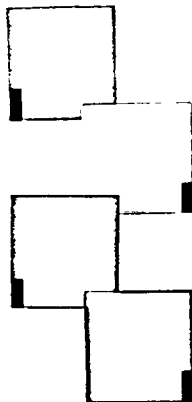


COMMUNAUTÉ
ÉCONOMIQUE EUROPÉENNE

COMUNITÀ
ECONOMICA EUROPEA



EUROPÄISCHE
WIRTSCHAFTSGEMEINSCHAFT

EUROPESE
ECONOMISCHE GEMEENSCHAP

BULLETIN

of the

**EUROPEAN
ECONOMIC
COMMUNITY**

EEC

BRUSSELS – MARCH 1964

ISSUED MONTHLY

N° **3**

SEVENTH YEAR

3-1964

BULLETIN

of the European Economic Community

EXECUTIVE SECRETARIAT OF THE COMMISSION
OF THE EUROPEAN ECONOMIC COMMUNITY

Contents

	Page
The economic situation of the Community in 1963 and the outlook for 1964	5
I. Background to association with the African States and Madagascar; its scope and content	21
II. Association with Greece	26
III. Activities of the Community	
External relations	27
Economic and financial affairs	30
Internal market	36
Competition	37
Social affairs	38
Agriculture	44
Transport	49
Overseas development	51
Administrative affairs	55
IV. Institutions and organs	
A. The Parliament	57
B. The Council	
C. The Court of Justice	59
D. The Economic and Social Committee	60
E. The Monetary Committee	61
 <i>ANNEXES</i>	
Resolutions of the European Parliament	62
Resolution on relations between the European Economic Community and Israel	62
Resolution on a recommendation submitted to the Council by the EEC Commission for a medium-term economic policy for the Community	62
Resolution embodying the opinion of the Parliament on the draft decision of the EEC Council concerning the overseas countries and territories associated with the Community	63
Publications of the European Economic Community	64

Supplement

Proposal for a Council regulation concerning arrangements applicable to rice and broken rice imported from the associated African States and Madagascar and from the overseas countries and territories

Proposal for a Council regulation amending Council Regulations Nos. 19, 20, 21, 22 and 23 by adding a reference to the objectives to be attained

Proposed second directive concerning cinematography

Proposal for a Council directive to co-ordinate and render equivalent the guarantees required in the Member States of companies as defined in Article 58, second paragraph, of the Treaty, to protect the interests of the members of such companies and of third parties

The economic situation of the Community in 1963 and the outlook for 1964

Address by M. Robert Marjolin, Vice-President of the EEC Commission,
to the European Parliament

(Strasbourg, 21 January 1964)

The report I am presenting to you today is now a tradition, but it must not become a routine. I have no wish to change for the sake of changing, but it seems to me that a new approach is called for.

On previous occasions my addresses were full of figures concerning the results of the preceding year or forecasts for the one ahead. This had to be so, for these figures, which are indispensable for an economic and political appraisal, were not available to you from any other source.

Today, thanks to our improved method, the establishment and confrontation of national economic budgets, and the devoted work of our staff, the Parliament will be able to find all this material in the Quarterly Economic Survey which will appear shortly.

I can therefore confine myself to a brief review of economic developments in 1963, speaking at rather greater length on the outlook for 1964 and, in particular, discussing with you as fully as possible the basic economic problems we must resolve in the coming year if we wish to avoid serious setbacks which could jeopardize the harmonious development of our economic activity and, in the long run, the process of European integration itself.

The economic picture of the Community as the year 1964 opens is, in fact, compounded of a certain number of encouraging features and others which are less encouraging. To put the matter in a nutshell, I would say that what is going well is production, and what is going less well, and sometimes even badly, is prices, production costs, and the Community's external trade.

I. Production

1. Factors of expansion

The Community's economic activity was stimulated in 1963, and will continue to be stimulated in 1964, by a strong expansion of overall demand.

Exports

It should first be noted that exports to non-member countries, which had scarcely increased at all in 1962, definitely picked up in the spring of 1963. They will again expand appreciably in 1964.

Economic growth will in fact be running at a high rate in the principal non-member countries. Thanks in particular to expansionary policies it is well-nigh certain that in the United States and the United Kingdom the trend of economic activity will be distinctly upward. The tax measures proposed by the American Administration will undoubtedly stimulate internal growth in the United States to a very considerable extent.

Such a trend in the most important industrial countries of the Western world, combined with the favourable influence of the business situation in the Community, the United States and the United Kingdom on the economies of other economically advanced countries and on the financial situation of the developing countries, will contribute to a lively growth of world trade. Despite the appreciable rise in production costs in recent years in most of our member countries, the Community should play a large part in this increase.

Industrial investment

About the middle of 1963 there was also a reversal of the slackening trend of industrial investment, although the change was only really pronounced in a few Community countries. This improvement should be consolidated in 1964. There is little likelihood of a fresh decline in most member countries in the propensity of enterprises to invest, which has been stimulated by promising export prospects, the general easing of pressure on profit margins, and persistent strong inducement to rationalization in view of manpower shortages.

In the building sector, particularly as a result of the extremely severe winter of 1962/63, the volume of projects in hand is so high that the level of activity should in any event be distinctly above that of 1963.

Household consumption

Although, on the whole, consumption expenditure by households grew slightly less rapidly than in 1962, it provided a notable stimulus to the Community's economy in 1963. In 1964 the increase under this head may again be considerable. There is no indication that wages and salaries, which are the most important element in the aggregate of household incomes, will grow much less rapidly than in 1963.

2. Results and outlook

When I compare the forecasts in my address of 4 February 1963 with the actual results of 1963, I find that, leaving aside the then unforeseeable impact of the 1962/63 winter, the expansion of Community production was on the whole accurately estimated. As things turned out, the production losses at the beginning of 1963 kept the increase in volume of the gross Community product down to 4%, compared with a forecast of 4.5%. The latest estimates by the Commission's staff set the real increase of the gross national product between 1962 and 1963 at about 3% in the Federal Republic of Germany, 4% in Belgium and the Netherlands, 4.5% in France, and 5% in Italy. Because of the iron and steel situation it was only 0.5% in Luxembourg.

I am a little chary of making forecasts for 1964, and from what I shall have to say later you will see why.

For the time being I shall base the forecasts which I intend to give on the assumption that the present economic policies of the Member States will remain substantially unchanged.

You will perhaps find presently that this is not an entirely realistic assumption, or in any case that it should not be, for extensive changes are needed in the general policies of the Member States.

But, on this assumption, the increase in volume of the Community's aggregate product may reach 4.5% in 1964.

The growth of industrial production should be about 6% higher than in 1963, when it was 5%.

In the individual member countries the increase of the gross national product in real terms should be roughly as follows: 4.5% in the Federal Republic of Germany; 5% in France and Italy; 4% in Belgium; 4.5% in the Netherlands; 1.5% in Luxembourg. But I would add that if, as I have assumed, there is no change in economic policy, this would entail for most of the countries major drawbacks the the point of view of economic stability, a problem to which I will shortly revert.

3. The sectors of activity

Let me now say a few words on probable developments, not in the individual countries, but in the various sectors of activity.

The more favourable outlook for purchases of capital goods by enterprises points to an improved situation for the mechanical engineering industry and certain branches of electrical engineering, where production fell in most Community countries during at any rate part of 1963.

Activity in the consumer goods industries will again expand appreciably. This should be the case particularly with durables, especially motor-cars, although in this sector growth might well be a little less vigorous than in 1963.

On the other hand the situation in some branches might continue to be less favourable. This could be the case, particularly in France, for the heavy engineering industry, where activity generally reacts more slowly to a revival of demand because of particularly long delivery dates.

Although in the Community as a whole a slight spurt in iron and steel production can be expected, profits will continue to be poor because of the probable weakness of selling prices. In all probability coal-mining will continue roughly at the level reached in 1963, since the expansion expected in other industrial sectors hardly seems sufficient to offset the effects of replacing coal by other sources of energy.

Shipbuilding will continue to suffer from structural difficulties. The recent trend shows a clear contrast between improvement in this branch in non-member countries and a chronic decline in the Community.

To conclude this brief survey of the situation of certain industries I should like to add a remark which seems to me very pertinent.

In a dynamic economy it is normal that some branches should temporarily lag behind or even show a tendency in the longer term to stagnate. This is why, as a general rule, it seems more advisable to try to solve the problems of sectors in difficulties by action on the social plane and by greater efforts to find alternative employment for redundant manpower rather than by endeavours to stimulate activity in these sectors, in view of the undesirable repercussions of the latter approach on the general balance.

II. Economic balance

Although, as regards production, the results for 1963 and the forecasts for 1964 appear very satisfactory apart from the special situation in certain branches, it must be pointed out that what could become a serious disequilibrium is developing in the Community.

The available figures on the past trend of production costs, prices and the balance of payments, and also the outlook for 1964, leave no room for doubt on this point.

I will begin with production costs and take wage trends as an index of all important costs with the exception of raw materials prices and financial charges. Wage trends are, in fact, the only ones of which we have a sufficiently precise knowledge.

I note that, as a result of a more rapid advance of wages than of productivity, wage costs per unit of production in industry, which from 1957 to 1959 had remained roughly stable in all Community countries except France, have since been rising rapidly, according to the Commission's provisional figures.

Between 1959 and 1963 they went up 17% in the Netherlands, 20% in the Federal Republic of Germany, 21% in France and 28% in Italy.

These are considerable figures, in absolute terms. They are disturbing when compared with the corresponding figures for the relative trends of wages and productivity in the large countries which are the Community's competitors, in particular Britain and the United States.

In the United Kingdom during the same period wage costs per unit of production in industry increased by only 10%. What is even more serious is that in the United States they remained stable.

I have not mentioned Belgium because up to 1962 this country had escaped any appreciable increase in wage costs. But last year a distinct upward movement took place there, with an increase of 4% in a single year. Only in the Federal Republic of Germany — and this is a point on which I shall have more to say later — has there been some slowdown.

In so far as this increase in wage costs is an index of the general increase in unit costs, clearly, it means an indirect devaluation of Community currencies where trade in industrial products is concerned.

In 1963 the situation was aggravated by another factor. Whereas for several years the Community, like all industrial countries, had benefited by a fall in raw material prices, world prices for a number of staple materials began to rise from mid-1963.

Price statistics — and I will confine myself here to consumer prices — give an equally discouraging picture. Between 1959 and 1963 the general index of consumer prices went up 10% in the Netherlands, 11% in the Federal Republic of Germany, 16% in Italy and 19% in France. In Belgium and Luxembourg a distinct rise in consumer prices began during 1963.

This increase of production costs and of prices is of course reflected in the balance on current account. In fact, and, contrary to what the trend of the gold and foreign currency reserves of the central banks and other official institutions in the Community might lead us to suppose, the Community's balance on current account has distinctly declined in recent years.

Whereas the balance on external transactions in goods and services still showed a surplus of \$3 500 million in 1959, a slight deficit appeared in 1963.

This appreciable deterioration is not confined to trade but also affects almost all the other items of the current account. In this way the expansion of foreign investment in the Six which occurred mainly in the first years of the Community's existence was reflected, from 1961 onwards, in a perceptible rise in payments of dividends and other income from capital.

Similarly, despite the considerable increase in Italy's tourist receipts, the surplus on this item of the Community's overall balance of payments has declined steadily since 1961.

Lastly, increased recruiting of labour from countries outside the Community has also led to an appreciable rise in remittances of wages to abroad.

It is evident that, over the last years, the increase in the Community's reserves of gold and foreign currencies has been due to the influx of private capital, a part of which is, moreover, short-term and consequently very unstable. In any case the surplus on the overall balance was considerably lower in 1962 and 1963 than in the years 1958 to 1960.

Until 1962 it was possible to consider this reduction in the surplus on current account as a positive contribution to international monetary equilibrium.

This is no longer true, and the danger of a deficit has become very real, whereas the Community needs a surplus on current payments to finance its long-term exports of public and private capital and, in particular, the aid which it wishes to continue to provide on an increasing scale to the developing countries.

Of course, the situation varies from country to country; I will come back to this point later. But I thought it best to begin by outlining the general situation of the EEC in the world. No doubt there are many reasons for this deterioration in the Community's external position. Some of them are unquestionably connected with the prevailing prosperity in the Community which I mentioned just now while on the subject of production. Thus, in 1960 and 1961 the very fact that the EEC's economic growth was definitely faster than that of the leading non-member countries naturally resulted in imports rising faster than exports. But such an argument does not explain either the latest trend — for in 1963 expansion was rapid also in Britain and the United States — or the deterioration which we must again expect in 1964.

In fact we are faced, in the external payments field, with the inevitable unpleasant consequences of the inflation which has been going on in the Community during the last few years. On the one hand excessive internal demand leads to rapidly increasing imports, and on the other the rise in our production costs, which, as I have shown, has been appreciably faster than in the other leading industrial countries of the free world —

weakens our competitive position. For the time being, the results are masked by the favourable business situation throughout the world, but there will be a rude awakening once the world economy enters on a phase of stagnation or even of slower advance.

The causes

What are the causes of this situation? Without a doubt, the symptoms of imbalance I have just described are fundamentally due to the excessive expansion of total demand in money terms in relation to possibilities of stepping up production.

It is true that in the two years which followed the 1959-60 boom, certain elements of total demand grew more slowly, in particular exports and private investment. But during this period private consumption and public spending continued to expand rapidly, while manpower shortages became very acute in most EEC countries.

Since 1963, a new expansion of exports and a recovery of private investment have been further factors making for rising prices.

Naturally, not all the price increases are attributable to excessive growth of total demand in money terms. There are doubtless independent factors, such as increased producer prices for farm products resulting from official action to improve farmers' incomes or to offset bad climatic conditions; increases in controlled rents; or, again, higher charges for certain public services. But it may be said that, generally speaking, rising prices are due to growing strains on both the labour market and the market for goods.

In the light of the most recent trend and the outlook for 1964 there can be no doubt as to the nature and gravity of the inflation problem. This trend must be considered in the present context of the Community's economy, which is marked by growing shortages of manpower. At the end of 1963, if seasonal fluctuations are left out of account, unemployment had practically disappeared in all EEC countries except Italy. But I would go so far as to say that for this country, where unemployment is estimated to have fallen at least 50% from its 1959 level, the total figure is now of only very limited significance. In northern Italy labour shortages are no less acute than in the other EEC countries. In the south, which five years ago had abundant reserves, it is becoming harder and harder to mobilize manpower. In addition, recruitment from outside the Community is also running into growing difficulties.

So far I have concentrated on the action of spontaneous forces which have upset the balance of the economy. But what of public expenditure, where, up to a point, the pace of increase can be determined at will? Has Government action played the part — so greatly desired — of a counterweight by which the inflationary strains noted in other sectors of the economy may be alleviated?

Quite the contrary! The trend of this expenditure has helped to increase the strain. To quote only the figures for 1963, but adding that they reflect trends already observed in 1962 and even earlier, provisional figures for the whole Community show that current public expenditure increased by 11% and investment expenditure by 10%, while the gross Community product went up by about 9% in value and only 4% by volume. Briefly, Governments have not troubled, or have been unable, to keep their rate of spending well below the growth of receipts, a growth which itself largely depended on the rise in prices.

It is easy to understand that, in a climate of expansion with a generally appreciable but differentiated growth of the various categories of income, Governments should be called upon from all quarters to remedy inequalities, and that in some cases their intervention should even be automatic under the existing laws and regulations.

We can appreciate, too, their desire to carry out investment projects which have been decided on well in advance — projects whose usefulness I will certainly not deny.

However, faced with unmistakable inflationary developments, the Governments ought to have subordinated such considerations to the overriding need to restore economic stability, a process which will unquestionably be helped most by the way in which public finances are managed.

In fact, although the majority of the member Governments have taken anti-inflation measures — to which I shall revert in a few moments — they have generally done nothing, or at any rate too little, in the field of public finance.

III. Outlook for 1964

Up to now the reaction of most Governments has not been vigorous enough, and it is difficult to see how the situation is to be put right if the economic policies of the majority of the countries remain unchanged.

The main point is that the chances of a spontaneous easing of tension on the labour market in 1964 are very slight. The rise in production costs will in general again be considerable. The outlook is similar for consumer prices, which will probably continue to increase appreciably. (In all these forecasts I am proceeding on the assumption that policies will not be changed.) Except no doubt in the Federal Republic of Germany and in a few other countries, the increase will probably be even more rapid than in 1963.

In such a case the Community's current payments account would show a growing deficit. To judge by experience in the recent past, a deterioration of some \$600 million to \$1 000 million in 1964 in relation to 1963 does not seem improbable; this means that the current payments balance would close with a deficit of approximately the same order of magnitude.

Such a deficit is no grave matter when confined to a single year, but it becomes one if it continues. We must not forget — I repeat — that, in view of the Community's development aid obligations, its balance of current payments ought normally to show a surplus. It is by no means certain that the Community's overall balance of payments will not also be in deficit in 1964, particularly in view of the measures in the United States to curb exports of capital. Moreover, speculative movements connected with the persistence of strong inflationary strains in the EEC might make themselves felt.

Doubtless the external financial position of several countries will remain satisfactory or even very strong. But countries whose own position is sound may be adversely affected by their neighbours' inflation.

IV. The dangers

I do not hesitate to say that the continuance of such a situation would be fraught with very grave dangers. What would happen, in fact, if the present inflationary forces were allowed free rein and if the measures taken by the public authorities did not attack the real problem, i.e. the excessive development of overall demand, or only attacked it half-heartedly?

Sooner or later, continuing inflation will lead to a halt in expansion or even to a recession touched off by automatic factors, which I have not time to examine in detail today, and also by Government action; this action will have to be the more drastic the longer it is deferred.

Another danger for the Community arises from the fact that the inflationary strains are being felt in varying degrees in the different member countries.

For instance, the Federal Republic's balance on current account, and perhaps even its overall balance of payments, will improve in 1964. However, at any rate as far as current payments are concerned, this will not result from any strengthening of its position vis-à-vis non-member countries, but from piling up surpluses in its transactions with other Community countries.

Here I must give you a few figures to illustrate clearly the disequilibrium which is becoming more and more apparent in intra-Community trade. Provisional figures show that, whereas Italy's imports from the five other Community countries increased by 24% in 1962 and 30% in 1963, and France's imports increased by 18% in 1962 and 26% in 1963, imports by the Federal Republic of Germany went up 15.5% in 1962 and only 8% in 1963. The surplus on the Federal Republic's trade balance with the rest of the Community thus rose from \$552 million in 1962 to \$954 million in 1963.

During the same period Italy's deficit increased from \$273 million to \$545 million. As for the French trade balance, which showed a surplus of \$238 million vis-à-vis the Community in 1962 it was slightly in deficit in 1963 (—\$28 million). Obviously, if such divergences are not countered, and if the trends they reflect are not reversed, they will sooner or later present very serious problems for the internal equilibrium of the Community.

V. The action of Community bodies in 1963.

Having spent a good deal of time in analysing the situation I must now say what has been done to remedy it, and what still needs to be done. First, what the Community institutions and in particular the Commission which is responsible to you, have done in 1963; secondly, in the light of the position in each Member State, what each Government has done; and finally, what should be done, and what general recommendations on the Community's overall economic policy we can send from this House to the Governments.

In 1963 the Commission spared no effort to arouse the Governments of the member countries to the dangers of the situation, and to get them to apply the necessary measures to meet it.

Although the outlook for prices was then still relatively favourable, I stated in my speech last year that:

"In view of the continuing buoyancy of overall demand, our essential task, in the immediate future at any rate, must be to stabilize prices or at least curb decisively their upward trend."

At the beginning of 1963, when the prospects for world business and the trend of investments were still uncertain, action against inflation, in those countries where it was necessary, could have been confined to selective measures to eliminate sources of inflation, provided it was based on an effective incomes policy.

For this reason, early in the year, with the full approval of the Monetary Committee and the Economic Policy Committee, we recommended that the member countries take selective action to ease the situation in sectors, particularly building, where the imbalance was most marked.

In a general way we advised great prudence in any increase of public spending and in the expansion of short-term credit. We recommended that endeavours be made to work out and implement an incomes policy.

In actual fact, selective measures were either not taken or were not vigorous enough.

Progress on the implementation of a concerted incomes policy has been negligible. To judge from developments in the Netherlands, we might even say that the situation has worsened.

Later in the year, when nearly all the member countries found themselves threatened with an accentuation of inflationary trends, the reaction of the public authorities was in most cases dilatory.

From July onwards we were therefore forced to conclude that more drastic decisions were required to curb overall demand, at least in France and Italy. The Commission did not fail to stress this need. It directly informed the Governments concerned of its views, and our third Quarterly Survey of the Economic Situation in 1963 went into the question in great detail.

