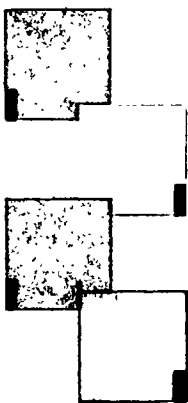


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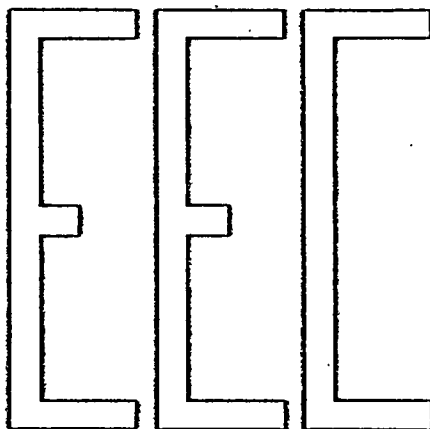
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BULLETIN

of the

**EUROPEAN
ECONOMIC
COMMUNITY**



BRUSSELS – JULY 1962

ISSUED MONTHLY

N° **7**
FIFTH YEAR

BULLETIN

of the European Economic Community

SECRETARIAT OF THE COMMISSION OF
THE EUROPEAN ECONOMIC COMMUNITY

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Introduction to the Fifth General Report on the Activities of the Community

The first four General Reports submitted by the Commission to the European Parliament highlighted the Community's successes in establishing the customs union and the efficient operation of the institutional system set up by the Treaty. They also emphasized the growing prestige of the Community and its institutions in non-member countries. Nevertheless, the Commission could not but note, at the beginning of its Fourth General Report, that by comparison with the achievements in these various fields progress made on the road to economic union seemed modest, although it was not to be underrated.

To redress this balance and thus promote the development of the customs union into an economic union was the Commission's major concern. Important achievements in the internal build-up of the Community have made considerable steps in this direction possible in the period covered by the Fifth General Report. At the same time the Community found itself faced with prospects of further extension, while the international repercussions of its growth became clearer. All the Community's action has been guided both by the search for balanced development and by these new international factors. The same will no doubt again be the case in the coming year.

As early as 1958 the Commission began a thorough study of the various sectors of economic union, particularly in the agricultural sphere. It had first to go into the fundamental questions, hear the opinions of all concerned, both trade organizations and government experts, and finally work out the guiding lines of a general policy. This work was carried out in liaison with the European Parliament, which was associated with all the basic decisions, while regular contacts were maintained with the Economic and Social Committee and its specialized sections.

Numerous decisions in various fields, taken by the Council on the proposal of the Commission during the period covered by the Fifth General Report, and more particularly in the course of its long session of 18 December 1961 to 14 January 1962, made up the leeway. The regulations establishing common market organizations for several leading agricultural products and instituting common financial responsibility for the agricultural policy, the first cartel regulation, the first regulation on the free movement of workers between the Member States, the programme for the introduction of equal pay for men and women, the general programmes for the abolition of restrictions on establishment and on the supply of services — all these are milestones on the road towards economic union. At the same time achievements in the sphere of trade have been consolidated by the strict application of the provisions of the Treaty and of the speed-up decision of 12 May 1960 on the reduction of customs duties between the member countries, approximation to the common customs tariff and the abolition of quotas for industrial products. A new speed-up in customs disarmament which is to take place on 1 July 1962 will further strengthen the effect of these measures.

The decision of 14 January 1962 to move on to the second stage of the transition period under the Treaty meant more than a recognition by the Council, as required by Article 8 of the Treaty, that the essence of the objectives specifically laid down in the Treaty for the first stage had in fact been achieved and that, subject to the exceptions and procedures provided for in the Treaty, the obligations had been fulfilled. It crowned the political and economic success of four years of Community activities, the balance achieved in the execution of the Treaty and the resolve of the institutions and Member States to pursue the course laid down with no thought of turning back and with the conviction that there would be no difficulties, however great, in the way of the complete establishment of the Common Market, which would not finally be solved.

Among all the measures which have contributed to the internal build-up of the Community, two called for special efforts on the part of the six Governments to bring their positions closer together. These were the regulations on the common agricultural policy and the first cartel regulation. In both cases we may note the Community character and even the novelty of the solutions adopted. New structures were created and new procedures devised to meet the requirements of an integrated Community of 170 million people. The problems already existed in each of the six countries. At Community level not only are their dimensions very different, but in many cases their nature changes, and they can be tackled in a new way.

The cartel regulation, made under Articles 85 and 86 of the Treaty of Rome, is the first piece of European legislation in this field. We need not emphasize once more the political significance of such legislation, without which the opening of the markets and the free movement of the means of production might fail to produce all their economic effect and to serve social progress to the full. Although in some of the six countries it does no more than supplement and reinforce existing provisions in this field, the first regulation already makes it possible in others to make up for the absence or inadequacy of national legislation.

The regulation organizes constant co-operation between the Commission and the national administrations, but it entrusts the final decision to the Commission alone. The Commission will have to specify the details of its policy on the organization of competition so that the application of the new regulation will not only eliminate practices incompatible with the Treaty but will help to improve the structures of the economy.

In most cases the agricultural markets of the six countries were strongly organized and governed by complex legislation — even a surfeit of it — which was the fruit of heaping one upon another measures which were not always coherent. There was very little hope of harmonizing such involved legislation and this is one of the reasons for the scanty success which international organizations have so far had in this field. The Community set about providing new machinery geared to the opportunities and requirements of a vast market. The arrangements decided on product by product are part of an overall plan of the Commission whose general lines have been adopted by the Council. Common instruments such as the European Agricultural Guidance and

Guarantee Fund and — tomorrow — the Structures Fund, and common rules for competition ensure the cohesion of the whole.

To give life to the market organizations which have just been or are about to be set up, the Community will have to outline its agricultural policy, one of the main elements of which will be the fixing of a common price level. Initial lines of approach in this field will be worked out before the end of 1962, when the Council makes the necessary decisions of principle in fixing criteria for determining grain prices.

Although the need to avoid excessive centralization was borne in mind when devising the regulations, it was necessary, in order to ensure unity of execution and jurisprudence, to entrust to Community institutions and particularly the Commission, numerous tasks of implementation and even of day-to-day administration. The European Coal and Steel Community already constitutes a first experience in "Community management", but the present action will have to be carried out on a much greater scale. In the matter of cartels the Commission will be competent in all branches of industrial activity in the Community, and will be able to enter into direct contact with each of the industries in question. In the agricultural sphere it will have to fix all the details of Community regulations, to follow up their application and modify their working, sometimes from day to day. In each of these fields Community administrative law will be progressively worked out and the present regulations are no more than the skeleton of this law. At the same time the functions of Community administration will be extended and it will be necessary once again to specify the modes of collaboration between the Community administration and the national government departments.

In this way the move to the second stage will correspond with a notable change in the forms of Community activity. The success of this trend will largely determine how European integration shapes in the future.

The Commission has often pointed out that it was not enough to establish a balance between the progress of the customs union and that of the economic union or to affirm that, without economic union, the achievement of the customs union would always remain precarious. The establishment of the economic union is the very mission of the Community. In its second period of office the Commission intends to give priority to establishing this union in all fields covered by the Treaty. In the immediate future and in the months ahead, the Commission, while pursuing the action already begun in the field of competition, in the agricultural sphere and in the social field (particularly with regard to the common occupational training policy) intends to lay the accent on the decisions needed in common transport policy and common energy policy.

In its memorandum of April 1961 the Commission laid down the general lines of a transport policy at European level and indicated the possible instruments of such a policy. Following the consultations of all kinds which it held on the basis of this memorandum, the Commission has now tabled a complete action programme with a time-table for its execution. It has endeavoured to strike a balance between the measures required to enlarge and organize markets, to suppress discrimination and to ensure indispensable harmonization.

In the course of the year under review there were no marked developments in the establishment of the common energy market. Without overlooking the difficulties of all kinds, the Commission must express its concern at the delays in this basic sector of the Community's economy. At the Rome meeting between the six Ministers and the Executives, certain common objectives were worked out: to establish and maintain the free movement of sources of energy in the Common Market and to ensure regular and continuous supply of low-cost energy while facilitating the necessary transitions. While endeavouring to resolve the problems which are within its purview in the matter of oil fuel, the Commission will, by agreement with the other two Executives and in constant liaison with the European Parliament, lay down the lines of approach and carry through certain practical measures. These will include delegating to the Community adequate powers to ensure unified administration.

The year 1962 brings another deadline: the renewal of the association between the Community and the African States and Madagascar. The accession of these States to independence gives the negotiations their full significance; for the first time Africa and Europe are establishing by consent the economic and legal bases of their solidarity. The conference of the European Parliament with the African and Malagasy Parliaments revealed that this solidarity had even deeper roots in a mutual esteem between the peoples and their cultures.

The new convention which must come into force on 1 January 1963 will have to establish the institutional structures of the association on a basis of complete equality between the Community and its African and Malagasy partners. It must increase and diversify the aid supplied by the Community and also make it possible to step up trade between the African States and Madagascar and the Community while reducing customs duties on certain tropical products from non-member countries. The scale of the effort thus made will confirm the Community's will to play a leading role in the action of the industrialized countries in favour of the less advanced countries; although this Community action is not confined to the associated States it assumes its most complete form in dealings with them.

The Commission firmly hopes that it will be possible to conclude the new convention in the near future.

The declaration of the British Prime Minister on 31 July 1961 was a turning point both in European history and in the still brief life of the European Communities. The Community welcomed the British move.

The requests for membership from Great Britain, Denmark, Ireland and Norway and the applications for association from Austria, Switzerland, Sweden, Spain and Portugal above all bear witness to the economic and political success of the work which began twelve years ago. Nevertheless, they should not lead us to underestimate the problems which the prospects of such a widening of the Community pose for the member Governments and the Community institutions.

The States which asked for membership affirmed from the outset that they accepted the Treaty of Rome in its entirety. The Commission considers that one of its prime responsibilities during the negotiations is to watch over the

maintenance of the Community rules, both those in the Treaty and those in the regulations pursuant to the Treaty. With the exception of the changes which the entry of new members in any case makes necessary, the measures of adaptation to be taken must be defined within the framework of the Treaty itself and the regulations made thereunder and be based on Community procedures. The execution of these measures must be ensured by the institutions of the enlarged Community exercising the powers of supervision and decision conferred on them by the Treaty.

Doubtless, a problem of "catching up" will arise for countries entering the Community five to six years after its inception. This may justify certain time lags, in particular as regards the application of measures decided on or carried out in the earliest years. Nevertheless, it appears extremely important to the Commission that the final date fixed by the Treaty for the transition period — 1 January 1970 — should in any event be completely observed in all fields.

By taking this firm stand on everything connected with the Community system, the Commission believes that it is acting in the interest not only of the Community as a whole but also of future members. The widening of the Community must not be allowed to impair its dynamic nor the confidence which European and international opinion place in it. By showing future partners the nature and extent of the obligations flowing from the Treaty and also the wealth of possibilities it offers, the present negotiations constitute a sort of initiation to the Community "way of life" which has emerged since 1952 and which now has an appreciable influence on the attitude of government departments and parliamentary and professional circles in the six countries.

For the same reasons the Commission has constantly insisted that the negotiations going on should not cause any slowing down in the building of the Community and particularly of the economic union. By accepting this position from the first day the British Government showed, better perhaps than by any other statement, the positive spirit in which they approached their discussions with the Community. Progress towards economic union, a field which the Treaty deals with only in very broad terms, moreover gives would-be member countries a clearer picture of the obligations to which they will be subscribing and of the future shape of the Community.

The results obtained since 1958 have lent growing strength to the Community. A rapid expansion of its economy has emphasized this even more. The weight of the Community in international affairs has thus appreciably increased but also, as the Commission fully realizes, the extent of its obligations and responsibilities towards other countries.

Previous General Reports had already drawn attention to this trend. The recent initiatives of the President of the United States in the matter of customs and trade policy have made clear to the world at large that the European Community is becoming a major factor in world organization far beyond the confines of Europe.

The Community has indicated its hope that the President of the United States will obtain the necessary powers from Congress to negotiate important reductions in customs duties with America's trade partners, particularly the Com-

munity. The Trade Expansion Act was drafted with a view to discussions with the enlarged Community and it may well form the basis for new economic relations between the industrialized countries of the free world. All this strengthens the trend which has recently found expression in the transformation of OEEC into the Organization for Economic Co-operation and Development with full participation of the United States and Canada.

This association, this partnership, should go beyond a mere tariff agreement. It is both possible and necessary to ensure fair competition for all parties in the industrial field, the organization at world level of markets for the chief agricultural products, and, in the field of aid to the developing countries, a joint effort for the organization of commodity markets and greater financial and technical assistance.

Since they are the organs of an economic Community the institutions set up by the Treaty of Rome must devote themselves to economic tasks. This brief survey of the work accomplished and of future prospects does, however, show the political implications of the action undertaken and the scope of the political responsibilities which the Community institutions have already assumed. The maintenance and consolidation of the European Communities continue to offer the best assurance of a political unification of Europe.

The Commission has followed attentively the conversations between Governments on the establishment of a new "Union" of European States and peoples. Without the success of the Communities, the very idea of establishing a "Union" in such important fields as foreign policy and defence would have had scant hope of gaining acceptance. It is therefore all the more necessary that the future Treaty should not put any obstacle in the way of the full development of the Communities and that it should even set the planned Union on a course which, the Community is convinced, will have to be determined by the guiding principles of the Treaties of Paris and Rome.

It is equally necessary that the balance of the institutions be respected in the day-to-day life of the Communities, particularly the independence and authority of bodies like the Parliament and the Commission which have more especially the task of giving expression to and upholding the general interest.

Without wishing to minimize the difficulties which it has sometimes met with in having Community solutions accepted and without passing over the sometimes unsatisfactory character of certain decisions, the Commission considers that the year 1961-1962 has seen the consolidation of the Community, the strengthening of its institutions and their powers and an enhancement of its influence in and outside Europe. The Commission is thus encouraged to continue to bend all its efforts to the defence of the institutional order of which it is the custodian and thanks to which the union of our six countries, with the help of their peoples, Parliaments and Governments has already become a living reality.

Do we need a Plan for Europe?

Extract from a speech by M. R. Marjolin, Vice-President of the Commission of the EEC, at the Congress of the Confédération nationale de la mutualité, de la coopération et du crédit agricoles

“... It is clear that the manifold and deep changes which are being wrought now in the economic structure of our countries and which in days to come will go beyond anything we can possibly imagine, cannot and must not come about blindly. In every instance we must watch them, often we may have to set them in motion, sometimes we may have to keep them in bounds, slow them down, or steer them the way we want them to go.

I now come to the most delicate and most difficult part of what I have to say to you : do we need European planning of the kind that we now have in France and that will probably soon exist in Italy, Belgium and the United Kingdom, not to mention the Dutch Plan which, though very different from the French, is also an attempt to look into the future and mould it so far as is compatible with the freedom of enterprise? Should we recommend that such Plans be drawn up where they do not yet exist, so that we may later merge them into one which will take in the whole of the activities of the EEC?

In order to answer this fundamental question we must be quite clear about the nature and scope of French planning.

In the first place, it is not an authoritarian Plan. It sets the objectives, but does not in general say anything about the means by which they are to be attained. The objectives set for the various industries are not broken down into accurately defined targets for each enterprise. No sanctions are threatened if the Plan is not put through. In other words, it is not a matter of orders to be carried out, but rather of the State and the people deciding on what is necessary and desirable.

Further, what we call the “ Plan ” is in other countries called a “ programme ” without this terminological distinction denoting any basic difference of content. Over and above differences as to method and detailed forecasting, all the national plans I have mentioned have one thing in common : they represent an attempt at assessing the problems with which we are faced or with which we are ineluctably going to be faced.

I have no hesitation in saying that such an assessment is no less essential at the Community level than in each individual country. In fact, I shall show that in the absence of a Community-wide effort of this kind the national attempts at predicting the future will also come to naught.

Long-term forecasting or European planning do not mean to say that it is possible purely and simply to apply French principles and methods to Europe. A great deal of original and creative brainwork will be needed if a charter for common European action is ever to see the light of day.

It would therefore be Utopian to try and set European targets for each branch of industry; but it will not be Utopian to seek to define the maximum growth of

output during the next five or ten years having regard to the necessary reduction of working hours, and contribution by each of the main economic sectors, industry, agriculture and services, to the general growth.

Nor would it be Utopian to attempt to define the economic and financial policies which will have to be adopted at the European level and in each component nation in order to achieve this optimum rate.

It is not my intention today to go into the details of such a forecast. Suffice it to say that this will enable us to draw the main outlines of European economic development in the immediate future; a development made possible by the expansion we have already achieved, and devoutly to be desired if the joint challenge of efficiency and equity which is the main feature of our age, is to be met.

Planning on these lines will provide a framework within which Governments and the institutions of the Community will work, and a touch-stone by which they can check whether what they are doing is efficient or additional means should be employed.

It becomes the more necessary as national plans or programmes get harder to establish and — once the Common Market is in operation — are likely to lose a great deal of their significance. Planning, including programme planning, presupposes an economy whose relations with the outside world are limited or can be restricted, should the necessity arise. Now, the six economies of the Common Market are becoming increasingly open to one another and will be completely so in a few years from now.

So as not to lose myself in generalities or a discussion of points too far removed from your immediate concern, I would say that clearly it will be possible only in a programme of European action to size up the difficulties and problems of Europe's agriculture, and find a solution to them.

Only an assessment of the situation at the Community level and covering the whole of the Community's economy will enable us to forecast the trend of demand for agricultural produce over the next few years and, in the light of planned or foreseeable imports and exports, lay down guiding lines for the Community's work in agriculture.

Only an analysis at the Community level will help us to predict how many jobs will be created in the coming years, and to decide whether they will be sufficient to provide work for the young people entering the labour market and for workers becoming redundant in sectors in which manpower requirements will be reduced.

Such an analysis will have to go right down to the regional level, because wherever possible the balance between labour supply and demand should be sought within each region.

Should it turn out that the number of jobs created is insufficient, that would mean that the projected rate of growth is itself inadequate and that a greater effort is called for. But in view of the solidarity which the Common Market is establishing amongst the six economies, this can but be a joint effort. Isolated national efforts would make for internal imbalances, which would jeopardize the outcome and threaten to tear the Community apart.

Finally, and this is the last example I propose to bring you, it is in the European setting and over a fairly long period that it will be possible to say what the means are by which European agriculture can be modernized, and how they can be attained.

Now that I am coming to the end of what I have to say on a European Plan or programme, and lest there should be any misunderstanding, I should like to repeat that to my mind there will not be any authoritarian planning at the level of the individual undertaking, but rather an exercise in intelligence and determination on the part of government and industry, that will determine the future of Europe and of the nations it comprises.'

