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# Contents

|  | Page |
|--|------|
| The economic situation in the Community in 1966 and the outlook for 1967 | 5    |
| I. Britain's entry into EEC  | 17   |
| II. Internal activities  | 26   |
| Establishment of a single market   | 26   |
| Competition  | 28   |
| Free movement of persons   | 29   |
| Economic and financial policy  | 30   |
| Common agricultural policy   | 35   |
| Transport policy   | 40   |
| Social policy  | 41   |
| III. External activities   | 43   |
| GATT   | 43   |
| Bilateral relations  | 44   |
| Common commercial policy   | 46   |
| The Community and the developing countries                               | 47   |
| IV. The Community and the associated States                              | 48   |
| Greece   | 48   |
| Turkey   | 48   |
| European Development Fund  | 49   |
| V. Institutions and organs   | 53   |
| The Council  | 53   |
| The Court of Justice   | 53   |
| The Economic and Social Committee  | 54   |
| The Monetary Committee   | 55   |
| VI. European Investment Bank   | 56   |

|   |    |
|---|----|
| Miscellaneous                                   | 58 |
| News from AASM                                  | 59 |
| Publications of the European Economic Community | 61 |

## Supplement

Common transport policy following the Council Resolution of 20 October 1966

### CORRIGENDUM

to

Bulletin 1-1967

Chapter I, p. 10, second paragraph, last line:

*Read: It may take the following forms:*

Subsection v):

*Read: v) Loans from the European Investment Bank on the most favourable terms.*

# The economic situation in the Community in 1966 and the outlook for 1967

Address by

M. Robert MARJOLIN, Vice-President of the EEC Commission,  
to the European Parliament

(Strasbourg, 2 February 1967)

## Introduction

At its session of November 1966, your Parliament held an important debate on medium-term economic policy and monetary and financial policy. I think I may therefore confine my remarks today primarily to the economic situation in the Community as it was in 1966 and to the outlook for 1967. It seems particularly appropriate that on this occasion I should concentrate on short-term economic problems, as the economic situation is more than usually complex and the forecasts more uncertain than in previous years.

## 1. Developments in the business situation during 1966

### a) Economic activity

Taking an overall view, 1966 was certainly a satisfactory year for the Community as far as economic expansion is concerned. Gross product actually increased by 4.5% in real terms, as against 4% in 1965.

This statement needs, however, some degree of qualification when the trend within the year and the situation of the several Member States are taken into consideration. Economic growth slowed down considerably in the Federal Republic of Germany. This was the most important new fact of 1966. The increasingly close commercial relations between Germany and the Benelux countries have meant that the economies of the latter countries were affected by this development. In Italy and France, on the other hand, economic expansion continued at a rapid rate.

The increase in the gross national product at constant prices declined from 4.8% in 1965 to about 3% in the Federal Republic of Germany, from 5.4% to 4.5% in the Netherlands, and from 3.3 to 3% in Belgium; the growth rate remained relatively low (under 2%) in the Grand Duchy of Luxembourg. Substantial progress was, however, recorded in both France and Italy (about 5.5% in 1966, compared with 3.4% in 1965).

What were the reasons for the marked slackening of economic activity in the Federal Republic of Germany, which, as I have just said, was partly responsible for the similar trend observed in other Community countries? The Federal Republic of Germany had experienced an exceptional economic boom in 1964, which in 1965 led to serious excess demand. You will no doubt recall that in January 1966 I drew your attention to the dangers inherent in such a situation, and to the likelihood of

a distinct weakening of investment activity, the first signs of which were already beginning to be apparent. In the course of the year, this weakening was transformed into a decline in absolute terms and it naturally inhibited more and more the growth of other elements of domestic demand, particularly personal consumption. The impact of these changed circumstances was, however, mitigated by the economic upswing in Italy and France and the healthy state of the world economy, which did much to stimulate German exports.

In view of the continuing tightness of both manpower and the capital markets during the first half of 1966, as well as the slower advance in productivity and the growing pressure on profit margins, the slackening of economic growth described above and the tendency of productive investment to shrink seem to have been wellnigh inevitable.

Of course, such a situation called for an economic policy designed to combat inflationary developments, but since such action was mainly taken by using the instruments of monetary policy, its effects on investment were more pronounced than if the brake had been gradually applied through the budgets of the public authorities.

In the Netherlands and, to a lesser extent, in Belgium, economic expansion also slowed down, chiefly during the second half of 1966, partly because of the trend in these countries' exports to the Federal Republic of Germany, partly because of the way their internal business situations were developing. Although domestic demand continued to expand briskly in both countries for most of 1966, its rate of increase has for some months been showing signs of weakening, due in particular to the difficulty of obtaining finance — this slows down investment in the Netherlands — and to some weakening in the growth of personal incomes in Belgium.

In the Grand Duchy of Luxembourg, the rather unfavourable state of the iron and steel market continued to depress economic activity; progress was supported only by increases in consumer expenditure and by heavier investment in the public sector.

I need not say much about France and Italy, two countries in which the economic trend in 1966 was in many ways similar. In both countries growth was steady and swift, benefiting from an upsurge of directly productive investment by enterprises and from a more rapid increase in personal consumption. Although the advance in exports was again considerable, especially in Italy, it nevertheless slowed down during the year, owing particularly to the effects of the business situation in Germany.

The trend of demand and the level of activity in building and construction, where the business situation is often determined by factors other than the general economic trend, adds a sombre touch to this otherwise favourable picture, although there was evidence of a marked improvement in Italy towards the end of the year. I should also recall the structural difficulties which beset other industries in the Community, such as coal-mining and iron and steel.

#### b) The Labour market

The slowing down of economic growth in Germany and Benelux did not lead immediately to a marked easing of the labour market, but at the end of 1966 the strains lessened.

In the Federal Republic of Germany the rise in the unemployment figures (after adjustment for seasonal variations) began to be distinctly perceptible in early autumn. In the last months of 1966 the number of unemployed increased appreciably; in



December the unemployed were just over 1% of the labour force, and for the first time since 1959 those in search of work outnumbered the unfilled vacancies. It will be noted, however, that this figure has not been adjusted for seasonal variations. Furthermore, in certain branches of activity, coal-mining for example, unemployment is undeniably structural. The slacker demand for labour on the part of German firms has led to a reduction in the net immigration of foreign workers, which may have turned into net emigration.

In this context we are faced at Community level with an extremely important problem. I should like to mention it before embarking on an examination of the problems of economic policy as a whole. I refer to the problem of giving workers from other Community countries treatment that is identical with the treatment given to nationals when staff has to be dismissed. Besides the fact that such equality of treatment is in conformity with the Community spirit, it would certainly not be in the interest of the firms nor of the economy as a whole to apply discriminatory criteria.

Unemployment has also increased in Belgium and the Netherlands, moderately in the former country and faster in the latter, because of the considerable expansion of the labour force.

This is also the main reason why the number of unemployed has not diminished much in France, or has even tended at times to increase, despite the appreciable growth of production and also, more recently, of employment. In Italy, on the other hand, the number of unemployed has, after a period of hesitation in early 1965, begun to decrease, though the employment rate in this country continues to be the highest in the Community because of structural unemployment.

### c) Balance of payments

The way the balance of payments developed in 1966 was on the whole satisfactory. Because of the growth of exports from the Federal Republic of Germany and some slackening of its imports — at times there was an actual fall — that country's current account has improved very distinctly. For the most part the improvement concerns intra-Community trade and corresponds to movements in the opposite direction in the current accounts of the other member countries. The current account deteriorated slightly in Italy, fairly appreciably in France and Belgium, and sharply in the Netherlands, where the deficit was the heaviest since 1950.

Intra-Community trade, which expanded a little less fast than in 1965 (12% in value in 1966 as against 13.5% in 1965), played none the less an important role as a factor contributing to growth and equilibrium at Community level. The dynamic trend of demand from France and Italy supported economic activity in the other Community countries, particularly in the Federal Republic of Germany, while the slackening of imports into Germany helped to alleviate the strains in other member countries.

In the relations of the Community as a whole with the outside world, the improvement in the balance of current payments has been of the order of \$500 million.

Despite the larger surplus on current account, the flow of liquidity into the Community did not assume the excessive proportions which were often attained in the last few years and constituted a factor of inflation.

Thanks mainly to the voluntary limitation on exports of capital from the United States, and because also of the restrictions in force in the United Kingdom and the raising of interest rates outside the Community, the Community's imports of private capital have been very limited.

d) Prices and costs

Anyone who, in the light of the economic conditions I have just described, was expecting the upward movement of prices to have slackened distinctly in 1966 will certainly be disappointed.

The percentage increases in 1965 and 1966 in consumer price indices, according to the national accounts, are as follows — the figures for 1966 being, of course, still provisional:

|                             | 1965 | 1966 |
|-----------------------------|------|------|
|                             | —    | —    |
| Federal Republic of Germany | 3.3  | 4    |
| France                      | 2.6  | 3    |
| Italy                       | 3.8  | 2.5  |
| Netherlands                 | 3.8  | 6    |
| Belgium                     | 4.5  | 4.5  |
| Luxembourg                  | 4    | 3.5  |
| Community                   | 3.3  | 3.5  |

There has, of course, been some slackening in the upward movement of prices since the middle of the year in Germany, Belgium and the Netherlands, but this movement is not as significant as might be wished. Various climatic factors, which were responsible for a sharp increase in the prices of certain food products in the spring, ceased to play a role at the end of the summer, and this caused a sharp drop in the price of these products and sometimes a slight reduction in the overall cost-of-living index.

But the prices of services and products other than foodstuffs continued to rise at a fast pace as a result of rising production costs. This is a phenomenon we had seen in Italy and France in 1965, and I drew your attention to it last year. Even when the economy of a country is moving towards overall equilibrium, the growth of production costs does not come to a sudden halt. The time during which increases in costs continue to be passed on in prices will be sometimes longer, sometimes shorter.

In Italy the situation proved to be distinctly more favourable than in most member countries. Despite a remarkable upsurge of economic activity, consumer prices increased very little. In France a similar result was achieved during part of the year, but recently slight price strains seem to have appeared again.

By and large, therefore, the price trend did not show a distinct improvement in 1966. Is the outlook for the near future any better? I shall endeavour to answer this question after outlining the prospects for economic expansion in 1967.

## 2. The outlook for 1967

### Economic expansion

As I mentioned at the beginning of my report, the economic outlook for 1967 is more uncertain than usual. The world economic situation still seems to be favourable but, after a long period of lively expansion, it would not be surprising if there were a certain loss of momentum. This could develop into a definite slackening if the course of certain political trends were to change suddenly. But we have no reason to include in our calculations any such slackening in the near future; as long as the United States and, of course, the Community maintain a strong demand for imports, the Community's exports to other countries could rise at almost the same rate as in 1966.

It is a fact that a pronounced slackening in one of the major countries of the Community calls for a certain amount of caution. In 1967, the economic situation of the Community will be dominated by how the business situation shapes in Germany and, according to the results of the most recent inquiries concerning the investment intention of managements and the present state of order books among firms manufacturing capital goods, it is clear that the gross fixed asset formation of German enterprises should continue to fall at least during part of the year, although it cannot yet be predicted when this downward movement will stop.

Similarly, residential building and public works are likely to be fairly depressed, and this will affect the level of employment. Increases in actual wages will probably be more moderate than in 1966 and personal expenditure on consumption is therefore likely to grow more slowly.

Now that I have given you all the unfavourable factors, I must say that we do not believe any vicious spiral is about to impair the Federal Republic's economy. Indeed, our view is that the present difficulties will last for a relatively short time and that recovery will commence before the end of 1967 thanks to exports and investment in rationalization.

In the Netherlands, a distinct slackening in the trend of gross fixed asset formation may be anticipated in 1967, and the advance over 1966 will be slight. The decisive factors will be the narrowness of the capital markets and, in housing and the public sector, the impact of the restrictive policy being pursued by the public authorities. This situation will exercise a moderating influence on the trend of employment, incomes and personal consumption.

In Belgium, forecasts of the development of fixed investment still appear to be favourable. The general economic outlook, financing difficulties and the pressure on profit margins are doubtless tending to depress the level of investment in the older industries, but the implementation of investment schemes by foreign enterprises that have recently settled in Belgium does much to compensate this movement. Moreover, to judge from the increasing numbers of building permits issued and contracts signed, both residential construction and investment by the public authorities should show a perceptible rise in 1967 — which they did not show in 1966.

But because of a smaller increase in personal consumer spending, due in part to developments in the employment situation but primarily to the slower pace at which wages and certain other forms of income have been rising, overall domestic demand should rise more slowly than in 1966 — and even this forecast may prove to be too optimistic.

The reverse development may occur in the Grand Duchy of Luxembourg. After two years of decline, gross fixed asset formation in this country may level off and personal consumption continue to increase, although at a rather slow rate.

There can be no doubt regarding the prospect of a fairly perceptible growth of domestic demand in France and Italy; in the latter country the pace of growth will probably be higher than in 1966.

In France and Italy, gross fixed asset formation will expand at least as rapidly as in 1966, as far as industrial building and plant and machinery are concerned, and more rapidly than before in the housing sector.

Personal incomes will also increase more markedly than in 1966, especially in Italy.

The level of employment should rise more quickly than it did last year and wage increases could become more pronounced, especially in Italy, while in both countries the growth of transfer incomes and other non-wage incomes will be more sustained. Personal consumer spending will therefore rise at an appreciably faster pace.

Given these conditions, we can anticipate that the gross Community product will increase again in 1967 by about 4% in real terms, or slightly less than in 1966. In the German Federal Republic the gross national product at constant prices should rise about 2.5%, against 3% in 1966. In the Netherlands, the growth rate should be 3%, compared with 4.5% in 1966. In Belgium and the Grand Duchy of Luxembourg, the increase in the national product should be approximately the same as before, at around 3% in Belgium and 2% in Luxembourg.

In France expansion should continue to be just as rapid as in 1966 (5.5%) and in Italy it should be somewhat more rapid (6% compared with 5.5% in 1966).

In all of these assumptions, however, there remains an element of uncertainty. I cannot rule out the possibility that in some countries expansion may turn out to be weaker than expected, although for my part I consider such a development improbable.

## The labour market

The numbers employed in industry and agriculture will no doubt decrease in the German Federal Republic and the Benelux countries but, owing to the increase of employment that is expected in the services industries, a reduction in total numbers employed seems unlikely in the Benelux countries, while the decrease in Germany will again be slight. In France and Italy, on the other hand, the numbers employed will increase perceptibly, except in agriculture, and there should be a drop in unemployment.

## External payments

Although the growth rate of exports from the Community is likely to slacken in 1967, the pace at which imports expand will probably show no great change compared with the previous year.

In these circumstances, the balance on current account would at best show a further slight improvement in 1967. Although forecasts of private capital movements are always very problematical, the present trend of interest rates inside and outside the

Community, together with the maintenance in the United States and the United Kingdom of restrictions on capital exports, suggest that, at least for the early part of the year, the net inflow of private capital will still be very limited.

It is by no means impossible that interest rates start easing in 1967, especially in those countries where they had increased considerably in 1966. The first signs of this tendency were already visible during the last quarter of 1966.

The rise interest rates which, in certain Community countries, began in the first months of 1965, was one of the characteristic features in the development of the Community's economy during 1966. This movement, that stemmed from the disequilibrium between savings and investment which, despite the considerable increase in personal savings, reflected the dwindling amount of saving by the public authorities and by enterprises suffering from the pressure on their profit margins, was very pronounced in the German Federal Republic and the Netherlands. In addition, an important part was played by the fact that, in these countries, reliance was placed mainly upon monetary policy, while the way the public authorities financed their expenditure continued to have an expansionary effect.

The money and capital markets of the other member countries did not remain unaffected by this development, particularly because of the increasingly close links between the capital markets. In France, long-term and short-term interest rates were moving upward practically throughout the year and they tended to rise in Italy and Belgium during the second half of 1966. The rise in interest rates in the United States and the high level maintained in the United Kingdom clearly contributed to this tendency, in particular via the Euro-dollar market.

There are several reasons for hoping for some easing of rates in the German Federal Republic and the Netherlands during 1967: the weakness or weakening of investment demand; the inflow of liquid assets from abroad due to surpluses on Germany's current account; the reduction of the drain on liquidity in the Netherlands caused by the deficit on current payments; and the more flexible application of those monetary policies which are most restrictive, provided the progress made towards economic equilibrium renders greater flexibility possible.

An easing in this field could have beneficial effects on the capital markets of the other member countries and would make it possible for interest rates in the Community to come down to a level that would contribute to the expansion of investment by enterprises.

Outside the Community, however, interest rates will probably remain relatively high for some time yet. This should tend to encourage exports of capital from the Community and so to reduce the surplus on the overall balance of payments.

### Trend of prices and costs

Although in 1967 the economies of those countries where during part of 1966 there was still excess demand will move towards overall equilibrium, and although in France and Italy the right economic policy could mean that this balance would be maintained, there are unfortunately no grounds for satisfaction about the likely trend of prices and unit costs. According to our forecasts, based on the short-term economic policies at present being pursued and on the assumptions I have just described, consumer prices look like rising hardly less rapidly than in 1966.

While in Germany, the Netherlands and Belgium some slackening can be expected in the upward movement of prices, the rise in France could be slightly higher than it was in 1966. For the Community as a whole the increase in consumer prices (as defined for the national accounts) will probably reach an average of 3% in 1967 as against 3.5% in 1966. Part of this increase will of course have no direct connection with the concurrent development of the economic situation and may even be a rather belated consequence of previous inflationary developments. In some countries, particularly the German Federal Republic and the Netherlands, indirect taxes will be increased in order to reduce the deficit in the public finances, and the higher rates will be passed on at least in part to consumer prices. I do wish to point out that, although at first sight this policy appears to be open to objection because it will lead to higher prices, it is justified and far preferable to a policy of retaining budget deficits which could have inflationary effects. The same is true of the rates charged for certain public utilities; these will be increased to offset the rise in costs, so that no extra burden shall fall on the budget.

As we have seen in the last few years, even a less favourable business situation does not prevent managements from passing on in their prices the heavy increases in production costs that have occurred in previous years.

Even in countries where business activity has slowed down, there is a risk of costs per unit of output increasing further in 1967.

### 3. The problems of economic policy

Price and cost increases therefore remain a source of concern. Nevertheless we shall continue our endeavours to ensure satisfactory economic growth in all member countries and to maintain employment at a high level; in view of the growing interdependence between the various economies, this gives rise to problems that are becoming more and more intricate.

If satisfactory growth is to be ensured it will, I believe, be necessary to re-establish as soon as possible conditions which favour the expansion of investment in those countries where at present the weakness of investment is acting as a brake on economic activity and prejudicing the possibilities of expansion in the future. This must, however, be done without again compromising the tendency for pressures to ease and for the economic situation to reach equilibrium.

But let us first have a look at France and Italy, countries where the achievement of balanced expansion does not face so many difficulties. Provided there are no unforeseen — and unlikely — developments, it seems safe to say that in these two countries rapid economic growth is assured, and the outlook for investment by enterprises is good. Those responsible for short-term economic policy should therefore aim at keeping the expansion of overall demand within the limits compatible with the establishment and maintenance of economic equilibrium.

The slowdown of economic activity in Germany and in the Benelux countries is already exerting a restrictive effect on French and Italian exports, but its influence should certainly not be exaggerated. If it were to become considerably stronger, domestic demand could expand more without upsetting overall equilibrium.

But as I have already said, we can dismiss the idea of a recession in the countries which are France's and Italy's trading partners.

That being so, the expansion of domestic demand should be contained within the limits beyond which there would be excess overall demand, overstrain on production capacities and distinct pressure on the labour markets.

The measures both countries should take to this end obviously differ with economic situations, the prospects, and the structure of their economies. The general line is none the less the same, that is, they must pursue a cautious monetary and budget policy, as recommended by the Council at its meeting on 20 December last year.

In Germany and in the Benelux countries it is more difficult to stabilize prices and unit costs, so economic policy will have to be much more nicely fitted to developments.

In this respect there is no doubt that, particularly in these four countries, the numerous and continuous contacts between governments and both sides of industry for the purpose of studying the trend of economic activity and the way the various types of income should develop are essential if stability, growth and the maintenance of employment at a high level are to be achieved. It is indeed hard to see how continued price increases and higher unemployment could be avoided if costs per unit of output continued to rise appreciably. It has become indispensable that a brake should be applied to the upward trend of production costs.

The overall trend of the economy and the outlook for the labour markets have increased the chances of an appropriate incomes policy being successful. While until recently the pressures on the labour markets helped to push up costs and soaring demand meant that the higher costs could more easily be passed on to prices, the present economic conditions offer reasons to hope that the agreements reached between the parties concerned will be respected by both sides.

In both budget policy and monetary policy, the requirements are not so uniform, as the economic outlook differs from one country to another.

In both these fields the Netherlands should still act with extreme caution in view of the considerable economic disequilibrium experienced in 1966, when there was not only heavy pressure of prices but also a distinct deterioration in the current balance of payments. We therefore cannot but approve the efforts being made to contain strictly the net stimulus provided by the budget operations of the public authorities. In particular, the second cut in income tax is now to be made on 1 July 1967, and is not effective from 1 January as originally intended. Similarly, the general 20% increase in turnover tax has been brought forward from 1 January 1968 to 1 July 1967. I also think that it has been a wise move to arrange that these decisions could be amended should the economic situation develop less favourably than is at present expected. In a country where the growth of the population means a considerable addition to the labour force every year, too distinct a slackening in economic activity would produce a much more appreciable rise in the level of unemployment than elsewhere in the Community.

