

COUNCIL OF THE EUROPEAN COMMUNITIES

PRESS RELEASES

PRESIDENCY: THE NETHERLANDS

JANUARY-JUNE 1986

Meetings and press releases March-April 1986

Meeting number	Subject	Date
1064 th	Industry	3 March 1986
1065 th	Environment	6-7 March 1986
1066 th	Economics/Finance	10 March 1986
1067 th	Foreign Affairs	10-11 March 1096
1068 th	Transport	14 March 1986
1069 th	Internal Market	18 March 1986
1070 th	Energy	20 March 1986
1071 st	Agriculture	24-25 March 1986
1072 nd	Research	8 April 1986
1073 rd	Development Co-operation	17 April 1986
1074 th		Cancelled
1075 th	Foreign Affairs	21-22 April 1986
1076 th	Agriculture	21-25 April 1986
1077 th	Economics/Finance	28 April 1986

COUNCIL OF THE EUROPEAN COMMUNITIES
GENERAL SECRETARIAT

PRESS RELEASE

5324/86 (Presse 25)

1064th Council meeting

- Industry -

Brussels, 3 March 1986

President:

Mr W.F. VAN EEKELEN,
State Secretary
for Foreign Affairs
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 Economic Affairs

Denmark:

Mr Ib STETTER Minister for Industry

Germany:

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

Greece:

Mrs Vasso PAPANDREOU State Secretary for Industry,
Energy and Technology

Spain:

Mr Joan MAJO CRUZATE Minister for Industry and Energy

France:

Mr François SCHEER Ambassador, Permanent Representative

Ireland:

Mr Michael NOONAN Minister for Industry, Trade,
Commerce and Tourism

Italy:

Mr Bruno ORSINI State Secretary,
Ministry of Industry

Luxembourg:

Mr Johny LAHURE State Secretary for Economic
Affairs

Netherlands:

Mr W.F. VAN EEKELEN

State Secretary for Foreign Affairs

Portugal:

Mr Fernando SANTOS MARTINS

Minister for Industry and Trade

United Kingdom:

Mr John BUTCHER

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

Commission:

Lord COCKFIELD
Mr Karl-Heinz NARJES
Mr Peter SUTHERLAND

Vice-President
Vice-President
Member

AIDS TO THE SHIPBUILDING INDUSTRY

The Council held a general discussion on state aids to the shipbuilding industry, with particular regard to the outlook in this sector, in order to give guidance to the Commission's work on new arrangements to be introduced from 1987. The 1981 5th Directive on this subject, which at present governs these aids, was extended in December 1984 and will expire on 31 December 1986.

The debate, for which the Netherlands delegation had submitted a memorandum, was introduced by the Commission representatives; it gave delegations an opportunity to express their opinions on the general approach for new aid arrangements in this sector and the main aspects of such arrangements which could be envisaged, such as the gradual reduction of aid, a policy of restructuring, aid transparency and the international context in this sector.

The Council noted that the Commission would endeavour to submit a proposal on the subject as soon as possible.

DELIVERY OF STEEL PRODUCTS FROM SPAIN AND PORTUGAL

The Council gave two assents to draft Commission Decisions establishing the delivery levels of ECSC steel products:

- of Spanish origin onto the rest of the common market, excluding Portugal,
- of Portuguese origin onto the rest of the common market, excluding Spain.

The level of these deliveries for 1986 will be 850 000 t for Spain and 90 000 t for Portugal.

In the context of the discussion on establishing the delivery levels for Spain, the Council was informed that Spain had addressed a request to the Commission for the application of protective measures to counter the considerable increase in exports to Spain of steel products from the other Member States. The Council noted that the Commission would rapidly be taking a decision on that request in accordance with Article 379 of the Accession treaty (which lays down that action is to be taken within 5 days).

MUTUAL RECOGNITION OF TYPE APPROVAL FOR TELECOMMUNICATIONS TERMINAL EQUIPMENT

The Council held an in-depth discussion on the points still outstanding with regard to the proposal for a Directive concerning the first phase of the establishment of the mutual recognition of type approval for telecommunications terminal equipment.

The proposal for a Directive covers the mutual recognition of conformity tests on terminal equipment and is therefore only the first stage in the achievement of a single market in this sector.

As regards the following phase, Article 8 of the proposal lays down that within a period of two years following adoption the Commission will submit further proposals covering, in particular, the implementation of mutual recognition of type approval for series-produced terminal equipment.

Today's discussions enabled some progress to be made on specific points; with regard to other points, the Council instructed the Permanent Representatives Committee to pursue its discussions actively in the light of the Council's deliberations.

PROGRAMMES FOR NON-ENERGY MINERAL RAW MATERIALS

The Council noted that two delegations were maintaining their reservations regarding the financial allocation of 10 MECU for four years for implementing this programme, the contents and implementing rules of which had been agreed in principle on 17 December 1984.

IMPROVING COMPETITIVENESS AND INDUSTRIAL STRUCTURES IN THE COMMUNITY

The Council took note of a statement by Vice-President NARJES in which he presented the Commission communication of 25 February on improving competitiveness and industrial structures in the Community.

Senior officials with responsibility for industry will continue the examination of this important communication with a view to giving the Commission positive guidelines for formulating specific proposals to be submitted to the Council.

INDUSTRIAL DEVELOPMENT IN PORTUGAL

The Council took note of a statement by the Portuguese Minister which emphasized the importance his Government attached to the memorandum it recently sent to the Commission on special measures for the industrial development of Portugal in accordance with Protocol No 21 and the Declaration on the adaptation and modernization of the Portuguese economy, annexed to the Accession Treaty. The Commission stated that it would examine the communication very attentively with a view to submitting appropriate proposals to the Council.

PROPOSAL FOR A COUNCIL DIRECTIVE ON THE LEGAL PROTECTION OF ORIGINAL
TOPOGRAPHIES OF SEMI-CONDUCTOR PRODUCTS

The Presidency and the Commission indicated that their aim was to have this Directive adopted in June 1986 by the Council of Ministers of Industry. To achieve this aim the Presidency has established a very tight time schedule for meetings of the competent bodies responsible for this file.

Without a convergent development of national protection systems, serious obstacles and barriers to trade between Member States will be created for enterprises which depend largely on the Community's internal market in order to recover the large investment required for the development of sophisticated "chips". The importance of urgent action is reinforced by the need to provide a protection system within the European Community which could satisfy the requirements for reciprocity laid down in the United States' legislation as a prerequisite for the protection of "chips" of EEC industries on the US market. The provisional protection granted by the US to the Community's industry will need to be prolonged in September 1986 but in no circumstances may be prolonged beyond November 1987. After that date, protection in the US will depend on the existence of laws in each Member State giving effective legal protection to semi-conductor topographies including those developed by producers of US nationality.

Ministers were consequently requested to take measures in order to ensure that the aim of the Presidency and the Commission be fulfilled.

VARIOUS DECISIONS

Trade questions and customs union

The Council adopted in the official languages of the Communities the Regulations:

- amending, with regard to subheading ex 54.03 B I a), Regulation (EEC) No 1736/85 temporarily suspending the autonomous Common Customs Tariff duties on certain industrial products;
- on the rules of origin for trade between Spain and Portugal in the period during which the transitional measures are applied;
- extending the provisional anti-dumping duty on imports of copper sulphate originating in Yugoslavia.

The Council also adopted in the official languages of the Communities the Decision authorizing the Commission to negotiate with Austria, Finland, Iceland, Norway, Sweden and Switzerland an agreement on the introduction in trade between the Community and these countries of a single administrative document in place of the existing declarations.

Food aid

The Council adopted the position to be taken by the Community at the WFP Pledging Conference on 4 March 1986.

Relations with the ACP States and the OCT

Pending completion of the ratification procedures necessary for the entry into force of the third ACP-EEC Convention of Lomé, the Council approved a set of provisions concerning transitional measures for the period from 28 February 1986 ⁽¹⁾ until the entry into force of the new Convention, and until 30 June 1986 at the latest, and the provisional arrangements applicable to trade with Spain and Portugal, namely:

- Draft Decision of the ACP-EEC Council of Ministers on transitional measures to apply from 1 March 1985;
- Regulation concerning the renewal of Decision No 2/85 of the ACP-EEC Council of Ministers on transitional measures to apply from 1 March 1985;
- Decision on the association of the overseas countries and territories with the European Economic Community;
- Decision of the Representatives of the Governments of the Member States of the ECSC, meeting within the Council, opening tariff preferences for products within the province of that Community and originating in the overseas countries and territories associated with the Community;
- Regulation establishing provisional arrangements for trade between the Kingdom of Spain and the Portuguese Republic and the ACP States;
- Decision establishing the arrangements applicable to trade between the Kingdom of Spain and the Portuguese Republic and the overseas countries and territories (OCT);
- Decision of the Representatives of the Governments of the Member States of the ECSC, meeting within the Council, establishing provisional arrangements for trade between the Kingdom of Spain and the Portuguese Republic and the African, Caribbean and Pacific States in products within the province of that Community;
- Decision of the Representatives of the Governments of the Member States of the ECSC, meeting within the Council, establishing the arrangements applicable to trade between the Kingdom of Spain and the Portuguese Republic and the overseas countries and territories in products falling within the province of that Community;
- Regulation extending the period of validity of Regulation (EEC) No 486/85 on the arrangements applicable to agricultural products and certain goods resulting from the processing of agricultural products originating in the ACP States or in the OCT.

⁽¹⁾ The transitional measures introduced as from 1 March 1985 expired on 28 February 1986.

Social Affairs

The Council took note of the thirteenth annual report on the European Social Fund (1984) and of the comments on it by the delegations and the Commission representative.

ECSC

The Council gave assents under Article 95 of the ECSC Treaty to the draft Commission Decisions amending for the fifth and sixth times Decision 3717/83/ECSC introducing for steel undertakings and steel dealers a production certificate and an accompanying document for deliveries of certain steel products.

The Council adopted in the official languages of the Communities the Decision of the Representatives of the Governments of the Member States of the ECSC, meeting within the Council, on uniform application of the customs nomenclature.

Finally, the Council gave its assent under the second paragraph of Article 54 of the ECSC Treaty to the granting of a global loan to Investors in Industry Group PLC, London.

Appointments

On a proposal from the Netherlands Government, the Council appointed Mr C.J. VAN DEN BERG a member of the Advisory Committee on Social Security for Migrant Workers, in place of Mr L. VOOGD, member, who has resigned, for the remainder of the latter's term of office, which runs until 27 November 1987.

The Council also appointed, on a proposal from the French Government, Mr Jean-Louis DEVAUX an alternate member of the Advisory Committee on Vocational Training, in place of Mr A. BRUYERE, alternate member, who has resigned, for the remainder of the latter's term of office, which runs until 14 July 1987.

PRESS RELEASE

5467/86 (Presse 28)

1065th Council meeting

- Environment -

Brussels, 6 and 7 March 1986

President: Mr P. WINSEMIUS
Minister for Housing,
Regional Planning
and the Environment
of the Kingdom of the Netherlands

PRESS RELEASE

Brussels, 17 March 1986

5467/86 (Presse 28) Corr. 2 (f, e)

C O R R I G E N D U M

to the 1065th meeting of the Council

- Environment -

Brussels, 6 and 7 March 1986

On page 5, read:

LIMITATION OF EMISSIONS OF POLLUTANTS INTO THE AIR FROM LARGE
COMBUSTION PLANTS

1. The greatest possible majority of Member States took the view that in the light of the request by the European Council of March 1985 there was a need for rapid progress in reducing air pollution caused by large combustion plants, and for early decisions on this proposal.

2.

Belgium:

State Secretary for the Environment

Denmark:

State Secretary,
Ministry of the Environment

Germany:

State Secretary,
Federal Ministry of the Interior

Greece:

State Secretary,
Ministry of Public Works,
Regional Planning and the Environment

Spain:

Minister for Public Works and
Town Planning

France:

Minister for the Environment

Ireland:

Minister for the Environment

Italy:

Minister for Ecology

Luxembourg:

Mr Robert KRIEPS

Minister for the Environment

Netherlands :

Mr P. WINSEMIUS

Minister for Housing, Regional
Planning and the Environment

Mr W.F. van EEKELEN

State Secretary for Foreign Affairs

Portugal:

Mr Carlos PIMENTA

State Secretary for the Environment
and Natural Resources

United Kingdom:

Mr William WALDEGRAVE

Minister of State for the
Environment

Commission:

Mr Stanley CLINTON-DAVIS

Member

LIMIT VALUES AND QUALITY OBJECTIVES FOR DISCHARGES OF CERTAIN
DANGEROUS SUBSTANCES INTO THE AQUATIC ENVIRONMENT

Pending the Opinion of the European Parliament, the Council evolved a common approach on the proposal for a Directive on discharges of certain dangerous substances into the aquatic environment. This Directive lays down the main features and defines the basic principles which must be applied to the fixing of limit values and quality objectives for the substances in List I in Directive 76/464/EEC (particularly toxic substances). It also determines specific limit values and quality objectives for three substances, viz. carbon tetrachloride, DDT and pentachlorophenol.

The Council's final decision will be taken in the light of the European Parliament's Opinion.

SULPHUR CONTENT OF CERTAIN LIQUID FUELS (GAS OIL)

The Council resumed its examination of the proposal for a Directive amending Directive 75/716/EEC on the approximation of the laws of the Member States relating to the sulphur content of certain liquid fuels (gas oil). At the close of its discussion, the Council noted that it was unable to reach agreement at that meeting. It therefore called upon the Permanent Representatives Committee to continue to seek a solution and to report back for its next meeting.

LIMITATION OF EMISSIONS OF POLLUTANTS INTO THE AIR FROM LARGE COMBUSTION PLANTS

1. Eleven delegations took the view that in the light of the request by the European Council of March 1985 there was a need for rapid progress in reducing air pollution caused by large combustion plants, and for early decisions on this proposal.
2. To this end the Council discussed a proposal made jointly by the Presidency and the Commission that future work should aim at solutions within the following framework:
 - the regulation of emissions from all new plant on the basis of standards related to best available technology not involving excessive cost;
 - a two-stage approach for overall reductions in emissions;
 - the setting of a Community target for an overall reduction in SO₂ emissions; this would need to be substantial where "substantial" means an improvement on the reduction envisaged by the Helsinki protocol;
 - the setting up of appropriate programmes, Member State by Member State, for achieving the overall reduction;
 - these programmes would take account of the scale of the emissions from different Member States, their contributions to overall pollution in Europe and the special situations (related to their stage of economic development the nature of locally available fuels and the overall effort involved); and other relevant criteria;

- comparable action in relation to emissions of NOx;
- decisions on a more specific framework in June 1986 and on detailed requirements not later than 31 December 1986.

3. The Council invited the Commission in consultation with the Presidency to make further suggestions in the light of the arguments put forward at this session for its session on 12 June 1986.

The United Kingdom delegation reserved its position pending consideration of these further suggestions.

USE OF SEWAGE SLUDGE IN AGRICULTURE

The Council resumed its discussions on the Directive on the use of sewage sludge in agriculture.

The aim of the proposal is firstly to promote the use of certain types of solid waste in agriculture by stressing the agronomic value of such products and secondly to specify the precautions necessary for their proper use in agriculture in order to avoid any risk to human beings or the environment.

To this end, the proposal provides for the fixing of limit values for concentrations of heavy metals in the soil and in sludge, and the maximum quantities of heavy metals which may be added to the soil. It also determines the specific conditions for use of sludge.

At the close of its discussions the Council noted that eleven delegations were in favour, while the German delegation requested additional time to consider the matter.

TRANS-FRONTIER SHIPMENT OF HAZARDOUS WASTE

The Council reached agreement in principle on the proposal for a Directive amending Directive 84/631/EEC on the supervision and control within the European Community of the transfrontier shipment of hazardous waste.

The purpose of this proposal is to supplement the provisions of the abovementioned Directive as regards the export of waste for disposal in a third State, particularly in the light of an OECD recommendation in this field. It amends the 1984 Directive by providing in particular:

- that the third country of destination must agree on the proposed transfer of waste;
- that the consignee of waste in the third country must have the capacity to dispose of such waste properly.

The text which will give effect to this agreement of principle will undergo technical, legal and linguistic editing at a later stage.

NEW FORMS OF CO-OPERATION IN THE SPHERE OF WATER

The Commission gave the Council an oral progress report concerning work on the implementation of the Resolution of the Council and the Representatives of the Governments of the Member States, meeting within the Council, of 3 October 1984 on new forms of co-operation in the sphere of water. The Council particularly expressed its satisfaction at the programmes already initiated in this sphere.

