

COUNCIL OF THE EUROPEAN COMMUNITIES

PRESS RELEASES

PRESIDENCY: THE NETHERLANDS

JULY-DECEMBER 1991

Meetings and press releases July-September 1991

| <b>Meeting number</b> | <b>Subject</b>    | <b>Date</b>                 |
|-----------------------|-------------------|-----------------------------|
| 1506 <sup>th</sup>    | Economics/Finance | 8 July 1991                 |
| 1507 <sup>th</sup>    | Agriculture       | 8 July 1991                 |
| 1508 <sup>th</sup>    | Agriculture       | 15-16 July 1991             |
| 1509 <sup>th</sup>    | Internal Market   | 22 July 1991                |
| 1510 <sup>th</sup>    | Budget            | 25 July 1991                |
| 1511 <sup>th</sup>    | General Affairs   | 29 July 1991                |
| 1512 <sup>th</sup>    | Economics/Finance | 9 September 1991            |
| 1513 <sup>th</sup>    | General Affairs   | 6 September 1991            |
| 1514 <sup>th</sup>    | Agriculture       | 23-24 September 1991        |
| 1515 <sup>th</sup>    | General Affairs   | 30 September-1 October 1991 |

PRESS RELEASE

7148/91 (Presse 125)

1506th meeting of the Council  
- Economic and Financial Affairs -

Brussels, 8 July 1991

President: Mr Wim KOK

Minister for Finance  
of the Kingdom of the Netherlands

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The Governments of the Member States and the Commission of the European Communities were represented as follows:

Belgium:

Mr Philippe MAYSTADT Minister for Finance

Denmark:

Mr Jens THOMSEN State Secretary, Ministry of Finance

Germany:

Mr Horst KÖHLER State Secretary, Federal Ministry of Finance

Mr Johann EEKHOFF State Secretary, Federal Ministry of Economic Affairs

Greece:

Mr Eythymios CHRISTODOULOU Deputy Minister for Economic Affairs

Spain:

Mr Carlos SOLCHAGA CATALAN Minister for Economic Affairs and Finance

Mr Pedro PEREZ State Secretary for Economic Affairs

France:

Mr Pierre BEREGOVOY Ministre d'Etat, Minister for Economic and Financial Affairs and the Budget

Ireland:

Ms Maire GEOGHEGAN-QUINN Minister of State, EEC matters

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Italy:

Mr Guido CARLI Minister for the Treasury

Luxembourg:

Mr Jean-Claude JUNCKER Minister for Finance

Netherlands:

Mr Wim KOK Minister for Finance

Mr Marius van AMELSVOORT State Secretary for Finance

Portugal:

Mr Miguel BELEZA Minister for Finance

Mr Carlos TAVARES State Secretary for the Treasury

United Kingdom:

Mr Norman LAMONT Chancellor of the Exchequer

Mr John REDWOOD Minister of State, Department of Trade and Industry

Commission:

Mr Jacques DELORS President  
Sir Leon BRITTAN Vice-President  
Mr Henning CHRISTOPHERSEN Vice-President

The following also took part in the meeting:

Mr Cees MAAS Chairman of the Monetary Committee  
Mr Robert MALDAGUE Chairman of the Economic Policy Committee

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MULTILATERAL SURVEILLANCE - CONCLUSIONS OF THE COUNCIL

1. The Council has carried out the regular biannual examination of the economic situation in the Community (multilateral surveillance). This exercise has shown that, over the last two years, there has been a clear absence of progress towards the necessary degree of convergence and that the present level of convergence in a large number of Member States is substantially inadequate.
2. The Council agreed that convergence will be more difficult to achieve against a background of a relatively unfavourable economic situation. However, the policy orientations required to strengthen growth fundamentals are also the same as those needed to improve convergence; an improved resource allocation to foster sustainable, non-inflationary growth in the medium term.
3. In line with the conclusions of the June meeting of the European Council, the ECOFIN Council has agreed that for Stage One of Economic and Monetary Union exceptional and determined efforts are required in order to resume progress towards convergence. Therefore, Member States have been asked where necessary to develop and communicate to the Community medium-term adjustment programmes. These strategies, which will reflect the individual countries needs and positions, would represent a tangible sign of the Member States' commitment to the EMU process and would address the main convergence problem i.e. prices and costs, public finances and external positions.

Programmes will be communicated as soon as possible and in any case before the end of October 1991, so that they can be reviewed before the end of the year. Future multilateral surveillance exercises will monitor the implementation and results of these convergence strategies.

ANNUAL ECONOMIC REPORT

The Council approved the Annual Economic Report, including the amendments submitted by the Commission following the Report's examination by the Economic Policy Committee. The Report will be formally adopted in the next few days after the texts have been finalized in the official languages of the Communities.

OPERATIONS OF THE EUROPEAN INVESTMENT BANK OUTSIDE THE COMMUNITY

The Council held a detailed exchange of views on possible ways of implementing the guidelines established by the Council (General Affairs) at its meeting on 13 and 14 May 1991 concerning the EIB's operations outside the Community <sup>(1)</sup>.

This exchange of views highlighted the many financial and technical aspects of the issue and the need to discuss further the solution to be adopted in the context of the application of Article 18 of the EIB's Statute.

The Council agreed to continue discussing this matter after the summer holidays on the basis of a report from the Commission and the EIB.

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(1) Conclusions of the Council (General Affairs) at its meeting on 13 and 14 May 1991:

"The Council established an approach considerably in favour of a limited extension of the EIB's external activities to countries or regions to be defined which do not yet benefit from them and which are linked to the Community by co-operation agreements, on the basis of case-by-case authorization of specific projects.

The various elements, in particular the guarantee, enabling this approach to be put into practice, remain to be specified on the basis of the technical data contained in the EIB's letter."

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MEDIUM-TERM FINANCIAL ASSISTANCE FOR ALGERIA

In the light of the conclusions of the European Council, which had decided on the principle of balance-of-payments aid for Algeria, the Council took note of the Commission's proposal for a medium-term loan of up to ECU 500 million.

The Council decided that the European Parliament should be consulted on the proposal by the urgent procedure.

It asked for the Monetary Committee's opinion on the various aspects of the proposal and instructed the Permanent Representatives Committee to prepare the discussions which it would hold on this subject at its meeting in September.

MEDIUM-TERM FINANCIAL ASSISTANCE FOR ROMANIA

The Council approved a Decision on granting Romania medium-term financial assistance of up to ECU 375 million to support the country's balance of payments and strengthen its reserves.

The Commission undertook to disburse, as a first tranche, an amount equivalent to that which would be officially announced by the other member countries of the G24 and, possibly, by other third countries.

The Council instructed the Permanent Representatives Committee to have the Decision finalized in the official languages of the Community so that it could be formally adopted at a meeting in the near future.

INVESTMENT SERVICES IN THE SECURITIES FIELD

The Council held a further discussion on this matter on the basis of a document from the Presidency on the key questions, notably the possibility for an investor to avoid the concentration obligation, direct access to stock exchanges for credit institutions, reporting requirements and the transparency of transactions for investors.

It became apparent that difficulties remained on all of these points. In these circumstances, the Presidency stated that - together with the Commission - it was allowing itself time to consider how the discussions should continue on what was an important issue for the completion of the single market in the field of financial services.

FIGHT AGAINST FRAUD AFFECTING THE COMMUNITY BUDGET

- Council statement

"The Council takes note of the Commission's report on the fight against fraud in 1990. In the light of the objectives for 1990 set in the Council's statement of 12 March 1990 and the Commission's previous annual report, it welcomes the progress achieved, particularly in the following areas:

- simplification of agricultural legislation, including translation into legislation of the first interim report from the Lachaux group and rationalization of the nomenclature of export refunds for beef and veal, fruit and vegetables and also cereals;
- Member States' reporting of cases of fraud, including the increased number of cases reported and the adoption of Regulation No 595/91 on reporting in the agricultural sector;
- Member State controls, including the adoption of Council Regulation No 307/91 reinforcing the monitoring of certain Community expenditure in the agricultural sector.

The Council recognizes however that much remains to be done to protect the Community's finances effectively against fraud.

The Council notes that the Commission regards its sector-by-sector review of differentiated export refund rates and clarification of its powers on controls and administrative penalties as priority areas for 1991.

The Council further considered that the following should also be priority areas for 1991:

- continuation of efforts to simplify agricultural legislation through the work of the Lachaux group and early progress in the Commission's systematic review of the export-refund nomenclature;
- adoption by the end of the year of the European Customs Code, laying stress on the consolidation of existing legislation;
- inclusion, where appropriate, of information regarding fraud prevention measures in the financial statements annexed to legislative proposals. The Commission's improved internal procedure for setting legislation is welcomed;
- further co-operation between the Commission and Member States to continue improving the cost-effectiveness of the fight against fraud;
- review by the Commission, as agreed at the meeting of the Committee for Co-ordination of Action against Fraud on 11 April, of the scope of its action programme to establish whether further measures should be included. The results of this review should be included in the Commission's next annual report;
- provision within the overall amounts for the fight against fraud of adequate funding for investigative missions in third countries and an increased effort to negotiate complementary mutual assistance arrangements with such third countries.

The Council reiterates its firm commitment to the fight against fraud and its determination to see that the momentum is maintained. It undertakes to keep work in this area under close scrutiny and will next year review progress against the objectives set above in the light of the Commission's next annual report."

MISCELLANEOUS DECISIONS

Textiles

The Council:

- adopted a Decision on the provisional application of an Agreed Minute modifying the Agreement with Thailand on trade in textile products, the Agreement itself having been applied provisionally since 1 January 1987;
- authorized the Commission to open negotiations on a modification of the agreements on trade in textiles between the EEC on the one hand and Poland, Hungary and Czechoslovakia on the other.

EEC-Andorra relations

The Council approved, as regards the Community, a series of texts necessary for the creation of the EEC-Andorra customs union. These texts will be formally adopted by the EEC-Andorra Joint Committee in the near future.

Relations with the Soviet Union

The Council adopted a Decision on the conclusion of the Agreement with the Soviet Union provided for in Article 2 of the Regulation introducing a credit guarantee for exports of agricultural products and foodstuffs from the Community to the Soviet Union.

Research

The Council adopted a Decision adopting a specific RTD programme in the field of information technologies (1990-1994) (see Press Release 5810/91 Presse 53 - Research - of 24 April 1991, published when the common position was adopted).

Civil protection

The Council and the Representatives of the Governments of the Member States meeting within the Council adopted a Resolution on improving mutual aid between Member States in the event of natural or technological disaster, the text of which will be found in the Annex.

Appointment

On a proposal from the Spanish Government, the Council appointed Mr José Isaias RODRIGUEZ GARCIA-CANO, a member of the Economic and Social Committee in place of Mr Elias APARICIO BRAVO, who had resigned, for the remainder of his term of office, which runs until 20 September 1994.

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ANNEX

RESOLUTION OF THE COUNCIL  
AND OF THE REPRESENTATIVES OF THE GOVERNMENTS OF THE MEMBER STATES,  
MEETING WITHIN THE COUNCIL,

of

on improving mutual aid between Member States  
in the event of natural or technological disaster

THE COUNCIL AND THE REPRESENTATIVES OF THE GOVERNMENTS OF THE MEMBER STATES OF  
THE EUROPEAN COMMUNITIES, MEETING WITHIN THE COUNCIL,

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RECALLING their Resolutions of 25 June 1987 on the introduction of Community Co-operation on Civil Protection <sup>(1)</sup>, of 13 February 1989 on the new developments in Community Co-operation on Civil Protection <sup>(2)</sup> and 23 November 1990 on Community Co-operation on Civil Protection; <sup>(3)</sup>

RECALLING their Resolution of 23 November 1990 on improving mutual aid between Member States in the event of natural or man-made disaster <sup>(4)</sup>;

RECALLING that, pursuant to point 2 of the Resolution of 25 June 1987, a network of liaison officers from the Member States and the Commission was set up so that the information collected would help to produce a clearer picture of the assistance available in each Member State in the event of a disaster, enabling such assistance to be better and more swiftly used;

CONSCIOUS that the Commission has prepared a civil protection manual including, inter alia, a list of the means of intervention available in the Member States in the event of emergencies;

AWARE of the threat of natural or technological disaster confronting the Member States and of the need to improve mutual aid when such disasters occur;

DESIROUS of strengthening Community co-operation on civil protection by increasing mutual aid between the Member States;

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(1) OJ No C 176, 4. 7.1987, p. 1.

(2) OJ No C 44, 23. 2.1989, p. 3.

(3) OJ No C 315, 14.12.1990, p. 1.

(4) OJ No C 315, 14.12.1990, p. 3.

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CONSCIOUS of the usefulness of bilateral and multilateral agreements on co-operation in the sphere of civil protection, and specifically in the area of improving mutual aid in the event of natural or technological disaster;

CONSCIOUS that this Resolution must not affect the reciprocal rights and obligations of the Contracting Member States under bilateral, multilateral or international agreements which relate to the matters covered by this Resolution or the relevant Community legislation, and that it must not affect national provisions on compensation for damages,

HAVE AGREED as follows:

1. The Member States shall, if requested by another Member State, furnish all such assistance as they deem possible and available in the event of a disaster in the territory of that other Member State entailing serious physical damage or danger to persons, property and the environment, and clearly exceeding that Member State's own assistance capability.
2. If a disaster occurs, assistance shall take the form of the early dispatch of aid teams, supplied with equipment and aid material, to the locality affected, for the rescue and protection of persons and the protection of property and the environment.

