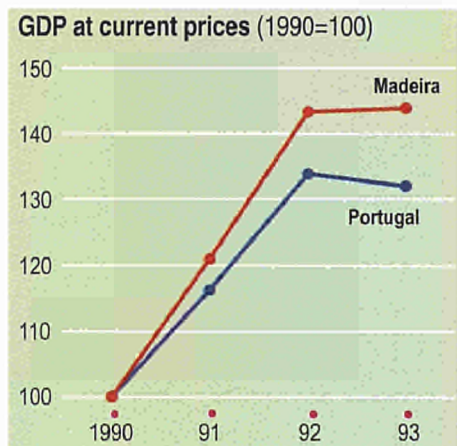
The largest industries are associated with the activities of food, beverages (and especially Madeira wine), tobacco and construction.

The setting-up of industrial zones and the Free Industrial Zone located in the municipality of Machico has led to the installation, under more favourable conditions, of infrastructures, production shops and essential services for small and medium-sized industrial enterprises.

The Free Zone of Madeira, also called the Madeira International Business Centre, being a tax-privileged economic area, provides an incentive for companies, offering them financial and tax advantages via a whole range of activities exercised in:

- the Industrial Free Zone;
- the Off-Shore Financial Centre;
- the International Shipping Register organisation, and
- the International Service Centre.

Over the last few years, the regional economy has managed to open up and establish more internal and external competitiveness, so that its companies have become internationalised.



The tertiary sector and disposable income

Average earnings in the services sector have risen more rapidly than in other sectors. Banking and insurance, as well as transportation, however, are the branches where the overall average earnings are highest and where the highest growth rates have been recorded.

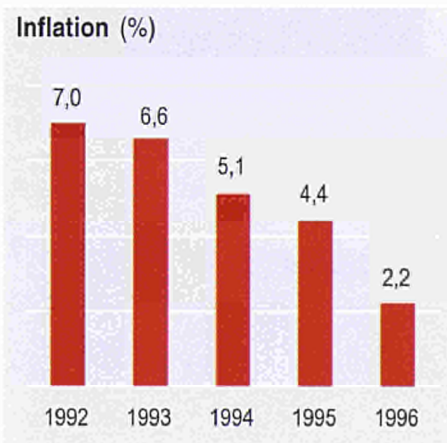
Similarly, restaurants and hotels, and the distributive trades play an important role in the tertiary sector and show a positive trend in average earnings; the same applies to the construction and public works branch in the secondary sector.

On the other hand, although wages are still low in the agricultural sector, they have had a positive trend in the past few years.

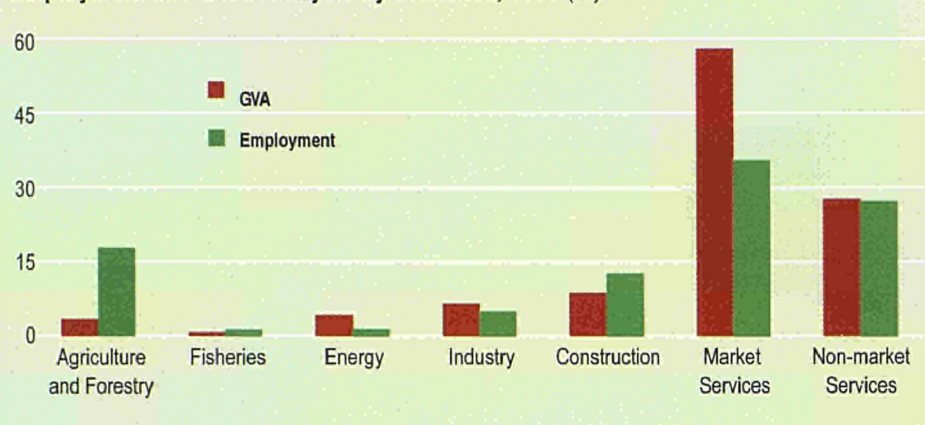
Wages and salaries constitute the largest share of regional gross formation of disposable income, the tertiary sector's contribution towards this being 78%.

Inflation in this region has fallen successively and it stood at 2.2% per year in 1996. The curbing of inflation is basically

due to success in checking the rise of prices of products of the food and beverages sector.



Employment and GVA: Analysis by Branches, 1993 (%)



Tourism, one of the region's main activities

The services sector makes the largest contribution to the formation of the regional product as opposed to the agricultural sector, which has continuously declined in importance in the regional economy.

