

COUNCIL OF THE EUROPEAN COMMUNITIES

PRESS RELEASES

PRESIDENCY: DENMARK

JANUARY-JUNE 1993

Meetings and press releases March 1993

Meeting number	Subject	Date
1644 th	Consumers	2 March 1993
1645 th	General Affairs/Political	8 March 1993
1646 th	Economics/Finance	15 March 1993
1647 th	Transport	15 March 1993
1648 th	Agriculture	16-17 March 1993
1649 th	Fisheries	18 March 1993
1650 th	Environment	22-23 March 1993

5012/93 (Presse 25)
PRESS RELEASE

1644th Council meeting
- Consumer protection and information -
Brussels, 2 March 1993

President: Mr Jan TRØJBORG,
Minister for Industry of the
Kingdom of Denmark

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

<u>Belgium:</u> Mr Melchior WATHELET	Minister for Economic Affairs
<u>Denmark:</u> Mr Jan TRØJBORG Mr Christopher BO BRAMSEN	Ministry for Industry State Secretary for Industry
<u>Germany:</u> Mr Johan EEKHOFF	State Secretary for Economic Affairs
<u>Greece:</u> Mr Michalis LIAPIS	State Secretary for Trade
<u>Spain:</u> Ms Maria ANGELES AMADOR	Deputy State Secretary for Health
<u>France</u> Ms Véronique NEIERTZ	State Secretary for Consumer Affairs
<u>Ireland:</u> Ms Mary O'ROURKE	Minister of State at the Department of Industry and Commerce with special responsibility for Trade and Marketing
<u>Italy:</u> Mr Luigi FARACE	State Secretary for Industry
<u>Luxembourg:</u> Mr Jean-Marc HOSCHEIT	Deputy Permanent Representative
<u>Netherlands:</u> Mr Ate OOSTRA	Deputy Permanent Representative
<u>Portugal:</u> Mr Carlos BORREGO	Minister for the Environment and Natural Resources
<u>United Kingdom:</u> Baroness DENTON OF WAKEFIELD	Parliamentary Under-Secretary of State, Department of Trade and Industry (Consumer Affairs)
<u>Commission</u> Ms Christiane SCRIVENER	Member

UNFAIR TERMS IN CONSUMER CONTRACTS

Further to the common position adopted on 22 September 1992, under the co-operation procedure with the European Parliament, the Council adopted in substance the Directive on unfair terms in consumer contracts. It will be formally adopted at a forthcoming meeting after the texts have been finalized.

The Directive is aimed at approximating the laws of the Member States on unfair terms in contracts between consumers and professionals acting in the course of a public or private activity, in order to provide consumers with a high level of protection throughout the Community. The purpose of the Directive is to preclude unfair terms and, in any event, to prevent consumers from being bound by such terms.

According to the text, a non-negotiated clause is to be regarded as unfair where, in spite of the requirements of good faith, it creates a significant imbalance, to the detriment of the consumer, between the rights and obligations of the parties under the contract. An indicative, non-exhaustive list of terms which may be declared unfair is given in the Annex to the Directive.

The Directive gives consumer associations the right to ask the courts or the relevant administrative bodies to remove from contracts unfair terms drawn up for general use or recommended by trade associations.

The Directive will contribute to the establishment of the single market inasmuch as it will enable consumers to avail themselves of the new opportunities offered by completion of the internal market, e.g. purchasing goods and services at more advantageous prices in a Member State other than that of residence. By 31 December 1994, the deadline for transposing the Directive, consumers will be able to have greater trust in contractual clauses, as it will not be possible to rely on standardized unfair terms against them.

It should be emphasized that, in order to avoid excessively affecting certain basic aspects of contract law in the various Member States, the Directive lays down minimum rules concerning only "standard" or non-negotiated terms and entrusting the specific treatment of the harmonization of guarantees to an individual Directive. It goes without saying that each Member State is at liberty to offer greater protection than that provided in the Directive.

PROTECTION OF PURCHASERS OF TIMESHARE PROPERTIES

Pending receipt of the European Parliament's first-reading Opinion, the Council held a policy debate on the proposal for a Directive concerning the protection of purchasers in contracts relating to the utilization of immovable property on a timeshare basis. Previous discussions in the Consumer Affairs Council on 3 November 1992 had shown most delegations' interest in such legislation.

The purpose of the proposal is to provide, within the framework of completion of the single market, greater protection for consumers who wish to conclude timeshare contracts.

The proposal is directed towards increasing consumer protection through:

- improved information to be provided on the terms (rights and obligations) of a contract;
- "withdrawal" procedures which have to be incorporated in the contract and which the purchaser has the right to invoke within periods specified in the Directive;
- guarantees to be provided by the vendor,

while authorizing the Member States to adopt or maintain more stringent measures to protect purchasers.

The Council discussed four key issues:

- **guarantees and penalties**, in particular the extent to which the Directive should regulate, for instance, the guarantees to be provided by the vendor as to completion of the construction of the immovable property, the right of the purchaser to use certain services or facilities, the reimbursement of advance payments and the penalties to be imposed on the vendor, should he fail to provide the information prescribed by the Directive in time;
- **advance payments**, in particular to ensure that the purchaser is not penalized for exercising his right to withdraw and that he is charged only for certain clearly defined costs;
- **right to cancel a loan agreement**, in particular arrangements so that the purchaser is able to cancel a loan agreement or agreements when he exercises his right of withdrawal;
- **legal protection of the consumer**, in particular whether the choice of the law applicable to timeshare contracts should be addressed and regulated by this Directive and whether the protection provided by the Directive could be extended to cover contracts relating to property in third countries.

Following discussions, the Council instructed the Permanent Representatives Committee to continue proceedings in the light of the outcome, with the aim of reaching agreement in the near future.

