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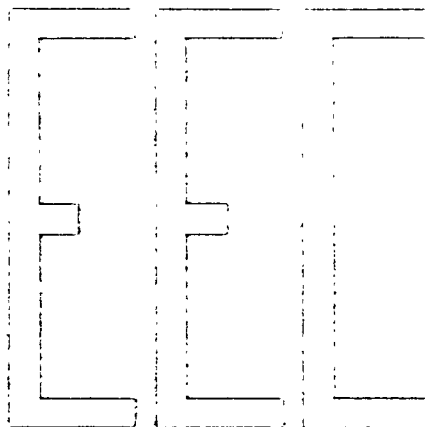
COMUNITÀ
ECONOMICA EUROPEA

EUROPESE
ECONOMISCHE GEMEENSCHAP

BULLETIN

of the

EUROPEAN
ECONOMIC
COMMUNITY



BRUSSELS – NOVEMBER 1964

ISSUED MONTHLY

N° 11

SEVENTH YEAR

BULLETIN

of the European Economic Community

EXECUTIVE SECRETARIAT OF THE COMMISSION
OF THE EUROPEAN ECONOMIC COMMUNITY

Contents

	Page
Initiative 1964 (Communication from the Commission to the Council and to the Governments of the Member States)	5
I. Address by M. Marjolin, Vice-President of the Commission, to the European Parliament	12
II. Internal activities	
Internal market	14
Competition	14
Free movement of persons	18
Economic and financial affairs	19
Common agricultural policy	23
Common transport policy	30
Social affairs	32
III. External relations	
GATT negotiations	34
Bilateral relations	35
Relations with international organizations	35
The Community and the problems of developing countries	36
IV. The Community and the associated States	
Association with Greece	37
Entry into force of the Association of the Netherlands Antilles	37
Association of African States and Madagascar	38
European Development Fund	38
Programme of scholarships, in-service training and seminars	40
V. Institutions and organs	
The merger of the Executives	42
The Parliament	44
The Council	44
The Court of Justice	46
The Economic and Social Committee	46
Administrative affairs	47

Miscellaneous	47
ANNEX: Resolutions of the European Parliament	49
Publications of the European Economic Community	52

Supplement

Proposal for a Council directive on freedom of establishment and freedom to supply services in self-employed activities in electricity, gas, water and sanitary services (Division 5 ISIC) (Articles 54 and 63 of the Treaty)

Proposal for a Council directive on the introduction of Community methods of analysis in official controls of animal feeding-stuffs

Initiative 1964

Communication from the Commission to the Council and to the Governments
of the Member States

On 1 October 1964 the EEC Commission sent to the Council and to the Governments of the Member States a communication entitled "Initiative 1964", proposing in particular that the six Governments should establish complete customs union by January 1967, i.e. three years ahead of the schedule laid down in the Treaty of Rome.

Below are the introduction, in full, and a summary of the proposals contained in the document.

1. Thanks to the European policy consistently applied by the six Member States and thanks also to the work of the European institutions, the European Communities have today been proved a success; their influence is world-wide and they have become the hub of the efforts being made to unite Europe politically. True, it is understood that they so far represent only a partial realization of what is now commonly called the "political union" of Europe, and the desire to see new progress in this direction has revived strongly in the present year. Nevertheless it is generally recognized that the Communities called "economic" — considered as a pooling of economic and social policies which but for the existence of the Communities would be handled by the policy-making bodies of the individual Member States — are already part and parcel of, and not merely a preparatory stage for, the "political union": they already represent a union in economic and social matters. It is now beyond question that the road towards European federation lies through the present Communities. This means on the one hand that if these Communities should fail the political community would also be lost for our generation, and on the other that as long as the Communities maintain their dynamism undiminished there will still be a real chance for complete European federation.

It is vital to keep in mind this fact — the indissoluble internal unity of the European edifice which it is the task of our epoch to create — in order to determine the proper course to follow in face of the new wave of impatience, disappointment and doubt among Europeans. The Commission, whilst not wishing to dramatize the present psychological malaise, is certainly inclined to take it seriously. The Commission believes that it can be transformed into a driving force for further European progress. The endeavour to integrate Europe has overcome greater setbacks than this. Indeed it has more than made up for these reverses by decisive new departures.

2. "Political union" in fact comprises two elements: it means extending the process of European unification beyond the pooling of economic and social policies, and it means improving the constitutional structure of the European Communities.

The first involves merging defence policy, foreign policy (beyond the ground already covered by the pooling of economic policies in the European Economic Community) and cultural policy. The Community institutions are not directly

or formally entitled to be heard on these matters, but because of the internal unity of European policy they have a legitimate interest that the new measures should be coherent and not cause distortions or damage to the European edifice, and here they have a share of responsibility. The measures taken must move forward and not back. The Commission has therefore not remained silent. It has urged that this extension take place rapidly, that what has already been achieved (the institutional shape and structure of the Communities) be left intact, and that experience be turned to good account. Experience has taught us that to have any chance of success any new elements should be a genuine and independent embodiment of the Community interest, whether the existing Community institutions are made use of or new institutions set up and their incorporation left to later developments.

On the other hand the second element in political union, i.e. improvement of the constitutional structure, directly concerns the European Communities.

The first question is the merger of the Community Executives and of the Communities themselves. The Commission has thrown all its weight behind the realization of these projects. There is some prospect that certain suggestions it has made will be adopted, in particular the idea that in merging the Communities guidance should be drawn from the experience of the single Executive in the application of the three Treaties.

The next question is a better distribution of powers between the various Community institutions. Here the most important point is to strengthen the role of the European Parliament. As regards the basis of its representative character, Article 138 of the Rome Treaty provides that the Parliament "shall draw up proposals for elections by direct universal suffrage in accordance with a uniform procedure in all Member States". This has been on the agenda of the Council for years, but nothing has been done. The Parliament has also repeatedly discussed in detail the strengthening of its powers. Proposals and drafts exist; they concern the Parliament's share in the Community's legislative and especially budget procedures (the details for the merger of the Executives supply further arguments on this point). One reason why the Parliament is making these efforts is the conviction that the sharing of democratic responsibility laid down in the Treaty — participation of the Parliament in an advisory capacity in the legislative and budgetary powers exercised by the Council, control of the Community Executive, which exercises the initiative in legislation, by the European Parliament (including the right to oblige the Executive to resign), control of the individual members of the Council by the Parliaments of the Member States — is becoming less satisfactory the deeper the Community's activity permeates matters hitherto the preserve of national legislatures and the more the budget resources of the Community increase, particularly by the creation of special funds. The Commission has taken an active part in the discussion of all these questions; so far as the Treaty permits, it has taken every possible step to improve the situation and has supported the Parliament's efforts in these matters. The Commission will continue to show an equally resolute attitude in the future.

Thus a great number of legitimate demands are at present awaiting fulfilment. That they are so numerous explains the unmistakable anxiety at present surrounding European policy, but the number of questions on the "European agenda" and the degree of general impatience also show what deep roots the European cause has struck in the feelings and thoughts of European. They are therefore no

cause for pessimism. Up to now, indeed, during the short history of European unification policy, it has always been difficulties which have served as a spring-board for fresh resolve and constructive imagination.

3. The Commission has therefore given its full support to any sound attempts to further political union, using its influence within the Community institutions and also endeavouring to enlighten public opinion. It sees such an enterprise as the natural extension of the road marked out by the Treaties. While acting with energy, it has nevertheless stressed that it would be illogical to make the further advance of economic integration dependent on the fulfilment of certain demands. Any such precondition tactics are bad. Leaving aside the legal argument that the Treaty of Rome provides completely for the conditions of its own application and that none of these is a prerequisite of this type, these tactics are dangerous because they would have a negative and delaying effect on the completion of the Communities, which is the immediate need. Such tactics may only too easily become a convenient pretext for putting off necessary decisions.

To arrest the forward march of the Economic Community means not only planting in it the seeds of failure — for the Community cannot exist unless it is dynamic — but at the same time rejecting any chance of achieving the “political union”. Certainly there is nothing automatic about such a final development. But progress on the road to economic integration induces and speeds a natural movement towards complete political union and it provides increasingly cogent reasons for establishing such union.

4. This is why in the present situation, although the prime need is to avoid narrowing our horizons and not to lose sight of our higher aim, the first task of the European Economic Community is certainly to maintain its own vitality and dynamism. It must give an example of tenacity, coolness and good sense which can stiffen the waverers and give them confidence.

The Commission is therefore proposing a number of immediate measures which seem ripe for decision and which in its opinion would offer a striking demonstration of the continuing élan of the Community. It is true that, in principle, our methods of work do not consist so much of spasmodic and spectacular general operations as of regular sustained effort bearing its fruit from day to day, but, as experience shows, they do not exclude the possibility on occasion of a combined drive on various fronts. Today the Commission feels that the occasion — even the need — for this has come. In view of the reasons already set forth against any precondition tactics the Commission does not therefore intend that the series of important suggestions presented should be seen as a package deal, various elements of which would be conditional upon the acceptance of others. On the contrary it would prefer that each of these suggestions be examined separately and on its own merits.

5. Still less does this initiative of the Commission mean, of course, that these proposals should have priority over others which the Commission has already made and on which no action has been taken. This applies particularly to the Commission's demand for the fixing of a common cereals price, which it urgently reiterates. The failure of the Council to reach a decision on it gravely compromises the further development of the common agricultural policy, with the serious consequences which this implies for the progress of integration and the clarification of the Community's external relations. This absence of decision maintains

political and economic divergences within the Community. It allows imbalance to continue between the agricultural and industrial spheres as regards abolishing barriers which isolate the national economies of the Member States from each other. It is an obstacle to the smooth progress of the present GATT negotiations, which are so important for the trade and general organization of the Atlantic world.

Consequently, the Commission submits the following proposals to the Council and to the Member Governments.

I — Customs union

In view of the growing interpenetration of markets and the rapid adaptation of the economy to the wider market which not only permitted but demanded the speed-up of customs disarmament, the Commission considers that the time has now come to fix the date for completing the customs union and that this should be 1 January 1967.

The Commission therefore proposes that on 1 January 1965 the Member States should again reduce total customs charges by 15% in conformity with Article 14(4) of the Treaty. On this date customs duties will be reduced for each product by at least 10% in relation to the basic duty. The reduction may be limited to 5% in certain special cases.

On 1 January 1966 the Member States will again reduce total customs charges by 15%. Customs duties will again be reduced for each product by at least 10% in relation to the basic duty. On 1 January 1967 any remaining customs duties on industrial products will be abolished.

As regards agricultural products — those which carry customs duties or “fixed components” — the speed-up provides for the abolition of these duties and fixed components by 1 January 1968.

The Commission will also submit in due course, if possible before 1 January 1966, and without prejudice to any other action which it considers appropriate, proposals concerning definition of origin, the application of anti-dumping and compensatory duties, the definition of customs value, the elaboration of common arrangements for processing traffic, the unification of national provisions concerning free entry on economic goods, bonded warehouses and free ports, the working out of a procedure for operating Community tariff quotas and rules for the uniform application of the common customs tariff.

The aim is free movement of goods between the Member States beginning 1967. For a large proportion of agricultural products it is the introduction — which in any case can no longer be deferred — of the common cereals price which will permit this free movement, whereas in the industrial sector it will be the elimination of the remaining intra-Community duties. These two operations, which can be planned and executed independently of each other, consequently converge towards the same objective, which is to favour the rapid completion of the economic union, after the beginning of the third stage of the transitional period, thanks to freedom of trade in goods between the Member States.

The complete establishment of the common customs tariff with effect from 1 January 1966 would give not only European business circles but also our partners in the non-member countries a clear picture of the European customs union which will confront them. This would in particular be a great advantage for the Kennedy negotiations.

As it had already pointed out in its Action Programme of October 1962, the Commission considers that the elimination of customs duties should carry with it the abolition of indirect obstacles to the free movement of goods, in particular all controls at internal frontiers.

Not only do these controls prevent the establishment of a true common market, but they also tend to obscure from the citizens of Europe the political significance of the undertaking embarked on by the six Member States. As long as travellers have to pass through customs controls at frontier crossing points between the Member States and lorries have to queue for customs clearance, the citizens of the Community will still feel that there has been no decisive change.

Without waiting for solutions which will make possible the simultaneous abolition of all the obstacles referred to, the Commission will propose, after study in conjunction with national customs departments, measures to facilitate frontier crossing to the maximum.

Proposals

a) On 1 January 1965 the Member States will again reduce by 15% their total customs charges in conformity with Article 14(4) of the Treaty. On this date the customs duties will be reduced for each product by at least 10% in relation to the basic duty. For Community products in respect of which application has been made before 1 October 1964 to have recourse to the safeguard clause, this reduction may be limited to 5%.

b) On 1 January 1966 the Member States will again reduce the total customs charge by 15%. On this occasion customs duties will again be reduced for each product by at least 10% in relation to the basic duty.

c) Before the Member States introduce their adapted tariffs they and the Commission will examine case by case any problems to which the application of the above measures would give rise in certain sectors.

d) On 1 January 1967 the remaining customs duties will be abolished.

e) On 1 January 1966 the third and final approximation towards the common tariff will take place.

f) As regards the products indicated in Annex II of the Treaty, including those coming under a common market organization, there will be a speedier abolition of customs duties and of the "fixed components" provided for in the regulation pursuant to Article 43.

The customs duties and "fixed components" will be reduced to zero with effect from 1 January 1968.

On this date the common customs tariff and the "fixed component" provided for under the regulations for the definitive stage will also be applied.

As regards the abolition of controls at frontiers, the Commission:

- a)* Proposes that the Council adopt a resolution abolishing by 1 January 1970 at the latest all frontier controls on trade in goods between Member States;
- b)* Will simplify to the maximum degree and as rapidly as possible, in pursuance of Article 10 of the Treaty, the formalities imposed on trade by easing to the fullest extent the system introduced six years ago in the field of intra-Community trade;
- c)* Will propose to the Council at an early date a new series of measures which must be taken to attain the objective set out in *a)* above;
- d)* Requests the Council to introduce, in advance of the complete establishment of the Customs Union, measures of commercial policy which will make it possible to dispense with procedure under Article 115;
- e)* Recalls the directive which it submitted to the Council on the harmonization of turnover taxes and stresses the importance of its adoption.

II — Monetary policy

The Commission recalls its "Action Programme of the Community for the second stage" of October 1962 ⁽¹⁾, and considers that the aims set out therein have become even more pressing and should be examined in the light of experience. The interpenetration of markets which has meanwhile come about between the Member States makes progress in the field of monetary policy increasingly urgent.

The aim of the Community is not merely to expand trade between the Member States; it implies merging the six markets in a single internal market and the establishment of an economic union. It therefore appears indispensable to adapt the monetary policy of the Six to the degree of integration already attained in other fields.

The Commission will submit without delay to the Council proposals for the progressive introduction of a monetary union. The Monetary Committee of the EEC and its Committee of Governors of Central Banks will be consulted in advance on these proposals.

III — Social policy

In the social field the Commission places the emphasis on two lines of action. As indicated in the Action Programme of October 1962, the Commission has concluded from the experience of the first years "that the Fund should not merely be an organization for refunding Member States' expenditure on retraining schemes, but that it should also be in a position to encourage the various countries to initiate schemes and carry out experiments in this field; in this way the Fund could fully achieve its purpose".

