

4. Convention for European Economic Cooperation

16 APRIL 1948

The Governments of Austria, Belgium, Denmark, France, Greece, Ireland, Iceland, Italy, Luxembourg, Norway, the Netherlands, Portugal, the United Kingdom, Sweden, Switzerland and Turkey, and the Commanders-in-Chief of the French, United Kingdom and United States Zones of Occupation of Germany:

ARTICLE I

The Contracting Parties agree to work in close coin their economic relations with one another.

As their immediate task, they will undertake the elaboration and execution of a joint recovery programme. The object of this will be to achieve as soon as possible and maintain a satisfactory level of economic activity without extraordinary outside assistance and to this end the programme will take special account of the need of the Contracting Parties to develop their exports to non-participating countries to the maximum extent possible. Accordingly the Contracting Parties pledge themselves to carry out, by their efforts of self help and in a spirit of mutual aid, the following General Obligations, and hereby set up an Organization for European Economic Co-operation, hereinafter referred to as the Organization.

PART I GENERAL OBLIGATIONS

ARTICLE 2

The Contracting Parties will, both individually and collectively, promote with vigour the development of production, through efficient use of the resources at their command, whether in their metropolitan or overseas territories, and by the progressive modernization of equipment and techniques, in such manner as may best assist the accomplishment of the joint recovery programme.

ARTICLE 3

The Contracting Parties will, within the framework of the Organization, and as often and to such extent as may be necessary draw up general programmes for the production and exchange of commodities and services. In so doing they will take into consideration their several estimates or programmes and general world economic conditions. Each Contracting Party will use its best endeavours to secure the fulfilment of such general programmes.

ARTICLE 4

The Contracting Parties will develop, in mutual co-operation, the maximum possible interchange of goods and services. To this end they will continue the efforts already

initiated to achieve soon as possible a multilateral system of payments among themselves, and will co-operate in relaxing restrictions on trade and payments between one another, with the object of abolishing as on as possible those restrictions which at present hamper such trade and payments. In the application of this Article, the Contracting Parties will take due account of the necessity that they should, collectively and individually, correct or avoid excessive disequilibrium in their financial and economic relations, both amongst themselves and with non participating countries.

ARTICLE 5

The Contracting Parties agree to strengthen their economic links by all methods which they may determine will further the objectives of the present Convention. They will continue the study of Customs Unions or analogous arrangements such as free trade areas, the formation of which might constitute one of the methods of achieving these objectives. Those Contracting Parties which have already agreed in principle to the creation of Customs Unions will further the establishment of such Unions as rapidly as conditions permit.

ARTICLE 6

The Contracting Parties will co operate with one another and with other like-minded countries in reducing tariff and other barriers to the expansion of trade, with a view to achieving a sound and balanced multilateral trading system such as will accord with the principles of the Havana Charter.

ARTICLE 7

Each Contracting Party will, having due regard to the need .for a high and stable level of trade and employment and for avoiding or countering the dangers of inflation, take such steps as lie within its power to achieve or maintain the stability of its currency and of its internal financial position, sound rates of exchange and, generally, confidence in its monetary system.

ARTICLE 8

The contracting Parties will make the fullest and most effective use of their available manpower.

They will endeavour to provide full employment for their own people and they may have recourse to manpower available in the territory of any other Contracting Party. In the latter case they will, in mutual agreement, take the necessary measures to facilitate the movement of workers and to ensure their establishment in conditions satisfactory from the economic and social. point of view. Generally, the Contracting Parties will co-operate in the progressive reduction of obstacles to the free movement of persons.

ARTICLE 9

The Contracting Parties will furnish the Organization with all the information it may request of them in order to facilitate the accomplishment of its tasks.

PART II THE ORGANIZATION

Membership

ARTICLE 10

The Members of the Organization shall be the Parties to the present Convention.

Aim

ARTICLE 11

The aim of the Organization shall be the achievement of a sound European economy through the economic co-operation of its Members. An immediate task of the Organization will be to ensure the success of the European recovery programme, in accordance with the undertakings contained in Part I of the present Convention.

Functions

ARTICLE 12

Within the limits of such powers as are or may be agreed for the Organization, its functions shall be:

- a. to prepare and implement, within the sphere of the collective action of the Members concerned, the measures necessary to achieve the aim laid down in Article 11 and to facilitate, promote and co-ordinate the individual action of the Members;
- b. to facilitate and review the implementation of the present Convention; to take such action as may be found appropriate in order to ensure its execution; and to this end, to provide for systems of observation and review adequate to ensure the efficient use both of external aid and of indigenous resources;
- c. to provide the United States Government with such assistance and information as may be agreed in relation to the execution of the European recovery programme and to address recommendations to that Government;
- d. at the request of the interested parties, to assist in the negotiation of such international agreements as may be necessary for the better execution of the European recovery programme. The Organization may also assume such other functions as may be agreed.

