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Report

Drawn up on behalf of the Committee of
Development and Cooperation

on the communication from the Commission of
the European Communities to the Council
(Doc. 433/74) on the transitional measures
to be implemented after 31 January 1975 in
the context of relations with the countries
of Africa, the Caribbean and the Pacific, and the
Overseas Countries and Territories

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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 the transitional measures to be implemented after 31 January 1975 in the context of relations with the countries of Africa, the Caribbean and the Pacific and the Overseas Countries and Territories.

The European Parliament,

- having regard to the communication from the Commission to the Council and the proposals for Council regulations and decisions (Doc. 433/74) ;
 - having regard to its resolution of 10 December 1974¹ arising from the report on the negotiations between the EEC and the ACP countries on the renewal and enlargement of the Association (Doc. 388/74) ;
 - having regard to the report of the Committee on Development and Cooperation (Doc. 441/74) ;
 - conscious of the importance of the negotiations between the EEC and 45 countries of Africa, the Caribbean and the Pacific;
 - desirous of maintaining continuity between the old association conventions at present in force and the future EEC/ACP Convention;
1. Approves the machinery proposed by the Commission of the European Communities and designed to maintain, in an initial transitional phase and with a view to avoiding a legal vacuum between the old association conventions and the new ACP Convention, the present status quo by extending the validity of the following beyond 31 January 1975:
- the Second Yaoundé Convention covering relations between the EEC and the AASM and the annexed agreements relating in particular to ECSC products;
 - the Arusha Agreement covering relations between the EEC and the East African countries;
 - Council decision (EEC) of 29 September 1970 concerning the Overseas Countries and Territories;

¹ OJ No. C5, 8 January 1975, p.24

- the provisions of Title III, Chapter II, and Title IV of the Fourth Part concerning the conditions of accession and adjustments of the Treaties;
2. Declares itself in favour of an interim agreement to take effect on 1 July 1975 between the ACP countries and the EEC in order to permit, in a second transitional phase, advance implementation of the provisions relating to trade in particular, and preparation of the implementation of the provisions laid down by the 4th EDF; it will not in any case be possible for the latter to operate until the new Convention has been ratified by all the states in accordance with their own constitutional rules;
 3. Instructs its President to forward this resolution and the report of its committee to the Council and Commission of the European Communities and, for information, to the Association Council, the appropriate bodies of the associated and associable states and the members of the Parliamentary Conference of the Association.

EXPLANATORY STATEMENT

1. On 10 December 1974, during a debate on a report submitted by Miss Flesch concerning the negotiations between the EEC and the ACP countries on the renewal and enlargement of the Association¹, Parliament adopted a resolution underlining the major importance of the new convention to be concluded between the Community and 45 countries of Africa, the Caribbean and the Pacific.
2. Despite the diligence of the negotiators and in particular of the Commission of the European Communities, the Community spokesman, the agreement could not be signed until 30 January next, i.e. the date of the expiry of the Yaoundé Convention and the Arusha Agreement. To judge by past experience, the ratification procedures for the new agreement will inevitably be protracted in the 54 signatory states. Transitional measures will therefore be necessary in order to avoid a hiatus between the old agreements and the new one. Any hiatus would be very detrimental to all parties concerned, especially to those countries for which continuity of cooperation is most indispensable because of the low level of their present development.
3. The measures to be taken must cover relations between the Community and:
 - the AASM (Yaoundé Convention, Article 62)
 - the East African States (Arusha Agreement, Article 36)
 - the other countries listed in Protocol 22 (Treaty of Accession, Article 115(3))
 - the OCT (Council Decision of 29 September 1970 (70/549/EEC) Article 39)
 - the dependencies (Treaty of Accession, Article 119(3))
 - certain associable third countries taking part in the EEC/ACP negotiations.
4. The Commission has therefore recently submitted to the Council for urgent consideration proposals on these transitional measures, providing, as far as possible, for the advance implementation of certain provisions of the future EEC/ACP Convention, particularly in the trade field.
5. However, since it will take some time to adopt the regulations and technical measures necessary for this advance implementation, the Commission of the European Communities believes that two successive transitional phases will be necessary:
 - (a) Between 1 February 1975 and a date to be agreed upon by the contracting parties when the new convention is signed, a 'status quo' system should be established extending certain provisions resulting from the arrangements in force on the basis of existing legal acts.
 - (b) As from the date agreed upon and until the final ratification by all the contracting countries, certain provisions of the new convention, to be defined in an interim agreement, will be applied as an anticipatory measure.

¹ Doc. 338/74

I. 'STATUS QUO' SYSTEM (first transitional phase)

A. AASM

8. Trade arrangements, the validity of the provisions of the whole of Title 1 of the Yaoundé Convention, including Protocols 1 - 5 and Annexes II, X, XI, and the decisions taken by the Association Council applying these provisions, should be extended. This will require a decision by the Association Council, which could meet on 31 January 1975 as planned.

