Joint Declaration

on the Court of Justice

Such additional measures as may prove necessary following the accession of the new Member States should be taken by the Council which, at the request of the Court, may increase the number of Advocates-General to four and adjust the provisions of the third paragraph of Article 32 of the ECSC Treaty, the third paragraph of Article 165 of the EEC Treaty and the third paragraph of Article 137 of the Euratom Treaty accordingly.

Joint Declaration

on the Sovereign Base Areas of the United Kingdom of Great Britain and Northern Ireland in Cyprus

The arrangements applicable to relations between the European Economic Community and the Sovereign Base Areas of the United Kingdom of Great Britain and Northern Ireland in Cyprus will be defined within the context of any agreement between that Community and the Republic of Cyprus.

Joint Declaration

on the fisheries sector

1. The institutions of the European Economic Community will examine the problems of the fish meal and fish oils sector with a view to adopting measures which might prove necessary in that sector with respect to the raw material used. These measures should meet the need for protection and rational use of the sea's biological resources while avoiding the creation or retention of insufficiently profitable production units.

2. The application of common marketing standards for certain fresh or chilled fish must not have the effect of excluding any marketing method and, conversely, no marketing method should hinder the application of the said standards; it is in this spirit that the problems which could arise may be settled when the time comes by the institutions of the European Economic Community.

3. The European Economic Community is aware of the importance of Norwegian exports of fish products to third countries, which are subject like other Community exports to Regulation (EEC) No 2142/70.

4. It is understood that the Norwegian law on "the marketing of fish coming from processing industries" of 18 December 1970 will be the subject, as soon as possible, of a detailed study with a view to examining the conditions under which it might be applied, having regard to the provisions of Community law.

Joint Declaration of Intent

on the development of trade relations with Ceylon, India, Malaysia, Pakistan and Singapore

Inspired by the will to extend and strengthen the trade relations with the developing independent-Commonwealth countries in Asia (Ceylon, India, Malaysia, Pakistan and Singapore), the European Economic Community is ready, from the date of accession, to examine with these countries such problems as may arise in the field of trade with a view to seeking appropriate solutions, taking into account the effect of the generalized tariff preference scheme and the situation of the other developing countries in the same geographical area. The question of exports of sugar from India to the Community after the expiry of the Commonwealth Sugar Agreement on 31 December 1971 must be settled by the Community in the light of this Declaration of Intent, taking account of the provisions which may be adopted as regards imports of sugar from the independent Commonwealth countries listed in Protocol No 22 on relations between the European Economic Community and the Associated African and Malagasy States and also the independent developing Commonwealth countries situated in Africa, the Indian Ocean, the Pacific Ocean and the Caribbean.

Joint Declaration

on the free movement of workers

The enlargement of the Community could give rise to certain difficulties for the social situation in one or more Member States as regards the application of the provisions relating to the free movement of workers.

The Member States declare that they reserve the

right, should difficulties of that nature arise, to bring the matter before the institutions of the Community in order to obtain a solution to this problem in accordance with the provisions of the Treaties establishing the European Communities and the provisions adopted in application thereof.

Declaration

by the Government of the Federal Republic of Germany on the application to Berlin of the Decision concerning Accession to the European Coal and Steel Community and of the Treaty of Accession to the European Economic Community and to the European Atomic Energy Community

The Government of the Federal Republic of Germany reserve the right to declare, when the accession of the Kingdom of Denmark, Ireland, the Kingdom of Norway and the United Kingdom of Great Britain and Northern Ireland to the European Coal and Steel Community takes effect and upon depositing its instrument of ratification of the Treaty concerning the accession of the above-mentioned countries to the European Economic Community and to the European Atomic Energy Community, that the Decision of the Council of 22 January 1972 concerning accession to the European Coal and Steel Community and the Treaty referred to above shall equally apply to Land Berlin.

Declaration

by the Government of the United Kingdom of Great Britain and Northern Ireland on the definition of the term "nationals"

At the time of signature of the Treaty of Accession, the Government of the United Kingdom of Great Britain and Northern Ireland make the following Declaration:

"As to the United Kingdom of Great Britain and Northern Ireland, the terms "nationals", "nationals of Member States" or "nationals of Member States and overseas countries and territories" wherever used in the Treaty establishing the European Economic Community, the Treaty establishing the European Atomic Energy Community or the Treaty establishing the European Coal and Steel Community or in any of the Community acts deriving from those Treaties, are to be understood to refer to:

- (a) persons who are citizens of the United Kingdom and Colonies or British subjects not possessing that citizenship or the citizenship of any other Commonwealth country or territory, who, in either case, have the right of abode in the United Kingdom, and are therefore exempt from United Kingdom immigration control;
- (b) persons who are citizens of the United Kingdom and Colonies by birth or by registration or naturalization in Gibraltar, or whose father was so born, registered or naturalized."

