GROUPE DU PORTE—PAROLE SPRECHERGRUPPE GRÜPPO DEL PORTAVOCE BUREAU VAN DE WOORDVOERDER SPOKESMAN'S GROUP

NOTE D'INFORMATION • INFORMATORISCHE AUFZEICHNUNG NOTA D'INFORMAZIONE • TER DOCUMENTATIE • INFORMATION MEMO

Brussels, January 1972

THE ENLARGEMENT

OF THE

EUROPEAN COMMUNITY

GROUPE DU PORTE—PAROLE
S P R E C H E R G R U P P E
GRUPPO DEL PORTAVOCE
BUREAU VAN DE WOORDVOERDER
S P O K E S M A N'S G R O U P

NOTE D'INFORMATION • INFORMATORISCHE AUFZEICHNUNG NOTA D'INFORMAZIONE® TER TOCUMENTATIE • INFORMATION MEMO

CORRIGENDUM

à la note P-8

L'ELARGISSEMENT DE LA COMMUNAUTE EURBPEENNE

TEXTE FRANCAIS

page 10, point 2. lire: ... le mandat des membres de la Commission sera de 4 ans (et non pas de 5 ans)

page 12, ACCORDS FINANCIERS, lire dans le tableau contributions financières :

le chiffre pour l'Irlande en 1973 est de 0.272 % (et non pas 2.272 %); celui de la Norvège en 1975 est de 1.164 % (et non pas 1.764 %).

ENGLISH TEXT

page 8, ii):

... the mandate of the Members of the Commission

will be 4 years (and not 5 years)

page 11, budgetary contributions :

the figure for Ireland in 1973 is 0.272 % (and not 2.272%). The figure for Norway in 1975 is 1.164 % and not 1.764 %)

DEUTSCHER TEXT

Seite 7, 1. Industrie, 5. Zeile, : (die letzte Stufe der industriellen Zollsenkung zwischen den Mitgliedstaaten erfolgt) am 1. Juli 1977 (und nicht am 1. Juni 1977)

Seite 9, Punkt 2., Die Kommissionsmitglieder bleiben <u>4 Jahren</u> im Amt (und nicht <u>5 Jahren</u>)

Seite 12, Punkt 1, Tabelle: Haushaltsbeiträge: Für Irland in 1973 ist der Prozentsatz 0,272 % (und nicht 2,272 %); für Norwegen in 1975 ist der Satz 1.164 % (und nicht 1,764 %)

TESTO ITALIANO

Pagina 10, paragrafo 2 : I Commisari resteranno in carica per <u>4 anni</u> (e non per <u>5 anni</u>).

Pagina 11, 1) Il bilancio delle Comunità : partecipazioni al bilancio : per l'Irlanda in 1973 è il dazio di 0,272 % (e non 2,272 %); per la Norvegia in 1975 è il dazio di 1,164 % (e non di 1,764 %).

NEDERLANDSE TEXT

Pagina 10, punt 2: de leden van de Commissie blijven <u>vier Jaar</u> aan (en niet <u>vijf jaar</u>)

Pagina 12. 1) De gemeenschapsbegroting: voor Ierland in 1973 zal de biejdrage

0.272 % zijn(en niet 2.272 %); voor Noorwegen zal de
hijdrage in 1975 1.16% % zijn(en niet 1.764 %)

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INTRODUCTION.

On the occasion of the signature of the acts concerning the enlargement of the European Community, the Spokesman's Group of the European Commission is pleased to present this information summary of the results of the negotiations. This is not an official record of the negotiations — only the Treaty text itself is that. Its ambition is simply to present in reasonably precise and manageable terms a summary of the results — as a working instrument for journalists — within a single document of a negotiation whose complexity and duration over a period of some time has frequently left behind it a fragmentary memory. This note also recalls briefly the principal dates and time—table of the negotiation.

