

# COMMISSION OF THE EUROPEAN COMMUNITIES

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## NORTH-SOUTH RELATIONS

(Communication from the Commission to the European Council)

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The report now before the European Council, requested at Maastricht, provides an essential basis for establishing a Community position with a view to the forthcoming North-South meetings, particularly the Ottawa and Cancun Summits. The adoption of the paper is a political action of major importance.

It should enable the European Community, in a vital area of international relations, to affirm its cohesion and exercise its powers of persuasion vis-à-vis its partners. This Community agreement is also a response to the unprecedentedly grave and urgent problems with which all countries are confronted. In spite of all the speeches on world economic interdependence, the North-South dimension is still too rarely present when economic policies to combat the crisis and its effects are finalized.

Among the Commission proposals that the Council has endorsed there are three which the Commission considers of particular importance in the context of the Ottawa Summit, in that the Community position expresses an overall view of how North-South relations ought to develop which our western partners must be brought to share:

- (i) the need for a multilateral level in the global North-South dialogue;
- (ii) the European Community's concern for the launching of global negotiations;
- (iii) lastly, cooperation from the oil-producing countries in the development of developing countries' energy resources.

1. There can be no doubt but that the increasing diversity of situations, achievements and interests both in developing and in industrialized countries warrants the existence of bilateral and regional levels and of differentiated approaches in the North-South dialogue. But at the same time, with growing economic

interdependence between nations and the existence of a certain number of matters of common interest affecting the course of the international crisis, the global dialogue needs a multilateral level also.

2. The question of global negotiations, preparation of which is at present suspended, is inseparable from the question of reactivating the North-South dialogue. We know the value the developing countries collectively attach to global negotiations affording an opportunity for reaffirming their cohesion, over and above the increasing differences in their economic and financial situations, and for perceiving the interrelationships between the main issues of common interest. The position the European Council adopts towards these global negotiations will in the eyes of these countries constitute a test of our resolve to relaunch the dialogue and multilateral concertation with them. The message awaited from the European Council should therefore reaffirm the Community's concern for the negotiations and show that it is ready to resume preparatory work in order to reach rapid general agreement enabling them to be really launched. Failing this the general atmosphere of North-South relations and, in particular, that of the forthcoming Cancun Summit are likely to be seriously affected.

3. Whatever the scope of the programmes for reducing energy consumption introduced by the industrialized countries, world balance between supply and demand will be jeopardized if the means are not found now to meet the Third World's rising energy requirements. The progression rate of these requirements is utterly disproportionate to present prospects for developing energy resources in the developing countries.

It is therefore essential to mobilize all possible financial and technical means in order to accelerate development here. It is no less important for the oil-producing countries and the industrialized countries to be associated in a balanced effort of cooperation and co-responsibility to assist the developing countries.

Because it meets these two objectives the Commission supports the idea of setting up an Energy Affiliate to the World Bank, which would have the further advantage that it could be brought into use rapidly, while also having the benefit of the Bank's technical and financial experience.