Treaty establishing the EEC - Implementing convention on the association of the overseas countries and territories with the Community (Rome, 25 March 1957)

Caption: The Treaty establishing the European Economic Community (EEC) was signed in Rome on 25 March 1957 by the representatives of the Federal Republic of Germany, Belgium, France, Italy, Luxembourg and the Netherlands. The Treaty includes an implementing convention which, for five years, regulates the operation of the Development Fund for the Overseas Countries and Territories (FEDOM) associated with the European Common Market.

Source: Treaty establishing the European Economic Community and connected documents. Luxembourg: Publishing Services of the European Communities, [s.d.]. 378 p. "Implementing convention on the association of the overseas countries and territories with the Community".

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Treaty establishing the EEC - Implementing convention on the association of the overseas countries and territories with the Community

THE HIGH CONTRACTING PARTIES,

DESIRING to enter into the Implementing Convention provided for in Article 136 of this Treaty,

HAVE AGREED upon the following provisions, which shall be annexed to this Treaty:

Article 1

The Member States shall, under the conditions laid down below, participate in measures which will promote the social and economic development of the countries and territories listed in Annex IV to this Treaty, by supplementing the efforts made by the authorities responsible for those countries and territories.

For this purpose, a Development Fund for the Overseas Countries and Territories is hereby established, into which the Member States shall, over a period of five years, pay the annual contributions set out in Annex A to this Convention.

The Fund shall be administered by the Commission.

Article 2

The authorities responsible for the countries and territories shall, in agreement with the local authorities or with the representatives of the peoples of the countries and territories concerned, submit to the Commission the social or economic projects for which financing by the Community is requested.

Article 3

The Commission shall draw up annually general programmes for allocation to the different classes of project of the funds made available in accordance with Annex B to this Convention.

The general programmes shall contain projects for financing:

(a) certain social institutions, in particular hospitals, teaching or technical research establishments and institutions for vocational guidance and advancement among the peoples concerned;
 (b) economic investments which are in the public interest and are directly connected with the implementation of a programme containing specific productive development projects.

Article 4

At the beginning of each financial year the Council shall, acting by a qualified majority after consulting the Commission, determine what funds will be devoted to financing:

- (a) the social institutions referred to in Article 3 (a);
- (b) the economic investments in the public interest referred to in Article 3 (b).

The decision of the Council shall aim at a rational geographical distribution of the funds made available.

Article 5

1. The Commission shall determine how the funds made available under Article 4 (a) shall be allocated according to the various requests received for the financing of social institutions.

2. The Commission shall draw up proposals for financing the economic investment projects which it is considering under Article 4 (b).

It shall submit these proposals to the Council.

If, within one month, no Member State requests that the Council examine the proposals, they shall be



deemed to be approved.

If the Council examines the proposals, it shall act by a qualified majority within two months.

3. Any funds not allocated during any one year shall be carried forward to the following years.

4. The funds allocated shall be made available to the authorities responsible for carrying out the work concerned. The Commission shall ensure that such funds are used for the purposes which have been decided upon, and are expended to the best economic advantage.

Article 6

Within six months of the entry into force of this Treaty, the Council shall, acting by a qualified majority on a proposal from the Commission, lay down rules for the collection and transfer of financial contributions, for budgeting and for the administration of the resources of the Development Fund.

Article 7

The qualified majority referred to in Article 4, 5 und 6 shall be 67 votes. Member States shall have the following number of votes:

 Belgium
 11 votes

 Germany
 33 votes

 France 33 votes
 11 votes

 Italy
 11 votes

 Luxembourg
 1 vote

 Netherlands
 11 votes

Article 8

The right of establishment shall, in each country or territory, be progressively extended to nationals, companies or firms of Member States other than the State which has special relations with the country or territory concerned. During the first year in which this Convention is applied, the manner in which this is to be effected shall be so determined by the Council, acting by a qualified majority on a proposal from the Commission, as to ensure the progressive abolition during the transitional period of any discrimination.

