Memorandum from Jean Monnet to Robert Schuman (Paris, 30 November 1950)

Caption: On 30 November 1950, Jean Monnet gives the French Foreign Minister, Robert Schuman, a progress report on the negotiations on the Schuman Plan.

Source: Jean Monnet, Robert Schuman, Correspondance 1947-1953. Lausanne: Fondation Jean Monnet pour l'Europe, Centre de recherches européennes, 1986. 188 p. (Cahiers rouges). p. 71-73.

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[Paris] 30 November 1950

JVH/sd

The negotiations that have been continuing since 20 June on the implementation of the Schuman Plan are coming to a close.

I. Draft Treaty

Negotiations on the Draft Treaty have reached the following point:

(a) Institutions and general provisions (Articles 1–31 and 52–70 of the preliminary Draft Treaty).

Questions relating to the number of members of the High Authority, the quorum required for deliberations in the High Authority and the Council, the number of votes for each Member State in the Council and the Assembly, and the seat of the institutions have, as agreed, been put to one side from the outset and left for direct talks between governments.

The provisions on:

1. the European Coal and Steel Community (definition, objectives, methods, definition of the common market);

2. the role and operating rules of the High Authority;

3. the role and operating rules of the Council of Ministers;

4. the role and operating rules of the Common Assembly;

5. the role and operating rules of the Court of Justice, and actions brought by undertakings and Member States

have been finalised after discussion with the other delegations and are now the subject of general agreement.

The clauses concerning entry into force and the accession of new States to the Treaty have not yet been discussed, but they will be discussed very shortly.

Ultimately, the outstanding differences of opinion relate to:

1. the appointment of members of the Consultative Committee and its operating rules; it was agreed to come back to this issue after talks with the trade unions;

2. sanctions against the Member States. There is general agreement on the procedure for establishing a Member State's failure to comply with its obligations under the Treaty. However, while the Italian and Belgian delegations feel that there is no need to provide for specific sanctions, the other delegations consider that it is necessary to do so;

(b) economic and social provisions (Articles 32–51) of the Draft Treaty.

The first draft of the articles concerning the High Authority's tasks and powers relating to:

- 1. information, market research, forward programmes and directives,
- 2. its funding, loans and guarantee,
- 3. redeployment,
- 4. investment,
- 5. technical and economic research,



6. production,

7. organising allocation in periods of shortage,

8. commercial policy

was the subject merely of detailed observations. A revised draft is currently being prepared to take account of those observations.

However, substantive differences still exist with regard to prices, cartels, industrial concentrations and producers' associations:

1. on prices, the Italian delegation confirmed its opposition to the application of parity prices, while the Luxembourg delegation is proposing an interpretation of parity prices which is the opposite of what has been accepted up to now;

2. the provisions on cartels and industrial concentrations affect the very substance of the Schuman Plan. The question is whether, under the declaration of 9 May, the planned organisation will be the opposite of an international cartel, or whether the High Authority will have authority in name only, with the powers transferred by the governments to the European Coal and Steel Community actually being diverted and handed over to coalitions of private interests. In particular, these provisions must, without creating any discrimination or economic disadvantage for any of the Member States, ensure that it is impossible for firms in the Ruhr to rebuild the political power which they wielded with such disastrous effects for Germany and for Europe as a whole;

3. finally, the difference of opinion on producers' associations relates to their relations with the trade unions; it should be settled, along with the question of the Consultative Committee, after talks with the trade unions.

II. Transitional provisions

The transitional provisions are to be covered in a draft Convention annexed to the Draft Treaty. The drafting of the Convention is subject to the conclusion of the current discussions on the memorandum that we submitted to the other delegations. It has become clear that there are still two basic issues to be resolved:

(a) compensation for Belgium's coal industry (amount of temporary Community aid for Belgium, undertakings given by the Belgian Government that it will improve the situation of its coal industry by the end of the transitional period, and effect of reducing the price of coal in Belgium on the relative position of Belgium's and Luxembourg's iron and steel industries);

(b) the minimum rate of customs duties applied to third countries: the question is whether the Netherlands will agree, like Belgium, to increase the Benelux rate by a certain margin in order to leave negotiations open with the United Kingdom and to make it easier to harmonise rates in the Member States.

III. Memorandum to the Government

I propose to send a memorandum to the Government in the next few days in order to:

(a) give a progress report on the Draft Treaty and the discussions on the transitional provisions;

(b) indicate the impact of the implementation of the Schuman Plan on our coal and steel industries;

(c) draw attention to a number of political issues on which we need to define our position if we are to be able to conclude the negotiations.

The following documents will be attached to the memorandum:

(a) the current text of the Draft Treaty,



(b) the memorandum on the transitional provisions currently under discussion,

(c) a technical note on the impact of the implementation of the Schuman Plan on our coal industry,

(d) a technical note on the impact of the implementation of the Schuman Plan on our steel industry,

(e) one or more notes, as appropriate, on the following political issues.

IV. Political issues

In order to be able to conclude the negotiations on the implementation of the Schuman Plan, we shall have to define our position on:

(a) the future status of the Ruhr;

(b) the situation of the Saar in the Schuman Plan;

(c) the inclusion of North Africa in the Schuman Plan, as requested by Italy in order to guarantee supplies of North African ores for its iron and steel industry;

(d) the votes allocated to France and the other Member States in the Council and the Assembly.

Jean Monnet

