NOTE BY THE CHAIRMAN ON MEETING OF 15-16 JUNE 1972

1. The first two meetings of the Working Party, held on 29 March and 8-9 May respectively, were devoted primarily to a preliminary discussion of the organization of the work both as regards the examination of the Treaty of Accession pursuant to Article XXIV and the negotiations to be conducted pursuant to paragraph 6 of that Article. Following the second meeting on 8-9 May, a note was circulated (Spec(72)31), outlining briefly the main points covered during the first two meetings. These related mainly to the documentation to be supplied to the Working Party as a basis for the Article XXIV examination and also the Article XXIV:6 renegotiations. Annex I hereto contains the request for documentation by a number of delegations at the time of the second meeting while Annex II contains the offer of the enlarged Communities.

2. In the course of the third meeting on 15-16 June 1972, a further discussion was held on the question of documentation to be supplied by the enlarged Communities as well as the time-table for the question-and-answer procedure in connexion with the examination of the Treaty of Accession under Article XXIV.

(a) Documentation

3. The spokesman for the enlarged Communities stated that the Communities needed a further period of time for reflection with regard to the request for the type of documentation to be made available to the Working Party which went beyond what the Community had already agreed they could provide. He stressed, however, that the prolongation of the period of reflection was not slowing down the work of the Working Party since the preparation of documentation was proceeding in capitals. He reminded the Working Party that at the previous meeting all members had been invited to reflect upon the problems connected with documentation.

4. Several members of the Working Party expressed regret that it was not possible for the Communities to indicate at this time their views on the information that had been requested. These members, while welcoming the statement of the Communities that preparation of documentation had already begun, stressed the great importance to the future of world trade of the expeditious fulfilment of the tasks entrusted to this Working Party and urged the Communities to make their views concerning adequate documentation known at an early date. Some of these members mentioned that they may themselves present relevant documentation to the Working Party, recalling the understanding reached at the previous meeting that countries not parties to the Treaty could also submit relevant data.
5. Several members of the Working Party reiterated their request for the provision of adequate data concerning preferential rate imports.

6. As regards the base date, the spokesman for the enlarged Communities stated that his delegation was now in a position to offer to supply trade figures also for 1970. The adoption of a two-year period (i.e. 1970-71) rather than a one-year one as in the case of the Rome Treaty, would place an additional burden on the Communities, but in a spirit of co-operation they were prepared to supply data for the two-year period.

7. Other members of the Working Party accepted the proposal by the enlarged Communities that 1970 and 1971 should, as a general rule, be taken as the overall base period. Some members emphasized, however, the need for having 1969 figures with regard to products falling in Chapters 1-24 of the Brussels Nomenclature, having regard *inter alia* to the need for taking crop variations into account.

8. The spokesman for the enlarged Communities reiterated his delegation's offer to make available data for 1970 and 1971, an offer which was accepted by the Working Party. Having heard the request of members of the Working Party that the Communities reconsider their position as regards 1969 data for agricultural products, the spokesman for the enlarged Communities stated that he was not in a position to accept this request. It was understood that this matter could be reverted to at a later stage.

(b) Time-table for question-and-answer procedure

9. In GATT/AIR/922 of 17 May, contracting parties were invited to submit questions regarding the accessions as soon as possible. It was noted that questions had not yet been received.

10. It was proposed that these questions, relating to the examination of the Treaty pursuant to Article XXIV, should be submitted to the secretariat before the end of June and that the secretariat should consolidate them and transmit them to the enlarged Communities by 7 July. It was also proposed that the target date for receipt of the replies from the enlarged Communities should be 20 September.