If the Government effectively applied a budget policy such as I have just outlined, it would be possible to allocate more public funds to the financing of investments by local authorities. In addition, if the policy proved successful, it would relatively soon be possible to relax the restrictions on monetary policy in a way which could be of help to investment by enterprises.

Since in Belgium prices are still rising and the current balance of payments is in deficit, a less strict application of the measures of short-term economic policy is undesirable, despite the relative weakness of economic activity in that country.

The Government's budget operations, which in 1967 will again close with an appreciable deficit that is liable to increase further if the growth of revenue from taxation is adversely affected by the economic trend, are providing considerable stimuli to the economy.

The narrowness of the capital markets, which is in part attributable to heavy borrowing by the public authorities, is hampering expansion of investment by enterprises, and any increase in the budget deficit would only make matters worse.

It therefore seems to be important that the Government should keep strictly to its intention of balancing the so-called ordinary budget. To judge by the latest forecasts the ordinary budget for 1967 can be expected, in the light of recent trends in revenue and expenditure, to close with a deficit of 7 000 to 8 000 million Belgian francs, with expenditure increasing by 1 000 to 2 000 million over and above the budget estimates. As this address was being prepared, the Belgian Government was making preparations to submit to Parliament a plan for putting the budget on a sounder basis. It would even be well if the brake were applied to the expansion of current expenditure and sufficient public funds were saved for at least part of the public investments to be paid out of this saving; in 1967 the execution of these investments could be jeopardized by the limited availability of finance on the capital market.

Unless, again, budget policy is sufficiently restrictive there can be no easing of credit restrictions; in view, however, of the relatively weak investment trend in certain sectors these restrictions ought to be relaxed.

Lastly, I think I can safely say that particularly in Belgium the return to a more lively but none the less balanced expansion would be easier if there were, between the two sides of industry and between them and the Government, more concrete agreement on a rise in incomes that would be better geared to the possible growth of production.

In Luxembourg, action by the public authorities to offset the effects of the less favourable trend in the steel industry, which are acting as a drag on the whole economy, has only a very limited chance of success in view of the open character of the economy. The way personal consumption is expanding is undoubtedly an important element in economic growth, but it should not be forgotten that it is accompanied by a distinct increase in costs, which in the long term would impede the industrial diversification that is intended to make Luxembourg's economy less sensitive to economic fluctuations. In this context, the tendency for budget deficits to rise, which is in particular an obstacle to the financing of investments, constitutes a distinctly unfavourable factor that should be eliminated or at least mitigated in 1967.

I now come to Germany, where the pursuit of an appropriate budget and monetary policy raises the largest number of problems.

The prospects of budget policy are as follows.

In the autumn of 1966, it was hardly possible to consider the possibility of the deficit on the 1967 budgets of the public authorities being any lower than the probable outturn for 1966, despite the fact that the Federal Government had just taken certain measures, mainly tax measures, in order to reduce it. Since then it has become apparent that on account of the slowdown of economic growth the expansion of revenue from taxation has fallen off considerably; it must be assumed that this trend will continue in 1967.

The conclusions to be drawn from this situation and from the outlook for 1967, that I have described above, appear, to us to be the following. There are at present no grounds for taking action which would stimulate the expansion of demand generally, as this might interfere with the stabilization of prices and unit costs. On the contrary,



the aggregate deficit of the public authorities ought, unless economic activity takes a serious turn for the worse, to be reduced appreciably.

If, on the other hand, the slowdown of activity were to become such that a serious degree of unemployment might ensue — and this is not the case at the moment — it would be necessary to take appropriate measures to increase public and private investment.

On 20 January the German Government placed before the Bundestag a programme for the reform of the Federal budget. If the programme — which yet has to be adopted by the Bundestag — is carried through, the deficit in the budget will be reduced by some DM 3 700 million. This amount represents the deficit expected if no special measures are introduced and if the gross national product at current prices increases by some 5%. The reduction will be achieved by slowing the growth of expenditure — especially public expenditure on consumption and transfers — and by faster collection of certain types of tax revenue, particularly of the turnover tax.

At the same time the Government officially informed the Bundestag that it was submitting a "contingency budget" which would allow additional expenditure on public investment of up to DM 2 500 million if the economic situation deteriorated. Part of this sum (some 750 million) would be committed immediately after adoption of the contingency budget by the Bundestag. In addition, the Government agreed to an immediate increase in depreciation allowances for investments effected by enterprises in the course of 1967.

Any additional deficit in the Federal budget caused by the fact that the growth of revenue has slackened more than expected, would be tolerated and financed by short-term borrowing.

All in all, these provisions are in line with the Council recommendation of 29 December 1966. They call for a change in the pattern of expenditure under which investment expenditure would benefit and the deficit would be reduced. The Bundesbank has already taken the first steps to ease monetary restraints; further steps could be taken in this direction without upsetting the tendency for prices to stabilize.

This brings me to the end of my remarks on the problems of economic policy in the various countries of the Community.

But before concluding I want to say a few words on the importance that should be attached to the forecasts for 1967 from a medium-term point of view.

For the period from 1966 to 1970, the forecasts which served as a basis for the preparation of the first programme of medium-term policy assume a growth of some 4.5% in real gross Community product; the figures showing what happened in 1966, and the outlook for 1967, do not depart to any appreciable extent from this overall picture.

The guidelines for short-term economic policy in 1967, which I have just outlined, are, by the way, based on those which the Council, acting on a proposal from the Commission, recommended on 20 December last year. In my view they are just what is needed if the proposed target is to be reached and greater harmony of economic development ensured in the various member countries.

Basically, the task is to make it impossible for the slackening of economic activity registered in Germany and to a lesser extent in the Benelux countries to assume excessive proportions, and to make sure that a more lively expansion can again set in without undue delay. It goes without saying that efforts should at the same time be made to consolidate the upswing of the economy in France and Italy. When

carrying out this policy care must however be taken to avoid ill-advised steps which, though intended to revive or stimulate economic activity, would jeopardize the general equilibrium.

This prudent policy is, incidentally, in line with the contents of the first medium-term economic policy programme, which in particular sets out the restraints to be observed in the future development of the various elements of demand if expansion is to be combined with balance.

## Conclusion

By way of conclusion, then, I would say that in 1967 there will no doubt again be considerable expansion in the Community, despite the uncertainty about the trend of economic developments in one member country. Our chief aim should be to slow down the excessive upward movement of costs and prices in several Community countries without, however, unduly holding up their economic expansion, and to make sure that in the other countries non-inflationary growth continues.

This is a balance which is difficult to maintain; it calls for a pragmatic approach and does not leave room for dogmatism. The Commission will keep a daily watch on the rapidly changing situation and will not hesitate to recommend any adjustments to economic policy that may prove necessary.

# I. Britain's entry into EEC

Statements by the Prime Minister of the United Kingdom

As a general review of the statements made by Mr Harold Wilson on the various aspects of the possible entry of Britain into the EEC, we give below, in chronological order, extracts from statements and speeches made by Mr Wilson on this subject and replies given by him in the course of Commons debates.

The next issue of this Bulletin will contain the most significant replies given by Mr Wilson at press conferences held during his visits to the capitals of the six member countries. The time-table of these visits, some of which have still to be made at the time of writing, is as follows: 16-17 January, Rome; 24-25 January, Paris; 31 January-1 February, Brussels; 14-15 February, Bonn; 27 February, The Hague; 8 March, Luxembourg.

Extracts from Mr Wilson's statement to the House of Commons on 10 November 1966

[...]

In recent weeks the Government have conducted a deep and searching review of the whole problem of Britain's relations with the EEC including our membership of EFTA and the Commonwealth. Every aspect of the Treaty of Rome itself, of decisions taken subsequent to its signature and all the implications and consequences which might be expected to flow from British entry, have been examined in depth.

In the light of this review the Government have decided that a new high-level approach must now be made to see whether the conditions exist — or do not exist — for fruitful negotiations, and the basis on which such negotiations could take place.

It is vital that we maintain the closest relations with our EFTA colleagues. Her Majesty's Government therefore now propose to invite the Heads of Government of the EFTA countries to attend a conference in London in the next few weeks to discuss the problems involved in moves by EFTA countries to join the EEC.

Following that conference my right hon. Friend the Foreign Secretary and I intend to engage in a series of discussions with each of the Heads of Government of the Six, for the purpose of establishing whether it appears likely that essential British and Commonwealth interests could be safeguarded if Britain were to accept the Treaty of Rome and join EEC. In the light of these discussions the Government will then take its decision whether or not to activate the arrangements for negotiating for entry, and what the appropriate time for such negotiations would be. Commonwealth Governments, as well as EFTA Governments have been informed and we shall maintain the closest degree of consultation with them throughout.

The House will agree that — provided the right conditions for negotiations are established — it is vital that we should enter only when we have secured a healthy economy and a strong balance of payments, with the pound standing no less firm and high than it is today.

I want the House, the country, and our friends abroad to know that the Government are approaching the discussions I have foreshadowed with the clear intention

and determination to enter EEC if, as we hope, our essential British and Commonwealth interests can be safeguarded. We mean business.

[...]

Replies by Mr Wilson to questions asked following his statement on 10 November 1966

### The Treaty of Rome

We all recognize the importance of the attitude of the Government to the Treaty of Rome itself. The Government take the view that, while there are anxieties on the point, the Treaty of Rome is not in itself necessarily an impediment. There are anxieties, as I have said, but the Treaty need not be an obstacle if our problems can be dealt with satisfactorily, whether through adaptations of the arrangements made under the Treaty or in any other acceptable manner.

Perhaps I might summarize this important point by saying that the Government would be prepared to accept the Treaty of Rome, subject to the necessary adjustments consequent upon the accession of a new member and provided that we receive satisfaction on the points about which we see difficulty.

### Matters not covered by the Treaty

I do not think that we have ever contemplated, and I do not think, although we never got a very clear answer on this, that the previous Government ever contemplated that their discussions about EEC meant a European Parliament or a supranational authority dealing with matters of politics, foreign affairs or defence. This is not what we are talking about and there is no provision for any of these things in the Treaty of Rome. [...]

The North Atlantic Treaty Organization is the right place for talking about defence. There is nothing in the Treaty of Rome about defence, and I hope that hon. Gentlemen opposite do not want us to make it more difficult by seeking to write a large defence section into the Treaty of Rome.

### Agricultural policy

I have never sought to disguise our anxiety about agricultural policy and I do not see why I should today. The agricultural problem with the EEC arises from two factors. First, the effect on British agriculture though many experts consider that British agriculture will be very prosperous under these conditions — sections of it at any rate, other sections would not. We might be prosperous producing the wrong things, too much starch and not enough protein, but there is a lot of argument about that. I think that the problem of excess production of cereals in this country, and beef, has been accepted as one of the implications of the present price level — and I emphasize the present price level — of the Common Market, because this price level may not continue in that form.

The other anxiety about agriculture — and this has been the position all along — is the serious effect not even primarily on the cost of living or on the balance of payments, but on the fact that these high levies would be placed on the importation

of every ton of Canadian or Australian wheat into this country and we should be paying higher world prices in those circumstances.

I think that we fully discussed the special problem of New Zealand when we last debated these things. It was recognized by everyone in the House. That is a very obvious one, but other anxieties have risen since then about these levies, and this is a big problem about agriculture. I am not sure that I would carry things further by expatiating at further length on it.

Extracts from Mr Wilson's speech (speaking after Mr Maudling) in the Commons Debate on 17 November 1966

### The Treaty of Rome

Let us take, therefore, another important question — that of the Treaty of Rome which, as the right hon. Gentleman the Leader of the Opposition emphasized, and as we equally made clear last week, is absolutely fundamental to any negotiations we may be undertaking if the preliminary exchanges during the next two or three months suggest that the terms are right.

There may well be in the Treaty — indeed, I think that there are — a number of provisions which, on strict legal interpretation, would, as many right hon. and hon. Members feel, cause problems for Britain just as they must cause problems for existing members of the Community.

This, I think, in a sense, is one of the changes that has taken place. In judging a written constitution, it is more important to examine the way in which it works and operates when it becomes a living constitution — to examine the practices which have grown up under it and the manner in which those who have to operate it do operate it, to examine the common law, as it were, rather than the Statute law — than to be obsessed by perhaps literal interpretations of the original constitution and its wording.

As far as the Treaty of Rome is concerned, it is a question of convention and the way in which it has worked or looks like working, and this is of great importance for us. Four years ago, we had much less experience of these things and perhaps we could not — certainly not all of us — have foreseen that it would develop in this way.

Then again of importance — and the right hon. Gentleman the Leader of the Opposition quite fairly referred to this — there was the Luxembourg compromise, which was reached early this year. That is highly relevant to any assessment of how the constitution really works rather than, as I have said, basing oneself on the literal interpretation of the wording. The Luxembourg compromise is not part of the Treaty, but it is of the greatest importance to anyone who seeks to examine the way in which the Community, with or without Britain, is likely to operate in future.

### Voting provisions

Then again, some of us expressed anxieties — I did myself — in the closing weeks of the earlier negotiations on voting provisions. This was a matter on which I do not think the right hon. Gentleman the Leader of the Opposition had reached final agreement. It worried many of us because, on a strict reading of the Treaty, the

relevant clauses could be very difficult for Britain or any other member of the Community even where vital national interests were concerned. Here again, it is relevant to take account of the Luxembourg compromise.

### World monetary affairs

The right hon. Gentleman the Leader of the Opposition referred to the money that we owe to the IMF. The answer to all this is part of the wider problem which we all recognize, that, as I said a week ago, our decision about timing must depend on the speed with which we can develop a strong and healthy economy, including, particularly, a balance of payments surplus sufficient to meet our obligations abroad.

The right hon. Gentleman raised the question of our position within the sterling area, and the question of sterling balances. [...] These are vitally important questions, certainly to the discussions and to the ultimate negotiations, but they are not themselves mainly matters for negotiation in Brussels. What has been said by the right hon. Gentleman in pressing the importance of this really lends additional emphasis to the importance of the discussions within the IMF and the Group of Ten, and, as the House knows, my right hon. Friend the Chancellor of the Exchequer has played a leading part in working towards a solution of the world's liquidity problem.

I think that these are not all necessarily questions for negotiation in Brussels, but progress on liquidity, and on these questions, is highly relevant to these negotiations. I believe that our friends in Europe could make a great contribution in reaching a speedy settlement of the difficulties, and I hope that any discussions which we have on Common Market questions will help to bring home to them the wider importance of a forward move in world monetary affairs.

### Matters not covered by the Treaty

I come to the third point, concerning defence and political arrangements. I hope that my intervention in the right hon. Gentleman's speech this afternoon made clear what I was meaning and what I was not meaning in the answer I gave to my right hon. Friend the Member for Easington (Mr Shinwell) last week.

What I was trying to say to my right hon. Friend a week ago was that the approach on which we have now embarked carried with it no implication about an ultimate federal system in Europe, or a defence system, and contains and involves no commitments of a supranational character beyond those required within the Treaty of Rome for the purposes of the European Economic Community itself.

But, as I told the right hon. Gentleman this afternoon, [...] this does not mean that defence is not of the greatest importance in the individual talks that we shall be having with each of the Six countries. All of us here have a common interest in European defence, and all in Europe have, even if there are still fundamental differences in Europe about certain questions, including some of those that we have been recently discussing in NATO. Our view is that Europe must play its full part within our collective alliance without hiving itself off into a separate defence community.

One thing which I must emphasize as we start — as we are obviously starting — with the good will of the greater part of the House on what we have proposed. The vitally necessary conditions of advance is that entry into Europe, if our soundings

show that this is possible, will be of great benefit to this country and to Europe as a whole — we can contribute as well as gain — if, and only if, by our own efforts we succeed in building a strong economy in Britain.

Passage on technological co-operation in Europe in Mr Wilson's Guildhall speech on 14 November 1966

[...] To join EEC means joining ECSC and Euratom, and few countries have more to contribute in the fields covered by these Communities. In particular Britain leads the world, barring none, in the peaceful application of atomic energy. But as we go forward let us regard this process as what it is going to be, a dynamic process. Nothing is static. We have much to contribute to the European Community, including change. It was never ordained from on high that there should be only three European Communities. I would like to see — as was recently suggested in one of the more far-seeing articles I read in a city journal — a drive to create a new technological community to pool within Europe the enormous technological inventiveness of Britain and other European countries, to enable Britain, on a competitive basis, to become more self-reliant and neither dependent on imports nor dominated from outside, but basing itself on the creation of competitive, indigenous, European technological industries. I can think of nothing that would make a greater reality of the whole European concept. And in this field of technological co-operation no one has more to contribute than Britain.

Communiqué issued after meeting of EFTA Ministers in London on 5 December 1966

[...]

2. The topic discussed was economic integration in Europe. The Prime Minister of the United Kingdom explained the purpose of the visits to Member States of the Community which he and his colleague the British Foreign Secretary propose to make in the next few months with a view to determining whether the appropriate conditions exist in which it might be possible to activate the arrangements for a negotiation with the Community for British membership. The other Ministers welcomed the British move as an important step along the road to determining the prospects for a solution to the question of European economic integration in which they could all participate in an appropriate manner.

3. All Ministers reaffirmed their intention of keeping in the closest consultation with each other on the development of their policies and of their discussions with members of the European Economic Community. They will review the position as it develops at any level which the situation at that moment may require.

Extracts from Mr Wilson's speech to the Consultative Assembly of the Council of Europe on 23 January 1967

Mr President, I am honoured to have been invited by you to address this Assembly this afternoon. I am particularly happy that this should take place under your presidency, for your election not only gave pleasure to all your friends in the British

House of Commons, but it held out hopes which have been abundantly realized that in you Britain was contributing a great European to the service of Europe for this period. Equally we knew that the voice of Europe would never be silent in the British House of Commons.

[...]

This Assembly, and all the other manifold activities which have come to fruition under the Council of Europe, represent unity in diversity: a unity of purpose and vision made the more real by the diversity from which it is being created. For the unity of Europe, so far from being in conflict with the fact of diversity, is indeed enriched by the diverse contributions which so many countries — with their widely differing gifts of geography, of history and of culture — can contribute.

[...]

Nor, again, can those nations here represented, with all the unexampled contribution we have it in our power to make to the achievement of peace, make that contribution unless we can achieve a greater unity of purpose. A unity of purpose which must be directed not only to the solution of our own problems in Europe — of that wider Europe whose true boundaries transcend the man-made divisions deepened by two world wars — but a unity of purpose which must be directed equally to the solution of the wider world problems which year by year constitute the pattern of international discussion at the United Nations.

[...]

Ten weeks ago I announced in Parliament that the British Government had conducted a deep and searching review of the whole problem of Britain's relations with the EEC, including our membership of the EFTA and of the Commonwealth. Every aspect of the Treaty of Rome itself, of decisions taken subsequent to its signature, and all the implications and consequences which might be expected to flow from British entry, had been examined in depth.

In the light of this review, I said that the Government had decided that a new high-level approach must now be made to see whether the conditions existed — or did not exist — for fruitful negotiations, and the basis on which such negotiations could take place. And I said to the House of Commons:

“I want the House, the country, and our friends abroad to know that the Government are approaching the discussions I have foreshadowed with the clear intention and determination to enter the European Economic Community if, as we hope, our essential British and Commonwealth interests can be safeguarded. We mean business.”

That, Mr President, is our position. We mean business, and I am going to say why we mean business.

### Why we mean business

We mean business because we believe that British entry and the involvement of other EFTA countries, whether by entry or association, will of themselves contribute massively to the economic unity and strength of Europe. What is today a market of about 180 millions becomes a potential market of nearly 280 millions, the biggest among all the industrially advanced countries, West or East. Not only consumers, but producers too. The adherence of most or all of the EFTA countries would bring to the existing Communities not only a wider market, but also the skill, the expertise, the science and technology of millions of workers and thousands upon thousands



trained in the highest refinements of modern technology. We mean business again because the interests of Europe as a whole — wider Europe no less than those of western, northern and southern Europe — will be served, as equally our own separate interests will be served, by creating a greater and more powerful economic community. I have always made clear that, in my view, the concept of a powerful Atlantic partnership can be realized only when Europe is able to put forth her full economic strength so that we can in industrial affairs speak from strength to our Atlantic partners. Let no one here doubt Britain's loyalty to NATO and the Atlantic alliance. But I have also always said that that loyalty must never mean subservience. Still less must it mean an industrial helotry under which we in Europe produce only the conventional apparatus of a modern economy, while becoming increasingly dependent on American business for the sophisticated apparatus which will call the industrial tune in the 70's and 80's.

[...]

There may be those who believe that to widen the Community will be to weaken it, or to dilute its existing sense of purpose and its institutions. Change there will be, as there has been throughout these ten years. [...] Within Europe will play our full part in generating change, whatever that may mean for vested interests or for the protectionist-minded, whether in Britain or elsewhere. It will be not on stagnation but on movement, continual movement, that the momentum created in post-war Europe can continue, and indeed accelerate. Widening therefore, based on change, will mean not weakening, but strengthening.