Tourism is an important sector in the region's economy since it contributes 20% to the region's GDP, providing support throughout the year for commercial, transport and other activities and constituting a significant market for local products.

The island of Porto Santo, with its 9 km long beach and its climate, is totally devoted to tourism. Over the past decade it has recorded a substantial increase in its hotel accommodation capacity.

The Madeira Autonomous Region has considerable potential since the necessary infrastructure has been established and adequate investment incentives introduced for expanding its hotel and catering structure in a controlled manner, without disturbing the socio-economic and environmental balance, and without neglecting the conservation of its nature, which is one of tourists' main reasons for visiting Madeira.

Agriculture, 1995

Holdings (No.)	18 431
Total Labour Force (ALU)	20 131
Area Under Agriculture (ha)	7 361
Head of Livestock (CN)	3 457

Main Enterprises, 1996

Name	Workforce	Activity
EEM - Empresa de Electricidade da Madeira S.A.	> 500	Electricity Prod. & Distribution
Banif - Banco Internacional do Funchal S.A.	> 500	Banking and Finance
M&J Pestana - Sociedade de Turismo da Madeira S.A.	> 500	Hotels
Soc. Imob. de Empreendimentos Turísticos - Savoi S.A.	> 500	Hotels
Conforlimpa - Conservação e Limpeza de Edifícios LDA	> 300	Cleaning Services
Horários do Funchal - Transportes Públicos LDA	> 300	Urban and Local Transport
Lido Sol II - Distribuição de Produtos Alimentares S.A.	> 300	Retailing
ITI - Sociedade de Investimentos Turísticos	> 300	Tourism Industry
Lido Sol - Empreendimentos Turísticos S.A.	> 300	Retailing
Tecnorocho - Soc. de Escavação e Desmonte de Rochas S.A.	> 300	Building and Public Works

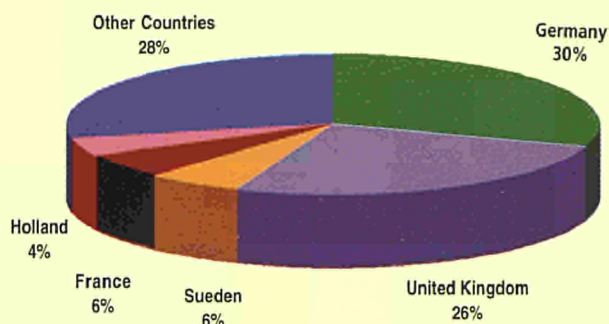
The region's business fabric

The region's business fabric consists mainly of firms working in the tertiary and secondary sectors.

The tertiary sector is dominated by firms associated with the hotel, wholesale trade and banking branches. In the secondary sector, the largest firms are in the food, beverages and tobacco industries, construction and public works, and energy (production and distribution of electricity). The large firms are mostly located in the municipality of Funchal and neighbouring municipalities.

Most firms are limited companies. In 1995 some 95% of the firms set up were of this type, and they were again mainly active in building, wholesale and retail trade and hotels.

Foreign Visitors, 1996



Tourist Activity

	1990	1996
Hotel Establishments (No.)	85	132
Accommodation Capacity (No.)	13 419	17 879
Total Guests (No.)	520 515	681 449
Total Overnight Stays (No.)	3 256 178	4 091 162
Occupation Rate (%)	67,40	63,56
Average Length of Stay in Nights (days)	6,26	6,00

Some aspects of tourism activity

Although tourism on Madeira has its roots in the last century, there was a sudden upsurge in hotel construction and modernisation of existing facilities in the 1960s and early 1970s.

Most visitors are from the European Union, with Germany and the United Kingdom providing the main contingents alongside Portuguese tourists.

The average stay of tourists in the region is currently 6 days. The time of year in which they visit depends on the country of origin: whilst Scandinavian tourists mainly come in winter, domestic and Spanish tourists prefer to visit Madeira in the summer months. Visits by the Germans and British, on the other hand, are spread evenly over the whole year.

The average annual occupancy rate is about 63%, reaching its maximum in March and April, when it exceeds 70%.

Health

In this sector, measures have been applied to improve the population's health, in particular by modernising services and making them more user-friendly, as well as developing health prevention programmes.

Consequently, the region is currently covered by a network of health centres in municipalities and parishes, where basic medical care is provided together with developed health promotion activities.

With regard to the population's level of health, there have been significant changes in health indicators, especially in the infant mortality rate (26.7‰ in 1981 and 10.8‰ in 1995), the number of health facilities, the number of doctors per inhabitant and the number of nurses per inhabitant.