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Aid teams must be logistically independent and be self-sufficient in situ for at least 48 hours. Thereafter, on the exhaustion of their stores, all supplies of means of subsistence to aid teams and the normal replenishment of their equipment shall be carried out by the requesting Member State.

3. Direction of the aid operations shall be the responsibility of the Member State requesting aid (hereafter referred to as the "requesting Member State"). The authorities of the requesting Member State shall lay down guidelines and if necessary define the limits of the tasks entrusted to the aid teams, without giving details of their execution, which shall be left to the person assigned by the Member State offering the aid (hereafter referred to as the "offering Member State").
4. The requesting Member State shall take the measures necessary to ensure the safety of members of the offering Member State's aid team.
5. In order to provide effective assistance, aid teams shall have access to all places where their co-operation is required, as indicated by the authorities in charge of the operations. The requesting Member State must ensure that the necessary means of assistance are deployed and communications provided.

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The requesting Member State shall examine procedures for the rapid issue of the necessary permits, in particular for exceptional transport operations, and shall also study arrangements for the free use of infrastructures where transit dues, tolls, port dues or airport taxes are charged.

6. In order to ensure speed and efficiency of intervention, the requesting Member States and, where appropriate, the Member States of transit shall endeavour to reduce to a minimum border checks and formalities for aid teams, their equipment and the aid material needed to carry out their assignment, including medical equipment and medicinal products.

To this end, a comprehensive certificate describing the mission and the composition of the aid team, issued by the authorities of the offering Member State, together with a complete list of the aid equipment and material being sent, shall be produced if at all possible at the time of entry into the territory of the Member State concerned or at the latest one month after the date of entry.

7. Each Member State shall authorize aircraft from the other Member States taking a direct part in the rescue operations or transporting equipment to overfly its territory and to land and take off at predetermined places. The flights must be organized and carried out in accordance with the rules on navigation and the use of airspace applicable in the relevant Member State.

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8. In the absence of any arrangement to the contrary between the Member States concerned, the costs of assistance provided by the offering Member State shall be borne by the requesting Member State.

The offering Member State may, bearing in mind in particular the nature of the disaster and the extent of the damage suffered by the requesting Member State, offer its assistance entirely or partially free of charge.

The offering Member State may also waive all or part of the reimbursement of its costs at any time.

For the duration of the operation, the requesting Member State shall house and feed the aid teams from the offering Member State, and if their supplies and provisions run out, the requesting Member State shall replenish these at its own expense.

9. The Member States shall refrain from making any request for compensation from other Member States for damage caused to their property or service staff where such damage is the consequence of the aid operations provided for in this Resolution, unless it is a case of duly proven fraud or serious misconduct.

In the event of damage suffered by third parties as the result of aid operations, the requesting Member State and the offering Member State shall co-operate to facilitate the compensation of such damage.

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10. On completion of the aid operation the offering Member State and the requesting Member State shall forward to the Commission a report on the incident which occurred and the measures adopted and the Commission shall inform the other Member States thereof.
11. Regularly, or at the request of a Member State, the Commission shall call meetings of the network of national liaison officers for the purpose of examining the technical and operational aspects of the organization of the co-operation provided for in this Resolution. National liaison officers may have recourse to expert assistance as far as necessary.

The Commission shall also call a meeting of national liaison officers after each operation provided for in this Resolution in order to benefit from the lessons to be learnt from that operation.

The Commission shall also examine with national liaison officers the possibility of implementing a programme of training for emergency aid officers to improve mutual disaster aid.

12. For the purposes of applying this Resolution, the Member States shall appoint the competent authorities and inform the Commission accordingly.

**COUNCIL OF THE EUROPEAN COMMUNITIES**

1507th meeting of the Council

- Agriculture -

Brussels, 8 July 1991

President: Mr. Piet Bukman

Minister for Agriculture Nature Conservation and Fisheries, The Netherlands

The official press release was unavailable. A summary of the meeting has been reproduced from the Bulletin of the European Communities, No. 7/8-1991.

## 1507th meeting

### 1.7.3. Fisheries (Brussels, 8 July).

- Previous meeting: Bull. EC 4-1991, point 1.7.4

*President:* Mr Bukman, Dutch Minister for Agriculture, Nature Conservation and Fisheries.

*Commission:* Mr Marín.

#### *Main item*

Monitoring procedures adopted by NAFO: proposal for a Regulation agreed (→ point 1.2.253).

#### *Other business*

Technical measures for the conservation of fisheries resources: discussed.

## NAFO

1.2.253. Proposal for a Council Regulation adopting provisions for the application of certain control measures adopted by the North-West Atlantic Fisheries Organization (NAFO).

- Commission proposal: COM(91) 214; Bull. EC 6-1991, point 1.2.193

*Agreed by the Council on 8 July.*

COUNCIL OF THE EUROPEAN COMMUNITIES  
GENERAL SECRETARIAT

PRESS RELEASE

7448/91 (Presse 129)

1508th Council meeting  
- Agriculture -  
Brussels, 15 and 16 July 1991

President:

Mr Piet BUKMAN

Minister for Agriculture  
Nature Conservation  
and Fisheries of  
the Netherlands

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The Governments of the Member States and the Commission of the European Communities were represented as follows:

Belgium:

Mr Paul de KEERSMAEKER

State Secretary for  
European Affairs and  
Agriculture

Denmark:

Mr Laurits TOERNAES

Minister for Agriculture

Germany:

Mr Ignaz KIECHLE

Federal Minister for Food, Agriculture  
and Forestry

Mr Walter KITTEL

State Secretary, Federal Ministry of  
Food, Agriculture and Forestry

Greece:

Mr Michaelis PAPACONSTANTINOU

Minister for Agriculture

Spain:

Mr Pedro SOLBES MIRA

Minister for Agriculture

France:

Mr Louis MERMAZ

Minister for Agriculture



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THE DEVELOPMENT AND FUTURE OF THE COMMON AGRICULTURAL POLICY

The Council heard a statement by Commissioner Mac SHARRY, who presented the Commission communication on the development and future of the common agricultural policy. It held an initial general exchange of views on the implications of this communication in political, economic, social and financial terms.

The Council noted the fundamental changes involved in the Commission's approach compared with the current policy and discussed the major problems to be faced by European agriculture if the new approach were adopted.

In view of the importance of the Commission communication the Council, while recognizing the need for prompt action, agreed to carry out a thorough examination of the communication. With this in mind and pending formal proposals from the Commission, it instructed the Special Committee on Agriculture to undertake a technical examination of the various points and problems raised by the Commission communication.

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URUGUAY ROUND - AGRICULTURAL ASPECTS

The Council was informed by the Commission of the progress of negotiations under the Uruguay Round.

Mr Mac SHARRY briefed the Council on the points which had arisen in the discussions in Geneva since the last Agriculture Council at the end of June.

The Council confirmed its attachment to the negotiating brief on agricultural matters which the Commission had been given and reaffirmed that any solution to the agricultural problems should be sought as part of an overall approach covering all the multilateral trade negotiations.

This item will feature again on the agenda for the next meeting of the Agriculture Council, which expressed its determination to be fully involved in developments in the negotiations:

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MISCELLANEOUS DECISIONS

Other Decisions regarding agricultural policy

The Council adopted the Directives

- laying down health conditions for the production and placing on the market of live bivalve molluscs,
- laying down the principles governing the organization of veterinary checks on animals entering the Community from third countries and amending Directives 89/662/EEC and 90/425/EEC.

Both these Directives had been the subject of a political agreement at the Agriculture Council on 26 and 27 June (see Press Release 7144/91 (Presse 121)).

It also adopted the Directive on the marketing of plant-protection products. This Directive, on which the Council had given its political agreement at its meeting on 26 and 27 June 1991, sets out to establish a harmonized procedure for the authorization of plant-protection products to be used for the protection of plants and plant products against harmful organisms and weeds (see Press Release 7144/91 (Presse 121)).

The Council also adopted the Regulations

- on improving the efficiency of agricultural structures. The aim of the Regulation is to consolidate the regulations in force with the aim of simplifying and clarifying the presentation of Community law.

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- amending Regulation (EEC) No 790/89 as regards the maximum amount applied to aid for quality and marketing improvement in the nut- and locust bean-growing sector. The amendment is designed, by differentiating between the amounts of aid, to increase the attractiveness of restructuring measures (modernization through grubbing) compared with measures for crop improvement. The new amounts of aid/ha are set at the following levels:

- = 475 ECU/ha per year for 5 years for grubbing operations followed by replanting and/or varietal conversion,
- = 200 ECU/ha per year for the remaining years of the plan's implementation,
- = 200 ECU/ha per year for a period of 10 years in the case of other operations.

The proposal concerning nuts and locust beans had been submitted in the context of the 1991/1992 prices package.

#### ECSC

The Council formally adopted the Decisions on the opening for the period 1 July 1991 to 30 June 1992:

- of a zero-duty tariff quota of 300 tonnes for certain flat-rolled products of silicon-electrical steel for the Benelux countries;
- of a zero-duty tariff quota for France, the Benelux countries and Germany of 1 430 t, 1 380 t and 1 200 t respectively for special wire rod for the manufacture of valve springs.

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### Fisheries

The Council adopted a Regulation transcribing into Community law certain conservation measures applied by the former German Democratic Republic to a zone situated in German waters of the Baltic Sea (the "Oderbank").

Under this instrument, which amends for the fourth time Regulation 1866/86 on the conservation of fishery resources in the waters of the Baltic Sea, the Belts and the Sound, it is prohibited throughout the year to fish with any trawl, Danish seine and similar net in the "Oderbank" region.

### SOVIET UNION

#### Technical assistance

Following the political agreement reached at its meeting on 17 and 18 June, the Council formally adopted the Regulation on technical assistance for the Union of Soviet Socialist Republics for the economic reforms under way and for the measures aimed at bringing about the transition to a market economy and for related projects.

It is pointed out that this assistance, the principle of which was decided on by the Rome European Council, will be put into effect by the Community in 1991 and 1992. It will have a budget of ECU 400 million in 1991, with the funds estimated as necessary for 1992 still having to be decided by the Council, acting unanimously.

The technical assistance will give priority to the fields of public and private sector management training, financial services, energy, transport and foodstuffs distribution.

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Community assistance will take the form of grants to be released in tranches, as projects are actually implemented.

#### Liberalization of certain quantitative restrictions

The Council adopted the Regulation on the liberalization of certain quantitative restrictions with regard to the USSR.

The Regulation provides for the dismantling of specific quantitative restrictions still remaining with regard to the USSR on 1 August 1991, thus bringing forward the date laid down in the EC-USSR Agreement which stipulated that this dismantling was to take place by 31 December 1995. The aim of the Regulation is to strengthen trade relations with the USSR, thus contributing to its economic restructuring.

#### ANTI-DUMPING

The Council adopted the Regulation introducing a definitive anti-dumping duty on imports of small-screen colour television receivers - with a diagonal measurement of the screen exceeding 15,5 cm but not exceeding 42 cm - originating in Hong Kong and the People's Republic of China.

The rate of duty is 4,8% for products originating in Hong Kong and 15,3% for products originating in the People's Republic of China of the net, free-at-frontier price before duty.

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However, the rate of anti-dumping duty for manufactured products sold for export by the following undertakings is set out below, expressed as a percentage of the net, free-at-frontier price before duty:

|                                     | <u>Rate of duty</u> |
|-------------------------------------|---------------------|
| (a) Hong Kong                       |                     |
| Cony Electronic Products Ltd        | 3,1                 |
| Hanwah Electronics Ltd              | 4,8                 |
| Kong Wah Electronic Enterprises Ltd | 3,1                 |
| Koyoda Electronics Ltd              | 4,6                 |
| Luks Industrial Co Ltd              | 4,1                 |
| Tai Wah Television Industries Ltd   | 2,1                 |
| (b) People's Republic of China      |                     |
| Fujian Hitachi Television Co Ltd    | 13,1                |
| Huaquiang Sanyo Electronics Co Ltd  | 7,5                 |

PRESS RELEASE

7450/91 (Presse 131)

1509th Council meeting  
- INTERNAL MARKET -  
Brussels, 22 July 1991

President : Mr Piet DANKERT  
State Secretary  
for Foreign Affairs  
of the Kingdom of  
the Netherlands

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The Governments of the Member States and the Commission of the European Communities were represented as follows:

Belgium

Mr Paul de KEERSMAEKER State Secretary for European Affairs

Denmark

Mr Christopher Bo BRAMSEN Head of Department, Ministry of Industry

Germany

Mr Dieter von WÜRZEN State Secretary, Federal Ministry of Economic Affairs

Greece

Mr Sotirios HATZIGAKIS Deputy Minister for Trade

Spain

Mr Carlos WESTENDORP State Secretary for Relations with the European Communities

France

Mrs Elisabeth GUIGOU Minister for European Affairs

Ireland

Mr Terry LEYDON Minister of State at the Department of Industry and Commerce with special responsibility for Trade and Marketing

Italy

Mr Pierluigi ROMITA Minister for Community Policies

Luxembourg

Mr Georges WOHLFART State Secretary for Foreign Affairs and Foreign Trade

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Netherlands

Mr Piet DANKERT

State Secretary for Foreign Affairs

Portugal

Mr Vitor MARTINS

State Secretary for European Integration

United Kingdom

Mr Edward LEIGH

Parliamentary Under-Secretary of State,  
Department of Trade and Industry

Commission

Mr Martin BANGEMANN

Vice-President

Mr Filippo Maria PANDOLFI

Vice-President

## MEDICINAL PRODUCTS

### Rational use of medicinal products for human use

The Council reached a political agreement with a view to the establishment of a common position on three proposals for Directives on the rational use of medicinal products for human use, regarding:

- labelling and package leaflets;
- legal status for supply;
- wholesale distribution.