[...]

And besides an economy growing in strength we bring all that British technology has to offer. Let us not be defeatist about Europe's technological contribution compared with that of the United States. Each European country can speak for itself. But what would the American industrial economy look like today without jet aircraft, directly based on a British invention, freely made available as part of our joint war effort; antibiotics — similarly made over; or the electronic revolution based on the British development of radar; indeed, the entire nuclear superstructure which could never have been created except on the basic research of Rutherford and other British scientists. All right, this is blowing trumpets, and why not? What's wrong with too many of us in Europe is that we seem to have lost that art, that our salesmanship and public relations have not kept pace with our technological achievement. But equally in referring to American dependence on the European discoveries of a generation ago there is no question of living in the past. I am taking American industry today in relation to the European achievements of yesterday which have made it possible. We have to see that the European industry of tomorrow does not become dependent on an outside technology with all that can mean in terms of industrial power and independence. I give one example only. In the past two years, the British Government — as a matter of policy — have saved the British computer industry and safeguarded its independence. For computer technology holds the key to the future. This approach — and not only for computers — must now be applied on a European scale.

[...]

### Government's stand on Treaty of Rome

In my announcement of the Government's intention to Parliament on 10 November, I said we would be prepared to accept the Treaty of Rome subject to the necessary

adjustments consequent upon accession of a new member, and provided we received satisfaction on the points about which we see difficulty.

What I had in mind in saying this was that the Treaty itself provides, in Article 237, that the conditions of admission and the adjustments to the Treaty necessitated by it should be the subject of an agreement between the existing Member States and the new applicant. Clearly there have got to be, and this is envisaged, adjustments to the Treaty to cover such questions as British membership of the institutions, with appropriate representation; provision for an appropriate number of British votes in the Council of Ministers; and no doubt other changes such as in the percentage contributions to the Community budget and funds. We shall be discussing the various difficulties which we should see in accepting, without reservation a number of the policies which have been worked out by the Community over the years. And it is clear also that such questions as the time-table on which we should be applying various provisions of the Treaty is of course different from that laid down in the Treaty because of the lapse of time since the Treaty was signed.

But, provided that the problems that we see can be dealt with satisfactorily, either through adaptations of the arrangements made under the Treaty or in any other acceptable manner, then the Treaty itself would not be an obstacle. And those rules to which we set our name and seal — those rules we will observe.

[...]

It is still too early in our tour to draw conclusions from our discussions. At the end of the day, it will be for the British Government to decide, in the light of the best appreciation we can make of the problems that will lie ahead, and the hopes of overcoming them, whether it will be right for us to enter into definitive negotiations for entry. If this is our decision, I hope the negotiations will be on a minimum number of broad issues and not on an infinity of details. Many of the details, many of the consequential decisions — important though they be — can best be settled on a continuing basis from within the Community.

[...]

#### Financial aspects of the Community's agricultural policy

[...] But I should be less than frank if I did not at least refer to the problems created particularly by the financial aspects of the Community's agricultural policy, by arrangements made, and appropriately made, to secure fairness and equity between the agricultural interests of the six countries concerned; but arrangements which do not reflect — clearly they could not reflect — the problem created by the entry of a major food-importing nation such as Britain. For they would mean a financial contribution which would fundamentally affect not only the balance so painfully worked out during the past two years, but also the balance of equity, as well as the balance of payments, between Britain — and other countries who would seek to join — and the existing Six. To outline this question, and to be aware of others, is not designed to evoke any spirit of depression, still less defeatism. These problems are there to be overcome. I believe they can be overcome, given the same spirit, constructive ingenuity, tolerance and understanding, give and take, which have animated the relations of the six members in their dealings with one another from the outset.

[...]

## Conclusion

I believe that, given that understanding, that spirit of give and take, the creation of the right conditions, the task on which we have embarked will enable us to carry the goodwill and support of the vast majority of all our peoples, and, above all, the goodwill and support of the young people of Britain and of the other countries represented here today.

Those of us entrusted with the responsibilities of government have the challenging duty — and it is an exciting one — of leading an impatient generation. It is a generation impatient of the mumblings, bumbings and fumbings of what has too often passed for statesmanship. It will, as history will — for this new generation will write the next chapters in that history — it will condemn beyond any power of ours to defend or excuse, the failure to seize what so many of us can clearly see is now a swirling, urgent tide in man's affairs. If we do fail — I want this to be understood — the fault will not lie at Britain's door. But the cost, and above all the cost of missed opportunities, will fall, and in increasing measure, on every one of us.

## II. Internal activities

### ESTABLISHMENT OF A SINGLE MARKET

#### Customs matters

##### Tariff quotas

1. On 12 January 1967 the Commission, acting under Article 25(3) of the Treaty, granted Germany a tariff quota of 50 000 hectolitres for natural red wines from fresh grapes for blending under certain conditions. These wines fall under headings ex 22.05 B I b, ex 22.05 B II b and ex 22.05 B III b 2 of the common customs tariff. The rates of duty are:

- i) 6.94 u.a. per hectolitre for wines containing no more than 13° of acquired alcohol;
- ii) 7.84 u.a. per hectolitre for wines containing more than 13° of but not more than 15° acquired alcohol;
- iii) 9.19 u.a. per hectolitre for wines containing more than 15° of and not more than 18° acquired alcohol,

presented in casks, tank waggons or other large containers.

This quota is for the period 1 December 1966 to 30 November 1967.

##### Meeting of the Customs Committee

2. The Committee met on 27 January under the chairmanship of M. Colonna di Paliano to study questions concerning Community transit traffic and bonded warehouses.

As regards Community transit traffic, the main field of application of the future system was delimited and the guarantees indispensable for its working defined.

Once it has made the necessary contacts, the Commission will as rapidly as possible propose solutions to problems of transport under the Community transit system through Swiss or Austrian territory.

Talks will moreover be held with certain bodies able to provide surety for transit operations.

The Committee gave a final reading to the draft directive on the harmonization of arrangements for bonded warehouses.

The Customs Committee will hold its next meeting on 9 March 1967. It will examine studies on Community transit traffic made at expert level, will give its opinion on any new problems submitted on this question, and hold an initial discussion of inwards processing traffic.

## Technical obstacles to trade

### Opinion of the Economic and Social Committee on two proposed directives

At its 59th session on 25 and 26 January 1967 the Committee rendered its opinion on two proposals for directives, one concerning the approximation of legislation in the Member States on wheeled farm tractors and the other on measuring instruments (1).

3. *Opinion on the proposed Council directive concerning the approximation of Member States' regulations on wheeled farm tractors (maximum speed, seats and loading surfaces)* (2). On the view that these technical rules should lead to mutual recognition of approval by the Member States, and considering further that such harmonization is necessary for the free movement of goods and can also help to reduce production costs, the Committee endorsed the proposed directive subject to certain comments.

The Committee thought that the wording adopted ruled out any danger of technical characteristics, which were subject to changes as time went on, being stipulated in too hard-and-fast a manner. The proposed amendments concerned the maximum load of the tractor and the driver's seat.

The Committee further considered that the application of Community standards should not make work less safe than it was at present in any member country. The Committee also asked the Commission to mention in its proposal its intention to continue the study of problems concerning wheeled farm tractors with the object of proposing at a later date new directives for wider and more detailed harmonization of the present national regulations.

*Opinion on the proposed Council directive for the approximation of the Member States regulations concerning:*

- a) Measuring instruments in general;
- b) Clinical maximum thermometers, glass, mercury;
- c) 5 kg to 50 kg block weights in the medium limit of error category;
- d) 1 kg to 10 kg cylindrical weights in the medium limit of error category.

The Committee requested that in drawing up the directives on measuring instruments the Council should take account of the possible repercussions of the exception from total harmonization provided for under the present proposals, and hoped that the principle of the free movement of these measuring instruments would be maintained.

(1) See Bulletin 6-66, Ch. II, secs. 3 and 4.

(2) See Ch. "Competition".

## COMPETITION

### State aids

#### General systems: Aids to economic development

4. To continue the study of existing general systems of aid, a meeting of government experts was held on 17 and 18 January 1967. Certain principles for the implementation of the waiver arrangements under Article 92(3a and c) of the Treaty were discussed.

These talks will be continued throughout the first quarter of 1967 with a view to defining the practical scope of the examination procedure which may be applied when the aid systems considered are being put into effect.

5. Having examined a Bill — which became law on 14 July 1966 — temporarily granting special aids to speed up conversion and development in certain coalmining areas and other areas faced with acute and urgent problems, the Commission informed the Belgian Government that it had no objection to this law being promulgated but that it would reserve its final opinion on the merits of the new aid system until such time as it had seen the implementing regulations.

The Commission has now completed the examination of the drafts of these regulations which were notified to it in accordance with Article 93(3) of the Treaty. Taking into account the details supplied by the Belgian authorities, and bearing the views of experts from the other Member States in mind, the Commission has informed the Belgian Government that the measures in question may be put into effect under the exception provisions of Article 92(3 c) of the Treaty.

This communication from the Commission was accompanied by two observations. In the first place, the Commission considers that funds allocated to finance this aid should be distributed with due regard to the relative economic situation in the different regions concerned and the real advantages offered by the localities chosen by the investors.

Consequently, the Commission intends, in accordance with the relevant provisions of the Treaty, to keep a close watch on the administration of this aid system.

### Taxation

#### Harmonization of excise duties

6. The Working Party on indirect taxes other than turnover tax met in Brussels on 16 and 17 January 1967.

Problems arising in the harmonization of excise duties on beverages were reviewed from the angle of competition between the different beverages and substitution which might occur if some of them were taxed more heavily than others. Harmonization of excise duties on alcohol was also studied.

The same Working Party met in Brussels on 20 January 1967 to study, as instructed by the Standing Committee of heads of national revenue departments, harmonization of the criteria used by Member States in fixing the basis of assessment of annual or periodical road tax on private cars.

## Approximation of legislation

Opinion of the Economic and Social Committee on the proposal for a directive on wheeled farm tractors (maximum speed, seats, and loading surfaces) <sup>(1)</sup>

7. The Committee adopted the solution of "optional and partial" Community approximation chosen by the Commission in this proposed directive, on the one hand because farm tractors produced in the Community were largely marketed in outside countries, and, on the other, because partial approximation allowed tractor builders to benefit from technical advances.

Opinion of the Economic and Social Committee on the proposed directives concerning measuring instruments in general (clinical maximum thermometers, glass, mercury; 5 kg to 50 kg block weights in the medium limit of error category; 1 g to 10 kg cylindrical weights in the medium limit of error category)

8. The Committee welcomed the Commission's option for total harmonization in its proposed directive. It emphasized the advisability of studies by the Commission in the near future on harmonization of the national systems for regular checking of measuring instruments.

## FREE MOVEMENT OF PERSONS

### Freedom of establishment and freedom to supply services

9. On 23 December 1966 the EEC Commission transmitted to the Council a proposal for a directive to introduce a further degree of freedom of establishment in agriculture. This will implement a provision of the General Programme adopted by the Council on 18 December 1961, which lays down that at the beginning of 1968 farmers who are nationals of other Member States and already established in a Member State "shall be entitled to receive any type of aid subject to the same conditions as the nationals of the State concerned". The proposal concerns all aids — in cash or, where appropriate, in kind — irrespective of their form and the public or semi-public body which distributes them. Nevertheless, the benefits of welfare or social security systems do not fall within its scope but will be dealt with by other measures. The restrictions to be removed stem from laws, regulations and administrative practices in the Member States. Before adopting the proposed directive, the Council will refer it to the European Parliament and the Community's Economic and Social Committee.

The proposal represents a new set of measures for the introduction of freedom of establishment in agriculture following directives 63/261 and 63/262 (concerning respectively freedom of establishment for former agricultural workers in the host

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<sup>(1)</sup> See also sec. 3 above.

country and freedom of establishment on derelict or uncultivated farm lands), <sup>(1)</sup> the proposed directives on farm leases <sup>(2)</sup> and the right of farmers already established to move to another farm, <sup>(3)</sup> and the proposed directives on the access of such farmers to credit and their right to join agricultural co-operatives <sup>(4)</sup>.

General freedom of establishment in agriculture i.e. the right to set up in any Member State, will not be granted until the end of the transition period — normally in 1970.

Freedom to provide services in agriculture was already introduced by Council directive 65/1 of 14 December 1964 <sup>(4)</sup>.

Freedom of establishment and freedom to supply services in forestry are covered in a proposed directive at present before the Council.

### Free movement of workers

10. The Consultative Committee for the free movement of workers within the Community met on 16 January 1967 in Brussels. M. Levi Sandri, Vice-President of the Commission with responsibility for social affairs, was in the chair.

The Committee studied the draft opinion and the report of the Working Party on free movement concerning measures to be taken to achieve the objectives of the Treaty in this field.

On the basis of this draft opinion the Committee set out for the Commission the general policy lines which it felt should effectively ensure free movement in the Community.

## ECONOMIC AND FINANCIAL POLICY

### Short-term economic policy

#### Quarterly Survey of the economic situation in the Community

11. The Commission has published its fourth Quarterly Survey of the economic situation in the Community for 1966.

In the first part of this document the Commission analyses the economic trend for the Community as a whole in 1966 and makes forecasts on the way the economy is likely to shape in 1967. A chapter is devoted to the Commission's views on the short-term economic policy to be pursued in 1967 by the Governments of the Member States. It will be remembered that the guidelines for this policy have recently been the subject of a recommendation made to Member States by the Council of Ministers, acting on a proposal from the Commission. This recommendation is annexed to Part I of the Survey.

<sup>(1)</sup> See official gazette No. 62, 20 April 1963.

<sup>(2)</sup> See supplement to Bulletin 3-65.

<sup>(3)</sup> See official gazette No. 71, 20 April 1966.

<sup>(4)</sup> Ibid., No. 1, 8 January 1965.



Part II of the Survey deals with the economic situation and the outlook in the individual member countries.

While the pattern of development differed from one member country to another, in the Community as a whole the expansion of economic activity has again been brisk in 1966. The real gross Community product rose 4.5% in 1966 compared to a 4% increase the previous year. Since 1958 the real gross product in the Community has grown by 52%, as compared to a 44% rise in the United States and a 30% increase in the United Kingdom.

The year-to-year growth of total demand in money terms was much the same as in 1965, with a slight shift of emphasis among the main components: external demand rose less strongly, but internal demand somewhat more vigorously, than in 1965.

The expansion in the aggregate value of visible exports from the Community (as defined for foreign trade statistics) declined from 12% in 1965 to slightly less than 9% in 1966. Exports to the United States again increased extraordinarily fast, but the growth of deliveries to EFTA and to the developing countries was appreciably weaker than from 1964 to 1965.

Gross fixed asset formation continued to rise; in 1966 it was 6% in value and 3.5% by volume higher than in 1965 — the same rate of increase as between 1964 and 1965. The increase in capital expenditure on building was weaker than in 1965. As against this, investment by enterprises in plant and machinery rose somewhat more vigorously than in the previous year; its upward movement was stronger than before in France and Italy, while in Germany on the other hand there were even signs of a downward trend in the second half of the year. Stock-building provided much the same stimulus to growth as a year earlier.

Total consumer expenditure in the Community has probably increased at about the same pace as before. In most member countries the expansion of public current expenditure on goods and services remained very vigorous; nevertheless there may have been a slight slowdown for the Community as a whole on account of the somewhat quieter trend in Germany and in Italy. Private consumer's expenditure by contrast will probably have risen somewhat faster than before, i.e. by about 8% in terms of value and approximately 4.5% in terms of volume, following rises of 7.7% and 4.3% in 1965. In France and Italy the rise was more rapid, but in Germany it was slower than in the previous year.

Including this estimated figure for 1966, private consumption in real terms has probably risen since 1958 by 50% (38% on a per capita basis).

The growth of private consumer's demand from 1965 to 1966 reflects first and foremost the change that has occurred in the disposable income of households. In Italy and France this went up perceptibly faster than in the previous year, mainly because the total number of hours worked responded to the improvement in business activity; in the other Community countries there was a more or less marked — but on the whole fairly moderate — slowdown in expansion.

Supply from other Community countries was as a rule sufficiently flexible to follow the rise in overall demand. Industrial production expanded faster than from 1964 to 1965; its growth (as defined by the index of the Statistical Office of the European Communities) was 5.5%, compared with 4.5% the previous year. This will have brought the total rise in output since 1958 to 67%.

However, the growth rates of industrial production in 1966 showed greater deviations from the Community average than in 1965, because of the divergent economic trends in the individual countries.

In the services sector, value added continued to expand at about the same rate as before. The rise in agricultural production, however, has flattened out distinctly, particularly as a result of a relatively modest grain crop.

On the Community's labour markets, the situation tended in the main to ease slightly. In the second half of the year the tendency gathered strength in Germany and in the Netherlands, but this does not mean that in the two countries concerned shortages of labour are yet a thing of the past. As the year advanced there were signs of a slight tendency towards a reduction of unemployment in Italy — the only country with a considerable number out of work; on the average for the year, however, the level of unemployment in that country was still a little higher than in 1965.

Imports from non-member countries rose more in 1966 than in 1965. The expansion of visible imports probably reached some 6% by volume and 7.8% in value, compared with 6.5% and 5% in 1965. These figures for the whole year, however, do not reveal the fluctuations that occurred in the month-to-month figures, i.e. a vigorous rise in the second half of 1965 and the first months of 1966, which then levelled off largely because the slowdown in demand from Germany outweighed the faster increase of France's and Italy's imports.

Visible trade between the Community countries continued to expand very vigorously, but since the spring it too has been losing momentum. This was reflected in the growth figure for the year; from 1964 to 1965 the increase in value (on the basis of imports) had been 13.5%; it probably amounted to some 12% from 1965 to 1966. While France and Italy expanded their imports from other Community countries at a faster pace, there was a more significant slowdown in corresponding imports by other member countries, in particular Germany.

The upward pressure on prices persisted. It gained in strength during the first half of the year, when there was marked excess demand in some member countries — the gain being partly due to special influences of a temporary nature (the price of vegetables) — to measures of tax and wage policy, and to rent increases. The upward pressure was particularly strong in the Netherlands, but in Germany and Belgium too it was very appreciable. With the disappearance of the special influences there was some flattening out; the upward trend in the seasonally adjusted figures continued, though less vigorously than before. In France, the rise in prices was relatively modest throughout the year, though in the end it totalled 3%. In Italy there was even very extensive stabilization, at least up to the flood catastrophe in November.

The trend in exports and imports outlined above suggests that in 1966 the Community's visible trade balance may have closed with a slightly smaller deficit than in 1965 (on the basis of foreign trade statistics, an estimated 1 400 million u.a. <sup>(1)</sup> instead of 1 500 million u.a.). The seasonally adjusted figures tended to deteriorate until spring 1966, but later there was a distinct recovery, largely because of the improvement on the visible trade account of the Federal Republic of Germany.

Primarily as a result of this, the surplus on current account appears to have risen once again in 1966, while the available — but so far particularly incomplete — information on the capital transactions account hardly suggests that any great surplus

(1) 1 u.a. = US \$ 1.

will be achieved. During the first ten months of 1966 the gross gold and foreign exchange reserves of the monetary authorities in the Community countries rose by 300 million u.a. At the same time the net foreign exchange position of the commercial banks continued to improve, but probably less strongly than in the previous year.

The economic expansion of the Community is likely to slow down somewhat in 1967, with both external and internal demand losing momentum.

In external demand, the very strong stimuli so far provided by sales to the United States may weaken somewhat; this, coupled with a more or less pronounced stagnation of imports by the United Kingdom, would reduce the pace at which Community exports have been rising.

The expansion of internal demand may be affected by a slight decline in the growth of investment by enterprises. In Germany these outlays on investment can even be expected to continue falling in absolute terms — at least for part of the year — and there may also be a decline in the Netherlands. Despite a continued vigorous upswing in France and Italy, and perhaps also a somewhat faster pace of growth in Belgium, the expansion of investment by enterprises is likely to be weaker for the Community as a whole than it was from 1965 to 1966. It can also be assumed that total expenditure on consumption will grow at a somewhat reduced rate, which will probably be due entirely to a more or less distinct slowing of the tempo at which private consumer's expenditure is expanding in Germany and in the Benelux countries.

As far as the prospective development of supply is concerned, there may be a stronger expansion of agricultural production in 1967 than in 1966, provided the weather is normal. Industrial production as a whole can be expected to rise at an only slightly reduced pace, with very modest growth particularly in Germany, a slowdown in expansion in the Netherlands and high growth rates in France and Italy.

Taking into account foreseeable factors, the Commission at present estimates the increase in volume of the Community's gross product between 1966 and 1967 at 4%.

Imports from non-member countries will for a while yet continue to be affected by the slowdown in economic activity in some member countries, particularly Germany. On the other hand, certain special factors which tend to have an inhibitory effect (for instance, government imports into Germany and agricultural imports) will disappear, and as the year advances stockbuilding may once again exert a greater pull on imports. Overall, the Community's trade balance may be expected to show a further limited improvement in 1967.

Although the trend of supply and demand in the Community as a whole will in fact help to reduce the upward thrust of prices, allowance must still be made for the effects of the upward thrust that has already been affecting costs — and which is likely to persist, at least in attenuated form. In 1967 there will probably be once again a fairly distinct rise in the consumer price level.