ACTION PROGRAMME FOR THE EUROPEAN YEAR OF THE ENVIRONMENT
(MARCH 1987 - MARCH 1988)

The Council then adopted the following Resolution adopting an action programme for the European Year of the Environment (March 1987 - March 1988) and listened to a statement by the Commission on the state of preparations for the action programme.

This Resolution reads as follows:

I. OBJECTIVES

The objectives of the European Year of the Environment are to:

- make all Community citizens aware of the importance of environmental protection and, with that aim in view, carry out specific model environmental protection projects;
- promote better incorporation and integration of environmental protection policy in the different policies of the Community and its Member States, in particular economic, industrial, agricultural and social policies;
- emphasize the European dimension of environment policy;
- demonstrate the progress already made and the achievements realized by Community environment policy since its inception.

II. ACTIVITIES TO BE UNDERTAKEN

From a Community viewpoint, and in order to achieve the objectives referred to in part I, the following activities will be undertaken, in conjunction with the Member States' national committees:

1. General awareness campaigns

The Community will launch awareness campaigns, preferably centred on a limited number of key topics and directed at various sectors of society, notably the worlds of education, science and industry, and national, regional and local authorities.

These activities will include information campaigns in the different media (TV, radio, films, press) and other networks (schools, arts centres for example), conferences, prizes, distribution of publicity material, etc.

2. Model environmental protection pilot projects

The Community will support the carrying out in the Member States of specific projects which can serve as examples and models in the field of environmental protection, the rational management of natural resources and the development of new technologies.

3. Pilot projects to improve monitoring of the quality of the environment

The Community will support model projects aimed at improving monitoring of the quality of the environment in the Member States and at determining whether the objectives of Community environment policy are being achieved. The projects will relate in particular to training and equipping staff to carry out the monitoring work.

III. ORGANIZATION

The European Year of the Environment will be organized with the help of the following committees:

1. Committee of Patrons

This Committee will consist of eminent public figures known in the Member States for their commitment to environmental protection.

2. Advisory Steering Committee

This Committee will be chaired by the Commission and will comprise the Chairmen of the national Committees and representative public figures from the fields concerned.

The Steering Committee will be responsible for the general co-ordination of the programme and ensure coherence between all the various activities to be carried out, referred to in part II.

3. National Committees

A Committee will be set up in each Member State, composed of members representing the various fields concerned by environmental protection. Its chief task will be to promote, support and implement national projects organized for the European Year of the Environment in the State concerned.

It will also be able to collect and administer private or public funds made available to it by various groups and bodies.

In particular it will be required to identify projects as mentioned in part II that are suitable for Community financing and to suggest any appropriate event or activity within the framework of the European Year of the Environment.

IV. FINANCING

1. The action programme, which will last until March 1988, will be financed at Community level out of appropriations from the General Budget of the European Communities.

In pursuance of this, recourse will be had:

- in respect of activities referred to under part II(1) to the appropriations provided for in Article 666 of the General Budget of the European Communities;
- in respect of the pilot projects referred to under part II(2) and II(3) to the various funds already available to the Community (e.g. European Regional Development Fund, European Social Fund, European Agricultural Guidance and Guarantee Fund, Guidance Section); the use of appropriations from these funds will be in accordance with the fund rules applicable.

NEW DIRECTIONS IN ENVIRONMENT POLICY

The Council held an initial exchange of views on the Commission's communication on new directions in environment policy.

The discussion gave the Commission an opportunity to discover the delegations' initial reactions on which it could base its proposals for the 4th environmental action programme.

MISCELLANEOUS DECISIONS

Other decisions in the environment sector

The Council adopted, in the official languages of the Communities, the Decision authorizing the Commission, on behalf of the Community, to negotiate an amendment to the Convention for the prevention of marine pollution from land-based sources to include atmospheric inputs into the sea.

The aim of the negotiations will be to draft either the text of an amendment or the text of a Protocol to the Convention for the prevention of marine pollution from land-based sources such as will include atmospheric inputs into the sea, and to ensure that the said texts include appropriate provisions to enable the Community to become a Contracting Party.

The Council also adopted, in the official languages of the Communities, the Decision establishing a Community information system for the control and reduction of pollution caused by the spillage of hydrocarbons and other harmful substances at sea (see press release 10709/85 (Presse 181), p. 7 dated 28/29 November 1985).

Relations with the Mediterranean countries

The Council decided to sign and adopted, in the official languages of the Communities, the Regulations on the conclusion of the Agreements in the form of exchanges of letters (1986), negotiated with Algeria, Morocco, Tunisia and Israel on fruit salads and with Algeria on tomato concentrates.

Relations with the EFTA countries

The Council adopted, as the joint Community position within the Joint Committees, draft Decisions

- No 2/85 of the EEC-Switzerland/Austria Joint Committees - Community transit - on the Spanish and Portuguese texts of the Agreement between the European Economic Community and the Swiss Confederation/Republic of Austria on the application of the rules on Community transit, and amending the Appendices to the Agreement
- No 1/86 of the EEC-Switzerland/Austria Joint Committees - Community transit - amending the Agreement between the European Economic Community and the Swiss Confederation/Republic of Austria on the application of the rules on Community transit following the accession of the Kingdom of Spain and the Portuguese Republic to the European Communities.

Commercial policy

The Council adopted, in the official languages of the Communities, the Decision terminating the anti-dumping proceeding concerning imports of dead-burned (sintered) natural magnesite originating in the People's Republic of China and North Korea.

ECSC

The Council gave its assent under Article 54, second paragraph of the ECSC Treaty to the co-financing of an investment project of STEAG Aktiengesellschaft, Essen, relating to the construction of a new 410 MW coal-fired generating unit at Walsum.

COUNCIL OF THE EUROPEAN COMMUNITIES
GENERAL SECRETARIAT

PRESS RELEASE
5470/86 (Presse 31)

1066th Council meeting
- Economic and Financial Affairs -
Brussels, 10 March 1986
President: Mr H. RUDING,
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 Mark EYSKENS Minister for Finance

Denmark:

Mr Jakob Esper LARSEN Ambassador, Permanent Representative

Germany:

Mr Gerhard STOLTENBERG Federal Minister for Finance
Mr Hans TIETMEYER State Secretary,
Federal Ministry of Finance

Mr Rudolf SPRUNG Parliamentary State Secretary
attached to the Federal
Minister for Economic Affairs

Greece:

Mr Constantin SIMITIS Minister for Economic Affairs

Spain:

Mr Carlos SOLCHAGA CATALAN Minister for Economic Affairs
and Finance

Mr Miguel Angel FERNANDEZ ORDÓÑEZ State Secretary for the
Economy and Planning

France:

Mr Pierre BEREGOVVOY Minister for Economic Affairs,
Finance and the Budget

Ireland:

Mr John BRUTON Minister for Finance

Italy:

Mr Giovanni GORIA Minister for the Treasury

Luxembourg:

Mr Jean-Claude JUNCKER

Minister attached to the Minister
for Finance

Mr Johny LAHURE

State Secretary for Economic Affairs

Netherlands:

Mr H. RUDING

Minister for Finance

Portugal:

Mr Miguel CADILHE

Minister for Finance

United Kingdom:

Mr Peter BROOKE

Minister of State, Treasury

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Commission:

Mr Jacques DELORS

President

Mr Claude CHEYSSON

Member

Mr Alois PFEIFFER

Member

Mr Willy DE CLERCQ

Member

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The meeting was also attended by:

Mr R. LEIGH-PEMBERTON

Chairman of the Committee of
Governors of the Central Banks

Mr Hans TIETMEYER

Chairman of the Monetary Committee

Mr Jean-Claude MILLERON

Chairman of the Economic Policy
Committee

DEBT PROBLEM

On the basis of a report from the Chairmen of the Monetary Committee, the Council held a debate on the various aspects of the debt problem with a view to establishing a joint position for the next meeting of the IMF Interim Committee (9 to 11 April 1986) and the Tokyo Economic Summit (4 to 6 May 1986).

EXPORT CREDITS - TIED AID CREDITS

The Council examined the position to be adopted by the Community in the negotiations in progress between the Participants in the Arrangement on Guidelines with regard to the financing of tied aid.

Following this examination, the Council agreed to take a decision on this subject at the beginning of April and at the latest before the OECD Ministerial meeting scheduled for 17 and 18 April 1986.

Furthermore, the Council adopted in the official languages of the Communities the Decision on the application of the Sector Understanding on Export Credits for Civil Aircraft.

ECONOMIC SITUATION IN THE COMMUNITY

The Council conducted the first quarterly examination of the economic situation in the Community on the basis of the Commission communication of 5 March 1986. Broadly speaking, it endorsed the assessment of the economic situation given by the Commission in the communication and the Commission's opinion that there was no need at present to amend the economic policy guidelines contained in the 1985/1986 annual report adopted by the Council in December 1985.

Following this discussion, the Council instructed the Economic Policy Committee to follow actively economic and monetary developments in the coming months and report back to it when there appeared to be a need for adjustment to the economic policy guidelines fixed in the annual report or other measures to achieve greater convergence in economic policy.

ANNUAL REPORT OF THE COURT OF AUDITORS - MAIN PROBLEMS

After hearing an introductory statement by Mr MART, President of the Court of Auditors, the Council discussed the main problems raised by the Court in its 1984 report.

At the same time, the Council adopted the Recommendation on the discharge to be given to the Commission in respect of the implementation of the 1984 budget, to be forwarded to the European Parliament.

REFERENCE FRAMEWORK - FINANCIAL YEAR 1987

The Council held an initial examination of the problems arising in implementing budgetary discipline measures for the financial year 1987, taking into account data provided by the Commission. Following its debate, the Council took the procedural decision that it would return to establishing the reference framework for the financial year 1987 at its meeting on 28 April and take stock of the financial situation for the financial year 1986. The Presidency will take the necessary steps to organize a meeting with a delegation from the European Parliament.

FISCAL MEASURES AIMED AT THE ENCOURAGEMENT OF CO-OPERATION BETWEEN UNDERTAKINGS OF DIFFERENT MEMBER STATES

Having recalled progress made on this matter, the President of the Council asked the Commission to pursue actively its contacts with the Governments concerned with a view to solving the last problems still outstanding and reporting back in good time for the ECOFIN Council to take a decision at its meeting on 26 May 1986.

MISCELLANEOUS DECISIONS

Financial and technical aid for the developing countries of
Latin America and Asia

The Council adopted the decision laying down general guidelines for 1986 for financial and technical aid to the developing countries of Latin America and Asia, for which 280 MECU has been included in the 1986 budget.

This decision confirms that the needs of the least favoured countries and the most needy strata of the population must be the basis for Community action. Priority is given to rural requirements and in particular to measures to improve the food situation and contribute to the battle against hunger in the world.

The geographical allocation of appropriations is intended to fulfil two needs: to maintain or even increase the existing flow of finance under this aid for each of the two geographical regions concerned and at the same time to implement the Community's commitment regarding central America in the co-operation agreement signed in Luxembourg on 12 November 1985. The allocation adopted is 75% for Asia and 25% for Latin America. A reserve of 5% has also been set up, a major part of which is to be applied for the benefit of Central America.

Angola and Mozambique are now members of the Third Lomé Convention and will benefit from finance under the EDF.

Relations with Morocco

The Council adopted in the official languages of the Communities the Community Regulation on the application of the EEC-Morocco Co-operation Council Decision No 1/86 replacing the Unit of Account by the ECU in the Protocol on the definition of "originating products" and methods of administrative co-operation.

Approximation of laws

The Council adopted in the official language of the Communities the Directive amending for the second time Directive 73/404/EEC on the approximation of the laws of the Member States relating to detergents.

This Directive authorizes the Member States to maintain derogations for certain products from the minimum biodegradability requirements until 31 December 1989; these products are certain anionic surfactants used in a number of dishwasher detergents and cleaning products used in the food and metallurgy industries.

Research

The Council adopted in the official languages of the Communities decisions on the conclusion of framework agreements for scientific and technical co-operation between:

- the European Communities and the Republic of Finland;
- the European Communities and the Kingdom of Norway.

These two agreements will be signed in the near future. Their purpose is to set up a general framework for co-operation with these two countries in the field of research.

They come within the scope of the Luxembourg Declaration of 9 April 1984 on the development of, inter alia, co-operation with the EFTA countries in area of scientific and technical research and development. Similar agreements have already been concluded with Sweden and Switzerland (see press release No 10991/85 (Presse 158) of 4.11.1985); the conclusion of another agreement of the same type with Austria in the near future is planned.

.../...

Agriculture

The Council adopted in the official languages of the Communities
- the Regulations

- = on the import system applicable in 1986 to products falling within subheading 07.06 A of the Common Customs Tariff and originating in third countries which are not members of GATT. This Regulation provides that for 1986 manioc, arrowroot, salep and other roots and tubers with high starch content, excluding sweet potatoes, originating in third countries which are not members of GATT, shall be eligible for an import levy fixed at a maximum of 6% ad valorem limited to 200 000 tonnes,
 - = amending Regulations (EEC) Nos 2915/79 and 1437/84 as regards the application of annual tariff quotas for certain cheese from Austria, Finland and Norway. The amendments involve the technical transposition into the above Regulations of the new agreements reached by these countries and the Community on concerted voluntary restraint arrangements for certain cheese;
- the decisions
- = authorizing the Commission to participate in negotiations for the replacement of the Wheat Treaty Convention 1971. The new Convention will be signed both by the Community and by the Member States in accordance with the procedure laid down for the signing of the 1971 Wheat Agreement and its successive continuations;
 - = authorizing certain Member States, by way of derogation from the present rules, to import new potatoes from Cuba under special technical conditions to prevent the spreading of harmful organisms.

Iron and steel: external aspects - enlargement of geographical cover

In view of Australia's and South Korea's requests for the negotiation of voluntary restraint arrangements with the Community, the Council authorized the Commission also to negotiate with Australia and South Korea on the basis of the December 1985 Directives.

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Economic and Social Committee

The Council approved the amendment to the Rules of Procedure of the Economic and Social Committee adopted by the Economic and Social Committee at its plenary session on 29/30 January and 26/27 February 1986.

PRESS RELEASE

5541/86 (Presse 32)

1067th meeting of the Council
- Foreign Affairs -
Brussels, 10 - 11 March 1986

Presidents:

Mr H. VAN DEN BROEK
Minister for Foreign Affairs
of the Kingdom of the Netherlands
and

Mr F. BOLKSTEIN
Minister for External Trade
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 Paul DE KEERSMAEKER	State Secretary for European Affairs and Agriculture
Mr H. DE CROO	Minister for External Trade

Denmark:

Mr Knud-Erik TYGESEN	State Secretary, Ministry for Foreign Affairs
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Germany:

Mr Hans-Dietrich GENSCHER	Federal Minister for Foreign Affairs
Mr Lutz STAVENHAGEN	Minister of State, Federal Ministry of Foreign Affairs
Mr Dieter VON WURZEN	State Secretary, Federal Ministry for Economic Affairs

Greece:

Mr Théodoros PANGALOS	Deputy Minister for Foreign Affairs
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Spain:

Mr Pedro SOLBES	State Secretary for Relations with the European Communities
Mr Luis DE VELASCO	State Secretary for Trade

France:

Mrs Catherine LALUMIERE	State Secretary attached to the Minister for Foreign Relations with responsibility for European Affairs
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Ireland:

Mr George BERMINGHAM	Minister of State for Foreign Affairs
Mr Edward COLLINS	Minister of State, Department of Trade

Italy:

Mr Giulio ANDREOTTI

Minister for Foreign Affairs

Mr Mario FIORET

State Secretary,
Ministry for Foreign Affairs

Mr Giovanni PRANDINI

State Secretary,
Ministry for External Trade

Luxembourg:

Mr Robert GOEBBELS

State Secretary for Foreign Affairs

Netherlands:

Mr H. VAN DEN BROEK

Minister for Foreign Affairs

Mr W.F. VAN EEKELEN

State Secretary for Foreign
Affairs

Mr F. BOLKESTEIN

Minister for External Trade

Portugal:

Mr Pedro PIRES DE MIRANDA

Minister for Foreign Affairs

Mr Vitor MARTINS

State Secretary for European
Integration

United Kingdom:

Sir Geoffrey HOWE

Secretary of State for Foreign
and Commonwealth Affairs

Mrs Lynda CHALKER

Minister of State, Foreign and
Commonwealth Office

Mr Alan CLARK

Minister for Trade

Commission:

Mr Claude CHEYSSON

Member

Mr Willy DE CLERCQ

Member

RELATIONS WITH TURKEY

The Council took note of a statement by Mr CHEYSSON on the broad lines of the Commission communication on the free movement of workers and on the timetable for a certain number of outstanding dossiers in the context of EEC-Turkey relations. After an exchange of views, the Council instructed the Permanent Representatives Committee to collaborate closely with the Commission on the further examination, in the light of the Council's exchange of views, of the dossiers to be covered with a view to the Association Council meeting to be held at the beginning of the autumn.