The problem was also referred to the Monetary Committee and Economic Policy Committee at their October meetings. Finally, at a press conference in September, I stated the Commission's position with regard to inflationary developments in Italy and France.

I should like to emphasize here the increasingly important part which is played by the Economic Policy and Monetary Committees, and to mention the considerable help we have had from the periodical establishment of economic budgets in each of the six EEC countries. Technical improvements have been made in the preparation of these budgets, and we can now follow the current economic trend step by step and review the annual forecasts regularly. This procedure proved particularly useful in 1963, when we were able to draw attention to the need — in certain EEC countries at least — to abandon the selective character of the anti-inflation campaign in favour of a general curb on demand called for by the new circumstances.

VI. Economic situation and policy of the Member States

These, Mr. President, Ladies and Gentlemen, were the observations made during the year 1963. I should now like to review what the Governments have done, and I hope you will excuse me if I have to go back over old ground in order to describe the situation in the six countries as clearly as possible. I think the analysis and overall judgment I put before you in the first part of this address would leave your thirst for information unquenched, if I did not go into some detail regarding the situation in each of the six countries.

If we consider the Community countries in 1963 we see that they can be divided into three groups:

a) France and Italy, where inflationary pressure has been strong or very strong for the greater part of the year, we may as well say the whole year;

b) Secondly, the Benelux countries, where these strains became apparent only at the end of the year but were particularly acute in the Netherlands;

c) Finally, Germany which has made a remarkable recovery and enjoyed impressive stability throughout the year.

Let us now take these six countries in turn.

In France the imbalance between the expansion of overall demand and of production which already existed in 1962 became distinctly more acute in 1963. Thus the fears which I expressed in February 1963 as to the trend of prices have proved to be justified.

Consumer prices have increased strongly. Last November the index of 250 articles was up 6% on its level of a year earlier.

Despite the appreciable increase in manpower due to repatriation from Algeria and shorter military service, there was no noteworthy easing on the labour market. This situation contributed to a strong increase in wages, the volume of which grew by 13% in 1963 after already rising by 11% in 1962. Taking account, however, of the rise in prices, the average real wage per person employed probably did not increase by more than 4% in 1963. Presently I will draw a general conclusion from the contrast between these figures.

The speedier growth of nominal domestic demand led to a distinctly faster increase in imports. For goods, the increase may be put at about 21%. A very large part of the rise of demand for goods from abroad was directed to other EEC countries, particularly the Federal Republic of Germany and Italy. The trade balance deteriorated appreciably.

On the basis of customs statistics, France's trade deficit was \$640 million in 1963 compared with \$76 million in 1962. Even though current transactions again closed with a surplus and gold and foreign exchange reserves moved up sharply — by \$847 million in 1963 — particularly as a result of a large influx of capital, these surpluses have tended to fall.

Faced with the steep price rise the French Government took certain measures early in 1963. These included limitation of expansion of bank credits, raising of the minimum reserve ratio, waiving of certain tax reliefs and financing of part of the Treasury deficit by borrowings from the capital market.

More far-reaching action was undertaken under the stabilization plan of 12 September 1963, which included *inter alia* a reduction of the budget "impasse" in 1964, a tightening of the limits imposed on the expansion of bank credit, continuation of the policy of long-term loan issues and early reduction of certain customs duties.

In addition, the Government pegged the prices of some products and acted directly in other ways on prices in order to lessen the immediate danger of a price/wage spiral. Towards the end of the year the Bank of France raised the discount rate.

Despite the difficulties of any general appraisal of the probable effects of this plan, I must say that I am not certain that other measures will not be needed to restore equilibrium in the French economy in any lasting way. It is true that since September the price rise has been mitigated on the whole but it must not be forgotten that where there is direct action on prices it is impossible to judge whether this means an actual slowdown which would signify a return to market equilibrium.

Tightness on the labour market has not lessened and, despite a relatively rapid rise in the working population, is likely to remain just as severe in 1964.

Certain factors will of themselves probably help to ease the situation. Among these are the rapid increase of imports, a relatively low level of private investment and a less rapid increase in the number of consumers. But it is far from certain that the expansion of overall demand will weaken sufficiently. With the prospect of an appreciable expansion of external demand — thanks to the excellent world business situation and despite rising production costs — and also of household consumption, it is probable that fresh decisions will be necessary, especially in the field of public finance, to bring the 1964 expansion rate down to a level between 3% and 4%. The French Government's recent decision to space out public investment expenditure over a longer period may work in this direction.

Furthermore, extreme prudence would be advisable as regards the level of government-controlled prices.

So much for the situation in France. I now turn to Italy.

In Italy inflationary trends have been at least as strong as in France, but they are even more disturbing because of their already severe impact on the balance of payments. In November 1963 the level of consumer prices was 8% higher than in the same month of 1962.

The statistics available in Italy do not yet allow us to judge the trend in the effective earnings of all paid workers, but the figures concerning minimum wages at any rate show a very steep rise (over 10% for wages in industry and commerce). As in France, price rises have seriously affected the purchasing power of nominal incomes.

Imports rose in very appreciable proportions — 24% by value — and led to a heavy increase in the trade deficit which, in terms of customs statistics, may be estimated at more than \$1 000 million. The overall payments account which was roughly in balance in 1962 closed with a deficit of \$1 200 million in 1963.

The Government has done little more than slightly reduce the 1963/64 budget deficit by using certain excess tax yields, tighten its credit policy and encourage certain imports.

But the spontaneous movement of the factors working for the expansion of demand leaves no hope that this will slow down in 1964. If we think in particular of the repercussions that this will have on the Italian balance of payments we see it is vital to take more energetic measures against inflation. For the reasons I have already mentioned in the case of France, the first weapon should be a more severe public finance policy backed up by a tighter monetary policy. The new Government's programme is on these lines. It would be advisable, however, to take the measures envisaged as soon as possible.

I now come to the Benelux countries. As I said a while ago, serious strains made themselves felt only towards the end of 1963, but they threaten to become more acute in 1964.

In Belgium the price level in fact remained roughly stable in the first half of 1963. Towards the middle of the year the retail price index was hardly 1% above the same period in 1962, but by the end of 1963 the advance was nearly 4%. The increase in wages speeded up, partly owing to the operation of the sliding scale. From one year to the next total wages and salaries seem to have gone up about 10%.

Up to the present the external financial situation has hardly been affected by the speedier growth of internal demand, since exports have also expanded strongly. This has been due in particular to the relatively strong competitive position of Belgium, where production costs have not increased to any marked extent in recent years, at any rate up to 1962. The current transactions position has nevertheless deteriorated and overall payments should be roughly in balance in 1963, whereas in 1962 they showed a surplus of \$80 million.

In a very open economy which has attained full employment, the considerable increase in exports has doubtless been a main cause of the strains now experienced. However, it cannot be denied that the rapid growth of public spending has also played an important part. According to the statistics for the first nine months of 1963 the increase in Government expenditure was 9%. During the same period the Treasury deficit was nearly Bfrs. 21 000 million, or Bfrs. 5 000 million more than in the first nine months of 1962.

Towards the end of 1963 the Belgian authorities took certain steps among which should be noted direct action on prices and the raising of Bank rate.

Faced with the prospect of a further appreciable rise in overall demand in 1964, and taking into account the difficulties met with in financing the budget deficit, it is evident that the Belgian Government will have to keep a tighter rein on public spending. Similarly, it would be advisable to curb the expansion of bank lending, which was considerable in 1962.

In the Grand Duchy of Luxembourg the cost-of-living index has also risen since the spring of 1963, whereas it had remained practically stable in 1962. Between April and December 1963 it went up by about 3.5%, triggering off two adjustments of wage rates. In this country where the staple industry is running into difficulties because of the unfavourable situation on the world market for steel, any excessive increase in production costs would undoubtedly be a very serious handicap to development.

For this reason the Luxembourg authorities have taken certain measures affecting credit, the budget and the labour market, in order to mitigate the strains observed chiefly in the construction sector and transmitted from there to other sectors of the economy. It will certainly be necessary to maintain a cautious attitude on prices and wages in 1964 also, despite the somewhat brighter prospects on the world steel market.

The Netherlands economy only began to show signs of strain towards the end of 1963. It is true that the level of consumer prices went up by about 3% between the beginning and the end of the year. But the current transactions account continued to show a surplus — \$110 million in 1963, as against nearly \$180 million in 1962, according to provisional estimates. Official gold and foreign currency reserves increased, whereas they had fallen slightly in 1962.

The trend in 1964 will, however, be quite different. By agreements concluded in the autumn between employers' and workers' organizations, with government approval, the wage bill will increase considerably. According to present estimates the rise may be between 15% and 18% over 1963. The lively stimulus which will result for nominal domestic demand points to an increase in consumer prices of the order of 6% to 7% and a substantial deterioration of the balance on current transactions. The 1963 surplus might well give way to a deficit of about \$160 million in 1964.

Though not alarming for the time being, the abrupt change of incomes policy — which hitherto has been moderate and balanced — is fraught with serious dangers for the Netherlands economy in the longer term in view of the side effects of the significant developments which will take place in 1964.

Obviously the Netherlands economy will only find a new balance if, after adjustment to the wage rises just decided on, the rise in production costs and in overall demand is kept within reasonable limits.

It is therefore imperative that the public authorities take measures forthwith to curb the expansion of internal demand as a whole.

In view of the possible impact of wage rises on investment, the aim should be to keep public spending down.

The Government has already made a start by a 5% cut for a six-month period in the amount of projected public investment expenditure scheduled.

At the same time the expansion of bank-credit is again being restricted and Bank rate was raised in January 1964. However, even though these monetary measures are part of an anti-inflation policy, it would be appropriate in my opinion to concentrate particularly on restrictions affecting public expenditure. This would have more direct repercussions on global demand and less negative effect on industrial investment. Such investment must go on expanding if there is to be an improvement in productivity, which in the Netherlands does not seem to have made as much progress in recent years as in the other EEC countries.

I now come to the Federal Republic of Germany which I have kept for the end because the situation there is very different from that in all the other countries I have mentioned. It is the only member country to have enjoyed a climate of stability in 1963, when consumer prices remained roughly stable and the balance of current payments improved. This was only achieved thanks to a slowdown in the growth of internal demand, which in 1963 may be put at 6% in nominal terms as against 9% in 1962. Total wages and salaries can be said to have risen less than 7%, compared with 11% in 1962. Wage rises were in fact lower than in 1962. This trend was due partly to an easier situation on the labour market and to the extension of most of the collective wage agreements, which had been decided on in 1962. Savings also expanded very appreciably.

This meant a decline in the pressure exerted on resources by the expansion of private consumption. If it is also remembered that during the first half of the year industrial investment fell off and that exports were not particularly dynamic, it is easy to understand why, despite the production losses during the winter, economic equilibrium has been more or less restored. I would add that government measures to curb demand in construction, where the pressure had been particularly heavy, have borne some fruit.

Can this trend in the German economy be maintained in 1964? Ominous signs appeared in the second half of 1963. Exports are again increasing rapidly, mainly owing to heavier buying by the other EEC countries, and investments have resumed their upward trend. I think the Government should be on the watch to detect in time any excessive growth of global demand and if necessary to counter it by an appropriate policy on public finance. On this point I welcome the Federal Government's decision to limit the increase of its spending in 1964 to 6%. Furthermore an effective stabilization policy in the other EEC countries would of course help the Federal Republic to maintain economic equilibrium, which might be jeopardized if inflation were to continue in other leading Community countries.

VII. General recommendations

I would now like to make a few general recommendations and suggest what the stabilization programme for the Community's economy should contain.

Bearing in mind the differing situations from country to country which I have described, I would say that the essential needs are:

1. To limit public spending or to tighten up restrictions in order to offset the pressure of other elements of demand, so that the economy will move gradually towards overall equilibrium.

This point is the first on my list and the most important;

2. To establish norms in the management of public finance and in credit policy which will arrest the excessive expansion of liquidity;

3. To associate, through appropriate machinery, representatives of the main economic and social groups with the effort towards stabilization and urge them to adjust their claims on the fruits of expansion to the needs of the hour;

4. To step up efforts to mobilize productive resources.

Doubtless the implementation of such a policy involves thorny problems. In view of the automatic nature of much public spending, it is difficult to hold back the expansion of major budget items. Nevertheless substantial results could be achieved. A firm resolve to reject any schemes entailing new expenditure, the fixing of an order of priorities for public investments and the spacing out of programmes in hand, can, if no time is lost, be very effective in preventing the operations of public authorities from having such expansive effects.

The interpenetration of national markets has narrowed the scope for action through monetary policy since external convertibility was introduced. Any curb on the expansion of liquidity in a period when activity is increasing must necessarily lead to higher interest rates. If the difference in relation to rates outside the Community should become too marked, it may provoke a speculative influx of short-term capital and encourage firms to borrow abroad, which would tend to frustrate the credit restrictions.

Without underestimating these difficulties I nevertheless feel that the present trend of the Community's payments balance has put an end to the tug-of-war which was going on until only a few years ago between internal stability and external equilibrium. Consequently, there is now a margin within which interest rates can rise in the Community without risk of disturbance to the world market. However, the margin is rather narrow and this I would say that in implementing a stabilization policy the stress should be laid on budgetary measures.

Finally, this policy must obviously be a matter for common and co-ordinated action within the Community. Failing this, the member countries would be faced with a dilemma: either to allow the expansive forces emanating from other EEC countries to act freely on their economy and thus expose themselves to the risk of even greater inflation, or to combat these expansive forces and thus willy-nilly encourage distortions within the Community.

VIII. Conclusions

I realize Mr. President, Ladies and Gentlemen, that the implementation of a stabilization programme — and I am weighing my words — can involve a temporary and limited slowdown of expansion such as occurred last year to good purpose in the Federal Republic of Germany. Such a programme inevitably entails sacrifices by all economic and social groups but a moderating of demands which in other circumstances would be quite legitimate will in the final reckoning prove salutary.

We cannot go on with the economy of most of the Community countries in a chronic state of overheating.

In an inflationary climate everyone thinks that the best thing he can do for himself is to push up his income, whereas in fact, with a wage-price spiral going on, he finds the improvement much less substantial than he had hoped. I would even go further: in such circumstances it is precisely the less-favoured sectors of the population whose situation deteriorates. Increases in income of 5% without any rise in the cost of living are preferable to 10% increases in income accompanied by a 5% increase in prices.

It is therefore high time steps were taken to prevent inflation becoming a permanent feature of the Community. It is primarily for the Governments to take action; as I have explained, their influence in restoring stability can be decisive.

To be effective a stabilization policy also requires co-operation on the part of the workers, who have no interest in obtaining large wage increases without any corresponding improvement in the standard of living, and on the part of industrialists, whose undertaking can only prosper in the long run in a climate of order and stability.

Doubtless rapid economic growth is an aim in itself. But there are limits to it which we can only exceed at our peril. Regular expansion at a reasonable high rate — 4% yearly, for example, or a little more in countries where the working population is growing appreciably — is preferable to a succession of uncontrolled booms and periods of stagnation or recession.

The maximum growth rate feasible would be higher if the State, the two sides of industry and farmers could agree on an incomes policy, but this is still only a pious hope.

I would like to add a few words on Government policies — which tomorrow will be Community policies — to improve the lot of certain social sectors which are lagging behind the rest of the population. I am thinking especially of Europe's farming community. To improve the situation of these people in relation to that of other social sectors, to make up the leeway in agricultural incomes, is a perfectly legitimate aim, which is accepted by practically all the Governments and political parties in the Community. The Commission itself has subscribed to it.

However, to face the issue squarely, if such a policy is not to defeat its own purpose it must be carried out by non-inflationary means. If recourse is had to general price increase, these should not lead to general wage and salary increases intended to nullify the effects of the former for the other sectors of the population.

If recourse is had to government subsidies, the cost of these should be offset by cutting down other public expenditure or by curbing its growth.

The choice before us is a critical one. Either we take urgent steps to ward off the danger which threatens us and by our own effort of will bring about an adaptation which is inevitable in the long run, or else we abandon the economy of our countries to the spontaneous but blind forces of the market and recklessly allow our prices and production costs to rise.

In this case the inevitable adaptation will also occur, but through a deterioration of the balance of payments, which will exercise a deflationary influence, and through a reduction in private investments. Moreover, the trend of external payments will oblige most of the Governments to introduce, belatedly, restrictive measures much more drastic and harmful to expansion than would have sufficed if action had been taken sooner.

In the meantime there would be a danger of the less well-placed member countries being obliged to go back on certain of their obligations.

Moreover, any excessive rise in Community production costs, if it went on for another stretch of years, would so weaken our competitive position that a serious problem of economic and monetary balance could well arise if ever there were a downturn in the world business situation.

There is nothing which we should fear more than a recession or even a marked economic slowdown hitting the Community at a time when its level of prices and of costs was appreciably higher than that of the other leading industrial countries of the free world. It would then be the more difficult to extricate ourselves from a weakened economic situation as the balance of payments would impose severe limits on any action to revitalize the economy.

It is certainly far preferable to take immediately certain measures which may involve a limited and controlled slowdown of expansion but which would also create durable foundations for the long-term prosperity of Europe.

It is not my intention to dramatize matters and to say that we are already in the situation I have just depicted, nor even that these dangers are at our door, but they are sufficiently clear on the horizon for the Commission to consider itself in duty bound to warn the member countries against the consequences of prolonged inaction or of inadequate measures.

I feel sure that in pursuing its efforts the Commission can count on the wholehearted support of the Parliament.

I. Background to association with the African States and Madagascar; its scope and content

Despite its great economic and political importance and the interest attaching to it, the problem of the association of the African States and Madagascar did not take first place in the preoccupations of the European Economic Community.

When the Treaty of Rome took effect, it was not yet generally realized what political and economic responsibility would be laid upon the Community by the association of the African States and Madagascar. Nowadays, however, these problems are coming increasingly to the fore because of the growing importance of everything to do with development policy.

It is important to understand this change of outlook; there has been a gradual shift from the empirical pattern of association, a legacy of the past, to a far more conscious policy of association linked to the concept of development aid.

When the EEC Member States created, by the Treaty of Rome, an economic community which was basically a customs union, they had to discuss within the framework of this system the problem of how to deal with the overseas territories attached to certain Member States. Through a process of historical evolution these territories had become, as it were, overseas extensions of the Member States' economies. That is why the following possibilities offered themselves: either such territories could be integrated in the future Economic Community and considered economically as part of it, or they could be "amputated" from the European economy and placed in the position of non-member countries, which meant they would have been outside the customs union.

Theoretically both solutions were conceivable. The "amputation" approach would have been possible only if the overseas territories had played a relatively unimportant part in their home countries' trade. Had this been so, a short-term transitional system could have been devised to allow preferential treatment of the overseas territories by the home countries for a limited time.

This solution would doubtless have been feasible where Belgium, Italy and the Netherlands were concerned. The overseas territories had come to play a relatively small part in the national economies of the Netherlands and Italy. It would have been more difficult to apply to Belgium because of the Congo's importance to Belgian trade; but for decades Belgium had adopted an "open-door" policy towards the Belgian Congo as a result of the "Congo-Act". Consequently the Belgian Congo did not represent, at any rate *de jure*, a privileged market for Belgium and the economic interdependence between the Belgian Congo and the home country was not such that the former's economic future was completely tied up with commercial preferences in Belgium.

The situation in the countries belonging to the French Union and in the French Trust Territories in Africa was quite different. Here a system of close economic ties between metropolitan France and the colonies had gradually grown up and the French economy seemed to be to such an extent geared to trade with these countries that a drastic "amputation" would have brought economic disaster upon the latter and at the same time have caused a serious dislocation in the French economy, doubtless for a quite a long period. At the time of the signature of the Treaty of Rome, French trade with African countries represented 30% of her total external trade and even today it amounts to about 20%. Even more striking was the situation regarding the French merchant fleet, 70% of whose tonnage was used for transport between France and Africa or between African countries.

Conversely it must be remembered that the overseas countries attached to France had an outlet on the metropolitan market for 70 to 80% of their exports and that numerous products enjoyed preferential treatment as regards prices and marketing. The bulk of their export earnings came from this source, under markedly stable conditions.

Thus five Member States of the EEC found themselves faced, in relation to France and the countries of the French Union, with a problem which needed a solution somewhere between the extremes of economic integration and economic amputation.

Integration was ruled out, and not only by political realities; there were also economic facts which prevented the countries of the French Union from being treated as an integral part of France's economic territory. The geographical scope of the Rome Treaty would have been extended beyond Europe to embrace vast African territories. But the disparity between the economic development of the African countries and the Europe of the Six was too great to allow the practical application of such a system.

