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COMMON MARKET • COAL AND STEEL COMMUNITY • EURATOM

## PREPARATIONS FOR GATT TRADE NEGOTIATIONS PROGRESS

A GATT MINISTERIAL MEETING, to be held in Geneva May 16-21, will continue the preparations for multilateral trade negotiations which are expected to begin in 1964.

The negotiations, to be conducted within the framework of the 44-member General Agreement on Tariffs and Trade, are largely inspired by the enactment of the U. S. Trade Expansion Act, which enables the United States to make 50 per cent "across-the-board" tariff cuts on a reciprocal basis (see *Bulletin No. 57*). The reductions would be generalized in accordance with GATT's "most-favored-nation" clause.

In Brussels, the Common Market Commission has submitted to the Council of Ministers proposals for the mandate which it feels it should be given to act as the Community's representative in the negotiations.

The Commission's proposals are based on five main principles:

- The negotiations should not be restricted to tariffs but should cover all other obstacles to trade.
- Existing disparities between participating countries' tariffs should be taken into account.
- Agricultural products should be included in the talks, but possibly treated in a different manner from other goods.
- The developing countries should have a voice in the negotiations, even if they are not asked to make reciprocal concessions.
- Any concessions granted during the negotiations should be backed by strict guarantees against their later withdrawal.

The Council of Ministers discussed the proposals on April 1 and 2 without reaching a definite conclusion on the Commission's mandate. The matter was to be discussed again at the Council's meeting in early May.

### Community Renews 20% Reduction

At the April 1-2 meeting the Council of Ministers decided to maintain until 1966 the 20 per cent reduction, subject to reciprocity, in the Common Market's common external tariff.

The Council's announcement of renewal of the reduction was made in view of the coming GATT negotiations and in anticipation of the second alignment toward the common external tariff, which will take place on July 1.

It was in 1960 that the Common Market, as a contribution to the GATT effort to reduce world tariffs, made the provisional 20 per cent offer, with the intention of making it permanent if reciprocity with other countries were obtained in the GATT negotiations which began in September of that year.

The 20 per cent was then deducted from the Community's anticipated single tariff on January 1, 1961, when the Common Market countries made their first alignment toward the common external tariff. Thus the Six, in narrowing the difference between their national tariffs by a 30 per cent alignment, moved toward the arithmetical average of their separate tariffs—their anticipated common external tariff—*minus* the provisional 20 per cent. If, for instance, this single tariff goal, based on the average of the national tariffs, amounted to 10 per cent, it was now reduced to 8 per cent and the 30 per cent alignments by each country made accordingly.

(These steps applied mainly to industrial products, excluding agricultural products, certain goods in List G in the Rome Treaty, and, of course, Coal and Steel Community products.)

In the GATT negotiations of 1960, which were not finally concluded until last summer, reciprocal tariffs were negotiated on about one-third of the Community's goods;

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the Community was therefore entitled to restore the 20 per cent to some two-thirds of its tariffs.

Now, however, according to the Council decision, when the Community makes its second alignment toward the common external tariff, the 20 per cent reduction on the tariff will be maintained. This means that, on the products on which no tariff reductions were negotiated, an across-the-board reduction of 20 per cent is still effective. If the reduction negotiated in the "Dillon round" was less than 20 per cent, the offer remains valid for the balance up to 20 per cent.

In addition, on some few industrial products on which the Dillon-round reduction is already 20 per cent, the Council is considering a supplementary offer of 5 per cent, making a total reduction of 25 per cent.

In the second alignment toward the common external tariff on July 1, the adjustment—either up or down, according to country—toward the single tariff will again amount to 30 per cent. (The Commission has recommended, in its "action program for the second stage," that the common external tariff be fully in force by January 1, 1967.)

### Action on Both Sides of the Atlantic

Commission Vice President Robert Marjolin and Commissioner Jean Rey, the member responsible for foreign rela-



First official EEC-U.S. meetings on 'Kennedy round' trade negotiations took place in Brussels January 25-26 when Christian Herter, the President's special representative for trade negotiations, met with the Common Market Commission. Here Governor Herter (center) introduces his deputy, Ambassador William T. Gossett (right), to Commission President Walter Hallstein.

on January 31 in Paris, he said:

"The negotiations which are in prospect will not be easy; there will inevitably be some hard bargaining ahead. But we must not allow narrow interests to obscure the greatness of the enterprise on which we are about to embark. If this enterprise is to succeed, we must establish at the very outset a sense of common purpose, of large mutual undertaking—a conspiracy, if you will—to defeat the many small diversions and obstructions which, if not overcome, can prevent great accomplishment. For the essential logic of our joint enterprise is that, by serving the broader and larger interests, our national interests will thereby be served as well; whereas, if we seek to serve our national interests, narrowly conceived, we will neither succeed in satisfying these nor in reaching the larger goals to which we all subscribe."

Common Market Commission President Walter Hallstein summed up the significance of the coming negotiations in his statement to the European Parliament on March 27:

"The problems of our European neighbors, like those of Great Britain, must for the present be looked on in a wider setting which includes the United States and other industrialized countries such as Canada and Japan. In this setting the general trend is toward increased tariff liberalization. But this is just the policy which is most likely to ease the commercial difficulties separating us from our European friends, to take the sting out of them, and possibly to bring a lasting solution nearer, even if it cannot be a substitute for such a solution. There is nothing artificial or far-fetched in this line of thought when it is carried logically through to the next major round of tariff negotiations, the "Kennedy round," on the basis of the Trade Expansion Act. . . ."

After June 1, 1963, the Washington Office of the European Community Information Service will be at: 808 Farragut Building, Washington 6, D.C. New telephone number: 296-5131.

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Loading goods for export at Rotterdam harbor.

tions, were scheduled to visit Washington for informal discussions of tariffs and the coming negotiations with members of the U.S. administration in May.

Sicco Mansholt, Vice President of the Commission, returning from the United States and talks concentrated mainly on agricultural trade (see page 3), said at a press conference in Brussels on April 10 that "the inclusion of agricultural products in the negotiations was, from the American point of view, a matter of absolute necessity."

In the latter half of March a team of U. S. tariff experts met in Geneva with delegates from about 20 other countries as a GATT "working party." In Washington the U.S. Tariff Commission is also making preparations. A list of negotiable commodities is under preparation, and the Tariff Commission is expected to be holding hearings during the rest of 1963.

In January Christian Herter, President Kennedy's Special Representative for Trade Negotiations, held talks with officials at Common Market headquarters in Brussels and in other European capitals. Speaking at an OECD meeting

# A 'CODE OF GOOD BEHAVIOR' IN WORLD'S FARM POLICIES?

## Solve U.S.-EEC Agricultural Problems in GATT, Mansholt Proposes

THE BEST CHANCE for improving agricultural trade relations between the United States and the Common Market will be in the Trade Expansion Act negotiations to be conducted under GATT, Sicco Mansholt, Vice President of the Common Market Commission, said during a visit to the United States in April.

Dr. Mansholt, who is author of the Common Market's agricultural policy, said the world's agricultural problems should be tackled not just in the area of trade but "by dealing with the whole scope of agricultural policies."

"During these negotiations," he said, "I hope we can develop what I call 'a code of good behavior in agricultural policy.' Only in this way can we really develop the basis for agreements on a world scale—agreements which will benefit both producing and consumer countries."

Dr. Mansholt made his proposal at the National Press Club in Washington on April 9 while in the United States for meetings with President Kennedy and U.S. officials concerned with Atlantic affairs, agricultural and trade policy.

At the Press Club he noted that many in the United States have attacked the Common Market's agricultural policy as "protectionist and inward-looking" and that the variable levy, on which the Community's policy is based, worries U.S. agricultural circles.

### Overproduction a Problem in Both Europe and U.S.

"Our agricultural market organization is no more protectionist than any other—not more, for instance, than yours," he declared. "We operate by what is called a variable levy system. The mechanism of this levy system is neutral." He went on to explain that the system is still in a stage of development and that it was designed to replace previous quotas which were obstructive to imports. "The problem," he said, "lies in where price levels will be established within our internal system—and they have not yet been established." The EEC Commission does not want prices so high that they will eliminate all imports of wheat and feed grains, he declared, and it has already made proposals to keep prices in line.

But he added: "Although we're doing our best to discourage overproduction among our own farmers and to give the United States and other agricultural exporters a fair deal, I don't want to give you false hope. It will indeed be hard for the United States to increase imports hereafter. But the reason has nothing to do with the Common Market."

European agriculture, now making the same technological improvements U.S. agriculture has already made, will soon be able to fill increasing demand for food in Europe, Dr. Mansholt said. "You have technology and chemistry to blame for this, not the Common Market," he declared. "If our Common Agricultural Policy did not exist and if there were still six separate national policies, you would still find production running ahead of demand. I believe you have first-hand experience with such a situation here in the United States. . . . We are all in the same trouble—you and we—in that everywhere produc-

tion is increasing so fast that, despite increasing consumption in Europe, competition is so hard that prices are low and give our farmers very little profit."

Vice President Mansholt said that he had had many discussions with Secretary of Agriculture Orville Freeman about poultry and that he had "full sympathy" with the difficulties of trade in this area. He pointed out that U.S. poultry exports to the Common Market are not traditional, having increased between 1958 and 1962 from three thousand to 79 thousand tons. In the meantime, he said, European farmers had been modernizing and increasing their own poultry production.

"We have millions of small farmers," he said, "far more than you have here, and poultry is one of the very few outlets they have for good income. So, we have on one hand to deal with the legitimate interests of our farmers and, on the other, with interests of our trading partners."

### Negotiations Should Treat Cause, Not Symptoms

Dr. Mansholt stated that the Common Market Commission had proposed to the Council of Ministers that the minimum import price level for poultry be moderately reduced. But he indicated that the best hope of a solution of poultry and other agricultural trade would be in the GATT negotiations, if the participants "make a new start on really removing obstacles to agricultural trade by dealing with the whole scope of agricultural policies, not merely tariffs and quotas."

"The approach up until now," he said, "has always been on the trade side. We have always tried to remove barriers to trade between countries while leaving all difficulties of national agricultural policy to the governments themselves. And we all know that national farm policies come well-equipped with a variety of weapons to protect



Left to right: EEC Commission Vice President Sicco Mansholt, President Kennedy, Mansholt's chef de cabinet Alfred Mozer, and Agriculture Secretary Orville Freeman at the White House.

JOSEPH RUZICNA, INC.

the farmer at home in one way or another. . . .

"If we want to promote really balanced trade, we will have to seek out the decisive elements in all our farm policies and deal with them. In doing this, we must think not only of our farmers at home, but of the legitimate trading interest of other nations. . . . So, in the forthcoming negotiations, let us talk about European price policy in cereals. Let us also, as in the case for poultry, talk about our gate price, for this is the determining factor for that export.

"By the same token, let us talk about American production and marketing policy and, yes, subsidy policy where it influences world markets."

### Discusses Suspension of Negotiations with Britain

Vice President Mansholt, turning to a consideration of politics and recent world events, expressed his concern over the suspension of the EEC-British negotiations and the effect on the Community as well as on Britain and other European countries.