FUTURE ACTION ON LABELLING

On the basis of a draft submitted by the Presidency on 12 January 1993, the Council agreed to a Resolution on action on the labelling of products in the interest of the consumer, the text of which is set out below:

"THE COUNCIL OF THE EUROPEAN COMMUNITIES,

1. Having regard to the Treaty establishing the European Economic Community,
2. Whereas it is necessary for the effective working of the internal market, established since 1 January 1993, that all involved parties including individual consumers have confidence in the operation of that market and fully benefit from it;
3. Whereas in its Resolution of 9 November 1989 on future priorities for relaunching consumer protection policy ⁽¹⁾ the Council, in line with its Resolutions of 14 April 1975 and 19 May 1981, set as a priority inter alia seeking a Community framework for providing information on products by means of labelling;
4. Whereas the Council Resolution of 13 July 1992 on future priorities for the development of consumer protection policy ⁽²⁾ underlines the need to secure consumer confidence in the operation of the single market and to ensure the consumer's freedom to choose from a diverse range of goods and services by improved information and transparency; whereas that Resolution calls for further measures in the areas of transparency and information inter alia with regard to further harmonization of labelling;
5. Whereas various recent studies show that consumers set a high value on information by labelling and a large majority consider it necessary that the same kind of information on specific products be provided in all Member States;
6. Whereas legislation already adopted by Council has established detailed

⁽¹⁾ OJ No C 294, 22.11.1989.

⁽²⁾ OJ No C 186, 23. 7.1992.

labelling requirements for certain products while for other products requirements are insufficient or even lacking;

7. Whereas disparity of existing national legislation on labelling risks creating barriers to trade within the Community and thereby impeding the operation of the internal market,

REAFFIRMS that labelling is one important means to achieve better information and transparency for the consumer and to ensure the smooth operation of the internal market.

INVITES the Commission in consultation with Member States and with the interested parties (consumers, industry and trade organizations) to examine the need for and merits of a Community-wide solution and, on that basis, to study the possibility of establishing a Community framework for labelling requirements.

NOTES that the Commission intends to take account of the result of its recent consumer surveys, existing Community legislation and the current discussion on Commission proposals, the objective of harmonization, the principles of subsidiarity and proportionality, and self-regulatory systems between consumers, industry and trade organizations in the Member States.

INVITES the Commission to address the issues listed in the Annex, to present its conclusions to Council as quickly as possible and to present appropriate proposals at the latest by June 1994. In the meantime, the Commission should keep the Council regularly informed of the progress of its study.

ISSUES TO BE ADDRESSED BY THE COMMISSION

1. The Commission should give consideration to the fact that labelling ought in particular to be:
 - comprehensible, i.e. legible and easy for the consumer to understand;
 - distinctive, i.e. make the necessary distinction between product labelling, on the one hand, and other information and advertising given on the product, on the other;
 - relevant, i.e. not be misleading and contain sufficient information enabling consumers to make purchasing decisions based on the information they find important regarding a particular product;
 - transparent, i.e. enabling consumers to compare different products within the same group of products in relation to quality and price;
 - verifiable, i.e. subject to appropriate supervision according to national legislation or practices, in order to ensure that the labelling complies with the agreed requirements;
 - practical, i.e. easy for manufacturers, supervisory bodies and retailers to use.

2. The Commission should examine labelling requirements for all consumer products, taking due account of products already covered by Community legislation and taking advantage of the experience gained from that legislation. In this context the Commission should also examine the role of standardization at Community level.

The Commission should also consider the need to include guarantees and after-sales service.

3. The Commission should examine whether Community labelling requirements:
 - should follow a horizontal, vertical or combined horizontal and vertical approach;
 - should aim at minimum provisions only or provide for full harmonization;
 - would be more appropriate and efficient as compulsory or as a voluntary scheme;
 - should be based on a modular, integrated system."

COMMUNITY SYSTEM OF INFORMATION ON HOME AND LEISURE ACCIDENTS (EHLASS)

The Council held a policy debate on the basis of a Commission communication and a proposal for a Decision introducing a Community system of information on home and leisure accidents.

It will be recalled that Decision 86/138/EEC, as amended by Decision 90/534/EEC, established until 1 December 1991 a demonstration project relating to a system for the collection of information on home and leisure accidents (EHLASS). Following an evaluation of the second stage of that demonstration project, the Commission communication concludes that a Community system of information on home and leisure accidents would be useful, chiefly for the Member States, and that Community support should be provided.

At the close of the discussion, during which a large majority of delegations spoke in favour of extending the system for five years, the Council instructed the Permanent Representatives Committee to continue proceedings, particularly in the light of the European Parliament's Opinion, with the aim of reaching agreement rapidly.

COMMUNITY SYSTEM FOR THE EXCHANGE OF INFORMATION IN RESPECT OF CERTAIN PRODUCTS WHICH MAY JEOPARDIZE CONSUMERS' HEALTH OR SAFETY

Pending receipt of the European Parliament's Opinion, the Council held a policy debate on the proposal for a Decision concerning the institution of a Community system for the exchange of information in respect of certain products which may jeopardize consumers' health or safety.

The proposal is concerned with the exchange of information on products which do not comply with the Community or national legislation applicable to them and which may jeopardize consumers' health or safety, albeit not presenting a serious and immediate risk. Measures taken by the Member States in respect of products which do present a serious and immediate risk are covered by the system for the rapid exchange of information set up under Directive 89/45/EEC.

The proposal, which comes within the context of the internal market, was designed to bring forward in part the implementation of the exchange-of-information aspect referred to in Article 7 of Directive 92/59/EEC on general product safety, as the provisions of that Directive are not applicable until 29 June 1994.

Discussions showed there to be a favourable inclination towards the Decision in principle.

The Council therefore instructed the Permanent Representatives Committee to press ahead with preparation of the text, in the light of the European Parliament's Opinion in particular.

ACTION PLAN OF CONSUMER POLICY (1990-1992)

The Council took note of a Commission oral statement on the implementation of the action plan of consumer policy (1990-1992) and on future priorities.

COMPARATIVE ADVERTISING

The Commission reported on progress with re-examination, under the principle of subsidiarity, of the proposal for a Directive concerning comparative advertising and amending Directive 84/450/EEC on misleading advertising.

