

COUNCIL OF THE EUROPEAN COMMUNITIES

PRESS RELEASES

PRESIDENCY: GERMANY

JULY-DECEMBER 1978

Meetings and press releases October 1978

Meeting number	Subject	Date
537 th	Justice	9 October 1978
538 th	Development Co-operation	10 October 1978
539 th	Economics/Finance	16 October 1978
540 th	Foreign Affairs	16-17 October 1978
541 st	Energy	30 October 1978
542 nd	Agriculture	30-31 October 1978

PRESS RELEASE

537th meeting of the Council

- Justice -

Conference of Ministers of Justice
meeting within the Council

Luxembourg, 9 October 1978

President: Mr Hans-Jochen VOGEL,
Federal Minister of Justice of the
Federal Republic of Germany

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

Belgium:

Mr Renaat VAN ELSLANDE Minister of Justice

Denmark:

Mrs Nathalie LIND Minister of Justice

Mr Ole MADSEN State Secretary,
Ministry of Justice

Germany:

Mr Hans-Jochen VOGEL Federal Minister of Justice
of the Federal Republic of
Germany

Mr Günther ERKEL State Secretary,
Federal Ministry of Justice

France:

Mr Alain PEYREFITTE Keeper of the Seals,
Minister of Justice

Ireland:

Mr Gerard COLLINS Minister for Justice

Italy:

Mr Francesco BONIFACIO Minister of Justice

Luxembourg:

Mr Emil KRIEPS Minister of Justice

Netherlands:

Prof. M.J. de RUITER Minister of Justice

United Kingdom:

Lord ELWYN-JONES Lord High Chancellor of
Great Britain

Mr Ronald KING-MURRAY Lord Advocate

Commission:

Mr Etienne DAVIGNON Member

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Court of Justice:

Mr Hans KUTSCHER President

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EXTENSION OF THE CONVENTION ON JURISDICTION AND THE
ENFORCEMENT OF JUDGMENTS IN CIVIL AND COMMERCIAL MATTERS

1. The Representatives of the Governments of the Member States ⁽¹⁾ meeting within the Council have signed the Convention on the Accession of the Kingdom of Denmark, Ireland and the United Kingdom of Great Britain and Northern Ireland to the Convention on Jurisdiction and the Enforcement of Judgments in Civil and Commercial Matters and to the Protocol on its Interpretation by the Court of Justice.

The accession of these three Member States to the 1968 Convention known as the Brussels Convention (which entered into force on 1 February 1973) and to the 1971 Protocol on its Interpretation (which entered into force on 1 September 1975) brings an area of major importance for the citizen and for the exercise of his rights into line with the enlargement of the Community.

When they joined the Community the three new Member States undertook to accede to the Convention on Enforcement and the Protocol on its Interpretation. Negotiations for this purpose commenced in 1973 under the chairmanship of Mr Jenard, Director of Administration at the Belgian Ministry of Foreign Affairs, in order to make to the texts the adjustments necessary to take account of legal peculiarities in the law of the three new Member States and the importance to them of certain economic sectors. That these adjustments have been able to be made while the substance of the Convention has been preserved is a measure of their success.

⁽¹⁾ See pp. 2 and 3

2. The purpose of the 1968 Convention is to simplify the formalities governing the reciprocal recognition and enforcement of judgments of courts or tribunals. To this end, the Convention first of all lays down rules concerning jurisdiction in civil and commercial matters.

It goes on to lay down a procedure for the enforcement of judgments given in another Member State which is simpler than the traditional rules and rapid because proceedings are not adversary in the initial stage.

However, in the event of refusal to enforce or where the party against whom enforcement is sought contests the substance of the judgment, a more complex procedure intended to offer a maximum of guarantees and thus involving adversary proceedings is provided for.

Both the Brussels Convention and the Protocol on its Interpretation have acquired major practical significance. Hundreds of judgments in the Member States have been based on the Convention and a series of rulings by the Court have settled basic questions of its interpretation.

3. In addition to the technical adjustments resulting from its geographical extension, the chief amendments to the Convention concern the following fields:

- there are particular provisions to take account of the special features of United Kingdom trust law;
- a series of provisions on maritime law have been added to take particular account of the extent to which United Kingdom courts exercise jurisdiction in this area;
- to take account of the dimension which the accession of the United Kingdom adds to the insurance market in the European Community, several amendments have been made to the provisions governing insurance contracts, which form a separate section of the Convention. In particular the possibility of concluding agreements on jurisdiction has been extended in two directions: on the one hand by making express provision for the possibility of concluding such agreements with policy-holders who are not domiciled in the Community, and on the other enumerating the risks which may be covered by insurance contracts in respect of which the Convention allows the conclusion of jurisdiction clauses. These risks mainly concern the transport sector;

- to take account of the development of the law since the signing of the Convention in 1968, new provisions have been introduced on consumer protection. The principal objective is to give the final consumer more say in the choice of courts with jurisdiction to hear cases involving the consumer and the vendor.

4. When signing the Convention on Accession, the Representatives of the Governments of the Member States declared that they intended to use their best endeavours to ensure that the Convention is ratified quickly so that these provisions, which are of great importance in creating harmonized procedural law in the Community, can enter into force as soon as possible.

THIRD COMPANY LAW DIRECTIVE

The Council adopted, in the official languages of the Communities, the third company law Directive, based on Article 54(3)(g) of the Treaty and concerning harmonization of the rules on mergers of public limited liability companies governed by the laws of one and the same Member State.

The Directive is designed to co-ordinate the procedures for and effects of mergers and similar operations in order to arrive at an equivalent degree of protection throughout the Community for the members, creditors and employees of companies involved in such operations.

The provisions of the Directive, which are to be converted into national law within three years, define what is meant by a merger, stipulate those companies which may be merged, lay down minimum requirements for the contents, publication and supervision of the draft terms of merger to be drawn up by administrative or management bodies and determine the powers of general meetings and the rights of individual shareholders and of minority shareholders.

Other Articles are concerned with protecting the interests of creditors, particularly debenture-holders.

The protection of employees in the event of mergers and similar operations has been dealt with in a specific Directive on the maintenance of employees' rights in the event of transfers of undertakings etc., which was adopted in 1977. In view of the degree of protection afforded by this Directive and the short space of time which has elapsed since it was adopted, the present Directive reaffirms the existing protection by making reference to the specific Directive.

One of the main features of a merger is the transfer of all the assets and liabilities; shareholders of the company being acquired become shareholders in the acquiring company, and the company being acquired ceases to exist. The acquired company may, however, under certain conditions, carry out formalities concerning the transfer of some of its assets.

The Directive also governs the grounds and detailed procedures for rendering mergers void; such nullity may only be ordered under certain conditions.

These rules apply similarly in the case of merger by the formation of a new company.

Adoption of this Directive might also facilitate negotiations on a convention, currently being prepared by an intergovernmental group of experts, on mergers between public limited liability companies of different Member States.

CHILD CUSTODY

On the basis of a memorandum from the Belgian delegation on child custody, the Council held an exchange of views on the questions arising in this field.