Thus any solution involving integration appeared out of the question, and the economic interests of France and the African countries excluded "amputation", that is to say the treatment of the latter as non-member countries.

The answer lay between the two extremes: it was the association of the African States and Madagascar with the Community. What does this association stand for? It is rather difficult to define in juridical terms; it is not, at any rate by origin, an association by virtue of Article 238 of the Rome Treaty. That article makes provision for agreements between the Community and other bodies recognized in public international law establishing associations with reciprocal rights and obligations, common courses of action and appropriate forms of procedure. But here there are none of these elements. The association of the overseas territories which were still dependent at the signing of the Treaty of Rome is not the outcome of an agreement between them and the Community; rather is it part and parcel of the Treaty establishing the Community itself, since it constitutes its Fourth Part. Nor is there any question of reciprocal rights and obligations, common courses of action and so on, for the juridical relations created by the Treaty in the framework of the association of overseas countries belong exclusively to Community law; they are not bilateral as provided for by Article 238, but multilateral or, if preferred, institutional.

No doubt an observer with somewhat dogmatic ideas on matters of law might feel at a loss at the juridical difficulties encountered in an analysis of the association as originally established by the Treaty of Rome. But the pattern of association thus created, though hard to define from a legal point of view, has been found perfectly viable in practice, both before and after the attainment of independence by the countries concerned. So the first conclusion to be drawn, on observing the practical solidity of this structure despite its bizarre legal origins, is that it must have represented a deep-rooted reality to have survived intact the upheavals which have taken place in Africa since 1958.

It must nevertheless be recognized that association, which is a contractual and perfectly admissible form of external relations of the European Economic Community, has politically speaking been the object of some disparagement because in its original form it was established before the majority of the associated countries attained independence and can therefore be suspected of being merely the old historical relationship writ new.

This derogatory attitude to association has had unwelcome consequences and will perhaps continue to do so for some time to come. They are very often felt by the African associates of the Community which have become independent in the meantime. At

RECENT PUBLICATIONS

8104 - EUROTERM DICTIONARY - Phraseological concordances

Revised notice with correction of UK price, which was incorrectly printed in the previous notice.

The EUROTERM dictionary is intended to facilitate retrieval of the lexicographical and terminological information that is needed in the work of the European Communities, the official texts of which are drawn up in four or more languages.

The dictionary consists of an alphabetical *Index* of keywords for each language concerned and a *Corpus* in which the keywords are given in concordances in the various languages. The number opposite the keywords in the *Indexes* refer back to the *Corpus* (see the Instructions for Use at the beginning of the *Corpus* and of each *Index*).

All classifying, sorting and tabulating operations have been carried out on electronic machines⁽¹⁾. Compilation proper i.e. the choice of terms and their equivalents in the various languages, was the result of human work.

The original feature of the EUROTERM dictionary is that all the words listed are given in their authentic context (with source reference) and that any additional material, however bulky, can be incorporated automatically.

Revised editions of the *Indexes* will be issued periodically. The *Corpus*, on the other hand, will be extended gradually by the addition of extra pages.

An alphabetical list in each language has also been made of all the words appearing in the texts on which the dictionary is based. These lists are of the same type as the *Indexes* but are much more extensive, since they also include the words not selected in the EUROTERM Section, Terminology Bureau of the European Economic Community, 24, Avenue de la Joyeuse Entrée, Brussels 4, Belgium.

It is a loose-leaf publication, 8 1/4" x 11 1/2" (oblong format), supplied in clip binders.

The subscription price is: Bfrs 5 000; £35.14.0; \$100 which includes the cost of the dictionary as it now stands plus additional sheets as published, up to a total of 10 000 pages (including those replaced), together with the binders.

The *Indexes* will be brought up to date regularly, and each successive issue will replace the previous one.

With a shorter *Index* to be published in English (and perhaps other languages), the subscriber, by the time his initial subscription runs out, will have a multilingual dictionary of more than 150 000 keywords, alphabetically indexed and in context. Each word is accompanied by full source reference, including article or page number. Some words will be provided with commentaries.

⁽¹⁾ This was done on IBM 7090 and IBM 1410 machines at CETIS (Centre européen du traitement de l'information scientifique, EURATOM) at Ispra, in Italy. The form of the dictionary was worked out by the EUROTERM Section of the Terminology Bureau at the Commission of the European Economic Community in Brussels; the programmes were studied and prepared by the CETIS Treatment of Non-numerical Information Section.

**8106* - PRINCIPLES AND METHODS USED IN THE BUSINESS SURVEYS
CARRIED OUT AMONG HEADS OF ENTERPRISES IN THE COMMUNITY**

In this brochure, the business survey carried out among heads of enterprises in the Community is described in detail; explanations are given of the scope of the survey, the time-table adopted, the questions put, the nomenclature used and the way it corresponds with other nomenclatures commonly used, and the weighting methods adopted. A separate chapter is devoted to an account of the survey on investment.

This brochure is a special number of the regular publication "Results of the Community Business Survey", which appears every four months and which is being published from this year onwards in three bilingual versions: French/Italian, German/Dutch and English/French.

Single numbers: Bfrs 35; 5s.0d.; \$0.70

Annual subscription: Bfrs 100; 14s.3d.; \$2.00

This special number is published in French, Dutch, German, Italian and English, and is distributed free of charge to all subscribers to "Results of the Community Business Survey".

Copies may be ordered from the sales and subscriptions offices.

almost every pan-African conference these countries are attacked for committing themselves too far to Europe. This disparagement of the idea of association also weighs on the future of relations with other countries, for example the Maghreb States, which are fully aware that it is their interest to maintain close relations with Europe.

These circumstances are widely known, but it would be a mistake to be pessimistic about the future of association. Quite the contrary, for during the last few months a very interesting reversal of attitude has become clearly apparent. This political reappraisal is due to new facts which must now be considered.

It is already common knowledge that, by expressing their intention of maintaining the relations existing between them since 1958, the overseas African States and the Community have laid the foundations for an association in the full sense of the word. The former pattern of predominance has been completely replaced by relations of a contractual nature. Of course this does not mean that Part IV of the Treaty of Rome and the Implementing Convention, which established the association with the African countries, have now lost all practical significance. Even if the association is no longer based on the instruments quoted, since it has become a contractual relation, it is nevertheless still largely determined by them. It will be noted further that, although the five-year Implementing Convention expired on 31 December 1962, the European Development Fund set up under this Convention has, by common accord, continued its operations in respect of the countries concerned on the same basis.

The negotiations leading to the new Association Convention were concluded on 20 December 1962 in Brussels when the Convention was initialled by the six Member States and the 18 associated African States including Madagascar. It was signed at Yaoundé in July 1963 but has still to be ratified by the national parliaments ⁽¹⁾. The new Convention will run for five years like its predecessor. It will take effect from the first day of the month following the date on which the Member States and at least 15 associated States have deposited their instruments of ratification. It will thus replace the stop-gap measures taken since the lapsing of the previous Convention.

The experts are still discussing whether the new Convention will merely supersede the previous one, or whether the contractual relations of the first association, created by Part IV of the Rome Treaty, are still completely valid, or at least continue to be of significance where obligations between member countries are concerned.

The new Association Convention did not settle this point, although the authors were perfectly aware of its importance, because the opinions of the Member States differed appreciably. Behind the legal controversy there lies a certain divergency of political concepts.

Some circles in the European Economic Community argue, for example, that Part IV of the Treaty, which created the association of overseas territories, still forms the legal basis for association; this means that African association is recognized as permanent. Association with the African countries and Madagascar would thus always be fundamentally different from the associations provided for under Article 238, for the later are not institutional in character and merely endow certain external relations of the Community with a particular legal form. The political intention underlying this attitude is clear: the association of the countries listed in Annex IV of the Treaty would in this way assume the character of a lasting relationship, corresponding to a permanent Community aim.

⁽¹⁾ At time of writing, over half the parties have ratified and it is hoped that this formality will be completed in a few weeks.

In other European circles the contrary theory is advanced. According to this view the African association is now based only on the new Association Convention and is considered an association under Article 238. Therefore Part IV of the Rome Treaty can no longer be held to be the basis for the association of the African States, which is now no more than a facet of the Community's external relations since it is of a conventional nature and is limited in time.

This controversy poses a fundamental problem regarding the association of the African States and Madagascar and, consequently, regarding the general question of relations with all developing countries. If the African association were considered simply a provisional arrangement to cover a period of adaptation, its *raison d'être* would vanish the moment the old economic situation gave way to a new one. This would come about, for example, once the French economy cast off its structural ties with the overseas territories.

Such a concept of African association — considered as a kind of imperfect, but unavoidable temporary formula — is not in line with the long-term interests, seen in an objective light, of the Community and its Member States.

One day the EEC is to become a totally integrated economic community with a common commercial policy. One cannot imagine what could be the commercial policy of an industrial country, or an economic bloc embracing several industrial countries, which in its relations with the developing countries did not dispose of certain instruments for influencing development policy.

Though the Community does not formally exercise general competence in the sphere of development policy, nevertheless its very existence and its decisions on commercial (and agricultural) policy inevitably involve consequences, and even prior choices, affecting the developing countries.

In its action programme, the Commission stressed the need for a Community policy on development aid. For the time being the Community has assumed a practical responsibility for development policy through the association of African States and Madagascar. That this responsibility should not yet have taken its place in the context of a general development aid policy is an anomaly which must be overcome. But the Community does not consider that it can reject, on the pretext that more universal action is also desirable, the wish for co-operation expressed by a group of developing countries who seek its "company" and whose reliable friendship is a valuable asset to the Community.

It is essential that the practical tasks which have fallen upon the Community by the association of the eighteen African States and which constitute a first experiment of inestimable value should evolve into a conscious and systematic Community policy on development aid. Gradually a way must be found out of unclear situations and mere compromises between formulas. The new Association Convention, which resolutely aims at action enabling the economies of the associated countries to find larger trade openings on world markets, represents a great step forward, even if it is still far from being the perfect reflection of a common doctrine. But it contains elements which suggest a move in that direction. An important element is the association's open nature, which is assured by Article 58 of the Convention. This Article expressly provides for the possibility of association for other States having an economic structure and a pattern of production comparable to those of the present associates. Thus the Community now possesses a further means of pursuing an active policy of association, and the Convention is thus elevated to the rank of a true instrument of economic co-operation with the developing countries.

This form of co-operation consists in the implementation, over an area of the world limited geographically for the historical reasons already mentioned, of a policy of aid on a larger scale to developing countries. This experiment has now been running for five years. It will now pursue its course for a further five years.

It is already possible — and this will be even truer at the expiry of the new Convention — to draw precise practical lessons which are of potential interest to all developing countries; this in itself is a positive contribution to the efforts being made throughout the world to aid such countries.

But it must also be remembered that the objective of aid policy is to strengthen the economy of the associated countries. The creation of structures enabling these countries to tackle their own development problems more independently will have as its logical consequence that at some time in the future a more liberal policy will be feasible, which will also benefit non-member countries.

Trade between France and overseas countries, territories and departments

Imports from overseas countries, territories and departments (including Algeria) expressed as a percentage of France's total imports: 1958 (France including the Sarre) 21.2%; 1960 (France excluding the Sarre) 18.9%; 1963 (10 months) 14.8%.

Exports to overseas countries, territories and departments (including Algeria) expressed as a percentage of France's total exports: 1958 (France including the Sarre) 30.7%; 1960 (France excluding the Sarre) 24.3%; 1963 (10 months) 16%.

II. Association with Greece

The 7th meeting of the Council of the Association between the European Economic Community and Greece was held at Brussels on 3 February 1964 under the chairmanship of M. Henri Fayat, Minister, Deputy to the Minister for Foreign Affairs of the Kingdom of Belgium.

The Greek Delegation was led by M. Christos X. Palamas, Minister for Foreign Affairs of the Kingdom of Greece.

Various items were included in the Agenda of the Association Council.

As regards harmonization of the agricultural policies of the Community and of Greece, the Greek Delegation stressed the importance which it attached to this question as also its anxiety to see thorough discussions initiated as soon as possible, in order to complete this task within the period laid down by the Athens Agreement. The Community Delegation stated that it too considered harmonization to be a question of particular importance, and that they were at present actively discussing this problem internally in order to be able to initiate thorough discussions on this question with the Greek Government, as early as possible. They were convinced that the deadline laid down in the Athens Agreement could be met.

After stressing the importance of tobacco to Greece, the Greek Government requested on the one hand that the next stage in the achievement of the customs union for this product should be fixed and insisted, on the other hand, that the common agricultural policy for tobacco should be laid down as soon as possible. The Community was in a position to tell the Greek Government that it was the Commission's intention to submit proposals on the common agricultural policy for tobacco before the end of the present year.

The Greek Government had appended requests for rebates on interest in favour of two investment schemes submitted to the European Investment Bank which related on the one hand, to the partial financing, up to an amount of \$2 million of the construction of the Athens-Corinth road and, on the other hand, to the partial financing, up to an amount of \$6 million, of the construction of electric transmission lines. During the present meeting of the Association Council, the Member States of the Community were able to inform the Greek Government that they could agree to the granting of these rebates on interest.

Finally, the Association Council adopted its first report to the Parliamentary Committee of the Association and carried out a general examination of the results achieved by the Association after its first year of operation.

III. Activities of the Community

EXTERNAL RELATIONS

Association with Turkey

1. The Association Agreement between the European Economic Community and Turkey, signed in Ankara on 12 September 1963, was approved by the Turkish National Assembly on 15 January 1964 and by the Turkish Senate on 4 February.

On the Community side, the agreement was approved by the French National Assembly on 4 December 1963 and by the Council of the Republic on 12 December.

Austria

2. Following the last round of exploratory conversations held from 16 to 19 December 1963 between a Commission delegation and the Austrian Mission in Brussels ⁽¹⁾, the Commission is drafting a report for the Council.

In accordance with the instructions given the Commission by the Council on 2 April 1963 and renewed on 31 May 1963 ⁽²⁾, this report will examine possible solutions to problems arising in relations between Austria and the EEC.

It will be recalled that the object of the exploratory conversations, which took place in July, November and December 1963, was to furnish the Commission with sufficient clarification of the Austrian Government's desiderata in an association with the EEC.

Latin America

3. The fifth meeting of the contact group between the Latin American missions accredited to the EEC and the Commission was held on 17 January 1964 with M. Rey, member of the Commission and President of the External Relations Group, in the chair. Statements were made on the Community's policy in regard to financing, technical assistance, the association of European countries and exports of manufactures.

This meeting brought to an end the first stage of the group's work, on which the Commission will report to the Council shortly.

Morocco

4. On 30-31 January a meeting was held in Brussels between a Moroccan delegation led by M. Ahmed Reda Guedira, Minister for Foreign Affairs, assisted by M. El Ghorfi, Under-Secretary of State for Agriculture and H.E. Ambassador Guessous, Head of the Moroccan Mission to the EEC, and an EEC Commission delegation headed by M. Rey, President of the External Relations Group.

This meeting marked the beginning of exploratory conversations on the broad lines of future economic relations between Morocco and the EEC.

⁽¹⁾ See Bulletin 2-64, Chap. V, sec. 2.

⁽²⁾ *Ibid.*, 7-63, Chap. IV, sec. 2.

The Moroccan delegation recalled the terms of the Declaration of Intention concerning Morocco annexed to the Treaty of Rome. Solutions in harmony with this declaration were examined by the two delegations, which took as a basis certain working hypotheses for future trade arrangements between Morocco and the EEC and for the contribution the Community may make to the economic development of the former French Protectorate. Questions of technical co-operation and public and private investment were discussed. These matters are to be studied on both sides.

On the occasion of this first meeting, M. Ahmed Reda Guedira was received by M. Walter Hallstein, President of the EEC Commission.

Nigerian proposal for the opening of negotiations

5. Further to exploratory conversations held in November 1963, the Government of the Federal Republic of Nigeria proposed to the European Economic Community on 6 January 1964 that negotiations be opened with a view to an agreement between Nigeria and the Community on the basis of the second formula in the "Declaration of Intention concerning non-member countries whose economic structure and pattern of production are comparable to those of the Associated States", which was published on the date of signature of the Yaoundé Convention, 20 July 1963.

This provides for the conclusion of association agreements with mutual rights and obligations, more especially in matters of trade.

The Council discussed the Nigerian request at its session of 3-4 February, on the basis of a memorandum from the Commission.

Following a brief exchange of views, the Council asked the Committee of Permanent Representatives to examine the Commission's memorandum in detail for one of the Council's coming sessions, and to suggest, in draft instructions for the negotiations, a Community attitude on the problems arising from the Nigerian Government's request.

Israel

6. At its session of 3-4 February, the Council again discussed the Community's trade relations with Israel.

It decided on certain offers which the Community might make with a view to the conclusion of a commercial agreement, and instructed the Committee of Permanent Representatives to examine suggestions made by the Commission on the broadening of such offers.

Relations with Israel had already been debated in the European Parliament at its January session. The Parliament adopted a resolution stating that in view of the special importance of relations with Israel, both political and economic, it looked forward to the early conclusion of an agreement between the Community and Israel which would be satisfactory to both parties.

Replying to the debate on the resolution, M. Rey said that he shared the Parliament's opinion that an early agreement with Israel was highly desirable. The Commission, he added, had recently submitted fuller proposals to the Council with this object. He further explained that the Commission felt it best to begin with a commercial agreement, which would then be reviewed from time to time with the object of gradually broadening its scope.

The resolution is given in an annex.

Tariff negotiations in GATT

Debate in the European Parliament

7. During its session of January 1964, the European Parliament held a debate on the External Trade Committee's second progress report on preparations for the multilateral tariff negotiations. No resolution was adopted.

The rapporteur acknowledged that extremely important interests were involved and expressed his satisfaction with the instructions for these negotiations given by the Council to the Commission, an institution in which he had the greatest confidence.

After speeches from several members, M. Rey replied on behalf of the Commission. He said that the Commission could not accept any watering down of decisions taken in matters of agriculture and tariffs: on the contrary the substance of these decisions must be applied to the full in the negotiations.

Reminding the House that the reduction of customs duties by 50% was only a working hypothesis, M. Rey stressed none the less that it had been agreed by the Member Governments and was no longer only a suggestion from the experts.

M. Rey added that the Council had accepted the Commission's view on the problem of tariff disparities and that although the general suggestions made by the Council on non-tariff barriers were not very explicit, they did form a basis for future work.

As for parliamentary control of the negotiations, M. Rey said that such control could in no circumstances take the form of a public debate: it was a general rule that there could be no debate on negotiations before they were concluded.

Discussions resumed

8. The GATT Sub-committee on the Tariff Negotiations Plan met again on 28 January in Geneva.

This meeting marked the resumption of work after a break of nearly two months during which the participating countries had been invited to re-examine closely the still unsolved problem of disparities ⁽¹⁾ and to make an effort to overcome this difficulty.

The Community submitted to its partners the results, approved by the Council on 23 December 1963, of its own studies and of its efforts to work out a compromise: a new formula for determining "significant" disparities in tariff levels and the rules to apply to tariff reductions in these cases.

Presenting these suggestions, the Community delegation recalled the successive stages of the effort it had made to bring itself closer into line with its partners, and it stressed once more the need to implement every point of the ministerial resolution of May 1963, i.e. not only a substantial reduction of tariffs on a linear basis, but also the narrowing of "significant" disparities between these duties.

As no other contribution to the solution of the disparities problem was forthcoming, discussion hinged on the Community's suggestions. Another discussion of this problem will be held at the next meeting, by which time certain facts and figures connected with the application of the new formula will have been assembled.

(1) See Bulletin 1-64, Chap. IV, sec. 11.

Relations with international organizations

The Council of Europe

9. The Consultative Assembly of the Council of Europe held its 15th session in Strasbourg from 14 to 17 February. It appointed a new Secretary-General, Mr. Peter Smithers, in succession to M. Ludovico Benvenuti.

The main theme was the Council of Europe's general policy. Among the topics discussed were Atlantic partnership, preparation for the Kennedy round and the United Nations Conference on Trade and Development. The Assembly also expressed its satisfaction with the work done by the Community on patents. Several speakers welcomed the outcome of the agricultural negotiations held in Brussels in December and emphasized the part played by the Commission.

The Assembly was addressed by M. Spaak, Deputy Prime Minister and Minister for Foreign Affairs of Belgium, who reviewed the activities of the Community during the past year — a reduction of internal customs duties, a closer alignment of national tariffs on the common external tariff, the association of Turkey and of the overseas States, and the agreement on agricultural matters. He also said that since the system established by the Rome Treaty had proved its worth it should be applied to the political unification of Europe; a Community body should be created, modelled on the EEC Commission, which should take up with the Governments questions of foreign affairs and defence.

