

COUNCIL OF THE EUROPEAN UNION

PRESS RELEASES

PRESIDENCY: GREECE

JANUARY-JUNE 1994

Meetings and press releases April 1994

| Meeting number | Subject | Date |
|-----------------------|------------------------|------------------|
| 1745 th | Fisheries | 12 April 1994 |
| 1746 th | General Affairs | 18-19 April 1994 |
| 1747 th | Transport | 18 April 1994 |
| 1748 th | Labour/Social Affairs | 19 April 1994 |
| 1749 th | Civil Protection | 21 April 1994 |
| 1750 th | Industry | 22 April 1994 |
| 1751 st | Agriculture | 25-26 April 1994 |
| 1752 nd | Home Affairs | 21 April 1994 |
| 1753 rd | No record of a meeting | |

PRESS RELEASE

6165/94 (Presse 59)

1745th Council meeting

- FISHERIES -

Luxembourg, 12 April 1994

President: **Mr Floros CONSTANTINOU**
State Secretary for Agriculture
of the Hellenic Republic

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

Belgium:

Mr André BOURGEOIS Minister for Agriculture

Denmark:

Mr Bjørn WESTH Minister for Agriculture and Minister for Fisheries
Mr Thomas LAURITSEN State Secretary at the Ministry of Fisheries

Germany:

Mr Franz-Josef FEITER State Secretary, Federal Ministry of Food, Agriculture and Forestry

Greece:

Mr Floros CONSTANTINOU State Secretary for Agriculture

Spain:

Mr Vincente ALBERO Minister for Agriculture, Fisheries and Food

France:

Mr Jean PUECH Minister for Agriculture and Fisheries

Ireland:

Mr David ANDREWS Minister for the Marine

Italy:

Mr Rocco Antonio CANGELOSI Deputy Permanent Representative

Luxembourg:

Ms Marie-Josée JACOBS Minister for Agriculture, Viticulture and Rural Development

Netherlands:

Mr Piet BUKMAN Minister for Agriculture, Nature Conservation and Fisheries

Portugal:

Mr Eduardo DE AZEVEDO SOARES Minister for Maritime Affairs

United Kingdom:

Mr Michael JACK Minister of State, Ministry of Agriculture, Fisheries and Food
Lord FRASER OF CARMYLLIE Minister of State, Scottish Office

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Commission:

Mr Ioannis PALEOKRASSAS Member

SITUATION ON THE MARKET IN FISHERY PRODUCTS

The French delegation submitted a memorandum containing proposals to deal with the crisis facing the market in fishery products, and the Council then discussed the situation in the sector.

It noted that the Commission intended to submit a report in May, analysing the causes of the crisis and offering possible solutions.

The Council agreed to consider that report in detail at its meeting on 10 June 1994.

DIRECT LANDINGS AT COMMUNITY PORTS BY THIRD-COUNTRY FISHING VESSELS

The Council approved by a qualified majority, with the United Kingdom, Denmark and the Netherlands delegations voting against, the content of a Regulation setting the terms under which fishing vessels flying a third-country flag may land and market their catches at Community ports.

The aim of the Regulation is to ensure that the health and veterinary checks required by Community legislation are carried out and to impose minimum prices on landings not intended for processing.

The instrument should help to stabilize the market in fishery products, which has been disrupted since early 1993, partly on account of white fish being imported from certain third countries at abnormally low prices.

In practical terms, the Regulation lays down that third-country fishing vessels can only land their catches directly at ports designated by Member States, which will carry out all the health and veterinary checks.

It also places a duty of notification on masters of vessels, and sets the terms under which the products concerned can be released for free circulation. These include complying with the rules on withdrawal and selling prices set by local producers' organizations.

The Regulation contains a review clause requiring the Commission to submit a report to the Council two years after entry into force of the Regulation, setting out the effects of implementation, together with any appropriate proposals, if necessary.

The text will be adopted formally as soon as possible after legal/linguistic finalization.

1994 TARIFF QUOTAS

The Council adopted a Regulation opening and providing for the administration of autonomous Community tariff quotas for certain fishery products, in order to secure supplies for the Community processing industry.

With effect from the entry into force of the Regulation, three days after its publication in the Official Journal, until 31 December 1994, the customs duties applicable on importation of the following products will be set at the levels and within the limits of the Community tariff quotas indicated:

| | | |
|--|---------|-----|
| - cod, fresh, chilled or frozen: | 40 000t | 6% |
| - cod, salted: | 7 500t | 6% |
| - shrimps and prawns, fresh chilled or frozen: | 6 000t | 6% |
| - cod livers: | 300t | 0% |
| - surimi, frozen: | 3 000t | 6% |
| - hoki fillets: | 1 000t | 6%. |

The Commission undertook to review the situation as regards supply of the Community market in fresh and frozen cod during the quota period and to submit appropriate proposals if necessary.

ADJUSTMENTS TO THE ACCESSION ARRANGEMENTS FOR SPAIN AND PORTUGAL

The Council reached political agreement by a qualified majority, with the Irish delegation voting against, on a Regulation on adjustments to the fisheries arrangements provided for in the Act of Accession of Spain and Portugal.

Under this Regulation, Spain and Portugal will be fully integrated into the general common fisheries policy system from 1 January 1996, instead of the year 2003 as scheduled in the Act of Accession. Due regard will be had to the "acquis communautaire", in particular the principle of relative stability and the exceptions to the principle of free access to waters, as laid down in Council Regulation No 3760/92.

To avoid disrupting the current balance of zones and resources, and on grounds of legal certainty, at the same time as all Community fishing vessels gain free access to waters falling under the sovereignty or within the jurisdiction of the Member States, measures will be laid down to govern conditions of access to zones and resources.

To that end, the Council undertook to adopt these new Community measures by 1 January 1995, on the basis of proposals to be submitted by the Commission by 1 June 1994 at the latest.

The proposed adjustments should not entail any overall increase in existing fishing levels, nor affect resources subject to quantitative catch limits.

The Council considers it essential to preserve the balance of resources in certain zones of high biological sensitivity, it being understood that the sensitivity of such zones will require close monitoring to determine the fishing effort, and keep track of resources in order to be able to take the measures necessary to preserve the balance, where appropriate.

The Regulation will be adopted formally at one of the Council's forthcoming meetings, following legal finalization.

HARMONIZATION OF VARIOUS TECHNICAL MEASURES IN MEDITERRANEAN FISHERIES

The Council discussed the proposal for a Regulation harmonizing various technical measures in Mediterranean fisheries.

The proposal is in line with the conclusions of the Fisheries Council of 9 June 1992, whereby the laws of coastal Member States should be harmonized for the purpose of better conservation and management of stocks in accordance with the principles and objectives of the common fisheries policy.

This Regulation should constitute the basis for future agreements with other Mediterranean coastal States.

The discussion covered the major problems outstanding with regard to the restrictions to be imposed on certain fisheries and the use of certain fishing gear, while taking account of special local biological conditions in the various regions of the Mediterranean.

At the close of discussions, the Council instructed the Permanent Representatives Committee to continue its proceedings in order to prepare for discussions at the next Council meeting.

DRIFT NETS

The Council discussed in detail the proposal for a Regulation on the use of drift nets by the Community fleet, together with the accompanying report.

At the close of discussions, the Council agreed to:

- request the European Parliament's Opinion by the urgent procedure;
- instruct the Permanent Representatives Committee to examine the proposal:
 - . in the light of the scientific data available and
 - . bearing in mind the special nature of the Mediterranean as a closed sea.

The Council will return to this question at its meeting on 10 June 1994, on the basis of the Permanent Representatives Committee's report.

COD FISHING IN NAFO ZONE 3NO

The Council adopted an amendment to Regulation No 3680/93 laying down certain conservation and management measures for fishery resources in the Regulatory Area as defined in the Convention on Future Multilateral Co-operation in the North West Atlantic Fisheries (NAFO) suspending directed fishing for cod in zone 3NO for 1994, while allowing by-catches of cod in other fisheries.

The Regulation follows on from a decision along the same lines adopted by the NAFO Fisheries Commission at its most recent session, from 14 to 17 February 1994.

OTHER FISHERIES DECISIONS

(adopted unanimously, without debate, unless otherwise stated)

Statistical monitoring of trade in bluefin tuna

The Council adopted a Regulation introducing a system for the statistical monitoring of trade in bluefin tuna (*Thunnus thynnus*) within the Community; from 1 July 1994, catches of bluefin tuna by Community vessels or producers and entry for free circulation (including direct landings) of such tuna from third countries will be subject to the system.

The Regulation follows on from a Resolution designed to make it compulsory to submit a statistical document when bluefin tuna are imported, adopted in November 1992 by the International Convention for the Conservation of Atlantic Tunas.

Pilot projects on the satellite monitoring of vessels

The Council adopted a Decision whereby the Community will, by way of exception, provide 100% funding for pilot projects which relate to the use of satellite monitoring systems for fishing vessels, as referred to in Article 3 of Regulation No 2847/93 of 12 October 1993 establishing a system of control applicable to the common fisheries policy.

It should be noted that the Council is required to act by 1 January 1996 on the application of position-logging systems using satellites, following implementation by the Member States, by 30 June 1995, of the pilot projects in question.

Additional catch quotas

The Council adopted a Regulation allocating between Member States, for 1994, certain quotas for redfish in Norwegian waters and for cod and herring in Swedish waters obtained under the EEA Agreement.

They cover 1 500t of redfish (Portugal 810t, Germany 500t, Spain 190t), 900t of cod (Denmark 660t, Germany 240t) and 1 500t of herring (Denmark 860t, Germany 640t).

A decision will be taken later on the quotas for Norwegian cod and Icelandic redfish.

Quotas for trout, carp and mackerel

The Council adopted a Decision on the conclusion of an Exchange of Letters amending the Interim Agreement and the Europe Agreement with the Czech Republic, the main provision of which is introduction by the Community in 1994 of a further zero-duty quota on the import of 850 tonnes of live carp and 50 tonnes of live trout originating in the Czech Republic, and introduction by the Czech Republic of a zero-duty quota on the import of 4 000 tonnes of chilled mackerel originating in the Community.

MISCELLANEOUS DECISIONS

(adopted unanimously, without debate, unless otherwise stated)

Textiles

The Council adopted the Decision authorizing the Commission to negotiate a bilateral agreement with China on trade in textile products and materials other than those covered by the existing bilateral textiles agreement with that country.

Anti-dumping

The Council adopted by a simple majority (with the United Kingdom delegation voting against) a Regulation imposing a definitive anti-dumping duty on imports of silicon carbide originating in the People's Republic of China, Poland, the Russian Federation and Ukraine.

The rate of duty applicable to the net, free-at-Community-frontier price has been set as follows:

| | |
|----------------------------|--------|
| People's Republic of China | 52,6% |
| Poland | 8,3% |
| Russian Federation | 23,3% |
| Ukraine | 23,3%. |

The duty does not apply to silicon carbide exported by V/O Stankoimport (Moscow).

Inland waterways

The Council adopted a Regulation extending for a further five-year period, until 28 April 1999, the arrangements designed to combat structural overcapacity in the inland waterway sector, following the European Parliament's approval of its common position.

These arrangements, known as "old for new", mean that the entry into service of an additional vessel for use on inland waterways must be offset:

- either by the scrapping of a tonnage equivalent to that of the new vessel;
- or by the payment of a special contribution proportionate to the tonnage of the new vessel.