He stated that President de Gaulle, in taking a unilateral decision to break off the negotiations, had set his own concept of a "continental Europe" against the concept of the New Europe cast within a framework of European institutions with a federal character.

Dr. Mansholt added that, though he was glad of the friendship between France and Germany and welcomed a bilateral treaty to underline it, the Franco-German treaty in its present form "created a serious problem."

"It requires the governments of both nations to consult with each other in all matters concerning Common Market affairs and to strive for prior agreement," he said. "This treaty obligation quite naturally disturbs deeply the four other members—that is, the Benelux countries and Italy. Looking ahead to January 1, 1966, these two major nations will have the voting strength to block every Community decision in the Common Market's Council of Ministers. Their prior consultation will deny the essential quality of our Community—which is the mutual confidence and equality of all members."

Despite the present exclusion of Britain from the Community, which, he said, signaled that the President of the French Republic does not want the Community to have an "open character," he declared: "We have to do everything to prepare for Britain's future entry. . . . I have no doubt regarding which idea of Europe will prevail."

And he concluded by saying that "whatever the policy of the French Government today, it was France that provided the initial inspiration toward a unified Europe." "I am convinced," he said, "that after this setback we will have new chances again. We will grip them with firmness."

### Official U.S. Schedule Includes Baseball Game

Dr. Mansholt began his U.S. visit at Cornell University on April 4-5 where he addressed a University conference on American business and met with student groups.

In Washington on the following Monday, April 8, he saw Ambassador Christian Herter, President Kennedy's special representative for trade negotiations, and Under Secretary of State George Ball and went to the opening baseball game of the season at the District of Columbia Stadium with Agriculture Secretary Freeman before attending a late-afternoon conference with the Secretary at

## Commission's View of Franco-German Treaty

The Commission of the European Economic Community issued a statement April 3 on the Franco-German treaty, saying that its viewpoint had been expressed by President Walter Hallstein when he said to the European Parliament on March 27:

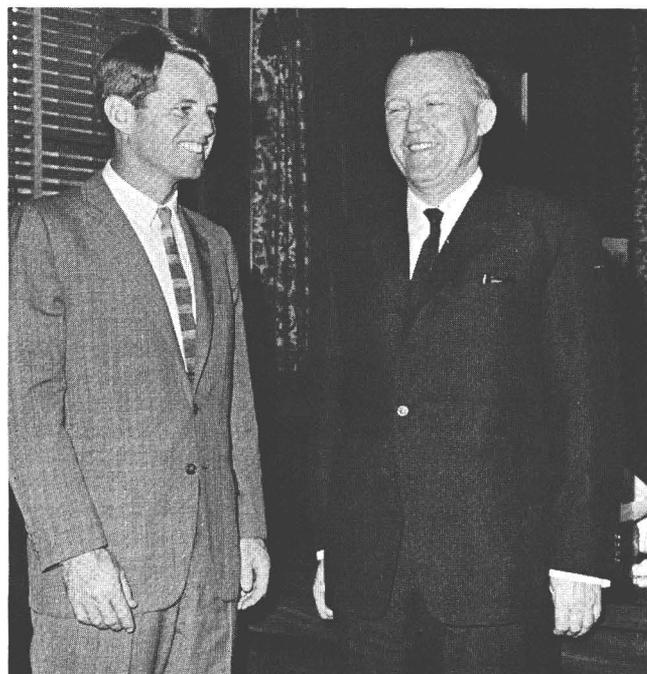
"We have observed with interest and satisfaction moves in the process of ratifying the treaty to ensure that it shall not affect the substantive organization of the Community or Community procedures in such a way as would constitute a departure from the spirit of the Treaty of Rome.

"The position of the Community may therefore be summed up in the form of an urgent request to the legislative bodies responsible for ratification and to the Governments concerned to state as clearly and bindingly as possible, when parliamentary ratification is given to the treaty, that the treaty shall not be interpreted or implemented in such a way as to detract from the existence, functioning and momentum of our Community."

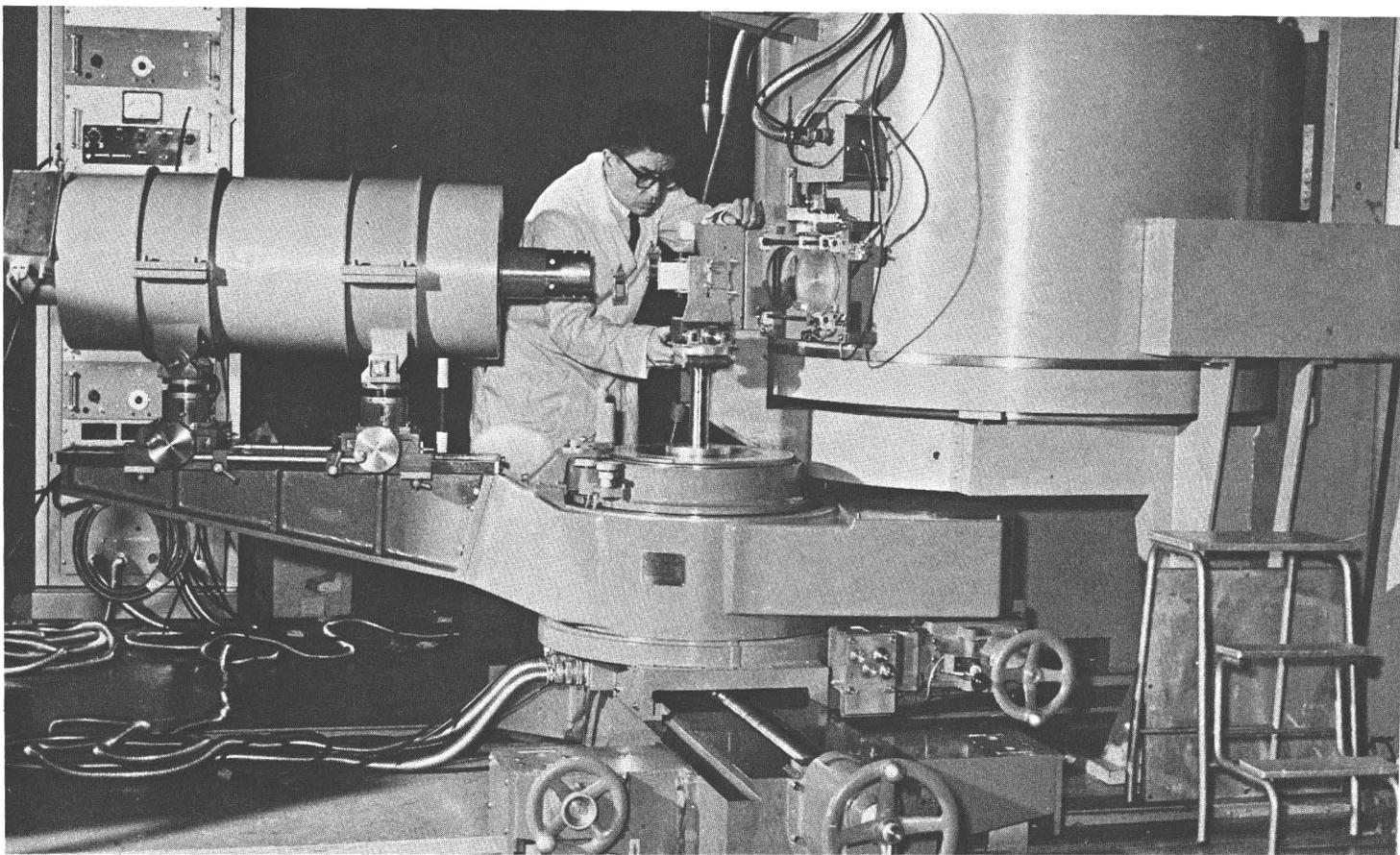
The Commission's statement noted that the Franco-German treaty relates primarily to matters outside the scope of the Treaty of Rome and thus outside the competence of the Commission and emphasized that the Commission has restricted itself to giving an opinion on those clauses of the treaty that refer to Community affairs.

the Department of Agriculture.

On Tuesday morning he visited President Kennedy at the White House, saw State and Agriculture Department officials, and addressed the National Press Club before departing for Brussels.



*EEC Commissioner Hans von der Groeben, in charge of Common Market antitrust policy, met Attorney General Robert Kennedy during a visit to the United States in April.*



*A laboratory at Ispra, largest of Euratom's four Joint Research Centers.*

## EURATOM ISSUES SIXTH ANNUAL REPORT

THE COMMISSION OF THE European Atomic Energy Community declared in its Sixth General Report, published in April, that "Euratom has now acquired sufficient experience and weight for the U.S.-Euratom Agreement to be tantamount to an Atlantic Partnership in the nuclear field."

The report, which the Commission issues annually to the European Parliament, covers all Euratom's activities during the period March 1962 through February 1963.

By 1968 or 1970, the report predicts, nuclear power stations in the Community will be reasonably competitive with other sources of energy.

Euratom's program for the research and development of fast reactors is the most important item in its second five-year research program (1963-67), according to the report. As a partner in each of the main fast reactor projects now envisaged in the Community, the Euratom Commission can now ensure to a large degree the coordination of all Community research in this sector, the report states.

Of the British negotiations toward Euratom membership, the report says: "They brought out more clearly the importance, the reciprocal technical advantages which British membership would have offered. . . . The Commission considers that the interruption of the negotiations with the United Kingdom should not compromise such prospects. . . ."

### **Nuclear Energy Costs Becoming More Competitive**

Two statements from the report sum up the Euratom Commission's forecast for nuclear electricity's chances of competing economically with conventional electricity in the Community: "It appears that nuclear power stations will already be reasonably competitive in many areas of the

Community between 1965 and 1967 and will be so in the Community as a whole toward 1968 or 1970, with a utilization rate at or above 6,000 hours a year. . . . New power stations of the second generation (the German KRB, the Franco-Belgian SENA, and the French EDF3), now in course of construction, are on the threshold of competitiveness and permit the forecast that third-generation realizations will prove that nuclear energy is economic."

### **Research Program Expanding**

In July 1962 the Second Five-Year Research Program was approved by the Council of Ministers, providing for an expenditure of \$425 million during 1963-67.

By the end of 1962, when the first five-year program ended, \$194.5 million of the \$215 million authorized for this program had been engaged.

The second program continues research along the lines begun under the first, while widening the scope to new fields. About half the expenditure will be in Euratom's four Joint Research Centers and half under contract with outside organizations.

#### **• In the Joint Research Centers**

*Ispra, Italy:* Construction was started on the ECO critical assembly, which is expected to be in operation by the end of this year, and on the ESSOR specific test reactor. These two will contribute to development in the organic liquid-cooled, heavy water-moderated field, on which the Ispra work is being concentrated under the Orgel project.

Some Orgel work is being performed under association contract, and 25 such contracts were signed with industry during 1962. With the extension of cooperation with the

United States and Canada, the Commission says, a complete coordination is now assured between the three main organic reactor programs in the world.

*Petten, Netherlands:* This establishment was formally transferred to Euratom from the Dutch authorities, providing the Community with a second high-flux reactor for the testing of materials.