The outlook for 1967 reveals in some member countries the effects of inflationary trends which have been tolerated during the past few years or which have been combated by too one-sided a set of economic policy instruments. There have consequently been price and cost increases on the one hand, coupled on the other with signs of a more or less distinct decline in investment and a considerable slowdown in economic growth. In these countries the Commission considers that budget

policy in particular should be tightened up with a view to steadying prices and costs and facilitating the financing of investment; concurrently the policy of credit restraint could and should be relaxed or applied in a still more supple manner than hitherto. However, any premature return to a short-term policy of general expansion would soon conjure up the spectre of fresh inflationary trends. Care will have to be taken in Italy and France to ensure that the current upswing of business activity in these two countries does not again end in imbalance.

#### Panel of Experts on Economic Budgets

12. The Panel met in Brussels on 24 and 25 January 1967 to examine the complete economic budgets for 1967 communicated by the Member States.

A collective report on the subject was drawn up by the Commission after a discussion which resulted in a harmonized approach to the development of external trade. The documentary material was sent to the Short-term Economic Policy Committee for its meeting of 6-7 February 1967.

#### Budget policy

13. The alternate members of the Budget Policy Committee met on 19 January 1967 with M. Milazzo in the chair. They continued the examination of the question of public savings and agreed to an outline form for the presentation of budgets, which the Committee uses for its studies.

#### Medium-term economic outlook

14. The "Projections" sub-group of the Group of Experts on medium-term forecasts met on 17 and 18 January 1967 with M. P. de Wolff in the chair.

A lengthy discussion was held on the problems involved in working out value projections. The French and Dutch experts also spoke of their experiences in external trade projections.

The sub-group then turned to the problem of sector trends and the meeting closed with a short discussion of the agenda for the meeting of the Group of experts on medium-term forecasts on 7 February 1967.

#### Medium-term Economic Policy Committee

15. The Committee held its 18th meeting on 20 January 1967.

The Committee bade farewell to its Chairman, M. Wolfram Langer, who had been called to take up new duties in his country, the Federal Republic of Germany, and expressed its gratitude to him.

As its new chairman for a period of two years the Committee elected M. Klaus-Dieter Arndt, parliamentary State-Secretary at the Ministry of Economic Affairs in the Federal Republic. M. François Ortolí, Commissaire général au Plan et à la

productivité in France, and M. G. Brouwers, Secretary-General in the Netherlands Ministry of Economic Affairs, were reappointed Vice-Chairmen.

The Committee held an initial exchange of views on problems of agriculture and shipbuilding.

### Meeting of the Ministers of Finance

16. The Ministers of Finance of the Six held their regular meeting on 16 and 17 January 1967 in The Hague under the chairmanship of M. Zijlstra (Netherlands). M. Marjolin and M. von der Groeben, respectively a Vice-President and a member of the EEC Commission, were present.

At the close of the meeting the following official communiqué was issued:

"At their meeting the Ministers reviewed:

- a) The progress of EEC studies on tax harmonization, after hearing the survey presented by M. von der Groeben.
- b) The report on the development of a European capital market drawn up by a committee of experts at the request of the EEC Commission. This report was introduced by M. Marjolin.

The Ministers discussed international monetary problems with the Governors of Central Banks. Being anxious to affirm their solidarity on these vital matters, the Ministers and Governors decided, without prejudice to a further examination of the drafts previously discussed, to have their experts study forthwith in the EEC Monetary Committee the improvement of the machinery of international credit."

## COMMON AGRICULTURAL POLICY

### Council session of 23-24 January 1967

17. At its session of 23-24 January 1967 the Council, on the basis of an interim report by the Special Committee on Agriculture, held a preliminary exchange of views on certain problems common to all the regulations on the organization of agricultural markets at the single market stage, and which concern, for example, the fixing of prices and levies. The Council instructed the Special Committee on Agriculture to continue its work with a view to submitting a general report on these matters as soon as possible.

The Council also examined the problems raised by the measures envisaged by the French Government for assisting the holding of private stocks in order to meet certain difficulties at present being experienced on the poultrymeat market. The Council concluded that it was for the Commission to decide on these measures under the powers given to it by the Treaty.

The Council also examined a proposed regulation on certain measures concerning the common organization of the market in sugar for the 1967/68 marketing year.

With regard to foot-and-mouth disease, the Dutch delegation drew the Council's attention to the situation resulting from the measures taken by certain Member States with regard to imports of live cattle and pigs, and also of beef and pork from the Netherlands. In particular, it informed the Council of the veterinary measures taken by the Netherlands to prevent any contagion. The Ministers of Agriculture gave an assurance that this problem would be examined immediately by the competent authorities, taking into account the information supplied by the Dutch delegation.

## Common organization of agricultural markets

### Cereals and rice

18. On 22 December 1966 the Commission cancelled the adjustment of the average levy in calculating the variable component of the levy for processed products based on cereals and rice fixed provisionally on 14 October 1966 <sup>(1)</sup>.

On 30 January 1967 the Commission made a regulation limiting the validity of certain import and export licences for compound animal feeds <sup>(2)</sup>. Under this regulation the validity of import and export licences issued after the entry into force of the present regulation expires on 2 April 1967 for the compound feedstuffs covered by Council Regulation No. 215/66/CEE.

### Beef and veal

19. On 5 December 1966 the Council took a decision concerning the implementation in Germany of special market intervention measures in the beef and veal sector <sup>(3)</sup>.

On 16 January 1967 the Commission took a decision fixing the maximum amount of refund on exports of live cattle to non-member countries during the period 6 February 1967 to 5 March 1967 <sup>(2)</sup>.

The Commission also adopted on 27 January 1967 a regulation fixing the maximum amount of refunds on exports to non-member countries of frozen beef and veal which had not been the subject of market support measures <sup>(4)</sup>.

### Eggs and poultry

20. On 22 December 1966 the Commission decided to increase the supplementary amount which may be refunded on the export of hens and chickens to non-member countries. In order to facilitate the sale of the stocks of slaughtered hens and chickens which had built up in several member countries, the Commission decided to grant an amount higher than the normal refund on exports outside the Community. This measure was to apply until 28 January 1967.

<sup>(1)</sup> See official gazette No. 9, 17 January 1967.

<sup>(2)</sup> Ibid., No. 19, 31 January 1967.

<sup>(3)</sup> Ibid., No. 11, 20 January 1967.

<sup>(4)</sup> Ibid., No. 18, 28 January 1967.

On 6 January 1967 the Commission adopted a regulation fixing a supplementary amount for poultry eggs in shell <sup>(1)</sup>. Large offers are being made below the sluice-gate price and are likely to cause a considerable drop in prices if they continue beyond the normal seasonal fall-off in production in the Member States. The Commission therefore decided to fix a supplementary amount of 0.15 u.a. per kg for eggs in shell. Imports from Poland, Finland and South Africa are exempt from this measure as these three countries have given an assurance that they will respect the sluice-gate price.

Finally, on 28 January 1967, the Commission amended its decision of 22 December 1966 increasing the supplementary amount which can be refunded on the export of hens and chickens to non-member countries. The Commission extended the expiry date originally fixed at 28 January 1967 to 4 February 1967.

## Fruit and vegetables

21. Acting under Article 4 of Regulation 159/66/CEE on complementary arrangements for the common organization of fruit and vegetables markets, the Council, on 12 January 1966 adopted regulations fixing the basic prices and support prices for cauliflowers, sweet oranges, mandarins, apples and pears <sup>(2)</sup>. The prices are as follows:

in u.a. per 100 kg for Class I

| Product and variety  | Period                          | Basic price | Support price |
|--|---------------------------------|-------------|---------------|
| <i>Cauliflowers in leaf</i>  | January                         | 9.3         | 3.7           |
|  | February                        | 7.9         | 3.1           |
|  | March                           | 11.0        | 4.4           |
|  | April                           | 10.1        | 4.0           |
| <i>Sweet oranges</i><br>Sanguinello (size 67/81 mm)                                      | January                         | 13.7        | 9.5           |
|  | February                        | 15.0        | 10.5          |
|  | March                           | 17.5        | 11.5          |
| Biondo comune (size 67/76 mm)  | April                           | 10.8        | 6.5           |
| <i>Mandarins</i>   | January                         | 14.2        | 9.5           |
|  | February                        | 15.3        | 10.0          |
| <i>Lemons</i>  | From 1 January<br>to 31 May     | 10.2        | 6.6           |
| <i>Apples</i><br>Golden delicious (size 70 mm or above)                                  | January                         | 15.1        | 8.0           |
|  | February                        | 16.4        | 9.0           |
|  | March                           | 18.2        | 10.0          |
|  | April                           | 22.3        | 11.2          |
|  | May                             | 25.6        | 11.5          |
| <i>Pears</i><br>Passe Crassane (size 70 mm or above)<br>Conference (size 60 mm or above) | } From 1 January<br>to 31 March | 17.7        | 9.2           |

<sup>(1)</sup> See official gazette No. 2, 7 January 1967.

<sup>(2)</sup> Ibid., No. 5, 13 January 1967.

The Commission also adopted, on 25 January 1967, the six regulations fixing the adjustment factors to be applied to support prices for cauliflowers, oranges, mandarins, lemons, apples, and pears, and a regulation containing the list of representative markets for these products <sup>(1)</sup>.

## Olive oil

22. On 12 and 30 January 1967 the Commission adopted two regulations fixing the levies on olive oil <sup>(2)</sup>.

## Commission proposals for eggs and poultrymeat at the single market stage

23. On 18 January 1967 the Commission submitted to the Council two proposals for regulations on the common market organizations for eggs and poultrymeat. These will replace Regulations Nos. 21 and 22 now in force and due to be rescinded on 1 July 1967, when common cereal prices come into operation.

These two proposals are similar in their broad outlines to the proposal for a regulation on pigmeat submitted to the Council at the end of December 1966 <sup>(3)</sup>. The only difference is that the eggs and pigmeat sector arrangements are not made for market intervention but only for the possibility of regularization.

The object of such regularization is to adjust the volume of supply to the requirements of the market, and to keep prices at a level that will assure producers of a fair return. The following Community measures are suggested:

- i) Measures to support steps taken by farmers' and allied associations to improve the organization of production, processing and marketing;
- ii) Measures to improve quality;
- iii) Measures to enable short- and long-term forecasts to be made, by obtaining information on the means of production employed;
- iv) Measures to assist the observation of price trends on the market.

The Council will adopt general rules on this subject, acting on a proposal of the Commission and after reference to the European Parliament. The proposal also provides that standards of quality, sizing and packaging may be laid down; these may, for example, cover classification by grade, by weight and by quality, packing and presentation, and stamping. When the standards have been laid down, the products to which they apply must not be offered for sale unless they conform to these standards, except in special cases.

The proposed system includes levies and sluice-gate prices for eggs in shell and eggs for hatching, and also for chicks and slaughtered poultry. Derived levies are fixed for the other products, but duties bound in GATT must be respected.

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<sup>(1)</sup> See official gazette No. 15, 26 January 1967.

<sup>(2)</sup> Ibid., No. 7, 14 January 1967 and No. 19, 31 January 1967.

<sup>(3)</sup> See Bulletin No. 2-67, Ch. I.



## Financing of the common agricultural policy

24. On 27 January 1967 the Commission adopted a regulation on applications for aid submitted to EAGGF, Guidance Section, for making good the damage caused by floods in Italy <sup>(1)</sup>. Notwithstanding the provisions of Regulation No. 45/64/CEE, this regulations provides for a simplified and accelerated procedure in dealing with applications so that aid to the population of the stricken areas may be effective and rapid.

## Common fisheries policy

### Opinion of the Economic and Social Committee

25. At its session of 25 and 26 January 1967, the Economic and Social Committee rendered its opinion on the Commission proposal concerning a common fisheries policy <sup>(2)</sup>.

The Committee approves the Commission's approach and expresses its satisfaction at the common policies advocated, comprising a policy for structure and production, a market policy, a commercial policy and a social policy. However, the Committee sees the solution of certain problems from a slightly different angle, particularly as regards price policy, the role of fisheries' associations and the suspension or temporary limitation of imports.

The Committee urged the Commission to examine closely the effects of the proposed policy for consumers and to consider means of avoiding undesirable situations could be avoided. It also asked that both sides of the industry be encouraged to achieve harmonization in the social field at Community level, in particular by collective bargaining, and that the joint consultative committee be closely associated in the implementation of social policy.

The Committee regretted that the Member States had been unable to supply the Commission with sufficiently precise figures on prices and incomes. It was also concerned at the possible repercussions of structure policy on enterprises and considered that fisheries' associations should receive certain financial aid from the Community.

The Committee holds that Regulation No. 26 is fully applicable to the fishing industry. It has suggested a list of basic products to be considered in establishing market intervention machinery for the sector.

## Approximation of legislation

### Health problems: opinion of the Economic and Social Committee

26. At its meeting on 25 and 26 January 1967 the Economic and Social Committee rendered an opinion on the draft Council directive concerning health problems and health policy connected with the import of cattle and pigs and fresh meat

<sup>(1)</sup> See official gazette No. 18, 28 January 1967.

<sup>(2)</sup> See Bulletin 9/10-66, Ch. V, sec. 41.

from non-member countries as well as on the draft Council decision setting up a Veterinary Committee. The Economic and Social Committee urges that a survey should be made without delay of all veterinary and health control arrangements in order to pave the way for European legislation on the subject.

### Competition in agriculture

27. At the meeting on 19 January 1967 the Commission decided, pursuant to Articles 85, 86 and 93(1) of the Treaty, on the reply to be made to the Italian Government's complaint about the practice of the general committee of the fishing industry in France as regards cod.

On 23 January 1967 the Commission decided, pursuant to Article 93(3) of the Treaty, on its attitude regarding the Netherlands projects for aid to the improvement of market structures in the eggs and poultry sector.

## TRANSPORT POLICY

### Application of the consultation procedure of 21 March 1962

28. In accordance with the Council decision of 21 March 1962, instituting a procedure of examination and prior consultation concerning certain laws, regulations and administrative practices envisaged by the Member States in transport, the Italian Government has advised the Commission and the other Member States of the following Bills:

- i) Italian Bill granting the Government powers to reorganize the "Azienda autonoma delle ferrovie dello Stato" (Italian State Railways).
- ii) Italian Bill on the organization of the Ministry of Transport and Civil Aviation and the setting up of a Transport Council.
- iii) Bill on the institution of a Central Advisory Committee on transport associated with the Inter-ministerial Economic Planning Committee.
- iv) Bill on amendments to certain provisions concerning road traffic (weights and dimensions).

The Commission rendered opinions on these four Bills. It raised no objection to them but reserved judgment on the Bill for reorganization of the Ministry of Transport until the Italian Government should have notified it of the proposed measures on this matter in accordance with Article 1 of the Council decision of 21 March 1962.

### Investment and infrastructure

29. Pursuant to the Council decision of 28 February 1966 instituting a consultation procedure for transport infrastructure investments, on 10 January 1967 the Commission consulted the Member States on the Brussels-Mons-French frontier, Comblès-Valenciennes-Belgian frontier and Lille-Belgian frontier motorway projects notified by the French and Belgian Governments.

Discussions centred on the technical characteristics of the projected motorways, their economic feasibility and the synchronization of works. The French and Belgian schedules of work were satisfactorily co-ordinated.

### Consultative Committee on Transport

30. At its meetings of 10-11 January and 31 January-1 February 1967, the Consultative Committee on Transport continued the drafting of its formal opinion on the definition of transport on own account and the system of vehicle hire.

As this matter has been found to have many very complex aspects, the Committee will meet again during March to finalize its opinion.

### Standardization in duty-free import of fuel : opinion of the Economic and Social Committee

31. On 25 January 1967 the Economic and Social Committee rendered its opinion on the proposed Council directive concerning the standardization of provisions relating to duty-free import of fuel contained in the tanks of commercial vehicles <sup>(1)</sup>.

The Committee approved the directive as such, but thought that the limit for duty-free import should be 100 litres instead of 200 litres. It feared that if 200 litres were allowed, further distortions of competition would occur not only among haulage firms but also between road haulage and other modes of transport, to the detriment of the latter.

The Committee also expressed the view that unlimited duty-free import of fuel contained in normal vehicle tanks should be allowed by 1 January 1970 only if fuel prices and taxes had been harmonized by that time.

## SOCIAL POLICY

### Social security for migrant workers

#### Opinion of the Economic and Social Committee

32. On 25 January 1967 the Economic and Social Committee rendered its opinion on the proposed Council regulation concerning the application of social security schemes to paid workers and their families moving within the Community. This regulation will consolidate Regulations Nos. 3 and 4 and other later regulations on social security.

The Committee's opinion was favourable, subject to certain amendments. The Committee considered that final elimination of all disadvantages and all discrimination affecting migrant workers would only be possible by social harmonization, which would have to be achieved as quickly as possible by means of the necessary adjustments, in accordance with common criteria, to national legislations on the subject.

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(1) See Bulletin No. 9/10-66, Ch. V, sec. 48.

The Committee was opposed to the new scheme for refund of the cost of benefits in kind proposed by the Commission (refund in full) and preferred to maintain the present arrangement (75%).

The Committee considered that pensions should be paid independently to workers, simply in accordance with the regulations of the Member States concerned, if this were more advantageous for workers than the *pro rata temporis* method.

With regard to the collaboration of both sides of industry in Community activity, the Committee suggested that the draft regulation be amended to permit active participation of employers' and workers' representatives in the administration and application of the regulation. To this end, the Committee proposed to have the Administrative Committee assisted by an advisory committee consisting of twelve representatives, respectively from employers' and from workers' organizations, which would render opinions on matters concerning the interpretation and application of the revised regulations on social security for migrant workers, and make proposals.

### III. External activities

#### GATT

##### Multilateral trade negotiations

33. It is generally agreed that with the resumption in January 1967 the final phase of the Kennedy round has begun.

On 12 January the EEC Council of Ministers debated the general report from the Commission on the Geneva negotiations, and more particularly the condensed report submitted by the Commission on the day following the Council session of 20 December 1966.

This report was approved by the Council.

It was accordingly decided that the Commission should explain to the other parties why the Community was unable to accept as a basis for discussion the lists of possible withdrawals of offers, which had been submitted by the Contracting Parties in Geneva on 30 November, and should state that the Community would be obliged to proceed similarly to submit a list of withdrawals if the lists of the other parties became definitive.

It was moreover understood that the Commission would continue negotiations at the same time with the major countries on tariff and non-tariff problems as a whole and on the problem of disparities, the American selling price and world agricultural commodity agreements.

The Council furthermore approved the suggestion of the Commission that negotiations should be resumed at the same time with the continental European countries, more particularly the Scandinavian countries and Switzerland, in order to seek together a better balance of mutual concessions. It was understood that the Commission might explore more extensively than before the possibilities of a solution; the results of these talks would subsequently be submitted to the Council, which would then decide what commitments might be undertaken by the Community.

In Geneva the resumption of the negotiations and the opening of this new decisive phase were not marked by any notable event. Nevertheless work is in fact under way in the form of a series of bilateral contacts, particularly between the Community and its major trading partners: on the one hand, Switzerland and the Scandinavian countries, on the other hand, the United Kingdom and the United States. This procedure, which represents a recognition of the factual situation regarding the problems to be solved and thus an order of priority in seeking solutions, obviously does not mean that the part played by the other countries can be ignored, more particularly the effective contribution to be made by the developed countries which have pleaded a special situation to avoid keeping the general rules. It is a matter of defining by means of these contacts the factors on either side which can form the bases of mutually satisfactory agreements, these in their turn representing the core around which the final agreement with all the parties to the negotiation will be established.

## Other business in GATT

34. The Commission took part in the GATT Council meetings in Geneva on 10 and 26 January 1967.

The EEC acceded to a request from Brazil that it be temporarily relieved of its obligations regarding tariff concessions in order to introduce a new customs tariff on 1 March 1967. Renegotiations on tariffs between Brazil and the Community have begun.

The GATT Council has received an application from the Polish Government for accession to the General Agreement. A working party on which the Community will be represented has been set up to examine this application, to make recommendations and, if appropriate, to draft a protocol of accession.

## BILATERAL RELATIONS

### Austria

35. A further round of negotiations between Austria and the Community took place in Brussels from 30 January to 2 February 1967. The Austrian delegation was led by Dr Fritz Bock, Vice-chancellor and Federal Minister of Trade and Industry. Dr Toncic-Sorinj, Federal Minister of Foreign Affairs and Dr Karl Schleinzer, Federal Minister of Agriculture for Austria also took part in these negotiations. The EEC delegation was headed by M. Mansholt, Vice-president, and M. Rey, member of the EEC Commission.

Continuing the discussion begun in mid-December, the two delegations reached a further measure of agreement on the rules and timetable for the removal of obstacles to trade in industrial products and for harmonization of the Austrian external tariff with that of the Community. Definite proposals by the Austrian delegation played a significant part. Austria made known its views on the details of an independent commercial policy towards the eastern European countries designed to further the harmonious development of trade.

The Austrian delegation put forward its views on the substance and methods of harmonization of Austrian agricultural policy with that of the Community as a means of attaining the free movement of goods in the agricultural sector also. These views were clarified in the course of the discussion.

