

EUROPEAN COAL & STEEL COMMUNITY

HIGH AUTHORITY

Information Service

*File 1119*  
Luxembourg, 7 February 1958

Background Note on End of  
E.C.S.C. Transition Period

The five-year transition period of the European Coal and Steel Community, which ended on February 10 1958, was instituted by the Treaty setting up the Community in order to enable Community industries to adapt themselves to the new conditions of the Common Market in coal and steel. It was five years ago, on February 10 1953, that the Common Market for coal, iron ore and scrap, was opened; while the Common Market for steel was opened on May 1 1953, and that for special steels on August 1 1954. But during the first five years of the Common Market, certain transition measures for the safeguard of Community industries were allowed to remain, to be abolished on February 10 1958. Some of the safeguards provided for in the Treaty, such as certain protective measures which might have been invoked in order to isolate some industrial sectors from the competitive force of the Common Market, have never in fact been used. Those which have been used include : Italian duties on imports of coke and steel, subsidies for French coal, zone prices for certain coal-mining basins, and special financial aid to the Belgian and Italian coal industries. All these special temporary measures have achieved their object, except for zone prices and the aid paid to the Belgian coal mines, which will leave certain problems still to be solved after the end of the transition period.

The E.C.S.C.'s transition period thus comes to an end at a time when two further steps towards European integration have just been taken - the establishment of the European Economic Community and of the European Atomic Energy Community (Euratom), which are in many respects modelled on their forerunner, the European Coal and Steel Community. The two new Communities came into being on January 1 1958. The general Common Market to be established by the European Economic Community, which will make its first tariff reductions on January 1 1959, will have a transition period of 12-15 years compared with the five-year transition period of the E.C.S.C.

Production, trade, and prices

The Community produced 59.8 million metric tons of steel in 1957 against 56.8 in 1956 and 41.8 in 1952, an increase over the five-year transition period of 42.6%. Over the same period, while world steel production has increased very rapidly, the