ACCESSIONS TO THE EUROPEAN COMMUNITIES

Questions by Contracting Parties

I. General questions

1. In view of, inter alia, the provisions for adjustments for tariffs and price levels contained in the Treaty, would the parties to the Treaty confirm that it is to be regarded, for the purposes of the examination under Article XXIV, as an interim agreement leading to the formation of a customs union?

2. Do the parties to the Treaty consider that the arrangements set out therein will lead to the formation of a customs union where the duties and other regulations of commerce in respect of trade with contracting parties not parties to the union shall not on the whole be higher or more restrictive than general incidence of the duties and regulations of commerce applicable prior to the formation of the union?

3. If the answer to the preceding question is in the affirmative would the parties to the Treaty supply the basic information which led them to that conclusion?

4. How does the Community assess the effect of the enlargement on the trade of member States of the Community as well as of non-member States?

5. In the view of the parties to the Treaty of Accession, what are the changes expected to occur in the trading position of developing countries on their respective markets, between 1973 and 1978, due to the progressive adaptation by the four acceding States of the Common External Tariff and of the Common Agricultural Policy? What are the mechanisms that have been envisaged during the transition period for the examination of any possible deterioration of the trading position of developing countries on the market of an Enlarged Community resulting from the implementation of increased tariffs on the markets of the Four as and when these are introduced?

6. Do the parties consider that the trade of some third contracting parties will be damaged as a result of the accession of new member States? If not would the parties to the Treaty outline how they come to that conclusion with respect to those contracting parties having preferential arrangements with one of the new member States? How do the parties reconcile adverse effects on such contracting parties with the second sentence of paragraph 4 of Article XXIV which states that "the purpose of a customs union ... should be to facilitate trade between the constituent territories and not to raise barriers to the trade of other contracting parties with such territories"?
7. The examination of the provisions of the Treaty on Accession and related documents is to be conducted on the assumption that all the provisions of the Treaty and related documents as they stand now are to be fully implemented. There are, however, certain provisions which remain to be formulated in the process of future negotiations. Furthermore, it is quite possible that, depending upon circumstances, the implementation of these provisions may have to be modified in future (for example, notwithstanding Article 113 of the Treaty of Rome, the common external trade policy is yet to be completed).

In view of the above, besides the notification procedure under paragraph 7(c) of Article XXIV of GATT, would it not be appropriate to conduct a general re-examination of the implementation of these provisions in due course?

8. If the Working Party concludes that, inconsistently with paragraph 5(a) of Article XXIV, either the duties to be imposed by the enlarged Community are higher than the general incidence of duties prior to enlargement or other regulations of commerce more restrictive, would the parties be prepared to reduce the level of the CET and/or make other regulations of commerce less restrictive in conformity with Article XXIV:5(a)?

II. Tariffs

(a) Elimination of duties inside the Community

9. Article 31 provides that the basic duty to be applied both in removing internal duties and in aligning with the common external tariff of the European Communities or the unified tariff of the ECSC is to be the duty "actually applied on 1 January 1972". When will each party of the enlarged Community submit its list of those duties actually applied which deviate from the legal (concessional or statutory) rates shown in the officially published tariff?

10. Article 32 provides for the elimination by stages of duties on imports between the Community as originally constituted and the new member States and between the new member States themselves. Paragraph 3 permits a deferral of three months for the first reductions on certain products subject to contractual margins of preference between the United Kingdom and certain other Commonwealth preference countries. Paragraph 4 permits the opening of tariff quotas on iron and steel products in certain circumstances.

(a) Does the Community foresee the possibility of some accommodation to Commonwealth suppliers beyond the deferral of tariff reductions referred to in Article 32(3)?

(b) If tariff quotas, mentioned in Article 32(4), are adopted for certain iron and steel products, will they be applied to imports from third countries on a global basis?
11. Describe in concrete terms the "necessary measures for the maintenance" of the Community preference to be taken as provided for in the latter part of Article 33 in the event of amendment or suspension of the Common Customs Tariff duties or the application of Article 41 by the new member States?

12. Article 34 permits any new member State to suspend in whole or in part the levying of duties on products imported from other member States.

(a) What procedure is contemplated for informing third countries of what is in effect advance implementation of internal tariff cuts?

