

COUNCIL DECISION

of 25 February 1964

on the application to the French overseas departments of certain provisions of the Treaty relating to the right of establishment and to payments

(64/350/EEC)

THE COUNCIL OF THE EUROPEAN ECONOMIC COMMUNITY,

Having regard to the Treaty establishing the European Economic Community, and in particular Article 227 (2) thereof;

Having regard to the proposal from the Commission;

Whereas pursuant to the second subparagraph of Article 227 (2) it is for the Council to determine the conditions under which the provisions of the Treaty which are not listed in the first subparagraph of Article 227 (2), and in particular those of Articles 52 to 58 and 106 of the Treaty, are to apply to the French overseas departments;

Whereas the condition of the economy of those departments and the requirements for their economic and social development make it appropriate to apply Articles 52 to 58 and certain provisions of Article 106 of the Treaty;

HAS DECIDED AS FOLLOWS:

Article 1

Articles 52 to 58 of the Treaty shall apply to the French overseas departments under the conditions laid down in this Decision.

At the time when the directives implementing the General Programme for the Abolition of Restrictions on Freedom of Establishment are adopted, the Council may as an exception and to the extent necessary issue special directives on the establishment of persons and companies or firms in the French overseas departments.

Article 2

Without prejudice to the implementation of the measures adopted pursuant to the Treaty and to the Implementing Convention of 25 March 1957 and of those to be adopted pursuant to Article 1, the right of establishment in the French overseas departments

shall be progressively extended to the companies or firms and nationals of Member States other than France, so that all discrimination may disappear not later than three years after the application of this Decision.

The Council, acting by a qualified majority on a proposal from the Commission, shall issue the necessary directives for the implementation of that progressive extension.

However, the nationals and companies or firms of a Member State shall only be able to benefit, in respect of a given activity, in a French overseas department from the provisions of the first paragraph to the extent to which the State of which they are nationals grants in respect of the same activity advantages of the same kind to French nationals and companies or firms.

Article 3

The provisions of Article 106 of the Treaty, in so far as they are not affected by the Council Decision of 11 May 1960 on the application to Algeria and to the French overseas departments of the provisions of the Treaty concerning capital movements, shall apply to the French overseas departments.

Article 4

This Decision shall be applied by the Member States on the same date as the Council Decision on the association of the overseas countries and territories with the European Economic Community.

That date shall be published in the *Official Journal of the European Communities*.

Done at Brussels, 25 February 1964.

For the Council
The President
H. FAYAT