6294/94 (Presse 70)

1746th Council meeting

- GENERAL AFFAIRS -

Luxembourg, 18 and 19 April 1994

President: Mr Theodoros PANGALOS
Deputy Minister for Foreign Affairs
of the Hellenic Republic

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

Belgium:

Mr Willy CLAES

Deputy Prime Minister, Minister for Foreign Affairs

Denmark:

Mr Niels HELVEG PETERSEN

Minister for Foreign Affairs

Mr Jorgen ØSTRØM MØLLER

State Secretary for Foreign Affairs

Germany:

Mr Klaus KINKEL

Minister for Foreign Affairs

Mrs Ursula SEILER-ALBRING

Minister of State, Foreign Affairs

Mr ZIEL

Minister for the Interior, Land Brandenburg

Greece:

Mr Theodoros PANGALOS

Deputy Minister for Foreign Affairs

Mr Giorgios PAPANDEOU

State Secretary for Foreign Affairs

Spain:

Mr Javier SOLANA MADARIAGA

Minister for Foreign Affairs

Mr Carlos WESTENDORP

State Secretary for Relations with the European Communities

Mr Apolonio RUÍZ LIGERO

State Secretary for Foreign Trade

France:

Mr Alain JUPPE

Minister for Foreign Affairs

Mr Alain LAMASSOURE

Minister with responsibility for European Affairs

Ireland:

Mr Tom KITT

Minister of State with special responsibility for European Affairs

Italy:

Mr Enzo PERLOT

Ambassador, Permanent Representative

Luxembourg:

Mr Jacques POOS

Minister for Foreign Affairs

Netherlands:

Mr P.H. KOOIJMANS

Minister for Foreign Affairs

Mr Piet DANKERT

State Secretary for Foreign Affairs

Portugal:

Mr José Manuel DURÃO BARROSO

Minister for Foreign Affairs

Mr Vitor MARTINS

State Secretary for European Affairs

United Kingdom:

Mr Douglas HURD

Secretary of State for Foreign and Commonwealth Affairs

Mr David HEATHCOAT-AMORY

Minister of State, Foreign and Commonwealth Office

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Commission:

Mr Jacques DELORS

President

Sir Leon BRITTAN

Member

Mr Hans VAN DEN BROEK

Member

Mr Raniero VANNI d'ARCHIRAFI

Member

THE FORMER YUGOSLAVIABosnia – Council declaration

"The European Union condemns the continuing Bosnian Serb attacks on Gorazde in violation of Un Security Council resolutions and calls for an immediate and unconditional cease-fire in and around Gorazde and the pullback of Bosnian Serb forces which threaten the security of Gorazde. This will enable the deployment of UNPROFOR forces to the town to take place.

All detained United Nations personnel should be released straight away and be allowed unrestricted freedom of movement in accordance with United Nations' resolutions. The humanitarian effort, the passage of which through Bosnian Serb-held territory is currently suspended, should be given unimpeded access to the people of Gorazde and more widely in Bosnia including to Sarajevo.

The European Union invites the State members of the European Union which are members of the Security Council to support the adoption without delay of a binding resolution in support of these objectives.

The European Union expresses its full support for the efforts of the Special Representative of the Un Secretary-General and UNPROFOR commanders and confirms its support for Atlantic Alliance forces in their underpinning of United Nations action. It also pays tribute to the committed work of UNHCR and other volunteer agencies, which include many EU citizens, which continue their humanitarian mission despite the appalling difficulties that they face on the ground. The European Union calls upon those nations which have promised additional forces to the United Nations to ensure that they arrive in Bosnia quickly.

A cease-fire in and around Gorazde is the first essential and the European Union calls upon the Bosnian Serbs to honour their word in the negotiations chaired by the United Nations. This

should be followed quickly by a general cease-fire throughout Bosnia-Herzegovina. A general cease-fire would be a prelude to negotiations for a political settlement involving the whole of Bosnia.

To this end the Ministers also call for an intensified diplomatic effort by the international community, involving the United Nations, the European Union, the United States and Russia to ensure the convergence of their initiatives and to bring about talks between the parties at an early date based on the European Union plan and taking into account the Washington accord and the talks on the Krajinas."

Mostar – Council conclusions

"The Council confirmed the appointment of Mr Koschnik as the European Union's administrator in Mostar. Mr Koschnik and his team will take up their posts as soon as the agreement is concluded between the European Union, the Bosnian Government and the other parties on the administration of Mostar by the European Union, which will constitute a joint effort as regards staff and financing.

The Council welcomed the initial results of the negotiations conducted under the aegis of the Troika and took note of the report on an outline agreement on the administration of Mostar, drawn up at the end of this first exchange. It urged the Troika to press on with the efforts already begun for the conclusion of an agreement at an early date and stressed that all the preparatory work should be completed as quickly as possible.

The Council also welcomed the departure of the preparatory mission.

The Council instructed Coreper, in close co-operation with the Political Committee and having regard to a Commission proposal, to indicate without delay the details of the funding of the administration of Mostar, including particulars of the re-allocation of the funds still available within the framework of joint humanitarian action in Bosnia as well as the national contributions (ECU 24 million) yet to be paid over in this connection.

The Council requests the WEU to examine the practical aspects of international policing in Mostar and to keep the Council abreast of its proceedings."

SOUTH AFRICA

1. The Council has adopted a package of immediate period's measures to be presented and discussed with the future South African government emerging from the democratic and multiracial elections on 26 to 28 April 1994. These decisions are to be seen in the context of the framework of the joint action decided last December following the European Council's guidelines of 29 October 1993. In so doing, the Union intends to send a strong political signal to the incoming government and to the South African population, thus proving its firm determination to support the transition towards democracy and its willingness to contribute to the reconstruction and economic development of South Africa after the elections.
2. The establishment of the future relations between the EU and SA for the immediate and mid-term period falls into two phases:
 - (a) a package of initial measures to be presented to the incoming South African government following the election of 26-28 April.

The initial measures, aiming at addressing the immediate needs and aspirations of SA, without prejudice as to the form of the future more global arrangement between the two parties (EU/SA), should be autonomous in nature and should help create the foundation upon which a long-term relationship could be built.

Included as part of the initial package of measures should be the announcement of the EU's intention to work for the earliest possible lifting of remaining

UN sanctions and concurrently to withdraw related EU measures.

This package should also include an offer to conclude an agreement quickly;

- this agreement should have a simplified structure and contain measures that can be quickly put into effect. The practical purpose of this agreement would be to provide the legal basis for the development of future co-operation with the new SA government and the allocation, as appropriate, of the corresponding funds from the Community budget. It should have only a few articles including:
- a strong human rights clause, making the respect of democracy and human rights an essential element of the new relationship between the EU and South Africa;
- a comprehensive co-operation clause, which could be drafted flexibly to include future development, covering all areas of co-operation which are within the limits of the respective powers of the Parties;
- provisions wherever necessary to enable the EU (or SA, as may be the case) to engage in specific co-operation activities or the further development of certain policies.

Provisions should be laid down, in parallel, in order to provide access to the appropriate budget lines for the funding of activities under this Agreement and

- (b) an offer to negotiate a comprehensive and long-term relationship with South-Africa, should the new government so request.

3. The main features of the initial measures will be trade and market aspects, development

co-operation and elements for a future political dialogue.

(a) Trade and economic co-operation

(i) Market access

Being a contracting party of GATT, South Africa already has MFN status.

The Community expresses its readiness to consider rapidly the granting of the benefit of GSP to South Africa taking into account the specific characteristics of SA, the interests of the other countries in the region as well as those of the Member States and any new principles soon to be agreed in the review of the existing GSP.

The EU will also offer technical assistance, in order to facilitate the opening-up of the South African market and the gradual integration of SA in the international economy.

(ii) External economic co-operation

– Regional economic co-operation

In order to encourage intra-regional trade in southern Africa and with countries in the Indian Ocean, it could be useful to explore, with the regional partners concerned, the possibilities and conditions for origin cumulation within the region in conformity with the agreements concluded between the Community and the countries in the region. Recalling that origin cumulation in this context should serve development purposes, the Community will take into account its possible impact on the neighbouring ACP countries. Proper administrative procedures and a regional secretariat linked to

SADC (Southern African Development Community) or SACU (Southern African Customs Union) could be put in place in order to monitor any cumulation arrangement.

The EU could provide technical assistance for the process of regional economic co-operation.

– Investment protection and promotion

To encourage EU investments in small and medium-sized companies in SA, advantages equivalent to the ECIP (European Community Investment Partners) or its follow-up instrument could be granted to SA. Specific financing of this instrument would be provided.

It would also be advisable to extend the BC-Net to SA, since the information channelled through the BC-Net system will be useful for the identification of parties with specific interests in industrial co-operation.

The conclusion of bilateral investment protection and promotion agreements between SA and the EU Member States should be encouraged.

Finally, the EIB will be consulted whether and under what conditions it could consider expanding its activities to SA, in accordance with its regulations. The EIB would have to be fully associated, at an early stage, with the preparation of any initiative concerning SA within the Bank's area of authority.

– Preparation for other areas of co-operation

In a number of areas, including – inter alia – education and training, industry, commerce, telecommunications and science and technology, co-operation between the EU and SA should be developed. Co-operation in

the fields of education and training would go beyond the measures undertaken in the context of the Special Programme and includes for instance institutional relationships between universities. Exploratory missions will immediately be sent to SA, in order to define the most effective approach to future policy action in these areas.

(b) Development co-operation (Special Programme)

The European Union's development co-operation should – in both content and implementation – take account of the changing circumstances in SA, in particular the pace of democratization of SA society and the future government's expected priorities in favour of the poorest sectors of society. Such an approach will be in line with the declaration adopted by the "Development" Council on 25 May 1993, which calls for the implementation of activities of a longer-term nature focused on a limited number of sectors of special importance for improving the living standards of the population, in particular the poorest sections of it, with a view to making assistance supportive of the emerging democracy in SA.

The election of the new SA government will for the first time enable a dialogue on development assistance to be undertaken. This dialogue, which should aim at a structured development approach, will include both areas of assistance as well as the channels for implementation.

Consideration should be given to the future procedures for allocation and implementation of the programme along the lines which apply to other EC development programmes.

The EU should continue to support actions aiming at peaceful and democratic transition in SA. During the transitional period, the scale of resources necessary to

support the Special Programme should be maintained at a substantial level.

(c) Political dialogue

- The establishment of a political dialogue, both on the bilateral and regional level, on matters of mutual interest should be part of any initial measures. In this context the European Union will recall its initiative to organize in Berlin on 6 and 7 September 1994 a conference with all countries of the region;
- this dialogue should be developed so as to encourage the support of the new South African government for democracy and the rule of law, respect of human rights and promotion of social justice, creation of acceptable conditions to eliminate poverty and all forms of racial, political, religious and cultural discrimination;
- the precise provisions as to content, level and form of the dialogue will evolve, but the initial EU position should include provision for meetings at ministerial and senior official level, as appropriate, and should allow for an exchange of views on foreign policy issues.

MIDDLE EAST PEACE PROCESS – COUNCIL CONCLUSIONS

The Council noted that the Union has supported the breakthrough in negotiations made by Israel and the PLO through the immediate provision of increased assistance and its intention to provide ECU 500 million in aid for the development of the Occupied Territories in the years 1994-1998.

The Council also noted that the Union supports the development of the countries of the region within the framework of the substantial support for the Mediterranean Region as a whole

under the Union's Redirected Mediterranean Policy, which amounts to ECU 4,5 billion in the years 1992-1996.

The Council recalled that some Member States had already been asked to participate in the temporary international presence in Hebron.

Against this background, the Council adopted a joint action in support of the Middle East Peace Process (see Annex).

RWANDA – Council declaration

"The European Union notes with dismay that the widespread violence and atrocities are continuing and extending in Rwanda, where very many lives have been lost since 6 April 1994.

The violence and the resulting chaos prompted the forced evacuation of virtually all nationals of the international community present in Rwanda. As a result of the solidarity shown by Member States, it was possible to rescue those nationals in a satisfactory manner.