Declarations

on the economic and industrial development of Ireland

At the 6th Ministerial Meeting in the negotiations between the Community and Ireland, held on 19 October 1971, Mr. A. Moro, Minister of Foreign Affairs of the Italian Republic, made, on behalf of the Community delegation, the declaration appearing under I hereinafter.

Mr. P.J. Hillery, Minister for Foreign Affairs of Ireland, replied, on behalf of the Irish delegation, with the declaration appearing under II hereinafter.

I. Declaration made by Mr. A. Moro, Minister of Foreign Affairs of the Italian Republic on behalf of the Community delegation

Ι

1. The Irish delegation has stressed that the Irish Government is faced with serious economic and social imbalances of a regional and structural nature. This delegation has stated that these imbalances should be remedied in order to achieve a degree of harmonization consistent with the objectives of the Community and particularly with the realization of economic and monetary union. The Irish delegation has asked the Community to undertake to employ its means to support the Irish Government's programmes aimed at eliminating these imbalances and to take full account of Ireland's special problems in this field in the development of a major Community regional policy at a later date.

2. The Irish delegation has submitted documents to the Community delegation indicating the general direction and the instruments of the Irish regional programmes. The Irish delegation has also explained how the Irish exporting industries are supported by tax relief. In this respect it is also a question of measures the aim of which is to do away with economic and social imbalances by the development of industry.

Π

1. The Community delegation emphasizes in this connection that—as follows from the Preamble to the Treaty of Rome—the essential objectives of the Community consist in the constant improvement of the living and working conditions of the peoples of the Member States, and the harmonious development

of the economies of these States by reducing the dif-

2. The common policies and the various instruments created by the Community in the economic and social sectors are a positive realization of the abovementioned objectives and are furthermore likely to develop. The European Social Fund has been directed along new lines. The European Investment Bank is constantly expanding the field of its activities. At the present time, the institutions of the Community are engaged in discussions to decide the Community instruments, which it is possible to introduce, and according to what procedures, in order to achieve the objectives of the regional policy.

ferences existing between the various regions and the

backwardness of the less-favoured regions.

The aids granted by the States, including those granted by way of tax exemptions, are subject to the rules laid down in Articles 92 to 94 of the EEC Treaty. With regard to State aids for regional purposes it should be stressed that, under the terms of Article 92(3)(a) "aid to promote the economic development of areas where the standard of living is abnormally low or where there is serious under-employment" may be considered to be compatible with the common market. Experience shows that this provision is flexible enough for the Community authorities to be able to take into consideration the special requirements of the underdeveloped regions.

Tax exemptions—in common with all other aids existing in Ireland at the time of accession—will be studied by the Commission in the normal framework of the permanent examination of existing aids. If this examination were to reveal that it would not be possible to retain any particular aid in its existing form, it will fall to the Commission under the rules of the Treaty to establish the appropriate time limits and transitional procedures.

3. Having regard to the above-mentioned special problems with which Ireland is confronted, the Community delegation proposes to annex to the Act of Accession a protocol on the economic and industrial development of Ireland.

II. Declaration made by Mr. P.J. Hillery, Minister for Foreign Affairs of Ireland, on behalf of the Irish delegation

I am pleased to record the Irish delegation's acceptance of the text of the proposed Protocol concerning Ireland which has been the subject of discussions between our two delegations and the background to which has been so clearly set out in your introductory statement. The text adopted will enable the Irish Government to proceed with their plans for economic and social development in the knowledge that the Community, through its institutions and agencies, will be ready to cooperate with us in the pursuit of the objectives which we have set ourselves.

I have on a number of occasions in the course of the negotiations, drawn attention to the problems posed by differences in the level of economic development in an entity such as the enlarged Community. I have endeavoured also to explain to you the difficulties which a country such as Ireland, situated on the periphery of the enlarged Community, must overcome in order to approximate its level of economic development to that of the other Member States. I am fully aware of the Community's will and purpose to achieve the aims set out in the EEC Treaty of ensuring the constant improvement of the living and working conditions of the peoples of the Member States and the harmonious development of their economies. The Protocol on which we have reached agreement today is a convincing demonstration of the Community's determination to give real content to these fundamental aims. This Protocol will be an instrument of practical value in enabling my country to play a full part within the enlarged Community in achieving these aims. Its effectiveness for this purpose will be greatly enhanced by the development of a comprehensive Community regional policy. In this connection may I say that I am heartened by the efforts being made to deal with this important issue as part of the evolution of the Community.

