



Resolution 447 (1970)¹

European economic problems

Parliamentary Assembly

The Assembly,

1. Considering that the acceptance of varying rates of inflation by member states represents a permanent threat both to the international monetary system and to the process of European economic integration ;
2. Noting the virtual adoption of the dollar exchange standard and the emergence of the Eurodollar market ;
3. Believing that the establishment by stages of an economic and monetary union within the institutional framework of the European Economic Community (EEC), as foreshadowed at the Hague Summit Conference, has become a practical necessity, and welcoming positive steps taken to this end under the Barre Plan ;
4. Considering that the establishment of an economic and monetary union in an enlarged Community will provide the most suitable framework for dealing with the problem of the impact of the common agricultural policy on the British balance of payments ;
5. Considering that the enlargement of the Community should be accompanied by the conclusion of ad hoc agreements, preferably with other member states of the Council of Europe, leading ultimately to the establishment of a customs union in conformity with the provisions of the General Agreement on Tariffs and Trade (GATT) ;
6. Noting with approval the decisions taken by EEC to open negotiations along these lines with Austria and Malta ;
7. Noting that the application for the opening of negotiations with EEC, presented by Switzerland in 1961, is maintained and that relations between that country and the European Community are very close ;
8. Considering that the strengthening of economic co-operation among the Nordic countries will not necessarily be incompatible with the enlargement of EEC ;
9. Hoping that agreement will shortly be reached between EEC and Turkey for the passage from the preparatory to the transition stage of the Association Agreement ;
10. Aware of the problems that the completion and enlargement of EEC will raise for third countries and of the need to take account of these countries legitimate trading interests,
11. Declares :
 - 11.1. that the negotiations between EEC and the applicants for membership should concentrate on the fundamental options for the development of the enlarged Community, leaving the problems of adaptation to be dealt with as far as possible during the transition period ;
 - 11.2. that the transition period for the integration of the new Members in the enlarged Community should be synchronised with the establishment by stages of the proposed economic and monetary union ;

1. Assembly debate on 22 and 23 April 1970 (8th and 9th Sittings) (see [Doc. 2737](#), report of the Committee on Economic Affairs and Development). Text adopted by the Assembly on 23 April 1970 (9th Sitting).



11.3. that the aim of the negotiations between the Community and those member states of the Council of Europe who are not candidates at the present time for full membership should be the creation of a single European market which will prevent the restoration of tariff barriers between the present Members of the European Free Trade Association as a result of the enlargement of EEC.