The EEC Commission will report immediately to the Council on the discussion of Austrian moves to harmonize agricultural policy and on the results obtained as regards the free movement of industrial goods and Austrian trade with eastern Europe. This concludes the negotiations under the first additional mandate.

The negotiations took place as always in a constructive and cordial atmosphere and are to be continued as soon as possible, after the decision of the EEC Council on the second additional mandate.

### Ireland

36. In connection with the bilateral contacts existing between Ireland and the Community, Mr Neil Blaney, Irish Minister of Agriculture and Fisheries, accompanied by senior officials of the Ministries of Foreign Affairs and Agriculture, visited the

Commission on 4 and 5 January 1967. The Irish delegation was received by M. Mansholt; the two delegations held an exchange of views on matters of a general nature and more particularly agricultural problems.

## Israel

37. Exploratory talks took place on 23, 24, 25 and 26 January 1967 between a Commission delegation and an Israeli delegation. They were held in accordance with the instructions of the Council, which had at its session of 6-7 December 1966 asked the Commission to undertake these discussions and to report on the problems raised by the Israeli Government in its note verbale and memorandum of 4 October 1966.

The following joint communiqué was issued:

"Exploratory talks took place on 23, 24, 25 and 26 January 1967 between an Israeli delegation led by Ambassador Amiel E. Najjar, head of the Israeli Mission to the EEC, and a Commission delegation headed by M. Axel Herbst, Director-General for External Relations. These talks, which were conducted in an atmosphere of cordiality and mutual understanding, followed the lodging by Israel on 4 October 1966 of an application for association with the EEC and a decision taken by the Community's Council of Ministers on 7 December 1966; they were without prejudice to the form of any agreement that might be reached.

The Commission will now report to the Council with a view to the possible opening of negotiations proper.

Problems connected with future economic and trade relations between the Community and Israel were reviewed and various possible solutions were discussed.

The Israeli delegation for its part expressed the view that only an association agreement could solve the problem of EEC-Israeli relations."

## Representation of associated States

38. The competent institutions of the European Economic Community took note of the appointment of Ambassador Bernardin Mungul Diaka and Ambassador Hamaciré N'Douré as new representatives of Congo (Kinshasa) and Mali respectively.

## Missions of non-member countries

39. Syria appointed Minister Selim El-Yafi as acting chargé d'affaires to the EEC pending the appointment of a Head of Mission.

## RELATIONS WITH INTERNATIONAL ORGANIZATIONS

### Council of Europe

40. The Council of Europe held its 18th session (3rd part) in Strasbourg between 23 and 27 January 1967 with Sir Geoffrey de Freitas as president.

The agenda included a debate on the general policy of the Council of Europe, on economic matters and agriculture and on scientific policy, as well as addresses by Mr Wilson, the British Prime Minister <sup>(1)</sup> and M. Brandt, Vice-Chancellor and Minister of Foreign Affairs of the German Federal Republic, which were of special interest to the Community.

The first debate, introduced by M. Federspiel's report, was particularly concerned with the easing of tension between East and West and the expansion of the Community. The debate on economic and agricultural matters was particularly concerned with the situation regarding farm prices in Europe. M. Federspiel, rapporteur of the Committee on Agriculture, considered that co-ordination on the European plane was necessary in this sector.

Scientific policy was the subject of an address by the Italian minister M. Rubinacci recommending co-ordination of scientific and technological research in view of the United States' advance in this field.

M. Brandt, Vice-chancellor and Minister of Foreign Affairs of the German Federal Republic, in an account of his country's foreign policy, explained that Germany would not hedge the policy of easing tension in Europe with provisos. The Government was resolved to work for the unification of Europe and easing of tension. It would try to achieve peaceful co-existence in Germany as a step towards more comprehensive solutions of the German problem.

M. Brandt went on to advocate the strengthening and expansion of the Communities. He said that Germany would welcome the accession of Great Britain and other EFTA countries. He trusted that one day in East Europe too, not least in the Soviet Union, it would be realized that a Europe so unified could and should be a decisive factor in the achievement of lasting peace in the world.

## COMMON COMMERCIAL POLICY

### Central panel of experts

41. The central panel of experts on commercial policy met on 24 January 1967. It examined the timetable of commercial negotiations for the period 1 January to 30 April 1967.

A broad exchange of views was held on criteria for application of Article 115, more particularly on the methods of co-operation to be followed by the Member States to remove or reduce deflections of trade justifying recourse to the safeguard clause.

The panel noted that the number of cases to which the protective measures referred to in this article of the Treaty had been applied had appreciably declined during 1966. This was largely due to the liberalization measures adopted by certain Member States, particularly in regard to east European countries. It was also found that most of the decisions in force concerned products originating from east European countries (50%) and Japan (28%). This situation was explained by the differences still existing in the import regulations applied by the Member States in the case of Japan and the east European countries.

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<sup>(1)</sup> See Ch. I of this Bulletin.



Recourse to this clause for goods originating in other non-member countries was more limited in scope because the import regulations were already largely harmonized in respect of these countries.

Finally the panel continued the discussion on clauses to be inserted in multilateral agreements on trade with non-member countries.

## THE COMMUNITY AND THE DEVELOPING COUNTRIES

### Trade and Development Committee

42. The Commission was represented at the eighth meeting of this Committee which was held in Punta del Este (Uruguay) from 16 to 20 January 1967.

The emphasis was on the interest of the developing countries in the results of the Kennedy round. These countries expressed their anxiety concerning the lists of possible withdrawals of offers submitted in December 1966. The Commission representative said that it was desirable to assess the offers made by the various countries according to the real sacrifice of interests.

Turning to other items, the Committee expressed satisfaction with the activities of the GATT International Trade Centre, which it was generally agreed should be further expanded in view of its great benefit to the developing countries in practical matters of international trade.

## IV. The Community and the Associated States

### GREECE

43. The Council of Association held its 22nd session on 13 January 1967, at ministerial level, under the chairmanship of M. van Elslande, Belgian Minister for European Affairs.

The Council dealt with the following matters :

- a) Harmonization of Community and Greek agricultural policies: Council of Association mandate of 21 July 1966;
- b) GATT multilateral trade negotiations on tobacco.

The Council of Association studied closely the question whether the Community might supply aid to Greek Agriculture. The Community and Greek delegations recognized the need to compromise on their respective standpoints in order to find a workable solution to the problems of harmonizing Community and Greek agricultural policies that would be satisfactory to both parties. The Council of Association finally instructed the Association Committee to proceed with work under the general terms of reference given to it on 21 July 1966 and in the light of the results of the present session. The Council also instructed the Association Committee to report as soon as possible.

### TURKEY

44. The EEC-Turkey Joint Parliamentary Committee held its second meeting in Ankara on 6 and 7 January 1967 under the joint chairmanship of M. Tevetoglu, Head of the delegation of the Turkish National Grand Assembly, and M. Moreau de Melen, head of the European Parliament delegation.

M. Héger, president of the Council of Association and of the EEC Council of Ministers, M. Çaglayangil, Turkish Minister of Foreign Affairs and M. Toulemon, director in the Directorate-General of External Relations of the EEC Commission, attended the meeting of the Joint Parliamentary Committee. This meeting had been preceded by two meetings of the European Parliament's Committee for Association in Strasbourg on 17 October and in Brussels on 24 November 1966.

At the opening of the meeting M. Çaglayangil read a message addressed to the Parliamentary Committee by M. Demirel, President of the Turkish Council of Ministers, recalling once more that Turkey "considered it its duty to play an active and constructive role in the creation of Europe, of which it was an essential part".

A discussion was held on the first annual report on the activities of the Council of Association, in the light of reports presented by M. Erez, Turkish Minister of Parliament, and M. Brunhes, of the European Parliament, on the subject.

The Joint Parliamentary Committee adopted the following four recommendations, which were transmitted to the Turkish National Grand Assembly and to the European Parliament:

- i) Recommendation on the functioning of the association institutions;

- ii) Recommendation on commercial relations between the EEC and Turkey;
- iii) Recommendation on the application of the financial protocol;
- iv) Recommendation on the emigration and vocational training of Turkish labour.

In these recommendations, the EEC-Turkey Joint Parliamentary Committee, while expressing satisfaction with the functioning of the association institutions, urged that there should be more regular exchanges of information between the members of its two delegations. It was gratifying that the national quotas opened for 1965 and 1966 had been largely taken up, but it recommended that action should be taken to implement Article 6 of the provisional protocol to the Ankara Agreement, under which the Council of Association was to adopt, from 1 December 1967, measures in favour of other Turkish products. It also expressed satisfaction at the commitment up to the present of some 70 million dollars under the financial protocol to the Association Agreement.

Finally, the Joint Committee expressed the desire that, wherever this was not already the case, Turkish workers in the Community countries should enjoy working conditions and social security equivalent to those of Community workers.

## EUROPEAN DEVELOPMENT FUND

### Financing decisions

45. On 14 January 1967, after endorsement by the EDF Committee, the Commission approved grants from the Fund for eight schemes to a total of 20 007 000 u.a. <sup>(1)</sup>.

1) Second annual instalment of aid to production in Madagascar: 1 923 500 000 Frs. MG, or about 7 792 000 u.a. This instalment is to be devoted to price support for rice and pepper, structural improvements relating to these products, as well as coffee and cotton (fertilizers, insecticides, seed) and to a programme to assist the rationalization and development of rice production.

2) Intensive cultivation in a part — some 5 000 hectares — of a plain in the Ruzizi valley in Burundi: 633 500 000 Frs. BU, equivalent to 7 240 000 u.a.

An area of 3 500 hectares will be irrigated and given over to the intensive cultivation of rice and cotton and various food crops in rotation. Two thousand two hundred families will be settled on the irrigated plots. The project provides for the following: construction of a network of channels and roads over the area of 5 000 hectares; improvement of the land according to the crops to be grown and the methods of cultivation to be applied; assistance in the development of villages (barns, schools, clinics, tree plantations, gardens, orchards); setting up of a combined experimental station and nursery and a centre for rural development; building of a rice mill for husking rice grown in the area; establishment of a pilot cattle-raising centre to provide draught animals for farming.

3) Construction of a hydro-electric power station at Rwegura in Burundi: 11 375 000 Frs. BU or 130 000 u.a. The object is to supply electric power to

<sup>(1)</sup> 1 u.a. = \$1.

a tea factory the building of which was financed by the first EDF. The reduction in the cost of tea resulting from this cheap supply of power will give the producers better profit margins.

4) Installation of a power line from Mururu to Cyangugu-Shagasha in Rwanda: 7 900 000 Frs. RW or 79 000 u.a. The object is to supply electric power to a tea factory the building of which was financed by the first EDF. The power line will be 12.6 km. long and carry 15 000 volts. Use of electricity from the line will keep the cost price of the tea at a competitive level.

5) Hospital building and medical equipment in the Likouala prefecture in Congo (Brazzaville): 96 300 000 Frs. CFA or about 390 000 u.a.

The scheme provides for the building and equipping of a medical centre at Impfondo consisting mainly of two hospital wards each containing 30 beds and a small hospital at Dongou with 12 beds. This project will help to remedy the rudimentary and decrepit nature of the medical installations now serving this region.

6) Laying on of water and electricity supplies to the town of Koudougou and its textile mill in Upper Volta: 290 000 000 Frs. CFA or about 1 175 000 u.a. These services will make it possible to set up a textile mill to be run by a partly government-owned firm (Voltex), which will be the first large-scale industrial enterprise to be established in Upper Volta. This concern, which will be supplied with raw cotton from local plantations will considerably alleviate the country's trade deficit.

7) Modernization of the Dosso-Gaya road: 680 000 000 Frs. CFA or about 2 755 000 u.a.

The purpose of the scheme is to improve and asphalt the Dosso-Gaya highway along its non-surfaced section, i.e. 98 km, and where it passes through Dosso, i.e. 1 350 m.

This is one of a number of schemes under consideration by the Government of Niger to modernize the country's road network. Parts of the programme have already been financed out of the first EDF and are in process of execution. Road-building surveys have been financed.

As it will bring about a reduction in transport costs, the execution of this project will narrow the difference between the standard of living of the people in the Niger Republic and that of the inhabitants of more favoured neighbouring countries.

8) Improvement of surface water drainage in the town of Cotonou in Dahomey: 110 000 000 Frs. CFA or about 446 000 u.a. The project is to construct a network of drains in two low-lying areas in the town of Cotonou so that they may henceforth be free from seasonal flooding. This assistance completes the financing from the first EDF for the drainage, now in progress, of the greater part of the districts threatened by floods.

These decisions bring the total commitments of the second European Development Fund since its inception to approximately 358 252 000 u.a. for 173 projects.

(beneficiary States, countries and territories)

(in '000 u.s.)

3 - 1967

| Beneficiary State, country or territory | Economic and social projects | Aid to diversification | Aid to production | Technical assistance linked with investment | General technical co-operation | Emergency aid | Total          | Advances to price stabilization funds |
|---|------------------------------|------------------------|-------------------|---|--------------------------------|---------------|----------------|---------------------------------------|
| <i>AAMS</i>                             |                              |                        |                   |   |                                |               |                |                                       |
| Burundi                                 | 6 149                        | 5 250                  | —                 | 1 763                                       | 400                            | —             | 13 562         | —                                     |
| Cameroon                                | 11 019                       | 749                    | 4 373             | 372   | —                              | —             | 16 512         | 6 076                                 |
| Central African Republic                | 9 491                        | —                      | 3 668             | 1 371                                       | 150                            | —             | 14 680         | —                                     |
| Congo (Brazzaville)                     | 6 224                        | 5 169                  | —                 | 406   | —                              | —             | 11 799         | —                                     |
| Congo (Kinshasa)                        | 35 174                       | —                      | —                 | 457   | 2 267                          | —             | 37 898         | —                                     |
| Ivory Coast                             | 2 245                        | 38 458                 | —                 | 51  | 8                              | —             | 40 762         | —                                     |
| Dahomey                                 | 6 146                        | —                      | 1 965             | 587   | 2                              | —             | 8 700          | —                                     |
| Gabon                                   | —                            | —                      | —                 | 2 378                                       | —                              | —             | 2 378          | —                                     |
| Upper Volta                             | 5 661                        | 1 175                  | —                 | 1 181                                       | 30                             | —             | 8 047          | —                                     |
| Madagascar                              | 33 979                       | 284                    | 16 344            | 860   | 66                             | —             | 51 533         | —                                     |
| Mali                                    | 9 985                        | 41                     | 2 847             | 1 026                                       | —                              | —             | 13 899         | —                                     |
| Mauritania                              | 10 092                       | 1 357                  | —                 | 35  | —                              | —             | 11 484         | —                                     |
| Niger                                   | 9 388                        | 936                    | 2 030             | 743   | —                              | —             | 13 087         | —                                     |
| Rwanda                                  | 979                          | 4 448                  | —                 | 1 687                                       | 435                            | —             | 7 549          | —                                     |
| Senegal                                 | 6 367                        | 1 025                  | 21 963            | 81  | —                              | —             | 29 436         | —                                     |
| Somalia                                 | 6 419                        | —                      | —                 | 722   | 1 068                          | 1 850         | 10 059         | —                                     |
| Chad                                    | 22 076                       | —                      | 2 985             | 990   | 68                             | —             | 26 119         | —                                     |
| Togo                                    | 2 066                        | —                      | 991               | 682   | —                              | —             | 3 739          | —                                     |
| <b>Total AAMS</b>                       | <b>183 460</b>               | <b>58 892</b>          | <b>57 165</b>     | <b>15 392</b>                               | <b>4 494</b>                   | <b>1 850</b>  | <b>321 253</b> | <b>6 076</b>                          |
| <i>OCT/Overseas Departments</i>         |                              |                        |                   |   |                                |               |                |                                       |
| Netherlands Antilles                    | 6 709                        | —                      | —                 | 5   | —                              | —             | 6 714          | —                                     |
| Comoro Islands                          | 790                          | —                      | —                 | 154   | —                              | —             | 944            | —                                     |
| French Somaliland                       | 606                          | —                      | —                 | 16  | —                              | —             | 622            | —                                     |
| Guadeloupe                              | 375                          | —                      | —                 | —   | —                              | —             | 375            | —                                     |
| Réunion                                 | 8 102                        | —                      | —                 | —   | —                              | —             | 8 102          | —                                     |
| New Caledonia                           | 2 395                        | —                      | —                 | —   | —                              | —             | 2 395          | —                                     |
| French Polynesia                        | 869                          | —                      | —                 | —   | —                              | —             | 869            | —                                     |
| Surinam                                 | 960                          | —                      | —                 | 188   | —                              | —             | 1 148          | —                                     |
| <b>Total OCT and Overseas Depts.</b>    | <b>20 806</b>                | <b>—</b>               | <b>—</b>          | <b>363</b>                                  | <b>—</b>                       | <b>—</b>      | <b>21 169</b>  | <b>—</b>                              |
| Aid not distributed or not broken down  | —                            | —                      | —                 | 3 485 <sup>(1)</sup>                        | 13 560 <sup>(2)</sup>          | —             | 17 045         | —                                     |
| <b>Overall total</b>                    | <b>204 299</b>               | <b>58 892</b>          | <b>57 165</b>     | <b>19 240</b>                               | <b>18 054</b>                  | <b>1 850</b>  | <b>359 467</b> | <b>6 076</b>                          |

(1) This refers to the part of the two overall amounts (5 million and 4 million u.s.) which have not yet been used by the EDF's principal certifying officer to finance surveys and supervision of works.

(2) This consists mainly of the overall totals allocated under the heading of scholarships, in-service training, seminar and information programmes which it is not possible to break down as between the beneficiary States and countries.

Second EDF Commitments at 22 November 1966

(Sectors of activity)

(in '000 u.a.)

| Sectors   | Amounts | %      |
|---|---------|--------|
| <b>0. AGRICULTURAL PRICE SUPPORT</b>                            | 28 009  | —      |
| <b>1. DEVELOPMENT OF PRODUCTION</b>                             |         |        |
| 12. Structural improvement of agricultural production           | 31 014  |        |
| 13. Agricultural diversification                                | 60 894  |        |
| 14. New agricultural developments                               | 30 007  |        |
| 15. Livestock and fishing                                       | 6 023   |        |
| 16. Development of co-operatives                                | 2 147   |        |
| 17. Rural and pastoral water supply                             | 8 568   |        |
| 18. Industrial diversification                                  | 8 005   |        |
| 19. Trade promotion   | 266     |        |
| Total 1   | 146 924 | 44.9   |
| <b>2. MODERNIZATION OF ECONOMIC INFRASTRUCTURE</b>              |         |        |
| 21. Ports   | 9 934   |        |
| 22. Roads and bridges   | 88 001  |        |
| 23. Railways  | 1 170   |        |
| 24. Telecommunications  | 4       |        |
| 25. Airports  | 727     |        |
| 26. Energy  | 53      |        |
| Total 2   | 99 889  | 30.4   |
| <b>3. SOCIAL DEVELOPMENT</b>                                    |         |        |
| 31. Training of senior staff                                    | 15 477  |        |
| 32. Education   | 25 472  |        |
| 33. Public health   | 22 933  |        |
| 34. Urban water supply  | 9 095   |        |
| 35. Urban drainage and sewerage                                 | 5 755   |        |
| 36. Electrification   | 5       |        |
| Total 3   | 78 737  | 24.0   |
| <b>4. MISCELLANEOUS</b>   |         |        |
| 41. Development programming                                     | 1 887   |        |
| 42. Information   | 225     |        |
| 43. Emergency aid   | 250     |        |
| Total 4   | 2 362   | 0.7    |
| Total 1 + 2 + 3 + 4   | 327 912 | 100.00 |
| + Funds not yet allocated <sup>(1)</sup>                        | 3 546   |        |
| + Agricultural price support                                    | 28 009  |        |
| = Total commitments   | 359 467 |        |
| Stabilization of prices of agricultural products <sup>(2)</sup> | 6 076   |        |

<sup>(1)</sup> This refers to that part of the overall amounts available under the heading of technical assistance linked with investment and of general technical co-operation (studies) not yet used by the EDF's principal certifying officer to finance individual operations.

<sup>(2)</sup> Price stabilization advances are financed from the liquid assets of the EDF (Convention, Art. 20) and their total need not be added to that of commitments.

## V. Institutions and organs

### THE COUNCIL

#### 205th session

The Council held its 205th session on 12 January 1967 with M. Renaat Van Elslande, Belgian Minister of European Affairs, in the chair.

It dealt with the following matters:

#### *GATT negotiations:*

The Council examined the situation regarding the trade negotiations in GATT. It defined guidelines and principles to govern the Community's attitude and course of action (see Ch. II, sec. 33).

#### *Freedom of establishment and freedom to supply services*

The Council approved in the Community languages a directive on freedom of establishment and freedom to supply services in a self-employed capacity, in the following sectors:

- 1) Real estate (with the exception of 6401) (ISIC Group 640);
- 2) Certain "business services not elsewhere classified" (ISIC Group 839).

#### *European Development Fund*

The Council approved a proposal for a grant from the European Development Fund in aid of the establishment of a textile factory at Fort-Archambault (Chad).

#### 206th session

The Council held its 206th session on 23 and 24 January 1967 under the chairmanship of M. Charles Heger, Belgian Minister for Agriculture.

