

## 'Particular problems relating to Ireland' from Bulletin of the European Economic Community (1972)

**Caption:** In January 1972, the Bulletin of the European Communities publishes a detailed analysis of the particular problems relating to Ireland's membership of the European Communities.

**Source:** Bulletin of the European Economic Community. Dir. of publ. European Economic Community. 1972, n° Supplement 1/1972. Luxembourg: Office for Official Publications of the European Communities.

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[http://www.cvce.eu/obj/particular\\_problems\\_relating\\_to\\_ireland\\_from\\_bulletin\\_of\\_the\\_european\\_economic\\_community\\_1972-en-1bc780b0-1c54-46ef-b46f-942eadab12cd.html](http://www.cvce.eu/obj/particular_problems_relating_to_ireland_from_bulletin_of_the_european_economic_community_1972-en-1bc780b0-1c54-46ef-b46f-942eadab12cd.html)

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## Particular problems relating to Ireland

[...]

### Ireland

66. Apart from the agreements reached between Ireland and the Community on the various elements of the transitional period and on questions of fisheries and veterinary legislation, the main aspect of the negotiations with this country was the search for special solutions to the specific problems it faces.

#### *Assembly of motor vehicles in Ireland*

67. Taking into account the exceptional position of this industry, the delegations from the Community and from Ireland have signified their agreement on special measures which could apply beyond the normal duration of the transitional period.

Rules in force at the present time under the Irish law of 1968 on the registration of importers of motor vehicles (hereinafter called "Scheme") may continue to apply for the enlarged Community as a whole subject to the following conditions.

(a) Existing customs duties will have to be withdrawn progressively as between all the Member States of the enlarged Community during the transition period and taking account of the agreed time-table.

(b) All discrimination between importers for assembly of motor vehicles manufactured within the enlarged Community must be abolished:

on 1 January 1974 in respect of tariffs;

from accession in respect of quantities.

(c) For importers who do not assemble the vehicles, Ireland will, from 1973, open a global quota for her partners in the Community which will be reserved for firms not taking part in the "Scheme".

In 1973 this quota will be 3 % of the volume of assembly in Ireland. It will increase by one point per year. Relevant imports will be of the same proportions as those permitted to importers of vehicles for assembly manufactured within the Community.

(d) Ireland will be required to adapt the "Scheme" to facilitate transition from the existing system to one which complies with the provisions of the Treaty establishing the European Economic Community.

The "Scheme" will terminate on 1 January 1985, on which date imports from the enlarged Community will be completely free.

(e) Ireland shall have the right to substitute domestic taxation complying with Article 95 of the Treaty establishing the European Economic Community for the fiscal components in the customs duties applicable to trade in motor vehicles provided that such taxation does not discriminate in rates affecting:

(i) Spare parts made in Ireland and spare parts imported from the Community;

(ii) Motor vehicles assembled in Ireland and finished vehicles imported from the Community;

(iii) Spare parts made in Ireland or imported from the enlarged Community and vehicles assembled in Ireland or imported from the Community.

### *The economic and regional development of Ireland*

68. The Irish delegation made the point that the Government of Ireland was confronted with serious economic and social imbalances of a regional and structural nature. The delegation stated that these imbalances would have to be removed if a degree of harmonization consonant with the aims of the Treaty, in particular economic and monetary union, was to be achieved. The Irish delegation requested the Community to undertake to support with the means at its disposal the programmes of the Government of Ireland designed to cure these imbalances and to take full account of Ireland's special problems in this field in the further development of a far-reaching regional policy for the Community.

The Irish delegation also described the support which Irish export industries derive from tax alleviation. Here again, the measures in question are designed to remove social and economic disequilibria through industrial development.

Having regard to these problems, a special protocol will be annexed to the Act of Accession, couched broadly in the following terms:

The fundamental aims of the Community call for the constant improvement of the living and working conditions of the peoples of the member countries by reducing the gap between regions and mitigating the backwardness of the less favoured.

Cognizance is taken of the action of the Government of Ireland in undertaking to implement a policy of industrialization and economic development aimed at bringing the standard of living in Ireland closer to that of other European nations and eliminating underemployment, while progressively correcting regional disparities in the level of development.

It is in the common interest that the final aims of this policy should be attained.

Community institutions will use all means and procedures available under the Treaties, in particular by making adequate use of those Community resources earmarked for the achievement of the aims of the Community referred to below.

In cases where Articles 92 and 93 of the EEC Treaty are applied, account will have to be taken of the aims of economic development and improved living standards for the population of Ireland.

### *Anglo-Irish Free Trade Area*

69. Trade between Ireland and the United Kingdom is regulated by the 1965 Agreement, which entered into force on 1 July 1966. This provides for the establishment of a free trade area over a transitional period of nine years, in which both countries will remove customs duties, protective elements included in taxation and, with a few exceptions, quantitative restrictions applied to products imported from the other party.

The Community finds that the transitional arrangements for agriculture and industry cannot have the effect of restricting the freedom of Anglo-Irish trade. This means that the Accession Treaty does not interfere with the progressive removal of Irish customs duties on goods coming from the United Kingdom, as provided for under the Anglo-Irish Agreement establishing a Free Trade Area.

Ireland will be able to maintain quantitative restrictions on imports of certain products until 30 June 1975, but it is stipulated that the Government of Ireland will not allow imports from third countries to benefit from more favourable terms than those enjoyed by imports from other countries of the Community.

### *Capital movements*

70. Consultations will take place between the new Member States and the Commission about procedures for applying measures of liberalization or relaxation, the implementation of which may be deferred under the following provisions:

*Direct investments in Member States by persons resident in Ireland:* Ireland may, for a period of two years after accession, defer the liberalization of direct investments in Member States by persons resident in Ireland and the liberalization of the liquidation of direct investments in Member States by persons resident in Ireland. Before accession, the details of a substantial relaxation of the rules governing these operations will be discussed, and on accession this relaxation will be put into effect.

*Capital movements of a personal nature:* Not later than two years after accession, Ireland will liberalize the following capital movements of a personal nature: transfer of capital belonging to persons resident in Ireland who are emigrating; gifts, endowments, dowries; succession duties; real estate investments other than those connected with the freedom of movement for workers, which will be liberalized from the date of accession.

*Liberalization of the operations set out in List B:* Ireland may, for a period of five years after accession, defer the liberalization of the operations set out in List B annexed to the Council Directives of 11 May 1960 and 18 December 1962 for the implementation of Article 67 of the EEC Treaty.

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