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Tribute to President John F. Kennedy

delivered to the European Parliament by Professor Walter Hallstein
President of the Commission of the European Economic Community

The man in honour of whose memory this House is assembled here today was more than the President of a great and powerful nation. He was a man whose resolve, whose deeds, whose counsels were directed to us all — to the entire free world and not least to Europe.

Although only three years have elapsed since he first took office, his presidency appears to us in retrospect to have spanned an entire epoch. Seldom can the American people have pinned such high hopes on a new President. Seldom can a new head of state have been as fervently acclaimed as was John Fitzgerald Kennedy, a radiant, dynamic personality imbued with inexhaustible optimism, a man on the threshold of his prime who had promised to lead his people to a "New Frontier". "New Frontier" [...] for Americans the term stirs up memories of events that have long passed into history. The "New Frontier" is no rigid boundary line immutably staked out; rather does it conjure up a vision of illimitable horizons, an escape from an order of things that has grown old and rigid; a challenge to turn our eyes to the future, to brave the unknown, to prepare ourselves for hardship, trials and also adventure.

But Kennedy did not court adventure from any desire to change the established order or from a mere love of danger. The dazzling vistas revealed to him as he mounted the pinnacle of power held the key to what he called "the great human adventures" — for him, freedom was more than the rejection of tyranny, prosperity more than an escape from want. Kennedy was one of the great American reformers who pinned their faith on the power of thought, the triumph of reason, the goodness in man. Like their endeavours, his resolve sprang from the conviction that, in the words of Emerson, "there is an infinite worthiness in man". Kennedy was no fanatical reformer abandoning himself to a planner's irresponsible dreams. He had that rare, inestimable gift, a creative political imagination, the power to discern possibilities, to recognize what was feasible, what was essential.

Only a man who is conscious of his responsibilities is in a position to gauge what can and what cannot be done. If we compare the pictures of President Kennedy taken immediately after his election, showing a man imbued with joyous, almost carefree energy, with those of later years, we see at once that his features bear the imprint of the stupendous burden of his office — stupendous if only in the multiplicity and complexity of tasks — of the fearful knowledge that on his shoulders lay the responsibility for the fate not only of his own country but of the free, indeed of the entire world. He could not, as he once remarked, afford the luxury of free advice, the luxury of indecision. His responsibility was one of decision.

He never shirked that responsibility, particularly where it involved courage, contention or trials of strength. He followed the dictates of his conscience, even at the risk of alienating voters and endangering his personal prestige.

The conviction that "there is an infinite worthiness in man" enabled him to embark on his great reforms for the unification of the American people — a mission animated by the very spirit of the American constitution with its insistence on equality, on the indivisibility of the freedom of the individual. Kennedy sought to establish a new social order in which man would be master of his fate. He strove for a world at peace, for a world in which, as he saw it, "peace is not a mere interlude between wars, but an incentive to the creative energies of humanity". Thus he formulated a "strategy of peace" and did not hesitate to tread the crest in pursuing a policy of easing tensions, a policy of seeking a balance in which one false step, one ill-timed concession, might have meant a plunge into the abyss.

It is to President Kennedy that we Europeans are indebted for the idea of the Atlantic Partnership — a link, on an equal footing, between the New Continent and the Old, a community designed not as an end in itself but as a model of a peaceful order, itself an essential factor in the peace of the world.

Nobody has expressed this concept more lucidly than Kennedy himself in the now classic utterances of his speech in Philadelphia on 4 July 1962 commemorating the American Day of Independence..

This amounted to a rejection of domination — a rejection of domination where it could easily have been imposed, an offer of a partnership that, in his eyes, went beyond the mere "sharing of power", a project of full give and take. It is only now that we perceive the full implication of his offer, an appeal to us, which we cannot afford to ignore, to create right here on the Old Continent the conditions necessary for the Atlantic Partnership, and therefore for a peaceful order, and so justify the faith placed in us by the New World, the world of the departed President.

In rendering homage to the late President Kennedy and offering our deepest sympathy to the family and nation that mourn him, we take to heart the challenge thrown out by him some six months ago when, as spokesman of the free world, he once again conjured up for us a vision of a world where peace and universal freedom reigned :

"So we are all idealists. We are all visionaries. Let it not be said of this Atlantic generation that we left ideals and visions to the past, nor purpose and determination to our adversaries. We have come too far, we have sacrificed too much, to disdain the future now."

"We have sacrificed too much" [...] The late President himself fell a sacrifice to his office. Let us answer his call. Let us hold on to what has been achieved. Let us help to crown his great achievement !

I. Joint meeting between the Institutions of the European Communities

The annual joint meeting between the European Parliament, the Councils and the Executives of the three European Communities was held in Strasbourg on November 26 and 28, 1963. The subject chosen was : "Community policy and world development problems".

M. De Block opened the discussion with a speech on behalf of the Councils. He said that the subject touched upon problems which had not yet been entirely solved at Community level because the common commercial policy would not be in effect until the end of the transition period. He would therefore only state the problems and suggest certain guiding principles.

In the first place, there was the factual situation : statistics showed that in recent years the Community had had a greater share of world trade than any one country; this was in particular true of imports, which had risen by 40 % since 1958. From the United Kingdom they had gone up by 75 %, from the United States by 58 %, from Latin America by 35 % and from non-associated African countries by 27 %. Therefore association did not seem to be an obstacle to imports from developing countries. The Community's deficit on trade for 1963 might exceed \$3 000 million, of which 2 500 million were accounted for by trade with the United States. These figures showed that the Community's trade had developed in step with that of the whole world and that the EEC had retained its open character.

M. De Block then spoke of the Geneva tariff negotiations. The Community would spare no effort to contribute to the success of these talks. The problem of tariff disparities in the developed countries must be solved. Although the Contracting Parties had adopted the principle of across-the-board reductions with some exceptions, they nevertheless recognized that in cases of major disparities tariffs must be reduced in accordance with special rules. An automatic 50 % across-the-board reduction would bring virtually all the duties of the common external tariff to below 10 %, while about 40 % of the American duties would remain above that level. Such an outcome would cause the Community some anxiety, but it was prepared to study any reasonable suggestion for a solution. If these problems and those caused by non-tariff and quasi-tariff measures could be solved, the number of exceptions — that is to say the number of products to which these negotiations would not apply — could be reduced to the minimum.

Turning to agriculture, M. De Block explained the principles underlying the "Manholt Plan" to unify cereal prices at one stroke during the 1964/65 marketing year. In this sector, expansion of trade must be coupled with an improvement in farm incomes. The obligations to be undertaken by the exporting countries must be of the same order as those accepted by the importing countries. Customs duties represented only part of the protection of farm production in any one country. The Council would shortly be examining this proposal with the Commission.

Trade with developing countries would benefit from the World Conference on Trade and Development. The EEC was in favour of stabilizing raw material prices and diversifying production. It was also in favour of increasing imports from under-developed countries, if necessary on special terms, and would leave nothing

undone to seek satisfactory solutions in this field. Four African countries has asked to conclude agreements with the EEC. They were Nigeria, Tanganyika, Uganda and Kenya.

M. De Block then spoke of problems relating to certain countries, and first of all the question of relations with State-trading countries. He further mentioned the conclusion of a trade agreement with Iran and the contacts established with Latin America. The Community's position with regard to Israel would be finalized in a few weeks' time.

M. De Block concluded by saying that the establishment of the Common Market had caused non-member countries to seek more urgently solutions to problems of international trade. To expedite such solutions the Community must press forward the working out of its common policies according to programme. On its success in this task would depend both the Community's internal development and its relations with non-member countries.

The ensuing discussion brought into relief economic interdependence throughout the world. With modern developments the old concept of protection had changed. Nowadays, where protection was needed, it could no longer be provided for national industries, especially infant industries, unilaterally but only by close co-operation between the industrialized and the developing countries. It was therefore not only, or even primarily, from within that protection must be sought — but also from without through the harmonization of economic entities and the elimination of obstacles which stand in the way of efficient division of labour. Closer economic co-operation was a feature of our era, as was the establishment of large units with world-wide responsibilities. Europe could not escape the dictates of the times and must, while providing itself with a firm internal organization, pursue a foreign trade policy in line with these requirements. Choices would have to be made, and consultation with the outside world would have to be frequent so that world equilibrium might constantly be maintained. Prosperity and economic progress were from now on indivisible. Short-term influences must no longer mask the structural nature of the problems.

Bilateralism must therefore be gradually replaced by multilateralism. The EEC could make a major contribution to the progress of the developing countries but there was as yet no uniform concept of trade with these countries and many proposals made in this field would involve using means which the Community did not yet possess. But they must move ahead. Solutions to world problems must not be deferred because the legal machinery was lacking. The developing countries would not understand this. The great disparity between the Community's economic — and even political — importance and its inadequate means for action beyond its confines must be remedied.

Speaking for the Christian Democrat group, M. Blaisse (Netherlands) said that it should be remembered that the Treaties of Paris and Rome had their roots in a political concept; but only if Europe had a leading role on the world stage could it make a useful contribution to peace and prosperity. Despite the present undeniable crisis of confidence, the Community could boast of successes both internally and externally. But the common commercial policy must be set on foot sooner than was provided for in the Treaty. Addressing the Council, the speaker asked what this body proposed to do to make progress in this field.

The object was to raise the standard of living of the population while observing the international code of good behaviour in international trade. It went without saying that a common agricultural policy was indispensable to the attainment of this goal.

M. Blaisse stressed the responsibilities of the EEC towards the developing countries and the need to encourage the accession of other countries. The association of certain countries (notably Israel) should be expedited. The speaker expressed some concern over problems affecting the ECSC by reason of the tendency to seek a higher degree of protection.

On behalf of the Socialist group, M. Vredeling (Netherlands) said that the Community would bear a heavy responsibility in the coming GATT negotiations. It must resist the temptation to isolate itself in certain fields but must share in all efforts to liberalize world trade. It needed institutions capable of negotiating; the Commission needed a clear mandate with its own responsibility, exercised under the control of Parliament and Council. At these negotiations the EEC must give proof of its existence as a supranational body.

The great advantage of the step recently proposed by the EEC Commission on the agricultural issue was that it allowed of reciprocity in trade between the importing and exporting countries. Nevertheless, certain of the Commission's proposals on fats, which amounted to the introduction of a tax on imports from the under-developed countries, gave rise to objections. It was one of the greatest weaknesses of international trade at the moment that there was a constant worsening of commercial relations between the industrialized and the developing countries. In the coming years, restrictions on imports, duties and excise would have to be abolished or considerably reduced.

Agreements with a number of countries, especially India and Israel, were urgently needed. The Community must pursue a truly liberal trade policy. Like President Kennedy, M. Vredeling was of the opinion that the coming negotiations would be decisive for the free world.

Speaking on behalf of the Liberal group, M. Pleven (France) criticized M. De Block for passing too lightly over the darker side of the picture of trade in the EEC while stressing the brighter aspects. The growth rate of imports had declined. Though this was not true of imports from the developing countries, the fall in raw material prices had wiped out any beneficial effects. The countries that had benefited from the expansion of trade were the Community countries and generally speaking all the highly industrialized countries, including the United States and Japan. But should there be a recession, the under-developed countries would have to bear the brunt. He wondered whether the plans proposed so far went to the root of the problem. At any rate, the tariff negotiations must be entered into with this problem in mind, as it was one that concerned the world as a whole.

The Parliament would like to know the Council's views on what might be expected from the Kennedy round. With particular reference to farm products it would be interesting to know what the Council had in mind and whether agreements on the storage, preservation and distribution of surpluses were in sight.

So far as the eastern-block countries were concerned, he wondered whether it would not be advisable to increase certain purchases from these countries, for instance petrol; this would enable the Community better to diversify its sources of supply.

There was an omission in M. De Block's statement so far as finance and credit problems were concerned. He wondered whether greater productivity of aid to the developing countries ought not to be measured as much in "commercial sympathy" as in sums of dollars lent with dubious prospects of repayment. This was the whole problem of credits, which no State — socialist or capitalist — could escape.

The Presidents of the Executives took the floor to explain the views of their respective Communities.

M. Chatenet, President of the Euratom Commission, stressed the importance of problems connected with imports of nuclear raw materials in the light of future technological and scientific relations between countries. These relations would occupy an increasingly important place in trade and the scientific capital of Europe depended on the importance attached to research. The regulation on patents and trade marks must serve to strengthen Europe's scientific capital.

M. Del Bo, President of the High Authority, referred to the special problems arising in the steel sector ⁽¹⁾. The High Authority recommended conservative measures to restrain an unduly rapid and continuous fall in prices; it was preferable to set up an iron ore market which was efficient, competitive and realistic. European steel tariffs were the lowest in the world.

M. Hallstein, President of the EEC Commission, followed. Large extracts of his speech will be found below (Chap. II).

Several members raised particular questions, such as interim measures to be applied to the associated African countries and Madagascar pending the entry into force of the new Convention (M. Margulies, Liberal, Germany), the Community's commercial policy (M. Friedensburg, Christian Democrat, Germany) and the problem of relations between the EEC and China (M. Duvieusart, Christian Democrat, Belgium). On this latter problem the speaker said that it would be dangerous to include only "white" countries in the category of developed countries, while all the developing countries, led by China, would be in Asia, Africa and Latin America. Therefore, China should be considered as a State-trading country when problems of world trade were discussed with such countries.

On Thursday, 28 November on his return from Washington where he had attended the funeral of President Kennedy, M. Luns, President of the Councils, replied to the many questions put by members. It was impossible to give a precise answer to some of these because the Council must speak on behalf of the six Governments and because on economic relations and commercial policy regarding non-member countries the Community's position had not yet been finalized.

With regard to preparations for the tariff negotiations, the Council was counting on their helping to mitigate the unfavourable effects of the present situation of intra-European relations. It was hoped that economic relations between the EEC and EFTA (representing a volume of trade five times as large as that with the United States) would be strengthened as a result of these negotiations.

The Council was convinced that it was not inpracticable to reconcile the development of world trade in farm products with greater prosperity for the agricultural population.

On the subject of tariff disparities, the Council had not yet devised a settlement but it was hoped that this would be achieved before long by special rules for general and automatic application, as was also the desire of the Contracting Parties. There was a danger that reciprocal concessions would not counterbalance each other, but the negotiations must be made to bring about an effective liberalization of international trade for all, and not only for some countries.

(1) See Chap. V "The European Parliament"

Replying to a number of points raised during the debate, M. Luns said that with regard to Austria the Commission would submit its report to the Council towards the end of January 1964; in the case of India, the proposed tariff suspensions (which were additional to those already decided on for tea and tropical hardwoods) would be approved by the Council at an early date; as for Israel, its proposals were at present under study. There was only one way out, and that was a limited commercial agreement because it was not possible to waive the most-favoured-nation clause, that is to say to introduce a preferential system.

The deterioration in trade with the developing countries was a world-wide phenomenon for which the EEC could not be held responsible. Solutions, which must necessarily involve new trading methods, were being studied at various levels (World Trade Conference, world agreements, Brasseur plan, and others).

The developing countries had pointed out that a centralized planning system often meant that countries with a planned economy imported less from the developing countries. It had also been said that the quantities imported of many products of interest to these countries were fixed arbitrarily, which meant a draconian limit on their consumption.

In principle, the EEC should expand its trade with the State-trading countries, but the latter must deal with the Community as a legal entity separate from the Member States. Because of its delicate political implications the problem of China could not be considered purely from the economic angle, though its economic importance was evident.

It was hoped that progress would be made during the coming months in connection with the Latin-American countries and that such progress, together with tariff reductions, would lead to the conclusion of world agreements which would meet some of the main anxieties of these countries

While these answers could not give full satisfaction to the Parliament, it was hoped that the Council would nevertheless make progress on the lines suggested by the Parliament.

M. Martino, the President of the Parliament, closed the joint meeting with a brief speech in which he discussed certain political points which had emerged from the debate.

He was pleased to note the high standard of the discussions, which had been useful and timely in view of the Community's immediate goals. There was a great deal of talk of a twofold process of unification: one in Europe and one which was, or should be, taking place at the Atlantic level. In reality, the two were one — they represented two aspects or elements of the organization of the affairs of the free peoples of the West: European integration was an essential part of Atlantic integration.

That was why a crisis affecting the European Community must clearly have repercussions on the unity of the Atlantic world, and vice versa.

The process of attaining economic unity had evolved normally and even at an astonishingly rapid pace, but political unity was lagging far behind. Therefore the necessary political will must be stimulated. He was surprised and disappointed to see the six Governments constantly trying to limit the scope of the Rome Treaty and to restrict the process of unification. He urgently appealed to them to honour the pledges they had given.

Any political problem was in the first place a moral one. There had grown up on either side of the Atlantic a certain lack of faith in the values of western civilization, and this was probably at the bottom of the present crisis, which could and must be overcome.

II. Community policy on the great problems of developing world trade

Extracts from Professor Walter Hallstein's address
at the joint meeting between the Institutions of the
European Communities in Strasbourg on 26 November 1963

Professor Hallstein, after pointing out how far the Community still is from its final objective in this sphere, which is to merge the trade policies pursued by the Member States, reviewed the various aspects of the problems raised for the EEC by its obligations to GATT, its responsibilities towards the developing countries and the requirements of an Atlantic partnership.

[...]

The world is looking for a contribution from the European Community today. We cannot put it off with the claim that as long as we are in a period of transition our ability to negotiate is limited; if we do, our good faith may be questioned. The Community therefore already needs to have the tools of a common external economic policy. An end must be put to the gross lack of proportion that still exists between the political and economic significance of the Community in the world and the paucity of the means at its disposal, especially for external action. We must react to this situation without further delay. I should like to give my full support to the request made by the President of the Council, which interprets the feelings of most speakers.

The call for a common commercial policy is also justified by the need to maintain internal balance in the establishment of the Community, and for two reasons. First we must see to it that the common commercial policy develops at the same rate as the customs union, if we wish to avoid delays which will hold up the constitution of the internal market. Secondly, we must ensure that trade policy in industry and trade policy in agriculture assume a Community character at the same pace. For an economic body like the Community, which is the largest importer of agricultural goods and one of the biggest industrial exporters in the world, it is essential to treat trade in agricultural products and trade in industrial goods as parts of a single commercial policy. Only in this way can our overall trade interests be protected satisfactorily.

Nor can we, in view of the multiplicity of the problems with which trade is inseparably tied up, be content with a trade policy in the narrow, classic sense. This has already been proved in our relations with the developing countries, where help can be effective only if aid in the form of trade is accompanied by financial and technical aid.

In fact the instruments at the disposal of commercial policy are today no longer sufficient to ensure that the world economy will function — and that is one of the decisive reasons why, like others, the Community must reinforce its commercial policy by a common policy in the economic and monetary field.

But any discussion of our policy on the great problems posed by the development of world trade will be incomplete if the present situation of GATT is not taken into account. Reform of this organization has become a major topic of today.

My first comment concerns the general and absolute most-favoured-nation clause which lies at the heart of the GATT system. There can be no doubt that between industrial countries the strict application of the most-favoured-nation clause must remain the basis of trade. For these countries, multilateral trade based on the most-favoured-nation clause is to everyone's advantage and is the best arrangement that can be devised for States at such a level of development.

In relations between industrial countries and developing countries, however, there has been growing doubt recently whether strict application of the most-favoured-nation clause is the most satisfactory way of introducing developing countries to world trade. Is not this equality of treatment merely a matter of form, backed up by no economic facts? It may be justifiable for industrial countries to give their producers a certain degree of protection from other industrial countries, but is this equally justifiable in their relations with developing countries which are taking their first steps towards industrialization? Most of these nascent industries have of course no domestic market and must rely on having reasonable access to the vast markets of the industrial nations. Their best chance of increasing the national product lies after all in promoting the export of their industrial goods — and that raises the big question whether these fundamentally different economic circumstances should not be reflected in trade policy, with due care, of course, to ensure that abuses do not creep in.

The policy of the developing countries towards trade with each other is a further major field in which a system must be established. This system in turn must take into account the economic facts which condition the relations between these countries. This further field also deserves serious attention. So far solidarity between the developing countries has never produced any concrete programme of mutual trade which has advanced beyond the initial stages. Under the system established, mutual trade between the developing countries ought also to be developed as fully as possible and it should, as far as this can be achieved through commercial policy, be so arranged that conflicts of interest are avoided. The need in these countries is, as we know, immense, and as economic development gets into its stride, there will be an increase in demand, which influences the market and production.

Except in the relations between industrialized countries, then, we are faced with the question of exceptions to GATT rules. Here we must tread very warily; for where would the developing countries themselves be if the industrialized countries ruined themselves by giving up the most-favoured-nation principle? Our concern here is exceptions — I must stress this point — and not renunciation of the most-favoured-nation clause, without which a multilateral system of world trade worthy of the name would be unthinkable. If we lost sight of this principle we should find ourselves in a jungle of preference agreements, in a chaos of bilateral arrangements, and we should fail to achieve the division of labour between the countries of the world.

[...]

The second major principle of GATT is reciprocity. With its elasticity it can allow larger concessions to be made to developing countries. Each partner in a GATT negotiation can decide at its own discretion whether concessions and counter-concessions correspond to its idea of reciprocity or whether it wishes to dispense with reciprocity altogether.