The International Labour Office

10. The Standing Liaison Committee between the EEC Commission and the International Labour Office met in Brussels on 9 January 1964.

M. Levi Sandri, member of the Commission and President of the Social Affairs Group, presided, and M. Rey and M. Rochereau, members of the Commission, were also present. The ILO was represented by M. J. Rens, Deputy Director-General, and M. F. Blanchard and M. W. Jenks, Assistant Directors-General.

The meeting reviewed matters of common interest examining general problems of technical assistance to the associated countries and opportunities for co-operation in technical assistance in respect of vocational training through the ILO's Vocational Training Centre in Turin, which is due to open shortly.

It was noted that co-operation between the EEC Commission and the ILO was developing, under the agreements, in a highly satisfactory manner.

ECONOMIC AND FINANCIAL AFFAIRS ⁽¹⁾

The Community's medium-term economic policy

11. At its January session the European Parliament debated the Commission's recommendation to the Council on the Community's medium-term economic policy ⁽²⁾. The Parliament first heard a report presented on behalf of its Economic and Financial Committee by M. Dichgans. After noting that all economic policies result from a

⁽¹⁾ See also in the opening pages of this Bulletin M. Marjolin's statement to the European Parliament on the economic situation in the European Economic Community in 1963 and the outlook for 1964.

⁽²⁾ This recommendation appeared in a supplement to Bulletin 8-63.

combination of the working of the market economy and government intervention, the rapporteur stressed the need for a rationalization of economic policy in the framework of the European Community. He then analysed the economic programmes in the EEC member countries and the Commission's proposals for medium-term economic policy. He welcomed the Commission's intention to establish the technical bases necessary for a medium-term economic policy and to work out economic policy objectives and propose measures for their attainment.

After a discussion to which several members contributed, M. Marjolin, Vice-President of the EEC Commission, took the floor to explain in more detail the Commission's position. Referring to the problems involved in associating labour and management with the framing of a medium-term policy, he said that a formula must be found for associating them as closely as possible whilst leaving final responsibility in the hands of parliaments, governments and Community institutions.

M. Marjolin was glad that discussions in both the Economic and Financial Committee and in the Parliament had led to unanimous conclusions "thus bringing to an end a quarrel between dirigists and liberals which, in a modern world, no longer has any sense and which contradicts the everyday experience of governments". The Commission's proposals, he said, had the sole aim of establishing a programme for the activities of the public sector, but such activities were closely bound up with economic realities that when one planned for the former one was bound to influence profoundly the whole range of economic activity. The Commission's proposals were based on two factors: first an assessment of what public authorities actually do, and secondly a strict application of the rules of competition embodied in the Treaty of Rome. From these two factors combined emerged an overall approach which seemed to answer the requirements of modern economic life.

The Parliament then adopted a resolution approving the Commission's proposals.

In this resolution the Parliament declared itself convinced that the co-ordination of national action must go much further than the Treaty would at first sight suggest, if it was desired to achieve a genuine economic union. A common economic policy presupposed the establishment of common objectives. Consequently, the Parliament supported the Commission's plan to work out these objectives with the aid of a committee of senior officials from the Member States and to propose to the Council measures for their attainment. The medium-term economic policy, in the opinion of the Parliament, must not be too rigid and should be reviewed every year. The other European Executives should be closely associated in the preparation of the policy, so that uniformity in the three Communities would be ensured. The Parliament also hoped that the Commission would discuss the objectives with it before they were finally approved, and that the Commission would then submit its proposals for an opinion, and would go on doing this until at a later stage the Parliament acquired real powers of acceptance or rejection.

The resolution is given in an annex.

The Economic and Social Committee also discussed these problems at its session of 29-30 January.

In the unanimous opinion it rendered, the Committee approved in the main the Commission's proposals contained in Chapter VII of the Action Programme and in the Commission's recommendation to the Council on the Community's medium-term economic policy.

The Committee accepted as a framework for any short- and medium-term economic policy the advantages of the Western economic system, based primarily on private

enterprise and competition, although this did not mean that the Committee did not see the need, and desirability, of direct and indirect intervention by governments or other public authorities.

A medium-term economic policy should, in the opinion of the Committee, be based in the first place on the analysis of problems. Such analysis should indicate objectives with suitable alternatives, on the basis of which the economic policy decisions of the Member States and of the Community must be taken.

The Committee was also convinced that the Community's programme for a medium-term economic policy must guide, not command, if it was desired to avoid calling into question the principle of free competition as embodied in the Treaty of Rome.

The Economic and Social Committee wished to be informed, in due course, of the progress made in the work of the independent group of experts and of the Committee on medium-term economic policy (a Committee of officials which it is proposed to set up), so as to be able to give its own opinion during the preparation of plans. In addition, it recommended the close co-operation of leading organizations and of business and professional associations in the preparatory work, and for this purpose it proposed to the Commission that it set up by agreement with the Economic and Social Committee an "expert advisory panel" within which the various leading organizations would be represented. This panel should be consulted during the preparation of plans by the independent group of experts and by the Committee on Medium-Term Economic Policy.

The Economic and Social Committee also felt that the European Parliament should have the right to approve the programme worked out for a medium-term economic policy. Mere consultation was not enough.

Monetary and financial co-operation in the EEC

12. At its January session the European Parliament held a debate on the Commission's memorandum to the Council concerning monetary and financial co-operation in the EEC ⁽¹⁾.

The rapporteur, M. Vals, welcomed the initiative taken by the Commission. Stressing that the degree of economic integration itself was a direct function of the degree of co-ordination of monetary policies, he said that at the present moment monetary co-operation had special importance for the Member States, which were all affected in varying degree by inflation. The longer the present situation lasted, he said, the further the countries would be from a solution; it was therefore a matter of urgency for the countries concerned to concert their policies. Moreover, measures of monetary policy must be supplemented by common measures of budgetary and financial policy. A budgetary policy committee, suggested by the Commission, would provide an institutional framework for the consultations which had so far been held at regular intervals between the Governments. An important point was that the Parliament would have some measure of control over these consultations. In conclusion, M. Vals hoped that the Commission would not stop short at these few proposals, and that it would do its utmost to speed up the introduction of a policy allowing of the normal working of the economic apparatus.

(1) This memorandum was published in a supplement to Bulletin 7-63.

Replying briefly, M. Marjolin, Vice-President of the Commission, said that monetary unity was bound to come, since it was the logical outcome of the economic unity of the Community. However, it was also obvious that monetary unity could only be brought about if political unity was achieved.

The proposed monetary policy instruments were intended to help unify Community policy in the short- and medium-term. There were many ways in which this could be done, concluded M. Marjolin, and although the Commission did not yet have the instruments it had hoped would be placed at its disposal forthwith, there were certain courses open to it.

The Parliament then passed a resolution approving the various measures recommended for this purpose: co-operation between the EEC Central Banks, co-operation between the Member States in the field of international monetary relations; consultations between the Member States before any change in their exchange parities; co-operation between the appropriate departments of the member Governments on budgetary policy. The Parliament called on the Council and the Commission to keep it regularly informed and to invite its comments.

The Economic and Social Committee rendered its opinion on 29 January on the Commission's proposals in Chapter VIII of the Action Programme and in the Commission's memorandum to the Council on monetary and financial co-operation in the Community. The Committee broadly approved these proposals.

In the unanimous opinion of the Committee, the Commission's proposals on monetary policy must be considered in close relation with the economic policy proposals contained in Chapter VII of the Action Programme, since measures of monetary policy were a permanent factor in any short-term and longer-term economic policy.

The Committee agreed with the Commission that the time had already come to plan joint machinery such as a sort of central bank or a system of public credit control. From this angle, the Committee felt that it would be appropriate to concentrate first on the following tasks: estimating to what extent monetary policy instruments were fitted to the functions they had to fulfil; developing instruments of monetary policy and common principles of financial policy with a view to an effective trade-cycle policy; general exploitation of statistics on all operations affecting liquidities, credit and finance.

Regional policy

13. On 22 January the European Parliament held a debate on regional policy in the Community.

A report was presented on behalf of the Economic and Financial Committee by M. Birkelbach.

Stressing the importance of regional policy, the rapporteur said that the prerequisites were an expansion of vocational training and the creation of the necessary infrastructure. As to the instruments of such a policy, there must be co-ordination between the work of national bodies and of the Community institutions: the European Bank, the Social Fund and the Fund for the Improvement of Agricultural Structures.

The report dealt with the activities of the European Communities in the field of regional development, the local impact of the creation of a large economic area, the problems of outlying areas of the EEC, those of frontier areas, industrial conversion in declining areas and improvements in agricultural areas.

In the ensuing debate several members spoke of the need to associate local authorities with the planning of regional policy in the EEC. Replying, M. Marjolin congratulated M. Birkelbach on his report, which gave a general picture of all that the Community had done or undertaken to improve regional development and could be taken as a useful guide for further efforts in this direction.

He added that the EEC Commission would endorse all the recommendations of the parliamentary Committee. The reports of the working parties instructed to study certain problems of regional policy should be available in February or March. After examining them, the Commission would draw its conclusions and later send its comments to the Governments and to the Parliament.

M. Marjolin then discussed the problems involved in the preparation of programmes for the various Community regions. These programmes must be fitted into the framework of regional economic policy; hence a close link must be established between regional policy and medium-term economic policy.

This debate issued in a resolution in which the Parliament, after recalling that the Treaty gave the Community the task of ensuring the harmonious development of all regions, narrowing the differences between them and mitigating the backwardness of the less fortunate, urged that the economic and social policy of the EEC should be conducted in the light of the essential requirements of regional policy. The resolution also stressed that the Commission should dispose of the necessary funds to fulfil its tasks in the field of regional policy. In giving effect to this policy closer co-operation would be needed between the European Executives. It would also be necessary to establish a central information office.

Common energy policy

14. On 22 January the European Parliament held another debate on the question of a common energy policy.

The Energy Committee, noting with concern that, on 2 December 1963, the ECSC Council of Ministers had again failed to agree on the substance of a common energy policy, moved that the Parliament adopt a new resolution to follow up the resolution already passed in September 1963 ⁽¹⁾.

After a debate to which the two rapporteurs of the Energy Committee, M. Leemans and M. Posthumus, and other members contributed, followed by the spokesmen of the Executives, M. Del Bo, M. Marjolin and M. De Groote, the Parliament adopted unanimously a resolution expressing its profound dissatisfaction with the present situation.

The Council's repeated failure, at their session of 2 December 1963, to reach a positive decision on the proposals in the Executives' Memorandum or on any other concrete proposal for a common energy policy revealed, in the Parliament's view, the absence of a political will to take any constructive decision in this field. The Parliament also pointed to the danger arising from a growing tendency to solve current difficulties by national measures, which would make the introduction of a common policy even more difficult. In these circumstances, the Parliament called on the European Executives to state clearly and publicly before 5 April 1964 their attitudes with regard to any decisions taken by the Councils or to its failure to take such decisions.

⁽¹⁾ See Bulletin 1-64, Chap. IV, sec. 24.

The Parliament also recalled its resolution of 17 October 1963 in which it suggested that the European Executives relinquish the task entrusted to them on 5 April 1962 by the ministers of the Member States if, by 5 April 1964, the Councils had taken no practical decision on the Executives' proposals.

Economic Policy Committee

15. The Economic Policy Committee met in Brussels on 27 January. M. Pérouse, Vice-Chairman, presided.

After expressing their great regret at the resignation from the Committee of Professor Müller-Armack, who had been chairman since its first session on 7 April 1960, the members decided to send a telegram thanking him for all he had done for the Committee.

It elected unanimously its new Chairman, M. Pérouse, Director of the Treasury Division at the French Ministry of Finance ⁽¹⁾.

The officers of the Committee are now as follows:

Chairman: M. Pérouse, Director of the Treasury Division at the French Ministry of Finance;

Vice-Chairman: M. Mertens de Wilmars, deputy Director at the Banque Nationale de Belgique;

Vice-Chairman: M. Guidotti, Counsellor at the Banca d'Italia.

The Committee then discussed the Member States' economic budgets for 1964, on which an opinion was adopted for transmission to the Commission.

On the occasion of the resignation of Professor Müller-Armack, the EEC Commission expressed to him its warmest thanks for the important part he had played in the establishment of the Committee and as its Chairman, and for the contribution he had made to the value of its work.

Export credit insurance

16. At its session of 3-4 February, the Council examined the second report from the Group for the co-ordination of policy on credit insurance, guarantees and financial credits concerning the consultation procedure for export-credit insurance approved at the Council's 67th session on 14-15 May 1962.

The Council approved several suggestions in this report for improving the effectiveness of the consultation procedure: thorough examination of the objections made by Member States consulted; stricter standards for extending credit beyond five years; the value of semi-official contacts with certain competing non-member countries; fuller co-operation between the Member States for the execution of major schemes in non-member countries.

⁽¹⁾ M. Wolf, member of the Direktorium of the Deutsche Bundesbank, who had been invited to take the place of M. Pérouse as Vice-Chairman, died on 4 February.

With regard to commercial operations, the Council also endorsed the suggestion that in the case of an unfavourable opinion from a large majority of the States by telex, the Member State consulting should suspend its decision, except in urgent cases, until the matter had been discussed at a meeting of the Group.

The Council also agreed that the Group pursue its studies at technical and financial level on the role the European Investment Bank could play in the execution of joint schemes.

INTERNAL MARKET

Right of establishment and freedom to supply services

Second film directive

17. On 15 October 1963 the Council adopted a first directive on the importation, distribution and exploitation of motion pictures ⁽¹⁾. This directive confirmed the liberalization arrangements existing for films presented in their original version and it widened the quotas in force between the Member States for dubbed films. It also gave a definition of the nationality of films.

On 7 February the Commission laid before the Council a proposal for a second directive ⁽²⁾, which represents an advance on the first one and provides for:

- a) The abolition of restrictions on establishment as regards the opening of cinemas specializing in the exclusive screening of foreign films in the language of the country of origin;
- b) The abolition of the import quotas the importation of films dubbed in the language of the importing country which still exist between France and Germany and between Germany and Italy, if according to Article 3 of the first directive, such films have the nationality of one or more Member States;
- c) The admission to exhibition quotas in France and Italy of films which, according to Article 3 of the first directive, have the nationality of one or more Member States;
- d) The abolition of restrictions on the dubbing of films in the language of the importing country.

The directive embodies recommendations from the European Parliament and the Economic and Social Committee, both of which urged that problems connected with the establishment of a common market in films should be solved as early as possible in the transition period.

Scope of Article 34 of the Treaty

18. Under Article 34 of the Treaty, the Member States were required to abolish by the end of the first stage all quantitative restrictions on exports and all measures with equivalent effect. The question arose whether this obligation also applied in the agricultural sector, in particular in respect of produce coming under a national market

⁽¹⁾ See official gazette of the European Communities, No. 159, 2 November 1963.

⁽²⁾ The directive appears in a supplement to this Bulletin.

organization. In fact, certain Member States have recently introduced measures limiting exports to their partners in order to cope with supply difficulties. Other restrictive provisions which already existed when the Treaty came into force have also been maintained.

The Commission has finally reached the conclusion that the rules of Article 34 are of general application, since Articles 39-46 make no provision to the contrary as regards the establishment of a common market in agricultural products.

Consequently, the Commission considers that Member States must, where difficulties arise in the supply of certain products, have recourse to Article 103, which deals with procedures to be followed for the adoption of conjunctural measures.

COMPETITION

State aids

General aid systems

19. In accordance with Article 93 (3) the Italian Government has notified the Commission of two aid programmes for the Trentino-Alto Adige region; these programmes are intended, first to promote the establishment, modernization and conversion of funicular railways and secondly, to promote prospecting for mineral deposits.

Italian aid to agriculture

20. In accordance with Article 93 (3) the Italian Government has notified the Commission of an aid programme for the region of Sardinia and three aid programmes for the region of Trentino-Alto Adige. The Sardinian programme provides for aids to growers of sugar-beet; in the Trentino-Alto Adige region aid will be granted:

- a) To the bodies controlling communal forests and grazing;
- b) For the extension of the co-operative system as an addition to the "Green Plan";
- c) As interest rate subsidies in respect of expenditure for the equipment, improvement and modernization of plant manufacturing agricultural machinery.

The Commission has raised no objection to any of the measures contemplated in the above four cases; it has simply reserved the right, in the case of the measures to help the co-operative system, to examine later whether these measures and aid measures included in the "Green Plan" have had any cumulative effects.

Federal German aid plan for the petroleum industry

21. The Commission has reached a decision on the plan notified in accordance with Article 93 (3) by the Federal German Government to aid national petroleum production and the prospecting and exploitation of petroleum and natural gas deposits outside federal territory. After obtaining the opinions of the Member States, the Commission has decided to raise no objection.

On the other hand, the Commission has expressed reservations with regard to the amendments — notified after they have been made — to the original text of the law. These provide for the granting of transitional aid to enterprises regenerating used oils; the Commission has initiated the procedure of Article 93 (2) against the Federal Government in this matter.

Conversion subsidies for French shipyards

22. In December the Commission extended for one year (until the end of 1964) the system of subsidies for shipyards being converted to other activities.

Federal German plan to assist the development of the aircraft industry

23. In December 1963, the Commission approved under Article 92 (3 c) the plan notified by the Federal Government to grant interest-free loans. The Commission at the same time informed the Member States of its intention to examine forthwith in pursuance of Article 93 (1) existing aids to this industry.

Increased German aid to lead and zinc mining

24. The German Government's application for authorization to increase the aid already approved by the Commission for the years 1963 and 1964 (50% compensation of losses incurred by lead and zinc mines), granting 100% compensation in future, has been approved only in part by the Commission: the Government has been informed that it may compensate 1963 losses on the basis proposed; for 1964, however, the Commission has withheld its consent, because there is some risk of distorting competition at processing stages. The Commission has also recommended to the Federal Government that it abolish for 1964 the 50% compensation arrangement previously approved, so as to leave open the way for Community measures to resolve difficulties.

SOCIAL AFFAIRS

Free movement of workers

New regulation and directive

25. On 7 February the Council approved a new regulation and directive to replace Regulation No. 15 and its accompanying directive. The new enactments contain more far-reaching liberalization measures concerning manpower mobility.

Their main points are as follows:

a) Priority treatment for Community labour has been strengthened. A procedure for closer co-operation on this matter between the Member States and the Commission has been introduced;

b) Workers from other Member States will now be eligible to factory committees as well as being entitled to vote in elections to these committees, a right established by Regulation No. 15. To be eligible, they must have been employed in the new country by the same firm for three years, this without prejudice to any more liberal arrangement in certain Member States;

c) The rule concerning members of the family who may stay with the worker in the country of employment has been widened: it will cover not only the spouse and children under age but also dependent forbears and descendants provided that the worker can offer them satisfactory accommodation;

d) To enable better and more efficient use to be made of existing labour resources in the Community, the Council has worked out, by agreement with the Commission, an overall solution:

i) There will henceforth be no discrimination against the employment of workers who are nationals of other Member States;

ii) The Commission will prepare a report on the situation on labour markets in the Community. This will be examined by the Member States with the Commission and will enable the Member States to take into consideration, in their employment policies, the labour market situations in the other Member States, and as far as possible to give priority to Community nationals when filling vacancies;

iii) Machinery will be set up for the satisfactory clearance of applications and vacancies.

The above methods and procedures were adopted unanimously in a spirit of understanding on all sides, and offer a solution to what was considered the key problem: priority for Community labour.

Debate in the European Parliament

26. On 23 January, the European Parliament discussed the report presented by M. Storch on the results of a tour through the Community made by a delegation of the Social Committee to study problems of free movement.

Several speakers, and particularly the rapporteur, expressed regret at the delay in adopting the regulation on the second stage in free movement for workers and more especially on the free movement of frontier workers and of seasonal workers, who derive no advantage from Regulation No. 15. They suggested certain tasks which the Community should undertake if the free movement problem was to be satisfactorily solved. The Community, it was felt, should tackle the problems of housing for migrant workers, the development of social services, vocational training and in particular intensive training to fit unemployed workers in certain areas of the Community for skilled jobs in other areas.

Lastly, the need was emphasized to make free movement policy part of a general employment policy which would have due regard to regional problems, and above all to the need for a regional development policy which, as far as possible, would create jobs for unemployed workers in their own areas. The view was put forward that freedom of movement must be considered as a right which the worker may exercise without constraint of any sort and in particular without the economic constraint which nowadays determined manpower movements.

In the ensuing resolution, the Parliament stressed that there was an urgent need for a European and national drive to remedy the shortcomings in recruitment and placing, in housing, in vocational training, in information and in assistance, which if they persisted might hamper or undermine in the medium and long term progress towards true freedom of movement. On these matters the Parliament made certain practical suggestions. It also expressed the view that one way of ensuring true freedom of movement from depressed areas, i.e. migration from choice and not from harsh necessity, was to improve economic and social structures in those areas.

