

EUROPEAN COAL
AND STEEL COMMUNITY

;

AGREEMENT

concerning the relations

between the

European Coal and

Steel Community

and the

United Kingdom

of Great Britain and Northern Ireland

AND CONNECTED DOCUMENTS

(London, December 21 1954)

LUXEMBOURG

Publications Department of the European Coal and Steel Community

This Publication contains the texts, in English, of:

- *the Agreement concerning the relations between the United Kingdom of Great Britain and Northern Ireland and the European Coal and Steel Community, signed at London on the 21st day of December 1954 (p. 3);*
- *the Protocol between the High Authority and the Council of Ministers of the European Coal and Steel Community, signed at Brussels on the 18th day of December 1954 (p. 13);*
- *the Exchange of letters between the United Kingdom Government and the High Authority of the European Coal and Steel Community (pp. 15—16);*
- *the Joint Communiqué announcing the Agreement, read by Mr. Duncan Sandys at the ceremony of signature (London, December 21, 1954) (p. 17).*

It further contains:

- *the Statement by M. Jean Monnet, President of the High Authority, upon the signing of the Agreement (London, December 21, 1954) (p. 19).*

AGREEMENT CONCERNING THE RELATIONS
between
THE UNITED KINGDOM OF GREAT BRITAIN
AND NORTHERN IRELAND
and the
EUROPEAN COAL AND STEEL COMMUNITY

LONDON, DECEMBER 21, 1954

The Government of the United Kingdom of Great Britain and Northern Ireland of the one part and the Governments of the States members of the European Coal and Steel Community and the High Authority of the European Coal and Steel Community of the other part:

CONSIDERING that at the time when the European Coal and Steel Community (hereinafter referred to as "the Community") was formed, the Government of the United Kingdom of Great Britain and Northern Ireland (hereinafter referred to as "the United Kingdom Government") declared their desire to establish an intimate and enduring association with the Community, and that this Declaration was warmly welcomed by the High Authority of the Community (hereinafter referred to as "the High Authority");

CONSIDERING that the United Kingdom Government, as a first step towards this objective, established on September 1, 1952, a Delegation at the seat of the High Authority in Luxembourg;

CONSIDERING that substantial progress has since then been made in the creation of a common market in coal and steel within the area of the Community;

DESIRING to take a further step in the development of the relations between the United Kingdom and the Community;

Have agreed as follows: —

ARTICLE 1

(1) There is hereby established a Standing Council of Association (hereinafter referred to as "the Council of Association") between the United Kingdom Government and the High Authority.

(2) There shall be provision for special meetings of the Council of Ministers of the Community (hereinafter referred to as "the Council of Ministers") with the United Kingdom Government as set out in Article 10 below.

ARTICLE 2

(1) The Council of Association shall consist of not more than four persons representing the High Authority and not more than four persons representing the United Kingdom Government.

(2) A representative of the Government of a State member of the Community may attend and participate in any meeting of the Council of Association, at which restrictions contemplated by, or particularly affecting, that State are being considered in accordance with the provisions of Article 7.

(3) A representative of the Government of any State member of the Community may attend as an observer any meeting of the Council of Association at which proposals are being considered in accordance with the provisions of Article 8.

ARTICLE 3

There shall be two Joint Secretaries of the Council of Association, one being appointed by the High Authority and one by the United Kingdom Government.

ARTICLE 4

(1) The Council of Association shall determine the procedure for the conduct of its business and may appoint any necessary Committees.

(2) The Council of Ministers shall be kept regularly informed by the High Authority of the work of the Council of Association and of its Committees. The High Authority may, in particular, communicate to the Council of Ministers the Agenda and agreed records of the Council of Association and of any of its Committees.

(3) The proceedings and papers of the Council of Association shall not be made public except in so far as the Council of Association may agree otherwise.

ARTICLE 5

Unless the Council of Association agrees otherwise, it shall meet alternately at the seat of the High Authority and in London.

ARTICLE 6

(1) The Council of Association shall provide a means for the continuous exchange of information and for consultation in regard to matters of common interest concerning coal and steel and, where appropriate, in regard to the co-ordination of action on these matters.