(b) Are there any current plans for advance implementation of internal tariff cuts on products other than those already mentioned in the Act or Protocols?

13. Can the parties furnish details regarding the charges having equivalent effect to customs duties on imports, referred to in Articles 35 and 36, i.e., with an indication of the commodities involved as well as the current levels of the charges (a) in the Community as originally constituted and (b) in the new members?

14. Is the abolition of the charges under Articles 35 and 36 also applicable to non-member States? If not, what "plan and schedule" is to be applied to have these charges harmonized among ten member States?

15. Article 38 provides for the adjustment of customs duties of a fiscal nature. The fiscal element of any such duties may be replaced by an internal tax and any element not replaced by an internal tax is to be treated as a protective duty subject to elimination in intra-community trade and alignment with the Common External Tariff for external trade. Exceptions may be granted by the Commission; for example, the Commission may authorize the United Kingdom to retain such duties on tobacco for an additional period.

(a) What are the general guidelines governing the implementation of this article?

(b) When will the contracting parties receive from each of the acceding countries a list of customs duties of a fiscal nature or duties having a fiscal element?

(c) When will information be available on how each acceding country intends to handle each of these duties; that is, whether it will be replaced in its entirety by an internal tax or, if not, what portion will be retained as a protective duty?

(b) Introduction of the Common External Tariff in acceding countries

16. At what pace will the national customs tariffs of the United Kingdom, Denmark, Norway and Ireland be harmonized with the common tariff of EEC?
17. Should it become necessary to amend rates of duty in the Common External Tariff of the EEC in order to comply with Article XXIV:5(a), on what basis will the amendments be effected? To be more specific, will the rates of duty in the Common External Tariff of the EEC and in the tariffs of the acceding countries be averaged without weighting as in the case of the creation of the Common External Tariff of the EEC, or will the tariffs be weighted according to trade in a representative period, or will some other method be used and, if so, can details be furnished?

18. Article 39 provides for the alignment by stages of acceding countries' tariff rates with the Common Customs Tariff (CXT) and ECSC unified tariff. Paragraph 1 provides for (a) the full implementation of the CXT or ECSC rate on 1 January 1974 if the tariff rate of the acceding country does not differ by more than 15 per cent in either direction from the CXT or ECSC rate, and (b) implementation by stages in other cases. Paragraph 5 states that the Commission shall determine, if necessary, the provisions whereby the new member States will alter their customs duties with a view to facilitating the progressive introduction of the CXT.

(a) What are the products, by acceding country, subject to full alignment with the CXT or ECSC tariff on 1 January 1974 under the provisions of paragraph 1(a)?

(b) What are the conditions under which the Commission might make a determination under paragraph 5 in view of the definitive Schedule for external tariff alignment contained in paragraph 1? Are any specific products under consideration at the present time? If so, which?

(c) Since tariff rates for coal are not unified, will the acceding countries maintain existing tariff treatment for imports from third countries? If not, what will be the rates?

19. Would the parties confirm our understanding that the provisions of Article 39(1) regarding the alignment of Britain's tariff to the Common Customs Tariff against non-community countries mean that the same rhythm of alignment will apply in parallel for m.f.n. and individual non-m.f.n. columns of basic duties?

20. Article 41 permits new member States to align their tariffs with the CXT and the ECSC unified tariff more rapidly than is provided for in the general schedule in Article 39.

(a) What measures are contemplated to ensure that the freedom allowed new member States to align their duties with the CXT more rapidly than provided in Article 39 will be undertaken in a balanced manner so that increases in duties will be offset by comparable decreases?

(b) What procedures will be followed for notification to third countries?
21. In cases where national tariff rates of new member States or CXT rates are
given in specific form (or incorporates a specific element), will an ad valorem
equivalent be calculated for moves toward the CXT? If so, what base period will
be used for computation?

22. Protocols Nos. 8 (phosphorous), 11 (plywood), 12 (woodpulp), 13 (newsprint),
14 (lead), and 15 (zinc) provide, among other things, for duty-free tariff quotas
for a limited period of time. Are all of these tariff quotas available to all
third country suppliers on a first-come first-served basis?

23. Protocol No. 13 (newsprint) also provides that the Community's 625,000 metric
ton nil duty tariff quota, bound under the G.TT, will be reduced. Based on
experience of the past two or three years, how much of a change can be anticipated
in the newsprint tariff quota?