The second line of action is of a more general nature. The Commission wishes to call the attention of Member States to the need to intensify the close collaboration provided for by Article 118 with a view to levelling living and working conditions in an upward direction. The general balance sought by the Treaty makes it indispensable that substantial progress should be made in this field on the lines of the programmes of work submitted by the Commission to the six governments. Such

⁽¹⁾ See Action Programme, sec. 128.

levelling upwards would, moreover, facilitate the attainment of economic union inasmuch as differences between national systems create disparities which affect the terms of competition or set up obstacles to trade.

At a press conference on 2 October in Brussels, President Hallstein announced the Commission's proposals. He specially stressed the fact that the Commission's wish was to strengthen the Common Market in order to bring nearer the day of European political union. He compared this union to a three-stage rocket whose different stages were the customs union, the economic union and, to crown the whole, the political union. He emphasized that the European Community was the basis of the unity aimed at and added that the present malaise, which was indeed serious but not dramatic, justified a stimulus of this kind in order to accelerate the natural development towards a political union. This union must be achieved along two lines: on the one hand the extension of the unification which had initially taken place in the field of economic policy to other matters such as defence and external policy — and here President Hallstein pointed to the need for a body independent of the Governments — and on the other the strengthening of the existing organs, particularly through a merger of the Executives. For this reason the Commission believed that economic integration should be pressed forward in all fields and "*the dangerous policy of preconditions*" renounced.

"The EEC," President Hallstein declared, *"its probably the most constructive thing that has ever happened in European politics. If we do not wish to jeopardize the results so far achieved and to bury all hopes for a political Europe, we cannot allow ourselves any step backwards. We believe that these proposals are wise, significant and perfectly feasible."*

"Initiative '64" is on the agenda for the Council meeting of 12 October.

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

M. Robert Marjolin, Vice-President of the EEC Commission, addressed the European Parliament on 23 September 1964, at its request, on "action taken on the EEC Council's recommendations to the Member States of 14 April 1964, on measures to restore the internal and external economic balance of the Community".

M. Marjolin began by reminding the House that the Commission had been working hard for more than a year on this problem, and went on to review in general terms the policy pursued in the Community since last April, stressing the main achievements and the less satisfactory aspects.

Recalling the opinion he had expressed early in the year when summing up the economic situation: "As regards output we are doing very well; but as regards prices, costs and external trade we are doing badly", M. Marjolin described recent economic development as follows: "Output today is still doing well, external trade has improved; but prices and especially costs are still a problem".

The latest estimates of the Commission's staff indicated higher economic growth in real terms than had been forecast early in the year; in 1964 the increase in the Community gross product would be nearer 5.5% than the 4.5% expected. Industrial production was likely to show a 7% rather than a 6% gain. All over the Community save in Italy, and particularly in the Federal Republic of Germany, gross national product would outstrip forecasts in 1964. The misgivings that had sometimes been expressed that a stabilization policy might arrest expansion had proved unfounded.

The external trade situation was less unfavourable than had been feared early in the year. Trade between the Member States, too, had developed on more balanced lines and this success could also be attributed to the effects of stabilization measures. In the first place, the growth rate of French and Italian imports from other Community countries had declined. Secondly, the German export boom, which had been a grave threat to this country's internal balance, had lost vigour. This meant that the process of contagion by which inflation had been spreading from country to country had weakened, and this was bound to benefit the internal stability of the Community as a whole.

"Costs and price trends are, alas, not nearly so encouraging", said M. Marjolin, concluding this part of his review.

He then briefly examined the situation in each of the member countries and their policies.

Although the situation in Germany was still satisfactory and, moreover, things were now much better in France, despite the continuing sharp cost rise, prices and costs were still rising too fast in Luxembourg and more distinct signs of inflation than before had been noted in Belgium. In the Netherlands, progress in restoring internal and external balance was still not satisfactory.

In Italy the situation was still very complicated, with inflationary trends and deflationary symptoms both discernible. Here the problem was to stimulate a recovery of investment while keeping the growth of consumption expenditure as low as possible and taking precautions to avoid heavier unemployment and any resumption

of the upward price movement. In view of the difficult political situation with which the Italian Government had to cope, the Commission felt that it was doing all it could to restore economic stability.

M. Marjolin then stressed the need to pursue stabilization action in the coming months since the targets fixed for 1964 were far from being attained in most of the member countries: any premature relaxation of effort might well aggravate the situation.

M. Marjolin concluded with a few general points. Any vigorous short-term economic policy must be stiffened by measures taken in a longer perspective: incomes policy and structure policy. "Short-term economic policy cannot be divorced from the rest of economic policy. What makes the battle against inflation particularly hard in some countries is that it sometimes seems to halt or delay long-needed reforms of obvious urgency, like the adjustment of undue inequalities of income distribution, the making good of ground lost by certain grades, professions or other social groups in the general advance of standards of living, the implementation of an active regional policy or the reshaping of an unfair tax system."

"That is why we have come back time and again to the need for an anti-inflationary policy energetic enough to be short in duration, so that we shall not make permanent policy of what should be a short-term operation."

Finally, M. Marjolin announced that he would devote a large part of his coming January speech to discussing the problems involved in the establishment of a programme for developing the European economy over the 1966-70 period and to suggesting an approach towards these problems.

II. Internal activities

INTERNAL MARKET

Customs matters

1. Work has begun on the detailed drafting of the measures that the Commission proposed to the Council and to the Governments of Member States on 1 October under the title "Initiative 1964" (1).

Tariff quotas

2. On 6 October 1964 the Commission, acting under Article 25(1) of the Treaty, proposed to the Council that the tariff quota granted to the Federal Republic of Germany for newsprint under CCT heading 48.01 A should be increased from 375 000 to 430 000 metric tons.

COMPETITION

Rules for enterprises

Commission decision in the Grundig-Consten case (exclusive dealing agreements) (2)

3. The Commission has already issued a recommendation calling for termination of an infringement of the rules on restrictive practices laid down in the Treaty ("Convention Faïence"), and has granted three negative clearances (Grosfillex, Bendix and Vitapro) (3). On 23 September 1963 it took its first decision prohibiting an agreement. This concerns an exclusive dealing agreement involving absolute protection of a specified area.

The Commission recalled on this occasion that it had been studying the question of the compatibility of exclusive dealing agreements with the cartel rules of the EEC Treaty for considerable time. The agreements in question are those under which a manufacturer supplies only one dealer in a given area with his products. Such agreements come under the competition rules of the EEC Treaty (Art. 85) and must be notified to the Commission (Council Regulation No. 17). In a first announcement, on 9 November 1962 (4), the Commission made known its intention to clear "pure" exclusive dealing agreements, i.e. agreements whose content covers, for example, sale, stocking and servicing, but which, apart from specifying the exclusive marketing right, contain no additional clauses in restraint of competition. It hopes that the EEC Council will soon adopt the regulation on block exemptions proposed by the Commission. The Commission would then be enabled to grant blanket clearance to the exclusive dealing agreements described in the 9 November

(1) See editorial of this Bulletin.

(2) See official gazette of the European Communities, No. 161, 20 October 1964.

(3) *ibid.*, No. 58, 9 April 1964; No. 44, 13 March 1964; and No. 102, 4 July 1963.

(4) *ibid.*, No. 113, 9 November 1962, p. 2627.

announcement. Even before the granting of any such block clearance, the Commission will endeavour to specify through further decisions what forms of exclusive dealing agreement are compatible with the competition rules of the EEC Treaty.

The prohibition now decided on by the Commission concerns an agreement between the Grundig Sales Company and the Consten Company of Paris which grants absolute protection of territory in addition to sole selling rights. Such territorial protection is intended to make Consten the sole distributor of Grundig products in France. For this purpose Grundig has imposed an export ban on all its dealers in other countries, so that French purchasers can buy Grundig products only from Consten. In addition, Grundig and Consten had signed a supplementary agreement on the use of a special trade-mark ("Gint") in France, the purpose of which was also to prevent firms other than Consten from importing Grundig products into France.

Consten sought to uphold its claim to exclusive dealership by taking action against a rival importer, the plaintiff firm UNEF of Paris, which was importing Grundig products from German wholesalers. Consten contended that UNEF had failed to comply with the rules of the established sales organization and was therefore guilty of unfair competition. This case, brought before the Paris Court of Appeal, was adjourned pending a decision by the Commission on the compatibility of the exclusive dealing agreement with the competition rules of the EEC Treaty. The Commission has decided that the agreement in its present form offends against the ban of Article 85(1) and that it cannot be cleared under Article 85(3). In addition, the Commission has forbidden Grundig and Consten to obstruct rival imports into France.

The Commission is of the opinion that the sales organization in question constitutes a restraint of competition. Not only is the freedom of business activity of the parties to the agreement restrained, but that of firms outside the agreement is also impaired.

Furthermore, customs are denied the possibility of making their purchases from other suppliers. The Commission has ruled that restraint of competition in the sale of products of the same brand may constitute a restraint of competition prohibited by Article 85(1). It argues that in the class of goods concerned competition is essential at retail level as well as earlier in the commercial process.

The Commission also holds that the marketing arrangement between Grundig and Consten is "liable to affect trade between the Member States". The agreement was signed between two firms established in different Member States and controls trade in Grundig products between these Member States in such a way that it is wholly in the hands of Grundig and Consten. The contention that there is no impairment of trade since Franco-German trade in Grundig products has considerably grown during the period the sales organization has existed, is rejected by the Commission. If a restraint of competition causes trade between the Member States to develop under different conditions than it would otherwise have done, and exchanges of goods between the Member States are influenced to an appreciable extent, such restraint of competition must be deemed "liable to affect trade between the Member States". This is the case here, and all the more so since the area reserved for Consten coincides with the frontiers of one of the Member States. It is an arrangement rendering integration of the national markets in a common market more difficult. Obvious evidence for this is the difference in the prices of Grundig apparatus in Germany and in France.

Given the grounds on which its decision is based, the Commission states clearly that exclusive dealing can certainly lead to an improvement of production and distri-

bution. Without deciding the point in the present case, the Commission has assumed that such an improvement has occurred. However, it has declined to authorize the agreement between Grundig and Consten because the area protection in favour of Consten, and consequently the obstruction of rival imports into France, goes beyond the degree of restraint of competition necessary for the improvement of production and distribution. Moreover, the Commission is not convinced that the consumer will obtain a fair share of the resulting benefit.

The full text of the Commission decision, with the statement of grounds, will be published in the official gazette.

Three points emerge from the above:

- a) The Commission's decision is not directed against all exclusive dealing agreements as such;
- b) The Commission abides by its intention to clear a large number of the exclusive dealing agreements notified, and, by means of individual decisions, it will doubtless declare a further number of agreements compatible with the Common Market;
- c) Exclusive dealing agreements which, however, like the Grundig-Consten agreement, involve restraints of competition going beyond what is indispensable for the improvement of production or distribution, cannot be allowed.

Approximation of legislation

Pharmaceutical products

4. The Pharmaceutical sub-Committee of the Economic and Social Committee met on 16 September 1964 in The Hague. It approved unanimously the Committee's preliminary draft opinion on the "proposed second directive concerning the approximation of laws and regulations on branded pharmaceuticals". The main amendment proposed concerns the status of experts to be consulted on the documents assembled by the manufacturer with a view to obtaining a licence to market a branded pharmaceutical. The sub-Committee is suggesting that these experts should be approved by the competent national authorities. Otherwise, the preliminary draft opinion is in favour of the Commission's text.

Enforcement of Article 101

5. The Commission has again considered the Italian measures which, by granting a standard-rate refund on the export of many mechanical engineering products, are vitiating the conditions of competition in the Common Market and thus causing distortions which must be eliminated. The measure attacked is Law No. 639 of 5 July 1964 (Gazetta Ufficiale No. 191, 5 August 1964), superseding Law No. 103, which expired on 31 December 1963.

The Commission has informed the Italian Government that it considers the conditions for application of Article 101 to be fulfilled. Under the rules contained in the article, the Member States have been invited to a meeting for consultation.

Various products

6. The Working Party on technical obstacles to trade — various products held its eighth meeting on 1, 2 and 3 July. Draft directives on the following subjects were discussed:

- a) Measuring instruments and the approval of models for these instruments in the EEC countries;
- b) Lighting equipment and illuminated signals on farm tractors;
- c) Brakes for farm tractors.

The experts began discussing the main points to be embodied in a draft directive concerning radio interference caused by internal combustion engines. They have also been invited to give their opinion on the economic aspects of a directive concerning construction and utilization of carriage-operated stud-drivers.

Taxation questions

Standing Committee of heads of revenue departments

7. The Committee held its eleventh meeting in Brussels on 17 September 1964, under the chairmanship of M. von der Groeben, member of the EEC Commission.

It approved a report concerning assessment of a common tax to be applied in the member countries if tax frontiers are abolished. The Committee proposed to the Commission that this report should be laid before the Council of Ministers.

Its purpose is to give the Council a general picture of the foreseeable financial and budgetary repercussions of the application of a common added-value tax system. The implementing details for this system are now being examined by an "ad hoc" panel, whose task is to prepare the draft of a second directive which the Commission should be submitted to the Council before 1 April 1965 ⁽¹⁾.

At the same meeting, the Standing Committee decided to set up a working party to "compare the differing tax burdens borne by certain economic sectors".

Harmonization of indirect taxes on capital movements

8. Working Party No. VI met in Brussels on 3 July 1964 and finalized a draft directive on the harmonization of indirect taxes on capital movements. After examination by the Commission this draft will be laid before the Council before the end of the year.

⁽¹⁾ See Article 3 of the first directive on the harmonization of Member States' legislation on turnover taxes, Bulletin No. 8-64, Chap. I, secs. 30 and 31.

FREE MOVEMENT OF PERSONS

Right of establishment

Proposal for a directive on self-employed activities in the sectors of gas, water and electricity supplies and sanitation ⁽¹⁾

9. On 24 September 1964 the EEC Commission submitted to the Council, in accordance with Title IV A of the General Programme, a proposal for a directive introducing freedom of establishment and freedom to supply services in respect of self-employed persons in the sectors of gas, water and electricity supplies and sanitation.

The activities concerned are:

- a) The production and distribution of electricity;
- b) The production of gas in gasworks, the distribution of gas of all kinds to consumers and the transport of gas as an independent service;
- c) The production and distribution of steam for heating and power;
- d) The provision of water supplies, i.e. the collection and purification of water and its distribution to consumers;
- e) Sanitary services, i.e. the destruction or utilization of sewage and refuse.

Under the proposed directive Member States will abolish restrictions which:

- a) Prevent the persons concerned from setting up in business in the host country or from supplying services there on the same terms and with the same rights as its nationals;
- b) Result from any administrative practice whose effect is to discriminate between foreigners and nationals of the host country;
- c) Prevent the persons concerned, by reasons of regulations or practices, from obtaining concessions or licences and subject them to limitations or conditions applying to them alone.

Beneficiaries of the present directive are to be allowed to join trade or professional associations on the same terms and with the same rights and duties as nationals.

In case of establishment, the right to membership of a trade or professional association includes the right to stand for election to office in the association. The holding of office may, however, be reserved for nationals if the association in question exercises public authority by virtue of some provision of a law or regulation.