Following this discussion, which covered both the desirability and the procedural aspects of a Community initiative, the Council agreed to instruct a working party of experts, acting in collaboration with the Commission, to report to the Permanent Representatives Committee within six months on whether the work being done by the Council of Europe was likely to resolve the problems in the reasonably near future, or whether a Convention, possibly of a complementary nature at the level of the Nine, ought to be envisaged.

FUNCTIONING OF THE COURT OF JUSTICE

On the basis of a memorandum from the Court of Justice on the measures which it deems necessary for its proper functioning now and in the future, the Council held a discussion after which it agreed on the following statement:

"THE COUNCIL OF THE EUROPEAN COMMUNITIES,

- having taken note of the memorandum from the Court on the measures it deems necessary to ensure its proper functioning now and in the future, shares the Court's concern that the quality and output of legal work should be maintained,
- confirms its determination to introduce all measures within its power to enable the Court, in view of the significant increase in its work load, to continue carrying out conscientiously and rapidly the tasks entrusted to it pursuant to the Treaties,
- states that it is favourably disposed to an adaptation of the rules of procedure, whilst respecting fundamental principles of procedure and judicial organization, such as to ensure that the Court functions as smoothly as possible and that the time taken by proceedings is kept within reasonable limits,

- takes note of the Court's suggestions for an increase in the number of Judges and Advocates-General,
- instructs the Permanent Representatives Committee to examine as soon as possible all the proposals which the Court may submit in the light of today's discussions and to submit an initial report within six months of the submission of such proposals."

TRIBUNAL FOR DISPUTES BETWEEN THE INSTITUTIONS AND THEIR STAFF

The Council,

Having taken note of the Commission proposal of 4 August 1978 for a regulation aiming at amending the Staff Regulations of Officials and setting up an Administrative Tribunal of the European Communities, and of the view expressed by the Court in its letter of 22 July 1974 that this tribunal might be set up by amending the Staff Regulations of Officials,

Whereas a decision on this proposal cannot be taken until the Opinions of the European Parliament and of the Court of Justice are known,

Having regard to its decision on 26 November 1974, by which it agreed in principle to the desirability of setting up a court of first instance;

Agreeing to make provision for a court of first instance which shall decide on matters both of law and of fact in disputes between members of the staff and the appointing authority, reserving to the Court jurisdiction as a court of final instance, for all questions of law;

- requests the Permanent Representatives Committee to ensure that discussions are started on this proposal as soon as the above-mentioned Opinions have been received, and to ensure that work thereon is concluded if possible within nine months.

KNOWLEDGE OF COMMUNITY LAW

The Council

- confirming the importance which it attaches to measures to improve knowledge and accessibility of Community law;
- noting and welcoming the fact that since its meeting in 1974 significant progress has been achieved in this direction, particularly as regards the consolidation of Council and Commission acts;
- believing that further progress must be achieved in this area, and desiring to contribute to the best of its capabilities to this aim;

1. takes note of the report from the Chairman of the Working Party on Legal Informatics to the Permanent Representatives Committee on progress with the automation of legal documentation and welcomes the fact that the information available in the inter-institutional documentation system is to be made accessible to the Member States and, within the limits of the means available, to those persons to whom the law applies;

2. having approved the conclusions of the Report presented at its request by the Management Committee of the Office for Official Publications on the procedure by which a source index to Community legislation will be prepared, notes with satisfaction that this source index will be published in the course of 1979;

3. takes note of the intention of the Court of Justice of the European Communities to reply to the wish, expressed by the Council at the above-mentioned meeting, that a card filing system of its case law as well as of the case law of the courts of Member States concerning Community law be set up and information as to the contents thereof published; invites Member States and Community Institutions to aid the Court of Justice in every way possible for this purpose; suggests that the Court of Justice take the initiative of convening a Working Party within a period of three months in order to promote an exchange of views on the procedure which might prove suitable for such a source index.

PARTICIPATION BY MEMBER STATES IN CASES BEFORE THE COURT OF JUSTICE

The Council noted a statement submitted by the United Kingdom delegation concerning participation by Member States in cases before the Court of Justice, and held an exchange of views on the matter, at the end of which it instructed the Permanent Representatives Committee to study the issues raised.

DEBTS UNDER CIVIL LAW

The Council took note of a statement by the Belgian delegation concerning debts under civil law and agreed to return to this topic at its next meeting.

JURISDICTION OF THE COURT TO INTERPRET INTERNATIONAL CONVENTIONS RELATED TO THE OBJECTIVES OF THE COMMUNITIES

The Council likewise agreed to postpone discussion of this topic, put to it in a note from the German delegation, until its next meeting.

MISCELLANEOUS DECISIONS

The Council agreed to the grant of 160,000 EUA in Community aid to disaster victims in India.

The aid will be supplied to the Catholic Relief Service (CRS) for the repair of dwellings and the provision of clothing, blankets, cooking utensils, tools and food to victims of the recent floods in Northern India, particularly in the Ganges Valley.

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In the field of food aid, the Council agreed to amend the regional breakdown of normal cereals aid granted to the World Food Programme (WFP) under the 1977 Community programme.

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The Council approved, as a joint position for the Community delegation to the EEC-EFTA Joint Committees, seven draft Decisions, amending Lists A and B annexed to Protocol No 3 concerning the definition of the concept of originating products and methods of administrative co-operation.

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The Council adopted in the official languages of the Communities,

- the Regulation:

- providing for certain technical adjustments to Regulations (EEC) Nos 1848/78 and 1850/78 laying down certain measures for the conservation and management of fishery resources applicable, respectively, to vessels registered in the Faroe Islands and vessels flying the flag of Sweden;

- the Decisions:

- adopting a second 3-year plan of action in the field of scientific and technical information and documentation;
- adopting European Economic Community concerted action projects in the fields of:
 - = analysis of organic micropollutants in water;
 - = physico-chemical behaviour of atmospheric pollutants.



PRESS RELEASE

538th meeting of the Council

-- Development Co-operation --

Luxembourg, 10 October 1978

President: Mr Rainer OFFERGELD,
Federal Minister for Economic Co-operation
of the Federal Republic of Germany

Luxembourg:

Mr Jean DONDELINGER

Ambassador,
Permanent Representative

Netherlands:

Mr J. de KONING

Minister for Development
Co-operation

United Kingdom:

Mrs Judith HART

Minister for Overseas
Development

Commission:

Mr Claude CHEYSSON

Member

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AID TO NON-ASSOCIATED DEVELOPING COUNTRIES

1978 programme

The Council discussed the financing programme proposed by the Commission for use of the appropriation earmarked for aid to non-associated countries under the 1978 budget (70 MEUA). This programme was submitted by the Commission in the context of the general guidelines which the Council debated at its meeting on 25 April 1978.

The programme met with the Council's approval, on the understanding that a final position on one project and on the allocation of the balance of the reserve would be adopted in the very near future on the basis of additional information to be supplied by the Commission to the Permanent Representatives Committee.

The Council's discussions thus enable the Commission to commit the appropriations in good time before the end of the year.

