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COMMON MARKET SPEEDS UP CUSTOMS UNION

Internal Tariff Cuts, Move Toward Common External Tariff Accelerated

The Common Market has decided to advance still further the pace of internal tariff cuts and the move toward a single external tariff for the whole European Community.

Decisions taken by the Council of Ministers on May 15 put the Community two and a half years ahead of the Rome Treaty schedule.

On the basis of the Council decision, already decided in principle in April, the Community has made additional internal tariff cuts of 10 per cent on industrial goods and of 5 per cent on some agricultural goods, effective July 1.

Internal duties on industrial goods thus have been cut to a total of 50 per cent of the level in force on January 1, 1957, the base date chosen in the Treaty of Rome. As originally scheduled in the Treaty, the cuts would not have amounted to 50 per cent until the end of 1964.

Duties on an agreed list of farm products have now been reduced by a total of 35 per cent, effective July 1. This compares with a general reduction of only 30 per cent envisaged under the Rome Treaty by the end of 1962.

The list of agricultural products includes some livestock, meat other than beef and pork, fish, coffee, tea, cocoa, and some canned foods.

The second move toward the Common External Tariff, which will now take place on July 1, 1963—two and a half years ahead of schedule—will bring the six countries' external tariffs 30 per cent closer—either up or down—to the Community's Common External Tariff. The gap between national tariffs and the Common External Tariff will then have been reduced by 60 per cent, while the Common External Tariff will be applied on goods for which national duties did not vary by more than 15 per cent above or below the External Tariff.

The new move was "essentially political," said Giuseppe Caron, vice president of the Common Market Commission. "The maximum length of the transition period in the Treaty (12-15 years) reflected an understandably cautious attitude regarding the ability of the six countries' economies to adapt themselves to the new situation, and the speedy adaptation of all sectors of the economy to the challenge of the new market has enabled us to move ahead more quickly."

Signor Caron is chairman of the Common Market committee dealing with customs questions. The committee was set up in April and is composed of the heads of the customs departments of the six governments and members of the Common Market Commission.

IN THIS ISSUE

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PARTNERSHIP IN AFRICA

Draft Convention of Association Drawn Up

The Council of Ministers of the European Economic Community has agreed in principle on a draft convention of association to be negotiated with the African states, renewing the present convention which expires at the end of this year.

A total of about $780 million in aid over a five-year period will be offered to the African associates—Cameroon, Central African Republic, Chad, Congo (Brazzaville), Congo (Leopoldville), Dahomey, Gabon, Ivory Coast, Rwanda and Burundi, Mali, Mauritania, Niger, Senegal, Somalia, Togo, Upper Volta, and Malagasy.

The new trade arrangements would continue generally on the lines laid down in the Common Market Treaty. This represents an important victory for the associated African countries and for those Community countries which believe trade between the two groups should be on a preferential basis. The African associates eventually benefit from free entry for all their products into the European Community. While in general granting similar rights to Community goods imported into their territory, the associated states will be able to protect their new industries by imposing customs duties on Community goods and to raise revenue by levying fiscal duties.

Other points included in the draft:

Trade

• On January 1, 1963, customs duties on certain tropical products imported from the African countries will be abolished by the Community. At the same time the Community will put into effect the Common External Tariff—reduced by an amount still to be negotiated—for these products coming from other sources.

• The Community will take steps to see that coffee and bananas from the African countries will find markets in the Community equivalent to those they now have.

• Safeguard clauses may be used by the Community and the associated states—especially by the latter—in applying tariff and quota restrictions.

• Help will be given by the Community to certain producers.

• The Community will study ways of increasing consumption of tropical products and will consult with its African partners on concerted international action to sell them.

Financial and Technical Cooperation

A new enlarged Development Fund is to be created. Its activity will no longer be limited to grants; it will be widened and diversified. The Fund will have three main tasks:

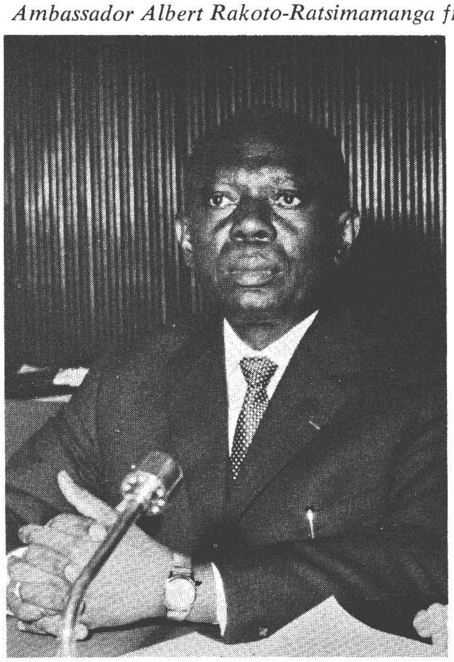
1. *Strengthening the economies of the African states and raising their level of investment.* Aid will be given in various forms, including loans at special rates for projects concerned with the economic and social structures of these countries and at normal rates for projects likely to yield an economic return.

2. *Stabilizing commodity prices.* Short-term fluctuations will be countered by financial assistance.

3. *Technical assistance.* This will be given through investment projects and by a program of scholarships.

The Community will also study the measures necessary, both by its own members and by the African states, to encourage private investment and steps needed to adapt existing forms of production so they may become competitive in world markets.

Ambassadors representing the African associated countries in Brussels include (left to right) Ambassador G. Damas from Gabon, Ambassador Albert Rakoto-Ratsimamanga from Malagasy, and Ambassador J. Hunlede from Togo.



Development Fund to Spend $200 Million

The European Development Fund has earmarked $200 million to be spent on aid projects in the associated African countries and Malagasy during 1962, the final year of its operation under the present convention of association.

Established in 1958, the Fund has expended $277 million for economic and social development in the associated overseas countries during the first four years of its existence. Of projects thus far approved by the European Development Fund, 91 are under way and three have been completed.

Range of Projects

The wide range of the Development Fund's work can be seen in some of the projects and financing agreements it has approved. A project to extend a native *tea-growing* area in the Ruanda-Urundi area, approved in January, is part of a wide program to raise tea production in the country to 25,000 tons by 1972.

Construction of a *training college* for secondary school teachers in Brazzaville was approved by the Common Market Commission last December. The college will draw students from the four states of Equatorial Africa—Congo (Brazzaville), Gabon, Central African Republic, and Chad—and will enable these states gradually to train their own secondary school teachers, to replace those provided by the French Technical Assistance Service. Total cost of the training college will be about $1,053,000, and the United Nations Special Fund will supply teaching materials and cover the staff salaries for a minimum of five years.

Another project approved is the financing of a *railway development* to add 205 miles of track to the Cameroon State Railway System. The Development Fund will contribute 65 per cent of the cost of laying the track, pending agreement by the United States Government to provide the remaining 35 per cent and by the French Government to pay for the surveys and rolling stock.

In April the Commission approved financing for construction of a *drainage system* and the raising of low-lying areas in Gabon's capital, Libreville, at a cost of $972,000. It also approved an appropriation of some $131,000 for modernization of an Upper Volta *eye clinic* which already treats an average of more than 800 patients daily.

One African goal is to replace wells like these with efficient, sanitary water systems.

Construction and equipping of 441 *classrooms* in state schools in Senegal was authorized at an estimated total cost of more than $3 million. In certain areas where the school attendance rate was 18 per cent in 1961 it is hoped to raise the attendance to 30 per cent by 1964. Another project approved for Senegal is a *road survey* at an estimated cost of $1,094,000.

In June the Council of Ministers approved *transport development* projects submitted by the Republics of Chad, Senegal and the Congo (Brazzaville). The most ambitious of these is in Senegal, where $5,266,000 will be devoted to providing road communications as part of a national program of transport development.