In conclusion I should like to point out briefly that the better division of labour between the countries of the world, while in our own interest, will, as M. Blaisse and other speakers quite rightly point out, demand of us positive action, even sacrifices; it will mean putting up with the sharper competition stemming from greater freedom of trade among the advanced nations — but the sacrifices will affect others besides us and will be more than outweighed by the advantages. Our efforts will have to be in part, indeed mainly, directed towards ensuring the economic progress of the less-developed parts of the world. I need remind you only of the proposals to raise the import prices of coffee, cocoa and spices under special market regulations, the suggestions that the industrialization of developing countries might be promoted through unilateral trade preferences, by reducing consumer taxes on tropical products, and so on.

Measures of this kind are unavoidable if Europe wishes to accept its political responsibilities in the world. To talk about solidarity and responsibility is not enough; the moment has come to take action on the numerous plans for the development of world trade and for promoting the well-being of the poorer countries. The burdens we shall have to bear, the losses to be suffered by many a branch of the economy, must not make us afraid of adopting progressive solutions to the great problems of world trade. It is up to the Governments to undertake without further delay the necessary structural reforms in those sections of our economy that are no longer competitive and so, by acting in good time, to avoid crises. We trust that everyone will realize that these problems need to be tackled in earnest, and we are confident that in doing so no one will forget to strengthen the ability of our Community to play its part, in order that Europe can carry out its tasks in the world.

III. Association with Greece

The sixth session of the EEC-Greece Association Council was held in Brussels on 18 November 1963, with M. Spierenburg, Permanent Representative of the Netherlands with the European Communities, in the chair.

Pursuant to section 5 of Protocol No. 14 to the Athens Agreement, the Council fixed for 1963 the increase in the quotas opened by the Federal Republic of Germany, France and Italy in favour of Greek wines ⁽¹⁾.

Pursuant to Protocol No. 10 to the Agreement, the Community submitted to the Association Council the question of granting a supplementary tariff quota for rosin to the Federal Republic of Germany for 1963. The Council consented to this.

The Association Council continued its examination of the problems arising from harmonization of the agricultural policies of the Community and Greece.

Pursuant to Article 23 (2) of the Agreement the Greek Permanent Delegation notified the Commission of the list of products liberalized in Greece, and at the same time bound that liberalization in respect of the EEC Member States.

⁽¹⁾ See Bulletin 9/10-63, Chap. III.

IV. Activities of the Community

COUNCIL DECISIONS ON AGRICULTURAL MATTERS

1. At its 119th session from Monday 16 to Monday 23 December 1963 under the chairmanship of M. J.M.A.H. Luns, Netherlands Minister of Foreign Affairs, and M. B.W. Biesheuvel, Netherlands Deputy Prime Minister and Minister of Agriculture and Fisheries, the Council took decisions in principle, in accordance with the programme laid down on 9 May 1963, on the following matters :

- i) Three regulations concerning the markets for dairy produce, beef and rice, and a further regulation inaugurating before 1 November 1964 a Community policy on fats;
- ii) Two implementing regulations on the financing of the common agricultural policy;
- iii) Measures to establish a common level of cereal prices;
- iv) The preparation of the tariff negotiations in GATT.

These decisions, taken on proposals of the Commission, are summarized below.

Regulation concerning the gradual establishment of a common organization of the markets in milk and milk products

The regulation introduces a system of levies corresponding to the effect of national aids on the price of these products, on condition that the Member State concerned grants a subsidy on imports from other Member States equivalent to the said levies.

The regulation also provides for a system of Community intervention for butter and cream. Where a Member State is authorized to subsidize exports, it must take into account the effect of national aids on the amount of refunds on exports to non-member countries.

Member States are authorized to grant direct aid to producers should the market price not give them a return corresponding to that which would result from the target price of milk;

However, these aid arrangements will be gradually modified so as to ensure smooth transition to the definitive system. To this end the Commission will send to the Member States concerned, in particular the Federal Republic of Germany and Luxembourg, a recommendation that they begin in 1966/67 to modify the subsidies granted per kilogramme of milk;

Prices will be gradually aligned on the common target price for milk, which will be fixed for the first time in 1966.

Regulation concerning the common organization of markets in the beef sector

This regulation provides for :

- i) The introduction of a guide price;
- ii) An import system based on customs duties and on levies in trade with non-member countries;

iii) Intervention measures by the Member States corresponding to the guide prices, together with levy arrangements between Member States (the amount of the levy will depend on whether the Member States intervene or not in their home market, in any event the amount must be less than the difference between the offer price and the guide price);

iv) A system of import licences for certain products;

v) A quota system for imports of frozen meat from non-member countries which will include, in addition to the quota bound in GATT, the possibility of opening a supplementary quota for which the amount and the duty will be decided by qualified majority.

vi) Exceptions for certain imports under the long-term agreement between the Federal Republic and Denmark. Until 1965 the Federal Republic is authorized to import up to 16 000 head of cattle from Denmark during the period when the animals are brought in from pasture on condition that they are not marketed in the Federal Republic at a price below the guide price.

Regulation on the gradual establishment of a common organization in the rice market

This regulation is on the same lines as the cereals regulation and includes a levy system.

Before 1 February 1964 the Commission will make proposals regarding rice imports from the associated African States and Madagascar and from Surinam, so that the arrangements covering these imports can come into force on the same date as the rice regulation .

The Council noted the Commission's undertaking to submit a proposal to supplement the regulations in force or in course of adoption so that in applying them due regard may be had to the common agricultural policy and common commercial policy.

Fats sector

Before 1 November 1964 the Council will adopt a regulation introducing a Community policy on fats on the lines of a resolution approved by the Council, which envisages special measures for the oleaginous products of the associated African States and Madagascar and support to Community production of vegetable oils (olive oil and colza oil).

This support will be provided not only through the European Agricultural Guidance and Guarantee Fund but also from a charge on edible fats of vegetable origin which is expected to yield DM 350 million. However, for a period of one year from the entry into force of the regulation on the matter — with probable extension for a further year — certain Member States will be able to waive this charge if, for instance, they make provision for the relevant contribution in their budgets.

Financing of the common agricultural policy

The Commission had proposed two implementing regulations pursuant to Regulation No. 25; these concerned conditions for the grant of aid from the European Agricultural Guidance and Guarantee Fund and the financial management of that Fund.

Under these regulations the Community will gradually take over the burden of expenditure relating a) to agricultural guarantee measures and b) to agricultural guidance measures. The first regulation sets up a Fund Committee which will assist the Commission, by a procedure based on that of the Management Committees, in its decisions on agricultural guarantees.

The Standing Committee on Structure set up by the Council decision on the co-ordination of national agricultural structure policies will assist the Commission, by a similar procedure, in its decisions on agricultural guidance measures.

Member States' contributions to the Fund will be assessed in the way laid down by Regulation No. 25, partly according to the scale set out in Article 200 of the Treaty and partly in proportion to the value of net imports to be calculated for each organized market.

The Council will examine the problem of parliamentary control over spending by the Fund when it studies the report of the Permanent Representatives on strengthening the role of the European Parliament.

Measures to establish a common price level for cereals

Before 15 April 1964 the Council will fix cereal prices for the 1964/65 marketing year on the basis of a Commission proposal.

Multilateral negotiations in GATT

The Council approved a number of directives to the Commission regarding the Community's participation in the GATT negotiations on industrial products and agricultural products.

These directives include certain points the object of which is to enable the Commission to make a constructive contribution to the work planned for the coming months in GATT on drawing up rules for the conduct of the negotiations.

As regards disparities between the tariffs of the leading industrial countries (one of the crucial points at present under discussion in GATT), the Council has reaffirmed that a solution must be found to this problem if the negotiations are to succeed, and it has agreed certain criteria by which to select cases of substantial disparity with due regard to the interests of the various Contracting Parties participating in the negotiations. The Council has given its attention to problems which specially affect intra-European trade.

As regards the exceptions to an across-the-board reduction of tariffs the Council has agreed that the interested parties should keep the number of these exceptions as small as possible.

For the negotiation on agricultural products, the Council has endeavoured on the basis of a Commission proposal to find formulas which will facilitate reasonable access to the markets of the chief importing countries on the one hand and a smoother flow of international trade on the other. The Council hoped that the chief exporting countries would be able to co-operate effectively in arrangements to be proposed by the Community in this matter.

The Council also adopted a regulation fixing the levies on imports of pork and pigmeat products from non-member countries between 1 January and 31 March 1964.

However, in view of the situation of the pigmeat market, the Council agreed :

a) To reduce, from 1 January to 31 January 1964, the levies on imports from non-member countries by an amount corresponding to the levies which Belgium would normally have applied;

b) To authorize Belgium to limit its exports to member countries until the same date on condition that its exports to non-member countries are limited in the same proportion and that it grants no refunds on exports of these products.

A working party has been instructed to study the situation on the pigmeat market and to report to the Council for its January 1964 session.

Regulation amending Regulations 20, 21 and 22 with regard to refunds on exports to Member States

Pending the opinion of the Parliament, the Council has accepted the principle embodied in this proposal that from now on refunds will be computed solely on the basis of the effect of differences in costs of raw materials.

EXTERNAL RELATIONS

Debate in the European Parliament on the Association Agreement with Turkey

2. At its session in November 1963 the European Parliament debated the Association Agreement between the EEC and Turkey, which was signed in Ankara on 12 September 1963. The agreement was approved unanimously by resolution ⁽¹⁾.

M. Dehousse and M. Kapteyn were the rapporteurs for the Political Committee and the External Trade Committee respectively.

The debate was opened by M. Luns, President of the Council, who said that the Ankara Agreement was as political in character as it was economic. Turkey wanted not only a commercial treaty but one which would enable it to become fully politically integrated in Europe.

The Ankara Agreement, like that of Athens, was adapted to meet the specific problems requiring solution, and this was proof that the Europe of the Six was open to other countries. In the case of Turkey the agreement also proved the obverse: that Turkey felt, and wanted to be, European.

As rapporteur for the Political Committee M. Dehousse said that this was the third time the European Parliament had been consulted regarding an agreement which had already been signed. Therefore its advice was useless.

All the Parliament asked for was a procedure such as was already followed in the national Parliaments: it wanted its competent Committees to be kept regularly informed of the progress made in discussions, and of any problems arising in them.

The Council's interpretation of Article 238 of the Treaty was hardly compatible with the Community spirit. M. Dehousse deplored this, and said the Parliament would not again submit to being consulted on an agreement after it had been signed.

⁽¹⁾ See Bulletin 9/10-63, Chap. II.

As to the substance of the agreement, it was specific in character, well adapted to Turkey's particular situation. The Council and the Commission were to be congratulated upon the analogousness of the agreements concluded with Greece and Turkey. As in the case of Greece, a standing Association Committee, composed of an equal number of members from the European and the Turkish Parliaments, should be set up to look after relations between the two Parliaments.

M. Kapteyn, the rapporteur for the External Trade Committee, described the economic situation and prospects of Turkey. He said he had been particularly struck by the fact that the President of the Council had pointed out that the peoples and Governments should remember that after the preparatory stage the second, the transitional, stage could be entered. He looked upon the association with Turkey as a customs union, and stressed the open character of the European Community.

At the end of the debate, the Parliament approved the agreement. M. Luns noted the Parliament's wish to be consulted before any such agreement was signed, if only for the sake of parliamentary procedure. He assured the Parliament that the Council intended to do this.

M. Schaus then spoke on behalf of the Commission, of which he is a member. He hoped that the agreement would be translated into practice as quickly as possible, and assured the Parliament of the Commission's support in its claim for genuine competence in the matter of association agreements. Article 238 of the Treaty of Rome should be interpreted as broadly as possible.

Ireland

3. On 29 November 1963, Mr. Frank Aiken, Irish Minister of Foreign Affairs, visited the Commission, accompanied by a number of senior officials.

M. Jean Rey, member of the Commission and President of the External Relations Group, took the chair at an informative meeting which was attended by M. Mansholt, Vice-President of the Commission.

Various problems of mutual concern were discussed. They included the Irish position on questions of European integration, Ireland's economic development and the prospects opened by the second development plan. Matters relating to the expansion of trade between Ireland and the Community — particularly trade in farm products — were discussed.

At the close of the discussions, which took place in a friendly and constructive atmosphere, it was agreed to hold further similar meetings.

There will be technical talks between leading Irish and Commission officials early next year.

Austria

4. The exploratory talks between the Commission and the Austrian Mission to the EEC, which began in July 1963, were continued in Brussels from 4 to 7 November. Their purpose is to enlighten the Commission on the Austrian Government's intentions concerning a possible association of Austria with the EEC.

Particular attention was given to commercial policy, agriculture, transport and capital transactions.

The exploratory talks continued in Vienna for three days, commencing on 27 November. They concerned legal problems, in particular the composition, functions and competence of the institutions which would have to be set up under an agreement between Austria and the EEC.

A new series of meetings will commence in Brussels on 16 December 1963.

Latin America

5. The fourth meeting of the contact group formed from the Latin American missions accredited to the EEC and the Commission was held on 28 November with M. Rey, member of the Commission and President of the External Relations Group, in the chair.

This meeting was devoted to exchanging information concerning the common agricultural policy. The next meeting will be held in Brussels in December.

Tunisia

6. The Tunisian Government asked for the opening of exploratory talks, and the Commission proposed that the subject of trade between Tunisia and the Community be taken up immediately. A first contact was established between the Tunisian Mission in Brussels and the Commission; the exploratory discussions proper will begin after this first exchange of views.

Nigeria

7. The Commission of the EEC opened exploratory talks with a delegation from Nigeria, led by H.E. Ambassador Okigbo, head of the Nigerian Mission to the Community. The first working meeting took place on 21 November under the chairmanship of M. Rochereau and M. Rey, members of the Commission.

In compliance with the wish expressed by the Government of Nigeria in the Memorandum submitted to the Commission by its Mission on 10 September 1963, the talks concerned the possibility of opening negotiations with the European Economic Community in order to reach an agreement to maintain and strengthen the existing economic relations between the EEC and Nigeria.

The talks continued at expert level until 29 November.

The representatives of the EEC explained the content of the Yaoundé Convention. Trade, development policy, right of establishment, movement of capital and services, and general institutional questions were discussed.

The two delegations also examined the alternative forms of agreement envisaged in the Declaration of Intention adopted by the Council of the EEC on 2 April 1963 and brought to the knowledge of the associated African States and Madagascar at the time of signature of the Association Convention. This Declaration states the open character of the association.

Referring in particular to the second formula of this Declaration (association agreements with mutual rights and obligations, especially in matters of trade) the Nigerian Delegation said that, in view of Nigeria's specific economic situation, they would like an agreement with the EEC which would be distinct from the Association Convention.

In the cordial atmosphere of these initial contacts, both sides attained a clearer understanding of the problems to be solved in the interests of future relations between the EEC and Nigeria.

Request by Kenya, Uganda and Tanganyika for the opening of negotiations

8. The Ministers of Commerce and Industry of Kenya and Tanganyika, and the Minister of Commerce of Uganda, representing their Governments, addressed to the President of the Council of the EEC a letter proposing to open negotiations at an early date in order to establish a formal economic relationship between the European and East African Common Markets. A copy of this letter was addressed to the Commission.

The decision of the three East African Governments refers to the Declaration of Intention made by the Member States of the EEC on 1 and 2 April 1963.

The East African Governments consider that the proposed agreement with the EEC should contain the economic substance of Titles I, III and V of the Association Convention with the seventeen African States and Madagascar, thus excluding, *inter alia*, the financial provisions of Title II.

Title I "Trade" contains provisions to adapt and supplement those in Part IV of the Treaty of Rome (especially on customs duties and quotas) and in the former Implementing Convention. These provisions maintain the principle of reciprocity amongst the associated and Member States in this field.

Title III "The Right of Establishment, Services, Payments and Capital" contains provisions on establishment which are based on the principle of non-discrimination in the associated States between nationals and companies of the Member States. However, application of this principle is made subject to reciprocal practice in the Member States as far as nationals and companies from the associated States are concerned. At the same time the signatories undertake to liberalize payments and movements of capital connected with the establishment facilities granted.

Title V "General and Final Provisions" deals with questions of procedure and the rights and obligations of the signatory States.

The East African Governments wish that the proposed agreement should become effective at about the same time as the new Convention itself, and that to this end a Ministerial Mission should be sent to the EEC as soon as possible in order to enter into negotiations.

The Commission has favourably received the request of these three countries. At its session of 2 and 3 December 1963, the Council was informed of this and raised no objection. The Commission proposed to the three Governments that exploratory talks should be held at the beginning of 1964.

Measures to defend Community trade

9. In conformity with the Council's Decision of 25 September 1962 concerning an action programme to implement a common commercial policy ⁽¹⁾, and in accordance with Article 111(1) of the Treaty of Rome, the Commission has submitted to the Council a proposal for a Regulation establishing common principles and a common procedure to defend the EEC's commercial interests against abnormal trade practices by non-member countries. The proposal is published in the supplement to this Bulletin.

The Commission has expressed its hope that the Council will decide on this matter at one of its forthcoming sessions.

The Community and GATT

The impending trade negotiations

10. The Committees and Sub-Committees set up by the Trade Negotiations Committee, to assist it and to enable it to perform its functions as set out in the Ministerial Resolution ⁽²⁾, continued work in November 1963.

The results were submitted to the Trade Negotiations Committee at its meeting on 28 and 29 November, when it noted the progress made in preparing the negotiations.

The Commission's representatives took a very active part in all the work described below.

11. *Sub-Committee on the Tariff Negotiating Plan.* — The report drawn up by this Sub-Committee explains as follows the main questions arising in connection with definition of the rules applicable to the tariff negotiations :

a) The depth of the tariff reductions :

The Sub-Committee worked on the assumption that there would be an all-round reduction by 50%. The Community accepted this assumption on the understanding that if it were to become a reality reciprocity must be assured. So far as the Community was concerned, this consisted in a satisfactory settlement of the disparities problem.

b) The exceptions :

The Sub-Committee found that the clause in the Ministerial Resolution according to which exceptions would be limited and would require a procedure of confrontation and justification was in itself sufficient to govern the exceptions.

c) The criteria for determining significant disparities in the tariff levels and the rules applicable to tariff reductions in these cases :

The Sub-Committee did not reach a unanimous opinion. The Community's position was explained in the light of its fundamental theory of reciprocity, which would lead, at the end of the negotiations, to a balance in the tariff situation.

⁽¹⁾ See official gazette of the European Communities, No. 90, 5 November 1962.

⁽²⁾ See Bulletin 8-63, Chap. III, sec. 7.

The Trade Negotiations Committee noted the various positions and decided to forward the report to the Governments with a recommendation that it should be given careful consideration and no effort spared to enable the Sub-Committee to settle its outstanding problems and propose solutions in the new report which it will submit to the Committee in February 1964.

12. *The Committee on Agriculture.* — The main task of this Committee was to discuss procedures for preparing the negotiations on farm products other than those designated as likely to be the subject of world-wide agreements. However, it appeared that procedural matters could prejudice the solution of fundamental questions on which opinions still differed, and so it was decided not to resume work on this point until the beginning of 1964.

In this context the Community reaffirmed its view that the problem of agriculture was one whole, composed of interlocking elements which must not be separated in the search for suitable solutions.

13. *Sub-Committee on Non-tariff Barriers.* — This Sub-Committee drew up a first list of non-tariff measures which could be discussed, and invited the Governments to notify the Secretariat before its next meeting of the measures which they would like considered. The Trade Negotiations Committee approved these proposals and fixed the next meeting of the Sub-Committee for 15 January 1964.

14. *Sub-Committee on the Participation of Less-Developed Countries.* — Noting the outcome of the first meeting of this Sub-Committee, the Trade Negotiations Committee stressed the importance of its activities, and urged that they be pursued with all possible dispatch.

Expansion of trade with the developing countries

15. Committee III of GATT has been given the task of finding solutions to the problems faced by less-developed countries in promoting their development and expanding their export earnings. It held a two-week meeting in October, in which the EEC participated. This was the first time the Committee had met since the meeting of GATT Ministers in May 1963, when further impetus was given to its work in several fields.

On the basis of a document summarizing the results achieved since the Committee started work, the Committee noted with satisfaction that significant inroads had been made in the reduction or elimination of barriers affecting the product categories included in the three lists which had been drawn up at earlier stages in accordance with the wishes of the less-developed countries. The number of industrialized countries applying quantitative import restrictions on these products has constantly decreased; some had eliminated all quantitative restrictions or had reduced their application to one or two items. In fact, on most markets of industrialized countries quantitative restrictions had ceased to constitute a significant barrier to trade. Progress, though somewhat less pronounced, was also noted in the reduction of customs tariffs on these products.

The representatives of the less-developed countries nevertheless pointed out that some quantitative restrictions continued to be in force in a number of countries, affecting various items which were of considerable export interest to less-developed

countries. They also expressed their disappointment over the lack of progress made in reducing or eliminating the high fiscal charges on cocoa, coffee and tea in certain major markets where such measures were being applied.

The Committee decided to enlarge considerably the list of products under examination.

Another important point on the Committee's agenda was establishment of a programme and time schedule for the studies of the development plans of the less-developed countries, in accordance with the instructions of the Ministers. The arrangements made by the Committee are designed to ensure that these studies will not result in a series of academic exercises but will enable a clear analysis to be obtained of trade and aid relationships, export potential and market prospects for individual less-developed countries. The studies will establish supporting material for concrete measures to be taken by the Contracting Parties to assist the development and export trade of the countries concerned.

16. At the ministerial meeting of GATT in May 1963 the Ministers of the less-developed countries and of the EEC recognized the urgent need for amplification of the objectives and for revision of the principles and rules of the General Agreement, to enable the Contracting Parties to discharge their responsibilities for expansion of the less-developed countries' trade. A Working Party to examine these legal and institutional problems met in Geneva from 14 to 18 October. The Commission of the EEC is actively represented in this Working Party.