I. Common transport policy : action programme

When the Commission, on 10 April 1961, submitted the Memorandum on the general lines of a common transport policy, its purpose was to open a broad debate on the aims and principles of Community action in this field. The discussions, expressions of opinions and reactions provoked by the Memorandum among Community transport institutions and organizations gave the Commission as complete a picture as possible of the various points of view and enabled it to fulfil the wish expressed by the Council at its Session of 27 February 1962 that a comprehensive and balanced action programme and precise time-table be worked out for the implementation of the common transport policy.

The programme laid before the Council on 25 May 1962, covering all aspects of transport policy and filling in details which could only be outlined in the Memorandum, is based on the principles which the Memorandum defined — i.e. equal treatment; financial independence and freedom of action for firms; free choice by the user of whatever transport medium he wishes; and co-ordination of transport investments. The programme deals mainly with transport by rail, road, and inland waterways, but it also tackles certain problems arising from the rapid extension of pipelines. The question of the application of the rules of competition to sea and air transport is also touched upon.

The action programme is divided into seven chapters of which the most important measures — concerning access to the market, rates, and harmonization of competitive conditions — are contained in the first three.

The chapters are :

- 1) Access to the market,
- 2) Transport rates,
- 3) Harmonization in the tax, social, and technical fields,
- 4) Co-ordination of investments,
- 5) Approximation of operating conditions and structures as between the different types of transport,
- 6) The application of special provisions of the Treaty, particularly on discrimination, aids, and ententes,
- 7) Studies on transport costs.

As regards access to the market, the programme proposes a number of measures which by the end of the transition period should mean that a high degree of integration can be attained and transport capacity adapted to the needs of the Community's growing trade. These measures aim at early elimination of discrimination on grounds of nationality, easing of quantitative restrictions now imposed on carriers, and supervision of transport capacity. Simultaneously, laws and regulations governing admission to the market in the six Member States would be brought into line.

In this context, the measures planned for the sensitive field of international road transport of goods are especially important. The Commission proposes that bilateral quotas be gradually replaced by a Community quota open to carriers in the Member States irrespective of nationality. This change would be spread over five years beginning in 1964 and would be completed in 1969 by the introduction of a Community procedure for managing the Community quota.

At the same time, the action programme proposes a flexible and gradual solution of the problem of admitting non-resident carriers to domestic road and inland waterways services. For road transport, carriers holding an authorization under the Community quota would be able to participate in the domestic traffic of Member States, from 1964 onwards, under rules to be determined jointly.

As regards transport rate policy, which is another of the essential elements of transport market while favouring division of labour between the types of transport and for essential traffic categories a system of tariff brackets subject to prior publication.

This system would be introduced by stages and under various procedures according to the nature of the traffic and the special characteristics of each type of transport. From 1 July 1964, the Member States would apply the rate brackets on the basis of the common principles but using their own procedures. In a second phase, beginning in 1966, the national systems would be brought into line so as to complete the establishment of a common tariff system throughout the Community in 1969.

The Commission considers that this system would increase the stability of the transport market while favouring division of labour between the types of transport in accordance with their costs and their respective natural advantages.

The Commission believes that action should be taken in fields of particular concern to transport to accelerate and complete the harmonization of transport conditions in parallel with the widened market and the new system of transport rates.

In the tax field, this would necessitate in the initial stage a certain number of measures which, although limited, would particularly influence international road transport. Double taxation would be eliminated, the rules governing duty-free entry of fuel in the tanks of motor vehicles would be harmonized, and the basis of assessment for vehicle tax brought into line.

Harmonization of taxes on fuel is also proposed. Before the end of the transition period, equal fiscal treatment of the three types of transport will have to be ensured, particularly by the fair distribution of infrastructure costs.

In the social field, the proposed measures aim at harmonizing conditions of work and social security by the end of the transition period, both within any given type of transport and between the three types. At the same time these measures would fall in line with the general objectives of the EEC Treaty.

Finally, certain technical points concerning especially vehicle weights and sizes and compulsory insurance rules will need to be made uniform.

The importance of co-ordinating investments was already emphasized in the Commission's Memorandum. The action programme proposes a procedure for

Community notification and consultation, applying to the through-routes of Community interest, to be introduced as early as 1964. This procedure should make possible the harmonious development of a genuine Community transport network, continually adapting itself to the medium and long-term trend of the economy.

To approximate the conditions under which the various types of transport operate, the action programme proposes that greater freedom in commercial matters be given to the railways so that they can adapt themselves better to the keener competition which will result from the widened market and new system of tariff brackets. The programme also aims at encouraging the rational organization and modernization of firms engaged in transport by road and inland waterways.

The programme reviews the measures required to abolish discriminatory treatment in respect of rates and conditions, support tariffs and aids incompatible with the Treaty, as well as measures to eliminate the disabilities borne by traffic crossing frontiers. It also deals with the application to transport of the EEC Treaty's rules on ententes and "dominant positions".

The programme gives details of an approach to the study of transport costs, on which to base the implementation of the programme, the gradual establishment of the new system of transport rates, and the harmonization of competitive conditions.

In working out the action programme, the Commission was careful to bear in mind that the measures to be taken in the various fields of the common transport policy must be gradual and must form a balanced whole. The Commission is convinced that careful timing, the gradual adoption of Community procedures, and synchronization of the various measures concerning access to the market, the tariff system, and the harmonization of competitive conditions, can between them ensure a harmonious transition from the national system to a Community transport economy. Serious disturbances and grave imbalances are little to be feared, since unification of the markets is to be geared to the expansion of trade and the structural development of the transport system.

The Commission believes that the action programme provides a basis for working out the formal proposals required for implementing the Community's common transport policy, in accordance with the EEC Treaty.

II. Accession of other countries to the Community

Negotiations with the United Kingdom

Negotiations with the United Kingdom continued at the two ministerial sessions held on 11 and 12 May and on 28, 29 and 30 May 1962.

At the meeting of 11 and 12 May, the Ministers examined the progress report on the negotiations, drafted by the Community of Deputies ⁽¹⁾. The British delegation and the members of the Community agreed that the exploratory stage of the negotiations was over and that the negotiations proper could now begin on the basis of the abundant material assembled by the Committee of Deputies.

At this session, after a thorough review of the issues discussed in the conversations so far, the Ministers gave the Committee of Deputies fresh instructions to prepare propositions for the next ministerial session on 28, 29 and 30 May. It was at this second meeting that the British delegation and the members of the Community achieved their first agreement — on exports of manufactures from Canada, Australia and New Zealand. This provides for the full application by 1970 of the common external tariff to imports of manufactures from these countries and for a first approximation (30 %) to the common customs tariff when Britain joins the Community. A consultation procedure was also envisaged for watching developments in trade with these countries. In this connection, the Six also referred to their previous statements of the Community's position on multilateral negotiations for lowering industrial tariffs on a basis of reciprocity.

All questions on the British request for zero tariffs were referred to the Committee of Deputies so that it could proceed with its study of the commodity list of products and of possible solutions within the framework of the Rome Treaty.

The Conference also examined the British proposals concerning "comparable outlets" for agricultural products from the Commonwealth countries. On behalf of the Six, M. Colombo, Italian Minister of Industry and Commerce, gave the reasons which made the British formula difficult to accept; he said that the Six were nonetheless in favour of a system which would be gradually scaled down over a limited period, the ultimate goal being the conclusion of worldwide agreements.

The British will state their reactions to this proposition at forthcoming meetings.

Agreement was also reached on the economic union. There had been many contacts between the British delegation and the Commission on the matter and the British had been informed on the Treaty's provisions concerning the free movement of workers, goods and capital, commercial policy, the right of establishment and the performance of services, rules of competition, social questions and

(1) See Bulletin 5/62, Chap. II.

in general all questions relating to the progressive establishment of the economic union.

At the ministerial session, Mr Heath said that the British Government accepted the Treaty's provisions on economic union, subject to a closer scrutiny of certain administrative points.

Negotiations with Ireland

Under the chairmanship of Ambassador J.M. Boegner, the Committee of Permanent Representatives of the Member States of the European Economic Community received a delegation of senior Irish officials led by Mr T.K. Whitaker, Secretary-General of the Irish Department of Finance. The purpose of this meeting, which took place on 11 May 1962 in Brussels and which was also attended by the Commission's representatives, was to elicit additional information on the statement by His Excellency, Sean Lemass, Prime Minister of Ireland, at the ministerial meeting in Brussels on 18 January 1962 ⁽¹⁾.

In an atmosphere of warm cordiality and mutual understanding, the Irish delegation answered the questionnaire submitted to it, amplifying some of the matters mentioned by Mr Lemass.

In response to various questions asked at the meeting by representatives of the Member States and the Commission, the Irish delegation also gave some additional verbal information.

(1) See Bulletin 2/62, Chap. V.

III. Association of other countries with the Community

On 28 May 1962, M. Maurice Couve de Murville, President in office of the Council of the European Economic Community, addressed the following letter to M. Bruno Kreisky, Austrian Minister of Foreign Affairs, to M. Fritz Wahlen, Head of the Federal Political Department of the Swiss Confederation, and to M. Östen Unden, Swedish Minister for Foreign Affairs.

“I have the honour to inform you that, at its session of 14 and 15 May 1962, the Council of the European Economic Community agreed to accede to the wish recently expressed by your Government that it should be heard by the Community.

This hearing, which will not constitute the opening of negotiations, will give the Member States and the Commission an opportunity of obtaining fuller information on the problems raised by your Government's request to enable the Council to reach a decision on it in due course.

I am instructed by the Council to suggest that this meeting should take place either at the end of July or during September. Your country's Mission to the European Economic Community will be contacted to appoint a date for the meeting by joint agreement.”

IV. Request for the opening of negotiations

On 28 May 1962, M. José Corrêa de Oliveira, Portuguese Minister of State, addressed a letter to M. Maurice Couve de Murville, Minister for Foreign Affairs of the French Republic and President in office of the Council of the European Economic Community, conveying the Portuguese Government's request that negotiations be opened with a view to settling terms for the early establishment of co-operation between Portugal and the European Economic Community.

V. Activities of the Community

EXTERNAL RELATIONS

Negotiations with Turkey

1. At its session on 14 and 15 May 1962, the Council instructed the Commission to resume talks with the Turkish delegation and to discuss trading advantages that the Community could allow Turkey under an agreement consonant with the provisions of GATT. These talks will take place in the second half of June.

The Community and GATT

The Tariff Conference

2. At its session on 4 and 5 June the Council concluded several agreements with Canada negotiated by the Commission at the Tariff Conference. These are :

- a) An agreement under Article XXIV(6) of GATT incorporating into the common customs tariff the concessions previously granted to Canada by the Member States;
- b) Two agreements on quality wheat and ordinary wheat. These agreements are the same type as those concluded with the United States in March 1962; ⁽¹⁾
- c) A tariff agreement under Article XXVIII(4) of GATT. This Agreement embodies the results of Canada's re-negotiations with EEC on withdrawing several concessions to the Community and replacing them by roughly equivalent arrangements.

The tariff concessions under these agreements will be incorporated in the General Protocol of the Tariff Conference which will be open for signature in Geneva on 17 July next. The agreements on quality and ordinary wheat will be signed on the Community's behalf by a representative of the Commission.

Higher United States duties on woven carpets and sheet glass

3. The Commission has begun talks with the United States on the increase in that country's duties on carpets and sheet glass. ⁽²⁾ This increase, which the Americans claim is based on the escape clause in Article XIX of GATT, will be a substantial obstacle to EEC exports of these two classes of products.

The Commission was unable to reach agreement with the United States which maintained that it could not consider any change or alternative arrangement. At its session on 4 and 5 June 1962 the EEC Council therefore decided to suspend, in accordance with Article XIX invoked by the United States, tariff concessions

⁽¹⁾ See Bulletin 4/62, Editorial and Chap. III, sec. 2.

⁽²⁾ See Bulletin 6/62, Chap. IV, sec. 3.

and other more or less equivalent obligations of the General Agreement to trade with that country.

These suspension measures entail, firstly, the non-application in trade with the United States of concessions granted by the Community at the Tariff Conference in respect of the following headings in the common customs tariff :

39.02 B I	a)	polyethylene
39.02 B VI	a)	polystyrene
51.04 A and B		woven fabrics of man-made fibres
32.09 A II		varnishes and lacquers; distempers

and secondly, for the first four headings, an increase to 40 % in the common customs tariff duties on imports from the United States.

Other work of GATT

4. The Community was represented at the Session of the Council of the Contracting Parties in Geneva from 24 May to 1 June.

Items on the agenda included the common agricultural policy. The Contracting Parties had previously received copies of the six regulations adopted in substance by the EEC Council at its session which ended on 14 January 1962. After some discussion, the Council concluded that it seemed quite in order to comply with the decision of the Contracting Parties, at their 19th session, to invite Committee II to hold a consultation with the EEC on the changes made in the agricultural policy of the EEC Member States.

It was decided that Committee II should start its meeting in the second half of October 1962.

5. The Community was represented at the meeting of GATT Committee III from 1 to 9 May in Geneva. This Committee is studying measures for promoting the trade of the developing countries.

The Committee reviewed the obstacles encountered by the developing countries in exporting certain products and progress made in eliminating them.

It also studied the abolition of duties of a fiscal nature. The recent United Kingdom decision to abolish the fiscal element in customs duties on coffee and cocoa and Italy's announcement of a bill reducing by 50 % the tax on consumption of cocoa and its by-products were discussed.

The Committee also made arrangements to obtain fuller information about the workings of State monopolies which affect exports from the developing countries.

Relations with international organizations

Council of Europe

6. The Community was represented at the first part of the 14th ordinary session, from 15 to 18 May 1962, of the Consultative Assembly of the Council of Europe. Discussion bore mainly on members' general policy and European economic relations. An outstanding contribution to the debate was an address by M. Spaak, Belgian Minister for Foreign Affairs, on the political future of Europe.

After the general policy debate the Assembly adopted :

a) A recommendation on strengthening European political co-operation in which the Committee of Ministers is requested to urge the EEC Governments to speed up the negotiations with the United Kingdom, Ireland and Denmark, to open negotiations with Norway, Austria, Sweden and Switzerland, and finally to bring those going on with Turkey to a successful conclusion.

The Assembly further recommended that no agreement in the negotiations for European political co-operation should encroach upon the powers of the European Communities and nothing should be done to impair defence co-operation within NATO. The recommendation which was approved unanimously also urged that the principle of unanimity should not be maintained indefinitely.

b) A recommendation that the Committee of Ministers "urge the Members of the EEC to examine the possibility of some form of economic agreement between Spain and the Community, bearing in mind the constitutional changes, that will be necessary before any form of political association can be contemplated". This recommendation was approved, after a broad debate, by 70 votes to 31 with one abstention.

c) A resolution, tabled by the Economic Committee, in which the Assembly expresses the hope that the Six will embark on the preparatory phase of negotiations with Norway and will take a decision of principle on Ireland without waiting for the final stages of negotiations with the United Kingdom.

The Assembly also felt that it would be advisable to expedite the negotiations with Turkey at the same time and, finally, it expressed the opinion that no time must be lost in beginning a thorough discussion of the problems raised by the applications for association with EEC from the three EFTA neutrals.

Economic Commission for Europe

7. The Community was represented at the 17th session of the Economic Commission for Europe (ECE) in Geneva from 24 April to 11 May 1962.

The session dealt mainly with the need to define and expand the role of EEC in international economic co-operation at regional level.

Problems of sub-regional economic groupings, particularly the European Economic Community, featured very prominently in this debate.

The Soviet bloc and Yugoslavia continued their systematic attack on the Community. They again brought up their arguments about the failure of the Community States to apply the most-favoured-nation clause. The Community's common agricultural policy also came under fire as a "protectionist" measure.

In reply to the general attacks of the Soviet bloc, the Western European delegations and particularly, among the Six, the French delegation, dwelt upon the contribution of the economic sub-regional groupings in Western Europe to increasing and liberalizing world trade.

The Swedish, Swiss and Austrian delegates rejected the Soviet bloc's argument that association with the Common Market was incompatible with neutrality.

Commodities: FAO

8. Community observers attended the 35th session of the FAO Committee on Commodity Problems in Rome from 25 April to 15 May 1962 and a joint meeting of the Committee and the Commission on International Commodity Trade.

These meetings were mainly concerned with problems of commodity production and trade, national methods for stabilizing markets, financial compensation for fluctuations in the export income of producing countries.

9. Community observers were also present when, after the joint meeting, the Commission on International Commodity Trade met for its tenth session in Rome from 14 to 23 May.

This session was devoted to the study of financial compensation for fluctuations in the export income of the countries producing commodities.

10. The Community also sent an observer to the fifth session of the FAO Cocoa Study Group in Montreux (Switzerland) from 22 to 28 May 1962. The main business of this session was to study the draft international cocoa agreement.

In its final report the Study Group asked for an international conference to be held at the beginning of 1963 to negotiate this agreement.

Visits to the Commission

11. On 17 May the President of the Commission, Professor Walter Hallstein, received Mr. Eric Wyndham White, the Executive Secretary of GATT, and M. Finn Gundelach, Deputy Executive Secretary, who were on an official visit to the EEC Commission. Mr Wyndham White also met M. R. Marjolin, M. S. L. Mansholt, M. J. Rey and M. H. Rochereau, and the Director General for External Relations, M. G. Seeliger.

The discussions bore upon relations between the European Economic Community and GATT and the possibilities for closer contacts between the two organizations.

On 25 May President Hallstein received M. Walter Sedwitz, Director for Economic Affairs in the Organization of American States (OAS), representing M. José Mora, Secretary-General of the Organization. M. Sedwitz handed the President a memorandum on the coffee trade between Latin America and the Community. This memorandum gave the conclusions reached by the special committee set up in accordance with a resolution passed by the Governments of the OAS at the Inter-American Conference at Punta del Este in August 1961 ⁽¹⁾. M. Sedwitz also hoped that regular contacts could be established between the Community and the Organization of American States.

An economic mission from Colombia, headed by M. Carlos Sanz de Santamaria, the Colombian Ambassador in Washington, visited the Commission on 28 May during a tour of various European capitals. The mission was received by M. Jean Rey, a member of the Commission, to whom its members were introduced by Ambassador Gabriel Giraldo Jaramillo, Head of the Colombian Mission to the European Economic Community. The mission also talked over problems of common interest with various members of the Commission's staff.

On 1 June President Hallstein received M. Shigeru Yoshida, former Japanese Prime Minister, and a group of Japanese politicians. The visitors were accompanied by Ambassador Takeso Shimoda, Head of the Japanese mission to the European Communities.

(1) See Bulletin 9-10/61, Chap. V, sec. 11.

General problems of relations between Japan and the Community and the future development of world trade were brought up in the course of the discussions which took place in a very cordial atmosphere.

A Korean delegation on a visit to the Community countries, was received on 30 May by officials of the Commission's Directorate General for External Relations. The discussions touched on the effects of the Common Market on world trade and opportunities for stepping up trade between Korea and the Community.

Missions of non-member countries to the Community

12. His Excellency Ambassador R.S.S. Gunewardene, Head of the Ceylon Mission to the EEC, presented his letters of credence to President Hallstein on 3 May.