An account of the proceedings will be found in Chapter II, section 17.

### THE COURT OF JUSTICE

#### Cases pending

#### Case 30/66 — Kurt A. Becher v. EEC Commission

On 7 December 1966 a new claim for damages was submitted to the Court of Justice under Article 215, second paragraph, of the Treaty; the claim is based on

the Court's ruling of 1 July 1965 in consolidated cases 106 and 107/63, which upholds a safeguard clause against the import of maize into Germany <sup>(1)</sup>.

The case is similar to consolidated cases 5, 7, 13-21 and 22-24/66 already before the Court of Justice.

Case 1 / 67 — M. Stanislas Ciechelski v. Caisse régionale de sécurité sociale du Centre (France)

On 4 January 1967 the Orléans Court of Appeal submitted to the Court of Justice a request for a preliminary ruling on the interpretation of Article 51 of the Treaty of Rome and Articles 27 and 28 of Regulation No. 3 of the EEC Council concerning the social security of migrant workers <sup>(2)</sup>.

Case 2 / 67 — M. Auguste de Moor v. Caisse de pension des employés privés (Luxembourg)

On 23 January 1967 the High Court of Justice of the Grand Duchy of Luxembourg submitted to the Court of Justice a request for a preliminary ruling on the interpretation of the provisions of Regulation No. 3 of the EEC Council concerning the social security of migrant workers <sup>(3)</sup>.

## ECONOMIC AND SOCIAL COMMITTEE

The Economic and Social Committee held its 59th session on 25 and 26 January 1967 in Brussels, under the chairmanship of M. Major.

The Committee rendered opinions on the following matters:

1. Proposal for a Council directive concerning the approximation of Member States' legislation on wheeled agricultural tractors (maximum speed, drivers' seat and loading platform) (see Ch. II, secs. 3 and 7).

This opinion was adopted *nem. con.* with four abstentions.

The Council had referred the proposal to the Committee on 6 May 1966.

2. Proposals for Council directives concerning the approximation of Member States' legislation on

a) Measuring instruments in general

b) Clinical maximum thermometers, glass, mercury

c) Block weights in the medium error category from 5 to 50 kg.

d) Cylindrical weights in the medium error category from 1 g. to 10 kg.

(see Ch. II, secs. 3 and 8).

This opinion was adopted *nem. con.* with nine abstentions.

The Council had referred the proposals to the Committee on 6 May 1966.

<sup>(1)</sup> See official gazette No. 241, 28 December 1966.

<sup>(2)</sup> Ibid., No. 14, 24 January 1967.

<sup>(3)</sup> Ibid., No. 30, 22 February 1967.



3. and 4. Proposal for a Council directive on the application of social security schemes to paid workers and their families moving within the Community, and proposal for a Council decision making Art. 51 of the Treaty applicable to the French Overseas Departments (see Ch. II, sec. 32).

These opinions were unanimous.

The Council had referred the proposals to the Committee on 1 March 1966.

5. Proposal for a Council directive concerning problems of standardization of provisions relating to the duty-free import of fuel contained in commercial vehicle tanks (see Ch. II, sec. 31).

This opinion was adopted by 69 votes to 1 with 15 abstentions.

The Council had referred the proposal to the Committee on 29 July 1966.

6. Report on the situation in the fishing industry in the EEC Member States and basic principles for a common policy (see Ch. II, sec. 25).

This opinion was unanimous.

The Commission had referred this report to the Committee in pursuance of Article 43(2) of the Rome Treaty on 6 July 1966.

7. Proposal for a Council directive concerning health requirements and health inspection on the import of cattle and pigs and fresh meat from non-member countries and draft Council decision setting up a Veterinary Committee (see Ch. II, sec. 26).

This opinion was unanimous.

The Council had referred the proposals to the Committee on 1 March 1966.

During this session M. Mansholt, Vice-President of the Commission, addressed the Committee on the programme which the Commission and the Council had adopted on agricultural matters for the period up to July 1968.

## MONETARY COMMITTEE

The Monetary Committee held its 89th session on 11 January 1967 with M. van Lennep in the chair. The Committee reviewed the main international monetary problems in preparation for the meeting of Finance Ministers held in The Hague on 16 and 17 January 1967. The Committee also held a preliminary discussion of its ninth annual report.

## VI. European Investment Bank

### Loan contracts

#### Greece

The European Investment Bank has recently concluded, with Greece, a loan contract of an equivalent of US \$5 000 000 for the financing of the irrigation project in the plain of Karditsa (Thessaly).

This project entails the development of 16 000 hectares of land, by the establishment of an irrigation system covering a surface of 14 000 hectares. The Bank having already participated in financing the irrigation project in the plain of Salonica, the present project is thus its second intervention in this sector. These projects are of particular importance for the development of Greece. Indeed agriculture has remained preponderant in the country's economy: it employs 50% of the active population and contributes 28% to the gross national product, 80% to exports and 15-20% to imports. It so happens that its productivity is low and the value-added per capita of the agricultural sector represents no more than half of the national average. Hence, Greek development policy is aimed at obtaining better yields and the diversification of production, by means of the modernization and rationalization of agriculture.

Irrigation is one of the most influential means of this policy and the development of the plain of Karditsa is one of those projects to which the Government attaches most importance. Its execution will ensure the more effective employment of the 9 500 people forming the active population of the region and will improve the per capita income. It will make it possible to reduce the cereal crops in favour of more interesting forms of production: cotton, sugar beet, vegetables, fruit, milk and meat, which will be almost entirely absorbed by the domestic market, where they will replace imported products. The project will also make its effects felt in the neighbouring areas, stimulating the activity of the industries processing agricultural products and the service enterprises of Trikkala, Larissa and Malia in particular.

The project will be carried out under the responsibility of the Ministry of Agriculture and the Ministry of Public Works. The works will be executed by private enterprises and specialized Government services.

The loan represents nearly 28% of the cost of the part of the project selected by the Bank. It benefits from an interest subsidy of 3% per annum on the part of Member States, by virtue of the provisions of the financial protocol of the Association Agreement.

#### Congo (Brazzaville)

The European Investment Bank signed in Brussels with the Compagnie des Potasses du Congo "CPC" a loan contract for the equivalent of 2.2 thousand million francs CFA (9 million units of account) for the financing of a mining complex in the Congo Republic (Brazzaville).

The project consists in the operation of the potash deposit at Saint-Paul (Holle), the annual production of which will be approximately 500 000 tons of K<sup>2</sup>O in merchant products. It also provides for the construction of a wharf for the leading of ore-carriers at about 3 km from the port of Pointe-Noire.

The mining of the Holle potash has priority in the 1964-68 Interim Economic and Social Development Plan of the Congo Republic.

The project, which will make it possible to create 650 jobs, offers considerable advantages for the economy. By 1971, it would enable the gross domestic production of the Congo to be stepped up by 11 to 12%. It will also have an appreciable effect on the balance of payments and will be a substantial source of additional revenue for the public finances.

The total cost of the project is in the region of 20 thousand million francs CFA (approx. 82 million units of account). This is the first joint financial operation of the International Bank for Reconstruction and Development and the European Investment Bank in the African States and Madagascar associated with the European Economic Community. The loan of the World Bank (US \$30 million) represents the equivalent of 7.5 thousand million francs CFA. The Banque Nationale de Paris also contributes to the financing of the project.

The loan of the European Investment Bank, which has a rate of interest of 7%, is guaranteed by the Mines Domaniales de Potasse d'Alsace "MDPA" and the Bureau de Recherches Géologiques et Minières (BRGM).

This operation is the Bank's first intervention in the Congo Republic (Brazzaville). It is being carried out in accordance with the Yaoundé Convention between the European Economic Community and the seventeen African States and Madagascar associated with the Community.

## Bonds issue

### Italie

The European Investment Bank just signed a contract at the Banca Commerciale Italiana in Milan concerning the issue of bonds for a total value of 25 million dollars.

The bonds have been underwritten and are offered to the public by a syndicate formed at the initiative of the Banca Commerciale Italiana and comprising Kuhn, Loeb & Co. and the Banque Internationale à Luxembourg S.A.

The bonds, with a maximum duration of 15 years, bear interest at 6 1/2% per annum. They are offered for public subscription in Luxembourg as from 20 January 1967, at a rate of 98%.

The bonds will be redeemed at par in 10 annuities as from 1 February 1973.

The bonds have been admitted to the official quotation on the Luxembourg Stock Exchange. Application will be made to list them on the Milan and New York Stock Exchanges.

The net proceeds from the sale of the bonds will be used by the European Investment Bank for its general lending operations.

The European Investment Bank's funded debt, including this issue, totals approximately 377.2 million units of account.

# Miscellaneous

## Family budgets in Germany

The Statistical Office of the European Communities has published, in its Social Statistics series, the results of the survey of expenditure and consumption returns made by 9 000 households in the Federal Republic of Germany (reference year 1962/63). These households belong to the following social and occupational sections: workers and employees, civil servants and farmers.

This publication, which follows similar studies of family budgets in Luxembourg, the Netherlands, Belgium and Italy, gives interesting information on standards of living, and provides ample statistics on the amount and pattern of expenditure and consumption by these families in respect of 286 different goods and services.

A companion publication on France and another containing a collation and econometric analysis of the considerable body of statistics compiled in the course of the entire survey of family budgets will be published in a few months' time.

## Statement by the Union of Master-Craftsmen of the EEC

The Union of Master-Craftsmen of the EEC has communicated to the Commission its views on the formation of groupings of agricultural producers as advocated by the Commission.

The Union stresses that its members are interested in groupings of agricultural producers since these will offset the structural weakness of numerous scattered farms. They are also interested because of the threat presented to certain trades (butchers and pork-butchers) by extending the sphere of activity of groups of livestock farmers to the meat marketing and meat processing stage, and because of the possibility of unions being formed to represent groups of this kind in several countries.

The Union therefore urges that subsidies from public funds and exemptions from the Treaty's provisions relating to competition be sufficiently limited to obviate any distortion of competition between groupings of agricultural producers and artisan undertakings. Where certain trades are adversely affected, appropriate measures should be taken in close co-operation with representatives of these trades.

## Statement by Consumers' Contact Committee in the Common Market

The Consumers' Contact Committee has once again declared that it is in favour of citrus fruit which has been treated with diphenyl being stamped to this effect so that consumers may be aware of the fact.

The Committee also expressed the hope that with the harmonization of national regulations on preserves, jams, fruit jellies and chestnut cream consumers would be fully informed of the composition and nature of the products used.

## Trade Union support for Israeli application

In a joint letter addressed to M. Hallstein, President of the EEC Commission, the European organizations of the ICFTU and the IFCTU expressed great satisfaction at the opening of exploratory talks between a delegation from the Commission and an Israeli delegation following the lodging of an association application by Israel.

## Visits to the Commission

### Visit by the President-elect of Brazil

The President-elect of Brazil, Field Marshal Arthur de Costa e Silva paid a courtesy visit to the EEC Commission. He was received by M. Jean Rey, the member responsible for external relations, since President Hallstein was not in Brussels. Mme Odette de Carvalho e Souza, Ambassador and Head of the Brazilian Mission to the EEC, and M. Herbst, Director-General at the Commission, attended the meeting, together with other senior Brazilian and Commission officials.

# News from AASM

## Large educational complex built in Mali

### *Secondary school and teacher training college at Bamako*

Situated on a broad plateau on the right bank of the river Niger overlooking the town of Bamako, capital of the Republic of Mali, this complex comprising a secondary school and a teacher training college built with aid from the European Development Fund is one of the most important school-building projects to have been completed in Africa.

Twelve hundred pupils, 900 of them boarders, will be attending classes in the secondary school from February 1967. There will be two courses ranging from sixth grade (corresponding to Second Form in an English school) to mathématiques élémentaires et sciences expérimentales (= Maths and Science Sixth). Three hundred other students will follow courses at the teacher training college.

The plans were made by SETAP (France) and TEKHNE (Belgium) taking into consideration local conditions and the functional and pedagogical elements which go to make up modern educational establishments.

The buildings were grouped so as to avoid excessively long access paths between the various buildings and were placed in the most favourable position in relation to sun and wind. The greatest possible use was made of natural ventilation to avoid the need for air-conditioning. The premises in which the main activities of the secondary school and the training college are pursued were so placed as to take advantage of the wide panoramic views from the plateau.

Since the region is rich in good quality natural stone of varied warm colours, it was decided to use reinforced concrete for the outer walls with dividing and retaining walls of quarry-stone. The standardization and prefabrication of units allowed the use of building techniques new to the region, and turned the vast site into a training centre for foremen and skilled tradesmen. In attention to detail and in the sober and judicious selection of materials for the main construction and for finishing, a realistic view has been taken of the wear and tear to which the buildings will be subject and their upkeep.

The architectural style chosen, the balance between the buildings and the nobility of execution are a measure of the importance attached by the Mali authorities and the EEC to the realization of this educational complex.

# PUBLICATIONS OF THE EUROPEAN ECONOMIC COMMUNITY

Items concerning the activities of the European Economic Community published in the official gazette of the European Communities between 16 January and 18 February 1967

## EUROPEAN PARLIAMENT

### Written questions and replies

- No 88 de M. Toubeau à la Commission de la CEE. Objet: Aménagement progressif du régime français d'importation de pétrole brut et de produits pétroliers (No. 88 by M. Toubeau to the EEC Commission: Progressive adjustment of French import arrangements for crude oil and petroleum products) No. 9, 17.1.67
- No 104 de M. Thorn à la Commission de la CEE. Objet: Relations de la CEE avec les pays du Maghreb (Algérie, Maroc, Tunisie) (No. 104 by M. Thorn to the EEC Commission: Relations between the EEC and the Maghreb countries (Algeria, Morocco and Tunisia) No. 9, 17.1.67
- No 105 de M. Oele au Conseil de la CEE. Objet: Droit européen de brevets (No. 105 by M. Oele to the EEC Council: European patent law) No. 9, 17.1.67
- No 106 de M. Hansen à la Commission de la CEE. Objet: Emploi du diphényle et de ses dérivés en vue de la conservation des agrumes (No. 106 by M. Hansen to the EEC Commission: Use of diphenyl and its derivatives to preserve citrus fruits) No. 9, 17.1.67
- No 107 de M. Berkhouwer à la Commission de la CEE. Objet: Harmonisation des législations (No. 107 by M. Berkhouwer to the EEC Commission: Approximation of legislation) No. 9, 17.1.67
- No 108 de M. Richarts à la Commission de la CEE. Objet: Aménagement de la route Afgoi-Scialambor (Somalie) (No. 108 by M. Richarts to the EEC Commission: Improvement of the Afgoi-Scialambor road in Somalia) No. 9, 17.1.67
- No 113 de M. Blondelle à la Commission de la CEE. Objet: Evolution du bilan d'approvisionnement de la Communauté en produits agricoles depuis 1958 (No. 113 by M. Blondelle to the EEC Commission: Development of the Community's agricultural imports and supplies since 1958) No. 9, 17.1.67
- No 115 de M. Pedini à la Commission de la CEE. Objet: Personnel de coopération technique du FED dans les Etats associés (No. 115 by M. Pedini to the EEC Commission: Personnel employed on EDF technical co-operation projects in the associated States) No. 9, 17.1.67
- No 117 de M. Toubeau à la Commission de la CEE. Objet: Suite réservée à la question écrite n° 88 relative à l'aménagement progressif du régime français d'importation de pétrole brut et de produits pétroliers (No. 117 by M. Toubeau to the EEC Commission: Reply to written question No. 88 on the progressive adjustment of French import arrangements for crude oil and petroleum products) No. 9, 17.1.67
- No 118 de M. Deringer à la Commission de la CEE. Objet: Mesures d'effet équivalent à des droits de douane et à des restrictions quantitatives (No. 118 by M. Deringer to the EEC Commission: Measures equivalent in effect to customs duties and quantitative restrictions) No. 9, 17.1.67
- No 112 de M. Armengaud à la Commission de la CEE. Objet: Projet de loi allemand sur les moyens techniques de travail (No. 112 by M. Armengaud to the EEC Commission: German Bill on technical means of work) No. 18, 28.1.67

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| No 114 de M. Pedini à la Commission de la CEE. Objet: Prêts accordés par le Fonds européen de développement et la Banque européenne d'investissement aux États africains et malgache associés (No. 114 by M. Pedini to the EEC Commission: Loans granted to the associated African States and Madagascar by the European Development Fund and the European Investment Bank) | No. 18, 28.1.67 |
| No 120 de M. Ditrlich à la Commission de la CEE. Objet: Tarifs spéciaux de la Deutsche Bundesbahn applicables aux transports au départ ou à destination de certaines gares de Sarre (No. 120 by M. Ditrlich to the EEC Commission: Special German Bundesbahn tariffs for transport to or from certain points in the Saar)   | No. 18, 28.1.67 |
| No 122 de M. Richarts à la Commission de la CEE. Objet: Projet de loi allemand sur les poids et mesures (No. 122 by M. Richarts to the EEC Commission: German Bill on weights and measures)   | No. 18, 28.1.67 |
| No 102 de M. Blaisse à la Commission de la CEE. Objet: Discrimination au sens de l'article 95 du Traité de la CEE (No. 102 by M. Blaisse to the EEC Commission: Discrimination within the meaning of Article 95 of the EEC Treaty)  | No. 22, 4.2.67  |
| No 110 de M. Oele à la Commission de la CEE. Objet: Amélioration des critères de sécurité applicables à la construction de véhicules automobiles (No. 110 by M. Oele to the EEC Commission: Improvement of safety standards in the manufacture of motor vehicles)   | No. 22, 4.2.67  |
| No 116 de M. Bading à la Commission de la CEE. Objet: Uniformisation des législations relatives aux poids et mesures (No. 116 by M. Bading to the EEC Commission: Uniformity in legislation on weights and measures)  | No. 22, 4.2.67  |
| No 124 de M. Vredeling à la Commission de la CEE. Objet: Coopération dans le domaine social entre la CEE et les États membres (No. 124 by M. Vredeling to the EEC Commission: Co-operation between the EEC and the Member States in social matters)   | No. 25, 13.2.67 |
| No 123 de M. Vredeling à la Commission de la CEE. Objet: Groupements agricoles d'exploitation en commun (No. 123 by M. Vredeling to the EEC Commission: Farming syndicates)   | No. 29, 18.2.67 |
| No 126 de M. Vredeling à la Commission de la CEE. Objet: Règlement no 3/63/CEE (No. 126 by M. Vredeling to the EEC Commission: Regulation No. 3/63/CEE)   | No. 29, 18.2.67 |
| No 127 de M. Pleven à la Commission de la CEE. Objet: Exportations françaises de poulets et d'œufs en coquille vers l'Allemagne (No. 127 by M. Pleven to the EEC Commission: French exports of chickens and shell eggs to Germany)  | No. 29, 18.2.67 |

### Open competitive examination

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| Modificatif à l'avis de concours général no PE/5/A (administrateur principal-bibliothécaire) publié au Journal officiel no 212 du 21 novembre 1966 (Amendment to notice of open competitive examination No. PE/5/A (principal administrative officer - librarian) published in in official gazette No. 212 of 21 November 1966) | No. 18, 28.1.67 |
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## COUNCIL AND COMMISSION