Article 9

The customs treatment to be applied to trade between Member States and the countries and territories shall be that provided for in Articles 133 and 134 of this Treaty.

Article 10

For the duration of this Convention, Member States shall apply to their trade with the countries and territories those provisions of the Chapter of this Treaty relating to the elimination of quantitative restrictions between Member States which they apply to trade with one another during the same period.

Article 11

1. In each country or territory where import quotas exist, one year after this Convention enters into force, the quotas open to States other than the State with which such country or territory has special relations shall be converted into global quotas open without discrimination to the other Member States. As from the same date, these quotas shall be increased annually in accordance with Article 32 and Article 33 (1), (2), (4), (5), (6) and (7) of this Treaty.

2. Where, in the case of a product which has not been liberalised, the global quota does not amount to 7% of total imports into a country or territory, a quota equal to 7% of such imports shall be introduced not later than one year after the entry into force of this Convention, and shall be increased annually in accordance with paragraph 1.

3. Where, in the case of certain products, no quota has been opened for imports into a country or



territory, the Commission shall, by means of a decision, determine the manner in which the quotas to be offered to other Member States shall be opened and increased.

Article 12

Where import quotas established by Member States cover both imports from a State having special relations with a country or territory and imports from the country or territory concerned, the share of imports from the countries and territories shall be the subject of a global quota based on import statistics. Any such quota shall be established during the first year in which this Convention is in force and shall be increased as provided for in Article 10.

Article 13

The provisions of Article 10 shall not preclude prohibitions or restrictions on imports, exports or goods in transit justified on grounds of public morality; public policy or public security; the protection of health and life of humans, animals or plants; the protection of national treasures possessing artistic, historic or archaeological value; or the protection of industrial and commercial property. Such prohibitions or restrictions shall not, however, constitute a means of arbitrary discrimination or a disguised restriction on trade.

Article 14

After the date of expiry of this Convention and until provisions covering association for a further period have been adopted, quotas for imports into the countries and territories on the one hand, and into the Member States on the other, of products originating in the countries and territories shall remain at the level set for the fifth year. The arrangements in respect of the right of establishment in force at the end of the fifth year shall also be maintained.

Article 15

1. Tariff quotas for imports from third countries of raw coffee into Italy and the Benelux countries, and of bananas into the Federal Republic of Germany, shall be introduced in accordance with the Protocols annexed to this Convention.

2. If this Convention expires before the conclusion of a new agreement, the Member States shall, pending such new agreement, enjoy tariff quotas for bananas, cocoa beans and raw coffee at the rates of duty applying at the beginning of the second stage; such quotas shall be equal to the volume of imports from third countries in the course of the latest year for which statistics are available.

Such quotas shall, where appropriate, be increased in proportion to the increase in consumption within the importing countries.

3. Member States enjoying tariff quotas at the rates of duty applied when this Treaty enters into force under the Protocols relating to imports of raw coffee and bananas from third countries may require that, instead of the treatment provided for in paragraph 2, the tariff quotas for these products be maintained at the level reached at the date of expiry of this Convention.

Such quotas shall, where appropriate, be increased as provided in paragraph 2.

4. The Commission shall, at the request of the States concerned, determine the size of the tariff quotas referred to in the preceding paragraphs.

Article 16

The provisions contained in Articles 1 to 8 of this Convention shall apply to Algeria and the French overseas departments.

Article 17

Without prejudice to cases in which the provisions of Articles 14 and 15 apply, this Convention is concluded for a period of five years.



Done at Rome this twenty-fifth day of March in the year one thousand nine hundred and fifty-seven.

P. H. Spaak. J. Ch. Snoy et d'Oppuers.
Adenauer. Hallstein.
Pineau.M. Faure.
Antonio Segni. Gaetano Martino.
Bech. Lambert Schaus.
J. Luns. J. Linthorst Homan.

Annex A referred to in Article 1 of the Convention

Annex B referred to in Article 3 of the Convention