For the Commission of the European Communities the signature of the acts of enlargement is an event of considerable satisfaction. The Commission can look back on a well accomplished task in which it has been brought to play a major role starting with its "opinions" of 1967 and 1969 which prepared the ground for the negotiation, as well as its efforts as initiator during the drawing up of the Com-During the negotiation itself it munity's negotiating position. has played fully the role bestowed upon it by the treaties and by In the first place the Commission carried out Community practice. its central task of originator of proposals and compromises paving the way for agreements. Secondly, it was frequently the Commission which was mandated by the Council to confer with the candidate countries in order to determine on what basis and conditions agreements could be reached while enabling misunderstandings to be avoided thus clearing the way for new progress. Finally there was the enourmous task of working out with the candidate countries the technical adaptations of Community law - occupying no less than 10.000 pages of the Community's In addition there was the task of drawing up in Official Gazette. Danish, English and Norwegian the texts of the Treaties and of existing regulations - a task of some 35.000 pages.

> B. OLIVI Spokesman of the Commission.

THE HISTORY OF THE NEGOTIATION

i) The applications.

May 10 1967. British Application for Membership.

May 11 1967 Danish " " "

May 11 1967 Irish " "

July 21 1967 Norwegian " " "

September 29 1967 Commission Opinion on Membership Applications.

October 1 1969 Second Commission Opinion on Membership Applications.

January 20 1972 Third Commission Opinion on Membership Applications.

ii) Development of the Community's Negotiating position.

December 2 1969 Hague Summit meeting of the Heads of State and

of Government of the Community.

February 5 1970 Council meeting for preparation of negotiations

which debated period of transition, the Commonwealth, Institutional Questions,

Procedure for Negotiations.

March 7 The Council decided that the Community would

negotiate as a unit and that role of Commission would be much more important than in 1961-63. Also agreed that the principle of Economic and Monetary Union must be accepted

as integral to Treaty.

May 11/12 Decision by the Council that Yaoundé Agreement

should provide base for settlement of problems

of Independent Commonwealth Countries.

Decisions on approach to problems of New Zealand

and Caribbean sugar; institutional problems and

details of negotiation procedure.

June 8 Council decided on dates of Opening Conferences and Ministerial Sessions with Applicant Countries.

Agreed upon formula of beginning exploratory talks with EFTA non-applicants, leading towards Agreements to come into effect concurrently with

Membership Treaties.

iii) The negotiations.

June 30 1970 Opening Conference for the Negotiations in

Luxemburg. Formal declarations of negotiating

••/•••

positions.

July 21 Council decided that ECSC matters should be a primary question for discussion with the British, in addition to the Agriculture and Customs Union. Commission asked to prepare a study of the cost to Britain of the Common Agricultural policy and the

question of finance.

July 22

Ministerial Negotiation between UK and EEC.

October 27

Ministerial Negotiation UK/EEC.

December 8

Ministerial Negotiation UK/EEC.

UK accepts five year transition towards free circulation of goods and agricultural rules, free movement of capital and fiscal harmonisation subject to larger transition needed for budgetary contribution and Commonwealth.

December 15

Ministerial Negotiation with Ireland. Irish accepted five year transition period for agricultural and industrial trade.

Ministerial Meeting with Denmark. Danish outlined problems of Agricultural and Fiscal situation within Denmark.

Ministerial Meeting with Norway. Norwegians accepted five year transition for industrial trade; requested longer transition for budgetary contribution.

February 2 1971

Ministerial Negotiations with UK. Agreement on status of Asiatic Members of Commonwealth. Accepted system of budgetary financing from national resources.

March 1

Council prepared position on Sugar; Community preference.

March 16

Ministerial Meeting with UK.

March 30

Ministerial Meeting with Norway. Norwegian declarations on transitional measures for Agriculture.

May 11 - 13 May 13

Ministerial Meeting with UK.
Final agreement on transitional measures for agriculture and Commonwealth sugar. Agreed

on the possibility of post transitional budgetary

correctives.

June 7

Ministerial negotiation with Ireland. Agreed on Transitional period for agriculture and antidumping measures.

Ministerial negotiation with Denmark. Danes outlined problems concerning industry, agriculture, financing, fisheries and capital movement.

Ministerial Negotiation with UK. Agreed to gradual rundown of official sterling balances.

June 21-22

Ministerial Negotiation with UK. Agreed on New Zealand Dairy Products, Budgetary contribution, Community recognises that special arrangements will be necessary for UK hill farming and methods

of keeping candidate countries informed of decisions taken by Community Institutions during the interim period.