MISCELLANEOUS DECISIONS

EEC-Baltic Republics Fisheries Agreements

The Council adopted the Regulations on the conclusion of the Fisheries Agreements between the Community and the Baltic Republics of Lithuania, Latvia and Estonia.

The Agreements provide essentially for the exchange of quotas and reciprocal access to the Contracting Parties' fishing zones in the Baltic Sea.

In this connection the Parties undertake to co-operate with one another and within the appropriate international fora, in particular within the International Baltic Sea Fishery Commission, to ensure the conservation and rational management of the fish stocks in question.

The Agreements also make provision for possible financial contributions to certain training schemes or to promote the formation of joint ventures between partners from the Baltic Republics and from the Community.

The texts of the Agreements, concluded for an initial ten-year period, correspond to those initialled by the Commission with the Republic of Lithuania on 14 July 1992, with the Republic of Latvia on 16 July 1992 and with the Republic of Estonia on 17 July 1992 in accordance with the Council's negotiating directives of 7 June 1992.

The European Parliament delivered its Opinions on 12 February 1993.

Appointments

The Council appointed as members of the Economic and Social Committee:

- Mr Georgios RAFTOPOULOS, in place of Mr Lambros KANELLOPOULOS,
 - Mr Jean GAUTIER, in place of Mr François CEYRAC,
- for the remainder of the terms of office, which run until 20 September 1994.

PRESS RELEASE

5016/93 (Presse 29)

1645th Council meeting
- GENERAL AFFAIRS -
- POLITICAL CO-OPERATION -

Brussels, 8 March 1993

President: Mr Niels HELVEG PETERSEN

Minister for Foreign Affairs of the
Kingdom of Denmark

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

Belgium:

Mr Robert URBAIN Minister for Foreign Trade and European Affairs

Denmark:

Mr Niels HELVEG PETERSEN Minister for Foreign Affairs
Mr Jørgen ØSTRØM MØLLER State Secretary for Foreign Affairs

Germany:

Mr Klaus KINKEL Federal Minister for Foreign Affairs
Mrs Ursula SEILER-ALBRING Minister of State, Foreign Affairs
Mr Johann EEKHOF State Secretary, Federal Ministry of Economic Affairs

Greece:

Mr Michel PAPACONSTANTINOU Minister for Foreign Affairs
Mr Georges PAPASTAMKOS State Secretary for Foreign Affairs

Spain:

Mr José SOLANA Minister for Foreign Affairs
Mr Claudio ARANZADI Minister for Industry
Mr Carlos WESTENDORP State Secretary for Relations with the European Communities

France:

Mr Roland DUMAS Ministre d'Etat, Minister for Foreign Affairs
Mrs Elizabeth GUIGOU Minister for European Affairs
Mr Bruno DURIEUX Minister for Foreign Trade

Ireland:

Mr Dick SPRING Minister for Foreign Affairs
Mr Tom KITT Minister of State at the Department of the Taoiseach with special responsibility for European Affairs

Italy:

Mr Valdo SPINI State Secretary for Foreign Affairs

Luxembourg:

Mr Jacques POOS Minister for Foreign Affairs

Netherlands:

Mr P. KOOIJMANS Minister for Foreign Affairs
Mrs Y. VAN ROOY Minister for Foreign Trade
Mr Piet DANKERT State Secretary for Foreign Affairs

Portugal:

Mr José Manuel Durão BARROSO Minister for Foreign Affairs
Mr Vítor MARTINS State Secretary for European Affairs

United Kingdom:

Mr Douglas HURD Secretary of State for Foreign and Commonwealth Affairs
Mr Timothy SAINSBURY Minister of State, Department of Trade and Industry

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Commission:

Mr Jacques DELORS	President	Sir Leon BRITTAN	Member
Mr Peter SCHMIDHUBER	Member	Mr René STEICHEN	Member
Mr Hans VAN DEN BROEK	Member		

EUROPEAN ECONOMIC AREA - PROTOCOL OF ADAPTATION

Following an oral report from Commissioner VAN DEN BROEK, the Council agreed in substance on the outcome of the negotiations with the EFTA partners on the Protocol of adaptation of the EEA Agreement made necessary following the negative result in the Swiss referendum.

The President of the Council will inform the European Parliament at its part-session this week, which will make it possible, on the basis of the formal proposal expected from the Commission, to convene the Diplomatic Conference provided for in the EEA Agreement in order to sign the Protocol of adaptation next week.

Member States will ensure that ratifications of the Protocol of adaptation take place as soon as possible to enable the adapted EEA Agreement to enter into force on 1 July 1993.

COHESION FUND - INTERIM INSTRUMENT

Without prejudice to Parliament's Opinion, the Council discussed the proposal for a Regulation establishing a cohesion financial instrument and was favourably disposed to the text of the Regulation as it resulted from the proceedings of the Permanent Representatives Committee.

The Council instructed the Permanent Representatives Committee to consider possible adjustments to the text, after receipt and in the light of the European Parliament's Opinion, with a view to formal adoption of the Regulation at the next Council meeting, to enable it to enter into force before 1 April.

FORMER YUGOSLAVIA

Lord Owen reported to Ministers on the situation in New York. He emphasized how important the firm and constructive support given by the Community and its Member States to the efforts of the co-Chairmen had proved to be in advancing the negotiating process.

Ministers referred back to their Declaration of 1 February (P.09/93) and reiterated their full support for the actions of the co-Chairmen in this crucial phase of the negotiations. They noted that the United States and Russia were backing the Vance/Owen plan by providing all the necessary co-operation.

Ministers noted in particular that it was important now to obtain the approval of both the Serbs and Muslims for the map of the internal frontiers of Bosnia and Herzegovina without delay.

Ministers noted that the coming weeks would be decisive and agreed on the need to continue to exercise the strongest pressure on all sides, in particular on Belgrade. As regards Croatia, it was concluded that support should be given to the current efforts in Geneva to reach a territorial solution which would permit the renewal of the UNPROFOR mandate.

The Sanctions Co-ordinator reported to the Council on the accomplishment of the mission entrusted to him by the CSCE. He stressed the need to reinforce control measures and the effectiveness of administrative procedures, in particular in matters of transit and transshipment. The Council noted that Ambassador Napolitano would shortly be going to Skopje and New York where he would make contact with the Sanctions Committee.