At its first session the Working Party drew up a list of possible amendments and additions to the General Agreement, to make it reflect what has already been done in GATT for the benefit of the less-developed countries and take better account of the special difficulties of these countries.

Negotiations with the United States on the poultry problem

17. The panel set up by the GATT Council on 28 October 1963 at the request of the European Economic Community and the United States, to give an advisory opinion in the dispute concerning poultry ⁽¹⁾, ended its work on 19 November 1963.

In its report, published 21 November 1963, the panel recognized that the matter before it fell to be dealt with in the context of the Article XXIV(6) negotiations. This was relevant both to the question of the reference period on the basis of which, as of 1 September 1960, the value of the United States poultry exports to the Federal Republic of Germany should be determined, and to the manner in which this determination was to be made.

In its choice of a reference period the panel was guided by the practice normally followed by contracting parties in tariff negotiations, namely to lay particular emphasis on the period for which the latest data were available. As, in its view, the latest data which could reasonably have been expected to be available on 1 September 1960 would run up to 30 June 1960, the panel decided to take as reference period the year 1 July 1959 to 30 June 1960.

(1) See Bulletin 12-63, Chap. IV, sec. 10.

The panel then considered what corrections to the figures for the reference period might be necessary to enable it to take account of the discriminatory quantitative restrictions existing in the Federal Republic of Germany during that period. It was the panel's view that, in the absence of quantitative restrictions, United States exports would have had a larger share of the existing German market.

Having taken account of these factors, and basing itself entirely on information which could have been known on 1 September 1960, the panel came to the conclusion that a figure of \$26 million would reasonably represent the value to be ascribed, as of 1 September 1960, in the context of the unbindings concerning this product, to United States exports of poultry to the Federal Republic of Germany. It will be remembered that the United States had put forward the figure of \$46 million, whereas the EEC Commission's estimate was from \$16 to 19 million.

The United States and the European Economic Community accepted the opinion of the panel. The Community's approval was given by the Council at its session of 2 and 3 December 1963.

Following the opinion of the GATT panel, on 4 December the United States Government decided to suspend the tariff concessions on brandy, trucks, dextrin and potato starch. Higher tariffs on these articles will go into effect on 7 January 1964. This step has been brought to the notice of the concessions upset by restrictions imposed on poultry imports by the European Economic Community.

Mr. Christian A. Herter, Special Representative of the President of the United States, stressed that the new tariffs would be charged on imports of these products no matter where they came from, although the former tariff concessions applicable to them had been negotiated with the Member States of the EEC, which accounted for 94 % of the United States' imports of these goods. The value of imports coming from the Community affected by the higher American tariffs was equivalent to the \$26 million estimated by the GATT panel.

Mr. Herter emphasized that the tariff concessions had been suspended, not withdrawn; they could therefore be reinstated whenever an agreement was made with the European Economic Community to restore reasonable access for United States poultry.

OECD

Meeting of the OECD Council of Ministers

18. M. Rey, a member of the Commission, represented it at the meeting of the OECD Council of Ministers which was held in Paris on 19 and 20 November 1963. The meeting devoted a good deal of its discussions to problems of trade relations with developing countries and to suitable means of increasing their export revenue.

M. Rey referred to the Community's efforts to assist less-developed countries, such as the association of Greece and Turkey with the Community and the new Convention of Association concluded with seventeen African countries and Madagascar, as well as a number of specific measures taken by the Community (suspension of the common external tariff duties on tea, maté and tropical hardwoods; reduction of preferences on coffee and cocoa ; and others).

The Ministers stressed the importance of the studies being undertaken by the OECD on the various methods of stabilizing and increasing developing countries' revenue from export of primary products, and from export of manufactured and semi-manufactured products (Brasseur Plan). They instructed the organization to continue its work and the consultations concerning the trade problems of these countries.

The Council of Ministers also considered the outlook for economic growth in the Member States, which it felt was better than last year: it was in line with the objective fixed in 1961 to increase gross national product by 50 % by 1970.

Finally, the Ministers noted that financial development aid had remained substantial, and that its terms and conditions had been improved.

Economic Policy Committee

19. At a high-level meeting which took place on 6 and 7 November the Economic Policy Committee dealt mainly with inflationary trends in France and Italy and with the international balance of payments.

The Commission presented a memorandum on the economic situation in the Community as a contribution to the discussion.

Trade Committee

20. On 5 and 6 November the Commission took part in the meeting of the Trade Committee. This Committee is pursuing its work on trade relations with developing countries. The Commission also took part in the work of the group of high-level experts on credits and export credit guarantees which the Trade Committee has set up.

Industrial Committee

21. The Industrial Committee met from 12 to 14 November; the Commission was represented. In addition to carrying on its current work on stagnating sectors and regions the Committee pointed to the need for studies on measures of adaptation to be employed by the industries of the Member States.

Non-member countries' missions to the Community

22. The Community has given its *agrément* to the appointment of Ambassadors Sten Lindh, G.P. Malalasekera, Hahn-Been Lee and Oguz Gökmen as the new heads of the Swedish and Singhalese and heads of the Korean and Turkish missions to the Community.

The Community has agreed to the request of Nationalist China to established diplomatic relations with the EEC.

Visit to the Commission by Vice-President Lyndon B. Johnson of the United States

23. On 9 November 1963, in the absence of the President of the Commission, Vice-President Sicco L. Mansholt received Vice-President Lyndon B. Johnson of the United States.

Mr. Johnson called on the Commission during his official visit to the Benelux countries.

The two vice-Presidents discussed trade relations between the Community and the United States in general and with particular reference to the multilateral negotiations which will take place in GATT in 1964. Mr. Johnson stressed the importance the United States attached to these negotiations. He assured Vice-President Mansholt that the Government of the United States desired the talks to begin at the earliest possible date and that there was no wish to delay them because of the American elections, which would take place in November 1964.

M. Mansholt said that the Commission also wished the negotiations in GATT for both industrial and agricultural goods to begin as soon as possible. He emphasized the importance of agriculture in these talks, and told Vice-President Johnson that the Commission was convinced that certain elements of the EEC's common agricultural policy must be settled before the Community could take an effective part in the negotiations. He said that for these reasons the Commission attached the greatest possible weight to its proposals for a common cereal price and for a method of negotiation on farm products within GATT.

ECONOMIC AND FINANCIAL AFFAIRS

Energy policy

24. The Special Council of Ministers of ECSC, which met in Luxembourg on 2 December, was unable to adopt the draft resolution on energy policy drawn up by the Special Committee on Energy Policy.

The draft embodied certain principles enunciated in the Memorandum prepared by the three Executives in June 1962: low-cost and reliable supplies and freedom of choice for the consumer. Its only concrete proposal was for the granting of subsidies to collieries with the authorization of the Community institutions; in all other spheres it did no more than propose machinery for consultation between the Governments and the Executives.

The EEC Commission had given this draft resolution a very lukewarm welcome; in the Commission's opinion it did not provide a sufficiently coherent and well-ordered body of measures to form a true common policy. The Commission regretted that in a sphere so important for the future of the Community, a really constructive and clearer solution had not yet been defined. The ECSC and Euratom Executives also expressed serious doubts on the document.

Contrary to the Ministers of five Governments, who expressed themselves in favour of the draft, the Netherlands Minister formally opposed it as a retrograde step; in his opinion, there could be no talk of subsidies or grants to collieries without reference to a genuine common energy market. Such a market was proposed in the Executives' Memorandum but did not follow at all from the draft resolution.

At the proposal of M. Michel Maurice-Bokanowski, President in office of the Council, the Ministers decided to refer the resolution to the Special Committee for further study. The Committee must submit its report by 1 March 1964.

Debate in the Parliament on energy policy (17 October 1963)

25. The resolution adopted by the Parliament at its session of 14-18 October 1963 appeared in Bulletin 12-63, together with the announcement that the following issue would contain an account of the energy policy debate which led to this resolution.

During the debate on the report presented on behalf of the Parliament's Energy Committee by Senator Leemans, several speakers stressed the importance of bringing the present Council discussions on a common energy policy to a rapid and successful conclusion.

After the rapporteur's opening remarks, the Assembly heard statements by members of the three Executives who had sat on the Inter-Executive Working Party on Energy, which drafted the Memorandum on Energy Policy submitted to the Council in June 1962.

M. Lapie, Chairman of the Working Party and a member of the High Authority, gave an account of the work leading up to the submission of the Memorandum and defined the responsibilities of the Executives and Governments in implementing a common policy.

M. De Groote, a member of the Euratom Commission, dwelt on the Executives' efforts to reach a solution to this vital problem.

Next, M. Marjolin, Vice-President of the EEC Commission, referred to the problems of the energy sector, pointing out that it was perhaps because they had no clear notion of what these problems involved that the Governments had not so far succeeded in reaching agreement.

The crux of the matter was not, M. Marjolin went on, the coal question, for the protection of Community coal should not arouse strong feelings or any serious difficulty.

The Executives were ready to seek a reasonable solution to this problem, taking all possible account of the interests of the miners and inhabitants of mining areas. M. Marjolin did not think that anyone imagined it possible that coal output could be reduced much below the present level in the next few years. The point was not what this level should be but how to maintain it.

The crux of the matter was different; it was bound up with the supply of petroleum and natural gas over the next ten or twenty years until nuclear energy took over from the traditional forms of energy. The problem was one of maintaining reliable and low-cost supplies of petroleum products. Until the production of nuclear energy was sufficiently developed, the Community would have to depend more and more on supplies of petroleum and natural gas for its energy.

M. Marjolin illustrated this point by figures showing the rapid increase of the consumption of petroleum products over the last few years, which has been faster than the growth rate for energy as a whole. He also pointed out that it could be assumed that natural gas would take on increasing importance in Europe in the future.

On the basis of various estimates of the output of coal and natural gas in the Community, total petroleum requirements will have at least doubled by 1970 in relation to 1960, and would go up another 30-50 % between 1970 and 1975. This advance would probably continue in the following years; on the basis of the present average cif price of imported petroleum, the quantities needed would cost about \$4 000 million in 1970 and probably \$5 500 million in 1975. This advance in terms of value would also continue, and the heart of the problem would not change even if these figures did not prove wholly accurate.

It had to be borne in mind that Europe was in a different position from the other large economic blocs in the world, the United States and Russia, which have their own energy resources. Unless the present discoveries round the North Sea became more definite and larger in scale, Europe would become increasingly dependent on imports from the rest of the world for its energy, whatever its own output of coal might be. This was the political problem before us.

M. Marjolin was struck by the fact that, although the United States had plentiful sources of energy at its disposal, it had thought necessary to work out and implement an American energy policy to promote research and safeguard available resources.

However optimistic one might be about the future of political relations in the world, it was clear that Europe must also consider this problem and find the means of ensuring, as far as possible and at a reasonable cost, safe and stable supplies.

Stockpiling to overcome temporary crises was a necessity, but it was no more than a partial solution of the fundamental problem before the Community. It was no exaggeration to say that supplying Europe with energy was one of the fundamental political problems facing the European Economic Community and each of its member countries.

On the initiative of the EEC Commission, the Member States held an initial discussion on these points at a meeting in Brussels. A working party of experts was instructed to study the three basic points of petroleum policy: emergency stocks, alternative sources of supply in case of a localized crisis, and long-term diversification of sources of supply for Europe's petroleum needs.

It would not be sufficient however to undertake studies which would be pointless if they did not lead to practical measures. At the present stage of these studies it already seemed possible to fix an agreed minimum for emergency stocks; but it was too early to foresee what practical results could come of the other two studies.

M. Marjolin went on to give the Assembly a brief account of the Commission's attempts during the last few months to solve some specific points of petroleum policy which were its responsibility under the Treaty of Rome.

These points embrace free movement within the Community for petroleum products, the application of rules of competition to aids to the petroleum industry, the fixing of the common external tariff for petroleum products, consultations on trade policy and exchange of information on investment.

M. Marjolin made it clear that the Commission did not wish to treat these problems independently of those arising from the energy policy — the present situation of coal and the problems of nuclear energy in the future — but that a common timetable must be established, especially for coal and petroleum problems. The relative importance attributed to coal and petroleum was not uniform throughout the Member States, so that a balanced solution at Community level was not possible if the two questions were broached separately.

That was why in all its work on petroleum policy the Commission had always co-operated closely with the High Authority and the European Atomic Energy Commission.

M. Marjolin concluded by stressing the importance the merging of the Executives could have in facilitating a solution to the problem of energy policy.

"We may well derive added strength", he declared, "from this merging of the Executives which, though it may not enable us immediately to overcome the hesitations and local prejudices which we shall meet in framing a new energy policy, will at least give us more confidence as we approach the fortress to be stormed."

During the subsequent debate several speakers stressed the political nature of the problem. In M. Posthumus's opinion the question of European energy, which was originally handled in the main by technicians and experts, is now an important aspect of the European political situation.

M. Petre pointed to the social aspects of the energy problem and the serious difficulties resulting from the Councils' lack of decision, in particular for the future of collieries.

Several speakers dwelt on prices and trade policy. The Chairman of the Energy Committee, M. Burgbacher, warned the Parliament against imagining that the present price ratios between Community energy and imported energy would continue indefinitely and drew attention to changes that could arise in the world energy market from a rapid and general increase of demand.

M. Battaglia hoped that measures to safeguard supplies would not have an adverse effect on prices. Energy import policy must be considered in the wider context of the Community's future trade policy and everything done to avoid raising the costs or diminishing the external markets of Community industries.

M. Pedini recalled that because of the volume of future needs petroleum policy will dominate the energy problem. In his opinion the Community had no choice but to equip itself to negotiate in this sphere if it wished to preserve its freedom of action.

Other speakers were Mme Gennai Tonietti, M. Brunhes, M. De Block, M. Toubeau, M. Philipp and M. Friedensburg.

Finally, M. Bousch, despite reservations as to the content of the Memorandum and the assumptions on which it is based, supported the conclusions of the Leemans report as a token of his wish to find a way out of the present impasse and to halt the dismantling of coalmining enterprises in the Community.

At the resolution of the debate, a resolution ⁽¹⁾ was adopted expressing the fear that the Councils might continue indefinitely to put off any decision on the Executives' proposals, and thus seriously compromise the progress of the common market.

The co-ordination of policy on credit insurance

26. The Group for the co-ordination of policy on credit insurance, guarantees and financial credits held its 17th meeting in Brussels on 26 November 1963. It approved the final form of the report that it will submit to the Council on the consultation procedure for export credits which came into force in May 1962. This

⁽¹⁾ See Bulletin 12-63, Chap. IV, the Parliament.

report surveys the consultations that took place between 15 May 1962 and 1 September 1963 and makes a number of suggestions for improving a procedure which has already made possible appreciable progress towards harmonization of export credit policies. The Group also noted the work of the EEC Technical Committee on Credit Insurance, which is planning a uniform credit insurance system. It devoted particular attention to the common definition, in policy terms, of insurance against "political" risks, "catastrophy" and "non-transferability" risks before or after delivery, established by the Technical Committee. The Group also agreed that certain common solutions already worked out by the Technical Committee could take effect immediately: cover of the risk in the country of the foreign partner, common definition of a public buyer, etc. In view of the advanced stage of the Technical Committee's work it would be possible to begin drafting a European credit insurance policy early in 1964.

The Group heard an account by the French delegation of recent modifications by France in its export financing and guarantee mechanisms.

Problems of the petroleum sector

27. The Group of petroleum experts met on 19 November 1963. It concentrated on the definition of emergency stocks of crude oil and petroleum products, with a view to providing uniform statistical information on the stocks which would help to ensure supplies at times of crisis. It went on to discuss details of a possible agreement on a minimum level of stocks.

The papers approved by the experts will be submitted to the senior officials responsible for petroleum policy in the Member States.

THE INTERNAL MARKET

Commission's recommendation to Germany and France on the adjustment of the spirits monopoly

28. The Commission made two recommendations to Germany and France on freedom to import spirits and on the taxation of these. The recommendations aim at abolishing all discrimination in trade in these products as required by Article 37(1) (gradual adjustment of national trading monopolies).

As soon as the Treaty took effect, the Federal Government introduced measures facilitating imports of certain spirits and spirituous beverages.

The Commission deemed it necessary to continue and amplify steps taken to achieve the free circulation of spirits in the whole Community by the end of the transition period. It considers that where the existing system entrusts import and sale of spirits to private concerns supervised by the State (as in the Federal Republic of Germany) adjustment under Article 37(1) of the Treaty must include the abolition of discrimination which consists in limiting imports from other Member States in the light of domestic marketing possibilities, the competent department having the power to grant or refuse import licences at its discretion.

The Commission has therefore asked the Federal German Government under Article 37(6) of the Treaty :

a) To grant from now on any import licence requested for spirits and spirituous beverages from other Member States, still subject to individual licence, up to an equivalent of 6 000 hl of alcohol for 1963 and to distribute this quantity according to the following quotas :

1 620 hl of pure alcohol for spirits from wine

1 380 hl of pure alcohol for spirits from cereal grains, and

3 000 hl of pure alcohol for other products still subject to individual licensing;

b) To increase these quantities annually by at least 15 %. By the end of the transition period imports of all spirits and spirituous beverages shall be completely liberated;

c) To inform interested parties of the import possibilities arising from adjustment of the German spirits monopoly.

29. In the case of the French spirits monopoly, the Commission also deemed that since the system in this country places the importing and marketing of spirits in the hands of private concerns supervised by the State, adjustment under Article 37(1) of the Treaty should also abolish discrimination which consists in imposing a greater tax burden on imported goods than on similar national products.

Acting by virtue of Article 37(6) of the Treaty the Commission has therefore recommended to the French Government that by the end of the second stage it amend its taxation relating to spirits so that :

i) No countervailing charge should be levied on imports of spirits and spirituous beverages from other Member States unless a tax is levied on comparable national products;

ii) The countervailing charge may not be higher than the tax.

Customs matters

Suspension and temporary reduction of customs duties

30. At its session of 2 and 3 December the Council, on a proposal from the Commission, decided to suspend or temporarily reduce duties on a number of products ⁽¹⁾ the output of which in Community countries is completely or partly inadequate to satisfy the needs of Community processing industries. However, the Council, considering that it was not in a position to forecast accurately how business would shape in the sectors concerned in the near future, fixed time-limits to these suspensions.

From 1 January to 30 June 1964, the CET duty on Japanese vellum (special long-fibred paper under sub-heading ex 48.01 E II) for the manufacture of artificial gut will be suspended and the duty on polyoxymethylene resin in one of the forms included in Note 3 a and b of Chapter 39, under sub-heading ex 39.01 B VIII temporarily reduced to 4 %.

⁽¹⁾ See official gazette of the European Communities, No. 180, 10 December 1963.

Suspension of duties on sugar

31. The CET duty on solid beet and cane sugar under heading 17.01 is suspended until 31 March 1964 ⁽¹⁾.

The Commission has noted the sugar shortage in certain member countries after the 1963 beet marketing year and has seen no possibility of forecasting whether the Community's supplies will be sufficient for needs until the 1964 marketing year.

Suspension of duties on molasses

32. On 25 November the Council, on a proposal from the Commission, authorized Belgium, Italy, Luxembourg and the Netherlands to suspend until 31 December 1963 duties on imports of molasses (17.03 B IV) from non-member countries ⁽²⁾.

The Council considered that availabilities of these products in the Community were insufficient for the industries using them.

Tariff quotas

33. On 12 November 1963 the Commission decided, under Article 25(3) and (4) of the Treaty, to extend until 31 December 1963 the tariff quota granted to Italy for imports from non-member countries of ethyl alcohol undenatured of a strength of 95 degrees or higher, under CET heading ex 22.08 B ⁽³⁾.

34. On 21 November 1963 the Commission decided, by virtue of Article 25(3) and (4) of the Treaty, to increase the tariff quotas granted for imports from non-member countries in 1963 of unworked, crushed, granulated or natural cork and waste cork (CET 45.01) ⁽⁴⁾ as follows :

- i) from 10 000 to 13 000 metric tons for the Netherlands;
- ii) from 45 000 to 50 000 metric tons for the Federal Republic of Germany;
- iii) from 950 to 1 300 metric tons for B.L.E.U.

35. On 29 November 1963 the Commission decided, by virtue of Article 25(3) of the Treaty, to increase from 80 000 to 110 000 hl the tariff quota granted to the Federal Republic of Germany for imports from non-member countries of natural red wine of fresh grapes under tariff heading ex 22.05 B I b, ex 22.05 B II b and ex 22.05 B III b 2, for blending as laid down by the Commission's decision of 22 March 1963.

⁽¹⁾ See official gazette of the European Communities, No. 168, 22 November 1963.

⁽²⁾ *Ibid.*, No. 177, 4 December 1963.

⁽³⁾ *Ibid.*, No. 171, 27 November 1963.

⁽⁴⁾ *Ibid.*, No. 177, 4 December 1963.