The Common positions will be formally adopted in the near future, after finalization of the texts.

The aim of these Directives is to facilitate the free movement of medicinal products, whilst guaranteeing a high level of consumer protection.

The texts as they emerged from the agreement may be summarized as follows:

#### - Labelling and package leaflets

The purpose of this Directive is to harmonize the information supplied to the user of a medicinal product which will have to appear on the outer packaging of the product concerned and in the package leaflet which it will in future be compulsory to include in the packaging.

It supplements and gives details with respect to the application of Directives 65/65 and 75/319 on the approximation of the provisions laid down by law, regulation or administrative action relating to medicinal products and proprietary medicinal products, as last amended by Directive 89/341.

The Member States will have to comply with the Directive by 1 January 1993. However, until 1 January 1994, they will not refuse an application for authorization to place a medicinal product on the market or for the renewal of an existing authorization, where the labelling and the package leaflet do not comply with the Directive.

As regards the labelling, the outer packaging or immediate packaging of any medicinal product must bear, in a clear and easily comprehensible form, a set of particulars concerning, inter alia, the name of the product, its ingredients and pharmaceutical form, a list of the excipients known to have a recognized action or effect, the method and route of administration, special warnings and special precautions for storage and disposal of unused products and the expiry date.

Member States may require the use of certain forms of labelling making it possible to indicate the price of the medicinal product, the reimbursement conditions of social security organizations, the legal status for supply to the patient, and identification and authenticity.

The package leaflet will have to include, in clear and understandable terms:

- the name of the medicinal product, a full statement of its ingredients expressed qualitatively and a statement of the active ingredients expressed quantitatively (using their common names), the pharmaceutical form and the contents by weight, by volume or by number of doses, the pharmaco-therapeutic group or type of activity (in terms easily comprehensible for the patient), the name and address of the holder of the authorization for placing the medicinal product on the market and of the manufacturer;

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- the therapeutic indications;
- a list of information which is necessary before taking the medicinal product: contra-indications, appropriate precautions for use, forms of interaction with other medicinal products and other forms of interaction (alcohol, tobacco, foodstuffs) which may affect the action of the medicinal product, special warnings;
- the necessary and usual instructions for proper use of the medicinal product;
- a description of the undesirable effects which can occur under normal use of the medicinal product and, if necessary, the action to be taken in such a case;
- a reference to the expiry date indicated on the label and the date on which the package leaflet was last revised.

The competent authorities will be able to decide that certain therapeutic indications are not to be mentioned in the package leaflet, where the dissemination of such information might have serious disadvantages for the patient.

As necessary, the Commission, assisted by a Committee made up of representatives of the Member States, will publish guidelines concerning in particular the formulation of certain special warnings for certain categories of medicinal products, the particular information needs relating to self-medication, the legibility of the particulars on the labelling and package leaflet, methods for identification and authentication, and the list of excipients which must feature on the labelling.

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- Legal status for the supply of medicinal products

The aim of this Directive, which is scheduled to enter into force by 1 January 1993, is to harmonize the conditions for supplying medicinal products to patients by establishing a legal classification system for medicinal products, in particular for those that can be obtained only with a doctor's prescription.

One of the consequences of this harmonization will be to allow persons to move around within the Community with reasonable quantities of medicinal products lawfully obtained for their personal use or to have similar quantities sent to them from one Member State to another.

Medicinal products will be subject to renewable or non-renewable medical prescription where they:

- are likely to present a danger either directly or indirectly, even when used correctly, if utilized without medical supervision, or
- are frequently and to a very wide extent used incorrectly, and as a result are likely to present a direct or indirect danger to human health, or
- contain substances or preparations thereof the activity and/or side effects of which require further investigation, or
- are normally prescribed by a doctor to be administered parenterally.

Member States may also provide for two sub-categories of medicinal products:

- those subject to special medical prescription, in particular where they contain substances classified as narcotic or psychotropic substances;

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- those subject to restricted prescription (intended for use in a hospital environment or by specialists).

The competent authorities of each Member State will have to specify the legal status for the supply of the medicinal product when a marketing authorization is granted.

In addition, they will draw up a list of the medicinal products subject on their territory to medical prescription, specifying, if necessary, the category of classification.

- Wholesale distribution of medicinal products

The aim of this Directive, with which Member States will have to comply by 1 January 1993, is to exercise control over the wholesale distribution of medicinal products, in order, inter alia, to facilitate the withdrawal of defective products, from the market and allow more effective efforts against counterfeit products.

The wholesale distribution of medicinal products in the Community will in future be subject to the acquisition of a special authorization granted by the competent authority of each Member State and recognized by the other Member States.

In order to obtain the authorization, the applicant will have to fulfil certain essential requirements and it will be the responsibility of the Member State concerned to ensure that they are met.

Those requirements state that applicants must have qualified personnel and a person designated as responsible, and suitable and adequate premises, installations and equipment such as to ensure proper conservation and distribution of the medicinal products.

In addition, holders of an authorization for the wholesale distribution of medicinal products will have to comply with a number of obligations; in particular they will have to have an emergency plan which will ensure effective implementation of any recall from the market.

Wholesalers will also have to keep records for a period of five years, giving, for any transaction in medicinal products received or dispatched, information on the date, name of the medicinal product, quantity received or supplied, and name and address of the supplier or consignee.

The Commission, in consultation with the Committee for Proprietary Medicinal Products and the Pharmaceutical Committee, will publish guidelines on good distribution practice, with which holders of authorizations for the wholesale distribution of medicinal products will have to comply.

#### Advertising of medicinal products

The Council reached a political agreement with a view to the establishment of a common position on a Directive on advertising of medicinal products.

The common position will be formally adopted in the near future, after finalization of the texts.

This Directive, which forms part of the completion of the internal market in medicinal products for human use, is designed in particular to harmonize the conditions under which pharmaceutical advertising is permitted and to lay down the requirements to be met by such advertising.

In this connection, separate arrangements have been laid down, to apply as from 1 January 1993, for advertising to health professionals and to the general public.

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The agreement prohibits any advertising to the public of medicinal product in respect of which a marketing authorization has not been granted.

In general, the advertising of a medicinal product must not be misleading and will have to encourage the rational use of it, by presenting it objectively and without exaggerating its properties.

All parts of the advertising of a medicinal product will also have to comply with the particulars listed in the summary of product characteristics.

The arrangements concerning monitoring of this type of advertising provided for in the text are similar to those laid down in Directive 84/450 on misleading advertising. Two alternative monitoring mechanisms are allowed: prior statutory vetting or voluntary monitoring by the relevant professional bodies.

Advertising to the general public of medicinal product which are available on medical prescription only is prohibited <sup>(1)</sup>.

Advertising of other medicinal products will have to be set out in such a way that it is clear that the message is an advertisement, and that the product is clearly identified as a medicinal product.

It will also have to include the information necessary for correct use of the medicinal product and an express, legible invitation to read carefully the instructions on the package leaflet or on the outer packaging, according to the case.

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(1) This prohibition is already laid down as regards television broadcasting activities by Directive 89/552 ("Television without frontiers").

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The Directive sets out an exhaustive list of prohibitions regarding the content of advertisements with the aim of preventing misunderstandings which may harm consumers' health.

It does not prevent Member States from authorizing reminder advertising including only the name of the medicinal product, if they wish to.

Advertising to health professionals and any documentation relating to medicinal product which is transmitted to them will have to include particulars compatible with the summary of product characteristics, and also the supply classification of medicinal product.

Medical sales representatives will have to be given adequate training by the firm which employs them and have sufficient scientific knowledge to be able to provide precise information, which should be as complete as possible about the medicinal products which they promote.

Where medicinal products are being promoted to persons qualified to prescribe or supply them, it will be prohibited to supply, offer or promise any gifts, pecuniary advantages or benefits in kind to such persons unless they are inexpensive and relevant to the practice of medicine or pharmacy.

Hospitality at sales promotion must always be reasonable in level and secondary to the main purpose of the meeting and must not be extended to other than health professionals.

It will be permitted to provide free samples on an exceptional basis only to persons qualified to prescribe them and only in limited numbers. Member States will be permitted to place further restrictions on the distribution of samples of medicinal products.

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## SWEETENERS

The Council reached a political agreement on a Directive on sweeteners for use in foodstuffs with a view to the adoption of a common position.

This is the first part of the comprehensive Directive provided for by the Directive on additives (89/107/EEC).

The principal aim of the proposal is to allow the free movement of foodstuffs containing sweeteners and, in this connection, to draw up a list of authorized sweeteners and the conditions under which they may be used in foodstuffs. In particular, the following sweeteners could be placed on the market with a view to their sale to the ultimate consumer or their use in the manufacture of foodstuffs:

- Sorbitol (E 420)
- Mannitol (E 421)
- Isomalt (E 953)
- Maltitol (E 965)
- Lactitol (E 966)
- Xylitol (E 967)
- Acesulfame K (E 950)
- Aspartame (E 951)
- Cyclamic acid and its Na and Ca salts (E 952)
- Saccharin and its Na, K and Ca salts (E 954)
- Thaumatin (E 957)
- Neohesperidine DC (E 959).

The proposal for a Directive also establishes maximum levels for the use of sweeteners in foodstuffs in order to protect consumers' health. Except where specially provided for, sweeteners may not be used in foods for infants or young children, as specified in Directive 89/398/EEC.

As regards the authorization of cyclamates, the Council instructed the Permanent Representatives Committee to carry out a more detailed analysis of the maximum doses authorized by the proposal for a Directive. In addition, the Scientific Committee for Food will have to provide the Commission with a further study on the metabolization of cyclamates and their possible toxicity, before the Directive is implemented. If, following examination of the results of that study, it seems necessary to change the status of cyclamates, the Commission will immediately take the appropriate measures in order to do so.

As regards the possible prohibition of sweetening of traditionally unsweetened beers on German territory, the Commission stated that the Member States could, in the case of traditional beers and manufacturing processes, retain the option of prohibiting the sweetening provided for by the Directive, where their legislation prohibits sweetening. This derogation will have no effect on the freedom of establishment of breweries or on the free movement of beer in the twelve Member States. It will also be possible to adopt the same principle in the rest of the legislation necessary for the completion of the internal market in foodstuffs, with the same aim of safeguarding traditional products and manufacturing processes.

At the end of the discussions, the Permanent Representatives Committee was instructed to finalize the text of the Directive and of the relevant statements with a view to formal adoption of the common position in the near future.

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### TEDIS PROGRAMME

The Council adopted a decision establishing the second phase of the TEDIS (Trade Electronic Data Interchange System) programme, scheduled to last three years from 1 July 1991.

The amount estimated as necessary for the implementation of the programme is ECU 25 million, including ECU 4 million for 1991 and ECU 6 million for 1992.

The second phase continues the work begun during the first phase (1988-1990), whilst at the same time broadening the scope of the activities, in particular in the direction of measures concerning standardization of electronic data interchange (EDI) messages, EDI needs as regards telecommunications, and sectoral and intersectoral projects bringing together the private sector and, where appropriate, certain administrations.

The objectives of the TEDIS programme are to ensure that electronic data interchange systems are established to the best effect, in view of the socio-economic importance of such systems, and to mobilize the necessary resources to achieve this end at Community level.

In order to achieve these objectives, measures will be taken and continued in the following areas:

- standardization of EDI messages;
- specific EDI needs as regards telecommunications;
- legal aspects of EDI;
- security of messages;
- multi-sector and Europe-wide projects;
- analysis of the impact of EDI on company management;
- information campaigns.

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The implementation of the programme will be co-ordinated with existing or planned Community policies and activities concerning telecommunications, particularly in respect, where necessary, of initiatives under the Open Network Provision Framework Directive, the information market (IMPACT Programme), security of information systems and standardization, and in particular with the CADDIA programme and the CD project, so as to ensure the necessary interaction with the specific requirements of the exchange of electronic data.

### IMPACT 2

The Council held a detailed discussion on the proposal for a Decision concerning the IMPACT 2 (Information Market Policy Actions) programme, the purpose of which is to set up an internal information services market.

The Council instructed the Permanent Representatives Committee to continue the discussions.

Agreement has already been reached on the duration and amount of the programme: ECU 64 million for four years.

OTHER DECISIONS CONCERNING THE INTERNAL MARKET

Insurance Committee

The Council adopted a common position on a Directive setting up an Insurance Committee, composed of representatives of the Member States and chaired by a representative of the Commission.

The Committee, which will operate in accordance with the committee procedure III(b), will assist the Commission in exercising the implementing powers conferred on it by the Council in the area of direct non-life insurance and life assurance. The Committee will also have the task of advising the Commission on the preparation of new proposals to be submitted to the Council in the same area.

The Committee will assume its functions on 1 January 1992.

Baggage controls for intra-Community flights and sea crossings

The Council formally adopted its common position on a Regulation concerning the elimination of controls and formalities applicable to the cabin and checked baggage of passengers taking an intra-Community flight and the baggage of passengers making an intra-Community sea crossing (see Press Release 7018/91 - Internal Market 18.VI.91).

