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Report

drawn up on behalf of the Committee on Development and Cooperation

on the Communication from the Commission of the European Communities to
the Council (Doc. 43/75) on relations between the European Economic
Community and the Associated Overseas Countries and Territories (OCT)

Rapporteur: Mr P. DESCHAMPS

PE 41.462/fin.



By letter of 18 April 1975, the President of the Council of the European Communities consulted the European Parliament on the Communication from the Commission of the European Communities to the Council on relations between the European Economic Community and the Associated Overseas Countries and Territories (OCT).

The President of the European Parliament referred this Communication to the Committee on Development and Cooperation on 28 April 1975.

The Committee on Development and Cooperation appointed Mr Deschamps rapporteur on 17 September 1975.

It considered the draft report at its meeting of 29 September 1975 and unanimously adopted the motion for a resolution and explanatory statement.

Present: Miss Flesch, chairman; Mr Deschamps, vice-chairman and rapporteur; Mr Knud Nielsen and Mr Sandri, vice-chairmen; Mr Broeksz, Mr Bersani, Mr Corona, Mr De Freitas, Mr Jakobsen, Mr Lenihan (deputizing for Mr Nolan), Mr Laudrin, Mr Kaspereit, Mr Brøndlund Nielsen, Lord Reay, Mr Seefeld, Lord St. Oswald, Mr Walkhoff, Lord Walston and Mr Zeller.

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A

The Committee on Development and Cooperation hereby submits to the European Parliament the following motion for a resolution, together with explanatory statement:

MOTION FOR A RESOLUTION

embodying the opinion of the European Parliament on the Communication from the Commission of the European Communities to the Council on relations between the European Economic Community and the Associated Overseas Countries and Territories (OCT)

The European Parliament,

- having regard to the Communication from the Commission of the European Communities to the Council¹,
 - having been consulted by the Council (Doc. 43/75),
 - having regard to the report of the Committee on Development and Cooperation (Doc. 280/75),
1. Welcomes the Commission's Communication and agrees that the Association of the Overseas Countries and Territories (OCT) should be renewed;
 2. Approves the Commission's efforts to create the closest possible parallels between the new arrangements for the OCT and the ACP Convention, thus safeguarding an established policy;
 3. Considers that such parallels are all the more desirable as some OCT which will be achieving their independence in the near future intend to accede to the Lomé Convention;
 4. Stresses the special importance of trade cooperation, since increased trade in goods is an essential precondition of the economic and social development of these territories;

¹ OJ No. C122, 2.6.1975, p. 44

5. Hopes that the principle of reciprocity embodied in Part IV of the EEC Treaty will be applied as flexibly as possible in respect of EEC exports to the OCT;
6. Considers it important for a satisfactory solution to be found also for agricultural products of the OCT;
7. Welcomes the fact that in the regulations governing origin - as in the ACP/EEC convention - the OCT are treated as a single territory;
8. Points out that the regulation contains no special Title on industrial cooperation, but hopes that it will be possible to ensure industrial financing without difficulty on the basis of the provisions for financial and technical cooperation;
9. Notes that special measures to promote industrial development are an integral part of the Lomé Convention and relate exclusively to the ACP countries; hopes, however, that all necessary steps will nevertheless be taken to strengthen the economic structure of the Overseas Countries and Territories;
10. Finally, welcomes the Council's decision to consult Parliament on this question - as it did on the earlier decisions in 1964 and 1970 - since this enables Parliament to express its views on the details of and procedure for the Association of the OCT with the Community.

EXPLANATORY STATEMENT

1. The Council Decision of 29 September 1970 on the Association of the Overseas Countries and Territories (OCT) with the European Economic Community expired on 31 January 1975. On 28 January 1975, the Council adopted transitional measures covering the period to 1 July 1975. On 1 July 1975 the Council issued a regulation on transitional arrangements for trade with all Overseas Countries and Territories associated with the Community, similar to the arrangements for products originating in the ACP States, the signatories of the Lomé Convention.

Since, pursuant to Article 136 of the EEC Treaty, the Council is required to establish the provisions governing the details of and procedure for the Association of the Overseas Countries and Territories¹ with the Community for a further period, the Commission has submitted a recommendation for a regulation on the renewal of the Association of the OCT. A draft agreement on ECSC products is also attached to the Communication.