As a result, whilst there were 0.94 physicians per thousand inhabitants in 1981, the figure had climbed to 1.5 in 1995.

Health

	Madeira	Portugal
Hospital Beds per 1 000 Population 1995 (No.)	7,69	4,63
Doctors per 1 000 Population 1995 (No.)	1,52	2,96
Mean Infant Mortality Rate (‰) 1991/95	11,47	8,92

Fisheries and Maritime Transport

Fisheries	1991	1995
Vessels (No.)	662	538
Registered Fishermen (No.)	1 232	1 407
Catch Landed Quantity (t)	12 677	13 767
Catch Landed Value (1 million PTE)	2 134	2 219
Maritime Transport	1991	1995
Cargo Loaded (1 000 t)	121	137
Cargo Unloaded (1 000 t)	823	1 048
Port Employees (No.)	397	275
Vessels Entering Port (No.)	1 482	1 354

Madeira and the sea

Since its colonial origins, Madeira, by virtue of its strategic position and the unique characteristics of the Bay of Funchal, has had a privileged role with regard to shipping, and helped to make the port of Funchal one of the most important ports in the world up to the First World War.

This port constitutes the region's main harbour infrastructure and offers a wealth of activities, ranging from the handling of general cargo and palletised goods to passenger transport, tourism and fishing.

As far as tourism is concerned, the port of Funchal is an important port of call for cruise ships. Meanwhile, cargo transport has seen an increase to some 1 184 859 tonnes in 1995, 88% of

which were imports and 12% exports, and involving the handling of about 46 000 containers.

Fishing, though of minor importance in the regional economic structure, whether in terms of production (1% of GDP at market prices) or employment (2% of the active population), is still important for the region's economy, since the most characteristic fish species, such as tuna, black scabbard fish, horse mackerel and chub mackerel, are important items of consumption for the population.

Madeira's fishing fleet is still largely made up of small, non-industrial boats. However, considerable efforts have been made to renovate some parts of it, for example the tuna fleet, by building

vessels with a gross tonnage of over 100 tonnes.

The fish landed are mainly those of the mackerel family and black scabbardfish, which accounted for 64% and 25% respectively of the total volume.

Landscape and environment

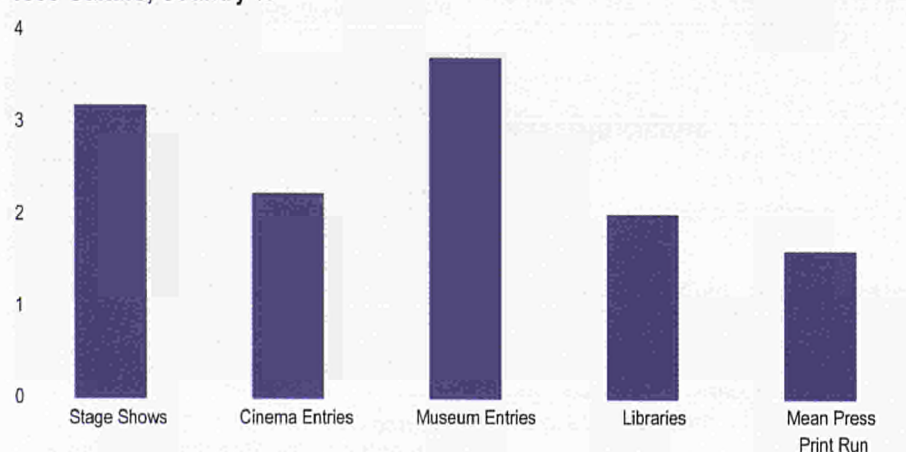
The region's environment has three main aspects: flora, fauna and landscape.

The natural woodland with an area of some 10 000 hectares and located at an altitude of between 600 and 1 300 m, has led to the creation of the Madeira National Park, which is a valuable resource from the point of view of science, water resources and the landscape as well as being important for environmental protection and balance of the environment.

In order to preserve the natural habitat, the Nature Reserve of the Islas Selvagens has been created, which has a valuable natural environment including, in particular, certain rare species of birds and fish, as well as seals which are in danger of extinction.

The geological characteristics and rainfall levels predominant on Madeira contribute to the existence of innumerable springs scattered over the entire island which allow water to be collected and transferred along special channels for use in irrigating farmland, exploiting electric power and for general consumption.