MISCELLANEOUS DECISIONS

Medium-term financial assistance for Romania

Following the agreement reached at the ECOFIN Council meeting on 8 July 1991, the Council adopted a Decision providing medium-term financial assistance for Romania of a maximum amount of ECU 375 million, with a view to supporting Romania's balance of payments and strengthening its reserves. (See Press Release 7148/91, ECOFIN 8 July 1991).

Financial aid for Israel and the Palestinian population of the Occupied Territories

Following the agreement reached at the General Affairs Council meeting on 4 and 5 March 1991, and having received the Opinion of the European Parliament, the Council formally adopted a Decision on financial aid for Israel and the Palestinian population of the Occupied Territories, to reduce the consequences of the Gulf crisis, involving the following:

- for Israel, a loan of ECU 160 million raised on the market, accompanied by interest rate subsidies for which a sum of ECU 27,5 million will be earmarked in the 1991 budget, intended in particular to cover expenditure on imports;
- for the Palestinian population of the Occupied Territories, ECU 60 million in the form of grants, to be committed under the 1991 budget for financing, inter alia, social housing and hospital facilities.

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Action programme for the vocational training of young people and their preparation for adult and working life (PETRA)

The Council formally adopted a Decision launching the second stage of an action programme for the vocational training of young people and their preparation for adult and working life (PETRA).

The amount deemed necessary for carrying out this programme, which will last for three years from 1 January 1992, is ECU 177,4 million, including ECU 29 million for 1991/1992 (see Social Affairs Council Press Release of 25 June 1991 - 7142/91 Presse 119).

Commercial policy

The Council adopted a Decision authorizing extension of tacit renewal of certain trade agreements concluded between Member States and third countries.

Anti-dumping

As the Council raised no objections to the draft Commission Decision accepting a price undertaking offered under the anti-dumping procedure for imports into Italy of certain asbestos cement pipes originating in Turkey and closing the investigation, the decision was adopted definitively.

### Relations with Argentina

The Council adopted the Decision on the conclusion of the exchange of letters complementing the Agreement of 20 October 1987 between the Community and the Republic of Argentina under GATT Article XXIV.6, following the accession of Spain and Portugal; pursuant thereto, the Community will continue to ensure a minimum annual level of imports of corn and sorghum into Spain until 31 December 1991, in accordance with the 1987 Agreement. This extension of the Agreement is without prejudice to any legal interpretations of Article XXIV by either party.

### ECSC

The Representatives of the Governments of the Member States of the European Coal and Steel Community, meeting within the Council, adopted the Decision opening import possibilities for steel and pig iron products from Central and Eastern Europe for 1991.

### Relations with the Overseas Countries and Territories

The Council adopted the Decision on the apportionment of the unexpended balance of STABEX funds among the Overseas Countries and Territories.

Pursuant to this Decision, the sum of ECU 583 984 will be paid to the territory of French Polynesia and the sum of ECU 160 016 to the Falkland Islands as their respective shares of the unexpended balance of the STABEX resources made available during the period of validity of Decision 86/283/EEC on the association of overseas countries and territories with the Community.

Decisions in the area of agricultural policy

The Council adopted Directives

- amending Directive 86/466/EEC concerning the Community list of less-favoured farming areas within the meaning of Directive 75/268/EEC (Spain)
  
- amending Directive 85/350/EEC concerning the Community list of less-favoured farming areas within the meaning of Directive 75/268/EEC (Ireland).

These amendments extend the Community lists of less-favoured farming areas in Spain and Ireland. As far as Spain is concerned, the extension adopted is 1 223 981 ha, which increases the proportion of less-favoured areas in Spain to 67.5% of the total utilized agricultural area of the country.

In the case of Ireland, the increase is 755 898 ha classified as less-favoured areas, which increases the proportion of such areas in Ireland to 71,25% of the total utilized agricultural area of the country.

The Council adopted Regulations

- amending Regulation (EEC) No 3677/89 with regard to the total alcoholic strength by volume of certain quality wines imported from Hungary.

The purpose of the amendment is to extend by one year, until 31 August 1992, the expiry date of the waiver granted in the case of certain quality wines originating in Hungary as regards their total alcoholic strength, which exceeds the maximum strength by volume of 15% normally permitted by Community rules. This extension should enable the overall wine sector agreement currently under discussion between the Community and Hungary to be concluded.

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- amending for the fourth time Regulation (EEC) No 2390/89 laying down general rules for the import of wines, grape juice and grape must.

The purpose of the amendment is to extend by three months, until 31 October 1991, the derogatory rules which introduce a degree of flexibility regarding the certificates of origin and analysis reports to be supplied by the United States on condition, however, that the United States offers specific guarantees accepted by the Community.

- amending for the fifth time Regulation (EEC) No 1873/84 authorizing the offer or disposal for direct consumption of certain imported wines which may have undergone oenological processes not provided for in Regulation (EEC) No 822/87.

The purpose of the amendment is to extend by three months, until 31 October 1991, the waiver granted in the case of wines originating in the United States as regards the application of certain oenological practices allowed in the United States but not allowed in the Community.

These two three-month extensions should be sufficient to enable the Community and the United States to complete their negotiations, now at the final stage, for the conclusion of a wine sector agreement.

The Council also adopted a Directive laying down the health conditions for the production and placing on the market of fishery products.

Political agreement was reached on this Directive at the Agricultural Council meeting on 26 and 27 June 1991 (See Press Release 7144/91 Presse 121).

Appointments

On a proposal from the Belgian Government, the Council appointed Mr Ronald JANSSENS a member of the Economic and Social Committee in place of Mr François WILLEKENS, whose membership of the Committee has become incompatible with his employment, for the remainder of the latter's term of office, which runs until 20 September 1994.

The Council also replaced a member and two alternate members of the Advisory Committee on Safety, Hygiene and Health Protection at Work.

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COUNCIL OF THE EUROPEAN COMMUNITIES  
GENERAL SECRETARIAT

PRESS RELEASE

7451/91 (Presse 132)

1510th Council meeting

- Budget -

Brussels, 25 July 1991

President: Mr Piet DANKERT

State Secretary for Foreign Affairs  
of the Kingdom of the Netherlands

25.VII.91

lby/HM/cw

The Governments of the Member States and the Commission of the European Communities were represented as follows:

Belgium

Mr H. SCHILTZ Deputy Prime Minister,  
Minister for the Budget and for  
Science Policy

Denmark

Mr Jørgen ØRSTRØM MØLLER State Secretary,  
Ministry of Foreign Affairs

Germany

Mr Horst KÖHLER State Secretary, Federal Ministry  
of Finance

Greece

Mr Ioannis PALAIOKRASSAS Minister for Finance

Spain

Mr Antonio ZABALZA MARTI State Secretary for Finance

France

Mr Michel CHARASSE Minister for Economic Affairs,  
Finance and the Budget, with responsibility  
for the Budget

Ireland

Mrs Máire GEOGHEGAN-QUINN Minister of State with special  
responsibility for EEC matters

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Italy

Mr Emilio RUBBI

State Secretary for the Treasury

Luxembourg

Mr Jean-Claude JUNCKER

Minister for the Budget

Netherlands

Mr Piet DANKERT

State Secretary for Foreign Affairs

Portugal

Mrs Maria Manuela FERREIRA LEITE

State Secretary for the Budget

United Kingdom

Mr Francis MAUDE

Financial Secretary to the Treasury

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Commission

Mr Antonio CARDOSO E CUNHA

Member

Mr Peter SCHMIDHUBER

Member

25.VII.91

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1. 1992 BUDGET PROCEDURE

Before embarking upon discussion of the preliminary draft general budget for 1992, the Council met a delegation from the European Parliament, headed by Mr CATHERWOOD, Vice-President of the European Parliament, and made up of Mr VON DER VRING, Chairman of the Committee on Budgets, Mr LAMASSOURE, 1st Vice-Chairman of the Committee on Budgets, Mr CORNELISSEN, 2nd Vice-Chairman of that Committee and Rapporteur on Section III of the budget, Mr WELSH, 3rd Vice-Chairman of that Committee, Mr TOMLINSON, Rapporteur on the budget for Sections I, II, IV and V, Mr COLOM I NAVAL, Mr LO GUIDICE, Mrs THEATO, Mr COCHET, Mr PASTY, Mr MIRANDA DA SILVA, Mrs NAPOLITANO and Mr BLOT, members of the Committee on Budgets, and Mr PRICE, Chairman of the Committee on Budgetary Control.

That meeting gave the Members of the European Parliament an opportunity to put forward their initial thoughts on the main issues arising from the budget for the financial year 1992 and to point to the European Parliament's own priorities.

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The Council went on to hold the first reading of the 1992 budget. Following its discussions, the Council established the draft budget for 1992, to be submitted to the European Parliament under the budget procedure.

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The main points in the draft are as follows:

**AGGREGATE EXPENDITURE AS A RESULT OF THE COUNCIL'S DISCUSSIONS**  
(ECU million - provisional, rounded figures)

|  |            |
|--|------------|
| Appropriations for commitments (C/A)     | 65 606     |
| Appropriations for payments (P/A)        | 62 407     |
| including non-compulsory expenditure of: |            |
|  | C/A 27 058 |
|  | P/A 23 932 |

The breakdown of appropriations is as follows (ECU million - provisional, rounded figures):

|  | C/A      | P/A      |
|--|----------|----------|
| EAGGF Guarantee Section  | 35 008,0 | 35 008,0 |
| Set-aside/income aid   | 280,0    | 280,0    |
| Agricultural stock depreciation                                      | 810,0    | 810,0    |
| Monetary reserve   | 1 000,0  | 1 000,0  |
| Structural Funds   | 17 585,3 | 16 039,6 |
| PEDIP (Specific Programme for<br>Industrial Development in Portugal) | 127,7    | 121,6    |
| IMPs (Integrated Mediterranean<br>Programmes)                        | 466,9    | 302,4    |
| Research (framework programme)                                       | 2 037,9  | 1 562,7  |
| Other policies   | 5 085,6  | 4 077,2  |
| incl.: Food aid  | 518,0    | 552,7    |
| Aid to Latin America and Asia  | 553,9    | 349,0    |
| Mediterranean  | 397,7    | 280,3    |
| Central/Eastern Europe   | 1 025,0  | 570,0    |
| USSR   | 400,0    | 320,0    |
| Administration - Commission  | 1 908,9  | 1 908,9  |
| - Other institutions   | 1 023,1  | 1 023,1  |
| Refunds to Member States   | 82,0     | 82,0     |

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With regard to external aid in various parts of the world, the Council was concerned to continue action already undertaken in the preceding financial year:

In particular, it entered substantial appropriations (ECU 992 million in c/a and ECU 537 million in p/a) for aid for economic restructuring in Central and East European countries (the PHARE programme), also taking into consideration the possible extension of that programme to other East European recipient countries.

For technical assistance to the Soviet Union, begun in 1991 following the Rome European Council meeting, the Council entered appropriations of ECU 400 million in c/a and ECU 320 million in p/a.

In addition, in the interests of enabling the Community to continue to contribute effectively in the event of disasters, the Council earmarked substantial funds for:

- Food aid

(adjusting the Title in question by entering ECU 100 million in c/a and ECU 43 million in p/a in the "exceptional reserve");

- humanitarian aid

(providing this budget heading (B7-5000) with ECU 60 million in c/a and p/a).

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MOVE OUT OF THE BERLAYMONT BUILDING

With regard to the request for transfer No 16/91 in connection with the move out of the Berlaymont building, the Council gave a favourable opinion on a transfer of ECU 40 million within Part A of Section III of the general budget, to provide for pre-financing.

The agreement of the two arms of the budget authority was accompanied by a statement.

The budget authority also made the point that pre-financing was without prejudice to legal responsibilities or to the final breakdown between owner and tenant of the costs entailed by operations to move out of the Berlaymont building.

MISCELLANEOUS DECISIONS

Relations with the OCT

The Council adopted the Decision on the association of the OCT with the European Economic Community, and the Representatives of the Governments of the Member States that on the arrangements for trade in ECSC products. The Decisions are to come into force on 1 August 1991 and will expire on 29 February 2000.

They form the framework for the association of the overseas countries and territories with the Community and apply to the territories coming under the French Republic, to the countries and territories coming under the United Kingdom, to the non-European countries coming under the Kingdom of the Netherlands and, apart from financial aid, to Greenland.

In view of the many similarities between the OCT and the ACP, the provisions applicable to the OCT continue to run broadly parallel to the ACP-EEC Convention of Lomé. The OCT will thus benefit from the improvements under the 4th Convention regarding financial and technical co-operation as well as STABEX and SYSMIN.

Financial aid for the OCT will amount to ECU 165 million over a 5-year period from 1 March 1990:

- ECU 140 million under the EDF: ECU 106,5 million in the form of grants, ECU 25 million in the form of STABEX transfers and ECU 2,5 million in the form of SYSMIN grants;
- ECU 25 million in EIB loans from its own resources.

For the financing of projects and programmes, ECU 86 million will be apportioned among the various OCT as follows:

- United Kingdom OCT: ECU 15,5 million;
- French OCT : ECU 40,2 million;
- Netherlands OCT : ECU 30,3 million,

with ECU 11,5 million going to regional projects and programmes.

ECU 6 million will be for interest rate subsidies and ECU 3 million for emergency and refugee aid.

On trade arrangements, the Decision makes significant improvements - also as regards the rules of origin - having regard to the specific nature of the OCT and their special relationship with the Community, based on the provisions of the Treaty of Rome and in particular Part Four of it.