RELATIONS WITH THE GULF STATES

On the basis of information provided by Mr CHEYSSON, who had recently returned from a visit to Kuwait on 5-7 March 1986, the Council took note of the Commission's intention of shortly submitting to it proposals for directives with a view to the conclusion of a co-operation agreement between the Community and The Gulf Co-operation Council (GCC) in the spirit of the joint communiqué issued after the meeting at Ministerial level in Luxembourg on 14 October 1985.

RELATIONS WITH THE UNITED STATES

The Council heard a statement by Mr DE CLERCQ on the talks that had just been held with a United States delegation on the United States' requests regarding the consequences of enlargement on certain United States agricultural exports.

The Council held a detailed discussion which also covered certain other matters under dispute.

After that discussion the Council gave its full support to the approach adopted by the Commission.

EEC/JAPAN RELATIONS : COUNCIL CONCLUSIONS

1. At its meetings on 18 February and 10 March 1986, the Council held a detailed examination of the Community's relations with Japan, on the basis of the Commission communication dated 7 February 1986.
2. The Council took note of the efforts recently undertaken by the Japanese authorities on the foreign exchange markets in order to implement the recommendations of the Group of 5 of 22 September 1985, and of the measures to stimulate domestic demand announced by the Japanese Government in October and December 1985. It appreciates the statements by the Prime Minister and members of the Japanese Government, reflecting the Government's intention to open up markets, increase the value of the yen, instigate changes in the structure of the economy in order to increase the propensity to import and stimulate domestic demand, and to ensure a better balance between savings and investments. It acknowledges the active part taken by the Japanese authorities in the the impetus given to international monetary co-operation in the field of exchange rates since the meeting of the Group of 5 in New York in September.
3. However, the Council would stress the need to achieve tangible results as soon as possible, in order to relieve the increasing strain which Japan's overall current account surplus is placing on the multilateral trade and payments system. Japan's surplus on current account in fact amounted to nearly 50 thousand million dollars in 1985 and seems likely to increase still further, even irrespective on the trend in oil prices.

4. In this context, the Council recalls its conclusions of 22 October 1985, in particular with regard to the incorporation by the Japanese Government in its economic policy objectives of a quantified target with a timetable for a significant increase in its imports of manufactured goods and processed agricultural products, as a complement to its action programme. The Council therefore considers it highly important that Japan should:

- indicate when, to what extent and by what means a significant increase of manufactured goods and processed agricultural products imports into Japan can be expected; such an indication would increase Japan's credibility vis-à-vis its trading partners;
- take further steps, at an early date, to stimulate domestic demand effectively;
- avoid measures which would weaken the effect on the trade imbalance of the recent efforts to strengthen the yen and stimulate internal demand;
- speed up the liberalization of Japanese financial markets;
- and introduce the structural reforms of the economy needed so that the Japanese economy can become more integrated with the economies of its partners.

5. The Council strongly supports the Commission's intentions to:

- arrange with the Japanese Government regular and detailed joint monitoring of the implementation of the Japanese action programme and other market opening measures;
- keep up pressure on Japan for a greater and more effective liberalization against firm deadlines of Japanese markets (visible obstacles, non-tariff measures, standards and certification procedures and terms for investment in Japan) particularly in certain specific sectors such as the alcoholic beverages sector;
- keep constantly under review the redress available to the Community in GATT to combat unfair trade, including anti-dumping actions, and to study thoroughly the practical use of GATT Article XXIII.2;
- press the Japanese Government to mitigate the effects of the trade imbalance by increasing multilateral untied aid.

6. The Council affirms the necessity to re-establish a true balance of advantage between Japan and the Community, an objective already set out in its conclusions of 19 March 1985.

In particular, the Council:

- note that, in the context of the General Agreement on Tariffs and Trade, and in particular in the context of the new round of multilateral negotiations and its preparation, the present imbalance of real advantages between Japan and her partners will have to be dealt with. For Japan to be able to benefit from further concessions from the Community which would be substantially to her advantage will require a fundamental change in Japan's propensity to import manufactured and processed agricultural products;
- notes that the Presidency will take appropriate steps to see that discussions between the Member States and the Commission begin as soon as possible, in the light of discussions in the ECO/FIN Council, on the difficulties encountered by Community financial institutions on the Japanese market, in particular to provide a full range of financial services to European undertakings in order to identify common interests;

- also noted that the Presidency will arrange for an exchange of views at Community level on the subject of Japanese investments in Europe.

7. The Council is aware that in the interests of Japan and the Community, and of improving the balance of the world economic system, it is necessary to step up, expand and intensify relations between Japan and the Community in all possible areas. The Council took note of the Commission's proposals for strengthening the dialogue in a number of areas (science and technology, industrial co-operation, economic and financial policy, monetary questions and North-South issues, including the debt problem), and of the Commission's intention to present further proposals for examination in the relevant Community fora.
8. The Council generally welcomed the Commission recommendations aimed at stepping up Community efforts to increase its share of the Japanese market and mobilizing the resources needed for the purpose.

PRESS RELEASE

5631/86 (Presse 36)

1068th Council meeting

- Transport -

Brussels, 14 March 1986

President: Mrs N. SMIT-KROES
Minister for Transport
and Public Works
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 Herman de CROO Minister for Transport, Post and
Telecommunications

Denmark

Mr Niels WILHJELM Minister for Industry
Mr Arne MELCHIOR Minister for Public Works
Mr J.L. HALCK State Secretary,
Ministry of Public Works

Germany

Mr Werner DOLLINGER Federal Minister for Transport

Greece

Mr Stathis ALEXANDRIS Minister for Merchant Shipping
Mr Georges PAPADIMITRIOU Minister for Communications
and Transport

Spain

Mr Abel CABALLERO Minister for Communications
and Transport

France

Mr Guy LENGAGNE State Secretary attached to the
Minister for Town Planning, Housing
and Transport, with responsibility
for Maritime Affairs

Mr Charles JOSSELIN State Secretary attached to the
Minister for Town Planning, Housing
and Transport, with responsibility
for Transport

Ireland

Mr Ted NEALON Minister of State at the
Department of Communications

Italy

Mr Claudio SIGNORILE Minister for Transport

Luxembourg:

Mr Marcel SCHLECHTER

Minister for Transport

Netherlands:

Mrs N. SMIT-KROES

Minister for Transport and
Public Works

Portugal

Mr Oliveira MARTINS

Minister for Public Works, Transport
and Communications

United Kingdom:

Mr Nicholas RIDLEY

Secretary of State for Transport

For the Commission:

Mr Stanley CLINTON DAVIS

Member

Mr Peter SUTHERLAND

Member

SHIPPING

Pending the Opinion of the European Parliament, the Council made substantial progress on three of the four proposals submitted for discussion, viz. those concerning the application of rules of competition to shipping, co-ordinated actions to safeguard free access to cargoes in ocean trade and measures to be taken to combat unfair pricing practices; it instructed the Permanent Representatives Committee to finalize these Regulations.

As regards the application of the principle of the freedom to provide services to maritime transport, it was agreed to continue discussions within the Permanent Representatives Committee so that the Council could discuss this matter in detail at its next meeting on 6 May 1986 and take an overall decision on these four questions at that meeting.

AIR TRANSPORT

The Council discussed progress made in the area of air transport.

In conclusion, the Council agreed to instruct the Permanent Representatives Committee to prepare a consistent set of measures on fares, capacity and rules of competition introducing more flexibility in the air transport sector while taking account of the various suggestions and comments submitted by delegations and the Commission.

INTRA-COMMUNITY ROAD HAULAGE

The Council confirmed its unanimous agreement on the definitive arrangements for intra-Community road haulage to be applied by 1992 at the latest, viz. the creation of a free market without quantitative restrictions.

The Council took note of the suggestions submitted by the Presidency, the Commission and some delegations on the measures to be taken in the transitional period and the relevant tax harmonization measures to be taken.

The Council took note of the Commission's intention of submitting the appropriate proposals in due course.

WEIGHTS AND DIMENSIONS OF ROAD VEHICLES

The Council noted that at this juncture it was unable to reach unanimous agreement on specifying the weight of the driving axle of commercial vehicles. It therefore asked the Permanent Representatives Committee to continue to seek a solution in time for its next meeting on 6 May 1986.

MISCELLANEOUS DECISIONS

Trade policy

The Council adopted in the official languages of the Communities a Regulation on the conclusion of the Agrèement in the form of an exchange of letters between the European Economic Community and the Socialist Republic of Romania amending Annex II to the Protocol to the Agreement on trade in industrial products. This consists of a set of trade policy measures to encourage the development of trade between the Community and Romania.

The Council also adopted in the official languages of the Communities a Regulation and a Decision on protection against imports which are the subject of dumping between the Community of Ten and the new Member States or between the new Member States during the period throughout which the transitional measures laid down by the Act of Accession of Spain and Portugal apply.

Relations with EFTA countries

The representatives of the Governments of the Member States meeting within the Council adopted in the official languages of the Communities a decision opening tariff preferences in Greece for products covered by the ECSC Treaty and originating in Austria, Finland, Norway, Sweden and Switzerland.

Appointment

Acting on a proposal from the Greek Government, the Council appointed Mr N. PASCHOS as an alternate member of the European Social Fund Committee replacing Mrs V. STAVRIANOPOULOU, alternate member who has resigned, for the remainder of the latter's term of office, viz. until 11 December 1987.

PRESS RELEASE

5713/86 (Presse 39)

1069th meeting of the Council

- Internal Market -

Brussels, 18 March 1986

President: Mr W.F. van EEKELEN,
State Secretary,
Ministry of Foreign Affairs
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 Paul DE KEERSMAEKER

State Secretary for European
Affairs and Agriculture

Denmark:

Mr Nils WILHJELM

Minister for Industry

Germany:

Mr Otto SCHLECHT

State Secretary,
Federal Ministry of Economic
Affairs

Greece:

Mr Elias LYMBEROPOULOS

Deputy Permanent Representative

Spain:

Mr Luis Fernando CASANOVA

Secretary-General,
EEC State Secretariat

France:

Mr Claude MARTIN

Deputy Permanent Representative

Ireland:

Mr Edward COLLINS

Minister of State at the
Department of Commerce

Italy:

Mr Mario FIORET

State Secretary,
Ministry of Foreign Affairs

Luxembourg:

Mr Jean FEYDER

Deputy Permanent Representative

Netherlands:

Mr W.F. van EEKELEN

State Secretary,
Ministry of Foreign Affairs

Portugal:

Mr Luis ROMA de ALBUQUERQUE

Deputy Permanent Representative

United Kingdom:

Mr Alan CLARK

Minister for Trade

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Commission:

Lord COCKFIELD

Vice-President

TECHNICAL BARRIERS

- 2 Directives on tractors
- 2 Directives on construction plant and equipment (ROPS/FOPS)
- Directive on pressure gauges
- Directive on measuring instruments

The Council reached agreement in principle on the Directive relating to the rear-mounted roll-over protection structures of narrow-track tractors.

It also reached broad agreement on the Directive relating to power take-offs for tractors and on the Directives on construction plant and equipment (ROPS/FOPS), pressure gauges and measuring instruments.

The Council requested the Permanent Representatives Committee to deal with the final problems outstanding so that all six Directives could be formally adopted as "A" items at the next meeting.

Noise emitted by excavators

On the basis of a compromise from the Presidency, the Council continued its discussion of the proposal for a Directive on the limitation of noise emitted by hydraulic excavators, rope-operated excavators, dozers, loaders and excavator-loaders. It requested the Permanent Representatives Committee to complete the proceedings on the basis of the Presidency's compromise so that the Council could finally adopt the Directive.

NEW APPROACH TO TECHNICAL STANDARDIZATION AND HARMONIZATION:
PRESSURE VESSELS

The Council listened to an explanation by Lord COCKFIELD of the new proposal for a Directive on simple pressure vessels. This proposal is the first of a series of proposals implementing the new approach to standardization. The Council welcomed the new proposal and said it would like its subordinate bodies to examine it in detail as quickly as possible.

SIMPLIFICATION OF BORDER CONTROLS

The Council noted with approval the considerable progress made with the proposals on the first phase of the progressive abolition of controls and formalities applicable to nationals of the Member States when crossing intra-Community borders.

It instructed the Permanent Representatives Committee to continue examination of this matter in the light of the Council's exchange of views and report back as soon as possible.

COMMERCIAL AGENTS

The Council agreed to resume examination of the proposal for a Directive on commercial agents at one of its forthcoming meetings, since the United Kingdom delegation had indicated that it wanted to think about the problems facing it and possibly suggest solutions.

ABOLITION OF CERTAIN POSTAL CHARGES FOR CUSTOMS PRESENTATION

The Council continued examination of the proposal for a Regulation abolishing certain postal charges for customs presentation. It noted that the positions of certain delegations had become more flexible and agreed to resume examination of the proposal at a forthcoming meeting.

MISCELLANEOUS DECISIONS

Conclusions on the Commission communication containing a work
programme for creating a common information market

In the first place, the Council pointed out that

- at the meeting of the European Council on 29 and 30 March 1985
it was agreed that the achievement of a common information market
should be a specific and major goal of the Community;
- and the white paper on completion of the internal market had
the same end in view.

The Council noted with approval the Commission's intention
to set up an Advisory Group of senior officials.

The Council welcomed the Commission communication containing a
work programme for creating a common information market. Having
noted the advantages of the approach recommended in the communication,
it invited the Commission to draw up specific proposals in the
Advisory Group and to submit them to the Council thereafter.

Finally, the Council invited the Commission to place before it
a progress report on the basis of the work programme submitted.
The Council agreed to give an opinion on the matter by the end of 1986.

Approximation of laws

The Council adopted in the official languages of the Communities the Directive amending Directive 80/232/EEC on the approximation of the laws of the Member States relating to the ranges of nominal quantities and nominal capacities permitted for certain prepackaged products.

Fisheries

The Council adopted in the official languages of the Communities the Decision on the conclusion of an Agreement in the form of an exchange of letters concerning an interim extension of the Protocol annexed to the Agreement between the European Economic Community and the Government of the Republic of Guinea on fishing off the coast of Guinea for a period of six months from 8 February 1986.

PRESS RELEASE

5843/86 (Presse 41)

1070th meeting of the Council

- Energy -

Brussels, 20 March 1986

President: Mr G.M.V. VAN AARDENNE
Deputy Prime Minister
Minister for Economic Affairs
of the Kingdom of the Netherlands

Belgium:

State Secretary for Energy

Mr Jakob Esper LARSEN

Ambassador, Permanent Representative

Mr Martin BANGEMANN

Federal Minister for Economic
Affairs

Mr Lefteris VERYVAKIS

Minister for Energy

Mr Joan MAJÕ

Minister for Industry

Mr François SCHEER

Ambassador, Permanent Representative

Mr George BERMINGHAM

Minister of State,
Department of Foreign Affairs

Mr Pietro CALAMIA

Ambassador, Permanent Representative

Luxembourg:

Mr Johny LAHURE

State Secretary for Economic Affairs

Netherlands:

Mr G.M.V. VAN AARDENNE

Deputy Prime Minister,
Minister for Economic Affairs

Portugal:

Mr Luis M. PEGO TODO-BOM

State Secretary for Industry and
Energy

United Kingdom:

Mr Alick BUCHANAN-SMITH

Minister of State, Department
of Energy

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Commission:

Mr Nicolas MOSAR

Member

NEW COMMUNITY RULES FOR STATE AIDS TO THE COAL INDUSTRY

As part of the preparation of the assent required pursuant to the first paragraph of Article 95 of the ECSC Treaty, and in the light of the Opinion delivered by the European Parliament on 13 March 1986, the Council carried out a detailed examination of the problems arising regarding the defining of the new Community rules applicable to the aids Member States may grant to their coal industries.

Discussions were centred more particularly on the key question of the objectives to be adopted for the new rules, that of their duration, and on some problems of a more specific nature, on the basis of suggestions for a compromise submitted by the Presidency.

However, and despite noteworthy progress being achieved on some points, discussions did not enable the required unanimity to be reached within the Council at this stage. In conclusion, the Council instructed the Permanent Representatives Committee to expedite discussions at Committee level in the light of today's discussions, in order to enable the Council to take a decision on the new rules at its meeting on energy planned for June.