1995 Culture, Country %



Explanatory Notes

Graphs and Tables: Regions (NUTS II) in Portugal and in the European Union

Source:
Eurostat, regional data base, REGIO

Reference Period:
Demography: 1993
GDP: 1994
Employment, Unemployment (long term)
Education (data from a European Community Employment Survey): 1995
Total and Female Unemployment (I.C.E.): 1996
Agriculture: 1994 (agricultural land used)

Definitions:
Infant Mortality Rate - relationship between deaths of infants under one year and live births.

Rate of Participation in Education (15-24 years) - relationship between people aged 15 to 24 who attend educational establishments and the total number of people in the same age group.

Activity Rate - relationship between the working population and the population aged 15 or over.

Employment - employment structure by sector of activity is measured at the place of residence.

Unemployment Rate - relationship between the number of people unemployed and the working population.

Note:
The difference in values given by indicators at the beginning of this publication, such as those used in making comparisons to the European Union, and those found in the texts pertaining to the different regions arises from the fact that in the first case European Union methodology is used, whereas in the second case domestic data and methodology are used, because of their availability. For example, in Portugal the Population Activity rate is defined using the population aged 14 or over.

In accordance with the International Labour Organisation, anyone older than 15 is considered to be unemployed if they are in the following circumstances: they have no job, they are available to begin work within two weeks and have been actively seeking work for the past 4 weeks; the work force includes both those employed and those unemployed.

Table: General Indicators

Sources:
Estimates of the Resident Population
Education Statistics

Health Statistics

Definitions:
Resident Population - people who, whether or not they are present at the time of estimation - midnight on the day of reference - at a particular place of residence, have lived there with their family for most of the year or keep all or most of their belongings there.

Population Density - number of resident inhabitants per square kilometre (number of resident inhabitants / Km²).

Graph: Population

Sources:
Housing and Population Census
Estimates of the Resident Population

Graph: Birth and Death Rates

Sources:
Demography Statistics
Estimates of Resident Population

Definitions:
Death Rate - number of deaths within a certain time period, usually one year, with reference to the average population during this period (usually the number of deaths per thousand inhabitants).

Birth Rate - number of live births within a certain time period, usually one year, with reference to the average population during this period (usually the number of live births per 1000 inhabitants).

Graph: Population Balance

Sources:
Demography Statistics
Estimates of Resident Population

Definitions:
Death - permanent disappearance of any sign of life at any time after having been born alive.
Balance on Migration - difference between the number of immigrants registered in one year (or time period) and the number of emigrants registered in the same year (or time period).

Table: Students Enrolled

Sources:
Education Statistics

Definitions:
Pre-school education - education given to children aged 3 or older who have not yet reached the mandatory school age.

Elementary Education (1st Ciclo) - includes primary education (from 1st to 4th grade)

Elementary Education (2nd and 3rd Ciclos) - includes preparatory education (from 5th and 6th grades) and unified secondary education (7th, 8th and 9th grades).

Secondary Education - the 2nd and 3rd Ciclos are equivalent to complementary secondary education (10th and 11th grades), 12th grade, high school secondary education and technico-professional secondary education, respectively.

Occupational Training - teaching with the sole aim of preparation for a particular profession.

Higher Education - includes all education which requires passing 12th grade in order to be admitted.

NOTE (x): in the Autonomous Region of Madeira students repeating courses, taking evening courses and attending professional schools are not included.

Graphs and Tables: Employment and Unemployment

Sources:
Housing and Population Census
Employment Survey

Definitions:
Total Employment - includes all people who carry out any activity considered to be productive, whether the people in question are civilians or military.

Unemployment Rate - relationship between the unemployed population and the working population.

Graph: GDP at current prices

Sources:
Regional Economic Accounts

Definitions:
Gross Domestic Product (GDP) - portrays the final result of the production activity of resident businesses. It is the sum total of the gross added value at market prices of the different branches plus the VAT on these products and import taxes.

Graph: Household Income

Sources:
Survey of Family Budgets

Definitions:
Earnings from employment - all payments made and benefits given by the employer as payment for work carried out by its employees during the period being studied. It can be divided into salaries and gross earnings, social security payments made by the employer and assumed social security payments.

Gross Disposable Family Income - arithmetic sum total of families' primary income with the net redistribution transfers in favour of this institutional sector.

Graph: Inflation

Sources:
Consumer Price Index

Definitions:
Inflation - continuous, widespread increase in the price of goods and services paid for by the consumers and the cost of the factors of production.