2. Parliament welcomes the Commission's efforts to take into account in its recommendation the principles of Article 136 of the EEC Treaty and - as in the past - to maintain the closest possible parallels between the future arrangements for the OCT and the ACP/EEC Lomé Convention. The Commission stresses that its Communication does not involve any fundamentally new positions on matters of substance. Basic parallels between the ACP Convention signed on 28 February 1975 and the proposal arrangements for the OCT are all the more desirable because several of the OCT which are to become independent in the near future will be acceding to the Lomé Convention. Moreover, when considering the transitional arrangements for trade with the Overseas Countries and Territories associated with the EEC, Parliament urged that the OCT should not be given less favourable treatment than the ACP.

3. The proposed regulation on the Association of the OCT with the EEC contains, in addition to the preamble, 5 main titles:

- I. Trade cooperation
- II. Export earnings from commodities
- III. Financial and technical cooperation
- IV. Provisions relating to establishment, services, payments and capital movements
- V. General and final provisions

¹ See the attached list of Countries and Territories.

4. Parliament considers trade cooperation with the OCT extremely important because increased trade in goods is an essential pre-condition of economic and social development in those territories. The committee considers that trade arrangements for the OCT should be as favourable as those for the ACP countries, to allow them the same opportunities for development. The committee considers it desirable that the principle of reciprocity embodied in the provisions of Part IV of the EEC Treaty should be applied as flexibly as possible in respect of EEC exports to the OCT.

5. In the case of agricultural products, for which the Commission rightly stresses that a satisfactory solution must be found for both the OCT and the ACP countries, Article 43 of the EEC Treaty provides the basis for all regulations to be issued by the Community. With regard to sugar, the Community undertakes in Annex XXI to the EEC-ACP Convention to take the measures necessary to ensure treatment similar to that laid down in Protocol No. 3 for the quantities of raw and white cane sugar fixed in that Annex.

6. As the Commission announced in its document (COM(75) 133 final, 3 April 1975), it forwarded to Parliament on 13 May 1975 a supplementary text (COM(75) 208 final) on the provisions defining the concept of 'originating products' and methods of administrative cooperation. This document is based closely on Protocol No. 1 of the ACP/EEC Lomé Convention, but also contains special provisions for the Overseas Countries and Territories and their relations with the EEC. It also contains definitions of 'goods originating in the Community' and 'goods originating in the Countries and Territories'. Like the cumulative arrangements on origin introduced in the Lomé Convention for the benefit of the ACP countries, this draft also stipulates that the OCT are to be treated as a single territory.

7. With regard to industrial cooperation with the OCT, no provision is made in the proposed regulation for a special title corresponding to the title on 'industrial cooperation' in the Lomé Convention. The Commission considers that industrial financing is possible on the basis of the provisions for financial and technical cooperation. The provisions on industrial promotion, such as industrial information, contacts between firms, transfer of technology, etc., which under the Lomé Convention are to be implemented by special institutions, are an integral part of the Lomé Convention only and must be considered as relating exclusively to the ACP. The committee notes this, but hopes that the Community will do all it can to allow progress to be made in the industrial sector. This is the only way in which it can help strengthen the economic structure of the Overseas Countries and Territories.

8. Article 136 of the EEC Treaty does not stipulate that Parliament must be consulted on the Association of the OCT. At its meeting of 17 April 1975, however, the Council decided to consult Parliament on the proposal submitted to it by the Commission. Parliament welcomes this decision of the Council and the Commission's request that Parliament should be consulted as it was on the earlier decisions taken in 1964 and 1970. Parliament is thus given the opportunity to indicate its views on the details of and the procedure for the Association of the OCT with the Community.

List of the Countries and Territories covered by the proposed Council regulation

I. NETHERLANDS

- Surinam
- The Netherlands Antilles (Aruba, Bonaire, Curacao and St. Maarten, Saba, St. Eustatius)

2. FRANCE

- Saint Pierre and Miquelon
- The Comoro Archipelago
- The Territory of the Afars and Issas
- New Caledonia and Dependencies
- Wallis and Futuna Islands
- French Polynesia
- French Southern and Antarctic Territories

3. UNITED KINGDOM

- Belize
- Bermuda
- Brunei
- Associated States in the Caribbean: Antigua, Dominica, St Lucia, St Vincent, St Kitts, Nevis, Anguilla
- Cayman Islands
- Falkland Islands and Dependencies
- Gilbert and Ellice Islands
- Central and Southern Line Islands
- British Solomon Islands
- Turks and Caicos Islands
- British Virgin Islands
- Montserrat
- Pitcairn
- St Helena and Dependencies
- The Seychelles
- British Antarctic Territory
- British Indian Ocean Territory

4. Anglo-French Condominium of the New Hebrides