

II

(Acts whose publication is not obligatory)

COMMISSION

COMMISSION DECISION

of 23 July 1975

authorizing the United Kingdom to take certain protective measures in accordance with Article 108 (3) of the EEC Treaty

(Only the English text is authentic)

(75/487/EEC)

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Article 108 (3) thereof;

Having regard to the Act of Accession, and in particular Article 124 thereof;

Whereas the United Kingdom's economic situation has entailed serious balance of payments difficulties and consequently a marked depreciation of sterling;

Whereas the situation is still worrying and whereas the British economy is faced with exceptional circumstances both within the country and *vis-a-vis* abroad in respect of the disequilibrium in the balance of payments;

Whereas the United Kingdom informed the Commission that it had adopted measures to reduce the disequilibrium in the balance of payments;

Whereas, because of the worsening of the economic situation, the United Kingdom subsequently informed the Commission that it was not in a position to fulfil the obligations arising from Article 124 (1) (a) and (b) of the Act of Accession, and in this connection invoked Article 109 of the Treaty;

Whereas the Commission, after investigating the position of the British economy under Article 108 (1), and

the measures taken by the United Kingdom, made a recommendation to it, on 15 July 1975, under Article 108 (1) of the Treaty;

Whereas, however, because of the serious deterioration in the British economic situation, the measures recommended to the United Kingdom under Article 108 (1) of the Treaty are not sufficient, since they cannot, alone, make any immediate contribution to restoring equilibrium to the balance of payments;

Whereas the Commission, having informed the Council that mutual assistance was not appropriate under the circumstances, no mutual assistance has been granted under Article 108, paragraph 2 of the Treaty.

Whereas it is therefore the Commission's responsibility to authorize the implementation of appropriate protective measures under Article 108 (3) of the Treaty;

Whereas the restoration of its external financial position requires the temporary maintenance by the United Kingdom of the measures in force derogating from Community obligations in respect of the free movement of capital;

Whereas the situation of the United Kingdom and the practical effects of the United Kingdom measures should be regularly reviewed,

HAS ADOPTED THIS DECISION :

Article 1

The United Kingdom is authorized, on a temporary basis, to maintain, within the limit of the measures actually in force on the date when this Decision is notified, the restrictions on :

- direct investments in Member States by United Kingdom residents and the liquidation of direct investments in Member States by United Kingdom residents ;
- the following capital movements of a personal nature :
 - transfers of capital belonging to United Kingdom residents who are emigrating, other than transfers connected with freedom of movement for workers, liberalized from the date of accession ;
 - gifts and endowments, dowries, succession duties, and real estate investments other than those connected with freedom of movement for workers, liberalized from the date of accession.

Article 2

1. The Commission will keep under close review the development of the economic situation in the United Kingdom. Before 30 June 1976 it will make an examination of the situation and of the effects of the measures authorized herein.

2. The Commission reserves the right to amend or revoke this Decision if it finds that the conditions on which it was based have changed or that the effects of the Decision are more restrictive than is necessary to achieve its purpose.

Article 3

This Decision is addressed to the United Kingdom.

Done at Brussels, 23 July 1975.

For the Commission

The President

François-Xavier ORTOLI
