

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(75) 384 final.

Brussels, 18 July 1975

Proposal for a

DECISION (EEC) OF THE COUNCIL

to discontinue invocation of Article XXXV of GATT vis-a-vis Japan

(submitted to the Council by the Commission)

COM(75) 384 final.

Explanatory statement

Before acceding to the GATT in December, 1967 Ireland invoked Article XXXV in respect of Japan in furtherance of Ireland's desire to conclude a bilateral trade agreement with that country. Negotiations for a trade agreement between Ireland and Japan commenced in March, 1967 and broke down in May, 1967 as it proved impossible to reach agreement on a safeguard clause.

Taking into account that the negotiation of a trade agreement is now a matter of common commercial policy and falls within the competence of the Community it is no longer possible for Ireland to pursue the aim of negotiating a bilateral trade agreement.

Furthermore the invocation no longer has any practical effect since Ireland gives most favoured nation treatment to Japan and since Ireland does not operate any quantitative import restrictions which apply exclusively to Japan.

On the other hand a declaration to discontinue invocation of Article XXXV would seem appropriate in the context of the present international economic relations, taking into consideration the fact that among developed countries only South Africa and Austria, together with Ireland, are still invoking Article XXXV with respect to Japan, and that Austria is in the process of discontinuing invocation of the Article.

The Commission is of the opinion that the disinvocation of Article XXXV must also be taken into consideration in the context of the continuing multilateral trade negotiations in which the Community is aiming at a more flexible application of safeguards mechanisms.

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THE COUNCIL OF THE EUROPEAN COMMUNITIES

Having regard to the Treaty establishing the European Economic Community,
especially its Article 113

Having regard to the Commission's proposal

Whereas the reasons for which Article XXXV has been invoked by Ireland
with regard to Japan are no longer valid

Whereas the Community is aiming in the context of the current multilateral
trade negotiations at a more flexible application of safeguards mechanisms

HAS DECIDED AS FOLLOWS. :

Unique Article

The Community discontinues the application of Article XXXV of the General
Agreement on Tariffs and Trade by Ireland with regard to Japan.

This decision will be notified by the Commission to the Contracting
Parties of the General Agreement on Tariffs and Trade, and will take effect
thirty days after this notification.

Done at Brussels

For the Council
The President