



ECONOMIC
AND
SOCIAL COUNCIL



GENERAL
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25 May 1957
ENGLISH

ORIGINAL: SPANISH

ECONOMIC COMMISSION FOR LATIN AMERICA
Seventh session
La Paz, Bolivia

IMPACT OF THE EUROPEAN COMMON MARKET

Draft resolution approved by Committee I on
25 May 1957

The Economic Commission for Latin America,

Considering:

That it is of great importance for all the Latin American countries to continue to observe the experiments in economic integration in progress in Europe and projected in other areas;

That, under the terms of resolution 102 (VI), this Commission recommended to the secretariat that, in co-operation with the Department of Economic and Social Affairs of the United Nations, it should continue the analysis of the markets for those basic commodities which are of decisive importance for the economy of the Latin American countries;

That both the stability and the prosperity of the economies of the Latin American countries, as well as the possibilities of their development at a satisfactory rate, largely depend on the volume and value of their exports of primary commodities, which in turn are conditioned by the situation of the available markets;

/That the

That the creation of the European Economic Community and the possible formation of a free trade zone in Europe may have repercussions on the sales prospects and prices of Latin American primary commodities on the world markets, to an extent which it is not yet possible to assess;

That the trend towards European economic integration, while deserving the fullest sympathy from the Latin American countries nevertheless arouses in them some apprehension as to what may be the implications of the establishment, at any rate for a time, of a preferential trade system, and, further, as to the possible decrease in the rate of growth of European investment in Latin America,

Decides:

1. To take note with interest of the preliminary study (E/CN.12/449 and Add.1) presented by the secretariat on the possible repercussions of the European common market on Latin America's export trade;
2. To recommend to the secretariat that it continue to observe closely the economic integration of Europe and other areas, and that it keep the member Governments supplied with the relevant information;
3. To recommend to the secretariat that it carry out studies on world market prospects for Latin American primary commodities, taking into consideration in particular the consequences that may arise from the European common market, from the possible establishment of a free trade zone in Europe, and from other similar projects;

/4. To recommend

4. To recommend that these studies be conducted along broad lines, so that they cover both the indirect effects on Latin American trade that may derive from possible repercussions of European integration on third areas, and also the probable trend of trade in Latin American primary commodities over a reasonable future period;

5. To suggest that the secretariat endeavour to co-ordinate the execution of such studies with others of similar nature undertaken by the secretariats of the General Agreement on Tariffs and Trade, the Economic Commission for Europe and the Economic Commission for Asia and the Far East, and by other competent United Nations agencies;

6. To make the following recommendations to the member countries of the Commission, especially those of Latin America: (a) that they study the desirability of employing a procedure of consultation as to the possible repercussions of the European common market; and (b) that they send representatives, in the appropriate capacity, to international conferences at which questions are considered that have a bearing on the European common market and its possible effects on Latin America's economy and trade.