LIGNITE AND PEAT INDUSTRIES

The Council held an initial exchange of views on the second report from the Commission on the lignite and peat industries in the Community. This discussion enabled all delegations to give their assessment of this communication.

In conclusion, the Council instructed the Permanent Representatives Committee to carry out a more detailed analysis of this matter and to report back to it as soon as possible.

OIL MARKET SITUATION - COUNCIL CONCLUSIONS

The Council discussed the current situation in the oil market which has come about as a result of an oversupply of oil. Ministers noted that this would have beneficial effects on the economic outlook for the Community.

The reduction in the demand for oil in the EC since 1974 reflects the success of energy policy measures taken over the past decade. The Council noted however that current market weaknesses were likely to be temporary. The Council agreed therefore that long term energy policy goals should be maintained.

The Council agreed that the substantial fall in prices, over the past few weeks, should not have any significant detrimental short-term energy effects. There was therefore no reason to adopt new specific Community energy policy measures now. To improve its understanding of developments in the oil market, the Council stressed the need for better transparency in oil trade movements.

The Council also considered that, over the longer term, a sustained fall in oil prices could have significant effects on the energy restructuring performance of the Community.

The Council noted the importance of all industrialised countries adopting a consistent approach.

NEW ENERGY OBJECTIVES FOR 1995

The Council carried out a detailed examination of a draft Resolution concerning new Community energy policy objectives for 1995 and convergence of the policies of the Member States.

Discussions resulted in substantial progress being achieved on several important matters.

Following the discussion, the Council instructed the Permanent Representatives Committee to re-examine the questions still outstanding in order to enable it to adopt the Resolution at one of its forthcoming meetings.

NEW AND RENEWABLE ENERGY SOURCES

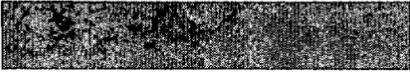
After listening to a presentation by Mr MOSAR, introducing the Commission's communication on a Community orientation to develop new and renewable energy sources, the Council had an exchange of views enabling delegations to express their initial reactions.

At the end of the discussion, the Council instructed the Permanent Representatives Committee to prepare this dossier so that the Council might consider it at its next meeting on energy matters.

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COUNCIL OF THE EUROPEAN COMMUNITIES
GENERAL SECRETARIAT



PRESS RELEASE

5897/86 (Presse 43)

1071st meeting of the Council

- Agriculture -

Brussels, 24 and 25 March 1986

President: Mr Gerrit BRAKS

Minister for Agriculture
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 Paul DE KEERSMAEKER

State Secretary for European
Affairs and Agriculture

Denmark:

Ms Britta SCHALL HOLBERG

Minister for Agriculture

Germany:

Mr Ignaz KIECHLE

Federal Minister for Food,
Agriculture and Forestry

Mr Walther FLORIAN

State Secretary, Federal Ministry
of Food, Agriculture and Forestry

Greece:

Mr Yiannis POTTAKIS

Minister for Agriculture

Spain:

Mr Carlos ROMERO HERRERA

Minister for Agriculture,
Fisheries and Food

France:

Mr François GUILLAUME

Minister for Agriculture

Ireland:

Mr Austin DEASY

Minister for Agriculture

Italy:

Mr Filippo Maria PANDOLFI

Minister for Agriculture

Luxembourg:

Mr Marc FISCHBACH

Minister for Agriculture and
Viticulture

Mr René STEICHEN

State Secretary,
Ministry of Agriculture and
Viticulture

Netherlands:

Mr Gerrit BRAKS

Minister for Agriculture

Portugal:

Alvaro BARRETO

Minister for Agriculture

United Kingdom:

Mr Michael JOPLING

Minister of Agriculture,
Fisheries and Food

Mr John GUMMER

Minister of State,
Ministry of Agriculture,
Fisheries and Food

Commission:

Mr Frans H.J.J. ANDRIESSEN

Vice-President

FIXING OF PRICES FOR AGRICULTURAL PRODUCTS AND CERTAIN RELATED MEASURES (1986/1987)

The Council continued its discussions on the fixing of agricultural prices and certain related measures for 1986/1987.

It first examined the financial aspects of these proposals and put the discussions in the context of the present budgetary discipline. As regards substantive problems, it gave particular attention to the proposals relating to the principal sectors such as the adjustment of the common organization of the markets in cereals and beef and veal and the definitive discontinuation of milk production. It also focussed its attention on certain other products, in particular olive oil, oilseeds, tobacco, fruit and vegetables.

The Council noted that further discussions were required and that definite progress was in any case impossible in the absence of an Opinion from the European Parliament. Under these circumstances, the Council agreed to resume its discussions at its next meeting on 21 and 22 April. In the meantime, it gave instructions to the Special Committee on Agriculture to make a detailed examination of the technical aspects arising in certain sectors. It also instructed a high-level Working Party to examine in particular the proposals on the accompanying socio-structural measures which the Commission is to submit in the near future.

Pending this, the Council decided to extend from 1 to 27 April the current marketing years for milk and beef and veal, which end on 31 March.

In connection with the extension of the marketing year in the beef and veal sector, the Council - on a proposal made by the Commission during the meeting - also adopted a favourable opinion on a corresponding extension of the slaughter premium system for certain beef cattle in the United Kingdom and of the calving premium in Ireland, Italy and Northern Ireland and the national additional premium in Italy.

It also expressed a favourable opinion on the extension of the aid arrangements for dried fodder.

The Council will adopt these decisions after receiving the European Parliament's Opinion on these three proposals.

GENERAL RULES FOR THE FINANCING OF INTERVENTIONS BY THE EAGGF,

ANNEX SECTION

Amendment of Regulation (EEC) No 1883/78)

The Council examined the Commission proposals to amend Regulation No 1883/78 as regards:

- the earlier down-valuing of stocks

- technical and financial storage costs.

The first amendment should permit the partial financing in 1986 of the programme for the additional disposal of old stocks of butter and of beef and veal.

At the close of its discussions the Council adopted the proposal enabling the Commission to down-value old stocks immediately.

The Council instructed the Permanent Representatives Committee to continue examining the proposal on technical and financial storage costs and to report back to it by its next meeting.

RELATIONS WITH THE ACP STATES - NEGOTIATIONS ON GUARANTEED SUGAR PRICES

The Council agreed to measures aimed at facilitating the conclusion of negotiations with the ACP States on guaranteed prices for preferential sugar for the 1985/1986 delivery period. These measures provide in particular for:

- an increase, from 1 April 1986 until 30 June 1986, in the intervention price for raw sugar of 1,3% in relation to the price obtaining during the 1984/1985 marketing year;
- the introduction by the Commission of the possibility for the refiners concerned to benefit from prefixed monetary compensatory amounts during the period referred to above;
- submission by the Commission to the Council of appropriate proposals on FOD sugar;
- a study by the Commission on various questions relating to processing margins for sugar in the Community.

SUGAR USED IN THE CHEMICAL INDUSTRY

The Council formally adopted, by a qualified majority, the Regulation on production refunds for certain products of the sugar sector used in the chemical industry. This refund, which is designed to encourage the use of quota sugar in the chemical industry and particularly biotechnology, is to be financed by sugar producers themselves in respect of any quantities in excess of traditional quantities (60 000 tonnes).

In order to ensure a harmonious development in the use of this basic product, provision has been made for the application of a system of production refunds. This system provides in particular for the price of sugar intended for the chemical industry to be fixed on the basis of both the price of glucose and an assessment of sugar prices on the world market, on the one hand, and the price of Community sugar, on the other.

For the 1986/1987 and 1987/1988 sugar years the price for sugar used in the chemical industry will be equal to the price for glucose.

Before the end of the 1989/1990 sugar year the Commission is to submit to the Council a report on the operation of these arrangements and appropriate proposals for their continuance.

STARCH PRODUCTS

The Council adopted by a majority a group of Regulations introducing new arrangements for production refunds on certain products made from Community cereal or potato starch. The grounds for the new system are that the Community starch-using industry, in particular the chemical industry, was experiencing difficulty in competing with similar production from non-member countries and was thus tending to set up outside the Community so as to take advantage of the more favourable world-market starch prices. The aim of the new system is therefore to enable such industries to obtain supplies within the Community on comparable terms to the world market.

The new system is to be phased in over two years, and is intended to cover only a limited number of products. The Commission may however make allowance for the marketing of new products and add other products to those covered by the new arrangements from the outset.

At the same time the present arrangements will be phased out over a 3-year period.

The premium for potato starch will be retained for 3 years and is set at 18,70 ECU/tonne.

The Commission is to report to the Council by 1 April 1989 on the operation of the new arrangements and the Council will then determine what measures are required in future.

OLIVE GROVES DAMAGED BY FROST

The Council adopted a favourable opinion on the common measure for replanting and converting olive groves damaged by frost in certain regions of the Community in 1985.

The measure has an estimated cost of 60 MECU to the EAGGF Guidance Section. The countries concerned are chiefly Italy and, to a lesser extent, France.

The rate of Community assistance is as follows:

- 30% for replanting;
- 50% for conversion.

The Regulation will be adopted once the Opinion of the European Parliament has been received.

IMPROVING THE EFFICIENCY OF AGRICULTURAL STRUCTURES

The Council considered carefully the proposal to introduce derogations from the general rules laid down in Regulation No 797/85 on improving the efficiency of agricultural structures, so that the measures provided for by that Regulation could be effectively applied in Portugal.

Following its discussions, the Council asked the Special Committee on Agriculture to examine the proposal further in a constructive manner on the basis of the positions worked out at this meeting.

BATTERY HENS

The Council adopted by a qualified majority the Directive laying down minimum standards for the protection of laying hens kept in battery cages.

As from 1 January 1988 all newly-built cages and cages brought into use for the first time will have to comply with certain requirements, in particular a minimum cage area of 450 cm². Other features will be required of cages, particularly as regards feed troughs, drinking facilities, height and floor covering.

As from 1 January 1995 the requirements will apply to all battery cages.

The Commission is to submit a report by 1 January 1993 on scientific developments concerning the welfare of hens kept under various systems, together with any appropriate proposals for adjustments.

MISCELLANEOUS DECISIONS

Other agricultural decisions

The Council adopted in the Communities' official languages the:

- Directive amending for the fourth time Directive 74/329/EEC on the approximation of the laws of the Member States relating to emulsifiers, stabilizers, thickeners and gelling agents for use in foodstuffs. The purpose is to amend the status of certain substances and to delete some others altogether;
- Regulation amending Regulation (EEC) No 1785/81 on the common organization of the markets in the sugar sector. See Press Release 11128/85 of 9 and 10 December 1985;
Regulation amending Regulation (EEC) No 1594/83 on the subsidy for oilseeds. The purpose is, in the light of experience, to clarify a number of points in the Community aid arrangements for oilseeds;
- Regulation amending Regulations (EEC) No 2358/71, No 2727/75 and No 950/68 in respect of seed. This makes allowance for the accession of Spain;
- Regulation amending for the ninth time Regulation (EEC) No 1837/80 on the common organization of the market in sheepmeat and goatmeat. The purpose is in particular to include in the Regulation the areas other than mountain areas in which the premium for goatmeat producers can be paid in Spain and Portugal to offset loss of income by such producers (See Press Releases 10430/85 of 18 and 19 November 1985 and 11128/85 of 9 and 10 December 1985).

Customs

The Council adopted in the official languages of the Communities the Decision accepting on behalf of the Community Annex F2 concerning processing of goods for home use to the International Convention on the Simplification and Harmonization of Customs Procedures.

Relations with Cyprus

The Council adopted in the official languages of the Communities the Regulation on a Community tariff quota for carrots originating in Cyprus (1986) (suspending the Common Customs Tariff duty at 6,8% from 1 April to 15 May for up to 2 500 t).

Appointment

On a proposal from the French Government, the Council appointed Mrs C. LEWINER a Member of the Advisory Committee of the Euratom Supply Agency in place of Mr F. MINNARD for the remainder of his term of office, which runs until 28 March 1987.

PRESS RELEASE

6071/86 (Presse 47)

1072nd meeting of the Council

- Research -

Luxembourg, 8 April 1986

President: Mr G.M.V. VAN AARDENNE,
Deputy Prime Minister,
Minister for Economic Affairs
of the Kingdom of the Netherlands

Belgium:

State Secretary for Science Policy

Minister for Education

Federal Minister for Research and
Technology

State Secretary for Industry,
Energy and Technology

State Secretary for the Universities
and Research

Minister attached to the Minister
for Education, with responsibility
for Research and Higher Education

Minister for Industry and Trade

Minister for the Co-ordination of
Scientific Research

Luxembourg:

Mr Fernand BODEN

Minister for Education

Netherlands:

Mr G.M.V. VAN AARDENNE

Deputy Prime Minister,
Minister for Economic Affairs

Portugal:

Mr Eduardo R. de ARANTES
E OLIVEIRA

State Secretary for Scientific
Research

United Kingdom:

Mr Geoffrey PATTIE

Minister of State for Industry
and Information Technology

Commission:

Mr Karl-Heinz NARJES

Vice-President

CONCILIATION WITH THE EUROPEAN PARLIAMENT ON THE R & D PROGRAMMES
ON MATERIALS (RAW MATERIALS AND ADVANCED MATERIALS - 1986-1989) AND IN
THE FIELD OF THE ENVIRONMENT (1986-1990)

In the course of this meeting, the Council met a delegation from the European Parliament for conciliation discussions on two draft Decisions concerning multiannual R & D programmes on materials and in the field of the environment.

The European Parliament delegation was led by Mr ALBER, Vice-President, and was composed of the following Members: Mr PONIATOWSKI, Chairman of the Committee on Energy, Research and Technology, Mr SELIGMAN, 3rd Deputy-Chairman of the Committee on Energy, Research and Technology, Mr ESTGEN, Rapporteur on the environment programme, Mr MALLET, Mrs LIZIN, Mrs BLOCH von BLOTTNITZ, Mr IPPOLITO and Mr FITZSIMONS, Members of the Committee on Energy, Mr METTEN, draftsman of the Opinion of the Committee on Economic Affairs, Mr D'ORMESSON, draftsman of the Opinion of the Committee on Budgets.

The meeting enabled comprehensive discussion to take place on the points on which the two institutions had differing opinions. On several points, such as the allocation of staff to the two programmes and the timetable for applying the review clause in each programme, the Council was able to accommodate the wishes of the European Parliament; this was not, however, the case with regard to the fundamental point, namely the appropriation for the two programmes.

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The Council, having agreed to both programmes in principle, envisages adopting them at a meeting in the near future after the texts have been finalized.

FRAMEWORK PROGRAMME 1987-1991

The Council held a broad exchange of views on the communication which the Commission sent it on 20 March concerning guidelines for a new Community framework programme of technological research and development for 1987 to 1991.

The discussion enabled the delegations to indicate their initial reactions to the Commission's communication and to explain their basic ideas regarding the future framework programme, including the question of its financing. This preliminary exchange of views covered in particular the following topics:

- the objectives, criteria and priorities of the framework programme;
- the Community context and the relationship between the framework programme and the Community's other main policies;
- the international context and the relationship with the COST and EUREKA activities.

After the discussion the Vice-President of the Commission, Mr NARJES, said that he would submit a working document taking account of the Ministers' comments and suggestions with a view to continuation of the policy debate at the Council meeting on 10 June. On this basis the Council instructed the Permanent Representatives Committee to prepare for its discussions on the subject in close co-operation with the Commission.

JOINT RESEARCH CENTRE

The Council held a policy debate on future developments at the JRC in the context of the development of the European Technological Community and more particularly in the context of the preparation of the new framework programme.

The Commission had sent the Council a communication containing the information which it had asked for at its meeting on 10 December 1985 to enable it to hold today's discussion.

The discussion dealt with the future role of the JRC and its current financial problems.

The Council will continue its discussion at its meeting on 10 June.

MID-TERM REVIEW OF THE ESPRIT PROGRAMME

The Council approved a Resolution on the mid-term review of the ESPRIT programme ⁽¹⁾:

"THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Decision (No 84/130/EEC) of 28 January 1984 concerning a European programme for research and development in information technologies (ESPRIT), and in particular Article 8 thereof ⁽²⁾:

Having regard to the Commission communication of 27 November 1985 concerning a review to assess the initial results of the ESPRIT programme, having noted the report of the independent high level body known as the ESPRIT Review Board, submitted to the Commission in the form of the mid-term review of ESPRIT;

- I. RE-EMPHASISES its commitment to the ESPRIT programme which, by means of a collaborative research and development effort, aims to meet the need for the constitution of a specifically European industrial potential in the field of information technology, and hence to combat the increasingly severe international competition in that field;
- II. WELCOMES the considerable progress already achieved in the area of transnational co-operation in the field of information technology;

⁽¹⁾ Unrevised text.