In Luxembourg, membership of the Chamber of Commerce or of the Chamber of Trade (*Chambre des Métiers*) does not entitle the beneficiaries of this directive to take part in elections to executive bodies.

Member States must not grant to any of their nationals who move to another Member State in order to engage in the activities defined above any aid which would influence the conditions of establishment.

⁽¹⁾ See supplement to this Bulletin.

A host country which requires that its own nationals wishing to engage in such activities shall furnish proof of good character and/or proof that they have not been declared bankrupt, shall accept, in the case of nationals of other Member States, a certificate based on police records or, failing that, an equivalent document issued by a competent legal or administrative authority of the country of origin.

If the country of origin does not issue a certificate attesting that the holder has never been declared bankrupt this may be replaced by an affidavit sworn by the interested party before a competent legal or administrative authority, commissioner for oaths or qualified professional body in the country concerned.

ECONOMIC AND FINANCIAL AFFAIRS

Short-term economy policy

Quarterly Survey on the economic situation in the Community (July-September 1964)

10. The Commission of the European Economic Community has just published its Quarterly Survey No. 3/1964 on the economic situation in the Community.

This Survey describes the main features of the Community's present economic situation: on the one hand continuing expansion, but at a rather slower pace, on the other emergence of clearer trends towards improved economic balance. It particularly stresses the initial results of the stabilization campaign undertaken in the Community.

For the Community as a whole, and for the different Member States in particular, the Survey also examines the outlook for the coming months and studies the short-term economic policy problems which arise in this context.

The first report from the Commission to the Council, dated 20 July 1964, on action taken by the Member States on the Council's recommendation of 14 April 1964, and the opinion rendered on 15 July 1964 by the Short-term Economic Policy Committee concerning the preliminary economic budgets for 1965, are published as annexes.

As regards the overall situation the Commission notes that external demand did not increase quite as rapidly as in the first quarter. Nevertheless, on the basis of foreign trade statistics, the value of goods exported to non-member countries during the second quarter was 9% above the corresponding figure in 1963. This reflects not only the expansion of the world economy, which continues in general to be quite vigorous, but also certain effects which the easing in the expansion of internal demand has had on the development of exports.

On the whole the expansion of internal demand in money terms lost something of its momentum in the Community as a whole.

Although investment picked up considerably in the Federal Republic of Germany, investment expenditure in the Community increased less quickly than in the first quarter, owing to a clear decline in Italy. In most member countries expenditure on building and construction, which had risen very rapidly in the first quarter as a result of good weather, could not maintain the same high rate of growth.

Investment in stocks again increased considerably in all Community countries, mainly because of a greater tendency to stock raw materials and semi-manufactures and because of good harvests.

Expenditure on consumption rose markedly, but here too the pace was slower than in the first quarter. Particularly in Italy there was a distinct slowing down in the rate of expansion but this was also true of France; in the Netherlands there was an unmistakable drop in the rate of expansion of private consumers' expenditure after the very sharp rise experienced in the first quarter. There was, it is true, some quickening of the pace in Germany, but this was not sufficient to offset the effects at Community level of these developments in other member countries.

Apart from agricultural production (harvests should in general be well above last year's), internal supply also tended to grow less rapidly. This applies to industrial production in particular, partly because of increasing inelasticity in some industries and some countries — here manpower shortages played an important role — and partly because of falling demand in others. However, the index of industrial production published by the Statistical Office of the European Communities shows a 6% rise on the second quarter of 1963.

Strains on the labour market continued, except in France, where certain signs of relief could be seen in some areas and sectors, and Italy, where there may even have been a certain decline in the total number of hours worked.

The upward trend of Community imports from non-member countries lost something of its momentum, though imports of goods into Germany increased more rapidly, while imports to Italy fell sharply. According to customs returns, the aggregate value of Community imports of goods during the second quarter was 10% higher than in the corresponding period of 1963.

The beginnings of a return to economic equilibrium were most clearly visible in trade between the member countries, where expansion was rather slower. Italy's balance in particular improved considerably, and there was an appreciable decline in Germany's surplus. On the basis of imports as shown in customs returns, the total value of intra-Community trade in the second quarter was 17% higher than in the second quarter of 1963.

Price increases, however, continued. The consumer price indices show that in Italy they were for a time even more rapid than before, and in Belgium too prices rose faster than hitherto. In the other member countries prices did indeed go up, but the increase was moderate — especially in France. In part the tendency for prices in the Community to be pushed up was due to special factors, such as dry weather and storms in some areas and higher charges by public undertakings.

The Community's balance of trade with the rest of the world did not deteriorate in the second quarter (largely owing to a notable improvement in Italy's balance), but the deficit was still \$146 million bigger than a year earlier. Member countries' official gold and foreign exchange reserves rose \$320 million between the end of the first and second quarters, but at the same time the net foreign exchange holdings of the commercial banks probably fell even more.

Everything points to continuing expansion in the Community as a whole up to the end of the year, but the increases in external demand, internal demand and production may again slow down somewhat. Particularly in Italy, the expansion of domestic demand will still be decidedly weak. However, the Commission currently forecasts that for 1964 as a whole the increase in the real gross products of the Community may well be 5.5%.

Preliminary forecasts for 1965 indicate that economic expansion in the Community will continue. The growth rate during the year may be rather slower than in 1964 — particularly the first half of 1964. Nevertheless, the growth of GNP for the full year should be at least 4%.

The world economic situation will probably not favour expansion quite as much as it did in 1964. Internal demand in money terms may also be slowed down not a little in the Community by the effects of stabilization measures. This is likely to have a favourable effect on foreign trade balances and, perhaps to an increasing extent, on prices, and at the same time it will doubtless contribute to a certain moderation of the pace of real economic growth.

The situation will, however, still tend to vary from country to country: a further vigorous rise of domestic demand together with reduced elasticity of domestic supply in Germany, entailing the possibility of increased prices; persistence of the strains being felt in Belgium — though possibly in milder form; relatively slow growth of demand in France and the Netherlands, with some repercussions on the growth of production; possibly some increase in business activity in Italy, relatively slight at first; and in general, persistence of the upward pressures on prices, though in most member countries less marked than in 1963 and 1964.

Finally the Commission is of the opinion that the tendencies sketched above may still be altered considerably through economic measures. It is important that these should be directed more than has hitherto been the case towards the stabilization of prices and costs and that pressure should not be put on investment alone, as has sometimes happened in the past — especially in Italy. On the whole, then, a continuation of anti-inflationary action, in line with the Council's recommendations of 14 April 1964, seems to be called for if complete equilibrium is not only to be achieved in the first six months of 1965 at the latest, but to be made safe for the future. Only in Italy does it seem that a policy whose general effect is to slow down internal demand in money terms is no longer suitable. The "mixture as before" should be modified in such a way as to limit the increase in costs and encourage investment.

Panel of experts on medium-term economic policy

11. The decision of 15 April 1964 ⁽¹⁾ lays down the procedure by which a medium-term economic programme for the EEC is to be worked out. This programme will be based on projections made by a panel of experts assisting the Commission.

On 25 September 1964 the Commission appointed the chairman and most of the members of the panel. Some further appointments have still to be made.

At present the panel is composed as follows:

Chairman: M. A. Kerwin de Lettenhove (Belgium), General Secretary of the Economic Planning Office;

Members:

M. Als (Luxembourg), Head of the Economic Studies Department at the Ministry of Finance;

M. Bauer (Germany), Technical Director of the Rhenish-Westphalian Institute for Economic Research;

M. C.A. van den Beld (Netherlands), Deputy Director, Central Office of the Plan;

M. Boiteux (France), Director of Economic Studies, French Electricity Board;

⁽¹⁾ See official gazette of the European Communities, No. 64, 22 April 1964.

- M. Bye (France), Professor of the Faculty of Law and Economics, Paris;
- M. C. Föhl (Germany), Professor;
- M. G. Furst (Germany), Head of the Federal Office of Statistics;
- M. Gleitze (Germany), Director of the Trade Unions' Institute of Economics;
- M. Gruson (France), Director-General of the National Institute of Statistics and Economic Studies;
- M. S. Guidotti (Italy), Economic Counsellor to the Bank of Italy;
- M. G. Parenti (Italy), Professor of the Faculty of Economics, University of Florence;
- M. Derymaeker (Belgium), Advisor (departmental head) to the National Institute of Statistics, Professor;
- M. Uri (France), Director of Studies, Atlantic Institute;
- M. Waelbroeck (Belgium), Professor at the Free University of Brussels.

The panel held its first meeting in Brussels on 29 and 30 September.

M. Marjolin, Vice-President of the EEC Commission, was present at the meeting and stressed the importance of the experts' role in elaborating the future Community programme.

The panel then discussed and decided its programme of work.

Committee of experts on economic trends

12. The Committee of experts on economic trends met on 18 September to study, on the basis of a draft report prepared by the Commission's staff, the present economic situation in the Community and prospects of future development.

In general the views of the Committee did not differ appreciably from those of the report, which looks forward to continued economic expansion in the Community as a whole in the coming months.

Economic Budgets group

13. The Economic Budgets group met in Brussels on 14 September. It discussed the probable development of the world economic situation and the revision of the preliminary budget estimates for 1965.

The group studied the possibility of improving and developing the lay-out and presentation of economic budgets, basing its discussion on a memorandum presented by the Commission's staff. Broad agreement was reached on most of the Commission's proposals.

The group will hold its next meeting on 25 November 1964.

Working party for the comparison of budgets

14. The Working Party for the comparison of EEC member countries' budgets met in Brussels on 28 and 29 September. The experts examined a draft report drawn up by the Commission's staff on budgetary developments in the EEC countries during 1963 and 1964. A revised report, which will take into account the most recent figures and the views expressed at this meeting, will be submitted to the Working Party at its next meeting to be held on 14 and 15 December 1964.

The experts then discussed the financing of government departments. It was agreed to continue this discussion in December with the aid of a table of financing operations covering a period of two years.

Energy policy

Problems of petroleum and natural gas

15. The group of petroleum experts met in Brussels on 14 and 15 September to study various questions referred to them by the senior national officials responsible for the petroleum and natural gas sectors.

As regards petroleum, the experts prepared the ground for the next meeting of the senior officials by discussions on the growth of crude petroleum production capacities, the diversification of sources of supply, and the problems presented by the development of the Community's hydrocarbon resources.

As regards natural gas, the experts prepared two questionnaires, one on the regulations governing the natural gas industry in the Member States, designed to supplement the inquiry already made into the regulations governing the petroleum industry, and the other on programmes of investment in means of transport for natural gas.

The experts drew up proposals for a study of common rules concerning the transport of gas and an exchange of information on new laws and regulations affecting trade in natural gas between Member States. These proposals will be submitted to the senior officials at their next meeting planned for 8 October.

COMMON AGRICULTURAL POLICY

Proceedings of the institutions

The Council

16. The 143rd session of the Council, held in Brussels on 21 and 22 September 1964, was devoted to agriculture. This was the Ministers' first meeting after the summer recess.

The Council continued its examination of the Commission's proposal concerning measures to be adopted with a view to establishing a common cereals price level. The Council discussed the price ratio of different cereals, compensatory measures and regional price adjustments.

At the Council's request, the Commission agreed to submit to the Council, for its session of 19-21 October 1964, a report giving an overall view of the problems connected with the alignment of cereal prices.

The Council held a preliminary exchange of views on the proposal for a regulation laying down supplementary provisions for the organization of the market in fruit and vegetables. It decided to refer the proposal to the European Parliament.

The Council amended Council Regulations Nos. 20 (pigmeat), 21 (eggs) and 22 (poultrymeat) as regards the methods of fixing the levies and sluice-gate prices for imports from non-member countries. Adjustments can now be made in the cereal prices used in calculating the cost of the feeding-stuffs consumed in the Member States in order to take into account fluctuations in the level of the threshold prices that are fixed annually.

On a suggestion of the Commission, the Council came to a gentleman's agreement to hold consultations before granting any subsidy or indirect aid to exports to non-member countries of potatoes for direct consumption and potato seedlings.

The European Parliament

17. The Committee on Agriculture met in Brussels on 15 and 16 September. The chair was taken by M. Boscary-Monsservin, and M. Mansholt, Vice-President of the Commission, was present.

An exchange of views was held following a report by M. Mansholt on the development of the common agricultural policy in general, the implementing regulations for rice, milk and milk products and beef and veal, and the stage reached in the Kennedy round negotiations in GATT.

The Committee also examined the draft report by M. Klinker on the draft regulation concerning the establishment of a common organization of sugar markets.

In accordance with the resolution on this subject already adopted by the Parliament on 18 June 1964, the Committee on Agriculture wishes above all to safeguard the interests of farmers.

At its session of 23-25 September, the Parliament rendered a favourable opinion on the proposal for a Commission regulation concerning the levy to be applied to certain mixtures of milk products and to certain preparations containing butter.

The Economic and Social Committee

18. The Economic and Social Committee rendered formal opinions on five directives concerning the marketing of agricultural and forestry seeds and seedlings. The Committee approved the Commission's proposals subject to a few amendments.

The Economic and Social Committee's Working Party on Wine continued its examination of the draft Council regulation concerning quality wines produced in specified areas.

The Working Party on Forestry Policy drawn from the section on agriculture continued its study of the report on the co-ordination of national forestry policies.

Common organization of agricultural markets

Cereals

19. At the Council's session of 21-22 September, Article 1 of the regulation concerning refunds to starch producers, which was to have expired on 30 June 1964 but had been extended to 30 September 1964, was again extended to 31 October 1964 ⁽¹⁾, pending new provisions replacing those of Regulation No. 55.

20. The Council adopted a regulation concerning arrangements applicable to rice and broken rice imported from the associated African States and Madagascar and from the overseas countries and territories ⁽²⁾. This regulation lays down that for imports from the countries and territories in question the levies applicable to imports from non-member countries must be decreased by the standard amount fixed for trade between Member States.

This regulation also contains certain special provisions favouring the export of rice from Madagascar to France and the export of rice from Surinam to the non-producer Member States of the Community.

With regard to the implementation of the common organization of rice markets on 1 September 1964, the Commission took decisions:

- i) Fixing cif prices for rice and broken rice ⁽³⁾;
- ii) Fixing the premiums to be added to the levies and the amounts to be deducted or added in calculating refunds where these are fixed in advance for trade in rice and broken rice with non-member countries ⁽⁴⁾;
- iii) Fixing free-at-frontier prices husked rice and broken rice ⁽⁵⁾;
- iv) Fixing the abatement of the levy on husked rice imported into non-producer Member States ⁽⁶⁾;
- v) Fixing for September 1964 the arithmetic averages of the agricultural levies on imports from non-member countries by which, under Article 10, the compensatory levy is calculated for products falling under Council Regulation No. 16/64/CEE ⁽⁷⁾.

As regards the fixing of cif prices, the cif price for rice, from 1 September 1964, was fixed at 11.85 units of account/100 kg for Italy and at 11.37 units of account/100 kg for the other Member States. The cif price of broken rice was fixed at 8.38 units of account/100 kg for Italy and at 8.33 units of account/100 kg for the other Member States.