Also in June the EEC Commission approved *social projects* for Senegal and the Republic of Cameroon. In Senegal an animal husbandry research station will be built at an estimated cost of $372,000, and a vocational training center at Dakar will be equipped to train the skilled workers needed to develop the country's industry.

The project for Cameroon is provision of a water supply for the town of M'Balmayo. Most of the water, now brought to the town by tanker truck, is unfit for drinking, and parasitic disease is widespread. The European Development Fund will contribute $277,000 to get water from the Nyong and pass it through a purification plant to a reservoir, then to feed it through a network of mains by gravity to private houses and street fountains.

New Joint Development Institute Proposed

The Common Market Commission has proposed that a new Joint Development Institute be established to carry on the work of the European Development Fund, starting in January 1963.

The proposal is included in the new draft convention between the Common Market and the associated African countries; the High Authority of the ECSC and the Euratom Commission have agreed to the plan.

The new Joint Development Institute would operate on an equal basis, with the supervisory bodies drawn in equal strength from the Community countries and the associated countries. At present the allocation of the European Development Fund is administered by the Community alone.

The proposed Institute would be operated as an open organization ready to accept new members from outside the association.

Percentage of GNP Devoted to Aid by Top Aid-Granting Nations in 1960

France	1.59	Germany	0.56
Portugal	1.52	Netherlands	0.47
Belgium	0.85	Japan	0.44
United Kingdom	0.64	Italy	0.42
United States	0.59	Canada	0.21

—Excerpted from an article by Frank M. Coffin, Deputy Administrator, U.S. Agency for International Development.

EEC Increases African Scholarships

The Commission of the European Economic Community is playing an increasing role in providing technical training and other educational facilities for African students in Europe.

In addition to the numerous schools and colleges being built in the associated African countries with the aid of the European Development Fund, the Commission has established scholarships in Europe for students from African countries which do not yet offer opportunities for specialized study.

The number of scholarships provided by the Common Market Commission for students from Africa and Malagasy has risen from 70 in the 1960-61 academic year to 350. Most of the students are being trained in three main fields—economics and finance, agriculture, and technology. In choosing between these three fields, 37 per cent of the students selected economics and finance, 22 per cent agriculture, and 35 per cent technological subjects (other fields account for 6 per cent).

Academic Level Varies

Some 63 per cent of the students coming from the African countries have secondary education, 20 per cent have taken advanced courses, and 16 per cent have studied for professions. The scholarship winners are selected on the basis of the contribution they may be able to make to the most important development needs in their countries. The Common Market Commission makes the final choice from candidates nominated by a selection committee set up in each associated country. Scholarship holders have come from all the associated countries, and a few also come from the English-speaking African countries. The largest contingents are from the Congo (Leopoldville), 61; the Malagasy Republic, 53; Congo (Brazzaville), 36; Gabon, 35; and the Ivory Coast, 33. The scholarships cover one year's study.

No Language Difficulty

A majority of the students are studying in France and Belgium because most of them come from French-speaking African countries; in the other Community countries students have been given special language courses when necessary. Thirty per cent of the students are located in France, 29 per cent in Belgium, 18 per cent in Germany, 14 per cent in Italy, 7 per cent in the Netherlands, and 2 per cent in Luxembourg.

Together with other African students in Europe, the scholars are also given opportunities of studying the work of the Common Market at four-day seminars organized in universities of the six Community countries.

The Common Market has also provided in its offices in Brussels places for one *stagiaire* (trainee) a year from each associated country, each training period lasting from four to nine months, according to the individual student's needs.

In addition, since 1958 more than 1,000 African students located in Europe have attended conferences at the Common Market headquarters in Brussels and studied its organization.

The EEC Commission plans to enlarge these programs in the coming academic year.

EEC ACTS AGAINST U.S. TARIFF INCREASES

The European Economic Community will raise import duties, effective August 1, on five products exported by the United States. This is retaliation for the United States' increase in duties on sheet glass and carpets, announced in March.

The EEC Council of Ministers decided on June 5 to revoke concessions granted during the GATT negotiations to the U.S. on five items and to apply external tariff duties on these products as follows:

Product	Pre-negotiated Tariff	GATT-negotiated Concession to U.S.	Aug. 1 Rate
Polyethylene	20 per cent	20 per cent	40 per cent
Polystyrene	20	20	40
Synthetic cloth	21	17	40
Artificial cloth	20	16	40
Varnishes and paints	19	15	19

As shown above, the tariff on varnishes and paints was restored to its level prior to the GATT negotiations, while the duty on the four other items was doubled or more than doubled.

The U.S. increase of duties affects a total volume of exports from the Community worth about $27 million and most severely affects Belgium, which is the main supplier of glass and carpets. The Community's action, in response, affects a total volume of U.S. exports of approximately the same value, $27 million.

The United States' decision, announced March 17, raised duties on carpets from 21 per cent of value to 40 per cent, and on glass the increases varied from 73 per cent to 150 per cent according to size and thickness. Effective as of June 17, the increase was originally scheduled to be applied two months earlier but was postponed by the U.S. following a Belgian request.

The United States Government announced on June 5, the day of the Common Market Council decision, that it had made an offer amounting to partial compensation of the losses caused to foreign carpet and glass industries. This was done in response to a Common Market request for such compensation in the form of lower tariffs on other goods, in accordance with the rules of the General Agreement on Tariffs and Trade.

Both the United States, in its March tariff increase, recommended to the President by the U.S. Tariff Commission, and the Common Market, in taking its retaliatory measures, were acting in accordance with provisions of Article XIX of the GATT agreement.

GATT NEGOTIATIONS PRODUCE MAJOR TARIFF CUTS

British-Community Agreement Concluded

A tariff agreement between the European Economic Community and Great Britain, following the recent agreement between the United States and the Community, virtually completes negotiations which have brought about the largest reduction of tariffs on a world scale in this century.

The negotiations, conducted in the framework of the General Agreement on Tariffs and Trade (GATT), were engendered largely by the Community's gradual adoption of a Common External Tariff and its offer to reduce this tariff by 20 per cent under conditions of reciprocity.

Large Volume of UK Goods Affected

The agreement between Great Britain and the Community was announced on May 17 in the House of Commons by Frederick Erroll, president of the Board of Trade. It was the culmination of protracted negotiations, going back to the fall of 1960.

The volume of Britain's export trade on which the Community granted tariff cuts was worth $664 million in 1959—roughly 4 per cent of the country's total foreign trade that year. The reductions, mainly of 20 per cent, will have their full effect on British exports when the Community's Common External Tariff replaces individual national duties, by 1970 at the latest. Britain is expected to make its tariff cuts this fall.

The volume of Community exports to Britain to benefit from the cuts equaled $322 million in 1959. Thus, while Britain will make its cuts sooner, the EEC's concessions are on a much larger volume of goods.

U.S.-EEC Hold Two Rounds

The first step toward the U.S.-EEC agreement was taken in May 1959, when the Eisenhower Administration proposed talks with the Community within the GATT framework.

Negotiations were held starting in September 1960 to compensate for the withdrawal, through application of the Community's Common External Tariff, of some concessions previously granted by the six EEC members to other members of GATT. Then the second phase, the "Dillon round," of negotiations began on May 29, 1961, conducted by Treasury Secretary C. Douglas Dillon, then Under Secretary of State. Trade agreements between the U.S., the EEC, and 25 other nations were then signed in Geneva March 7, 1962.

In the Dillon round the U.S. received tariff concessions from the Community on an annual trade volume estimated at $1.6 billion, against cuts on annual Community imports worth $1.2 billion. In the preceding compensatory negotiations, the U.S. had received tariff reductions on an annual volume of $2.7 billion in exports to the Community, replacing concessions withdrawn or modified on a volume of $1.6 billion.