Reappointment of the Consultative Committee for the movement of workers

27. At its session of 6-7 February on social matters, the Council appointed the members and alternates, for the period from 6 February 1964 to 5 February 1966, of the Consultative Committee provided for in Regulation No. 15 (free movement of workers within the Community).

The social situation in the Community; debate in the European Parliament

28. On 22 January the European Parliament debated the Commission's sixth report on social trends in the Community.

Presenting the Social Committee's comments on the report, M. Nederhorst said that it was more informative than in the past. But he hoped that in future statistical information would be better normalized so as to permit valid comparison from country to country, and that the Commission would take a firmer stand on many essential points. As to the connection between wage increases and the current inflationary trend, the rapporteur felt that the Commission should have more to say about prices and other non-wage factors in inflation: the remedies should not be sought only in the field of wages or of public spending, much of which had a social function. He also deplored the long delay on the part of the Council in approving certain instruments of Community social policy, notably the new regulation on the free movement of workers. He again raised the question, in the context of social harmonization, of setting up joint committees in each branch of industry, and asked what action the Commission proposed to take on the conclusions of the European conference on social security.

Speaking on behalf of the Socialist Group, M. Troclet said that the Governments were dilatory in discharging their Community obligations in the social field, and he warned the Commission against a tendency to fall in line with them. It should take quite independently a Community approach.

M. Vanrullen said that the Commission should make practical suggestions to avoid the workers footing the bill for the battle against inflation. He also asked the Commission to give special attention to problems of vocational training in declining areas.

Speaking on behalf of the Christian Democrat Group, M. Van Hulst approved in the main the general lines of the Commission's action in the social field. But he, too, regretted that statistical material still left much to be desired. The social situation, he said, had certain gloomy aspects: the upward price trend, land speculation, and above all serious housing shortages.

M. Pêtre hoped that in future the Commission's report would make a fuller analysis of trends in family incomes. There was room for more progress in social matters, notably in stability of employment, vocational retraining, the harmonization of social benefits, and housing.

M. Levi Sandri, member of the Commission, replied to the debate. As to the harmonization of statistics, he recalled the Commission's efforts in this field and explained that deficiencies in the statistics available meant that it was not always possible to form sufficiently accurate judgments on the real incomes of the various classes of wage-earners. There was still a long way to go before enough information would be available for a proper appraisal of the situation and the implementation of an incomes policy. The Commission could not be expected to take a firm stand on all the matters of social policy arising in the six countries: this presupposed a Community policy already worked out in sufficient detail. In various fields on which the Treaty was explicit, that had been done, but in others, particularly the harmonization of social systems, the Community's general approach still remained to a large extent to be settled, and would require the assent of the Governments. The Commission could not take measures in certain fields (such as housing or family policy) without considering the legal basis for its action, which in fact were far from firm. But, he added, progress could be made with Community social policy on freedom of movement, on widening the scope of the Social Fund, on common vocational training, and in first steps towards social harmonization. Concluding, M. Levi Sandri said he was confident that the Commission would succeed in these fields, although rapid and spectacular results could not always be expected. He appealed to the Parliament to support this work.

In a resolution the Parliament expressed its satisfaction that in its report the Commission had not confined itself to a dry and summary inventory of the results attained in 1962 in the social field, but that it had also expressed a judgment on many aspects of the social situation and on the policy pursued.

The Parliament took note of a memorandum from the Commission indicating that the main feature of the general social situation in 1962 was an increase in the gross income of wage-earners, but it expressed concern at the price trend in the Community, which threatened to compromise any real progress in the welfare of the workers. The Parliament called on the Commission to make a survey of the income pyramids in each of the six countries, paying special attention to information concerning taxation systems in force and the share of wages in the national income. It also stressed the importance, from the point of view of social harmonization and the implementation of Article 118 of the Treaty, of setting up at European level joint committees of workers and employers for each branch of industry. It appealed to the Governments of the six countries to eliminate the delays, noted in the report, in the construction of low-cost housing as compared with the pace of work in the building sector as a whole. As for family policy in the member countries, the Parliament asked the Commission to watch trends very closely. Lastly, it regretted the dilatory manner in which social problems in general and the free movement regulations in particular were examined; it stressed the need to maintain priority treatment for Community labour and to establish satisfactory rules governing the right of workers to stand for election to factory committees.

Manpower problems in the Community in 1963

29. At its February session, dealing with social matters, the Council took note of the Commission's report on manpower problems in the Community in 1963.

This report contains a short account of general trends on the labour market and a description of the market situation, by country, by industry and by trade. It also contains forecasts for the future and suggestions on how to cope with the needs arising in this field. The Council invited the Commission to work out and propose to the Member States concerned practical measures and programmes to satisfy present requirements.

Article 119 - equal pay

30. The Commission has submitted to the member Governments' representatives meeting in the Council its second progress report on the application of Article 119 of the Treaty. The report covers the period 30 June 1962 to 30 June 1963.

The Governments' representatives noted with satisfaction that the equal pay principle is being progressively implemented in all the Member States in accordance with the pledges given in the resolution of 30 December 1961 ⁽¹⁾.

Social security for migrant workers

The Administrative Committee

31. The EEC Administrative Committee for the social security of migrant workers held its 51st session on 22 January. It held a preliminary discussion on the procedure and working methods to be adopted for the general revision and simplification of Council regulations on social security for migrant workers; it also fixed its work programme for 1964.

It approved the texts of two agreements, one between France and the Federal Republic of Germany, and the other between France and Italy, concluded pursuant to Regulation No. 36/63/CEE (social security for frontier workers).

The Committee studied problems arising from the application of the provisions of Council Regulation No. 3 which deal with the calculation of pension rights where qualifying periods have been spent in more than one Member State or in a non-member State which has an agreement with one of the Member States concerned.

Social security and social work

32. On 24 January the Commission arranged a meeting of government experts and representatives of both sides of industry in the six countries to examine and finalize a collective report on the relationship between social security and social work drafted by Professor Laroque (France), President of the "Caisse nationale desécurité sociale". The differing arrangements applied in the six countries stem from differing historical backgrounds of social security and of social work and from the diversity of contexts in which the two operate. These arrangements were examined in detail, both from the angle of the diversity of problems arising and as regards what was common ground.

(1) See Bulletin No. 1-62, Chap. I.

The meeting stressed the topical interest of this question, which had already been taken up by the Commission in 1961 when it co-operated in seminars held on the subject by the Belgian Ministry of Social Insurance in association with the European Office of the United Nations.

The final text of the collective report will be submitted to the Commission.

Vocational training

33. At a meeting on 16 January 1964 sponsored by the Commission, government experts from the six countries discussed the first steps which the Community should take with a view to the training of the necessary personnel to put into effect a common vocational training policy. On the basis of Commission proposals, they agreed to carry out a first Community experiment in the training of instructors in mechanical engineering.

For this purpose the Commission will organize a study tour in France. In the light of the results, the experts will then consider the possibility of a programme for exchanges of information and experience and for the organization of seminars and at a later stage European training courses.

Establishment of advisory committees

34. The Commission announced its decision to set up an advisory committee on social problems in agriculture.

The Committee may be consulted by the Commission on all social problems affecting farmers and members of their families working on the farm, these problems being considered both individually and from the angle of their impact on the farming community as a whole.

The Committee will have twenty-three members: seventeen farmers, five paid farm-workers and one representative of rural families.

The members of the Committee are appointed by the Commission on nominations from the following agricultural organizations set up at Community level: the Committee of Agricultural Organizations in the EEC (COPA), the Working Party of European Agricultural Workers' Federations in the European Trade Union Secretariat of the International Confederation of Free Trade Unions (ICFTU), the Working Party on Agriculture and Food in the European Regional Organization of the International Federation of Christian Trade Unions (IFCTU) and the European Secretariat of the International Union of Family Organizations, Rural Families Section. The term of office of Committee members is three years.

The Commission has also decided to set up a Joint Advisory Committee on the social problems of paid farm-workers.

This Committee may be consulted by the Commission on all social problems arising in the labour/management relationship in agriculture, such problems being considered both individually and from the angle of their impact on the farming community as a whole.

The Committee will have 34 members: 17 paid farm-workers and 17 employers.

Lists of the members of these two Committees will be published in due course in the official gazette of the European Communities.

AGRICULTURE

Common agricultural policy

35. At its session of 3-5 February the Council, after settling certain points outstanding from its discussions of December 1963, adopted final versions in the four Community languages of the regulations for the gradual establishment of common organizations of the rice, beef and veal, and dairy produce markets.

New trading arrangements under these three regulations will come into operation on 1 July 1964.

The Council also adopted the final version of the regulation on the grant of aid from the European Agricultural Guidance and Guarantee Fund (FEOGA) and the financial regulation governing that Fund.

The prompt adoption of the final texts of these five regulations — barely a month after they had been approved in principle — was made possible by intensive preparatory work within the Special Committee for Agriculture and the Committee of Permanent Representatives.

The Special Committee had held three important meetings in January devoted to an examination of texts redrafted by the Commission on the basis of the Council decisions of 23 November 1963.

The Council also adopted a regulation amending Regulations No. 20, No. 21 and No. 22 in respect of refunds payable on exports to other Member States.

At its session of 3-5 February the Council also referred to the European Parliament and the Economic and Social Committee the proposed directives concerning health requirements for trade in meat products and in fresh poultry meat.

The Council also referred to the Parliament the following proposed regulations presented by the Commission:

- a)* A regulation amending Article 3 (1) of Regulation No. 23 (fruit and vegetables);
- b)* A regulation on the application of quality standards to fruit and vegetables marketed in the producing Member State;
- c)* An amending regulation introducing a reference to objectives into Council Regulations Nos. 19, 20, 21, 22 and 23.

This last proposal, the text of which is given in a supplement to this Bulletin, provides for the insertion of a new article in the regulations establishing common organizations of agricultural markets. The new article stipulates that the objectives of Articles 39 and 110 of the Treaty must be taken into consideration in an appropriate manner when the regulations are applied.

In addition to the above proposals, the Commission has laid before the Council two proposals concerning the fixing of upper and lower limits of target prices for milk and beef and veal for the 1964/65 marketing year.

Common organization of markets

Cereals

36. With regard to arrangements for refunds on exports of processed products, the Commission has, after consulting the Cereals Management Committee, adopted two regulations made necessary by Regulation No. 115: the first temporarily reduces the maximum refund on exports of certain processed cereal products to other Member States and the second deals with the incidence of the payment of refunds to producers on the arrangement for starches, gluten and glucose ⁽¹⁾.

At its session of 3-5 February the Council adopted the regulation on the financing of intervention expenditure on internal cereals markets.

With respect to the establishment of cereal prices for the 1964/65 marketing year, the Council at the same session instructed the Special Committee to examine the Commission's proposal on this subject and to report back in time for the Council to take the relevant decisions before 15 April 1964.

Rice

37. On the basis of the decision taken by the Council on 23 December 1963 concerning Community regulations for rice imported from the associated African States and Madagascar the Commission has submitted to the Council a proposed regulation concerning arrangements to be applied to rice and broken rice originating in the associated African States, Madagascar or other associated overseas countries or territories ⁽²⁾.

Advisory Committee on cereals

38. At its fourth meeting, held on 14 October 1963, the Advisory Committee on cereals studied, at the request of the Commission, certain points connected with free-at-frontier prices, import and export licences and experience gained of levy-free imports.

In its memorandum No. 4 (Part I) on problems arising in connection with the fixing of free-at-frontier prices, the Committee pointed to the need for new methods, and began the study of three new formulas suggested by the co-operatives.

Memorandum No. 5 concerns import and export licences and states the position of the food industry, of the trade and of consumers, who are all in favour of extending the validity of the licences, whereas agricultural producers are opposed to any such step. In addition, the memorandum reveals that despite the reserved attitude of certain producers there is some feeling that premiums and the periods of validity of licences should be fixed on a "shipment" basis.

From memorandum No. 6, on experience of levy-free imports, it appears that there is a certain trend in favour of extending the period during which these imports must be made.

⁽¹⁾ See official gazette of the European Communities, No. 21, 5 February 1964.

⁽²⁾ See below, sec. 56.

Cattle-feed

39. In a decision of 9 January 1964 ⁽¹⁾ the Commission authorized Belgium and Luxembourg to impose a countervailing charge on imports of various types of cattle-feed containing milk. The object was to resolve certain difficulties which had also emerged in other Member States in trade in these items.

Pigmeat

40. At its session of 3-5 February the Council adopted, on a proposal from the Commission, a regulation concerning the reduction of the levies on imports from non-member countries of pigmeat and certain cuts of pork made between 15 February and 31 March 1964 inclusive ⁽¹⁾. This regulation also provides that no refund on exports outside the Community will be granted for these products during the same period.

This regulation, which extends the measures already adopted on this matter by the Council for the period from 1 to 15 February 1964 in Regulation No. 6/64, has the object of remedying the difficult situation on the pigmeat market.

For the same purpose the Council has extended once again, until the end of February 1964, its decision of 23 December 1963 authorizing Belgium to impose limits on exports of pigs and pigmeat to the other Member States ⁽²⁾.

Eggs and poultry

41. As import prices of shell eggs have fallen below the sluice-gate price, the Commission has decided, after consulting the Management Committee, that the Member States must apply a surcharge (of 0.075 u.a. per kg) to imports from non-member countries ⁽³⁾.

Fruit and vegetables

42. The Commission has submitted to the Council a proposal for a regulation in accordance with which standards will be fixed for fruit and vegetables marketed in the country in which they were grown. The standards fixed so far on the basis of Regulation No. 23 concern only produce entering into intra-Community trade.

The standards, and particularly the sizes for the various classes of onions and citrus fruit, were worked out in conjunction with a panel of government experts from the Member States. This was necessary because it was found that the standards of the Economic Commission for Europe (ECE), which is the basis of the common standards, provide for too narrow a differentiation of sizes for classes I and II (13 sizes for oranges).

After measures taken by the member Governments in relation with the application of the safeguard clause by France and the Federal Republic of Germany (from 1 January to 12 January), there have been no further price falls on the import markets serious enough to require further application of the safeguard clause. For this reason, intra-Community trade in fruit and vegetables of the "Extra" class and class "I" has met with no obstacles since 13 January.

⁽¹⁾ See official gazette of the European Communities, No. 5, 17 January 1964.

⁽²⁾ *Ibid.*, No. 27, 14 February 1964.

⁽³⁾ Commission Regulation No. 4/64/CEE of 15 January 1964 fixing a surcharge on poultry eggs in shell; see official gazette of the European Communities, No. 5, 17 January 1964.

The Commission has put in hand the preparation of a report on the application of minimum prices by the Member States. In accordance with Article 9 of the Council's decision on minimum prices of 4 April 1962, this report will be submitted to the Council in the near future.

Wine

43. The main task in hand for a common organization of the wine market is to draw up a register of vineyards. The Commission has drafted a Council regulation making certain additions to Regulation No. 22 and dealing with the current administration of the register. Questions connected with arrangements for quality wines are also being examined.

Fisheries

44. The Member States and the Commission took part in the European Fisheries Conference which resumed in London from 8 to 17 January. The main items on the agenda were fishing limits, access to markets and international trade.

A draft convention regulating the fishing rights of the contracting parties in their coastal waters and areas up to the 12-mile limit was worked out during the conference. Accession to the convention, the draft of which has now been submitted to the governments for approval, is open to all the states which took part in the conference.

The conference adopted two resolutions:

The first calls on the signatory states of the North Sea Fisheries Convention to step up their efforts to ensure the conservation and rational exploitation of fishing grounds.

In a second resolution, the conference calls on the British Government to convene in the near future a technical conference of all the states fishing in the North Atlantic (including the United States and Canada). This conference would draft an up-to-date convention containing rules for the policing of fisheries (conduct of fishing vessels). The new convention would supersede the 1882 North Sea Fisheries Convention, denounced by the United Kingdom.

Meanwhile work has begun on assembling fresh documentary material on the problems raised during the recent conference.

Forestry questions

45. The Commission has put in hand a study, in which three experts will collaborate, on the afforestation of marginal land. A meeting was held on 15-16 January to settle the form and general lines of the study on the basis of observations in the field.

Mechanization of farming

46. The Working Party on the mechanization of farming met for the seventh time on 15-16 January. It concluded its discussion of the second-hand tractor market and made a recommendation to the Commission concerning technical inspection and the transmission of information on the state of the market and on the prices of second-hand

tractors. On the basis of this recommendation, the Commission will invite the Member States to work out a system for the inspection of second-hand tractors under common rules.

The Working Party also examined proposals presented by the various delegations regarding the desiderata of the farming community in connection with the sale of tractors and agricultural machinery.

Fodder prices in the EEC

47. The Working Party on fodder prices in the EEC, set up by the Commission, held its first meeting on 7-8 January 1964. Its object is to ascertain these prices and find out the reasons for differences between them. The first meeting was mainly devoted to the programme of work and to the definition of various terms. Some preparatory work was also done with a view to a survey of fodder supplies in the Community.

Approximation of agricultural law

Harmonization of veterinary rules

48. After the proposed directives for the harmonization of veterinary rules in respect of fresh meat and of live cattle and pigs, which were submitted to the Council in 1962, the Commission submitted in December 1963 two new proposed directives for the harmonization of national laws and regulations on veterinary and health protection practices in connection with two other classes of products which occupy an important place in the common agricultural policy:

- a) A proposed Council directive concerning health requirements for trade in fresh poultry meat ⁽¹⁾, and
- b) A proposed Council directive concerning health requirements for trade in meat products ⁽¹⁾.

These two proposals represent a further step forward in the establishment of uniform rules intended to eliminate the present disparities between Member States' practices in these matters and to protect Community consumers.

The first directive contains detailed stipulations on the treatment of poultry meat produced for export to another Member State and, after a transition period, poultry meat produced and marketed in the same Member State. These health protection stipulations deal mainly with the inspection of live poultry for slaughter, with the equipment and operation of slaughtering centres and with the storage and transport of the meat. In annexes, which are an integral part of the directive, further details regarding these health protection measures are given.

The second directive makes detailed stipulations (again amplified in the annexes) concerning the manufacture and treatment of meat products for export to other Member States. It also mentions the addition of chemicals or foodstuffs other than meat, and proposes that uniform rules be applied to all meat products marketed in the Community, including imports from non-member countries. The directive deals

(1) See supplement to Bulletin 2-64.

with the equipment and operation of factories, the conditions with which meat used in the manufacture of meat products must comply, the preparation and composition of these products, and storage and transport.

Both directives stipulate that, pending the establishment of uniform rules for these products when imported from outside the Community, the Member States may not apply to imports from non-member countries any less stringent regulations than those applicable to intra-Community trade.

The Commission has already begun preparatory work for the establishment of uniform rules for imports of fresh meat and of pigs and cattle from non-member countries. Work is also in progress on implementing directives regarding the procedure to be followed where a consignor challenges a ban on importing into a Member State a consignment of fresh meat or of pigs or cattle, and where a Member State alleges irregular approval of a slaughterhouse or cutting premises.

TRANSPORT

Common transport policy

49. On 23 January 1964, the European Parliament unanimously approved, subject to certain technical amendments, a draft decision of the Council, referred to it by the Commission, on a survey of infrastructure costs in road, rail and inland waterway transport ⁽¹⁾. In the resolution, the Parliament requested the EEC Commission to submit, in accordance with Article 75 (1) of the Treaty and before 1 September 1968, proposals in the light of this survey for an apportionment of costs among users.

The Parliament also approved an interim report from its Transport Committee on a European road policy, and adopted a resolution recalling its statement on regulations concerning the weights and dimensions of commercial vehicles ⁽²⁾, suggesting that these regulations should be embodied in a European highway code which it hoped would be drawn up in the near future. The Parliament also believed that the standardization of road traffic rules should be accompanied by an improvement and extension of the road network.

The Economic and Social Committee rendered its opinion at its session of 29-30 January on three Commission proposals to the Council.

In its opinion, adopted by a majority vote, on the proposed Council regulation concerning the introduction of a rate bracket system for goods transport by road, rail and inland waterway, the Committee proposed an amendment providing for the introduction of rate brackets as an experiment for a period of three years, but only for intra-Community transport by rail and road.

In its opinion on the proposed Council regulation concerning a Community quota for goods transport by road within the Community, adopted by a majority vote, the Committee approved the intention of the regulation subject to a number of amendments to make the Community quota experimental in character. The Committee reserved the right to make proposals later for quotas according to economic areas and according to routes.