Note: In the Autonomous Region of Madeira the amount of inflation in 1996 was calculated based on the total Consumer Price Index, except for housing and education expenses.

Graph: Employment and GVA

Source:
Regional Economic Accounts

Definitions:
Gross Value Added (GVA) - Gross Value Added at market prices is the balance of the intermediate production and consumption account, which corresponds to the resources and the employment registered in this account respectively.

Table: Agriculture

Sources:
Survey of Agricultural Enterprises

Definitions:
Area Under Agriculture - surface area used for agricultural purposes, which includes arable land (cleared and covered by brush and forests), family vegetable gardens, permanent cultivation and permanent grazing ground.

Holdings - Technico-economical unit which uses its own labour and factors of pro-

duction and which must necessarily meet the following four conditions: (1) produce one or more agricultural products; (2) reach or surpass a certain size (area, number of animals, etc.); (3) be under single management; (4) have a fixed and easily identifiable location.

Livestock - animals belonging to the agricultural enterprise as well as those reared under contract by the enterprise.

Table: Main Enterprises

Source:
Central Files on Companies and Business Establishments

Definitions:
Company - an organisation set up under law with its own balance sheet and managed by a legal or physical entity, established in order to carry out one or more activities related to the production of goods and services in one or more locations.

Graph and Table: Tourist Activity

Source:
Tourism Statistics

Definitions:
Accommodation Capacity - the maximum number of individuals which hotels and other accommodation can lodge at a particular moment or period. In hotels this is determined by the number of beds, a double bed is counted as two beds. This may be existing or available capacity.

Occupation rate - ratio between the number of beds used and the accommodation capacity

Table: Health

Sources:
Health Statistics
Estimates of Resident Population

Definitions:
Hospital Beds per 1 000 Population - ratio between the total number of beds in hospitals and health centres and the resident population estimated for the end of the year.

Doctors per 1 000 Population - ratio between the total number of doctors and the resident population estimated for the end of the year.

Infant Mortality Rate - ratio between the number of deaths of infants under one year and the number of live births.

Graph: Culture

Source:
Culture Statistics

Definitions:
Library - any and all organised collections of printed books and periodicals or other documents, such as graphs and audio-visual documents, as well as the personnel who make it easier for users to consult these documents for information, education or leisure.

Press - publications in continuous series under the same name at regular or sporadic intervals, for a particular period of time, in which the series are numbered consecutively or each publication is dated.

Museum - a permanent non-profit -seeking institution at the service of the community and its development which is open to the public and which carries out research into man and his environment, acquires and preserves tools used by man, exhibits them and provides information about them for the purposes of study, education and leisure.

Table: Fisheries and Maritime Transport

Source:
Fishing Statistics

Definitions:
Catch Landed - weight of fish and fish products unloaded. This represents the net weight at the time the fish and fish products are off-loaded (eviscerated, filleted, frozen, salted, smoked, dried, tinned, etc).

Registered Fisherman - professional fisherman who carries out his fishing activity and is registered with a port authority or a shipping delegation.

Symbols and Abbreviations

<	Less than
≥	Greater than or equal to
:	Not available
‰	Per thousand
CN	Nominal Heads
No.	Number
Distrib.	Distribution
Emp.	Employment
PTE	Escudos
EUR/EU	European Union
Mfr.	Manufactured
m	metre
M	Male
F	Female
M+F	Total of Male and Female
ha	Hectare
Inhab.	Inhabitant
Ind.	Industry
km	Kilometre
Mach.	Machinery
NUTS	Nomenclature for Territorial Units for Statistics
GDP	Gross Domestic Product
Pop.	Population
Prod.	Production
SA	Limited Company
Soc./Fab.	Enterprise
sq.	square
t	Tonne
ALU	Annual Labour Unit
GVA	Gross Value Added

Key for Maps

	Aerodrome
	International Airport
	Port
	Portugal's Capital
	District Capital
	<i>Concelho</i> Capital
	City
	Railway
NUTS II Maps	
	Expressway, Main / Alternative Route
NUTS III Maps	
	Expressway
	Main / Alternative Route
	Road
	Metropolitan Area of the District capital
	Natural Parks
	Lagoons, Lakes and Ponds
	Main Rivers
	Portugal
	Spain
	Atlantic Ocean
	NUTS II
	NUTS III

NUTS equivalency to the domestic administrative divisions

	NUTS I		NUTS II		NUTS III	
Portugal	Mainland	1	Commissions for Regional Co-ordination	5	Groups of <i>Concelhos</i>	30
	+ Autonomous Regions	2	+ Autonomous Regions	2		

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	1 ECU =			

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A detailed presentation is given of the 7 NUTS II regions and the 27 NUTS III regions which Portugal is divided into. The layout for each presentation is identical and consists of statistical tables, graphs, maps and comments with a view to pointing out each region's strong and weak points, population structure and change in population, the labour market, the economic fabric, the health and education systems and the environment. The historic influence which the sea has had on the regions of Portugal has also not been left out.