At the end of its discussion the Council emphasized the importance it attaches to the early entry into force of the framework Regulation relating to non-associated developing countries, so that as from the next financial year discussions can take place on the basis of the procedure laid down in that Regulation rather than on the basis of the present ad hoc procedure.

General guidelines for the 1979 programme

The Council discussed general guidelines for the 1979 aid programme on the basis of the suggestions submitted by the Commission.

The Council found itself in agreement on some of the Commission's suggestions and noted that on others (the amount of the reserve and an indicative geographical allocation) the Commission felt it should uphold its suggestions which it regarded as a middle road between the positions put forward.

The Council also discussed the amount of aid for 1979, enabling delegations to give their views on this subject. The Budget Authority is to take a final decision on this at the end of 1978.

In connection with the discussion on the volume of aid, the Commission said it intended to submit to the Council a communication taking stock of Community action to help non-associated developing countries and stating its views on the multiannual estimates of the volume of aid for such countries.

THIRD INTERNATIONAL DEVELOPMENT STRATEGY DECADE

In the context of the preparatory stages which are to lead to adoption of the International Development Strategy by the Special Session of the United Nations General Assembly in 1980 and in the light of the various events on the international calendar between now and then in the framework of the North-South Dialogue, the Council held a preliminary political discussion on the lines which the Community should follow in working out its substantive position. It had before it for this purpose a communication from the Commission.

The communication was very favourably received by the Council and was felt to provide a most useful working basis for further discussions. In the Council's present discussions it was found that there was already a considerable measure of agreement on the main lines of approach suggested by the Commission.

POLICY ON CO-FINANCING

The Council approved a report on the policy to be pursued on co-financing as regards resources administered by the Commission.

CIEC SPECIAL ACTION

The Council took stock of the progress of the procedures for ratifying the Agreement with the IDA on the putting into effect of the Community contribution to the special action agreed upon in the CIEC. It expressed the strong hope that these procedures could be concluded as soon as possible in those Member States where this had not yet been done.

RECIPROCAL IMPLICATIONS OF THE DEVELOPMENT CO-OPERATION
POLICY AND OTHER COMMUNITY POLICIES

The Council agreed to discuss this item at its next meeting on development co-operation.

MISCELLANEOUS DECISIONS

Accession of Tuvalu to the Lomé Convention

The Council recorded the agreement of the European Economic Community to the draft Decision of the ACP-EEC Council of Ministers approving the accession of Tuvalu to the ACP-EEC Convention of Lomé.

Tuvalu, a former United Kingdom territory which became independent on 1 October 1978, will thus become the 55th State under the Lomé Convention when the ACP States have also signified their agreement, within the framework of the ACP-EEC Council of Ministers, to the draft Decision and when Tuvalu has deposited its instrument of accession.

So that Tuvalu does not lose certain advantages, particularly financial ones, which it enjoys by virtue of the association of the overseas countries and territories with the Community, the Council also adopted the Decision on the provisional application to Tuvalu after its independence of the arrangements provided for in Decision 76/568/EEC, which relates to that Association.

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Opening of Commission delegations

The Council gave its agreement to the opening by the Commission of delegations in the Mashreq countries (Egypt, Jordan, Lebanon, Syria) and Israel. It also approved the opening of a Commission delegation in Vienna.

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Commercial policy

The Council adopted in the official languages of the Communities:

- Decisions

- amending the quotas for the importation into the Federal Republic of Germany of textile products originating in Hungary and Poland;
- opening an additional quota for the importation into the United Kingdom of 110,000 items of outer garments and clothing accessories originating in Hungary;

- Regulations

- amending Regulation (EEC) No 2898/77 maintaining in force the rules whereby imports into Italy of electric filament lamps originating in certain European State-trading countries are subject to import authorizations (increasing import authorizations from 3,350,000 to 4,668,000 items originating in the German Democratic Republic);
- maintaining in force until 31 December 1978 the arrangements for the authorization of imports into the United Kingdom of certain textile products originating in Argentina, Singapore and the Philippines.

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The Council adopted in the official languages of the Communities a Directive amending for the sixth time Directive 73/241/EEC on the approximation of the laws of the Member States relating to cocoa and chocolate products intended for human consumption.

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The Council also adopted in the official languages of the Communities the Decision amending Decision 74/642/Euratom adopting a research and training programme for the European Atomic Energy Community (indirect nuclear projects) on plutonium recycling in light-water reactors (extension of the programme by one year).

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The Council adopted in the official languages of the Communities the Decision adapting Decision 77/359/EEC fixing the economic policy conditions to be observed by the Italian Republic, and the Directive adapting the conditions laid down for the grant of medium-term financial assistance to the Italian Republic.

PRESS RELEASE

539th Council Meeting

- Economic and Financial Questions -

Luxembourg, 16 October 1978

President: Mr Hans MATTHÖFER
Federal Minister for Finance
of the Federal Republic of Germany

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

Belgium:

Mr Gaston GEENS Minister for Finance

Denmark:

Mr Anders ANDERSEN Minister for Economic and Fiscal Affairs

Mr Kurt HANSEN State Secretary,
Ministry of Economic Affairs

Germany:

Mr Hans MATTHOFER Federal Minister for Finance

Mr Manfred LAHNSTEIN State Secretary,
Federal Ministry of Finance

Mr Otto SCHLECHT State Secretary,
Federal Ministry of Economic Affairs

France:

Mr René MONORY Minister for Economic Affairs

Ireland:

Mr George COLLEY Deputy Prime Minister,
Minister for Finance

Italy:

Mr Filippo PANDOLFI Minister for the Treasury

Luxembourg:

Mr Jacques POOS Minister for Finance

Netherlands:

Mr F.H.J.J. ANDRIESSEN Minister for Finance

United Kingdom:

Mr Denis HEALEY Chancellor of the Exchequer

Commission:

Mr Roy JENKINS President

Mr Henk VREDELING Vice President

Mr François-Xavier ORTOLI Vice President

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Also attending the Council meeting were:

Mr J. van YPERSELE de STRIHOU Chairman of the Monetary
Committee

Mr C. de STRYCKER Chairman of the Committee of
the Governors of the Central
Banks

Mr H. TIETMEYER Chairman of the Economic
Policy Committee

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EUROPEAN MONETARY SYSTEM

The Council continued its discussions on the European monetary system on the basis of further reports from the Monetary Committee and the Committee of the Governors of the Central Banks. In particular it examined in detail the major questions relating to the intervention rules and credit mechanisms to be established under the new system.

The Council asked the two Committees to finalize their reports in the light of today's discussion in the Council so that it could discuss them at its next meeting, to be held on 20 November.

The Council then heard a further interim report by the Chairman of the Economic Policy Committee on the progress made in its work on concurrent studies of the measures necessary, in the framework of the European monetary system, to strengthen the economies of the less prosperous Member States. A written report by the Economic Policy Committee will be submitted to the Council in time for its meeting on 20 November.

During the Council's brief exchange of views on this subject several delegations reaffirmed the importance which they attached to the results of these proceedings.