The European Union repeats its pressing call for Rwandese lives to be protected and urgently appeal to the opposing forces to bring the violence to an end and to resume negotiations on the basis of the principles in the Arusha agreement.

It wishes to see appropriate humanitarian action organized in response to the human tragedy unfolding in the region and undertakes to play its part in such action."

UKRAINE

Further to the meeting on 7 February 1994 at which the Council put emphasis on the Union's wish to develop and improve its relations with Ukraine and to initial the Partnership and Co-operation Agreement with that country, the Commission explained to the Council its initial ideas for strengthening links with Ukraine.

The Commission will be submitting a communication to the Council in good time for examination at the forthcoming meeting in May.

RELATIONS WITH CYPRUS

The Council decided on the position to be adopted at the 15th meeting of the Association Council at ministerial level, which was held early in the evening of 18 April (see joint press release CE-CY 705/94 Presse 73).

OUTCOME OF THE MISSION ENTRUSTED TO THE EUROPEAN OBSERVER FOR CYPRUS – COUNCIL CONCLUSIONS

The Council heard a report from Commissioner Van den Broek and the European Union's observer on the Cyprus question, Mr Abou, on the results of the latter's mission.

The Council duly noted the report and invited the observer to continue his mission, making all contacts necessary for full information of the Council, including contacts with the United Nations Secretary-General and his representatives, the Security Council and the United States co-ordinator for Cyprus.

The Ministers called upon the observer to prepare a further report on developments in the inter-Community discussions in Cyprus for the Council meeting in June.

STABILITY PACT

The Council took stock of progress in preparations for the inaugural Conference concerning this preventive diplomacy initiative, scheduled for Paris on 26 and 27 May.

It welcomed the progress made to date in the formal bilateral and multilateral consultations conducted by the Troika of the ad hoc Working Party on the Stability Pact.

It noted that the final version of the draft document for presentation to the Paris Conference would be submitted to it at its next meeting, following the meeting of the senior officials of the States participating in the CSCE in Athens on 11 May.

At its May meeting it would also examine specific proposals for financing the continuation of the joint action after the Paris Conference.

FINANCING OF THE CFSP

The Council had before it a Presidency note aimed at establishing a general framework for financing the CFSP and, in particular, joint actions.

The document was based on previous Council proceedings and in particular on the basic principles agreed on by the Council on 21 February, and reflected the detailed work carried out on that basis by the Permanent Representatives Committee and its subsidiary bodies.

The purpose of the proceedings was:

- on the one hand, as regards administrative expenditure, to try to establish a definition of categories of expenditure which could be regarded as administrative expenditure to be covered by the Council's budget;

- on the other hand, as regards the financing of operational expenditure, to clarify and develop the two options provided for by the Treaty on EU: financing from the Community budget or financing by the Member States. As each action requires a financing decision as well as a substantive decision, mechanisms need to be defined for each available option for the financing and management of expenditure in order to ensure efficient and rapid implementation of actions.

The results of these discussions were consigned to sheets illustrating the implications of the different options.

A large majority of delegations felt that it would be appropriate to finance operational expenditure from the Commission Section of the Community budget, for reasons both of principle and of practical efficiency. The Council considered the consequences of that solution for the application of the budgetary procedure. The Council instructed its President to contact the European Parliament to see whether an arrangement could be found to ensure that the Union's action in the CFSP field was not hampered by budgetary difficulties.

Having made substantial progress on this important issue at this meeting, the Council will resume its discussions on the matter at its May meeting.

WHITE PAPER

The Council heard an outline from President Delors of work in hand in the Commission on the various areas covered by the White Paper, namely: the competitiveness of European industry, major infrastructure networks (Christoffersen Group), the information society (Bangemann Group) and employment systems. The Commission will be submitting a written report on the matter in good time for preparations for the Corfu European Council.

The Council also took note of a Presidency report taking stock of current and prospective work in the various specialist Council configurations on the various aspects of the White Paper.

The item will remain on the agenda for the General Affairs Council meetings in May and June, it being understood that at the June meeting the Council will prepare for the discussions of the Corfu European Council on every aspect of the matter.

DETAILED ARRANGEMENTS ON VOTING AND ON THE RIGHT TO STAND AS A CANDIDATE IN MUNICIPAL ELECTIONS

The Council heard an exposé by Commissioner Vanni d'Archirafi presenting the Commission's proposal aimed at laying down detailed arrangements for the exercise of the right to vote and to stand as a candidate in municipal elections by citizens of the Union residing in an Member State of which they are not nationals.

The proposal will also be discussed by the Internal Affairs Council on 21 April before being examined by the subordinate bodies of the Council, which stated its intention of dealing with this important issue for European citizenship in the near future in order to reach a decision, at least by the end of the year.

APPLICATIONS FROM HUNGARY AND POLAND FOR ACCESSION TO THE EUROPEAN UNION

Having received applications for accession from Hungary and Poland dated 31 March and 5 April 1994 respectively, the Council decided to implement the procedures laid down in Article O of the Treaty on European Union.

The Commission is therefore required to prepare its opinions.

The President of the Council will send to the Prime Ministers of Hungary and Poland letters acknowledging receipt of the applications for accession and informing them of the Council's decision.

RUSSIA – PARTNERSHIP AND CO-OPERATION AGREEMENT

The Council reviewed progress in the negotiations with Russia for a partnership and co-operation agreement and discussed the difficulties outstanding. It agreed on guidelines on the basis of which the Commission will continue the negotiations in close contact with the Permanent Representatives Committee.

As regards the nuclear sector in particular, the Council noted the recent new Russian proposals, which merit careful study. It called upon the Commission to examine them in detail with a view to a reaction on the Community's part.

The Council confirmed the major political importance it attached to a swift conclusion to the negotiations, which would involve reaching compromise solutions on the issues still outstanding which were satisfactory to both parties.

COHESION FUND

The Council agreed on the text of the Regulation establishing the Social Cohesion Fund with a view to forwarding it to the European Parliament for assent.

EEA: ALLOCATION OF CERTAIN ADDITIONAL CATCH QUOTAS

The Council agreed on a Regulation on the allocation amongst the Member States, for 1994, of catch quotas secured by the Community in the negotiations on the EEA, involving in particular a quota of 7 250 t of cod in Norwegian waters and 3 000 t of redfish in Icelandic waters.

45% of the Norwegian cod quota is to be allocated to each of Spain and Portugal and 5% to each of Ireland and Greece. Greece is to reassign its 5% quota equally between Spain and Ireland. The Commission undertook to take Greece's gesture into account as regards allocation of the PESCA initiative.

As regards Icelandic redfish, the quota will be allocated in particular amongst Germany, the United Kingdom and Belgium, it being understood that there will also be some exchanges of quotas amongst the Member States concerned.

COMMITTEE PROCEDURE – RELATIONS WITH THE EUROPEAN PARLIAMENT

The Council discussed the difficulties encountered with the European Parliament regarding several legislative acts, in particular in the context of the co-decision procedure, because of the provisions on the committee procedure, i.e. the types of committee to be used for conferring implementing powers or powers governing implementing rules on the Commission. The Council noted that the Commission would in the near future be submitting a proposal for an interinstitutional agreement on the matter aimed at resolving the problems encountered for the period up to the review of the EU Treaty, scheduled for 1996.

SHIPBUILDING

The Council heard a report from the Commission on the state of play in the negotiations for an Agreement on shipbuilding in the OECD which are now close to being finalized. The Council underlined the importance for all parties of achieving an agreement which will restore fair and equitable trading conditions in this sector.

The Council, taking account of observations made by certain Member States, supported the approach which the Commission intends to follow in the final stage of the negotiations, and appealed to all parties to show the necessary flexibility for a successful conclusion to be reached.

URUGUAY ROUND

The Council took note of the submission by the Commission of a proposal for a Council Decision on the conclusion of the Uruguay Round, which requires the assent of the European Parliament, and instructed the Permanent Representatives Committee to examine the proposal at its next meeting.

BANANAS

The Council heard statements by several delegations concerning the common organization of the market in bananas and the agreement concluded with the countries of Latin America in the framework of the GATT.

**COUNCIL DECISION
of 19 April 1994**

**on a joint action adopted by the Council
on the basis of Article J.3 of the Treaty on European Union,
in support of the Middle East Peace Process**

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on European Union and in particular Articles J.3 and J.11 thereof,

Having regard to the general guidelines issued by the European Council of 29 October 1993,

Having regard to the framework for joint action agreed by the European Council on 10-11 December 1993,

Considering Article C of the Treaty on European Union,

HAS DECIDED AS FOLLOWS:

Article 1

- (a) The European Union, in order to work for the conclusion of a comprehensive peace in the Middle East based on the relevant United Nations Security Council Resolutions, will:
- participate in international arrangements agreed by the parties to guarantee peace in the context of the process begun in Madrid;
 - use its influence to encourage all the parties to support the peace process unconditionally on the basis of the invitations to the Madrid Conference and work for the strengthening of democracy and respect for human rights;
 - make its contribution to defining the future shape of relations between the regional parties in the context of the Arms Control and Regional Security Working Group.
- (b) The European Union will:
- develop its role in the Ad Hoc Liaison Committee responsible for the co-ordination of international aid to the Occupied Territories;

- maintain its leading role in the Regional Economic Development Working Group (REDWG) and develop its participation in other multilateral groups;
- consider additional ways in which it might contribute towards the development of the region.

(c) The European Union will:

- pursue confidence-building measures which it has submitted to the parties;
- pursue demarches to the Arab States with the aim of securing an end to the boycott of Israel;
- closely follow the future of Israeli settlements throughout the Occupied Territories and pursue demarches to Israel about this issue.

Article 2

In accordance with the relevant Community procedures the Council will examine proposals that the Commission will make:

- for the rapid implementation of programmes of assistance for the development of the Occupied Territories and a Palestinian operating budget, in close consultation with the Palestinians and equally close co-ordination with other donors;
- to provide aid in the framework of existing guidelines to the other parties to the bilateral negotiations as they progress substantially towards peace.

Article 3

In order to contribute actively and urgently to the creation of a Palestinian Police Force:

- (a) the European Union will provide assistance;
- (b) the Presidency in close co-operation with the Commission will facilitate co-ordination through an exchange of information between Member States on their bilateral assistance;
- (c) funds for a maximum amount of ECU 10 million available from the Community budget will be used as a matter of urgency for the provision of assistance for the creation of a Palestinian Police Force.

Article 4

The European Union will, at the request of the parties, participate in the protection of the Palestinian people through a temporary international presence in the Occupied Territories, as called for in Security Council Resolution 904 (1994).

Operational arrangements and financing arising from this Article will be the subject of a separate and specific Council decision.

Article 5

At the request of the parties, the European Union will implement a co-ordinated programme of assistance in preparing for and observing the elections in the Occupied Territories foreshadowed by the Declaration of Principles of 13 September 1993. Precise operational arrangements and financing will be the subject of a separate Council decision once agreement has been reached between Israel and the PLO on arrangements for the elections. The European Parliament will be invited to participate in those arrangements.

Article 6

The European Union confirms its willingness to take further operational decisions in the field of this joint action, in accordance with developments in the peace process.

Article 7

This Decision shall take effect on today's date.

Article 8

This Decision shall be published in the Official Journal.

MISCELLANEOUS DECISIONS

SMEs: interest subsidies on EIB loans

Further to the conclusions of the Copenhagen and Brussels European Council meetings and in the light of the political agreement reached by the Council on 22 December, the Council adopted a Decision on the provision of Community interest subsidies on loans for small and medium-sized enterprises extended by the European Investment Bank under its temporary lending facility.