U.S. products particularly benefiting were automobiles and parts, chemicals and pharmaceuticals, industrial and electrical machinery, textiles, canned and preserved fruits, and fats and oils. Principal concessions granted by the U.S. were on automobiles, certain classes of machinery and electrical apparatus, certain types of steel products, and some classes of glassware.

GATT Members Benefit

Most of the cuts obtained from the Community were of 20 per cent, but there were individual variations. All the cuts, by both sides, are to be extended to the other GATT member countries under the most-favored-nation clause.

A Community offer to negotiate a further round of substantial cuts, made in November 1959, remains open. The U.S. response will depend largely on the future of the Administration's Trade Expansion Act, now in Congress.

The GATT tariff cuts benefited both U.S. and Community automobile manufacturers, shown here exhibiting samples of their wares at a Paris exposition.

U.S. TRADE BILL IS HISTORIC MILESTONE Protectionist Move Fails

The U.S. Administration's Trade Expansion Act of 1962, which represents a historic shift in U.S. trade policy, went to the Senate for consideration after passing the House of Representatives by a vote of 298 to 125 on June 29.

A half hour before its passage in the House, a move sponsored by protectionist members and providing merely for a one-year extension of the 1934 Reciprocal Trade Agreements Act, was defeated by a 253-to-171 vote.

The bill gives the President unprecedented tariff-cutting powers. Designed to improve the United States' bargaining position in the new contour of world trade, the Act as it now stands represents basically the measures the Administration requested.

Major Points of Bill

The key provision of the trade bill gives the President power to cut tariffs as much as he thinks advisable—even to zero—on categories of commodities in which the U.S. and the European Economic Community account for 80 per cent or more of world trade.

The bill also gives the President authority to reduce existing tariffs by as much as 50 per cent during the next five years.

Other authority granted to the President:

1. Special authority to reduce or eliminate tariffs on tropical commodities, such as those produced primarily in Latin America and Africa, if the EEC agrees to take similar non-discriminatory action and if the commodity is not produced in significant quantities in the U.S.
2. Low-duty authority: to eliminate tariffs now set at 5 per cent or less.
3. Authority to reduce tariffs more than 50 per cent on agricultural commodities if the President considers such reduction benefits the maintenance or expansion of U.S. exports of such products.

The bill also authorizes the President to impose trade restrictions on any product if he considers such action to be in the interest of national security.

Tariff Adjustment Assistance

The new measure, as sent to the Senate, authorizes adjustment assistance for both firms and workers adversely affected by tariff reductions.

Assistance to companies would include: (1) technical assistance; (2) loans and loan guarantees; (3) tax relief in the form of permission to carry back operating losses for a five-year period and receive tax refunds. The aid would be administered by existing agencies.

Workers who lost their jobs because of tariff reductions would, if they qualify according to provisions of the bill, be eligible for readjustment allowance amounting to 65 per cent of their weekly pay or 65 per cent of the average weekly manufacturing wage, whichever is less. This section of the bill also provides for retraining of workers for other employment and relocation allowances to assist families of adversely affected workers to move to other areas offering better employment conditions.

General Provisions

The bill now includes a prohibition against trade concessions to any nation engaging in discriminatory trade practices—a measure which could be applied to improve the position of U.S. agriculture, for example. The President could, however, ignore the provision if he considered that his refusal to negotiate would harm world trade.

Under the bill, the President may be overruled by a majority vote of both the House and the Senate if he ignores a Tariff Commission recommendation for tariff boosts. Such a congressional veto would first have to clear the House Ways and Means Committee and the Senate Finance Committee, however.

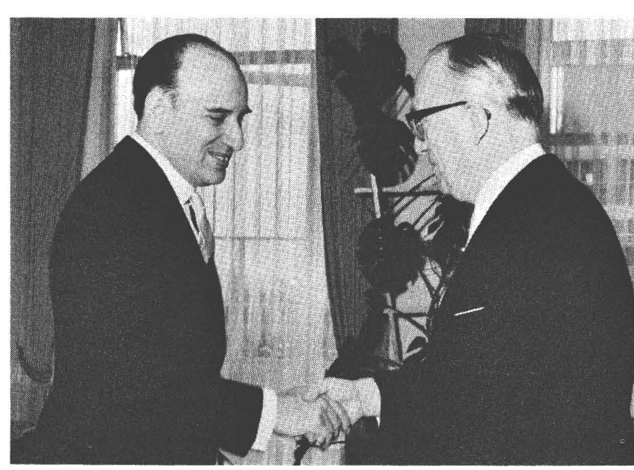
The bill creates the post of chief negotiator with ambassadorial rank to conduct U.S. trade negotiations.

Tariff reductions made under the new bill would be generalized on a most-favored-nation basis except in the case of Communist bloc nations, including Poland and Yugoslavia.

Portugal Asks for Common Market Talks

The Portuguese Government has asked the Common Market Council of Ministers for an opportunity to open negotiations on future relations between Portugal and the European Economic Community. The letter asking for negotiations was given to the Council of Ministers on June 4.

The Portuguese Government did not ask for any specific arrangements in its letter, and the question of Portugal's relationship with the Community will be left until the talks. The request means that all seven countries of the European Free Trade Association (EFTA) have now applied to the Common Market to consider a new relationship. Three—Great Britain, Denmark, and Norway—have asked for full membership. Three, the neutrals—Austria, Sweden, and Switzerland—have asked to negotiate with a view to possible association.



Dr. Walter Hallstein, president of the Common Market Commission, received Ambassador José Tomas Cabral Calvet de Magalhaes, chief of the Portuguese Mission accredited to the EEC, on June 1.

KHRUSHCHEV ATTACKS COMMON MARKET

The Soviet Union's Premier Nikita Khrushchev has sharply attacked the Common Market in several recent meetings and press conferences.

In a speech May 30 during Mali President Modiba Keita's visit to Moscow, Premier Khrushchev denounced the Common Market as "aggressive" and a device "to harness a number of liberated countries to the economy of the imperialist states and to keep them in bondage." "It is," he said, "a state monopoly agreement of the financial oligarchy of Western Europe which the aggressive quarters of imperialism use with the object of strengthening NATO and stepping up the arms race."

As a counter to the European Community he called for a United Nations conference on international trade which would set up an organization to "deal with the trade of all regions of the world on a basis of non-discrimination." The Soviet premier did not elaborate on the kind of organization he had in mind but declared that one was necessary "to protect underdeveloped countries against the international union of capitalist monopolies."

Premier Khrushchev made a second sharp attack on the Common Market during a surprise appearance at a reception given for Italian Foreign Trade Minister Luigi Preti in Moscow on June 7. He urged Italy to withdraw from the EEC and also from NATO and to trade with the Soviet Union.

"It's A Dirty Capitalist Trick To Make People So Well Off They Won't Know How Bad Off They Are"

Reproduced courtesy of Herblock, WASHINGTON POST CO.

Press Reaction

Premier Khrushchev's declarations received wide publicity in the world's press. Some of the comments follow:

• from London

"Communist opposition to the Common Market . . . is readily understandable. Marxists claim that capitalist countries must ultimately destroy themselves through their own economic contradictions, but the Soviet theoreticians know that the rate of growth of the economies of the Common Market countries has been rather higher than the rate of growth of the [Communist] economies over the past decade.

"The Soviet leaders must also know that their East European satellites, in particular Poland and Czechoslovakia, stand to lose part of their present and increasing trade with the West . . ."—*The Times,* London.

• from New York

"Whether he knew it or not, Mr. Khrushchev put his finger on just why he is—or should be—frightened of what is going on in Western Europe. For although space flights may be tremendous feats of technology, they provide no base for the standard of living he boasts of giving the Russian people, nor for the economic power he seeks for himself . . .