Ministers recalled once again the crucial importance of strict and scrupulous application of the sanctions in force, particularly on the Danube. They instructed the experts to study this question and to report back to them. They also supported the action under way in the various international fora dealing with such issues. They reserved the right to adopt further isolation measures against Serbia and Montenegro if the situation so demanded.

Ministers took note of the recent statement by the Secretary-General of the United Nations and stressed the importance of encouraging full participation by the United Nations in implementing the peace plan as soon as it had been endorsed by the Security Council.

Ministers held an exchange of views on the implementation of the humanitarian aid measures now in progress, particularly for the benefit of the former Yugoslav Republic of Macedonia. They noted that the Commission would shortly be convening a meeting of experts from the Member States.

Ministers will continue to monitor the development of the situation closely. If circumstances so require, they will meet to review their positions.

COMMERCIAL POLICY ISSUES

- Uruguay Round and other questions

The Council heard a report from Commissioner Sir Leon Brittan on talks which he held in the United States from 10 to 12 February with the new United States administration on the Uruguay Round and bilateral problems arising in EEC-United States trade relations (steel, government procurement and Airbus).

The President also informed the Council of talks he had had on the same subjects during his recent visit to Washington.

In particular, the Council confirmed its full support for the action taken by Sir Leon Brittan in the context of the conclusions of his meeting on 1 and 2 February with a view to finding a satisfactory solution to bilateral disputes.

The Council postponed until its next meeting on 5 and 6 April the question of the conclusion of an Agreement with the United States on the protection and mutual recognition of certain spirit drinks.

- Agreement with the United States on oilseeds

The Council heard a statement by Commissioner Steichen on the Commission proposal for the conclusion by the Council of an Agreement with the United States on oilseeds. It also took note of the comments and positions of certain delegations.

The Council will take up this matter again on the Presidency's initiative at one of its forthcoming meetings.

COMMUNITY INSTRUMENTS OF COMMERCIAL DEFENCE AND COMMON RULES FOR IMPORTS

The Council held a further discussion of the problems posed by the revision of decision-making procedures relating to commercial defence and common rules for imports from third countries with market economies and State-trading countries.

Since delegations' positions were unchanged, it was unable to take a decision at this stage.

However, the Presidency undertook along with the Commission to continue to seek ways of achieving an acceptable compromise, if possible at its next meeting on 5 and 6 April 1993.

RELATIONS WITH THE UNITED STATES

In view of the importance which the Community and its Member States attach to strengthening co-operation with the United States in all areas, particularly with the advent of a new administration, Ministers agreed to devote part of their informal "Gymnich" -style meeting on 24 and 25 April 1993 at Hindsgavl Castle, Denmark, to a discussion on this subject.

Technical preparations for the discussion of the various aspects of relations with the

United States would be carried out by the Permanent Representatives Committee on the basis of a Commission document and by the Political Directors, the Co-ordinators' Group and CELAD. In this context, Ministers also stressed the importance of the growth initiative resulting from the conclusions of the Edinburgh European Council which would be the subject of discussions in the ECOFIN Council on 15 March 1993.

RELATIONS WITH BULGARIA

The Council adopted the Decision to sign the Europe Association Agreement with Bulgaria, as well as the Interim Agreement intended to implement the trade section in advance.

The signing ceremony took place at the end of the morning (see Joint Press Release 5015/93 Presse 28).

RELATIONS WITH THE OCT - RICE ORIGINATING IN THE NETHERLANDS ANTILLES

The Council heard a statement from the Netherlands delegation disputing the justification for the Decision adopted by the Commission on 25 February, at the request of the French and Italian Governments, instituting safeguard measures on import of rice originating in the Netherlands Antilles - the setting of a minimum import price and inspection of data and commercial documents relating to import operations.

The Council invited the Commission and the Netherlands delegation to contact each other directly to ascertain whether alternative solutions were possible.

TEXTILES

The Council adopted the Decision on the opening of negotiations with the Republics of the former Soviet Union (Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, the Russian Federation, Tajikistan, Uzbekistan and the Ukraine) for the conclusion of new bilateral agreements on trade in textiles.

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POLITICAL DIALOGUE WITH THE VISEGRAD COUNTRIES

During the evening a meeting took place between the Community Ministerial Troika and the Ministers for Foreign Affairs of the four Visegrad countries, viz.: Mr Géza JESZENSKY, Minister for Foreign Affairs of Hungary; Mr Krzysztof SKUBISZEWSKI, Minister for Foreign Affairs of Poland; Mr Milan KNAZKOV, Deputy Prime Minister and Minister for Foreign Affairs of Slovakia; and Mr Josef ZIELENIEC, Minister for Foreign Affairs of the Czech Republic.

The meeting was devoted to a political dialogue on a number of international issues of common interest, in particular relations between the Community and the Visegrad countries, the process of reform in Russia, the situation in the Ukraine and events in former Yugoslavia, with the aim of achieving greater understanding between both groups of the scope of these problems.

MISCELLANEOUS DECISIONS

Relations with Romania

The Council adopted the Decision on the conclusion by the EEC of the Interim Agreement on trade and trade-related matters between the European Economic Community and the European Coal and Steel Community on the one hand and Romania on the other.

Relations with the Mediterranean countries

The Council adopted the Regulations:

- totally or partially suspending the duties applicable to certain products falling within Chapters 1 to 24 (agricultural products - GSP) of the combined nomenclature and originating in Malta (1993);
- establishing ceilings and Community surveillance for imports of certain textile products originating in Malta (1993);
- suspending wholly or in part the Common Customs Tariff duties on certain agricultural products (GSP) originating in Turkey (1993).

Canary Islands

The Council adopted the Regulation extending until 31 December 2000 application of the charge known as "arbitrio insular-tarifa especial" levied when certain sensitive products are introduced into the Canary Islands from other parts of the Community. The rate of the charge for each of the products listed in the Annex to the Regulation may at no time exceed 90% of the rate applicable to like products originating in third countries.