(2) For the purposes of this Article, matters of common interest concerning coal and steel shall include the following:—

- (a) Conditions of trade in coal and steel between the Community and the United Kingdom;
- (b) Supplies of coal and steel;
- (c) Supplies of raw materials for the coal and steel industries;
- (d) Pricing arrangements and factors affecting the structure of prices, including subsidies, but not including those questions which are normally the subject of negotiation between employers and employees;
- (e) Market and price trends;
- (f) General objectives of development and main lines of investment policy;
- (g) Trends of production, consumption, exports and imports;
- (h) Effects of the development of other sources of energy and substitute materials on requirements of coal and steel;
- (i) Technical developments and research;
- (j) Arrangements for the promotion of the safety, health and welfare of persons employed in the coal and steel industries.

(3) For the purposes of this Article, matters of common interest concerning coal and steel shall not include any matter to which the application of the Treaty constituting the Community does not extend.

ARTICLE 7

The High Authority or any of the Governments of the States members of the Community or the United Kingdom Government shall, if any of them should at any time contemplate introducing additional restrictions upon trade in coal or steel between the Community, or any part of it, and the United Kingdom to meet difficulties arising from a decline in the demand for coal or steel or from a shortage of supplies of coal or steel, actual or anticipated, bring the matter before the Council of Association before instituting such restrictions or, in circumstances in which prior consultation is impracticable, immediately after doing so, with a view to considering co-ordinated action in the markets of the Community and of the United Kingdom to meet the situation and to provide mutual assistance in dealing with it.

ARTICLE 8

The Council of Association shall, at the request of either the High Authority or the United Kingdom Government, examine restrictions or other factors affecting the normal flow of trade in coal and steel between the United Kingdom and the Community, such as quantitative restrictions on imports and exports, tariffs and other charges on imports and exports, exchange control restrictions, dumping and anti-dumping measures, and export subsidies, with a view to making such proposals for their reduction or elimination as may be agreed for the mutual benefit of the Community and the United Kingdom. The first such examination shall be undertaken in time to enable the Governments of the States members of the Community, when reviewing their tariff policy within the transitional period provided for in the Treaty constituting the Community, to take into account any proposals which may be made by the Council of Association under this article.

ARTICLE 9

In fulfilling their functions, the Council of Association shall, among other considerations, have regard to: —

- (a) the interests of consumers, as well as of producers, of coal and steel in the Community and the United Kingdom;
- (b) the interest of third countries;
- (c) the special relationship between the United Kingdom and other members of the Commonwealth of Nations.

ARTICLE 10

(1) Matters which, under the terms of the Treaty constituting the Community, fall to be considered by the Council of Ministers or the Governments of the States members of the Community and which are also of common interest to the Community and the United Kingdom shall be the subject of special meetings in which the United Kingdom Government, represented by one of its members together with persons discharging public responsibilities in regard to coal and steel in the United Kingdom, shall meet with the Council of Ministers. The High Authority shall participate fully in these meetings.

(2) The aforesaid special meetings shall be convened at the request of the Government of any State member of the Community or of the High Authority, such request to be notified to the United Kingdom Government through the President of the Council of Ministers; or at the request of the United Kingdom Government, such request to be notified to the President of the Council of Ministers.

(3) Such special meetings shall not be used for the purpose of conducting negotiations which the High Authority is empowered, under the Treaty constituting the Community, to conduct as joint representatives of the States members of the Community.

(4) The place for such special meetings shall be fixed by agreement between the Council of Ministers and the United Kingdom Government and the High Authority.

(5) Matters to be considered at such meetings shall be referred for prior examination to the Council of Association.

ARTICLE 11

The Council of Association shall present an agreed annual report to the High Authority and to the United Kingdom Government, which shall be published.

ARTICLE 12

For the purposes of the present Agreement:—

- (a) The terms "coal" and "steel" shall be deemed to mean those products which are listed in the Annex hereto;
- (b) The term "the Community" shall be deemed to apply to those territories to which the Treaty constituting the Community applies,
- (c) The term "The United Kingdom" shall be deemed to apply to Great Britain and Northern Ireland.

ARTICLE 13

(1) The present Agreement shall be ratified by the United Kingdom and by the States members of the Community, in accordance with their respective constitutional procedures, and is accepted by the High Authority by virtue of its signature.