In Irish circumstances, the effectiveness of development measures, whether at the national or at Community level, must be judged by progress in the reduction of unemployment and emigration and the raising of living standards. This is essentially a matter of providing for our growing work force the necessary job opportunities without which a substantial proportion of our most valuable economic resource will remain unused or be lost through emigration and the pace of economic development will be retarded.

My Government will be gratified that our discussions today have shown that Ireland's accession to the Community will enable them to maintain the drive towards the realization of their aims as recited in the Protocol. I have particularly in mind here the continuing growth of industry which is central to our general aim of economic expansion. It is of vital importance to us that progress in this area be maintained through the application of effective measures of industrial promotion. I understand that, like any other incentive scheme, our industrial incentives will come up for examination under Community rules after accession. I note with satisfaction that you recognise the necessity for an incentive policy in Ireland but that questions may arise about the particular forms our scheme of incentives has taken while we have been outside the Community.

I would like to draw your attention to the fact that the question would arise in this connection of the commitments which we had previously entered into. We shall, of course, have to honour these commitments but we shall be ready to discuss in all its aspects the change-over to whatever new incentive system is devised and we shall collaborate in solving these problems in an appropriate way.

I am fully satisfied from what you have said about the flexible nature of the relevant Treaty provisions that in the examination of our incentives the Community institutions will take full account of our special problems. I am also satisfield in the light of the identity of aims of both the Irish Government and the Community that if adjustment of these incentives is called for, the Irish Government will be able to maintain the growth of Irish industry, and achieve a continuous improvement in the level of employment and living standards.

Finally, may I say in conclusion that I appreciate the sympathy and understanding which the Community has shown in its approach to and examination of the questions of our regional problems and industrial incentives which are of the greatest importance to my country. The agreement which we have reached augurs well for our future cooperation within the enlarged Community in pursuit of the fundamental aims of the Treaty. I see in this future cooperation the means by which we in Ireland can best achieve our national economic objectives.

Declarations on liquid milk, pigmeat and eggs

At the 2nd Ministerial Meeting in the negotiations between the Community and the United Kingdom held on 27 October 1970, Mr. G. Rippon, Chancellor of the Duchy of Lancaster, speaking on behalf of the United Kingdom delegation, and Mr. W. Scheel, Minister of Foreign Affairs of the Federal Republic of Germany, speaking on behalf of the Community delegation, made the two following statements.

In conclusion, the two delegations noted that agreement had been reached on the basis of these two statements.

I. Statement made by Mr. G. Rippon, Chancellor of the Duchy of Lancaster, on behalf of the United Kingdom delegation

1. At the 1st Ministerial meeting on 21 July my predecessor said that the United Kingdom was ready to adopt the common agricultural policy within an enlarged Community. He added, however, that we should need to consider carefully a number of points, including the production, marketing and consumption implications for the United Kingdom of the Community's regimes for milk, pigmeat and eggs.

2. There has been a considerable amount of exploration and discussion since then, both with the Commission at a technical level and more generally at meetings of the Deputies. On our side the aim has been to see whether any serious problems were likely to arise and, if so, how they might best be avoided. I am pleased to be able to say that we have had a good deal of elucidation and understanding from the Community, which has helped to clarify matters considerably and leads me to hope that we may be successful in reaching agreement on these matters and thus removing them from our future agenda.

Milk

We consider it important in the interest of the Community as well as the United Kingdom that we should be able to provide adequate supplies of liquid milk to meet consumer demand throughout the country and throughout the year. We believe this will be possible in the light of the confirmation we have received from the Community about our understanding of the scope and nature of the current and proposed arrangements. It is, therefore, important that I should record the main heads of that understanding, namely:

- (i) it is one of the objectives of the common policy to use as much milk as possible for liquid consumption throughout the Community, and the policy should not be applied so as to impede this aim;
- (ii) the price differential between milk sent for processing and milk for liquid consumption contained in Council Resolution of 24 July 1966 has no legally binding effect; it will in due time be superseded by a Community milk regulation; and, under the existing regulations, Member States are free to fix retail prices for milk for liquid consumption, but are not obliged to do so;
- (iii) Regulation (EEC) No 804/68 refers only to measures by national governments permitting price equalization, and accordingly a non-governmental producer organization, provided it acts within the provisions of the EEC Treaty and of secondary legislation deriving from it, is free by its own decisions to consign milk wherever it chooses in order to get the best return for its members, to pool its financial returns and to remunerate its members as it wishes.