⁽²⁾ OJ No L 67, 9.3.1984, p. 54.

III. CONFIRMS the main objectives of the ESPRIT programme, which remain:

- to promote European industrial co-operation in pre-competitive research and development in the field of information technology,
- to provide the basic technologies required by the European information technology industry to ensure its competitiveness;
- to prepare the way for standardization work in the field of information technology;

IV. BELIEVES that the pursuit of these objectives and in particular the harmonization of norms and standards on a European scale will represent an invaluable contribution to the goal of establishing an internal market by 1992;

V. TAKES NOTE of the Commission's intention to submit to the Council by October 1986 at the latest a supplementary report taking account of developments since the presentation of the report of the Review Board;

VI. REQUESTS the Commission to ensure, in its implementation of the ESPRIT programme, that, in scope and flexibility, it continues to provide an effective response to the ever-increasing challenge in the information technology field;

VII. INVITES the Commission when submitting its proposals to this effect to take into account as fully as possible the specific recommendations set out in the Annex to this resolution.

SPECIFIC COUNCIL RECOMMENDATIONS ON THE
FUTURE OF THE ESPRIT PROGRAMME

The Council recommends that:

- whilst the pre-competitive nature of future research and development should be safeguarded, the potential industrial application and economic impact of its results should increasingly be emphasized;
- within the context of the technological objectives of the programme, and whilst seeking to reinforce its strategic character, closer attention should be paid to the specific requirements of SMEs and research institutes with a view to securing their greater involvement for the future, particularly by offering them further subcontracts;
- a concentration of efforts and resources should be sought by greater recourse to more ambitious projects but without detriment to achievements in the area of transnational co-operation;
- the structure and composition of consortia should be kept under review so as to ensure the optimum size of projects, and the optimum number and type of partners;
- the funding arrangements for the programme should be kept under review with a view to establishing the optimum contribution to be made by the Community to different types of organization and projects;
- the complementary nature of research and development at national and Community levels should be enhanced by improved co-operation and a better exchange of information between ESPRIT and similar programmes operating at national level;

- the Commission should ensure that the ESPRIT Management Committee has access to all relevant information enabling it to discharge its duty of assisting the Commission in the strategic management of the programme;
- the Commission should develop a comprehensive strategy for the dissemination of information and research results; procedures and mechanisms currently in force should be reviewed and where necessary overhauled, as their successful functioning is vital to the ultimate success of the programme;
- guidelines should be set defining the criteria and detailed arrangements for the access of organizations from EFTA countries to ESPRIT, it being understood that their participation in specific projects depends upon the agreement of the project partners;
- in the supplementary report which it intends submitting to the Council by October 1986, the Commission should make an assessment of the technical results of the programme achieved so far. This assessment should also cover the following areas:
 - the potential economic impact and industrial application of projects;
 - problems relating to the size and composition of consortia;
 - cost/benefit as a function of differing levels of financial support;
 - a comparison of the human resources involved in ESPRIT with the general resource situation in the Community;
 - particular problems relating to the participation of small and medium-sized undertakings (SMEs).

AMENDMENT OF THE CCT IN RESPECT OF CERTAIN ELECTRONIC PRODUCTS

The Council adopted a Regulation amending the CCT in respect of certain electronic products. The purpose of this decision is to bring into force the agreement reached with Japan in January 1986 concerning on the one hand the raising by the Community of customs duties on video-tape recorders from 8% to 14% and on the other hand the tariff reductions to be granted by the Community on other electronic products by way of compensation. This Regulation replaces the arrangements introduced unilaterally by the Community with effect from 1 January 1986, making a number of changes to them; it comes into force on 15 April.

MISCELLANEOUS DECISIONS

Trade questions and Customs Union

The Council adopted in the official languages of the Communities:

- Decisions

- = concerning the conclusion of an Agreement in the form of an Exchange of Letters between the European Economic Community and the Government of Canada relating to the claim by the European Economic Community for compensation arising from the extension of quotas on imports into Canada of women's and girls' footwear for the period 1 December 1985 to 30 November 1988;
- = authorizing extension or tacit renewal of certain trade agreements concluded between the Member States and third countries;

- Regulations

- = imposing a definitive anti-dumping duty on imports of certain electronic scales originating in Japan;
- = amending Regulation (EEC) No 1900/85 introducing Community export and import declaration forms.

Relations with the EFTA countries

The Council adopted in the official languages of the Communities, Regulations on the application of Decisions No 2/85 of the EEC-Switzerland/EEC-Austria Joint Committees - Community transit - on the Spanish and Portuguese texts of the Agreements between the EEC and the Swiss Confederation/the Republic of Austria on the application of the rules on Community transit, and amending the Appendices thereto.

Textiles

The Council formally approved a number of textile agreements with the following countries: Bulgaria, Egypt, Hong Kong, Indonesia, Yugoslavia, China, Macao, Malaysia, Pakistan, Poland, Romania, Sri Lanka, South Korea, Thailand and Czechoslovakia.

The conclusion of these agreements completes the series of agreements negotiated in 1982 which have since been implemented at Community level on the basis of implementing Regulations.

Relations with the ACP States and OCT

The Council adopted in the official languages of the Communities a Decision on the amounts owed by Kiribati, formerly one of the OCT, pursuant to Decision 76/568/EEC.

The Community's rights to repayment in respect of the reconstitution of the resources which Kiribati received for the 1975 and 1976 application years are waived. The amounts concerned total 1 898 630 ECU.

Environment

The Council adopted, in the official languages of the Communities, Directives:

- adapting, consequent upon the accession of Spain and Portugal, Directive 79/409/EEC on the conservation of wild birds;
- adapting, consequent upon the accession of Spain and Portugal, Directive 84/631/EEC on the supervision and control within the European Community of the transfrontier shipment of hazardous waste.

Appointments

The Council appointed:

- on a proposal from the British Independent Steel Producers Association, Mr I.J. BLAKEY a member of the ECSC Consultative Committee in place of Mr J.D. MOUNTFORD, member, who had resigned, for the remainder of his term of office, which runs until 17 February 1987;
- on a proposal from the National Coal Board, Sir K. COUZENS a member of the ECSC Consultative Committee in place of Mr M. SPANTON, member, who had resigned, for the remainder of his term of office, which runs until 17 February 1987.

On a proposal from the Luxembourg Government, the Council appointed Mr Pierre VANDERDONCKT an alternate member of the Advisory Committee on Safety, Hygiene and Health Protection at Work in place of Mr J. BERWEILER, alternate member, who had died, for the remainder of his term of office, which runs until 16 December 1988.

COUNCIL OF THE EUROPEAN COMMUNITIES
GENERAL SECRETARIAT

PRESS RELEASE

6205/86 (Presse 53)

1073rd meeting of the Council

- Development Co-operation -

Luxembourg, 17 April 1986

President: Mrs E.M. SCHOO

Minister for
Development Co-operation
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 André KEMPINAIRE	State Secretary, Development Co-operation
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Denmark:

Mr Knud-Erik TYGESEN	State Secretary, Ministry of Foreign Affairs
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Germany:

Mr Volkmar KOEHLER	State Secretary, Federal Ministry for Development Co-operation
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Greece:

Mr Constantinous LYBEROPOULOS	Ambassador, Permanent Representative
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Spain:

Mr Luis YANEZ	State Secretary, International Co-operation
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France:

Mr Michel AURILLAC	Minister for Co-operation
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Ireland:

Mr George BIRMINGHAM	Minister of State, Department of Foreign Affairs
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Italy:

Mr Mario FIORET	State Secretary, Ministry of Foreign Affairs
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Luxembourg:

Mr Robert GOEBBELS

State Secretary,
Ministry of Foreign Affairs and
Co-operation

Netherlands:

Mrs E.M. SCHOO

Minister for Development
Co-operation

Portugal:

Mr Jorge COSTA OLIVEIRA

President of the Institute for
Economic Co-operation

United Kingdom:

Mr Timothy RAISON

Minister for Overseas Development

o

o

o

Commission:

Mr Lorenzo NATALI

Vice-President

QUEST FOR FOOD SECURITY IN THE DEVELOPING COUNTRIES

Food aid policy and the conditions for applying it

In the context of the food security sought by the developing countries, the Council held a detailed discussion of the approach followed in recent years as regards Community policy on food aid and food aid management bearing in mind the necessary adjustment of such aid to development conditions and needs.

In the light of the discussion, the Commission stated that it would be submitting to the Council proposals for amending the framework Regulation on food aid and the Regulation on mobilization.

The aim of these proposals would be to make food aid an even more effective instrument of development aid and of support to the developing countries' quest for self-sufficiency in food and to better adapt such aid to the needs of recipient populations. Greater flexibility would be proposed as regards triangular operations. The proposals would also be directed towards more efficient management and would take into account the responsibilities of the various institutions under the Single Act.

The Council instructed the Permanent Representatives Committee to examine these proposals as soon as they were submitted, and to report back to it at its next meeting, on 11 November 1986.

17.IV.86

Food strategies

The Council took note of a Commission communication containing, in the field of the food strategies encouraged by the Community in the developing countries, an evaluation of the experiments carried out to date in some of their number, of the results achieved and the constraints and difficulties encountered, and outlining prospects for the future.

Following a general discussion, the Council adopted the following conclusions, which will serve as guidelines for further Community action both under the Lomé Convention and in the context of its actions in other developing countries:

"THE COUNCIL,

- recalling its conclusions of 6 November 1984 concerning the review of progress achieved in the support of the food strategies of four African countries;
- welcomes the communication by the Commission concerning an in-depth assessment of constraints and difficulties encountered and the analysis based on a comparison of the experience gained, particularly in Mali and Zambia;
- agrees to the broad outlines of this analysis and to the conclusions based thereon and stresses in particular the following considerations:
 1. Even though the environments, both political and material, in which the policy reforms were carried out were notably different, it has become evident that results were often very similar, in terms of both strengths and weaknesses.
 2. A notable strength of the food strategies experience is, so far, the progress achieved in the liberalization of food markets. A general weakness appeared in the lack of impact on smallholder productivity.

17.IV.86

Generally speaking, smallholder productivity should be improved to increase production, at prices which are at the same time profitable for the farmer without being prohibitive to consumers. In this context farmers' organizations have an important role to play.

3. A higher priority must be given to consumer and nutritional policies, which could result, inter alia, in:
 - increased demand for local products particularly in urban areas;
 - increased attention to the needs of vulnerable or disadvantaged groups;
 - nutritional programmes which are complementary to health and population needs.
4. Food strategies cannot be pursued successfully in isolation from broader policy reforms, e.g. exchange rate adjustment, improvements in land tenure and credit systems, more decentralized administration, marketing and processing, protection of natural resources.
5. The role of women in food production is to be more largely taken into consideration.
6. Food strategies have proven that in a number of cases they can lead to a better integration of food aid with other instruments for development co-operation such as technical and financial assistance, but this element should be further strengthened.
7. Food strategies can provide the framework for sectoral and even subsectoral policies. Within this systematic approach different priorities can be taken into account. Circumstances may differ across countries, for that reason the elements common to the concept of food strategies may be given different weight.
8. The elements stressed in the food strategy of Mali are:
 - longer-term mutual commitments such as multi-annual programming of food aid and restructuring of the cereals market;
 - multi-donor participation and co-ordination;
 - pooled food aid counterpart funds;
 - fight against drought and desertification.

17.IV.86

The question of the extension of some or all of the elements of this approach to other countries - adapted to their specific needs - should be examined.

9. The general experience in the four pilot countries has shown a significant increase in awareness of the urgency of reforms which has led to important policy shifts, notably in the fields of farmers' incentives, a better balance between private and public sectors, exchange rate adjustment and the preservation of natural resources. These trends need to be consolidated and intensified.
10. An essential aspect of food strategies is the reciprocal commitment to policy dialogue. This approach has already proven its use to all parties concerned in the ongoing Lomé III programming exercise and should be continued.

In this context the additional task of constant monitoring of progress achieved and difficulties encountered should be recognized alongside project identification and implementation.

The provision of adequate information of a statistical kind as well of a general nature - and its processing - need to be strengthened.

11. Efforts should also be made for better integration of food strategies in development programmes at a regional level.
12. Applied research in the agricultural field and extension services to farmers should normally be included in the food strategies process.
13. Assessment has shown that co-ordination among all donors and the governments of beneficiary countries, notably on the spot, has progressed.

However, further efforts remain desirable to increase intensity and effectiveness of this co-ordination both as regards the Community and its Member States as well as with other donors. Co-ordination should concern implementation as well as programming.

14. The assessment clearly indicates that the food strategy approach - which has been tested in four ACP countries - can now be considered suitable for a more general application.

The approach should be flexible so as to be adapted to the needs of these countries - ACP, Mediterranean and in Asia and Latin America - which desire to apply it, taking due account of the possibilities of both sides to support such a strategy in the specific circumstances."

Emergency food aid mechanism

The Council took note of a proposal from the Netherlands delegation that a suitable permanent mechanism be set up to ensure that emergency food aid could, where needed, be supplied without delay in addition to the normal programmes.

The Commission gave a reminder of the proposal which it had made at the European Council meeting in Milan that a permanent reserve be set up. Although this suggestion had been taken up for 1986 only, the Commission intended to submit the necessary proposals for 1987 under the budgetary procedure.

As a number of delegations felt that the issue should be looked at in greater detail before they could adopt substantive positions, the Council instructed the Permanent Representatives Committee to continue examining the matter and to report back to it in time for its November meeting.

STRUCTURAL ASPECTS OF DEVELOPMENT IN AFRICA

Rehabilitation and revival plan for the African countries most affected by the drought

The Milan European Council emphasized that it was vitally important that, in order to prevent a repetition of the famine situation, alongside emergency action there should be short and medium-term measures on the one hand and long-term measures on the other.

As regards short and medium-term measures, the Development Council of 4 November 1985 welcomed the rehabilitation and revival plan for the African countries most affected by the drought put forward by Mr NATALI, and approved the general guidelines for the plan, for which an amount of 108 MECU has been earmarked, in addition to aid from the Member States.

The Council heard a report from the Commission on progress in implementing the plan, which is already well under way and due to be completed by the end of 1986. It congratulated the Commission on the conditions under which the plan had been implemented, and, in particular, on the Commission's swift action.

Conservation of natural resources - countering desertification in Africa

The question of the conservation of natural resources and of countering desertification in Africa is a long-term issue, the importance of which was referred to by the Milan European Council, which placed particular emphasis on the need for European aid as a whole, whether Community or bilateral, to give priority to this

type of operation.

In the light of the above the Commission submitted a communication proposing a coherent overall policy, consisting of specific measures for the protection of natural resources and in the agricultural sphere and the implementation of suitable research policies and appropriate population policies and putting emphasis on the concentration of the means available at Community level (Lomé Convention, food aid, NGOs, southern Mediterranean countries) and on co-ordination between the Commission and the Member States as well as with other donors.

The Council expressed its appreciation of this significant communication, approving its analysis and general approach.

It decided to implement a long-term European Action Plan which would unite the resources of the Community and the Member States to counter desertification.

At the same time it emphasized, inter alia, the importance of close co-ordination of the actions of the Member States and of the Community, as well as of other providers of capital, and noted the Member States' favourable attitude on the matter.