*Karlsruhe, Germany:* Work was begun on construction of the European Transuranium Institute at Karlsruhe, which will be the pivot of all Community plutonium research. At the end of 1962 the Karlsruhe staff numbered 55, most of whom were being trained in national centers in the Community or at Hanford, Washington, in the United States.

*Geel, Belgium:* The installation of the van de Graaff accelerator was started, and construction of the building to house it was completed.

#### • Contracts for Research

Six large-scale association contracts and 133 ordinary research contracts were signed during the year, bringing the total to over 400.

*Water-cooled reactors:* Under the U.S.-Euratom Agreement, by the end of 1962 the United States and Euratom had engaged \$27 million (\$17 million for execution in Europe and \$10 million in the U.S.) for work in connection with water-cooled reactors. Twenty new contracts and 27 renewals were signed during the year for research in this field.

*High-temperature gas reactors:* The Dragon Agreement between OECD countries has been extended by three years to April 1, 1967. Euratom is bearing 46 per cent (\$32.2 million) of the total eight-year cost of \$70 million for the project. Construction of the Dragon is expected to be complete in December 1963.

An agreement in principle has been reached on joint operation of the BBC/Krupp 'pebble-bed' reactor (AVR) at Juelich, Germany, under association contract. Discussions are also under way with the U.S. Atomic Energy Commission and the German authorities on the possibility of a cooperation agreement for the exchange of information on high-temperature gas reactor projects. Negotiations are also being held toward closer cooperation in this work

*The SENN reactor project in Italy, the first included in the U.S.-Euratom Joint Power Program, was also the first to receive enriched uranium under a new U.S.-Euratom long-term arrangement for U.S. supply of this fuel.*

with the Dragon project. Thus, says the Commission, "the inauguration of a form of close cooperation between all the high-temperature gas reactor projects in the world can therefore now be regarded as virtually achieved."

*Fast reactors:* Fast reactor research is proceeding almost wholly under association contract, and the Commission is now able to coordinate all the work in this field—the most important item, the report says, in Euratom's second program.

One of the association contracts was signed with the French CEA for joint study, construction and operation of the 'Rapsodie' reactor. Two other contracts are under consideration: one with the German authorities for work at Karlsruhe and one with the Italian CNEN.

*Fusion research:* Two new association contracts were concluded with Dutch and German laboratories for fusion research, and contracts with the French CEA and the Italian CNEN (at Fontenay and Frascati) were renewed, bringing the total to five. These five contracts provide a network of association through which "Euratom participation in all fusion research in the Community is assured, and the Commission is able to coordinate all the work undertaken in this sector," the report states.

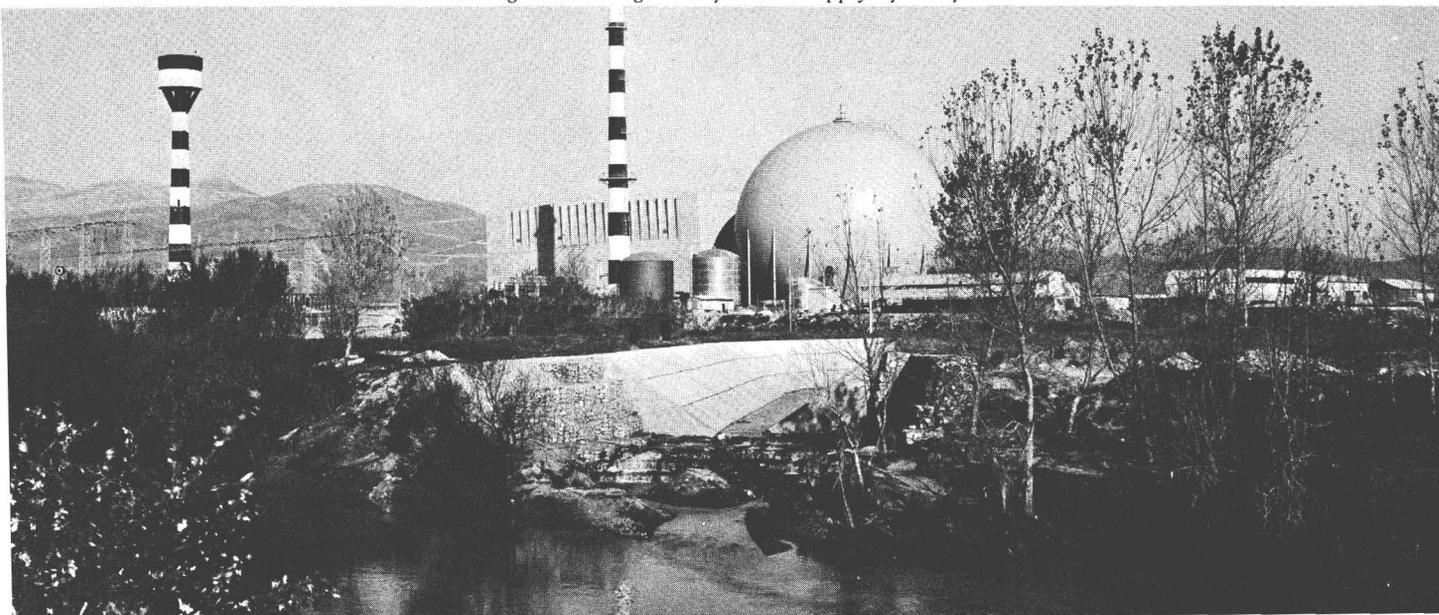
#### Euratom's Industrial Role Expands

Euratom's policy of encouraging the construction of nuclear power stations in the Community was pursued in two ways in 1962:

Two power projects were included in the U.S.-Euratom Joint Power Program—the Franco-Belgian SENA and the German KRB reactors, both of which will receive U.S. loans after being accepted for inclusion in the joint power program for projects to be completed by the end of 1965.

In addition, Euratom signed contracts to contribute to other power projects—\$7 million to the Italian SENN project, \$4 million to the Italian SIMEA project (whose reactor was constructed by a British company), and \$8 million to the Franco-Belgian SENA reactor project. Personnel from European firms and from Euratom have been assigned to these projects, thus enabling organizations in the Community to keep informed on progress in this field.

Other developments in 1962 included:



- Expansion of the Eurisotop information bureau;
- Council approval of a directive obliging member states to take steps toward the automatic granting of authorizations for the free circulation of qualified labor;
- Euratom's Supply Agency concluded the first contracts within the framework of the U.S.-Euratom Joint Power program for supply of enriched uranium for the SENN reactor.

For research purposes, 52 kg. of 90%-enriched uranium have been delivered via the Agency to national centers, plus 834 kg. of enriched uranium and 4.8 kg. of plutonium to Community firms under contract to Euratom.

- Amendments to the U.S.-Euratom Cooperation Agreement became effective in July, permitting the lease—in ad-

dition to the purchase—of fissile materials for power reactors constructed under the Agreement. The new arrangement makes a part of the 30 tons of enriched uranium—originally earmarked for the joint program—available for Euratom research outside the scope of the Agreement; it also permits the re-export of U.S.-supplied fissile materials after fabrication; and it allows U.S.-supplied fuel to undergo chemical re-treatment in Community plants.

- The Supplementary Nuclear Liability Convention has been signed (so far, by the Euratom countries and seven other members of OECD, including Britain), providing that the signatories furnish insurance coverage for up to \$120 million in the event of nuclear accident.

- A cooperation agreement was signed with Argentina.

## Euratom Documentation 'Automated'

EURATOM IS SWITCHING TO AUTOMATION to handle and make available information on peaceful nuclear research—a field which is producing an estimated total of about 50,000 new elements of information annually.

About 18 months ago, Euratom began to establish its Centre d'Information et Documentation (C.I.D.) to cope with the enormous task of retrieving and assembling information on new developments in atomic science.

The basic material for the C.I.D.'s stored material is the U.S.-published *Nuclear Science Abstracts*, the largest single source of nuclear information in the Western Hemisphere and one which has contributed 200,000 elements of information.

The C.I.D. set out to file and complement this documentation for Euratom. It has now classified and stored about 350,000 information items.

The C.I.D.'s documentation service, maintained for the benefit of Euratom research establishments and contractors, will eventually—when full automation is achieved—be extended to research institutes and industrial firms in the Community.

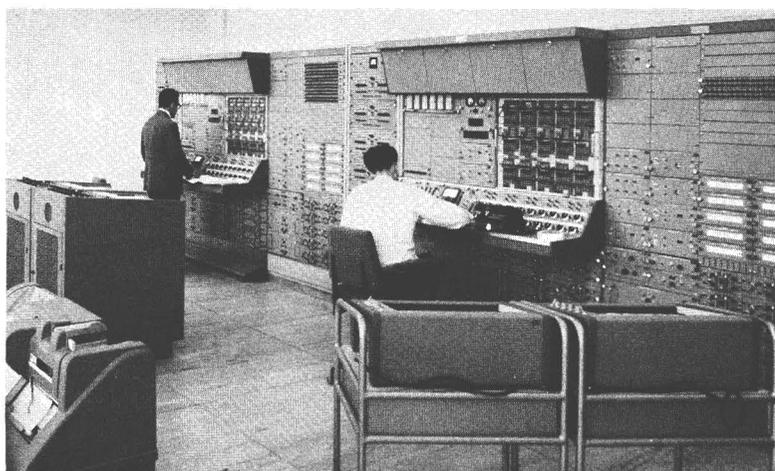
When the C.I.D. abandoned the traditional bibliographic methods it first employed, CETIS (Centre Européen du Traitement de l'Information Scientifique), a section of the research department of Euratom's Ispra (Italy) establishment, undertook the job of complete automation of information storage and retrieval. CETIS, equipped with U.S.-manufactured computer systems, now has the best documentation facilities in Europe.

Until the switch to automation is completed, the C.I.D. is filling the gap by setting up a "semi-automatic" documentation service, due to begin operation in 1965.

### 'Nuclear Libraries' Set Up

The C.I.D. also has two other important functions. It administers three libraries—one at Euratom's Brussels headquarters and one each at Ispra, Italy, and Geel, Belgium, two of Euratom's research establishments. Libraries are also being set up in the other two Euratom research centers—in Karlsruhe, Germany, and Petten, Netherlands.

By mid-1962 the three existing Euratom libraries had collected more than 64,000 books and 81,000 reports, and they have since expanded. The C.I.D. libraries cooperate with libraries in other atomic centers, both within the Com-



Computers for processing nuclear information at Euratom's research center in Ispra, Italy.

munity and in non-member countries, particularly the United States and Britain. The Brussels and Ispra libraries also serve as depository libraries for the U.S. Atomic Energy Commission.

### C.I.D. Also a Publisher

The third function of the C.I.D. is the publication and distribution of research findings. Its oldest publication is the *Transatom Bulletin*, which indexes and circulates each month information on translations of research papers in Slavic and Oriental languages and includes an average of 600 references monthly.