Pigmeat

We consider it also in the interest of an enlarged Community, expected to be more than self-sufficient in pigmeat, to ensure adequate market stability, including stability on the United Kingdom bacon market. The Community's present system, naturally enough, took no account of this important market absorbing annually some 640,000 tons of bacon worth over 1,000 million units of account. But it could make a great contribution to stability, not only for the United Kingdom and other bacon producers who are directly affected, but to all pig producers in the enlarged Community.

We have not concluded from our discussions that the Community's existing arrangements for pigmeat will necessarily be inadequate or unsuited for the new situation emerging from enlargement. We do consider it essential, however, to secure your recognition of the intrinsic importance of the bacon market in an enlarged Community; of the benefits that its continued stability under conditions of fair competition would bring to pig production throughout the whole Community; and of the need, therefore, to keep this situation under careful review during the transitional period and thereafter.

Eggs

The enlarged Community will be self-sufficient in eggs so that prices are likely to be determined by internal market forces rather than by the operation of measures at the frontiers. Since that is already true both of the existing Community and of the United Kingdom, the market of the enlarged Community may be subject to price fluctuation no different in kind, although possibly a little greater in degree, than obtains in the individual markets today. On the other hand, the trend towards the concentration of production in the hands of specialist producers and parallel developments in marketing should reduce instability in the longer term. I therefore believe that we shall be able to adapt to the Community's arrangements.

3. If you are now able formally to confirm that our understanding of the possibilities open to us for milk is correct; that you can accept the views I have expressed on the importance and characteristics of the bacon market in an enlarged Community and recognise the desirability of stability for pigmeat and eggs, we for our part can agree that we need raise no further points on these items during the negotiations, except in the general context of transitional arrangements.

II. Statement made by Mr. W. Scheel, Minister of Foreign Affairs of the Federal Republic of Germany, on behalf of the Community delegation

The Community delegation subscribes to your analysis of the objectives of the common policy in the milk sector, and of existing possibilities as regards retail price fixing for liquid milk and the activities of nongovernmental producer organizations. It recalls, in so far as it may be necessary, that the prohibition of national measures permitting an equalization of prices for the various milk products stipulated in Regulation (EEC) No 804/68 applies equally to all national legislation aimed at achieving such equalization.

199

The Community delegation can accept your statement on the importance and characteristics of the bacon market in an enlarged Community. In the light of the objectives pursued by the common policy in the pigmeat and eggs sectors it shares your concern for stability in these sectors. Noting the statement by the United Kingdom delegation, the Community delegation notes with satisfaction that the existing regulations concerning the three above-mentioned sectors will not have to be amended to take into account the anxieties expressed by the United Kingdom delegation.

Declaration

on the system for fixing Community farm prices

At the 2nd Ministerial Meeting in the negotiations between the Community and the United Kingdom, held on 27 October 1970, Mr. W. Scheel, Minister of Foreign Affairs of the Federal Republic of Germany, on behalf of the Community delegation, made a statement on the system for fixing Community farm prices.

Mr. G. Rippon, Chancellor of the Duchy of Lancaster, on behalf of the United Kingdom delegation, recorded his agreement to this statement. He added that he had no doubt as to the importance to all concerned of these agricultural reviews and of the intention to have effective and meaningful contacts in particular with producer organizations operating at Community level.

In conclusion, the two delegations noted that an agreement had been reached in the terms contained in the following statement made by Mr. W. Scheel:

"1. Since the discussions held on this subject in 1962, an annual review on the condition of agriculture and agricultural markets has been established within the Community. This comes under the procedure for fixing Community prices.

This procedure may de described as follows:

As a general rule, the various agricultural regulations stipulate that the Council, on a proposal from the Commission, shall fix for the Community each year, before 1 August, for the marketing year starting the following year, all the agricultural prices which, under the common organization of the markets, must be fixed.

When submitting its proposals, the Commission at the same time submits an annual report on the condition of agriculture and agricultural markets. This report is submitted in accordance with the legal obligations of and the undertakings made by the Commission.

The Commission draws up this report on the basis of the relevant statistical and accounting data from all available national and Community sources.

The analysis made in the report comprises the following:

- examination of the economic condition of agriculture and of its overall development, both at national and at Community level, as well as in the general economic context;
- examination of the market by products or groups of products, in order to provide an outline of the situation and of its characteristic trends.

The review of the data undertaken by the Commission includes, in particular, information about trends in prices and costs, employment, productivity and farm incomes.