### Regulations

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| Règlement no 9/67/CEE de la Commission, du 25 janvier 1967, portant fixation des coefficients d'adaptation à appliquer au prix d'achat prévu pour les choux-fleurs par le règlement no 2/67/CEE du Conseil (Commission Regulation No. 9/67/CEE of 25 January 1967 on the adjustment coefficients to be applied to the support price fixed for cauliflowers in Council Regulation No. 2/67/CEE) | No. 15, 26.1.67 |
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| Règlement no 10/67/CEE de la Commission, du 25 janvier 1967, portant fixation des coefficients d'adaptation à appliquer au prix d'achat prévu pour les oranges par le règlement no 3/67/CEE du Conseil (Commission Regulation No. 10/67/CEE of 25 January 1967 on the adjustment coefficients to be applied to the support price fixed for oranges in Council Regulation No. 3/67/CEE)  | No. 15, 261.67 |
| Règlement no 11/67/CEE de la Commission, du 25 janvier 1967, portant fixation des coefficients d'adaptation à appliquer au prix d'achat prévu pour les citrons par le règlement no 5/67/CEE du Conseil (Commission Regulation No. 11/67/CEE of 25 January 1967 on the adjustment coefficients to be applied to the support price fixed for lemons in Council Regulation No. 5/67/CEE)   | No. 15, 261.67 |
| Règlement no 12/67/CEE de la Commission, du 25 janvier 1967, portant fixation des coefficients d'adaptation à appliquer au prix d'achat prévu pour les mandarines par le règlement no 4/67/CEE du Conseil (Commission Regulation No. 12/67/CEE of 25 January 1967 on the adjustment coefficients to be applied to the support price fixed for mandarins in Council Regulation No. 4/67/CEE)   | No. 15, 261.67 |
| Règlement no 13/67/CEE de la Commission, du 25 janvier 1967, portant fixation des coefficients d'adaptation à appliquer au prix d'achat prévu pour les pommes par le règlement no 6/67/CEE du Conseil (Commission Regulation No. 13/67/CEE of 25 January 1967 on the adjustment coefficients to be applied to the support price fixed for apples in Council No. 6/67/CEE)   | No. 15, 261.67 |
| Règlement no 14/67/CEE de la Commission, du 25 janvier 1967, portant fixation des coefficients d'adaptation à appliquer au prix d'achat prévu pour les poires par le règlement no 7/67/CEE du Conseil (Commission Regulation No. 14/67/CEE of 25 January 1967 on the adjustment coefficients to be applied to the support price fixed for pears in Council Regulation No. 7/67/CEE)   | No. 15, 261.67 |
| Règlement no 15/67/CEE de la Commission, du 25 janvier 1967, fixant la liste des marchés représentatifs à la production pour les choux-fleurs, oranges, mandarines, citrons, pommes et poires (Commission Regulation No. 15/67/CEE of 25 January 1967 establishing a list of representative markets for cauliflowers, oranges, mandarins, lemons, apples and pears)   | No. 15, 261.67 |
| Règlement no 16/67/CEE de la Commission, du 27 janvier 1967, fixant le montant maximum des restitutions applicables, à partir du 30 janvier 1967, aux exportations vers les pays tiers de viande bovine congelée n'ayant pas fait l'objet de mesures d'intervention (Commission Regulation No. 16/67/CEE of 27 January 1967 fixing the maximum refunds applicable from 30 January 1967 to exports to non-member countries of frozen beef and veal which have not been the subject of market support measures) | No. 18, 281.67 |
| Règlement no 17/67/CEE de la Commission, du 27 janvier 1967, relatif aux demandes de concours présentées au FEOGA, section orientation, pour la réparation des dommages causés par des inondations en Italie (Commission Regulation No. 17/67/CEE of 27 January 1967 concerning applications to the EAGGF, Guidance Section, for aid to make good the flood damage in Italy)  | No. 18, 281.67 |
| Règlement no 18/67/CEE de la Commission, du 30 janvier 1967, portant fixation des prélèvements dans le secteur de l'huile d'olive (Commission Regulation No. 18/67/CEE of 30 January 1967 fixing levies on olive oil)   | No. 19, 311.67 |
| Règlement no. 19/67/CEE de la Commission, du 30 janvier 1967, limitant la durée de validité de certains certificats d'importation et d'exportation pour les aliments composés pour animaux (Commission Regulation No. 19/67/CEE of 30 January 1967 limiting the validity of certain import and export licences for compound feedingstuffs)  | No. 19, 311.67 |

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| Règlement no 20/67/CEE de la Commission, du 1 <sup>er</sup> février 1967, relatif à certaines modalités d'application des restitutions et prélèvements à l'exportation d'huile d'olive (Commission Regulation No. 20/67/CEE of 1 February 1967 on certain implementing procedures relating to refunds and levies on exports of olive oil)  | No. 20, | 2.2.67  |
| Règlement no 21/67/CEE de la Commission, du 2 février 1967, portant fixation des prélèvements dans le secteur de l'huile d'olive (Commission Regulation No. 21/67/CEE of 2 February 1967 fixing levies on olive oil)   | No. 21, | 2.2.67  |
| Règlement no 22/67/CEE de la Commission, du 6 février 1967, fixant le volume de la consommation totale annuelle de l'industrie pour les besoins intérieurs, dans le secteur du riz (Commission Regulation No. 22/67/CEE of 6 February 1967 determining the total annual volume of rice used by processing industries to supply the home market)  | No. 23, | 8.2.67  |
| Règlement no 23/67/CEE de la Commission, du 6 février 1967, modifiant certains prélèvements fixés par le règlement no 202/66/CEE pour les pintades abattues (Commission Regulation No. 23/67/CEE of 6 February 1967 amending certain levies fixed by Regulation No. 202/67/CEE for slaughtered guinea-fowl)  | No. 23, | 8.2.67  |
| Règlement no 24/67/CEE de la Commission, du 14 février 1967, portant fixation des prélèvements dans le secteur de l'huile d'olive (Commission Regulation No. 24/67/SEE of 14 February 1967 fixing levies on olive oil)   | No. 26, | 15.2.67 |
| Règlement no 25/67/CEE de la Commission, du 14 février 1967, relatif aux modalités d'application de la suspension du prélèvement à l'importation d'huile d'olive utilisée pour la fabrication de certaines conserves (Commission Regulation No. 25/67/CEE of 14 February 1967 on implementing procedures relating to the suspension of the levy on imports of olive oil used in the manufacture of certain preserved foods)                    | No. 27, | 16.2.67 |
| Règlement no 26/67/CEE de la Commission, du 14 février 1967, modifiant la date de mise en application en République fédérale d'Allemagne du régime de certificats d'importation et d'exportation dans le secteur de l'huile d'olive (Commission Regulation No. 26/67/CEE of 14 February 1967 amending the date on which the system of import and export licences for olive oil will come into force in the Federal Republic of Germany)        | No. 27, | 16.2.67 |
| Règlement no 27/67/CEE de la Commission, du 14 février 1967, relatif à certaines dispositions transitoires applicables dans le secteur des arachides et des huiles d'arachides en France (Commission Regulation No. 27/67/CEE of 14 February 1967 on certain transitional provisions applicable to groundnuts and groundnut oils in France)  | No. 27, | 16.2.67 |
| Règlement no 28/67/CEE de la Commission, du 15 février 1967, prorogeant certaines dispositions du règlement no 192/64/CEE, relatif aux modalités d'intervention sur le marché du beurre (Commission Regulation No. 28/67/CEE of 15 February 1967 extending certain provisions of Regulation No. 192/64/CEE on market support measures for butter)  | No. 27, | 16.2.67 |
| Règlement no 29/67/CEE de la Commission, du 15 février 1967, portant fixation des montants forfaitaires pour certains produits laitiers pour la campagne laitière 1967/1968 (Commission Regulation No. 129/67/CEE of 15 February 1967 fixing the standard amounts for certain milk products for the 1967/1968 milk year)   | No. 27, | 16.2.67 |
| Règlement no 30/67/CEE de la Commission, du 16 février 1967, relatif à la communication à la Commission des principaux éléments du système de prix de retrait pratiqué par les organisations de producteurs de fruits et légumes (Commission Regulation No. 30/67/CEE of 16 February 1967 concerning notification to the Commission of the main features of the system of withdrawal prices used by fruit and vegetable growers' associations) | No. 29, | 18.2.67 |

## Delegations and missions to the Community

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| Missions de pays tiers (Inde) [Missions of non-member countries (India)]   | No. 13, 23.1.67 |
| Représentations d'Etats d'outre-mer associés (Congo-Kinshasa) [Delegations of associated overseas States (Congo-Kinshasa)]             | No. 16, 27.1.67 |
| Missions de pays tiers (Argentine et République dominicaine) [Missions of non-member countries (Argentina and the Dominican Republic)] | No. 29, 18.2.67 |

## THE COUNCIL

### Information

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| Avis de concours général no 34/Conseils (deux traducteurs adjoints d'expression néerlandaise) [Notice of open competitive examination No. 34/Conseils (two assistant translators of Dutch mother-tongue)]   | No. 8, 16.1.67  |
| Décision du Conseil, du 7 décembre 1966, portant suspension temporaire des droits du tarif douanier commun sur le thé, le maté et les bois tropicaux (Council Decision of 7 December 1966 suspending or temporarily reducing the duties of the common customs tariff on tea, maté and tropical hardwoods)   | No. 10, 19.1.67 |
| Décision du Conseil, du 7 décembre 1966, portant suspension temporaire des droits du tarif douanier commun applicables à certaines épices et à certains articles de sport (Council Decision of 7 December 1966 suspending or temporarily reducing the duties of the common customs tariff on certain spices and sports goods)   | No. 10, 19.1.67 |
| Décision du Conseil, du 7 décembre 1966, portant conclusion d'un arrangement entre la Communauté économique européenne et le Royaume-Uni relatif à la prorogation de la suspension simultanée des droits de douane sur le thé, le maté et les bois tropicaux (Council Decision of 7 December 1966 concluding an arrangement between the European Economic Community and the United Kingdom extending the simultaneous suspension or reduction of customs duties on tea, maté and tropical hardwoods)    | No. 10, 19.1.67 |
| Décision, du 7 décembre 1966, des représentants des gouvernements des Etats membres, réunis au sein du Conseil, portant suspension totale des droits de douane que les Etats membres appliquent entre eux pour certains produits tropicaux (Decision of 7 December 1966 taken by the representatives of the Governments of Member States, meeting in the Council, to suspend all customs duties between Member States on certain tropical products)   | No. 10, 19.1.67 |
| Décision, du 7 décembre 1966, des représentants des gouvernements des Etats membres, réunis au sein du Conseil, portant application intégrale des suspensions des droits du tarif douanier commun sur certaines épices et certains articles de sport (Decision of 7 December 1966 taken by the representatives of the Governments of Member States, meeting in the Council, applying in full the suspension or reduction of the duties of the common customs tariff on certain spices and sports goods) | No. 10, 19.1.67 |
| Décision, du 7 décembre 1966, des représentants des gouvernements des Etats membres, réunis au sein du Conseil, portant application intégrale des suspensions des droits du tarif douanier commun sur le thé, le maté et les bois tropicaux (Decision of 7 December 1966 taken by the representatives of the Governments of Member States, meeting in the Council, applying in full the suspension or reduction of the duties of the common customs tariff on tea, maté and tropical hardwoods)         | No. 10, 19.1.67 |

Directive du Conseil, du 12 janvier 1967, concernant la réalisation de la liberté d'établissement et de la libre prestation des services pour les activités non salariées relevant :

1. du secteur des « Affaires immobilières (sauf 6401) » (groupe ex 640 CITI)

2. du secteur de certains « services fournis aux entreprises non classés ailleurs » (groupe 839 CITI) [Council Directive of 12 January 1967 introducing freedom of establishment and freedom to supply services as a self-employed person engaged in:

1. "real estate (except 6401)" (Group ex 640 ISIC);

2. "business services not elsewhere classified" (Group 839 ISIC)]

No. 10, 19.1.67

Remplacement de membres du comité consultatif pour la libre circulation des travailleurs (Replacement of members of the Advisory Committee on the free movement of workers)

No. 10, 19.1.67

Remplacement d'un membre des comités consultatif et technique pour la libre circulation des travailleurs (Replacement of one member of the Advisory and Technical Committees on the free movement of workers)

No. 10, 19.1.67

Consultation et avis du Comité économique et social au sujet d'un projet de règlement du Conseil portant modification du règlement no 26 du Conseil (Reference to the Economic and Social Committee of a draft Council regulation amending Council Regulation No. 26)

No. 13, 23.1.67

Consultation et avis du Comité économique et social au sujet d'une proposition de directive du Conseil relative à l'estérification des huiles d'olive à usage alimentaire (Reference to the Economic and Social Committee of a proposal for a Council Directive on the esterification of olive oils for use as food)

No. 13, 23.1.67

Consultation et avis du Comité économique et social au sujet de la proposition de directive du Conseil modifiant la directive du Conseil du 5 novembre 1963 relative au rapprochement des législations des Etats membres concernant les agents conservateurs pouvant être employés dans les denrées destinées à l'alimentation humaine (Reference to the Economic and Social Committee of the proposal for a Council directive amending the legislation of Member States concerning permitted preserving agents in food for human consumption)

No. 13, 23.1.67

Consultation et avis du Comité économique et social au sujet de deux propositions de directives du Conseil modifiant les directives du Conseil du 26 juin 1964 relatives:

— à des problèmes de police sanitaire en matière d'échanges intracommunautaires d'animaux des espèces bovine et porcine,

— à des problèmes sanitaires en matière d'échanges intracommunautaires de viandes fraîches (Reference to the Economic and Social Committee of two proposals for Council directives amending the Council Directives of 26 June 1964 concerning:

i) health requirements for intra-Community trade in cattle and pigs,

ii) health requirements for intra-Community trade in fresh meat)

No. 13, 23.1.67

Consultation et avis du Comité économique et social au sujet d'une proposition de directive du Conseil relative au rapprochement des législations des Etats membres concernant les matières pouvant être ajoutées aux spécialités pharmaceutiques en vue de leur coloration (Reference to the Economic and Social Committee of a proposal for a Council directive on the approximation of the legislation of Member States concerning permitted colouring matters in branded pharmaceuticals)

No. 17, 28.1.67

Consultation et avis du Comité économique et social au sujet de deux propositions de directives du Conseil visant la liberté pour les agriculteurs ressortissant d'un Etat membre établis dans un autre Etat membre d'accéder

— aux diverses formes de crédit

— aux coopératives (Reference to the Economic and Social Committee

of two proposals for Council directives concerning the freedom for farmers who are nationals of one Member State and established in another Member State:

- i) to have access to the various types of credit
- ii) to join co-operatives)

No. 17, 28.1.67

Consultation et avis du Comité économique et social au sujet d'une proposition de directive du Conseil concernant le rapprochement des législations des Etats membres relative au classement des bois bruts (Reference to the Economic and Social Committee of a proposal for a Council directive on the approximation of the legislation of Member States concerning the classification of wood in the rough)

No. 17, 28.1.67

Consultation et avis du Comité économique et social au sujet des propositions de directives du Conseil

1. relative à la suppression des restrictions à la liberté d'établissement et à la libre prestation des services pour les activités non salariées
2. et relative aux modalités des mesures transitoires dans le domaine des activités non salariées

— de certains agents auxiliaires des transports et des agents de voyage (groupe 718 CITI)

— des entrepositaires (groupe 720 CITI)

— d'agents en douane (ex groupe 839 CITI) [(Reference to the Economic and Social Committee of the proposals for Council directives:

1. On the removal of restrictions on freedom of establishment and freedom to supply services as a self-employed person in any of the following categories:

- i) certain transport auxiliaries and travel agents (Group 718 ISIC);
- ii) warehousemen (Group 839 ISIC);
- iii) customs agents (ex Group 839 ISIC);

2. Laying down transitional measures in respect of the aforementioned categories of self-employed persons)]

No. 17, 28.1.67

Consultation et avis du Comité économique et social au sujet

— du projet d'une décision du Conseil instituant un Comité des denrées alimentaires

— de la proposition d'une directive du Conseil modifiant la directive du Conseil du 5 novembre 1963 relative au rapprochement des législations des Etats membres concernant les agents conservateurs pouvant être employés dans les denrées destinées à l'alimentation humaine

— de la proposition d'une directive du Conseil portant modification de la directive du Conseil relative au rapprochement des réglementations des Etats membres concernant les matières colorantes pouvant être employées dans les denrées destinées à l'alimentation humaine (Reference to the Economic and Social Committee of:

- i) the draft Council decision instituting a committee on foodstuffs;
- ii) the proposal for a Council directive amending the Council Directive of 5 November 1963 on the approximation of the legislation of Member States concerning permitted preserving agents in food for human consumption;
- iii) the proposal for a Council directive amending the Council directive on the approximation of the regulations of Member States concerning permitted colouring matters in food for human consumption)

No. 17, 28.1.67

Remplacement d'un membre suppléant du Comité consultatif pour la libre circulation des travailleurs (Replacement of an alternate member of the Advisory Committee on the free movement of workers)

No. 20, 2.2.67

## THE COMMISSION

### Directives and decisions

Décision de la Commission, du 21 décembre 1966, autorisant la République fédérale d'Allemagne à différer le relèvement du droit de son tarif national vers celui du tarif douanier commun, en ce qui concerne

l'aluminium brut, de la position ex 76.01 A, importé sous certaines conditions, dans le cadre d'un contingent tarifaire de 21 000 tonnes (Commission Decision of 21 December 1966 authorizing the Federal Republic of Germany to postpone raising its duty, towards that of the common customs tariff in respect of unwrought aluminium (heading ex 76.01 A) imported under certain conditions within the limits of a tariff quota of 21 000 tons)

No. 9, 17.1.67

Décision de la Commission, du 22 décembre 1966, portant nouvelle prorogation de sa décision du 5 mai 1965 relative à l'autorisation accordée à la République italienne d'adopter des mesures de sauvegarde pour certains produits du chapitre 50 du tarif douanier italien (soie et déchets de soie) [(Commission Decision of 22 December 1966 again extending its Decision of 5 May 1965 authorizing Italy to take safeguard measures for certain products listed in Chapter 50 of the Italian customs tariff (silk and silk waste)]

No. 9, 17.1.67

Décision de la Commission, du 22 décembre 1966, portant annulation de l'ajustement du prélèvement moyen en vue du calcul de l'élément mobile du prélèvement pour les produits transformés à base de céréales et de riz, fixé provisoirement par la décision du 14 octobre 1966 (Commission Decision of 22 December 1966 rescinding the adjustment of the average levy with a view to calculating the variable component of the levy for processed products based on cereals and rice, which was provisionally fixed by the Decision of 14 October 1966)

No. 9, 17.1.67

Décision de la Commission, du 5 décembre 1966, relative aux modalités d'application en république fédérale d'Allemagne des mesures spéciales d'intervention dans le secteur de la viande bovine (Commission Decision of 5 December 1966 concerning implementing procedures in the Federal Republic of Germany for special market intervention measures in the beef and veal sector)

No. 11, 20.1.67

Décision de la Commission, du 19 décembre 1966, portant autorisation au royaume des Pays-Bas d'introduire un contingent tarifaire pour le plomb brut (Commission Decision of 19 December 1966 authorizing the Netherlands to introduce a tariff quota for unwrought lead)

No. 11, 20.1.67

Décision de la Commission, du 19 décembre 1966, portant autorisation à la république fédérale d'Allemagne d'introduire un contingent tarifaire pour le plomb brut (Commission Decision of 19 December 1966 authorizing the Federal Republic of Germany to introduce a tariff quota for unwrought lead)

No. 11, 20.1.67

Décision de la Commission du 19 décembre 1966, portant autorisation au royaume de Belgique d'introduire un contingent tarifaire pour le plomb brut (Commission Decision of 19 December 1966 authorizing Belgium to introduce a tariff quota for unwrought lead)

No. 11, 20.1.67

Décision de la Commission, du 22 décembre 1966, concernant une demande de prorogation de la décision de la Commission du 15 décembre 1965 relative au tarif exceptionnel no 251 — point A, des chemins de fer italiens de l'Etat (Commission Decision of 22 December 1966 concerning a request for extension of the Commission Decision of 15 December 1965 relating to the Italian State Railways' special tariff No. 251-A)

No. 11, 20.1.67

Décision de la Commission, du 21 décembre 1966, autorisant la République française, en vertu de l'article 115, alinéa 1 du Traité, à exclure du traitement communautaire certains produits, originaires de pays tiers et mis en libre pratique dans les autres Etats membres (Commission Decision of 21 December 1966 authorizing France, by virtue of Article 115, first paragraph, of the Treaty, to exclude from Community treatment certain products originating in non-member countries and in free circulation in the other Member States)

No. 12, 21.1.67

Décision de la Commission, du 21 décembre 1966, portant octroi au royaume de Belgique et au grand-duché de Luxembourg d'un contingent tarifaire pour les pilchards de l'espèce « sardina ocellata », frais, réfrigérés ou congelés, destinés à l'industrie de la conserve de poissons

- (Commission Decision of 21 December 1966 granting Belgium and Luxembourg a tariff quota for pilchards of the "sardina Ocellata" variety, fresh, chilled or frozen, for canning) No. 12, 21.1.67
- Décision de la Commission, du 21 décembre 1966, portant octroi au royaume des Pays-Bas d'un contingent tarifaire pour les pilchards de l'espèce « sardina ocellata », frais, réfrigérés ou congelés, destinés à l'industrie de la conserve de poissons (Commission Decision of 21 December 1966 granting the Netherlands a tariff quota for pilchards of the "sardina ocellata" variety, fresh, chilled or frozen, for canning) No. 12, 21.1.67
- Décision de la Commission, du 22 décembre 1966, portant octroi à la République fédérale d'Allemagne d'un contingent tarifaire pour les pruneaux (Commission Decision of 22 December, 1966 granting the Federal Republic of Germany a tariff quota for prunes) No. 12, 21.1.67
- Décision de la Commission, du 6 janvier 1967, autorisant la République française, en vertu de l'article 115, alinéa 1, du Traité, à exclure du traitement communautaire « les appareils de micro-analyse par rayons X (autres que ceux relevant de la position no 90.20 du tarif douanier commun), les appareils à résonance magnétique et les spectromètres à rayons bêta » de la position ex 90.28 B du tarif douanier commun, originaires du Japon et mis en libre pratique dans d'autres Etats membres [Commission Decision of 6 January 1967 authorizing France, by virtue of Article 115, first paragraph, of the Treaty, to exclude from Community treatment "apparatus for micro-analysis by X-rays (other than those under CCT heading 90.20), magnetic resonance devices and beta-ray spectrometers" (CCT heading ex 90.28 B) originating in Japan and in free circulation in other Member States)] No. 12, 21.1.67
- Décision de la Commission, du 6 janvier 1967, portant prorogation de la décision du 3 décembre 1965, autorisant la République française à appliquer des mesures de protection, au titre de l'article 115, alinéa 1 du Traité, en ce qui concerne l'importation « d'animaux vivants de l'espèce ovine » et de « viande ovine », originaires des pays tiers et mis en libre pratique dans d'autres Etats membres (Commission Decision of 6 January 1967 extending the Decision of 3 December 1965 authorizing France to adopt safeguard measures under Article 115, first paragraph, of the Treaty, in respect of sheep and mutton originating in non-member countries and in free circulation in other Member States) No. 12, 21.1.67
- Décision de la Commission, du 16 janvier 1967, fixant le montant maximum de la restitution valable pour les exportations de bovins vivants vers les pays tiers (Commission Decision of 16 January 1967 fixing the maximum refund for exports of live cattle to non-member countries) No. 19, 31.1.67
- Décision de la Commission, du 12 janvier 1967, portant octroi d'un contingent tarifaire à la République fédérale d'Allemagne pour certains vins rouges de raisins frais, destinés au coupage (Commission Decision of 12 January 1967 granting the Federal Republic of Germany a tariff quota for certain red wines of fresh grapes for blending) No. 21, 2.2.67
- Directive de la Commission, du 31 janvier 1967, portant fixation du rythme de suppression de l'impôt de fabrication (sovrimposta di confine) appliqué à l'importation par la République italienne sur certains produits contenant de l'alcool en provenance des autres Etats membres (Commission Directive of 31 January 1967 laying down a timetable for abolition of the manufacture tax (sovrimposta di confine) imposed by Italy on imports from the other Member States of certain products containing alcohol) No. 26, 15.2.67
- Décision de la Commission, du 1<sup>er</sup> février 1967, autorisant la République française à prendre certaines mesures en faveur du stockage privé dans le secteur de la viande de volaille (Commission Decision of 1 February 1967 authorizing France to take certain measures to assist the private storage of poultrymeat) No. 26, 15.2.67