⁽¹⁾ See below, sec. 53 and supplement to Bulletin 6-63.

⁽²⁾ See Bulletin 11-62, Chap. IV, sec. 39 and supplement to Bulletin 11-62.

The third opinion of the Economic and Social Committee concerned a proposed Council decision on the harmonization of certain provisions affecting competition in the three types of transport. In this opinion, adopted unanimously, the Committee approved the Commission's draft subject to a number of amendments and additions. The Committee's suggestions mainly concerned taxation, insurance and social measures, and the order of priority.

Articles 79 and 80 of the Treaty

50. On 16 January a meeting was held in Brussels between Commission experts and Italian experts to seek a satisfactory solution to the problem of railway tariff No. 251, which is at present a support tariff applied to all Italian exports transported by rail.

At another meeting, which was held in Brussels on 27-28 January with the experts of the Member States, the study of specific problems raised by special tariffs applying to transport to or from seaports or inland ports treated as such was continued.

Road traffic forecasts

51. The Commission has decided to have road traffic forecasts made for the Liège-Luxembourg-Strasbourg route up to 1980. The work will be done by private research bureaux in co-operation with the government departments concerned and will be co-ordinated by the Commission. The choice of the geographical area in question was prompted by its great economic importance and by the need to co-ordinate the investment programmes of the member countries concerned.

This study is by way of a pilot experiment for the operations the Commission is planning in the field of investment in transport infrastructures.

Frontier-crossing by waterway

52. The Committee for the improvement of frontier-crossing by waterway, set up by the Commission, held its third meeting in Brussels on 20 January.

It reviewed the problems arising at Franco-Belgian, Belgo-Dutch and Dutch-German frontier points. After noting that in certain cases progress was being made towards a solution acceptable to the competent national authorities and to transport circles, the Committee stressed the need to improve from both the technical and administrative points of view the crossing conditions at certain frontier posts much used by Community traffic.

Survey of infrastructure costs

53. In order to ascertain what practical scope there is for solutions suggested by the Sub-Committee of government experts with regard to the determination of infrastructure costs, pilot studies covering the various types of transport coming under the survey project have been undertaken in the Member States.

At its December and January meetings the Sub-Committee studied general principles for apportioning infrastructure costs among classes of users. This study is to be continued on the basis of specially prepared calculation models referring to representative works and installations in the three types of transport.

Lastly, the Sub-Committee approved a list of statistical data to be obtained as part of a general survey of infrastructure costs, distinguishing on the one hand the figures needed in any event, whatever the method adopted for the determination of infrastructure costs, and on the other hand the special figures required for the application of methods based respectively on total costs calculated, actual expenditure and development costs.

Programmes in the field of statistics

54. A panel of statisticians held its first two meetings in December 1963 and January 1964. Its task is to study any problems of method or organization arising, having due regard to the present resources of the Member States and to the various programmes already approved in the statistical field. After the delegations had explained their respective positions on these matters, the panel concluded that any specific statistical surveys which might prove necessary should bear on road traffic and in particular goods traffic.

OVERSEAS DEVELOPMENT

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

55. On 19 January the National Assembly of Rwanda adopted the bill authorizing ratification of the Convention of Association.

The deposit of instruments of ratification continues. Among the associated countries, instruments of ratification were deposited in January 1964 by Dahomey, Togo, Upper Volta and Niger. Among the Six, Belgium is the second country, coming after France, to deposit instruments of ratification.

Trade problems

56. On 29 January 1964, in accordance with the Council decision taken at the end of the year ⁽¹⁾, the Commission submitted to the Council and to the associated overseas states concerned a proposed regulation on arrangements for rice and broken rice originating in the associated African States, Madagascar or the overseas countries or territories. This proposal is based on Article 11 of the new Convention of Association, which provides that the Community shall take into consideration the interests of the associated states when instituting its common agricultural policy. The arrangements proposed for rice from the associated states and from the overseas countries and territories would be preferential in nature; at the outset a levy would still be charged on imports from these states and territories, but would be a smaller levy than is imposed

⁽¹⁾ See Bulletin 2-64, Chap. V, sec. 54.

on imports from outside countries and it would be phased out. Special arrangements would be made for rice from Madagascar, the price of which is appreciably higher than world prices. Malagasy rice would be brought into this system only gradually; Madagascar would use the breathing space to reorganize its production and bring down costs with the help of the European Development Fund.

57. At its session of 3-5 February, the Council temporarily reduced to 0.6%, until 30 June 1964, the common external duty on coffee, not roasted and not freed of caffeine, under heading 09.01 A I a.

In addition, the member Governments have suspended until 30 June 1964 the duty they charge as between themselves on coffee under the same heading. This will also apply to imports into the Member States originating in the associated African States and Madagascar or in the associated overseas countries and territories.

Resolutions by the European Parliament

58. On 23 January the European Parliament adopted a resolution concerning the draft Council decision on the association with the Community of non-independent overseas countries and territories. The object of this decision is to implement the second paragraph of Article 136 of the Treaty (arrangements for a further period of association).

The Parliament approved the draft decision, though it would like to see, among other things, a reserve fund established under the European Development Fund to make outright grants to overseas countries and territories stricken by natural catastrophes. It also hoped that the matter of relations between the associated countries and territories and the associated States of Africa and Madagascar would be settled as early as possible.

The resolution appears in an annex.

In another resolution, adopted on 24 January, based on information obtained by a fact-finding mission to the Netherlands Antilles, Surinam, French Guiana, Martinique and Guadeloupe, the Parliament stressed the value of the association of these countries for the Community. It urged the Commission to give financial support to surveys and to the development of agriculture, stock-raising, fisheries, industry, trade and tourism, and to contribute to the social and economic advancement of these countries by a sustained effort in the field of vocational training.

Visits from African leaders

59. M. Léopold Kaziende, Minister for Public Works of the Republic of Niger, an associated state, accompanied by M. Georges Condat, Niger Ambassador to the EEC, was received on 30 January by M. Hallstein, President of the Commission. M. Rocheau, President of the Overseas Development Group, was also present.

After expressing the Niger Government's satisfaction with what the European Development Fund had done in Niger, particularly in the fields of water supply and education, M. Kaziende said that he had come to study with the Commission problems of transport infrastructure, the solutions of which was vital to the economic development of his country.

This conversation was followed by a working meeting with Commission officials.

M. Rochereau accepted an invitation from the Government of the Niger Republic to visit Niamey in the near future to study the various aspects of co-operation between the Community and this state on the spot.

European Development Fund

Social projects

60. In January 1964, the Commission approved the financing of eight social projects:

Burundi: A survey for the development of an irrigated area of 1 000 hectares with preliminary plans for extension over 5 000 hectares. The scheme will include seed selection and seed-growing so that cultivation (of rice, cotton, groundnuts and various other food crops) can begin as soon as the first area is ready. The total cost of the survey is estimated at about 200 000 u.a. (10 million frs. RB).

Cameroon: Construction and fitting out of an agricultural college with quarters for staff and model farm (construction and equipment of college buildings and farm, preparation of the farm lands, work on roads and approaches etc.). The college will train planters and plantation managers and will be managed by the Cameroon Chamber of Agriculture, Livestock Raising and Forestry.

It is estimated that the building and land preparation will cost about 474 000 u.a. (117 million frs. CFA).

Chad: The Chad Government has drawn up an extensive water supply programme to provide the countryside and villages in all areas with an adequate number of watering points. The object is to discourage and, it is hoped, eradicate the nomadic habits of the inhabitants, whose settlement should stimulate farming, improved land utilization and more rational exploitation of livestock.

The EDF contribution will cover the sinking of 165 new wells at a cost of about 3 241 000 u.a. (800 million frs. CFA).

Réunion: A scheme to lead off water from a spring by conduit to a reservoir to supply drinking-water to the higher parts of the Saint-Paul commune.

The provisional commitment is estimated at about 2 188 000 u.a. (540 million frs CFA).

Senegal: The sinking of 159 wells and 28 bore-holes to supply drinking-water to villages and rural centres.

The provisional commitment is about 2 431 000 u.a. (600 million frs. CFA).

Mali: Technical surveys for work on the roads from Kimparana to Faramana, from Koutiala to Kouri and from Sikasso to Koloko, completely modernizing these highways, which are essential to commercial traffic between Mali and Upper Volta.

The provisional commitment is about 365 000 u.a. (90 million Mali francs).

Upper Volta: Technical surveys for the completion as asphalted roads of two sections of 130 and 140 km and for the construction of a permanent bridge over the Pendjari.

The provisional commitment is about 486 000 u.a. (120 million frs. CFA).

OPERATIONS OF THE EUROPEAN DEVELOPMENT FUND

Financing approved at 31 January 1964

(in thousand units of account)

Country or territory	Number of projects	Amount
Congo (Leopoldville)	14	14 631
Rwanda	10	4 844
Burundi	12	3 333
Total	36	22 808
Algeria (incl. Sahara)	9	20 427
Cameroon	27	44 880
Central African Republic	24	14 225
Comoro Islands	6	2 636
Congo (Brazzaville)	16	15 785
Ivory Coast	18	33 387
French Somaliland	2	1 367
Dahomey	18	18 658
Gabon	14	13 336
Guadeloupe	4	4 399
French Guiana	1	2 005
Upper Volta	12	26 434
Madagascar	39	50 773
Mali	25	33 009
Martinique	3	4 622
Mauritania	10	12 336
Niger	6	24 731
New Caledonia	5	1 580
Polynesia	1	2 474
Réunion	5	7 516
Saint-Pierre-et-Miquelon	1	3 545
Senegal	20	37 037
Chad	18	28 197
Togo	17	13 408
Group of States	3	7 891
Total	304	424 638
Somalia	4	5 060
New Guinea	4	7 458
Surinam	4	11 194
Grand total	352	471 158

Niger, Upper Volta and Mali: A second joint campaign against cattle plague; systematic vaccination of 6 500 000 head of cattle in an area of 1 500 000 square kilometres covering parts of Niger and Mali and the whole of Upper Volta.

The total provisional commitment is about 2 759 000 u.a. (681 million frs. CFA).

Signing of financing agreements

61. In the same month a financing agreement was signed for a social project in Burundi to cost about 140 000 u.a. (7 million frs. RB).

ADMINISTRATIVE AFFAIRS

Draft supplementary budget for 1964

62. On 16 September 1963 the EEC Commission laid before the Council the preliminary draft of a supplementary budget for 1964 to cover an increase of staff in the Commission's Directorate General for Agriculture.

These estimates have been submitted because of the increased burden of work falling upon the Commission now that the regulations establishing market organizations for milk and milk products, beef and veal, and rice have been adopted. There will also be additional duties arising from the implementation of financial measures under the common agricultural policy and from the working out, co-ordination and execution of the common policy.

The Council examined the preliminary draft at its session of 3-5 February and approved the establishment of 61 new posts, as follows:

23 Grade A posts

15 Grade B posts

23 Grade C posts.

The estimates total 343 800 units of account. They cover staff expenditure and operational expenditure arising from the creation of the new posts.

The Council agreed to transmit the draft supplementary budget to the European Parliament to enable the Parliament to render its opinion during its session of 20-25 March 1964.

Several delegations pointed out that this supplementary budget cannot be finally adopted before the 1964 budget itself has been finally approved.

M. Levi Sandri, member of the Commission, recalled that Part III of the 1964 EEC budget, relating to the Commission, had been agreed by the Council, and the Commission therefore considers that its staffing arrangements for 1964 were approved. This being so, the Commission intended to initiate forthwith the procedures laid down in the Statute for filling the new posts.

Staff movements

63. M. Michel Hédreul has been appointed Counsellor in the Directorate-General for Economic and Financial Affairs.

M. Peter Gilsdorf has been appointed Assistant to the Directors-General of the Joint Legal Service having special responsibility for EEC and Euratom affairs. He replaces M. Marc Sohier, who has been appointed Legal Advisor in the EEC branch.

Under Article 54 of the Statute, the Commission has conferred the title of Honorary Director-General on M. Günter Seeliger in consideration of his distinguished services to the Community. For five years he discharged particularly difficult and delicate duties as head of the Directorate-General for External Relations and personally conducted negotiations with several non-member countries.

IV. Institutions and organs

A. THE PARLIAMENT

The Parliament met in plenary session from 20 to 24 January, when it debated and adopted the following resolutions:

Resolution expressing the opinion of the European Parliament on the EEC Commission's recommendation to the Council concerning a medium-term Community economic policy (see Chap. III, Economic and Financial Affairs, sec. 11).

Resolution expressing the opinion of the European Parliament on the EEC Commission's memorandum to the Council on monetary and financial co-operation in the Community (see Chap. III, Economic and Financial Affairs, sec. 12).

Resolution on the sixth survey of the social situation in the Community (1962) (see Chap. III, Social Affairs, sec. 28).

Resolution on relations between the European Economic Community and Israel (see Chap. III, External Relations, sec. 6).

Resolution on regional policy in the EEC (see Chap. III, Economic and Financial Affairs, sec. 13).

Resolution on the energy policy proposals submitted in the memorandum of 25 June 1962 (see Chap. III, Economic and Financial Affairs, sec. 14).

Resolution on the results of the study missions carried out in the Community countries on the special problems of the free movement of workers (see Chap. III, Social Affairs, sec. 26).

Resolution expressing the European Parliament's opinion on the EEC Commission's proposal to the Council on the organization of a survey of infrastructure costs in road, rail and inland-waterway transport (see Chap. III, Transport, sec. 49).

Resolution on a European roads policy (see Chap. III, Transport, sec. 49).

Resolution expressing the opinion of the European Parliament on the draft EEC Council decision on the association of overseas countries and territories with the Community (see Chap. III, Overseas Development, sec. 58).

Resolution on the fact-finding mission to the Netherlands Antilles, Surinam, French Guiana, Martinique and Guadeloupe (see Chap. III, Overseas Development, sec. 58).

B. THE COUNCIL

121st session

The 121st session of the Council was held on 3, 4 and 5 February 1964 with M. Henri Fayat, Minister of State at the Belgian Ministry of Foreign Affairs, in the chair. The following matters were dealt with:

Tariffs: The Council decided to reduce to 9.6% until 30 June 1964 the CET duty on coffee, not roasted and not freed of caffeine, under heading 09.01 A I a ⁽¹⁾.

⁽¹⁾ See Chap. III, sec. 57.

The Council decided to suspend until 30 June 1964 CET duties on certain fish and crustaceans under headings 03.01 and 03.03.

Export credit insurance: The Council examined the second report, dealing with consultation procedure, of the Group for the co-ordination of policy on export credit insurance and guarantees and financial credits ⁽¹⁾.

Relations with Israel: The Council again discussed Community trade relations with Israel ⁽²⁾.

Relations with Nigeria: The Council discussed Community relations with Nigeria ⁽³⁾.

EEC tasks for 1964: M. Schmücker, Federal German Minister of Economic Affairs, presented a general statement of his Government's views on the Community's main tasks for 1964, surveying the Community's various means of action. The statement will be discussed at the Council's next session.

The German Minister proposed another anticipatory tariff reduction between the Member States should the Kennedy round of negotiations make a good start this year; he suggested that the 10% cut in duties on industrial products decided for 1 January 1965 should be increased to 20%. Normally the further 10% reduction would not take place until 1 January 1966.

This would mean that by 1 January 1965, three years ahead of the schedule laid down in the Treaty of Rome, customs duties between the Six would be only 20% of the original duties.

Proposals referred to the European Parliament and to the Economic and Social Committee: The Council referred to the European Parliament and to the Economic and Social Committee proposals for directives on health requirements for trade in meat products, meat and fresh poultry meat.

The Council also referred to the European Parliament proposals for regulations:

- i) Amending Article 3 (1) of Regulation No. 23 (fruit and vegetables);
- ii) Concerning the application of quality standards to fruit and vegetables sold on the home market of the producing Member State;
- iii) Amending Council Regulations Nos. 19, 20, 21, 22 and 23, introducing a reference to the objectives aimed at.

Agriculture ⁽⁴⁾: The Council finally adopted, in the Community languages, the regulations on the gradual establishment of a common organization of markets in rice, beef and veal, and milk and milk products, also the regulation concerning the granting of aid from the European Agricultural Guidance and Guarantee Fund and the financial regulation governing the Fund.

The Council also adopted the regulation amending Regulations Nos. 20, 21 and 22 with regard to refunds on exports to Member States.

⁽¹⁾ See Chap. III, sec. 16.

⁽²⁾ *Ibid.*, sec. 6.

⁽³⁾ *Ibid.*, sec. 5.

⁽⁴⁾ *Ibid.*, sec. 35.

122nd session

The 122nd session of the Council was held on 6 and 7 February 1964 with M. Léon Servais, Belgian Minister of Employment and Labour, in the chair.

The Council approved a new regulation and directive which are to replace Regulation No. 15 on the free movement of workers and accompanying directive ⁽¹⁾. It appointed the members and alternates, for the period from 6 February 1964 to 5 February 1966, of the Advisory Committee set up in accordance with Regulation No. 15.

C. THE COURT OF JUSTICE

Case 109/63 ⁽²⁾

On 16 December 1963 another suit was filed against the EEC Commission by one of its officials, M. Charles Muller, who contests the Commission's refusal to establish him in the grade to which he considers he is entitled.

Cases 106/63 and 107/63 ⁽²⁾

On 18 December 1963 two German firms (Alfred C. Toepfer, Hamburg, and Getreide-Import GmbH, Duisburg) filed appeals seeking the nullification of the EEC Commission's decision of 3 October 1963 authorizing the Federal Republic of Germany to maintain safeguard measures for imports of maize, millet and sorghum ⁽³⁾. The Commission's decision was based on Article 22 of Council Regulation No. 19 establishing a common organization of the market in cereals. This lays down that the Commission shall decide whether safeguard measures taken by a Member State whose market is suffering from or threatened by serious disturbance should be maintained, amended or abolished.

Case 1/64 ⁽⁴⁾

On 13 January 1964 Glucoseries réunies SA, a Belgian firm producing glucose and dextrose, filed an appeal seeking the nullification of the EEC Commission's decision of 28 November 1963 authorizing France to impose countervailing charges on imports of glucose (dextrose from certain Member States ⁽⁵⁾). The Commission decision attacked was taken pursuant to the Council decision of 4 April 1962 (itself based on Article 235 of the Treaty) authorizing Member States, with the approval of the Commission, to impose a countervailing charge — under certain conditions and provided the exporting State makes no charge — on imports of certain processed agricultural products.

⁽¹⁾ See Chap. III, sec. 25.

⁽²⁾ See official gazette of the European Communities, No. 16, 30 January 1964.

⁽³⁾ Decision published in the official gazette of the European Communities, No. 146, 11 November 1963.

⁽⁴⁾ See official gazette of the European Communities, No. 21, 5 February 1964.

⁽⁵⁾ Decision published in the official gazette of the European Communities, No. 183, 13 December 1963.

D. THE ECONOMIC AND SOCIAL COMMITTEE

The thirty-fourth session of the Economic and Social Committee was held on 29 and 30 January in Brussels under the chairmanship of M. Roche.

The Committee rendered the following formal opinions:

1. Opinion on Chapter VII "Economic policy" of the Memorandum of the Commission on the Action Programme of the Community for the second stage and on the Commission recommendation to the Council concerning the Community's medium-term economic policy ⁽¹⁾.

This opinion was adopted unanimously.

M. Hallstein, President of the Commission of the European Economic Community, 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.

The Council had referred the recommendation on medium-term economic policy to the Committee on 27 September 1963.

2. Opinion on Chapter VIII "Monetary policy" of the Memorandum of the Commission on the Action Programme of the Community and on the Commission's communication to the Council concerning monetary and financial co-operation in the EEC ⁽²⁾.

This opinion was adopted by 70 votes with 13 abstentions.

The Council had referred the communication concerning monetary and financial co-operation to the Committee on 25 September 1963.

3. Opinion on the proposal for a Council regulation on the introduction of a rate bracket system for goods transport by rail, road and inland waterway ⁽³⁾.

This opinion was adopted by 59 votes to 13 with 10 abstentions.

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

4. Opinion on the proposal for a Council regulation concerning the introduction and operation of a Community quota for goods transport by road ⁽³⁾.

This opinion was adopted by 67 votes to 9 with 2 abstentions.

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

5. Opinion on the proposal for a Council decision on the harmonization of certain provisions which affect competition in transport by rail, road and inland waterway ⁽³⁾.

This opinion was adopted unanimously.

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

⁽¹⁾ See Chap. III, sec. 11.

⁽²⁾ *Ibid.*, sec. 12.

⁽³⁾ *Ibid.*, sec. 49.

E. THE MONETARY COMMITTEE

The Monetary Committee held its fifty-sixth meeting on 21 and 22 January. M. O. Emminger (deputy chairman) presided.