Another publication is the *Quarterly Digest*, containing abstracts on projects undertaken under the joint U.S.-Euratom Research and Development Program. The *Euratom Bulletin*, a quarterly in the Community languages and English, provides information for the non-nuclear specialist. The C.I.D. will also begin publication soon of *Euratom Information*, which will provide detailed information on Euratom research projects, both in the author's language and in English, and will include abstracts on patents which Euratom has filed in its own name or for which it has granted licenses.

The C.I.D. also publishes and distributes the results of research in "occasional," or non-periodical, reports, including "agreed reports" on the findings of research conducted under contract. Since 1962 when publication of these reports on a comprehensive scale began, about 180 reports have been made available.

# MODERATE ECONOMIC GROWTH EXPECTED TO CONTINUE THROUGH 1963

PRIVATE CONSUMPTION AND PUBLIC INVESTMENT will continue to provide major stimulus to the economy of the six Common Market countries (Belgium, France, Germany (F.R.), Italy, Luxembourg, and the Netherlands) in 1963, according to a quarterly economic survey recently published by the Commission of the European Economic Community.

The survey, dated March 1963, points out that in the last months of 1962, and at the beginning of this year, the general level of economic activity in the Community rose. In some sectors, however, its rate slowed because of Western Europe's severe winter.

No appreciable reduction is foreseen in the 4.5 per cent growth rate forecast for the Community's gross product in 1963.

Internal demand has continued to expand. The growth of private consumption was again considerable, rising with wage and salary income. Investment by the public authorities, the Commission said in the survey, also provided the economy with an appreciable stimulus.

The growth of capital investment by enterprises has further declined, however, except in Italy, where it has recovered. Investment in the construction sector decreased more than anticipated because of the abnormally cold weather.

## Productivity Increase Noted

When the weather improves there will be a vigorous recovery of total industrial production and building activity, the survey predicts. The anticipated increase of 5 per cent in industrial production in 1963 is still foreseen.

Despite the unseasonable weather, industrial production increased by about 2 per cent between the third and fourth quarters of 1962, after a rise of 1.4 per cent between the June and September quarters. The production index in

1962's fourth quarter was up 6.4 per cent over the corresponding period of 1961.

This speedier growth of industrial production is believed to reflect a rapid rise in productivity, for, while general employment rose, its increase in industry was negligible.

## Imports from Non-Member Countries Increase

Imports of goods from non-member countries again advanced vigorously. From October through December 1962 they increased in value by 7.5 per cent over the fourth quarter of 1961.

Exports during this period of 1962 were barely above the level of a year earlier, and in the early months of 1963 they fell below the corresponding period of 1962.

The balance of trade thus declined further in the fourth quarter of 1962. There was a deficit of \$366 million, compared to approximate equilibrium in the last quarter of 1961. Official gold and foreign exchange reserves in the member countries went up only \$185 million in 1962's last quarter.

The upward trend of consumer prices continued at an increasing rate toward the end of 1962, particularly as cold weather forced up prices for some foodstuffs and fuels.

Taking into consideration these trends, the Commission forecasts: very slight expansion in exports to non-member countries; a moderate increase in over-all investments; growth of private consumption and public spending.

The rise in prices is expected to level off appreciably unless the latest increases, mainly due to random factors, should aggravate the upward trend of labor costs and thus reinforce the rise in prices, the report states.

In view of this possibility, the Commission says that the governments of most of the member states are seeking to take stabilizing action while taking care to avoid measures which would adversely affect the growth of investment.

# U.S. AND EUROPEAN INVESTMENTS SURVEYED

LONG-TERM PRIVATE INVESTMENT in the United States by Western European firms (including those of Britain) is almost \$4 billion higher than U.S. private investment in Western Europe, according to information issued by the Commission of the European Economic Community.

Direct investment by the U.S., however, has been consistently greater than that of the Western Europeans. Of the \$11.3 billion of U.S. capital invested in Western Europe in 1961, \$7.6 billion (about 65 per cent) represents direct investments. The reverse is true of Western Europeans: about 65 per cent of European capital in the U.S. (\$10 billion of the \$15.2 billion total in 1961) was in portfolio investments.

The Commission furnished comparative information on European and U.S. investment in reply to a Parliamentary question submitted by René Pleven, chairman of the Liberal group in the European Parliament. The Commission stated that its material was based chiefly on data from the U.S. Department of Commerce's *Survey of Current Business*.

According to the Commission, U.S. direct investment

during 1961 in all six of the Common Market countries amounted to \$3,041,000,000; in Britain to \$3,523,000,000. Of the total U.S. direct investment in the Common Market

## How U.S. Foreign Investment Has Grown

(\$ million)	1956	1957	1958	1959	1960	1961	1958-61
Annual increases in total U.S. foreign investment .....	2,864	3,217	1,993	2,440	2,951	1,906 <sup>1</sup>	
France .....	51	37	82	94	101	99	376
Germany .....	97	152	85	130	210	164	589
Italy .....	50	45	28	35	69	83	215
Holland .....	24	5	16	38	38	25	117
Belgium-Luxemburg .....	16	42	16	3	20	25	64
Total Common Market .....	238	281	227	300	438	396	1,361
United Kingdom .....	186	362	173	330	754	292	1,549

Source: Survey of Current Business published by the U.S. Department of Commerce.

<sup>1</sup> Excluding Cuba, where U.S. investment was estimated at \$956 million in 1960.

in 1961, 38 per cent of it was in Germany (F.R.), 28 per cent in France, 15 per cent in Italy, 10 per cent in the Netherlands, and 8 per cent in Belgium and Luxembourg.

The more than \$3 billion of U.S. direct investment in the Common Market represents 8.8 per cent of total U.S. direct investment abroad.

On the question of the degree of U.S. influence in European business, the Commission stated that in 1961 U.S. expenditure on new factories and plants in the Community countries amounted to only some 2 per cent of their average annual rate of gross capital formation. This percentage showed some tendency to rise in Germany and Italy but had remained stable at about 1.5 per cent in France, the Commission stated.

### Direct Investments: U.S. and Europe, 1959

At the end of 1959—the only year for which comparative figures are available—U.S. direct investment in the entire Common Market amounted to \$2,208,000,000 and in Great Britain to \$2,477,000,000; Common Market direct investments in the U.S. amounted to \$1,348,000,000, and British direct investments in the U.S. totaled \$2,167,000,000.

Of the \$1.35 billion of Common Market capital in the United States in 1959, the member countries were represented as follows: Netherlands, \$892 million (67 per cent of total Common Market capital in the U.S.); France, \$161 million; Belgium and Luxembourg, \$153 million; the Federal Republic of Germany, \$84 million, and Italy, \$58 million.

Since the beginning of the Common Market—in the four years from 1958 through 1961—the value of direct investment by U.S. enterprises has increased by 81 per cent in the Common Market, by 78 per cent in Great Britain.

The amount invested by U.S. firms, however, has remained consistently higher in Britain than in the Common Market. During the four-year period it increased by \$1.55 billion in Britain (an annual average of about \$400 million) and by \$1.36 billion in the Common Market (an annual average of \$340 million). U.S. capital in 1961 had \$482 million more in direct investment in Britain than in all six Common Market countries.

Within the Common Market during the period 1958-61, U.S. direct investments increased most rapidly in Germany—by 102 per cent. The next largest increase, 85 per cent, was in Italy. In France the rate of increase was the same as that for the Common Market as a whole—81 per cent. The rate in the Netherlands was 61 per cent, in Belgium and Luxembourg 33 per cent.

In value, U.S. direct investments in Italy increased by \$215 million from 1958 through 1961—less than half the \$589 million invested in Germany during that time. But in the latter half of the four-year period the increase was greatest in Italy, rising from \$69 million in 1960 to \$83 million in 1961. Belgium and Luxembourg registered an increase of \$5 million in 1961 over 1960, but in the other Common Market countries there was a 1960-61 decrease in U.S. direct investment: in France, from \$101 million to \$99 million; in Germany, from \$210 million to \$164 million; and in the Netherlands, from \$38 million to \$25 million.

### Questions and Answers

The Common Market Commission's information on investments was issued on March 20 in response to a written

question submitted to it by M. Pleven.

As a member of the European Parliament, M. Pleven was following the Community procedure of addressing questions on problems and situations in the Community to the executive body of the Community. In reply to Parliamentary questions the Commission issues statements of policy or opinion on current matters of interest which are reproduced, along with the questions, in the Community's official gazette *Journal Officiel*.

The question of investments was of particular interest because it was to be considered by the Community's Council of Ministers at a meeting of the Finance Ministers of the six countries in Baden Baden on March 25-26.

During the meeting Giuseppe Trabucchi of Italy said that under Article 85 of the Rome Treaty the Six were pledged to a policy of expansion and encouragement of capital movement and it would be contrary to this policy to take action to check investments flowing into the Common Market. Following a request from French Finance Minister Valéry Giscard d'Estaing, the Council asked the Commission to prepare a more complete survey of foreign investments, this time on an industry-by-industry basis.

## High Authority Aids Model French Project

The High Authority of the European Coal and Steel Community has decided to provide "readaptation" aid for 1,600 workers in a French steel firm, which, faced with the closing of its plant, hopes to launch a local industrial redevelopment project geared to the gradual closure of the factory.

The plant, which belongs to the Compagnie des Aciéries et Forges de la Loire, is located in Boucau, near Bayonne in southern France. The firm owns the area around the factory as well as a nearby port.

The factory, which produces hematite foundry pig iron, has been badly hit by the recent sharp fall in the price of this product as well as the difficulties of producing in a remote area (Boucau is in the lower Pyrenées). It is being gradually shut down over a two-year period ending December 31, 1964.

The High Authority, as is usual in these cases, will provide half the costs of readaptation (4.78 million French francs, or more than \$968 thousand) on condition that the factory be closed by the end of 1964.

Aciéries et Forges de la Loire wishes to attract French and foreign firms to the Boucau area and to link the readaptation program with a redevelopment project which would provide workers with new jobs as they are discharged. The company has set up a center to direct the development program and has communicated its plans and proposals to the French Government, the High Authority, and industrial firms which might be prepared to move into the area. Economic studies and site surveys will be provided for interested firms.

Aciéries et Forges de la Loire has already participated in one of the High Authority's most successful readaptation projects—the gradual concentration and rationalization of five steelworks in the St. Etienne region from 1954 to 1958. Steel workers in that region were re-employed following a period of free retraining during which their incomes were supplemented by High Authority and French Government contributions.

# SPEAKING OF EUROPEAN UNITY AND THE ATLANTIC ALLIANCE . . .

## From Europe

“We want to make certain that [the Community’s] autonomy remains firmly imbedded in Atlantic solidarity—in the brotherly alliance with that great people beyond the ocean and the other peoples of the Atlantic Organization.

“We must beware of developing in such a way that the role of the European Economic Community becomes in the last resort a kind of economic supply unit for military-political aims. We must make it clear that we have no intention of bolstering up economically [through the European Economic Community] a third military power as an independent factor . . .

“Therefore it is important to take immediate practical steps to keep this Community viable and open. We must not, in determining our relationships with the other European countries, with the United States, and also with countries in the rest of the world, give way to the tendency to become a protectionist region which in certain circumstances might even aim at autarchy . . .”