To facilitate the implementation of the rice regulation, the Commission amended certain provisions of Articles 2 and 5 of Regulation No. 73/64. In particular it altered the date by which Member States must submit the information necessary for fixing cif prices. For the same reason, the Commission adopted a regulation

⁽¹⁾ Council Regulation No. 120/64/CEE, official gazette of the European Communities, No. 147, 29 September 1964.

⁽²⁾ Council Regulation No. 121/64/CEE, *ibid.*, No. 147, 29 September 1964.

⁽³⁾ Decision No. 64/509/CEE, *ibid.*, No. 140, 5 September 1964.

⁽⁴⁾ Decision No. 64/510/CEE, *ibid.*, No. 140, 5 September 1964.

⁽⁵⁾ Commission Decision No. 64/511/CEE, official gazette of the European Communities, No. 140, 5 September 1964.

⁽⁶⁾ Commission Decision No. 64/512/CEE, *ibid.*, No. 140, 5 September 1964.

⁽⁷⁾ Commission Decision No. 64/513/CEE, *ibid.*, No. 140, 5 September 1964.

laying down that for broken rice imported from non-member countries before 1 November 1964, for starch making, Member States must either not impose the levy or else refund an amount equal to the levy imposed ⁽¹⁾.

S u g a r

21. At its session of 14-17 July 1964, the Council had agreed that at its September session devoted to agriculture it would hold a preliminary exchange of views on the proposal for a sugar regulation.

In preparation for this session, the Special Committee for Agriculture, at its meeting of 9-11 September 1964, took note of the work done by the Sugar group, which, at several meetings, had made a preliminary study of the Commission's proposal.

The Committee felt that there were three fundamental questions that the Council should consider at its general discussion on the Commission's proposal: production objectives, the product on which the price system would be centred, the stabilization of market prices within the Community, and Community financing. At its session of 21-22 September 1964, the Council held an exchange of views on these questions.

P i g m e a t

22. As mentioned above (see sec. 16), the Council at its session of 21 and 22 September 1964 adopted a regulation amending Council Regulations Nos. 20, 21 and 22 as regards the procedure for fixing levies and sluice-gate prices for imports from non-member countries ⁽²⁾.

The new method of calculation prescribed by this regulation concerns component (b) of the levy on imports from non-member countries. In accordance with the corresponding articles of the relevant regulations, this element corresponds to the difference in feeding costs arising from the difference between feed-grain prices within the Community and on the world market.

Under the system applied hitherto, no account could be taken of changes in feed-grain prices on the markets of Member States, in particular those resulting from the alignment of prices.

In future, by allowing for expected changes in feed-grain prices in the Netherlands, the Member States where the average price of slaughtered pigs is lowest, it will be possible to make a calculation that conforms to the spirit of the provisions now in force.

23. The Council adopted a regulation fixing the levies on imports of pigs, pigmeat and pigmeat products from non-member countries for the period 1 October to 31 December 1964 ⁽³⁾. This is the usual quarterly adjustment of levies in respect of non-member countries, but the adjustment has been made by employing the new method of calculation given above.

⁽¹⁾ Commission Regulation No. 123/64/CEE, *ibid.*, No., 147, 29 September 1964.

⁽²⁾ Council Regulation No. 118/64/CEE, official gazette of the European Communities, No. 147, 29 September 1964.

⁽³⁾ Council Regulation No. 119/64/CEE, *ibid.*, No., 147, 29 September 1964.

24. The Council referred to the European Parliament a draft Council regulation concerning the taking of censuses of the pig population in the Member States. The object of this regulation is to oblige the Member States to take pig censuses on approximately the same dates and for the same classes of pigs. The censuses are necessary to enable the Commission to keep this market under close and regular observation, without which it cannot perform the tasks assigned to it by the Treaty and by Regulation No. 20.

The Commission adopted a decision temporarily increasing the supplementary amount that can be refunded on exports of Wiltshire bacon to non-member countries. By its decision of 28 August 1963, last extended by a decision of 29 June 1964, the Commission had fixed a supplementary amount of 14 units of account for exports of Wiltshire bacon.

Since this supplementary amount was insufficient to maintain traditional exports during September 1964, the Commission, by the above decision, increased it to 20 units of account.

Beef and veal

25. There is at present throughout the Community such a shortage of beef and veal that, even during the autumn slaughtering period, the processing industries will probably be unable to obtain adequate supplies on the Community market. At its session of 21 and 22 September 1964, the Council therefore adopted a decision concerning a supplementary tariff quota of 33 000 metric tons of frozen beef and veal for processing. The customs duty on the supplementary quota, which is valid for two months, is 12%.

The Council also approved a regulation on the sale government stocks of frozen meat.

The Council extended by one month ⁽¹⁾ (until 31 October 1964) its decisions of 16 July 1964 and 30 July 1964 authorizing Italy:

- i) To suspend its duties on imports from non-member countries of live cattle of the bovine species weighing not more than 340 kg;
- ii) To suspend, by virtue of Article 103 of the Treaty, the CCT duties on frozen beef and veal imported into Italy from other Member States for processing.

Milk and milk products

26. At its session of 21-22 September, the Council adopted a decision authorizing Belgium to fix, in accordance with Council Regulation No. 13/64/CEE, Article 4(2), an additional amount to be added to the threshold prices of certain milk products for the milk year 1964/65. The Council also took a decision authorizing the Federal Republic of Germany to add a supplementary amount when fixing the threshold price for Gouda cheeses.

⁽¹⁾ Council Decisions 64/530/CEE and 64/531/CEE, official gazette of the European Communities, No. 148, 30 September 1964.

27. On 28 and 29 September 1964, the Management Committee for milk and milk products examined the following draft regulations:

- i) Draft regulation fixing the standard amounts for certain milk products for the year 1964/65;
- ii) Draft regulation on procedures for the grant of import licences;
- iii) Draft regulation concerning provisional measures to be adopted for certain milk products.

As regards the last two regulations above, the Management Committee expressed a favourable opinion.

Eggs and poultry

28. On 29 September 1964 the Commission adopted a regulation adjusting and fixing sluice-gate prices for poultry eggs in shell, live poultry and slaughtered poultry, and fixing levies in respect of non-member countries on poultry eggs in shell, live poultry not exceeding 185 gr. in weight and slaughtered poultry for the period 1 October to 31 December 1964 ⁽¹⁾. This regulation relates to the usual quarterly adjustment of the levies on imports from non-member countries, which is to be based on a new method of calculation approved by the Council (regulation amending Council Regulations Nos. 20, 21 and 22).

Thus for the quarterly review that will take effect on 1 October 1964, the prices during the period 1 October 1963 to 31 March 1964 will be adjusted to take into account the difference between the threshold prices for the period 1 July 1964 to 30 June 1965 and those for 1 July 1963 to 30 June 1964. This will mean, for example, that in the case of the Federal Republic of Germany the levy on poultry eggs in shell will be reduced from DM 0.83 to DM 0.80 per kilogramme, and the levy on poultrymeat (CCT heading 02.02 A I b c) will be reduced from DM 0.91 to DM 0.89 per kilogramme.

On 29 September 1964 the Commission adopted a regulation amending Regulations Nos. 77 and 96/64/CEE concerning parts of farmyard poultry (amending the tariff sub-headings under "parts of poultry" and the levy systems applicable to them) ⁽²⁾.

Fruit and vegetables

29. On 21 and 22 September the Special Committee for Agriculture's Working Party on fruit and vegetables discussed the following draft regulations:

- i) Amending Article 3(1) of Regulation No. 23;
- ii) Concerning the application of quality standards to fruit and vegetables marketed in the producing Member State;
- iii) Fixing common quality standards for asparagus and cucumbers.

⁽¹⁾ Commission Regulation No. 131/64/CEE, official gazette of the European Communities, No. 149, 30 September 1964.

⁽²⁾ Regulation No. 130/64/CEE, *ibid.*, No. 149, 30 September 1964.

Wine

30. On 24 and 25 September 1964, the Special Committee for Agriculture's Working Party on Wine studied the Commission's proposal for a Council decision enlarging the wine quotas fixed by Council decision of 30 July 1963. The Working Party continued its examination of the draft Council regulation concerning quality wines produced in specified areas.

Co-ordination of agricultural structure policies

31. The EEC Commission's Standing Committee on agricultural structures held its 7th session on 29 and 30 September 1964. For the information of Member States and the Commission, the Committee discussed the German Federal Republic's administrative provisions relating to planning subsidies for the redevelopment of villages and for the preparation of outline plans to improve agricultural structure; it also considered certain Bills introduced by the regional government of Sicily to deal with financial and institutional problems arising in agricultural development.

In accordance with Article 6 of the Council decision of 4 December 1962 concerning the co-ordination of agricultural structure policies, the Committee was consulted on some of the Italian Government's Bills (decree providing for the modification of the structure of holdings and the promotion of peasant ownership).

The improved relationship between the number of persons engaged in agriculture and the basic agricultural income is an important aspect of the development of agricultural structures. In this respect particular importance attaches to changes of ownership, a necessary condition for which is that workers in agriculture should be as mobile as those in other sectors of the economy and that part of the agricultural population should leave the land. The Commission therefore considered this question in general, basing its discussion on a working paper produced by the Commission's staff; it also discussed the steps taken by different States to facilitate changes in the ownership of land by granting pensions to aged farmers on condition that they sell their land or abandon it. The Commission's staff had prepared a survey of laws and regulations affecting the structure of agriculture that had been introduced by Member States since 1962; this was taken as a basis for discussion in order to ascertain how far Member States have already fulfilled their obligation, under Articles 5 and 7 of the Council decision of 4 December 1962, to communicate the drafts of such provisions. The purpose was to enable the Commission to obtain rapidly all the information necessary before it can give effect, after consultation with the Standing Committee on agricultural structure, to Articles 5 and 6 of the above decision as instruments of agricultural structure.

Veterinary legislation

32. On 9 September a meeting of the Working Party on Veterinary Legislation was held in Brussels, government experts of the six Member States participating.

The possibility was discussed of the EEC intervening in the campaign against African swine fever in Spain and Portugal, and were in principle in favour of such intervention.

The Working Party took note of a report by the Chairman of the Scientific Veterinary Committee on the results of its session of 17-19 June at Tübingen; the report deals with:

a) Health questions connected with the granting of exceptions to the ban on imports of meat products (Article 9 of the draft directive concerning health requirements for trade in meat products, at present before the Council);

b) Veterinary aspects of the use of antibiotics and coccidiostatics in cattle feed, in connection with the draft Council directive on additives in cattle feed.

Financing of the common agricultural policy

European Agricultural Guidance and Guarantee Fund

33. Questions concerning the Commission's regulations for the Guarantee Section of this Fund, to be dealt with after the Management Committees have expressed their opinion, were discussed again by the expert group for pigmeat, the expert group for cereals, the Management Committee for eggs and poultry and the Management Committee for cereals. At the latter meeting a favourable opinion was expressed on four draft regulations of the Commission. Three of these deal with methods of meeting intervention costs (costs of denaturing processes for 1962/63 and 1963/64; annual industrial consumption of cereals for disposal on home markets; minimum quality standards of wheat other than durum or rye for human consumption for 1964/65). The fourth regulation fixes, with regard to a certain number of derived products, the standard coefficients necessary to finance refunds on exports to non-member countries, in such a way as to enable them to be statistically expressed in terms of basic products.

As regards the Guidance Section, the first projects submitted have been closely scrutinized. It was found that much information was lacking, and this help up the work. Further particulars have been requested. There are legal problems as to the admissibility of certain schemes. A second round of applications for aid is expected in the near future.

In its preliminary draft budget for 1965, the Commission proposed to include estimates for 1962/63 and 1963/64. These amount to 77 million units of account for the Guarantee Section and 25.7 million units of account for the Guidance Section, making a total of 102.7 million units of account.

34. On 25 September 1964 the third meeting of the Fund Committee took place, preceded in the morning by a meeting of government experts. A full exchange of views was held on the budget proposals for the EAGGF.

COMMON TRANSPORT POLICY

Implementation of Articles 79 and 80 of the Treaty

35. At meetings held in Brussels on 8 and 15-17 September, the Commission's staff examined further with delegates from the Governments concerned:

- i) A number of special tariffs of the Belgian State Railways;
- ii) Special rates in France for road haulage;
- iii) Special tariffs of the French State Railways.

Joint action to abolish special export tariffs

36. Tariff No. 251 of the Italian State Railways and other special tariffs have been amended with effect from 26 August 1964 by Interdepartmental Order No. 462 of 14 July 1964 to bring them into conformity with common measures to abolish discrimination.

It will be recalled that these measures prohibit differentiation of rates and conditions between the inland transport of a Member State and its intra-Community transport ⁽¹⁾.

Infrastructure costs

37. In preparation for the survey of infrastructure costs decided by the Council on 22 June 1964 ⁽²⁾, the Working Party on road infrastructure costs met in Brussels from 16 to 18 September. The meeting was devoted to an examination of the results of the AASHO ⁽³⁾ road research carried out in the USA from 1958/60 with the main object of measuring the damage caused to roads by axles supporting various loads. The experts decided to study how the results could be applied to present European roads and whether it was possible to arrive at a mathematical correlation between the number of times axles of specified loads passed over a road and the wear caused. The Working Party will return to the subject at its next meeting in November 1964.

Consultative Committee on Transport

38. The Working Party set up to make an economic study of the situation of transport intermediaries in view of certain measures under the common transport policy met on 30 September to examine the draft opinion prepared by its rapporteurs and co-rapporteurs.

As planned, the Consultative Committee on Transport will render its opinion on the subject at its plenary meeting to be held from 8 to 10 December 1964.

Next Council meeting of Ministers of Transport

39. A Council meeting exclusively on transport matters has been arranged for 20 October 1964. On the agenda are: a proposed Council regulation concerning the establishment and administration of a Community quota for haulage within the Community, a proposed Council regulation on a rate-bracket system to be applied to goods transport by rail, road and inland waterway, and a proposed Council decision on the harmonization of certain legal provisions affecting competition in rail, road and inland waterway transport.

This was the first discussion by the Council on the substance of the three proposals; the discussion will be resumed early in December 1964.

⁽¹⁾ See Bulletin 12-63, Chap. III, sec. 53.

⁽²⁾ See Bulletin 8-64, Chap. I, sec. 59.

⁽³⁾ American Association of State Highway Officials.

The Council will also deal with the proposed directive on the permitted weights and dimensions of commercial road vehicles operating between Member States and on certain additional technical requirements applicable to such vehicles; the Council was unable to reach agreement on this proposal at its previous session.

The Commission will make a statement on sea and air transport at the Council's October session.

SOCIAL AFFAIRS

European Social Fund

40. After a favourable opinion from the Committee of the European Social Fund, the Commission adopted a number of decisions on the granting of aid from the Fund for vocational retraining in Belgium, Federal Germany, Italy and Luxembourg.

The grants are:

- i) Bfrs. 30 658 036 (613 161 u.a.) to Belgium;
- ii) DM 5 224 795.91 (1 306 199 u.a.) to Federal Germany;
- iii) Lit. 979 529 393 (1 567 247 u.a.) to Italy;
- iv) Lfrs 441 549 (8 831 u.a.) to Luxembourg ⁽¹⁾.