The Community has given its agrément to the appointment of His Excellency Ambassador Abdellatif Filali as the new Head of the Moroccan Mission.

The Community has approved the request of the Government of Chile to establish diplomatic relations.

ECONOMIC AND FINANCIAL AFFAIRS

Economic policy

13. Notes on economic developments — prepared end of June 1962.

COMMUNITY

		Dec.	Jan.	Febr.	March	April
Industrial production ⁽¹⁾	1960/61	124	125	126	126	127
	1958 = 100	1961/62	132	133	134	134
Imports from non-member countries	1960/61	1 847	1 660	1 546	1 825	1 710
cif ⁽²⁾ ⁽³⁾	in \$ million	1961/62	1 944	1 859	1 788	1 913
Exports to non-member countries	1960/61	1 877	1 493	1 575	1 830	1 653
fob ⁽²⁾	in \$ million	1961/62	1 852	1 572	1 651	1 881
Trade balance ⁽²⁾ ⁽³⁾	1960/61	+ 30	— 166	+ 29	+ 5	— 57
	in \$ million	1961/62	— 92	— 287	— 137	— 32
Trade between member	1960/61	909	837	881	1 065	938
countries ⁽²⁾ ⁽³⁾ ⁽⁵⁾	in \$ million	1961/62	1 012	1 064	1 055	1 174
Gold and foreign exchange reser-	1960/61	15 052	14 889	14 987	15 527	15 193
ves ⁽²⁾ ⁽⁴⁾	in \$ million	1961/62	16 271	15 603	15 620	15 997

⁽¹⁾ Index of the Statistical Office of the European Communities, adjusted for seasonal and random variations.

⁽²⁾ The mark and the guilder were revalued by 5 % at the beginning of March 1961.

⁽³⁾ Calculated on the basis of imports.

⁽⁴⁾ Amount held by the monetary authorities at end of month.

⁽⁵⁾ Uncorrected for changes made at the beginning of 1962 in the method of compiling customs returns in France and Western Germany, these changes will be taken into account in due course.

There was little change in the economic situation in April: production continued to climb slowly mainly due to another steep rise in private consumer spending. At the same time the powerful upward pressure on prices continued.

With the disappearance of some extraordinary limiting factors, the trend in industrial production — still decidedly upward — has again become more clearly apparent. The seasonally adjusted index of production rose by about one point, though in May it may have again weakened somewhat.

The improvement in the balance of trade during February and March did not continue in the month under review. To be sure, the rise in imports was again rather slower than at the beginning of the year when import figures, partly for statistical reasons, were still misleadingly high. At the same time, however, for the first time since the end of 1961, exports fell below the level of a year ago, due to a sharp fall in France's supplies to the franc area owing to the war in Algeria. Trade between Community countries again forged ahead more vigorously than trade with non-member countries, although the annual growth rate was down again. Consumer prices as a whole again rose steeply in April, mainly because of higher prices for potatoes, vegetables and fruit for which the bad weather was to blame. However, there have since been substantial downward adjustments.

The marked fall in share prices at the end of May is hardly likely to have greatly discouraged investors having regard to the favourable longer-term growth prospects. But it may have become more difficult to obtain funds, so that it is still conceivable that investment may suffer a setback.

FEDERAL REPUBLIC OF GERMANY

		Jan.	Febr.	March	April	May
Industrial production (1)	1961	128	128	129	129	129
	1958 = 100	1962	131	132	132	133
Number of unemployed in thousands	1961	309.1	292.5	163.2	131.2	111.5
	1962	267.9	257.2	189.9	122.1	97.9
Orders received	1961	142	136	152	137	142
	1958 = 100	1962	141	136	151	(142)
Turnover in retail trade	1961	102	100	126	115	121
	1958 = 100	1962	112	109	130	137
Consumer prices	1961	103.6	103.8	104.1	104.1	104.8
	1958 = 100	1962	107.2	107.4	108.1	108.9
Imports cif (2)	1961	829	761	916	915	936
	in \$ million	1962	947	1 012	1 047	943
Exports fob (2)	1961	929	964	1 082	1 099	1 012
	in \$ million	1962	952	1 011	1 193	1 064
Gold and foreign exchange reserves net (2) (3)	1961	6 660	6 720	7 082	6 688	6 705
	in \$ million	1962	5 815	5 857	6 089	6 033

(1) Index of the Statistical Office of the European Communities, adjusted for seasonal and random variations.

(2) On 6 March 1961 the mark was revalued by 5 % (\$ 1 = DM 4).

(3) Held by the Deutsche Bundesbank at end of month.

The gentle cyclical upswing, which continued in May, was mainly supported by exports and private consumption.

The May exports, unlike the previous month's, again exceeded the corresponding 1961 level by no less than 16 %. As in imports, the irregular growth rate noted in recent months, and likely to persist in future, were largely attributable to the peculiar trend last year. Investment apparently advanced somewhat less briskly than hitherto. On the other hand, the vigorous expansion of private consumption continued unabated.

Despite the sluggishness of the capital goods sector, industrial output went up once more and according to the national index an annual growth rate of about 3 % was recorded. Labour was in even shorter supply, due partly to the cuts in the working week secured by collective bargaining. The number of registered vacancies is almost six times the number of unemployed.

In May imports were 17 % above the corresponding 1961 level. The upward movement of prices seems to have become somewhat weaker except in the building sector. Nevertheless, the cost of living index stood 4.2 % higher than a year ago. The surplus trade balance of about \$76 million was again substantially smaller than in both preceding months although, for the first time since September 1961, it was larger than in the corresponding period of 1961. The Bundesbank's gold and foreign exchange reserves went up by about \$31 million.

FRANCE

		Jan.	Febr.	March	April	May
Industrial production (1)	1961	117	118	118	118	119
	1958 = 100	1962	126	126	127	127
Number of persons seeking employment (2)	1961	118	117	115	111	110
	in thousands	1962	97	94	98	95
Turnover of large retail stores (Paris)	1961	142	99	148	123	133
	1958 = 100	1962	163	108	160	143
Consumer prices (Paris)	1961	111.9	112.0	111.9	111.9	111.6
	1958 = 100	1962	117.1	116.9	117.5	117.6
Imports cif	1961	485	527	652	576	575
	in \$ million	1962	698	596	653	608
Exports fob	1961	543	557	678	562	619
	in \$ million	1962	603	608	664	606
Trade balance (with foreign exchange areas)	1961	+ 17.6	- 9.5	- 5.5	- 20.9	+ 23.1
	in \$ million	1962	- 89.5	+ 8.3	+ 10.9	+ 14.2
Gold and foreign exchange reserves (3)	1961	2 143	2 235	2 398	2 472	2 606
	in \$ million	1962	2 992	3 057	3 221	3 318

(1) Index of the Statistical Office of the European Communities, adjusted for seasonal and random variations.

(2) End of month figures seasonally adjusted.

(3) Amount held by the monetary authorities at end of month.

The continued marked economic expansion in May was sustained entirely by internal demand.

By contrast with April, total exports did not quite reach the admittedly high level of 1961. This was mainly due to the fact that deliveries to the franc area were nearly a third smaller than in May 1961. Investment, particularly public investment, most probably rose again. The growth of private consumption appears to have been stimulated by steadily rising wages, tax concessions and higher transfer incomes. The turnover of Paris department stores in May was no less than 18 % higher than the year before.

According to the INSEE index industrial production in April was again running at an annual rate of 7.5 %. Exceptionally heavy imports in April and especially in May increased the available supply of goods and put a brake on the upward trend in prices of manufactures. For all that prices in general again rose sharply as a result of steadily soaring food prices; consumer prices in May were 6 % higher than a year ago.

For some time there have been signs of a slight easing of the labour market which may well be partly connected with the particularly large number of school-leavers. Capital inflows again caused the official gold and foreign exchange reserves to mount substantially by \$ 174 million.

ITALY

		Dec.	Jan.	Febr.	March	April
Industrial production (1)	1960/61	132	133	134	135	137
	1958 = 100	1961/62	151	152	153	153
Number of unemployed in thousands	1960/61	1 609	1 718	1 604	1 506	1 412
	1961/62	1 484	1 396	1 361	1 317	.
Internal trade turnover in main investment goods (2)	1960/61	144	163	145	171	165
	1958 = 100	1961/62	160	198	172	196
Cost of living	1960/61	103.1	104.0	104.0	104.1	104.7
	1958 = 100	1961/62	107.1	108.2	108.4	109.2
Imports cif in \$ million	1960/61	401	421	410	471	426
	1961/62	462	441	479	522	477
Exports fob in \$ million	1960/61	329	284	318	365	323
	1961/62	373	324	381	417	371
Official gold and foreign exchange reserves (3) (4) in \$ million	1960/61	3 080	2 972	2 928	2 936	2 948
	1961/62	3 419	3 408	3 323	3 279	3 274
Yield on fixed-interest-bearing securities in %	1960/61	5.30	5.11	5.00	5.02	4.92
	1961/62	4.93	4.85	4.82	4.81	4.78

(1) Index of the Statistical Office of the European Communities, adjusted for seasonal and random variations.

(2) Machines, apparatus and electrical equipment, calculated on the basis of revenue from turnover tax.

(3) Amount held by the monetary authorities.

(4) May 1961 = 3 003; May 1962 = 3 204.

In April demand once more expanded briskly yet output seems to have lagged behind.

Exports were about 15 % higher than a year ago so that the growth rate recorded in the first quarter was not quite reached. After its vigorous rise in previous months, capital investment in April may have been less expansive for a time. At any rate the year-to-year growth rate of domestic sales of plant machinery and electrical equipment fell steeply by 7 %. On the other hand, the rapid growth of private consumption definitely continued, due in no small measure to fresh increases in standard wage-rates. The number of motor vehicles registered was up by 33 % over the previous year; in the first quarter, the corresponding rise was easily 25 %.

True, the year-to-year growth rate of industrial production fell further by an estimated 8 %. However, output in general seems to have expanded again, albeit slowly. Steel production in April and May was up by a good 4 % and 3.5 % over the figures for April and May 1961, after running at an annual rate of 8 % during the first quarter. On the other hand, imports picked up again and were almost 12 % above the 1961 level.

Price rises chiefly for fruit, vegetables and beef, were to blame for a further rise in the cost of living index, which was no less than 5.6 % higher than in April 1961. The favourable balance-of-payments trend further improved the bank's net foreign exchange position, whereas official gold and foreign exchange reserves fell again.

THE NETHERLANDS

		Jan.	Febr.	March	April	May
Industrial production ⁽¹⁾	1961	132	132	132	132	126
	1958 = 100	1962	134	135	135	135
Number of unemployed	1961	63	52	38	32	26
	in thousands	1962	48	43	35	29
Building permits for housing	1961	6 691	8 980	6 362	9 847	11 975
	1962	6 303	5 641	4 826	5 189	5 300
Retail sales (value)	1961	115	102	119	118	121
	1958 = 100	1962	122	106	123	.
Consumer prices	1961	104	104	103	103	104
	1958 = 100	1962	107	107	108	109
Imports cif ⁽²⁾	1961	441	370	482	400	418
	in \$ million	1962	478	418	482	404
Exports fob ⁽²⁾	1961	353	319	402	330	347
	in \$ million	1962	363	341	413	343
Gold and foreign exchange reserves ⁽²⁾ ⁽³⁾	1961	1 678	1 647	1 668	1 661	1 652
	in \$ million	1962	1 724	1 726	1 745	1 754

⁽¹⁾ Index of the Statistical Office of the European Communities, adjusted for seasonal and random variations.

⁽²⁾ On 6 March 1961, the guilder was revalued by 5 % (\$ 1 = fl. 3.62).

⁽³⁾ Held by the Nederlandsche Bank N.V. at end of month.

Whereas demand rose sharply, output advanced only slowly in May.

Exports rose at an annual rate of almost 9 %. On the other hand, investment, which was at a very high level, may have been somewhat less resilient than in the previous months. At any rate the latest business surveys indicate that growth has slowed down a little. In building and construction, industry is still working at full capacity. There was another unmistakable rise in private consumption, largely as a result of some recently negotiated wage and salary increases.

Industrial production expanded only slightly, chiefly because manpower continued to be in extremely short supply. Imports, on the other hand, increased substantially and, after remaining in March/April more or less at the same level as in 1961, they were in May a good 13.5 % higher than the year before.

The dearer foodstuffs were largely to blame for a further rise in prices; consumer prices were almost 6 % higher than in May 1961.

The money market remained liquid because of large-scale selling by the banks of foreign exchange to the Central Bank.

BELGIUM

		Jan.	Febr.	March	April	May
Industrial production ⁽¹⁾	1961	113	114	115	116	117
	1958 = 100	1962	118	119	.	.
Number of unemployed in thousands	1961	128	122	106	93	83
	1962	90	78	56	47	41
Number of non-residential buildings put in hand	1961	317	458	546	585	572
	1962	214	212	406	.	.
Turnover of large retail stores 1958 = 100	1961	93	102	121	110	111
	1962	106	96	119	119	.
Consumer prices 1958 = 100	1961	102.0	102.0	102.0	102.1	102.3
	1962	103.0	102.9	103.1	103.6	104.9
Imports cif in \$ million	1961	330	363	377	339	354
	1962	368	343	387	354	.
Exports fob in \$ million	1961	240	315	364	338	331
	1962	372	343	377	356	.
Gold and foreign exchange reserves ⁽²⁾	1961	1 435	1 457	1 443	1 424	1 437
	1962	1 664	1 657	1 654	1 618	1 632

⁽¹⁾ Index of the Statistical Office of the European Communities, adjusted for seasonal and random variations.

⁽²⁾ Held by the Banque Nationale de Belgique at end of month.

The moderate economic growth continued, again stimulated by foreign demand but recently by private consumption too.

The April exports ran at an annual rate of 5.3 %, which was nearly as high as in February and March. The data at present available appear to suggest that

the growth of investment is slowing down. On the other hand, some indicators point to a certain speeding up of private consumption.

The stagnation of steel, non-ferrous metals and textiles meant that there was hardly any significant increase in industrial production in April. Overall supply seems actually to have gone up mainly because of growing imports of goods. In terms of value, imports were about 4.5 % higher in April than in 1961; a marked improvement over February-March.

The index of consumer prices rose appreciably in May too, chiefly due to a further rise in food prices. Consequently additional wage increases will shortly fall due under the sliding wage-scale agreements in important sectors of the economy. Domestic liquidity climbed steeply owing to the payments surplus.

GRAND DUCHY OF LUXEMBOURG

		Jan.	Febr.	March	April	May
Industrial production (1)	1961	115	115	117	117	118
	1958 = 100	1962	110	110	111	113
Output of crude steel	1961	333	326	367	341	349
	in thousand tons	1962	326	310	355	332
Building and construction (2)	1961	46	53	77	95	109
	1958 = 100	1962	52	57	82	102
Workers employed in industry	1961	43.1	42.8	43.4	45.5	46.3
	in thousands	1962	44.3	44.5	45.2	46.5
Consumer prices	1961	101.5	101.1	100.5	100.6	100.6
	1958 = 100	1962	102.2	101.8	101.4	101.5

(1) Index of the Statistical Office of the European Communities, adjusted for seasonal and random variations.

(2) Index based on the figure for man-hours worked.

The slight recovery of output continued in April.

In the iron and steel industry exports and new orders from abroad seem to be mounting again, though they still did not come up to the corresponding level of a year ago. At the same time private consumption marked a further advance, primarily as a result of a sizeable increase in industrial employment. There was a revival of fixed investment, particularly in building and construction.

Industrial output showed a tendency to rise although on the whole it remained below the 1961 level owing to the lag in iron and steel.

In Luxembourg unlike the other member countries, the index of consumer prices has even fallen a little since the beginning of the year. This appears to have been at any rate partly attributable to the fact that the index is not sufficiently representative.

Group for the co-ordination of policy on credit insurance, guarantee and financial credits

14. On 14 May the Council approved this group's first report and the consultation procedure which is the first important result of its work.

The substance of the report is as follows :

a) Consultation procedure

The Group has put the finishing touches to a consultation procedure on financing exports which is a new departure in international trade. Consultation between the Member States is within a very narrow framework. It takes place prior to every operation for the supply of credit guaranteed by the State or by any governmental body and prior to financial credits enjoying the same guarantees and linked with the supply of goods from the country granting credits whenever a departure from the rules of the Union of Berne is contemplated. By thus enabling Member States to express their opinions on the conditions of credit, that another Member State proposes to grant to non-member countries, this procedure will speed up progress towards a common policy on export credits.

b) Harmonization of traditional credit-insurance systems

Where traditional credit insurance was concerned, the Group favoured a standard system, which it would work out with the help of specialists in credit insurance. Each Member State will then have to endeavour gradually to bring its own system into line with the model.

The Council noted that agreement had already been reached on the following items :

- a) Fixing of the ceiling of the proportion guaranteed at 90 %;*
- b) The principle of a minimum time-limit of six months for the payment of damages in case of loss in non-payment and non-transfer risks when the debtor is a public body;*
- c) Mutual undertaking to cover sub-contracts originating in another Community country up to a certain percentage of the total amount of the contract. This percentage, fixed at 25 % in June 1961, has just been raised to 30 %;*
- d) A theoretical definition of what the Member States are prepared to consider as non-commercial risk;*
- e) A convention setting out the mutual obligations of credit-insurance bodies in the case of joint guarantee of a contract with sub-letting in one or more Member States.*

In addition, a standard system of premiums has already been prepared by the experts.

c) Co-operation with private finance institutions

The fact that trade economic relations between the industrialized countries and the developing countries involve both trade and financial aid has led to the adoption in recent years of various, often new, types of financing which range

from agreements for economic and financial co-operation to the granting of credit ceilings and general loans that may or may not be tied to the purchase of goods from the lender country. With the assistance of the Fédération Bancaire of the EEC the Group has studied the problems raised by these new developments and particular attention has been paid to the extent of guarantees, the cost of credits, supervision of their proper use and ways and means of bringing to bear the resources of capital markets. There were several discussions on closer co-operation with the private finance institutions and on the part that the European Investment Bank could play. The Board of Directors of the Bank has already agreed that it may devote part of its current investment to these purposes. As an experiment, the Bank will refinance credits granted by banking syndicates in EEC to enable the developing countries to purchase capital goods.

The Council stressed the importance of the Group finishing the studies on financial credits recently begun and suggested ways of harmonizing Member States' policies in this field.

Liberalization of capital movements (Article 67)

15. As part of the process of freeing capital movement which was set in motion in the first directive pursuant to Article 67, the Commission transmitted fresh proposals to the Council in the form of a draft second directive.

The Monetary Committee, which helped in the preparatory work, approved this proposal, which makes no change in the system of liberalization set out in the first directive of 11 May 1960 (1) but confines itself to amending the text of the directive, chiefly by the addition of new headings in List A of Annex I on the capital movements mentioned in the first article. Consequently transfers connected with these headings come within the system in Article 1 of the first directive. This provides for unconditional liberalization which can only be called into question by applying the safeguard clauses in Articles 73, 108 and 109 of the Treaty.