The Committee reviewed economic trends in the Community countries and began discussing its sixth annual report. It also dealt with problems of international monetary organization.

ANNEXES

Resolution on relations between the European Economic Community and Israel

The European Parliament,

Considering that relations between the European Economic Community and Israel are of special political and economic importance;

In view of the considerable time for which negotiations between the Community and Israel have been under way;

Having taken note of the interim report submitted by M. Blaisse on behalf of the External Trade Committee, whose contents it approves;

1. *Requests* the EEC Commission, the Council of Ministers and the Governments of the

Member States to make a careful study of the proposals contained in that report;

2. *Calls* upon the Council to give the EEC Commission a new negotiating mandate based on these proposals;

3. *Expresses* the hope that an initial agreement satisfactory to both parties will shortly be concluded between the Community and Israel;

4. *Instructs* its competent committee to submit to it in due course a further report on this matter.

Resolution on a recommendation submitted to the Council by the EEC Commission for a medium-term economic policy for the Community

The European Parliament,

Having regard to the EEC Commission's recommendation for a medium-term economic policy for the Community;

Having regard to the report of its Economic and Financial Committee;

Starts from the principle that the EEC Treaty requires the economic policies of Member States to be co-ordinated into a common economic policy;

Expresses its conviction that the formulation of common objectives is essential for such a common economic policy;

Welcomes the EEC Commission's intention to provide the scientific basis necessary for a medium-term economic policy in the Community by entrusting to independent experts the task of preparing forecasts;

Supports the EEC Commission's plan to work out, with the assistance of a committee of senior officials from the Member States, objectives for an economic policy, to propose the measures by which they should be attained and, after consulting the European Parliament, to submit them to the Council of Ministers and the Member States;

Stresses the need for medium-term economic policy to remain flexible and to be subject to annual review;

Deems it essential that the European Coal and Steel Community and the European Atomic Energy Community should play a permanent part in this work so as to ensure that a uniform economic policy is pursued throughout the Communities;

Stresses the importance for an effective economic policy of the economic policy instruments available in Member States and requests that these instruments should be studied and appraised;

Endorses the recommendation for a medium-term economic policy of the Community subject to the relevant observations in the report of its Economic and Financial Committee;

Expects that the EEC Commission will discuss these objectives with the Parliamentary Committees concerned before they are given final form, and then submit its proposals to the Parliament for an opinion, continuing to do so until such time as the Parliament is invested with real powers of approval;

Instructs its Economic and Financial Committee to follow up any further work concerned with the formulation of a medium-term economic policy and to keep the European Parliament regularly informed as to the progress made.

**Resolution embodying the opinion of the Parliament on the draft decision
of the EEC Council concerning the overseas countries and territories
associated with the Community**

The European Parliament,

Consulted by the Council of the EEC on the draft decision concerning the association of the overseas countries and territories with the Community;

Recalling its resolution of 16 September 1963 on the internal agreements of the Community governing in particular the financing and management of the Community's aid;

Recalling its resolution of 16 September 1963 concerning the Convention of Association with the African and Malagasy States and the position therein adopted;

Having regard to the report submitted by M. Metzger on behalf of its competent committee;

1. *Notes* with satisfaction that, in presenting this draft decision, the Council did not neglect to consult the European Parliament, thus complying with the letter and provisions of the Treaty;

2. *Endorses* the draft decision in principle, in the expectation that the Council will take into account the suggestions and wishes expressed in the report;

3. *Expresses* its readiness to play its part in guiding the work of all the institutions con-

cerned and so to ensure successful co-operation between the Community and the associated overseas countries and territories;

4. *Stresses* the importance of the work accomplished by the EEC Commission in preparation for the new system of association with the overseas countries and territories and trusts that the Commission will continue to play an active role when the decision is implemented;

5. *Deems it necessary* to provide the Commission of the EEC with an opportunity to set up a reserve fund, within the framework of the Development Fund, to enable it to make grants to overseas countries and territories that have suffered from a natural disaster;

6. *Trusts* that the Commission and Council of the EEC will as soon as possible examine the problem of the relations — still not clarified — between the associated overseas countries and territories and the associated African and Malagasy States, and then take a decision in the light of the examination made;

7. *Instructs* its President to transmit this resolution and the report of its competent committee to the Council of the EEC.

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 1 January and 12 February 1964

EUROPEAN PARLIAMENT

Written questions and replies

No 109 de M. Pedini à la Commission de la CEE. Objet: Coordination communautaire des politiques nationales des Etats membres à l'égard des pays en voie de développement, associés et non associés (No. 109 by M. Pedini to the EEC Commission: Co-ordination at Community level of the Member States' national policies regarding associated and non-associated developing countries)	No. 12	27.1.64
No 110 de M. Pedini à la Commission de la CEE. Objet: Répartition du Fonds européen de développement (No. 110 by M. Pedini to the EEC Commission: Distribution of aid from the European Development Fund)	No. 12	27.1.64
No 111 de M. Pedini à la Commission de la CEE. Objet: Coordination, au niveau communautaire, des initiatives nationales prises par les Etats membres en matière de coopération technique et culturelle avec les pays en voie de développement (No. 111 by M. Pedini to the EEC Commission: Co-ordination at Community level of action taken by Member States in matters of technical and cultural co-operation with developing countries)	No. 12	27.1.64
No 107 de MM. Leemans et Vals au Conseil de la CEEA et au Conseil de la CEE. Objet: Application de l'article 65 du Statut des fonctionnaires (No. 107 by M. Leemans and M. Vals to the EAEC and EEC Councils: Implementation of Article 65 of the Statute of Service)	No. 22	6.2.64
No 112 de M. Metzger à la Commission de la CEE. Objet: Etat des négociations avec Israël (No. 112 by M. Metzger to the EEC Commission: Progress of negotiations with Israel)	No. 22	6.2.64
No 113 de M. Vredeling à la Commission de la CEE. Objet: Réseau d'information comptable agricole sur les revenus et l'économie des exploitations agricoles dans la CEE (No. 113 by M. Vredeling to the EEC Commission: Information service on farm accounts in the EEC)	No. 22	6.2.64
No 116 de M. Vredeling à la Commission de la CEE. Objet: Concessions tarifaires en faveur de l'Union soviétique (No. 116 by M. Vredeling to the EEC Commission: Tariff concessions to the USSR)	No. 25	10.2.64
No 117 de MM. Toubeau et Vanrullen à la Commission de la CEE. Objet: Coopération entre le Nord de la Lorraine et le Sud du Luxembourg (No. 117 by M. Toubeau and M. Vanrullen to the EEC Commission: Co-operation between northern Lorraine and southern Luxembourg)	No. 25	10.2.64
No 118 de M. Vredeling à la Commission de la CEE. Objet: Influence du développement et de l'assainissement de l'agriculture sur les échanges commerciaux (No. 118 by M. Vredeling to the EEC Commission: Influence of agricultural development and reorganization on trade)	No. 25	10.2.64
No 119 de M. Blaisse à la Commission de la CEE. Objet: Droits du tarif douanier commun applicables à certains produits utilisés par l'industrie pharmaceutique (No. 119 by M. Blaisse to the EEC Commission: CET duties on certain products used by the pharmaceutical industry)	No. 25	10.2.64

COUNCIL AND COMMISSION

Regulations

Règlement no 1/64/CEE du Conseil, du 18 décembre 1963, portant modification de l'article 42 du règlement no 3 et des articles 5 et 69 à 72 du règlement no 4 (allocations familiales pour les enfants de titulaires de pensions ou de rentes et pour les orphelins) [Council Regulation No. 1/64/CEE of 18 December 1963 amending Article 42 of Regulation No. 3 and Articles 5 and 69 to 72 of Regulation No. 4 (family allowances for the children and orphans; of pensioned)]	No. 1	8.1.64
Règlement no 2/64/CEE du Conseil, du 18 décembre 1963, complétant l'annexe D du règlement no 3 et l'annexe 6 du règlement no 4 (dispositions bilatérales particulières aux travailleurs saisonniers) [Council Regulation No. 2/64/CEE of 18 December 1963 supplementing Annex D of Regulation No. 3 and Annex 6 of Regulation No. 4 (bilateral provisions applicable to seasonal workers)]	No. 5	17.1.64
Règlement no 3/64/CEE du Conseil, du 18 décembre 1963, portant établissement des annexes du règlement no 36/63/CEE du Conseil concernant la sécurité sociale des travailleurs frontaliers (Council Regulation No. 3/64/CEE of 18 December 1963 adding annexes to Council Regulation No. 36/63/CEE concerning the social security of frontier workers)	No. 5	17.1.64
Règlement no 4/64/CEE de la Commission, du 15 janvier 1964, relatif à la fixation d'un montant supplémentaire pour les œufs de volailles en coquilles (Commission Regulation No. 4/64/CEE of 15 January 1964 fixing a surcharge on poultry eggs in shell)	No. 5	17.1.64
Règlement no 5/64/CEE de la Commission, du 21 janvier 1964, limitant provisoirement le montant maximum de la restitution applicable aux exportations vers les Etats membres de certains produits transformés à base de céréales (Commission Regulation No. 5/64/CEE of 21 January 1964 provisionally limiting the maximum refund on exports to Member States of certain processed products based on cereals)	No. 10	23.1.64
Règlement no 6/64/CEE du Conseil, du 25 janvier 1964, 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 15 février 1964 (Council Regulation No. 6/64/CEE of 25 January 1964 reducing levies on imports from non-member countries of live pigs and certain cuts of pork from 1 to 15 February 1964)	No. 15	29.1.64
Règlement no 7/64/CEE de la Commission, du 29 janvier 1964, fixant la liste des communes des zones frontalières établies de part et d'autre de la frontière commune à la France et aux Etats membres limitrophes (Commission Regulation No. 7/64/CEE of 29 January 1964 establishing a list of communes in the frontier regions on both sides of the border between France and adjacent countries)	No. 18	1.2.64
Règlement no 8/64/CEE de la Commission, du 3 février 1964, relatif à l'incidence de l'octroi d'une restitution à la production sur le régime des amidons, des féculs, du gluten et du glucose (Commission Regulation No. 8/64/CEE of 3 February 1964 relating to the incidence of refunds to producers on the levies for starches, gluten and glucose)	No. 21	5.2.64
Règlement no 9/64/CEE de la Commission, du 6 février 1964, fixant le montant supplémentaire applicable aux importations de poules et poulets abattus en provenance des pays tiers (Commission Regulation No. 9/64/CEE of 6 February 1964 fixing the surcharge on imports from non-member countries of slaughtered hens and chickens)	No. 23	7.2.64
Règlement no 10/64/CEE de la Commission, du 6 février 1964, fixant le montant supplémentaire pour les œufs de volaille en coquilles (Commission Regulation No. 10/64/CEE of 6 February 1964 fixing the surcharge on poultry eggs in shell)	No. 23	7.2.64

COUNCIL

Information

- Directive du Conseil, du 5 novembre 1963, relative au rapprochement des législations des Etats membres concernant les agents conservateurs pouvant être employés dans les denrées destinées à l'alimentation humaine (Council directive of 5 November 1963 on the alignment of the Member States' legislation concerning permitted preserving agents in food for human consumption) No. 12 27.1.64
- Consultation du Comité économique et social au sujet de la proposition d'une directive du Conseil relative au rapprochement des législations des Etats membres concernant les agents conservateurs pouvant être employés dans les denrées destinées à l'alimentation humaine (Reference to the Economic and Social Council of the proposal for a Council directive on the alignment of the Member States' legislation concerning permitted preserving agents in food for human consumption) No. 12. 27.1.64
- Décision du Conseil, du 25 janvier 1964, portant prorogation de l'autorisation accordée au royaume de Belgique de limiter les exportations de porcs et de viande de porc à destination des Etats membres (Council decision of 25 January 1964 extending the authorization granted to Belgium to impose limits on exports to Member States of pigs and pigmeat) No. 15 29.1.64
- Décision du Conseil, du 3 février 1964, portant suspension partielle du droit du tarif douanier commun applicable au café, non torréfié, non décaféiné de la position 09.01 A I a (Council decision of 3 February 1964 temporarily reducing the CET duty on coffee, not roasted and not freed of caffeine, under heading 09.01 A I a) No. 23 7.2.64
- Décision, du 3 février 1964, des représentants des gouvernements des Etats membres réunis au sein du Conseil, relative aux droits perçus à l'importation du café, non torréfié, non décaféiné de la position 09.01 A I a (Decision, of 3 February 1964, of representatives of member Governments meeting in the Council concerning duties imposed on imports of coffee, not roasted and not freed of caffeine, under heading 09.01 A I a) No. 23 7.2.64
- Décision du Conseil, du 4 février 1964, portant suspension temporaire des droits du tarif douanier commun applicable à certains poissons et crustacés des positions 03.01 et 03.03 (Council décision of 4 February 1964 temporarily suspending CET duties on certain fish and crustaceans under headings 03.01 and 03.03) No. 23 7.2.64

COMMISSION

- La situation économique de la Communauté (The economic situation in the Community) No. 13 28.1.64

Directives and decisions

- Décision de la Commission, du 27 décembre 1963, autorisant la république fédérale d'Allemagne à prendre des mesures de sauvegarde concernant l'importation des pommes de table de la catégorie de qualité I (Commission decision of 27 December 1963 authorizing Federal Germany to take safeguard measures in regard to imports of Grade I dessert apples) No. 1 8.1.64

Décision de la Commission, du 6 janvier 1964, autorisant la République française à prendre des mesures de sauvegarde concernant l'importation de certaines variétés de pommes de la catégorie de qualité I (Commission decision of 6 January 1964 authorizing France to take safeguard measures in regard to imports of certain varieties of Grade 1 dessert apples)	No. 1	8.1.64
Décision de la Commission, du 16 décembre 1963, portant augmentation du volume du contingent tarifaire au bénéfice du royaume des Pays-Bas pour le ferro-molybdène (Commission decision of 16 December 1963 increasing the tariff quota granted to the Netherlands for ferro-molybdenum)	No. 2	10.1.64
Décision de la Commission, du 19 décembre 1963, relative à la fixation des moyennes arithmétiques des prélèvements agricoles envers les pays tiers servant de base pour le calcul du prélèvement compensateur institué en vertu de l'article 10 du Traité (application de l'article 10 du Traité) [Commission decision of 19 December 1963 fixing the arithmetical averages of levies in respect of non-member countries serving as the basis for calculation of the compensatory levy introduced under Article of the Treaty (implementation of Article 10 of the Treaty)]	No. 2	10.1.64
Décision de la Commission, du 19 décembre 1963, autorisant la perception de taxes compensatoires à l'importation, en république fédérale d'Allemagne, de dextrines et d'amidons et féculés solubles ou torréfiés en provenance des autres États membres (Commission decision of 19 December 1963 authorizing Federal Germany to impose countervailing charges on imports from other Member States of dextrans and soluble or roasted starches)	No. 2	10.1.64
Décision de la Commission, du 19 décembre 1963, relative à la création d'un Comité consultatif pour les problèmes sociaux concernant les exploitants agricoles (Commission decision of 19 December 1963 setting up a Joint Advisory Committee on social problems affecting farmers)	No. 2	10.1.64
Décision de la Commission, du 19 décembre 1963, portant modification de sa décision du 17 mai 1963 relative à la création d'un Comité consultatif paritaire pour les problèmes sociaux des travailleurs salariés agricoles (Commission decision of 19 December 1963 amending its decision of 17 May 1963 setting up a Joint Advisory Committee on social problems affecting paid farm workers)	No. 2	10.1.64
Décision de la Commission, du 9 janvier 1964, autorisant le royaume de Belgique et le grand-duché de Luxembourg à percevoir un montant compensatoire sur l'importation de certaines catégories d'aliments pour animaux, contenant du lait (Commission decision of 9 January 1964 authorizing Belgium and Luxembourg to impose a countervailing charge on imports of certain types of animal feed containing milk)	No. 5	17.1.64
Décision de la Commission, du 16 décembre 1963, autorisant la République fédérale d'Allemagne à percevoir un montant compensatoire sur l'importation de certaines catégories d'aliments pour animaux, contenant du lait (Commission decision of 16 December 1963 authorizing the Federal Republic of Germany to impose a countervailing charge on imports of certain types of animal feed containing milk)	No. 6	20.1.64
Décision de la Commission, du 16 décembre 1963, autorisant la République française à percevoir un montant compensatoire sur l'importation de certaines catégories d'aliments pour animaux, contenant du lait (Commission decision of 16 December 1963 authorizing France to impose a countervailing charge on imports of certain types of animal feed containing milk)	No. 6	20.1.64
Décision de la Commission, du 17 décembre 1963, portant prorogation et modification des mesures de sauvegarde accordées le 27 juillet 1961 à la République italienne pour le soufre, pour le sulfure de carbone et pour le sulfure de sodium (Commission decision of 17 December 1963 extending and amending safeguard measures granted on 27 July 1961 to Italy for sulphur, carbon disulphide and sodium sulphide)	No. 11	25.1.64

Décision de la Commission, du 17 décembre 1963, autorisant la République italienne à appliquer, jusqu'au 31 mars 1964 inclus, une taxe compensatoire sur les importations de sulfure de carbone (Commission decision of 17 December 1963 authorizing Italy to impose until 31 March 1964 inclusive a countervailing charge on imports of carbon disulphide)	No. 11	25.1.64
Décision de la Commission, du 18 décembre 1963, portant octroi à la république fédérale d'Allemagne de contingents tarifaires pour certains poissons (Commission decision of 18 December 1963 granting Federal Germany tariff quotas for certain fish)	No. 11	25.1.64
Décision de la Commission, du 18 décembre 1963, portant octroi de contingents tarifaires à la République italienne pour certains poissons (thons, morues et filets de morues) [Commission decision of 18 December 1963 granting Italy tariff quotas for certain fish (tunny, cod and cod fillets)]	No 11	25.1.64
Décision de la Commission, du 18 décembre 1963, autorisant la république fédérale d'Allemagne à suspendre la perception du droit sur les tomates (Commission decision of 18 December 1963 authorizing Federal Germany to suspend duty on tomatoes)	No. 11	25.1.64
Décision de la Commission, du 18 décembre 1963, portant octroi de contingents tarifaires à la République italienne pour les pommes de terre de semence et les graines de betteraves (Commission decision of 18 December 1963 granting Italy tariffs quotas for seed potatoes and beetroot seed)	No. 11	25.1.64
Décision de la Commission, du 18 décembre 1963, portant octroi d'un contingent tarifaire à la république fédérale d'Allemagne pour certains vins rouges naturels de raisins frais, destinés au coupage (Commission of 18 December 1963 granting Federal Germany a tariff quota for certain natural red wines of fresh grapes for blending)	No. 11	25.1.64
Décision de la Commission, du 20 décembre 1963, autorisant la République italienne à adopter des mesures de sauvegarde pour le plomb brut et le zinc brut (Commission decision of 20 December 1963 authorizing Italy to take safeguard measures for unwrought lead and zinc spelter)	No. 11	25.1.64
Décision de la Commission, du 17 décembre 1963, portant octroi au royaume de Belgique et au grand-duché de Luxembourg d'un contingent tarifaire pour le sel, destiné à la transformation chimique (Commission decision of 17 December 1963 granting Belgium and Luxembourg a tariff quota for salt for chemical processing)	No. 16	30.1.64
Décision de la Commission, du 17 décembre 1963, autorisant la république fédérale d'Allemagne à introduire un contingent tarifaire pour le ferro-silico-manganèse (Commission decision of 17 December 1963 authorizing Federal Germany to introduce a tariff quota for ferro-silico-manganese)	No. 16	30.1.64
Décision de la Commission, du 17 décembre 1963, autorisant la République italienne à introduire un contingent tarifaire pour le ferro-chrome contenant en poids moins de 0,1 % de carbone (Commission decision of 17 December 1963 authorizing Italy to introduce a tariff quota for ferro-chromium containing by weight less than 0.1% of carbon)	No. 16	30.1.64
Deux décisions de la Commission, du 17 décembre 1963, autorisant le royaume des Pays-Bas à introduire des contingents tarifaires pour certains ferro-alliages (Two Commission decisions of 17 December 1963 authorizing the Netherlands to introduce tariff quotas for certain ferro-alloys)	No. 16	30.1.64
Décision de la Commission, du 17 décembre 1963, autorisant le royaume de Belgique et le grand-duché de Luxembourg à introduire des contingents tarifaires pour certains ferro-alliages (Commission decision of 17 December 1963 authorizing Belgium and Luxembourg to establish tariff quotas for certain ferro-alloys)	No. 16	30.1.64