Social security for migrant workers

41. The Working Party set up by the Commission to undertake a general revision of the regulations on the social security of migrant workers met on 22 July and 23-24 September 1964. With this, its fifth and last meeting, it concluded its work and after further discussion on disablement, old age and survivor's insurance and family allowances finally adopted its report to the Commission.

Implementation of Article 119 (equal pay)

42. On 18 September in Brussels a further meeting was held by the Working Party of government experts concerned with Article 119. The following points were dealt with:

- i) Statements by the Government delegations on the situation in their countries regarding equal pay and on the prospects up to 31 December 1964;
- ii) Examination of the draft questionnaire on the progress made in the Member States at 31 December 1964 with the implementation of Article 119 of the Treaty and Council Resolution of 30 December 1961 ⁽²⁾; establishment of procedure for preparing the next report;
- iii) Examination of the opinion formulated by the Working Party making a statistical survey of wages for men and women.

⁽¹⁾ See official gazette of the European Communities, No. 162, 20 October 1964.

⁽²⁾ See Bulletin 1-62, Chap. I.

There will be a further meeting in October, attended by representatives of both sides of industry, to finalize the form of the new report to be submitted to the Council and to decide the deadline by which replies to the questionnaire must be sent to the Commission.

Seminar for staff of employment services

43. From 21 to 23 September the EEC Commission arranged, in co-operation with the authorities in Federal Germany, in particular the "Bundesanstalt für Arbeitsvermittlung und Arbeitslosenversicherung", a seminar held partly in Nuremberg and partly at the central placement office of the latter organization in Frankfurt. The seminar was held in pursuance of Article 37 of Regulation No. 38/64 on the free movement of workers which lays down that "the responsible authority in each Member State shall arrange, in co-operation with the Commission and authorities in the other Member States, study visits and missions for officials from the other Member States" and, furthermore, that "this authority shall assist in drawing up and carrying out programmes of further training for specialized staff".

The seminar was intended for officials in the Member States concerned with implementation of Regulation No. 38/64, in particular with the clearance of applications and vacancies. At the seminar, Bundesanstalt officials gave an account of clearance activities in Federal Germany and on the machinery for recruiting and placing foreign labour. Discussions followed and visits were paid to labour exchanges and statistics offices.

Information meeting for representatives of the medical profession

44. On 17 September the Commission arranged an information meeting for representatives of the medical profession in the six Member States, the object of which was to examine two draft directives now in preparation.

The meeting was attended by some thirty doctors from the Member States, representing the professional associations, and by government experts. The draft directives, which deal with the abolition of restrictions and the mutual recognition of degrees and diplomas, met with wide approval from the members of the profession.

Officials of the Commission went on to question the doctors on what should, in their opinion, be the scope of the third directive to implement Article 57(3) of the Treaty which stipulates that conditions for practising the profession should be liberalized before being co-ordinated.

Discussions on this difficult question served to clarify for both sides the intention of the article.

Some of the doctors stressed that there were ethical rules governing the physician's relations with his patient and did not feel there was any need for a directive on this matter under Article 57(3) of the Treaty; a larger number considered that the traditional rules of ethics should be amplified particularly in regard to professional practice; an examination of the present codes medical ethics was needed and this might appropriately be done under Article 57(3).

The Commission representatives said that a preliminary draft directive would be prepared on these lines in collaboration with the government experts.

III. External relations

GATT NEGOTIATIONS

Trade negotiations (Kennedy round)

45. None of the bodies concerned with preparatory work for the negotiations met in September. In the absence of activity at the official level, there were numerous contacts and discussions between the delegations to pave the way for a fruitful continuation of the work.

Other GATT activities

Committee on the Legal and Institutional Framework of GATT

46. This Committee met in Geneva from 15 to 23 September. Work was continued on the draft of an additional chapter to the General Agreement to cover trade with the developing countries.

Some progress was made and a further meeting was arranged for the second week of October.

GATT Working Party on the Association of Turkey with the EEC

47. The Working Party instructed by the Contracting Parties to examine the Association Agreement between Turkey and the EEC ⁽¹⁾ met in Geneva from 20 to 25 September. It had at its disposal replies furnished by Turkey and the EEC to questions asked by the Contracting Parties in accordance with the procedure adopted at the 21st session.

On behalf of the Community, the Commission delegation supplied further clarification of various provisions in the Agreement, explaining how it would apply and the relation between the Agreement and GATT rules.

The Ankara Agreement was studied in the light of Article 24 of the General Agreement, which deals with customs unions. Particular attention was given to the clauses on the opening of tariff quotas by the EEC for some products of special interest to Turkey.

The Working Party took a sympathetic view of the measures intended to promote Turkey's economic development. Some members, however, were apprehensive as to the repercussions of the Agreement on their own interests. The parties to the Agreement argued that it did not entail any increase in the common customs tariff and that moreover the accelerated economic growth in Turkey resulting from the Association would benefit non-member countries by offering them increased opportu-

(1) See Bulletin 5-64, Chap. IV, sec. 9.

nities for trade. Other members were not prepared to express any opinion on the possibility of the Contracting Parties' approving the Ankara Agreement as a transitional agreement leading to a customs union.

The report of the meeting will be examined at a future plenary session of the Contracting Parties.

GATT Council

48. At its meeting of 25 September the GATT Council agreed to Australia's request for further renegotiations under Article XXVIII (4). The Commission's representative, speaking on behalf of the Community, drew attention to the problem of unwarranted recourse to paragraph 4 of Article XXVIII, pointing out that the plea of "special circumstances" to justify an amendment to or withdrawal of concessions had become a mere formality.

BILATERAL RELATIONS

Community relations with Norway

49. The Finance and Economic Affairs Committee of the Norwegian Parliament was received on 7 September by a Commission delegation headed by M. Rey. The Community's policy in general and its short-term economic policy in particular were explained to and discussed with the Norwegian Committee.

As had been agreed between the Commission and M. Lange, the Norwegian Minister for Foreign Affairs, during his visit on 11 May, a delegation of Norwegian experts held a discussion on 29 September with Commission officials on short-term problems of tariff quotas affecting Norway.

RELATIONS WITH INTERNATIONAL ORGANIZATIONS

Agreement between the EEC Commission and UNESCO

50. An agreement was arrived at by exchange of letters between the President of the Commission and the Director-General of UNESCO making arrangements for co-operation between the EEC Commission and the UNESCO Secretariat.

The agreement took effect on 15 September 1964 and contains the following provisions:

- i) The EEC Commission and UNESCO Secretariat will consult each other whenever necessary on matters of common interest;
- ii) The Director-General of UNESCO and the President of the EEC Commission will be reciprocally invited to send observers to technical meetings and conferences arranged by UNESCO and the EEC when matters of common interest are on the agenda;
- iii) Joint working parties may be set up to study certain technical points of common interest to the UNESCO Secretariat and the EEC Commission.

THE COMMUNITY AND THE PROBLEMS OF DEVELOPING COUNTRIES

51. The OECD Development Assistance Committee met on 24 and 25 September to discuss development problems in Latin America. The chairman of the Inter-American Committee of Alliance for Progress, M. Carlos Sanz de Santamaria, and the President of the Inter-American Development Bank, M. Felipe Herrera, were present at the meeting, during which relations between the institutions represented by them and the members of the DAC were discussed.

The topics of discussion included: estimates of private investments in latin America, increase in trade with that area and regional economic integration.

IV. The Community and the associated States

ASSOCIATION WITH GREECE

52. The Parliamentary Committee for the EEC-Greece Association held its third meeting in Athens on 30 September and 1 October. A discussion took place on the progress made in establishing the Association and on the harmonization of agricultural policy in the EEC and Greece.

The chairman of the Council of Association, the Commission's representative, those of the Greek Government and the members of the Parliamentary Committee agreed that the association is taking shape according to schedule, despite some difficulties encountered in applying the Athens Agreement. During the debate, which centred on the harmonization of agricultural policy, it was stated that it would be better to avoid a discussion on principles and to seek practical solutions instead.

To this end the Parliamentary Committee instructed its two chairmen to request the EEC Commission and the Greek Government to submit studies on the possibility of creating machinery in accordance with the Athens Agreement.

The situation of Greek workers in the Community was also discussed.

The Committee decided to hold its next meeting in Berlin in April/May 1965.

On 23 September 1964 the European Parliament passed a resolution approving the recommendation adopted on 30 June 1964 by the Parliamentary Committee at its second meeting in Brussels concerning the first annual report on the Association Council's activities. The text of the resolution is given in the Annex.

ENTRY INTO FORCE OF THE ASSOCIATION OF THE NETHERLANDS ANTILLES

53. The representatives of the Governments of the Member States, meeting in Brussels on 13 November 1962, adopted, on the proposal of the Netherlands Government and after consulting the European Parliament and the EEC Commission, a Convention to revise the Treaty establishing the European Economic so that the special form of Association defined in Part Four of the Treaty could be applied to the Netherlands Antilles, a Protocol concerning imports into EEC countries of petroleum products refined in the Netherlands Antilles, the Annex thereto, and the Final Act of Signature ⁽¹⁾.

Under Article 236 of the EEC Treaty the text had to be ratified by all the Member States in accordance with their respective constitutional practice.

Ratification having been completed, the Association of the Netherlands Antilles with the Community came into force on 1 October 1964 ⁽²⁾. From that date the form of Association laid down in Part Four of the Treaty of Rome applies to this country and likewise the implementing regulations, in particular the Council Decision of 25 February 1964 relating to the Association of the overseas countries and territories with the EEC, which took effect on 1 July 1964 ⁽³⁾.

(1) See Bulletin 1-63, Chap. IV, sec. 3.

(2) See official gazette of the European Communities, No. 150, 1 October 1964.

(3) *ibid.*, No. 93, 11 June 1964.

It will be recalled that by its decision of 25 February, the Council set up the Association between these countries and territories and the Community for a further period of five years.

Under the new system the Netherlands Antilles will benefit in particular from: loans from the European Investment Bank up to a maximum of \$3 million to be shared with Surinam; grants made by the European Development Fund up to a maximum of \$31 million to be similarly shared; loans on special terms from the European Development Fund up to a maximum of \$3 million, also to be shared with Surinam.

Under the Association, products from the Netherlands Antilles will enjoy intra-Community treatment. For petroleum products refined there, however, a special system has been laid down in a protocol. Under this system, petroleum products benefit from tariff advantages by the Association (i.e. enjoy intra-Community treatment), but only in limited quantities. Should exports over a year exceed a given quantity, the EEC Member States may introduce customs duties. The ceilings giving the Member States the right to reintroduce duties without applying for authorization from the Commission are: 1 million tons for the Netherlands, 625 000 tons for Germany; 200 000 tons for Belgium and Luxembourg; 100 000 tons for Italy and 75 000 tons for France.

ASSOCIATION OF AFRICAN STATES AND MADAGASCAR

54. With the entry into force of the Yaoundé Convention the AASM and Member States are obliged to apply new customs and quota rules. The Commission has prepared business for the third meeting of the Association Committee, at which trade matters will be discussed, in early October.

In the sphere of aids to production and diversification, the Commission has already examined, in accordance with the terms of the Yaoundé Convention, several programmes submitted by the States concerned. In September it examined in particular those put forward by Chad, Togo, the Central African Republic and Senegal.

EUROPEAN DEVELOPMENT FUND

First Fund

55. In September 1964 the Council, on a proposal of the Commission, approved the financing by the European Development Fund of the following economic projects:

In Surinam (two projects)

a) Cutting of canals and building of roads over a total area of 1 280 hectares, the commitment being for 680 000 Surinam guilders, or about 361 000 u.a. The land reclaimed will be used largely for stock-raising and to a lesser extent for growing beans, ground-nuts and rice;

b) Allocation to Surinam of a research vessel and surveying instruments acquired previously, the estimated cost being 206 623 Surinam guilders, or about 110 000 u.a.

EUROPEAN DEVELOPMENT FUND

Financing approved at 30 September 1964

(in thousand units of account)

Country or territory	Number of projects	Amount
Congo (Leopoldville)	14	14 631
Rwanda	10	4 844
Burundi	13	4 753
Total	37	24 228
=====		
Algeria (incl. Sahara)	9	20 427
Cameroon	26	44 497
Central African Republic	27	15 663
Comoro Islands	7	2 788
Congo (Brazzaville)	17	18 702
Ivory Coast	19	35 332
French Somaliland	2	1 367
Dahomey	18	18 658
Gabon	14	13 336
Guadeloupe	5	5 331
French Guiana	1	2 005
Upper Volta	12	26 434
Madagascar	40	53 528
Mali	25	33 009
Martinique	4	6 749
Mauritania	11	12 539
Niger	6	26 007
New Caledonia	5	1 560
Polynesia	1	2 474
Réunion	5	7 516
Saint-Pierre-et-Miquelon	1	3 545
Senegal	21	37 564
Chad	18	28 197
Togo	18	13 995
Group of States	3	7 891
Total	315	439 114
=====		
Somalia	5	6 825
New Guinea	4	7 458
Surinam	6	11 665
Total	10	19 123
=====		
Grand total	367	489 290

In Ivory Coast

A supplementary amount of \$203 000 u.a. to replace ten bridges on the Abidjan-Niger railway by steel bridges, completing the modernization of this line under the original project covered by Financing Agreement No. 65/F/CI-HV/E signed on 12 April 1961.

56. In September 1964 the following financing agreements were signed:

- a) Financing agreement with the Central African Republic concerning three social projects to cost 1 438 000 u.a.;
- b) A financing agreement with Ivory Coast concerning a social project to cost 1 742 000 u.a.;
- c) A financing agreement with Surinam concerning an economic project to cost 110 000 u.a.;
- d) An addition to a financing agreement with Niger concerning a social project: supplementary commitment of 1 276 000 u.a.

Second Fund

57. The Committee of the new European Development Fund held its second meeting on 17 September 1964. A full discussion was held on the five-year programme of aids to production and diversification in the Republic of Chad.

In the light of the views expressed, the EEC Commission, after talks with the Government of Chad, will submit to the EDF Committee at a future meeting a proposal taking note of the five-year programme in that country and fixing the first annual instalment of aid to cotton production.

It will be recalled that the EDF Committee was set up under the internal agreement relating to the administration and financing of Community aids to advise the Commission, acting by a two-thirds weighted majority, on all financing proposals submitted to the EDF. The Committee is composed of representatives of the six Member States and of the European Investment Bank. Its chairman is the Commission representative M. Hendus, Director-General of Overseas Development.

PROGRAMME OF SCHOLARSHIPS, IN-SERVICE TRAINING AND SEMINARS

58. Over 1 000 annual training and further training scholarships have been awarded by the Commission to nationals of the overseas States, countries and territories selected from candidates proposed by the governments and authorities in these countries. Out of this total, 630 are for new scholarship-holders and 370 are to allow part of the 1963/64 scholars to continue their study courses.

The scholarship-holders have been allotted to various training establishments in the Member States and associated African States and Madagascar:

220 in Germany (FR); 180 in Belgium; 260 in France; 150 in Italy; 6 in Luxembourg; 100 in the Netherlands; 115 in the AASM (Senegal, Ivory Coast, Mauritania, Upper Volta); 10 in Israel.

Other applications recently submitted, mostly for courses in the AASM, are at present under consideration. Consequently it is probable that the number of scholarship-holders studying in the AASM will be greatly increased.