The Decision provides that the Community will provide subsidies of 2% to lower the interest rate on EIB loans to SMEs in the Community for a total amount of ECU 1 billion in principal. These loans will be extended - for a maximum of 5 years - by the Bank under the terms and conditions applying to loans granted under the temporary facility originally established by the Board of Governors of the Bank on 10 February 1993 and extended by that Board on 30 November 1993. The benefit of these subsidies will be restricted to investment projects involving the creation of employment.

Anti-dumping

The Council adopted the Regulation amending Regulations Nos 2089/84 and 1739/85 concerning definitive anti-dumping duties on imports of certain ball bearings originating in Japan (change of name of one company involved).

Appointments - Committee of the Regions

The Council replaced:

- Mr Vito Savino, alternate member who has resigned, by Mr Giuseppe Martellota;
- Mr Heinz Fromm, alternate member who has resigned, by Mr Matthias Kurth,

for the remainder of their term of office, which runs until 25 January 1998.

6295/94 (Presse 71)

1747th Council meeting

- TRANSPORT -

Luxembourg, 18 April 1994

President: Mr Ioannis CHARALAMBOUS,

Minister for Transport and Communications
of the Hellenic Republic

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

Belgium:

Mr Jan DE BOCK Deputy Permanent Representative

Denmark:

Mr Jan TRØJBORG Minister for Industry
Mr Ole ZACCHI Deputy State Secretary for Transport

Germany:

Mr Matthias WISSMANN Federal Minister for Transport
Mr Wilhelm KNITTEL State Secretary, Federal Ministry of Transport

Greece:

Mr Ioannis CHARALAMBOUS Minister for Transport and Communications
Mr Athanasios TSOURAS State Secretary for Transport and Communications

Spain:

Mr José BORRELL Minister for Public Works, Transport and Communications

France:

Mr Bernard BOSSON Minister for Transport

Ireland:

Mr Brian COWEN Minister for Transport

Italy:

Mr Rocco Antonio CANGELOSI Deputy Permanent Representative

Luxembourg:

Mr Robert GOEBBELS Minister for Transport

Netherlands:

Ms Hanja MAIJ-WEGGEN Minister for Transport and Public Works

Portugal:

Mr Jorge ANTAS State Secretary for Transport

United Kingdom:

Mr John MacGREGOR Minister for Transport

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For the Commission:

Mr Abel MATUTES Member

RELATIONS WITH THIRD COUNTRIES

- RELATIONS WITH SWITZERLAND

The Council held a debate on relations between the Community and the Swiss Confederation regarding transport, on the basis of a preliminary Commission report concerning the implications for this sector of the referendum held in Switzerland on 20 February 1994.

At the Transport Council on 29 and 30 November 1993 it had been agreed that directives for negotiations with Switzerland on road and air transport would be laid down by 18 April 1994 at the latest.

However, during this discussion it became clear that more information was needed on the consequences of the Swiss referendum and particularly on the Swiss authorities' intentions regarding implementation of the referendum.

Moreover, the General Affairs Council on 16 and 17 May 1994 was due to take stock of relations between the Community and Switzerland in general, on the basis of a Commission report.

- RELATIONS WITH CERTAIN THIRD COUNTRIES CONCERNING THE CARRIAGE OF PASSENGERS AND GOODS BY ROAD

The Council held a debate on the Recommendation for a Decision on the opening of negotiations between the Community and certain countries of Central and Eastern Europe concerning the carriage of passengers and goods by road.

This recommendation would authorize the Commission to open negotiations with the aim of concluding one or more agreements on transport with the countries concerned (21 in all).

Regarding the problem of intra-Community communications between Greece and the rest of the Community, which was a priority for the Community, it was agreed that the Commission would have talks with the three countries concerned (Hungary, Romania and Bulgaria) before the next Council meeting on 14 June 1994.

On the basis of those talks and examinations by the Permanent Representatives Committee of the technical questions of bilateral traffic, the Council would state its position on the proposed negotiating directives at its next meeting.

- RELATIONS WITH THE COUNTRIES OF CENTRAL AND EASTERN EUROPE ON CARRIAGE OF PASSENGERS AND GOODS BY INLAND WATERWAY

The Council took note of information provided by the Commission on the progress of negotiations between the Community and the third countries of Central and Eastern Europe on the carriage of passengers and goods by inland waterway.

At its meeting on 7 December 1992 the Council had authorized the Commission to negotiate an agreement between the Community, on the one hand, and Poland and the Contracting States to the Danube Convention, on the other hand. The main purpose of the Agreement would be to lay down rules governing bilateral traffic between the Community and the third countries in this area.

The map of the Danube region has changed over the last two years. Certain Contracting States to the Danube Convention have been divided (for example Czechoslovakia) and new Danube States have been created: Croatia, Serbia, Moldova, Ukraine. The economic and political differences between the Danube States have also widened. In some cases, their bilateral relations have deteriorated.

Faced with the difficulty of negotiating a multilateral agreement with all the Danube countries, agreement was reached in the Council on an approach consisting of negotiating initially with the four countries most directly concerned (Poland, Czech Republic, Hungary, Slovakia) and extending the negotiations to the other third countries later if appropriate.

LAND TRANSPORT

- LICENSING OF RAILWAY UNDERTAKINGS

A policy debate was held on the proposal for a Directive on the introduction of an operating licence for railway undertakings.

The debate centred on various essential aspects of the proposal, namely whether a Community licence for access to the profession by railway undertakings (as for road and air transport) was actually necessary, the scope of the licence (only for railway undertakings wanting the right of access to other Member States to carry out international transport or for all railway undertakings) and the territorial validity of the licence.

The Council instructed the Permanent Representatives Committee to examine the proposal further so that the Council could make progress on the subject at its meeting in June.

TRANSPORT OF DANGEROUS GOODS BY ROAD

The Council held a policy debate on the proposal for a Directive on the approximation of the rules applicable to national and intra-Community transport of dangerous goods by road, to ensure an acceptable level of safety and the creation of a single market for these transport services within the Community.

At present, eleven Member States are parties to the European Agreement concerning the International Carriage of Dangerous Goods by Road (ADR) (Geneva, 1957). Ireland is in the process of completing the procedures for accession to the Agreement.

The international legislation in force in this area is therefore largely harmonized. The Commission considers, however, that greater harmonization is needed because the international legislation in force is interpreted in different ways and because, under the ADR, the Member States conclude bilateral agreements containing derogations from that text.

At national level, the conditions under which dangerous goods are transported vary between Member States, and these disparities can create obstacles to the freedom to provide transport services in the Community.

At the close of the discussion which concerned in particular giving Member States the option to apply in certain cases more stringent provisions than those laid down in the proposal for a Directive, the Permanent Representatives Committee was instructed to continue the discussions prior to the Transport Council meeting in June 1994.

TRANSPORT INFRASTRUCTURES

- TRANS-EUROPEAN NETWORKS

The Council took note of the presentation by Commissioner MATUTES of a proposal for a Decision on Community guidelines for the development of trans-European transport networks covering all transport infrastructures (land, sea and air) with a view to intermodal integration.

In December 1990 the Transport Council welcomed a Commission proposal on the trans-European network of high-speed trains. On 28 October 1993 it adopted three decisions on trans-European networks for combined transport, roads, and inland waterways.

Title XII of the Treaty on European Union provides a new basis for Community action in transport infrastructures and a new formal framework defining the objectives, possibilities and limits of the Community's commitment to trans-European networks.

The Council instructed the Permanent Representatives Committee to examine this proposal so that the Council could hold a policy debate at its meeting on 13 and 14 June 1994.

SITUATION OF EUROPEAN AIR TRANSPORT – COUNCIL CONCLUSIONS

"THE COUNCIL OF THE EUROPEAN UNION,

In view of the present serious economic and financial situation of a significant part of the air transport industry in Europe, due in particular to the high level of costs in many airlines without a corresponding level in productivity and aggravated, in some cases, by a significant change in market conditions, specifically in respect of demand, lower average yield and overcapacity,

RECOGNIZES THAT:

A healthy, financially sound and safe civil aviation sector in Europe is an important element for achieving economic and social policy objectives.

To maintain, in the existing market situation, a high level of safety, which constitutes a prime concern of air transport policy as a whole, it would be helpful to strengthen, in close co-operation with international organizations, rules with regard to harmonization and, in particular, full implementation of existing air safety rules in the technical and social environment of undertakings.

The high costs of air transport undertakings is a problem which lies both within and beyond the direct control of airline management. Therefore, if the European Community air transport sector is to recover and be able to face the prospect of increased competition in the future both inside the Community and worldwide, certain aspects leading to a reducing in transport operator costs need to be examined in order to support the efforts of individual airlines. These aspects comprise, in particular, improvement of the efficiency of

infrastructures including air traffic control facilities, airport capacity and rules on airport charges and on ground-handling services. Urgent action in co-ordination with international organizations beyond the European Community, like Eurocontrol and ECAC is required.

A system of free and fair competition between airlines irrespective of the type of ownership has to be ensured. Free competition is not an end in itself but a means of providing increased quality of services to the consumer. Therefore, supplementary measures might be adopted to support the implementation of the liberal framework of rules contained in the third package. In this context, new clearly defined guidelines on state-aids in the specific air transport sector should be drawn up by the Commission.

NOTES that the Commission has submitted an information note following the report by the Commission's "Comité des Sages"

AND

URGES the Commission to accelerate preparatory work and to present proposals as soon as possible permitting the Council to pronounce itself on the technically necessary and politically feasible measures to strengthen the aviation sector within the context of the Single Market."

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In addition, at the close of a debate on the civil aviation situation, the Council noted that the Commission intended to submit a report containing appropriate proposals for the Council meeting in June 1994.

P R E S S R E L A S E

6296/94 (Presse 72)

1748th Council meeting

LABOUR AND SOCIAL AFFAIRS

Luxembourg, 19 April 1994

President: **Mr Evangelos YIANNPOULOS**

Minister for Labour
of the Hellenic Republic

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

Belgium:

Ms Miet SMET

Minister for Employment, Labour and Policy
on Equal Opportunities**Denmark:**

Mr Ulrich BURG

State Secretary for Labour

Germany:

Mr Horst GÜNTHER

Parliamentary State Secretary, Federal
Ministry of Labour and Social Affairs
Parliamentary State Secretary, Federal
Ministry for Family Affairs and Senior
Citizens

Ms Roswitha VERHEULSDONK

Greece:

Mr Evangelos YIANNOPOULOS

Minister for Labour

Spain:

Mr Carlos NAVARRO

Under Secretary of State for Labour

Mr Santiago DE TORRES

Under Secretary of State for Social Affairs

France:

Mr Michel GIRAUD

Minister for Labour, Employment and
Vocational Training**Ireland:**

Ms Mary O'ROURKE

Minister of State (Labour Affairs)

Ms Joan BURTON

Minister of State, Department of Social
Welfare**Italy:**

Mr Gino GIUGNI

Minister for Employment and Social Security

Luxembourg:

Mr Jean-Claude JUNCKER

Minister for Labour

Ms Mady DELVAUX-STEHRÉS

Secretary of State for Social Security

Netherlands:

Mr Bert DE VRIES

Minister for Employment and Social Affairs

Portugal:

Mr José Benardo VELOSO FALCAO CUNHA

Minister for Employment and Social Security

United Kingdom:

Mr Michael FORSYTH

Minister of State for Employment

Mr Alistair BURT

Minister of State for Social Security

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Commission:

Mr Pádraig FLYNN

Member

WHITE PAPER ON GROWTH, COMPETITIVENESS AND EMPLOYMENT

The Council took stock of the progress of work on the White Paper and agreed to return to this matter at its meeting on 22 June 1994, in order to prepare its contribution for the Corfu European Council.

The President and Mr FLYNN also briefed the Council on the G 7 meeting on employment held in Detroit on 14 and 15 March 1994.