Powers

ARTICLE 13

In order to achieve its aim as set out in Article 11 the Organization may:

- a. take decisions for implementation by Members;
- b. enter into agreements with its Members, non-member countries, the United States Government and International Organizations;
- c. make recommendations to the United States Government, to other Governments and to International Organizations.

Decisions

ARTICLE 14

Unless the Organization otherwise agrees for special cases, decisions shall be taken by mutual agreement of all the Members. The abstention of any Members declaring themselves not to be interested in the subject under discussion shall not invalidate decisions, which shall be binding for the other Members.

The Council

ARTICLE 15

- a. A Council composed of all the Members shall be the body from which all decisions derive:
- b. The Council shall designate annually from among the Members a Chairman and two Vice-Chairmen.
- c. The Council shall be assisted by an Executive Committee and a Secretary General. The Council may set up such technical committees or other bodies, as may be required for the performance of the functions of the Organization. All such organs shall be responsible to the Council.

The Executive Committee

ARTICLE 16

- a. The Executive Committee shall consist of seven Members to be designated annually by the Council. It shall carry on its work in accordance with the general and specific instructions of the Council and shall report on it to the Council.
 - b. The Council shall designate annually from among the Members of the Executive Committee a Chairman and a Vice-Chairman. It may also designate annually a Rapporteur-General and specify his functions.
 - c. Any Member of the Organization not represented on the Executive Committee may take part in all the discussions and decisions of that Committee on any item specially affecting the interests of that Member.
- The Members of the Organization shall be informed of the proceedings of the Executive Committee By the circulation in good-time of agenda and summary records.

The Secretary General

ARTICLE 17

- a. The Secretary General shall be assisted by a first and a second Deputy Secretary-General.
- b. The Secretary General and the Deputy Secretaries General shall be appointed by the Council. The Secretary-General shall be under the instructions of the Council.
- c. The Secretary General shall attend or be represented at the meetings of the Council, the Executive Committee and, as required, at meetings of the technical committees and the other bodies, with the right to participate in discussion. He will prepare the meetings of the Council and of the Executive Committee and will ensure the execution of their decisions in accordance with the general and specific instructions of the Council and the Executive

Committee. Additional provisions as to the functions of the Secretary General are set out in the Annex to the present Convention.

Secretariat

ARTICLE 18

- a. The Secretary General shall appoint such staff as the organization may require. Senior staff appointments and the staff regulations shall be subject to approval by the Council.
- b. Having regard to the international character of the Organization; the Secretary General and the staff shall neither seek -nor receive instructions from any of the Members or from any government or authority external to the Organization.

Technical committees and other bodies

ARTICLE 19

Relationships with other international organizations

ARTICLE 20

- a. The Organization shall establish such formal or informal relationships with the United Nations, its principal organs and subsidiary bodies and with the Specialized Agencies, as may best facilitate collaboration in the achievement of their respective aims.
- b. The Organization may also maintain relationships with other international bodies.

Headquarters

ARTICLE 21

Legal capacity, privileges and immunities

ARTICLE 22

Financial regulations

ARTICLE 23

PART III

FINAL CLAUSES

Ratification and coming into force

ARTICLE 24

- a. The present Convention shall be ratified. Instruments of ratification shall be deposited with the Government of the French Republic. The Convention shall come into force upon

the deposit of instruments of ratification by not less than six of the signatories. For each signatory ratifying thereafter, the Convention shall come into force upon the deposit of its instrument of ratification.

b. ...

Accession

ARTICLE 25

At any time after not less than ten instruments of ratification of the present Convention have been deposited, any non-signatory European country may accede to it by notification addressed to the Government of the French Republic, and with the assent of the Council of the Organization. Accessions shall take effect on the date of such assent.

Non-fulfilment of obligations

ARTICLE 26

If any Member of the Organization ceases to fulfil its obligations under the present Convention, it shall be invited to conform to the provisions of the Convention. If the said Member should not so conform within the period indicated in the invitation, the other Members may decide, by mutual agreement, to continue their co-operation within the Organization without that Member.

Withdrawal

ARTICLE 27

Any of the Contracting Parties may terminate the application of the present Convention to itself by giving twelve months notice to that effect to the Government of the French Republic.

Communication of ratifications, accessions and withdrawals

ARTICLE 28

Upon the receipt of any instrument of ratification, or accession, or of any notice of withdrawal, the Government of the French Republic shall give notice thereof to all the Contracting Parties and to the Secretary General of the Organization.