11. After discussion, it was agreed that questions should be submitted by 30 June to be consolidated and transmitted to the parties one week later. It was the understanding, however, that this date did not constitute a final deadline. Countries might submit questions after this date but it was understood that answers to these additional questions could not necessarily be expected to be provided as rapidly as to those submitted by 30 June. Delegations were urged to submit their questions prior to 30 June and it was noted that some countries appeared already to have done much preparatory work regarding the formulation of questions.
12. As regards a target date for submission of replies, the spokesman for the enlarged Communities stated that it was the firm intention of the Communities to supply their replies by the end of September, provided the number of questions was reasonable. He did not exclude, however, the possibility that the study of some technically complex questions might be more time-consuming.

13. It was agreed that the replies should be made available during the last ten days of September.

(c) Date of next meeting

14. A strong desire was expressed to have another meeting of the Working Party at an early date. The Chairman suggested that the next meeting be held on 25 June, which suggestion was accepted. It was also suggested that informal contacts in advance of the next meeting would facilitate the proceedings of that meeting.
Documentation Requested by a Number of Delegations

It would seem most expedient if the examination of the arrangements could begin early in September 1972 on the basis, inter alia, of data to be submitted by the Community and the Acceding countries. For this purpose, it would be helpful if the relevant material could be supplied as assembled and be in the hands of contracting parties by the end of July. As the task of examining the data is obviously more difficult in the agricultural sector where there are generally more non-tariff measures to be taken into account, it is felt that it would be most convenient if the submission and consideration of data could begin with the items of major trade interest in Chapters 1-24. The objective should be to have a complete examination of all chapters before the entry into force of the arrangements, and the co-operation of the Community and the Acceding countries to this effect would be much appreciated. It is understood that other contracting parties would also be able to submit data to the Working Party.

I. Tariffs

1. The five Customs Tariffs (covering also non-m.f.n. duties), indicating legal\(^1\) and applied rates. For specific and compound rates, ad valorem equivalents should also be indicated.

2. The bindings in each of the five schedules should be indicated.

3. Where there are initial negotiating rights, the countries with which the bindings were initially negotiated should be indicated.

4. A concordance between the tariff lines in the tariff of each of the four Acceding Countries and the Common External Tariff of the EEC.

II. Other regulations of commerce

Other regulations of commerce in each of the five territories on 1 January 1972 in cases where the accession would lead to the imposition, removal or modification of regulations, e.g.

- quantitative restrictions, including discriminatory quantitative restrictions, and measures of similar effects;

\(^1\)Concessional rates (including concessional rates which are in suspense inasmuch as they are subject to possible renegotiation) or if concessional rates do not exist, the statutory rates applicable.
- state-trading provisions;
- subsidies

and with particular reference to Chapters 1-24:

- to the extent that the enlarged Community import regulations would rely on measures other than tariffs, a brief description of commercial regulations at four-digit BTN number or tariff line, as appropriate;
- ad valorem equivalents of each variable levy item should be indicated.

III. Statistics

1. Comparable import statistics and duty collections relating to tariff lines showing countries of origin for each of the five territories in the years 1969 and 1970 and possibly also 1968 if comparable figures are readily available.

2. With respect to products in Chapters 1-24 subject to common organization of markets in the Community, which are referred to in the Act concerning the Conditions of Accession and the Adjustments to the Treaties\(^1\), the following additional information for the five territories is requested:

   (i) production; quantity and value for 1968 to 1970 at the level of aggregation for which data is available;

   (ii) consumption; quantity for 1968 to 1970 at the level of aggregation for which data is available;

   (iii) import; quantity and value at tariff line level, global data for each of the three years;

   (iv) export; quantity and value at tariff level, global data for each of the three years;

   (v) where applicable, export subsidies and measures with equivalent effect;

   (vi) where applicable, support, threshold, gate, orientation prices, minimum import price and production subsidies for each of the three years;

   (vii) intervention purchases and sales.

\(^1\) In particular products covered by the regulations referred to in Part Four - Title II - Chapters 2 and 3 and in Annex I - Section II B to Article 29.
IV. Presentation

1. The Working Party's task would be greatly facilitated if information could be presented as far as possible in tabulated form, and related to tariff lines.