24. Protocol No. 15 (unwrought zinc) also provides that the Community's nil
duty tariff quota shall be progressively reduced until abolished 31 December 1977.
How large is the annual nil duty tariff quota for unwrought zinc expected to be
in 1973 and 1974? What percentage reductions in this quota are envisaged for
1975 and 1976? How will the quota be administered?

25. What kind of compensation for third countries do the EEC and the acceding
countries intend to grant under Article XXIV, paragraph 6, of the General
Agreement?

26. The actual customs duties on a number of goods (zinc plates, rolling mill
products, vacuum flasks, pipes and tubes, tractors, chemicals and others) imported
into Denmark are lower than those of the Common External Tariff of the EEC. What
measures do the EEC and Denmark intend to take in the light of Article XXIV,
paragraph 6, of the General Agreement?

27. The actual customs duties on a number of goods (bearings, aluminium, zinc,
tractors, tools and machine tools and others) imported into Ireland are lower
than those of the Common External Tariff of the EEC. What measures do the EEC
and Ireland intend to take in the light of Article XXIV, paragraph 6, of the
General Agreement?

28. The actual customs duties on a number of goods (rolling mill products,
coal electrodes, textiles, sporting articles, vacuum flasks, musical instruments
and others) imported into Norway are lower than those of the Common External
Tariff of the EEC. What measures do the EEC and Norway intend to take in the
light of Article XXIV, paragraph 6 of the General Agreement?
29. The actual customs duties on a number of goods (electrolitic zinc, zinc plates, aluminium, electric accumulators, tractors, leather footwear and others) imported into the United Kingdom are lower than those of the Common External Tariff of the EEC. What measures do the EEC and the United Kingdom intend to take in the light of Article XXIV, paragraph 6 of the General Agreement?

(c) Tariff preferences

30. In the absence of any reference in the Act of Accession to British preferential treatment of imports from developed Commonwealth countries it is assumed that the preferences on customs duties are to be phased out in accordance with provisions of Article 39.

(a) If this assumption is correct, to which Commonwealth countries does the phase-out apply?

(b) For items subject only to variable levies, will United Kingdom imports (except for sugar) from the developed Commonwealth countries from the beginning of the adjustment transition (date of application of the CAP on those products) be subject to the same charges as those to be applied to imports from other third countries?

31. In accordance with the Joint Declaration of Intent on the development of trade relations with Ceylon, India, Malaysia, Pakistan and Singapore, the EEC is prepared to examine with these countries trade problems with a view to seeking appropriate solutions. Is the assumption correct that existing preferences extended by the United Kingdom to these countries will be phased out in accord with the general schedule for alignment with the CXT? If so, are any exceptions expected to be made? If any are made, will they be reported to the GATT contracting parties?

32. Would the parties to the Treaty agree that, in coming to a judgment as to whether the arrangements set out in the Treaty will mean that the requirements of paragraph 5(a) of Article XXIV will be fulfilled, it is necessary to pay regard to the duties and other regulations of commerce applicable to each and every contracting party not party to the Treaty, i.e. including the duties and other regulations of commerce applicable to countries listed in Annex A to the GATT as being those referred to in paragraph 2 of Article I of the GATT?

33. If the trade of contracting parties referred to in the previous question (those with preferential arrangements permitted by GATT) were to be excluded from the assessment does this mean that the conditions and procedures of paragraph 9 of Article XXIV are to be followed?

34. Would the parties to the Treaty outline the steps they intend to take in fulfilling the requirements of paragraph 9 of Article XXIV?
35. Taking into consideration that the EEC has granted to a number of developing countries generalized tariff preferences and that, on the other hand, the acceding countries have individually accorded or promised to accord such preferences, what steps does the EEC intend to take in this respect?

III. Quantitative restrictions

36. What are the existing quantitative restrictions which each member State of the Community and each new member State applies to imports from third countries?

37. With regard to all items presently under quantitative restrictions, including discriminatory quantitative restrictions, give the annual import value of each of these items, as well as the percentage of these items in the total import of the ten member States for the years 1969, 1970 and 1971.

38. What portion of the imports of each member and new member States is now subject to quota? What portion of imports now under quota will be liberalized vis-à-vis other members? For all GATT contracting parties?