"In his denunciation of the Common Market, which we can expect to hear repeated frequently and shrilly, Mr. Khrushchev is in effect admitting that he fears his idea of 'socialist competition' with the free world, or at any rate with free Europe, is destined to fail. It is a painful and damaging admission for him to make."—*New York Herald Tribune.*

• from Stockholm

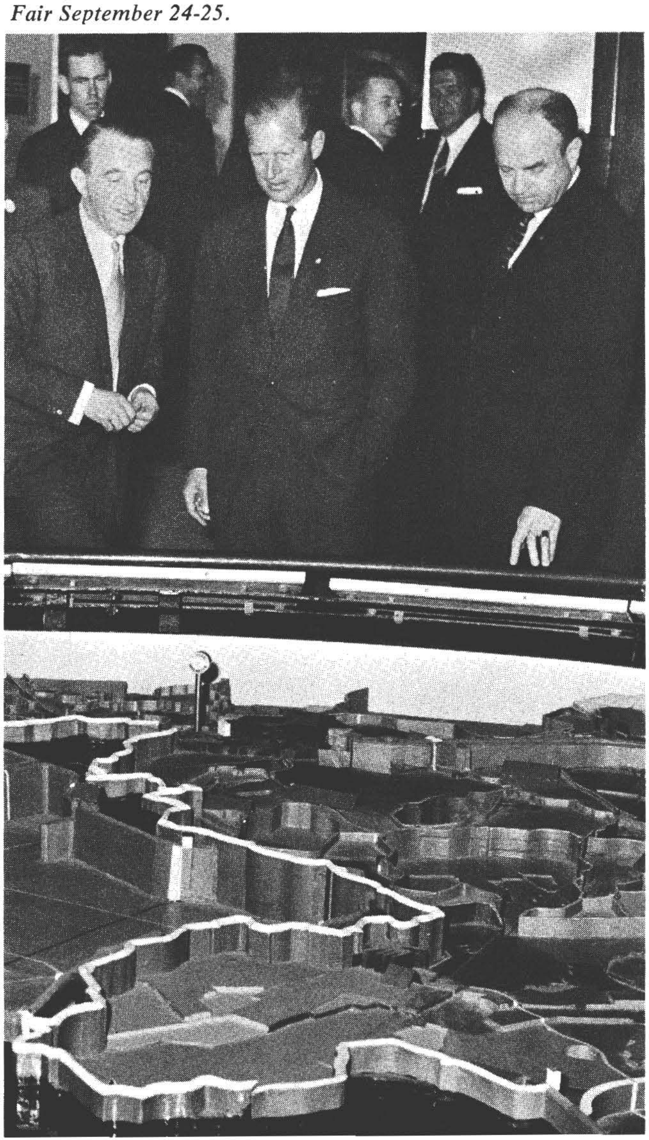
"Khrushchev's speech . . . is regarded in certain quarters as a 'declaration of war against the E.E.C.' . . . It is perfectly natural that Khrushchev should take an unfavorable view of the Common Market and travesty its aims. For the European market completely contradicts one of the main Communist theses: the idea that the so-called capitalist states are bound to become involved in mutually destructive competition.

"The pooling of powerful raw material reserves and the internal harmonization over the most varied fields, at which the Common Market aims, are a living contradiction of the Communist conception of how capitalism operates."—*Dagens Nyhetes.*

• from Frankfurt

"The Soviet Government has also 'thought up' some lamentable arguments against the Common Market. They have invented a 'collective colonialism' which is supposed to have replaced that of the former imperial colonies. They talk as if the old conception of an exchange between the colonial raw material producers and the industrialized countries is still valid, and as if the so-called capitalist West had not long ago understood that the welfare of the new nations, like that of their trade partners, lies in the all-round development of their economies, including rational industrialization. To ensure their independence, Khrushchev recommended that they instead enter into long-term trade agreements with the Soviet Union, which would bind them to the planning system of that country and deprive them of the freedom of choice offered by association with an elastic economic system."—*Frankfurter Algemeine Zeitung.*

The European Community exhibit at the Seattle World's Fair is attracting thousands of visitors, including U. S. Secretary of State Dean Rusk, on May 25, shown (top) chatting with German Vice Consul Max Rost and Italian Consul Angelino Rota. Britain's Prince Philip (directly below) saw the Community exhibit on June 21, escorted by Willem s'Jacob, of Euratom, of the Community's exhibit staff, and Ewen Dingwall, Fair manager. The Community will observe "European Days" at the Fair September 24-25.



ECSC AUTHORIZES NEW STEEL

The High Authority of the European Coal and Steel Community has authorized the establishment in Belgium of a steel plant by SIDEMAR, a new company held jointly by four important steel-producing groups in Belgium, Luxembourg and France.

The plant will be located on the coast, not far from Ghent. The new company is composed of ARBED, Luxembourg; Schneider et Cie. and associates, Paris; COBEPA, Phenix Works, and associates, Brussels; and Société Générale de Belgique, Cockerill-Ougrée and two associates.

The plant will have facilities for loading and unloading heavy iron-ore carriers and for preparation of iron ore L. D.-process steelworks with three converters, a slabbing mill, a continuous hot strip mill and a tandem cold-rolling mill with four stands. Its output capacity of crude steel was originally estimated to reach 1.5 million tons by 1965, but SIDEMAR has announced its intention to reduce its output in line with the High Authority's advice to steel producers on overcapacity. The new SIDEMAR estimates are not yet available.

SIDEMAR and the Coal-Steel Antitrust Laws

The steel producers which have set up SIDEMAR made a limited application to the High Authority to establish a "joint undertaking for manufacture of crude steel and sheet steel," using imported iron ore. The High Authority gave the new enterprise its authorization April 25 on the basis that SIDEMAR will limit its output to these products. An extension of SIDEMAR's activity to other rolled steel products would require another authorization from the High Authority, as would the admission of other groups or companies to the new company. Nevertheless SIDEMAR demonstrates a new aspect of concentration of steel interests, and

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ECSC INVITES BRITAIN TO OP

The European Coal and Steel Community has invited the British Government to begin talks on July 17 on Britain's negotiations for accession to the ECSC Treaty.

The Council of Ministers, meeting on June 12 under the presidency of Italian Industry Minister Emilio Colombo, agreed on the form the invitation should take, after an earlier meeting had ended without a decision being reached.

The invitation asked the British Government to give a report on its view on the Treaty of Paris at a preparatory meeting to be held in Luxembourg on July 17. At this meeting the Six were to be represented by members of their governments. At later meetings, also in Luxembourg, the actual negotiations will take place between the representatives of the six Community governments and those of the British Government, with representatives of the High Authority and its departments taking part. These talks will be closely related to the Common Market negotiations in Brussels.

The form the negotiations are expected to take is a compromise between the different opinions expressed at the

T BY THREE-NATION COMBINE

its formation raised the question of whether a combination of producers of this kind would in fact affect the market in coils and thin-sheet steel.

The main object of the four steel-producing groups in cooperating in SIDEMAR was to avoid the heavy cost of investing individually in new plants. They also hoped in this way to avoid overcapacity in relation to the steel industry as a whole. This is interesting in light of recent High Authority warnings of likely overcapacity for sheet and coil by 1965.

Not a Merger

SIDEMAR is not the result of a merger between the steel producers concerned, and there is no link between the four groups aside from their establishment of the new firm. While it is probable that joint control of SIDEMAR will lead to a joint policy for wide-strip and thin-sheet production, the High Authority found that the four groups would not have a dominant place among manufacturers of these products in the "relevant market" formed by the Belgium-Ruhr-Lorraine triangle. After examining the development and investment programs of the seven main steel-producing groups which account for practically the total production of wide-strip and thin-sheet steel in this market, the High Authority found that, taken together, the companies forming SIDEMAR hold only fifth place. It was therefore the opinion of the High Authority that SIDEMAR and the four holding groups will not be able to restrict competition in the thin-sheet market. The S.A.Forges de la Providence which (as an associate of the group including the Société Générale de Belgique) has an interest in SIDEMAR has, however, been asked to sever the connection between one of its subsidiaries and USINOR, another producer of cold-rolled thin sheet.

