

## 'Elimination of barriers to trade begins on 1 January' from the Communauté européenne (December 1958)

**Caption:** On 1 January 1959, the Six move to the first stage of the Customs Union and determine a 10 % reduction in customs duties and a 20 % rise in trade quotas.

**Source:** Communauté européenne. Bulletin mensuel d'information. dir. de publ. Fontaine, François ; Réd. Chef Chastenet, Antoine. Décembre 1958, n° 12. Paris: Service d'Information des Communautés Européennes. "Pour les six pays du Marché Commun, la démolition des obstacles à la liberté des échanges commence le premier janvier", p. 1; 6.

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## *For the six countries of the Common Market*

### **Elimination of barriers to trade begins on 1 January**

- **Customs duties: 10 % reduction**
- **Quotas: 20 % increase**

*These initial measures mark the beginning of an irreversible process. They will have only a limited effect on consumers.*

**On 1 January, the first attempt will be made to break down all the barriers obstructing free trade and trade development between the six countries of the European Community.**

**These initial measures relating to the abolition of customs duties and the elimination of quantitative restrictions — i.e. limiting imports by means of quotas — represent the first step towards the completion of the European Common Market, which will be fully established on 1 January 1970 (or, at the latest, 1 January 1973).**

**On that date, the goods, people and capital of the six countries of the Community will be able to move freely throughout a territory covering 1 175 000 km<sup>2</sup> with a population of nearly 175 million inhabitants. Europe will witness the establishment of a vast economic area with a potential akin to that of the United States or the Soviet Union.**

However, the measures that will come into effect on 1 January 1959 will surely not have a very noticeable impact on consumers (with a few exceptions). German radio sets or Italian typewriters will not, overnight, sell at the same price in France as they do in Düsseldorf or Milan.

During this first stage, customs duties between the Six will drop by only 10 %, and the elimination of import restrictions will apply to only 20 % of all quotas. The measure that will have the greatest impact is the obligation to set quotas for products at a rate equal to at least 3 % of the relevant national product. This could represent a significant increase in imports of these products.

The reason for the elimination of customs barriers getting off to a slow start is so that the businesses that rely on them do not suddenly find themselves in difficulty. On the contrary, it is to enable them, during the definitive establishment of the Common Market, to modernise and implement the changes required if they are to withstand the competition from neighbouring countries to the greatest advantage of European consumers.

It is important to note that this irreversible process of eliminating trade barriers is just one of the measures taken to turn the Community of the Six into a powerful, ever-growing production unit and to accelerate improvements in the standard of living of Europeans. The elimination of trade barriers will bear all of its fruit only if it is combined with the measures laid down by the Common Market Treaty for the progressive approximation of the economic policies of our six countries, the approximation of national legislation to the extent required for the Common Market to function, the establishment of a common commercial policy vis-à-vis those countries that are not members of the Community, and the introduction of a common agricultural policy and of a common transport policy.

From this simple list, it is clear that, contrary to what one might think in considering only the measures for the abolition of customs duties and the establishment of quotas, the Europe of the Common Market is not simply a matter for technicians. The tasks incumbent upon the European Community prove that it is impossible to dissociate the political aspect from the economic aspect in this undertaking and that the two necessarily go hand in hand.

Application of the measures planned for 1 January 1959, and the subsequent measures, will not suffice to transform Europe in a flash into a cornucopia. The definitive establishment of the Common Market will not

doubt present difficulties that need to be overcome. As Mr Hallstein, President of the Common Market Commission, recently declared: 'Nothing great will be created in Europe without certain undertakings being forced to readjust and without compliance with a certain collective discipline. This is the price of success, and it will be ours even sooner provided that there is a strong determination to attain the objectives set by the Six when they accepted a common future by signing the Common Market Treaty.'