39. Does the EEC intend to grant a free access to its market for the goods which are fully liberalized when imported into the United Kingdom, Denmark, Norway or Ireland, but which at present are not liberalized when imported to the actual member countries of the Communities?

40. (a) Are the common import regulations and the common list of trade liberalization now in force in the Community to be applied to the new member States as from the date of their accession to the Community?

(b) If the answer to the above question is in the affirmative, are quantitative restrictions which the new member States are at present applying to those commodities included in the list of the common liberalization of the original member States to be abolished instantaneously?

(c) If the answer to the above question is negative, then in accordance with what "plan and schedule" will the alignment with the common list of liberalization be carried out?

41. Bilateral agreements concluded by Poland with the acceding countries provide for the elimination of quantitative restrictions against Polish exports of textiles. Will the accession of these countries to the EEC influence the implementation of these provisions?

42. Describe in concrete terms the "measures having equivalent effect to such restrictions" as provided for in the latter part of Article 42 of the Act, and specify those commodities to which these measures are applied.
43. When the restrictions and "measures having equivalent effect" are abolished, will they be abolished for imports from all GATT contracting parties?

44. In accordance with Protocol No. 7, Ireland is authorized to retain until 1 January 1985 its special system regarding imports of motor vehicles which provides in part that importers-assemblers of makes of vehicles manufactured in the Community may import built up vehicles without restriction from other member States. Article 3 provides for a global quota for imports of Community vehicles other than those covered by the special system. In view of the provisions of Article 3 of Protocol No. 7, how does Ireland intend to treat imports of motor vehicles from third countries? Do these provisions contain any obligation by Ireland to import the subject vehicles from other Community member States to the full amount of the quota for each year from 1973 through 1984?

IV. Agriculture

45. What modifications are foreseen to the rules on common organization of markets?

46. What proportion of trade on agricultural products is believed to be affected as a result of the application by the acceding countries of the principle of the "Community Preferences"?

47. What proportion of trade between the acceding countries and the rest of the world, will be affected by the application of the Common Organization of Markets?

48. With regard to each of those agricultural commodities which are covered by the regulations for common market organization in the present Community, give the following figures for the years 1969, 1970 and 1971.

   (a) The import value for each commodity, the total import value of these commodities, and their percentage in total imports

   (b) The total value collected for each commodity in the forms of customs duties, levies (including variable elements), compensatory taxes and any other charges having equivalent effect to customs duties.

49. In the context of paragraph 5(a) of Article XXIV do the parties consider the variable levy applied to imports from third contracting parties of some agricultural products to be a "duty" or "other regulation of commerce"?

50. For the following measures, information is requested as to the effects of the enlargement on the present Community as well as on each of the four acceding States. (With regard to those measures for which a common trade regulation of
the present Community is to be adopted by the four States after their accession, it is requested to give concrete explanation as to how the provisions of the existing trade regulations in these States will be changed, so that a change in the incidence can be judged objectively.) If the enlargement will not immediately affect the measures, give the "plan and schedule" of the harmonization of these measures in the ten member States.

(a) Levies

(b) Compensatory taxes

51. Agricultural products, when imported into the United Kingdom, Denmark, Norway and Ireland, are (apart from some exceptions) not subject to variable levies but after the accession of these countries to the EEC, imports of these products will be covered by the common agricultural policy, which would entail a substantial increase in import charges. In this context, what measures do the EEC, the United Kingdom, Denmark, Norway and Ireland intend to take in the light of Article XXIV, paragraph 6 of the General Agreement.

52. Article 51 provides that before the first move towards price alignment with the Community, the new member States will fix prices for certain agricultural and fisheries products. Paragraph 2 provides that producers are allowed to "obtain returns equivalent to those obtained under the previous national systems", and paragraph 3 provides that in Norway and the United Kingdom the price fixed should result in market prices comparable with those in effect during a representative period preceding the implementation of Community rules.

(a) What are the specific products to which Article 51 will apply and what prices will be set initially in each new member State for each of these products?

(b) What were the prices in effect for each of these products in 1969, 1970 and 1971?

53. The United Kingdom is to adjust its import regime to the Common Agricultural Policy in six phases beginning 1 February 1973 and ending 31 December 1977. What will be the initial intervention, threshold and target prices in the United Kingdom market for wheats, feed grains, flour, cheddar cheese?

