COMMISSION DECISION

of 28 June 1977

amending the 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)

(77/457/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 by Decision 75/487/EEC of 23 July 1975 [1] the Commission authorized the United Kingdom, on a temporary basis, to maintain, within the limit of the measures actually in force on the date when the above Decision was notified, restrictions on certain capital movements ;

Whereas by Decision of 27 July 1976 the Commission authorized the United Kingdom to maintain the measures in question until 30 June 1977 ; whereas the United Kingdom's balance of payments difficulties have not yet been eliminated ; whereas these difficulties justify the maintenance of those measures, subject to certain modifications as regards movements of personal capital ;

Whereas Decision 75/487/EEC did not authorize the maintenance of restrictions on capital movements in connection with the freedom of movement of workers, which were liberalized from the date of accession ; whereas the maintenance of restrictions on transfers of capital belonging to other persons entitled to freedom of movement hinders such freedom of movement ; whereas, therefore, the prohibition on the maintenance of protective measures should be extended to cover movements of a personal nature of capital belonging to such persons,

HAS ADOPTED THIS DECISION :

Article 1

Article 1 of the Decision of 23 July 1975 is amended to read as follows :

'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 :

(a) direct investments in Member States by United Kingdom residents and the liquidation of such investments ;

(b) the following capital movements of a personal nature :

— transfers of capital belonging to United Kingdom residents who are emigrating, other than transfers in connection with the free movement of persons under the provisions of Title III of Part Two of the EEC Treaty,

— gifts and endowments, dowries, succession duties, and real estate investments, other than those in connection with the freedom of movement of persons under the provisions of Title III of Part Two of the EEC Treaty.'

Article 2

Article 2 of the Decision of 23 July 1975 is amended to read as follows :

'1. The Commission will keep under close review the development of the economic situation in the United Kingdom. Before 31 December 1977 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, 28 June 1977.

For the Commission

The President

Roy JENKINS

[1] OJ No L 211, 9. 8. 1975, p. 29.