WILLI BIRKELBACH, *German Chairman of the Socialist Party group, at the European Parliament, Strasbourg, February 5-6, 1963.*

“We desire a United States of Europe based not on the Six but on a Community of more countries. A divided Europe can never be a strong Europe . . . We see this United Europe . . . not as a closed Community but as an open one, firmly linked to the free world. Europe, as we envisage it, will have to cooperate in a larger relationship: the Atlantic relationship . . . We do not want to be a third force, an independent continental power, however great, or a politically neutral power. This we cannot accept. It is in conflict with the entire spirit of the Treaties . . .

“We do not wish to become the slaves of another big power . . . We wish to form a strongly united and, later on, a federal Europe which will be one of the two pillars on which the Atlantic Alliance of Europe and America will rest . . . an alliance of equal partnership.”

PIETER BLAISSE, *Dutch Vice President of the European Parliament and a member of the Parliament’s Christian Democrat group, at the European Parliament meeting, Strasbourg, February 5-6, 1963.*

“It is undeniable that a problem exists in the relations of Europe and America, these two indissociable parts of the free world. ‘Partnership, equal partners’—these words are often and freely spoken, but do they have the same meaning in our mouths as they do, for example, in the mouth of one honorable speaker this afternoon, who seemed to be denying Europe the right to power?

“‘We don’t want a European third force,’ he said in effect. Well, we do want one, because in the present-day world, faced with the dangers of Soviet imperialism, it is as well to be able to add the European number-three force to the American number-one force.

“We reject a closed Europe, but we want Europe to open herself willingly. We have not finished building the Community. For us agriculture is not . . . a limited prob-

lem, because a quarter of our working population lives by it. There is still much to be decided on the application of the common agricultural policy. We want very much to invite newcomers to the House of Europe, and I think that it is essential that we do. But must we allow these newcomers to move the furniture about and to open the doors and windows to all the winds that blow? . . .”

LOUIS TERRENOIRE, *UNR (French Gaullist), at the European Parliament meeting, Strasbourg, February 5-6, 1963.*

“It has been said that we must build a truly European Europe. I fully agree. But to me, a European Europe means one in which the democratic form of government is respected and defended. A European Europe, to me, means one that thinks in terms of wide horizons and freedom—a Europe conscious of her international responsibilities and prepared to create better and more efficient forms of cooperation that will increase prosperity not only within her own territory, but for all. To me, a European Europe means one that cooperates as an equal partner . . . with peoples on the other side of the Atlantic from whom, after all, we are separated by so little, and to whom we are linked so intimately . . .”

JOSEPH LUNS, *Dutch Foreign Minister and member of the Common Market Council of Ministers, at the European Parliament meeting in Strasbourg on February 5-6, 1963.*

“It is difficult to conceive that the peoples of Europe will engage themselves toward a common economic destiny without engaging themselves toward a common political destiny, and, necessarily, that leads them to have a common defense. England is part of Europe. It is obvious that she must participate in the common defense . . .

“But to assure European defense, the participation of the United States is necessary. For that indispensable participation to be established on a durable basis, there must be developed a relationship of equal partners between the United States and Europe . . .

“This relationship of equal partners must be applied to the responsibilities of the common defense. It requires, among other things, the organization of a European atomic force, including England, and in partnership with the United States.”

JEAN MONNET, *President of the Action Committee for the United States of Europe and first President of the ECSC, in an interview published by the Italian daily Corriere della Sera April 5, 1963.*

## In the United States

“The national economies of the nations comprising the great industrial complex of the North Atlantic are interdependent. This is becoming increasingly evident. . . . Our balance of payments deficit is, to a large extent, the mirror image of balance of payments surpluses of certain major European countries. If one nation or area adopts restrictive com-



Willi Birkelbach



Pieter Blaisse



Louis Terrenoire



Joseph Luns



Jean Monnet



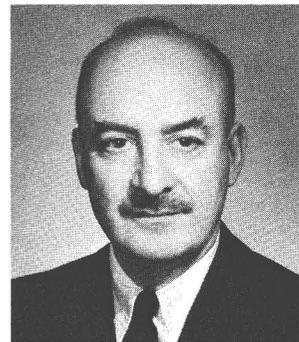
George Ball



Dean Rusk



Abram Chayes



William R. Tyler

mercial policies, those policies will find reflection in compensatory or retaliatory actions by its trading partners. The recognition of this economic interdependence has led us to seek new means to coordinate and harmonize our domestic economic policies . . .

“It seems clear enough that [the French Government’s veto of British membership in the European Community] has not changed the underlying facts that have dictated the need for greater European unity or effective Atlantic cooperation. We believe also that these facts are generally understood by the great body of European opinion. They can be briefly summarized:

1. Europe cannot defend itself today by its own efforts; its defense rests heavily upon the overwhelming nuclear strength of the United States.
2. The nuclear defense of the Free World is indivisible.
3. The great industrial economies of the North Atlantic countries are to a high degree interdependent.
4. To reap the full economic benefits of this interdependence requires a free flow of trade.
5. The urgent needs of the newly developed nations require effective common effort on the part of the major industrialized powers of the Free World.

“The existence of these facts . . . determines the broad policy lines that we intend to pursue . . .”

UNDER SECRETARY OF STATE GEORGE BALL, *in a letter to Senator Paul H. Douglas, February 15, 1963.*

“Beginning in 1947, while withdrawing before the advance of the anticolonialist wave that swept the earth during this postwar time, the European nations left partial vacuums of power and responsibility which the United States, of necessity, had to enter. Now the European powers have become strong. It is only right and proper that they should again play a leading role in world affairs—a role based on principles of equality and mutual self-respect . . . We cannot expect our European friends to assume responsibilities on a world basis unless they also share along with us in decisions of policy and strategy on a world basis. All this we have recognized . . . For us, the revival of Europe has not been a cause for envy but an object of policy. For we cannot ignore the fact that in the North Atlantic world—Western Europe and North America—there is concentrated 90 per cent of all free-world industrial strength as well as the great bulk of the free world’s technical skill and knowledge . . .”

SECRETARY OF STATE DEAN RUSK *at a regional foreign policy conference in Los Angeles, California, February 13, 1963.*

“For a long time it has been clear that the control and management of nuclear power within the [Atlantic] Alliance has been the focus of a growing concern. This has been a highly complicated problem reflecting an intricate blend of political, psychological, and strategic factors . . . The United States has for some time been taking steps to meet this concern of our allies . . . [The Nassau agreement] turned this common concern as to nuclear matters into a new vehicle for pressing forward with the work of European integration and Atlantic partnership . . . It calls for the creation of a truly multilateral force in which all NATO countries ready to share the burdens can participate fully in ownership, manning, and control. The President has

reasserted his determination that the arrangements for this force are not to be simply a facade for American control . . . The next months, and perhaps years, will need to be devoted to exploring [the implications of this new development] and to working them out in practice. To do so will require a creative vision as broad as was needed for the establishment of the EEC and NATO itself . . .”

ABRAM CHAYES, *Legal Adviser, Department of State, at Moorhead State College, Moorhead, Minnesota, February 9, 1963.*

“For over a decade in NATO, the United States has been in a position which it does not find congenial. We have a massive nuclear deterrent. We possess almost 60 per cent of the economic production and resources of the NATO Alliance; the remainder is unevenly distributed among a number of larger or smaller nations. So, like it or not, the needs and responsibility of leadership have, up to now, fallen to the United States. Political consultation, the problem of reaching accord and consensus with all of our partners in NATO,

is an extremely difficult one. There was and is no spokesman for Europe. There are spokesmen for 15 individual countries who represent a significant diversity of opinion.

“I think this is why the European Economic Community has captured the imagination of so many Americans . . . Where the European Economic Community finds it possible to speak with a single voice, as in the tariff field . . . we have already found that many more things are possible between us . . .

“We intend to reiterate our support for European integration so long as the European unity movement is neither subverted as an instrument for the hegemony of a single nation nor directed at the establishment of an autarchic Europe which would work against the political and economic interests of the United States and other Free World countries . . .”

WILLIAM R. TYLER, *Assistant Secretary of State for European Affairs, at the 67th annual meeting of the American Academy of Political and Social Science, Philadelphia, April 5, 1963.*

## EUROPEAN INDUSTRY FAVORS TRADE PACT WITH U.S.

UNICE, a group representing industrialists in all six Common Market countries, has made a statement in favor of tariff reductions between the United States and the Common Market, declaring that “the adoption by the United States of the Trade Expansion Act can open a new phase in the freeing and expansion of international trade.”

UNICE (Union des Industries de la Communauté Européenne) issued its statement on February 26 after a series of meetings and discussions. The importance of the statement is that it is an indication of the attitude of Western European businessmen toward the coming GATT negotiations. UNICE represents the views of France’s Conseil National du Patronat Français, the Federal Republic of Germany’s Bundesverband der Deutschen Industrie, Italy’s Confederazione Generale dell’ Industria Italiana, Belgium’s Fédération des Industries Belges, the Verband van Nederlandsche Werkgevers plus other associated Dutch organizations, and the Fédération des Industriels Luxembourgeois—organizations analogous to the United States’ National Association of Manufacturers.

### Widest Participation Urged

“In view of the principles contained in the most-favored-nation clause, these negotiations are inconceivable without the participation of all the industrialized countries of the free world, and the countries in the process of development will have to be taken into account,” UNICE declared.

Before the negotiations begin, agreement should be reached between all participating countries on the problems of the participation of countries not members of GATT and of the extension of concessions to non-member countries not participating in the negotiations, the statement continued.

UNICE said that the negotiations should make it possible to increase Common Market exports, especially to the U.S., pointing out that “the trade balance of the EEC with the United States shows a deficit—in fact, a large deficit.”

The statement continued with an observation on the difficulties and technicalities of arriving at satisfactory trade solutions for differing economies: “It is important to take into consideration both the effects of a major freeing of trade on the structure of the European Community and the limitations which the structure of the EEC sets to any such move, for European integration has not yet had its full effect on the economic development of the EEC and on the . . . firms in the Community. It is clear that in these conditions tariff reductions of a similar amount would not have identical effects in the United States and in the EEC.”

### “Customs Practices Must be Harmonized”

The industrialists also indicated concern about regulatory obstacles other than actual tariff rates affecting trade between the U.S. and the Common Market.