July 12

Ministerial Negotiations with UK. Agreed on arrangements concerning capital movements.

Ministerial Negotiations with Ireland. Community agrees to concessions pertaining to motor car assembly industry and foresees a declaration of regional policy for Ireland.

Ministerial Meeting with Denmark.
Agreed on transitional measures for agriculture, capital movements and financial contribution.

September 21

Ministerial negotiation with the United Kingdom: initial examination of fishing dossier.

October 19

Ministerial negotiation with Norway, and with Ireland: Community declaration of intention on Norwegian agriculture; agreement on protocol concerning Irish industrial and regional development.

November 9

Ministerial meetings with all four candidates (UK - Denmark - Norway - Ireland). Community proposals on fishing: communication of outline mandate for negotiation with EFTA countries not desiring membership: ministerial discussion on Norwegian agriculture.

November 29

Ministerial meetings with all four candidates : discussion on fishing continues.

December 13

Final ministerial meeting with Denmark (8th) and with the United Kingdom (13th) at which agreement on fisheries was reached. Ministerial meetings with Ireland, in which also agreement on fisheries was reached, and with Norway.

1972

January 10

Final ministerial negotiations with Ireland (10th) and with Norway (10th). Agreement on issues outstanding from these meetings was concluded at deputy level with Ireland (sugar quotas) on January 13 and with Norway (fisheries) on January 15.

January 20

Commission opinion to the Council recommending conclusion of the acts of membership

January 22

Signature of the acts of membership.

THE BASIS OF THE AGREEMENT

Two basic rules governed the approach to the negotiations: candidate countries were required to accept the Treaties and consequential legislation adopted under the treaties; necessary adaptations were to be undertaken in the course of a transitional period uniform in time, sector and new members country. These were the central principles of the Community's declaration delivered at the inaugural Ministerial Meeting with the negotiating partners in Luxembourg on June 30th 1970. Negotiation on the basis of these principles resulted in the establishment of a general five year transitional framework at the end of which period the bulk of adaptation would be complete, the enlarged Community running normally. Certain limited execptions and amendments to these rules were ultimately negotiated.

One now sees that these basic principles were entirely respected with the exception of a few limited cases. The problems of adaptation were solved by laying down transitional arrangements and not by modifying the existing rules governing the life of the Communities. The essential context of these transitional arrangements is as follows:

1) Industry: A five year period for complete abolition of tariff and non-tariff barriers between old and new Member States and establishment of a common external tariff and commercial policy. Tariffs between Member States will be reduced in five equal steps of 20 % the first to take effect on April 1st 1973 the last on July 1st 1977; the three intermediary cuts to be made on July 1st of each year 1974, 1975, 1976. Adoption of the Common external tariff by the new member will proceed in four stages:

40 % on January 1st 1974
20 % each on January 1st 1975
January 1st 1976
and finally July 1st 1977.

Tariff quotas will be introduced on thirteen products. +

2) Agriculture: At the tery outset of the five year transitional period new members will adopt all the market organisation rules thus instituting Community preference at the outset. Where however specific concrete measures are required for trading reasons these will be adopted in the terms of Arts. 39 and 110 of the Treaty with due concern for the situation and in conformity with the principles and mechanisms of a common agricultural policy.

The following principles govern the transitional period in agriculture. For products subject of market organisation with intervention prices, levies and restitions price alignement will proceed in six steps subject to a flexibility clause up to 10 %.of the particular alignement to be made. The various pen-ultimate step of alignment will take place for the various products at the beginning of the 1977 marketing year and the final alignment for all products will take place on the 31st of December 1977.

Intervention prices for each new member will be fixed as a function of member's pricelevel differences at each stage of price alignment. Levies and restitutions towards third countries will equally be fixed as according to these price level differences.

+ The products are : tea, aluminium, silicon carbide, ferro-chrome, ferro-silicon, wood pulp, newsprint, lead, zinc, wattle extract, phospherous, ply-wood, and alumina.