GOTIATIONS

previous session of the Council at which Britain's accession was discussed. According to Article 98 of the Treaty, any European state may request to accede to it; but the Treaty does not provide for a request for negotiations as made by the British Government.

The French Government held that this meant that the talks would have to be undertaken separately between the British Government and the six Community governments and that the Community itself cannot negotiate. The other member governments felt that the Community Council of Ministers should act as the ECSC's representative with the assistance of the High Authority as executive agency of the Coal and Steel Community.

Britain's accession would necessitate a revision of the Treaty as far as the composition of the Community's institutions and their voting powers are concerned. This and other revisions, which may be necessary after negotiations are completed, require unanimous approval by a conference of the six governments and subsequent ratification by the member states.

Filing Date Extended for Antitrust Questionnaires

The European Economic Community has extended the filing date for submission of antitrust questionnaires in accordance with Regulation 17 from August 1 to November 1.

The EEC Council of Ministers accepted the extension on July 3, as proposed by the EEC Commission and recommended by the European Parliament.

The Parliament added the proviso, approved by the Council, that for "old cartels," consisting of only two enterprises, the final filing date be further extended to February 1, 1963. (The term "old cartels" refers to those in existence before Regulation 17 went into effect — March 13, 1962.)

Regulation 17 governs the application of the antitrust provisions of the Treaty of Rome. The primary provisions are contained in Article 85, which bans all agreements between firms or groups of firms which are likely to affect trade between member states and which have as their aim or result the prevention, restriction or distortion of competition within the Common Market; and Article 86, which prohibits one or more firms from exploiting a dominant position in the market insofar as this would affect trade between the member countries.

The antitrust questionnaires are for use of firms submitting details on any agreements, decisions and concerted practices referred to in Articles 85 and 86 of the Rome Treaty.

The questionnaires also concern United States firms whose European operations may fall under terms of Regulation 17.

$25 Million High Authority Loan in U.S.

The High Authority of the European Coal and Steel Community has floated a $25 million loan in the U.S. capital market. The offering was made on May 16 and was oversubscribed in a few hours. The loan, arranged by three U.S. firms, Kuhn-Loeb, First Boston, and Lazard Frères, comprised 20-year sinking fund bonds at 5¼ per cent, issued at 99.

This is the High Authority's fifth U.S. loan. Previous loans were for $100 million contracted with the U.S. Government in 1954; for $35 million floated on the capital market in 1957; for $50 million in 1958; and for $35 million in 1960. Total loan funds raised by the High Authority for the Community's coal and steel industries now amount to $275.6 million; further loans amounting to $23.7 million have been raised for housing projects.

The loan was limited to $25 million after the Community finance ministers recommended that the U.S. balance of payments situation should be taken into account. This is therefore the smallest loan the High Authority has floated in the United States. It will probably be followed by the floating of a further loan in Switzerland.

The funds raised will be re-loaned to Community coal and steel firms for investment projects.

EURATOM PLANS NEW $425 MILLION PROGRAM

The European Atomic Energy Community has been authorized to carry out a new $425 million five-year atomic energy research program.

The approval of the Community's second five-year research program (1963-67) for wide-ranging research in the peaceful development of the atom came on June 19 from the Euratom Council of Ministers.

Of the total amount, $200 million will be used to develop Euratom's joint research centers. There are now four such centers—in Ispra, Italy; Geel, Belgium; Karlsruhe, Germany (F.R.); and Petten, Netherlands.

Research Contracts To Be Expanded

The remaining $225 million will be earmarked for research contracts for specific and limited purposes and also for "contracts of association" which concern wider and more long-range research objectives. The latter contracts involve existing or new atomic research projects undertaken by European public or private establishments and call for joint financing, management, and sharing of results.

To carry out the new program, Euratom will be required to recruit a research staff of 3,200 persons. The present Euratom research staff is approximately 1,300.

For its 1958-62 program, Euratom allocated $215 million and spent $195 million, leaving $20 million to be allocated in the new program. The total available for the expanded 1963-67 program will therefore be $445 million, more than double the expenditure for the first five-year program.

Allocations for the 1963-67 Research Program

Research establishments:	$ millions
Ispra	72
Karlsruhe (Transuranian Elements Institute)	25
Petten	19
Geel (Central Nuclear Measurements Bureau)	11
Training	3
Documentation	9.5
ORGEL (heavy water-moderated, organic liquid-cooled reactor experiment)	57
Advanced gas reactors (including Euratom's participation in the 'Dragon' project)	25
Fast reactors	73
'Proven reactors' and their industrial development	29.5
New reactor types	9
Joint operation and exploitation of (Belgian) BR-2 materials-testing reactor	12
Treatment of irradiated fuel	14
Treatment of waste	5
Nuclear ship propulsion studies	7.5
Health protection and biological research	17.5
Radioisotopes	5
Thermonuclear fusion studies	31

The cornerstone of the new building for the European school at Mol, Belgium, was laid April 12. Pierre Chatenet, president of the Commission of the European Atomic Energy Community, officiated at the ceremony. The school, one of the four European Schools, now has 370 pupils and, with the new building, may expand to 1,000.

Community to Hear Three Neutrals

The Common Market Council of Ministers has invited the three neutral countries of the European Free Trade Association (EFTA)—Austria, Sweden, and Switzerland—to hold discussions with Common Market officials at the end of July or in September. The invitation came as a reply to the three governments' joint request for negotiations with a view to possible association with the Common Market.

The invitation, sent on May 28 by the chairman of the Council of Ministers, indicated that the talks would be regarded simply as preparatory discussions, in which the parties could examine the questions raised by the possible association of the three countries, without committing themselves to any specific positions.

BRITISH-COMMON MARKET NEGOTIATIONS DEAL WITH COMMONWEALTH MANUFACTURED PRODUCTS

Britain and the Six have reached substantial agreement on one of the points of the negotiations for British entry into the Common Market.

At the negotiations' seventh ministerial conference, held on May 29 and 30 in Brussels, they agreed on tariff arrangements for Britain's imports of manufactured goods from three industrialized Commonwealth countries—Australia, Canada, and New Zealand.

Under the solution agreed on, Britain would fully apply the Community's Common External Tariff to imports of manufactured goods from these three countries on January 1, 1970. (These imports now enter Britain either duty-free or with a low preferential tariff.) Britain would adjust its own tariff for these goods 30 per cent of the way toward the Common External Tariff immediately on joining the Community and would make a second 30 per cent adjustment at the beginning of 1967.

The enlarged Community would be ready to examine in 1966 and 1969, in consultation with Canada, Australia, and New Zealand, the development of its trade with these countries and to take appropriate steps in the light of circumstances and in conformity with the Rome Treaty.

Agreement on Economic Union

Announcing the agreement at a press conference after the meeting, the current chairman of the Community's Council of Ministers, Italian Commerce Minister Emilio Colombo, stressed that the agreement was the fruit of mutual concessions. The Six have acknowledged that the agreements should cover all 400 items on the list of goods presented by the British, and Britain has agreed to make the initial tariff cuts earlier than she proposed.

Signor Colombo also said there is substantial agreement on all Treaty provisions for economic union, in particular the rules of competition, freedom of establishment, free movement of labor and capital, wage policy, and social security.

Temperate Zone Farm Products A Problem

Chairman Colombo also gave details about the main point on which agreement has not yet been reached: the British request for "comparable outlets" for Commonwealth temperate-zone farm products (wheat, butter, cheese, meat) which constitute a large proportion of British imports from the Commonwealth. The Six found it difficult to accept the British formula, which appeared incompatible with the common agricultural policy, Signor Colombo declared. None of the member states had obtained such guarantees as the British sought for Commonwealth countries; other countries would be discriminated against; and the chances of world-wide solutions for marketing of temperate-zone farm products might be prejudiced, he said.