Fisheries

The European Parliament having delivered its Opinions, the Council adopted Regulations on the conclusion of the Protocols establishing the fishing opportunities and the financial contribution provided for in the Agreements between the Community and the Governments of

- Mozambique, for the period 1 January 1992 to 30 September 1993;
- Angola, for the period 3 May 1992 to 2 May 1994.

The Protocol with Mozambique provides for a contribution of ECU 300 000 for a catch of 6 000 tonnes of tuna in Mozambican waters. The Protocol with Angola sets an amount of ECU 13 900 000 in exchange for activity by Community fishing vessels within the following limits:

- shrimp vessels: 7 350 GRT per month, maximum 22 vessels;
- trawlers: 1 800 GRT per month, maximum 5 vessels;
- tuna vessels: 27;
- longliners: 5 vessels.

Anti-dumping

The Council adopted the Regulation extending for two months the provisional anti-dumping duty on imports of certain seamless pipes and tubes, of iron or non-alloy steel, originating in former Czechoslovakia, Hungary, Poland and the Republic of Croatia, given that examination of the facts had not yet been completed.

Appointment - Economic and Social Committee

The Council appointed Mr Ramón BAEZA, Member of the Economic and Social Committee, to replace Mr Javier VELASCO MANCEBO for the remainder of the latter's term of office, which runs until 20 September 1994.

PRESS RELEASE

5332/93 (Presse 35)

1646th Council meeting

ECONOMIC AND FINANCIAL QUESTIONS

Brussels, 15 March 1993

President: Ms Marianne JELVED

Minister for Economic Affairs
of the Kingdom of Denmark

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

<u>Belgium:</u> Mr Philippe MAYSTADT	Minister for Finance
<u>Denmark:</u> Ms Marianne JELVED	Minister for Economic Affairs
<u>Germany</u> Mr Christoph ZEITLER Mr Johann EEKHOFF	State Secretary for Finance State Secretary for Economic Affairs
<u>Greece:</u> Mr Stefanos MANOS	Minister for Economic Affairs
<u>Spain:</u> Mr Pedro PEREZ	State Secretary for Economic Affairs and Finance
<u>France:</u> Mr Michel SAPIN	Minister for Economic and Financial Affairs
<u>Ireland:</u> Mr Bertie AHERN	Minister for Finance
<u>Italy:</u> Mr Piero BARUCCI	Minister for the Treasury
<u>Luxembourg:</u> Mr Jean-Claude JUNCKER	Minister for Finance
<u>Netherlands</u> Mr Wim KOK	Minister for Finance
<u>Portugal:</u> Mr Jorge BRAGA DE MACEDO	Minister for Finance
<u>United Kingdom:</u> Sir John COPE	Paymaster General
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<u>Commission:</u> Mr Henning CHRISTOPHERSEN Mr Peter SCHMIDHUBER Ms Christiane SCRIVENER	Member Member Member
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<u>The following also attended:</u> Mr André J. MIDDLEHOEK Mr José Juan RUIZ	President of the Court of Auditors Chairman of the Economic Policy

1993 ANNUAL ECONOMIC REPORT AND NATIONAL ACTIONS TO PROMOTE ECONOMIC RECOVERY IN EUROPE

On the basis of an exposé by Commissioner Christophersen, the Council discussed the most recent economic developments in the Community and the Member States. It took stock in particular of progress already made with national measures to promote economic recovery in Europe and of the work still to be done. The discussion revealed the unanimous will to implement the Edinburgh growth initiative swiftly and accordingly to approve a package of national measures at the next ECOFIN Council meeting, on 19 April.

The Ministers were unanimous in the view that the recovery effort must be underpinned by co-operation with the main industrialized partners, in particular the United States and Japan. They also stressed the importance they attached, in that context, to the joint meeting to be held with the ECOFIN Ministers of the EFTA countries on 19 April.

The Council also approved the annual economic report and the economic guidelines to be followed in the Community in 1993. The report will be formally adopted after the text has been finalized in the official languages of the Communities.

Regarding the creation of a European Investment Fund, the Council noted that work was sufficiently advanced for the proposed amendments to the Statute of the EIB to be approved.

GREEK CONVERGENCE PROGRAMME - COUNCIL CONCLUSIONS

On 15 March 1993 the Council examined and endorsed the Greek Programme for Economic convergence 1993-1998. The Council welcomed the acceleration of major structural reforms and fiscal consolidation achieved in 1992 and noted that determined continuation and full implementation would be needed to achieve the targets of the convergence programme.

The Greek Convergence Programme is an ambitious attempt to prepare Greece to meet the conditions necessary for participating in EMU. While recognizing the optimistic nature of the programme, the Council also noted that an ambitious programme was essential in the light of Greece's economic problems. The Council therefore fully supports the efforts of the Greek government. Structural reforms and the privatization programme need to be pursued vigorously if the private sector is to achieve the dynamism outlined in the programme.

The Council underlined the need to give priority to budgetary consolidation and to ensure the achievement of the programme targets by effective implementation of measures. In particular, there was a need to increase the efficiency of the tax collection system and to reduce overmanning in the public sector. It noted the commitment of the Greek authorities to take adequate contingency measures to ensure the attainment of the budgetary and inflation targets.

TAX ON CO2 EMISSIONS AND ENERGY

The Council took note of a Presidency report on progress with regard to the Commission's proposal for a Directive of 4 June 1992 on the introduction of a specific tax on both carbon monoxide emissions (CO₂) and energy. This proposal forms part of the measures envisaged by the Community for dealing with climate change.

The report related to the following issues in particular:

- the proposed tax in relation to excise duties on mineral oils;
- taxation of electricity;
- investment incentives to save energy and reduce CO₂ emissions;
- offsetting the adverse effect of the CO₂/energy tax on competitiveness against the proposed exemption arrangements.

The report will also be brought to the attention of the Energy and Environment Ministers.

The ECOFIN Council will hold a substantive discussion on the issue at its meeting on 7 June.

