Resolution 254 (1963)[1]

Reply to the 6th general report of the Commission of the European Economic Community

Parliamentary Assembly

The Assembly,

1. Having examined the 6th general report of the Commission of the European Economic Community (EEC) covering the period 1st May 1962 to 31st March 1963,

2. Thanks the Commission of EEC for transmitting this report ;

3. Deplores the decision of the French Government to bring to an end the negotiations on the United Kingdom's application for membership of the European Economic Community despite the fact that, in the opinion of its Commission, "there can be no doubt that the chance of success was great enough to justify continuing the negotiations" ;

4. Believing that the necessary latitude for negotiating the entry into, or association with, the Community of other European countries will progressively narrow as the economic union of the Six becomes more completely translated into reality, reiterates its conviction that the integration of all the member countries of the Council of Europe in a single market is an indispensable prerequisite for that ever closer union among the European peoples to which, by the Treaty of Rome itself as well as by the Statute of the Council of Europe, the six EEC countries are also pledged ;

5. Convinced that, as a means of promoting further progress towards economic integration of greater Europe, the policies outlined in paragraphs 10 and 11 of the introduction of the 6th general report are in this respect insufficient, asks the Commission, as guardian of the Treaty of Rome, what other concrete measures it envisages ;

6. Welcomes the signature on 12th September 1963 of an Association Agreement between the EEC and Turkey, whereby a further member State of the Council of Europe has been admitted to the Common Market as an Associate Member ;

7. Congratulates the Community on the successful conclusion of a new Association Convention between the Six and the seventeen African States and Madagascar ;

8. Welcomes the intention expressed both by the Commission and by the European Parliament "that the Community work out a co-ordinated, or in fact a common, long-term aid policy for all developing countries and not only the eighteen associated States ... based mainly on the regulation of the major world markets and the co-ordination of investment and credit programmes and of technical co-operation" ;

9. Expresses its approval of the agreement recently concluded between the Community and Great Britain abolishing for an initial period of two years, beginning on 1st January 1964, all duties on tea and tropical hardwoods, and expresses the hope that this agreement will be followed by further measures designed to

1. Assembly debate on 19th September 1963 (10th Sitting) (see Docs. 1623Docs. 1623, 6th general report of the Commission of the European Economic Community, and 1637, draft Resolution presented by the Economic Committee). Text adopted by the Assembly on 19th September 1963 (10th Sitting).

expand the trade of the developing countries and that the preferential system reserved for the African States and Madagascar associated with the Community will not lead to a reduction of the markets of the developing countries which are not associated with the EEC ;

10. Notes with interest the efforts of the Working Party on the co-ordination of credit-insurance policies to establish consultation procedures in order to promote the supply of capital goods to developing countries and to standardise export credit-insurance terms by a uniform system of premium ;

11. Notes with interest the measures taken to give effect to the Treaty provisions relating to competition ;

12. Notes the failure of the Community to observe fully the time-table laid down for the gradual introduction of equal pay for men and women ;

13. Welcomes the study currently being made by the Commission into the minimum level of oil stocks which it is desirable to maintain in the Community, draws the Commission's attention to the observations made by the Assembly on the matter in paragraph 91 of its report on European Energy Problems (Doc. 1463) and, having regard to the fact that the level of oil stocks in any one particular part of the European area of OECD has an impact on the ability of the area as a whole to face temporary interruptions or dislocations of oil imports, expresses the hope that the Commission will pursue a policy of close collaboration with OECD on this matter ;

14. Notes that, albeit slowly, some further progress has been made towards establishing a common transport policy, and again, as last year, stresses the importance of the closest co-operation between the EEC and the ECMT on transport matters, in particular on such aspects of the economic infrastructure as road, rail, waterways and pipe-lines where it is essential that planning and actual development should serve the needs and interests of all Members of the Council of Europe ;

15. Notes the Commission's Memorandum on the Action Programme for the Second Stage, the progress of which the Assembly will follow and review with great interest ;

16. Welcomes the action envisaged to harmonise social legislation, taxation, State aid systems and other administrative practices and to ensure that disparities in company legislation and industrial property regulations should not artificially distort competition ;

17. Notes the opinion of the Commission that the Community should consider its future development in terms of a programme aiming at the fullest possible and most rational utilisation of productive resources, notably by measures designed to foster regional development ;

18. Noting the advances made during the period under review in getting the complex machinery of the common agricultural policy started ; agrees with the EEC Commission that the realisation of a common market in agriculture is obstructed by the absence of a common price policy for agricultural produce ; takes note of the Commission's declaration that such a price policy should be consonant with the aims set out in Article 110 of the EEC Treaty, and should contribute inter alia to the harmonious development of world trade and ensure the rational development of agricultural production ; and hopes that in the interest of all countries concerned the Council of EEC will soon be in a position to reach decisions on agricultural prices in conformity with these principles ;

19. Noting that the Conference on Fisheries planned by the EEC and which was referred to in Assembly Resolution 238 (1962) was never held, requests the Commission to support actively the UK initiative to call a Western European Fisheries Conference in order to assure participation of all the interested member countries of the Council of Europe ;

20. Notes that in 1962 the gross national product in the Community increased by 4.8 % as compared with 5.3 % in 1961 and 7 % in 1960 and that, although the rate of growth of economic activity was satisfactory, it was lower than the preceding years ; notes further that continuing price increases have been the main economic problem facing Governments, and welcomes the Commission's endeavours to find appropriate means of combating such increases in the future, inter alia through a more liberal trade policy ;

21. Welcomes the Commission's proposal to follow up the comparison of economic forecasts on the basis of business and investment surveys by a comparison of the national budgets, including estimates of revenue and expenditure of regional and local authorities and social security bodie

22. Notes that intra-Community trade in 1962 has increased by 14 % (as against 15 % in 1961 and 25 % in 1960) and that the exchange of goods between the EEC Members has almost doubled since 1958 ; notes further that, while imports from third countries (9 %) have risen as compared with 1961 (5 %), exports to third

countries have virtually stagnated (1 % as compared with 5 % in 1961), but that trade with the European Free Trade Association increased by 12 % (10 % in 1961) on the import side and 5 % (10 % in 1961) on the export side ;

23. Notes that, as the dismantling of customs tariffs between the EEC Members proceeds, non-tariff obstacles assume an increasing relative importance for the development of intra-Community trade, and therefore welcomes the work of the EEC Commission towards the harmonisation of the various economic and fiscal laws and regulations in force in member countries as a means of creating conditions in the Community similar to those of an internal market ;

24. Regards it as vital, in the interests of Western Europe as a whole, those of the Community itself, and those of the other countries of the free world, that the Community should resolutely follow an outward-looking policy in its trade relations and should firmly reject any temptation to adopt an approach based on a conception of achieving self-sufficiency within its own borders ;

25. Considers, in particular, that the EEC, as the largest trading group in the world, has a major responsibility for the successful outcome of the trade negotiations which are due to take place in GATT next spring ; and, while stressing the importance of these negotiations as a means both of avoiding friction between the European trade groupings and of promoting trade and economic development in the Atlantic area in a spirit of true partnership, calls on the Community to play a constructive part in implementing the decisions and principles agreed by the Trade Ministers of GATT at their meeting in May this year.