Poland attaches great importance to the work of the Working Party on Accessions to the European Communities. The outcome of the examination of the accession agreements in accordance with Article XXIV:5(a) procedures as well as the course of relevant negotiations under Article XXIV:6 will test to a great extent the effectiveness of GATT's activity in a complicated scenery of the contemporary international economic relations - an activity which aims at maintaining for all contracting parties benefits resulting from the membership of the General Agreement.

As far as interests of the Polish foreign trade are concerned the enlargement of the European Communities by the three countries means a significant deterioration of competitiveness of the Polish export offer on the markets of the acceding countries and especially in the United Kingdom. As has already been mentioned in the statement of the head of the Polish delegation to the twenty-seventh session of the CONTRACTING PARTIES, as a result of the United Kingdom's accession to the EEC over £ 20 million of our annual exports to the British market may be eliminated.

I would like to stress here that this figure is a result of not only our unilateral calculations but we have come to it in bilateral consultations with our British colleagues, who have confirmed our estimates.

Now I would wish to give some concrete examples illustrating losses which Poland will suffer due to the enlargement of the EEC.

Bacon

At present Poland is the second, after Denmark, supplier of bacon to the United Kingdom. In recent years our supplies amounted to an average of 40,000-45,000 tons annually.

The actual customs duty is 10 per cent ad valorem. As of 1 January 1973, the bacon market in the United Kingdom is to be regulated by mechanisms of the common agricultural policy, free of customs duty.

On the basis of long-term estimates made by the EEC as well as by FAO it is expected that starting from 1973/74 the enlarged EEC will be self-sufficient in respect of bacon production. It means that afterwards if no special conditions regulating access to the market are established for suppliers from third countries,
Polish bacon may be completely eliminated from the British market. Exports of bacon to the British market have fundamental importance for Poland not only for economic but also for social reasons (the United Kingdom being the sole importer of Polish bacon). Agriculture in some regions in our country, and especially private farms, specialize in breeding bacon pigs for the British market, which practically is the only big consumer of this merchandise, while consumption of bacon in Poland is on a minimal level.

Canned pork (including canned ham)

Actually Poland exports to the United Kingdom about 10,000 tons of canned pork annually. Up to now this market has been regulated by a system of customs duties (10 per cent ad valorem) and quotas. After 1 January 1973, it will be subjected to the mechanisms of common agricultural policy, which will bring about a significant perturbation in exports, especially in those of canned ham.

Butter

Up to now imports of butter into the United Kingdom have been free of duties and the market has been governed by special international arrangements. As of 1 January 1973, imports of butter will be subjected to regulations of the common agricultural policy, which means elimination from the market of all suppliers from third countries, with the exception of New Zealand, which has obtained special preferences in this respect. It means for Poland the perspective of a loss of over 15,000 tons of exports annually.

The above-mentioned examples do not of course exhaust the list of foreseen losses which the enlargement of the EEC will bring for Poland. Such a list will be presented by Poland at the opening of negotiations under Article XXIV:6.

In this short statement I have only sought to draw the Working Party's attention to some adverse implications which the enlargement of the European Communities will have for the Polish foreign trade and which threatens to decrease by one third Polish exports to one of the acceding countries that until 1970 had been Poland's biggest trading partner among western countries.