Structure and long-term development

16. The Working Party on structure and long-term development met in Brussels on 15 May under the chairmanship of M. Pierre Uri. Vice-President Marjolin was also present.

The Working Party adopted a draft report on the total growth of the economy of the Community and the member countries from 1960 to 1965 and from 1965 to 1970 and, from the expenditure angle, on the breakdown at these dates of the Community's gross product between private and public consumption expenditure and investment expenditure.

The Working Party also continued to study other aspects of the economic projections for 1965 and 1970, particularly from the output and income points of view.

(1) Published in the official gazette of the European Communities No. 43, 12 July 1960.

Regional policy

17. At one of their regular meetings in the Commission the senior officials concerned with regional policy in the Member States decided to set up a sub-group to collect the statistical material needed to obtain a true picture of the economic and social situation in the regions of the Community.

The regional policy experts from the various countries met in Brussels on 18 May together with statisticians to draw up the working programme of this sub-group which will have to collate the essential statistical data on the socio-economic regions of the Community.

Energy problems

18. The Inter-Executive Working Party on Energy met in Strasbourg on 9 May. M. Lapie took the chair.

The instructions from the Ministers' meeting in Rome on 5 April to the Working Party were to agree the general lines of a memorandum on the long-term aims of the Community's energy policy.

Two documents were tabled: the first, from the EEC Commission, indicated the lines that the common energy policy should take with the stress on petroleum problems; the second, submitted by the High Authority of ECSC, proposed a procedure whereby the Governments and the Executives could decide what measures were needed on the coal market.

After some discussion the Working Party came to the conclusion that, although it was not possible to go into detail on all the measures, some proposals of a general nature should be put forward.

The Working Party finally agreed that the EEC Commission's memorandum should be the basis for the final document. The High Authority will send the Working Party a new memorandum embodying any remarks it may wish to make on the general lines of the proposed policy and its consequences for coal.

The ad hoc Working Party will be asked to prepare a summary report from these two documents for the Council.

19. The Inter-Executive Working Party on Energy met again in Brussels on May 29. This meeting was attended by members of the West European coal producers study group who had been invited to discuss views with the Working Party, discussion centred on harmonization of the rules of competition for coal and for mineral oils within the Common Market. The coal producers expressed the wish that the petroleum industry should be governed by regulations similar to those laid down for coal in Article 60 of the ECSC Treaty. The EEC representatives concerned with mineral oil felt that the Treaty of Rome precluded this, but were disposed to promote any necessary harmonization of the rules of competition as part of the co-ordination of energy policies in the Community countries.

THE INTERNAL MARKET

Common customs tariff

Article 28 of the Treaty — temporary suspension of duties

20. On 16 May the Commission issued a draft decision to be submitted to the Council, providing for total suspension until 31 December 1962 of the duty in the common customs tariff relating to tariff heading ex 29.13 D I (dehydro-epiandrosterone).

On 4 June the Council approved the Commission's decision.

21. In view of the temporary shortage of new potatoes in the Community, the Council, acting on proposals by the Commission, has approved a reduction of the common customs duty relating to heading 07.01 A II b, bringing it to 8% for the period from 16 May to 15 June.

Both these decisions affect all six Member States.

Tariff quotas

22. The Commission has decided to grant the following tariff quotas under Article 25 (3) of the Treaty for the first six months of 1962 :

No. in the common customs tariff	Description of product	Country	Quantity	Duty in the common customs tariff
ex 23.02 A	Rice polish	Netherlands	7 500 t. (at 0 % for first half-year)	21 %
ex 23.02 B	Residues resulting from other processes in the working of rice grain	B.L.E.U.	1 500 t. (at 0 % for first half-year)	8 %

23. The Commission has decided to reject the applications made by the Member States indicated in brackets for tariff quotas or the suspension of duties under Article 25 (3) for the following products :

- a) frozen salmon, for canning (Belgium, Luxembourg);
- b) frozen fillets of salt-water fish (Federal Republic of Germany);
- c) whole eggs not in shell and egg yolks (Italy);
- d) prunes (Germany);
- e) cocoa beans (Italy).

Approximation of national customs legislation

24. As a step towards harmonizing customs legislation and gradually creating conditions in which the common customs tariff can be applied uniformly, the Commission approved on 25 May a recommendation on the rules to be observed in the various Member States for determining the date to be taken into consideration when fixing the customs duty applicable to goods offered for sale.

The Commission had already obtained the full agreement of Member States' customs departments to the draft.

The recommendation establishes the principle that the rate of duty applicable is that in force on the date at which the customs service accepts the document in which the applicant indicates that he intends to market the goods.

There is one exception to this principle making it possible under certain conditions to take account of any reduction made in the rate of duty while the goods are being cleared.

Lastly, special arrangements have been made for goods liable to seasonal duties (agricultural products). To prevent any congestion at the frontiers when rates are altered, it is stipulated that the goods in question may be cleared in internal custom-houses near marketing centres at the most favourable rate in force on the date they crossed the frontier.

Customs Committee

25. The first meeting of the Customs Committee (which is composed of the heads of the customs departments of the Six) was held in Brussels on 4 May 1962 under the chairmanship of M. Caron, a Vice-President of the EEC Commission.

The Committee's main purpose is to study what has still to be done to complete the customs union, although on this point the Treaty is less specific than in the tariff sphere.

M. Caron reminded the Committee of the need gradually to draw up a Community system of customs law, leading to a uniform incidence throughout the Community of duties under the common customs tariff. He also noted how indispensable it was to seek ways and means of adapting customs organizations in Member States to the new circumstances created by the Common Market.

Turning to more immediate matters, the Committee discussed the following questions :

- a) Preparations for the next tariff cut which in accordance with the second speed-up decision of 15 May 1962 will take place on 1 July 1962;
- b) Customs arrangements to be made at Community level to deal with critical situations such as recently arose in certain areas of northern Germany;
- c) Prerequisites for the uniform application in EEC of the common customs tariff, particularly the need to define a common basis of assessment for customs duties in all Member States and ways and means of applying the Brussels Convention on the valuation of goods for customs purposes;

d) Difficulties experienced at some frontier railway stations as a result of the rapid expansion of goods traffic in EEC;

e) Practical arrangements to facilitate frontier crossing as far as is compatible with the requirements of the customs union.

Application of safeguard measures

Imports of leaded electrical cable by Italy

26. On 11 April the Commission authorized Italy under Article 226 to refrain from applying the customs provisions of the first speed-up decision of 12 May 1960 to leaded electrical cable.

Imports of semi-conductors by France

27. By a decision of 16 May the Commission authorized France, under Article 226 of the Treaty, to limit to NF 9 000 000 imports from the other Member States up to 30 September 1962, of crystal diodes, triodes and other valves including transistors (heading 85.21 C of the French customs tariff), parts of diodes, triodes etc. (heading 85.21 E I) and transistorized sub-units (heading ex 85.15 C II a).

The abolition of quotas in intra-Community trade [implementation of Article 33 (4)]

28. Most of the quantitative restrictions which constituted particularly serious obstacles to trade between Member States when the Treaty of Rome came into force — especially in certain countries and certain sectors of the economy and were to be gradually abolished during the transition period, had been eliminated at the beginning of the second stage or will shortly disappear.

Throughout the first stage, liberalization measures, which were also applied in countries outside EEC (members of the former OEEC or of GATT), considerably reduced the field in which import quotas are applied. These measures have been supplemented within the Community by the elimination of quantitative restrictions on imports of industrial products, which Member States have achieved in accordance with the speed-up decision, since 1 January 1962. Quantitative restrictions on exports, which continued for only a limited number of products, were also recently abolished in application of Article 34 of the Treaty. It should be added that in agriculture, where in any case the general rules for eliminating quantitative restrictions could not be applied uniformly, special machinery has been or will soon be substituted for quotas. The same applies to minimum price systems, and above all to the levy systems provided for in the regulations on the gradual establishment of a common market organization.

Lastly, the procedure laid down in Article 33 of the Treaty for the gradual elimination of quotas — which did not apply however, to non-liberalized products subject to a government monopoly of a commercial nature, to a national market organization or to a minimum price system — will also lead to the elimination of quantitative restrictions before the end of the transition period.

In fact, under the provisions of paragraph 4 of this Article, quotas should be abolished by Member States when the Commission issues a decision finding that for two consecutive years imports have been below the quotas granted.

The authors of the Treaty considered that in such a case quantitative restrictions should no longer be maintained nor these quotas taken into account for the purpose of calculating the total value and the annual enlargement of the global quotas.

This clause was applicable for the first time to final figures of 1959 and 1960. However, it gave rise to a number of difficulties in statistical checking and especially in legal interpretation. In particular, it could be asked whether imports in the initial phase, when quotas were distributed with fairly considerable delay or under conditions that did not wholly guarantee regular administration, were truly representative of intra-Community trade flows. Moreover, the measures laid down by the speed-up decision or elaborated as part of the common agricultural policy and also involving the elimination of quantitative restrictions from 1962 onwards, deprived the provisions of Article 33 (4) of some of their practical import.

In the case of a number of products the Commission is about to take the decision confirming that imports both in 1959 and in 1960 were lower than the quotas granted on the basis of Article 33 (1 and 2).

Consequently, Member States must abolish quotas on imports from other Member States — and may not re-impose them except by invoking one of the Treaty's safeguard clauses. A second decision will be taken on the basis of actual imports and quotas granted in 1960 and 1961 as soon as statistics have been sent to the Commission.

At the end of 1962 only a small number of agricultural products will thus still be subject to quantitative restrictions and to the automatic quota disarmament laid down in the Treaty of Rome.

Freedom of establishment and services

29. The Council has decided to consult the Parliament and the Economic and Social Committee on two draft directives submitted by the Commission, one of which lays down ways and means of liberalizing establishment on farmlands that have been derelict or uncultivated for more than two years, while the other concerns freedom of establishment for agricultural wage-earners who have worked as such in the receiving country for two consecutive years ⁽¹⁾.

On 22 May the sub-group on the freedom of establishment and services in connection with public works met in restricted session to draw up a list of what constitutes "public works".

The various proposals from the Member States were discussed. It was agreed that the Commission should prepare a Community list of public works and specify what criteria will enable a public-works contract to be distinguished from a supply contract.

⁽¹⁾ See Bulletin 6/62, Chap. IV, sec. 18.

COMPETITION

Rules applicable to enterprises

30. At the beginning of June the Commission sent the Council a proposal that the time-limit laid down in Article 5 (1) of Regulation No. 17 for the notification of existing agreements should be put back from 1 August to 1 November 1962. Several Member States and also the Internal Market Committee of the European Parliament had requested that this be done.

At its session of 4 and 5 June, the Council decided to submit this proposal to the Parliament for its opinion, in pursuance of Article 87 of the Treaty.

Approximation of legislation

Patent rights

31. The drafting committee of the Working Party on patents met in Brussels from 14 to 26 May 1962 to finalize the text of the preliminary draft convention on a European system of patent law which the Working Party completed at its session of 2 to 18 April (1).

The final wording will be drawn up by the Working Party at an *ad hoc* session to be held in Munich from 13 to 23 June 1962.

The text of the preliminary draft will then be submitted for approval to the Co-ordination Committee and to the Secretaries of State responsible in matters of industrial property rights.

Convention on the reciprocal recognition and enforcement of judgements

32. The Government experts on the law relating to the enforcement of judgements met from 7 to 11 May 1962 and continued their study of the preliminary draft convention on the reciprocal recognition and execution of judgements and other enforceable decisions.

Discussion centred on the list of competences for cases affecting several States, ways or avoiding of settling conflicts of competence, the simplification of notification procedure and the field of application of the Convention.

There is to be another meeting of the government experts at the end of June.

Obstacles to trade resulting from technical arrangements

33. The results of the enquiry among Member States and the plan of campaign for the elimination of technical obstacles to trade will be discussed at the second meeting of the Working Party on technical obstacles to trade — various products, which will be held next July.

A draft directive on "trafficators", the technical part on which has been drawn up by a group of experts, will also be on the agenda of this meeting.

(1) See Bulletin 6/62, Chap. IV, sec. 23.

Pharmaceutical products

34. The fifth meeting of the Working Party on the approximation of laws and regulations on pharmaceutical products was held on 11 and 12 April 1962.

The Working Party studied a draft directive on the same of branded pharmaceuticals, which dealt with initial measures of harmonization in this field.

Under the directive marketing will be authorized if the products concerned fulfil the following three conditions: harmlessness under normal conditions of use, therapeutical effect and conformity with the formula indicated.

Any application to obtain such authorization will have to be supported by dossier containing certain information and documents enabling the administration to judge whether these conditions have in fact been complied with.

Authorization will be given for a period of five years, renewable on request. The draft also lists the information that must appear both on the container itself and on the outside packing.

The next meeting of the Working Party will be on 28 and 29 June. Problems of advertising, control and special conditions for the sale to the public of certain medicaments will then be discussed.

Fiscal problems

Harmonization of turnover taxes

35. A plenary session organized by the Commission with the heads of national tax departments was held in Brussels on 10 May. M. von der Groeben, a member of the Commission, took the chair.

The meeting examined the reports of the sub-groups of Working Party No. I concerning the various systems on which the harmonization of turnover taxes might be based. After a broad exchange of views, the Chairman announced his intention of asking the Commission to make proposals to the Council in the near future in pursuance of Article 99 of the Treaty. These proposals would be based on the reports of the sub-groups and of the Fiscal and Financial Committee (see below).

Fiscal and Financial Committee

36. On 11 May the heads of national tax departments and the members of the Fiscal and Financial Committee met under the chairmanship of M. von der Groeben (1) for an initial exchange of views on the Committee's preliminary draft report. The Committee had been asked by the Commission to examine the economic and financial aspects of the problems involved for the six countries in the harmonization of taxation.

Professor Neumark, the Chairman of the Committee, explained the main points of the draft report. After reminding his audience that the report still had to be

(1) See Bulletin 11/61, Chap. IV, sec. 34.

completed, particularly with respect to company dividends and taxes, he emphasized the aims of fiscal harmonization, with special reference to turnover tax, where it is very urgently needed.

After the Chairman's statement, there was a discussion between the various delegations and the members of the Fiscal and Financial Committee. The draft report will be finalized at a Committee meeting early in June.

37. The meeting of 11 May also discussed a plan for a uniform method of calculating the average rates of countervailing charges on imports and drawbacks on exports laid down in Article 97 of the Treaty.

This plan was approved by all the delegations except one, which expressed reservations in principle. Certain delegations requested textual amendments and these will be examined at a later meeting with government experts.

Application of the decision of 21 June 1960 (Adjustments of countervailing charges on imports and drawback on exports proposed by Belgium and the Netherlands)

38. There have been differences of interpretation on the decision taken by the Representatives of the Governments of Member States meeting in the Council on 21 June 1960 ⁽¹⁾. The Commission has therefore thought it worthwhile to issue a working document examining the few most likely practical cases which will call for the adjustment of countervailing charges on imports and drawback on exports and to indicate a possible solution for each of them with due regard to the terms of the decision ⁽²⁾.

This working document was discussed at the meeting held on 10 May ⁽³⁾. On the whole, the delegations approved it, though some expressed reservations that will be examined later, after which the Commission will lay proposals for an agreement before the Council.

Elimination of discriminatory provisions in excise duties and turnover taxes — planned adjustments of countervailing charges and drawback by the Netherlands Government

39. Working Parties No. II (calculation of countervailing charges on imports and drawback on exports) and No. III (harmonization of indirect taxes other than turnover taxes) set up by the Directorate of Fiscal Problems met on 17 and 18 May 1962 to discuss the following points :

- a) Elimination of discrimination in excise duties;
- b) Elimination of discrimination in turnover taxes, as required by Article 95, third paragraph, of the Treaty;
- c) Adjustments to countervailing charges on imports and drawback on exports planned by the Netherlands Government for 1 June 1962.

⁽¹⁾ See Bulletin 2/62, Chap. VI, sec. 24.

⁽²⁾ See Bulletin 5/60, "The Council".

⁽³⁾ See previous section.

With respect to point (a), the Commission submitted to the delegations two working documents dealing with excise duties on beer and sugar. It was agreed that certain Member States would shortly make proposals on the basis of these studies for the elimination or adjustment of any provisions in their legislation which might put imported sugar or beer at a disadvantage with respect to domestic products.

At the request of various Member States, a detailed study is to be made of other cases of discrimination in the matter of excise duties. Any discrimination in taxing wine and spirits will have to be studied at a future meeting.

As for point (b), relating to particular cases of discrimination brought up by Member States or by the Commission, several Member States have declared that a decision in conformity with the Treaty would soon be taken. Other cases of discrimination, however, are to be examined again by the Member States concerned.

With respect to point (c), the delegations had no major objections to the measures envisaged by the Netherlands Government though they reserved their judgement on how far such adjustments are compatible with the decision of the Representatives of the Governments of Member States meeting in the Council on 21 June 1960.

SOCIAL AFFAIRS

European Social Fund

40. Now that the examination of the first applications from Member States has been completed, the European Social Fund has begun to grant financial assistance to EEC Member States.

The Commission has decided to make grants-in-aid of Bfrs. 23 071 056 to Belgium and NF 22 832 129 (Bfrs. 231 289 466) to France.

As the grants from the European Social Fund are fixed at 50 % of the expenditure incurred by each country, the total cost of the first operations assisted by the Fund comes to Bfrs. 508 721 044.

Similar decisions are expected soon for the other Member States, except Luxembourg, which has made no application for a grant-in-aid.

The grants in question are for retaining programmes carried out in 1958 and 1959 and which enabled unemployed workers to find new jobs. To cover these and similar grants the Commission approved a total of Bfrs. 602 262 036 in December 1961.

Member States have also applied for grants to cover the resettlement of unemployed workers during the same years. Decisions will be taken on these applications as soon as they have been examined.

41. In Brussels on 22 May, the Committee of the European Social Fund held the second meeting of its 1962 session under the chairmanship of M. Levi Sandri, Chairman of the Social Affairs Group in the Commission. The Committee

examined retroactive applications for refund of expenditure relating to retraining schemes submitted by Germany, Italy and the Netherlands.

The Committee then adopted a draft opinion on the suggested revision of Regulation No. 9 on the European Social Fund, declaring itself in favour of some amendments that would facilitate the procedure by which the Fund's assistance is asked for and granted and would make it easier for the Fund to take action. This draft opinion was prepared by the *ad hoc* working party set up by the Committee of the European Social Fund when it met on 8 February 1962 (1).

Social security

Administrative Committee for the social security of migrant workers

42. This Committee held its thirty-fourth meeting in Paris from 23 to 25 May, and approved a number of draft proposals to amend and supplement the articles of Regulations No. 3 and No. 4 concerning compensation for occupational diseases. These proposals had been prepared by a working party specially set up for the purpose. The Committee also adopted the draft of a supplementary measure to ensure that family allowances would be granted for the children of workers temporarily employed outside their country of normal employment.