Décision de la Commission, du 3 février 1967, portant octroi d'un contingent tarifaire à la République fédérale d'Allemagne pour certains fils de bourre de soie (schappe) [Commission Decision of 3 February 1967 granting the Federal Republic of Germany a tariff quota for yarn spun from silk waste (schappe)]

No. 26, 15.2.67

Décision de la Commission, du 7 février 1967, portant augmentation du volume du contingent tarifaire octroyé à la République fédérale d'Allemagne pour les lieus noirs, simplement salés, destinés à la conserverie (Commission Decision of 7 February 1967 increasing the volume of the tariff quota granted to the Federal Republic of Germany for salted coalfish (pollack) for canning)

No. 26, 15.2.67

### Recommendations and opinions

Recommandation de la Commission, du 21 décembre 1966, adressé aux Etats membres en vertu des articles 155 et 115 au sujet du régime d'exportation à appliquer envers les pays tiers pour les graines de semence de chanvre (Commission Recommendation of 21 December 1966, addressed to the Member States by virtue of Articles 155 and 115, concerning arrangements for exports of hemp seeds to non-member countries)

No. 11, 20.1.67

Recommandation de la Commission, du 21 décembre 1966, adressée aux Etats membres en vertu des articles 155 et 115 au sujet du régime d'exportation à appliquer envers les pays tiers pour certaines catégories de peaux brutes (Commission Recommendation of 21 December 1966, addressed to the Member States by virtue of Articles 155 and 115, concerning arrangements for exports of certain categories of raw hides and skins to non-member countries)

No. 11, 20.1.67

Recommandation de la Commission, du 21 décembre 1966, adressée aux Etats membres en vertu des articles 155 et 115 au sujet du régime d'exportation à appliquer envers les pays tiers pour certains déchets et cendres de métaux non ferreux et des méthodes de coopération administrative entre les Etats membres (Commission Recommendation of 21 December 1966, addressed to the Member States by virtue of Articles 155 and 115, concerning arrangements for exports of waste and ash of certain non-ferrous metals to non-member countries and methods of administrative co-operation between the Member States)

No. 11, 20.1.67

Recommandation de la Commission, du 13 janvier 1967, en vertu de l'article 115, alinéa 1 du Traité, au royaume des Pays-Bas, au sujet des importations des machines à coudre à usage domestique originaires de la République populaire de Chine (Commission Recommendation of 13 January 1967, addressed to the Netherlands by virtue of Article 115, first paragraph, of the Treaty, concerning imports of domestic sewing machines originating in the People's Republic of China)

No. 16, 27.1.67

Recommandation de la Commission, du 13 janvier 1967, en vertu de l'article 115, alinéa 1 du Traité, au royaume de Belgique, au grand-duché de Luxembourg et au royaume des Pays-Bas, concernant le régime d'importation d'oxydes d'antimoine originaires des pays de l'Est (Commission Recommendation of 13 January 1967, addressed to Belgium, Luxembourg and the Netherlands by virtue of Article 115, first paragraph, of the Treaty, concerning arrangements for imports of antimony oxides originating in the East bloc countries)

No. 16, 27.1.67

Recommandation de la Commission, du 13 janvier 1967, en vertu de l'article 115, alinéa 1 du Traité, au royaume des Pays-Bas, au sujet du régime d'importation de fils de fibres textiles synthétiques et artificielles originaires de Tchécoslovaquie (Commission Recommendation of 13 January 1967, addressed to the Netherlands by virtue of Article 115, first paragraph, of the Treaty, concerning arrangements for imports of yarn of man-made fibres originating in Czechoslovakia)

No. 16, 27.1.67



- Recommandation de la Commission, du 13 janvier 1967, en vertu de l'article 115, alinéa 1 du Traité, au royaume de Belgique, au royaume des Pays-Bas et au grand-duché de Luxembourg, concernant le régime d'importation du bichromate de sodium originaire des pays de l'Est (Commission Recommendation of 13 January 1967, addressed to Belgium, the Netherlands and Luxembourg by virtue of Article 115, first paragraph, of the Treaty, concerning arrangements for imports of sodium dichromate originating in the East bloc countries) No. 16, 27.1.67
- Avis de la Commission, du 20 janvier 1967, adressé au gouvernement de la République italienne au sujet du projet de loi concernant l'organisation du ministère des transports et de l'aviation civile et l'institution d'un conseil supérieur des transports (Commission Opinion of 20 January 1967 addressed to the Government of Italy concerning the Bill on the organization of the Ministry of Transport and Civil Aviation and the institution of a Transport Council) No. 18, 28.1.67
- Avis de la Commission, du 20 janvier 1967, adressé au gouvernement de la République italienne au sujet du projet de loi relatif à l'institution d'un comité consultatif central des transports auprès du Comité inter-ministériel pour la programmation économique (CIPE) [(Commission Opinion of 20 January 1967 addressed to the Government of Italy concerning the Bill on the institution of a Central Advisory Committee on transport associated with the Inter-ministerial Economic Planning Committee)] No. 18, 28.1.67
- Avis de la Commission, du 30 janvier 1967, adressé au gouvernement de la République italienne au sujet du projet de loi relatif à la délégation de pouvoirs au gouvernement pour la réorganisation de l'« Azienda autonoma delle ferrovie dello Stato » [Commission Opinion of 30 January 1967 addressed to the Government of Italy concerning the Bill granting the Government powers to reorganize the "Azienda autonoma delle ferrovie dello Stato" (Italian State Railways)] No. 22, 4.2.67
- Avis de la Commission, du 1<sup>er</sup> février 1967, adressé au gouvernement de la République italienne au sujet du projet de loi modifiant les articles 32 et 33 du texte unique des règles régissant la circulation routière, approuvé par le décret du Président de la République, du 15 juin 1959, no 393, se rapportant aux limites de poids et dimensions des véhicules utilitaires et complétant le tableau (tarif F) annexé à la loi du 21 mai 1955, no 453, concernant la taxe de circulation (Commission Opinion of 1 February addressed to the Government of Italy concerning the Bill amending Articles 32 and 33 of the consolidated rules governing road traffic approved by decree of the President of the Republic on 15 June 1959, No. 393, relating to the weights and dimensions of commercial vehicles and supplementing the table (tariff F) annexed to the law of 21 May 1955, No. 453, concerning road) No. 24, 11.2.67
- Recommandation de la Commission, du 31 janvier 1967, adressé aux Etats membres concernant la protection des jeunes au travail (Commission Recommendation of 31 January 1967 to the Member States concerning the protection of young workers) No. 25, 13.2.67

### Cartels and monopolies

- Communication concernant une notification IV/3.778 en vertu de l'article 19, paragraphe 3 du règlement no 17 (Communication concerning a notification IV/3.778 under Article 19(3) of Regulation No.17) No. 26, 15.2.67

### European Development Fund

- Adjudication no 563 par consultation publique lancée par la république démocratique du Congo (Institut national pour l'étude agronomique du Congo — INEAC) [Call for supply tender No. 563 issued by Congo (Kinshasa) (Institut national pour l'étude agronomique du Congo — INEAC)] No. 10, 19.1.67

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|---|-----------------|
| Résultats d'appel d'offres (nos 327, 424, 427, 440, 451 et 539) [Results of calls for tender Nos. 327, 424, 427, 440, 451 and 539]  | No. 12, 21.1.67 |
| Modificatif du résultat de l'appel d'offres no 486 (Amendment to result of call for tender No. 486)   | No. 12, 21.1.67 |
| Modificatif à l'appel d'offres no 541 (Amendment to call for tender No. 541)  | No. 12, 21.1.67 |
| Modificatif à l'appel d'offres no 545 (Amendment to call for tender No. 545)  | No. 12, 21.1.67 |
| Modificatif à l'appel d'offres no 560 (Amendment to call for tender No. 560)  | No. 12, 21.1.67 |
| Appel d'offres no 564, par consultation publique, lancé par la République du Dahomey (Banque dahoméenne de développement — B.D.D.) [Call for supply tender No. 564 issued by Dahomey (Banque dahoméenne de développement — BDD)]  | No. 14, 24.1.67 |
| Appel d'offres no 565, par consultation publique, lancé par la république fédérale du Cameroun (Caisses de stabilisation des prix) pour un programme financé partiellement par la CEE [Call for supply tender No. 565 issued by Cameroun (Caisses de stabilisation des prix) for a programme financed in part by the EEC]   | No. 14, 24.1.67 |
| Approbation de projets et programmes (Approval of schemes and programmes)   | No. 16, 27.1.67 |
| Avis d'appel d'offres no 566 (par consultation publique) de la république du Sénégal (ministère de l'économie rurale, direction de l'agriculture) [Call for supply tender No. 566 issued by Senegal (ministère de l'économie rurale, direction de l'agriculture)]   | No. 19, 31.1.67 |
| Avis d'appel d'offres no 567 lancé par la république de Côte-d'Ivoire (Call for tender No. 567 issued by the Ivory Coast)   | No. 19, 31.1.67 |
| Information relative aux taux de parité retenus pour les opérations du FED (Rates of exchange used for operations of the EDF)   | No. 20, 2.2.67  |
| Résultats d'appels d'offres (nos 378, 379, 381, 400, 422, 444, 450, 465 et 473) [Results of calls for tender (Nos. 378, 379, 381, 400, 422, 444, 450, 465 and 473)]   | No. 20, 2.2.67  |
| Modificatif à l'appel d'offres no 565 (Amendment to call for tender No. 565)  | No. 22, 4.3.67  |
| Résultats d'appels d'offres (nos. 480, 490 et 505) [Results of calls for tender (Nos. 480, 490 and 505)]  |                 |
| Avis d'appel d'offres no 568 relatif à la présélection des entreprises admises à participer à l'appel d'offres restreint qui sera lancé ultérieurement pour l'aménagement de la route Bobo Dioulasso — Faramana dans la république de Haute-Volta et pour l'aménagement des routes Koutiala — Kouri et Kimparana — Faramana dans la république du Mali (Call for tender No. 568: selection of firms for the limited tender for improvement of the Bobo Dioulasso — Faramana road in Upper Volta and of the Koutiala — Kouri and Kimparana — Faramana roads in Mali) | No. 29, 18.2.67 |

### General

|   |                 |
|---|-----------------|
| Proposition d'une directive du Conseil concernant la commercialisation des matériels de multiplication végétative de la vigne (présentée par la Commission au Conseil le 26 octobre 1966 (Proposal for a Council directive on the marketing of material for the vegetative propagation of grape vines, submitted by the Commission to the Council on 26 October 1966) | No. 16, 27.1.67 |
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| Proposition d'une directive du Conseil modifiant la directive du Conseil du 5 novembre 1963 relative au rapprochement des législations des Etats membres concernant les agents conservateurs pouvant être employés dans les denrées destinées à l'alimentation humaine (présentée par la Commission au Conseil le 18 novembre 1966) (Proposal for a Council directive amending the Council Directive of 5 November 1963 on the approximation of the legislation of Member States concerning permitted preserving agents in food for human consumption, submitted by the Commission to the Council on 18 November 1966)  | No. 16, | 27.1.67 |
| Proposition d'un règlement du Conseil modifiant le règlement no 14/64/CEE en ce qui concerne la détermination du prix à l'importation et le calcul du prélèvement pour les produits dérivés dans le secteur de la viande bovine (présentée par la Commission au Conseil le 22 novembre 1966) (Proposal for a Council regulation amending Regulation No. 14/64/CEE with regard to the determination of the import price and the calculation of the levy for derived products in the beef and veal sector, submitted by the Commission to the Council on 22 November 1966)  | No. 16, | 27.1.67 |
| Proposition de décision du Conseil relative aux formalités requises par les Etats membres dans leurs échanges mutuels (présentée par la Commission au Conseil le 5 décembre 1966) (Proposal for a Council decision on the formalities required by the Member States in trade with one another, submitted by the Commission to the Council on 5 December 1966)   | No. 16, | 27.1.67 |
| Avis de concours no CEE/857/B (un assistant) [Notice of competitive examination No. CEE/857/B (assistant)]  | No. 19, | 31.1.67 |
| Modifications de la liste des experts vétérinaires qui peuvent être chargés de l'élaboration des avis en matière d'échanges intracommunautaires d'animaux des espèces bovine et porcine et de viandes fraîches (Amendments to the list of veterinary experts who may be consulted on matters relating to intra-Community trade in cattle, pigs and fresh meat)  | No. 20, | 2.2.67  |
| Proposition d'un règlement du Conseil portant prorogation du délai prévu à l'article 20, paragraphe 1 du règlement no 17/64/CEE, concernant le concours du Fonds européen d'orientation et de garantie agricole, section orientation, pour l'année 1965 (présentée par la Commission au Conseil le 19 décembre 1966) (Proposal for a Council regulation extending the time-limit laid down in Article 20(1) of Regulation No. 17/64/CEE concerning aid from the European Agricultural Guidance and Guarantee Fund, Guidance Section, for the year 1965, submitted by the Commission to the Council on 19 December 1966) | No. 21, | 2.2.67  |
| Proposition d'un règlement du Conseil concernant certaines mesures d'organisation commune des marchés dans le secteur du sucre pour la campagne 1967/1968 (présentée par la Commission au Conseil le 23 décembre 1966) (Proposal for a Council regulation on certain measures connected with the common organization of sugar markets for the 1967/68 marketing year, submitted by the Commission to the Council on 23 December 1966)   | No. 21, | 2.2.67  |
| Proposition d'un règlement du Conseil relatif à l'organisation commune des marchés dans le secteur de la viande de porc (présentée par la Commission au Conseil le 23 décembre 1966) (Proposal for a Council regulation on the common organization of the market in pigmeat, submitted by the Commission to the Council on 23 December 1966)  | No. 21, | 2.2.67  |
| Proposition d'un règlement du Conseil relatif à des mesures transitoires en vue de l'application des prix communs dans le secteur des céréales (présentée par la Commission au Conseil le 23 décembre 1966) (Proposal for a Council regulation on transitional measures with a view to the application of common cereal prices, submitted by the Commission to the Council on 23 December 1966)   | No. 21, | 2.2.67  |

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|---|-----------------|
| Proposition d'un règlement du Conseil modifiant le règlement no 70/66/CEE en ce qui concerne l'exécution de l'enquête de base en France et en Italie (présentée par la Commission au Conseil le 18 janvier 1967) (Proposal for a Council regulation amending Regulation No. 70/66/CEE with regard to the basic farm survey in France and Italy, submitted by the Commission to the Council on 18 January 1967)                            | No. 21, 2.2.67  |
| Proposition d'un règlement du Conseil portant modification du règlement no 13/64/CEE en ce qui concerne le lait et la crème de lait, frais, non concentrés ni sucrés (présentée par la Commission au Conseil le 18 janvier 1967) (Proposal for a Council regulation amending Regulation No. 13/64/CEE with regard to milk and cream, fresh, not concentrated or sweetened, submitted by the Commission to the Council on 18 January 1967) | No. 21, 2.2.67  |
| Proposition d'un règlement du Conseil relatif à l'organisation commune des marchés dans le secteur des céréales (présentée par la Commission au Conseil le 23 décembre 1966) (Proposal for a Council regulation on the common organization of the market in cereals, submitted by the Commission to the Council on 23 December 1966)  | No. 24, 11.2.67 |
| Proposition d'un règlement du Conseil relatif à l'organisation commune des marchés dans le secteur du sucre (présentée par la Commission au Conseil le 23 décembre 1966) (Proposal for a Council regulation on the common organization of the market in sugar, submitted by the Commission to the Council on 23 December 1966)  | No. 24, 11.2.67 |
| Avis de concours no CEE/725/A (un administrateur principal) [(Notice of competitive examination No. CEE/725/A (principal administrative officer)]   | No. 26, 15.2.67 |

## COURT OF JUSTICE OF THE EUROPEAN COMMUNITIES

### Judgments

|  |                 |
|--|-----------------|
| Arrêt de la Cour (deuxième Chambre) dans l'affaire 3-66 (M. Cesare Alfieri contre Parlement européen) [Judgment of the Court (Second Section) in case 3-66 (M. Cesare Alfieri v. European Parliament)] | No. 14, 24.1.67 |
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### Communications

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|--|-----------------|
| Demande de statuer à titre préjudiciel faite par arrêt de la Cour d'appel d'Orléans, dans l'affaire : « Stanislas Ciechelski, à Orléans, contre la Caisse régionale de sécurité sociale du Centre, à Orléans, et M. le Directeur régional de la sécurité sociale d'Orléans (Affaire 1/67) [Request for preliminary ruling made by the Cour d'appel of Orleans <i>in re</i> Stanislas Ciechelski, Orleans, v. Caisse régionale de sécurité sociale du Centre, Orleans, and M. le Directeur régional de la sécurité sociale d'Orléans (case 1/67)] | No. 14, 24.1.67 |
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## ECONOMIC AND SOCIAL COMMITTEE

### Information

|   |                 |
|---|-----------------|
| Avis de concours général no CES/1/67 (administrateurs) [Notice of general competitive examination No. CES/1/67 (administrative officers)] | No. 25, 13.2.67 |
|---|-----------------|

Issues of the agricultural supplement to the official gazette containing the tables appended to the Commission's decisions fixing cif prices, premiums to be added to levies, the amounts to be added or deducted in computing refunds for cereals, and free-at-frontier cereal prices

Supplement No. 3 of 25 January 1967

Supplement No. 4 of 1 February 1967

Supplement No. 5 of 8 February 1967

Supplement No. 6 of 15 February 1967

### C. Recent publications of the European Economic Community

4002

Graphs and Notes on the Economic Situation in the Community  
Monthly. No. 2/67. Three bilingual editions: e/f, d/n, f/i  
Price per issue: 3s.6d.; \$0.50; Bfrs. 25. Annual subscription: £1.6s.0d.; \$5.00; Bfrs. 250

8068

Report of the results of the business surveys carried out among heads of enterprises in the Community  
Three issues per year. No. 3/1966. (f, d, i, n, e)  
Price per issue: 5s.0d.; \$0.70; Bfrs. 35

8191

CEE Informations. Marchés agricoles. Prix (CEE Information. Agricultural Markets. Prices)  
Bi-monthly. No. 1 and 2/1967 (f/d/i/n/). Limited distribution

8192

CEE Information. Marchés agricoles. Echanges commerciaux (CEE Information. Agricultural Markets. Trade)  
Bi-monthly. No. 1 and 2 February 1967. (fd/i/n). Limited distribution

5002

Bulletin des acquisitions. Bibliothèque de la Commission de la CEE (List of recent additions. Library of the Commission of the EEC)  
Monthly. No. 1/67. Limited distribution

4001

Main points covered in market organization regulations for the single market stage. See Supplement to Bulletin No. 2/1967 of the European Economic Community, pp. 3-7 (f. d. i. n. e).  
2s.6d.; \$0.30; Bfrs. 15

4001

Guidelines for the EEC Commission's work in the social sector. See Supplement to Bulletin No. 2/1967 of the European Economic Community, pp. 7-17 (f, d, i, n, e). 2s.6d.; \$0.30; Bfrs. 15

8084

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(1) The abbreviations after each title indicate the languages in which the documents, have been published :  
f = French, d = German, i = Italian, n = Dutch, e = English.

## D. Publications by the joint services of the three Communities

### Joint Information Service

#### *Publications by offices in capital cities*

Bonn: Europäische Gemeinschaft No. 2, February 1967

The Hague: Europese Gemeenschap No. 90, February 1967

Paris: Communauté européenne No. 2, February 1967

Rome: Comunità Europea No. 2, February 1967

London: European Community No. 2, February 1967

Washington: European Community No. 100, February 1967

Also Spanish edition: Comunidad europea No. 2, February 1967

### Statistical Office of the European Communities

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