Will there be one or more than one location in the United Kingdom established for the purpose of calculating levies on agricultural imports from third countries? What are those locations?
54. What is the "representative period" referred to in Article 51(3) by which the United Kingdom will set her agricultural price levels prior to movement towards CAP prices?

55. Is it possible to define, with examples, what is meant by a "minimal" difference in price levels mentioned in Article 53?

56. Article 53 provides that if the difference between the product price in a new member State and the common price level in the Community is "minimal" the Council may decide that the new member State is to apply the common price to the product concerned. Can the Community indicate now the products and the new member States to which the provisions of Article 53 will apply? If not, when will this information be made available?

57. Can it be understood that the new member States will not have to carry out gradual price alignment for certain commodities such as tobacco, rice, wine and olive oil for which no specific programme of price alignment is provided for, although a common price is fixed for these commodities in the original member States? If so, since compensatory amounts are not fixed for tobacco, wine and olive oil, there is likely to be some difference in price level of these commodities between the original member States and the new member States. How would this difference be adjusted?

58. What are the modifications envisaged to the Common Market's regulations for calculating the prices of imported beef, veal and live bovine animals?

59. It is provided for in paragraph 1 of Article 54 of the Act that the United Kingdom may maintain her national system of guaranteed prices during the process of alignment of the domestic price level to that of the Community. Is this guaranteed price to be the one fixed in 1972, or is a new guaranteed price to be fixed each year even after accession?

60. Article 54 authorizes the continuation, under certain conditions, of production subsidies in the United Kingdom. What are the products on which the United Kingdom is authorized to continue deficiency payments, and what is the timetable for their elimination?

61. Article 55 of the Treaty of Accession provides for compensatory levies or payments on agricultural trade between the Community and new member States in order to equalize differences in price levels during the transitional period. This procedure would, in effect, appear to provide the Community preference for EEC agricultural exports to the United Kingdom market from the beginning of the transitional period. How will these compensatory payments to Community exports be calculated, for example on feed barley exports to the United Kingdom after 1 February 1973? How would access for Community barley to the United Kingdom market compare with access conditions for barley from third country suppliers (both Commonwealth preferential and most favoured nation) in 1973? A tabulation or chart showing various compensatory payments, import levies and tariffs for EEC,
Commonwealth and most-favoured-nation suppliers in 1973 would be helpful. For the purposes of calculating a levy, a national lowest offer price for barley could be used roughly equivalent to current market conditions.

62. Article 55 provides that differences in price levels will be compensated by amounts levied by the importing State or granted by the exporting State. Will the parties to the Act of Accession give concrete examples showing how these provisions would be implemented and what degree of Community preference is provided for when (1) the Community fixes target and intervention prices and (2) when the Community does not?

63. Article 55, paragraph 5, provides that when the duty on a product is bound, the binding shall be taken into account. Does the Community intend to take the binding into account by maintaining the protection at the bound level?

64. Article 56 provides that if world prices are higher than the price used in calculating the import charge under the CAP (or if the refund on exports to third countries is less than the compensatory amount) "appropriate measures may be taken with a view to ensuring the proper functioning of the common organization of the market". What are the "appropriate measures" referred to?

65. Article 59 applies to products subject to customs duty upon importation into the Community as originally constituted. It provides for the elimination of duties by stages in intra-Community trade and for alignment by stages of duties of the new member States with the CXT. Where customs duties of the new member States differ by 15 per cent or less from the CXT, the alignment is to be made in one step. New member States may abolish customs duties or align them with the CXT at a more rapid rate than provided for in the general provisions governing the transition period.

(a) To which products will each acceding country apply the full CXT upon initial alignment?

(b) What measures are contemplated to ensure that more rapid elimination of or alignment of duties is undertaken in a balanced manner so that increases in duties will be offset by comparable decreases?

66. Article 60, paragraph 1, provides that where a common organization exists, the system of customs duties and charges and quantitative restrictions applicable in the Community of Six will apply, subject to Articles 55 and 59, in the new member States from 1 February 1973. What products, by BTN heading, are covered by such quantitative restrictions and other measures of the Community that are to be applied by the new member States beginning 1 February 1973?

