

TELEX NO. 131

MARCOM BRU

GROUPE DU PORTE-PAROLE: OM. OLIVI

CC. M. WEIL

*March
1965*

JEAN REY, MEMBER OF THE COMMISSION OF THE EUROPEAN ECONOMIC COMMUNITY SAID DURING A VISIT TO WASHINGTON, MARCH ~~21~~³¹ 1965, THAT THE UNITED STATES AND THE EEC ARE BOTH AWARE OF THE IMPORTANCE OF THE KENNEDY ROUND AND OF THE NECESSITY TO FIND A COMMON MEETING GROUND IN THE GATT NEGOTIATIONS.

FOLLOWING IS A RESUME OF REMARKS MADE BY MR. REY, WHO IS THE COMMISSIONER RESPONSIBLE FOR EXTERNAL AFFAIRS, AT A PRESS LUNCHEON.

MR. REY STATED THAT HE HAD THE IMPRESSION DURING HIS VISIT THAT THE ATTITUDE OF UNITED STATES OFFICIALS TOWARD THE COMMUNITY HAD NOT CHANGED. THESE OFFICIALS HAVE CONTINUED CONFIDENCE IN EUROPE AND IN THE COMMUNITY THE PROGRESS OF THE COMMUNITY IN SPITE OF THE VARIOUS DIFFICULTIES.

THREE MAJOR PREOCCUPATIONS IN EUROPE TODAY ARE, MR. REY SAID, ENLARGEMENT OF THE COMMUNITY, POLITICAL UNION, AND THE MILITARY PROBLEM. BUT THESE PROBLEMS HAVE NOT STOPPED PROGRESS IN THE COMMUNITY, DUE TO THE COMMUNITY INSTITUTIONAL SYSTEM WHICH MAKES AGREEMENTS POSSIBLE AND SPURS THE WILL OF EUROPEANS FOR INTEGRATION. MR. REY CITED THE SPEECH OF MAURICE COUVE DE MURVILLE, FRENCH FOREIGN MINISTER, BEFORE THE EUROPEAN PARLIAMENT IN WHICH HE SAID THAT THE COMPLETION OF THE CUSTOMS UNION WAS LIKELY IN 1967.

THIS YEAR THE DISCUSSIONS ABOUT THE INSTITUTIONAL PROBLEMS OF THE COMMUNITY AND FINAL DECISIONS ON THE COMMON AGRICULTURAL POLICY WILL BE PARTICULARLY IMPORTANT, MR. REY SAID.

HE SAID THAT EHHE HAD COME TO THE UNITED STATES FOR A GENERAL SURVEY OF THE SITUATION ON THE KENNEDY ROUND AND MORE PARTICULARLY ON THE AGRICULTURAL NEGOTIATIONS IN THE GATT. THE INDUSTRIAL NEGOTIATIONS SEEM TO BE MOVING AHEAD AND SHOULD BE SUCCESSFUL WITH A FEW MONTHS OF HARD LABOR. ALTHOUGH AGREEMENT HAS BEEN REACHED BETWEEN THE UNITED STATES AND THE EEC ON PROCEDURE IN AGRICULTURAL NEGOTIATIONS, LARGE GAPS REMAIN IN QUESTIONS OF SUBSTANCE. IT WILL BE NECESSARY TO FIND A WILL FOR COMPROMISE OF THE DIFFERENT APPROACHES OF BOTH SIDES. THERE IS NO CHANCE THAT EITHER THE U.S. OR THE EEC WILL ACCEPT THE OTHER'S PROPOSALS WITHOUT CONCESSIONS.

SOME MOVEMENT ON BOTH SIDES IS POSSIBLE AND NECESSARY, HAE SAID. AS FOR THE TIMETABLE OF NEGOTIATIONS, HE PREDICTED THAT SUMMER 1966 SEEMS A FEASIBLE DATE FOR REACHING AGREEMENT.

MR. REY SAID THAT HIS TALKS IN WASHINGTON HAD SHOWN HIM THAT BOTH THE EEC AND THE U.S. ARE CONSCIOUS OF THE IMPORTANCE OF THE KENNEDY ROUND AND OF THE NECESSITY FOR SUCCESS. BOTH PARTIES FEEL RESPONSIBILITY FOR A MEANINGFUL CONCLUSION OF THE NEGOTIATIONS. THE U.S. HAS INDICATED ITS DISSATISFACTION WITH THE COMMUNITY'S AGRICULTURAL PROPOSALS, BUT IT NONETHELESS RECOGNIZES THE NEED TO FIND A MEETING GROUND.

IN THE KENNEDY ROUND NEGOTIATIONS THE COMMUNITY COUNTRIES ARE NOT DIVIDED WITH FIVE ON ONE SIDE AND ONE ON THE OTHER BUT RATHER ACCORDING TO THEIR ECONOMIC SITUATIONS. A STRONG LINK HAS BEEN FORMED IN THE COUNCIL BETWEEN THE KENNEDY ROUND AND THE COMMON AGRICULTURAL POLICY. MR. REY PREDICTED THAT THIS AGREEMENT WILL CONTINUE AND THAT THE POLITICAL GOOD WILL FOR THE SUCCESS OF THE KENNEDY ROUND WILL REMAIN.

DURING A QUESTION PERIOD HE SAID THAT THE ATTEMPT TO SOLVE U.S. BALANCE OF PAYMENTS PROBLEMS THROUGH VOLUNTARY MEASURES WAS VERY BOLD, BUT IT IS STILL TOO EARLY TO JUDGE IF THIS PROGRAM WILL BE SUFFICIENT.

CONCERNING EAST EUROPE'S RELATIONS WITH THE EEC., MR. REY INDICATED THAT A POLISH DELEGATION WAS COMING TO BRUSSELS FOR THE SECOND TIME BUT ONLY AT THE LEVEL OF TECHNICAL DISCUSSIONS. THERE HAVE BEEN NO SIGNS AMONG EAST EUROPEAN GOVERNMENTS OF WILLINGNESS TO RECOGNIZE THE EEC.