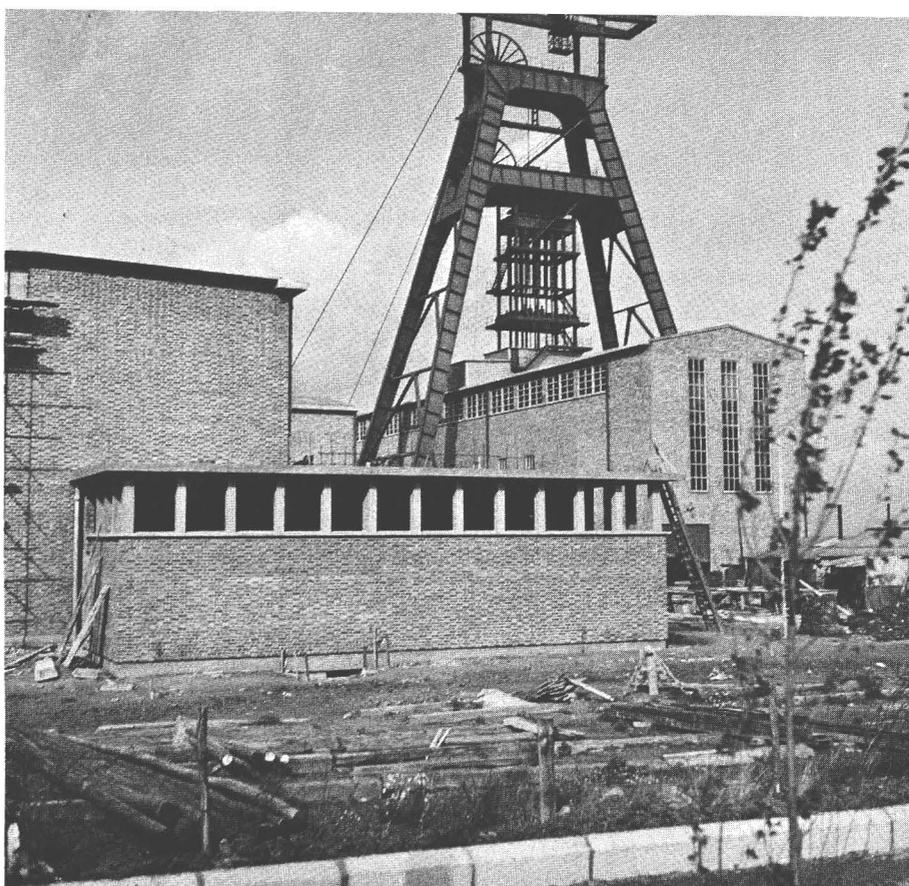
UNICE referred to the Trade Expansion Act’s clause on reducing or eliminating tariffs on tropical goods (see *Bulletin No. 57*), stating that it “allows for the removal of American customs duties only on tropical products which are not grown, or at least not in appreciable quantities, in the United States. UNICE considers that reductions in customs duties on tropical products should only be envisaged by direct contacts between the EEC and/or the United States on the one hand and the countries producing these products on the other hand.”

The negotiations should also, said the statement, “make it possible to lessen the differences existing between the European Economic Community and the countries of the European Free Trade Association, with a view to facilitating plans for accession or association at a later stage.”

Summing up its attitude, UNICE said that it hopes that the Community “will take this opportunity of supporting a movement for a general reduction of customs duties . . . within the framework of GATT and thus further demonstrate its liberal trade policy.”

## Survey Foresees Big Increase in Fuel Imports

# COMMUNITY ENERGY NEEDS UP 50% BY 1970



*A new coal mine under construction  
at Noeuds-les-Mines, Pas de Calais*

TOTAL ENERGY REQUIREMENTS in the European Community are expected to rise from the 1960 figure of 460 million metric tons of coal equivalent to 700 million by 1970 and almost 850 million by 1975—an increase of 50 per cent in 10 years, 85 per cent in 15 years.

Community coal will supply less than a quarter of the total requirements by 1975, and it is expected that most of the increased fuel requirements will be furnished by imports—particularly oil.

These forecasts are presented in a study just published by the Inter-Executive Committee on the long-term energy prospects of the European Community.

Last June the Committee, established by the executive bodies of the three Communities—the ECSC High Authority and the Commissions of EEC and Euratom—and headed by Pierre-Olivier Lapie, a member of the High Authority, submitted to the Council of Ministers a policy memorandum containing proposals for a long-term energy policy for the European Community (see *Bulletin No. 55*, p. 3).

### Pattern of the Community's Energy Supply in 1960 and 1975

Percentage of total	Community Production		Imports		Total	
	1960	1975	1960	1975	1960	1975
Coal .....	51	15-23 <sup>1</sup>	3	11-5	54	26-28
Brown coal .....	6	4	1	—	7	4
Petroleum .....	4	2	23	50-44	27	52-46
Natural gas .....	3	5-7	—	3	3	8-10
Hydraulic electricity .....	9	7	—	—	9	7
Nuclear electricity .....	—	3-5	—	—	—	3-5
Total .....	73	36-48	27	64-52	100 <sup>2</sup>	100 <sup>2</sup>

<sup>1</sup> The higher figure assumes a policy of maximum assistance to Community coal, the lower figure assumes no protection at all. The converse is true of the figures for imports.

<sup>2</sup> The Community's total energy supply (represented by 100 per cent) was 461 million tons of coal equivalent in 1960 and is estimated at 847 million in 1975.

The Committee's recently completed study provides a framework in which to consider the policy memorandum and answers questions asked by the Council after the ministers had examined the memorandum—particularly on the competitive capacity of Community coal mines, on coal subsidies, oil supply, the outlook for nuclear energy, and the means of achieving security of fuel supply.

The study was addressed to the ministers responsible for energy in the six member countries and will also be sent to the advisory committee of the ECSC and the Economic and Social Committee of the EEC.

### Imports of Coal and Oil to Increase

By 1970 coal will supply only one-third of Community energy needs, compared with about one-half at the present time, according to the study. No improvement is expected in the competitive position of Community coal in the long run; the study predicts that the rise in wages will probably exceed the improvement in productivity and that prices will therefore rise.

If no assistance were given to the mines, Community-produced coal, which supplied 51 per cent of total energy requirements in 1960, would supply only 15 per cent by 1975; with maximum aid, Community coal would supply 23 per cent. Thus, depending on the protective policy the Community follows, coal imports, now at 13 million tons, will rise either to 100 million tons or to 40 million tons by 1975.

The study estimated that in 1970 the average price on coal imported from the U. S. would be between \$13 and \$13.50 for steam coal and \$14.50 to \$16.50 for coking coal delivered to North Sea ports.

Oil, which now covers less than a third of Community energy requirements, will cover about a half after 1970; this, the report states, gives added significance to problems

of security of supply and price stability. By 1975, it is estimated, oil imports will represent between 44 and 50 per cent of the Community's total energy supplies.

Natural gas should provide between 62 and 80 million tons of coal equivalent by 1975—roughly two-thirds of it produced in the Community.

The study states that it is expected that by 1970 large nuclear power stations will be producing electricity at competitive prices and that the Community's nuclear industry would supply eight million tons of coal equivalent by that time. By 1975 it should be between 24 to 40 million, or three to five per cent of total supplies.

The 250-page study, which includes numerous tables and charts, gives comparisons of cost, origin, and probable development for the different forms of energy. It assumes there will be basically free choice for consumers, but with a degree of aid and protection for the Community's coal

mines against imports. The study emphasizes three basic problems:

- that ways and means must be found to keep sales of coal in the Community at the desired level, ensuring that the main Community coal mines are kept in production;
- that a policy must be framed for the supply of imported fuel—particularly crude oil;
- that a study must be made to determine the optimum rate of developing nuclear energy plants. (Within 15 to 20 years, according to the study, the Community will have developed its nuclear energy industry to the point where it will strengthen the security of energy supplies.)

The study states that the increasing proportion of imports in the Community's energy supply calls for a very open market so that the cost of supply may be reduced as much as possible.

## New Coal Sales Organizations To Function in Ruhr and Belgium

THE HIGH AUTHORITY of the European Coal and Steel Community recently authorized the establishment of two new coal-selling agencies in the Ruhr and approved a new agreement among Belgian coal producers for sale of their coal by the Comptoir Belge du Charbon (Cobechar).

The two new coal sales agencies in the Ruhr replace the three sales agencies which have been operating with a joint central office since their authorization in 1956. The primary innovation of the reorganization is that institutional links between the agencies will be largely eliminated.

The High Authority stipulated that the two new Ruhr organizations must keep their accounts and finances separate. There will now be two separate export offices to replace the one export office shared by the three sales organizations under the former system. These and additional conditions were imposed by the High Authority to ensure that the two agencies will operate independently.

### Precautions Taken to Avoid Monopoly

The Ruhr coal producers have long wanted a single sales organization. Despite the producers' contention that a single agency was necessary to carry out reorganization of the coal industry, the High Authority has maintained that such an organization would be incompatible with the ECSC Treaty. It was for this reason that the High Authority in 1956 split GEORG, the monolithic Gemeinschaftsorganisation Ruhrkohle, into the three agencies and has now replaced them with two and established new rulings. The High Authority wished to prevent a single group from acquiring a strategic position in the coal market and exerting an excessive influence on the price structure.

The European Community's Court of Justice upheld the High Authority's decision against a single sales organization in May 1962 and established that the maintenance of the various ties between the three existing sales agencies was also incompatible with the Treaty. It was decided that the entire system for the sale of Ruhr coal should be reviewed and revised by the end of March 1963, and coal producers were asked to submit new proposals for the sale of the Ruhr coal.

The High Authority approved in principal the establishment of the two new coal-selling agencies in January after final discussions with Franz Etzel, representative of the Ruhr producers. Other conditions and arrangements for the new system have been authorized since January.

Coal used by the producers themselves or by industries linked to them will not be sold by the new agencies. The two organizations will therefore handle less than 50 per cent of the Ruhr's total coal output. The High Authority has limited its authorization for the new system to three years instead of the five years requested, and it will, during the three years, determine whether the new sales system answers the needs which are the basis for the decisions it has made.

### Cobechar Agreement Approved

The High Authority has authorized a sales agreement concluded by a number of coal producers within the framework of Cobechar, a Belgian coal sales organization, from February 1, 1963, to December 31, 1965.

Five Belgian coal producers decided to remain outside the sales organization. Cobechar will thus have a fairly small share of the Community coal market by comparison even with some independent coal producers. In 1961 the total coal output of the firms now associated in Cobechar covered about 77 per cent of Belgian coal production and 7.2 per cent of total coal production in the Community.

In addition to handling sales through Cobechar, the coal producers participating in it have set aside a large part of their output for their own use and for sale on an independent basis. This totals about 57 per cent of their overall production.

The High Authority imposed various conditions on the operation of the agreements, notably that the coal producers associated in Cobechar should take into account the need to reorganize the Belgian coal industry (which involves the closure of some mines) and respect the measures taken by the High Authority and by the Belgian Government for this purpose. The High Authority reserves the right to withdraw the authorization if it finds that these conditions have not been fulfilled.

# COAL AND STEEL COMMUNITY OBSERVES TENTH ANNIVERSARY

THE EUROPEAN COAL AND STEEL COMMUNITY'S HIGH AUTHORITY celebrated the tenth anniversary of Europe's first common market—the common market for coal and iron ore—in Luxembourg on February 15.

The Paris Treaty, on which the ECSC is based, provided the means for integrating the basic industries of six European countries; it provided the federal-type institutional structure which, with certain modifications, has served to bring into being Euratom and the full Common Market for all goods.

## What ECSC Has Produced

In the ten-year period steel production in the Community went up by 74 per cent, reaching 72.7 million metric tons in 1962, compared with 41.9 million tons in 1952. The increase was most spectacular in Italy where it rose from 3.5 million tons to 9.4 million. Increases in the other countries of the Community in the same period were, in order of size: Germany, from 18.6 million metric tons to 32.6 million; France, from 10.9 to 17.2 million; Belgium, from 5.2 to 7.3 million; Luxembourg, from 3 to 4 million; and Holland, from 684,000 thousand tons to 2 million tons.