LOANS FOR THE PURPOSE OF PROMOTING INVESTMENT WITHIN THE
COMMUNITY

The Council then took part in a further meeting of the Conciliation Committee in which the European Parliament delegation was led by Mr COLOMBO, President of the European Parliament. It noted in particular that there was agreement between the two Institutions regarding the allocation of one thousand million EUA - approved on an experimental basis - to this new Community financial instrument. Agreement was also confirmed that the mechanism would be reviewed as soon as the first of the following two conditions had been fulfilled:

- the commitment of 800 MEUA,
- the lapse of a period of 2 years.

Both Institutions also stated that the loans and borrowings created by this instrument would be subject to the general rules and that, as soon as the legislative procedure for amending the Financial Regulation of the Communities, on the basis of the Commission proposal on the introduction of a capital budget, already approved by the European Parliament, had been completed, these rules would apply to this new financial instrument.

Following this conciliation meeting and confirmation by the President of the European Parliament of the European Parliament's agreement on the conclusions reached, the Council adopted the Decision empowering the Commission to contract loans for the purpose of promoting investment within the Community.

PREPARATION FOR THE TRIPARTITE CONFERENCE

The Council held a preliminary exchange of views on preparations for the Tripartite Conference and established the procedure to be followed in these preparations.

MISCELLANEOUS DECISIONS

Appointment

Acting on a proposal from the Italian Government, the Council appointed Dr Paolo SAVINI, Confcommercio, a member of the Economic and Social Committee to replace Dr Filippo CAGETTI, who has resigned, for the remainder of the latter's term of office, i.e. until 18 September 1982.

PRESS RELEASE

540th Council Meeting

- Foreign Affairs -

Luxembourg, 16 and 17 October 1978

President: Mr Klaus von DOHNANYI,
Minister of State,
Federal Foreign Office of the
Federal Republic of Germany

Luxembourg:

Mr Gaston THORN	President of the Government, Minister for Foreign Affairs
Mr Jean HAMILIUS	Deputy Minister for Foreign Affairs

Netherlands:

Mr D.F. van der MEI	State Secretary for Foreign Affairs
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United Kingdom:

Mr Edmund DELL	Minister for Trade
Mr Gerald KAUFMAN	Minister of State, Department of Industry
Mr Frank JUDD	Minister of State, Foreign and Commonwealth Office

Commission:

Mr Roy JENKINS	President
Mr Wilhelm HAFERKAMP	Vice-President
Mr Lorenzo NATALI	Vice-President
Mr Claude CHEYSSON	Member
Mr Guido BRUNNER	Member
Mr Richard BURKE	Member
Viscount Etienne DAVIGNON	Member

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CONCILIATION WITH THE EUROPEAN PARLIAMENT ON REGIONAL POLICY

The Council took part in a further meeting of the Conciliation Committee with a delegation from the European Parliament led by Mr YEATS, Vice-President of the European Parliament, on the texts relating to regional policy (1).

Following this meeting of the Conciliation Committee it was agreed that each Institution would think over the comments made.

(1) The composition of the delegation was as follows:
Mr YEATS, Vice-President of the European Parliament
Lord BRUCE, Chairman of the Committee on Regional Policy
Mr MEINTZ, Chairman of the Committee on Budgets
Mrs KELLET-BOWMAN) Members of the Committee
Mr BROSANAN, Mr McDONALD, Mr NOE) on Regional Policy

STEEL

The Council heard a statement by Commissioner DAVIGNON on the main features of the set of measures in the steel sector which the Commission intends to propose for 1979. The main purpose of these measures, which tie in with the crisis measures being implemented since last December, is to create the best possible conditions for implementation of the efforts being made in the Community countries to restructure the steel sector. The measures relate both to the operation of the market - production level, prices and control measures - and the external, financial and social aspects, as well as the framework for the granting of aid.

In the discussion which followed this introductory statement delegations were able to state their overall appraisal of the Commission's approach and indicate the problems which caused them particular concern.

In the light of the opinions expressed the Commission will submit specific proposals and draft Decisions which the Council will discuss on 21 November 1978.

As regards the external aspect, the Council agreed that the Commission should straight away, on its own responsibility, enter into exploratory talks with third countries which supply steel to the Community on the subject of extending or concluding bilateral arrangements.

NEGOTIATIONS WITH AUSTRALIA IN THE NUCLEAR SECTOR

Following a short discussion on this subject the Council stressed the importance which it attached to the conclusion as soon as possible of an agreement with Australia on the supply of uranium; to this end, it asked the Permanent Representatives Committee to finalize the draft directives so that the Council could discuss them at its November meeting.

RELATIONS WITH CHINA

The Council noted the report by Vice-President HAFERKAMP on his mission to the People's Republic of China between 24 September and 3 October 1978, congratulated him on the outcome of his mission and expressed satisfaction at the successful start made in implementing the EEC/China Trade Agreement.

In this connection, the Council adopted, in the official languages of the Communities, the Regulation on common rules for imports from the People's Republic of China, the substance of which it had approved on 19 September 1978.

TECHNICAL BARRIERS TO TRADE

Following a discussion on a number of proposals for removing technical barriers to trade, the Council adopted, in the official languages of the Communities, the Directive on the installation of lighting devices on tractors and confirmed its agreement in principle to the Directive on the reduction of the sound level of motor cycles.

The Member States have eighteen months to bring into force the laws, regulations and administrative provisions necessary to comply with the first Directive and up to 1 October 1980 to comply with the second.

TRANSFER OF 32 MEUA TO THE ECSC

The Council continued its discussions of 25 July and 19 September on this subject by holding an exchange of views on the arrangements for the transfer of 32 MEUA in supplementary revenues to the ECSC budget for 1978.

After agreeing on a pragmatic solution for this year, the Council wound up the discussion by undertaking to examine the arrangements for financing the ECSC budget in the context of medium-term budget prospects.

TAX AND TARIFF EXEMPTIONS

The Council held an exchange of views on a series of proposals relating to tax and tariff exemptions applicable to goods contained in travellers' personal luggage and to small consignments of goods.

Following its discussion the Council established certain guidelines which should make it possible to find a solution to all the problems raised by these proposals. The basic features of such a solution would include fixing the amounts of the exemptions in EUA by 1 January 1979, while making certain changes to these amounts, and adjusting the existing rules of application.

In conclusion, the Council agreed to ask the Permanent Representatives Committee to continue to seek a comprehensive solution.

RELATIONS WITH THE ASEAN COUNTRIES

The Council continued discussions on preparation of the Community position for the ministerial meeting with the ASEAN countries to be held in Brussels on 20 and 21 November 1978.

GATT MULTILATERAL TRADE NEGOTIATIONS

The Council's discussion of this subject, based on a report by the Commission, centred on the situation created by the recent decisions taken by the United States Congress not to continue the waiver on countervailing duties and to exclude textile products from the multilateral trade negotiations.

At the close of the discussion the Council agreed on the following conclusions:

The Council of the Community regrets the decisions taken in Congress and to that extent associates itself with the Commission's statement of 16 October. In this connection the Council refers to the note of 16 September 1978.