(2) Instruments of ratification shall be deposited with the United Kingdom Government, which shall notify the High Authority and the Governments of the States members of the Community of each such deposit and of the date of entry into force of the present Agreement in accordance with paragraph (3) of this Article.

(3) The present Agreement shall enter into force on the deposit of all Instruments of ratification referred to in paragraph (2) of this Article.

ARTICLE 14

This Agreement shall remain in force for the present duration of the Treaty constituting the Community.

ARTICLE 15

The present Agreement shall be deposited in the archives of the United Kingdom Government, which shall transmit certified copies thereof to the High Authority and the Governments of the States members of the Community.

IN WITNESS WHEREOF, the undersigned representatives of the United Kingdom Government, of the Governments of the States members of the Community and of the High Authority, duly authorised thereto, have signed the present Agreement.

Done at London on the 21st day of December 1954 in a single copy in the Dutch, English, French, German and Italian languages, all five texts being equally authoritative.

FOR THE UNITED KINGDOM
GOVERNMENT:

Duncan SANDYS
H. S. HOULDSWORTH
A. F. FORBES

FOR THE GOVERNMENTS
OF THE STATES MEMBERS
OF THE COMMUNITY:

*For the Government
of the Kingdom of Belgium:*

DU PARC

*For the Government
of the French Republic:*

MASSIGLI

*For the Government
of the Federal Republic of
Germany:*

Oskar SCHLITTER

*For the Government
of the Italian Republic:*

Livio THEODOLI

*For the Government
of the Grand Duchy of
Luxembourg:*

A. J. CLASEN

*For the Government
of the Kingdom of the Netherlands:*

D. U. STIKKER

FOR THE HIGH AUTHORITY:

Jean MONNET
ETZEL
SPIERENBURG

ANNEX

DEFINITION OF THE TERMS COAL AND STEEL

<i>O.E.E.C. Code Number</i>	<i>Name of Products</i>
3,000	SOLID FUEL
3,100	Hard coal.
3,200	Patent fuel made from hard coal.
3,300	Coke, except coke for electrodes and petroleum coke. Low temperature coke of hard coal.
3,400	Brown coal briquettes.
3,500	Lignite. Low temperature coke of lignite. <i>Note.</i> — Provided that gas coke, and lignite used otherwise than for the manufacture of patent fuel and low temperature coke, shall only be regarded as within this Agreement so long as it may be agreed by the contracting parties to be necessary by reason of any appreciable disturbance which these products might cause on the general market for fuels.
4,000	STEEL
4,100	Raw materials for iron and steel production (1). Iron ore (except pyrites). Iron and steel scrap. Manganese ore.

- 4,200 Pig-iron and ferro-alloys.
Pig-iron for steel making.
Foundry and other pig-iron.
Spiegeleisen and high-carbon ferro-manganese (2)
- 4,300 Crude and semi-finished products of iron, ordinary steel or special steel, including re-usable and re-rolled products.
Liquid steel cast or not cast into ingots, including ingots for forging (3).
Semi-finished products; blooms, billets, slabs, sheet-bars, wide hot-rolled coils (other than coils which are considered as finished products).
- 4,400 Hot finished products of iron, ordinary steel or special steel (4).
Rails, sleepers, fish-plates and sole-plates, joists and beams, heavy sections and bars of 80 mm. or more, and sheet piling.
Bars and sections of less than 80 mm. and flats of less than 150 mm.
Wire rod.
Tube rounds and squares.
Hoop and hot-rolled strip (including tube strip).
Hot-rolled sheets under 3 mm. (whether coated or uncoated).
Plates and sheets of 3 mm. or over, universal plates of 150 mm. or over.
- 4,500 End-products of iron, ordinary steel or special steel (5).
Tinplate, terne-plate, black-plate, galvanized sheets, other coated sheets.
Cold rolled sheets under 3 mm.
Electrical sheets.
Strip for tinplate.

Notes

(1) Raw materials of code number 4190 of the O.E.E.C. nomenclature (other raw materials for the production of pig-iron or steel not elsewhere specified) are not included. In particular, refractories are not included.

(2) Other ferro-alloys are not included.