67. Article 60, paragraph 2, provides for products that are not covered by the CAP on the date of accession, that new member States are authorized for a period to retain quantitative restrictions and other measures if they form part of the national market organizations (of the acceding countries) on the date of accession.
What are the products, by tariff line for each acceding country, that will remain subject to quantitative restriction and other measures after accession?

68. Article 61 provides for assessing a component of the import charge to "ensure protection of the processing industry". What products, by tariff line, are to be subject to a separate protective element for processors? And what are the amounts of the protective element to be applied for each such product?

69. If the implementation of the transitional arrangements contained in Part IV, Title II, should (in accordance with the provisions of Article 63) necessitate additional transitional measures which might result in a standstill or suspension of any particular transitional arrangement, it is assumed that such additional transitional measures will, mutatis mutandis, be applied to trade with third countries. Could the parties confirm this?

70. Article 65 specifies the fruit and vegetable products for which compensatory amounts are to be fixed, namely those for which a new member State applied quantitative restrictions in 1971, a common basic price is fixed, and the producer price in the new member State appreciably exceeds the basic price previously applicable in the Community.

(a) What products were subject to quantitative restrictions in 1971?

(b) What is the list of products for which the producer price in the acceding countries "appreciably exceeds" the basic price in the Community? If the list is not now available, when can the contracting parties expect to receive it, together with the corresponding compensating amounts applicable to each product listed?

71. Article 66 provides that the compensatory amount shall not be applied in trade between two new member States if the difference between respective producer prices is insignificant after adjusting for the incidence of customs duties. What products fall within this definition?

72. Article 74 provides for the fixing of compensatory amounts for cereals for which no derived intervention prices are fixed in the acceding countries.

(a) What are the cereals in question?

(b) Which competitive cereals (for which derived intervention prices are to be fixed) are to be used for deriving the compensatory amounts for these cereals?

(c) What is the criterion for determining the degree of competition between such cereals?
(d) What is meant by an appreciable difference between threshold prices and market prices in the acceding country, a difference which permits the latter relationship to be taken into consideration in fixing the compensatory amount?

(e) How is the relationship between market prices for the cereals in question to be taken into consideration in setting the compensatory amounts?

73. Articles 75, 77 and 79 provide that the compensatory amounts for pig carcasses, eggs, slaughtered poultry and chicks are to be calculated on the basis of the compensatory amounts applicable to the quantity of feed grains required for production of one unit of product in the Community. The compensatory amounts for products derived from the basic products above are to be calculated by use of the coefficient used in determining the levy for such products.

(a) Why are the quantities of feed grains required to produce one unit of output in the Community used instead of quantities of feed grains required to produce one unit of output in the acceding countries?

(b) Will the Community feed conversion ratio and the coefficients used in calculating the levy be modified to reflect the relative efficiencies of the acceding countries? If so, what will these ratios and coefficients be?

74. Article 80 provides for the fixing of compensatory amounts for rice on the basis of the difference between the threshold prices and the market prices in the acceding countries during a reference period.

(a) What is the reference period that is to be used in determining the market prices for round-grain husked rice, long-grained husked rice, and broken rice in the new member States?

(b) What were the market prices in each new member State during that reference period?

75. Article 86 provides for the fixing of compensatory amounts for pilot products in the dairy regulation other than butter and skim milk powder.

(a) What is the representative period that is to be used to determine the representative market price levels in the new member States and in the Community?

(b) What were the representative market price levels for these products during that period?
76. Article 91 provides for the fixing of compensatory amounts for calves and bovine animals. What are the specific "appropriate measures" which are to be adopted by the new member States in order to maintain preferences and avoid deflections in trade?

77. Article 93 authorizes Ireland to retain the present measures relating to the export of beef and veal in correlation with the system of production subsidies on slaughter cattle applied in the United Kingdom.

(a) What are the measures which Ireland presently applies on the exports of beef and veal?

(b) What is the time schedule for the phasing-out of United Kingdom subsidies?

78. Article 96 outlines the procedure for setting producer aids for seed producers.

(a) What will the subsidies be for seed production in each new member State?

(b) What schedule of alignment is to be followed?

79. Articles 104 and 105 relate to the rules and provisions for veterinary health measures in intra-Community trade in bovine animals, swine and fresh meats. What national rules on the imports of these products are the new member States being authorized to retain until 31 December 1977?