For farm products not subject to intervention price levies and restitutions, customs duties between old and new members will be reduced by one-fifth at the beginning of each marketing year when according to the same schedule new Member States will align themselves to the Common External tariff.

A special time table was adopted for horticulture - five equal steps of 20 % on the 3jst Desember each year from 1973 to 1977. From December 31st 1974 a flexibility clause may be applied of up to 10 % of the particular alignment to be made.

THE INSTITUTIONAL ARRANGEMENTS

The Institutions of the enlarged Community will be :

i) The Council of 10 members, one from each member state.

Voting rights per country will be: Germany 10, France 10, Italy 10,
the UK 10, Belgium 5, The Netherlands 5, Denmark 3, Norway 3, Ireland 3
and Luxembourg 2.

A qualified majority applicable when a decision is taken on a Commission proposal will require a minimum of 43 votes. Where the Council decides without a Commission proposal, the 43 necessary votes must represent at least six countries.

A simple majority is obtained by 6 out of the 10 members states.

As for Council Voting Methods within the ECSC Treaty it is not necessary to modify the provisions concerning unanimity but the majority of 5/6 foreseen in Article 95 (concerning "la petite revision") will be increased to 9/10 of council members.

Where the ECSC Treaty requires a confirmative opinion from the Council the opinion is considered carried if the proposal of the High Authority gains the agreement of :

- the absolute majority of the member States including the votes of two of them representing each at least one eighth of the total value of Community coal and steel production
- or, if the voting is equally split and the High Authority maintains its proposal after a second deliberation, the vote of three member States representing each at least one eighth of the total value of Community coal and steel production.

Other Council decisions are taken by simple majority including two member States representing each at least one eighth of the total value of Community coal and steel production.

Rotation of the office of President of the Council will be in alphabetic order of member states as expressed in their respective lenguages (Belgique-België, Danmark, Deutshcland, France, Ireland, Italia, Luxembourg, Nederland, Norge and United Kingdom). Their order of presidency will operate as from January 1, 1973 with Belgium in the Chair.

- ii) The Commission will have 14 members, two each from Italy, France, Germany and the UK and one each from the remaining six countries. The Commission will have 5 Vice-Presidents. Commissioners will hold office for 5 years, the President and Vice-Presidents being appointed for 2 years.
- III) The European Parliament will have 208 members, the breakdown by nationality being Italy, France, Germany and the UK 36 members each, Belgium and the Netherlands 14 each, Denmark, Ireland and Norway 10 and Luxembourg 6.

- Iv) The Economic and Social Committee will have 155 members, 24 each from Germany, France, Italy and the UK, 12 each from Belgium and the Netherlands, 9 from Freland, Norway and Denmark and 6 from the Luxembourgo
 - v) The Court of Justice will be composed of 11 judges and 3 advocates general. They are appointed for 6 years. Every threee years there is a partial renewal affecting alternately 5 judges and 2 advocates general, and 6 judges and one advocate general. For the quorum the presence of 7 judges is required when the court is sitting in plerary session.
- vi) The European Investment Bank will be composed of a Council of Governors to comprise 10 members, one from each member country. Administrative Council to comprise 19 administration and 10 substitutes. National representation concerning candidate countries will be:

The UK - 3 administrators 2 substitutes

Ireland, Norway and Denmark - 1 administrator each.

Management Committee to comprise 5 members: 1 president and 4 vicepresidents. The number of vice-presidents may be subsequently increased following a unanimous decision of the Council of Governors.

- Vii) Among other institutional arrangements the number of members on the ECSC Consultative Committee will be increased to between 60 and 84. The number of members on the Euratom Scientific and Technical Committe will be increased to between 20 and 28, the U.K being represented by five members and Denmark, Ireland and Norway by one member each.
- viii) During the intermediary periode between the close of negotiations and accession to the Rome treaty, the Community institutions will take into consideration the interest of Candidate countries in all proceedings and major policy decisions, owing to their position as future members of the Community. This procedure entered into force on November 10, 1971.
 - a) At Council level consultations will take place prior to the adoption of any decisions. This procedure will also apply to decisions taken by applicant countries which might effect their situation as future members of the Community. Such consultations will take place at meetings of an intermediary committee comprising representatives of both the Communities and Applicant Countries. Community representatives will be members of the Committee of Permanent Representatives or their assistants. The Commission will also be represented. Consultations will normally take place when preparatory work on any given Community project is sufficiently advanced for consultations to be of value. In the case of consultations meeting with serious difficulty the question may be discussed at Ministerial level at the request of a Candidate country.
 - b) The Commission will make known all its proposals and communications to the Candidate countries, after having transmitted them to the Council. In order to ensure that all Commission decisions have taken due consideration of the interests of Candidate countries, the Commission will consult these countries before taking any decision that is likely to effect them as future members.