In-service training

59. The first session of training in 1964/65 for nationals of the associated African States and Madagascar opened on 15 September. At present seven officials from the AASM are working in the Commission's Directorate-General for Overseas Development and one in the Joint Information Service.

V. Institutions and organs

THE MERGER OF THE EXECUTIVES

Proceedings in the Council

On 18 September 1964 the Council resumed its discussions on the merging of the three European Executives and examined the three questions still outstanding.

Membership of the single Commission

A compromise was reached by which the single Commission would ultimately have nine members, but fourteen during a transitional period while the Communities themselves were in process of being merged (i.e. between the entry into force of the Treaty merging the Executives and that of the Treaty merging the Communities).

A date would be fixed by which the 14-member Commission would be replaced by a 9-member Commission even if the amalgamation of the Communities had not been completed. The date suggested was 31 December 1967, but no agreement was reached on this point.

Role of the European Parliament

Further discussion brought no change. The only agreement so far was on improvements in parliamentary procedure, particularly in budgetary matters, without amendment to the Treaties themselves.

Seat of Community institutions and organs

The Council continued in greater detail the discussion begun on 30 July after a statement by M. Werner (Luxembourg Prime Minister and Foreign Minister) on the "compensation" requested by Luxembourg for the loss of the High Authority, which would probably ensue from the merger of the Executives.

After a lengthy discussion in restricted session the Ministers instructed the Permanent Representatives to continue their study of the compensation, both material and political, that might be given to Luxembourg.

On 30 July M. Werner suggested that the European Parliament might meet at Luxembourg instead of Strasbourg. The Political Committee of the European Parliament discussed the problems from this angle at its meeting in Brussels on 10 and 11 September. The Committee adopted by a majority a draft resolution of the Parliament, asking that the Parliament be consulted before the location of its seat were decided and recalling its previous resolution in favour of a single seat for all the Community institutions. This resolution was handed to M. Lahr, Federal German State Secretary at the Ministry of Foreign Affairs, who was representing the current President of the Councils; M. Lahr, together with the Presidents of the Executives, had been invited to take part in a discussion in the Political Committee on the merging of the Executives and the question of widening the powers of the Parliament.

On 18 September, the Council took note of the Political Committee's intended proposal. It observed that there was as yet no resolution of the Parliament on the matter, and that the Treaties placed the Councils under no legal obligation to consult the Parliament as to the location of its seat; the Councils were, however, prepared to approach the Parliament, before taking their decision on this subject, in order to arrange an exchange of views with a parliamentary delegation.

In these circumstances, and having regard to the stage reached in their discussions, the Councils instructed their President to approach the President of the Parliament and suggest that the debate on the location of the seat (and especially on the Political Committee's resolution), put down for the session of 21-23 September, be postponed.

Proceedings in the Parliament

Seat of the institutions

On 22 September, M. Duvieusart, President of the Parliament, made known the communication received from the President of the Councils on the question of the seat (see above). The Bureau of the Parliament, to which the matter had already been referred, had agreed to support the postponement of discussions on the Political Committee's report. It had also proposed that an oral question and debate on the democratization of the European Community should be deferred to another session; this question had been put down by Mme Strobel on behalf of the Socialist group and also brought up the problem of the seat.

The communication read by the President of the Parliament and the Bureau's proposal gave rise to a very lively debate, at the conclusion of which the Parliament voted on its agenda by roll-call.

By 57 votes to 30, the Parliament decided not to put Mme Strobel's question on the agenda for the September session, and by 54 votes to 30 not to include the Political Committee's report. After these votes had been taken, the Socialist group, in protest, took no further part in the session of 22 September.

The report of the Political Committee and Mme Strobel's oral question will be put down for another session, probably in October.

Energy policy considered in the light of a merger of the Executives

On a report by M. Burgbacher, the Parliament passed a resolution on energy policy considered in the light of the forthcoming merger of the European Executives.

In this resolution, the full text of which is to be found in the annex to this Bulletin, the Parliament points out that the Community's energy sector is more hampered in its development than any other by the existence of three separate Executives; the Parliament considers it vital that the new Executive's activities in the sphere of energy should be directed by a single body whose aim would be to establish a comprehensive long-term energy policy.

Budgetary and administrative problems posed by the merger

On a report by M. Leemans, the Parliament passed a resolution on the budgetary and administrative aspects of the merger. This stressed that the financial prerogatives of the High Authority (management of its own resources) must not be affected. As regards the administrative aspects, the Parliament felt that there must be no prejudging of the decisions which the single Executive would have sole powers to take concerning the organization of its services. The text of these resolutions is given in the annex.

THE PARLIAMENT

The Parliament met in plenary session from 22 to 24 September, M. Duveiusart presiding.

M. Marjolin, a Vice-President of the Commission, spoke on the economic situation and, more particularly, on the action taken by the Governments of Member States on the Council's recommendations concerning the Community's internal economic balance ⁽¹⁾.

At this session the Parliament adopted:

- i) A resolution on the budgetary and administrative problems posed by the merging of the executives and ultimately of the Communities (see extracts in the annex);
- ii) A resolution giving the Parliament's opinion on the EEC Commission's proposal to the Council for a regulation concerning the levy applicable to certain mixtures of milk products and to certain preparations containing butter; in this the Parliament expresses its approval of the Commission's proposal ⁽²⁾;
- iii) A resolution on the section in the draft 1965 EEC and Euratom budgets which relates to the European Parliament, and on which the Parliament had been consulted by the EEC and Euratom-Councils; in this resolution the Parliament regrets that the Councils propose to alter the estimates of the Parliament's expenditure without fully applying the procedure laid down in the financial regulations;
- iv) A resolution on the first annual report on the activities of the EEC-Greece Council of Association ⁽³⁾.

THE COUNCIL

142nd session

The 142nd session of the EEC Council was held on 18 September 1964, M. Gerhard Schröder, Federal German Foreign Minister, presiding.

The following questions were dealt with:

Merger of the Executives: The Council continued its discussions on the merger of the three European Executives (see above: merger of the Executives).

(1) See Chap. I.

(2) See Chap. II, sec. 17.

(3) See Chap. IV, sec. 52.

Advisory Committee for the free movement of workers: The Council, acting on a proposal of the Italian Government and after consultation with the EEC Commission, appointed Mme Fabrizia Baduel Glorioso, a member of the research department of the International Confederation of Free Trade Unions, to take the place of M. Delpiano, who had resigned, as a deputy member of the Advisory Committee for the free movement of workers for the remainder of M. Delpiano's term of office, ending on 5 February 1966.

Freedom of establishment and freedom to supply services: The Council decided to submit to the Parliament and to the Economic and Social Committee, for their opinions, three proposals for directives, two concerning the co-ordination of procedures for the award of public works contracts and one introducing freedom of establishment and freedom to supply services in respect of dealings in real estate and business services ⁽¹⁾.

Approximation of legislation: The Council decided to submit to the Parliament and to the Economic and Social Committee, for their opinion, two proposals for directives concerning, respectively, the amendment of the directive relating to the approximation of the regulations of Member States concerning colouring materials, and the approximation of the legislation of Member States on anti-oxidation agents.

Draft supplementary budget submitted by the EEC Commission: The Council adopted a supplementary budget for 1964. This provides for ten posts in category A, four in category B and seven in category C in Directorate-General II.

Economic and Social Committee: The Council appointed Dr A.F.H.C. Schrijvers, President of the Council of small and medium-sized enterprises, to take the place of Dr B.J.M. van Spaendonck, who had resigned, as a member of the Economic and Social Committee for the remainder of the latter's term of office, ending on 24 April 1966 ⁽²⁾.

143rd session

The 143rd session of the EEC Council was held on 21 and 22 September 1964, with M. Rudolf Hüttebräucker, State Secretary at the Federal German Ministry of Agriculture, presiding. The session was devoted to agriculture.

The Council adopted, in the Community languages, the regulation concerning arrangements applicable to rice and broken rice imported from the associated African States and Madagascar and from the overseas countries and territories.

The Council also adopted in principle:

- i) A regulation amending Regulations Nos. 20, 21 and 22 (pigmeat, eggs and poultrymeat) as regards the fixing of levies and sluice-gate prices applicable to imports from non-member countries;
- ii) A regulation fixing the levies applicable to imports from non-member countries of pigs, pigmeat and products based on pigmeat for the period 1 October to 31 December 1964;
- iii) A proposal of the Commission to extend from 30 September to 31 October 1964 Article 1 of Regulation No. 75/64/CEE extending and amending certain provisions relating to production refunds for starches.

⁽¹⁾ See Bulletin 9/10-64, sec. 31.

⁽²⁾ Official gazette of the European Communities, No. 154, 7 October 1964.

The Council decided to consult the Parliament on two proposals for regulations (pig census, supplementary provisions for the organization of the market in fruit and vegetables).

The Council held a preliminary discussion on the regulation concerning the progressive establishment of a common organization of sugar markets.

The details of other decisions taken by the Council will be found in the chapter "Activities of the Community", under "Common agricultural policy".

THE COURT OF JUSTICE

Cases pending

In September three suits were filed challenging the Commission's regulations on reference prices for certain citrus fruits, one by Sicilian growers and two by the Italian Government.

Case 40/64 ⁽¹⁾

Avv. M. Scarlata and others v. the Commission seeking annulment of Commission Regulations Nos. 65, 66 and 74/64 fixing reference prices for lemons, tangerines, mandarins, clementines and sweet oranges, and of Council Regulations Nos. 23 and 100/62.

Cases 41 and 42/64 ⁽¹⁾

Italian Government v. the EEC Commission seeking annulment of Commission Regulations Nos. 65 and 66/64 and of Commission Regulation No. 74/64 respectively.

Appointment

At their conference on 18 September 1964, the representatives of Governments of Member States appointed, by mutual agreement, M. Joseph Gand (French, Conseiller d'Etat) as Advocate-General at the Court of Justice for the period 7 October 1964 to 6 October 1970 ⁽²⁾.

THE ECONOMIC AND SOCIAL COMMITTEE

The 40th plenary session of the Economic and Social Committee was held in Brussels on 24 and 25 September 1964 under the chairmanship of M. Giustiniani.

The Committee adopted unanimously a formal opinion on the five proposals for Councils directives concerning the marketing of agricultural, horticultural and forestry seeds and seedlings and a proposal for a Council decision instituting a Standing Committee for this sector ⁽³⁾.

⁽¹⁾ See official gazette of the European Communities, No. 167, 24 October 1964.

⁽²⁾ *ibid.*, No. 154, 7 October 1964.

⁽³⁾ See Chap. II, sec. 18.

M. Levi Sandri, Vice-President of the EEC Commission, addressed the Committee on the Community's social policy, and M. Rey, a member of the Commission, spoke on relations between the Community and non-member countries. The two speeches were followed by a debate.

ADMINISTRATIVE AFFAIRS

Budget matters

On 15 September 1964 the Commission adopted and submitted to the Council in accordance with Article 203(2) of the Treaty, the Community's preliminary draft budget for 1965, totalling 162 069 880 u.a. This includes 19 694 900 u.a. for expenditure on European Social Fund aid and 102 606 000 u.a. to finance common agricultural policy measures taken in 1962/63 and 1963/64. The preliminary draft budget was accompanied by the Commission's opinion on the estimates for the European Parliament, the Council and the Court of Justice.

At its 142nd session on 18 September 1964 the Council drew up a supplementary draft budget for 1964, on the basis of the preliminary draft referred to it by the Commission on 22 July 1964.

The supplementary draft budget is to provide for the new tasks falling upon the Commission in the economic and financial spheres by reason of decisions taken by the Council at its session of 13-15 April 1964. Secretarial services have to be provided for newly appointed committees, the Committee on Medium-term Economic Policy and the Budget Policy Committee, and the co-ordination of national and common economic policies will make further demands.

It is proposed to create 21 new posts, 10 in category A, 4 in category B and 7 in category C.

Staff movements

M. Rinieri Paulucci di Calboli has been appointed Chief Executive Assistant to M. Colonna di Paliano.

M. Stefano Ponzano previously Executive Assistant to M. Caron and M. Levi Sandri, has been appointed Executive Assistant to M. Colonna di Paliano.

* * *

MISCELLANEOUS

“ The Community and the Economic Situation ” — theme of the next colloquium between the European Parliament and the EEC Council

The annual colloquium between the European Parliament and the Council of Ministers is to take place during the Parliamentary session to be held in Strasbourg from 23 to 28 November. In accordance with established practice, the Bureau of the Parliament offered a choice of two themes, the first relating to the economic

policy of the Community in the light of current economic developments, the second to the co-ordination of bilateral relations between Member States and developing countries. The Council of Ministers chose the first theme, deciding on the title "The Community and current economic developments".

M. Mansholt's visit to Israel

M. Sicco Mansholt, Vice-President of the EEC Commission, visited Israel from 1 to 11 October 1964, where he met members of the Israeli Cabinet, including the Prime Minister, M. Levi Eshkol, the Foreign Minister, Mme Golda Meir, the Minister of Agriculture, M. Moshe Daian, and the Minister for Foreign Trade, M. Akiva Govrin.

M. Levi Sandri visits the United States

On his visit to the United States, M. Lionello Levi Sandri, a Vice-President of the EEC Commission, met Mr. George Ball, Under-Secretary of State, Mr. William Tyler, Assistant Secretary of State for European Affairs, Mr. Robert Schaertel Deputy Assistant Secretary of State for Atlantic Affairs, and Mr. Ivan Nestingen, Under-Secretary for Health, Education and Welfare, as well as other important figures in the political, economic and trade union world. The Vice-President's talks with American leaders covered topics of mutual interest, including the possible effects of the Kennedy round on employment and the social problems connected with the presence of American industry in Europe.

M. von der Groeben visits Berlin

On 14 September 1964 M. von der Groeben, a member of the EEC Commission, addressed the European Conference on Public Undertakings in Berlin on the development of the EEC and its repercussions on the economic structure of the Member

Nowhere, said M. von der Groeben, were the basic economic concept of the EEC countries more relevant than in Berlin, in the face of the system of coercion symbolized by the Wall. (...) The economic structure laid down in the Rome Treaty was, he said, a market economy guided by competition; on the political plane this liberal order of things made it easier to carry through the necessary adaptations of national economies to the economic structure of the Common Market. Competition had proved to be not only a guarantee of liberty but also a decisive factor in integration; the task of the EEC Commission was to safeguard such competition.

Visitors received by the President of the EEC Commission

On 15 September, the President of the Commission, M. Walter Hallstein, received the former Japanese Prime Minister, M. Nobusuke Kishi. M. Kishi was accompanied by the former Minister of Labour Raizo Matsuno, the former Minister of Transport Kaneshichi Masuda, the former Deputy Foreign Minister Kunio Morishita and a number of members of the Japanese Parliament.

On 17 September 1964, M. Hallstein also received the Speaker of the Japanese House of Representatives, M. Chu Funada. President Funada was accompanied by a delegation of Japanese M.P.s.

