

GENERAL AGREEMENT ON TARIFFS AND TRADE

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L/4695

10 August 1978

Limited Distribution

Original: French

AGREEMENT BETWEEN THE EUROPEAN ECONOMIC COMMUNITY AND SPAIN

Information Furnished by the Parties to the Agreement

1. This report covers the period from 1 April 1976 to 31 March 1978.
2. The parties to the Agreement have indicated that negotiations have continued between the EEC and Spain with a view to an adaptation of the Agreement reflecting the expansion of the Community. The last negotiating session was held last February and the negotiations should resume shortly.

What is more, Spain applied for accession to the European Communities on 28 July 1977.

3. The bulk of Spain's industrial products enter the Community without quantitative restrictions. In respect of nearly all its imports of industrial products from Spain, the Community applies a tariff reduction of 60 per cent.

Most Spanish agricultural products enjoy a tariff reduction upon import into the Community, varying according to the product, between a 25 per cent reduction and duty-free admission.

4. Since 1 January 1977 Spain, for its part, has been applying reductions in customs duty of between 25 and 60 per cent in respect of the bulk of its imports of industrial products originating in the Community.

For products under quantitative restriction, Spain continues to open annual quotas vis-à-vis the Community.

For certain agricultural products listed in Annex II to the Agreement, Spain grants to the Community tariff reductions of between 25 and 60 per cent; for certain other products, it has undertaken to purchase in the Community, on normal market terms, a part of its total annual imports.

5. As may be seen from the statistics in the table annexed hereto showing the evolution of the foreign trade of Spain in recent years, during the period under review (1977 as compared with 1975), Spain's aggregate trade with the Community has increased by 62.9 per cent, as against 64.4 per cent with the rest of the world.

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TOTAL TRADE OF SPAIN¹

(in million pesetas)

| | 1974 | 1975 | 1976 | 1977 | % increase 1977/75 |
|------------------------|-----------|-----------|-----------|-----------|--------------------------|
| Total | 1,296,660 | 1,373,077 | 1,752,635 | 2,125,502 | 63.9 |
| Community ² | 418,691 | 423,720 | 541,384 | 682,027 | 62.9 |
| Rest of the world | 877,969 | 949,357 | 1,211,251 | 1,443,475 | 64.4 |

¹ Imports and exports

² Community of six members, the 1970 Agreement having been applied "de facto" between Spain and the three new members only as from 1 June 1977.

Source: Spanish statistics