36. On 3 December 1963 the Council decided, by virtue of Article 25(1) of the Treaty, to grant the following tariff quotas for imports from non-member countries in 1964 :

| Tariff heading | Description of product | Country | Volume (mt) | Quota duties (in %) |
|----------------|---|--------------|-------------|---------------------|
| ex 30.01 A I | Dried and powdered organo-therapeutic bovine livers | Germany (FR) | 50 | 2.4 |
| ex 73.05 A | Unprocessed iron or steel powders | Germany (FR) | 8 000 | 4 |
| 73.05 A | Iron or steel powders | Netherlands | 1 500 | 2 |
| 73.05 A | Iron or steel powders | B.L.E.U. | 1 020 | 2 |
| ex 38.08 C | Polymerized and oxidized rosin | Germany (FR) | 6 600 | 1.2 |
| ex 38.08 C | Hydrogenized rosin | Germany (FR) | 1 350 | 1.2 |
| ex 38.08 C | Hydrogenized, polymerized and dimerized rosin | Netherlands | 1 900 | 1.2 |
| 48.01 A | Newsprint | Germany (FR) | 375 000 | 0 |
| 54.03 A Ia | Certain qualities of flax yarn | Germany (FR) | 500 | 3 |

37. On 3 December 1963 the Council decided, by virtue of Article 25(1) and (4) of the Treaty, to increase from 360 000 to 385 000 metric tons the tariff quota granted to the Federal Republic of Germany for imports from non-member countries in 1963 of newsprint under CET heading 48.01 A.

On 3 December 1963 the Council decided by virtue of Article 25(1) and (4) of the Treaty, to increase :

- i) from 6 000 to 7 700 metric tons
- ii) from 750 to 1 000 metric tons, the tariff quotas granted to the Federal Republic of Germany and the Netherlands respectively for imports in 1963 from non-member countries of :
 - i) unprocessed iron or steel powders (ex 73.05 A)
 - ii) iron or steel powders (73.05 A).

Countervailing charges

38. On 5 November 1963 ⁽¹⁾ the Commission authorized France and the Federal Republic of Germany respectively to levy countervailing charges on imports from other Member States of chocolate, confectionery and other preparations containing cocoa or chocolate, but not containing liqueurs, and on imports of bread from the

⁽¹⁾ See official gazette of the European Communities, No. 171, 27 November 1963.

Netherlands. These are renewals of earlier Commission decisions. The charges are to compensate France for the difference between prices of milk and sugar in that country and those applied by other Member States to these raw materials when the goods in question are exported. In the case of Federal Germany the compensation is to make up the difference between German and Netherlands prices for wheat used in bread.

Application of Article 26 of the Treaty to manufactured tobacco

39. By decision of 21 November 1962 the Commission authorized the French Government to postpone until 30 June 1963 the approximation of the special tariffs of French Guiana, Martinique and Réunion to the common external tariff for manufactured tobacco. This alignment would have involved a very large increase in duty on such tobacco on top of the existing internal tax. Pending revision of the tax legislation to enable the necessary approximation to be made, the Commission, on 11 November 1963, prolonged its decision of 21 November 1962 by one year. ⁽¹⁾ However, in the case of tobacco manufactured in French Guiana, Article 26 has been applied to only half the amount of the duties to be increased.

Right of establishment

Debate on the proposed directives on freedom of establishment and freedom to supply services

40. At its sitting of 27 November 1963 the Parliament examined draft resolutions expressing its opinion on the following three proposals for directives:

- i) Proposal for a directive on procedure for introducing freedom of establishment and freedom to supply services in respect of self-employed persons in manufacturing activities coming under ISIC major groups 23 - 40 (industrial and artisan activities); ⁽²⁾
- ii) Proposal for a directive detailing transitional measures for self-employed persons in manufacturing activities coming under ISIC major groups 23 - 40 (industrial and artisan activities); ⁽²⁾
- iii) Proposal for a directive on procedure for introducing freedom of establishment and freedom to supply services in respect of self-employed persons in mining and quarrying (ISIC major groups 11 - 19). ⁽²⁾

The rapporteur of the Internal Market Committee stressed that the proposed measures provide for the abolition of obstacles and the mutual recognition of diplomas or, failing this, for provisional measures. While upholding the need to do away with all obstacles to freedom of establishment and freedom to supply services both in the artisan and industrial sectors, the rapporteur proposed some detailed amendments to the Commission's wording.

M. Levi Sandri, a member of the EEC Commission, drew attention to the fact that the three directives form a whole and that in the main the Commission is in agree-

⁽¹⁾ See official gazette of the European Communities, No. 171, 27 November 1963.

⁽²⁾ See supplement to Bulletin 5-1963.

ment with the Internal Market Committee. He furthermore stressed the pressing need to resolve the problem of freedom of establishment for joint stock companies provided for in the first directive.

The Parliament voted on the draft resolutions without further debate as all the groups seemed to be unanimous in their approval of the EEC Commission's proposals.

The first resolution was adopted with an amendment extending the application of the directive to prospecting and drilling for petroleum and natural gas.

The other two resolutions were adopted without any amendment of note.

COMPETITION

Rules applicable to enterprises

Regulation No. 17 : the time-limit specified in Art. 7(2) extended by three years

41. On 5 November the Council adopted a regulation⁽¹⁾ amending Article 7(2) of Regulation No. 17; the scope of the new regulation was reported on in Bulletin 9/10-63, Chap. IV, sec. 25.

Commission recommendation under Article 3 of Council Regulation No. 17

42. As mentioned in Bulletin 9/10-63⁽²⁾, the Commission has issued one recommendation under Article 3(3) of Regulation No. 17 calling on the firms and associations of firms in question to put an end to infringements of Article 85 of the Treaty. This is a case of restrictions on competition in building materials which was investigated at the initiative of the Commission some time ago and was reported as an old cartel by those concerned before the statutory time-limit. In its recommendation the Commission ruled that Article 85(3) could not be invoked in defence of a system of collective exclusive-dealing arrangements among a group of suppliers and merchants. The parties concerned have informed the Commission that they gave up these restrictive practices within the specified period.

State aids

General aid systems

43. In accordance with Article 93(3) of the Treaty the Italian Government has notified the Commission of three bills tabled in the autonomous region of Trentino-Alto Adige and dealing with the following :

a) The provision of additional funds for the aids referred to in Regional Law No. 10 of 7 March 1963;

⁽¹⁾ See Regulation No. 118 in the official gazette of the European Communities, No. 162, 7 November 1963.

⁽²⁾ See Chap. IV, sec. 27.

- b) Further measures to assist the hotel trade;
- c) Encouragement to the construction of warehouses.

The Commission decided to raise no objections to these bills becoming law.

Aid to farm products in Italy

44. In pursuance of Article 93(3) of the Treaty the Italian Government has notified the Commission of a bill tabled in the autonomous region of Val d'Aosta concerning aids to improve and increase production of quality farm products. The Commission has informed the Italian Government that there is no objection to this bill, with the proviso, however, that the Commission be informed of how the subsidies are allocated. Furthermore, the Commission reserves the right to review the matter at some future date in the light of the cumulative effect of this law and other measures, particularly aids under the "Green Plan".

Examination of aids to agriculture

45. The examination of aids to products manufactured solely from agricultural raw materials was continued and discussed at a multilateral meeting which also dealt with aids in the dextrin and casein sector. These two products have been studied as a matter of priority as a result of complaints by two Member States, in whose view measures taken by certain Governments are liable to restrict trade.

German plans to aid the petroleum industry

46. In accordance with Article 93(3) the German Federal Government notified the Commission of its intention to aid the petroleum industry under a bill to readjust duties on petroleum. The matter was discussed on 2 October and 13 November by officials of the member Governments and of the Commission. These discussions provided the Commission itself with enough information to enable it to work out its official standpoint under Article 92 and the following articles. The legislature of the German Federal Republic has, moreover, decided to make a number of amendments to the bill, which means that it will have to be studied further.

Taxation

Standing Committee of heads of revenue departments

47. This Committee met again in Brussels on 29 October 1963, when it was chiefly concerned with preparing the ground for discussion of the turnover-tax directive in the Council. It was decided to set up a working party on financial statistics. The Commission also informed the Committee of the progress of studies relating to taxes on capital movements, direct taxes borne by companies and double taxation among the member countries.

There was another meeting of the Standing Committee in Brussels on 22 November, when discussion centred on various aspects of the common added-value tax proposed by the Commission in its draft directive on the harmonization of turnover taxes. Before the Committee was a report by the competent working party on "Some

important problems relating to the structure and implementation of a common system of added-value tax". There was detailed discussion of the problems arising from the definition of the concept and nature of an added-value tax and its field of application, from the various possible tax-on-tax deduction methods (particularly with respect to the tax burden on investment goods), from tax exemptions and differentials and from the taxation of services, agriculture and very small businesses. The results of the discussion will be embodied in a report to member Governments and dealt with at the next meeting of Finance Ministers in the middle of January 1964.

Taxation of tobacco products

49. On 13 November 1963 there was a meeting of Government experts in Brussels, at which the taxation of tobacco products was discussed. After commenting on the discrimination within the meaning of Article 95 of the Treaty that can occur under certain tax procedures currently applied, the meeting had a broad exchange of views on the harmonization of the consumer taxes on these products.

More concrete proposals on this question will be discussed at another meeting.

SOCIAL AFFAIRS

Social security for migrant workers

Proposal for a Council Regulation

50. The Commission has submitted to the Council a draft regulation amending Article 13 of Regulation No. 3 (25 September 1958) and Article 11 of Regulation No. 4 (3 December 1958) on social security for migrant workers.

In its covering letter the Commission pointed out that the purpose of the draft was to remedy the abuses arising from the application of Article 13(a) of Regulation No. 3 — relating to social security legislation applicable to workers rendering services in another Member State on their employer's instructions — and to bring under a single system of social security legislation those workers who normally carry on their trade on the territory of more than one Member State.

The Commission stated that this amending regulation was proposed by the Administrative Committee for the social security of migrant workers under Article 43(f) of Regulation No. 3 and that the ECSC High Authority had agreed in principle to the text.

Auditing Committee

51. The Auditing Committee attached to the Administrative Committee held its sixteenth session in Brussels on 18 November. There was a broad exchange of views on the application of Regulation No. 73/63/EEC (seasonal and other workers not resident in the country to whose legislation they are subject); this centred on the repayment of benefits in kind supplied to workers' families.

Details of how the cost of medical care provided for pensioned frontier workers is to be borne were also examined in the light of the arrangements made by the Administrative Committee during its forty-sixth session.

Free movement of workers

52. The first meeting of the working party on employment policy of the Advisory Committee on free movement and employment set up under Regulation No. 15 ⁽¹⁾ was held in Brussels on 4 November. In accordance with its mandate from the Advisory Committee ⁽²⁾, the working party examined a report on manpower trends and the first annual balance-sheet of clearing and placing operations in the Community drawn up by the European Co-ordination Office.

53. On 11 November the Commission had a meeting in Brussels with experts from trade associations to discuss ways and means of preparing the ten monographs on agricultural trades that it has decided to produce.

The purpose of these monographs is to facilitate the clearance of job applications and vacancies at Community level; they will constitute an indispensable supplement to the "Comparative Glossary of Trades". In the agricultural sector their main use will be to serve as guides in laying down the main lines of vocational training programmes and structures and in promoting rehabilitation operations.

Industrial health and safety

54. On 5 and 6 November 1963 the Commission arranged a third meeting of heads of national industrial health and safety departments in the Member States. The meeting examined a number of draft Community safety regulations and added further items to its programme on this matter.

Labour problems

55. A group of Belgian Government experts and representatives of both sides of industry met on 31 October 1963 to study a report on underemployment and manpower reserves in Belgium. The report was drawn up by the Institute for Economic, Social and Political Research at Louvain University and is the first of a series on this subject which the Commission has decided to put in hand in the Member States.

Debates in the European Parliament

Exchange of young workers

56. At the sitting of 28 November the Parliament studied, on the basis of a report by the Social Committee, the Commission's proposal to the Council for an initial common programme to promote the exchange of young workers ⁽³⁾. Introducing the report, M. Berkhouwer stressed the importance for Europe of exchanges among

⁽¹⁾ See official gazette of the European Communities, No. 57, 26 August 1961.

⁽²⁾ See Bulletin 11-63, Chap. II, sec. 27.

⁽³⁾ See Bulletin 6-63, Chap. III, sec. 34.

young workers. They should be encouraged as much as possible, he said, whether for manual or for white-collar workers, since they were a guarantee of Europe's future. The Community owed it to itself to make every possible contribution. A multilateral agreement such as was proposed by the Commission linked up indirectly with Article 2 of the Treaty of Rome, which imposed on the Community the aim of promoting closer relations among its peoples.

After a number of members had spoken in support of M. Berkhouwer, M. Levi Sandri, a member of the Commission and President of the Social Affairs Group, expressed the Commission's satisfaction that the European Parliament shared its views and that joint efforts were being made to achieve the desired results. The Commission, M. Levi Sandri concluded, was fully aware of the problem and was agreed that the measures suggested in the Social Committee's report were excellent; it was therefore prepared to champion them itself.

The Parliament then unanimously adopted a resolution in which it expressed the wish that this initial common programme to promote the exchange of young workers should be followed up as soon as possible by arrangements for other categories of young people, stressed the need to broaden the scope of the agreement (particularly by bringing in white-collar workers) and noted that more attention should be given to action on the cultural plane that might make it easier for young workers to fit into their environment.

Large extracts from the resolution are annexed to this Bulletin.

Students' vacation work

57. After debating the proposal on the exchange of young workers, the Parliament turned to a discussion, based on a report from the Social Committee, on the problem of students' vacation work. The report was prepared on the Parliament's own initiative.

The Social Committee's rapporteur, introducing the subject, said that students' work should be considered from a cultural, educational and social viewpoint and should be seen in the general context of vocational guidance. The Social Committee therefore believed that the EEC Commission should in the near future draw up a special common programme for working students and student trainees in the six countries.

M. Levi Sandri thanked the Committee for its initiative and assured Parliament of the Commission's lively interest in these problems and of its desire to arrive at the best possible solution.

The Parliament unanimously adopted a resolution expressing the wish that training periods and exchange schemes for working students be systematically organized, requesting that working students be given fair pay and a statutory social security scheme, and calling on the EEC Commission shortly to draw up a special programme based on the Social Committee's report.

Social aspects of the common energy policy

58. This question was debated on 28 November on the basis of a report from the Social Committee.

The rapporteur stated that the Committee had been struck by the fact that the memorandum of the three Executives and the solutions suggested therein did not give social problems the attention they merited. He also pointed out that if Europe had a real common energy policy, these problems would be much less difficult to resolve. After reviewing the difficulties arising in the various energy sectors, particularly in the coal industry, he called on the three Executives to accept the Social Committee's proposal that a social conference on the common energy policy similar to the one on the social aspects of the common agricultural policy be convened as soon as possible.

M. de Groote, member of the Euratom Commission, and several members of Parliament spoke in the debate, followed by M. Lapie, a member of the ECSC High Authority and Chairman of the Inter-Executive Working Party on Energy.

M. Lapie thought that this debate could not but encourage progress in the social field and said that the three Executives would take into account the Social Committee's suggestions. Taking up the rapporteur's comment that the memorandum did not contain a special section on social aspects, M. Lapie declared that the whole document was nevertheless devoted to social problems and that the social aspect was a major concern of the High Authority. He concluded by assuring the Parliament that he would defend its views before the bodies concerned.

M. Levi Sandri, for the EEC Commission, assured Parliament of the Commission's lively interest in the questions raised in debate.

The Parliament unanimously adopted a resolution embodying the regrets, suggestions and invitations to act put forward by the rapporteur. This is given in an annex.

AGRICULTURE

Common agricultural policy

The Commission's proposals to the Council

59. In November ⁽¹⁾ the Commission laid before the Council a set of regulations connected with its proposal to align cereal prices in a single operation during the 1964/65 marketing year ⁽²⁾.

The alignment of cereal prices necessitates fundamental changes in certain regulations now in force, notably the regulation on the gradual establishment of a common organization of the market in cereals (Regulation No. 19) and the regulation on the financing of the common agricultural policy (Regulation No. 25). Other provisions will also be needed. The Commission has submitted the following proposals:

a) A regulation amending Council Regulation No. 19 with a view to unification of cereal prices.

⁽¹⁾ On 4 November the Commission submitted the explanatory memoranda of these proposals and on 22 November the regulations themselves.

⁽²⁾ See Bulletin 12-63, Chap. I and supplement.

This proposal embodies the changes in the common organization which have now become necessary.

b) A regulation fixing cereal prices for the 1964/65 marketing year and designating marketing centres.

This proposal contains a list of basic target prices applicable for the future, basic intervention prices and threshold prices for the various cereals, with a monthly graduation; also a provision on aids to growers of durum wheat in Italy and France. It also fixes derived target and intervention prices for named marketing centres in the various Member States.

The common cereal markets would therefore in future be governed by two basic regulations: one general (concerning levies, intervention, refunds, price system), the other dealing with the fixing of prices in each case.

c) Council regulation on compensatory measures and Community plans to improve the standard of living of the agricultural population.

The object of this regulation is, firstly, to offset the unfavourable effects of cereal price alignment on farm incomes in Member States where prices have until now been relatively high by applying compensatory measures (direct payments to farmers, improvement of social benefits in this sector, measures to improve agriculture productivity as provided for by Article 39 (1 a) of the Treaty and aids to durum growers), and secondly by steps taken under "Community plans to improve the standard of living of the agricultural population" to raise the incomes of farmers and farm workers, which generally speaking compare unfavourably with those in other industries.

d) Regulation waiving the provisions of Article 5 (1) of Regulation No. 25 (financing of the common agricultural policy).

This regulation would make the cost of all measures of intervention and all refunds on cereals, pigmeat, eggs and poultry exported outside the Community chargeable to the European Agricultural Guidance and Guarantee Fund from 1964 onwards.

Debate in the Parliament on measures proposed by the Commission to establish a common cereal price level

60. On 27 November 1963 the Parliament held a debate on the above subject ⁽¹⁾.

M. Boscary-Monsservin, Rapporteur for the Committee on Agriculture, stressed the importance of these proposals for the agricultural economy as a whole. They had, he said, attracted much attention in the European press. The Parliament must make known its views. It must suggest to the Council a general line for the Commission to follow.

He explained that the notion of "common denomination" had superseded the old idea of quotas and that from now on the only factor to be used in making comparisons must be the "level of support", i.e. the difference between the price actually received by the grower and the world market price.

⁽¹⁾ See Bulletin 12-63, Chap. I.

M. Mansholt, Vice-President of the Commission, explained why the Community must take a decision: outside the Community the Western world was anxious to know what course the common agricultural policy would take; internally, the six countries' farmers were entitled to be informed of the Community's intentions.

There were other vital questions to be settled, such as that of the Community's commercial policy in the light of the impending negotiations. The Community did not desire a policy of autarchy, but it could not dispense with some measure of protection.

It would seem out of the question for the EEC to embark on negotiations in GATT without first deciding on its agricultural policy: "if we protect certain prices for cereals in the Community," said M. Mansholt, "we shall then already have a common agricultural market in this sector".

Moreover no damage would be done to the interests of non-member countries since the Commission did not consider it desirable to increase the grain-growing area in the Community and non-member countries would still have reasonable scope for exports to the Community.

In the ensuing debate a number of speakers expressed approval of the measures proposed by the Commission.

Announcing the support of his group the spokesman for the Christian Democrats emphasized the political aspect of the "Mansholt Plan".

A number of Liberal members and the Socialist group also endorsed the Plan.

German members, however, showed some reserve: the compensatory payments to German farmers should be on a permanent basis, they felt, and not be tapered down.

With only five votes against and one abstention the Parliament adopted a resolution on the establishment of a common level of cereal prices.

Commission reports to the Council

In November the Commission submitted to the Council two reports, one on the first year's operation of the common agricultural regulations and the lessons to be drawn therefrom, and one on aids to farming.

61. The first report covers the period from 30 July 1962 to 30 June 1963. It appears therefrom that the regulations have not caused any disturbance to the markets of the Member States. For products subject to levy the substitution of this system for all other forms of protection, particularly quotas, has done no damage. In the cereals sector the price stabilization mechanisms proved effective although crops reached a record level in the Community. The safeguard clause was applied only once (for dessert grapes).

The short time during which the regulations have been in force precludes any definite conclusions being drawn as regards trade with non-member countries. Globally no fall in imports from these countries has been noted and allegations that the Community practices an autarchic policy are unfounded.

Some decline of intra-Community cereals trade, by percentage and by volume, in favour of trade with non-member countries is noted. The volume of intra-Community trade in livestock products has been maintained, and this is reflected

in the percentage of total imports by a modest advance and a fall in trade with non-member countries corresponding to the increase in Community production. These developments may in certain cases raise the question of the level of protection as regards both intra-Community trade and trade with non-member countries. However, in studying the trend of trade, account must also be taken of certain factors which have nothing to do with the effect of the regulations.

The report notes that the Management Committees have made an active contribution to working out implementing measures and that they are functioning satisfactorily. The contribution made by the five Consultative Committees is also emphasized. Without wishing to draw any definite conclusions, the Commission thinks that the results obtained so far do not suggest a need for any important change in the machinery set in motion. Nevertheless a more flexible procedure seems desirable for the introduction or amendment of measures pursuant to the regulations.

The report emphasizes the importance of an adequate information network for agricultural markets and points out that in many cases the information which the Member States are expected to supply to the Commission arrives late or is incomplete.

In the case of cereals, the large crop of wheat other than durum in France meant that the Community was for the first time a net exporter of wheat — 350 000 tons — whereas average net imports in the last three years had been 2.9 million tons. It may be estimated that the production of wheat other than durum of European quality exceeded the Community's requirements by about 2.5 to 3 million tons. The Community's net imports of coarse grains in 1962/63 were 10.1 million tons as against 7.8 million during the three previous marketing years despite a more abundant coarse grain harvest than the average of those years. Consumption of cereals went up strongly during the 1962/63 marketing year and reached 66.5 million tons as against 63.9 million in the previous year; this was due to the increase in requirements for animal fodder.