COURT OF AUDITORS REPORT FOR 1991 AND DISCHARGE TO BE GIVEN TO THE COMMISSION IN RESPECT OF THE IMPLEMENTATION OF THE BUDGET FOR THAT FINANCIAL YEAR

The Council heard a statement by Mr André Middelhoek, President of the Court of Auditors, outlining the salient points of the Court's annual report on the implementation of the general budget of the European Communities for the financial year 1991, especially concerning certain aspects of the administration of the common agricultural policy, the Structural Funds and financial aid for third countries, as well as certain general problems of management and control of the Community's activities, both in the Community's subordinate bodies and the Member States.

The Council expressed its appreciation of the important role played by the Court in monitoring the administration of Community funds.

The Council discussed the main topics raised regarding the discharge in respect of the implementation of the 1991 budget. In that connection the Council agreed on the importance of continuing to step up the fight against irregularities and fraud at the expense of the Community budget.

In conclusion the Council unanimously adopted the Recommendation to be forwarded to the European Parliament with a view to the discharge to be given to the Commission in respect of the implementation of the general budget of the Communities for the financial year 1991. In its Recommendation the Council places particular emphasis on the importance it attaches to compliance with the principle of sound financial management and the importance it attaches to a follow-up to its comments on the Court of Auditors report.

TRAVELLERS' ALLOWANCES

The Council had to record that one delegation continued to uphold its reservation on increasing the level of the duty-free allowances for travellers coming from third countries (currently ECU 45, which should, in the view of 11 delegations, be increased to ECU 175 for travellers coming from third countries and to ECU 90 for intra-Community tax-free sales).

COMPANY TAXATION

The Council heard a statement by Ms Scrivener on the need to expedite examination of two proposals on company taxation - with a view to increasing the competitiveness of companies and to lessen the burden on them - the one concerning the abolition of the withholding tax on interest and royalty payments between enterprises in different Member States and the other the taking into account by parent companies of the losses incurred by their permanent establishments or branches situated in other Member States.

OTHER DECISIONS IN THE FIELD OF ECONOMIC AND FINANCIAL QUESTIONS

Capital adequacy

The Council adopted the Directive on the capital adequacy of investment firms and credit institutions.

Adoption of the above Directive ensues from completion of the procedure for co-operation with the European Parliament; the substance of the Directive adopted corresponds to that of the common position of the Council of 27 July 1992, the main points of which are summarized below.

The Directive on capital adequacy will be published at the same time as the Directive on investment services, once the latter has been finally adopted and the cross references can be inserted in both Directives. It will be possible for the two Directives to be published simultaneously in the near future, as the European Parliament adopted an Opinion on the investment services Directive on second reading at its sitting on 10 March 1993.

The capital adequacy Directive is the necessary complement to the investment services Directive, which is aimed at liberalizing the right of establishment and freedom to provide services with regard to activities in respect of securities. The conditions for such liberalization have been aligned on those introduced in 1989 for credit institutions through the adoption in particular of the second banking Directive.

The Directive meets several objectives at the same time; it ensures the solidity of an important aspect of financial services on integrated bases which ensure equivalent treatment throughout the Community, guarantees equal protection for investors, ensures compliance with equivalent conditions of competition between banks and securities establishments and, finally, strengthens Europe's attraction as a world financial centre.

The main features of the Directive are summarized below.

Whilst the second banking Directive already determined the amounts of initial capital for credit institutions, this Directive lays down for investment firms three levels of initial capital that they must have at the start of their operations, depending on the nature of the activities which they are authorized to perform:

- firms which do not hold clients' money or which are not authorized to deal for their own account: ECU 50 000;
- firms operating on investors' orders: ECU 125 000;
- all others: ECU 730 000.

These amounts are lower than those required of credit institutions owing to the specific activities of investment firms on trading books only; investment firms are obliged

to hold original own funds equivalent to three months of their fixed overheads.

A temporary derogation is provided for in respect of firms existing on the date of entry into force of the Directive to enable them to adjust their funds. A transitional solution has also been prepared for changes in partnerships in which one of the original partners remains in the partnership, and for transfers of ownership by inheritance.

Lastly, it should be noted that the review clause is designed to make it possible in the near future (three years from entry into force) to make the adjustments necessary to take into account structural changes in the markets, notably at international level.

In this connection, it should be pointed out that the setting up of a Securities Committee will form the subject of a separate Directive to be adopted in the near future.

European Investment Bank loans to the Baltic States

The Council adopted the Decision granting a Community guarantee to the European Investment Bank against losses under loans for investment projects carried out in Estonia, Latvia and Lithuania.

The EIB will operate in the Baltic States as it already does in other Central and Eastern European countries. Loans will be granted directly by the Bank from its own resources, in accordance with its usual criteria. The loans will be for the financing of investment projects.

The overall limit for the operation is set at ECU 200 million for a three-year period.

MISCELLANEOUS DECISIONS

European Economic Area

Following approval of the substance of the Protocol adjusting the Agreement on the European Economic Area necessitated by the negative referendum in Switzerland, the Council decided to proceed with the signing of the Agreement, subject to subsequent approval. Signing will take place at the Council's headquarters at 15.30 on Wednesday 17 March.

At the same time the Council adopted the Decision concerning the conclusion of Agreements in the form of Exchanges of Letters between the European Economic Community, of the one part, and the Republic of Austria, the Republic of Finland, the Republic of Iceland, the Kingdom of Norway and the Kingdom of Sweden, of the other part, on the provisional application - from 15 April 1993 - of the Agreements on certain arrangements in the field of agriculture, signed by the said parties in Oporto on 2 May 1992.

Relations with Turkey

The Council adopted the Regulation opening and providing for the administration of a Community preferential ceiling - of 740 250 tonnes at zero duty - for certain petroleum products refined in Turkey and establishing Community surveillance for imports thereof (1993).

Anti-dumping

The Council adopted the Regulation imposing a definitive anti-dumping duty on imports into the Community of certain electronic micro-circuits known as DRAMs (dynamic random access memories) originating in the Republic of Korea and exported by companies not exempted from this duty, and collecting definitively the provisional anti-dumping duty.