80. What is the legal status of the footnote to Protocol 16?

81. What are the problems referred to in paragraph 3 of Protocol 16 "which should be avoided concerning fluidity of trade, particularly in the cereals sector (wheat and rice)?"

82. What is the significance of paragraph 4 of Protocol 16?

83. With whom in the enlarged Community will rest the final decision in respect of procedures set out in paragraph 5 of Protocol 16?

84. What are the "similar cases" referred to in paragraph 5 of Protocol 16?

85. Would the parties elaborate on what will be regarded as a "problem" in terms of paragraph 5 of Protocol 16?

86. What are the various means of action, referred to in paragraph 6 of Protocol 16, which the institutions of the Community will have available to overcome difficulties which may arise on the Community markets from the application of the transitional mechanisms?
87. In considering the question of barriers to trade before and after the enlargement of the Communities, would it be correct to assume from the provisions of Protocol No.16 that there could be certain specific cases where the enlarged Communities will take measures in the form of reduction of trade barriers to meet trade problems arising in certain third countries?

88. Would any such action be taken only on a temporary basis during the transitional period?

89. If so, in what circumstances would the Communities consider putting such action on a permanent basis?

90. Protocol 18 of the Treaty of Accession provides certain assurances to New Zealand with respect to the volume of butter and cheese imports into the United Kingdom from that country. What mechanisms, if any, will be introduced to assist the United Kingdom in meeting these obligations? Will New Zealand be given the benefit of preferential levies or will some other device be employed?

91. Protocol No.19 provides that the Council shall decide the necessary measures to facilitate the use of Community cereals in the manufacture of spirituous beverages obtained from cereals (whiskey in particular) exported to third countries. Is there any information on types of measures that are envisaged to facilitate such use of Community cereals? Will any such measures take the form of a direct or indirect subsidy?

92. It is planned that during the transitional period, contributions by the new member States to the budget of the Community will gradually be increased. In this regard, will the full amount be paid by FEOGA to the new member States in case of market intervention or export refundment?

V. Relations with Associated States and certain third countries

93. Article 108 provides that, from the date of accession, the new member States are to apply the Community's agreements with Greece, Turkey, Tunisia, Morocco, Israel, Spain and Malta and any Mediterranean country with which the Community concludes an agreement before 1 January 1973. It provides for the negotiation of protocols with the contracting third countries and notes that the transitional measures and adjustments are not yet settled.

(a) What transitional measures and adjustments are foreseen?

(b) What is the time frame contemplated for the signing of the Protocols?
(c) At what stage will they be submitted for GATT consideration?

(d) In the case of Turkey which of the two agreements with the Community is to be the basis of association?

94. Explain the present situation of the negotiations with the other third countries in the Mediterranean region provided for in paragraph 3 of Article 108.

95. Do the parties agree that adjustments to the agreements referred to in Article 108, paragraph 3, which will be the subject of protocols in accordance with Article 108, paragraph 1, could have a bearing on their consistency or otherwise with the General Agreement? Would they agree that the agreements in question should be re-examined by the CONTRACTING PARTIES?

96. Articles 109-115 and Protocol No.22 provide the broad framework for establishing the enlarged Community's relations with the Associated African and Malagasy States and with certain developing Commonwealth countries. Relations are to be regularized by 31 January 1975, although Article 115(3) permits extension of the transition date. Negotiations with the Commonwealth countries are to be initiated in 1973 on the basis of three alternative proposals for association or special trade agreements. New arrangements are also to be negotiated with the African countries.

(a) Has the Community had any reactions from the developing Commonwealth countries concerning the types of arrangements, if any, that each would be interested in negotiating? If so, what is the reaction?

(b) Does the Community intend to seek reverse preferences? If so, with which countries? And for what reasons?

(c) What measures are contemplated to ensure that the proposed arrangements are compatible with GATT?

(d) If Botswana, Lesotho and Swaziland decide to seek an association arrangement with the Community, can Section I, paragraph 3 of Protocol No.22 be interpreted to mean that the Community expects to obtain duty-free access, which is the tariff treatment presently accorded the Republic of South Africa?