EEC imports of all cereals

(in '000 tons)

| From | Average : 1959/60 to 1961/62 | | 1961/62 | | 1962/63 | |
|----------------------|---------------------------------|----|----------|----|----------|----|
| | quantity | % | quantity | % | quantity | % |
| EEC | 1 601 | 10 | 1 945 | 11 | 1 176 | 8 |
| Non-member countries | 14 027 | 90 | 15 883 | 89 | 14 331 | 92 |
| Total | 15 628 | | 17 828 | | 15 507 | |

The Commission considers that the normal functioning of the market organization presupposes harmonization of the procedures by which the Member States intervene, since these are not without repercussions for the Community, particularly as regards the financial aspect. The report examines how far the measures for regional prices applied by certain Member States are compatible with the provisions of the cereals regulation.

As regards free-at-frontier prices, certain difficulties in the selection of the markets emerged at the beginning of the marketing year. Sometimes divergences emerged between the opinion of the Commission and of the Member States involved, particularly on the price correction coefficients, export trade margins and transport costs. Nevertheless, as the marketing year advanced the lessons learned in practice made it possible to overcome some of these difficulties.

Quantitative restrictions and measures with equivalent effect in respect of both imports and exports seem to have been completely abolished save for the system for imports from State-trading countries and two derogations provided for (in favour of Luxembourg in accordance with the Protocol to the Rome Treaty and in favour of Italy until 1 July 1963 by Council decision). Import and export certificates are issued on request without restriction.

As regards sureties, disparities between the measures taken by Member States have sometimes led to unequal conditions of competition between operators and to certain difficulties. Measures making it possible to apply this surety in a more satisfactory manner have been adopted by the Commission since October 1963.

The Member States practise in varying degree the forms of export refund provided for in Council or Commission regulations. In this field the information received from the Member States is still imprecise and is sometimes supplied with considerable delay, particularly for processed products.

Practice in the first year that the refund system has been in operation has revealed among other things difficulties in respect of processed products based on cereals. At its last session the Council adopted arrangements to eliminate these difficulties.

Finally, subsidies to internal consumption are granted for certain products, particularly in Belgium, the Netherlands and the Federal Republic. Some of these subsidies have been abolished for the 1963/64 marketing year. In Germany they have been abolished except for products made from durum wheat.

On the pigmeat market the degree of self-sufficiency has remained at nearly 100 %. A roughly parallel price trend in all the Member States would seem to be the result of the liberalization of trade in pigs and pig carcasses.

Trade in pigmeat products is about 5 % of Community production. Imports from Member States increased slightly in 1962/63 both in volume and as percentage of total imports in relation to the average of the three preceding years. This increase was solely due to imports by Italy. Imports from non-member countries have fallen.

Production of eggs is increasing faster than consumption in the Community. However, the trend differs greatly to country.

Offer prices for eggs from non-member countries have remained above the sluice-gate price or have been equal to it for several months.

Imports by Member States from other Member States have fallen 16 % compared with the average of the 1959 to 1962 marketing years. Despite this reduction the percentage of intra-Community trade in total trade has improved, rising from 54 % to 65 %.

The increase in poultry consumption is general (29 % in relation to 1959/60). The increase in production in the Community (28 % in relation to 1959/60) has roughly followed the growth of consumption. The degree of self-sufficiency has remained about 90 %.

In general the price trend has been more stable than for eggs. Offer prices of hens and chickens from non-member countries have at all times remained below the sluice-gate prices. In November 1962 the Commission introduced surcharges on the levies. The offer prices of the exporting Member States have tended to align themselves on the prices charged by non-member States.

Intra-Community trade has increased only slightly in relation to the level of the preceding marketing year in tonnage, but has advanced appreciably as a percentage of total imports.

The general trend of trade in pigmeat, eggs and poultry reflects the trend which is discernible for each product: decline in Member States' imports, maintenance of intra-Community trade more or less at its previous level, falling imports from non-member countries. This trend of trade is influenced chiefly by higher production in the Community, especially in the chief importing country, the Federal Republic. This brings up the question of the level of protection.

The first year of operation has shown that any fears which may have been entertained as to the effectiveness of the system in protecting Community production were unfounded. In fact this production has continued to develop normally and the safeguard clause has not been applied.

In 1964 the Commission plans to send the Council a certain number of proposals whose effect would be to modify certain basic elements in the determination of levies. These proposals may aim at indispensable simplifications (unified composition of feed) or allow for improved methods of production and conversion rates (changes of laying rate, percentage of young layers).

The Commission considers that too high a sluice-gate price would mean an increase in intra-Community preference not provided for in the regulation and would not be without effect on the level of production. The Commission has therefore proposed to the Council that the feed conversion rate used in calculating the sluice-gate price for poultry be reduced.

On several occasions the Member States have exercised their right to ask for the reduction of levies and the Commission has generally acceded to these requests. The Commission intends to submit proposals to the Council to obviate the difficulties of interpretation which have occurred in this matter.

The amount of refunds in trade with non-member countries has never exceeded the amount of the levies actually applied vis-à-vis these countries. The practice, in intra-Community trade, of granting refunds equal to those paid on exports to non-member countries has led to difficulties. The Commission considers that the state of the market for the products in question justifies, provided some exceptions are granted, the abolition of "non-member country" type refunds in intra-Community trade so that it will be possible to refund only component a) of the levy. It will be presenting to the Council in the near future a proposal for solving this problem. The essential counterpart of such a proposal is the correct application of the sluice-gate price .

Production of fruit and vegetables has made remarkable and very rapid progress in recent years. However, production has not followed the same ascending curve for all varieties. In the absence of certain statistical data it is difficult to establish a balance-sheet of resources and requirements. Thus, even if the arithmetical balance-sheet shows a certain equilibrium for some products, it is undeniable that the disposal of the output of some fruits and vegetables, such as apples, pears, peaches and tomatoes, encounters fairly serious seasonal difficulties.

Available statistics show that neither the approximation of national tariffs to the common external tariff nor the provisions of Regulation No. 23 has impeded the growth of these imports.

The number of cases where permission to import has been withheld has been very small, representing only about 2 % of intra-Community trade in fruit and vegetables. In general all the Member States have correctly applied the regulation in this sector.

Certain economic difficulties resulting from gluts of a home product in the market of a Member State have appeared in certain Member States. This has sometimes caused prices to slump, despite which it has been impossible to dispose of all the goods offered — a state of affairs which is typical of the fruit and vegetable market.

In the context of future measures to complete the market organization for fruit and vegetables, the Commission hopes to work out solutions to some of these economic difficulties, which may well occur again in the future. Lastly, the Commission considers that the provisions concerning the observance of reference prices for imports from non-member countries need to be adjusted.

The Community is almost 100 % self-sufficient in wine. Italy is more than self-sufficient, and Luxembourg must also be considered on average a net exporter. For France self-sufficiency is less than 100 % if home production alone is considered. In the Federal Republic the percentage of self-sufficiency has fallen to just over 40 % during the last two years after having risen to more than 80 % during the first three years. The price trend does not seem to have been appreciably influenced by Community arrangements.

As this sector is not yet liberalized the report lists the quotas established on the basis of Article 33 (customs union) or Article 43 (common agricultural policy) or of the Association Agreement with Greece. As regards the administration of the quotas, the limited use made by French and Italian wine-merchants of the import facilities open to them in 1962 prompted the Commission to make inquiries among the producing member countries. It seems that this situation was largely due to the tardy opening of the quotas, to the procedures for issuing licences and to the existence of certain regulations which tend to obstruct trade. Commercial considerations also played a part. As regards the purely administrative difficulties, the Commission has asked the Member States to remove the obstacles in question.

The Community's share in Member States' total imports has risen from 13.75 % in 1961 to 16.33 % in 1962 and to 29.77 % during the first six months of 1963.

In the case of Germany, it is noted that both total imports of table wines and the proportion which came from non-member countries were higher in 1962 than in 1961. It therefore seems that the first approximation to the common external tariff on 1 January 1963 did not necessarily prove an obstacle to the import of wine from outside the Community. In fact, only for certain types of special purpose wines, such as distilling wines, was there any marked reduction of imports.

The report enumerates the first implementing measures for the wine market organization and mentions the delays in the establishment of a register of vineyards and in the adoption of a regulation on quality wines.

62. *The report on aids to farming.* — On 29 June 1962 the Council approved the Commission's proposal to draw up an inventory of all State aid or aids from public funds to agriculture.

Early in November 1963, the Commission submitted this inventory to the Council; it was confined to such State aids or aids from public funds as are amenable to Articles 92 to 94 of the Treaty.

The report does not cover :

- a) Measures liable to distort competition which do not form part of common agricultural policy (such as measures affecting transport, taxation, etc.);
- b) Refunds and intervention measures expressly provided for in the agricultural regulations.

Only certain of the regional aids are included, since full information on these has not yet been supplied.

Aid currently granted to exports outside the Community will be examined by the Commission either as part of the common agricultural policy or as part of the action programme to give effect to a common commercial policy.

The Commission, acting in conjunction with the Member States, keeps under review existing systems of aid in connection with all the agricultural products listed in Annex II to the Treaty. The Commission is also informed, in good time for it to present its comments, of any plans to institute or modify aids. It proposes to the Member States any measures required for the operation of the Common Market or its further development.

In connection with products for which the market is subject to a common organization — cereals, pigmeat, eggs and poultry, fruit and vegetables — Articles 92 to 94 apply wholly or (in the case of cereals) in part. These articles specify which aids are compatible and which incompatible with the Common Market and lay down special procedure for dealing with the latter. The list of these products was therefore examined first.

Aids for dairy produce, beef and veal, sugar, rice and fats — regulations for which should be brought into operation shortly — constitute a second category.

A third category comprises aids for agricultural products other than those mentioned above, together with aids of a general type.

First category of products

- a) The following aids are granted in the cereals sector :

France : a subsidy for durum seed; a consumer subsidy for maize in Guadeloupe, Martinique and Réunion;

Belgium : a quality bonus for malting barley;

Netherlands : a subsidy for cereal crops on light soils;

Germany : subsidies for the transport of cereals.

All these aids have been examined by the Cereals Management Committee ⁽¹⁾. The report concludes that, with the exception of the Belgian aid for malting barley, the withdrawal of which has been requested, no aid at present granted in the cereal sector are incompatible with the Common Market.

(1) See below : Rules governing competition, sec. 63.

b) The following aids are granted to primary conversion products :

Netherlands : a subsidy to poultry breeders who leave the business;

France : a subsidy for imports of live pigs and pigmeat into Réunion.

After examining these aids, the report concludes that there are no direct aids distorting or threatening to distort competition among the Member States with respect to trade in pigs, pig carcasses and sides, eggs and poultry. However, the data on pork cuts have not yet been examined.

c) In the fruit and vegetables sector there are the following aids :

France : refunds of up to 50 % of transport costs for various products;

aid to exporters and processors who have signed agreements on certain products with the FORMA;

aids to exports of tinned mushrooms;

financial aid for structural measures;

social aids;

refunds of up to 50 % of transport costs for pears and artichokes for canning;

intervention limited to the institution of an inter-sector levy with an effect similar to that of a tax;

Belgium : aids for exports of hothouse grapes;

Italy : regional aids (in Sardinia and the Val d'Aosta).

The Commission has already begun to eliminate some of the aids listed above. It has requested France to abolish the partial refund of transport costs to the French frontier on various fruits and vegetables (1).

In addition to these aids that are incompatible with the Common Market, there are others in the fruit and vegetables sector which have been examined by the Management Committee concerned but on which the Commission has not yet come to a decision.

Second category of products

The lists of aids for dairy produce, beef and veal and rice are considered complete and accurate and are appended to the report. The Commission has found that the following aids are those which should be examined most urgently :

For dairy produce :

Export subsidies (France, Belgium and the Netherlands);

Subsidies for skimmed powdered milk (France and the Netherlands);

Aids to production (Germany, Belgium and the Netherlands);

(1) See Bulletin 12-63, Chap. III, sec. 48.

For beef and veal:

Export subsidies (France, Belgium and the Netherlands);

Intervention on the home market (Belgium, the Netherlands and Germany);

For rice :

Aids for stocking (Italy);

Aids for exports (France).

Furthermore, if the Council agrees to apply the provisions of Articles 92 to 94 as part of the regulations, most of these aids will disappear or will be replaced by measures provided for in these regulations.

Third category of products; general aids

The inventory of aids in respect of agricultural products which do not belong to either the first or the second category has not yet been submitted to the Council, since they have not yet been examined with a view to completion and clarification.

Once work on products in the second category has been completed, the Commission intends to examine, with the assistance of the Member States, the aids granted in respect of these products.

The Commission has however examined general aids influencing the production of cereals, pork, eggs and poultry, fruit and vegetables. Of the indirect aids included in the list for the third category, the Commission has examined:

- a) Aids in the form of financing and credit facilities, and
- b) Aids for the construction or improvement of production and processing plant, warehouses, etc.

These aids are granted under various forms: subsidies, loans, interest subsidies and guarantees. This variety of types of aid makes it very difficult, if not impossible, to reduce their effects to a common denominator. Moreover, they are not evenly distributed among the Member States, regions or, for that matter, sectors.

The report concludes that although certain elements of the differences observed may to some extent distort competition in the medium or long term, these differences, at present, have no essential influence on the competitive position of the Member States for products in the first category: the effect of such aid is only felt after some time has elapsed.

Rules governing competition

63. In November the Commission examined certain aids granted by the Member States to agriculture and took a number of decisions, of which the Member States concerned have been informed:

- a) Aids in France to support the price of durum seed; the subsidies are FF 5.65 per 100 kg of durum and are paid to farmers selling to a stock agency; the Commission has no comment to make on this arrangement;

b) Aids for malting barley in Belgium, whereby a quality bonus of Bfrs. 50 per 100 kg of malting barley is granted to Belgian growers selling to Belgian malt-houses: the Commission has ruled this aid incompatible with Article 92(1) and has suggested to the Belgian Government that it be withdrawn. The Belgian Government was asked to transmit its comments by 9 December;

c) Establishment of an agricultural improvement and development fund in the Netherlands to assist in the re-organization of farms or the abandonment of unprofitable holdings: for the moment the Commission has no comment to make on the establishment of the Fund, but it will resume consideration of this matter when further information has been received;

d) Netherlands aids to farming on light soils (this is an aid to growers of barley, oats and rye or mixed crops on light soil, and in 1962 was Fl. 175 per hectare): the Commission at present has no comment to make.

64. The Working Party on rules of competition in agriculture held its sixth meeting on 14-15 November to continue its examination of aids in respect of fats and soils and sugar. The object was to amplify the information supplied by the Member States and prepare it for inclusion in the inventory which the Commission is to draw up.

Council decisions

65. As the proposals laid before it in connection with the alignment of prices were wide in scope and of great political importance, and as it had still to approve three Commission proposals for the establishment of common organizations of markets — for rice, beef and dairy produce — and two proposals concerning the European Agricultural Guidance and Guarantee Fund, the Council decided at its 115th session from 12 to 14 November to step up the pace of its work between then and the end of the year. At its session of 25-26 November it not only considered the two reports submitted by the Commission but also made preparations for its December sessions.

The Special Committee for Agriculture and its working parties will prepare business for the Council prior to and during sessions.

Common organization of markets

Further common organization of markets

66. The Commission's proposal for the establishment of a common organization of markets in dairy produce was examined by the Council on 12-13 November, by the Special Committee on 5, 6, 11, 28 and 29 November and by the working party on 26-27 November. Discussions centred mainly on the alignment of prices, intervention arrangements, milk target prices, and aids to dairy produce and the possibility of their gradual abolition; the Council and its working parties also examined a Commission document on the relationship between policy for dairy produce and policy for fats and oils.

The Council and its working parties resumed their consideration of the Commission's proposals for the common organization of beef markets. The main subjects discussed were the guide price, the sluice-gate price, intervention arrangements and the possible introduction of levies between the Member States in certain cases.

The rice proposal was also on the agenda. Here the discussion centred on arrangements for broken rice and rice starch, methods of calculating the sluice-gate price during the first year of application and in the definitive common market stage, and the period for which import licences should be valid.

Functioning of existing common organizations

67. *Cereals.* — As a result of Council Regulation No. 115 ⁽¹⁾, amending Council Regulation No. 55 (on the levy to be charged on exports of flour and processed cereal products) so that the levies can be fixed at a flat rate and the refunds be made on another basis, the provisions of Regulations Nos. 89, 92, 97 and 131 are affected in a number of ways. The Commission's relevant departments drafted the necessary amendments in November and have held a first exchange of views on this subject with experts from the member countries.

68. *Pigmeat.* — In November the Commission's staff prepared drafts of the regulations required for the extension to imports between 1 January 1963 and 31 March 1964 of the levy system and sluice-gate prices applicable between the member countries and to imports from non-member countries. Corresponding regulations in respect of refunds were also drafted.

At its session of 12-14 November, the Council adopted a regulation (No. 123/62/CEE) ⁽²⁾ on a proposal from the Commission reducing for all the Member States except the Federal Republic of Germany the levies on imports of pork and certain cuts of pork from non-member countries during the month of December 1963.

On 26 November the Council adopted an amendment ⁽³⁾ to Regulation No. 123/63 of 14 November, making the reduction equal for all Member States to the amount of the levy which the Netherlands imposed on imports of the products concerned from non-member countries on the basis of Council Regulation No. 102/63. Consequently in the Netherlands the levy on imports from non-member countries falls to zero during this period.

69. *Eggs and poultry.* — Under a Commission Regulation ⁽⁴⁾ and after consultation of the Management Committee the surcharge on the levy introduced in October 1963 ⁽⁵⁾ on dried egg yolks imported from non-member countries was withdrawn with effect from 22 November 1963. Market prices had risen to the level of the sluice-gate price and rendered the surcharge unnecessary.

⁽¹⁾ See official gazette of the European Communities, No. 155, 29 October 1963.

⁽²⁾ *Ibid.*, No. 167, 20 November 1963.

⁽³⁾ *Ibid.*, No. 174, 30 November 1963.

⁽⁴⁾ See Regulation No. 120/62/CEE, official gazette of the European Communities, No. 166, 19 November 1963.

⁽⁵⁾ See Regulation No. 110/63/CEE, official gazette of the European Communities, No. 143, 4 October 1963.

70. *Fruit and vegetables.* — At its session of 13 November the Council again examined the Commission's proposal for a regulation concerning countervailing charges on certain varieties of fruit and vegetables imported from non-member countries. The Council failed to reach a decision and referred the question to its next session.

Common financing of the agricultural policy

71. The Commission's proposals on the implementation of Regulation No. 25 (financing of the common agricultural policy) were examined by the Special Committee for Agriculture (on 23 November) and by its working parties. In the light of the discussions, the Commission's staff narrowed the scope of certain clauses in the proposed regulation on aid from the European Agricultural Guidance and Guarantee Fund.

Debate on the European Agricultural Guidance and Guarantee Fund

72. The European Parliament also held a short debate on an oral question from M. Birkelbach concerning the Parliament's desire to exercise control over the Agricultural Guidance and Guarantee Fund.

Replying, M. Hallstein, President of the Commission, said that it was impossible to detract from the Council's powers in budgetary matters and thus give the Parliament satisfaction except by amending the Treaty. Even if an agreement was reached between the institutions concerned, it might be necessary for the Court of Justice to rule on the compatibility of this change with European law. Regulations pursuant to Regulation No. 25 were under consideration in the Council and should enable most of the present difficulties to be overcome. M. Hallstein expressed the hope that the Council would take an early decision. He was in full agreement with M. Birkelbach's request.

In the short debate which ensued the three political groups stressed that a real Parliament should possess some measure of "financial sovereignty". The spokesman of the Christian Democrat group said that budgetary control would be a good starting point. He urged that the Parliament should assume its responsibilities.

M. Vredeling, for the Socialist group, spoke on behalf of European trade union movements, which had, he said, championed the principle of parliamentary control. It was regarded by the Socialists as a "sine qua non". A decision, he added, must be taken soon; it must not be held over until the merging of the executives.

The Liberal group felt that if the Ministers and Commission clearly stated their readiness to be responsible to the Parliament, this should relegate the legal difficulties to the background.

Establishment of information service on farm accounts in the EEC

73. The working party set up by the Special Committee for Agriculture to examine the Commission's proposal for the establishment of this service ⁽¹⁾ held a meeting on 19 and 20 November and reached tentative conclusions.

(1) See Bulletin 7-63, Chap. IV, sec. 45.

It emerged from the discussion that the Member States were broadly in agreement on the Commission's proposal. The comments of the various delegations concerned the institutional structure of the information service, in particular relations between the Member States and the Commission.

The Special Committee will decide, on the basis of a report from the working party's chairman, what action should be taken on the Commission's proposal.

TRANSPORT

Common transport policy

74. At a meeting in Strasbourg on 26 November the European Parliament's Committee on Transport discussed the further preparation of formal opinions on five Commission proposals for the common transport policy which had been referred to the Parliament by the Council ⁽¹⁾.

At its 33rd plenary session on 27-28 November, the Economic and Social Committee rendered a favourable opinion on the proposed Council decision concerning a survey of infrastructure costs and on the proposed Council directive concerning the standardization of procedure for the issue of road haulage licences.

The Committee stressed the urgent need for the survey of infrastructure costs, emphasizing that the time-limits stipulated in the draft decision should be strictly observed and that administrative measures should be taken at both national and Community level to ensure the survey was satisfactorily carried out.

