

DRAFT COUNCIL RESOLUTION.

REGARDING FURTHER MEASURES OF CO-OPERATION.

THE COUNCIL

Having noted the declarations and suggestions formulated by the various delegations and the Economic Co-operation Administrator;

Recognising the need to form a single large market in Europe in which goods and services could move freely;

Re-affirms its intention, in conformity with the Convention for European Economic Co-operation of 16th April, 1948, to work whole-heartedly for the abolition as soon as possible of restrictions to trade and payments between the Member countries and to achieve as soon as possible a high and stable level of economic activity and employment without extraordinary outside assistance;

Re-emphasises the importance it attaches to the decisions of 4th July, 13 th August and 8th October, 1949;

While recognising the great urgency of the problem, realises that further progress will have to be by stages whether for the Member countries as a whole or for regional groups;

Recognises that it may be desirable to provide for a closer economic and monetary association on a regional basis between some of the Member countries, where the requisite conditions already exist; such arrangements to be compatible with the wider possibilities that may be offered by the collective action of all Member countries;

Recognises further that the need may arise for the Governments concerned to compare their financial, economic, social, tariff, and investment policies, with the object of achieving such harmonisation as may appear necessary for arriving at closer economic and monetary associations between them;

On the proposal of the Chairman:

HEREBY DECIDES upon the following further steps towards the general objective set forth above:

I. Liberalisation of trade.

1. That Member countries shall now adopt the objective of removing quantitative restrictions before 15th December 1949, at latest, on at least 50% of their total imports on private account from the other Member countries as a group, in the respective fields of food and feeding stuffs, raw materials and manufactured goods counted separately.

2. That Member countries shall to the fullest extent of their executive authority, provide for import trade which is handled by a monopoly under government control to be conducted, in respect of other Member countries, in accordance with the general principles of Section D of Chapter IV of the Havana Charter for an International Trade Organisation.

3. That if any Member country considers that the action taken by another Member country, in pursuance of paragraph 1 above, is being frustrated by tariffs or domestic arrangements likely to restrict the capacity of private importers to obtain the freed goods, it may ask the Organisation to decide whether the goods affected should properly be counted towards the 50% proportion prescribed.

4. With the object of increasing as much as possible the volume of invisible trade, the Member countries shall submit before the 15th December returns setting out the greatest measure of relaxation they are able to make in the restrictions of transfers on account of current invisible trade, including, in particular, tourism and emigrants remittances; and the Organisation shall report upon such relaxations with any suggestions for their further extension that it may think proper.

5. If any Member country feels unable, in the light of its economic and financial situation, to implement this decision fully, it shall report its reasons to the Organisation before 15th December, 1949.

6. That the Organisation shall decide, before the end of January 1950, what further steps should be taken both to ensure continuing progress towards achieving the aims set out in paragraph 1 of the Council Decision of 4th July, 1949 (C(49)88 Final) and to facilitate such progress.

II. Intra-European payments.

To widen the area of transferability of currencies among the Member countries by suitable measures in the next intra-European payments scheme and by such additional arrangements and central institutions as may be appropriate to this end.

III. Dual Prices.

To instruct the Executive Committee to enquire into ways and means to eliminate in intra-European trade, dual prices, and to submit a report on the problem at the earliest possible date.

IV. Closer Economic Co-operation.

To invite those Member countries which have under consideration, or may evolve plans for closer economic arrangements with one or more other Member countries, to report to the Organisation on progress already made and any specific further proposals to that end. Where possible a first report on this subject should be submitted to the Organisation not later than December 15, 1949.

V. Manpower.

To instruct the Executive Committee to re-examine the problems relating to the absorption either in Europe or elsewhere of the persistent surplus of manpower in certain Member countries.

VI. General.

In examining reports submitted by Member countries and in preparing its report upon the programme of action for the coming year, the Executive Committee shall bear in mind this Decision and the Decisions referred to above, and the suggestions contained in the statements made by Delegates at the present session of the council.

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