

GENERAL AGREEMENT ON
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EUROPEAN COAL AND STEEL COMMUNITY

Recommendation to Governments of Member States
Extending the Recommendation Concerning the Introduction of
Specific Protection on Imports of Foundry Pig-Iron

The following communication has been received from the High Authority of the European Coal and Steel Community.

The High Authority of the European Coal and Steel Community (ECSC) has the honour to inform you that the action to afford protection to the Community market for foundry pig-iron for 1964 and 1965 - as communicated to you by a letter dated 6 February 1964 (L/2139) - has been extended for a period of one year, i.e. until 31 December 1966.

Attached hereto is the text of the recommendation adopted on this subject by the High Authority on 1 December 1965.

In accordance with the obligations incumbent on it, the Community proposes to carry out the requisite consultations regarding this action with the contracting parties principally concerned.

ANNEX

RECOMMENDATION No. 1-65
of 1 December 1965

to the Governments of the member States
extending recommendation No. 2-64 concerning
the introduction of specific protection on imports
of foundry pig-iron

THE HIGH AUTHORITY,

Having regard to Articles 2 to 5, 8, 14, 57, 71, 74, 81 and 86 of the Treaty,

Having regard to the agreement reached in the Council of Ministers on 19 November 1957 between the representatives of the Governments of the member States regarding the harmonization of the customs duties on steel applied at the external frontier of the Community,

Having regard to recommendation No. 1-64 dated 15 January 1964 (Official Gazette of the European Communities No. 8 of 22 January 1964, p. 99/64) and the Governments of the member States concerning an increase in the level of protection affecting iron and steel products at the external frontier of the Community,

Having regard to recommendation No. 2-64 dated 15 January 1964 (Official Gazette of the European Communities No. 8 of 22 January 1964, p. 107/64) as amended by decision No. 11-64 of 27 May 1964 (Official Gazette of the European Communities No. 86 of 2 June 1964, p. 1335/64) to the Governments of the member States concerning the introduction of specific protection on imports of foundry pig-iron,

Having regard to the provisions of the General Agreement on Tariffs and Trade (GATT), and in particular Article XXI thereof,

Considering that by the above-mentioned recommendation No. 2-64, the High Authority recommended that the Governments of the member States should take all appropriate legislative and administrative action to institute, with effect from 15 February 1964, in addition to the external frontier protection applicable to foundry pig-iron in pursuance of recommendation No. 1-64 of 15 January 1964, specific protection for the said products amounting to at least 7 EMA accounting units per ton:

Considering that, as may be seen from the statement of motives in recommendation No. 2-64, this temporary measure of protection had become necessary following the relatively large increase in imports of foundry pig-iron from third countries; that, on this occasion, foundry pig-iron was being offered at such low prices as to result in a particularly serious situation in the common market for foundry pig-iron, and that the necessary adjustment measures in industry were seriously impaired thereby;

Considering that, accordingly, the introduction of a specific duty, as a temporary measure, was designed to meet the difficulties described above and to enable producers of foundry pig-iron to carry out the necessary structural adjustments without any serious disturbance;

Considering that the increase in the customs duty has led to a reduction in pressure of imports and has enabled Community undertakings to increase their sales within the common market, to continue the rationalization of their production and to carry out structural adjustment measures; that, however, the two years which have elapsed have not been sufficient for full attainment of the objectives sought;

Considering that, in these circumstances and taking into account the present situation of the market for foundry pig-iron, the elimination or reduction of customs protection would lead to the same rise in imports and the same difficulties and dangers which justified the introduction of the specific customs duty of 7 ECU accounting units per ton; that accordingly it appears necessary to extend this special customs protection for a further year;

RECOMMENDS AS FOLLOWS:

Article 1

Recommendation No. 2-64 is extended until 31 December 1966.

Article 2

This recommendation shall be notified to the Governments of the member States and published in the Official Gazette of the European communities. It shall become effective for each Government by virtue of notification.

The present recommendation was discussed and adopted by the High Authority at its meeting on 1 December 1965.

By the High Authority

The President
Dino DEL BO