Further work on the implementation of Articles 79 and 80

75. A meeting held in Brussels on 5 November between Commission officials and delegates from the Belgian Government examined certain tariffs applied by the Belgian State Railways to transport services to or from seaports.

Another meeting was held on 12-13 November in Brussels with delegates of the Member States to study certain problems in appraising special tariffs applicable to transport services to or from seaports or inland ports treated as such.

Improvement of frontier crossing conditions for international road transport services

76. On 14 November the Committee charged with studying this problem met in Brussels for the second time at the invitation of the Commission. The six Governments' transport, public works and customs departments took part, together with representatives of national and international organizations of carriers, of forwarding agents and of transport users. The purpose of the meeting was twofold. In the first place it took stock of progress made in the search for practical solutions immediately applicable to given frontier crossing points where the situation is particularly difficult. Secondly, it tackled certain general infrastructure and customs procedure problems which must be solved if frontier crossing conditions by road are to be improved.

⁽¹⁾ See Bulletin 8-63, Chap. III, sec. 51.

It was decided to carry out a second series of surveys during 1964 at specific frontier points and to continue the study of certain general problems, such as the concentration of TIR vehicles on certain routes on which frontier posts could be kept open permanently, the improvement of infrastructure at frontier crossing points, and the simplification of certain formalities at frontiers.

Difficulties encountered in rail freight traffic to Italy

77. Further to a written question addressed to it on 8 August 1963 by two members of the European Parliament, M. Müller-Hermann and M. Dichgans (Germany, Christian Democrats) on difficulties encountered in rail freight traffic to Italy, notably at the Chiasso frontier station, the Council invited the Commission on 15 October 1963 "to advise it of the results of action undertaken to improve the current situation".

Before the question was put in Parliament, the Commission had already endeavoured to find solutions to the problems arising at frontier stations, and has addressed a note to the Italian authorities on the subject. It has now amplified its contacts with the national government departments concerned in order to obtain the information on which to base proposals for the improvement of the crossing of the Italian frontier by rail.

OVERSEAS DEVELOPMENT

Ratification of the Convention of Association between the EEC and the African States and Madagascar

78. By presidential decree having force of law the Government of Chad ratified on 16 October the Convention of Association between the EEC and the African States and Madagascar, signed at Yaoundé on 20 July 1963.

The Cameroon Federal National Assembly voted ratification on 24 October 1963.

This brings the number of ratifications to three — the first country to ratify was Gabon.

EEC-AASM Interim Committee

79. This Committee, set up on the signing of the Convention of Association to prepare future work and develop co-operation between the Contracting Parties to the Convention, held its first meeting in Brussels on 19 November 1963, under the chairmanship of M. Spierenburg, Netherlands Permanent Representative with the European Communities.

The Committee began by settling the organization of its work. It decided that it would normally meet at ambassador level; a representative from the Commission will take part in the meetings. The chair will be taken alternatively by a representative of the Member State providing the President of the EEC Council and by a representative of the associated States. Secretarial service will be ensured jointly by a representative of the associated States and a Community representative.

On the basis of a proposal from the chair, the Committee then held an initial discussion concerning the standing orders of the Association Council and Committee. The Committee agreed to hand the draft standing over to a working party for scrutiny.

At this meeting, the Community consulted the associated States on prospective EEC measures to suspend certain customs duties in favour of India. Some of these were not agreed to by all associated States. The EEC Council will take a final decision at its session of 2-3 December 1963.

The Committee also heard two communications from the associated States, one concerning the Community's common agricultural policy, and the other problems of Community outlets for tropical hardwoods from the associated States.

It agreed to hold its second meeting on 13 December 1963.

Trade Problems

80. Work preparatory to the implementation of the Convention of Association and of Protocol No. 5 (aids to production) is being actively pursued by the Commission's staff. Discussions were held in November with delegations from Congo (Brazzaville), Dahomey, Chad and Madagascar on the preparation of five-year aid programmes to production and diversification.

81. The Commission sent observers to the second session of the UN ECA Committee on Trade, which was held in Niamey from 20 to 28 November 1963 to study problems connected with the African continent. It also sent observers to the special session of the International Coffee Council held in London from 18 to 22 November.

82. At the request of the Somali Minister of Finance, a mission from the Commission has visited Somalia to work out trade arrangements.

European Development Fund

SOCIAL PROJECTS

83. In November the Commission approved proposals to finance the following three social projects:

In the Kingdom of Burundi

Urgent work to protect the Bujumbura area against flooding from Lake Tanganyika.

The scheme provides for the protection of the port of Bujumbura by rebuilding a dyke destroyed by the last floods. It also provides for the canalization of the River Ntakangwa, the repair and raising of a stretch of the Bujumbura-Uriva road, and the reconstruction and reinforcement of dykes to protect the inhabitants of Murukamaru.

The cost of financing by the European Development Fund will be about 400 000 u.a. (20 million Burundi francs).

In the Republic of Mali

A scheme to provide the town of Sikasso with a piped water supply. The scheme will mean a real improvement in the public health situation, as it will ensure an adequate supply of uncontaminated drinking water.

Estimated cost is about 336 000 u.a. (83 million Mali francs).

In the Federal Republic of Cameroon

A scheme to enlarge the Libermann School at Douala by constructing two new buildings, one for classes and the other for a boarding establishment. With the extensions the school will be able to accommodate 510 pupils, including 200 boarders.

Cost is estimated at about 729 000 u.a. (180 million francs CFA).

SIGNING OF FINANCING AGREEMENTS

84. In November a financing agreement was signed with the Islamic Republic of Mauritania for an economic project to cost about 1 497 000 u.a. (369 500 000 francs CFA).

85. At its session of 4-5 November the Council examined the problem of how far the nationals and enterprises of non-member countries may tender for contracts financed by the European Development Fund. It agreed, on certain conditions, that the current experiment of extending the right to tender should be continued until 31 December 1963.

The Council will reconsider this question early in 1964 on the basis of a report from the Commission on the results of the present experiment.

Visits from government delegations

86. In the week from 18 to 22 November a delegation from the Government of Senegal and a delegation from the Government of Madagascar visited the EEC Commission.

The Senegal delegation, led by M. Poytavin, Minister of Finance and Economic Affairs, held talks with M. Mansholt, a Vice-President and M. Rochereau, a member of the Commission, on how Senegal's interests could be accommodated in the common agricultural policy as regards fats and oils. Ground-nuts and ground-nut oil are, of course, Senegal's staple foreign exchange earners.

The Malagasy delegation, which was led by M. Rabemananjara, Minister for the National Economy, and which also included M. Lechat, Minister for Public Works, discussed with M. Rochereau various investment schemes which the European Development Fund has been asked to finance. The impact of the common agricultural policy regulations on trade between Madagascar and the French Department of Réunion — Madagascar's third largest customer — was also considered.

OPERATIONS OF THE EUROPEAN DEVELOPMENT FUND

Financing approved at 25 November 1963

(in thousand units of account)

| Country or territory | Number of projects | Amount |
|--------------------------|-----------------------|---------|
| Congo (Leopoldville) | 13 | 14 446 |
| Rwanda | 10 | 4 844 |
| Burundi | 11 | 3 133 |
| Total | 34 | 22 423 |
| ===== | | |
| Algeria (incl. Sahara) | 9 | 20 427 |
| Cameroon | 26 | 44 406 |
| Central African Republic | 24 | 14 225 |
| Comoro Islands | 6 | 2 636 |
| Congo (Brazzaville) | 14 | 15 161 |
| Ivory Coast | 18 | 33 043 |
| French Somaliland | 2 | 1 255 |
| Dahomey | 18 | 18 658 |
| Gabon | 13 | 12 866 |
| Guadeloupe | 4 | 4 399 |
| French Guiana | 1 | 2 005 |
| Upper Volta | 11 | 25 948 |
| Madagascar | 39 | 50 773 |
| Mali | 24 | 32 664 |
| Martinique | 3 | 4 622 |
| Mauritania | 10 | 12 336 |
| Niger | 5 | 24 630 |
| New Caledonia | 5 | 1 560 |
| Polynesia | 1 | 2 474 |
| Réunion | 4 | 5 328 |
| Saint-Pierre-et-Miquelon | 1 | 3 545 |
| Senegal | 19 | 34 606 |
| Chad | 17 | 24 956 |
| Togo | 17 | 13 408 |
| Group of States | 2 | 5 132 |
| Total | 293 | 411 043 |
| ===== | | |
| Somalia | 4 | 5 060 |
| New Guinea | 4 | 7 458 |
| Surinam | 3 | 4 299 |
| Total | 7 | 11 757 |
| ===== | | |
| Grand total | 338 | 450 283 |

ADMINISTRATIVE AFFAIRS

Protocol on the privileges and immunities of the Community

87. On 4 November 1963 the Council adopted the regulation specifying the categories of officials and other servants to which Articles 11, 12 (second paragraph) and 13 of the Protocol on the privileges and immunities of the Community apply. The articles in question concern tax and residence facilities.

Under this regulation these clauses apply to officials and other servants of the Community except locally-employed staff and part-time auxiliary staff. Former officials and pensioners may also claim the benefit of certain of these clauses in specific circumstances.

Debate in the European Parliament on the draft EEC budget

88. At its sitting of 27 November, the Parliament examined the report from its Administration and Budgets Committee on the draft EEC budget.

The rapporteur began by expressing the hope that improvements would be achieved in budgetary procedure, and in particular he called for simultaneous consultation between the Council, the Executives and his Committee. He agreed with previous speakers in regretting the cuts in credits made by the Council in the Commission's budget proposals. Cuts affecting personnel and the training of young workers, the farm accounts information service and the European Agricultural Guidance and Guarantee Fund provoked the sharpest criticism.

In his reply the President of the Councils, M. De Block, acknowledged that the problem of the budgetary rights of Parliament did exist and that the Council would have to tackle it frankly and firmly.

M. Levi Sandri, a member of the Commission, said that the latter had done all in its power to ensure that the Parliament was informed in good time, and he regretted the reductions in staff, which would hamper the Commission in carrying out the steadily growing number of tasks falling to it.

M. Rochereau, a member of the Commission, endorsed these remarks and reminded the House of the memorandum on information policy, whose aim was to increase and rationalize the flow of information within and without the Community.

M. De Block replied to these last criticisms by defending the Council's budgetary policy. He said that efforts to adjust the organizational set-up and to rationalize work should facilitate the growth of the Community.

A resolution passed unanimously at the end of the debate calls on the Council to restore certain appropriations for the Commission which it had cut, notably those needed to finance training periods for young workers and to cover the operating costs of the Consultative Committees.

Staff movements

Appointment of a Director General

89. The Commission has appointed M. Axel Herbst to be Director-General of External Relations in succession to M. Günter Seeliger.

M. Herbst has been Deputy Executive Secretary of the Commission since 1960. After studying law, political economy and business management at the universities of Berlin, Cologne and Münster, at the Academy of International Law in The Hague and at the Law Society's School of Law in London, M. Herbst joined the German Foreign Service in autumn 1951. For several years he was at the German Embassy in Washington, and from 1957 to 1960 he was in charge of the North American desk in the Federal Ministry of Foreign Affairs in Bonn.

Other appointments

90. The Commission has appointed M. Hijzen, who is Director of General Affairs and Relations with International Organizations (Directorate General of External Relations), to be special representative for the trade negotiations in GATT.

M. R. Bosmans has been appointed Head of the Division for Relations with the European Communities and Organizations in the Directorate for Association with Non-member Countries (Directorate General of External Relations).

M. F. Klein has been appointed Head of the Division on Principles of Commercial Policy in the Directorate for Commercial Policy (Directorate General of External Relations).

M. R. Roussel has been appointed Head of the Division for Membership and Bilateral Association in the Directorate for Association with Non-member Countries (Directorate General of External Relations).

M. R. Mussard has been appointed Head of the Division for Special Cases I: Chemicals, Dumping in the Directorate for Agreements, Monopolies, Dumping, Non-government Discrimination (Directorate General of Competition).

Resignations

91. M. Günter Seeliger, Director General of External Relations, since the inception of the Community, relinquished his functions on 17 November 1963. He recently returned to the German Foreign Service as Ambassador to Mexico.

M. P. Rho, Head of the Access to the Market Division in the Directorate for Organization of the Transport Market (Directorate General of Transport) whose resignation has been accepted by the Commission, relinquished his functions on 16 November 1963. Under Article 54 of the Statute of Service, the Commission has conferred on M. Rho the rank of "Honorary Director".

V. Institutions and organs

A. THE PARLIAMENT

The European Parliament met in plenary session from 25 to 28 November 1963, M. Gaetano Martino presiding.

The session opened at 4 p.m. on Monday 25 November, when tributes to the memory of President Kennedy were paid before a standing House by President Martino on behalf of the Parliament, M. De Block on behalf of the Council, President Hallstein on behalf of the EEC Commission⁽¹⁾, M. Medi on behalf of the Euratom Commission and M. Del Bo on behalf of the ECSC High Authority.

M. Martino began by saying that John Kennedy, the young and well-loved President of the United States of America, one of the most enlightened, noble and generous figures to have directed American policy since Independence, had met a tragic death at the hand of an assassin in his own country while engaged upon the duties of his high office.

His memory would remain with the whole civilized world, and time would never dim or efface it.

During his three years in office, his name had been linked with events of fundamental importance. He had secured a place in history as a president whose political ideas and whose administration were aimed at consolidating and defending freedom and democracy on American soil.

It was President Kennedy's belief that a man should always do his duty and that this was the basis of all human morality. In both domestic and foreign policy he sought to give a new and richer content to liberal and democratic institutions. That was why President Kennedy's tragic death had left its mark not only on the American people but also on all citizens of the free world, in fact on the whole civilized world.

President Kennedy, M. Martino continued, would be remembered as the fearless champion of the freedom of the peoples of the West and as a man devoted to conciliation and relieving tension throughout the world.

President Kennedy would also be remembered as a determined advocate of full European unity, and this not as an end in itself but as an instrument for furthering the solidarity of the Atlantic peoples and as the starting point for complete union of the free world. The unification of Europe was in the interest of the entire free world and of all men. Such a united Europe, indissolubly linked to America, would be an invaluable source of vitality and progress.

In a speech in Frankfurt on 25 June 1963, President Kennedy said that an Atlantic association could be achieved by concrete steps to solve the problems that faced us all; military, economic and political partnership was a continuous process that grew stronger each year as we devoted ourselves to common tasks. At the same time the President hoped that there would be further talks with the Soviet world. But he stated explicitly : "We ask those who would be our adversaries to understand that

(1) President Hallstein's address is given in the editorial of this Bulletin.

in our relations with them we will not bargain one nation's interests against another's and that the commitment to the cause of freedom is common to us all". He frankly recognized that "the obstacles to hope are large and menacing. Yet the goal of a peaceful world must — today and tomorrow — shape our decisions and inspire our purposes".

M. Martino recalled that during his recent official visit to the United States as President of the Parliament, he had direct and conclusive evidence of President Kennedy's will to help build a united Europe and to struggle alongside Europe against the failures and myths of a barren and divided past. He wanted to be informed of all the most serious and pressing problems that faced the European Community and expressly reaffirmed his full support for the work of the European Parliament.

The cause of European unity, M. Martino concluded, had lost a great friend and ally. In paying reverent tribute to his memory, while the American people was rendering final homage to its president, it was our duty to resolve jealously to cherish the message he had left us and to continue on the only path that could preserve, for us and for our children, the freedom and dignity of man.

Speaking for the Councils, M. De Block expressed his agreement with M. Martino's words. For millions of his contemporaries John Fitzgerald Kennedy was the symbol of youth, the enthusiasm and drive of which he had in full measure. This youthfulness, combined with outstanding qualities of courage and intelligence, expressed itself above all in his broadness of outlook. He was also a symbol of justice and peace.

For us Europeans he was also the man who realized how necessary it was for Europe to unite. He had supported our peoples in their endeavour to achieve the economic and political unification of Europe. At the same time he was convinced that the New World and the Old should combine their efforts, as equal partners, to defend their common ideal of freedom and peace and strive together for greater well-being in the world.

In the three years in which President Kennedy bore his heavy responsibilities, he left his mark on international politics, into which he had infused a new spirit.

John Fitzgerald Kennedy's life and work would remain, for us Europeans and for every nation sharing his ideal, a living source of inspiration.

M. Medi, Vice-President of the Euratom Commission, declared that President Kennedy's death had filled the world with distress. He had fallen to a murderer's bullet while engaged upon the lofty mission of furthering peace, justice and understanding among the nations.

M. Medi added that John Kennedy had clearly shown the world that scientific research attained its real significance when combined with the highest human virtues. His message to future generations was: to preserve life we must be prepared to sacrifice it.

M. Del Bo, President of the ECSC High Authority, stressed our interest in the heritage that John Kennedy had left to Europe, declaring that this "successfully concluded a cycle which began in the now remote past with the Declaration of Rights of Virginia when the United States was born in revolt against the relics of European despotism".

In conclusion M. Del Bo said that relations between Europe and the United States should be on a basis of equality and that John Kennedy could also be regarded as a European, moved by the same ideals.

Resolutions on EEC activities

The Parliament adopted the following resolutions after debate :

1. Resolution on the establishment of a common level of cereal prices (see Chap. IV "Agriculture", sec. 60);
2. Resolution expressing the opinion of the European Parliament on the proposal for a directive detailing transitional measures for self-employed persons in manufacturing activities coming under ISIC major groups 23-40 (industrial and artisan activities) (see Chap. IV "Internal Market", sec. 40);
3. Resolution expressing the opinion of the European Parliament on the proposal for a directive on procedure for introducing freedom of establishment and freedom to supply services in respect of self-employed persons in mining and quarrying (ISIC major groups 11-19) (see Chap. IV "Internal Market", sec. 40);
4. Resolution expressing the opinion of the European Parliament on the proposal for a directive on procedure for introducing freedom of establishment and freedom to supply services in respect of self-employed persons in manufacturing activities coming under ISIC major groups 23-40 (industrial and artisan activities) (see Chap. IV "Internal Market", sec. 40);
5. Resolution on the draft EEC and EAEC operating budgets and the draft EAEC research and investment budget for 1964 (see Chap. IV "Administrative Affairs", sec. 88);
6. Resolution on the Agreement creating an Association between the European Economic Community and Turkey (see Chap. IV "External Relations", sec. 2);
7. Resolution on the draft of an initial common programme to promote the exchange of young workers (see Chap. IV "Social Affairs", sec. 56);
8. Resolution on the social aspects of the common energy policy (see Chap. IV "Social Affairs", sec. 58);
9. Resolution on students' vacation work (see Chap. IV "Social Affairs", sec. 57).

Statement by M. Del Bo, new President of the ECSC High Authority

After commenting on the particularly difficult circumstances in which he was assuming office as President of the High Authority, M. Del Bo said that it was indispensable for close collaboration to be maintained between the three Communities.

The High Authority felt strongly that the objectives of the Community and those of the member countries of the European Free Trade Association should be brought to converge as far as possible, that close relations should be maintained with the other major producing countries and that concrete expression should be given to solidarity with the developing countries.

M. Del Bo was in favour of strengthening the powers of the Parliament. He spoke of the problems of the coal and steel sectors. Steel had special problems at present. The Community's iron and steel industry was suffering from two handicaps : the higher cost of Community coal and the low grade and high cost of its iron ore.

If measures of tariff protection were decided upon to remedy this situation, M. Del Bo assured the Parliament that they should be regarded as incidental and temporary. The Community's traditional suppliers — the United Kingdom and Austria — would have to be guaranteed quotas for iron and steel products corresponding to their normal exports.

The problem of coal, in particular, should be examined in the wider context of a common energy policy.

The President of the High Authority then turned to the social aspects of the Authority's task. In conclusion, he expressed the hope that the merger of the three Executives, pending that of the three Communities, would be effected in the near future.

The spokesman for the three political groups then pledged their support for M. Del Bo.

For the Christian Democrats, M. Poher recalled how, during the last twelve years, the coal and steel sectors had moved from a situation of relative scarcity to one of deep-seated structural crisis; he added that the recent decline in the growth rate of the steel industry in the six countries was inevitable.

He urged M. Del Bo to go ahead and not let himself be held up by the delays, unresponsiveness or disagreements of the Governments.

M. Kreyssig, for the Socialist group, stressed the need for close co-operation between the High Authority and the EEC Commission in order to solve the current problems of coal and steel, which were linked with those facing the EEC with respect to world trade. He pointed to the importance of the social aspects of the High Authority's work and urged that negotiations with Great Britain be resumed.

M. Pleven, on behalf of the Liberals, emphasized that the Communities must act not only through the Parliament and in discussions with the Governments but also through public opinion. The Governments has powerful means of communication at their disposal for reaching the general public. It was essential for the Communities themselves to pursue an active information policy, in particular through a radio station of their own, in order to win the battle for Europe in the eyes of European public opinion.

The Liberals, M. Pleven added, were rather disturbed to see the High Authority moving for a time towards a certain degree of protectionism. They would prefer to see strenuous efforts made to liberalize intra-Community trade in coal and steel.

In the course of a short debate, M. Wehrer replied on behalf of the High Authority to the question put by the Socialist group on the delay of the Governments in appointing members of the High Authority.