GREEN PAPER ENTITLED "EUROPEAN SOCIAL POLICY - OPTIONS FOR THE UNION"

The Council took note of the comments by Mr FLYNN on Member States' initial reactions to the Green Paper. It called on the Governments of the Member States which had not yet reacted to the Green Paper to send their views to the Commission as soon as possible.

PROGRAMME TO COMBAT EXCLUSION

On the basis of a Presidency compromise proposal the Council examined the final points outstanding on the proposal for a Decision establishing a medium-term programme to combat economic and social exclusion and to promote solidarity.

The Presidency noted that there was very broad agreement on the programme to combat exclusion.

However, one delegation expressed a blanket reservation.

The Presidency considered that the Permanent Representatives Committee should continue

discussing this proposal so that it could be adopted at the Council meeting (Labour and Social Affairs) on 22 June 1994.

EUROPEAN AGENCY FOR SAFETY AND HEALTH AT WORK

On 29 October 1993 the European Council decided that the European Agency for Safety and Health at Work should have its seat in Spain.

With a view to encouraging improvements, especially in the working environment, as regards the safety and health of workers as provided for in the Treaty and successive action programmes concerning health and safety at the workplace, the aim of the Agency will be to provide the Community, the Member States and those involved in the field with the technical, scientific and economic information required in the field of safety and health at work.

Pending the Opinion of the European Parliament, the Council examined in particular the questions of the Agency's network and Administrative Board.

The Council instructed the Permanent Representatives Committee to continue its proceedings with a view to adoption of the Regulation by the Council at its meeting on 22 June 1994.

EUROPEAN WORKS COUNCILS

The Council instructed the Permanent Representatives Committee to begin examining as soon as possible the new proposal for a Directive, based on Article 2 of the Agreement on Social Policy, on the establishment of European committees or procedures in Community-scale undertakings and Community-scale groups of undertakings for the purposes of informing and consulting employees.

PROTECTION OF YOUNG PEOPLE AT WORK

The Council discussed the amendments to be made to its common position of 23 November 1993, further to the reexamined proposal submitted by the Commission in the light of the second reading by the European Parliament.

The Council agreed to continue the discussion at its meeting on 22 June 1994.

IMPLEMENTATION OF THE PROTOCOL ON SOCIAL POLICY

The Council held an exchange of views on implementation of the Protocol on Social Policy on the basis of a note from the Belgian delegation drafted following the Commission communication on this item.

NON-STANDARD EMPLOYMENT/PARENTAL LEAVE/BURDEN OF PROOF

The Council discussed the follow-up to the proposals for Directives on non-standard employment, parental leave and the burden of proof.

The President concluded that the proposal on non-standard employment should be discussed further by the Twelve.

Regarding the proposals on parental leave and the burden of proof, the Commission would consider whether it was appropriate to initiate the procedure established in the Protocol on Social Policy.

6298/94 (Presse 74)

1749th meeting of the Council

- CIVIL PROTECTION -

Luxembourg, 21 April 1994

President: Mr Apostolos TSOHATZOPOULOS
Minister for the Interior of the
Hellenic Republic

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

Belgium:

Mr Jan DE BOCK Deputy Permanent Representative

Denmark:

Mr Niels Henrik SLIBEN Deputy Permanent Representative

Germany:

Mr Kurt SCHELTER State Secretary, Ministry of the Interior
Mr Alwin ZIEL Minister for the Interior, Brandenburg

Greece:

Mr Apostolos TSOHATZOPOULOS Minister for the Interior
Mr Giorgos DASKALAKIS State Secretary, Ministry of the Interior

Spain:

Mr Fernando PUIG Deputy Secretary of State, Ministry of the Interior

France:

Mr Pierre SELLAL Deputy Permanent Representative

Ireland:

Mr Emmet STAGG Minister of State at the Department of the Environment, with special Responsibility for Housing and Urban Renewal

Italy:

Mr Vito RIGGIO State Secretary for the Interior with responsibility for Civil Protection

Luxembourg:

Mr Jean SPAUTZ Minister for the Interior

Netherlands:

Mr A. OOSTRA Deputy Permanent Representative

Portugal:

Mr Carlos de SOUSA ENCARNAÇÃO State Secretary to the Minister for the Interior

United Kingdom:

Mr David DURIE Deputy Permanent Representative

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Commission:

Mr Yannis PALEOCRASSAS Member

COMMUNITY CO-OPERATION ON CIVIL PROTECTION

The Council and the Representatives of the Governments of the Member States meeting within the Council approved ⁽¹⁾ the text of the Resolution on strengthening Community co-operation on civil protection set out below:

The Council and the Representatives of the Governments of the Member States meeting within the Council,

Recalling their Resolution of 25 June 1987 on the introduction of Community co-operation on civil protection ⁽²⁾, their Resolution of 13 February 1989 on the new developments in Community co-operation on civil protection ⁽³⁾, their Resolution of 23 November 1990 on Community co-operation on civil protection ⁽⁴⁾, their Resolution of 23 November 1990 on improving mutual aid between Member States in the event of a natural or man-made disaster ⁽⁵⁾ and their Resolution of 8 July 1991 on improving mutual aid in the event of a natural or technological disaster ⁽⁶⁾;

(1) The German delegation upheld a scrutiny reservation on this text, stating that it would be examined by the Conference of the Interior Ministers of the German Länder to be held on 5 and 6 May 1994.

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

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

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

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

(6) OJ No C 198, 27. 7.1991, p. 1.

Having regard to the benefit afforded to those involved in civil protection by the training activities and simulation exercises organized by the Commission; whereas these activities have helped both to improve their level of preparation and to develop interpersonal links between them; whereas such links will make for an improved exchange of experience at Community level and increase the efficiency and speed of mutual assistance operations;

Whereas the system of exchanges of experts currently being developed will help to increase that benefit;

Noting the important role played by volunteers in many areas of civil protection, and drawing attention in this context to the Resolution on voluntary work adopted by the European Parliament on 16 December 1993 ⁽¹⁾;

Whereas, subject to Member States' operational responsibilities, the maintenance and reinforcement of the operational arrangements already in place are a major asset for mutual assistance in the event of disasters; whereas the experience acquired in data transmission between Member States has demonstrated the need to set up a committee of users within the existing PNNC arrangements to guide any new initiative in this field;

Emphasizing that those involved in civil protection should be given the opportunity of pooling their experience within a European perspective;

Believing that self-protection is an essential component of civil protection;

Reiterating the necessity of reinforcing the information, education and awareness-raising initiatives aimed at the public and in particular at young people, among other things in order to increase their degree of self-protection;

(1) OJ No C 10, 16.1.1984, p. 288.

Whereas it is important to develop specific measures under the EEA Agreement ⁽¹⁾ which came into force on 1 January 1994, and in particular Article 78 thereof;

Whereas every effort must be made to ensure the best possible co-ordination of measures taken at international level in order to rationalize the use of the resources involved in such measures, without prejudice to Member States' responsibilities in this regard;

Recalling that, while Article 3(f) of the Treaty establishing the European Community already provides for the possibility of measures particularly in the sphere of civil protection, the declaration on civil protection, energy and tourism annexed to the Final Act of the Treaty on European Union mentions that the provisions on civil protection in particular will be reviewed in accordance with the procedure laid down in Article N(2) of the Treaty on European Union, on the basis of a report which the Commission will submit to the Council by 1996 at the latest;

Considering, therefore, that it would be appropriate to adumbrate broad guidelines that could be adopted by the Commission for the purposes of that report;

Recalling that, in accordance with point 2 of the Resolution of 25 June 1987, a permanent network of correspondents from the Member States and the Commission has been established; whereas this network plays an essential role in the drawing up of any Community initiatives that are undertaken;

ACKNOWLEDGE that the network represents an essential framework which ensures the consistency of Community co-operation on civil protection and that the national correspondents must continue to play an active part, in particular in order to facilitate the participation of experts in Community measures, to communicate information on these measures to those concerned, and to provide better access to the advantage of Community backing for projects initiated by the Member States;

(1) OJ No L 1, 3.1.1994, p. 1.

HEREBY AGREE that, within their administrations, the necessary human resources will be assigned or kept available, as required, for the smooth operation and possible development of the role of the network, and that they will arrange for the directors-general for civil protection or their counterparts to meet regularly and in principle once a year;

WELCOME the progress that has been made in implementing the Resolutions mentioned above, especially as regards the development of training activities, simulation exercises and pilot projects, and also call upon the Commission to continue and reinforce its action;

DESIRE also that co-operation may be developed between schools and national training centres that are active in the field of civil protection without prejudice to Member States' responsibilities in this regard;

NOTE with satisfaction the preparatory work initiated by the Commission for the creation of an expert-exchange system for an initial pilot phase of two years, in line with the request made in the Resolution of 23 November 1990; they agree, furthermore, to assess by the end of this initial stage whether this system should be continued and if so, to have the arrangements for it examined, in particular with regard to the system of financing, within the permanent network of national correspondents;

ENCOURAGE the Commission's initiative for pooling, in close co-operation with the national administrations, different experience in the voluntary sector in order to identify actions which contribute to better use of the resources of this sector and accordingly emphasize the usefulness of the organization in Portugal of a self-tuition workshop on voluntary work in June 1994;

GREATLY APPRECIATE the progress made in setting up assistance arrangements, in particular through the creation of an operational manual listing, among other things, national and Community points of contact, points of access to expert opinion on certain areas of intervention, as well as of registers of the resources that are available in each Member State and the procedures and arrangements for making such resources available subject to the operational responsibilities of the Member States;

WELCOME the arrangements made by the Commission, within its departments, to provide a 24-hour standby service and to meet the costs relating to the secondment of experts;

CALL UPON the Commission to consolidate these arrangements and when necessary to plan for the expansion of their scope by setting up groups of experts specializing in specific areas, in close co-operation with the permanent network of national correspondents;

BELIEVE in particular that in its proposals for actions, the Commission should emphasize preparation to cope with disasters, disaster prevention and risk management; they support in this respect the Commission's move to undertake, in close co-operation with the network, measures to ensure that those required to prevent and deal with emergencies are better prepared;

CONSIDER that the requirements of civil protection services need to be taken into account in the context of the trans-European information networks between administrations; they call upon the Commission to assess the need for and the feasibility and cost of a teleconference system which is permanently accessible for emergencies in particular;

CALL UPON the Commission to give consideration, in accordance with the conclusions of the Europe 93 exercise and in collaboration with the network, to the opportunities for giving those who work for civil protection a forum for pooling their experience;

REITERATE their wish to see the development of initiatives to ensure that citizens, in particular at school level, become better informed, better educated and more aware so that, among other things, their level of self-protection can be increased;

NOTE the co-operation which has developed between the Community and the EFTA countries and welcome the fact that this co-operation is strengthened by the participation in Community training activities of experts from the countries which are Contracting Parties to the EEA Agreement but do not belong to the Community;

CALL UPON the Commission, through its regular contacts with international organizations active in the sphere of civil protection, to contribute to better co-ordination between civil protection measures on the international level, without prejudice to Member States' responsibilities in this regard;

CONSIDER that, at the World Conference for the prevention of natural disasters called in Yokohama from 23 to 27 May 1994 by the General Assembly of the United Nations, all the initiatives conducted as part of Community co-operation in the field of civil protection should be appropriately presented in collaboration with the Commission, so that this experience can be made available to other regions;

UNDERTAKE to co-operate closely and actively with the Commission in preparing the report which it must submit to the Council by 1996 at the latest as a basis for examination, in accordance with the procedure laid down in Article N(2) of the Treaty on European Union, of the question of introducing a Title relating to civil protection into the Treaty establishing the European Community.