Agricultural prices are fixed in accordance with the procedure laid down in Article 43(2) of the EEC Treaty, which means that the Assembly must be consulted.

To this end, the Commission's proposals, together with the annual report, are referred to the Assembly, where a general debate is held on the common agricultural policy.

In addition, the Economic and Social Committee, composed of representatives of the various economic and social sectors, is regularly consulted on the proposals and the report. As regards the duties of this Committee, Article 47 of the EEC Treaty lays down that its Agricultural Section shall have as its task that of holding itself at the service of the Commission for the purpose of preparing the discussions of the Committee, in accordance with the provisions of Articles 197 and 198 of the EEC Treaty.

Before, during and after the drawing up by the Commission of the annual report and the price proposals, contacts take place with the professional agricultural organizations organized at Community level. These contacts include a discussion of the statistical and other data bearing on the economic conditions and prospects of agriculture, which the Commission takes into account in its report to the Council.

Because of the nature of the prices fixed under the common agricultural policy, the Commission has decided not to limit these contacts to the agricultural sectors alone, but to maintain them also with industrial, commercial and trade union circles and with consumers.

These contacts provide an opportunity for all the interested parties to make known their views or claims. They also allow the Commission to draw up its annual report on the condition of agriculture and its proposals with regard to prices in full knowledge of the position of the interested parties.

The consultations of the Assembly and the Economic and Social Committee, during the policymaking process leading towards a final decision of the Council, combined with continual and direct contacts between the institution responsible for drawing up the report and the proposals and the organizations of the interested parties, are a sufficient guarantee that the interests of all those concerned by the decisions in question are given fair consideration.

2. It is understood that, notwithstanding this procedure, the Member States may themselves carry out annual reviews of their own agriculture, in contact with the professional organizations concerned and in accordance with their national procedures.

3. The Community delegation proposes that the Conference take formal note of the following:

- the procedures and practices within the Community, as well as in the Member States, will provide for appropriate contacts with the professional organizations concerned;
- the institutions of the Community intend to extend the practices and procedures described in paragraph 1 above to the enlarged Community;
- the application of the two preceding subparagraphs will ensure a system within the enlarged Community whereby it will be possible to review the economic conditions and prospects of agriculture and to maintain appropriate contacts with the professional producer organizations and with other interested organizations and parties."

Declarations

on hill farming

At the 8th Ministerial Meeting in the negotiations between the Community and the United Kingdom, held on 21, 22 and 23 June 1971 Mr. G. Rippon, Chancellor of the Duchy of Lancaster, on behalf of the United Kingdom delegation, made the statement appearing under I below.

Mr. M. Schumann, Minister of Foreign Affairs of the French Republic, on behalf of the Community delegation, replied with the statement appearing under II below. I. Statement made by Mr. G. Rippon, Chancellor of the Duchy of Lancaster, on behalf of the United Kingdom delegation

In his opening statement to the Conference of 30 June 1970 Mr. Barber referred, amongst other agricultural issues, to the problems of hill farming areas. Parts of Scotland, Wales, Northern Ireland and of the North and South-West of England consist of hill regions, which because of climate, soil structure and geography are suitable only for extensive livestock rearing. Farming enterprises in these areas are limited in scope and are bound to be particularly vulnerable to market conditions, so that high end-prices alone will not enable them to remain viable. Under our present system, they receive assistance, therefore, both as a part of our general economic and social policies and as part of our agricultural policies. Many of the existing members of the Community certainly have areas with similar problems and we shall of course deal with them, as you yourselves already do, in conformity with the Treaty and the common agricultural policy. I should be grateful for the Community's confirmation of my understanding that it is necessary for all members of the enlarged Community who face situations of this kind to deal with the problem of maintaining reasonable incomes of farmers in such areas.

II. Statement made by Mr. M. Schumann, Minister of Foreign Affairs of the French Republic, on behalf of the Community delegation

The Community delegation has taken careful note of the United Kingdom delegation's statement on hill farming in the United Kingdom and measures taken to support it.

In reply to this statement, the Community delegation is in a position to make the following communication.

The Community is aware of the special conditions obtaining to hill farming areas as compared with other areas of the United Kingdom, as it is, moreover, of the differences, at times very marked, between areas in the Member States of the present Community.

The special conditions obtaining in certain areas of the enlarged Community may indeed require action with a view to attempting to resolve the problems raised by these special conditions and, in particular, to preserve reasonable incomes for farmers in such areas.

Such action must, of course, as you have just said, be in conformity with the provisions of the Treaty and the common agricultural policy.