Signor Colombo said the Six had suggested alternative arrangements both for the transition phase and for the longer term. For the transition phase, arrangements should be worked out product by product, with a definite time limit for each product, he stated. For the long term, the Community would be ready to make two declarations of intention:

1. That it would undertake to follow a reasonable price policy in accordance with the Rome Treaty.
2. That it would be ready to discuss with the leading world producers questions of price, subsidies, production, and trade with a view to concluding world-wide agreements. Grains, and in particular wheat, could benefit from such arrangements.

British Consider 'Six' Views

British negotiators had stressed means of avoiding damage to the Commonwealth with regard to products for which world agreements might not have been concluded by January 1970. The Six replied that any such gap between the transitional and the long-term measures could be covered by procedures laid down in the Common Market Treaty. The British agreed to study the viewpoint of the Six on these matters.

While there are still a number of outstanding problems (discussion of horticulture and of imports of tropical products was postponed), Signor Colombo said, "We are now well advanced in negotiations between Great Britain and the Six."

EEC Applies Common 10% Duty on Personal Imports

Personal imports from outside the Common Market are subject, as of July 1, to a common tariff of 10 per cent when the value is less than $60.

At internal Community frontiers the duty rate is now 5 per cent. Recipients of gifts sent by mail also benefit from the new agreement.

Tourists and the general public may apply the new rate uniformly to their purchases abroad or they may prefer the normal rates to be applied (as might happen where the normal rate was lower).

This measure, not originally scheduled in the Common Market timetable, was taken to simplify formalities for tourists and other visitors to the six Common Market countries. By the end of the transition period, as originally planned, the duty at internal Community frontiers will be abolished.

The new tariff is limited to gifts and acquisitions of a purely personal nature and cannot be applied to commercial transactions. The customs departments of the six Community governments have agreed in principle to impose the new tariffs generally on all types of goods, with the possible exception of tobacco, spirits, and products of a similar nature.

BELGIAN COAL REORGANIZATION IN QUESTION

High Authority Opposes Formation of Belgian Directorate

The High Authority of the European Coal and Steel Community has asked the Belgian Government to reconsider its proposals for a national coal directorate in the light of a possible conflict of powers between the directorate and the ECSC.

The proposals are contained in a Belgian Act of Parliament of last November which provides for direct intervention by the Belgian Government in the operation of the privately-owned Belgian coal industry. The High Authority has requested the Belgian Government to reconsider its proposals in light of Article 88 of the ECSC Treaty.

Substantial Progress Made

Since its start in 1952, the ECSC has exerted heavy pressure on the Belgian Government and coal industry to complete the thorough reorganization essential if the industry is to maintain itself in the common market. Between 1953 and 1958 the industry received $53 million in reorganization aid from the German and Dutch mines through an ECSC compensation fund, plus another $53 million from the Belgian Government. Since then the High Authority has also authorized the Belgian Government to pay the industry approximately $36 million in reorganization subsidies for the years 1959 to 1961.

Since 1958 some 46 uneconomic, dangerous or outmoded pits have been closed in Belgium, representing nearly seven million tons of capacity. Since the start of the common market for coal and steel in 1952, productivity has risen from 1.0 to about 1.8 tons per underground manshift; and High Authority readaptation aid (for reemployment and resettlement) for roughly 38,000 Belgian miners has amounted to $12.4 million, matched by an equivalent amount from the Belgian Government. The High Authority also granted about $6.8 million from 1959 to 1961 in additional aid to miners on short-time. This year over half of the total Belgian output should come from the low-cost Campine coalfield, against less than one-third produced there before the European Coal and Steel Community began operation.

Planning Must Be on Community Basis

The High Authority has told the Belgian Government that its proposals would, without nationalizing the mines, give the directorate powers which the ECSC Treaty reserves only to the High Authority. In particular the Belgian Government proposals would allow the directorate to: (1) fix prices; (2) set up sales organizations or a single national sales organization; (3) fix production quotas.

The High Authority has told the Belgian Government that measures of this sort cannot be taken on a national basis; they can only be taken by the High Authority in the interest of the Community as a whole. The Belgian Government has answered in a letter to the High Authority that the directorate would be a form of nationalization and therefore fully permissible under the ECSC Treaty. The High Authority has rejected this view, since the proposals for a directorate in no way changed the actual ownership of the mines; it stated that a sales organization of the kind contemplated by the Belgian Government would not be a new "public company" but an illegal organization with the characteristics of a cartel.

Under Article 88 of the Treaty, the Belgian Government has six weeks to decide whether to submit new plans to the High Authority or whether to take the case to the Community Court. The Government can also ask the High Authority itself to assume the responsibility for the recovery of the Belgian coal industry, in which case the High Authority would advise the Belgian Government on the best means to achieve this end.

Belgians Question HA Action

In the European Parliament, Belgian Socialist deputies August de Block and Roger Toubeau, questioning the High Authority on its action in regard to the proposed directorate, said that the measures to reorganize the Belgian coal industry have been inadequate. The Belgian Government has also stated that the powers it seeks under the November act are necessary to ensure the industry's permanent recovery. Replying to the parliamentary question put to it by MM. de Block and Toubeau, the High Authority pointed to the recent signs of strength in the Belgian coal industry.

At the same time the Belgian coal users' association has petitioned the High Authority to end the continued isolation of the Belgian coal industry; they claim the industry no longer needs special treatment and that protection has raised the prices for Belgians, while they remain lower elsewhere in the Community.

President Hallstein Honored in U.S.

Dr. Walter Hallstein, president of the Commission of the European Economic Community, visited the United States in June to receive honorary degrees from three U.S. institutions.

Colby College, in Waterville, Maine, awarded Dr. Hallstein the degree of doctor of laws on June 11. He received an honorary doctorate June 13 at Adelphi College, Garden City, New York. On June 14 Harvard University awarded the Common Market President its honorary degree of doctor of laws.

All the institutions honored Dr. Hallstein for his achievements as an educator, as an official of the government of the Federal Republic of Germany, as a key figure in the founding of the European Communities, and as head of the executive body of the Common Market. While in the U.S., Dr. Hallstein had conversations with United Nations Secretary General U Thant. He also addressed the first jointly-sponsored public meeting of the Chambers of Commerce of the six EEC member states June 12 in New York.

COMMUNITY COURT UPHOLDS ECSC BAN ON RUHR COAL CARTEL

The European Community's Court of Justice on May 18 upheld the ECSC High Authority's decision rejecting the Ruhr coal industry's application to set up a single sales organization.

The Court's decision established clearly that:

1) A single sales organization grouping all or most of the Ruhr mining companies is not compatible with the Treaty of the European Coal and Steel Community.

2) The maintenance of the various mechanisms common to the three existing sales organizations (into which the High Authority split GEORG, the monolithic Gemeinschaftsorganisation Ruhrkohle, in 1956) is also incompatible with the ECSC Treaty.

The Court held that the proposed sales organization would have the power to determine prices and would therefore affect the balance of the coal market. The Ruhr coal producers, supported by the provincial government of North Rhine-Westphalia, claimed that they were asking only to be allowed to fix prices in their area, and that the "determination" of coal prices generally would still be governed by the normal operation of the coal market. In 1959 the Ruhr coal mines supplied 73 per cent of the 121 million tons of coal used in Germany.

Competition Affected Locally

The judgment of the Court, in opposing the sales organization, is an important development in the interpretation of the ECSC Treaty. While the Court recognized the coal producers' distinction between "fixing" and "determining" prices, it agreed with the High Authority that in the case of the Ruhr sales organization these powers would in effect be the same. The extent of such an organization's power depends on the volume which it handles; in the case of the Ruhr, the volume submitted to its power of decision would be large, since its 38 members produce almost all of the 115 million tons extracted annually in the area. As a result, effective local competition would be eliminated between producers whose low production costs give them advantages over higher-cost producers.