PRESS RELEASE

6442/94 (Presse 76)

1750th Council meeting

- INDUSTRY -

Luxembourg, 22 April 1994

President : Mr Konstantinos SIMITIS
Minister for Industry of the
Hellenic Republic

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

Belgium:

Mr Robert COLLIGNON Chairman of the Executive of the Walloon Region

Denmark:

Ms Mimi JAKOBSEN Minister for Industry and Energy

Germany:

Mr Johann EEKHOF State Secretary, Federal Ministry for Economic Affairs

Greece:

Mr Konstantinos SIMITIS Minister for Industry

Spain:

Mr Juan Manuel EGUIAGARAY Minister for Industry

Mr Juan Ignacio MOLTO GARCIA State Secretary for Industry

France:

Mr Pierre de BOISSIEU Ambassador, Permanent Representative

Ireland:

Mr Ruairi QUINN Minister for Employment and Enterprise

Italy:

Mr Paolo BARATTA Minister for Foreign Trade

Luxembourg:

Mr Jean-Jacques KASEL Ambassador, Permanent Representative

Netherlands:

Mr B.R. BOT Ambassador, Permanent Representative

Portugal:

Mr Luis MIRA AMARAL Minister for Industry and Energy

Mr Luis Filipe ALVES MONTEIRO State Secretary for Industry

United Kingdom:

Mr Tim SAINSBURY Minister of State, Department of Trade and Industry

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Commission:

Mr Martin BANGEMANN Member

Mr Karel VAN MIERT Member

Mr Raniero VANNI D'ARCHIRAFI Member

WHITE PAPER: IMPROVING THE COMPETITIVENESS OF EUROPEAN INDUSTRY**– COUNCIL CONCLUSIONS**

THE COUNCIL OF THE EUROPEAN UNION,

points out that Title XIII "Industry" of the Treaty, and in particular Article 130 thereof, instructs the Community and the Member States to ensure that the conditions necessary for the competitiveness of the Community's industry exist,

considers that the White Paper submitted by the Commission gives guidelines for improving global industrial competitiveness and generating the highest possible level of employment,

points out that the European Council has set up two High-Level Working Parties dealing respectively with trans-European networks in the field of transport and energy and with information infrastructures, and that once their reports have been approved, specific Community initiatives will have to be taken,

considers that an improvement in global industrial competitiveness is indispensable in promoting recovery in growth and employment,

considers that, while it is true that an improvement in industrial competitiveness depends above all on undertakings, it is equally the case that national and Community public authorities have the responsibility of creating a favourable environment for industry, offering it clear and predictable prospects and promoting the development of its international competitiveness,

considers that economic and social cohesion and the competitiveness of European industry are linked in that

- a competitive European industry can contribute to cohesion,
- cohesion can provide industry with the benefits of a wider commercial and geographic base,

considers that SMEs play a crucial role in promoting growth, competitiveness and employment and that efforts must be stepped up to facilitate their operation, their development and their adaptation to the new requirements of competitiveness,

considers that the European Union's industry has major competitive advantages, including its human, cultural, scientific and technological capital, its social consensus, the integration of its market and its overall financial situation,

considers, however, that the European Union, which has to correct certain macro-economic imbalances, must in the face of intense international competition also overcome a series of handicaps such as the under-representation of its undertakings on major growth markets, the insufficient level of expenditure on research and development by its undertakings and a productivity which lags behind that of its main competitors.

I

THE COUNCIL:

1. – points to the importance for strengthening the competitiveness of industry of the proper functioning of the internal market and implementation of Economic and Monetary Union,

notes with satisfaction the conclusion of the Uruguay Round and the creation of a world trade organization, and emphasizes the importance of open, competitive markets for growth, competitiveness and employment,

- considers nonetheless that substantial progress has to be made with the questions still outstanding in the above areas.
- underlines the need for the European Union to become more attractive as a place for investment which is likely to lead to the creation of additional jobs.

2. stresses the need to speed up development of the trans-European networks which:
 - help to strengthen the economic growth, industrial competitiveness and economic and social cohesion of the Union, and
 - are important in order to ensure the proper functioning of its internal market.
3. considers that the establishment of the "information society" constitutes a decisive advantage in strengthening the position of European undertakings in international competition, and for all industries involved with information and telecommunications technologies.
4. – stresses that industrial competitiveness depends more and more on knowledge-based factors among which training, research and development, innovation and quality are particularly important,
 - acknowledges the need for consistent measures concerning knowledge-based investment, in particular quality promotion.
5. stresses the importance for business competitiveness of simplifying rules and of keeping them under constant review and welcomes the Commission's efforts to ensure that legislative proposals are justified in cost-benefit terms and to audit certain rules as requested by the European Council in Brussels.
6. stresses the need to persevere with the structural adjustment of European industry to which the Structural Funds, in particular within the framework of industrial transformation, can make a positive contribution, while complying with the powers that the Regulations on the Structural Funds confer on the Member States.

7. stresses the need to establish a consistent set of horizontal measures needed to:
- remove the obstacles preventing businesses and in particular SMEs from reaping all the benefits of the completion of the internal market in a stable economic and monetary context, and streamline the regulations and procedures affecting the way they function;
 - remove obstacles to the setting up of businesses;
 - promote, account being taken of the rules of competition, the improvement of relations between large firms and SMEs and between suppliers and their customers;
 - facilitate access to and participation by SMEs in the Fourth Research and Development Framework Programme and the development and operation of the trans-European networks;
 - speed up the dissemination and exploitation of technological progress in the European Union, particularly in the least-favoured regions.
8. points out that the Union's research and development policy must, according to the actual terms of the Treaty, promote development of the international industrial competitiveness of European industry and that it is therefore essential for the specific programmes in the Fourth Framework Programme for Research and Development to be finalized and implemented as quickly as possible, in close co-operation with industry.

9. stresses that:

- it is important to examine the consequences for industry of the outcome of the Uruguay Round negotiations;
- the positions to be defined by the Union in the context of establishing the new World Trade Organization on the interactions between trade and other policies will be particularly important for industry.

10. stresses the importance which it attaches to the questions raised in its Resolution of 3 December 1992 and its conclusions of 4 May 1993 on the relationship between industrial competitiveness and protection of the environment, and notes that efforts must continue to strengthen the dialogue with industry.

11. stresses that it is vital for the growth of European industry that it strengthen its presence on growth markets and that the development of industrial co-operation be able to make a very positive contribution to that strengthening process. Particular importance must be attached in this connection to industrial co-operation with the third countries most concerned and in particular those with which the Community has for historical and cultural reasons traditionally had closer ties, including those in Central and Eastern Europe.

II

THE COUNCIL:

1. attaches great importance, particularly from the industrial angle, to assessing the progress made in implementing trans-European networks and information infrastructures in the light of the outcome of discussions by the Working Parties set up at the request of the European Council.

2. will at its next meeting examine the promised Commission proposal concerning an Integrated Programme for SMEs.
3. will regularly, and at least once a year, assess the competitive position of European industry on the basis of a report drawn up by the Commission taking account of its industrial policy communications and of the Resolutions and conclusions adopted by the Council, with reference inter alia to the annual panorama of Community industry.

III

THE COUNCIL REQUESTS THE COMMISSION TO:

1. take account of all the above points, including economic and social cohesion, in the communication on industrial policy which it is preparing.
2. draw up communications on industrial co-operation with the third countries most concerned, in particular those countries with which the Community has traditionally had closer ties for historical and cultural reasons.
3. analyse in detail, with directors-general for industry and their delegates, the problems related to delocation, to knowledge-based investment, to the industrial consequences of the GATT Agreements in the conditions referred to in the 2nd indent of point 1.9 above, to methods of strengthening industrial co-operation and to SMEs.

THE COUNCIL TAKES NOTE THAT THE COMMISSION INTENDS TO:

1. submit very shortly a communication on quality,
2. submit during the first half of 1995 a communication on industrial co-operation with the countries of Central and Eastern Europe.

POLICY FOR SMEs - APPROACH OF THE INTEGRATED PROGRAMME

The Council heard a statement by Commissioner VANNI D'ARCHIRAFI, describing the main thrust of the integrated Community programme which the Commission is proposing to adopt and submit to the Council in the near future - probably towards the end of May.

The Council held a preliminary discussion on this subject which gave the delegations the opportunity to voice their initial reactions and to stress the importance they attached to this area.

The Presidency asked the Commission to forward the integrated programme in sufficient time to enable the Council to begin examining it at its next meeting.

TEXTILE AND CLOTHING INDUSTRY – COUNCIL CONCLUSIONS

I

THE COUNCIL,

after examining the report submitted to it by the Commission on 16 November 1993,

1. endorses the Commission's analysis of the reasons for the European textile and clothing industry's loss of competitiveness and voices its concern at the state of that industry, marked by:
 - a slowdown in final consumption;
 - increased international competition, resulting in a worsening balance of trade since 1988;
 - very considerable job losses amounting to around 870 000 for the Union as a whole since 1988;
 - a sharp downturn in investment;
 - high concentration in some regions of the Union, which afford as yet uncertain prospects of diversification;
 - disparities in production conditions from one region to another, reflecting unequal degrees of modernization of production plant.

2. considers that a considerable effort must be made, now and in the next few years, by the European textile and clothing industry to improve its competitiveness and adapt to the new conditions of international competition brought about by the Uruguay Round agreements. That effort should be accompanied by the Member States and the Union, given the particular importance of the activities in question for employment in the Union and particularly in some regions of it.

II

THE COUNCIL CALLS UPON THE COMMISSION AND THE MEMBER STATES, within their respective spheres of competence, to:

- A. actively encourage the adaptation of the industry in order to secure its future by improving its competitiveness, in the context of the broader industrial policy defined by the European Union. In this connection, the Council has decided on a comprehensive programme incorporating the following objectives:

Internally:

1. keep a close watch on the textile and clothing industry's adjustment problems in the regions most seriously affected by the crisis in the textile industry and/or the opening-up of the Community market to third countries;
2. strengthen the economic recovery of those regions, in particular by promoting their diversification, inter alia through use in suitable cases of the RETEX initiative;
3. make it easier for workers and managers to adapt to industrial change and improve the know-how of small and medium-sized enterprises (SMEs) and their economic and technical environment by means of broader action co-financed by the Structural Funds, while complying with the powers that the Regulations on the Structural Funds confer on the Member States. Measures to raise awareness among and inform SMEs may increase their participation in Community programmes;
4. create the conditions enabling firms in the industry and in particular SMEs to have easier access to research programmes and to derive greater benefit from their results as well as strengthening synergy between research and training. Special attention should be devoted to measures for disseminating the results of research throughout the textile industry;

5. ensure that the transparency of public aid is improved by means of closer co-operation between the Commission and the Member States;
6. take suitable measures to promote better communication and information with regard to the economic sectors concerned, notably by means of support for the activities of the European Textile and Clothing Observatory. This support is to be progressively reduced over a 5-year period. The Commission is to report to the Council on the subject at the end of 1995 and 1998;
7. strengthen the forms and mechanisms of co-operation between the economic agents concerned (industry, management and workers, distributors, and consumers), with a view to seeking ways of improving the industry's competitiveness;
8. ensure, in co-operation with trade organizations, the collection and rapid publication of international trade statistics with a view to effectively combating unfair imports without delay;

Externally:

9. as regards the Uruguay Round:
 - ensure compliance with the provisions of the Agreement on Textiles in order to preserve the balance of rights and obligations between all parties concerned; the dismantling of the MFA must in particular go hand in hand with observance of GATT rules and constraints, using all the international or autonomous instruments available to the European Union;
 - make a concerted assessment of its impact on the industry;

- ensure strict application of the letter of the Agreement in co-operation with representatives of the economic sectors concerned;
10. significantly improve access to third-country markets in accordance with the outcome of the Uruguay Round by:
- systematically identifying non-tariff barriers and swiftly taking all appropriate measures to have them removed;
 - stepping up action to promote exports, in particular to new markets opened up as a result of the Uruguay Round;
11. – engage in strict, swift and effective application, in compliance with existing rules, of safeguard measures and commercial-policy instruments, particularly in fields such as anti-dumping and anti-subsidy action and protecting intellectual property rights;
- strengthen the Textile Anti-Fraud Initiative (TAFI) and step up the fight against counterfeiting;
12. in the 10-year review of the GSP, take into account both the competitive position of third countries in the textile industry and the implications for the textile industry of the outcome of the Uruguay Round agreements concluded;
13. harmonize as soon as possible at Community level the application of the outward processing traffic system to the textile trade in the interest of the European industry;

14. work in the framework of the European Union to define positions on interaction between trade and the other policies within the MTO on which have a significant impact on the textile industry.