Auditing Committee attached to the Administrative Committee

43. The Auditing Committee held its eighth meeting on 11 May. It studied measures to simplify the procedure recognizing the right to medical treatment of pensioners and their dependants living in a Member State where none of the institutions responsible for providing the pension or annuity is situated.

Various practical measures have been proposed to reduce the time-lag between the granting of the pension or annuity and entitlement to medical treatment. This problem will be examined further at the ninth meeting of the Committee.

Mineworkers

44. The Working Party on mines set up by the Administrative Committee for the social security of migrant workers held its second meeting in Luxembourg on 29 and 30 May. There was a discussion on the harmonization of the various social security systems affecting miners. The Working Party noted certain suggestions and arrived at tentative conclusions.

Free movement of workers

45. The Advisory Committee for the free movement of workers held its third meeting on 4 May, when it adopted rules of procedure.

The Committee had an exchange of views on the broad outline of the measures applicable during the second stage of liberalization, in preparation for a draft

(1) See Bulletin 4/62, Chap. III, sec. 20.

regulation to be submitted by the Commission to the Council. Among the problems discussed were the abolition of priority for the domestic labour market, the extension of rights acquired by workers when their employment is prolonged, the admission of workers' dependents into the host country, equality of treatment as regards eligibility to join workers' organizations. The Committee set up a working party to study proposals for submission to the Commission.

The Advisory Committee approved the preparation of the comparative glossary of the trades in which migration within the Community is most frequent and asked that further trades be included in it.

A group of Government experts on job classification met on 22 and 23 May to examine and finalize a list of 152 occupations that might be included in the glossary. The experts also examined sixty draft job descriptions, the final text of which will be drawn up at a future meeting.

Labour problems

46. On 16 and 21 May the Commission arranged two meetings in Brussels, one with representatives of international workers' organizations (ICFTU and IFCTU) and the other with organizations of employers — Union of Industries of the European Community (UNICE), Committee of Agricultural Organizations (COPA) and Committee of Commercial Organizations in the Countries of the EEC (COCCEE) — and of crafts. The Commission's draft report on manpower trends in the Community in 1962 was submitted to these two meetings for their opinion. The effects of the economic situation on the manpower position in each Member State were examined. The delegates were unanimous in emphasizing the need to bring adequate means to bear to ensure a better quantitative and qualitative balance of employment.

The Economic Policy Committee held a meeting with experts from the Transport Ministries of Member States on 18 May to discuss this draft report, the economic situation and economic prospects. The meeting endeavoured to determine the nature and extent of current and foreseeable imbalance on the labour market and to find means of ensuring — particularly by wider occupational training — that better use is made of the numbers and quality of manpower available within the Community.

The Commission will draw up the final report with due regard to the comments and opinions of the workers' and employers' delegates and the suggestions of the experts. This report will include proposals for measures to improve the balance of the Community labour market.

Inquiry into industrial wages

47. At its session on 14 and 15 May the Council approved, on a proposal of the Commission, the Regulation on the holding of a third inquiry into industrial wages in the Community, to be based on 1961 statistics.

The branches of industry to be covered by the survey are :

- a) Preserved meat;
- b) Preserved fish;
- c) Knitted and crocheted goods;
- d) Ready-made clothing;
- e) Paper processing, manufacture of articles of paper pulp, paper and paper-board;
- f) Printing;
- g) Tanning, tawing;
- h) Plastic products;
- i) Clay and earthenware building materials;
- j) Production and primary processing of non-ferrous metals;
- k) Metal fabrication;
- l) Agricultural machinery and tractors;
- m) Aircraft and aircraft repairs.

The first two inquiries were made under Regulations No. 10 of 25 August 1960 and No. 14 of 24 July 1961, respectively.

AGRICULTURE

Common agricultural policy

48. On 7 May the Commission submitted to the Council draft regulations on the following subjects :

- a) The gradual establishment of a common market organization for beef;
- b) The institution of a levy system and the gradual establishment of a common market organization for milk and dairy produce;
- c) The gradual establishment of a common market organization for rice.

The text of these proposals is published as a supplement to this Bulletin.

At its session on 9 and 10 May the Council decided to ask the European Parliament for its opinion on the proposals.

49. In May the Commission sent the Council several proposals for Council regulations on ways and means of applying the regulations on grain, pigmeat, poultry and eggs. The proposals in question concerned the following :

- a) The establishment of a sluice-gate price for slaughtered poultry of the following varieties : ducks, turkeys, geese, guinea-fowl, laying hens;
- b) The fixing of the amount of intra-Community levies for trade in fat pullets slaughtered in the light of the differences between average market prices in the importing Member State and in the exporting Member State;

- c) The determination of the quantity of coarse grain needed to produce 1 kilogramme of table poultry of the following kinds : ducks, turkeys, geese, guinea-fowl, laying hens;
- d) Ways and means of applying Article 14, Article 19 (2d) and Article 20 (2) of Regulation No. 19 on the gradual establishment of a common market organization for grain;
- e) The fixing of the amount of levies vis-à-vis non-member countries for trade in live pigs;
- f) The fixing of the amount of levies vis-à-vis non-member countries for trade in pig carcasses;
- g) The fixing of the amount of intra-Community levies for trade in live pigs;
- h) The determination of the quantity of coarse grain needed to produce one kilogramme of shell eggs, for direct consumption, of the following types : duck eggs, turkey eggs, goose eggs, guinea-hen eggs;
- i) The establishment of the sluice-gate price for duck eggs, turkey eggs, goose eggs, guinea-hen eggs in shell, for direct consumption.

The Council began to examine these proposals at its session on 28 and 29 May.

The application of the regulations on the common organization of markets in agricultural products requires that sums expressed in the currency of a Member State or of a non-member country can be given in the currency of another country. Consequently, the Commission thought it necessary to adopt a valid and uniform rule for all cases that might occur, and submitted a draft regulation to the Council on the rate of exchange and the unit of account to be applied under the common agricultural policy.

50. After taking a decision on the problem of setting upper and lower limits to the target prices of grain, the Council turned its attention during its May meetings to the actual implementation, as from 1 July, of the regulations on the common organization of the various markets.

The principal questions on grain, pigmeat, eggs and poultry were studied at the session of 28 and 29 May. Agreement in principle was reached on :

- a) The threshold price for cereal flour, meal and groats;
- b) The sluice-gate price in trade with non-member countries for hen eggs in shell;
- c) The sluice-gate price for slaughtered fat pullets;
- d) The amount of coarse grain needed to produce 1 kilogramme of shell eggs;
- e) The amount of coarse grain needed to produce 1 kilogramme of pullet.

51. The composition of the Management Committees to be set up under the various regulations was discussed at the same session. The Council agreed that each Member State would provide four representatives for the committees, it being understood that three representatives of official rank would be appointed for the time being. In the Council's opinion the participation of representatives of semi-public market organizations in Community organs such as the Management Committees constitutes a general problem calling for a common solution

applicable to all such bodies. The Council therefore agreed to devise such a solution within the next two months.

52. The Special Committee for Agriculture has held several working sessions mainly to discuss concrete measures for implementing the levies on grain, pigs and eggs. The Committee has also undertaken a preliminary study of the plan to co-ordinate agricultural structure policies.

53. Meanwhile, the Management Committee for grain met for the first time. It discussed various technical problems such as the criteria for fixing the cif price (grain, hard wheat), the criteria for amending levies, quality standards, quality equivalence ratios (national standard, threshold-price standard), the definition of hard wheat, transitional arrangements, etc.

54. After hearing the opinion of the Management Committee for grain, the Commission adopted a directive to Member States on transitional arrangements applicable to grain imports. This directive lays down that Member States shall take all necessary action to ensure that imports of the products mentioned in Article 1 of Regulation No. 19 (on grain), effected before 1 July 1962, do not hamper the application of the price or levy systems on their own markets or on those of other Member States after that date.

55. With a view to implementing the regulations on the gradual establishment of common market organizations for six types of agricultural produce, adopted by the Council on 14 January 1962, the Commission on 6 June 1962 sent the Council a report on the establishment of advisory committees drawn from agricultural circles — thus acceding to the request made by the Council at its session of 9 and 10 May 1962. As was laid down in the June 1960 proposals on the framing and implementation of the common agricultural policy, the Commission intends to set up such a committee for each of the commodities subject to a common market organization. The Commission will thus be able to consult farming circles at Community level on any problem concerning the common market organization, and particularly on the arrangements it will have to make within that organization.

The following will be represented on these committees: farmers, agricultural co-operatives, the farm products and food-processing industries, farm workers, personnel of the food-processing industries, and consumers.

TRANSPORT

Common transport policy

56. On 25 May 1962 the Commission sent the Council a programme for action on the common transport policy.

This programme relates chiefly to road, rail and inland-waterway transport but also deals with problems resulting from the rapid development of pipelines. The application of rules of competition to sea and air transport is also raised. The programme is analysed in Chapter I of this Bulletin.

Committee (Article 83 of the Treaty)

57. Working Parties I, III and IV of the Consultative Committee on Transport set up under Article 83 of the Treaty met in May to prepare the meeting of the parent Committee on 12 and 13 June 1962.

Working Party I, which met on 10 and 11 May, dealt with the problem of international transport and in particular with the framing of common rules as required by Article 75 (1a) of the Treaty, and formulated an opinion on this point for the Committee.

At meetings of 8 and 9 May and of 21 and 22 May, Working Party III hammered out common positions on passenger and goods transport by road and on inland-waterway transport. Members gave their views on the possibility of allowing non-resident carriers from other Member States to engage in transport within a Community country which they have entered with a consignment from abroad.

Working Party IV, on the problem of double taxation in international transport, held its first meeting on 7 and 8 May. Using a working document prepared by the Commission, the experts discussed in detail the various types of fiscal measure that might give rise to double taxation. The experts will sift all the information to be included in the opinion required by the Commission at a further meeting.

Determination of standard European vessels

58. The sub-committee dealing with this matter met in Brussels on 28 and 29 May. It examined draft directives, based on the proposals of the various delegations, for the construction of a standard barge and a self-propelled vessel for Class 4 waterways.

After much discussion, agreement was reached on the technical specifications of the first standard European vessels.

OVERSEAS DEVELOPMENT

Negotiations for the renewal of the Association Convention

59. The Commission has submitted to the Council a preliminary draft convention on the association of the overseas States with the European Economic Community. The draft consists of a preamble, reaffirming the aims of association, and of five parts dealing with (1) trade, (2) financial and technical co-operation, (3) the right of establishment, services, payments and capital, (4) the institutions of the Association and (5) the final provisions, protocols, declarations and annexes. It is based, on the one hand, on the decisions taken at ministerial meetings between the associated overseas States and the Council, and on the other hand, on the memorandum presented by the Commission in July 1961.

The draft also gives details of acceptable solutions to important institutional problems, procedures for administering the European Development Fund, etc.

The Commission has also approved memoranda to the Council on the total amount of aid to be provided for under the new Association Convention and on the duties in the common external tariff for various tropical products affecting trade with the Associated States.

Before receiving this preliminary draft from the Commission, the Council — at its meeting of 14 and 15 May — had continued its examination of outstanding problems of future relations between the Community and the Associated African States and Madagascar.

The working parties set up by the first ministerial meeting between the Associated States and the EEC Council met several times in May. On 25 May the Steering Committee heard the reports of the working parties and fixed the time-table for their future meetings.

The Steering Committee's decisions and the meeting of chairmen and rapporteurs of working parties produced the following time-table for meetings of sub-committees (of the Six only) and working parties :

29 and 30 May :	Sub-committee on Institutions;
1 and 4 June ;	Finance sub-committee;
6 June :	Sub-committee on Institutions, Working Party on institutional and administrative problems, Finance sub-committee, Working Party on financial and technical assistance, Trade sub-committee;
7 June :	Working Party on financial and technical assistance;
8 June :	Working Party on trade and marketing;
15 and perhaps 16 June :	Steering Committee;
20 June :	Steering Committee.

The third ministerial meeting between the Community and the Associated African States initially fixed for 20 and 21 June was postponed to 4 and 5 July.

Trade

60. At the request of the Member States of the Afro-Malagasy Organization for Economic Co-operation, Commission representatives co-operated in the Organization's work on the creation of a free-trade area between its Member States, the stabilization of prices for tropical products and the harmonization of customs legislation. As a result of this work, the Organization has decided to refer these problems to committees for preliminary study. The reports of these committees will be examined at future meetings of the Organization and in any case at the meeting fixed for November 1962 in Paris.

Scholarships, training periods and joint discussions for nationals of the associated overseas States

61. The Commission has organized four short training courses for nationals of the associated overseas States :

- a) from 7 to 10 May in Luxembourg for 45 students;
- b) from 14 to 17 May in Rome and Naples for 50 students and scholarship holders;

c) on 22 May in Paris for 125 students from the Institut des Hautes Etudes d'Outre-mer;

d) from 28 to 31 May in Brussels and in Germany for 33 African women.

Mission to Surinam

62. At the invitation of the Surinam Government ⁽¹⁾, a mission from the Community visited the territory from 29 April to 11 May 1962.

The purpose was to enlighten the Surinam authorities on various problems of association and on the activities of the European Development Fund. At the various working sessions held particular attention was given to projects the Surinam Government intends to submit to the Fund for financing.

The Surinam Prime Minister and other Ministers concerned conveyed to the head of the Community mission their satisfaction with the results of the co-operation between experts from the Fund and Surinam officials.

European Development Fund

SOCIAL PROJECTS

a) Projects approved

63. In May 1962 the Commission approved the financing by the European Development Fund of the following three projects :

In the Republic of Ivory Coast

The installation of ten agricultural training centres to deal with 1 200 young farmers every year, the provisional commitment being Frs. CFA 530 million (about 2 147 000 units of account).

This project is one of the main points of the agricultural development programme of the Ivory Coast Government. The need to improve the technical training of farmers has decided the Government to define the objectives of a co-ordinated development policy for agriculture and the means for carrying it out.

In the Territory of Netherlands New Guinea

a) The building of a hospital at Manokwari to replace the existing hospital which is in a very poor state of repair.

The project consists in the replacement of repair and extension of existing buildings and will increase the number of beds from 70 to 126. The cost of equipping the extension will be defrayed by the Government of Netherlands New Guinea.

The scheme is estimated to cost NNG fl. 1 627 000 (about 449 000 units of account).

b) The building and equipping of two training centres for rural teachers.

⁽¹⁾ See Bulletin 6/62, Chap. IV, sec. 42.

This project forms part of the plan to expand education in Netherlands New Guinea, where the Government is anxious to extend schooling to the whole territory.

When they have been working for four years the two new centres will make possible a 40 % increase in the number of teachers receiving their diplomas each year. This increase will suffice to cover short-term requirements.

The expenditure is estimated at NNG fl. 1 440 000, or about 398 000 units of account.

ECONOMIC PROJECTS

b) Projects cancelled

64. In the same month the Commission decided, at the request of the authorities in the States concerned, to cancel the following social and economic projects :

In the Republic of Ivory Coast

Ten rural training camps, with a provisional commitment of 912 000 units of account.

This project was published in the official gazette of the European Communities No. 62 of 6 October 1960 and was the subject of financing agreement No. 60/F/CI/S/59, signed on 23 February 1961 and published in the official gazette No. 17 of 7 March 1961.

In the Republic of Congo (Leopoldville)

A medical and surgical centre at Doruma, with a provisional commitment of 400 000 units of account.

This project was published in the official gazette No. 12 of 25 February 1959 and was the subject of financing agreement No. 1/B/CB/S/58, signed on 7 April 1959 and published in the official gazette No. 26 of 23 April 1959.

In the Republic of Congo (Leopoldville)

The Mambasa-Bunia section of the Ituri road, with a provisional commitment of four million units of account.

This project was published in the official gazette of the European Communities No. 31 of 9 May 1960 and was the subject of financing agreement No. 31/B/CB/E/59, signed on 6 May 1960 and published in the official gazette No. 34 of 19 May 1960.

In the Territory of Rwanda-Burundi

The model farming centre at Rweya, with a provisional commitment of 37 000 units of account.

This project was published in the official gazette of the European Communities No. 76 of 30 November 1960 and was the subject of financing agreement No. 58/B/RU/E/59, signed on 16 December 1960 and published in the official gazette No. 1 of 9 January 1961.

OPERATIONS OF THE EUROPEAN DEVELOPMENT FUND

Financing approved at 31 May 1962

(in thousand units of account)

Country or territory	No. of projects	Amount
Congo (Leopoldville)	6	4 984
Rwanda-Burundi	15	6 171
Total	21	11 155
Cameroun	19	33 797
Central African Republic	16	10 748
Chad	12	14 771
Comoro Islands	5	2 069
Congo (Brazzaville)	12	13 502
Dahomey	12	10 516
French Somaliland	1	742
Gabon	10	9 030
Ivory Coast	15	25 857
Madagascar	27	28 738
Mali	18	15 092
Mauritania	7	9 780
New Caledonia	5	1 560
Niger	4	13 052
Polynesia	1	2 474
Senegal	13	22 041
Togo	13	10 041
Upper Volta	8	14 938
Réunion	3	1 682
Martinique	2	4 567
Guadeloupe	3	4 211
Algeria	7	17 680
Sahara	2	2 747
Groups of States	1	1 972
Total	216	271 604
Somalia	4	4 760
Netherlands New Guinea	8	13 334
Grand total	249	300 853

FINANCING AGREEMENTS

65. The following financing agreements were signed in May 1962 :

- a) Agreement with the Republic of Togo for a social project to cost Frs. CFA 156 million (about 632 000 units of account);
- b) Agreement with the Malagasy Republic for a social project to cost Frs. CFA 254 million (about 1 029 000 units of account);
- c) Agreement with the Central African Republic for a social project to cost Frs. CFA 305 million (about 1 236 000 units of account);
- d) Agreement with the Republic of Ivory Coast for a social project to cost Frs. CFA 530 million (about 2 147 000 units of account).

ADMINISTRATIVE AFFAIRS

Statute of service

66. Meeting on 14 and 15 May, the Councils of EEC and Euratom adopted the text, in the four official languages of the Community, of Regulation No. 31 establishing the statute of service for officials and the rules applicable to other employees of the two Communities, and also the text of the Regulation on the Community tax. Regulation No. 31 was published in the official gazette of the European Communities No. 45 of 14 June 1960.

Budget matters

67. In May the Budget Committee of the Council examined the preliminary draft of the supplementary budget for the financial year 1962 introduced by the Commission.

At its meeting of 9 May the Administration and Budgets Committee of the European Parliament was informed of the broad outline of this draft by the EEC Commission.

The Committee of Control has communicated its draft report on the financial year 1961 to the EEC Commission.

Changes in the staff of the Commission

68. The Commission has appointed M. J. Chapperon as chief executive assistant to M. Rochereau, a member of the Commission, to replace M. J. Ferrandi, Director of Research and Development Programmes in the Directorate-General for Overseas Development (1). M. R. Toulemon has been appointed chief executive assistant to M. Marjolin, Vice-President of the Commission, in succession to M. J. C. Richard, who has resigned.