(3) Liquid steel for foundry products is not included except for the purposes of statistics.

(4) Steel castings, forgings and products obtained from powder are not included.

(5) Steel tubes (seamless or welded), cold rolled strips less than 500 mm. in width (other than that used for making tinplate), wire, bright bars and iron castings (tubes, pipes and tube and pipe fittings, and other iron castings) are not included.

PROTOCOL
between
THE HIGH AUTHORITY
and
THE COUNCIL OF MINISTERS
of the
EUROPEAN COAL AND STEEL COMMUNITY

BRUSSELS, DECEMBER 18, 1954

(Translation)

CONSIDERING that an Agreement concerning the relations between the United Kingdom of Great Britain and Northern Ireland and the European Coal and Steel Community is due to be signed on December 21, 1954, the undersigned, duly authorised thereto, have agreed as follows:—

- (1) During the Transitional Period provided for in the Treaty constituting the Community, the High Authority shall not, under the provisions of Article 8 of the Agreement concerning the relations between the United Kingdom and the Community, either seek to formulate or reach mutually agreed proposals unless it has first, under the provisions of Section 14 of the Convention containing the Transitional Provisions annexed to the Treaty constituting the Community, obtained instructions adopted unanimously by the Council of Ministers.
- (2) A decision by the Council of Ministers to give such instructions may:—
 - (a) be requested by the High Authority if it recognises that the instructions of the Council of Ministers are required;
 - (b) be taken by the Council of Ministers on its own initiative or on that of the Government of a member State, on the basis of information received under Article 4 of the Agreement concerning the relations between the United Kingdom and the Community.

(3) Nothing in the Agreement concerning the relations between the United Kingdom and the Community shall affect the powers and functions of the institutions of the Community as set out in the Treaty constituting the Community.

IN WITNESS WHEREOF the undersigned have signed the present Protocol.

Done at Brussels on the 18th day of December 1954.

For the Council of Ministers:

Jean REY

For the High Authority:

Jean MONNET

EXCHANGE OF LETTERS

No. 1

Mr. Duncan Sandys to M. Jean Monnet

London, December 21, 1954

Sir,

I have the honour to refer to the Agreement which was signed to-day concerning the relations between the United Kingdom of Great Britain and Northern Ireland and the European Coal and Steel Community and to inform you that the following is the understanding of the United Kingdom Government regarding the composition of the Standing Council of Association:—

The United Kingdom Government will include among their representatives on the Council of Association at least one member of the Government whenever possible; if at any time a member of the Government is unable to be present, a senior Government official will take his place.

In view of the powers and responsibilities in regard to the coal and steel industries of the United Kingdom which have been conferred by law upon the National Coal Board and the Iron and Steel Board, the representatives of the United Kingdom Government will also include one member of the National Coal Board and one member of the Iron and Steel Board.

The representatives of the High Authority will, whenever possible, include at least three members of the High Authority.

I should be grateful if you would confirm that this is the understanding of the High Authority.

I have, &c.

Duncan SANDYS

No. 2

(Translation)

M. Jean Monnet to Mr. Duncan Sandys

London, December 21, 1954

Sir,

I have the honour to refer to your letter of to-day's date which reads as follows: —

[as in No. 1]

I have the honour to confirm that the foregoing represents the understanding of the High Authority of the European Coal and Steel Community.

I have, &c.

Jean MONNET

JOINT COMMUNIQUE ANNOUNCING THE AGREEMENT

Read by Mr. Duncan SANDYS at the ceremony of signature

LONDON, DECEMBER 21, 1954

1. From the outset the United Kingdom Government has welcomed the conception of the Schuman Plan, both on account of its contribution to the efficiency and the stability of the basic industries of the countries concerned and on account of its contribution to the wider cause of European unity.

2. When the European Coal and Steel Community was formed, the United Kingdom Government declared its desire to establish an intimate and enduring association with the Community, and this declaration was warmly welcomed by the High Authority.

3. As a first step towards this objective the United Kingdom Government established relations with the High Authority and on 1st September, 1952, a Delegation, headed by Sir Cecil Weir, took up its duties at Luxembourg.