B. adopt and, whenever they deem it necessary, propose the measures essential to achieving the objectives in A.

III

THE COUNCIL CALLS UPON THE COMMISSION TO:

keep it regularly informed of developments in the European industry's competitiveness and the impact of the measures taken in line with these conclusions.

AUTOMOBILE INDUSTRY - COUNCIL RESOLUTION**THE COUNCIL OF THE EUROPEAN UNION,**

Having regard to the Treaty establishing the European Union,

Having regard to the Commission communication of November 1990 on industrial policy in an open and competitive environment,

Having regard to the Commission's White Paper of December 1993 on growth, competitiveness and employment,

Having regard to the Commission communication from the Commission to the Council and the European Parliament of February 1994 on the European Union automobile industry,

Having regard to the discussions held at the Auto Forum of 1 March 1994, sponsored by the European Commission and the European Parliament,

Whereas the Union's automobile industry - which for this resolution covers both component and vehicle manufacturing - is, and will continue to be, of paramount importance to the Union's economy in terms of employment directly and indirectly depending on it, in terms of its contribution to the economy of the Union and its trade balance, and also in terms of its role in spearheading technological advancement and progress in the organisation of production;

Whereas the automobile industry must continue to adapt its products to meet societal demands for clean, safe, efficient, quality and value cars;

Whereas the automobile industry must make additional efforts to respond to increasing environmental requirements and concerns;

Whereas competition is forcing EU car and component manufacturers to undertake substantial restructuring with the objective of increasing productivity and cost effectiveness along the supply, manufacturing and distribution chain; whereas, in the supply sector, structural adjustment will be particularly important;

Whereas restructuring is taking place against a background of a severe downturn in demand in the Union in 1993;

Whereas it is essential that closer partnership relations between producers and suppliers and between producers and distributors be developed, in order to improve efficiency and competitiveness;

Whereas the main responsibility for improving industrial competitiveness lies with all elements of the industry themselves;

Whereas the role of the public authorities is to provide the industry with a clear, stable and predictable framework for their activities and to ensure an environment favourable to competitiveness;

Whereas the Union's approach to industrial policy centres on the completion of the single market, the application of the competition rules, the use of horizontal policy instruments in the field of research and development and structural funds and on assuring equal access to markets and fair competition on a global scale;

Whereas strong efforts in the field of research and development, particularly in the areas of both product, process and production technology, are vital for the future competitive position of this industry;

Whereas the structural adjustment of the automobile industry, which presents different characteristics in the Member States, has important regional and social effects;

Whereas the necessary introduction of new technologies within the automobile sector depends crucially on the availability of people with the relevant skills and whereas that might entail reconversion of parts of the labour force on all levels;

Whereas it is essential for the European Union automobile industry to have better access to third country markets;

CONFIRMING THE CONCLUSIONS OF ITS RESOLUTION OF 17 June 1992 ⁽¹⁾, THE COUNCIL HEREBY ADOPTS THIS RESOLUTION :

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THE COUNCIL:

1. recognizes that the Union has an important role to play in creating a favourable business environment for the automobile industry which sets an appropriate framework for a future-oriented and coherent approach to the development, production, distribution and use of the automobile and its impact on the environment and on society as a whole;
2. underlines that the structural adjustment of the industry and measures to facilitate such adjustment are a matter of urgency, in order to prepare the full opening of the EU market to Japanese competition in the year 2000 and in light of the emergence of new strong competitors from other countries;
3. recognises that to be successful, structural adjustment must take place in a stable and predictable regulatory policy environment, which takes account of the cost-effectiveness of regulatory measures, including their impact on the automobile industry's overall competitiveness, whilst giving industry sufficient lead time to adapt to necessary regulatory changes;

⁽¹⁾ OJ No C 178, 15.7.92, p. 6.

4. underlines the growing importance of component manufacturing and the further development of the outsourcing of systems and component production to suppliers within the automobile manufacturing value added chain, which is essential to increase the competitiveness of the automobile sector as a whole;
5. recognises that, where appropriate for the proper functioning of the single market, consideration should be given to further harmonisation of relevant legislation concerning the automobile sector;
6. emphasises that the environmental problems related to the use of automobiles - emissions, noise, congestion and solid waste from the scrapping of used vehicles - must be progressively and significantly reduced; in this context, the Council welcomes the adoption of the directive leading to a further reduction of car emissions from 1996 for new vehicle types;
7. emphasizes that the Commission should reach a decision quickly on how Regulation No 123/85 on Selective and Exclusive Distribution in the automobile industry should be applied in the future, taking account of the specific nature of and competition in the sector, the functioning of the existing Regulation, progress in the internal market, the need to reinforce partnership relations between different elements of the distribution chain, in order to improve industrial efficiency and competitiveness, the balance of interests between the parties concerned (constructors, parts producers, distributors, consumers) and the contribution that the Regulation makes to the efficient management of the arrangement between Japan and the EU on trade in automobiles which should not be weakened in any way;
8. emphasises that public policy in the field of R&TD must be optimised through effective co-ordination of Union, national and EUREKA programmes and projects; with regard to Community programmes under the Fourth Framework Programme, a strengthened dialogue with appropriate industrial panels and better co-ordination and consultation between individual research programmes should be achieved in order to achieve the best long-term return on R&TD investment in terms of sustained industrial competitiveness throughout the industry;

9. emphasises the need to enhance efforts relating to the provision of training at all levels in order to:

- anticipate the effects of restructuring on employment; in this context training programmes based on the introduction of new production methods and to encourage SMEs to adapt to new forms of co-operation with major companies are of particular relevance,
- make changes economically efficient and socially acceptable,
- help in retraining and redeployment,
- promote best practice within the industry;

Community horizontal instruments can support the industry's own efforts, notably through Structural Funds, while complying with the powers that the Regulations on the Structural Funds confer on the Member States, in particular in the framework of industrial mutations, and through the use of appropriate Community Initiative programmes;

10. emphasises that, in order to support the Community's policy of international trade and competition, it is necessary to eliminate barriers preventing the European automobile industry from penetrating high-growth third markets, including barriers in the field of technical regulations, distribution, competition policy and foreign investment;

11. takes the view that, for the necessary changes to materialise, and for the European industry to become more flexible and more competitive, dialogue between the social partners should take place based on mutual trust, at the appropriate level, and according to national practices.

THE COUNCIL INVITES THE COMMISSION:

Within the horizontal industrial policy framework adopted by the Union, the Commission should facilitate the structural adjustment process of the industry which is vital to its improved competitiveness and thereby to its future. In particular, the Council calls on the Commission:

1. to co-ordinate and organize its programmes in the field of R&TD in such a way as to cover themes relevant to improved competitiveness, to facilitate access to the programmes for component suppliers notably SMEs as well as their participation in consortia with vehicle manufacturers, to improve the dissemination of research results, and to facilitate industry planning in this sphere by presenting a clear view on the possibilities of funding projects covering several programme activities; in this context, the dialogue with industry should be further developed;
2. to encourage industrial co-operation by SMEs in the components sector both among themselves and with the vehicle manufacturers in order to bolster improved and faster exploitation of R&D results to obtain new products and in order to strengthen improvements in production procedures and the organization of work, areas in which the European industry lags behind its competitors;
3. to reach a decision quickly, following full and proper consultations with all interested parties, on how Commission Regulation No 123/85 on selective and exclusive distribution should be applied in the future taking account of all elements referred to above;
4. to continue to promote better environmental and safety performance of automobiles by developing advanced environmental and technical standards which, within the context of global and multifaceted approaches to these problems, are cost-effective and achievable in a realistic time schedule in the overall context of a stable and predictable regulatory policy environment; in drawing up such measures, account should be taken of their impact on the industry's overall competitiveness;

5. to develop and to propose coherent policies, e.g. in the environmental and infrastructural sphere, impacting the future context of car use and which are thus of crucial importance to the car industry;
6. to continue to apply integrally and in conformity with all its objectives, the arrangement on automobiles with Japan which provides for the progressive opening of the EU market over a transitional period ending on 31 December 1999;
7. to draw up a list of the most important barriers impeding better market access for EU automobiles on third markets; on the basis of this list a market opening plan should be drawn up together with a timetable for achieving results; progress should be reported to the Council under Article 113 of the Treaty;
8. to promote industrial co-operation and business contacts in the automobile sector with third countries, notably Japan, in areas where the greatest value added can be achieved at Union level;
9. to report to the Council and the European Parliament by the end of 1995 on the progress achieved in implementing this Resolution and on the industry's structural adjustment. An interim report should be made to the Directors-General of Industry.

III

THE COUNCIL CALLS ON THE MEMBER STATES AND THE COMMISSION to actively pursue the aforementioned objectives, in accordance with their respective powers.

INTERMEDIATE REVIEW OF THE RESTRUCTURING OF THE STEEL INDUSTRY**- CONCLUSIONS**

The Council heard a statement by Commissioner BANGEMANN, based on the Commission communication on the intermediate review of the restructuring of the steel industry.

Given the need to continue the restructuring process, the prospect of reaching at least the necessary minimum capacity reduction level within the next few months and bearing in mind the commitment by all the parties concerned to maintain strict discipline as regards State aids (including rigorous monitoring), the Council welcomed the Commission proposals to extend the deadline for submitting closure programmes and to temporarily extend the various flanking measures adopted in accordance with the Council's conclusions of 25 February 1993.

The Council noted that the Commission would further review the steel restructuring process in September with a view to a conclusive discussion in the Industry Council to be held after that date.

STATE-AID - FOLLOW-UP TO THE INDUSTRY COUNCIL ON 17 DECEMBER 1993

After the Council had heard Commissioners BANGEMANN and VAN MIERT, on the follow-up to the Industry Council on 17 December 1993, in particular on the subject of the procedure for monitoring State aid, it agreed to give immediate attention to the written report which the Commission was to submit on the subject.

FUTURE OF THE ECSC TREATY

Following its discussion on this item, the Council

- adopted the conclusions set out hereunder;
- took note of the Commission's undertaking to act on those conclusions;
- agreed in principle to give its assent – in the following cases without further discussion (as an "A" item):

= under Article 56(2):

- Deutsche Genossenschaftsb.
- Westfalenbank
- Bancaja
- B. Herrero
- WLB Europe (France)
- Crédit National
- Kredietbank (France)
- Efibanca
- BNL
- B.S. Paolo di Torino
- Kimberley Clark

= under Article 54, second paragraph:

- South Yorkshire Passenger
- LKAB (Sweden).