At the end of the discussion the Council approved the following Resolution; which defines the broad lines to be followed in implementing the Plan:

"The Council:

- Bearing in mind the disastrous drought and famine which struck certain African countries in 1984/1985 and required a massive emergency effort by the international community to save millions of human lives,
- Recalling the plan to restore and revitalize the African countries most affected by drought, approved in broad outline at its meeting in November 1985, which is currently being implemented and is designed to bring about a resumption of rural economic activity in the countries concerned,
- Recalling that the Lomé III Convention pays special attention to drought and desertification control, for the first time devoting a special chapter to it, and that environmental concerns have also been recognized in the co-operation agreements between the Community and the southern Mediterranean countries,
- Considering that long-term measures must be taken to reduce the possibility of a repetition of catastrophes such as those which have occurred on several occasions since 1972 and to give some lasting effect to policies and programmes for rural development and food security,

- Considering the major efforts undertaken in recent years, particularly in providing aid for food strategies, which are now beginning to bear fruit,
- Recalling that the European Council in Milan in June 1985 considered it vital, in the light of the importance of present requirements in the field of environmental protection, in particular the battle against desertification in the developing countries, for all European aid, Community and bilateral, to give priority to that type of action and for donors to make long-term commitments and to organize their contributions coherently by setting up the appropriate co-ordination structure,
- Considering that such long-term measures can achieve their objectives only if they are integrated into the priorities of, and receive full support from, the countries and regions in which they are implemented,
- Aware of the scale and complexity of the problem of the deterioration of natural resources throughout the African continent,
- Aware, too, of the importance of taking the environmental dimension into account in all development measures and policies,

- Having taken note of the Commission communication entitled "Conservation of natural resources - Countering desertification in Africa" and approved the analysis it contains and the proposed general approach which involves mainly attempting to secure a better equilibrium between man and the environment,

AGREES to a long-term European Action Plan to counter desertification which will unite the resources of the Community and the Member States and the main points of which are as follows:

1. The Community and its Member States will give priority, in their respective co-operation programmes, to action to combat the deterioration of natural resources.
2. The campaign will involve both direct action (re-afforestation, measures to combat erosion, etc.) and indirect action (appropriate training and research, improvement of farming methods which will maintain soil fertility, promotion of a better equilibrium between populations and resources, rational use of energy resources, including firewood, etc.).
3. In this context, it is necessary to seek a strategy which draws largely on people: without their active participation, no measure has any chance of success. Men and women are largely responsible for creating the desert in their daily struggle to feed their families, but, by the same token, they are the most important agents in halting the process.

4. In the light of past experience, and in order to avoid measures being inadequate, piecemeal or too short, the Council emphasizes the importance of attaining a minimum intervention threshold. The effectiveness of this minimum threshold or "critical mass" depends on three considerations:

- the approach must be global and comprise a series of interdependent measures;
- a degree of geographical concentration is desirable, so that measures will have a lasting impact on the environment;
- the long-lasting nature of desertification requires that there be some continuity in the measures, so that the necessary long-term results can be attained.

To this end, it would be desirable in the initial phase for the various donors to set quantitative objectives within their present funding for financing projects directly related to nature conservation.

Obviously the use of such resources will be effective only if, as part of global, national and regional plans, it underpins the efforts of the partner countries to achieve the same objective.

It will probably prove necessary in due course, as implementation of the plan progresses, for donors to intensify their efforts.

5. The two sides will also have to introduce a series of administrative and procedural measures to ensure that environmental protection becomes an automatic response in development activity.

This response should mean that those responsible will bear in mind both the negative impact which various projects, particularly production projects, could have on the environment and other positive measures which should be undertaken to protect the natural heritage.

The Council therefore considers that efforts should be made by government authorities in the countries in question to involve local authorities more closely in the action being taken. These authorities should be encouraged to maintain and improve the dialogue with their people, so that they can act together to preserve natural resources and make rational use of them. This also requires greater administrative decentralization. Particular importance should attach to the participation of local and international non-governmental organizations and to action at regional level.

6. In view of the required scale of action the Community stresses the importance of intensive co-ordination between the recipient country, the donors and regional organizations active in the field in order to ensure maximum consistency and complementarity in existing and future programmes.

Such co-ordination involves increasing the consistency of the aid programmes of the Community and the Member States and prevailing upon them to give preference to that proportion of their aid which goes to the rural sector and particularly to environmental protection, alongside a similar effort by the recipient countries.

In this connection, the Council welcomes the Commission's intention of organizing regular meetings of members of the special units dealing with the problem in Member States' administrations and the Commission with a view to suggesting and organizing action in this sphere. It also considered that the Community, the Member States, the other donors and the international organizations should, whenever the need arises, take part in co-ordination operations - especially in the field - relating to measures to combat desertification."

PREPARATION FOR THE SPECIAL SESSION OF THE UNITED NATIONS GENERAL
ASSEMBLY ON THE CRITICAL ECONOMIC SITUATION IN AFRICA

The Council reaffirmed the major importance which the Community attached to a successful outcome to this special session, which will have the task of examining every aspect of the critical economic situation in Africa.

With a view to this session the Council, following a substantive discussion, adopted the outline of a common position which will act as a guide for the attitude of the representatives of the Community and its Member States in New York. It instructed the Permanent Representatives Committee to finalize certain specific points of this outline.

ROLE OF WOMEN IN DEVELOPMENT: IMPLEMENTATION OF POLICIES - EXPERIENCE
OF MEMBER STATES AND THE COMMISSION: CONCLUSIONS

THE COUNCIL

- Recalling its conclusions of 8 November 1982 and of November 1985
- Takes note of the papers presented by the Commission and several Member States, on the basis of which a useful exchange of views has taken place and decides to adopt the following conclusions with reference to important elements thereof:
 1. The importance of the United Nations forward-looking strategies must be underlined. These strategies contain specific suggestions relating to development co-operation, and in particular the recommendation that development institutions adopt explicit policies relating to women and development and put in place the management systems necessary to ensure the effective implementation and evaluation of these policies in the full range of their programmes and activities.
 2. In this context the Council notes the measures that the Commission has undertaken relating to project appraisal and the achievement of increased awareness and expertise amongst staff members and welcomes the further measures the Commission envisages relating to increasing the number of female experts, new seminars on women and development and closer contact with national authorities and other international development agencies.
 3. The Council notes also the measures taken by several Member States to implement policies which enable women better to participate in development actions which they support, in particular
 - the establishment of specialized administrative units which deal with project appraisal and try to raise general awareness and expertise concerning the participation of women in the development process.

Some Member States on the other hand have stressed that it is essential to consider the role of women as an integral part of the standard procedures for the preparation and appraisal of all projects and programmes.

- Measures concerning staffing both in the capital and in the field which strengthen the way the point of view of women can be taken into account.
 - Studies and evaluations concerning the impact of development actions on the status and the role of women as well as the establishment of guidelines to implement the lessons learned.
4. These specific measures, such as seminars and increased contacts with women's bureaus and organizations, should not be seen as isolated interventions, but are part and parcel of a long term strategy to integrate women into the development activities supported by the European Community and its Member States.
 5. Priority attention should be given to women's participation in sectors where their role has often been neglected in the past, such as agriculture and food production, processing, marketing and distribution, particularly in Africa where women have a vital contribution to make to master the critical food situation.
 6. The productive and useful exchange of views on policies relating to women and development should be continued. In this context the Council invites the Commission to convene, on a regular basis, a group of experts of the Member States and of the Commission. This group could particularly assist in the monitoring of the implementation of the policies and guidelines defined by the Council. The Council invites the Commission to report back at a later date on this implementation with a view to a renewed debate by the Council in due course.

PROMOTION OF DEVELOPING COUNTRIES' TRADE

The Council, which had emphasized the importance of the promotion of developing countries' trade in its previous conclusions, examined the matter in greater depth, on the basis in particular of detailed assessments. At the end of its examination it adopted the conclusions set out below, which include, within the framework of a coherent overall approach, guidelines for the action to be taken by the Community in its relations with the developing countries:

1. "Trade promotion" should be defined as the "development of trade in goods and services", including the possibility of taking action at various stages, from before the production stage and up to final distribution, in order to increase trade in products and certain services, such as tourism, and to study, with a view to possible support, systems of export financing.
2. To improve the developing countries' trade performance, donors should help these countries to draw up an overall trade promotion policy; it is of prime importance in trade to establish a link between the development of human skills, the development of products and the development of markets.
3. The developing countries should be strongly urged - through a dialogue if possible - to pursue an integrated policy in keeping with production potential and the export capacity of agriculture, industry, craft trades and services.

For each country or region which so requests the Community should support the efforts made by recipients of Community aid to draw up action programmes setting out objectives, control and evaluation criteria and procedures. Such programmes must take account of the recipient's specific needs and circumstances.

4. An approach based on specific objectives should be followed when adopting Community aid measures for trade promotion.

In the particular case of trade promotion aid granted to the least-developed countries, a set of co-ordinated measures should be applied making use of the various instruments at the Community's disposal.

5. When production projects financed by the Community are prepared and appraised, particular attention should always be given to those aspects relating to the marketing and distribution of goods and services.

From its conception, every programme or project for promoting trade in developing countries should allow for the possibility of practical evaluation at every stage in terms of quality and quantity.

6. The conception, preparation, appraisal, implementation and evaluation of the Community programmes must be improved and there should be co-ordination to ensure some degree of consistency in Community action and compatibility between programmes and measures adopted in the field of trade.

The Council recommends here that in an initial stage the Commission should inform Member States of the projects envisaged and that the Member States should do the same.

7. The Council recommends that the Commission should create a suitable forum, composed mainly of relevant organizations in the Member States, to facilitate the exchange of information, co-ordinate programmes, monitor action regularly (every six months, for example) and give general guidelines for trade promotion programmes.

Existing co-operation should be stepped up with the ITC (UNCTAD/GATT International Trade Centre in Geneva). Close co-operation is also desirable with organizations such as the WTO (World Tourism Organization in Madrid), the CFTC (Commonwealth Fund for Technical Co-operation) and other public or private institutions operating internationally in this area.

8. Encouragement should be given to operations to promote contact between economic operators whether in the private or public sector.
9. In consultation with the recipients, efforts should be concentrated on marketing in priority sectors such as agriculture, rural development and food production to ensure the viability of programmes based on production.
10. Regional meetings should be organized to promote action by the countries concerned and in particular the ACP States to bring about an increase in trade, including South-South trade. The Member States could make a major contribution to this effort by involving their trade experts and their representatives in the regions concerned.

17.IV.86

11. The Council hopes that, in agreement with the recipient countries, trade promotion will be an important factor in co-operation with the Maghreb and Mashrek countries.
12. The Community will endeavour to step up - in particular by a suitable appropriation, without prejudice to the budget procedure - its co-operation in the promotion of trade and services in the developing countries of Latin America and Asia and with their regional organizations. In view of the importance which it attaches to trade with those countries.

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Programming of Community aid in the ACP States under Lomé III

In Lomé III a new approach has been adopted to the programming of Community aid, with emphasis being placed on the following three aspects:

- concentration of aid on a small number of sectors, or even a single sector, so that Community aid is not too thinly spread;
- discussions between the Commission and each ACP State to identify the sector in which aid should be concentrated and to seek measures to be taken by each party to attain the objectives set;
- co-ordination between the Commission and the main providers of capital so that, with the active participation of the country concerned, the ideas and experience of the main providers of capital can be used to ensure that any action taken is coherent and complementary.

The Council heard a statement by Mr NATALI on the current survey of programming with the ACP States, which was nearing completion and had already enabled indicative programmes to be signed with a large number of ACP States.

It went on to adopt the following conclusions:

"Having taken note of the Commission's report on the provisional survey of the programming of Community aid in the ACP States,

THE COUNCIL:

- congratulates the Commission on the results already obtained with regard to programming and notes that the new approach adopted for it has generally yielded extremely satisfactory results;
- notes the coherence of the sectoral strategies which each State has asked the Community to support and the importance of the economic and administrative commitments given by those States to adopt or continue a process of reforms and adjustment;

- welcomes the fact that in accordance with the actual guidelines in the Convention most of the States concerned have chosen to concentrate Community aid on a sectoral strategy for rural development aimed at ensuring greater self-sufficiency or food security.
- also notes the demanding nature of the practical implementation, country-by-country, of such an approach, the success of which requires that the conditions set out in the following conclusions should be met;
- in this connection calls on the Commission to introduce arrangements to implement and monitor indicative programmes of Community aid that will ensure the consistent interlinking of the measures to which each ACP State has committed itself and the support which the Community can provide;
- emphasizes the need to make Community aid sufficiently flexible
 - = by making maximum use of the possibilities offered by the third Lomé Convention whereby the range of instruments available to the Community can be extended to measures of the "programme" or "sectoral import programme" type;
 - = by ensuring at all levels that, over and above its own particular merits, each measure is assessed more from the point of view of its contribution to the success of the sectoral policy being supported;

- recalls the important place which is given to regional co-operation in the programming of Community aid to the ACP States; in this connection it notes the fact that the process of regional programming has begun and welcomes the initial results of that process, especially as regards the application of the concepts of concentration and of dialogue on major topics of a truly regional nature;
- notes that the programming process undertaken in a large number of ACP States will very shortly be extended to all of them;
- stresses the great need to strengthen co-ordination within the Community (Commission and Member States) and with the other main donors in order to ensure that with due regard for the methods, powers, interests and duties of each party concerned there is a coherent link between the reforms undertaken by each State and support from donors;
- calls on the Commission to submit for its next meeting a final report on the programming of Community aid in the ACP States."

OTHER BUSINESS

The Community's relations with the countries of Latin America in the field of development co-operation

At the request of the Spanish delegation, which made a number of suggestions, including procedural ones, the Commission took stock of measures already taken and measures which it was considering for the future to implement the joint declaration of intent annexed to the Accession Treaty on the development and intensification of relations with the countries of Latin America. The Commission emphasized the importance which it attached to the development of relations with Latin America.

The Council noted the information given and instructed the Permanent Representatives Committee to examine the Spanish delegation's suggestions and the proposals promised by the Commission.

Problems of cotton in Africa

The Council noted a statement by the French delegation drawing its attention to the seriousness of the situation facing a number of African States following the sudden drop in cotton prices, and welcomed the meeting convened by the Commission to examine the situation and seek ways of dealing with it.

The Council shared the French delegation's concern.

Centre for Development Policy Management

The Council noted a statement by the Netherlands delegation on the setting up of a Centre for Development Policy Management in Maastricht to provide training in the field of the formulation and administration of development policy.

MISCELLANEOUS DECISIONS

Commercial policy and customs union

The Council adopted in the official languages of the Communities the Regulations:

- repealing the definitive countervailing duty on imports of certain seamless tubes of non-alloy steels originating in Spain;
- repealing the definitive countervailing duty on imports of tube and pipe fittings of malleable cast iron originating in Spain;
- amending Regulation (EEC) No 3673/85 in respect of the Community tariff quota for newsprint;
- temporarily suspending at 2% the autonomous Common Customs Tariff duty on 2-Methylpropan-2-ol (tert-butyl alcohol) with a purity of not less than 90% but not more than 96% by weight, falling within subheading ex 29.04 A III a) of the Common Customs Tariff;
- amending Regulation (EEC) No 754/76 on the customs treatment applicable to goods returned to the customs territory of the Community.

Fisheries

The Council adopted in the official languages of the Communities the Decision authorizing the extension, for the period from 2 May to 2 November 1986, of the sea fisheries Agreement between the Government of the Kingdom of Spain and the Government of the People's Republic of Angola.

Credit institutions

The Council adopted in the official languages of the Communities the Directive authorizing certain Member States to defer further application of Directive 77/780/EEC as regards certain credit institutions.

Transport

The Representatives of the Governments of the Member States of the ECSC, meeting within the Council, approved the texts of the Supplementary Protocols to the ECSC/Switzerland Agreement of 28 July 1956 and the ECSC/Austria Agreement of 26 July 1957 on the introduction of through international railway tariffs for the carriage of coal and steel.

Steel: external aspects (1986)

The Council gave its assent pursuant to Article 95 of the ECSC Treaty to the draft Commission Decision prohibiting the matching of Community prices with those granted to third countries.

The 1074th meeting was cancelled.

PRESS RELEASE

6317/86 (Presse 57)

1075th meeting of the Council

- Foreign Affairs -

Luxembourg, 21 and 22 April 1986

President: Mr. H. VAN DEN BROEK
Minister for Foreign Affairs
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 Paul DE KEERSMAEKER

State Secretary for European Affairs
and Agriculture

Denmark:

Mr Uffe ELLEMANN-JENSEN

Minister for Foreign Affairs

Mr Knud-Erik TYGESEN

State Secretary,
Ministry for Foreign Affairs

Germany:

Mr Lutz STAVENHAGEN

Minister of State,
Federal Ministry of Foreign Affairs

Greece:

Mr Théodoros PANGALOS

Deputy Minister for Foreign Affairs

Spain:

Mr Pedro SOLBES

State Secretary for Relations with
the European Communities

France:

Mr Jean-Bernard RAIMOND

Minister for Foreign Affairs

Mr Michel NOIR

Minister attached to the Minister
for Economic Affairs, Finance and
Privatization, with responsibility
for External Trade

Ireland:

Mr George BERMINGHAM

Minister of State for Foreign
Affairs

Italy:

Mr Mario FIORET

State Secretary,
Ministry for Foreign Affairs

Luxembourg:

Mr Jacques POOS

Minister for Foreign Affairs

Mr Robert GOEBBELS

State Secretary for Foreign Affairs

Netherlands:

Mr H. VAN DEN BROEK

Minister for Foreign Affairs

Mr W.F. VAN EEKELEN

State Secretary for Foreign Affairs

Mr F. BOLKESTEIN

Minister for External Trade

Portugal:

Mr Pedro PIRES DE MIRANDA

Minister for Foreign Affairs

Mr Vitor MARTINS

State Secretary for European
Integration

United Kingdom:

Sir Geoffrey HOWE

Secretary of State for Foreign and
Commonwealth Affairs

Mrs Lynda CHALKER

Minister of State, Foreign and
Commonwealth Office

o

o

o

Commission:

Mr Jacques DELORS

President

Mr Henning CHRISTOPHERSEN

Vice-President

Mr Claude CHEYSSON

Member

Mr Willy DE CLERCQ

Member

Mr Carlo RIPA DI MEANA

Member

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RELATIONS WITH THE ACP STATES

The Council finalized the Community position for the 11th meeting of the ACP-EEC Council of Ministers which is to take place in Bridgetown, Barbados, on 24 and 25 April 1986.