Décision de la Commission, du 17 décembre 1963, autorisant le grand-duché de Luxembourg à introduire des contingents tarifaires pour certains ferro-alliages (Commission decision of 17 December 1963 authorizing Luxembourg to introduce tariff quotas for certain ferro-alloys)	No. 16	30.1.64
Décision de la Commission, du 17 décembre 1963, autorisant la république fédérale d'Allemagne à introduire un contingent tarifaire pour l'aluminium brut, non allié (Commission decision of 17 December 1963 authorizing Federal Germany to introduce a tariff quota for unwrought non-alloy aluminium)	No. 16	30.1.64
Décision de la Commission, du 18 décembre 1963, portant octroi du concours du Fonds social européen au bénéfice de la république fédérale d'Allemagne pour des dépenses relatives à des opérations de rééducation professionnelle (Commission decision of 18 December 1963 granting aid from the European Social Fund to Federal Germany for workers' retraining schemes)	No. 16	30.1.64
Décision de la Commission, du 18 décembre 1963, portant octroi du concours du Fonds social européen au bénéfice de la république fédérale d'Allemagne pour des dépenses relatives à des opérations de réinstallation (Commission decision of 18 December 1963 granting aid from the European Social Fund to Federal Germany for resettlement schemes)	No. 16	30.1.64
Décision de la Commission, du 18 décembre 1963, portant octroi du concours du Fonds social européen au bénéfice de la République française pour des dépenses relatives à des opérations de rééducation professionnelle (Commission decision of 18 December 1963 granting aid from the European Social Fund to France for workers' retraining schemes)	No. 16	30.1.64
Trois décisions de la Commission, du 18 décembre 1963, portant octroi du concours du Fonds social européen au bénéfice de la République italienne pour des dépenses relatives à des opérations de rééducation professionnelle (Three Commission decisions of 18 December 1963 granting aid from the European Social Fund to Italy for workers' retraining schemes)	No. 16	30.1.64
Décision de la Commission, du 18 décembre 1963, portant octroi du concours du Fonds social européen au bénéfice du royaume des Pays-Bas pour des dépenses relatives à des opérations de rééducation professionnelle (Commission decision of 18 December 1963 granting aid from the European Social Fund to the Netherlands for workers' retraining schemes)	No. 16	30.1.64
Décision de la Commission, du 16 décembre 1963, portant octroi d'un contingent tarifaire à la république fédérale d'Allemagne pour les harengs et esprotts frais, réfrigérés ou congelés (Commission decision of 16 December 1963 granting a tariff quota to Federal Germany for fresh, chilled and frozen herrings and sprats)	No. 17	31.1.64
Décision de la Commission, du 16 décembre 1963, portant octroi de contingents tarifaires à la république fédérale d'Allemagne pour certains agrumes (oranges amères, pamplemousses frais, cédrats) [Commission decision of 16 December 1963 granting tariff quotas to Federal Germany for certain citrus fruits (bitter oranges, fresh grapefruit and citrons)]	No. 17	31.1.64
Décision de la Commission, du 16 décembre 1963, portant octroi de contingents tarifaires au royaume des Pays-Bas pour certains agrumes (oranges amères et cédrats) [Commission decision of 16 December 1963 granting tariff quotas to the Netherlands for certain citrus fruits (bitter oranges and citrons)]	No. 17	31.1.64
Décision de la Commission, du 16 décembre 1963, portant octroi d'un contingent tarifaire au royaume de Belgique et au grand-duché de Luxembourg pour certaines espèces de crabes et crevettes (Commission decision of 16 December 1963 granting a tariff quota to Belgium and Luxembourg for certain kinds of crabs and shrimps)	No. 17	31.1.64

Décision de la Commission, du 16 décembre 1963, portant octroi d'un contingent tarifaire à la République italienne pour les mélasses de cannes à sucre, destinées à la fabrication de succédanés du café (Commission decision of 16 December 1963 granting a tariff quota to Italy for sugar-cane molasses for the preparation of coffee substitutes)	No. 17	31.1.64
Décision de la Commission, du 16 décembre 1963, portant octroi d'un contingent tarifaire à la République fédérale d'Allemagne pour le liège naturel brut et déchets de liège et le liège concassé, granulé ou pulvérisé (Commission decision of 16 December 1963 granting a tariff quota to Federal Germany for natural cork, unworked, crushed, granulated or ground and waste cork)	No. 17	31.1.64
Décision de la Commission, du 16 décembre 1963, portant octroi d'un contingent tarifaire au royaume des Pays-Bas pour le liège naturel brut et déchets de liège et le liège concassé, granulé ou pulvérisé (Commission decision of 16 December 1963 granting a tariff quota to the Netherlands for natural cork, unworked, crushed, granulated or ground and waste cork)	No. 17	31.1.64
Décision de la Commission, du 16 décembre 1963, portant octroi d'un contingent tarifaire au royaume de Belgique et au grand-duché de Luxembourg pour le liège naturel brut et déchets de liège et le liège concassé, granulé ou pulvérisé (Commission decision of 16 December 1963 granting to Belgium and the Grand Duchy of Luxembourg a tariff quota for natural cork, unworked, crushed, granulated or ground and waste cork)	No. 17	31.1.64
Décision de la Commission, du 15 janvier 1964, portant constatation que les importations de la République française en provenance des autres Etats membres concernant les plantes de serre fleuries ou en boutons, fleurs et boutons de fleurs coupés pour bouquets ou pour ornements ont été inférieures au contingent ouvert pendant deux années consécutives (Commission decision of 15 January 1964 formally noting that for two successive years imports of hot-house plants in flower or bud and cut flowers and flower buds of a kind suitable for bouquets or for ornamental purposes into France from other Member States were below the quota)	No. 17	31.1.64
Décision de la Commission, du 19 décembre 1963, portant octroi d'un contingent tarifaire à la République fédérale d'Allemagne pour le tartrate de calcium brut (Commission decision of 19 December 1963 granting to Federal Germany a tariff quota for crude calcium tartrate)	No. 20	4.2.64
Décision de la Commission, du 19 décembre 1963, portant octroi d'un contingent tarifaire au royaume des Pays-Bas pour l'acide désoxycholique (Commission decision of 19 December 1963 granting to the Netherlands a tariff quota for deoxycholic acid)	No. 20	4.2.64
Décision de la Commission, du 19 décembre 1963, portant octroi d'un contingent tarifaire à la République fédérale d'Allemagne pour l'érythromycine (Commission decision of 19 December 1963 granting to Federal Germany a tariff quota for erythromycin)	No. 20	4.2.64
Décision de la Commission, du 19 décembre 1963, portant octroi de contingents tarifaires à la République fédérale d'Allemagne pour les cubes, plaques, feuilles et bandes en liège naturel et pour les cubes ou carrés pour la fabrication des bouchons (Commission decision of 19 December 1963 granting to Federal Germany tariff quotas for natural cork in blocks, plates, sheets or strips or square slabs cut to size for corks or stoppers)	No. 20	4.2.64
Décision de la Commission, du 19 décembre 1963, portant octroi d'un contingent tarifaire au royaume des Pays-Bas pour les cubes, plaques, feuilles et bandes en liège naturel, y compris les cubes ou carrés pour la fabrication des bouchons (Commission decision of 19 December 1963 granting to the Netherlands a tariff quota for natural cork in blocks, plates, sheets or strips or square slabs cut to size for corks or stoppers)	No. 20	4.2.64

Décision de la Commission, du 19 décembre 1963, portant octroi d'un contingent tarifaire au royaume de Belgique et au grand-duché de Luxembourg pour les cubes, plaques, feuilles et bandes en liège naturel, y compris les cubes ou carrés pour la fabrication des bouchons (Commission decision of 19 December 1963 granting Belgium and Luxembourg a tariff quota for natural cork in blocks, plates, sheets or strips or square slabs cut to size for corks or stoppers)	No. 20	4.2.64
Décision de la Commission, du 19 décembre 1963, portant octroi d'un contingent tarifaire à la république fédérale d'Allemagne pour les fils de soie (Commission decision of 19 December 1963 granting to Federal Germany a tariff quota for silk yarn)	No. 20	4.2.64
Décision de la Commission, du 19 décembre 1963, portant octroi d'un contingent tarifaire à la république fédérale d'Allemagne pour les fils de bourre de soie (Commission decision of 19 December 1963 granting to Federal Germany a tariff quota for yarn spun from silk waste)	No. 20	4.2.64
Décision de la Commission, du 19 décembre 1963, portant octroi d'un contingent tarifaire à la république fédérale d'Allemagne pour les déchets d'aluminium (Commission decision of 19 December 1963 granting Federal Germany a tariff quota for aluminium waste)	No. 20	4.2.64
Décision de la Commission, du 19 décembre 1963, portant octroi d'un contingent tarifaire au royaume des Pays-Bas pour les déchets d'aluminium (Commission decision of 19 December 1963 granting the Netherlands a tariff quota for aluminium waste)	No. 20	4.2.64
Décision de la Commission, du 19 décembre 1963, portant octroi d'un contingent tarifaire au royaume de Belgique et au grand-duché de Luxembourg pour les déchets d'aluminium (Commission decision of 19 December 1963 granting Belgium and Luxembourg a tariff quota for aluminium waste)	No. 20	4.2.64

Recommendation and opinions

Recommandation de la Commission, du 22 janvier 1964, au royaume de Belgique, au grand-duché de Luxembourg et au royaume des Pays-Bas au sujet du régime d'importation d'aluminium brut originaire des pays à commerce d'État (Commission recommendation of 22 January 1964 to Belgium, Luxembourg and the Netherlands on imports of unwrought aluminium originating from state-trading countries)	No. 20	4.2.64
---	--------	--------

Delegations and Missions to the Community

Missions d'Etats tiers (Turquie et Suède) [Missions of non-member States (Turkey and Sweden)]	No. 26	12.2.64
---	--------	---------

European Development Fund

Résultats d'appels d'offres (appels d'offres nos 183, 187, 198, 201, 220, 224, 226, 246, 248, 269) [Results of calls for tender (Nos. 183, 187, 198, 201, 220, 224, 226, 246, 248, 269)]	No. 1	8.1.64
Approbation d'investissements de caractère social dans les Républiques du Niger, de la Côte-d'Ivoire et du Congo (Brazzaville) [Approval of social investments in Niger, Ivory Coast and Congo (Brazzaville)]	No. 1	8.1.64
Avis d'appel d'offres no 342 lancé par la république islamique de Mauritanie (Notice of call for tender No. 342 issued by Mauritania)	No. 1	8.1.64

Signature d'une convention de financement entre la CEE et la république du Congo (Brazzaville) [Signature of a financing agreement between the EEC and Congo (Brazzaville)]	No. 3	13.1.64
Modificatif à l'appel d'offres no 337 lancé par la république du Congo (Brazzaville) [Amendment to call for tender No. 337 issued by Congo (Brazzaville)]	No. 3	13.1.64
Avis d'appel d'offres no 343 lancé par le Surinam (Notice of call for tender No. 343 issued by Surinam)	No. 4	16.1.64
Résultats d'appels d'offres (appels d'offres nos 272, 273, 274, 275, 276, 280, 281, 285, 286, 289, 292, 300 et 303) [Results of calls for tender (Nos. 272, 273, 274, 275, 276, 280, 281, 285, 286, 289, 292, 300 adn 303)]	No. 6	20.1.64
Modificatif à l'appel d'offres no 330 lancé par la République malgache (Amendment of call for tender No. 330 issued by Madagascar)	No. 6	20.1.64
Approbation d'investissements de caractère social en Côte française des Somalis (augmentation du montant affecté) [Approval of social investments in French Somali Coast (increase of allocation)]	No. 10	23.1.64
Signature d'une convention de financement entre la CEE et le royaume du Burundi (Signature of a financing agreement between the EEC and Burundi)	No. 10	23.1.64
Avis d'appel d'offres no 344 lancé par la République togolaise (Notice of call for tender No. 334 issued by Togo)	No. 19	1.2.64
Avis d'appel d'offres no 345 lancé par la République malgache (Notice of call for tender No. 345 issued by Madagascar)	No. 19	1.2.64
Avis d'appel d'offres no 346 lancé par la république du Sénégal (Notice of call for tender No. 346 issued by Senegal)	No. 19	1.2.64
Approbation d'investissements de caractère économique dans la république du Congo (Brazzaville), la république du Gabon, la république du Congo (Léopoldville) et le Surinam [Approval of economic investments in Congo (Brazzaville), Gabon, Congo (Leopoldville) and Surinam]	No. 22	6.2.64
Approbation d'investissements de caractère social dans le royaume du Burundi, la république fédérale du Cameroun, la république du Tchad, le département de la Réunion, la république du Sénégal, la république du Mali, la république de Haute-Volta et la république du Niger (Approval of social investments in Burundi, Cameroon, Chad, Réunion, Senegal, Mali, Upper Volta and Niger)	No. 22	6.2.64
Avis d'appel d'offres no 347 lancé par la république de Côte d'Ivoire (Notice of call for tender No. 347 issued by Ivory Coast)	No. 25	10.2.64

General information

Avis de concours no CEE/193/B (un assistant) [Notice of competitive examination No. CEE/193/B (assistant)]	No. 9	23.1.64
Avis de concours no CEE/195/A (un administrateur) [Notice of competitive examination No. CEE/195/A (administrative officer)]	No. 9	23.1.64
Avis de concours no CEE/236/B (un assistant) [Notice of competitive examination No. CEE/236/B (assistant)]	No. 9	23.1.64
Avis de concours no CEE/243/B (un assistant) [Notice of competitive examination No. CEE/243/B (assistant)]	No. 9	23.1.64
Liste de produits faisant l'objet de l'application de la clause de sauvegarde prévue par l'article 115 (situation au 1er janvier 1964) [List of products to which the safeguard clause of Article 115 applies (situation at 1 January 1964)]	No. 22	6.2.64

Administrative Committee of the European Economic
Community for the Social Security of Migrant Workers

Décision no 45, du 28 novembre 1963, concernant l'octroi des prothèses, du grand appareillage et d'autres prestations en nature d'une grande importance (Decision No. 45 of 28 November 1963 concerning the supply of prosthetic appliances, major surgical aids and other major benefits in kind)	No. 14	29.1.64
Décision no 46, du 28 novembre 1963, établissant les modèles de formules EF 1 à EF 7 (Decision No. 46 of 28 November 1963 establishing models of forms EF 1 to EF 7)	No. 14	29.1.64
Décision no 47, du 28 novembre 1963, établissant les modèles de formules E 45 à E 49 (Decision No. 47 of 28 November 1963 establishing models of forms E 45 to E 49)	No. 14	29.1.64
Décision No 48, du 28 novembre 1963, concernant l'utilisation des modèles de formules E 10, E 11 et E 13 pour l'application du règlement no 36/63/CEE concernant la sécurité sociale des travailleurs frontaliers (Decision No. 48 of 28 November 1963 on the use of model forms E 10, E 11 and E 13 in pursuance of Regulation No. 36/63/CEE concerning the social security of frontier workers)	No. 14	29.1.64
Décision no 49, du 28 novembre 1963, concernant l'utilisation des modèles de formules E 6 et E 37 pour l'application du règlement no 73/63/CEE modifiant et complétant les règlements no 3 et no 4 (Decision No. 49 of 28 November 1963 on the use of model forms E 6 and E 37 in pursuance of Regulation No. 73/63/CEE amending and supplementing Regulations No. 3 and No. 4)	No. 14	29.1.64

COURT OF JUSTICE OF THE EUROPEAN COMMUNITIES

Notice of open competitive examination

Avis de concours CJ/28 (un expert linguiste de langue française) [Notice of competitive examination CJ/28 (linguist of French mother tongue)]	No. 3	13.1.64
---	-------	---------

Communications

Demande de décision préjudicielle contenue dans les jugements du 30 octobre 1963 rendus par le "Centrale Raad van Beroep" à Utrecht dans le litige entre dame J.G. van der Veen, veuve de J. Kalsbeek, à Overdinkel, et le "Bestuur van de Sociale Verzekeringsbank" et dans neuf autres litiges (Affaire 100-63) [Request for interlocutory decision contained in the judgments of 30 October 1963 passed by the Centrale Raad van Beroep at Utrecht <i>in re</i> Mme J.G. van der Veen, widow of J. Kalsbeek of Overdinkel v. the Bestuur van de Sociale Verzekeringsbank and in nine other suits (case No. 100/63)]	No. 3	13.1.64
Demande de décision préjudicielle introduite par le Tribunal d'arrondissement de Luxembourg, Chambre correctionnelle, le 15 novembre 1963, dans l'affaire Wagner-Jung Albert, à Esch-sur-Alzette, contre 1) Fohrmann Jean, à Dudelange, et 2) Krier Antoine, à Esch-sur-Alzette (Affaire 101-63) [Request for interlocutory decision submitted by the Luxembourg Tribunal d'arrondissement, Chambre correctionnelle, on 15 November 1963 <i>in re</i> Wagner-Jung Albert, of Esch-sur-Alzette v. 1) Fohrmann Jean, of Dudelange, and 2) Krier Antoine, of Esch-sur-Alzette (case No. 101/63)]	No. 3	13.1.64

Recours introduit le 29 novembre 1963 par la société "Rhenania, Schiffahrts- und Speditions-Gesellschaft mbH" et autres contre la Commission de la CEE (affaire 103-63) [Suit by the Rhenania, Schiffahrts- und Speditions-Gesellschaft mbH and others against the EEC Commission, filed 29 November 1963 (case No. 103/63)]	No. 3 13.1.64
Recours introduit le 20 décembre 1963 par la société en commandite Alfred C. Toepfer contre la Commission de la CEE (Affaire 106-63) [Suit by the limited partnership Alfred C. Toepfer against the EEC Commission, filed 20 December 1963 (Case No. 106/63)]	No. 16 30.1.64
Recours introduit le 20 décembre 1963 par la société Getreide-Import GmbH contre la Commission de la CEE (Affaire 107-63) [Suit by the Getreide-Import GmbH against the EEC Commission, filed 20 December 1963 (case No. 107/63)]	No. 16 30.1.64
Recours introduit le 23 décembre 1963 par M. Ch. Muller contre la Communauté économique européenne et la Commission de la CEE (affaire 109/63) [Suit by M. Ch. Muller against the European Economic Community and EEC Commission, filed 23 December 1963 (case No. 109/63)]	No. 16 30.1.64
Recours introduit le 13 janvier 1964 par Glucoseries réunies S.A. contre la Commission de la Communauté économique européenne (Affaire 1-64) [Suit by Glucoseries réunies S.A. against the EEC Commission, filed 13 January 1964 (case No. 1/64)]	No. 21 5.2.64

B. Issues of the agricultural supplement to the official gazette containing the tables appended to the Commission's 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. 1 of 15 January 1964
- Supplement No. 2 of 22 January 1964
- Supplement No. 3 of 29 January 1964
- Supplement No. 4 of 5 February 1964
- Supplement No. 5 of 12 February 1964

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

Non periodical publications

8104

EUROTERM Dictionary — Phraseological concordances
Loose-leaf publication, 8 ¼" × 11 ½" (oblong format), supplied in clip binders.

1964. (f/d/i/n; partial index in e)

Subscription price: Bfrs. 5.000; £35.14.0; \$100: which includes the cost of the dictionary as it now stands plus additional sheets as published, up to a total of 10 000 pages (including those replaced), together with the binders.

(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; s = Spanish.

Periodical publications

4002

Notes and Graphs on the Economic Situation in the Community. Monthly. No. 2/1964. 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.

5002

Bulletin des acquisitions. Bibliothèque de la Commission de la Communauté économique européenne. (List of recent additions. Library of the Commission of the European Economic Community). Monthly. Nos. 10, 11 and 12/1963. Free distribution.

D. Publications by the joint services of the three Communities

Joint Information Service

Publications by offices in capital cities

Bonn: Europäische Gemeinschaft No. 2, February 1964

The Hague: Europese Gemeenschap Nos. 56, January; 57, February 1964

Paris: Communauté européenne No. 2, February 1964

Rome: Comunità Europea No. 2, February 1964

London: European Community No. 2, February 1964

Washington: European Community No. 68, January 1964

Statistical Office of the European Communities

Bulletin général de statistiques — no 2/1964 (General Statistical Bulletin No. 2/1964)

Commerce extérieur: Statistique mensuelle — no 2/1964 (Foreign Trade: Monthly Statistics — No. 2/1964)

Informations statistiques — no 3bis/1963 — Statistical Information — No. 3bis/1963)

Statistiques sociales — no 1/1964 — (Social Statistics — No. 1/1964)

Charbon et autres sources d'énergie — no. 1/1964 (Coal and other Sources of Energy — No. 1/1964)

Sidérurgie — no 1/1964 (Iron and Steel — No. 1/1964)