- **COUNCIL CONCLUSIONS**

THE COUNCIL,

Reaffirms its conclusions of 24 November 1992 (Industry Council) which called on the Commission to make the most substantial possible reductions in the levy in order to achieve a rapid phasing out and ensure a smooth transition to the period post 2002 so that coal and steel industries can be treated in the same way as other industries;

Takes into consideration that new financial facilities have recently been made available through other financial institutions, particularly the EIB;

In this framework the Council

1. takes into consideration the Commission's intention to pursue its lending activities under the first paragraph of Article 54 to the extent justified by the restructuring;
2. takes into consideration and approves the Commission's intention to cease, as from 1 July 1994, the examination of new requests under the second paragraph of Article 54;
3. takes into consideration and approves the Commission's intention to cease, by the end of 1996, the examination of new requests under Article 56(2) (conversion) and invites the Commission, with due regard for interinstitutional budgetary procedures, to reduce interest-rate subsidies to a maximum of ECU 275 million;
4. takes note of the Commission's intention to make available the ECU 1 000 million loans provided for in the framework of the financial mechanisms under Article 53a, to meet costs associated with definitive capacity reductions;
5. invites the Commission to consider, on conclusion of the Twelfth programme, the future of the workers' housing loans scheme;
6. approves the practical measures proposed by the Commission according to which new loans decided as from 1 July 1994 cannot extend beyond the year 2002 and shall involve the immobilisation of reserves lower than those released in the same period as a result of the repayment of current loans, in order to use as many reserves as possible for budgetary purposes;
7. encourages the Commission to continue to consider further means of reducing the levy more speedily than proposed and invites the Commission to provide, in the framework of annual budgetary proceedings, reports to the Council on the progress made in phasing out ECSC financial activities;

8. invites financial institutions and especially the EIB to intervene in ways which are compatible with their own institutional responsibilities in the financing of projects which will no longer be borne by the ECSC;
9. notes that the Council's consideration of the Commission's documents in no way implies any commitments by the Council in respect of the EC budget or any compromise on the use of the Structural Funds, either before or after 2002;
10. takes note of the Commission's intention to inform potential applicants of these changes through the Official Journal.

COMPETITION POLICY – XXIIInd ANNUAL COMMISSION REPORT

The Council took note of the information in the XXIIInd report on competition policy concerning 1992 and of the comments by some Member States.

The Council agreed to look in greater detail at the various aspects raised by competition policy when it examines the XXIIIrd report concerning 1993, which the Commission is to submit to the Council shortly.

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The items concerning the implementation of a global approach for the maritime industries and the electronics sector were postponed until a forthcoming meeting of the Industry Council.

OTHER DECISIONS

(adopted without debate – unanimously unless otherwise specified)

INDUSTRY

The Council gave its assent on a draft Commission Decision on the granting of financial aid for Steel Research projects and Steel Pilot/Demonstration projects pursuant to Article 55(2)(c) of the ECSC Treaty. This aid involves:

- ECU 24.735.574 as financial aid for 32 Steel Research projects, including 8 projects which have an environmental impact for a total of ECU 7.599.933;
- ECU 8.038.746 as financial aid for 7 pilot/demonstration projects, including 1 project which has an environmental impact for a total of ECU 2.288.535;
- ECU 227.152 for financing those projects of the 1993 reserve list that were unable to be totally financed under the 1993 grant and which are still of technical interest;
- ECU 998.528 for additional costs involved in the diffusion and valorization of the results obtained in all the programmes.

CUSTOMS UNION

The Council adopted a Regulation amending and supplementing Regulation (EEC) No 3637/93 opening and providing for the administration of Community tariff quotas bound in GATT for certain agricultural and industrial products (certain fish, timber, paper, minerals, vegetables and fruit).

PRESS RELEASE

6444/94 (Presse 78)

1751st Council meeting

AGRICULTURE

Luxembourg, 25 and 26 April 1994

President: Mr Georges MORAITIS,

Minister for Agriculture of the
Hellenic Republic

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

Belgium:

Mr André BOURGEOIS Minister for Agriculture

Denmark:

Mr Bjørn WESTH Minister for Agriculture and Fisheries
Mr Nils BERNSTEIN State Secretary for Agriculture

Germany:

Mr Jochen BORCHERT Federal Minister for Food, Agriculture and Forestry
Mr Franz-Josef FEITER State Secretary, Federal Ministry of Food, Agriculture and Forestry

Greece:

Mr Georges MORAITIS Minister for Agriculture
Mr Floros CONSTANTINOU State Secretary for Agriculture

Spain:

Mr Vicente ALBERO SILLA Minister for Agriculture, Fisheries and Food

France:

Mr Jean PUECH Minister for Agriculture and Fisheries

Ireland:

Mr Joe WALSH Minister for Agriculture, Food and Forestry

Italy:

Mr Alfredo DIANA Minister for Agriculture and Forests

Luxembourg:

Mrs Marie-Josée JACOBS Minister for Agriculture, Viticulture and Rural Development

Netherlands:

Mr Piet BUKMAN Minister for Agriculture, Nature Conservation and Fisheries

Portugal:

Mr Arlindo CUNHA Minister for Agriculture

United Kingdom:

Mrs Gillian SHEPHARD Minister for Agriculture, Fisheries and Food

Commission

Mr René STEICHEN Member

– PRICES FOR AGRICULTURAL PRODUCTS AND RELATED MEASURES 1994/1995

– MILK SECTOR

The Council continued its discussions on the price package and on various aspects of the milk sector.

The Council's discussions, which were preceded by a full series of meetings between the Presidency, the Commission and each delegation, were based on an initial Presidency compromise which was examined carefully.

The Council agreed to continue the examination at its next meeting.

The Presidency will meanwhile keep up the necessary contacts with the Commission and delegations with a view to enabling the Council to reach a positive conclusion at its May meeting.

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The Council has meanwhile extended the Regulation setting the basic price and purchase price for cauliflowers for the period from 1 to 31 May 1994.

SPECIAL MEASURES FOR THE TRANSPORT OF FRESH FRUIT AND VEGETABLES FROM
GREECE

The Council adopted by a qualified majority (the Danish delegation voted against the proposal and the French delegation abstained) the Regulation aimed at extending for 1994 the special measures for the transport of certain fresh fruit and vegetables originating in Greece to some other Member States.

The Regulation involves exceptional financial aid granted to the operators concerned on account of the difficulties and disturbances caused to the transport of those products by the conflict in the former Yugoslavia.

FRUIT AND VEGETABLES- IMPORTS OF APPLES INTO THE COMMUNITY

This item was placed on the agenda at the explicit request of the French delegation and concerns a Commission proposal aimed at amending the Regulation on the common organization of the market in fruit and vegetables with a view to greater liberalization.

The aim of that proposal, which follows the setting up by the GATT - at Chile's request - of a working party responsible for examining the compatibility with the GATT of the Community's apple import arrangements, is to provide a solution to the dispute between the Community and its trading partner and a draft agreement with Chile in the form of an exchange of letters ⁽¹⁾.

After noting a number of comments made by several delegations, the Council instructed the Special Committee on Agriculture to examine the Commission proposal.

⁽¹⁾ which will be examined by the General Affairs Council

MISCELLANEOUS DECISIONS(Adopted unanimously without discussion unless otherwise stated)Agriculture

The Council adopted the Regulation aimed at authorizing Portugal to carry out in certain regions over a period of 8 years a programme for converting up to 200 000 hectares of arable areas to extensive livestock farming. This conversion follows the redistribution of land which had previously been officially collectivized in Portugal.

Relations with the overseas countries and territories (OCT)- STABEX: reducing the amount of transfers for 1992

The Council adopted the Decision reducing the transfers to be paid to the OCT under the system for stabilizing export earnings set up by Decision 91/482/EEC on the grounds that, as the transfer rights of ECU 2 554 866 compensating for loss of export revenue for 1992 exceed the amount of ECU 1 200 000 available for that year, it is necessary to reduce those rights accordingly pursuant to the relevant provisions. The final payment will therefore be ECU 1 200 000, consisting of ECU 1 147 675 for wool from the Falkland Islands and ECU 52 325 for copra oil from French Polynesia.

Research framework programmes

Following adoption on 20 April 1994 by the European Parliament, meeting in plenary session, of the joint draft approved by the Conciliation Committee on 21 March 1994, the Council adopted:

- the Decision of the European Parliament and of the Council concerning the Fourth Framework Programme of European Community activities in the field of research and technological development and demonstration (1994-1998);
- the Council Decision concerning a framework programme of Community activities in the field of research and training for the European Atomic Energy Community (1994-1998);
- Council conclusions on the role of the Joint Research Centre

(see press release 5749/94 Presse 43 of 21 March 1994).

Committee of the Regions

The Council replaced:

- Mr Matteo GRAZIANO, alternate member who has resigned, by Mr Giuseppe FIRRARELLO, and
- Mr Tarcisio ANDREOLLI, member who has resigned, by Mr Tarcisio GRANDI.

Appointment as a member of the Economic and Social Committee

The Council appointed Mr Yannis PAPAMICHAIL to replace Mr Georgios RAFTOPOULOS for the remainder of the latter's term of office, i.e. until 20 September 1994.

Public access to information

The Council adopted two draft letters concerning public access to information, the Danish and Netherlands delegations having voted against the motion.

PRESSE RELEASE

6441/94 (Presse 75)

1752nd Council meeting

- HOME AFFAIRS -

Luxembourg, 21 April 1994

President: Mr Apostolos TSOHATZOPOULOS
Minister for the Interior
of the Hellenic Republic

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

Belgium

Mr Philippe DE SCHOUTHEETE DE TERVARENT Permanent Representative

Denmark

Mr Gunnar RIBERHOLDT Permanent Representative

Germany

Mr Alwin ZIEL Minister for the Interior, Brandenburg
Mr Jochen GRÜNHAGE Deputy Permanent Representative

Greece

Mr Apostolos TSOHATZOPOULOS Minister for the Interior
Mr Georges DASKALAKIS State Secretary for the Interior

Spain

Mr Camilio BARCIA GARCÍA-VILLAMIL Permanent Representative

France

Mr Pierre SELLAL Deputy Permanent Representative

Ireland

Mr Emmet STAGG Minister of State at the Department of the Environment with special responsibility for Housing and Urban Renewal

Italy

Mr Constantino DELL'OSSO State Secretary for the Interior

Luxembourg

Mr Jean-Jacques KASEL Permanent Representative

Netherlands

Mr B.R. BOT Permanent Representative

Portugal

Mr José PAULOIRO das NEVES Permanent Representative

United Kingdom

Sir John KERR Permanent Representative

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Commission

Mr Raniero VANNI d'ARCHIRAFI Member

RULES OF PROCEDURE OF THE COMMITTEE OF THE REGIONS

The Council took cognizance of the draft rules of procedure of the Committee of the Regions drawn up by the latter at its second meeting on 6 April and held a discussion on the main provisions of that text.

The Council instructed the Permanent Representatives Committee to proceed with the detailed examination of the draft without delay in order to enable the Council, if at all possible, to approve the rules of procedure in time for the next meeting of the Committee of the Regions scheduled for 16 and 17 May 1994.

RIGHT TO VOTE AND TO STAND AS A CANDIDATE IN MUNICIPAL ELECTIONS

The Council firstly heard a statement by Mr VANNI d'ARCHIRAFI, Member of the Commission, introducing the Commission's proposal aimed at laying down detailed arrangements for the exercise of the right to vote and to stand as a candidate in municipal elections by citizens of the Union residing in a Member State of which they are not nationals (a similar presentation had already been made at the General Affairs Council on 18 and 19 April).

During the subsequent exchange of views on this subject all the Member States congratulated the Commission on the quality and balanced character of its proposal, which would bring about major innovations, one of the most symbolic of these being the citizenship of the Union instituted by the Maastricht Treaty. The Member States also made initial comments and drew attention to certain specific aspects of their national law which would have to be taken into account in future discussions on the proposal.

It was agreed that the Permanent Representatives Committee and its subsidiary bodies should study the proposal carefully with a view to enabling the General Affairs Council to reach a decision on this important matter within the time limits laid down by the Treaty, i.e. before the end of the year.

There is no record of a 1753rd meeting.