Annex

Resolution concerning the recommendation of the Parliamentary Committee for the EEC-Greece Association dated 30 June 1964 relating to the First Annual Report of the Council of Association

The European Parliament,

In conformity with its Resolution of 19 October 1962 concerning the appointment of members of the European Parliament to the Committee for the EEC-Greece Association;

Having taken note of the Political Committee's report (doc. 65) drawn up by M. Vendroux and the attached working documents by M. Kapteyn and M. Spanorrigas;

Expresses its satisfaction with the smooth functioning of the Parliamentary Committee and with the arrangements made for contacts with the Council of Association, the Greek Government, the Council of Ministers and Commission of the EEC;

Endorses the following recommendation adopted on 30 June 1964 by the Parliamentary Committee for the EEC-Greece Association:

"The Parliamentary Committee for the EEC-Greece Association, meeting in Brussels on 29 and 30 June 1964,

1. *Welcomes* the presentation of the first Annual Report of the Council of Association;

2. *Expresses* its satisfaction with the functioning of the institutional machinery and with the implementation of the Agreement's provisions for the inauguration of a Customs Union;

3. *Notes* that some economic progress has been achieved during the first twelve months of the Association, but that there is as yet no sign of structural improvement;

4. *Expresses* the view that there are no factors making for an automatic development of the Greek economy but that steps must

be taken within the framework of the Association to prepare the way for this development, particular regard being had to the economic, social and political objectives of the Association, both short- and long-term measures being envisaged at the same time;

5. *Stresses* that, as regards short-term measures, the expansion of Greek agricultural exports, especially to Community markets, must be the first consideration;

6. *Considers* that, as regards long-term measures, the steps taken should promote the industrial development of Greece and, first of all, its processing industries, but that the modernization of agriculture should nevertheless not be neglected;

7. *Takes note* of the results achieved in the field of financial assistance, and hopes that funds to further Greek development will be made available more speedily;

8. *Calls upon* the Council of Association to work out a technical assistance programme and a policy for regional development in Greece;

9. *Considers* that the provisions of Article 33 of the Association Agreement regarding the gradual harmonization of agriculture do not rule out an acceleration of this process, and that the Council of Association should in due course be able to envisage measures offering Greece advantages commensurate with the heavier obligations which that country has declared its readiness to undertake."

Instructs its delegation to the EEC-Greece Association Committee to follow closely the development of relations between the EEC and Greece under the Association Agreement, with special reference to the harmonization of agricultural policies and the employment of Greek workers in the Community.

Resolution on energy policy viewed in relation to the coming merger of the European Executives

The European Parliament,

1. *Approves* the report on energy policy viewed in relation to the coming merger of the European Executives (doc. 54);
2. *Notes* that owing to the procrastination of the Council of Ministers and to the fact that the three European Executives have different spheres of responsibility, the elaboration of a European energy policy has made little progress;
3. *Stresses* that energy is a sector of the Community's economy in which development is hampered by the existence of three Executives;
4. *Is therefore* in favour of a merger of and a single seat for the European Executives, stressing the need for a unified direction of energy policy, responsibility for which will lie with the members as a body;

5. *Considers* that the essential task of this "High Commission", in which it sees the nucleus of a future European Government, will be to work out, during a transitional period, satisfactory arrangement in matters of fuel and power, thus making a valuable contribution to the preparatory work for an amalgamation of the Treaties;

6. *Trusts* that the "High Commission" will formulate a broad, long-term energy policy embodying the guiding principles set forth by the European Parliament in several of its resolutions, so that the energy economy of the Community may rest upon a truly concerted energy policy;

7. *Urges* Member States to affirm their devotion to the European idea by displaying greater readiness to reconcile their conflicting interests, which is essential if the new single Executive's energy policy is to be successful.

Extracts from resolution on the budgetary and administrative problems involved in the merger of the Executives and of the Communities

The European Parliament,

[...]

1. *Recalls* its Resolution of 24 November 1960, in which it considered that "the authority and powers conferred on the High Authority and the Commission of the EEC and the Commission of Euratom by the Treaties establishing the ECSC, the EEC and Euratom, should be exercised by a single Executive without disturbing the present institutional balance in the various Communities";

2. *Reaffirms* that the merger of the Executives should in no way affect the powers vested in the present Executives, particularly in the High Authority, which enjoys wider powers, especially in the budgetary and financial fields, than the Executives set up by the Rome Treaties;

3. *Notes* that the lines of approach now being taken diverge from the Netherlands project on which it was consulted;

4. *Notes* in particular that it is proposed to harmonize budgetary procedures despite the differences between the three Treaties in this respect;

5. *Stresses* that:

[...]

a) the special character of the ECSC's financial resources and the special principles underlying some of its machinery must be fully respected;

b) No changes must be made in treaty provisions on the financial activities of the High Authority and the other two Executives: the single Executive will be called upon to exercise fully the powers which the Treaties confer in this field upon each of the three existing Executives;

[...]

d) Administrative expenses incurred by the single Executive and the other common institutions should not be apportioned by a third party, the ECSC's contribution to the

budget should be fixed at the outset at a figure enabling the single Executive to carry on the work of the High Authority with equivalent funds

[...]

6. *Hopes* that, like the Paris Treaty, the Agreement on the merger of the Executives will set a date for the publication and submission to the European Parliament of the Audit Committee's report;

[...]

8. *Points out* that the harmonization of budgetary procedures for administrative expenditure will mean dissolving the Committee of the four ECSC Presidents, which implies an impairment of the powers exercised therein by the European Parliament through its President;

9. *Reasserts* therefore, in general terms, the need to strengthen the powers of the European Parliament, particularly in budgetary and administrative matters, as called for in its Resolutions of 27 June 1963 and 12 May 1964, the requirements in which should be considered as a minimum;

[...]

13. *Insist* that, as soon as the single Executive is set up, all staff of the Communities should come under a single body of

service regulations based on existing regulations amended in the light of experience, and containing appropriate interim provisions to safeguard acquired rights.

14. *Hopes* that the merger of the Communities will be effected at an early date, and —

a) Considers that the single Community should be maintained entirely from its own funds; that the sources of these funds should be of a sufficiently general nature; and that more recourse must be had to the non-specific allocations, so that operations in the social, research and technical fields may be financed in a general way;

b) Maintains that the Community's budget resources, over which national parliaments will have no control, should be fully and effectively subject to control by the European Parliament;

15. *Is of the opinion* that in the revision of the Treaties implied by a merger of the Communities provision must be made for stricter control of expenditure and that, to this end, consideration should be given to setting up a true European Audit Office;

16. *Intends* to look further into the budgetary and administrative problems raised by a merger of the Communities and instructs its appropriate Committee to submit a report on this subject in due course.

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 22 September and 13 October 1964

EUROPEAN PARLIAMENT

Written questions and replies

No 48 de M. Müller-Hermann à la Commission de la CEE. Objet: Goulots d'étranglement dans le trafic ferroviaire européen (No. 48 by M. Müller-Hermann to the EEC Commission: Bottlenecks on European railways)	No. 154	7.10.64
No 49 de M. Müller-Hermann à la Commission de la CEE. Objet: Subventions aux chantiers navals (No. 49 by M. Müller-Hermann to the EEC Commission: Subsidies to shipbuilding yards)	No. 154	7.10.64
No 52 de M. Estève à la Commission de la CEE. Objet: Aides françaises pour les légumes et les fruits (No. 52 by M. Estève to the EEC Commission: French aids for fruit and vegetables)	No. 154	7.10.64
No 53 de M. Ferretti à la Commission de la CEE. Objet: Importation de fluorine en provenance de pays tiers et régime fiscal de ce produit (No. 53 by M. Ferretti to the EEC Commission: Imports of fluorine from non-member countries and taxation of fluorine)	No. 154	7.10.64

CONFERENCE OF REPRESENTATIVES OF MEMBER GOVERNMENTS

Nomination d'un avocat général à la Cour de justice des Communautés européennes (Appointment of an Advocate-General to the Court of Justice of the European Communities)	No. 154	7.10.64
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COUNCIL AND COMMISSION

Regulations

Règlement no 118/64/CEE du Conseil, du 22 septembre 1964, portant modification des règlements nos 20, 21 et 22 du Conseil en ce qui concerne les modalités de fixation du montant des prélèvements et des prix d'écluse envers les pays tiers dans les secteurs de la viande de porc, des œufs et de la viande de volaille (Council Regulation No. 118/64/CEE of 22 September 1964 amending Council Regulations Nos. 20, 21 and 22 with respect to the methods of fixing levies and sluice-gate prices for imports of pigmeat, eggs and poultrymeat from non-member countries)	No. 147	29. 9.64
Règlement no 119/64/CEE du Conseil, du 22 septembre 1964, portant fixation du montant des prélèvements envers les pays tiers pour le porc, la viande de porc et les produits à base de viande de porc (Council Regulation No. 119/64/CEE of 22 September 1964 fixing the levies on imports of pigs, pigmeat and pigmeat products from non-member countries)	No. 147	29. 9.64

Règlement no 120/64/CEE du Conseil, du 22 septembre 1964, portant prorogation et adaptation de certaines dispositions relatives à la restitution à la production pour les amidons et féculés (Council Regulation No. 120/64/CEE of 22 September 1964 extending and adjusting certain provisions on refunds to starch producers)	No. 147	29. 9.64
Règlement no 121/64/CEE du Conseil, du 22 septembre 1964, relatif au régime applicable aux riz et brisures de riz originaires des Etats africains et malgache associés et des pays et territoires d'outre-mer (Council Regulation No. 121/64/CEE of 22 September 1964 concerning the system to be applied to rice and broken rice from the associated African States and Madagascar and from the overseas countries and territories)	No. 147	29. 9.64
Règlement no 122/64/CEE de la Commission, du 25 septembre 1964, modifiant certaines dispositions du règlement no 73/64/CEE de la Commission (Commission Regulation No. 122/64/CEE of 25 September 1964 amending certain provisions of Commission Regulation No. 73/64/CEE)	No. 147	29. 9.64
Règlement no 123/64/CEE de la Commission, du 28 septembre 1964, instituant certaines dispositions transitoires relatives au prélèvement applicable aux brisures de riz (Commission Regulation No. 123/64/CEE of 28 September 1964 containing certain temporary provisions on the levy applicable to broken rice)	No. 147	29. 9.64
Règlement no 124/64/CEE de la Commission, du 28 septembre 1964, adaptant et fixant les prix d'écluse pour les porcs et produits à base de viande de porc pour les importations effectuées entre le 1 ^{er} octobre et le 31 décembre 1964 (Commission Regulation No. 124/64/CEE of 28 September 1964 adjusting and fixing sluice-gate prices for pigs and pigmeat products imported between 1 October and 31 December 1964)	No. 147	29. 9.64
Règlement no 125/64/CEE de la Commission, du 28 septembre 1964, révisant le prix de seuil des brisures de riz fixé par la République française pour la campagne 1964/65 (Commission Regulation No. 125/64/CEE of 28 September 1964 revising the French threshold price for broken rice for the marketing year 1964/65)	No. 149	30. 9.64
Règlement no 126/64/CEE de la Commission, du 29 septembre 1964, fixant des coefficients d'équivalence entre la qualité de seigle en provenance de la Turquie et le standard de qualité fixé pour le prix de seuil (Commission Regulation No. 126/64/CEE of 29 September 1964 on coefficients of equivalence between the quality of rye imported from Turkey and the quality standard fixed for the threshold price)	No. 149	30. 9.64
Règlement no 127/64/CEE de la Commission, du 29 septembre 1964, déterminant les frais techniques de dénaturation du blé et du seigle pour les campagnes 1962/63 et 1963/64 (Commission Regulation No. 127/64/CEE of 29 September 1964 on processing costs in the denaturing of wheat and rye in respect of the marketing years 1962/63 and 1963/64)	No. 149	30. 9.64
Règlement no 128/64/CEE de la Commission, du 29 septembre 1964, fixant la qualité minimale à laquelle le blé tendre ou le seigle doivent répondre pour être considérés comme propres à la consommation humaine (Commission Regulation No. 128/64/CEE of 29 September 1964 on minimum quality standards of wheat other than durum and rye for human consumption)	No. 149	30. 9.64
Règlement no 129/64/CEE de la Commission, du 29 septembre 1964, fixant le volume de la consommation totale annuelle de l'industrie pour les besoins intérieurs, dans le secteur des céréales (Commission Regulation No. 129/64/CEE of 29 September 1964 fixing the annual industrial consumption of cereals for disposal on home markets)	No. 149	30. 9.64
Règlement no 130/64/CEE de la Commission, du 29 septembre 1964, modifiant les règlements nos 77 et 96/64/CEE, en ce qui concerne les parties de volailles de basse-cour (Commission Regulation No. 130/64/CEE of 29 September 1964 amending Regulations Nos. 77 and 96/64/CEE with respect to parts of farmyard poultry)	No. 149	30. 9.64

Règlement no 131/64/CEE de la Commission, du 29 septembre 1964, adaptant et fixant les prix d'écluse pour les œufs de volailles en coquille et les volailles vivantes et abattues et fixant le montant des prélèvements envers les pays tiers pour les œufs en coquille de volailles, les volailles vivantes d'un poids n'excédant pas 185 grammes et les volailles abattues, pour la période du 1^{er} octobre au 31 décembre 1964 (Commission Regulation No. 131/64/CEE of 29 September 1964 adjusting and fixing sluice-gate prices for poultry eggs in shell and for live and slaughtered poultry, and fixing the levies on imports from non-member countries and poultry eggs in shell, live poultry not exceeding 185 grams in weight and slaughtered poultry, for the period 1 October to 31 December 1964).

