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CUSTOMS TARIFF BETWEEN THE COMMON MARKET NATIONS TO BE REDUCED BY 10 PER CENT JULY 1, 1960

WASHINGTON, D. C., June 29 -- By July 1, 1960, in accordance with the Treaty of Rome, a reduction of 10% in the customs tariff between the member states of the European Economic Community will be effected. This will be the second decrease to which will be added, following the decisions taken by the Council of Ministers on the acceleration and application of the treaty, a subsequent decrease of 10% before December 31, 1960.

By virtue of the treaty, the decrease may be linear or may be carried out in stages. In the first case, the reduction would be uniformly applied to a tariff of reference -- the tariff effective on January 1, 1957 (the base tariff). In the second case, the reduction could be variable depending on the products (less on agricultural products, for example, with inverse compensation for certain industrial products), the total customs tariff having to be decreased by 10% in any case.

France, Italy, and the Benelux nations have told the Commission that they would employ the first system. A similar confirmation is expected from the Federal German Republic.

Thus, as far as the Commission knows, the reduction of the tariff rates between the member states which will take place on July 1 will be linear and, hence, of the same nature as the first reduction effected on January 1, 1959.

On the other hand, the member states have the option of extending the next reduction to third countries provided that the new rate is not lower than the common external tariff. Such reductions could be revoked; at present they would constitute a partial suspension of the base tariff.