The rate of duty is to be 24,7% of the net free-at-frontier price before duty. However, there are exemptions for products produced and exported - or produced and sold for subsequent exportation - to the Community by certain companies under conditions laid down in the decision.

Financial supplement to the Third Framework Programme in the field of research and technological development (RTD)

The Council adopted the Decision adapting Decision 90/221/Euratom, EEC and concerning a financial supplement to the Third Programme of Community activities in the field of research and technological development (1990-1994). The financial supplement in question is ECU 900 million for 1993 and 1994. The breakdown of that sum, which is shown in the Annex hereto, provides for an across-the-board increase of 13,3% for all the activity categories envisaged, with the exception of the "energy" category, in respect of which provision has been made for a 30,6% increase.

The purpose of the financial supplement, which an analysis of requirements showed to be necessary, is to ensure the continuity of the Community RTD activities covered by the Third RTD Framework Programme as implemented through its specific programmes. It is also directed towards ensuring the continuity of the centralized action to disseminate and exploit research results.

It will be recalled that on 31 December 1992 the Council reached a common position, by the written procedure, on the proposal submitted by the Commission on 29 July 1992, that the common position was forwarded to the European Parliament on 13 January 1993 and that the European Parliament decided not to initiate the conciliation procedure on the Council's common position.

Statistics on the production system in the Community

Following the European Parliament's approval on 10 February 1993 of its common position of 17 December 1992, the Council finally adopted the Regulation on the statistical units for the observation and analysis of the production system in the Community.

The Regulation establishes a list of statistical units relating to the production system, of the criteria used, the definitions of those units and explanatory notes. Its purpose is, within the framework of the internal market, to establish statistical standards necessary for the identification of units and the collection, transmission and publication of national and Community statistics in order to make reliable and comparable information available to enterprises, financial institutions, governments and all other operators in the internal market.

Istanbul Convention - Temporary Admission

The Council adopted the Decision concerning the conclusion of the Convention on Temporary Admission, negotiated under the auspices of the Customs Co-operation Council and agreed at Istanbul on 26 June 1990 (Istanbul Convention). The Decision also concerns acceptance of the Annexes to the Convention. The Convention concerns trade in goods with non-member countries and is an effective means of fostering international trade.

The Commission emphasized that it would be desirable for the Community and its Member States to deposit their instruments of acceptance/ratification of the Convention simultaneously at the Customs Co-operation Council's meeting at the beginning of July 1993, or at the latest on 1 October 1993, so that it can enter into force for the Community and its Member States on 1 January 1994, from which date the new Community Customs Code will be applicable.

Internal market - cultural objects

Following approval by the European Parliament on 10 February 1993 of its common position of 9 December 1992, the Council finally adopted the Directive on the return of cultural objects unlawfully removed from the territory of a Member State (see press releases 9760/92 Presse 197 and 10788/92 Presse 240).

The Directive is one of the two measures necessary for the abolition of controls at internal frontiers in the field of cultural objects, the second being the Regulation on the export of cultural goods which was also adopted by the Council on 9 December 1992.

The purpose of the Directive is to guarantee Member States the return to their territory of national treasures which have left it illegally, and to that end it establishes co-operation between the competent authorities of the Member States and a judicial procedure directed towards the return of cultural objects.

Implementation of the Directive is scheduled for nine months from its adoption, except for Belgium, Germany and the Netherlands (no later than 12 months after adoption).

The Regulation will enter into force on the third day following the publication of the Directive in the Official Journal.

ANNEXBREAKDOWN OF THE AMOUNTS DEEMED NECESSARY TO
IMPLEMENT THE VARIOUS ACTIVITIES ENVISAGED

(in millions of ecus)

		1990-92	1993-94	TOTAL
I.	ENABLING TECHNOLOGIES			
1.	Information and communications technologies			
	- Information technologies	974	1 542	2 516
	- Communications technologies			1 532
	- Development of telematics systems of general interest			554
				430
	Industrial and materials technologies			
2.	- Industrial and materials technologies	390	617	1 007
	- Measurement and testing			848
				159
	MANAGEMENT OF NATURAL RESOURCES			
II.	Environment			
3.	- Environment	227	360	587
	- Marine sciences and technologies			469
	Life sciences and technologies			118
4.	- Biotechnology	325	515	840
	- Agricultural and agro-industrial research ⁽¹⁾			186
	- Biomedical and health research			377
	- Life sciences and technologies for developing countries			151
	Energy			126
5.	- Non-nuclear energies	357	706	1 063 ⁽²⁾
	- Nuclear fission safety			217
	- Controlled nuclear fusion			228
				568
	OPTIMIZATION OF INTELLECTUAL RESOURCES			
III.	Human capital and mobility			
6.	- Human capital and mobility	227	360	587
				587
	TOTAL	2 500	4 100	6 600 ⁽³⁾ ⁽⁴⁾

⁽¹⁾ Including fisheries.⁽²⁾ Including ECU 50 million to be allocated with priority to "non-nuclear energies".⁽³⁾ Including ECU 66 million for the centralized action of dissemination and exploitation provided for in Article 4, drawn proportionally from each activity.⁽⁴⁾ Including ECU 180 million for 1990-1992 and ECU 370 million for 1993-1994 for the Joint Research Centre.

