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Brussels, 1 February 1974

**SUMMARY OF STATEMENT MADE BY MR. CHEYSSON, MEMBER OF THE
COMMISSION, AT THE PARLIAMENTARY CONFERENCE OF THE EEC/AASM
ASSOCIATION IN ROME, 30 JANUARY TO 1 FEBRUARY 1974**

During the Parliamentary Conference of the EEC/AASM Association, at which representatives of the European Parliament and the AASM annually meet, Mr. Cheysson, Member of the Commission, summed up the current negotiations between the Community and the forty-three Associated and potentially Associate States.

He began by reminding the meeting of the basically political dimensions these negotiations had assumed from the mere fact that an entire continent was negotiating with Europe, and was speaking with one voice. Dwelling on the evolutionary nature of the projected new association, and the role in this connection of the joint institutions (particularly by the parliamentary institutions), Mr. Cheysson stressed the decisive importance of financial aid which, for the countries most deprived, was what most counted. On this point whilst conceding that the sum to be granted in aid was still subject to negotiation, he made it clear that, whatever happened, Europe would have to step up its financial efforts, and that a more than proportionate share of this aid should be reserved in future for the least-favoured nations.

On the commercial side, Mr. Cheysson underscored the inadequacy of duty-free entry concessions as far as increasing export and hence production opportunities in Associated countries was concerned. Mr. Cheysson said: "The economic world order as it stands does not allow developing countries to compete on equal terms in world markets." Though the Commission proposals for stabilising export revenue might constitute a first step, it would be more advisable in the long run, he added, to go further and work out a world-wide solution which would assure the developing countries of a constant and if possible increasing purchasing power in relation to industrialised countries.

Turning next to the consequences of the crisis, Mr. Cheysson said that the increase in oil prices was merely an index of the international economic system's inability to cope with development problems. "If we believe in development we must find means on a world scale of neutralising the catastrophic effects of this crisis on the developing countries." In this connection Mr. Cheysson advocated that the extra liquid assets created by the increase in petroleum prices be used for massive development in developing countries. This should be carried out collectively and on a world-wide basis.

Mr. Cheysson concluded, "My fear is that attention may be paid only to the strong countries or to those potentially strong, by virtue of their raw material resources, and that a new economic world order may develop which will be much worse than its predecessor for those who are excluded."