#### Agricultural policy

The Council adopted the Regulation opening for 1991, as an autonomous measure, a special import quota for high-quality, fresh, chilled or frozen meat of boven animals falling within CN codes 0201 and 0202 as well as products falling within CN codes 0206 10 95 and 0206 29 91. The quota is for 11 430 tonnes at 20% duty.

#### European Year of Safety, Hygiene and Health at Work (1992)

Following agreement in the Social Affairs Council on 25 June 1991, the Council formally adopted the Decision on an action programme for the European Year of Safety, Hygiene and Health at Work (1992). The estimated amount required to implement the programme is ECU 12 million (see press release 7142/91 Presse 119).

ECSC

In response to the Commission communication of 28 June 1991 on the implementation of the plan to restructure the Italian public steel industry, the Council gave its assent, under Article 95 of the ECSC Treaty, to a draft Commission Decision amending the Commission Decisions of 23 December 1988 on the closure of some Italian steel plants and the timetable for the payment of restructuring aid.

Appointment

The Council replaced a member of the ECSC Consultative Committee, who had resigned.

COUNCIL OF THE EUROPEAN COMMUNITIES  
GENERAL SECRETARIAT

PRESS RELEASE

7454/91 (Presse 135)

1511th Council meeting  
- General Affairs -  
Political Co-operation meeting  
Brussels, 29 July 1991

Presidents: Mr Hans VAN DEN BROEK  
Minister for Foreign Affairs  
  
Ms Yvonne VAN ROOY  
Minister for Foreign Trade  
  
of the Kingdom of the Netherlands

PRESS RELEASE

7454/91 (Presse 135) COR 1

C O R R I G E N D U M  
to the Press Release for the  
1511th Council meeting (General Affairs); on  
29 July 1991

MISCELLANEOUS DECISIONS, page VI, Youth for Europe Programme (second phase)

The second paragraph under this heading should read as follows:

"The programme, which covers the period 1992-1994 and has been allocated a budget of ECU 25 million, is designed to promote youth exchanges and mobility in the Community."

The Governments of the Member States and the Commission of the European Communities were represented as follows:

Belgium:

|                        |                                      |
|------------------------|--------------------------------------|
| Mr Mark EYSKENS        | Minister for Foreign Affairs         |
| Mr Robert URBAIN       | Minister for Foreign Trade           |
| Mr Paul DE KEERSMAEKER | State Secretary for European Affairs |

Denmark:

|                          |                                     |
|--------------------------|-------------------------------------|
| Mr Uffe ELLEMANN-JENSEN  | Minister for Foreign Affairs        |
| Mr Jørgen ØRSTRØM MØLLER | State Secretary for Foreign Affairs |

Germany:

|                           |   |
|---------------------------|---|
| Mr Hans-Dietrich GENSCHER | Federal Minister for Foreign Affairs                  |
| Mr Dieter VON WÜRZEN      | State Secretary, Federal Ministry of Economic Affairs |

Greece:

|                        |                                     |
|------------------------|-------------------------------------|
| Mr Antonios SAMARAS    | Minister for Foreign Affairs        |
| Mr Georges PAPASTAMKOS | State Secretary for Foreign Affairs |

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Spain:

|                                |   |
|--------------------------------|---|
| Mr Francisco FERNANDEZ ORDOÑEZ | Minister for Foreign Affairs                                |
| Mr Carlos WESTENDORP           | State Secretary for Relations with the European Communities |
| Mr Miguel Angel FEITO          | State Secretary for Trade                                   |

France:

|                           |   |
|---------------------------|---|
| Mr Roland DUMAS           | Ministre d'Etat, Minister for Foreign Affairs |
| Ms Elisabeth GUIGOU       | Minister for European Affairs                 |
| Mr Dominique Strauss-Kahn | Minister for Industry and Foreign Trade       |

Ireland:

|                   |                              |
|-------------------|------------------------------|
| Mr Gerard COLLINS | Minister for Foreign Affairs |
|-------------------|------------------------------|

Italy:

|                       |                              |
|-----------------------|------------------------------|
| Mr Gianni DE MICHELIS | Minister for Foreign Affairs |
| Mr Vito LATTANZIO     | Minister for Foreign Trade   |

Luxembourg:

|                    |                              |
|--------------------|------------------------------|
| Mr Jacques F. POOS | Minister for Foreign Affairs |
|--------------------|------------------------------|

Netherlands:

|                     |                                     |
|---------------------|-------------------------------------|
| Mr H. VAN DEN BROEK | Minister for Foreign Affairs        |
| Ms Yvonne VAN ROOY  | Minister for Foreign Trade          |
| Mr Piet DANKERT     | State Secretary for Foreign Affairs |

Portugal:

|                  |  |
|------------------|--|
| Mr João PINHEIRO | Minister for Foreign Affairs             |
| Mr Vitor MARTINS | State Secretary for European Integration |

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United Kingdom:

Mr Douglas HURD

Secretary of State for Foreign and  
Commonwealth Affairs

Mr Peter LILLEY

Secretary of State for Trade and Industry

o

o

o

Commission:

Mr Jacques DELORS  
Mr F.H.J.J. ANDRIESEN  
Mr Abel MATUTES

President  
Vice-President  
Member

INTERGOVERNMENTAL CONFERENCE ON POLITICAL UNION

The Council noted a communication from Mr VAN DEN BROEK on the Presidency's intentions regarding the working procedures and the timetable for the final stage of the IGC on Political Union.

The Presidency, adhering closely to the conclusions of the Luxembourg European Council, will keep the Luxembourg Presidency's draft Treaty as the basis for further discussions, which it intends to focus on the unresolved substantive issues before moving on to the question of the Treaty's structure. The Presidency also considers the time has come to prepare alternative solutions for submission to the Ministers on the main issues outstanding.

At the 30 September meeting, the Presidency plans to address the Chapters on the common foreign and security policy, internal affairs and judicial co-operation, economic and social cohesion, joint decision-making procedures and social policy.

The IGC will reconvene on the occasion of Council meetings in October and November to discuss the main residual problems. Nevertheless, the Presidency does not believe that these meetings will suffice to complete the negotiations overall. It has scheduled a two to three-day "conclave" during the week of 11 to 16 November, after which the last draft will be finalized so that when the President of the Council makes his tour of Member States' capitals he is able to conclude the political preparations for the European Council.

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29.VII.91

#### OUTCOME OF THE WESTERN ECONOMIC SUMMIT

The Council heard a report by the President of the Commission on the proceedings and outcome of the Western Economic Summit held in London on 15 and 16 July 1991.

#### SWEDEN'S MEMBERSHIP APPLICATION

Following Sweden's applications for membership of the three European Communities, filed by the Swedish Prime Minister, Mr Ingvar CARLSSON, at The Hague on 1 July 1991, the Council decided to set in train the procedures provided for in the Treaties (Article 237 of the EEC Treaty, Article 205 of the Euratom Treaty and Article 98 of the ECSC Treaty).

The Commission is now required to prepare its opinion.

The President of the Council will send a letter to the Swedish Prime Minister acknowledging receipt of the membership applications and informing him of the Council's decision.

#### ESTABLISHING A EUROPEAN ECONOMIC AREA

After a briefing by Vice-President ANDRIESEN on the outcome of intensive weekend negotiations with the EFTA side, the Council discussed in depth the key questions still outstanding relating to the EEA.

Following a Commission report on its latest talks with EFTA during the day, the Council noted that the two sides' positions continued to differ in a number of important areas and that the Commission would resume talks in September with a view to finding solutions leading to agreement.

URUGUAY ROUND

The Council took note of a report by the Commission on recent developments in the Uruguay Round and observations of delegations on procedures and substance of the next phase of the negotiations.

The Council welcomed the objective of concluding the negotiations before the end of 1991 and thus will undertake all efforts contributing to further  
- substantive - progress in all key-sectors.

Since only very limited time is left to achieve such progress, the Council agreed that the Community - as well as its negotiating partners - should spare no effort to contribute to the speeding-up of the negotiating process in line with its own legitimate interests and the political consensus reached at the highest level.

The Council noted that such efforts would be required to allow the Community to play its role in the negotiations in a manner that is consistent with its global responsibilities as the world's major trading partner.

The Council fully endorsed the Commission's position as to timing as well as substance and agreed to revert to the matter at its meeting in September on the basis of a full report by the Commission.

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29.VII.91

NEGOTIATION OF ASSOCIATION AGREEMENTS WITH HUNGARY, POLAND AND CZECHOSLOVAKIA

The Council discussed the state of play in the negotiation of Association Agreements with Hungary, Poland and Czechoslovakia, on the basis of a Commission report.

The Council welcomed the progress made in the negotiations while noting that substantial problems were still unresolved in certain areas.

Referring to the conclusions of the Luxembourg European Council, the Council confirmed the political importance of concluding the negotiations by the end of October.

It accordingly asked the Commission with that end in view to submit to it concrete, balanced proposals, on which it would take a decision at the September meeting.

ALBANIA

The Council, which welcomed the fact that Albania had now engaged in a process of political and economic reform, heard a report by Mr ANDRIESSEN on his recent visit to Tirana.

The Council noted the proposal recently submitted by the Commission for the conclusion of a trade and co-operation agreement with Albania; it will take a decision on the negotiating directives at its September meeting.

The Commission report also underlined Albania's alarming economic situation and that swift action was necessary to meet the urgent needs of the population. The Council noted that the Commission had already decided to provide ECU 500 000 in emergency aid and had just submitted a draft Regulation for the supply of 50 000 tonnes of cereals.

This measure is part of a more extensive assistance programme for Albania planned by the G24. The Council will take a decision on it as quickly as possible once the European Parliament, which the Council has asked to apply the urgent procedure, has delivered its Opinion.

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29.VII.91

SUPPORT FOR PERU

The Council heard a statement by Commissioner MATUTES on the setting-up of a Peru Support Group and took note of his appeal for Member States to contribute to the Group's financial outlay. A number of Member States have already made known that they will contribute to the Group's outlay or that they intend to do so.

MISCELLANEOUS DECISIONS

Annual economic report 1990/1991 on the economic situation in the Community

Following the political agreement reached at the ECOFIN Council meeting on 8 July 1991, the Council adopted the Decision adopting the annual economic report 1990-1991 on the economic situation in the Community and the economic policy orientations for the Community in 1991.

Trade questions and Customs Union

The Council adopted

- a Regulation opening and providing for the administration of a 20 000 tonnes tariff quota for herring, fresh or chilled, originating in Sweden for the period 1 September 1991 to 14 February 1992;
- a Regulation adapting Regulation (EEC) No 3420/83 with regard to import quotas to be opened by Member States in respect of State-trading countries in 1991;
- a Regulation increasing from 600 000 to 630 000 tonnes the volume of the Community tariff quota opened for 1991 for newsprint originating in Canada.

Relations with the ACP States

- Internal instruments implementing the new ACP-EEC Convention in the area of finance co-operation.

The Council adopted the Financial Regulation applicable to Development Finance Co-operation under the fourth ACP-EEC Convention (seventh EDF).

The new Financial Regulation lays down the provisions for implementing the Internal Agreement on the Financing and Administration of Community Aid under Lomé IV as adopted by the representatives of the Member States meeting within the Council on 16 July 1990.

The Council also adopted the new Rules of Procedure of the Committee set up under the auspices of the European Investment Bank (the "Article 28 Committee").

The Council has thus now finalized two major internal instruments for the implementation of the development finance co-operation provisions of the new ACP-EEC Convention, which is due to enter into force on 1 September 1991.

#### Agricultural policy

The Council adopted Regulations

- amending for the second time Regulation (EEC) No 2392/89 laying down general rules for the description and presentation of wines and grape musts;
- amending for the fifth time Regulation (EEC) No 3309/85 laying down general rules for the description and presentation of sparkling wines and aerated sparkling wines.

The purpose of these amendments is to ban the use of capsules (and of foils in the case of sparkling wines) containing lead to cover the closing devices of containers in which wines or grape musts and sparkling wines are marketed.

The ban aims to prevent the risk of contamination, in particular through accidental contact with these products, and the risk of environmental pollution from waste containing lead from the capsules. It will apply from 1 January 1993.

The Council also adopted Directives

- amending and consolidating Directive 64/433/EEC on health problems affecting intra-Community trade in fresh meat to extend it to the production and marketing of fresh meat;
- on the conditions for granting temporary and limited derogations from specific Community health rules on the production and marketing of fresh meat.

Political agreement had been reached on these two Directives in the Agriculture Council on 26 and 27 June 1991 (see Press Release 7144/91 Presse 121).

#### Fisheries

The Council adopted

- a Regulation amending for the second time Regulation (EEC) No 3926/90 fixing, for certain fish stocks and groups of fish stocks, the total allowable catches for 1991 and certain conditions under which they may be fished.

The purpose of this Regulation is to implement the agreement reached between the Community and Norway on a 48 000 tonnes increase in the TAC for herring in the North Sea and to increase the TACs for the herring stock in the Celtic Sea

and for sole in the Skagerrak and Kattegat, since, according to the latest scientific advice, the fishing possibilities exceed the TAC set in December 1990;

- a Regulation amending Regulation (EEC) No 3928/90 allocating, for 1991, certain catch quotas between Member States for vessels fishing in the Norwegian exclusive economic zone and the fishing zone around Jan Mayen.

This Regulation implements the agreement reached between Norway and the Community on a 20 000 tonnes increase in the 1991 Community quota for sandeel.

- a Decision on the participation of the EEC in the negotiations with a view to drawing up an agreement on the conservation of small cetaceans in the Baltic and North Seas.