Iron ore production in the Community also rose in this period—by 41 per cent—while supplies of scrap, which were scarce in Europe before the establishment of the Community, reached 30 million metric tons in 1962, compared with 21 million in 1952.

Coal output, which rose by 5 per cent in the first four years of ECSC (from 238.9 million metric tons to 249 million in 1956), has decreased steadily since 1957 and now stands at 227 million tons a year. This decline in coal production—at an average annual rate of 5 per cent over the whole period—is the result of the adaptation of the coal industry to changed conditions in the energy market. The decline in Community coal production is slight, however, when compared with sharp reductions in some of the free world's major coal fields.

## Community Trade Up, Prices Stable

Intra-Community trade in scrap and steel grew considerably in this period: In 1962 the intra-Community trade index for scrap climbed to 720 and for steel to 500 (1952=100 in both cases). Orders received by producers from other countries of the Community exceeded total orders received from non-Community countries for the first time in 1962.

The intra-Community iron-ore trade index rose to 300 in 1962 (1952=100). Trade in coal rose by only 8 per cent, however, because of the increasing tendency to use solid fuel in the areas in which it is produced, particularly for local power stations.

The total value of ECSC products exchanged between the six member countries is estimated today at about \$3 billion, compared with \$900 million in 1952. This represents an increase of over 200 per cent.

The creation of a common market for coal and steel has



*At the anniversary celebration in Luxembourg (left to right): Joseph Bech, former Luxembourg Prime Minister; Sir Arthur Tandy, head of the British delegation to the European Communities; Piero Malvestiti, High Authority President; Prince Jean and Princess Joséphine Charlotte of Luxembourg; Albert Coppé, High Authority Vice President; Bernd von Mumm von Schwarzenstein, German Ambassador to Luxembourg; and Pierre Werner, Luxembourg Prime Minister.*

resulted in price stability for ECSC products, through the pressure of lively competition and the rationalization of Community firms.

Coal prices in ECSC rose by only 5 per cent between 1952 and 1962. Steel prices in the Community increased even less—by 3 per cent. During the same period steel prices rose by 16 per cent in Great Britain and by 24 per cent in the United States.

To ensure that Community rules on fair competition were properly respected, the High Authority has closely examined 200 agreements between ECSC firms and prohibited 15 of them.

## Firms and Employees Both Benefit

ECSC firms have raised their annual investment rate by 60 per cent during the first ten years of the common market for coal and steel. This has improved productivity and actual production levels in the coal and steel industries. Investment in steel alone during this period totaled \$9 billion.

The High Authority has encouraged this investment by lending a total of some \$400 million to firms whose investment programs were in line with the Community's *General Objectives*, which forecast likely future consumption levels and the general developments needed to reach them. It has also provided \$36 million for medical and technical research in ECSC industries.

The ECSC Treaty was the first in history to give so large a degree of protection to workers' rights and interests. During the last ten years the High Authority has contributed to the retraining of 156,000 workers (129,000 of them miners) by means of unemployment and resettlement benefits and direct retraining grants. In addition, the High Authority has contributed to several redevelopment programs, which have provided 6,000 new jobs.

The High Authority also contributed \$160 million for workers' housing programs, which have supplied nearly 75,000 houses for ECSC employees since 1954. A new program for 25,000 houses is now being prepared.

# HOW WELL-OFF ARE EUROPEAN COMMUNITY WORKERS?

LUXEMBOURG WORKERS in breweries and in steel and iron-mining plants are the best-paid of all European Community workers.

In general, in 13 industries surveyed in the six member countries of the Community, French and Belgian workers proved to be faring better than those in other Community countries. The incomes of Dutch workers tended to be on the middle rungs of the ladder, with the Germans next, and the Italian workers—except in the well-paid rubber industry—often at or near the bottom.

These are some of the findings of the first major comparative study of European workers' real incomes by country and industry—*Statistiques Sociales, No. 3, 1962: Revenus des Ouvriers CEE, 1959*, published by the Statistical Office of the European Community at the end of 1962.

The 144-page report presents a comparison of male workers' real incomes for 13 of the Community's major industries. The importance of the industries varied in the six countries: Luxembourg's industry was represented only in the category of brewing and malting (see table). The iron and steel industry was studied in a separate report.

The new survey is the second volume of a study based on an inquiry carried out in 1960 for the year 1959, covering 10,000 firms employing 3.7 million workers and representing 30 per cent of total employment in manufacturing in all Community countries except Luxembourg. The first volume, issued earlier, dealt with wage costs from the employers' point of view (see Bulletin No. 52, p. 7).

The second volume gives annual average cash salaries and net incomes for bachelors and married workers, with separate figures for workers with families varying from one to five children. (The table reproduced here lists incomes only for bachelors and men with two children.) To obtain a valid international comparison of income, the Statistical Office converted wages in national currencies into Belgian francs, using a special system of exchange rates based on comparative costs of living in each country. These rates do not correspond to normal exchange rates for the national currencies.

## Base Salary Not the Best Index

In calculating workers' final net incomes, the inquiry took into account gross cash income, additional benefits, family allowances, social security payments, and income tax (see table). Special social security payments, such as unemployment or sickness benefits, and housing provided by employers, have not been included. Income figures refer only to the earnings of heads of families, not total family incomes.

In annual average gross salaries, without benefits or deductions, France holds first place in five industries, Belgium in three, the Netherlands and Germany in two each, and Luxembourg in one.

In net income, however, with the gross salary increased by benefits provided by the employer and by family allowances and decreased by the worker's payment for social security and income tax—the results are different:

Workers with two children generally fared best in France, where the average net incomes were the highest in the Community for 10 of the 13 industries. Belgium

took first place in two of the remaining three industries, second place in six.

The lowest income levels, both gross and net, were found most frequently in Italy. In the rubber industry, however, Italians' total net incomes were higher than in any other Community country for bachelors, married workers without children and families with one child. For workers with bigger families, however, the larger family allowance payments in France and Belgium tended to outweigh higher net wages in the Italian rubber industry.

## Netherlands Workers' Pay Average

The net incomes of Dutch workers in the industries under consideration usually tended to coincide roughly with the Community average. Wool and cotton spinners without families or with only one child were generally slightly better off in the Netherlands than in other Community countries. In the rubber industry, however, Dutch incomes were among the lowest.

In Germany, for five of the 13 industries listed, the average income for a married man with two children was the lowest in the Community. In seven other industries it was the second lowest—a pattern which, because of lower "fringe benefits," corresponded approximately to the net income of other German family groups.

The Statistical Office's experience of wage surveys goes back to 1953, when it made its first studies for the Coal and Steel Community. It has long-term plans to produce a continuous international comparison of incomes in the European Community which will be more comprehensive and more detailed than the present report. It also hopes

*Low-cost workers' housing, shown here near Rotterdam, is one of the many changes in living standards taking place in the European Community.*



to produce a comparison of women's incomes and to improve the basis on which its cost-of-living exchange rates are based.

### ECSC Industries

Although the report discussed above does not cover industries subject to Coal and Steel Community control, internationally comparable figures for these industries for 1960 were given in an earlier Statistical Office report (*Statistiques Sociales No. 1/1962: Statistique des Salaires 1960*), from which the following table has been compiled.

### Average net real income in 1960 for a married man with two children

'000 Belgian Francs (1 BF=\$.02)	in 1000 Belgian Francs (1 BF=\$.02)					
	Germany	France	Italy	Netherlands	Belgium	Luxembourg
Coal <sup>1,2</sup>	86.7	100.8	78.3	102.5	107.5	—
Iron ore <sup>1</sup>	82.5	135.3	73.3	—	—	145.5
Steel	88.9	103.4	81.0	87.6	108.3	123.6

<sup>1</sup> Underground workers

<sup>2</sup> Includes company housing

In the ECSC industries Luxembourg had the highest incomes in the industries represented (steel and iron-ore mining). In coal mining Belgian workers had the highest real income, and Belgian steel workers took second place after Luxembourg. Though the position of French workers was relatively less strong than it was in the manufacturing sectors, in iron-ore mining French real incomes held second place, and in steel and coal mining they were not far behind the Belgian levels.

Since this study was compiled, Community experts have estimated that the following increases have occurred in real wages in the Community from 1958 to the first half of 1961:

- Germany 33 per cent
- The Netherlands 20 per cent
- Italy 17 per cent
- France 27 per cent

Real per capita income in the United States is still probably about twice as high as the average for Western Europe as a whole, according to these estimates.

### Utrecht Offers Summer Course

The University of Utrecht will conduct an English-language course on "Europe and the Netherlands" this summer from July 9 through July 25.

Subjects to be offered include: The Foundations of West European Culture, Contemporary Themes of West European Culture, Comparative Education in Europe, the Modern State and Nationalism, Recent Economic Trends in Europe, the Netherlands in the European Community, Religion in the Netherlands.

Courses on European and Dutch painting are also offered, and the study program will include visits to land reclamation projects, art galleries, a castle tour in Utrecht Province, and a reception at the former Noordeinde Palace in The Hague. This is the second time the University of Utrecht has offered this summer course in English.

Applications should be sent to: E. Jongens, Secretary of the Summer Course, Netherlands Universities Foundation for International Cooperation, 27 Molenstraat, The Hague.

### Average annual net real incomes of European workers in 1959. For a married man with two children

	Germany	France	Italy	Netherlands	Belgium	Luxembourg
Brewing and malting	72.6	80.4	—	75.3	77.2	95.7
Wool spinning	53.7	68.4	51.1	64.4	62.6	—
Cotton spinning	51.9	63.8	51.8	63.5	63.1	—
Synthetic fibres	71.9	90.9	59.5	—	—	—
Pulp, paper and paperboard	67.0	81.2	61.2	67.8	84.7	—
Chemicals	72.5	94.0	69.4	71.4	84.2	—
Rubber	65.4	82.7	78.5	65.6	75.6	—
Cement	70.2	95.5	59.6	—	93.2	—
Pottery	57.0	74.4	54.5	57.2	68.8	—
Machine tools	67.2	93.2	67.5	—	81.9	—
Electrical engineering	62.2	90.7	65.1	67.6	78.6	—
Dockyards	68.2	83.0	63.9	71.8	88.1	—
Vehicles	71.1	102.5	82.6	—	—	—

### High Authority Rules on Steel Prices

As Community steel firms increasingly align their prices on those offered by non-Community firms, the High Authority of the Coal and Steel Community has issued a memorandum on the conditions under which such alignments are allowed by the Paris Treaty.

The memorandum (published in the Community's *Journal Officiel*, January 17) is based on the High Authority's belief that many of these alignments are not economically justified. It points out that all applications from Community firms to lower their prices in line with those offered by non-Community firms must be accompanied by adequate proof of the competitive pressure to which the Community firms are exposed.