9. Financial and technical cooperation

The relevant provisions of the Convention should continue to be applied. The use of the balance of the third EDF for the benefit of the AASM does not require any special decision since this is provided for by the internal financial agreement governing the EDF.

As regards the European Investment Bank, the Community could, as it did in the interim between the two Yaoundé Conventions, ask it to continue to use its own resources for the benefit of the AASM, provided that the ceiling of 90m. u.a. is not reached by 31 January 1975 - which will be the case.

8. The other provisions relating to the following would also be maintained:

- establishment, services, payments and capital;
- the institutions;
- certain final and general provisions;
- the provisions adopted by the Association Council applying to the provisions listed above.

The parliamentary organs of the Association, in particular, must continue to function until the date of the effective entry into force of the new convention.

9. As regards the agricultural products similar to, and competitive with, European products listed in Article 2, paragraph 2, of the Yaoundé Convention, the present arrangements could be extended by unilateral decision of the EEC Council.

10. As regards ECSC products: although the agreement on these products did not expressly provide for an extension of validity, the Member States may decide unilaterally to continue to apply the provisions at present in force (exemption from customs duties and charges having equivalent effect) for the duration of this first transitional phase.

B. EAST AFRICA

11. Trade arrangements:

As with the AASM, the EEC/East Africa Association Council would have to extend the validity of the present arrangements in respect of trade, the rules relating to the right of establishment and services, payments and capital, and institutions; the same applies to certain final and general provisions, and the decisions adopted by the Association Council applying the provisions listed above.

12. Finally a unilateral decision of the EEC Council would have to extend the regulations at present in force relating to imports from East Africa of agricultural products similar to and competitive with European products subject to market organization.

C. OVERSEAS COUNTRIES AND TERRITORIES

13. A decision of the EEC Council would be required to extend the provisions at present in force resulting from the Council Decision of 29 September 1970.

D. COUNTRIES AND TERRITORIES LISTED IN
ARTICLE 24 OF THE ACT OF ACCESSION,
AND COUNTRIES MENTIONED IN ARTICLE 109
OF THE ACT OF ACCESSION

14. Pursuant to Articles 115 (3) and 119 (3) of the Act of Accession, the status quo arrangements laid down in these articles may, by decision of the EEC Council, be extended up to the date of the advance entry into force of certain provisions of the EEC/ACP Convention.

E. ASSOCIABLE COUNTRIES PARTICIPATING IN THE NEGOTIATIONS

15. No decision needs to be taken in respect of certain associable third countries participating in the negotiations, as they will continue to be regarded as third countries during the first transitional phase.

II. ADVANCE IMPLEMENTATION OF CERTAIN PROVISIONS OF THE
EEC/ACP CONVENTION (second transitional phase)

1. ACP countries

16. Interim agreement: if the contracting parties agreed to adopt the solution of an interim agreement to implement in advance, at a date to be fixed and after the initial phase, certain provisions of the EEC/ACP convention, the Commission of the European Communities will have to submit to the Council in due time appropriate proposals covering in particular the trade field.

17. As regards financial and technical cooperation, transitional provisions could be adopted, in agreement with the ACP countries, in order to prepare for the implementation of the fourth EDF, for the benefit of all the ACP countries, pursuant to the procedures laid down in the new convention. Similarly, the competent community organs could begin the work of planning community aid with the responsible authorities of each ACP country. They could submit the development projects and programmes to be financed by the EDF, and make a start on the initial processing of these projects and the preparation of financing decisions. This would avoid loss of time and make it possible for the financing agreements to be signed as soon as the new convention effectively enters into force, i.e. the first day of the month following the deposit of the instrument of ratification by the last signatory state to take this step.

18. Additionally, the EEC and the ACP countries could, by an exchange of letters, set up an 'interim committee' to prepare for the implementation of the future convention in various fields.

2. Overseas countries and territories (including the countries and territories listed in the Act of Accession)

19. Provisions similar to those to be laid down in respect of relations with the ACP countries will have to be adopted by decision of the Council of the European Communities. The Commission will submit to the Council a proposal on this matter in due time after the signing of the EEC/ACP convention. Parliament will also be consulted on these proposals.

After the signing of the EEC/ACP Convention, transitional provisions concerning financial and technical cooperation similar to those adopted for the benefit of the ACP countries could be made for the overseas countries and territories, making it possible to prepare the implementation of the fourth EDF.

20. Our committee supports this machinery proposed by the Commission of the European Communities and consisting of two transitional phases:

- an initial phase designed to maintain the status quo for as long as is necessary in order to avoid a legal vacuum between the old and new conventions;
- a second transitional phase to begin at a date fixed by joint agreement between the EEC and the ACP countries and permitting, even before ratification by all the signatory states, the advance entry into force of certain provisions of the future convention, particularly in the trade sector.