#### Environment

The Council adopted Decisions

- concerning the signing of an additional Protocol to the Convention on the International Commission for the Protection of the Elbe;
- concerning the participation of the EEC in the negotiation of a Convention on the protection of the waters of the Oder and the signing of this Convention;
- on Community participation in the United Nations Environment Programme (UNEP) negotiations for a Convention on Biological Diversity;
- authorizing Community participation in negotiations with a view to adoption of a Convention on the Transboundary Impacts of Industrial Accidents in the framework of the United Nations Economic Commission for Europe.

### Internal Market

The Council adopted

- a common position on the text of a Council Directive amending for the seventh time Directive 67/548/EEC on the approximation of the laws, regulations and administrative provisions relating to the classification, packaging and labelling of dangerous substances, following the substantive agreement reached in the Environment Council on 18 and 19 March 1991 (see Press Release 5199/91 Presse 34).
  
- a Decision on the introduction of a standard Europe-wide emergency call number, following the agreement reached at the Council meeting on 23 December 1990 (see Press Release 10157/90 Presse 196).

### Transport

The Council adopted Directives

- on driving licences, following the agreement reached at the Council meeting on 20 and 21 June 1991.

The Directive provides for the introduction by the Member States of national driving licences based on a Community model and for their mutual recognition, from 1 July 1996. It also lays down the minimum conditions for issuing driving licences;

- on the development of the Community's railways, following the agreement reached at the Council meeting on 20 and 21 June 1991.

The aim of this Directive is to facilitate the adaptation of the Community railways to the needs of the single market and to increase their efficiency. It will enter into force on 1 January 1993.

(See Press Release 7141/91 Presse 118).

#### Youth for Europe Programme (second phase)

The Council adopted a Decision adopting the second phase of the "Youth for Europe" Programme, to which it had given its agreement at its meeting on 26 June 1991 (see Press Release 7142/91 Presse 119).

The programme, which covers the period 1992-1994 and has been allocated a budget of ECU 10 million, is designed to promote youth exchanges and mobility in the Community.

#### ECSC

The Council gave its assent

- under Article 56(2)(a) of the ECSC Treaty, to draft Commission Decisions on the grant of global loans to:
  - Kredietbank S.A. (Belgium)
  - Westdeutsche Landesbank (Federal Republic of Germany)
  - Générale de Banque (Belgium)
  - Barclays Bank plc (United Kingdom)
  - Caisse Centrale du Crédit Mutuel (France)

- under Article 55(2)(c) of the ECSC Treaty, to a draft Commission Decision on the grant of financial aid for steel research projects and steel pilot/demonstration projects.

#### Appointments

The Council appointed, on a proposal by the Italian Government, Mr Carlo GATTERO as member of the Economic and Social Committee in place of Mr Walter LUCCHETTI, who had resigned, for the remainder of the latter's term of office, which runs until 20 September 1994.

The Council also

- renewed the Committee of Experts of the European Foundation for the Improvement of Living and Working Conditions;
- replaced certain members and alternate members of the European Social Fund Committee.



# EUROPEAN POLITICAL COOPERATION

PRESS RELEASE

P. 68/91

Brussels, 29 July 1991

## DECLARATION ON THE MIDDLE EAST

The Community and its Member States reviewed the present developments in the peace process. They noted with satisfaction the emerging consensus on the current initiative, launched by the United States, to convene a peace conference leading to the beginning of negotiations between the parties.

The Community and its Member States welcome the fact that a number of Arab countries have responded positively to the call in the London G-7 Summit Declaration by offering a suspension of the Arab boycott in return for a freeze by Israel of its settlement policy. They stress how important it is that this positive gesture be reciprocated.

They stress again the importance of overcoming final difficulties, including the question of Palestinian representation, so that a conference, to which they will make their full contribution as a participant, may now be convened shortly. They are convinced that with the necessary political will and courage of the parties concerned a solution to those difficulties can be found.

## PRESS RELEASE

P. 69/91

Brussels, 29 July 1991

DECLARATION ON BURMA

Recalling their statements of 4 January and 27 May on Burma, the Community and its Member States are appalled that the Burmese authorities still show no sign of respecting the wishes the Burmese people expressed in elections on 27 May 1990 for a democratically elected Government. Nor have the Burmese authorities put an end to violations of internationally accepted rules of conduct and of human rights. The Community and its Member States are likewise appalled that the Burmese authorities continue to spend large amounts of their country's meagre resources on arms. They wish, therefore, to draw the attention of the international community to their decision to refuse the sale of any military equipment from Community countries to Burma. They call on the rest of the international community to show similar restraint and desist from all such sales.

COUNCIL OF THE EUROPEAN COMMUNITIES  
GENERAL SECRETARIAT

PRESS RELEASE

7977/91 (Presse 139)

1512th meeting of the Council

- Economic and Financial Affairs -

7th Ministerial meeting of the IGC on EMU

Brussels, 9 September 1991

President: Mr Wim KOK

Minister for Finance  
of the Kingdom of the Netherlands

The Governments of the Member States and the Commission of the European Communities were represented as follows:

Belgium:

Mr Philippe MAYSTADT Minister for Finance

Denmark:

Mr Fogh RASMUSSEN Minister for Economic Affairs

Germany:

Mr Horst KÖHLER State Secretary, Federal Ministry of Economic Affairs

Mr Johann EEKHOF State Secretary, Federal Ministry of Economic Affairs

Greece:

Mr Eythymios CHRISTODOULOU Deputy Minister for Economic Affairs

Spain:

Mr Carlos SOLCHAGA CATALAN Minister for Economic Affairs and Finance

Mr Pedro PEREZ State Secretary for Economic Affairs

France:

Mr Pierre BEREGOVOY Ministre d'Etat, Minister for Economic and Financial Affairs and the Budget

Ireland:

Mr Albert REYNOLDS Minister for Finance

Italy:

Mr Guido CARLI Minister for the Treasury

Luxembourg:

Mr Jean-Claude JUNCKER Minister for Finance

Netherlands:

Mr Wim KOK Minister for Finance

Mr Marius van AMELSVOORT State Secretary for Finance

Portugal:

Mr Miguel BELEZA Minister for Finance

Mr Carlos TAVARES State Secretary for the Treasury

United Kingdom:

Mr Norman LAMONT Chancellor of the Exchequer

Commission:

Mr Jacques DELORS President

Mr Henning CHRISTOPHERSEN Vice-President

Also taking part in the meeting:

Mr Cees MAAS Chairman of the Monetary Committee

INTERGOVERNMENTAL CONFERENCE ON EMU

In the light of, among other things, a report from the Chairman of the Group of Personal Representatives, the IGC held a broad exchange of views dealing in particular with the substantive arrangements and the conditions for moving to the transitional stage and the final stage of EMU.

The following main questions were addressed: starting date, nature and duration of the transitional stage; possible creation at the start of the transitional stage of a European Monetary Institute and tasks to be assigned to it; advisability of determining objective convergence criteria for moving to the final stage of EMU and for the participation of the various Member States in this stage; nature of and procedures for the decision to be taken for setting the date for moving to this stage.

Ministers will continue their discussions on EMU at the informal Council meeting (ECOFIN) in Apeldoorn (20 to 22 September 1991) and at the next meeting of the IGC on 7 October. The Presidency's aim is to gather all the necessary facts so that it can formally submit political proposals of a comprehensive nature during the second part of October at the latest.

MEDIUM-TERM FINANCIAL ASSISTANCE TO ALGERIA

In the light of the agreement in principle expressed by the European Council meeting in Luxembourg on 28 and 29 June 1991, the Council made a further examination of the Commission's proposal concerning a medium-term loan to Algeria to support that country's balance of payments, strengthen its monetary reserves, facilitate the Algerian currency's transition to convertibility and thus contribute to the ongoing process of economic and political reform.

The Council took note of the European Parliament's favourable Opinion on the Commission proposal and of the opinion of the Monetary Committee. It was also given a progress report on the current negotiations between Algeria and the IMF and Algeria's commercial bank creditors.

In the light of all the facts available, the Council agreed to Algeria being granted a medium-term loan of a maximum of ECU 400 million in principal with a maximum average duration of seven years.

The loan will be made available to Algeria in two instalments, of ECU 250 million and ECU 150 million respectively, which will be released on the basis of:

- the IMF Stand-by Arrangement and the World Bank structural adjustment loan agreed in June 1991 with Algeria;
- an agreement between Algeria and its commercial bank creditors on improving the country's future debt servicing and repayment profile through new loans and/or refinancing agreements.

The Council instructed the Permanent Representatives Committee to finalize at an early date the texts necessary for the Decision's formal adoption.

The budget authority will have to take the necessary decisions (amending budget) to enable this measure in favour of Algeria to be implemented.

MISCELLANEOUS DECISIONS

Research and technological development (RTD)

In the context of the implementation of the third RTD framework programme 1990-1994, the Council adopted Decisions adopting specific programmes in the following fields:

- Biomedicine and health (budget ECU 131,67 million).
- Non-nuclear energy (budget ECU 155,43 million)
- Industrial and materials technologies (budget ECU 663,3 million)
- Agriculture, agro-industry and fisheries (budget ECU 329,67 million).

These programmes will run until 31 December 1994. (For further information on the aims and content of these programmes see Press Release 5810/91 (Presse 53) of 24 April 1991.)

Appointments

The Council replaced (for the remainder of the terms of office):

- an alternate member of the Advisory Committee on Medical Training;
- an alternate member of the Advisory Committee on Veterinary Training;
- an alternate member of the Advisory Committee on the Training of Midwives;
- an alternate member of the Advisory Committee on Education and Training in the field of Architecture.

COUNCIL OF THE EUROPEAN COMMUNITIES  
GENERAL SECRETARIAT

PRESS RELEASE

7456/91 (Presse 137)

1513th Council meeting

- General Affairs -

Brussels, 6 September 1991

President: Mr Hans VAN DEN BROEK,

Minister for Foreign Affairs  
of the Kingdom of the Netherlands



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Italy:

Mr Gianni DE MICHELIS

Minister for Foreign Affairs

Mr Claudio VITALONE

State Secretary for Foreign Affairs

Luxembourg:

Mr Jacques F. POOS

Minister for Foreign Affairs

Netherlands:

Mr H. VAN DEN BROEK

Minister for Foreign Affairs

Mr Piet DANKERT

State Secretary for Foreign Affairs

Portugal:

Mr João de DEUS PINHEIRO

Minister for Foreign Affairs

Mr Vitor MARTINS

State Secretary for European Integration

United Kingdom:

Mr Douglas HOGG

Minister of State, Foreign and Commonwealth  
Office

Commission:

Mr Jacques DELORS

President

Mr F.H.J.J. ANDRIESEN

Vice-President

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ASSOCIATION AGREEMENTS WITH HUNGARY, POLAND AND CZECHOSLOVAKIA

- Adaptation of the negotiating directives

In accordance with the wish expressed by the European Council in particular that comprehensive agreements be concluded with these States before the end of October 1991, the Council carried out a thorough examination of the proposals submitted by the Commission. Those proposals had been planned with an eye to a final package which would make it possible to relaunch the negotiations in question and bring them to a conclusion within the desired period.

From that examination it emerged that all Member States had the political intention of giving the Commission greater scope for negotiation. Despite the considerable progress made, however, agreement was not reached on all aspects of the package proposed by the Commission.

The Council accordingly agreed to continue examining this matter at its next meeting on 30 September; the Presidency stated its intention of taking every available opportunity to speed up full agreement as far as possible on all the changes to be made to the negotiating directives.

YUGOSLAVIA: PREPARATION FOR THE PEACE CONFERENCE

Within the framework of Political Co-operation the Ministers confirmed that the opening session of the Peace Conference on Yugoslavia would be held on 7 September 1991 in The Hague, in the Palace of Peace put at the disposal of the Conference by the International Court of Justice and the Carnegie Foundation.

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As well as the Twelve and the Commission, the Federal Presidency, the Prime Minister and the Minister for Foreign Affairs of the Federal Government and the Presidents of the six Yugoslav Republics will attend the conference.

As agreed, the conference will be chaired by Lord Carrington, who will carry out the mandate defined by the Community and its Member States on the basis of their statement of 3 September 1991.

The Community and its Member States stressed once more the crucial importance of full and effective compliance with the cease-fire agreements.

#### THE BALTIC STATES

At the same time as the Council meeting a meeting was held between the Ministers for Foreign Affairs of the Member States of the Community, the Representative of the Commission and Mr MERI, Mr JURKANS and Mr SAUDARGAS, the Ministers for Foreign Affairs of the Republics of Estonia, Latvia and Lithuania, respectively.

In conclusion to the meeting the joint declaration set out in annex was adopted.

**COMMUNICATION A LA PRESSE**

P. 85/91

Bruxelles, le 6 septembre 1991

**DECLARATION CONJOINTE SUR LES ETATS BALTES**

publiée à l'issue de la rencontre entre les Ministres des Affaires étrangères des Etats membres de la Communauté et le Représentant de la Commission et les Ministres des Affaires étrangères des Républiques d'Estonie, de Lettonie et de Lituanie

Les Ministres des Affaires étrangères des Etats membres de la Communauté Européenne et les Représentants de la Commission et les Ministres des Affaires étrangères des Républiques d'Estonie, de Lettonie et de Lituanie se sont rencontrés à Bruxelles le 6 septembre 1991, afin de marquer la restauration de la souveraineté et de l'indépendance des Etats Baltes.

