

EUROPEAN PARLIAMENT

Working Documents

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15 December 1977

DOCUMENT 450/77

REPORT

drawn up on behalf of the
Committee on External Economic Relations

on the proposal from the Commission of the
European Communities to the Council (Doc. 443/77)
for a regulation extending beyond the date of
expiry of the first stage of the Association
Agreement the term of validity of certain
provisions of Council Regulation (EEC) No.
1641/77 as regards the arrangements applicable
to trade with the Republic of Cyprus

Rapporteur: Mr C. PRICE

By letter of 6 December 1977 the President of the Council of the European Communities requested the European Parliament, pursuant to Article 43 of the EEC Treaty, to deliver an opinion on the proposal for a Council regulation extending beyond the date of expiry of the first stage of the Association Agreement the term of validity of certain provisions of Council Regulation (EEC) No. 1641/77 as regards the arrangements applicable to trade with the Republic of Cyprus.

The President of the European Parliament referred this proposal to the Committee on External Economic Affairs as the committee responsible and to the Committee on Agriculture and the Committee on Budgets for their opinions.

At its meeting of 14 December 1977 the Committee on External Economic Relations appointed Mr Price rapporteur and at the same meeting unanimously adopted the motion for a resolution together with explanatory statement.

Present: Mr Kaspereit, chairman; Mr Scott-Hopkins, vice-chairman; Mr Schmidt, vice-chairman; Mr Martinelli, vice-chairman; Mr Price, rapporteur; Mr Baas, Lord Castle, Mr Cousté, Mr Dankert, Mr Jensen, Mrs Krouwel-Vlam, Mr E. Muller, Mr Radoux, Mr Spicer and Mr Vandewiele.

The opinion of the Committee on Agriculture is attached.

C O N T E N T S

	<u>Page</u>
A. MOTION FOR A RESOLUTION.....	5
B. EXPLANATORY STATEMENT	6
Opinion of the Committee on Agriculture	7

A

The Committee on External Economic Relations 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 proposal for a Council regulation extending beyond the date of expiry of the first stage of the Association Agreement the term of validity of certain provisions of Council Regulation (EEC) No. 1641/77 as regards the arrangements applicable to trade with the Republic of Cyprus

The European Parliament,

- having regard to the proposal from the Commission of the European Communities to the Council (COM(77) 628 final),
- having been consulted by the Council pursuant to Article 43 of the EEC Treaty (Doc. 443/77),
- having regard to the report of the Committee on External Economic Affairs and the opinion of the Committee on Agriculture (Doc. 450/77),

Approves the Commission's proposal.

B

EXPLANATORY STATEMENT

The Community is linked to the Republic of Cyprus by an Association Agreement signed on 19 December 1972 pursuant to Article 238 of the EEC Treaty. That agreement entered into force on 1 June 1973. It lays down stages for the progressive achievement of the objectives of the agreement.

The first stage which began on 1 June 1973 should have ended on 30 June 1977.

On 10 September 1977 an additional protocol was signed providing for the extension of the first stage until 31 December 1979.

The additional protocol will not take effect before 31 December 1977. The Commission has submitted to the Council a draft regulation extending the EEC-Cyprus trade arrangements beyond 31 December 1977 pending the entry into force of the additional protocol.

Parliament now has to give its opinion on the draft regulation extending the EEC-Cyprus trade arrangements.

OPINION OF THE COMMITTEE ON AGRICULTURE

Letter from the chairman of the committee to
Mr Kaspereit, Chairman of the Committee on External
Economic Relations

Strasbourg, 14 December 1977

Dear Mr Kaspereit,

At its meeting of 14 December 1977 the Committee on Agriculture considered the proposal for a Council regulation extending beyond the date of expiry of the first stage of the Association Agreement the term of validity of certain provisions of Council Regulation (EEC) No. 1641/77 as regards the arrangements applicable to trade with the Republic of Cyprus (Doc. 443/77)¹.

The first stage of the Association Agreement between the Community and Cyprus ended on 30 June 1977. The second stage should have run, according to the provisions of the Agreement, for a period of 5 years; it should have included the removal of barriers to trade between Cyprus and the EEC. It should also have provided for the adoption by Cyprus of the common customs tariff with a view to the establishment of a customs union. However, negotiations on the entry into force of this second stage could not be held because of political events. These negotiations did not begin until 1977 and resulted in the signature on 15 September 1977 of an additional and financial Protocol.

That Protocol extends the first **stage** of the **Agreement** until 31 December 1979. No new concession is granted for agricultural products originating in Cyprus.

¹ Present: Mr Houdet, chairman; Mr Ligios and Mr Hughes, vice-chairmen; Mr Brégégère, Mr Früh, Mr Hoffmann, Mr Hunault, Mr Klinker, Mr Kofoed, Mrs Krouwel-Vlam, Mr L'Estrange, Mr Vitale

Since the additional Protocol will not enter into force until it has been ratified by the Member States, the arrangements applicable to trade with Cyprus were already extended until 31 December 1977 by regulation (EEC) No. 1641/77 of 18 July 1977. The draft regulation submitted to the European Parliament provides for those arrangements to be extended beyond 31 December 1977 until the Protocol enters into force.

Since there has been no new development as regards agricultural products and since the draft regulation simply extends the existing arrangements, the Committee on Agriculture has no objection to approval of the proposal. Its entry into force will avoid the Republic of Cyprus being treated as a third country from 1 January 1978.

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(sgd) Roger HOUDET