(1) See Bulletin 4/62, Chap. III, sec. 47.

VI. Institutions and organs

A. THE PARLIAMENT

From 7 to 11 May 1962 the Parliament resumed, with M. Gaetano Martino in the chair, its session adjourned on 30 March.

Debate and resolution on transport

On 8 May the Parliament after hearing M. Mueller-Hermann's report debated the general lines for a common transport policy.

The rapporteur said that special attention must be given to the widening of the scope of the Mannheim Act (Rhine navigation) and its adaptation to the common transport policy. He supported the system proposed by the EEC Commission of "bracket-rates" for each of the main categories of transport during the transition period.

M. Battistini, chairman of the Parliament's Transport Committee, told the House that his Committee has adopted a resolution that all transport rates must be published; he said that the regulation finally adopted should aim at individual price formation. The resolution stressed the urgent need to align transport charges and social security charges.

On behalf of the three political groups M. Kapteyn (Netherlands, Socialist), M. Brunhes (France, Liberal) and M. Engelbrecht-Greve (Germany, Christian Democrat) spoke on M. Mueller-Hermann's report. Whilst the Dutch members of the Socialist group with some support by Italian Christian democrats, were in favour of the system of "individual rates", the rest of the Socialist group, represented by M. De Block (Belgium), recommended a more "dirigist" policy. They doubted whether free competition was possible in transport. "Such competition will not produce the lowest price, and nothing but rational and systematic co-ordination will put an end to the present state of anarchy and produce satisfactory results", he said.

M. Schaus, a member of the Commission of the EEC, thanked M. Mueller-Hermann for his report on the Commission's Memorandum, and the draft resolution accompanying it. He said that social problems in transport would be discussed at a conference on social security to be held later in the year, and announced that the EEC Commission would shortly publish a time-table showing how it intends to proceed in the matter and the timing of the various solutions to be worked out. The discussion was wound up by the adoption of a resolution proposed by M. Battistini (1).

Debate and resolution on a European inventory of occupational diseases

On 11 May the Parliament heard a report by M. Troclet (Belgium, Socialist) on behalf of the Health Protection Committee, on the EEC Commission's draft recommendation to the Governments of the Member States concerning the adoption of a European inventory of occupational diseases.

(1) See Annex for extracts from the resolution.

M. Troclet said that the main proposal in the recommendation was that an initial European inventory of noxious substances be drawn up, with an accompanying list of a number of diseases regarded by the medical profession as occupational, but not yet recognized as such legally; a methodical study of these would be carried out both by the Six and the Commission. The recommendation proposes that information on vocational diseases should be centralized, so that the inventory could be gradually extended.

M. Krier (Luxembourg, Socialist) supported the views put forward in M. Troclet's report, and M. Storch (Germany, Christian Democrat) welcomed the EEC's initiative. He said that even though the aim of the draft recommendation was limited, it had to be admitted that in the present state of national legislation it was a step forward, and that to attempt more would have been to court failure.

M. Levi Sandri, a member of the EEC Commission, said on behalf of the Commission that the inventory had been drawn up in co-operation with the Euratom Commission and the High Authority of the ECSC. He confirmed that the Commission intended to press on with its action, notably as regards the prevention of disease and with rehabilitation. He hoped the Member States would amend their legal enactments to comply with the recommendation the Commission proposed to submit to them.

The Parliament unanimously adopted a resolution expressing general approval of the Commission's draft recommendation to the Governments of the Member States on the subject of a European inventory of occupational diseases.

Debate and resolution on industrial medicine

On 11 May M. Mariotte (France, liberal) on behalf of the Health Committee presented his report on the EEC Commission's draft recommendation on this subject to the Governments of the Member States.

M. Troclet promised the support of the Socialist group for the resolution in the report concerning the legal status of industrial medicine at works level.

M. Santero (Italy, for the Christian Democrats) pointed out that though the Commission had drawn on Recommendation No. 112 of the ILO, it had set its targets higher.

M. Friedensburg and M. Storch (Germany, Christian Democrats) urged that all steps should be taken to reduce the growing incidence of industrial diseases and accidents; the Commission's recommendation was amply justified. M. Friedensburg further pointed out that it was not enough to intensify preventive action but that it was just as necessary to foster a sense of responsibility in the workers and get them to pay more heed to their working conditions.

M. Levi Sandri agreed with what the various speakers had said, but feared that the introduction of works medical services might be seriously handicapped by the shortage of qualified practitioners and that, therefore, it would be necessary to provide for a certain phasing and for the moment not go beyond the Commission's recommendations.

At the end of the debate Parliament unanimously adopted the resolution (1).

(1) See Annex for the text of the resolution.

Debate and resolution on European political union

On 9 May the Parliament held an important debate on the establishment of a European political union and unanimously adopted a resolution on the subject. The resolution does not attempt any precise proposal to re-activate the project for a political union; it merely deplores the failure of the recent negotiations in Paris, and asks that they be resumed at an early date. Parliament would not really take stock of the matter until its June session, when it would be discussing an overall report containing new plans for a possible political union, based on proposals by M. Dehousse and M. Duvieusart.

M. van der Goes van Naters (Netherlands, Socialist) deputizing for M. Battista, presented the draft resolution. He stressed the logical link between this text and the draft resolution on the United Kingdom's request for membership of the EEC (1); the sooner Britain's accession was an accomplished fact, the sooner its voice would be heard in the political shaping of Europe.

For the Socialist group, M. Metzger (Germany) dwelt on the urgent necessity of reaching a speedy conclusion in the negotiations with the United Kingdom. A decision would have to be reached before the summer was out, and for that reason the Socialist group had tabled a resolution on this particular point.

M. Duvieusart (Belgium, Christian Democrat) took a different view of the matter. According to him the pre-condition for British membership could not be accepted, and they should go ahead with the negotiations on political union; incidentally, the principle of so doing had been agreed months ago. The European Parliament, said M. Duvieusart, must press for an early resumption of talks among the six foreign ministers. Accordingly the Christian Democrat group asked Parliament to vote in favour of the resolution.

M. Janssens (Belgium, Liberal) referred to the circumstances which had led the Parliament's Political Committee to state its views without waiting for the accession of new members to be accomplished. He added that political progress within the existing Communities was just as important an objective.

M. Braccisi (Italy, Christian Democrat) was also of the opinion that either the work should proceed without waiting for British membership, in the hope that Great Britain would accept the idea of European federation once it was seen to be a working proposition, or else they should negotiate an agreement on the lines of an "Europe des patries" with seven members, which was a concept she could accept straight away.

M. Dehousse (Belgium, Socialist), one of the two authors of the resolution, expressed the Parliament's deep regret that the six Ministers of Foreign Affairs had not taken up its proposals, made after all in a spirit of conciliation. He stressed the importance of the ends proclaimed and pointed out that the proposal for the establishment of a Council of States would prevent them from being held up by the pre-condition of British membership. He referred to the other potential aims of political union: common foreign and defence policies, cultural co-operation, harmonization of legislation, and so on. He asked for prompt decision on the fundamental question of British membership and pointed out that Great Britain

(1) See below.

had always made it quite clear that in joining the Communities, it would respect their statutes.

M. Pedini (Italy, Christian Democrat) suggested that at each session of Parliament one sitting should be set aside for a political debate in order to make European public opinion aware of the problems of integration.

M. Rubinacci (Italy, Christian Democrat) refused to admit that there was any connection at all between the resolution on a political union of Europe and the resolution on British membership.

Taking up this point, M. Kapteyn (Netherlands, Socialist) reviewed the attitude of the various Member States towards a supranational political union, and demanded that the Parliament in its resolution should state its opinion without any ambiguity.

At the end of the debate the Parliament unanimously adopted a resolution on the project for a European political union. (1).

Resolution on the negotiations with the United Kingdom

A second political resolution was adopted on the negotiations with the United Kingdom to the effect that the Parliament "trusts that the negotiations for British membership of the Communities will be concluded at an early date".

Debate on the co-ordination of energy policies

On 10 May a short debate took place on the co-ordination of energy policies. M. Spierenburg, Vice-President of the High Authority of the ECSC, said that the principles put forward in the Parliament's resolution of 20 February 1962 had been borne in mind by the six ministers when they met in Rome to work out the procedure for the establishment of a common energy market.

Presentation of the reports on the co-ordination of finance and budget policies

M. Bousch (France, Liberal) and M. van Campen (Netherlands, Christian Democrat) presented their report on the co-ordination of financial, monetary and budget policies. Their speeches were not discussed (a debate will be held during the June session, when resolutions may also be voted).

Nevertheless M. Marjolin gave a preliminary reply to the statements made by the rapporteurs, and indicated what would, broadly, be the Commission's viewpoint in the forthcoming debate.

M. Bousch spoke of the growing part played by the budgets of the Member States in their countries' overall economy. State and local government expenditure amounted to over 30 % of the gross national product and even reached 40 % in France, Italy and the Federal Republic of Germany. In the context of the establishment of a common market for goods and services, economic integration implied the co-ordination of monetary systems, the approximation of fiscal systems, and so on. M. Bousch reviewed the conditions for Community action in budgetary matters. The first was that budgets should be drawn up on a comparable basis in different countries. He then analyzed the existing differen-

(1) See Annex for the text of the resolution.

ces between the six Member States in the classification of public expenditure and in budget practice. He felt that it would be a fair request for the Executive of the EEC to begin by addressing a recommendation to the Member States to draw up their budgets on a comparable basis. Other recommendations should be made for the furthest possible harmonization of budget procedures, but this implied an effective system of collecting data at Community level, for purposes of forecasting. In France this was called the "budget économique"; it did not amount to a plan, but could nevertheless perform a certain "regulating" function. M. Bousch showed how conjunctural trends could be influenced through public finance, and outlined the part to be played by the European Parliament in this respect: the EEC Commission's annual survey of the economic situation should be "institutionalized" and form the subject of a debate and a resolution.

M. van Campen reviewed the available means of co-ordinating financial and monetary policies; he spoke of the "armoury of instruments of monetary policy" and the need to take stock of these with the help of the material assembled by the Monetary Committee.

M. van Campen then spoke of the true meaning of co-ordination in these fields, not only for the Communities but also for non-member countries; it would have no meaning unless within each Member State co-ordination already existed between monetary policy and the rest of the economy. He referred to the monetary problems which might stem from British membership in the European Economic Community, and stressed the importance of common deliberations, and the need for improved mutual information and statistics in any co-ordination policy.

In answer to the first speech, M. Marjolin said that subject to some slight reservations he accepted the conclusions reached in M. Bousch's report. In his view "State action in the financial field can never in any way be regarded as neutral". A co-ordination of budgetary and financial policies was inseparably bound up with long-term economic planning. M. Marjolin referred to the pioneer work already done by the Benelux countries in standardizing the form of their budgets, and said how important it was that Governments should agree to draw up provisional "budgets économiques".

Replying to M. van Campen, M. Marjolin agreed that it was necessary, so far as mutual support was concerned, to provide for appropriate measures to be taken where required; he also agreed that credits would in no case be granted automatically. So far as the future lines of monetary policy were concerned, the Commission would reply to M. van Campen who had outlined a federal monetary system in his report.

B. THE COUNCIL

The Council held three sessions in May 1962.

66th session (9 and 10 May)

The Council held its 66th session on 9 and 10 May under the chairmanship of M. Pisani, French Minister for Agriculture (see Chapter on Activities, sec. 49).

The session was devoted to agricultural questions. The Council adopted a number of proposals by the Commission on the implementation of the regulations concerning "processed products" and approved in principle :

- i) The proposal determining the quantity of coarse grain required to produce one kilogram of fat pullet;
- ii) The proposal establishing the sluice-gate price to be applied to fat pullets, slaughtered (with some reservations);
- iii) The determination of the quantity of coarse grain required to produce one kilogram of hen eggs in shell;

The Council also considered the proposal for determining the amount of the intra-Community levies on pig carcasses, and a number of Commission proposals on the implementation of the grain regulations, the criteria for fixing threshold prices and the organization of the management committees.

The Council adopted in the four Community languages the decision on determining the upper and lower limits of grain target prices for the 1962-1963 marketing season.

It was decided to consult the Parliament on the draft regulations concerning the common market organizations for rice, beef and dairy produce.

67th session (14 and 15 May)

The Council met for its 67th session on 14 and 15 May 1962, under the chairmanship of M. Couve de Murville, Minister of Foreign Affairs of the French Republic. The following decisions were taken :

- a) Approval of the draft regulation for organizing a third inquiry into wages in the six countries (see "Activities", sect. 47).
- b) Consultation of the European Parliament and the Economic and Social Committee concerning the draft directives on : the freedom of establishment on farms abandoned for more than two years and the terms and conditions for the establishment of farmhands (see "Activities", sec. 29).
- c) Approval of the first report of the group on the co-ordination of policy on credit-insurance, guarantees and financial credit, and approval of the consultation procedure (see "Activities", sec. 14).
- d) Finalization of the tariff agreement between the United Kingdom and EEC in GATT.
- e) Lowering the duties on new potatoes in the common customs tariff to 8 % for the period from 16 to 31 May 1962.

The Council also noted a Netherlands declaration giving notice of the approval by the government of the Netherlands Antilles of all the texts dealing with its association with EEC (approved by the Council on 6 and 7 February 1962).

The Council discussed the applications for association submitted by Austria, Sweden and Switzerland and decided that the Community would hear them; it decided to acknowledge receipt of the letter in which the Norwegian Government

(30 April 1962) applied for the opening of negotiations for its accession to EEC, and also to inform that government that the procedures laid down in the Treaty have been set in motion. A further exchange of views took place on the problems of future relations between EEC and the associated African States and Madagascar (see "Activities", sec. 58).

Finally the Council approved the versions in the four Community languages of the regulation establishing the EEC statute of service for officials and the rules to be applied to other employees as well as of the regulation on the Community tax (see "Activities", sec. 66).

The Representatives of the Governments of the Member States, meeting in the Council, took a speed-up decision to supplement that of 12 May 1960. By the terms of this decision, customs duties on industrial products will be reduced on 1 July 1963 by 60 % of the basic duty (see Bulletin 6/62, Chap. 1).

The Representatives appointed M. Robert Lecourt, former Garde des Sceaux in the French Government, to the Court of Justice of the European Communities to succeed M. Jacques Rueff for the remainder of his term (until 6 October 1964).

68th session (28 and 29 May)

The Council met on 28 and 29 May, with M. Pisani in the chair, to discuss agricultural matters.

The Council began to examine the Commission's proposals for applying the regulations on grain, pigmeat, poultry and eggs.

It adopted the draft regulation determining criteria for fixing the threshold price of flour, groats and meal.

Subject to minor amendments, the Council approved the Commission's proposals on the implementation of Regulation No. 21 on eggs determining the quantity of coarse grain needed to produce one kilogramme of eggs and fixing the sluic-gate price for some categories of shell eggs) and the proposal determining the quantity of coarse grain needed to produce one kilogramme of various kinds of table poultry (see "Activities", sec. 48 to 50).

69th session (4 and 5 June)

The Council met for its 69th session on 4 and 5 June, with M. Gorse, the French Minister of Co-operation, in the chair.

It was decided to ask for the Parliament's opinion on a Commission proposal to extend from 1 August to 1 November 1962 the time-limit for the notification of existing agreements (see "Activities", sec. 30).

The Council noted the replies of the Governments of Austria, Sweden and Switzerland to the letters of 28 May from the President of the Council; these countries' Missions to the Community will be contacted in order to fix the dates on which their Governments will be heard by the Council.

Lastly, the Council adopted a decision suspending the application of a number of concessions granted to the United States, following the raising by that country

on 17 June 1962 of its customs duties on imports of woven carpets and sheet glass, in pursuance of Article XIX of the General Agreement; the common customs tariff has been amended accordingly and the decision will come into force thirty days after the date on which the Contracting Parties have been given notice in accordance with Article XIX/3/A of the General Agreement (see "Activities", sec. 3).

The Representatives of the Governments of the Member States meeting in the Council, therefore decided that on 1 August 1962 Member States should apply under the common external tariff the full rates of duty laid down in Annex 2 to the Council decision of 5 June 1962 on imports from the United States of America of products under the headings therein mentioned.

The Councils of EEC and EAEC have decided to organize an inquiry into household spending and have also examined the resolutions adopted by the European Parliament at its session of 7 to 11 May 1962.

C. THE ECONOMIC AND SOCIAL COMMITTEE

The Economic and Social Committee held its inaugural session following its renewal at the end of its first four years of office on 4 May. The senior member, M. Brand (Germany), took the chair. The session was opened in the presence of Minister Fayat (Belgium), representing the Councils, and M. Schaus and M. De Groot representing the two Commissions in Brussels, who welcomed the members of the new Committee.

The following were elected :

- Chairman :* M. Emile Roche (France), Group representing various interests
- Vice-Chairmen :* M. Willem Jonker (Netherlands), Employers' group
M. Ludwig Rosenberg (Germany), Workers' group
- Members :*
- Employers' group : Torello Giunti (Italy)
Jean de Precigout (France)
Wilhelm Beutler (Germany)
Georges M. Velter (Belgium)
- Workers' group : Luigi Macario (Italy)
Maurice Bouladoux (France)
Louis Major (Belgium)
Léon Wagner (Luxembourg)
- Group representing various interests : Hermann Schaeffer (Germany)
Luigi Anchisi (Italy)
Mathias Berns (Luxembourg)
J.E. Andrienssen (Netherlands)

This constitutive session of the Committee was continued on 28 and 29 May under the chairmanship of M. Roche. The Committee, in accordance with its rules of procedure, appointed the members of its eight sections.

The Committee will hold its next session on 16 and 17 July 1962, when it will formulate opinions on the following subjects :

- i) Freedom of movement for seasonal and frontier workers;
- ii) Freedom of establishment on farms abandoned or uncultivated for more than two years;
- iii) Freedom of establishment in agriculture for nationals of Member States having been regularly employed as paid farm-hands in another Member State for two consecutive years.

D. THE EUROPEAN INVESTMENT BANK

The European Investment Bank has just published its 1961 Annual Report together with the Balance Sheet and Profit and Loss Account for the year.

Extract from the Report are given below :

Loans

There has been a marked increase in the Bank's loan operation, as compared with previous financial years, both in respect of the number and volume of loans and of their scope. During the past year the Bank approved for the first time loans for improving transport infrastructure in accordance with the general policy laid down by the Commission of the European Economic Community; it also authorized its first loan to a Belgian concern.

In 1961 the Board of Directors approved ten loans totalling 66.2 million units of account, as against five in 1960 totalling 41.3 million. They are distributed geographically as follows : Italy, four, totalling 24.4 million; France, four, totalling 12 million; Germany, one, for 25 million, and Belgium, one for 4.8 million.

The estimated total cost of the projects adopted in 1961 is 325 million units of account. The proportion of this outlay financed by the Bank's 66.2 million units of account was therefore on average 20 %.