The High Authority has submitted another memorandum to the Council of Ministers' Coordinating Committee on the harmful effects which low-price imports from non-member countries could have on the Community steel market. The memorandum urges that an *ad hoc* committee should be set up to study the problem in the context of the Community's external trade policy.

### Negotiations with Turkey Resume

Negotiations on Turkey's request for association with the European Economic Community were resumed in Brussels on March 12, with the EEC Commission acting for the Community.

It is probable that the association will take the form of a customs union. During a preparatory period of five or six years it may be restricted to special agreements covering specific products. The Common Market has already agreed to open duty-free quotas for Turkish tobacco and sultana grapes, and further quotas are envisioned for various other agricultural products.

Later in March, Turkish Foreign Minister Feridun Erkin visited Rome to discuss outstanding problems with officials of the Italian Government, which had previously expressed reservations about Community quotas for Turkish nuts, dried figs, and some citrus fruit.

# Community Moves Toward Common Vocational Training Policy

THE COMMUNITY HAS ESTABLISHED the outlines of a common policy on vocational training in industry.

The Common Market's Council of Ministers recently adopted proposals for this goal submitted by the EEC Commission, after obtaining the advice of the Economic and Social Committee and the European Parliament. The new measures, which cover "young people and adults employed in, or intending to take up, jobs up to the level of medium-grade supervisors," are designed to help redress the shortage of skilled labor which acted as a brake on the Community's economic expansion in 1961 and 1962.

During the Council's session at which this new policy was adopted, Lionello Levi Sandri, chairman of the Common Market Commission's Social Affairs Committee, stated that "imbalances and tensions in the labor market are due in a large measure to lack of adequate vocational training (in the Community more than 600,000 advertised jobs have remained vacant) . . . and regional development policy is often hampered by shortages of skilled labor." The Council's action will make it possible "to initiate programs which take account of the various countries' needs and meet them by joint actions," Signor Levi Sandri declared.

The first conditions for implementing the common policy were established as: (1) forecasting of the numbers, types, and grades of manpower needed in the Community's job markets; and (2) constant guidance to young people and adults in the light of their capabilities and of the existing openings. The Commission is empowered to propose to the Council or to the member governments all measures on the action necessary to achieve the Community's vocational aims. Such measures may be financed jointly.

The common policy's aims were set forth as follows:

## European Social Fund Spent \$12 Million

In 1962 the European Social Fund made grants totaling \$12,291,798 to aid retraining and resettlement programs for unemployed workers in Community countries.

The grants, which were made on the basis of expenditure incurred by member governments in 1958 and 1959 to enable some 183,000 workers to find new jobs, were shared between the member countries as follows: Belgium \$461,421; France \$4,624,641; Germany \$1,999,912; Italy \$3,733,198; Netherlands \$1,472,626.

By December 31, 1962, outstanding applications to the Fund on which no decision had then been reached amounted to \$17,946,340—mainly for expenditure incurred in 1960 and 1961.

A primary function of the European Social Fund, established to improve employment facilities and the mobility of workers in the Community, is to assist in the re-employment of workers who have to change jobs. Such assistance is in the form of vocational retraining, resettlement, and other aids. The Social Fund refunds 50 per cent of the amounts which the member governments spend for this purpose.



- To give every worker the chance to receive adequate vocational training and to advance in his career.
- To organize the training facilities necessary to meet the requirements of the economy.
- To broaden general basic training in industry in order to develop the worker's aptitudes and to keep him abreast of technical progress; besides appropriate specialization, this requires a solid basis of technical skill.
- To enable workers to improve their skills throughout their careers, thus giving real meaning to the term "social advancement."
- To ensure that "training" and "production" no longer form separate worlds, but that all sectors of industrial life participate in solving the problems of useful vocational training.

The new policy provides for the progressive narrowing of differences in training standards between Community countries, with a view to the eventual mutual recognition of technical diplomas and certificates. Harmonization in this field is stated to be essential, if the Community's policy of removing restrictions on the free movement of workers is to reach full development.

Special rapid training courses are envisaged to ensure short-term balance between demand and supply of skilled labor. These courses will be undertaken in conjunction with labor forecasts which will indicate the Community's most urgent needs.

The new Community policy lays special stress on the importance of proper training for technical instructors, particularly those required to work in the underdeveloped areas of the Community or in developing countries associated with the Community.

# New Rulings Made on Poultry, Other Agricultural Imports

THE COMMON MARKET has recently issued new regulations on agricultural levies, particularly on poultry imports, and is considering other proposed adjustments.

Effective April 27, the Common Market made a reduction of about five cents a pound in the levy on specific poultry products imported into the Community—poultry backs and necks.

The new sluice-gate price on imports of poultry backs and necks is \$.4414 per kilogram (approximately \$.201 per pound). The former sluice-gate price was \$.5516 per kg. (\$.2546 per lb.).

The EEC Commission adopted its regulation modifying the special levy and sluice-gate price for poultry backs and necks after deciding that the conversion rate (of feed grain into poultry meat) on which these levies was based had proved to be too high.

For the same reason the Common Market Commission has proposed to the Council of Ministers another reduction in sluice-gate prices and levies on poultry imports from non-member countries. The change, which the Commission feels is justified by the rapid improvement in production techniques, would be in that component of the levy which reflects the conversion rate of feed-grain into poultry meat.

The proposed change would reduce the conversion factor (amount of food required to produce one kilogram of poultry meat) from 2.7 kilograms to 2.5 kilograms. (The conversion factor, employed with world market prices for poultry grain, is used in arriving at the sluice-gate price. This factor is also used to construct the amount of the levy, so the Commission's proposal would also mean a lowering of the levy.)

The proposed reductions in the sluice-gate price, on the basis of this proposal, would amount to 1 cent to 2 cents per pound (4.5 to 5 per cent), depending on the category of imported poultry.

For the calculation of the levies the Commission suggests the following feed-conversion rates:

*Category A)* Hens and chickens, plucked, without intestines,

with head and feet: 2.19 kg. instead of 2.36 kg. of feed grain;

*Category B)* Hens and chickens, plucked, drawn, without head or feet but with heart and gizzard: 2.6 kg. instead of 2.8 kg. of feed grain;

*Category C)* Hens and chickens, plucked, drawn, without head or feet, heart, liver or gizzard: 2.8 kg. instead of 3.02 kg. of feed grain.

If the Commission's proposal receives unanimous approval from the Council of Ministers, the sluice-gate prices would be reduced by approximately \$.03 per kilogram. The new sluice-gate prices per kilogram of slaughtered poultry would be approximately as follows:

For Category A: \$.59, Category B: \$.70, Category C: \$.75.

If, for example, the proposed changes were to be adopted, the effect on Category B (oven-ready) poultry imports into Germany from non-member countries would be as follows:

(per kilogram)	Sluice-gate price	Levy	Total
Before reduction	\$.725	\$.2375	\$.9625
After reduction	.695	.225	.92
Change	.03	.0125	.0425

The Council of Ministers, at its meeting on March 20-21, also adopted two regulations proposed by the Commission on the levy to be applied, between April 1 and June 30, 1963, on imports of live and slaughtered pigs from non-member countries and on the maximum refund payable on the production of soft-wheat starches. Both regulations were published in full in the *Journal Officiel* of March 27.

Further regulations on agricultural products for the period April 1 to June 30, 1963, were published in the *Journal Officiel* on March 30. These relate to sluice-gate prices for live and slaughtered pigs, eggs, liquid eggs and egg yolks, and live and slaughtered poultry; also levies on imports of eggs and on live and slaughtered poultry weighing less than 185 grams from non-member countries.

## Regulations Proposed for Wholesale Agents

The Common Market Commission has submitted a further draft regulation to the Council of Ministers on freedom of establishment for non-salaried (i.e. commission-earning) wholesale representatives and agents.

The draft suggests that Community citizens wishing to practice such a profession in a Community country other than their own should have the right to do so on equal terms with the nationals of the country concerned, provided that they can prove three years' consecutive activity in the same field in their own countries. The measure is intended to overcome difficulties created by the fact that several of the Community countries do not have specific regulations governing entry to these professions. Supplementing two other Commission proposals already before the Council of Ministers, the draft regulation is designed only as an interim measure until the Community countries standardize their national regulations in this field.

## Non-Community Firms May Bid for Contracts

The Common Market Commission decided in March that nationals and firms of certain non-member countries may participate in aid projects financed by the European Development Fund.

This represents considerable widening of the market for public works contracts, since invitations to bid on projects financed by the Development Fund (which aids the development of EEC-associated countries, most of which are in Africa) have previously been limited to individuals or firms of the six EEC member countries or of the associated countries themselves.

Initially, the Commission will limit outside participation to contractors in countries already cooperating with the Community in development aid on a permanent basis, either under special agreement or through common organizations.

Before a call for bids is issued, the Commission will consult with officials of the associated state in which a Develop-

ment Fund project is to be undertaken. It may then, on the basis of the consultation, issue invitations to nationals of non-member countries to bid.

The Commission's decision to permit wider participation in development projects was taken on the basis of discussions held in 1962—both within the Community and in various international organizations—on the question of "tied aid"—aid which limits participation to contractors from the donor country only.

## Euratom Grants \$5 Million to Dutch Reactor

The European Atomic Energy Community will contribute up to \$5 million to the construction and operating costs of a 50-MWe boiling-water experimental power reactor to be built by the N. V. Samenwerkende Electriciteits Productiebedrijven (SEP) of Arnhem, Netherlands.

The contract between Euratom and SEP has been approved by the various Dutch electricity enterprises involved in the project and is expected to be signed in the near future.

Total cost of the SEP plant is estimated at \$25 million. The SEP reactor will be equipped with extensive in-core instrumentation, in order to obtain more detailed information on fission process in a power reactor than is now available.

In return for the Euratom aid, SEP will make available to Euratom information obtained during the construction and operation of the plant. Euratom may also assign its own engineers or personnel from Community enterprises to the project.

The cooperation between Euratom and the Dutch project is based on the belief that nuclear energy will play an in-

creasingly important role in the Community as it develops into a source of low-cost power, and that industry—both the construction and electricity sectors—should acquire experience in the nuclear power field.

## PUBLICATIONS AVAILABLE

FINANCIAL REPORT FOR THE YEAR 1962, High Authority, Luxembourg, 21 pages . . . . . free

GUIDE DES COMMUNAUTÉS EUROPÉENNES, Information Service of the European Communities, Brussels-Luxembourg, April 1962, 179 pages . . . . . \$ .80

*A listing of key personnel of the three Communities with brief summaries of the functions of the institutions of the Communities.*

MEMORANDUM OF THE COMMISSION ON THE ACTION PROGRAM OF THE COMMUNITY FOR THE SECOND STAGE, Commission of the European Economic Community, Brussels, October 1962, 89 pages . . . . . \$ .80

FRENCH INDUSTRY AND THE COMMON MARKET, Information Service of the European Communities, London, December 1962, 55 pages . . . . . free

RAPPORT DU COMITÉ FISCAL ET FINANCIER, Commission of the European Economic Community, Brussels, 1962, 150 pages . . . . . \$2.40

*A basic study of the Common Market's problems in the field of taxation and finance.*



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