The Council assumes that the United States will find a way of enabling the negotiations on all topics, including textiles, to continue, and further assumes that the continued application of the waiver, even after 3 January 1979, is guaranteed.

The Community confirms its previous positions on this subject. In spite of the serious decisions taken in Congress the Community states that it is prepared to continue the talks in order to prepare the way for the conclusion of the negotiations within the terms of the brief.

In order that the negotiations may be thus brought to a conclusion, Congress must guarantee beyond any doubt that the waiver will be applied.

The Council will discuss the matter again in November.

RELATIONS WITH JAPAN

The Council noted a short statement by the Vice-President of the Commission, Mr HAFERKAMP, on the outcome of the recent meeting of the Joint EEC/Japan Monitoring Group which made a technical and macro-economic analysis of developments in EEC/Japan relations. The Council agreed to come back at its next meeting to all the problems arising in this field.

RELATIONS WITH YUGOSLAVIA

The Council continued examination of this dossier on the basis of new proposals for negotiating directives submitted by the Commission with a view to the earliest possible resumption of negotiations with Yugoslavia.

The Council instructed the Permanent Representatives Committee to press ahead with the preparation of these directives in the light of the Council's discussions, so as to enable it to take a final decision on the new directives at its next meeting in November, if possible.

FISHERIES

The Council held an exchange of views on a number of general questions arising in the fisheries sector, in particular as regards relations with Norway, following the Council meeting on fisheries on 25 September 1978.

The Council agreed to return to these problems at its next meeting on 21 November 1978.

ACCESSION NEGOTIATIONS WITH GREECE

The Council held an exchange of views on certain matters in the social sector which arise in the context of the accession negotiations with Greece.

Having reiterated the Community's objective of rapidly bringing these negotiations to a successful conclusion, the Council instructed the Permanent Representatives Committee to define the Community position on the above-mentioned matters in the light of the Council's discussion.

MISCELLANEOUS DECISIONS

The Council agreed to the granting of 150,000 EUA in aid to Vietnam under the heading of Community aid to disaster victims.

Following the very extensive flooding and the crop infestation which have recently occurred in Vietnam the Community will thus contribute to the financing of an aid programme worth 150,000 EUA (supply of products such as insecticides, pesticides, spraying equipment to treat approximately 1 million hectares of rice, seed rice and sorghum).

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The Council agreed that the Community should sign and notify the provisional application of the Protocol of 7 April 1978 further extending (for one year) the 1963 International Olive Oil Agreement, which will expire on 31 December 1978.

The Council authorized the Commission to take part on behalf of the Community in preparatory discussions for the negotiation of a new international agreement on olive oil. These discussions will begin on 19 October 1978 in Madrid.

The Council also agreed on the arrangements for Community participation in the United Nations Conference for the negotiation of an international agreement on rubber, to be held in Geneva from 13 November to 8 December 1978 in the context of the UNCTAD integrated programme.

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The Council adopted, in the official languages of the Communities, the Regulations on the opening, allocation and administration of Community tariff quotas for

- dried grapes in immediate containers of a net capacity of 15 kg or less, falling within subheading 08.04 B I of the Common Customs Tariff (1979);
- certain plywoods of coniferous species, falling within heading ex 44.15 of the Common Customs Tariff (1979);
- fresh or chilled tomatoes falling within sub-heading ex 07.01 M I of the Common Customs Tariff originating in the African, Caribbean and Pacific States and in the Overseas Countries and Territories (1978/1979).

The Council also adopted, in the official languages of the Communities, the Regulation concluding and the Regulation implementing the Agreement in the form of an exchange of letters with Tunisia concerning certain Tunisian wines entitled to a designation of origin (opening, allocation and administration of the quota of 50,000 hectolitres).

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The Council gave the consultation requested pursuant to Article 6(1) of Commission Decision No. 528/76/ECSC on the financial aid awarded by the Member States to the coal industry in 1978.

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The Council noted the third annual report (1977) on the European Regional Development Fund and the comments made by the various delegations on this subject.

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The Council adopted, in the official languages of the Communities, the Directive on the approximation of the laws of the Member States relating to the head restraints of seats of motor vehicles.

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The Council decided to sign the Convention on Future Multilateral Co-operation in North-West Atlantic Fisheries (NAFO).

Appointments

ECSC Consultative Committee

The Council adopted, in the official languages of the Communities, the Decision designating four representative organizations required to draw up lists of candidates for the Consultative Committee of the European Coal and Steel Community, viz.:

FRANCE

Confédération Générale du Travail	: 1 seat
Confédération Française Démocratique du Travail	: 1 seat
Confédération Française des Travailleurs Chrétiens	: 1 seat
Confédération Générale du Travail - Force Ouvrière	: 1 seat

Having thus supplemented the list of representative organizations on which it had decided on 2 August 1978, the Council went on to adopt, in the official languages of the Communities, the Decision appointing members of the Consultative Committee of the European Coal and Steel Community for the period from 16 October 1978 to 15 October 1980.

PRODUCERS CATEGORY

Coal sector

Steel sector

BELGIUM

Mr Pierre URBAIN

Mr Christian OURY

Mr Charles HURIAUX

DENMARK

Mr Erland THRANE

Coal sector

GERMANY

Dr Karlheinz BUND
Dr Heinz REINTGES
Mr Rudolf LENHARTZ
Dr Walter BELLINGRODT

FRANCE

Mr Paul GARDENT
Mr Jean LAGABRIELLE

IRELAND

Steel sector

Dr Herbert GIENOW
Dr Ruprecht VONDRAN
Dr Jürgen KRACKOW

Mr Jacques FERRY
Mr Jean-Arthur VAROQUAUX

Mr Gerard FARREN

ITALY

Dott. Alberto CAPANNA
Mr Guiseppe LOCATELLI

LUXEMBOURG

Mr Paul METZ
Mr André ROBERT

NETHERLANDS

Drs. J.D. HOOGLANDT

UNITED KINGDOM

Sir Derek EZRA
Mr G.C. SHEPHARD
Mr R.V. FINDLAY

Mr R. SCHOLEY
Mr D. GRIEVES
Mr A.H. MORTIMER

WORKERS CATEGORY

BELGIUM

Mr Emile VANDENDRIESSCHE
Mr Jean DOYEN
Mr Germain DUHIN

DENMARK

Mr Steffen MØLLER

GERMANY

Mr Hans ALKER
Mr Rudi NICKELS
Mr Hans MAYR
Mr Rudolf JUDITH
Mr Albrecht HEROLD
Mr Volker JUNG

FRANCE

Mr Michel VEYRIER
Mr Georges GRANGER
Mr Louis BERGAMINI
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IRELAND

Mr Patrick DONEGAN

ITALY

Mr Luigi VIVIANI
Mr Ottaviano del TURCO
Mr Agostino CONTE

LUXEMBOURG

Mr Antoine WEISS

NETHERLANDS

Mr H. KRUL
Mr J.M.H. BOSCH

UNITED KINGDOM

Mr Joseph GORMLEY
Mr Lawrence DALY
Mr Laurence WORMALD
Mr Hector C. SMITH
Mr E. LINTON
Mr W. SIRS

(1) The Confédération Générale du Travail - Force Ouvrière will submit its list of candidates later.