4. In view of the substantial progress which has since then been made by the High Authority in its task of creating a common market in coal and steel within the area of the Community, the United Kingdom Government and the High Authority and the Governments of the States members of the Community consider that the time has now come to take a further step in the development of the relations between the United Kingdom and the Community.

5. With this object the United Kingdom Government of the one part and the Governments of the States members of the Community and the High Authority of the other part have concluded an Agreement concerning the relations between the United Kingdom and the Community.

6. This Agreement establishes a Standing Council of Association composed of four representatives of the United Kingdom

Government and four representatives of the High Authority. In view of the powers and responsibilities in regard to the coal and steel industries of the United Kingdom which have been conferred by law upon the National Coal Board and the Iron and Steel Board, the representatives of the United Kingdom Government on the Council of Association will include one member of the National Coal Board and one member of the Iron and Steel Board.

7. The function of the Council of Association will be to provide means for continuous consultation in regard to matters of mutual interest relating to coal and steel and, where appropriate, in regard to the co-ordination of action, consistent with the international obligations of the parties concerned, to deal with these matters.

8. It is recognised that the extent of the benefits to be obtained will inevitably depend upon the extent to which normal trade can flow between the United Kingdom and the Community. The Council of Association has therefore been given the duty to examine restrictions and other factors affecting mutual trade in coal and steel between the two areas, with a view to making such proposals for their reduction or elimination as may be agreed for the mutual benefit of the United Kingdom and the Community.

9. The Agreement also provides that matters which, under the terms of the Treaty constituting the Community, fall to be considered by the Council of Ministers or the Governments of the States members of the Community and which are also of common interest to the Community and the United Kingdom shall be the subject of special meetings in which the United Kingdom Government, represented by one of its members together with persons discharging public responsibilities in regard to coal and steel in the United Kingdom, will meet with the Council of Ministers. The High Authority will participate fully in these meetings.

10. The Council of Association will pay due regard to the interests of consumers of coal and steel, to the interest of third countries and to the special relationship between the United Kingdom and the other members of the Commonwealth.

11. Both parties trust that these new arrangements will help to promote a growing association between the United Kingdom and the Community which will, they believe, contribute to their common prosperity and assist in the advancement of European unity.

STATEMENT BY THE PRESIDENT OF THE HIGH AUTHORITY
on the signing of the
ASSOCIATION AGREEMENT
BETWEEN THE UNITED KINGDOM
AND THE EUROPEAN COAL AND STEEL COMMUNITY

LONDON, DECEMBER 21, 1954

My colleagues of the High Authority and I are very happy to be here to-day with the Ambassadors in London representing the member countries of the European Coal and Steel Community to sign the Agreement of Association between the Community and the United Kingdom. In the European Coal and Steel Community, six countries — Belgium, France, Germany, Italy, Luxembourg and The Netherlands — have with regards to these two basic products brought together their markets and their resources in a single sovereign union. The Community to-day commands on the common European market a yearly production of 240 million tons of coal and 43 million tons of steel.

This Community has been made possible by the fact that the six Community's States have delegated part of their sovereignty to common federal institutions with a power to act in the interest of all the member countries taken as a single whole. That is why we can now develop a growing association between, what is historically, the first European Community and Great Britain.

The signature of the Agreement proves both the will of the British Government to associate with the European Coal and Steel Community and the success of the Community. For without the success of this first achievement in the integration of hitherto divided countries, there would have been no substance, on either side, for an association.

In the new Association between us, Britain and the Community both retain their complete independence and freedom of decision; at the same time we are creating a framework for the development of closer relations and co-operation between Britain and the Community.

The Association between the European Coal and Steel Community and the United Kingdom is based on the principle of complete reciprocity. The Agreement provides for continuous consultation at the highest level which will commit us to consult together before policies affecting common problems finally take shape. This will be done in the Council of Association between the High Authority and the United Kingdom Government. When questions arise which involve the Governments of member states of the Community there will be special meetings of the Council of Ministers of the Community with the United Kingdom Government.

The Community by creating a large market is contributing to raising of living standards and the maintenance of peace and stability. As the Association between Britain and the European Community develops, the powers both of us jointly to achieve our common ideals, the improvement of the prospects of peace and of conditions of human life, will be greatly enhanced.