. . . And Generally

The Court recognized that a main feature of the coal market is that it has a limited number of large producers, each of which already has some degree of power to determine prices. The object of Community policy toward the coal industry must therefore be to prevent a single group from acquiring a strategic position in the coal market and exerting an excessive influence on the price structure.

The fact that the Ruhr produces nearly three-fourths of the coal used in Western Germany means that the price of Ruhr coal influences prices in neighboring coal fields. The Court therefore decided that competition from other coal fields would not in itself prevent a single sales organization from determining coal prices generally.

The Court also found that the proposed sales organization's power to determine prices for the area would be little affected by pressure from other forms of energy: The major part of Ruhr coal production comprises qualities to which fuel oil offers little competition, and producers are further protected by a tax on fuel oil in their principal marketing area.

Although the coal producers claimed that the High Authority had based its decision on false statistics on the quantities of coal which would be sold by the single sales organization, the Court upheld the High Authority's view that the sales organization's exclusive right to dispose of its affiliates' coal would give it complete control over outlets for Ruhr coal.

In the view of the Court, the control of outlets and the power to determine prices would in fact allow the Ruhr sales organization to affect competition in the common market for coal "to the extent of endangering the objectives of the [ECSC] Treaty."

General Review Planned

The whole of the present system for the sale of Ruhr coal must now be reviewed. The High Authority has set March 31, 1963, as the final limit for ending the present system of three sales agencies with a central joint office, first authorized in 1956 after GEORG had been banned.

In 1960 the Ruhr coal industry again asked authorization to set up a single sales organization, which it stated was necessary to carry out reorganization of the industry. The High Authority refused its application, which it decided was incompatible with the ECSC Treaty.

Recognizing the difficulties encountered by producers in the Ruhr (and elsewhere) as a result of the coal crisis, the High Authority then proposed a modification of the antitrust clauses of the Treaty. The modification would have allowed the High Authority, in case of fundamental and persistent change in marketing conditions, to authorize joint buying and selling organizations temporarily and under its strict supervision, even if the organization gave firms the power to determine prices, to control production and marketing, or to restrict competition.

These proposals were made in July 1960 and approved by the Council of Ministers, but the Court of Justice decided they were illegal under the ECSC Treaty.

The High Authority has now asked the Ruhr coal producers to submit new proposals for sale of Ruhr coal by December 31, 1962.

European Parliament Has New President

Dr. Gaetano Martino, former foreign minister of Italy (1954-57) and a signatory of the Rome Treaties, is the new president of the European Parliament.

Chairman of the Italian Liberal Party, a former member of the Common Assembly of the European Coal and Steel Community, and a member of the European Parliament since it was created in 1958, Dr. Martino has had a distinguished political and academic career. Born in Sicily, he has been a professor at Rome University, rector of the University of Messina, vice president of the Italian Chamber of Deputies and minister of education.

MORE MOBILITY FOR COMMUNITY FARMERS

EEC Considers Measures to Aid Agricultural Immigrants

The Commission of the European Economic Community (Common Market) has sent to the Council of Ministers the first draft of a directive which would permit Community citizens to rehabilitate abandoned or uncultivated farm land in any of six member countries of the Community.

The draft directive is part of the Community's general program to remove restrictions on freedom of establishment. It provides that the member countries (Belgium, France, Federal Republic of Germany, Italy, Luxembourg and the Netherlands) should eliminate restrictions which prevent nationals of other Community countries from undertaking agricultural work on their own account and farming land which for at least two years has been abandoned or uncultivated. Among the six countries of the Community, it is mainly in France that there are considerable areas of abandoned or uncultivated land which might profitably be farmed.

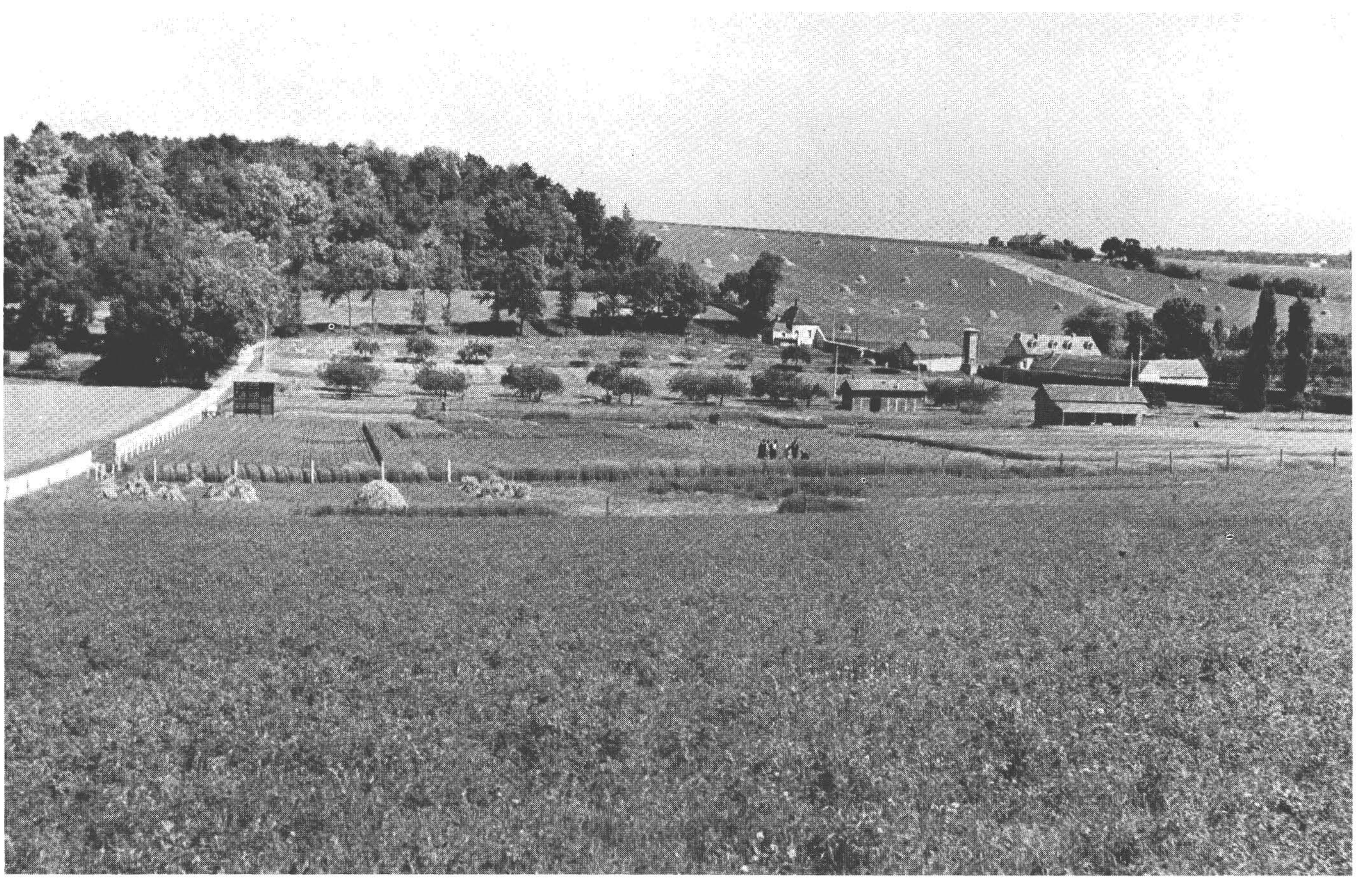
Under the directive, citizens of any one Community country, in the same conditions and with the same advantages as nationals of any of the other five nations, should be entitled:

1. To acquire, to be assigned or granted, to lease, or to occupy and to exploit, in any legal form, any cultivable holding or group of cultivable holdings which has lain waste for more than two years and which fulfills the conditions to which the nationals of the country are subjected regarding minimum area for farms, and to have the right of preemption if the land under cultivation is sold.