WESTERN ECONOMIC SUMMIT IN TOKYO

The Council conducted an exchange of views on preparations for the forthcoming western economic summit in Tokyo.

RELATIONS WITH TURKEY

The Council continued its examination of relations between the Community and Turkey. It agreed to resume this examination at its meeting in May.

21/22.IV.86

EEC-UNITED STATES RELATIONS

The Council heard a report from the Commission on the latest discussions with the Americans relating to United States concerns on Community enlargement.

The Council reconfirmed the Community's willingness to resolve this dispute without confrontation and in accordance with the GATT rules. For its part the Community today approved the negotiating directives for the Commission in the context of Article XXIV.6. The Council urges the United States to enter into these negotiations as soon as possible.

The Council noted with regret that the United States authorities plan to introduce unilateral measures against trade with the Communities in response to certain provisions of the Treaty of Accession concluded with Spain and Portugal. It would point out that the United States will derive major benefits from this enlargement.

The Council considers that any such measures by the United States would be economically unjustified. Moreover, in taking such action, the United States would be proceeding illegally, on a unilateral basis outside GATT rules, and would oblige the Community to take equivalent action to defend its interests. To this effect, preparatory work should be actively pursued.

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COMMUNITY BUDGET AND THE COMMUNITY'S OWN RESOURCES

The Council held an exchange of views on the difficulties facing the Community in 1986 and 1987 as regards available own resources on the one hand and the financing of requirements, including in particular the structural funds and new Community policies, on the other.

It took note of the intention of the Council (ECOFIN) to lay down the terms of reference for 1987 at the meeting on 28 April 1986 and of the intention of the Commission to submit a preliminary draft supplementary and amending budget for 1986 during the month of May.

The Presidency intended to return to the budgetary questions within the framework of the Council (General Affairs).

ACCESSION OF THE COMMUNITIES TO THE EUROPEAN CONVENTION ON HUMAN RIGHTS

The Council discussed whether the Community should accede to the European Convention on Human Rights as suggested by the Commission in its memorandum of May 1979. Following this exchange of views the Presidency agreed to reflect on the action to be taken on this dossier in the light of the various arguments put forward.

PEOPLE'S EUROPE

The Council took stock of progress on the dossiers relating to a People's Europe. It also took note of the intention of the Presidency to submit a document on the matter to the Council (General Affairs) at its meeting in June with a view to reporting to the European Council.

In the meantime the Council has instructed the Permanent Representatives Committee to conclude the examination of all the dossiers relating to a People's Europe.

MEDITERRANEAN POLICY OF THE ENLARGED COMMUNITY

To enable the Commission to conclude negotiations with Mediterranean third countries on the trade aspects, the Presidency submitted a compromise suggestion to the Council.

The Council held a detailed debate on this basis during which it pointed out that the mandate it had entrusted to the Commission on 25 November 1985 had been a comprehensive one containing a chapter on financial and technical co-operation in respect of which the Commission had confirmed that it would submit appropriate proposals within the next few weeks.

The suggestion by the Presidency met with a broadly favourable reception. As particular problems had been raised during the debate the Council took note of the intention of the Commission to submit proposals thereon to the Council. It requested the Permanent Representatives Committee actively to continue its examination of the matter and agreed to re-enter the item on the agenda for its next meeting in May.

MANIOC

The Council conducted an exchange of views on the renewal of the co-operation agreement with Thailand.

Winding up this exchange of views the Presidency noted that there was a sufficient majority in favour of renewal of this agreement and stated its intention of entering the item on the agenda of a forthcoming Council meeting for formal approval.

MISCELLANEOUS DECISIONS

Customs union

The Council adopted in the official languages of the Communities the Regulations amending, as a result of the accession of Spain,

- Regulations (EEC) No 3130/85, No 3131/85 and No 3808/85 concerning Community tariff quotas for certain products falling within Chapter 27, heading No 55.09 and subheading 06.02 A II respectively of the Common Customs Tariff originating in Spain or the Canary Islands;
- Regulations (EEC) No 1520/85, No 1521/85 and No 1522/85 in respect of Community tariff quotas for certain wines originating in Spain.

Relations with Cyprus

The Council adopted in the official languages of the Communities the Regulations:

- opening, allocating and providing for the administration of a Community tariff quota for fresh table grapes falling within subheading ex 08.04 A I of the Common Customs Tariff, originating in Cyprus (1986);
- opening, allocating and providing for the administration of a Community tariff quota for new potatoes falling within subheading 07.01 A II b) of the Common Customs Tariff, originating in Cyprus (1986).

Relations with Pakistan

The Council adopted in the official languages of the Communities the Council Regulation on the conclusion of an agreement for commercial, economic and development co-operation between the European Economic Community and the Islamic Republic of Pakistan.

21/22.IV.86

Consumer protection

The Council adopted the Decision concerning a Community system of information on accidents involving consumer products.

This Decision is intended to set up a demonstration project for a five-year period beginning on 1 December 1985 as the basis for a proposed subsequent system.

Its chief objective is the collection of data, particularly from selected hospitals in the Member States, on accidents involving consumer products (apart from road traffic accidents and those occurring at the workplace) in order to help prevent such accidents, improve product safety and inform and educate the consumer. The project follows the pilot experiment in this sphere which was concluded on 30 June 1984.

The amount considered necessary for Community participation in the execution of the project for the first three years is 7 million ECU.

Agriculture

The Council adopted in the official languages of the Communities the Directive amending, on account of the accession of Spain and Portugal, certain Directives concerning the marketing of seeds and plants.

21/22.IV.86

Appointments

The Council, acting upon a proposal from the Danish Government, appointed Mrs M. HURUP GROVE a member and Mr John SKONBERG an alternate member of the Advisory Committee on Vocational Training to replace respectively Mr P. KRISTIANSEN, member who has resigned, and Mrs M. HURUP GROVE, alternate member who has resigned, for the remainder of their term of office, which runs until 14 July 1987.

The Council, acting on a proposal from the Luxembourg Government, also appointed Mr Léon WELTER a member of the Advisory Committee on Freedom of Movement for Workers to replace Mr R. DAUBENFELD, who has died, for the remainder of the latter's term of office, which runs until 6 October 1987.

Lastly the Council adopted in the official languages of the Communities the Decision appointing the following Portuguese members to the Economic and Social Committee for the period from the date of adoption of this Decision until 20 September 1986:

Neto da Silva, António (Confederação da Indústria Portuguesa - CIP)

Rolão Gonçalves, Rui Herlander (Confederação do Comércio Português
- CCP)

Sá Coutinho de Lencastre, Manuel Maria (Associação dos Hotéis de
Portugal)

Gomes Proença, João António (União Geral de Trabalhadores - UGT)

Araújo Santos, Manuel António (União Geral dos Trabalhadores - UGT)

Bensabat Ferraz da Silva, Augusto Gil (Confederação Geral dos
Trabalhadores Portugueses -
- INTERSINDICAL - CGTP-IN)

Lobo Brandão R. Cal, Vasco Manuel (Confederação Geral dos Trabalha-
dores Portugueses - INTERSINDI-
CAL - CGTP-IN)

Rosado Fernandes, Raúl (Confederação da Agricultura Portuguesa -
- CAP)

Bento Gonçalves, José (Confederação Nacional das Cooperativas
Agrícolas de Portugal CCRL - CONFAGRI)

Costa, Carlos (Administração do Porto do Douro e Leixões e Perito
em Transportes) / Transportes

Alves Conde, Artur (Associação Portuguesa dos Economistas - APE)
Prof. Liberais

Estevão, Manuel Lucas (Consumidores - Instituto Nacional de Defesa
do Consumidor)

COUNCIL OF THE EUROPEAN COMMUNITIES
GENERAL SECRETARIAT

PRESS RELEASE

6318/86 (Presse 58)

1076th meeting of the Council

- Agriculture -

Luxembourg, 21, 22, 23, 24 and 25 April 1986

President: Mr Gerrit BRAKS
Minister for Agriculture
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 Paul DE KEERSMAEKER

State Secretary for European
Affairs and Agriculture

Denmark:

Ms Britta SCHALL HOLBERG

Minister for Agriculture

Germany:

Mr Ignaz KIECHLE

Federal Minister for Food,
Agriculture and Forestry

Mr Walther FLORIAN

State Secretary, Federal Ministry
of Food, Agriculture and Forestry

Greece:

Mr Yiannis POTTAKIS

Minister for Agriculture

Spain:

Mr Carlos ROMERO HERRERA

Minister for Agriculture,
Fisheries and Food

France:

Mr François GUILLAUME

Minister for Agriculture

Ireland:

Mr Austin DEASY

Minister for Agriculture

Italy:

Mr Filippo Maria PANDOLFI Minister for Agriculture

Luxembourg:

Mr Marc FISCHBACH Minister for Agriculture and
Viticulture

Mr René STEICHEN State Secretary,
Ministry of Agriculture and
Viticulture

Netherlands:

Mr Gerrit BRAKS Minister for Agriculture

Portugal:

Mr Alvaro BARRETO Minister for Agriculture

United Kingdom:

Mr Michael JOPLING Minister of Agriculture,
Fisheries and Food

Mr John GUMMER Minister of State,
Ministry of Agriculture,
Fisheries and Food

Commission:

Mr Frans H.J.J. ANDRIESSEN Vice-President

FIXING OF AGRICULTURAL PRICES FOR 1986/1987

Following long discussion on the fixing of agricultural prices for 1986/1987, the adjustments to be made to the common organization of the markets in cereals and beef and veal and compensation for the abandonment of milk production, the Cil/ reached political agreement, by a very large majority, on the following conclusions, which constitute changes (approved by the Com/) to the original Com/ props/ :

CEREALS

1. Co-responsibility levy - see Annex I

2. Quality:

- (a) The Commission states its intention of fixing the maximum moisture content on intervention within the 14% to 15% bracket. For the 1986/1987 marketing year it will authorize a maximum rate of 15% for a Member State at its request. From the 1987/1988 marketing year it will authorize a 15% maximum rate only on the basis of a Member State's request justified by unfavourable climatic conditions.
- (b) Wheat: Commission proposals maintained.
A special 2% premium on the intervention price for common wheat of breadmaking quality is introduced for common wheat of breadmaking quality which meets the following additional quality criteria:
 - protein content: 14%
 - Zeleny index: 35
 - Hagberg: 240
- (c) Barley: the intervention price to be reduced to the level of the price for feed wheat (-5%), with the quality standard for specific weight remaining at the current level and present penalties for lower specific weight being maintained.
- (d) Feed rye and sorghum: intervention price as for barley.
- (e) The intervention price for rye of breadmaking quality is equal to the intervention price for common wheat of breadmaking quality (criterion equal to former criterion).

3. Intervention: this will commence throughout the Community (with harmonized periods of payment) from 1 October and end on 30 April. Intervention will be available one month earlier with an extended payment period and 2 months earlier in Spain, Portugal, Italy and Greece (for cereals produced in those four countries).

However, as a transitional measure for Spain for the 1986/1987 marketing year, the previous system of advance intervention will apply for July and August.

4. Maize and sorghum: instead of basing the threshold price - applicable until 30 September on the May level, use the March level.
For July, August and September 1986 the threshold price for maize and sorghum is that for March 1986.
5. The adjustment provided for in the fourth subparagraph of Article 16(4) of Regulation No 2727/75 (export of malt) covers the first three months of the marketing year.
6. Durum wheat: the intervention price is reduced by 4,0% (instead of 4,44%). The aid for durum wheat is increased to 113,79 ECU/ha in the "10" (instead of 108,04). For Spain the aid is increased to 16,26 ECU/ha (instead of 15,46). In Spain the provinces of Badajoz and Saragossa will be added to the list of regions in which the aid is payable. Availability of aid in mountain and less-favoured areas to be discussed in the context of socio-structural proposals, with the aim of avoiding discrimination against Spain and Portugal by comparison with Italy and Greece. The Commission is to undertake an urgent study of quality criteria. In view of the fluidity problems on the durum wheat market the Commission undertakes to study this problem, in particular from the point of view of a financial contribution to transport costs if such a contribution could reduce the amounts sent into intervention.
7. The minimum price for potatoes intended for starch production remains unchanged.

B. OILSEEDS AND PROTEIN SEEDS

1. The Commission proposal must be changed so as to limit the penalty for production above the level of the maximum guaranteed quantity to 5% of the target price, and so as to correct the penalty in the following year by an adjustment to the maximum guaranteed quantity.
2. Before the end of the 1986/1987 marketing year, the Commission will submit to the Council a report on the operation and efficiency of the system of maximum guaranteed quantities, incorporating its reflections on the major elements of its future proposals involving the adjustment of the "acquis communautaire" in the vegetable oils and fats sector, in accordance with the joint declaration annexed to the Act of Accession of Spain and Portugal to the European Communities.
3. In anticipation of the proposals relating to the specific maximum guaranteed quantities for oilseeds produced in Portugal which it will be making for the 1987/1988 to 1990/1991 marketing years, the Commission will, from the criteria set out in Article 294 of the Act of Accession of Spain and Portugal, adopt the estimates used in fixing the guarantee threshold for the 1986/1987 marketing year.
4. Peas and field beans.

The Commission reaffirms its wish to see an improvement in the monthly increases and states its intention of continuing to study the problem. It will submit proposals as soon as circumstances permit.

C. COTTON

The Commission undertakes to accelerate the presentation of a report on the régime, which will include proposals on the level of the maximum guaranteed quantity.

D. WINE

1. The Commission proposals on replanting rights must be decided upon before 31 December 1986 in the light of discussion on the socio-structural proposals.
2. At the request of some producer Member States, short-term private storage aid for wine and must may be granted and charged to the States concerned.

E. FRUIT AND VEGETABLES

1. The effective reduction in the withdrawal prices for peaches will be 7,5% (instead of 10%), for apricots 4% (instead of 5%), and for tomatoes 7,5% (instead of 5%), with the corresponding brackets adjusted accordingly.
2. In this case, the Commission gives an undertaking that the reduction in the minimum price to be paid by the industry for tomatoes for processing will be less than the reduction in the withdrawal price to apply to fresh consumables.

F. TOBACCO

(See Annex 2.)

G. MILK PRODUCTS

1. The fat/protein ratio currently applying (48,22:51,78) remains unchanged. In order to facilitate the disposal of public butter stocks the value of these stocks will be depreciated by an amount corresponding to the financial effects of the non-reduction in the intervention price for butter.
2. In order to facilitate a reduction in milk production, a voluntary Community buying-in scheme will be introduced as from 1 May 1986. Member States will be authorized to pay compensation, chargeable to the EAGGF, of a maximum amount of 4 ECU per 100 kg for 7 years, to enable the reduction objective referred to in paragraph 3 to be achieved in optimum fashion.
3. Milk quotas will be reduced by 3% over 3 years. To that end the guaranteed overall quantities are reduced by 2% with effect from 1 April 1987, and by a further 1% as from 1 April 1988.
4. To the extent that the objectives indicated in point 3 can be achieved by buying-in at a level of compensation lower than in point 2, any remaining EAGGF funds available may be used by Member States for restructuring; the same shall apply where buying-in with a payment of 4 ECU per 100 kg does not make it possible to achieve the objectives indicated in point 3.
5. Member States may add to the level of compensation from national funds in accordance with objective criteria laid down by the Council on a proposal from the Commission, so that the buying-in scheme may be adapted to local conditions. The level of "topping-up" may be varied from region to region within Member States to take account of different local conditions.