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ECONOMIC AND MONETARY AFFAIRS

The United Kingdom declared during the course of the negotiations its readiness for an ordered and gradual reduction of sterling balances after membership. In addition the enlarged Community will discuss appropriate measures for bringing about a progressive alignment of sterling's external characteristics and practices with those of other Community currencies in the framework of progress towards economic and monetary union. Meanwhile the United Kingdom will pursue a policy aimed at stabilising official sterling balances in a manner compatible with the longterm objectives of economic and monetary union.

In the field of <u>capital movements</u> consultations will be held between new members and the Commission on applying measures for liberalisation and easing of restrictions. During the first two years of membership new members will remove a series of restrictions notably in the fields of direct investments and individual capital movements. For other capital movements the new members will have up to 5 years in which to effect liberalisation.

THE FINANCIAL ARRANGEMENTS

1) The Community Budget

From January 1, 1973, the new Member States will contribute to the Community budget to which they will pay their receipts from agricultural levies and customed duty as well as a proportion of VAT revenue. During the five-year transition period, however, total contributions from the new Member States will be subject to limitations expressed as percentages of the total Community budget which will

be:	4	1 × 1	****		1973	1974	1975	1976	1977
DENMARK	,			24.1	1.099	1.382	1.698	2.040	⁷ 2.408
IRELAND					2.272	0.342	0.421	0.505	0.596
NORWAY	1.5	. 6.	*		0.754	0.947	1.764	1.398	1.650
U.K.					8.64	10.85	13.34	16.02	18.92

From January 1, 1978, the new Member Btates will make full contributions, subject to the following conditions:

- in 1978 the increase in contributions from the new members may not total more than 2/5 of the difference between their respective contributions in 1977 and what would have been their full contributions for 1977 had they not benefited from reduced payments during the transitional period.
- in 1979, the increases in the contributions from Candidate Countries (expressed as a percentage of the Community Budget) may not exceed those of the previous year.

Up to January 1, 1978, that part of the new members normal contributions to the Community budget which is not in fact paid by them because of the transitional period limitations will be divided between the six original Members of the Community. This also applies it and when the special conditions for 1978 and 1979 apply.

2) European Investment Bank

New member countries will contribute to the capital, statutory reserves and funds of the European Investment Bank according to the following percentage key: Denmark 4%, Ireland 1%, Norway 3%, United Kingdom 30%. In units of account their respective shares of the Bank's capital will amount to: Denmark 60 million, Ireland 15 million, Norway 45 million, United Kingdom 450 million. 20% of these sums will be paid in national currencies within two months of membership, the remainder to be covered by treasury bonds.

E.C.S.C.

Accession to the European Coal and Steel Community takes place according to Article 98 of the ECSC Treaty. The Treaty of Accession contains specific previsions concerning only three points not already covered by the ECSC Treaty and ECSC secondary legislation.

The customs union for coal and steel, as for other products, is to be established by phasing-out internal duties over a period of $4\frac{1}{2}$ years; external duties are to be aligned at the same rate. Exports of scrap from the enlarged Community to third countries will be permitted only exceptionally and subject to quantitative restrictions. The new member countries' export controls visavis the present Community countries must be dismantled, a process for which Britain is to be allowed two years, Denmark and Norway three; and Ireland five.

Under the ECSC Treaty's competition rules, undertakings are required to observe with special care the prohibition on cartels (Article 65). All cartels will have to be notified to the Commission within three months; they may remain in being until the Commission issues a ruling.