2. To make use of the various general or special facilities, as regards credit, assistance and subsidies for the purchase, improvement or maintenance of abandoned farms, including measures contained in agricultural development programs.

3. To be members or office holders, whatever the office, of cooperatives or other agricultural associations of a collective kind, as well as to take the initiative in setting up such associations, membership of which is open on an equal footing to the nationals of the country in which they settle.

The Commission has also adopted a proposal that would give farm immigrants anywhere within the Community equal footing with nationals of the host country in buying or renting land and in matters concerning subsidies, credit, marketing cooperatives, and other agricultural activities. If accepted, the measure would be another step toward freedom of establishment for farmers in the Common Market. The proposal goes for further discussion to the Council of Ministers, which will consult the European Parliament and the Economic and Social Committee before taking a decision.



Pictured here is farming land in France, which has more abandoned and uncultivated land available for settlement than the other member countries but is concerned about resettlement of French farmers repatriated from Africa.

High Authority Lowers Levy

The High Authority of the European Coal and Steel Community has decided to lower its levy from .3 per cent to .2 per cent of the value of production in the Community's industries. The levy, collected annually, provides the High Authority with an independent source of revenue. The new rate applies for the financial year July 1962-June 1963.

The High Authority took the decision because a large part of its financial needs in the coming year was already covered by balances of funds from previous years. It has calculated that, out of total estimated revenue needs of $42 million in 1962-63, only $18.7 million will be needed from the levy.

Under the ECSC Treaty, the High Authority may collect from enterprises an annual levy of up to one per cent of their production value. The first levy imposed in 1952 was .9 per cent. Since then it has been successively reduced. The production value on which it is raised was estimated at about $9.5 billion in 1961.

Industrial Medicine Policy Considered

The European Parliament gave a favorable opinion in May on a draft recommendation concerning industrial medicine in the Community and the adoption of a "European" list of occupational diseases. The recommendation was made by the Commission of the European Economic Community after consultation with the executive bodies of the Coal and Steel Community and Euratom.

Lionello Levi Sandri, member of the EEC Commission for social affairs, said that adoption of the list will play an important part in unifying the social systems of the six Community governments. It would also be desirable in relation to the Community's program for free movement of workers. At present regulations pertaining to industrial medicine in the six countries differ in nomenclature, conditions of application, insurance, and other aspects. The Commission recommended to the member states the adoption of steps toward standardization of national legislation in this field.

New Community Committee Chairman

Émile Roche was elected chairman of the Economic and Social Committee of the European Economic Community and of the European Atomic Energy Community on May 4, for a two-year period. M. Roche has been chairman of the French Economic and Social Council.

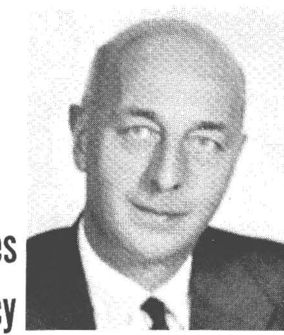
Grants Made for Retraining Workers

The Social Fund of the European Economic Community allocated in May grants in aid for $5,087,210 in its readaptation program for workers in the Common Market. Acting on a decision of the EEC Commission, the Fund granted $461,421 to Belgium and $4,625,789 to France. Each country will match the grant with an equal sum of its own.

The Fund was established for the retraining and resettlement of workers unemployed because of shifts in industry in the Common Market caused by increasing economic integration and resulting efficiency. The Fund meets 50 per cent of these costs and the member states make up the remainder.

Euratom Signs Contract with German Firm

The European Atomic Energy Community has signed a four-year contract with the Maschinenfabrik Augsburg-Nuernberg AG for research in the "burn-up" phenomena in boiling-water reactors. Euratom will be contributing up to $500,000 to this study, which was contracted within the framework of the Joint Research and Development Program of the United States-Euratom Agreement.



EEC Vice President Urges European Fisheries Policy

Dr. Sicco Mansholt, vice president of the European Economic Community Commission, has called for conferences between the EEC and Great Britain, Norway, and Denmark on a common fisheries policy, independent of membership negotiations.

Speaking during May in Vlaardingen, a Dutch fishing port near Rotterdam, Dr. Mansholt declared that a common fisheries policy "would be in the interest of all the countries on the North Sea." He said that the EEC Commission, in cooperation with the governments of the six Common Market members, intended to hold a preliminary conference this autumn on fisheries.

Entry into the Common Market of Great Britain, Denmark, and Norway, Dr. Mansholt said, would be of greater importance to the fisheries industry than the drafting of a common fisheries policy within the Six—a matter which the European Community has not yet undertaken. He pointed out that Great Britain, Norway, and Denmark produce some 3.2 million tons of fish per year, compared to 1.9 produced by the European Community countries.

Correction

The March-April 1962 issue of the *Bulletin* (No. 52, page 4, paragraph 2) incorrectly stated that a *minimum* of 17.5 per cent had been fixed for France's contribution to the European Agricultural Guidance and Guarantee Fund. In fact, it was agreed that during the first three years contributions to this Fund should not *exceed* the following percentages of the total revenues: Germany (F.R.) 31 percent; Netherlands 13 per cent; Belgo-Luxembourg Economic Union 10.5 per cent; Italy and France, following the budgetary key set out in Article 200, paragraph 1, of the Rome Treaty, 28 per cent each.

U.S. to Open Frankfurt Trade Center

The U.S. Government will open a trade center in Frankfurt in September of this year. Establishment of the center is part of the export expansion program of the U.S. Department of Commerce, which has opened similar centers in London and Bangkok. The center will provide European and U.S. firms with market information and promote the sale of American goods in the Common Market area.

Walter Dowling, U.S. Ambassador to the Federal Republic of Germany, in announcing the decision to open the trade center, explained that U.S. trade officials had chosen Frankfurt partly because Germany is the chief importer of American goods in the Common Market and also because the city is well situated for sales promotion throughout the Community. Germany imported American goods valued at $1.5 billion last year, and Ambassador Dowling said he expects this to be increased by 6 or 7 per cent during 1962.

Investment Bank Installs New Officer

Jelle Zijlstra, minister of finance of the Netherlands, has been installed as president of the European Investment Bank's Board of Governors for the coming year, succeeding Pierre Werner, minister of state and finance of the Government of Luxembourg.

The installation took place May 7 in Brussels, at the annual meeting of the Board of Governors. At the meeting the Bank's fourth annual report was submitted and approved.

New Judge Appointed to Court

Robert LeCourt was appointed judge of the Court of Justice of the European Communities on May 15, replacing Jacques Rueff for the rest of M. Rueff's term, until October 6, 1964. M. LeCourt was France's minister of state from 1959 to 1961.

PUBLICATIONS AVAILABLE

ÉTUDES, SÉRIE AGRICULTURE, #7, 1962, PROBLÈMES RELATIFS À LA QUALITÉ DU BLÉ, DE LA FARINE ET DU PAIN DANS LES PAYS DE LA C. E. E. by Professors M. Soenen and P. F. Pelshenke, 36 pp. (also available in German) $1.00

FINANCIAL REPORT FOR THE YEAR 1961, European Coal and Steel Community, High Authority, Credit Division, 20 pp. .... free

Antitrust Registration Forms: Form A (Application for negative clearance), Form B (Notification), and Form C (Application requesting investigation of violations under Articles 85 and 86) in French, German, Dutch, and Italian. These registration forms, for use of firms submitting details on any agreements, decisions and concerted practices referred to in Articles 85 and 86 of the Treaty of Rome, are available on request.

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