The projects were :

1. Construction by a French-German concern, the Progil-Bayer-Ugine Company (P.B.U.) of a chemical works producing synthetic foams and varnishes. Loan by the Bank : 2 million units of account.
2. Electrification and improvements on the Genoa-Modano railway by the *Amministrazione delle Ferrovie dello Stato (FF.SS)* by way of a change of traction power rating. Loan by the Bank : 21 million units of account.
3. Improvements on the Modano-Chambéry railway with enlargement of the traffic-handling capacity of the frontier station, by the *Société Nationale des Chemins de Fer Français (S.N.C.F.)*. Loan by the Bank : 4 million units of account.
4. Electrification by the *Deutsche Bundesbahn* of the North-South railway link between the large Northern ports and South Germany and constituting an international trunkline from the Scandinavian countries to Italy, Switzerland and Austria; loan by the Bank : 25 million units of account.

5. Land clearance and development by the Compagnie d'Aménagement des landes de Gascogne, and establishment of farms in the forest region of South-West France. Loan by the Bank : 1 million units of account.
6. Construction of a pulp mill by the Cellulose du Borinage Company in the Borinage district of Belgium. Loan by the Bank : 4.8 million units of account.
7. Construction of a plant for the manufacture of confectionery by S.p.A. Tyndaris per l'Industria Dolciaria ed Affine at Patti, Sicily. Loan by the Bank : 0,4 million units of account.
8. Operating a potash mine and fertilizer production by Sali Potassici Trinacria at Pasquasia (Sicily). Loan by the Bank : 1.6 million units of account.
9. Construction of a factory manufacturing steel valves for industrial plant by Walworth Europa S.p.A. (W.E.S.P.A.) at Patti, Sicily. Loan by the Bank : 1.4 million units of account.
10. Extension and development of rural electricity main supplies in Brittany by Electricité de France, Service National. Loan by the Bank : 5 million units of account.

From its inception to the end of 1961, the Bank has approved 22 loans for a total of 160.2 million units of account, an average of 7.3 million per loan. The investments to which the Bank has thus contributed total 1 013 million units of account : the Bank's share in their financing has averaged approximately 16 % and ranges from 8 to 63 %, depending on nature and size of project.

Resources

The Bank for the first time issued bonds on the capital market to obtain part of the funds required for its operations. These operations totalled 21.4 million units of account, raised notably in the Netherlands.

During the year the Bank also borrowed from a Swiss bank to the tune of Sw.Fr. 9 million for a maximum term of 6 years.

1961 was also the year in which the fiscal arrangements applicable to the Bank's transactions were settled in all the Community countries. The Bank will thus be given comparable treatment to that extended to other similar institutions.

E. THE MONETARY COMMITTEE

The Monetary Committee of the European Economic Community held its fortieth session on 8 and 9 May 1962. The retiring Chairman and Vice-Chairmen were unanimously re-elected for a further term of two years. The Chairman is Jonkheer E. van Lennep, the Dutch Treasurer-General; the Vice-Chairmen are M. P. Calvet, First Deputy Governor of the Bank of France, and Dr O. Emminger, a Director of the German Bundesbank.

The Committee also examined the development of the economic situation in the Netherlands, as part of its regular reviews of the monetary and financial situation in the Member States.

ANNEXES

RESOLUTIONS OF THE EUROPEAN PARLIAMENT

Resolution on the Common Transport Policy within the EEC

The European Parliament,

Trusts that the Commission of the EEC will as soon as possible draw up, on the basis of the report of M. Kapteyn and that of M. Mueller-Hermann, which also takes into account the proposals of the Economic and Social Committee, a full general programme for the common transport policy as provided for in Articles 3 (e), 74 and 75 of the Treaty establishing the EEC, and that it will submit this programme to the Council of Ministers and to the European Parliament;

Emphasizes that the special character of this sector, and in particular the problem of adapting the supply of transport services to fluctuations in demand, call for special regulations;

Considers that the first need is to regulate access to the market in line with transport requirements;

Is of the opinion that market prices for transport should be formed in terms of cost and the market situation;

Considers it essential that cut-throat competition be prevented by setting a lower limit for rates. To that end it recommends that for a transition period minimum and maximum rates be set; the final regulation should conduce to individual price formation;

Considers supervision of transport rates and conditions to be necessary, and accord-

ingly recommends that, in principle, all rates should be published;

Is of the opinion that price formation in transport must take into account requirements of economic policy in general and of regional and agricultural policy in particular;

Hopes that an investment policy will be introduced with a view to creating an extensive transport network;

Attaches great importance to the elaboration of a balanced system of measures in respect of competition and organization;

[...]

Urges that, apart from the general harmonization of taxes, the common transport policy should harmonize the specific taxes affecting this sector and further, that social conditions in transport be first brought into alignment as part of the Community's general social policy;

Stresses the need for permanent and effective co-operation between European executives in working out a common transport policy;

Hopes that the EEC Commission will draw up a time-table for giving effect to the transport policy that will take into account the speed-up in the implementation of the Treaty and provide for application of the general transport policy *pari passu* with the common regulations in other sectors of the economy;

[...]

Resolution stating the opinion of the European Parliament on the draft recommendation of the EEC Commission to Governments of Member States concerning industrial medicine

The European Parliament,

Having noted the report submitted by the Health Protection Committee after it had obtained the opinions of the Social and the Research and Cultural Affairs Committees;

Recalling its resolution of 1 July 1960 on the human and medical aspects of research in the Community countries in the matter of industrial health and safety;

1. *Welcomes* this first step by the Commission of the European Economic Community towards the organization of industrial medicine;

2. *Believes* that this matter should be studied in the light of the ILO's detailed inquiries into industrial medicine, summed up in its Recommendation No. 112 of 24 June 1959;

3. *Notes* with satisfaction that the Commission of the EEC has consulted the Euratom Commission and the High Authority of the ECSC which have fully supported the draft recommendation as laying down minimum standards, without prejudice to any action they may take under their own respective Treaties;

4. *Trusts* that such consultation will be repeated in future so that ever closer co-operation is reached amongst the European institutions;

5. *Urges* that any statutory or administrative measures to be taken under the EEC Commission's draft recommendation should be extended to persons coming within the sphere of competence of the ECSC or Euratom;

6. *Approves* the principle that a compulsory statutory basis, which is in several ways more advantageous than any system based on contractual agreements should be established in all the Community countries;

However, contractual agreements made obligatory in all cases by appropriate statutory provisions could, in the present situation of industrial medicine in several Community countries, supplement a system based on legislation;

7. *Recommends* in particular :

A. With regard to the teaching of industrial medicine and the training of specialists :

a) That the teaching programme for industrial medicine envisaged in the decision of the mixed ILO-WHO Committee, which is attached to the draft recommendation, be amplified Community-wise in such a way that every physician can also know the broad outline of industrial medicine in all the Community countries;

b) That besides university chairs of industrial medicine, which should be founded in all medical faculties, regional institutes of industrial medicine and hygiene be set up in all the Community countries in line with the wish expressed by the European Parliament in its resolution of 1 July 1960. These institutes, properly equipped, should at all times be at the direct disposal of local industries and their medical services so as to maintain adequate links between the academic and practical aspects of industrial medicine;

c) That specialized research institutes for industrial medicine be created and that, where necessary, existing arrangements be improved in order to bring teaching closer to practice. Besides engaging in pure research, these institutes would serve to supplement degree courses;

d) That the work of existing private research institutes be co-ordinated with the programme of university research departments;

B. With regard to the professional safeguards which industrial medical practitioners require in the performance of their duties :

a) That industrial medical practitioners should be guaranteed complete independence in their relationship both with employers and employees. For that reason a works medical officer should not at the same time be the social insurance doctor, though he may be consulted if the insurance concern wishes to form an opinion on the state of the workers' health;

b) That the work of industrial medical practitioners and works medical officers be protected from any interference and supervised solely by medically qualified inspectors of industrial medicine;

C. With regard to the general introduction of industrial medical services in factories :

a) That any organization of industrial medical services in factories shall have the equipment, the auxiliary staff and facilities deemed necessary on the basis of Recommendation No. 112 of the ILO;

b) That industrial medical services be set up as soon as possible in factories employing more than fifty workers, albeit that at present, in view of the limited number of industrial medical practitioners available, this figure might temporarily be set at two hundred;

c) That the industrial medical services be directed solely by full-time industrial medical practitioners, so as to avoid all confusion with professional activity in other fields and allow industrial doctors to devote themselves entirely to their numerous duties.

Subject to the above considerations, the European Parliament,

8. Is in favour of the draft recommendation submitted by the Commission of the European Community to the Governments of the Member States on the subject of industrial medicine in factories;

9. Invites its President to transmit to the Commission of the EEC the text of the present resolution together with the relevant report by the Health Protection Committee.

Resolution on the negotiations for the establishment of a European Political Union

The European Parliament,

1. Deplores the fact that almost ten months after the Bonn Declaration of 18 July 1961, which roused such great hopes, no effective action has been taken thereon;

2. Reminds the six Ministers that their conference would not appear to have taken any account so far of the conciliatory and constructive proposals adopted almost unanimously by the European Parliament in its Resolution of 21 December 1961;

3. Reiterates its determination to achieve a political union which, whilst fully re-

specting the status of the Communities, would pursue the following objectives :

i) Adoption of a common foreign policy;

ii) Adoption of a common defence policy to help strengthen the Atlantic Alliance;

iii) Close co-operation in the educational, scientific and cultural fields;

iv) Harmonization and unification of legislation in the Member States;

v) Settlement, in a spirit of mutual understanding and positive collaboration, of any disputes arising in relations between Member States;

4. *Urgently* requests that negotiations be resumed at an early date in the conference of the six Ministers of Foreign Affairs;

5. *Requests* its Political Committee to

keep itself informed of the course of events and to submit in June 1962, a full progress report possibly accompanied by proposals in the form of a draft for a European Political Union.

Decision of the Representatives of the Governments of the Member States on a further acceleration in the implementation of the Treaty

The Representatives of the Governments of the Member States of the European Economic Community, meeting in the Council,

Having regard to the provisions of the Treaty establishing the European Economic Community;

Having regard to the decision taken by the Representatives of the Governments of the Member States on 12 May 1960;

Having regard to the communication from the Commission of 12 May 1961;

Having regard to the resolution adopted by the Parliament on 29 June 1961;

Having regard to the resolution adopted by the Council on 4 July 1961;

Decide :

Article 1

1. Without prejudice to the subsequent reductions to be applied in pursuance of Article 14 of the Treaty, the Member States shall, from 1 July 1962, apply among themselves for all products other than those listed in Annex II to the Treaty, a customs duty equal to one half of the basic duty.

2. In respect of the products listed in the annex to this decision, the Member States, without prejudice to the subsequent reduc-

tions provided for in the Treaty shall apply among themselves from 1 July 1962 a customs duty equal to the basic duty reduced by 35 % where this level has not already been reached.

Article 2

In respect of products other than those listed in Annex II of the Treaty, the Member States shall effect on 1 July 1963 the second approximation of the duties in the national tariffs to the common customs tariff stipulated in Article 23 (1 c) of the Treaty.

Article 3

The present decision shall be recorded in the Minutes of the session of the Council and published in the official gazette of the European Communities.

The Governments of the Member States shall, within one month, inform the Secretary-General of the Council whether, under their municipal legislation, special procedures are required in order to implement the present decision; where this is the case they shall inform the Secretary-General without delay when these procedures have been completed.

Done at Brussels on 15 May 1962.
By the Council,
The President.

Annex referred to in Article 1 (2)

<i>Tariff heading</i>	<i>Description of product</i>
<i>Chapter 01 Live animals.</i>	
ex 01.01	Live horses (other than for slaughter), asses, mules and hinnies (sub-headings A I, A III, B, C).
ex 01.02	Live animals of the bovine species, including animals of the buffalo family, other than for slaughter (sub-headings A I, ex A II, ex B).
ex 01.03	Live swine: domestic pigs, pedigree breeders, and wild boars (sub-headings A I, B).
01.04	Live sheep and goats.
01.06	Other live animals.
<i>Chapter 02 Meat and edible meat offals.</i>	
ex 02.01	Meat and edible offals, fresh, chilled or frozen of families other than domestic bovines or pigs (sub-headings A I, ex A II, A III b, A IV, B I, ex B II, B III).
02.04	Other meat and edible meat offals, fresh, chilled or frozen.
ex 02.06	Meat and edible meat offals of all kinds (except poultry liver), salted, in brine, dried or smoked, other than meat or edible offals of the domestic pig and domestic bovine families (sub-headings A, ex C).
<i>Chapter 03 Fish, crustaceans and molluscs.</i>	
<i>Chapter 06 Live trees and other plants.</i>	
06.02	Other live plants, including cuttings and slips.
06.04	Foliage, branches and other parts (other than flowers or buds of trees, shrubs, bushes and other plants, and mosses, lichens and grasses, being goods of a kind suitable for bouquets or ornamental purposes, fresh, dried, dyed, bleached impregnated or otherwise prepared.
<i>Chapter 09 Coffee, tea, mate and spices.</i>	
<i>Chapter 12 Oil seeds and oleaginous fruit; miscellaneous grains; seeds and fruit; industrial and medical plants; straw and fodder.</i>	
ex 12.03	Seeds, fruit and spores of a kind used for sowing with the exception of clover seeds other than those of violet clover (<i>trifolium pratense</i>), white clover (<i>trifolium repens</i>), hybrid clover (<i>trifolium hybridum</i>), yellow clover (<i>medicago lupulina</i>) and Egyptian clover (<i>trifolium alexandrinum</i>) and with the exception of herbage seeds other than those of rye-grass (<i>lolium perenne</i> , <i>lolium multiflorum</i>) red fescue (<i>festuca rubra</i>), cat's-tail grass (<i>phleum patense</i>) and meadow fescue (<i>festuca pratensis</i>) (sub-headings A, ex B).

<i>Tariff heading</i>	<i>Description of product</i>
12.05	Chicory roots, fresh or dried, whole or cut, unroasted.
12.06	Hop cones and lupulin.
12.07	Plants and parts (including seeds and fruit) of trees, bushes, shrubs or other plants, being goods of a kind used primarily in perfumery, in pharmacy, or for insecticidal, fungicidal or similar purposes, fresh or dried, whole, cut, crushed, ground or powdered.
12.08	Locust beans, fresh or dried, whether or not kibbled or ground, but not further prepared; fruit kernels and other vegetable products of a kind used primarily for human food, not falling within any other heading.
12.09	Cereal straw and husks, unprepared, or chopped but not otherwise prepared.
12.10	Mangols, swedes, fodder roots; hay, lucerne, clover, sainfoin, forage kale, lupines, vetches and similar forage products.
<i>Chapter 16 Preparations of meat, of fish, of crustaceans or molluscs.</i>	
ex 16.01	Sausages and the like, of meat, meat offal or animal blood containing neither meat nor offal of the bovine or swine families (sub-headings ex A, ex B).
ex 16.02	Other prepared or preserved meat or meat offal containing neither meat nor offal of the bovine or swine families or poultry (sub-headings ex A II, ex B I, ex B II).
16.03	Meat extracts and meat juices.
16.04	Prepared or preserved fish, including caviar and substitutes.
16.05	Crustaceans and molluscs, prepared or preserved.
<i>Chapter 18 Cocoa and cocoa preparations.</i>	
18.01	Cocoa beans, whole or broken, raw or roasted.
18.02	Cocoa shells, husks, skins and waste.
<i>Chapter 22 Beverages, spirits and vinegar.</i>	
22.07	Other fermented beverages (for example, cider, perry and mead).
22.10	Vinegar and vinegar substitutes.
<i>Chapter 23 Residues and waste from the food industries; prepared animal fodder.</i>	
23.01	Flours and meals of meat, offals, fish, crustaceans or molluscs, unfit for human consumption; greaves.
23.03	Beet-pulp, bagasse and other waste of sugar manufacture; brewing and distilling dregs and waste; residues of starch manufacture and similar residues.
23.04	Oil-cake and other residues (except dregs) resulting from the extraction of vegetable oils.

<i>Tariff heading</i>	<i>Description of product</i>
23.05	Wine lees; argol.
23.06	Vegetable products of a kind used for animal foods, not elsewhere specified or included.
ex 23.07	Sweetened forage, other preparations of a kind used in animal feeding, not containing grains or products falling under headings 11.01, 11.02, 11.06, 11.07, 11.09, ex 23.02 A and B (sub-headings A, ex B).
<i>Chapter 45</i>	<i>Cork and articles of cork.</i>
45.01	Natural cork, unworked, crushed, granulated or ground; waste cork.
<i>Chapter 54</i>	<i>Flax and ramie.</i>
54.01	Flax, raw or processed but not spun; flax tow and waste (including pulled or garnetted rags).
<i>Chapter 57</i>	<i>Other vegetable textile materials; paper yarn and woven fabrics of paper yarn.</i>
57.01	True hemp (<i>Cannabis sativa</i>), raw or processed but not spun; tow and waste of true hemp (including pulled or granetted rags or ropes).

PUBLICATIONS OF THE EUROPEAN ECONOMIC COMMUNITY

A. Items concerning the activities of the European Economic Community published in the official gazette of the European Communities between 30 May and 18 June 1962

THE EUROPEAN PARLIAMENT

Written questions and answers

- N° 6 de M. Boscary-Monsservin à la Commission de la CEE. Objet : Prix des produits agricoles dans les pays membres (No. 6 by M. Boscary-Monsservin to the Commission of the EEC. Subject : Agricultural prices in the Member States). No. 43 p. 1341/62
- N° 7 de M^{me} Strobel à la Commission de la CEE. Objet : Reconnaissance mutuelle des certificats d'études dans les Etats membres (No. 7 by M^{me} Strobel to the Commission of the EEC. Subject : Mutual recognition of educational qualifications in the Member States). No. 43 p. 1343/62
- N° 8 de M. Vredeling à la Commission de la CEE. Objet : Elargissement des contingents de veaux de boucherie, de viande de veau, de saucisses et de conserves de viande (No. 8 by M. Vredeling to the Commission of the EEC. Subject : Enlargement of quotas for calves for slaughter, veal, sausages and meat preserves). No. 43 p. 1344/62
- N° 9 de M. Vredeling à la Commission de la CEE. Objet : Taxe compensatoire sur les importations de poudre de lait entier (No. 9 by M. Vredeling to the Commission of the EEC. Subject : Countervailing charge on imports of full-cream milk powder). No. 43 p. 1345/62
- N° 10 de M. Vredeling à la Commission de la CEE. Objet : Restrictions aux importations à l'intérieur de la Communauté (No. 10 by M. Vredeling to the Commission of the EEC. Subject : Import restrictions within the Community). No. 43 p. 1346/62
- N° 11 de M. Vredeling à la Commission de la CEE. Objet : Présentation au Parlement européen de mémorandums relatifs à la coordination des politiques commerciales (No. 11 by M. Vredeling to the Commission of the EEC. Subject : Submission to the European Parliament of memoranda on the co-ordination of commercial policies). No. 43 p. 1346/62
- N° 12 de MM. Troclet, Storch, Nederhorst, M^{me} Elsner, MM. Pêtre et Sabatini à la Commission de la CEE. Objet : Application de l'article 43 du règlement n° 15 (No. 12 by MM. Troclet, Storch, Nederhorst, M^{me} Elsner, MM. Pêtre and Sabatini to the Commission of the EEC. Subject : Application of Article 43 of Regulation No. 15). No. 43 p. 1347/62

N° 13 de MM. Troclet, Storch, Nederhorst, M^{me} Elsner, MM. Pêtre et Sabatini à la Commission de la CEE. Objet : Commentaire paru dans "Bundesarbeitsblatt" au sujet du règlement n° 15 (No. 13 by MM. Troclet, Storch, Nederhorst, M^{me} Elsner, MM. Pêtre and Sabatini to the Commission of the EEC. Subject : Comments on Regulation No. 15 in the "Bundesarbeitsblatt").