En cette heureuse occasion, les Ministres des Affaires étrangères des Etats membres de la Communauté Européenne et les Représentants de la Commission ont chaleureusement félicité leurs collègues du fait que les Etats Baltes ont retrouvé leur place légitime au sein de la communauté internationale. Ils ont considéré que cette rencontre venait sceller l'établissement de relations diplomatiques avec ces Etats. Ils ont également souligné la volonté de la Communauté Européenne en tant que telle d'établir des relations diplomatiques avec les trois Etats Baltes. Les Ministres de la CE ont exprimé leur disponibilité à apporter leur soutien afin que les Etats Baltes deviennent membres, à la première occasion possible, de toutes les organisations internationales pertinentes.

Les Ministres des Affaires étrangères des Etats membres de la Communauté Européenne et les Représentants de la Commission ont réaffirmé leur volonté d'explorer, ensemble avec les trois Etats Baltes, toutes les possibilités de les assister dans leur développement démocratique et économique. Ils ont fait état de leur volonté de voir les Etats Baltes participer au Groupe des 24 et bénéficier du Programme Phare de la Communauté Européenne. La Commission engagera rapidement des discussions avec les autorités des Etats Baltes sur la conclusion d'accords de coopération commerciale et économique avec la Communauté.

Les Ministres des Affaires étrangères des Etats Baltes ont fait état de l'engagement de leurs pays en faveur de la démocratie fondée sur le respect des droits de l'homme et de l'état de droit, d'une économie orientée vers le marché, de la justice sociale et de la responsabilité en matière d'environnement, ainsi qu'en faveur des autres principes contenus dans l'Acte Final d'Helsinki et la Charte de Paris de la CSCE. Conscients de la nécessité d'une coopération future entre tous les Etats en Europe, ils ont pris l'engagement que leurs pays, dans leurs efforts pour se libérer du poids du passé, s'efforceraient de régler tous les problèmes en suspens dans un processus de dialogue ouvert et constructif.

P. 85/91

Brussels, 6 September 1991

**JOINT DECLARATION ON THE BALTIC STATES**

issued at the occasion of the meeting between  
the Ministers of Foreign Affairs of the member States of the  
European Community and the Representative of the Commission  
and the Ministers of Foreign Affairs of the Republics of  
Estonia, Latvia and Lithuania

The Ministers of Foreign Affairs of the member States of the European Community and the Representatives of the Commission and the Ministers of Foreign Affairs of the Republics of Estonia, Latvia and Lithuania met in Brussels on 6 September 1991 to mark the restoration of sovereignty and independence of the Baltic States.

On this festive occasion, the Ministers of Foreign Affairs of the member States of the European Community and the Representatives of the Commission warmly congratulated their colleagues on the resumption by the Baltic States of their rightful place in the international community. They regarded their meeting as a seal of the establishment of diplomatic relations with them. They also stressed the willingness of the European Community as such to establish diplomatic relations with the three Baltic States. The EC Ministers expressed their readiness to help the Baltic States become members of all relevant international organizations at the earliest possible date.

The Ministers of Foreign Affairs of the member States of the European Community and the Representatives of the Commission reiterated their willingness to explore together with the three Baltic States all avenues to assist them in their democratic and economic development. They stated their readiness to see the Baltic States participate in the Group of 24 and benefit from the European Community's Phare Programme. The Commission will have early discussions with the authorities of the Baltic States about the conclusion of trade and economic cooperation agreements with the Community.

The Foreign Ministers of the Baltic States declared the commitment of their countries to democracy based on the respect for human rights and the rule of law and to market-

oriented economy, social justice and environmental responsibility, together with the other principles contained in the CSCE Helsinki Final Act and Paris Charter. They pledged that their countries, in their efforts to liberate themselves from the legacy of the past, would strive to settle all outstanding issues in a process of open and constructive dialogue, mindful of the need for future cooperation between all States in Europe.

PRESS RELEASE

8084/91 (Presse 151)

1514th Council meeting  
- Agriculture -  
Brussels, 23 and 24 September 1991

President:

Mr Piet BUKMAN  
Minister for Agriculture  
Nature Conservation  
and Fisheries of the Kingdom  
of the Netherlands



Ireland:

Mr Michael O'KENNEDY

Minister for Agriculture and  
Food

Italy:

Mr Giovanni GORIA

Minister for Agriculture

Luxembourg:

Mr René STEICHEN

Minister for Agriculture and  
Viticulture

Netherlands:

Mr Piet BUKMAN

Minister for Agriculture,  
Nature Conservation and  
Fisheries

Portugal:

Mr Arlindo CUNHA

Minister for Agriculture,  
Fisheries and Food

United Kingdom:

Mr John SELWYN GUMMER

Minister for Agriculture

Mr David CURRY

Parliament Secretary,  
Agriculture

For the Commission:

Mr Ray MAC SHARRY

Member

DEVELOPMENT AND FUTURE OF THE COMMON AGRICULTURAL POLICY

Within the framework of a further examination of the Commission communication on the development and future of the CAP, and following the technical discussions held since its last meeting, the Council scrutinized in more detail the problems raised by the proposed reform on the basis of a list of fundamental questions put forward by the Presidency.

In the course of its discussions, the Council examined a series of problems arising out of the proposed reform, with reference to its financial and budgetary implications, the remodelling of the common market organizations in various types of crop and livestock production, and the accompanying measures contemplated to improve agricultural structures. It became clear from the discussions that there was a broad convergence of views on the need for reform in order to restore balance to the agricultural markets and useful guidelines could be evolved for future work. The discussion also brought out a number of problems that the Commission might take into consideration when drafting its proposals, which would be examined more specifically in the course of discussions on those proposals.

Finally, the Commission was asked to submit its different proposals in the very near future so that they could be examined by the Council as soon as possible.

SUPPORT SYSTEM FOR OILSEEDS (SOYA BEANS, RAPESEED, SUNFLOWER SEED)

Pending the Opinion of the European Parliament - requested by the urgent procedure - the Council held an initial exchange of views on the proposal for a Regulation concerning reform of the support system for oilseeds.

This proposal follows an undertaking given by the Commission during the discussions on the fixing of the 1991/1992 prices that it would submit a proposal on this subject soon, in the light of the conclusions of the GATT Soya Panel. The Council had undertaken to take the necessary steps, by 31 October 1991, to bring the Community support system into line with the GATT General Agreement.

During the discussion, the Ministers voiced their views on the proposal, and a number of guidelines emerged for future discussions.

The Council instructed the SCA to seek solutions on this issue on the basis of its discussions; it would state its position on those solutions at its next meeting.

#### URUGUAY ROUND - AGRICULTURE

The Council took note of current progress in the negotiations on agriculture in the Uruguay Round. It re-affirmed its support for the Commission to continue to defend the Community's position in the negotiations and reiterated its desire to be kept fully informed of developments in the negotiations.

#### CORN GLUTEN FEED

With reference to the tariff treatment of imports of corn gluten feed mixes, the Council stated its agreement with the proposal outlined by the Commission with a view to finding a satisfactory solution to this problem together with the US authorities.

IMPORTS OF FRESH MEAT INTO THE COMMUNITY (APPROVAL OF  
SLAUGHTERHOUSES)

After reinspection of US slaughterhouses, in accordance with the undertakings made in an exchange of letters dated 7 May 1991 with the United States authorities, the Commission submitted to the Standing Veterinary Committee a list of slaughterhouses which could once more be authorized to export fresh beef and veal and pigmeat to the Community.

The Commission had not obtained a favourable opinion from the Veterinary Committee and had therefore submitted this proposal to the Council.

The Council reiterated its concern to settle the dispute with the United States authorities on this issue, whilst guaranteeing an adequate level of health protection for Community consumers, and asked the Commission, in co-operation with the Chief Veterinary Officers, to expedite its consideration of the comparative merits of European and United States legislation to determine to what extent some of their respective provisions could be regarded as equivalent.

With this in view, the Council approved a decision once more authorizing imports from certain slaughterhouses and gave leave to the Commission to authorize imports from certain other slaughterhouses where the United States authorities had given a guarantee that the conditions laid down in the exchange of letters of 7 May 1991 had been fulfilled.

The Council stated that this decision was without prejudice to the outcome of the examination of the comparative merits of the veterinary legislation of the EEC and the United States.

MISCELLANEOUS DECISIONS

Relations with Albania

The Council authorized the Commission to negotiate with Albania a trade and co-operation agreement of the traditional type (first generation), similar to those already concluded with the other countries of Central and Eastern Europe, and defined the relevant directives.

This agreement is a concrete manifestation of the undertaking given by the Twelve in August to strengthen their links with Albania and will enable the process of normalizing bilateral relations between the Community and Albania to be completed. It is designed among other things to further the development and diversification of reciprocal trade and to provide a framework for support for Albania's economy by establishing conditions favourable to economic and industrial co-operation.

Medium-term financial assistance to Algeria

The Council adopted a Decision providing a medium-term loan to Algeria of ECU 400 million for a period of 7 years. This Decision formalizes the conclusions adopted by the ECOFIN Council on 9 September 1991 following the agreement in principle expressed by the European Council meeting in Luxembourg on 28 and 29 June 1991 (see Press Release 7977/91 Presse 139).

Trade policy

- Turkey - Textiles

The Council decided to conclude an Arrangement with the Republic of Turkey voluntarily limiting exports of clothing products to the Community. This constitutes an extension for a period of 2 years of the Arrangement which expired on 31 December 1990.

The Arrangement is the outcome of long negotiations and covers the same categories of products as the previous one, but provides for an increase in the quantities concerned, partly because allowance has been made for the growth in the German market following unification. It also guarantees Turkey increased opportunities to manage its exports within the Community. The quantities relating to outward processing traffic have also been increased.

The Arrangement was negotiated with the Association of Turkish ready-made garments exporters and is supplemented by another Arrangement on textiles exports which will expire at the end of this year.

Turkey is one of the largest suppliers on the Community market both of textiles and of clothing products.

- Extension of trade agreements concluded between Member States and third countries

Pursuant to the Council Decision of 16 December 1969 on the progressive standardization of agreements concerning commercial relations between Member States and third countries and on the

negotiation of Community Agreements, the Council adopted a Decision authorizing, for a period of one year, extension or tacit renewal of certain trade agreements concluded between Member States and third countries.

This is the 3rd 1991 instalment, viz. agreements whose expiry date or notice of termination deadline falls between 1 August 1991 and 31 October 1991.

- Anti-dumping

The Council adopted four Regulations providing, respectively, for:

- (a) the extension for a period of two months of the provisional anti-dumping duty on imports of
  - (i) gas-fuelled, non-refillable pocket flint lighters originating in Japan, the People's Republic of China, the Republic of Korea and Thailand;
  - (ii) oxalic acid originating in India and the People's Republic of China.

This extension, to which the exporters concerned have raised no objections, has become necessary because examination of the facts has not yet been completed.

- (b) the amendment of the definitive anti-dumping duty following a partial review of anti-dumping measures concerning imports of urea originating in Venezuela and the termination of the review of anti-dumping measures concerning imports of urea

originating in Trinidad and Tobago. The anti-dumping measures currently imposed on Trinidad and Tobago have therefore been lifted.

- (c) the definitive collection of the provisional countervailing duty on imports of polyester fibres and polyester yarns originating in Turkey.

### Fisheries

The Council adopted a Regulation incorporating into Community legislation a number of technical measures for the conservation of fish stocks in certain areas of the Antarctic.

The Regulation prohibits fishing or limits the TAC in the case of certain species, and introduces a new system of catch reports for the current year. These measures amend Regulation (EEC) No 2245/85.

### Environment

The Council authorized the Commission to participate, on behalf of the Community, in the negotiations under the Geneva Convention on Long-Range Transboundary Air Pollution for a Protocol concerning the control of emissions of volatile organic compounds or their transboundary fluxes.

### Relations with the ACP States

The Council adopted a Decision on the conclusion of an Agreement in the form of an Exchange of Letter between the European Economic Community and the ACP States which are parties to the Protocol on ACP Sugar annexed to the 4th ACP-EEC Convention on guaranteed

prices for cane sugar for the 1989/1990, 1990/1991 and 1991/1992 delivery periods. These prices correspond to those applied to Community producers.

### Insurance

Following the agreement in principle reached at its meeting on 18 June 1991 (see Press Release 7018/91 of 18.VI.91), the Council adopted a common position on the Directive laying down harmonized rules for the annual accounts and consolidated accounts of insurance undertakings. This Directive will make comparable the accounts of insurance companies in the different Member States by 1 January 1994 at the latest, thus contributing to the completion of a single market in insurance.

### Education

The Council approved the outcome of the negotiations for the conclusion of bilateral agreements between the EEC and the EFTA countries establishing co-operation in the field of education and training within the framework of the ERASMUS programme. This co-operation is scheduled to start in the 1992/1993 academic year. The agreements will be concluded after the European Parliament has given its Opinion, in accordance with the procedure laid down in Article 235 of the EEC Treaty.

The purpose of the agreements is to strengthen the co-operation already initiated with the EFTA countries in the context of the COMETT programme, so as to step up exchanges of experience and knowledge and improve the quality of training and qualifications of European human resources.

The agreements lay down among other things:

- (a) the conditions and rules governing participation by universities in the EFTA countries in the ERASMUS programme;

- (b) the annual financial contributions by the EFTA countries to fund projects to be approved by the Commission under the various activities of the programme;
- (c) the establishment of joint EEC-EFTA committees to guarantee that the agreements are implemented in a suitable manner.