97. It is provided for in Article 108 of the Act that association agreement with Mediterranean States shall apply to the new member States as from 1 January 1973, while Article 109 provides that the arrangement resulting from the Yaoundé Convention signed on 29 July 1969 and the Arusha Agreement signed on 24 September 1969 shall not apply in relations between the new member States and the States associated with the Community under the above acts. Explain the reason for such differentiation of treatment.
98. Is there any information available on the expected scope and contents of the new Convention for the Associated African and Malagasy States (AAMS) that is to follow the Convention signed on 29 July 1969? Is it expected to provide for a full customs union, complete free-trade area, or selected preferential arrangements? When is the renegotiation with the AAMS expected to occur?

99. According to Articles 109 to 115 and Protocol 22, the status of the relations between the new member States and the EAMA countries, the three Arusha countries and the independant Commonwealth countries referred to in Annex VI is permitted to differ from those of the relations between the present Community and these groups of countries. Is this considered to be consistent with the provisions of paragraph 5(c) and 8(a)(ii) of Article XXIV of GATT?

100. Will the parties notify to the CONTRACTING PARTIES decisions taken by the Council pursuant to Article 110(b), and decisions of the Commission pursuant to Article 112, paragraph 3?

101. When will the information referred to in paragraph 1 and 2 of Article 113 (arrangements currently applied to imports from the developing Commonwealth countries) be transmitted to the GATT?

102. Does Article 115(1) contemplate that after 31 January 1975 the new member States will apply fully the arrangements with the Associated African and Malagasy States?

103. Article 117 provides for the association of the non-European territories maintaining special relations with Norway or the United Kingdom and of the Anglo-French Condominium of the New Hebrides not earlier than 1 February 1975, and subject to a decision of the Council. The new member States have discretion whether they wish to accede to the agreement on trade with overseas countries and territories in products within the province of the ECSC. When will the Community submit to the GATT for consideration the projected association of non-European territories?

104. Rhodesia is not listed as either a dependent British area in Article 24 or as an independent developing country of the British Commonwealth in Annex VI. Does this mean that Rhodesia is not being offered association or some other preferential trading arrangement?

105. For each of the four new member States, give the import and export statistics for their trade with those States which have association agreements with the present Community, together with the percentage of such trade in the total trade of each of these member States for the years 1969, 1970 and 1971 with breakdowns for industrial products and agricultural products.
VI. Other questions

106. For the following measures, information is requested as to the effects of the enlargement of the present Community as well as on each of the four acceding States. (With regard to those measures for which a common trade regulation of the present Community is to be adopted by the four States after their accession, it is requested to give concrete explanation as to how the provisions of the existing trade regulations in these States will be changed, so that a change in the incidence can be judged objectively.) If the enlargement will not immediately affect the measures, give the "plan and schedule" of the harmonization of these measures in the ten member States.

(a) Subsidies on export and import (including restitutions)
(b) Anti-dumping measures
(c) State trading
(d) Rules of origin
(e) Technical regulations for safety and sanitary purposes
(f) Countervailing duties

107. With regard to those regulations of commerce which are yet to be completed, such as regulations on licensing and emergency tariff measures, what "plan and schedule" is envisaged for the formation of common regulations to be adopted by the enlarged Community?

108. Article 2 provides that from the date of accession, the provisions of the original treaties and the acts adopted by the institutions of the Communities shall be binding on the new member States. When will the new member States notify the GATT of changes in border tax adjustments which will take place as a result of adoption by them of Community decisions relating to fiscal harmonization?

109. How will the import charges on goods imported from third countries be affected by the adoption of the value-added tax system by the four acceding countries?

110. It appears that existing border adjustment measures of the Community introduced after the international currency realignment of December 1971 will continue to be taken after the accession of new member States. In that case, in what manner will the new member States be treated?

111. The Declarations on the economic and industrial development of Ireland include a request of the Community to support the Irish Government's programmes aimed at eliminating economic and social imbalances and a statement that the
Commission will study Ireland's system of tax exemptions among other things. Will the Commission's review of Ireland's tax measures be undertaken with a view toward ensuring conformity of this measure with generally accepted practices under GATT Article XVI?

112. In what period upon the accession will the acceding countries continue to enter into bilateral agreements with third countries, the socialist ones included?

113. Since Ireland is to apply the same tariff and other regulations of commerce as other member States of the Community to trade with non-member States, there will no longer be any reason for invocation of Article XXXV of the GATT against Japan, and it is therefore considered that this invocation should be withdrawn. What is the viewpoint of the Community on this matter?