No. 43 p. 1348/62

N° 14 de M. Armengaud à la Commission de la CEE. Objet : Importations de produits agricoles en Europe (No. 14 by M. Armengaud to the Commission of the EEC. Subject : Imports of agricultural products into Europe).

No. 43 p. 1349/62

N° 15 de M. Vredeling à la Commission de la CEE. Objet : Amendements du Parlement européen relatifs au projet de règlement concernant la sécurité sociale des travailleurs saisonniers (No. 15 by M. Vredeling to the Commission of the EEC. Subject : Amendments by the European Parliament to the draft regulation on the social security of seasonal workers).

No. 43 p. 1350/62

N° 16 de M. Vredeling à la Commission de la CEE. Objet : Décision du gouvernement néerlandais d'imposer des restrictions aux importations de pommes de terre (No. 16 by M. Vredeling to the Commission of the EEC. Subject : Decision of the Netherlands Government to place restrictions on potato exports).

No. 43 p. 1351/62

N° 17 de M. Vredeling à la Commission de la CEE. Objet : Amendements du Parlement européen relatifs à la proposition de décision concernant la coordination des politiques de structure agricole (No. 17 by M. Vredeling to the Commission of the EEC. Subject : Amendments by the European Parliament to the draft decision on the co-ordination of agricultural structure policies).

No. 43 p. 1352/62

N° 87/1961-1962 de M. Troclet à la Commission de la CEE (réponse complémentaire). Objet : Réclamation des assurés sociaux contre les décisions prises par les institutions dans le cadre des règlements n°s 3 et 4 (No. 87/1961-1962 by M. Troclet to the Commission of the EEC (supplementary answer). Subject : Claims by insured persons against decisions taken by the insurance authorities under Regulations No. 3 and No. 4).

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THE COUNCIL

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Règlement n° 31 (CEE), 11 (CEEA), fixant le statut des fonctionnaires et le régime applicable aux autres agents de la Communauté Economique Européenne et de la Communauté européenne de l'Energie Atomique (Regulation No. 31 (EEC), 11 (EAEC), establishing the statute of service for officials and the rules applicable to the other employees of the European Economic Community and the European Atomic Energy Community).

No. 45 p. 1385/62

Règlement n° 32 (CEE), 12 (CEEA), portant fixation des conditions de la procédure d'application de l'impôt établi au profit de la Communauté en exécution de l'article 12, alinéa 1, des protocoles sur les privilèges et immunités de la Communauté Economique Européenne et de la Communauté Européenne de l'Energie Atomique (Regulation No. 32 (EEC), 12 (EAEC), establishing the procedure for the application of the tax for the benefit of the Community pursuant to Article 12, first paragraph, of the Protocols on the Privileges and Immunities of the European Economic Community and the European Atomic Energy Community).

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INFORMATION

Décision du Conseil portant réduction temporaire du droit du tarif douanier commun applicable à la position 07.01 A II b (Council decision temporarily reducing the duty in the common customs tariff applicable to heading 07.01 A II b).

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Règlement n° 29 relatif à certaines dispositions transitoires applicables aux exportations de farine de froment (Regulation No. 29 on certain transitional provisions applicable to exports of wheat flour).

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Règlement n° 30 déterminant les caractéristiques des blés pouvant être désigné sous la dénomination de blé dur (Regulation No. 30 defining the characteristics of varieties of wheat to which the term "hard wheat" can be applied).

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INFORMATION

Directives and Decisions

Décision de la Commission relative à l'octroi à la République fédérale d'Allemagne d'un contingent tarifaire (génisses et vaches) (Commission decision granting the Federal Republic of Germany a tariff quota for heifers and cows).

No. 42 p. 1289/62

Décision de la Commission relative à l'octroi à la République fédérale d'Allemagne d'un contingent tarifaire (harengs et esprots) (Commission decision granting the Federal Republic of Germany a tariff quota for herring and sprats).

No. 42 p. 1290/62

Décision de la Commission relatives à l'octroi à l'Union économique belgo-luxembourgeoise d'un contingent tarifaire (thons). (Commission decision granting the Belgo-Luxembourg Economic Union a tariff quota for tunny).

No. 42 p. 1292/62

Décision de la Commission relative à l'octroi à la République fédérale d'Allemagne d'un contingent tarifaire (squares dits "aiguillats") (Commission decision granting the Federal Republic of Germany a tariff quota for piked dogfish).

No. 42 p. 1294/62

Décision de la Commission relative à l'octroi à la République fédérale d'Allemagne d'un contingent tarifaire (cabillauds, colins, aiglefins, sébastes et flétans noirs) (Commission decision granting the Federal Republic of Germany a tariff quota for cod, coalfish, haddock, rosefish and black halibut).	No. 42 p. 1295/62
Décision de la Commission relative à l'octroi à la République italienne d'un contingent tarifaire (morues) (Commission decision granting the Italian Republic a tariff quota for cod).	No. 42 p. 1297/62
Décision de la Commission relative à l'octroi à la République italienne d'un contingent tarifaire (filets de morues) (Commission decision granting the Italian Republic a tariff quota for cod filets).	No. 42 p. 1298/62
Décision de la Commission relative à l'octroi à la République fédérale d'Allemagne d'un contingent tarifaire (colins) (Commission decision granting the Federal Republic of Germany a tariff quota for coalfish).	No. 42 p. 1300/62
Décision de la Commission relative à l'octroi à la République italienne d'un contingent tarifaire (pommes de terre de semence) (Commission decision granting the Italian Republic a tariff quota for seed potatoes).	No. 42 p. 1301/62
Décision de la Commission relative à l'octroi à l'Union économique belgo-luxembourgeoise d'un contingent tarifaire (pommes de terre de semence) (Commission decision granting the Belgo-Luxembourg Economic Union a tariff quota for seed potatoes).	No. 42 p. 1302/62
Décision de la Commission relative à l'octroi au royaume des Pays-Bas d'un contingent tarifaire (oranges amères ou bigardes) (Commission decision granting the Kingdom of the Netherlands a tariff quota for bitter or Seville oranges).	No. 42 p. 1304/62
Décision de la Commission relative à l'autorisation de suspension de droits accordés à la République fédérale d'Allemagne (pamplemousses) (Commission decision authorizing the Federal Republic of Germany to suspend duties on grapefruit).	No. 42 p. 1305/62
Décision de la Commission relative à l'autorisation de suspension de droits accordés à la République fédérale d'Allemagne (raisins secs) (Commission decision authorizing the Federal Republic of Germany to suspend duties on raisins).	No. 42 p. 1306/62
Décision de la Commission relative à l'octroi au royaume des Pays-Bas d'un contingent tarifaire (thé) (Commission decision granting the Kingdom of the Netherlands a tariff quota for tea).	No. 42 p. 1308/62
Décision de la Commission relative à l'octroi au royaume de Belgique et au grand-duché de Luxembourg d'un contingent tarifaire (thé) (Commission decision granting the Kingdom of Belgium and the Grand Duchy of Luxembourg a tariff quota for tea).	No. 42 p. 1309/62
Décision de la Commission relative à l'octroi à l'Union belgo-luxembourgeoise d'un contingent tarifaire (crabes et crevettes) (Commission decision granting the Belgo-Luxembourg Economic Union a tariff quota for crabs and shrimps).	No. 42 p. 1311/62

Décision de la Commission relative à l'octroi à la République fédérale d'Allemagne d'un contingent tarifaire (vins rouges) (Commission decision granting the Federal Republic of Germany a tariff quota for red wine).

No. 42 p. 1312/62

Décision de la Commission relative à l'octroi à la République fédérale d'Allemagne d'un contingent tarifaire (liège) (Commission decision granting the Federal Republic of Germany a tariff quota for cork).

No. 42 p. 1314/62

Décision de la Commission relative à l'octroi au royaume de Belgique et au grand-duché de Luxembourg d'un contingent tarifaire (liège) (Commission decision granting the Kingdom of Belgium and the Grand Duchy of Luxembourg a tariff quota for cork).

No. 42 p. 1315/62

Décision de la Commission relative à l'octroi au royaume des Pays-Bas d'un contingent tarifaire (liège) (Commission decision granting the Kingdom of the Netherlands a tariff quota for cork).

No. 42 p. 1316/62

Décision de la Commission autorisant la République italienne, en application de l'article 226 du Traité, à maintenir pour les tables, feuilles et bandes en plomb d'un poids au m² de plus de 1 kg 700 (position 78.03 du tarif douanier italien) la protection douanière telle qu'elle résulte de l'exécution intégrale des dispositions du Traité (Commission decision authorizing the Italian Republic, under Article 226 of the Treaty, to maintain customs protection as afforded by full implementation of the Treaty in respect of lead plates, sheets and strip, weighing up to 1.7 kg per square metre [heading 78.03 of the Italian customs tariff]).

No. 42 p. 1318/62

Décision de la Commission autorisant la République italienne, en application de l'article 226 du Traité, à maintenir pour les tubes et tuyaux (y compris leurs ébauches), barres creuses et accessoires de tuyauteries (raccords, coudes, tubes en S pour siphons, joints, manchons, brides, etc.) en plomb (position 78.05 du tarif douanier italien), la protection douanière telle qu'elle résulte de l'exécution intégrale du Traité (Commission decision authorizing the Italian Republic, under Article 226 of the Treaty, to maintain customs protection as afforded by full implementation of the Treaty in respect of lead tubes and pipes and blanks therefor, hollow bars, and tube and pipe fittings (for example, joints, elbows, sockets, flanges and S-bends) [heading 78.05 of the Italian customs tariff]).

No. 42 p. 1319/62

Décision de la Commission autorisant la République italienne, en application de l'article 226 du Traité, à maintenir pour les chevrotines et plombs de chasse en plomb (position 93.07 B II a 2 aa du tarif douanier italien) la protection douanière telle qu'elle résulte de l'exécution intégrale des dispositions du Traité (Commission decision authorizing the Italian Republic, under Article 226 of the Treaty, to maintain customs protection as afforded by full implementation of the Treaty in respect of lead shot for sporting cartridges [heading 93.07 B II a 2 aa of the Italian customs tariff]).

No. 42 p. 1320/62

Décision de la Commission autorisant la République italienne, en application de l'article 226 du Traité, à maintenir pour les planches, feuilles et bandes de toute épaisseur, en zinc, et les poudres et paillettes de zinc (position 79.03 du tarif douanier italien) la protection douanière telle qu'elle résulte de l'exécution intégrale des dispositions du traité (Commission decision authorizing the Italian Republic, under Article 226 of the Treaty, to maintain customs protection as afforded by full implementation of the Treaty in respect of zinc plates, sheets and strip of any thickness, zinc foil, zinc powders and flakes [heading 79.03 of the Italian customs tariff]).

No. 42 p. 1322/62

Décision de la Commission autorisant la République italienne, en application de l'article 226 du Traité, à maintenir pour les oxydes de plomb (position 28.27 du tarif douanier italien) la protection intégrale des dispositions du Traité (Commission decision authorizing the Italian Republic, under Article 226 of the Treaty, to maintain customs protection as afforded by full implementation of the Treaty, in respect of lead oxide [heading 28.27 of the Italian customs tariff]).

No. 42 p. 1323/62

Décision de la Commission autorisant la République italienne, en application de l'article 226 du Traité, à maintenir pour l'oxyde de zinc (position 28.19 A du tarif douanier italien) la protection douanière telle qu'elle résulte de l'exécution intégrale des dispositions du Traité (Commission decision authorizing the Italian Republic, under Article 226 of the Treaty, to maintain customs protection as afforded by full implementation of the Treaty, in respect of zinc oxyde [heading 28.19 A of the Italian customs tariff]).

No. 42 p. 1324/62

Décision de la Commission autorisant la République italienne, en application de l'article 226 du Traité, à maintenir pour les barres, profilés et fils de section pleine, en plomb (position 78.02 du tarif douanier italien), la protection douanière telle qu'elle résulte de l'exécution intégrale des dispositions du Traité (Commission decision authorizing the Italian Republic, under Article 226 of the Treaty, to maintain customs protection as afforded by full implementation of the Treaty in respect of lead bars, rods, angles, shapes and sections, lead wire [heading 78.02 of the Italian customs tariff]).

No. 42 p. 1325/62

Décision de la Commission autorisant la République italienne, en application de l'article 226 du Traité, à maintenir, pour les barres, profilés et fils de section pleine, en zinc (position 79.02 du tarif douanier italien), la protection intégrale des dispositions du Traité (Commission decision authorizing the Italian Republic, under Article 226 of the Treaty, to maintain customs protection as afforded by full implementation of the Treaty in respect of zinc bars, rods, angles, shapes and sections, zinc wire [heading 79.02 of the Italian customs tariff]).

No. 42 p. 1326/62

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No. 42 p. 1327/62

Décision de la Commission portant autorisation d'une mesure de sauvegarde conservatoire en faveur de la pénicilline dans le royaume de Belgique, au grand-duché de Luxembourg et dans le royaume des Pays-Bas (Commission decision authorizing the Kingdom of Belgium, the Grand Duchy of Luxembourg and the Kingdom of the Netherlands to apply standstill measures in respect of penicillin).

No. 42 p. 1328/62

Décision de la Commission autorisant le royaume de Belgique, le grand-duché de Luxembourg et le royaume des Pays-Bas à différer le rapprochement des droits prévus dans leur tarif douanier vers ceux du tarif douanier commun en ce qui concerne les tabacs fabriqués (n° 24.02 (Commission decision authorizing the Kingdom of Belgium, the Grand Duchy of Luxembourg and the Kingdom of the Netherlands to postpone the approximation of the duties in their customs tariff to those of the common customs tariff for manufactured tobacco [heading 24.02])).

No. 42 p. 1330/62

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No. 42 p. 1331/62

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No. 44 p. 1368/62

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No. 42 p. 1334/62

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Modificatif à l'appel d'offres n° 175 lancé par la République française pour un projet social en Algérie (Amendment of call for tender No. 175 issued by the French Republic for a social project in Algeria).	No. 46 p. 1470/62
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EEC Administrative Committee
for the social security of migrant workers

Décision n° 38 du 23 février 1962 portant modification de la décision n° 24 du 25 novembre 1960 concernant les modalités de fonctionnement et la composition de la Commission de vérification des comptes près la Commission administrative pour la sécurité sociale des travailleurs migrants (Decision No. 38 of 23 February 1962 amending Decision No. 24 of 25 November 1960 on the operation and composition of the Auditing Committee attached to the Administrative Committee for the social security of migrant workers).

No. 44 p. 1375/62

Décision n° 39 du 30 mars 1962 concernant l'interprétation de l'article 40, paragraphe 1, du règlement n° 3, relatif au calcul des allocations familiales (Decision No. 39 of 30 March 1962 on the interpretation of Article 40(1) of Regulation No. 3, concerning the calculation of family allowances).

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COURT OF JUSTICE OF THE EUROPEAN COMMUNITIES

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Composition des Chambres (Composition of the Chambers).

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CONFERENCE OF REPRESENTATIVES OF THE GOVERNMENT
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Démission et remplacement d'un juge à la Cour de Justice des Communautés européennes (Resignation and replacement of a judge of the Court of Justice of the European Communities).

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B. List of official publications recently issued by the European Economic Community

Occasional publications :

Discours par M. S. L. Mansholt, Vice-Président de la Commission de la Communauté économique européenne, à la conférence du Comité des organisations professionnelles agricoles (C.O.P.A.). (Speech delivered by M. S. L. Mansholt, one of the Vice-Presidents of the Commission of the European Economic Community, at the meeting of the Committee of Agricultural Organizations (COPA) in Milan on 6 April) — May 1962. 21 pp. (Dutch, French, German and Italian). Free.

Periodical publications :

Notes and Graphs on the Economic situation in the Community. Monthly. No. 5/1962. Three bilingual editions : English/French; French/Italian; German/Dutch. Price per issue : Bfrs. 25. Annual subscription : Bfrs. 250.

Bulletin des acquisitions. Bibliothèque de la Commission de la Communauté économique européenne (List of recent additions. Library of the Commission of the European Economic Community.) Bi-monthly. Nos. 3, 4 and 5/1962. Free.

C. Publications by the Joint Services of the three Communities

Joint Press and Information Service

Publications by offices in capital cities :

- Bonn : Europäische Gemeinschaft (weekly);
- The Hague : Europese Gemeenschap, No. 39, June 1962;
- Paris : Communauté Européenne, No. 6, June 1962;
- Rome : Comunità Europea, No. 5/6, May/June 1962;
- London : European Community, No. 3, May 1962; No. 4, June 1962;
- Washington : European Community, No. 53, May 1962.

Statistical Office of the European Communities

Bulletin général de statistiques, N° 6/1962 (General Statistics - No. 6/1962).

Commerce extérieur : Statistique mensuelle, N° 6/1962 (Foreign trade : monthly statistics - No. 6/1962).

Commerce extérieur : Tableaux analytiques, janvier-juin 1961, exportations (Foreign trade : analytical tables - January - June 1961, exports).

JUST PUBLISHED

PROBLEMES RELATIFS A LA QUALITE DU BLE, DE LA FARINE ET
DU PAIN DANS LES PAYS DE LA C.E.E.

ETUDE N° 7 – Série agriculture

(Problems relating to the quality of wheat, flour and bread in the EEC countries, *Study No. 7, Agricultural series*)

As part of the study programme of the Directorate General of Agriculture, Professor Soenen of the University of Louvain and Professor Pelshenke, Director of the "Bundesforschungsanstalt für Getreideverarbeitung" in Detmold, have made a study of questions relating to the quality of wheat, flour and bread in the EEC countries.

This study has just been published in the "Etudes" collection of the Directorate General of Agriculture.

The authors first discuss types of bread and consumer tastes in the EEC countries, the qualities of wheat produced in EEC countries and of imported wheat and the qualities of flour commonly used by bakeries in the European Economic Community.

They next examine different forms of compulsory mixing and their consequences for trade, milling and baking.

Lastly, the authors examine the possibilities of improving the qualities of wheat harvested in the EEC countries in the coming years. The work contains 36 pages (format approx. 11" × 8½") and is in French and German. An edition in Italian and Dutch is in preparation.

The price is: Bfrs. 50; NF 5; DM 4; Lit. 620; fl. 3.60.

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