CONSUMERS AND DEALERS CATEGORY

BELGIUM

Mr Ch. de la VALLEE POUSSIN
Mr Lodewijk COOSEMANS

DENMARK

Mr Kaj LUND

GERMANY

Mr Fritz BECKER
Dr Fritz BERG
Dr Bruno DEHLER
Mr Oskar HEUMHOLLER
Dr Heinrich MANDEL
Dr Theo RIEDL

FRANCE

Mr Alain AUDIAT
Mr René BERTEL
Mr Jean LAURENS
Mr Georges LEBERT
Mr Jean GUILHAMON

IRELAND

Mr Niall F. MEGHAN

ITALY

Dott. Silvio BOBBIO
Mr Mario PORTANOVA
Mr Ferdinando PALAZZO

LUXEMBOURG

Mr Raymond ACKERMANN

NETHERLANDS

Mr J.W. BOTS
Mr Servatius J.G. WIJNANDS

UNITED KINGDOM

Sir Richard MARSH
Mr Gordon KENNEDY
Mr Edward S. JOHNSON
Mr J.S. DUTHIE
Mr D.A. DAVIS
Mr J.H. THOMAS

The Council will at a later date appoint a member to a seat allocated to France in the workers' representatives category.

Advisory Committee on Vocational Training

The Council adopted, in the official languages of the Communities, the Decision appointing members and alternate members of the Advisory Committee on Vocational Training as laid down by the fourth principle of the Council Decision of 2 April 1963.

The members and alternate members of the Advisory Committee on Vocational Training have been appointed for the period from 16 October 1978 to 15 October 1980.

A. GOVERNMENT REPRESENTATIVES

	(a) <u>members</u>		(b) <u>alternates</u>
Belgium	Mr J. DENYS	Mr DUTRE	Mr A. COEN
Denmark	Mr JØRGENSEN	Mr JOHANSEN	Mr HOLSTEEEN JESSEN
Germany	Mr H. LEMKE	Mrs K. SCHULTE- STEINBERG	Dr F. PÜTTMANN
France	Mr BLONDEL	Mr R. ROBIN	Mr BRUYERE
Ireland	Mr J.A. AGNEW	Mr J. KEANE	Mr W. WHITE
Italy	Avv A. GALLO	Dott R. GIAMA- RELLI	Dott A. FREDELLA
Luxembourg	Mr N. ESTGEN	Mr G. GLAESNER	Mr A. FRANK
Netherlands	Drs H.K. VOS	Mr A.H. KOELINK	Drs W.H. WEEKAN- BORG
United Kingdom	Dr R.M. JOHNSON	Mr C. BOOTH	Mr J.D. RIMINGTON

B. TRADE UNION REPRESENTATIVES

	<u>(a) members</u>		<u>(b) alternates</u>
Belgium	Mr G. DERIEUW	Mr J. GAYETOT
Denmark	Mr F. THORGRIMSON	Mr N. ENEVOLDSEN	Mr J. HANSEN
Germany	Mrs M. WEBER	Mr F. KEMPF	Dr H. NEIRHAUS
France	Mr D. SCHALCHLI	Mr VERGER	Mr G. CABUROL
Ireland	Mr F. KENNEDY	Mr H.O'SULLIVAN
Italy	Mr L. ZANIER	Mr L. ROTA	Mr F. DRAGO
Luxembourg	Mr L. LUX	Mr J. BACKER	Mr SCHADECK
Netherlands	Mr H. WEGGELAAR	Mr H.J. MOES	Mr F. van BAKEL
United Kingdom	Mr F. JARVIS	Mr F.A. BAKER	Mr J. CHALMERS

C. REPRESENTATIVES OF EMPLOYERS' ORGANIZATIONS

	<u>(a) members</u>		<u>(b) alternates</u>
Belgium	Mr D. DE NORRE	Mr R. DUSSENNE	Mr P. VAN DE CRUYCE
Denmark	Mr O. SCHANDORFF	Mr E. TØTTRUP	Mrs G. REDDER
Germany	Mr K-G. KRACHTEN	Mr H-P. KUHFUHS	Mr R. RADDATZ
France	Mr Y. CORPET	Mr J-P. MEINRAD	Mr R. BOUDET
Ireland	Mr C. McHENRY	Mr W.J. FENELON	Mr A.F. RICE
Italy	Dr G. SATTA	Mr M. VITA	Dr B. PUSTERLA
Luxembourg	Mr C. KOEDINGER	Mr E. MULLER
Netherlands	Dr. C.J.C.M. BOEREN	Mr J.R. WESTERHUIS	Mr H. ROTHFUSZ
United Kingdom	Mr M.O. BURY	Mr H.H. TOMLINSON	Mr P.J. CASEY

PRESS RELEASE

541st Council meeting

- Energy -

Luxembourg, 30 October 1978

President: Otto Graf LAMBSDORFF,
Federal Minister for Economic Affairs
of the Federal Republic of Germany

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

Belgium:

Mr Willy CLAES Minister for Economic Affairs

Denmark:

Mr Arne CHRISTIANSEN Minister for Commerce

Germany:

Otto Graf LAMBSDORFF Federal Minister for Economic Affairs

France:

Mr André GIRAUD Minister for Industry

Ireland:

Mr Desmond O'MALLEY Minister for Industry, Commerce and Energy

Italy:

Mr Giuseppe SINESIO Deputy State Secretary, Ministry of Industry, Trade and Craft Trades

Luxembourg:

Mr Josy BARTHEL Minister for Energy

Netherlands:

Mr G.M.V. van AARDENNE

Minister for Economic Affairs

United Kingdom:

Mr Tony BENN

Secretary of State for Energy

Mr Dickson MABON

Minister of State for Energy

Commission:

Mr Guido BRUNNER

Member

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SUPPORT FOR COMMUNITY PROJECTS IN THE HYDROCARBONS SECTOR

The Council adopted a Decision concerning support measures for 49 Community projects in the hydrocarbons sector, which are in addition to the 95 projects for which Community support totalling 128 MEUA was granted between 1974 and 1977.

Under this Decision, subsidies - repayable if the results are commercially exploited - up to a maximum amount of 39,687,507 EUA will be granted, for the period 1978-1980, for the implementation of 49 projects which are of fundamental importance in ensuring the Community's supply of hydrocarbons and particularly likely to expedite the exploitation of resources and improve the storage and transport conditions for hydrocarbons in the Community.

The projects in this 4th batch to benefit from Community support concern, particularly, geophysics and prospecting (five projects), drilling (four), new production systems (fourteen), secondary recovery (five), different methods and techniques of transport (twelve), subsea power production (one), storage (four) and materials testing (four).