B. THE COUNCIL

114th session of the Council (4-5 November 1963)

The 114th session of the Council was held on 4 and 5 November 1963 with M. J.M.H. Luns, Netherlands Minister for Foreign Affairs, in the chair. The following matters were dealt with :

Regulation amending Council Regulation No. 17 : — The Council adopted a regulation amending Article 7(2) of Council Regulation No. 17. (First regulation pursuant to Articles 85 and 86 of the Treaty — rules of competition applicable to enterprises) ⁽¹⁾.

Conclusion of the Association Convention between EEC and the AASM : — Following the opinion rendered on 16 September last by the Parliament, the Council acting for the Community formally concluded the Association Convention between EEC and the Associated African States and Madagascar which was signed at Yaoundé on 20 July 1963. (In conformity with Article 57 thereof, the Convention will come into force when the instruments of ratification of the Member States and of at least 15 of the Associated States and the act of notification of the conclusion of the Convention by the Community have been deposited with the Secretariat General of the Councils of the European Communities).

AASM — Associated overseas countries and territories. — The Council gave its consent, under certain conditions, for the experiment by which nationals and enterprises from non-member countries may tender for European Development Fund projects to be continued until 31 December 1963.

Agriculture. — The Commission laid before the Council proposals for the establishment of a common level of cereal prices for the marketing year 1964/65 ⁽²⁾.

Directive on preserving agents used in food. — The Council gave final approval to the directive in the four Community languages on the approximation of Member States' legislation in this field.

Draft regulation specifying the categories of officials and other staff to which Articles 11, 12 (2) and 13 of the Protocols on the privileges and immunities of the Communities shall apply : The Councils adopted this draft regulation ⁽³⁾.

115th session of the Council (12-14 November 1963)

The 115th session of the Council was held on 12, 13 and 15 November 1963, M. L. De Block, Netherlands State Secretary for Foreign Affairs, and M. B.W. Biesheuvel, Netherlands Vice-Premier and Minister of Agriculture and Fisheries, presiding successively. The session was devoted mainly to agricultural matters.

A general discussion took place on the statements of State Secretaries Lahr and Hüttebräuker on the implementation of the agricultural regulations already in force

⁽¹⁾ See Chap. IV, sec. 41.

⁽²⁾ See Chap. IV, sec. 59.

⁽³⁾ See Chap. IV, sec. 87.

and on distortions of competition at the session of 14 and 15 October last. The subject was introduced by M. Mansholt, Vice-President, who presented on behalf of the EEC Commission reports on the implementation of the common agricultural regulations and support measures in agriculture.

A time-table was agreed to for coming Council sessions.

The Council approved regulations :

- a) Extending the period of validity of the regulation on the system applicable to imports of flour and starch of manioc and other roots and tubers;
- b) Amending the regulation on criteria for fixing threshold prices for certain categories of flour, groats and semolina;
- c) Concerning the reduction of levies applicable to imports from non-member countries between 1 and 31 December 1963 of pigmeat and certain cuts of pork by Belgium, France, Italy, Luxembourg and the Netherlands (1).

The Council decided to suspend until 31 March 1964 the duty under the common external tariff applicable to solid beet and cane sugar under tariff heading 17.01 (2).

116th session of the Council (25 and 26 November 1963)

The 116th session of the Council was held on 25 and 26 November 1963, M. B.W. Biesheuvel, Netherlands Vice-Premier and Minister of Agriculture and Fisheries, presiding.

The Council studied the Commission's reports on the implementation of the common agricultural policy regulations and on support measures in agriculture (3). It also discussed intervention in cereal markets, price regionalization (Regulation No. 19), the increase in production and the level of protection, refunds and the observance of the sluice-gate price (Regulations Nos. 20, 21 and 22 : pigmeat, eggs and poultry).

Amendment to Regulation No. 123. — The Council amended its Regulation No. 123 on the reduction in the amount of levies in trade with non-member countries applicable to pigmeat and certain cuts of pork imported between 1 and 31 December 1963 (4).

Suspension of duties on molasses. — The Council authorized Belgium, Italy, Luxembourg and the Netherlands to suspend their duties on imports of molasses (heading 17.03 B IV) from non-member countries until 31 December 1963 (5).

(1) See Chap. IV, sec. 68.

(2) See Chap. IV, sec. 31.

(3) See Chap. IV, sec 61 and 62.

(4) See Chap. IV, sec. 68.

(5) See Chap. IV, sec. 32.

C. THE COURT OF JUSTICE

Cases pending

The twelve cases pending before the Court concerning the Statute of Service of officials and system applicable to other staff of the Community have been followed by six other actions brought by staff against the Commission.

In four of these (Cases 94 - 96/63 P. Bernusset, 95/63 P. Pistoij, 97/63 L. De Pascale), filed on 28 October 1963, the applicants are suing for annulment of Commission decisions appointing to vacant posts persons other than themselves.

Two other cases (98/63 P. Erba and 99/63 J. Reynier) are suits for annulment of a decision of the Commission concerning an announcement of vacancy and for withdrawal of the said announcement. The applicants have asked for a provisional injunction to the Commission to refrain from filling the vacancy. By order of the President of the Court dated 14 November 1963, this request was rejected.

Application for preliminary ruling

The Court has received another request for a preliminary ruling submitted in pursuance of Article 177 of the Treaty. This is case 92/63 and has reference to the action brought by Mme M. Th. Nonnenmacher against Bestuur van de Socialeverzekingsbank on 17 October 1963. As in case 75/63 ⁽¹⁾, the request is for interpretation of a clause in Council Regulation No. 3 of 25 September 1958 concerning the social security of migrant workers ⁽²⁾.

D. THE ECONOMIC AND SOCIAL COMMITTEE

The thirty-third session of the Economic and Social Committee was held in Brussels on 27 and 28 November 1963 under the chairmanship first of M. Jonker and then of M. Roche.

Opening the meeting, M. Jonker began by paying tribute to the memory of President Kennedy.

The Committee rendered the following formal opinions :

1. Opinion on Chapter I "The free movement of goods, persons, services and capital" of the Memorandum of the Commission on the Action Programme of the Community for the second stage.

This opinion was adopted unanimously.

2. Opinion on Chapter III "Common agricultural policy" of the Memorandum of the Commission on the Action Programme of the Community for the second stage.

This opinion was adopted by a majority of 63 votes to 4 with 2 abstentions.

⁽¹⁾ See Bulletin No. 12-63, Chap. IV C.

⁽²⁾ See official gazette of the European Communities, No. 30, 16 December, 1958.

3. Opinion on Chapter V "Common energy policy" of the Memorandum of the Commission on the Action Programme of the Community for the second stage.

This opinion was adopted by 41 votes to 2 with 24 abstentions.

4. Opinion on Chapter XI "Administration and finance" of the Memorandum of the Commission on the Action Programme of the Community for the second stage.

This opinion was adopted unanimously.

The President of the EEC Commission, M. Hallstein, had referred the Commission's Memorandum to the Committee at its twenty-fifth session on 28 November 1962. The Committee's formal opinions on the various chapters of the Memorandum have been published in the official gazette of the European Communities.

5. Opinion on the proposal for a directive on the harmonization of Member States, legislation on cocoa and chocolate.

This opinion was adopted unanimously.

The Council had referred this proposal to the Committee on 25 September 1963.

6. Opinion on the proposal for a Council decision on the organization of a survey of infrastructure costs in road, rail and inland waterway transport ⁽¹⁾.

This opinion was adopted unanimously.

The Council had referred this proposal to the Committee on 14 June 1963.

7. Opinion on the proposal for a Council directive on the standardization of procedures in the issue of licences for road haulage between Member States ⁽¹⁾.

This opinion was adopted unanimously.

The Council had referred this proposal to the Committee on 14 June 1963.

8. Opinion on certain important problems in economic relations between the EEC and the associated African States and Madagascar.

This opinion was adopted by 53 votes to 1 with 9 abstentions.

M. Rochereau, member of the Commission and President of the Overseas Development Group, had asked the Committee's opinion on this subject at its twenty-fifth session on 28 November 1962. The text of the opinion rendered will be published in the official gazette of the European Communities.

E. THE MONETARY COMMITTEE

The 55th meeting of the Monetary Committee was held on 28 and 29 November 1963 under the chairmanship of M. van Lennep.

Continuing its periodical review of the economic and financial situation of Member States, the Committee examined the situation in the Federal Republic of Germany. It also gave preliminary consideration to the drafting of its annual general report.

⁽¹⁾ See Chap. IV, sec. 74.

ANNEXES

Resolution on the draft of an initial common programme to promote the exchange of young workers

The European Parliament,

[...]

Having examined the draft of an initial common programme to promote the exchange of young workers, submitted by the EEC Commission to the Council with a view to implementing Article 50 of the Treaty and referred by the EEC Commission to the European Parliament;

Welcomes the action of the EEC Commission since it constitutes an encouraging first step in the field of exchanges among young workers, particularly in view of the situation created by bilateral agreements and the multilateral convention;

[...]

Approves in general the draft common programme proposed by the Commission, subject to reservations on a number of points;

Calls on the EEC Commission to keep the Parliament regularly informed of results and the progress of research, consultation and preparatory work intended to extend exchanges to other categories of young people;

Urges that this initial programme be followed up as soon as possible by arrangements for all categories of young people likely to be interested in exchanges;

Stresses that it is not only economic aims that must justify Community action as well as that of the individual countries in this sphere but also purely social aims on the lines of what is being done at world-wide level by the ILO;

Considers that the scope of the Agreement should be made as broad as possible and that it should expressly apply to brain-workers also;

Suggests that Article 1 of the Agreement be more explicit and that it include the three options of no pay, part pay and full pay;

Considers it inappropriate to specify a minimum age;

Believes it necessary that trainees should be treated at least as favourably as other workers as regards the health standards required;

Considers that the ban contained in Article 5 of the Agreement will no longer be justified after the end of the transition period, when complete freedom of movement is in effect throughout the Community;

Believes, therefore, that the Article in question should be redrafted in the form of a provisional rule and that the EEC Commission will in any case have to draw up a new agreement after 1970 since complete freedom of movement will remove any justification for maintaining restrictive clauses in respect of trainees;

Suggests, however, that any provision liable to ensure more favourable treatment for trainees — whether in professional matters or as regards cultural and moral assistance — should be left in force after this date;

Stresses, in endorsing the suggestions made by the Research and Cultural Affairs Committee, the need to provide more scope for cultural action to promote the development of the young worker's personality and give the training period its full worth.

Resolution on the social aspects of the common energy policy

The European Parliament,

Having examined the report of its Social Committee concerning the social aspects of the common energy policy;

1. *Is aware* that there is a close connection between social problems and a common energy policy;

2. *Regrets* that the memorandum on a common energy policy does not give sufficient attention to social problems;

3. *Points out* that it is difficult to find solutions for social problems in the energy sector as long as there is no common energy policy;

4. *Does not consider*, however, that the solution of all social problems should be delayed until complete agreement has been reached on a common energy policy;

5. *Is aware* that, on the contrary, the solution of some of the social problems in the energy sector may in fact help to mitigate the economic difficulties connected with the exploitation of sources of power, which would be very desirable for the Community;

6. *Calls* on the European Executives, therefore, to submit firm proposals for the solution of these social problems as soon as possible;

7. *Regrets* that, pending the political decision on the establishment of a common energy policy, Governments and employers' representatives are unwilling to begin talks on a charter for European miners;

8. *Feels* that the numerous forecasts of reductions in coal production, on which no final political decision has yet been taken, are among the reasons for the miners' lack of confidence in the future of the coal industry;

9. *Considers* therefore that, in order to restore the workers' faith in the future of their employment, a decision should be taken as soon as possible under a common energy

policy on the level of coal production to be maintained;

10. *Is of the opinion* that, to overcome the crisis of confidence in the coal industry, it is indispensable for both sides of the industry to be given full and prompt information on rationalization plans and the opportunity of taking part in implementing them;

11. *Points out* that reduction of the labour force, the drift from the mines and the shortage of young recruits may give rise to special difficulties as regards social security, which are all the harder to resolve because work in coal mines involves the possibility of premature retirement;

12. *Calls* on the Governments, therefore, to take into account the special position of the coal industry and, where necessary, to review the system of financing social security for miners;

13. *Urges* the European Executives to convene as soon as possible a conference on the social problems of a common energy policy along the same lines as that on the social aspects of the common agricultural policy;

14. *Requests* the European Executives to report on any action taken on the present resolution.

PUBLICATIONS OF THE EUROPEAN ECONOMIC COMMUNITY

A. Items concerning the activities of the European Economic Community published in the official gazette of the European Communities between 13 November and 13 December 1963

EUROPEAN PARLIAMENT

Written questions and replies

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| <p>No. 80 de Mme Gennai Tonietti et de M. Pedini à la Haute Autorité de la CECA et aux Commissions de la CEE et de la CEEA. Objet : Effectifs en service dans les institutions communautaires (No. 80 by Mme Gennai Tonietti and M. Pedini to the ECSC High Authority and the EEC and EAEC Commissions : Numbers employed by these institutions)</p> | <p>No. 163 13.11.63</p> |
| <p>No. 83 de M. Metzger à la Commission de la CEE. Objet : Zone franc (No. 83 by M. Metzger to the EEC Commission : Franc area)</p> | <p>No. 163 13.11.63</p> |
| <p>No. 84 de M. Vredeling à la Commission de la CEE. Objet : Comités paritaires consultatifs (No. 84 by M. Vredeling to the EEC Commission : Joint advisory committees)</p> | <p>No. 163 13.11.63</p> |
| <p>No. 78 de M. Müller-Hermann à la Commission de la CEE. Objet : Vente du riz usiné prêt à la consommation (No. 78 by M. Müller-Hermann to the EEC Commission : Sale of processed rice ready for consumption)</p> | <p>No. 164 15.11.63</p> |
| <p>No. 79 de M. Nederhorst à la Commission de la CEE. Objet : Ratification de l'accord d'association avec les Antilles néerlandaises (No. 79 by M. Nederhorst to the EEC Commission : Ratification of the Convention associating the Netherlands Antilles with the EEC)</p> | <p>No. 164 15.11.63</p> |
| <p>No. 85 de M. Vredeling à la Commission de la CEE. Objet : Discussions bilatérales sur l'exportation à destination de la Grande-Bretagne de produits agricoles en provenance de la France et des Pays-Bas (No. 85 by M. Vredeling to the EEC Commission : Bilateral talks on exports to Great Britain of agricultural products from France and the Netherlands)</p> | <p>No. 164 15.11.63</p> |
| <p>No. 86 de M. Vredeling à la Commission de la CEE. Objet : Subventions françaises aux exportations de fruits et légumes (No. 86 by M. Vredeling to the EEC Commission : French subsidies on exports of fruit and vegetables)</p> | <p>No. 164 15.11.63</p> |
| <p>No. 87 de M. De Bosio aux Commissions de la CEEA et de la CEE et à la Haute Autorité de la CECA. Objet : Les Communautés et le développement de la science (No. 87 by M. De Bosio to the EAEC and EEC Commission and the ECSC High Authority : The Communities and scientific development)</p> | <p>No. 168 22.11.63</p> |
| <p>No. 89 de Mme Gennai Tonietti et de M. Pedini aux Commissions de la CEE et de la CEEA. Objet : Mutations et promotions du personnel (No. 89 by Mme Gennai Tonietti and M. Pedini to the EEC and EAEC Commissions : Transfers from the language services)</p> | <p>No. 168 22.11.63</p> |
| <p>No. 94 de M. Nederhorst à la Commission de la CEE. Objet : Réponses aux questions figurant dans le rapport de M. Kreyssig (No. 94 by M. Nederhorst to the EEC Commission : Replies to the questions raised in M. Kreyssig's report)</p> | <p>No. 168 22.11.63</p> |
| <p>No. 81 de M. Schuijt au Conseil de la CEE. Objet : Publication du texte d'une déclaration d'intention adopté par le Conseil de la CEE au cours de sa session des 1er et 2 avril 1963 (No. 81 by M. Schuijt to the EEC Council : Publication of the text of a declaration of intention adopted by the EEC Council during its session of 1 and 2 April 1963)</p> | <p>No. 181 11.12.63</p> |

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| No. 82 de M. Metzger au Conseil de la CEE. Objet : Zone franc (No. 82 by M. Metzger to the EEC Council : Franc area) | No. 181 | 11.12.63 |
| No. 88 de M. Burgbacher à la Commission de la CEE. Objet : Application des règles de concurrence aux entreprises d'Etat (No. 88 by M. Burgbacher to the EEC Commission : Application of rules of competition to state undertakings) | No. 181 | 11.12.63 |
| No. 90 de M. Briot à la Commission de la CEE. Objet : Mouvements de personnels à la Direction générale de l'Agriculture de la Commission de la CEE (No. 90 by M. Briot to the EEC Commission : Staff movements within the Directorate-General for Agriculture in the EEC Commission) | No. 181 | 11.12.63 |
| No. 91 de M. Pedini à la Commission de la CEEA, à la Commission de la CEE et à la Haute Autorité de la CECA. Objet : Initiatives dans le domaine culturel (No. 91 by M. Pedini to the EAEC and EEC Commission and the ECSC High Authority : Action in the cultural field) | No. 181 | 11.12.63 |
| No. 95 de M. Nederhorst à la Commission de la CEE. Objet : Egalité des rémunérations entre les travailleurs masculins et les travailleurs féminins (No. 95 by M. Nederhorst to the EEC Commission : Equal pay for men and women) | No. 181 | 11.12.63 |
| No. 97 de M. Pedini à la Commission de la CEE. Objet : Restrictions des importations en provenance de pays n'appartenant pas à la zone franc en république du Niger (No. 97 by M. Pedini to the EEC Commission : Restrictions on imports from non-franc countries into the Republic of Niger) | No. 181 | 11.12.63 |
| No. 99 de MM. De Gryse et Dupont à la Commission de la CEE. Objet : Subventions accordées à l'industrie française du lin (No. 99 by M. De Gryse and M. Dupont to the EEC Commission : Subsidies to the French flax industry) | No. 181 | 11.12.63 |

Notice of general competitive examination

| | | |
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| Avis de concours général no. P.E. 1/B (un assistant). Notice of general competitive examination EP 1/B (a first assistant) | No. 175 | 2.12.63 |
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COUNCIL AND COMMISSION

Regulations

| | | |
|---|---------|----------|
| Règlement no. 119/63 du Conseil du 12 novembre 1963 modifiant et complétant le règlement no. 54 du Conseil en ce qui concerne les critères de fixation du barème des primes et la fixation à l'avance du prélèvement, pour les importations de céréales en provenance des pays tiers (Council Regulation No. 119/63 of 12 November 1963 amending Council Regulation No. 54 where it relates to criteria for fixing the scale of premiums and provides for the advance fixing of the levy payable on cereals imported from non-member countries) | No. 164 | 15.11.63 |
| Règlement no. 120/63 de la Commission, du 15 novembre 1963, supprimant le montant supplémentaire pour les jaunes d'œufs séchés de volailles (Commission Regulation No. 120/63 of 15 November 1963 withdrawing the surcharge on dried egg yolks) | No. 166 | 19.11.63 |
| Règlement no. 121/63 du Conseil, du 14 novembre 1963, modifiant le règlement no. 37 du Conseil relatif aux critères de fixation des prix de seuil pour certaines catégories de farines, gruaux et semoules (Council Regulation No. 121/63 of 14 November 1963 amending Council Regulation No. 37 concerning the criteria for fixing the threshold price of certain categories of flour, groats and meal) | No. 167 | 20.11.63 |

Règlement no. 122/63 du Conseil, du 14 novembre 1963, portant prorogation de la durée de validité du règlement no. 156 du Conseil et du règlement no. 10/63 du Conseil (Council Regulation No. 122/63 of 14 November 1963 extending the validity of Council Regulations Nos. 156 and 10/63)

No. 167 20.11.63

Règlement no. 123/63 du Conseil, du 14 novembre 1963, relatif à la diminution du montant des prélèvements envers les pays tiers applicables au porc et à certaines découpes de porc en ce qui concerne les importations effectuées durant la période du 1er au 31 décembre 1963 (Council Regulation No. 123/63 of 14 November 1963 reducing levies on imports from non-member countries of pigmeat and certain cuts of pork from 1 to 31 December 1963)

No. 167 20.11.63

Règlement no. 124/63 du Conseil, du 26 novembre 1963, modifiant le règlement no. 123/63 du Conseil, du 14 novembre 1963, relatif à la diminution du montant des prélèvements envers les pays tiers applicables au porc et à certaines découpes de porc en ce qui concerne les importations effectuées durant la période du 1er au 31 décembre 1963 (Council Regulation No. 124/63 of 26 November 1963 to amend Council Regulation No. 123/63 of 14 November 1963 reducing levies on imports from non-member countries of pigmeat and cuts of pork from 1 to 31 December 1963)

No. 174 30.11.63

Règlement no. 125/63 de la Commission, du 28 novembre 1963, portant dérogation temporaire aux normes communes de qualité pour les agrumes. (Commission Regulation No. 125/63 of 28 November 1963 temporarily waiving the common quality standards for citrus fruit)

No. 174 30.11.63

Règlement no. 126/63 de la Commission, du 28 novembre 1963, modifiant le règlement no. 92 de la Commission (Commission Regulation No. 126/63 of 28 November 1963 amending Commission Regulation No. 92)

No. 174 30.11.63

Règlement no. 127/63 du Conseil, du 3 décembre 1963, déterminant les catégories de fonctionnaires et agents de la CEE auxquels s'appliquent les dispositions des articles 11, 12 alinéa 2, et 13 des protocoles sur les privilèges et immunités des Communautés (Council Regulation No. 127/63 of 3 December 1963 specifying the categories of EEC officials and other employees to whom the provisions of Articles 11, 12 (second paragraph) and 13 of the Protocol on the privileges and immunities of the Community apply)

