

The European Customs Union

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URL: http://www.cvce.eu/obj/the_european_customs_union-en-08ef3b37-2ab4-4349-aec8-819809c59a9d.html

Last updated: 08/07/2016



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The Treaty establishing the European Economic Community (EEC) provided for the introduction of a Customs Union. It was to create a homogeneous economic area vis-à-vis the outside world. The Customs Union, together with coordination of commercial policies with third countries, was to be achieved progressively through:

- the abolition of customs duties between Member States;
- the abolition of quantitative restrictions between Member States;
- the establishment of a common customs tariff vis-à-vis third countries.

The Treaty establishing the European Economic Community (EEC) provided for a 10 % reduction in custom duties and a relaxation of up to 20 % for global import quotas. The establishment of the Customs Union progressed much more quickly than provided for in the Treaty of Rome. The first phase of trade liberalisation, in January 1959, was followed by rapid reductions in customs duties and quantitative restrictions. These measures were accompanied by the introduction of a Common External Tariff (CET).

However, some Member States were finding it difficult to implement the Treaty provisions. This applied in particular to France which, at the time, was involved in the war in Algeria. France also intended to invoke the safeguard clauses, although General de Gaulle did seek to provide his country with the economic and monetary means required to join the common market, which he hoped would encourage the modernisation of French industry.