Over the years the ECSC has accumulated substantial moneys of its own, which it devotes principally to research and social aid. The acceding countries will pay a fixed amount into this fund.

EURATOM

On their accession to the European Atomic Energy Community, new members will adhere to the Euratom Treaty and the regulations and directives adopted under the Treaty. This implies notably:

- 1) Common Research Programmes and complementary schemes, as specified by Article 7 of the Euratom Treaty.
- 2) A System of safeguard and verification in accordance with both the Euratom Treaty and the agreement to negotiate between Euratom and the International Atomic Energy Agency.

The abolition of customs duties within the enlarged Community, and the tariff alignment measures for products in lists Al and A2, will take place at the end of 1973. For products on list B, tariff removal and alignment will be conducted according to the general timetable for industrial goods.

Any propositions for amendment of Chapter 4 of the Euratom Treaty will be communicated to candidate countries before they are adopted.

Following exploratory conversations, agreement was reached concerning details of information to be exchanged between new and old member countries upon adhesion to the Euratom Treaty.

ARRANGEMENTS CONCERNING THE COMMONWEALTH AND DEPENDENT TERRITORIES

The Status quo will be maintained in Britain's trade relations with developing countries of the Commonwealth until December 31, 1975. Meanwhile there will be opportunity to explore and implement new relations between these countries and the enlarged Community according to the following options:

Independent Developing countries of the Commonwealth in Africa (1), the Indian Ocean (2), the Pacific Ocean (3) and the Caribbean (4), will be given the opportunity to decide on the specific type of agreement they make with the Community, within the following frameworks:

- 1) Participation in the same Association Agreement as the Community's present Association of African States and Madagascar.
- 2) Agreement or Individual Agreements with particular emphasis on reciprocal rights and obligations, notably in the trade field .
- 3) Commercial Agreements with a view to promoting and developing trade between the Communities and the countries concerned.

For Independent Developing Commonwealth Countries in Asia (India, Ceylon, Pakistan, Singapore and Malaysia) the enlarged Community will be ready to examine any problems within the commercial field that may arise in these countries, and in any others within the same region, with a view to finding appropriate solutions. Consideration will be taken of the extent of the Generalised Preferences System.

Dependent Territories (5) of Britain and Norway will be associated with the Communities in accordance with the Part IV of the EEC Treaty. However the status of the one European Dependent Territory - Gibraltar - will be governed by Article 237 § 4 of the EEC Treaty, thereby excluding it from any customs arrangements. Thus the Community customs regulations will not apply to Gibraltar and all imports from Gibraltar to the EEC will be subjected to the common tariff.

The Rome and Paris Treaties will not be applicable to Hong Kong which will come under the system of generalised preferences.

⁽¹⁾ Botswana, Gambia, Ghana, Kenya, Lesotho, Malawi, Nigeria, Sierra Leone, Swaziland, Tanzania, Uganda and Zambia.

⁽²⁾ Mauritius.

⁽³⁾ Fiji, Tonga and West Samoa.

⁴⁾ Barbados, Guyana, Jamaica, Trinidad and Tobago.

⁽⁵⁾ The Bahamas, Bermuda, British Honduras, The British Indian Ocean Territory, the Solomon Isles Protectorate, The British Virgin Isles, Brunei, the Cayman Islands, the Falkland Islands and Dependencies, the Seychelles, the Turk and Caques Islands, Antigua, Dominica, Grenada, St. Lucia, St. Vincent, St. Kills, Nevis and Anguilla, Norwegian concession territories in the Antaratic.

OTHER ARRANGEMENTS

In the course of the negotiation it was agreed that in certain fields or for particular items of the new member states' legislation or practice special transitional arrangements would be required. The principal matters concerned are set out here below:

1) Sugar

Within the framework of the Commonwealth Sugar Agreement the United Kingdom may continue to: import until December 31, 1974 the quantities of sugar at prices previously negotiated in the Agreement.

After this date, the Communities will have as their firm purpose to safeguard the interests of these countries whose economy is largely dependent on the export of basic commodities and notably Sugar. Countries coming into this category are the Independent Developing States of the Commonwealth in the Indian and Pacific Oceans, the Caribbean and the AASM. Specific arrangements will be within the scope of the respective Arrangements with these countries.