No. 181 11.12.63

Règlement no. 128/63 de la Commission, du 11 décembre 1963, fixant le montant supplémentaire applicable aux importations de poules et poulets abattus en provenance des pays tiers (Commission Regulation No. 128/63 of 11 December 1963 fixing the surcharge on imports of slaughtered hens and chickens from non-member countries)

No. 183 13.12.63

THE COUNCIL

INFORMATION

Décision du Conseil, du 18 juin 1963, portant suspension des droits de douane sur le thé, le maté et les bois tropicaux (Council decision of 18 June 1963 suspending customs duties on tea, maté and tropical hardwoods)

No. 166 19.11.63

Décision du 18 juin 1963 des représentants des gouvernements des Etats membres de la Communauté économique européenne, réunis au sein du Conseil, portant application intégrale des suspensions des droits du tarif douanier commun sur le thé, le maté et les bois tropicaux (Decision of 18 June 1963 of the representatives of the Governments of the Member States, meeting in the Council, applying in full the suspension of the duties in the common customs tariff on tea, maté and tropical hardwoods)

No. 166 19.11.63

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| Décision du Conseil, du 30 juillet 1963, portant conclusion d'un arrangement tarifaire avec le Royaume-Uni relatif à la suspension simultanée des droits de douane sur le thé, le maté et les bois tropicaux (Council decision of 30 July 1963 concluding a tariff arrangement with the United Kingdom on the simultaneous suspension of customs duties on tea, maté and tropical hardwoods) | No 166 | 19.11.63 |
| Décision du Conseil, du 14 novembre 1963, portant suspension temporaire du droit du tarif douanier commun applicable au sucre de betteraves et de cannes, à l'état solide, de la position 17.01 (Council decision of 14 November 1963 on the partial suspension of the duty in the common customs tariff on beet and cane sugar, solid, falling under heading 17.01) | No. 168 | 22.11.63 |
| Décision du Conseil, du 24 septembre 1963, portant suspension temporaire des droits du tarif douanier commun applicables à certains poissons et crustacés des positions 03.01 et 03.03 (Council decision of 24 September 1963 on the partial suspension of the duties in the common customs tariff on certain fish and crustaceans falling under headings 03.01 and 03.03) | No. 172 | 28.11.63 |
| Décision du Conseil, du 26 novembre 1963, autorisant certains Etats membres à suspendre à l'égard des pays tiers leurs droits applicables aux mélasses de la position 17.03 B IV (Council decision of 26 November 1963 authorizing certain Member States to suspend their duties on imports from non-member countries of molasses falling under heading 17.03 B IV) | No. 177 | 4.12.63 |
| Décision du Conseil, du 3 décembre 1963, portant suspension temporaire des droits du tarif douanier commun applicables à certains produits (Council decision of 3 December 1963 temporarily suspending or reducing the duties in the common customs tariff applicable to certain products) | No. 180 | 10.12.63 |

THE COMMISSION

Directives and Decisions

| | | |
|---|---------|----------|
| Décision de la Commission, du 5 novembre 1963, autorisant la perception d'une taxe compensatoire sur les importations, en république fédérale d'Allemagne, de pain en provenance des Pays-Bas (Commission decision of 5 November 1963 authorizing the Federal Republic of Germany to impose a countervailing charge on imports of bread from the Netherlands) | No. 171 | 27.11.63 |
| Décision de la Commission, du 5 novembre 1963, autorisant la perception de taxes compensatoires sur les importations, dans la République française, du chocolat en masse ou en granulés, de confiseries et préparations comportant du cacao ou du chocolat, sans liqueur alcoolique, en provenance des autres Etats membres (Commission decision of 5 November 1963 authorizing France to impose countervailing charges on imports of chocolate in bulk or granules, confectionery and other preparations containing cocoa or chocolate, without any liqueur content, from the other Member States) | No. 171 | 27.11.63 |
| Décision de la Commission, du 7 novembre 1963, portant augmentation du volume du contingent tarifaire, octroyé au royaume de Belgique et au grand-duché de Luxembourg pour le magnésium brut (Commission decision of 7 November 1963 increasing the tariff quota granted to Belgium and Luxembourg for unwrought magnesium) | No. 171 | 27.11.63 |
| Décision de la Commission, du 11 novembre 1963, autorisant la République française à différer le rapprochement des droits des tarifs spéciaux de la Guyane, de la Martinique et de la Réunion vers ceux du tarif douanier commun en ce qui concerne les tabacs fabriqués (Commission decision of 11 November 1963 authorizing France to postpone the alignment of the duties on manufactured tobacco in the special tariffs of French Guiana, Martinique and Réunion on those in the common customs tariff) | No. 171 | 27.11.63 |

Décision de la Commission, du 12 novembre 1963, portant prorogation de la validité du contingent tarifaire octroyé à la République italienne pour l'alcool éthylique non dénaturé de 95 degrés et plus (Commission decision of 12 November 1963 extending the validity of the tariff quota granted to Italy for ethyl alcohol, undenatured, of a strength of ninety-five degrees or higher)

No. 171 27.11.63

Décision de la Commission, du 8 novembre 1963, portant détermination de la moyenne des prix CAF et des prix franco frontière pour le mois de novembre 1963 (Commission decision of 8 November 1963 determining the average cif and free-at-frontier prices for November 1963)

No. 171 27.11.63

Décision de la Commission, du 14 octobre 1963, relative à la circulation des marchandises obtenues dans un Etat membre, dans la fabrication desquelles sont entrés des produits qui, dans l'Etat membre de fabrication, n'ont pas été soumis aux droits de douane et taxes d'effets équivalent qui leur étaient applicables ou qui ont bénéficié d'une ristourne totale ou partielle de droits ou taxes (Commission decision of 14 October 1963 on trade in goods from a Member State in whose manufacture products have been used on which the manufacturing Member State has not levied the appropriate customs duties or charges with equivalent effect or has granted total or partial drawback of such duties or charges)

No. 172 28.11.63

Décision de la Commission, du 14 octobre 1963, relative au calcul du taux des prélèvements compensateurs prévus par la décision du 14 octobre 1963 relative à la circulation des marchandises obtenues dans les circonstances visées à l'article 10 paragraphe 2 deuxième alinéa du Traité (Commission decision of 14 October 1963, fixing the rate of the compensatory levies provided for in the decision of 14 October 1963 on trade in goods referred to in Article 10(2), second paragraph, of the Treaty)

No. 172 28.11.63

Décision de la Commission, du 19 novembre 1963, autorisant le royaume de Belgique et le grand-duché de Luxembourg à différer le rapprochement des droits de leurs tarifs nationaux vers ceux du tarif douanier commun, en ce qui concerne certains poissons (Commission decision of 19 November 1963 authorizing Belgium and Luxembourg to postpone the alignment of the duties on certain fish in their national tariffs on those in the common customs tariff)

No. 172 28.11.63

Décision de la Commission, du 19 novembre 1963, autorisant la République française à différer le rapprochement des droits de son tarif national vers celui du tarif douanier commun en ce qui concerne certains poissons et crustacés (Commission decision of 19 November 1963 authorizing France to postpone the alignment of the duties on certain fish and crustaceans in its national tariff on those in the common customs tariff)

No. 172 28.11.63

Décision de la Commission, du 23 octobre 1963, concernant la suppression des aides accordées au transport en France en faveur de certains produits dans le secteur des fruits et légumes (Commission decision of 23 October 1963 on the abolition of the aids granted in France in respect of the transport of certain fruits and vegetables)

No. 174 30.11.63

Décision de la Commission, du 11 novembre 1963, constatant le dépassement des limites en vue du calcul de l'élément mobile du prélèvement pour les produits transformés à base de céréales (Commission decision of 11 November 1963 formally noting that the limits serving as the basis for computing the variable component of the levy on processed products based on cereals had been exceeded)

No. 174 30.11.63

Décision de la Commission, du 21 novembre 1963, portant augmentation du volume du contingent tarifaire octroyé au royaume des Pays-Bas pour le liège naturel brut et déchets de liège et le liège concassé, granulé et pulvérisé (Commission decision of 21 November 1963 increasing the tariff quota granted to the Netherlands for natural cork, unworked, crushed, granulated or ground, and waste cork)

No. 177 4.12.63

Décision de la Commission, du 21 novembre 1963, portant augmentation du volume du contingent tarifaire octroyé à la République fédérale d'Allemagne pour le liège naturel brut et déchets de liège et le liège

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| concassé, granulé et pulvérisé (Commission decision of 21 November 1963 increasing the tariff quota granted to the Federal Republic of Germany for natural cork, unworked, crushed, granulated or ground, and waste cork) | No. 177 | 4.12.63 |
| Décision de la Commission, du 21 novembre 1963, portant augmentation du volume du contingent tarifaire octroyé au royaume de Belgique et au grand-duché de Luxembourg pour le liège naturel brut et déchets de liège et le liège concassé, granulé et pulvérisé (Commission decision of 21 November 1963 increasing the tariff quota granted to Belgium and Luxembourg for natural cork, unworked, crushed, granulated or ground, and waste cork) | No. 177 | 4.12.63 |
| Decision de la Commission, du 21 novembre 1963, modifiant le tableau des dépassements de limites en vue du calcul de l'élément mobile du prélèvement pour les produits transformés à base de céréales (Commission decision of 21 November 1963 amending the table of the amounts by which the limits serving as the basis for computing the variable component of the levy on processed products based on cereals have been exceeded) | No. 177 | 4.12.63 |
| Décision de la Commission, du 27 novembre 1963, portant détermination de la moyenne des prix CAF et des prix franco frontière pour le mois de décembre 1963 (Commission decision of 27 November 1963 determining the average cif and free-at-frontier prices for December 1963) | No. 177 | 4.12.63 |
| Décision de la Commission, du 29 novembre 1963, constatant le dépassement des limites en vue du calcul de l'élément mobile du prélèvement pour les produits transformés à base de céréales (Commission decision of 29 November 1963 formally noting that the limits serving as the basis for computing the variable component of the levy on processed products based on cereals have been exceeded) | No. 177 | 4.12.63 |
| Décision de la Commission, du 28 novembre 1963, autorisant la perception de taxes compensatoires à l'importation, dans la République française, de glucose (dextrose), en provenance de certains Etats membres [Commission decision of 28 November 1963 authorizing France to impose countervailing charges on imports of glucose (dextrose) from certain Member States] | No. 183 | 13.12.63 |
| Décision de la Commission, du 29 novembre 1963, portant augmentation du volume du contingent tarifaire octroyé à la république fédérale d'Allemagne pour les vins rouges naturels de raisins frais, destinés au coupage (Commission decision of 29 November 1963 increasing the tariff quota granted to the Federal Republic of Germany for natural red wines of fresh grapes, for blending) | No. 183 | 13.12.63 |
| Décision de la Commission, du 4 décembre 1963, portant fixation des primes s'ajoutant aux prélèvements et des montants à soustraire ou à ajouter pour le calcul des restitutions pour les céréales (Commission decision of 4 December 1963 fixing the surcharges on levies and the amounts to be added or deducted in computing refunds for cereals) | No. 183 | 13.12.63 |

Recommendations and opinions

| | | |
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| Recommandation de la Commission, du 26 novembre 1963, à la république fédérale d'Allemagne au sujet de l'aménagement du monopole national à caractère commercial des alcools (Commission recommendation of 26 November 1963 to the Federal Republic of Germany on the modification of the Government trading monopoly in spirits) | No. 180 | 10.12.63 |
| Recommandation de la Commission, du 26 novembre 1963, à la République française au sujet de l'aménagement du monopole national à caractère commercial des alcools (Commission recommendation of 26 November 1963 to France on the modification of the Government trading monopoly in spirits) | No. 180 | 10.12.63 |

Delegations and missions to the Community

Missions d'Etats tiers (Suisse) [Missions of non-member States (Switzerland)] No. 163 13.11.63

European Development Fund

Signature d'une convention de financement entre la CEE et la République centrafricaine (Signature of a financing agreement between the EEC and the Central African Republic) No. 163 13.11.63

Modificatif à l'appel d'offres no. 324 lancé par la République malgache (Amendment to call for tender No. 324 issued by the Malagasy Republic) No. 163 13.11.63

Avis d'appel d'offres no. 333 lancé par la république du Mali (Notice of call for tender No. 333 issued by the Republic of Mali) No. 164 15.11.63

Deuxième modificatif à l'appel d'offres no. 323 lancé par la république du Tchad (Second amendment to call for tender No. 323 issued by the Republic of Chad) No. 164 15.11.63

Modificatif à l'appel d'offres no. 316 lancé par la république du Mali (Amendment to call for tender No. 316 issued by the Republic of Mali) No. 174 30.11.63

Avis d'appel d'offres no. 334 lancé par la république du Congo (Brazzaville) [Notice of call for tender No. 334 issued by the Republic of Congo (Brazzaville)] No. 175 2.12.63

Signature d'une convention de financement entre la CEE et la République islamique de Mauritanie (Signature of a financing agreement between the EEC and the Islamic Republic of Mauritania) No. 177 4.12.63

Approbation d'investissements de caractère social dans le royaume du Burundi, la république fédérale du Cameroun et la république du Mali (Approval of social investments in the Kingdom of Burundi, the Federal Republic of Cameroon and the Republic of Mali) No. 179 9.12.63

Avis d'appel d'offres no. 335 lancé par les républiques du Congo et du Gabon (Notice of call for tender No. 335 issued by the Republics of Congo (Brazzaville) and Gabon) No. 180 10.12.63

Avis d'appel d'offres no. 336 lancé par la République islamique de Mauritanie (Notice of call for tender No. 336 issued by the Islamic Republic of Mauritania) No. 180 10.12.63

Avis d'appel d'offres no. 337 lancé par la république du Congo (Brazzaville) [Notice of call for tender No. 337 issued by the Republic of Congo (Brazzaville)] No. 180 10.12.63

Modificatif à l'appel d'offres no. 324 lancé par la République malgache (Amendment to call for tender No. 324 issued by the Malagasy Republic) No. 183 13.12.63

General Information

Appel de candidatures pour des postes de stagiaires (Call for applications for trainee posts) No. 179 9.12.63

COURT OF JUSTICE OF THE EUROPEAN COMMUNITIES

Rulings

Ordonnance du président de la Cour dans les affaires jointes 98-63 R et 99-63 R (Ruling of the President of the Court in consolidated cases 98-63 R and 99-63 R) No. 169 25.11.63

Communications

| | | |
|---|---------|----------|
| Recours introduit le 28 octobre 1963 par M. P. Bernusset contre la CEE et éventuellement la Commission de la CEE (affaire 94-63) [Suit by M. P. Bernusset against the EEC, or alternatively the EEC Commission, filed 28 October 1963 (case 94-63)] | No. 166 | 19.11.63 |
| Recours introduit le 28 octobre 1963 par M. P. Pistoï contre la CEE et éventuellement la Commission de la CEE (affaire 95-63) [Suit by M. P. Pistoï against the EEC, or alternatively the EEC Commission, filed 28 October 1963 (case 95-63)] | No. 166 | 19.11.63 |
| Recours introduit le 28 octobre 1963 par M. P. Bernusset contre la CEE et éventuellement la Commission de la CEE (affaire 96-63) [Suit by M. P. Bernusset against the EEC, or alternatively the EEC Commission filed 28 October 1963 (case 96-63)] | No. 166 | 19.11.63 |
| Recours introduit le 28 octobre 1963 par M. L. de Pascale contre la CEE et éventuellement la Commission de la CEE (affaire 97-63) [Suit by M. L. de Pascale against the EEC, or alternatively the EEC Commission, filed 28 October 1963 (case 97-63)] | No. 166 | 19.11.63 |
| Recours introduit le 29 octobre 1963 par M. P. Erba contre la CEE et la Commission de la CEE (affaire 98-63) [Suit by M. P. Erba against the EEC and the EEC Commission, filed 29 October 1963 (case 98-63)] | No. 166 | 19.11.63 |
| Recours introduit le 29 octobre 1963 par M. J. Reynier contre la CEE et la Commission de la CEE (affaire 99-63) [Suit by M. J. Reynier against the EEC and the EEC Commission, filed 29 October 1963 (case 99-63)] | No. 166 | 19.11.63 |

ECONOMIC AND SOCIAL COMMITTEE

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| Avis de concours no. CES/22/63 (traducteurs-adjoints d'expression allemande) [Notice of competitive examination ESC/22/63 (German translators)] | No. 178 | 7.12.63 |
| Avis de concours no. CES/23/63 (traducteurs-adjoints d'expression française) [Notice of competitive examination ESC/23/63 (French translators)] | No. 178 | 7.12.63 |
| Avis de concours no. CES/24/63 (traducteurs-adjoints d'expression italienne) [Notice of competitive examination ESC/24/63 (Italian translators)] | No. 178 | 7.12.63 |

B. Issues of the agricultural supplement to the official gazette containing the tables appended to the Commissions decisions fixing cif prices, surcharges on levies, the amounts to be added or deducted in computing refunds for cereals, and free-at-frontier prices for cereals

Supplement No. 44 of 20 November 1963
Supplement No. 45 of 27 November 1963
Supplement No. 46 of 4 December 1963
Supplement No. 47 of 11 December 1963.

THE COURT OF JUSTICE OF THE EUROPEAN COMMUNITIES

Recueil de la jurisprudence de la Cour, volume IX
(Reports of the Court, Volume IX)
Subscription : FF. 34; Bfrs. 350.

Fascicule no. 2 : Arrêts de la Cour et conclusions des Avocats généraux dans :
 (Section 2 : Judgments of the Court and conclusions of the Advocates-General in) :

Affaire 64/63 (Demande d'autorisation de pratiquer saisie-arrêt entre les mains de la Communauté économique européenne)
 Case 64/63 (Application for order to the EEC for the attachment of salary)

Affaire 32/62 (M. Maurice Alvis contre Conseil de la C.E.E.)
 Case 32/62 M. Maurice Alvis v. the EEC Council)

Affaire 24/62 (Gouvernement de la république fédérale d'Allemagne contre Commission de la C.E.E.)
 Case 24/62 (Government of the Federal Republic of Germany v. EEC Commission)

Affaire 12/63 (Mme Marga Schlieker, née Diepenbruck, contre Haute Autorité de la C.E.C.A.)
 Case 12/63 (Mme Marga Schlieker, née Diepenbruck, v. High Authority of ECSC)

Affaire 25/62 (Plaumann & Co. contre Commission de la C.E.E.)
 Case 25/62 (Plaumann & Co. v. EEC Commission)

Affaire 34/62 (Gouvernement de la république fédérale d'Allemagne contre Commission de la C.E.E.)
 Case 34/62 (Government of the Federal Republic of Germany v. EEC Commission)

Affaire 13/63 (Gouvernement de la république italienne contre Commission de la C.E.E.)
 Case 13/63 (Government of the Italian Republic v. EEC Commission).

C. Recent publications of the European Economic Community ⁽¹⁾

Non periodical publications

1015*

Exposé sur l'évolution de la situation sociale dans la Communauté en 1962 (joint au « Sixième rapport général sur l'activité de la Communauté » en application de l'article 122 du Traité) — juillet 1963 — 359 p. (f, d, i, n)

(Report on the Development of the Social Situation in the Community in 1962 — appended to the "Sixth General Report on the Activities of the Community" in pursuance of Article 122 of the Treaty) July 1963 — pp. 359 — (f, d, i, n) — 10s. 9d.; \$1.50.

Periodical publications

4002

Graphs and Notes on the Economic Situation in the Community. Monthly No 12/1963. Three bilingual editions : English/French, French/Italian, German/Dutch.

Price per issue : 11s., \$0.50, Bfrs 25.
 Annual subscription : £1.16.0; \$5; Bfrs 250.

8068*

Community business survey — November 1963
 Résultats de l'enquête de conjoncture auprès des chefs d'entreprise de la Communauté — Novembre 1963

3 issues per year (Two bilingual editions : f/i, d/n)
 Annual subscription : £0.14.6; \$2; Bfrs 100.
 Per issue : £0.5.0; \$0.70; Bfrs 35.

(1) The abbreviations after each title indicate the languages in which the documents have been published : f = French; d = German; i = Italian; n = Dutch; e = English.

D. Publications by the Joint Services of the three Communities

Joint Information Service

Publications by offices in capital cities

- Bonn : Europäische Gemeinschaft No. 14, December 1963.
- The Hague : Europese Gemeenschap No. 55, December 1963.
- Paris : Communauté européenne No. 12, December 1963.
- Rome : Comunità Europea No. 12, December 1963.
- London : European Community No. 11, November 1963, No. 12, December 1963.
- Washington : European Community No. 67, November-December 1963.

Statistical Office of the European Communities

General Statistical Bulletin — No. 12/1963

Basic Statistics — edition 1963

Commerce extérieur : Statistique mensuelle — No. 12/1963 (Foreign Trade : Monthly Statistics)

Charbon et autres sources d'énergie — No. 6/1963 (Coal and other Sources of Energy)

Statistiques industrielles — annuaire 1963 (Industrial Statistics — Annual edition)

Sidérurgie — No. 6/1963 (Iron and Steel)

Statistiques sociales — No. 3/1963 (Social Statistics)

Statistiques sociales — No. 4/1963 (Social Statistics)

Statistiques sociales — Supplément 1963 (Social Statistics)

Statistique agricole — No. 5/1963 (Agricultural Statistics).