CO-OPERATION WITH DEVELOPING COUNTRIES IN THE FIELD OF ENERGY

On the basis of the Commission communication of 1 August 1978, the Council discussed certain questions relating to co-operation with developing countries in the field of energy. The discussion was to be seen in the context of the follow-up to the conclusions of the Bremen and Bonn summits, which committed the participant countries to fostering co-operation with the developing countries in this area.

After emphasizing the close interdependence between the economies of the developing countries and those of the industrialized countries in the energy sector and the need for world-wide co-operation in this area, the Council reached certain conclusions in accordance with which the Member States and the Community would attribute increased importance to energy questions in their development aid programmes. They would participate in co-ordinated efforts aimed at enabling renewable energy sources to be made use of in the developing countries, thereby meeting the needs expressed by those countries.

In this context, the Council asked the Commission, initially in consultation with the developing countries concerned, to prepare inventories and analyses of needs, resources and instruments for the developing countries, on the understanding that such analyses could represent a Community contribution to the discussion which would have to take place at world level.

The Council also invited the Commission to submit a study of aid granted in respect of energy through the various existing Community instruments and of the measures being studied in international organizations and to examine the advisability of additional Community action.

DISCUSSION ON THE SITING OF POWER STATIONS

The Council adopted a Resolution concerning the mutual exchange of information at Community level on the siting of power stations:

"THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having noted the communication from the Commission of 13 December 1976 concerning Community action on the siting of power stations,

Having noted the Opinions of the European Parliament and the Economic and Social Committee,

Having regard to the Resolutions adopted by it on 17 December 1974 and 13 February 1975 defining the role of electric power in the context of a Community energy policy,

Having regard to the Resolution adopted by it on energy and the environment on 3 March 1975,

Whereas the selection of sites for new power stations, whether nuclear or conventional, is one of the important problems raised by the development of electric power;

Whereas decisions on the siting of power stations are the responsibility of the Member States and whereas exchanges of information between the Member States on matters relating to the siting of power stations are thus likely to make it easier to find solutions to the problems involved,

1. emphasizes the need to intensify, at Community level, mutual exchanges of information on matters relating to the siting of power stations;
2. takes note of the intention of the Commission to organize, in a group of representatives nominated by the Member States and sitting under the aegis of the Energy Committee, this mutual exchange of information on problems arising out of the siting of power stations, taking into account the diversity of local situations;
3. takes note of the fact that, after consulting the Energy Committee, the Commission will submit a report to the Council on the results obtained from this exchange of information.

ENERGY SITUATION IN THE COMMUNITY

Having received a Commission communication on 22 September 1978 on the energy situation in the Community, the Council held a general discussion on the prospects and policy to be followed with regard to energy.

The discussion allowed delegations to state their opinions and assessments of the need and possibilities for joint action in this area, in the light of the objectives adopted by the European Council and taking account of existing data in the various sectors: oil, coal, nuclear energy, new energy sources and the rational and economic use of energy.

In this connection, the President referred to the positive aspects of the Community's energy policy - taking national and Community policies together - compared with the efforts of other major consumer countries.

The President of the Council also noted that there was agreement that the easing of the energy situation in the short-term should not obscure the problems which continued to arise in the long term and required adherence to the basic objectives that the Community had set itself, viz.:

- the reduction of the share of oil in overall energy consumption and of the Community's dependence on imports of oil,
- the optimum use of Community energy production,
- the rational and economic use of energy in general.

The President noted that there was also a common assessment of the need to present these problems in such a way as to convince the public of the need to accept the restrictions demanded by the situation.

As regards the specific measures in the various sectors, the Council, and the Commission in those areas within its competence, expressed their determination to make every effort to achieve progress in the preparatory work so as to enable the Council to adopt concrete decisions at its meeting in December.

SUPPORT FOR JOINT HYDROCARBON EXPLORATION PROJECTS

As regards the Commission proposal for Community support measures for joint hydrocarbon exploration projects, the Council examined the question of setting up a study group to examine the exploration possibilities in the Community which have not yet been exploited by industry.

In this connection, the Council requested the Permanent Representatives Committee to finalize a draft Resolution with a view to its adoption by the Council as soon as possible.

MISCELLANEOUS DECISIONS

The Council adopted in the official languages of the Communities the Regulation maintaining in force the arrangements for the authorization of imports into France of gloves originating in Malaysia.

Appointments

Acting on a proposal by the United Kingdom Government, the Council appointed Mr J.I.P. BULL member of the Advisory Committee on Freedom of Movement for Workers to replace Mr R. CONNELL, who has resigned, for the remainder of the latter's term of office, i.e. until 10 October 1979.

Acting on a proposal by the Government of the Federal Republic of Germany, the Council also appointed Mr Wolfgang BECHTHOLDT, Präsident der Landesärztekammer Hessen, alternate member of the Advisory Committee on Medical Training to replace Mr Horst BOURMER, who has resigned, for the remainder of the latter's term of office, i.e. until 5 April 1979.

In addition, acting on a proposal by the Irish Government, the Council appointed Mr Christopher DEVINE, General Secretary of the Teachers Union of Ireland, alternate member of the Advisory Committee on Vocational Training to replace Mr Harold O'SULLIVAN, who has resigned as alternate member following his appointment as a full member, for the remainder of the latter's term of office, i.e. until 15 October 1980.

PRESS RELEASE

542nd Council meeting

- Agriculture -

Luxembourg, 30 and 31 October 1978

President: Mr Joseph ERTL,
Federal Minister of Agriculture
of the Federal Republic of Germany

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

Belgium:

Mr Antoine HUMBLET Minister for Agriculture and
Small Firms and Traders

Denmark:

Mr Niels Anker KOFOED Minister of Agriculture

Germany:

Mr Joseph ERTL Federal Minister of Agriculture
Mr Hans-Jürgen ROHR State Secretary, Federal Ministry
of Agriculture

France:

Mr Pierre MEHAIGNERIE Minister of Agriculture

Ireland:

Mr Jim GIBBONS Minister for Agriculture

Italy:

Mr Giovanni MARCORA Minister of Agriculture

Luxembourg:

Mr Jean HAMILIUS

Minister of Agriculture and
Wine

Mr Albert BERCHEM

State Secretary,
Ministry of Agriculture

Netherlands:

Mr A. de ZEEUW

Director-General
Ministry of Agriculture

United Kingdom:

Mr John SILKIN

Minister of Agriculture,
Fisheries and Food

Mr Gavin STRANG

Parliamentary Secretary,
Ministry of Agriculture,
Fisheries and Food

Commission:

Mr Finn Olav GUNDELACH

Vice-President

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DEGERMING OF MAIZE

Pending receipt of the Opinion of the European Parliament, the Council held a preliminary exchange of views on the proposal for a Regulation providing for an aid for degerming maize.

Under the terms of this proposal a system of aid for maize germ intended for the production of oil would be introduced for a three-year period starting on 1 January 1979; the amount of the aid would be 1.7 UA/100 kg of maize germ throughout the period of validity of the system.

The Council agreed, in conclusion, to return to this question in the light of the Opinion which the European Parliament would be delivering in the meantime and of the examination of the economic aspects of the matter which the Special Committee on Agriculture has been instructed to carry out.

