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Implementation of Order 77 relating to the development of Africa

Report

Secretary General

1.

A second meeting of the Study Group for the development of Africa was held in Strasbourg from 23rd to 26th April 1957. The following members of the Group were present (their countries of origin are given in brackets) :

Messrs. A. R. Bolamba (Belgian Congo); L. Bourcier de Carbon (France); C. Carbonnelle (Belgique); A. Gaitskell (United Kingdom); A. Kagame (Ruanda-Urundi); A. Lawrence (French Guinea); E. Mikseh (Federal Republic of Germany); P. Rykens (Netherlands); G. Ceriani Sebregondi (Italy). M. Ben Aïssa, nominated by the Moroccan Government, attended as an observer.

In view of the fact that the Assembly will, during the first part of the Ninth Session, be discussing the establishment of the European Economic Community together with current negotiations on the creation of a Free Trade Area, the Group wished to bring the following observations forthwith to the notice of the Assembly. The full report of the Group will be tabled before the opening of the second part of the Session.

1. The Study Group held its second meeting from 23rd-26th April 1957 at the headquarters of the Council of Europe. This meeting was on an extended basis, conforming to the revised terms of reference which had been provided for the Group, at its own suggestion, by Order 105, adopted by the Standing Committee of the Consultative Assembly on 11th January 1957.

2. Since the Group submitted its first Interim Report 1 to the Assembly in December 1956 important developments have taken place, notably the signature, on 25th March 1957, of the Treaty instituting the European Economic Community (E. E. C.) among the six countries members of the E. C. S. C. and the decision of the Council of O. E. E. C, taken in February 1957, to enter into negotiations with a view to establishing a Free Trade Area associating the Common Market of the six countries with the other member countries of O. E. E. C.

3. The Study Group re-examined the findings expressed in the Preliminary Statement appended to its first Interim Report¹ in the light of these events and came to the conclusion that the validity of the general objectives and principles set out therein was in no way affected by these events. In particular, the Group wishes to emphasise the following two basic considerations the importance of which to any joint effort for the development of Africa would indeed appear to have been enhanced :

- a. the desirability of enabling all interested African countries and all interested European countries to participate in such a joint development effort;
- b. the need for any such effort to be based on joint consultation between the African and European countries on a footing of equality².

1. [Doc. 641](#).

2. [Doc. 641](#) Appendix I, para. 5 (e).



4. These considerations are based on the special relationship existing between Europe and Africa as brought out by the following facts :
 - a. The greater part of the African economy is geared to a very high extent to that of Western Europe;
 - b. Member countries of O. E. E. C. account for almost two-thirds of total African imports and more than two-thirds of total African exports;
 - c. There are considerable variations from one African country to another, but for all the major groupings in Africa it is true to say that the commercial exchanges with Western Europe are the mainstay of their foreign trade;
 - d. The principal African countries and territories not covered by the association arrangement of the Common Market Treaty rely upon the six countries signatories to that Treaty as outlets for as much as 15-30 per cent of their total exports.
5. The creation of the Common Market and its association with overseas countries and territories which have special relations with the six European Powers appears to be a significant step towards the realisation of some of the objectives under consideration by the Group.
6. Nevertheless, the six Powers participating in the E. E. C, in the nature of things, have considered primarily the interests of their own countries and of the overseas countries and territories with which they have special relationships. Having regard to its terms of reference, the Group emphasises that the position of other African countries and territories, whether or not they have special relations with any European country, remains to be considered.
7. The proposal to create a European Free Trade Area in association with the Common Market offers the occasion for such consideration, which would, moreover, be entirely in keeping with the fundamental intention of the OEEC concept of liberalising trade and reducing tariffs over a wide area. By contrast the creation of a preferential system for the exports of certain African countries and territories carries with it the risk that present patterns of trade may be distorted and entail a sense of discrimination which might lead African areas adversely affected to seek compensation by arrangements opposed to world efforts for the liberalisation of trade.
8. It is in the long-term interest of African and European countries alike to avoid a state of affairs in which some African countries and territories are associated with the new European Economic Community while others are not given the opportunity to join that organisation. The Group accordingly feels that the proposed creation of a European Free Trade Area should be accompanied by suitable provisions enabling all interested African countries and territories not covered by the E. E. C. to become associated with such a Free Trade Area on terms to be determined on the basis of joint consultation. Whilst the opportunity of such an association would certainly be in the African interest, the Group is equally convinced that in the long run such an extension of the Free Trade Area would also be in the European interest, without endangering the trading positions of non-European and non-African countries which at present only participate in African trade to a very limited extent.
9. In view of the fact that the Consultative Assembly will be debating the Treaty instituting the European Economic Community at the first part of its Ninth Session, to open on 29th April 1957, the Study Group feels it expedient to place before the Assembly without delay its views on this Treaty and the present negotiations concerning a European Free Trade Area, in so far as they affect the African economy.
10. The Group intends to submit its final report, embodying its general conclusions and proposals, to the Assembly at the second part of its Ninth Session.