#### ECSC

The Council gave its assent, under Article 95 of the ECSC Treaty, to the extension of readaptation aid to workers retired on bridging pensions in a sector not covered by the ECSC Treaty who are replaced by workers employed by the same undertaking in sectors covered by the Treaty.

#### Intellectual property

The Council adopted Decisions on the Community's participation in preparatory work by the World Intellectual Property Organization (WIPO) with a view to the negotiations for a Treaty on the settlement of disputes between States in the field of intellectual property and a possible protocol to the Berne Convention (protection of literary and artistic works) concerning computer programs.

The Commission will take part in these negotiations on behalf of the Community, without prejudice to participation by the Member States, in respect of matters covered by Community law.

COUNCIL OF THE EUROPEAN COMMUNITIES  
GENERAL SECRETARIAT

PRESS RELEASE

8400/91 (Presse 155)

1515th Council meeting

- General Affairs -

7th ministerial meeting of the IGC on Political Union

Brussels, 30 September and 1 October 1991

President: Mr Hans VAN DEN BROEK,

Minister for Foreign Affairs  
of the Kingdom of the Netherlands

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The Governments of the Member States and the Commission of the European Communities were represented as follows:

Belgium:

Mr Mark EYSKENS Minister for Foreign Affairs

Denmark:

Mr Uffe ELLEMANN-JENSEN Minister for Foreign Affairs

Mr Jørgen ØRSTRØM MØLLER State Secretary for Foreign Affairs

Germany:

Mr Hans-Dietrich GENSCHER Federal Minister for Foreign Affairs

Mrs Ursula SEILER-ALBRING Minister of State, Foreign Affairs

Greece:

Mr Antonio SAMARAS Minister for Foreign Affairs

Mr Georges PAPASTAMKOS State Secretary for Foreign Affairs

Spain:

Mr Francisco FERNANDEZ ORDÓÑEZ Minister for Foreign Affairs

Mr Carlos WESTENDORP State Secretary for Relations with the European Communities

France:

Mr Roland DUMAS Ministre d'Etat, Minister for Foreign Affairs

Mrs Elisabeth GUIGOU Minister for European Affairs

Ireland:

Mr Gerard Collins Minister for Foreign Affairs

Mr Sean CALLEARY Minister of State at the Department of Foreign Affairs with special responsibility for Overseas Aid

Italy:

Mr Gianni DE MICHELIS Minister for Foreign Affairs

Luxembourg:

Mr Jacques F. POOS Minister for Foreign Affairs

Netherlands:

Mr H. VAN DEN BROEK Minister for Foreign Affairs

Mr Piet DANKERT State Secretary for Foreign Affairs

Portugal:

Mr João PINHEIRO Minister for Foreign Affairs

Mr Vitor MARTINS State Secretary for European Integration

United Kingdom:

Mr Douglas HURD Secretary of State for Foreign and Commonwealth Affairs

Mr Tristan GAREL-JONES Minister of State, Foreign and Commonwealth Office

Commission:

Mr Jacques DELORS President  
Mr F.H.J.J. ANDRIESEN Vice-President

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ard/BS/ms

INTERGOVERNMENTAL CONFERENCE ON POLITICAL UNION

The Twelve and the Commission devoted the 7th ministerial meeting of the IGC on Political Union primarily to an examination of the most appropriate procedures to be followed for the continuation of the discussions with a view to preparing effectively for the European Council meeting in Maastricht on 9 and 10 December 1991.

In this context all the Member States were anxious to confirm their political willingness to do everything to ensure that the Maastricht European Council could achieve a successful outcome on both Political Union and Economic and Monetary Union.

The Ministers agreed with the Presidency on the desirability of intensifying and expediting the discussions at both ministerial and Personal Representative level, and they welcomed the Presidency's stated intentions regarding the work programme to be followed.

The great majority of delegations expressed a clear preference for using the draft Treaty on the Union drawn up by the Luxembourg Presidency as a basis for further negotiations, in accordance with the conclusions of the European Council meeting in Luxembourg on 28 and 29 June 1991.

The Ministers acknowledged that the work which had been put into the new draft Treaty submitted by the Netherlands Presidency was an important contribution to the examination of amendments to the Luxembourg Presidency's draft preparatory to the European Council meeting in Maastricht.

Taking note of the majority position, the Presidency said that it would very shortly announce the list of questions which it believed called for detailed discussion at ministerial level, together with a timetable for the meetings at ministerial and Personal Representative level.

It was agreed that the informal meeting of Foreign Affairs Ministers in the Netherlands on 5 and 6 October would concentrate on the matters to be resolved in the context of the provisions concerning the creation of a common foreign and security policy.

#### EEC-TURKEY RELATIONS

The Council decided on the position to be taken by the Community at the 32nd meeting of the Association Council at ministerial level, which was held on Monday 30 September 1991.

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RELATIONS WITH THE COUNTRIES OF CENTRAL AND EASTERN EUROPE

1. Association agreements with Poland, Hungary and Czechoslovakia: Adjustment of the negotiating brief

The Council agreed on the adjustments to be made to the negotiating brief for the conclusion of European Association Agreements with Poland, Hungary and Czechoslovakia.

These adjustments covered all the areas which had given rise to difficulties during the negotiations: agricultural trade, trade in textile products, financial co-operation, movement of workers, coal and transit. They should enable the negotiations to continue and to be concluded at an early date within the time limit set by the European Council.

2. Relations with Romania and Bulgaria

The Council agreed in principle to the conclusion of European Association Agreements with Romania and Bulgaria.

It noted that very shortly the Commission was going to begin exploratory talks with Bulgaria concerning the content of the Agreement, following which it would submit draft negotiating directives to the Council at an early date.

With regard to Romania, the Council considered that the exploratory talks could begin once the current political situation returned to normal.

### 3. Relations with Albania

The Council adopted a Regulation on emergency action for the supply of certain agricultural products to the population of Albania. Under this action the Commission will transfer to Albania free of charge a maximum of 100.000 tonnes of common wheat of bread-making quality.

The Council also decided in favour of including Albania among the beneficiaries of the PHARE programme and the Community's system of generalized preferences. The Commission intends to submit the necessary legislative texts to the Council in the near future.

It will be recalled that on 23 September the Council authorized the Commission to negotiate with Albania a standard-type trade and co-operation agreement (see Press Release 8084/91 (Presse 151) - Agriculture - 23 and 24 September 1991).

### RELATIONS WITH THE USSR

The Council noted the guidelines given by the Commission in its communication on assistance to the Soviet Union and held a broad exchange of views on this subject.

With particular reference to the Soviet Union's recent requests for food aid, the Council noted that the Commission was continuing to study the country's requirements and emphasized in this context the importance of close co-ordination and burden-sharing with the other western partners, including those in the G7.

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The Council also noted that the Commission:

- was continuing the implementation of the Community's humanitarian aid programme and the programme of technical assistance;
- would shortly be sending it a report on the possible machinery for granting "triangular" assistance to the Soviet Union combined with any credits or guarantees which the Community might grant it in the future together with other industrialized countries.

The Council agreed to seek, by the emergency procedure, the European Parliament's Opinion on the Commission proposal under which triangular operations would now be included in the Regulation introducing a Community guarantee for export of foodstuffs from the European Community to the Soviet Union.

Subject to that Opinion, the Council established a favourable common position on the proposal, on the understanding that:

- the Baltic States would also be included among the countries which could participate in the triangular operations;
- in view of the current situation, the participation of Yugoslavia in these triangular operations was suspended for the time being;
- an upper limit would also be set for third country exports which could be covered by the credit guarantee.

RELATIONS WITH THE BALTIC STATES

On the basis of the report from the Commission on the opportunities for co-operation with the Baltic countries, the Council:

- welcomed the fact that the Commission had opened exploratory talks with these countries concerning trade and co-operation agreements, following which it would submit draft negotiating directives to the Council. The agreements would provide the basis for preparing European Association Agreements in due course;
- approved the principle of including, as from 1 January 1992, Estonia, Latvia and Lithuania in the PHARE programme and the co-ordinated assistance of the G24, as well as including them among the beneficiaries of the Community's system of generalized preferences; the Commission intended to submit to the Council in the near future the necessary legislative texts and to initiate procedures within the G24;
- noted that the Commission would expedite the procedures for drawing up an initial package of technical assistance measures for the Baltic countries.

FREE TRADE AGREEMENT WITH THE GULF STATES BELONGING TO THE GCC

The Council approved the amendments to be made to the negotiating directives for the conclusion of a free trade agreement between the Community and the Gulf States belonging to the GCC.

The amendments are aimed at taking account of the difficulties which have emerged during the negotiations.

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They should permit an early conclusion of the negotiations for the free trade agreement, in accordance with the undertaking given to the Gulf States at the ministerial meeting on 11 May 1991.

EFTA: EEA NEGOTIATIONS

The Council was informed by Mr ANDRIESEN, Vice-President of the Commission, about the state of the negotiations with the EFTA countries on the European Economic Area and the prospects for progress on the three major issues outstanding: fisheries, the cohesion fund and transport.

After a detailed exchange of views, which provided Mr ANDRIESEN with indicators for further contacts with the EFTA negotiators, the Council:

- confirmed the political objective of concluding the negotiations on a European Economic Area at an early date;
- noted that the Netherlands Presidency had accordingly decided to convene on 21 October in Luxembourg a ministerial negotiating session in the form of a parallel meeting of Ministers of the Community and of EFTA;
- asked the Commission to submit in good time for the ministerial session suggestions for an overall compromise on the three basic problems outstanding and if necessary on any other problems which it had not been possible to resolve by that session.

MISCELLANEOUS DECISIONS

Relations with the EFTA countries

The Council agreed to a draft Decision of the EEC-EFTA Joint Committees amending certain provisions on origin. This authorizes until 30 November 1993 the use of maize flour ("masa" flour) in the manufacture of bread, pastry, cakes, biscuits and other bakers' wares. The amendment will become operational once the EEC-EFTA Committees have adopted the Decision.

EEC-Austria

The Council adopted a Decision concluding an Agreement with Austria concerning the import of certain beef and veal sector products from that country. The Agreement seeks to amend, in the light of experience, the arrangements which were agreed with Austria in an exchange of letters concluded on 21 July 1972.

Under the new arrangements contained in the Agreement, the Community will open, in favour of Austria, an annual tariff quota of 63 500 tonnes with a levy equal to 13% of the standard levy applicable to imports from non-member countries. For its part, Austria has undertaken to ensure that the prices charged by Austrian exporters do not cause any distortion of the Community market.

Relations with the ACP States

The Council adopted the Rules of Procedure of the EDF Committee for Lomé IV. In so doing the Council completed the finalization of all the internal instruments permitting the effective implementation of the provisions concerning development

finance co-operation under the fourth Lomé Convention, which came into force on 1 September 1991.

#### Anti-dumping

The Council noted the proposal for a Commission Decision accepting commitments offered in the context of the review of anti-dumping measures on imports of artificial corundum from the Soviet Union, Hungary, Poland, Czechoslovakia and the People's Republic of China and in the context of the anti-dumping procedure relating to imports of artificial corundum from Brazil and Yugoslavia, and terminating the investigation.

The Council also adopted Regulations amending:

- Regulation No 3905/88 and repealing the definitive anti-dumping duty imposed on imports into the Community of polyester yarn originating in Mexico;
- amending Regulation No 1048/90 with regard to the imposition of a definitive anti-dumping duty (10,5% instead of 19,6%) on imports of small screen colour television receivers originating in the Republic of Korea.

#### Customs Union

The Council adopted Regulations:

- temporarily suspending until 31 December 1991 the autonomous common customs tariff duties on three industrial products (microelectronics);
- opening and providing for the administration of Community tariff quotas for certain industrial products (3rd series 1991).

Textiles - Agreements and arrangements with third countries

The Council authorized the Commission to negotiate an increase in the inter-regional transfer level for 1992 in the various agreements and arrangements concerning trade in textile products which the Community had already concluded with third countries.

One of the provisions common to these agreements and arrangements gives exporting third countries the possibility of carrying out, within a Community quota, transfers of quantities between Member States' shares.

This amendment, which raises from 16% to 40% the inter-regional transfer level for 1992, is to be seen in the context of the completion of the internal market in textile products in 1993.

Fisheries

The Council adopted a Decision authorizing the Commission to negotiate fisheries agreements with India and Pakistan.

Soviet Union - iron and steel

The Representatives of the Governments of the Member States, meeting within the Council, authorized the Commission to open negotiations for the conclusion of an exchange of letters with the Soviet Union aimed at setting up machinery for regular consultations on iron and steel products covered by the ECSC Treaty.

ECSC

The Council gave its assent:

- pursuant to Article 56(2)(a) of the ECSC Treaty, concerning:
  - = Interbanca S.p.a. (Italy)
  - = Industrie Kreditbank AG - Deutsche Industriebank (IKB)  
(Federal Republic of Germany)
  - = TSB Bank plc (United Kingdom)
  - = Bayerische Vereinsbank AG (Federal Republic of Germany)
  
- pursuant to the second paragraph of Article 54 of the ECSC Treaty, to:
  - = the granting of a global loan to Instituto Bancario San Paolo di Torino -  
Turin (Italy)
  
  - = the financing of the consumption of Community steel needed for the  
infrastructure, electrification, structures and enclosure of the first  
Spanish high-speed rail link (AVE) between Madrid and Seville (a loan of  
21 million pesetas - about ECU 165,26 million - to RENFE):