OLIVE OIL

In view of the complexity of this issue, the technical aspects which still have to be considered in detail and the urgency surrounding the taking of a decision before the deadline of 1 November 1978 in order to avoid a legal vacuum, the Council agreed to extend the 1977/1978 marketing year by two months. It also agreed that the new rate of the agricultural unit of account should be applied as from 1 November to the prices and aids in force for the 1977/1978 marketing year.

In conclusion the Council instructed the Special Committee on Agriculture to continue its work on this matter to enable the Council to take the necessary decisions in due course.

SKIMMED MILK POWDER

The Council took note of a statement by the United Kingdom delegation concerning the application by the Commission of the machinery governing the availability of skimmed milk powder, in particular with a view to its incorporation in feedingstuffs, and the Commission's reply explaining its policy in the matter.

SUPPLEMENTARY ESTIMATE

The Council made a further examination of the supplementary estimate concerning young male bovine animals weighing 300 kilograms or less intended for fattening for the period ending 31 December 1978. At the end of its discussion, the Council stated that in the light of the available information it could allow additional import possibilities for 30,000 head for the last quarter of the current year, although this could not be regarded as creating a precedent.

WINE SECTOR

The Council held a detailed exchange of views on the main problems outstanding in the wine sector, at the end of which agreement was reached concerning extension of the ban on planting. The Commission will shortly be submitting a proposal on this point the European Parliament being consulted. The Council also decided that the European Parliament should be consulted on supplementary measures concerning the production potential which are to be proposed forthwith by the Commission. It took note of the latter's intention to submit, in addition, proposals for encouraging the use of Community must intended for the preparation of certain products.

In conclusion, the Council instructed the Special Committee on Agriculture to continue its work in such a way that at its next meeting, scheduled for 20 and 21 November 1978, the Council could have a valid discussion on all the measures contemplated.

STRUCTURAL POLICY

The Council worked out the main points of a consensus on three of the four proposals for the improvement of agricultural structures in the Mediterranean regions of the Community.

The proposals concerned were:

- a common measure for forestry in certain dry Mediterranean zones of the Community
- a flood protection programme in the Hérault Valley
- a programme for the acceleration and guidance of collective irrigation works in Corsica.

The Council instructed the Special Committee on Agriculture to conduct a further examination of the fourth proposal, for the development of agricultural advisory services in Italy.

The Council expressed itself favourably with regard to the proposal to allow the possibility of financing individual projects (including coastal fisheries) for 1978 and 1979 from the EAGGF "MANSHOLT" reserve up to a maximum of 70 MUA and to extend the criteria applicable. The proposal is in particular designed to solve certain problems arising in the Benelux countries.

In the context of its discussions on agricultural structures, and having noted the Commission's intention of submitting, in the near future, supplementary proposals concerning long-term structural policy, the Council also expressed itself favourably with regard to the extension until 31 December 1978 of certain provisions in Directive 72/159/EEC relating to the modernization of farms, and considered that an amendment should be made at the same time to the guidance premiums provided for in Article 10 of that Directive to enable these premiums to be maxima in future.

The Council agreed to resume its discussion of these two proposals at its next meeting in the light of the Opinions which the European Parliament delivers in the meantime and instructed the Special Committee on Agriculture to prepare its formal decision in time for that meeting.

Agricultural decisions

The Council adopted in the official languages of the Communities the Regulation on the granting of additional aid for the consumption of butter in the United Kingdom (20 units of account per 100 kilograms for 51,025 tonnes of butter produced in the Community).

The Council also adopted in the official languages of the Communities the Regulation amending Regulation No 1931/76 as regards certain distilling operations in the wine sector (in particular the allowance of a certain tolerance for the quantity of wine to be distilled during the 1976/1977, 1977/1978 and 1978/1979 wine-growing years and the payment of aid in chance circumstances or cases of force majeure in respect of the quantity actually distilled).

The Council noted the Commission communication on the final estimates for the 1976/1977 wine-growing year.

The Council also noted the Commission communication to the Council and to the European Parliament on action in respect of agricultural legislation. This communication summarizes the work already undertaken with regard to the simplification of agricultural legislation, analyses current problems and sets forth the work programme proposed by the Commission in this area.

The Council adopted in the official languages of the Communities the Decision adopting joint research programmes and programmes for co-ordinating agricultural research.

The Council adopted in the official languages of the Communities five proposals relating to external fisheries policy; they concerned the number of licences that may be issued to vessels flying the flags of Sweden and the Faroe Islands up to 31 December 1978, the allocation of quotas among the Member States in the waters of Norway and the Faroe Islands for the same period and the zones in which Norwegian vessels are authorized to fish for certain species.

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External relations

Within the framework of the EEC-Turkey Association, the Council approved the draft of the 13th annual report of the Association Council to the Joint Parliamentary Committee (1977).

The Council also approved draft Council of Association Decision No 2/78 relating to proof of origin for certain textile products exported by Turkey and adopted the Community Regulation on the application of that Decision.

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

- the Regulations
 - concluding an Agreement in the form of an exchange of letters relating to Article 2 of Protocol No 8 to the Agreement between the EEC and Portugal (extension of the arrangements in the previous exchange of letters relating to the conditions for imports into the Community of prepared and preserved sardines from Portugal);
 - on the opening, allocation and administration of tariff quotas for certain types of paper and paperboard falling within subheadings ex 48.01 C II and 48.01 F of the common customs tariff, originating in Portugal (1979),
- the Decision concluding an Agreement resulting from the negotiations initiated with Finland under Article XXVIII of the GATT in respect of the bound products in Chapters 1 to 22 of the Finnish customs tariff.

The Council authorized the Commission to negotiate an exchange of letters between the European Economic Community, on the one hand, and Tunisia, Morocco, Algeria and Turkey, on the other, with regard to untreated olive oil, with a view to renewing for the period 1 November 1978 to 31 October 1979 the additional amounts to be deducted from the levy applicable to imports into the Community of untreated olive oil originating in those countries.

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Relations with the ACP States and the OCT

The Council adopted, in the official languages of the Communities, the Decision on the transfer and utilization of the unexpended balances of the 2nd European Development Fund (transfer to the 3rd EDF).

It also adopted, in the official languages of the Communities, the Decisions giving a discharge to the Commission in respect of the implementation of the operations of the 1st, 2nd and 3rd European Development Funds for the financial year 1976 and the Council Recommendation to the European Parliament on the discharge to be given to the Commission in respect of the implementation of the operations of the 4th European Development Fund for the financial year 1976.

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MISCELLANEOUS DECISIONS

The Council adopted, in the official languages of the Communities the Decision on the conclusion of the Agreement in the form of an exchange of letters between the European Economic Community and the Bank for International Settlements concerning the mobilization of claims held by Member States under medium-term financial assistance arrangements.

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The Representatives of the Governments of the Member States of the European Coal and Steel Community, meeting within the Council, adopted in the official languages of the Communities the Decision of the ECSC allocating to that Community supplementary revenues for 1978 (28 million EUA in the form of an exceptional contribution).