No. 149 30. 9.64

Règlement no 132/64/CEE de la Commission, du 29 septembre 1964, prorogeant la validité du règlement no 5/64/CEE de la Commission (Commission Regulation No. 132/64/CEE of 29 September 1964 extending Commission Regulation No. 5/64/CEE)

No. 149 30. 9.64

Règlement no 133/64/CEE de la Commission, du 30 septembre 1964, relatif à la fixation d'un montant supplémentaire pour les œufs de volailles en coquille (Commission Regulation No. 133/64/CEE of 30 September 1964 fixing a supplementary amount for poultry eggs in shell)

No. 151 1.10.64

COUNCIL

Information

Décision du Conseil du 22 septembre 1964 portant prorogation de l'autorisation donnée le 16 juillet 1964 à la République italienne de suspendre à l'égard des pays tiers ses droits applicables aux animaux vivants de l'espèce bovine, des espèces domestiques, autres, d'un poids unitaire n'excédant pas 340 kilogrammes, de la position ex 01.02 A II [Council decision of 22 September 1964 extending the authorization given to Italy on 16 July 1964 to suspend its duties on imports from non-member countries of live animals of the bovine species, of domestic species, others, not exceeding 340 kilograms in weight (tariff heading ex 01.02 A II)]

No. 148 30. 9.64

Décision du Conseil du 22 septembre 1964 prorogeant l'autorisation donnée le 30 juillet 1964 à la République italienne de suspendre, à l'égard des pays tiers, ses droits applicables aux viandes de l'espèce bovine domestique, congelées, destinées, sous contrôle douanier, à la transformation, de la position ex 02.01 A II [Council decision of 22 September 1964 extending the authorization given to Italy on 30 July 1964 to suspend its duties on imports from non-member countries of meat of the domestic bovine species, frozen, for processing subject to customs control (tariff heading ex 02.01 A II)]

No. 148 30. 9.64

Entrée en vigueur de la convention portant révision du traité instituant la Communauté économique européenne en vue de rendre applicable aux Antilles néerlandaises le régime spécial d'association défini dans la quatrième partie de ce traité (Entry into force of the Convention revising the Treaty establishing the European Economic Community in order to make the association arrangements set out in Part Four of the Treaty applicable to the Netherland Antilles)

No. 150 1.10.64

Convention portant révision du traité instituant la Communauté économique européenne en vue de rendre applicable aux Antilles néerlandaises le régime spécial d'association défini dans la quatrième partie de ce traité (Convention revising the Treaty establishing the European Economic Community in order to make the association arrangements set out in Part Four of the Treaty applicable to the Netherlands Antilles)

No. 150 1.10.64

Protocole relatif aux importations dans la Communauté économique européenne de produits pétroliers raffinés aux Antilles néerlandaises (Protocol relating to imports into the European Economic Community of petroleum products refined in the Netherland Antilles)	No. 150	1.10.64
Acte final (Final Act)	No. 150	1.10.64
Liste des membres et suppléants du Comité consultatif pour la formation professionnelle pour la période du 21 avril 1964 au 20 avril 1966 (List of members and alternates of the Consultative Committee on vocational training for the period 21 April 1964 to 21 April 1966)	No. 152	5.10.64
Remplacement d'un membre suppléant du Comité consultatif pour la libre circulation des travailleurs (Replacement of an alternate member of the Consultative Committee on the free movement of workers)	No. 154	7.10.64
Amendement à l'annexe D du règlement no 3 concernant la sécurité sociale des travailleurs migrants (Amendment to annex D of Regulation No. 3 concerning the social security of migrant workers)	No. 154	7.10.64
Remplacement d'un membre du Comité économique et social (Replacement of a member of the Economic and Social Committee)	No. 154	7.10.64

THE COMMISSION

Directives and decisions

Décision de la Commission du 9 septembre 1964 relative au recours de la République française, à l'article 115 alinéa 1 du traité, pour exclure du traitement communautaire certains produits originaires de pays tiers et mis en libre pratique dans les autres Etats membres (Commission decision of 9 September 1964 on the invocation by France of Article 115(1) of the Treaty to exclude from Community treatment certain products originating in non-member countries and in free circulation in the other Member States)	No. 146	25. 9.64
Décision de la Commission du 9 septembre 1964 relative au recours de la République française, à l'article 115 alinéa 1 du traité, pour exclure du traitement communautaire certains produits originaires de pays tiers et mis en libre pratique dans les autres Etats membres (Commission decision of 9 September 1964 on the invocation by France of Article 115(1) of the Treaty to exclude from Community treatment certain products originating in non-member countries and in free circulation in the other Member States)	No. 146	25. 9.64
Décision de la Commission du 11 septembre 1964 modifiant sa décision du 31 juillet 1964 portant nouvelle modification de sa décision du 28 novembre 1963 autorisant la perception de taxes compensatoires à l'importation, dans la République française, de glucose (dextrose) en provenance de certains Etats membres (Commission decision of 11 September 1964 further amending its decision of 31 July 1964 amending its decision of 28 November 1963 authorizing France to impose countervailing charges on imports of glucose (dextrose) from certain Member States)	No. 146	25. 9.64
Décision de la Commission du 15 septembre 1964 relative au recours de la République fédérale d'Allemagne à l'article 115 alinéa 1 du traité pour exclure du traitement communautaire les carpes, originaires de Yougoslavie et mises en libre pratique dans les autres Etats membres (Commission decision of 15 September 1964 on the invocation by the Federal Republic of Germany of Article 115(1) of the Treaty to exclude from Community treatment carp originating in Yugoslavia and in free circulation in the other Member States)	No. 146	25.9.64

Décision de la Commission du 21 septembre 1964 relative au recours de la République française à l'article 115 alinéa 1 du traité, pour exclusion du traitement communautaire les pommes de table originaires de certains pays tiers et mises en libre pratique dans les autres Etats membres (Commission decision of 21 September 1964 on the invocation by France of Article 115(1) of the Treaty to exclude from Community treatment dessert apples originating in certain non-member countries and in free circulation in the other Member States)

No. 157 13.10.64

Décision de la Commission du 21 septembre 1964 relative au recours de la République française à l'article 115 alinéa 1 du traité, pour exclusion du traitement communautaire certains produits originaires de pays tiers et mis en libre pratique dans les autres Etats membres (Commission decision of 21 September 1964 on the invocation by France of Article 115(1) of the Treaty to exclude from Community treatment certain products originating in non-member countries and in free circulation in the other Member States)

No. 157 13.10.64

Décision de la Commission du 21 septembre 1964 relative au recours de la République française à l'article 115 alinéa 1 du traité, pour exclusion du traitement communautaire certains produits originaires de pays tiers et mis en libre pratique dans les autres Etats membres (Commission decision of 21 September 1964 on the invocation by France of Article 115(1) of the Treaty to exclude from Community treatment certain products originating in non-member countries and in free circulation in the other Member States)

No. 157 13.10.64

Decision de la Commission du 22 septembre 1964 portant augmentation du volume du contingent tarifaire octroyé au royaume des Pays-Bas pour le liège naturel brut et déchets de liège et le liège concassé, granulé ou pulvérisé (Commission decision of 22 September 1964 increasing the tariff quota granted to the Netherlands for natural cork, unworked, crushed, granulated or ground, and waste cork)

No. 157 13.10.64

Decision de la Commission du 22 septembre 1964 portant augmentation du volume du contingent tarifaire au bénéfice du royaume des Pays-Bas pour les déchets d'aluminium (Commission decision of 22 September 1964 increasing the tariff quota granted to the Netherlands for aluminium waste and scrap)

No. 157 13.10.64

Delegations and missions to the Community

Représentations d'Etats d'outre-mer associés (Gabon) [Missions of associated overseas States (Gabon)]

No. 144 22. 9.64

European Development Fund

Résultat d'appel d'offres no 325 (Result of call for tender No. 325)

No. 144 22. 9.64

Modificatif à l'appel d'offres no 385 (Amendment to call for tender No. 385)

No. 144 22. 9.64

Avis d'appel d'offres concours no 388 lancé par la République algérienne (Notice of call for tender No. 388 issued by the Algerian Republic)

No. 152 5.10.64

Signature de deux conventions de financement et d'un avenant à une convention (républiques de Côte d'Ivoire, Centrafricaine et du Niger) [Signature of two financing agreements and of an additional clause to an agreement (Ivory Coast, Central African Republic and Niger)]

No. 156 10.10.64

Résultat de l'appel d'offres restreint no 261 (Result of limited call for tender No. 261)

No. 156 10.10.64

EEC Administrative Committee for the Social Security of Migrant Workers)

Décision no 54, du 20 avril 1964, concernant la présidence de la commission de vérification des comptes près la Commission administrative pour la sécurité sociale des travailleurs migrants (Decision No. 54 of 20 April 1964 on the chairmanship of the Auditing Committee attached to the Administrative Committee for the social security of migrant workers)	No. 155	9.10.64
Décision no 55, du 20 avril 1964, concernant le calcul des pensions d'invalidité en application de l'article 28 paragraphe (1) alinéa (b) du règlement no 3 (Decision No. 55 of 20 April 1964 on the calculation of disability pensions under Article 28(1b) of Regulation No. 3)	No. 155	9.10.64

General Information

Avis de concours no CEE/240/C (30 commis-adjoints) [Notice of competitive examination No. CEE/240/C (30 assistant clerks)]	No. 156	10.10.64
Avis de concours no CEE/280/L (interprètes principaux) [Notice of competitive examination No. CEE/280/L (senior interpreters)]	No. 156	10.10.64
Avis de concours no CEE/281/L (interprètes) [Notice of competitive examination No. CEE/281/L (interpreters)]	No. 156	10.10.64
Avis de concours ni CEE/401/A (administrateur principal) [Notice of competitive examination No. CEE/401/A (principal administrative officer)]	No. 156	10.10.64
Avis de concours no CEE/421/A (administrateur principal) [Notice of competitive examination No. CEE/421/A (principal administrative officer)]	No. 156	10.10.64
Avis de concours no CEE/441/A (chef de division) [Notice of competitive examination No. CEE/441/A (head of division)]	No. 156	10.10.64
Avis de concours no CEE/444/C (sténodactylographes de langue italienne) [Notice of competitive examination No. CEE/444/C (Italian shorthand typists)]	No. 156	10.10.64

COURT OF JUSTICE OF THE EUROPEAN COMMUNITIES

Judgments

Arrêt de la Cour (deuxième chambre) dans l'affaire 26-63 (Pistoij Piergiovanni contre Commission de la CEE) [Judgment of the Court (second section) in case 26-63 (Pistoij Piergiovanni v. the EEC Commission)]	No. 157	13.10.64
Arrêt de la Cour (deuxième chambre) dans l'affaire 78-63 (Huber Remy contre CEE et éventuellement contre Commission de la CEE) [Judgment of the Court (second section) in case 78-63 (Huber Remy v. the EEC or alternatively the EEC Commission)]	No. 157	13.10.64
Arrêt de la Cour (deuxième chambre) dans l'affaire 80-63 (Robert Degreeef contre CEE et éventuellement contre Commission de la CEE) [Judgment of the Court (second section) in case 80-63 (Robert Degreeef v. the EEC or alternatively the EEC Commission)]	No. 157	13.10.64

Arrêt de la Cour dans l'affaire 103-63 (société Rhenania, Schiffahrts- und Speditions-Gesellschaft, SARL; société Rhenus, Gesellschaft für Schiffahrt, Spedition und Lagerei, SARL; société Westfälische Transport-Aktiengesellschaft contre Commission de la CEE) [Judgment of the Court in case 103-63 (Rhenania, Schiffahrts- und Speditions-Gesellschaft; Rhenus, Gesellschaft für Schiffahrt, Spedition und Lagerei; Westfälische Transport-Aktiengesellschaft *v.* the EEC Commission)]

No. 157 13.10.64

Communications

Recours introduit le 7 août 1964 par M. Cesare Alfieri contre le Parlement européen (Affaire 35-64) [Suit by M. Cesare Alfieri *v.* the European Parliament filed on 7 August 1964 (Case 35-64)]

No. 151 1.10.64

Recours introduit le 24 août 1964 par la société Getreide-Import GmbH contre la Commission de la CEE (Affaire 38-64) [Suit by Getreide-Import GmbH *v.* the EEC Commission filed on 24 August 1964 (Case 38-64)]

No. 151 1.10.64

Notice of open competitive examination

Avis de concours C.J./31 (un expert linguiste de langue italienne) [Notice of competitive examination CJ/31 (linguist of Italian mother tongue)]

No. 144 22. 9.64

B. Issues of the agricultural supplement to the official gazette containing the tables appended to the Commission's decisions fixing cif prices, premiums to be added to the levies, amounts to be added or deducted in calculating refunds for cereals, and free-at-frontier prices for cereals

Supplement No. 37 of 23 September 1964

Supplement No. 38 of 30 September 1964

Supplement No. 39 of 7 October 1964

Supplement No. 40 of 14 October 1964

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

Non-periodical publications

8122

C.E.E. — C.E.C.A.

Tableaux comparatifs des régimes de sécurité sociale applicables dans les Etats membres des Communautés européennes

Régime général

(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.

Situation au 1^{er} juillet 1964

EEC — ECSC

Comparative tables of social security systems in the Member States of the European Communities
General schemes

Position as at 1 July 1964

1964. 70 pp. (f, d, i, n.). 8s.6d.; \$1.20; Bfrs. 60

Periodical publications

4002

Graphs and Notes on the Economic Situation in the Community. Monthly. No. 9/1964.
Three bilingual editions: f/i, d/n, e/f. Price per issue: 3s.6d.; \$0.50; Bfrs. 25
Annual subscription: £1.16.0; \$5; Bfrs. 250

2001*

The Economic Situation in the Community. Quarterly Survey. No. 3/1964. (f, d, i, n, e).
Price per issue: 15s.0d.; \$2; Bfrs. 100
Annual subscription: £2.10.0; \$7; Bfrs. 350

5002

Bulletin des acquisitions. Bibliothèque de la Commission de la C.E.E. (List of recent additions.
EEC Commission Library). Monthly. No. 9/64. Free distribution

COURT OF JUSTICE OF THE EUROPEAN COMMUNITIES

Recueil de la jurisprudence de la Cour, volume X

(Reports of the Court, Volume X)

Subscription: Bfrs. 400; FF 39

Fascicule no 4; Arrêts de la Cour et conclusions des Avocats Généraux dans:

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Affaires jointes nos 55 à 59 et 61 à 63-63 (Acciaierie Fonderie Ferriere di Modena et 7 autres
requérantes contre Haute Autorité de la C.E.C.A.)

[Consolidated cases Nos. 55-59 and 61-63-63 (Acciaierie Fonderie Ferriere di Modena and
7 others *v.* ECSC High Authority)]

Affaire no 69-63 (Mme Anne-Marie Capitaine, épouse de M. Gérard Marcillat, contre Commis-
sion de la C.E.E.A.)

[Case No. 69-63 (Mme Anne-Marie Marcillat, *née* Capitaine, *v.* EAEC Commission)]

Affaires jointes nos 79 et 82-63 (MM. Jean Reynier et Piero Erba contre Commission de la C.E.E.)

[Consolidated cases Nos. 79 and 82-63 (M. Jean Reynier and M. Piero Erba *v.* EEC Commission)]

Affaire no 92-63 (Demande de décision préjudicielle au sens de l'article 177 du traité C.E.E.,
présentée par le Centrale Raad van Beroep à Utrecht en vertu de l'ordonnance du 16 octobre 1963
dans l'affaire Mme M. Th. Nonnenmacher, veuve H.E. Moebis, contre Bestuur der Sociale
Verzekeringsbank)

[Case No. 92-63 (Request for an interlocutory ruling under Article 177 of the EEC Treaty
presented by the Centrale Raad van Beroep, Utrecht, by virtue of the order of 16 October 1963
in the case of Mme M. Th. Moebis, *née* Nonnenmacher, *v.* Bestuur der Sociale Verzekeringsbank)]

Affaires jointes nos 94 et 93-63 (M. Pierre Bernusset contre Commission de la C.E.E.)

[Consolidated cases Nos. 94 and 96-63 (M. Pierre Bernusset *v.* EEC Commission)]

D. Publications by the joint services of the three Communities

Joint Information Service

Publications by offices in capital cities:

Bonn: Europäische Gemeinschaft No 10, October 1964

The Hague: Europese Gemeenschap No 64, October 1964

Paris: Communauté européenne No 10, October 1964

Rome: Comunità Europea No 10, October 1964

London: European Community No 9, September, No. 10, October 1964

Washington: European Community No 74, August-September 1964

Statistical Office of the European Communities

General Statistical Bulletin, No. 10/1964

Commerce extérieur: Statistique mensuelle (Foreign Trade: Monthly Statistics) No. 10/1964

Charbon et autres sources d'énergie (Coal and other Sources of Energy) No. 5/1964

Statistiques industrielles (Industrial Statistics) No. 4/1964

Sidérurgie (Iron and Steel) No. 5/1964

Statistiques agricoles (Agricultural Statistics) No. 5/1964