2. While stressing the fact that the concern is for the quality and quantity of the information supplied and not with the way it is set up, there are attached hereto (Appendices I and II) two possible forms for the tabulations - one general tabulation and one detailed country tabulation.

V. General

1. The supply of general information of the kind outlined above would obviously not preclude any party from requesting information on specific points of interest to it.

2. The present paper does not cover data requirements which may be necessary as a consequence of Article 108 of the Treaty of Accession.
<table>
<thead>
<tr>
<th>CXT Item No.</th>
<th>CXT Rate and Binding 2</th>
<th>Description 4</th>
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<td>Item Nos.</td>
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<td>Bindings + Origin</td>
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1. CXT line item.
2. As 16% (Brazil - Geneva 1947; KR).
3. This is the A.V.E. for the 10, weighted by own 1970 trade.
4-5. The description in the CXT.
6-7-8. These are items or ex-items of Danish tariff corresponding to the CXT item (1).
12, 13-28-29-53, etc. These are the GATT bound rates.
15, 16-57. These are keyed "A" for Annecy, ... "K" for Kennedy Round, and in each case should show any INR's.
18. This is the difference between 2 and 9, in percentage points, 21 shows the per cent of change. If 2 is 20% and 9 is 25%, it is +5%, and 21 is +25%.
9-49. Column - Where there are variable levy items, this column will show the actual A.V.E. of any applicable levy in a representative period plus any applicable duty and there will be an annotation (e.g. V for variable levy). All items in this column will be coded to show other regulations of commerce (e.g. Q,L,S, etc. for quotas, licensing, state trading).
2, 9-49, 12-53. For specific or compound legal rates, the A.V.E. for 19 will be followed by the actual statutory, specific or compound rate.
36. This is corresponding item in Norway's tariff.
42, 44. These are the same items or ex-items.
46, 48. These are the MFN & BPT rates for items 42, 44.
9, 10, etc. These are to be annotated A or S to show where there are "applied rates" or "suspended rates"; otherwise, the rates are "legal rates". Each annotation should be followed by the legal rate for the item.
APPENDIX II

(For each CXT item there would be 5 such sheets -- one for EC, Dk, Ire, Nor and UK -- at a minimum)

(see note 2 below)

United Kingdom

Trade

CXT No. 1
UK No. 2
Other CXT allocations of UK No. 2 4 5
Total Trade 6
Total MFN 7
Total Non-MFN:
- EFTA & Ireland .......
- BP
Total MFN with EC & Applicants 8
With EC .........
Dk .........
Ire .........
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1. This is the CXT line item.
2. This is the corresponding UK no. of CK item. If there are two or more of these, there will have to be two or more sheets for this CXT item for UK.
3-5. This is for cross-reference -- to show to what CXT items the rest of the UK ex-item was allocated.
7. This includes all MFN non-dutiable trade.
8. This is UK trade with the Six, plus Dk, Ire and Norway.
ANNEX II

Documentation offered by the Enlarged Communities

1. The five customs tariffs (m.f.n. rates). For specific and compound rates, ad valorem equivalents should also be indicated.

2. The bindings in each of the five tariffs should be indicated.

3. Where there are initial negotiating rights, the countries with which the bindings were originally negotiated should be indicated.

4. Concordance between the tariff lines in the tariff of each of the four acceding countries and in the Common External Tariff of the EEC.

5. Quantitative restrictions, including discriminatory quantitative restrictions and measures of similar effects applied by the four acceding countries, in cases where the accession would lead to modifications.

6. State trading applied by the four acceding countries, in cases where the accession would lead to modifications.

7. Production subsidies applied by the four acceding countries, in cases where the accession would lead to modifications.

8. Indication of the existence of variable levies, support, threshold and gate prices, and minimum import prices.

9. Imports m.f.n. in 1971; value at tariff line level, global data indicating m.f.n. countries of origin.

The EEC is ready to furnish any other information that might be necessary and to the extent that such information is relevant and available.