6. Member States may continue with their national quota purchase systems pending reallocation (Article 4(1)(a) of Regulation (EEC) No 857/84).
7. In connection with the application of points 4 and 6, Member States may agree to requests not involving the total abandonment of milk production (partial discontinuation) in cases where the applicant holds a large reference quantity and the request relates to at least 50% of the total quantity. The implementing arrangements will be defined by the Commission in accordance with the Management Committee procedure.
8. It will be left to Member States to decide whether or not to collect an advance on the levy after the first six months of each twelve-month period.
9. Regional compensation will be extended for the third twelve-month period.
10. The Commission states that the option of setting refunds by tendering procedure for certain milk products exported in bulk (butter, butteroil, skimmed-milk powder) will be used only in the case of contracts for relatively large quantities.
11. The Council notes the Commission's intention of amending the arrangements for the implementation of Regulation (EEC) No 355/77 so as to permit the financing of investment in the milk sector for projects not involving intervention products and not designed to increase production capacity.

H. BEEF AND VEAL

1. The Commission reform proposals are to be subject to further examination by the Council with a view to decisions being taken before 31 December 1986.
2. The Commission declares its readiness to study the relationship between the purchase prices for young bovine animals and oxen.
3. The Commission proposal to amend Article 3(1) of the beef and veal regulations is supplemented by the insertion of CCT subheading 02.01 A II a) 1.
4. Premiums
 - the slaughter premium for certain bovine animals and the calving premium remain unchanged;
 - the premium additional to the premium for maintaining suckler herds granted in Ireland and Northern Ireland remains unchanged;
 - the Council will take a decision on the future of these premium arrangements at the same time as it takes the decisions referred to in paragraph 1.

I. SHEEPMEAT

1. The question of the regrouping of regions will be examined in the context of the Commission's report on the régime for (1988) and no changes will be made until then. In the same report the Commission will discuss the desirability of adjusting the unit amount of the premium - calculated for region 2 in accordance with Article 5 of the basic Regulation - on the basis of the marketing period for lambs of eligible ewes, in order to take account of seasonal variations in production costs. In the meantime, a separate calculation will be made for the ewe premium in region 7, but producers in that region will receive a premium of half the difference between the level calculated for region 7 and that paid in region 1 under the conditions provided for in Article 5(5) of the basic Regulation (No 1837/80), when the latter is higher. These amounts will apply to the payment of the premium for the marketing years 1987 and 1988.
2. There will be no maximum limit on the number of animals per producer eligible for the ewe premium.

J. SUGAR

The intervention price for raw sugar decided on by the Council on 4 April 1986 is adopted for the 1986/1987 marketing year.

K. STATEMENT ON SOCIO-STRUCTURAL MEASURES

The Council welcomes the submission by the Commission of its proposals concerning socio-structural measures, which are a follow-up to the Green Paper and constitute an indispensable complement to the prices package and related measures.

The Council agrees to act on these proposals by 1 August 1986.

The Commission states its intention of submitting as soon as possible a proposal on the less-favoured agricultural regions in the Federal Republic of Germany based on the data supplied by the Federal Government to the Commission. The Council will decide on this proposal by 31 May 1986.

L. INTER-TRADE ("INTERPROFESSION")

The Council noted a statement by the Commission announcing its intention of submitting a report accompanied by proposals on the creation of a Community inter-trade framework.

AGRI-MONETARY

Using the same presentation as the Presidency's document of 24 April 1986, the results of the green rate devaluations for the various Member States are as follows, expressed as MCA percentage points:

	Animal products	Plant products
France, United Kingdom and Ireland	3	1,5
Italy	5	5 (except cereals and oilseeds 4)
Greece	17,6	17,6
Belgium, Luxembourg, Spain and Portugal	1,98	1
Denmark	1,98	1,5

The new green rates will apply at the beginning of each marketing year in accordance with the schedule of Commission proposals already submitted.

PORK/EGGS AND POULTRY MCAs

As regards the negative MCAs created following the currency realignment of 4 April 1986, the Council, acting on a Commission proposal and on the basis of Article 103 of the Treaty, and also taking into account the short-term economic conditions resulting from the abovementioned currency movements and the need to amend the agri-monetary arrangements applicable to cereal-based animal products (pork/eggs and poultry), will decide to suspend the application of the negative MCAs concerned until 1 June 1986. It requests the Commission to submit as soon as possible a proposal for amending the existing arrangements so that the amended arrangements may enter into force following that date.

Sheepmeat MCAs

The new green rate applicable in the sheepmeat sector will enter into force immediately.

ANNEX I

1. As from the 1986/1987 marketing year, a co-responsibility levy will be applied to producers in the cereals sector.
The Commission will ensure that the levy system does not create any distortion with competing products.
2. The purpose of the levy is on the one hand to develop Community outlets and on the other hand to give producers an indication of the nature of the market situation. The Commission will discuss with the industry how the proceeds of the levy are to be used.
3. The Council, acting on a proposal from the Commission, will fix the amount of the levy each year. The levy may not exceed the amount necessary to finance Community cereal production as defined in the Commission proposal.
4. The co-responsibility levy will be collected at the time of:
 - first processing;
 - intervention buying;
 - export in the form of seed.It will be passed on to the producer.

Implementing rules, and in particular rules for exempting imported cereals which are processed or re-exported, will be adopted by the Commission in accordance with the Management Committee procedure.

5. In the case of small cereals producers, a system of direct aid will be introduced, the total amount of which may not exceed a sum equal to the co-responsibility levy collected on up to 25 tonnes of their deliveries.

Member States experiencing particular administrative and technical difficulties in applying the rules for small producers may be authorized, under conditions to be determined by the Commission in accordance with the Management Committee procedure and for the first marketing year only, to apply the aid in the form of compensation for the levy payable by them.

For the 1986/1987 marketing year, the total amount of such aid is estimated at 120 MECU. This amount will be reduced by the effect of the temporary exemption described above.

The Council, acting by a qualified majority on a proposal from the Commission, will adopt the general rules for such aid.

On the basis of objective criteria the Commission will determine the rules for implementing the aid, in particular as regards its allocation, applying the Management Committee procedure.

6. In Article 7 of the proposal for a Regulation laying down general rules for the application of the co-responsibility levy, the phrase "and the administrative penalties incurred where the provisions of this Regulation are not complied with" is deleted.
7. The arrangements are introduced for a period of five marketing years. After the second of those years the Commission will submit a report to the Council on the operation of the system.

TOBACCO

1. SPAIN AND PORTUGAL

- The norm prices for Spanish and Portuguese varieties will be adjusted having regard to the new elements taken into consideration during the discussions within the Working Party of Experts and the SCA.
- On the basis of the "flat-rate component" of Article 4 of the basic Regulation governing the raw tobacco sector, the amount of the premiums initially proposed by the Commission for Spanish and Portuguese varieties will be increased by 5%.
- In order to avoid distortions of competition, for the Burley and Virginia varieties this amount will be set at the same level for each of these varieties produced in Spain and Portugal.

2. GREECE

With a view to expediting and encouraging the efforts towards variety conversion undertaken in Greece, the norm price and the amount of the premium for the Virginia Gr variety are to be set at the same level as for the Tsebelia variety. This alignment will be carried out subject to a substantial reduction in areas under Tsebelia over the next three years.

The Commission will make an appraisal each year.

3. COMMISSION STATEMENT

The Commission will submit a study as soon as possible with a view to laying down objective criteria for setting prices and premiums for the different varieties of tobacco.

Priority will be given to the Burley varieties produced in the various EEC countries.

The Council will formally adopt the various measures it has decided upon as soon as possible.

In the meantime, the Council has made the extensions necessary in the following sectors: milk products, beef and veal (including premiums), dried fodder and cauliflowers, until 11 May 1986.

GENERAL RULES FOR THE FINANCING OF INTERVENTIONS BY THE EAGGF
(GUARANTEE SECTION)

- Storage costs

The Council adopted by a qualified majority the Commission proposal amending Regulation No 1883/78 on the financial and technical costs of storage.

The aim is to reduce not only the Community reimbursement to the Member States of the financial costs incurred by the intervention agencies (7% instead of 8%) but also the reimbursement of the technical costs of storage (75% instead of 100%).

These two measures are expected to result in a saving of 300 MECU for the EAGGF.

SOCIO-STRUCTURAL MEASURES

The Council heard a statement from the Vice-President of the Commission presenting the main features of the socio-structural measures which are to accompany the price proposals and which the Commission would shortly submit to the Council formally.

The Council instructed the Special Committee on Agriculture to examine those proposals and to report back as soon as possible.

IMPROVEMENT OF THE EFFICIENCY OF AGRICULTURAL STRUCTURES IN PORTUGAL

The Council adopted the Regulation introducing a number of adjustments to or derogations from the general rules laid down in the Regulation (No 797/85) on improving the efficiency of agricultural structures. Those measures, the duration of which is limited to three years, were taken in order to take account of the special situation of Portuguese agriculture and should create appropriate conditions for the effective implementation of the Regulation in Portugal and fulfil the specific needs of Portugal's agriculture.

IMITATION PRODUCTS IN THE MILK PRODUCTS SECTOR

The Council heard the Commission submit a report, together with a proposal for the amendment of its original proposal, concerning imitation products in the milk products sector.

It instructed the Special Committee on Agriculture to study the proposal and report back to it as soon as possible.

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MISCELLANEOUS DECISIONS

Other agricultural decisions

The Council adopted in the official languages of the Communities the Regulations:

- amending Regulation (EEC) No 706/73 concerning the Community arrangements applicable to the Channel Islands and the Isle of Man for trade in agricultural products. This amendment authorizes those islands to maintain the veterinary rules concerning foot-and-mouth disease which have hitherto been applied there in order to reduce the risk of disease to a minimum;
 - amending Regulation (EEC) No 2918/85 putting up for sale in Ireland and Northern Ireland, for disposal in feedingstuffs, cereals held by the Irish and United Kingdom intervention agencies. This amendment extends until 30 June 1986 the period allowed for that disposal;
 - amending Regulation (EEC) No 1322/85 as regards the date of transfer of skimmed-milk powder to the Greek intervention agency. This amendment postpones until the end of the 1986/1987 milk year the time limit for the transfer of 7 000 tonnes of skimmed-milk powder to Greece from intervention agencies in other Member States;
 - amending Regulations (EEC) Nos 1311/85 and 1310/85 as regards the time limits for granting certain premiums in the beef and veal sector. The arrangements for granting these premiums are being extended until 27 April 1986. See Press Release 5897/86 (Presse 43) of 24 and 25 March 1986, page 5.
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PRESS RELEASE

6501/86 (Presse 62)

1077th Council meeting
- Economic and Financial Affairs -
Luxembourg, 28 April 1986

President: Mr H. RUDING,
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 G. VERHOFSTADT	Deputy Prime Minister and Minister for the Budget
Mr Mark EYSKENS	Minister for Finance

Denmark:

Mr Anders ANDERSEN	Minister for Economic Affairs
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Germany:

Mr Hans TIETMEYER	State Secretary, Federal Ministry of Finance
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Greece:

Mr Constantin SIMITIS	Minister for Economic Affairs
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Spain:

Mr Carlos SOLCHAGA CATALAN	Minister for Economic Affairs and Finance
Mr José BORRELL FONTELLES	State Secretary for Finance

France:

Mr Edouard BALLADUR	Minister of State for Economic Affairs, Finance and Privatization
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Ireland:

Mr John BRUTON	Minister for Finance
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Italy:

Mr Giovanni GORIA	Minister for the Treasury
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Luxembourg:

Mr Jacques SANTER	Minister for Finance
Mr Jacques F. POOS	Minister for Economic Affairs
Mr Jean-Claude JUNCKER	Minister attached to the Minister for Finance, Minister for the Budget

Netherlands:

Mr H. RUDING	Minister for Finance
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Portugal:

Mr Miguel CADILHE	Minister for Finance
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United Kingdom:

Mr Nigel LAWSON	Chancellor of the Exchequer
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Commission:

Mr Jacques DELORS	President
Mr Frans H.J.J. ANDRIESSEN	Vice-President
Mr Henning CHRISTOPHERSEN	Vice-President

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The meeting was also attended by:

Mr Jean-Claude MILLERON	Chairman of the Economic Policy Committee
Mr Hans TIETMEYER	Chairman of the Monetary Committee

1987 REFERENCE FRAMEWORK

The Council met a delegation from the European Parliament led by Mr PFLIMLIN, President of the European Parliament, consisting of Mr COT, Chairman of the Committee on Budgets, Mr RYAN, First Vice-Chairman of the Committee on Budgets, Sir James SCOTT-HOPKINS, Second Vice-Chairman of the Committee on Budgets, Mrs BARBARELLA, Third Vice-Chairman of the Committee on Budgets, and Mr DANKERT, Mr CHRISTODOULOU, Mr CURRY, Mr PASTY and Mr BONDE, Members of the Committee on Budgets.

It then fixed the reference framework for the 1987 budget year, the main features of which are:

1. Maximum amount of net expenditure on agricultural markets

in MECU	<u>commitment appropriations</u>	<u>payment appropriations</u>
	22 960,8	22 960,8

2. Non-compulsory expenditure

<u>commitment appropriations</u>	<u>payment appropriations</u>
10 161,6	7 950,1

It is understood that, in any event, the effects of the judgment of the Court of Justice must be taken into account.

The adoption of the supplementary and amending budget would be likely to entail an adjustment of the basis of assessment

3. Other compulsory expenditure

<u>commitment appropriations</u>	<u>payment appropriations</u>
4 304,5	4 393,3

Total amount	37 426,9	35 304,2
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4. "Cost of the past" and enlargement

The Council pointed out that there was a problem in this connection and agreed to discuss it within the framework of the budget procedure.

BUDGETARY SITUATION OF THE COMMUNITY

The Council held a discussion on the Community's budgetary situation. It invited the Commission to take into account the positions adopted by delegations on this occasion when drawing up its preliminary draft supplementary and amending budget for 1986.

TOKYO WESTERN SUMMIT

The Council held a discussion on the economic and monetary topics likely to be raised at the Western Economic Summit in Tokyo.

JAPAN: MONETARY AND FINANCIAL RELATIONS

After a brief discussion on the Commission communication on monetary and financial relations with Japan, the Council invited the Monetary Committee to submit to it, for its next meeting, its opinion on this communication.

28.IV.86

MISCELLANEOUS DECISIONS

Commercial policy and Customs Union

The Council adopted in the official languages of the Communities the Regulation imposing a definitive anti-dumping duty on imports of copper sulphate originating in Yugoslavia.

The rate of duty is equal to 27% of the price per tonne net, free-at-Community-frontier, before duty, or to the amount equivalent to the difference between 790 ECU and the price per tonne net, free-at-Community-frontier, before duty, whichever is the higher.

The Council also adopted in the official languages of the Communities the Regulation amending Regulations (EEC) No 288/82, No 1765/82 and No 1766/82 on common rules for imports.

The Council also adopted in the official languages of the Communities the Regulation opening, allocating and providing for the administration of a Community tariff quota for certain prepared or preserved fish falling within subheading ex 16.04 G II of the Common Customs Tariff.

Finally, the Council adopted in the official languages of the Communities the Decision amending the Decision of 30 April 1985 authorizing the Commission to participate in negotiations on modifying the Customs Convention on Containers, 1972.

28.IV.86

Manioc: renewal of the Co-operation Agreement

The Council approved by a qualified majority the renewal of the Co-operation Agreement with Thailand for renewable periods starting on 1 January 1987.

This Agreement enables up to 21 million tonnes of manioc from Thailand to be imported for four years, with an annual ceiling of 5,5 million tonnes, subject to a fixed ad valorem levy of 6%.

Relations with the EFTA countries

The Council adopted a joint position on the draft Decisions:

- of the EEC-Iceland/Norway/Sweden/Switzerland Joint Committees
- of the EEC-Austria/Finland Joint Committees

amending Protocol No 3 concerning the definition of the concept of "originating products" and methods of administrative co-operation to take account of the accession of the Kingdom of Spain and the Portuguese Republic to the European Communities.

In addition, the Council adopted in the official languages of the Communities the Regulations on the application of Decision No 1/86 of the Joint EEC-EFTA country Committees supplementing and amending lists A and B annexed to Protocol No 3 concerning the definition of "originating products" and methods of administrative co-operation.

28.IV.86

Agriculture

The Council adopted in the official languages of the Communities the Regulation suspending the application of part of the monetary compensatory amounts applicable in the pigmeat and eggs and poultry sectors.

ECSC

The Representatives of the Governments of the Member States, meeting within the Council, adopted in the official languages of the Communities the Decision on certain measures to be applied, in respect of State-trading countries, to trade in iron and steel products covered by the ECSC Treaty.