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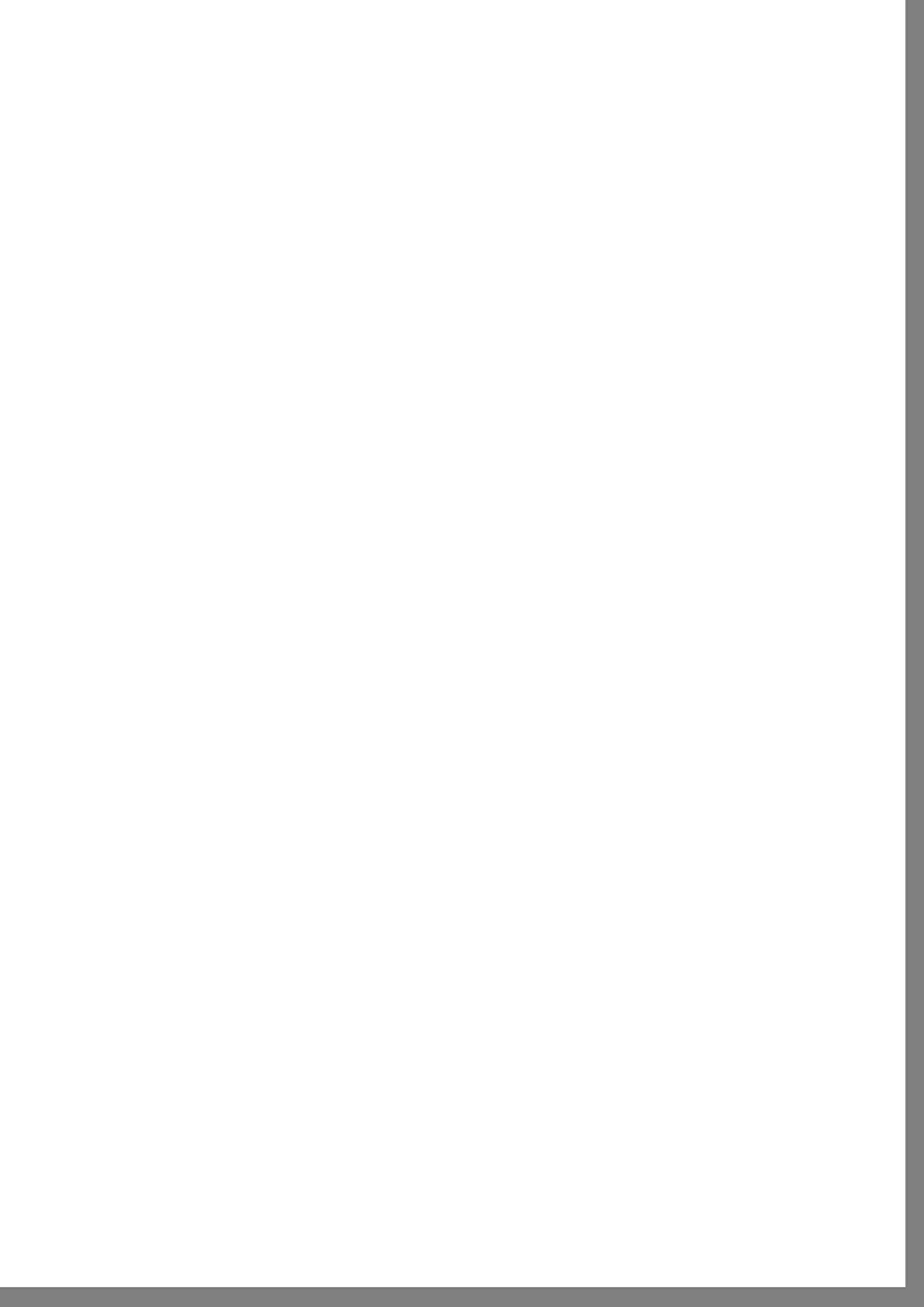
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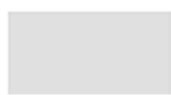
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