The question of I ndian sugar exports will be settled in the light of the Communities' Declaration of Intent concerning Independent Members of the Commonwealth in Asia.

2) New Zeeland Butter and Cheese

Derogatory quantitive measures in favour of New Zealand dairy products are foreseen in the framework of British adoption of Common Market organisation. The timetable for reducing the quantitive guarantees applicable only to the U.K. market is fixed for the first five years. Thus in 1977, the quantitive guarantee for butter will be at 80% of its original level, and 20% for cheese, after which time no further guarantee is anticipated for cheese.

During the course of 1975, the institutions of the enlarged Community will re-examine the question of butter in the light of supply and demand in the principal world producers and consumers, especially in New Zealand and the Community. In the light of this examination, the Council, upon Commission proposal, will rule on appropriate measures for maintaining a derogatory status for New Zealand beyond 31 December 1977.

Finally enlarged Community will do its utmost to promote and encourage an International Agreement on Milk Production, in order to improve as soon as possible the world market conditions.

3) Fisheries

By derogation from the Community regulation governing access to fishing waters, member States of the enlarged Community may limit fishing in their national waters until December 31, 1982 within a six mile zone to vessels traditionally fishing in these waters from local ports. Special fishing rights enjoyed by member States in each others' waters, as established from January 31, 1971, are not affected. For specified zones (2) fishing limits are extended to 12 miles.

⁽¹⁾ Areas subject to the 12-mile rule are: Denmark - the Faroes, Greenland, and the west coasts of Denmark from Tyboron to Blavandshut

France - the departments of Manche, Ile et Vilaine, Cotes du Nord, Finistère and Morbihan. Ireland - north and east coasts from Lough Foyle to Cork in the south west. The east coast from Carlingford Lough to Carnsore

Point for shellfish. Norway - the west Coast from the frontier with the USSR to Egersund. Continued on page 16.

At the latest 6 years from entry into force of the enlargement treaty the Council, on proposal from the Commission, will pronounce on fishing conditions with a view to protecting the sea bed and conserving resources. By December 31, 1982 the Commission will report to the Council on the economic and social development of the coastal regions and the state of marine stocks. On the basis of this report and of the objectives of the Common Fisheries Policy, the Council, on Commission proposals, will examine the arrangements which could follow the derogations in force until December 31, 1982.

In the case of Norway a protocol was adopted recommending the enlarged Community's institutions to take particular account, during the examination of the Commission's report to the Council, of Norway's fishing problems both from the point of view of Norway's economy in general and the special demographic and social structure of the country, so that any subsequent dispositions are undertaken accordingly. Among other measures these dispositions may include prolongation of the system of derogations beyond December 31, 1982 to the degree necessary and according to rules to be laid down.

4) Norwegian Agriculture.

A protocol has been adopted recognising that the transitory period might prove inadequate to the solution of those particular problems which the Norwegian farmer would come up against because of his country's membership of the Community. It has therefore been necessary to foresee specific arrangements which cannot be considered as precedents and which aim at upholding the standards of living of the Norwegian farmers whilst respecting the rules of the Common Agricultural Policy.

Miscellaneous.

Among other particular arrangements drawn up during the negotiations we Progress of the Anglo-Irish trade may note briefly the following. Agreement was deemed compatible with general transitional arrangements on condition that quota arrangements do not disfavour other Community On Ireland's economic and regional development specific mention members. will be made in the enlargement treaty of the Community's intention to act positively to promote expansion of the economy and of living standards. Special measures were also adopted for the Irish automobile assembly industry the special production and trading circumstances of which may continue with adjustments until January 1, 1985. Norway's special pharmaceutical products arrangements and trade in alcoholic drinks were also subject to special dispensations during the transitional period. Special attention was also paid to problems of veterinary legislation and satisfactory solutions were found.

⁽¹⁾ continued from page 15: United Kingdom - Orkney and Shetland, north and east Scotland from Cape Wrath to Berwick, north-east England from the river Coquet to Flamborough Head, south-west England from Lyme Regis to Hartland Point (including Lundy island), and County Down.