

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(81) 122 final

Brussels, 23 March 1981

Recommendation for a
COUNCIL DECISION
concerning negotiations under Article XXIV(6) of the General Agreement
on Tariffs and Trade

Draft Decision
of the Representatives of the Governments
of Member States of the ECSC
meeting in Council regarding the opening
of tariff negotiations under Article XXIV(6)
of GATT

(submitted to the Council by the Commission)

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EXPLANATORY MEMORANDUM

1. On joining the European Communities Greece was required to adopt the Common Customs Tariff and other common rules and regulations, notably concerning agriculture. Some of the obligations towards non-Community countries under the General Agreement on Tariffs and Trade (GATT) which Greece can no longer fulfil have been replaced by fresh obligations contracted by the European Communities as a result of Greece's Accession.

2. The GATT Contracting Parties are carrying out a detailed review to see that Greece's accession has not contravened GATT Article XXIV(5)(a), which provides that:

"with respect to a customs union, or an interim agreement leading to the formation of a customs union, the duties and other regulations of commerce imposed at the institution of any such union or interim agreement in respect of trade with contracting parties not parties to such union or agreement shall not on the whole be higher or more restrictive than the general incidence of the duties and regulations of commerce applicable in the constituent territories prior to the formation of such union or the adoption of such interim agreement, as the case may be ...".

A preliminary balance sheet drawn up by the Commission indicates that all the conditions set out in the article are fulfilled.

3. Article XXIV(6) of the General Agreement stipulates that:

"If, in fulfilling the requirements of sub-paragraph 5(a), a contracting party proposes to increase any rate of duty inconsistently with the provisions of Article II, the procedure set forth in Article XXVIII shall apply."

This means that the Community must unbind Schedule XXV of Greek concessions and make any other changes required in negotiations under Article XXIV.

4. Renegotiations would be on a smaller scale than the ones which took place at the time of the first enlargement, since Greece's external trade is not so great as that of the three new Members of 1973 taken together. On the whole, the incidence of this second enlargement on the GATT Contracting Parties is clearly positive. But although it is thus in a credit position, the enlarged Community must fulfil its obligations under Article XXIV(6) which deals with the bilateral effects of enlargement.

5. In order that it may open the necessary negotiations, the Commission hereby recommends that the Council adopt a decision under Article 113 of the Treaty of Rome authorizing the Commission to enter into negotiations under Article XXIV(6) of GATT. (Annex 1)

6. The Commission recommends likewise the adoption of a decision by the Representatives of the Governments of the Member States of the European Coal and Steel Community, meeting in Council, with a view to authorizing the opening of negotiations in the name of the Member States on the products covered by the European Coal and Steel Community (Annex II).

RECOMMENDATION FOR A COUNCIL DECISION

concerning negotiations under Article XXIV(6) of the General
Agreement on Tariffs and Trade

The Council of the European Communities,

Having regard to the Treaty establishing the European Economic Community,
and in particular Article 113 thereof,

Having regard to the Recommendation from the Commission,

Whereas following the enlargement of the Community the Hellenic Republic's
tariff concessions have to be renegotiated in accordance with
Article XXIV(6) of the General Agreement on Tariffs and Trade,

HAS DECIDED AS FOLLOWS:

Sole Article

The Commission is hereby authorized to enter into negotiations under
Article XXIV(6) of the General Agreement on Tariffs and Trade.

The Commission shall conduct the negotiations in consultation with the
Special Committee provided for in Article 113 of the Treaty, which will
assist it in its task.

Done at Brussels,

For the Council,

The President

Draft Decision
of the Representatives of the Governments
of Member States of the ECSC
meeting in Council regarding the opening
of tariff negotiations under Article XXIV:6
of GATT

The Representatives of the Governments of the Member States of the European Coal and Steel Community meeting in Council,

Having taken note of the communication of the Commission,

WHEREAS, following the enlargement of the Communities, according to the provisions of Article XXIV, paragraph 6 of the General Agreement on Tariffs and Trade, the tariff concessions of the Hellenic Republic have to be subject to renegotiation

HAVE DECIDED AS FOLLOWS:

1. The Commission is requested to enter into negotiations under Article XXIV:6 of the General Agreement on Tariffs and Trade in respect of products covered by the European Coal and Steel Community.
2. The Commission will undertake these negotiations with the assistance of representatives of Member States.