PRESS RELEASE

5333/93 (Presse 36)

1647th Council meeting

- TRANSPORT -

Brussels, 15 March 1993

President: Mr Helge MORTENSEN,

Minister for Transport
of the Kingdom of Denmark

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

Belgium:

Mr Jan DE BOCK Deputy Permanent Representative

Denmark:

Mr Helge MORTENSEN Minister for Transport
Mr Kurt LYKSTOFT State Secretary for Transport

Germany:

Mr Günter KRAUSE Federal Minister for Transport

Greece:

Mr Theodoros ANAGNOSTOPOULOS Minister for Transport
Mr Alexandros PAPADOGONAS Minister for Merchant Shipping

Spain:

Mr Manuel PANADERO Secretary-General at the Ministry of Transport

France:

Mr Jean-Louis BIANCO Minister for Transport
Mr Charles JOSSELIN State Secretary for Maritime Affairs

Ireland:

Mr Brian COWEN Minister for Transport
Mr Gerry O'SULLIVAN Minister of State, Department of Transport

Italy:

Mr Giancarlo TESINI Minister for Transport

Luxembourg:

Mr Robert GOEBBELS Minister for Transport

Netherlands:

Mrs Hanja MAIJ-WEGGEN Minister for Transport and Public Works

Portugal:

Mr Jorge ANTAS State Secretary for Transport

United Kingdom:

Mr John MacGREGOR Secretary of State for Transport
The Earl of Caithness Minister of State, Department of Transport

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For the Commission:

Mr Abel MATUTES Member

COMMUNITY TRANSPORT POLICY

The Council held an initial exchange of views on the Commission's white paper on the future development of the common transport policy.

The Commission is considering what measures are needed to ensure the mobility of Community citizens and goods under optimum conditions throughout the Community, without jeopardizing their safety, damaging the environment or bringing into question achievements in the social field.

On the basis of an analysis of the current situation and trends in the sector, the white paper provides for a gradual replacement of all existing modal policies by a global approach aimed at optimizing the transport system by evening out the differences between modes of transport and creating trans-European networks.

This approach concerns all modes of transport, their effects, their shortcomings and ways of correcting them by implementing a series of economic, fiscal, technical, research and other measures.

The white paper emphasizes that users will have to bear not only the costs of using transport infrastructures but also the external costs such as those connected with the environment, safety or social protection. It also proposes a series of priorities for the common transport policy in the external relations sphere.

During the exchange of views, delegations expressed a broadly favourable attitude to the Commission's approach.

The Permanent Representatives Committee was instructed to continue examining the communication so that the Council could take a decision on the matter at its June meeting.

AIR TRANSPORT- Air transport relations with third countries - the Council conclusions"The Council:

- has proceeded to a first general debate on the Commission's communication on air transport relations with third countries, which includes an amended proposal (COM(92) 434 final, p. 31) on a consultation and authorization procedure for agreements concerning aviation relations between Member States and third countries;
- recalls that Council legislation on relations with third countries in the field of aviation has constantly been based on Article 84(2) of the Treaty, which constitutes the proper basis for an operational development of an external aviation policy;
- recalls the orientations expressed at the informal meeting of Transport Ministers on 5 and 6 July 1991, in Rotterdam, concerning external action by the Community in the air transport sector;
- believes that the complex problems concerning external relations must be approached in a pragmatic way, within the framework of a coherent policy based on guidelines to be established;
- agrees that rules concerning procedure to be used in relations with third countries must gradually be established, in the light of the experience gained;
- recognizes the need to take due account of existing obligations under the Treaty including the third aviation package (OJ No L 240 of 24.8.1992) when Member States are conducting bilateral negotiations with third countries;
- stresses, having in mind the rights and obligations of Member States arising out of these agreements, the need not to contest the validity of existing bilateral Air Services Agreements;
- agrees that Member States, being informed about other Member States' interests at their initiative, shall remain fully responsible for their relations with third countries in the field of aviation unless and until action has been taken by the Council;
- stresses that negotiations with third countries should be conducted at Community level when the Council has agreed that there is a clearly defined common interest among Member States and when at the same time a thorough analysis has shown that in such cases there can realistically be reached a better result for all Member States concerned

with negotiations at Community level compared to bilateral negotiations conducted by Member States;

- emphasizes in this context the importance that such Community negotiations shall be individually authorized by the Council;
- agrees that further work on external relations in the fields of aviation shall be based on the following guidelines:
 - (a) to pursue work to prepare for decisions in order to set up effective procedures on relations with third countries on the basis of the abovementioned considerations and the existing rules in Council Decision 80/50;
 - (b) to convene in accordance with the rules of procedure of the Council a Group meeting regularly, composed of representatives from Member States and the Commission, with the purpose of creating an appropriation framework for the handling of external relations in the aviation sector;
 - (c) to use this Group i.a.
 - to exchange information on a mandatory basis and to consult each other on relations with third countries, provided commercial confidentiality is duly respected;
 - to study areas of potential conflict between Community law and bilateral agreements as well as of potential conflict of interests between Member States and to consider any appropriate approach;
 - to identify areas of common interest for Member States with a view to having, on a case by case basis, Community negotiations authorized by the Council."
- Air traffic management equipment and systems

The Council held a policy debate on the proposal for a Directive on the definition and use of compatible technical and operating specifications for the procurement of air traffic management equipment and systems.

The proposal is aimed at gradually harmonizing and at integrating in the short term the air traffic management equipment of the twelve Member States by making it mandatory for Member States to introduce technical specifications developed by EUROCONTROL, in particular for

- communication systems;
- navigation systems;

- surveillance systems,
- systems providing automated assistance to air traffic control.

This initiative is the start of a series of measures to alleviate congestion in Community air space.

It is designed to make air traffic control systems compatible and should bring about an improvement in capacity and safety and hence a reduction in the time lost by civil aircraft and passengers.

Discussion in the Council indicated a generally favourable view of the proposal.

The Council accordingly instructed the Permanent Representatives Committee to reconsider the matter once Parliament had delivered its Opinion, so that the Directive could be adopted as soon as possible.

TRANSPORT INFRASTRUCTURE

- Action programme in the field of transport infrastructure

The Council held an exchange of views on the draft Regulation for an action programme in the field of transport infrastructure with a view to the completion of an integrated transport market.

The discussion revealed that the Council was generally in favour of the content of the Regulation. As the European Parliament had requested application of the conciliation procedure, the Regulation would be formally adopted at a later date.

The aim of the Regulation is to extend Regulation No 3359/90 for a two-year transitional period (1993-1994), with certain amendments concerning the objectives and infrastructure

projects, pending more comprehensive measures to be taken later with regard to trans-European networks in the context of the Treaty on European Union.

The Regulation contains a clause stipulating that it will cease to apply if the Council adopts a new instrument on trans-European networks before the date of its expiry.

An amount of ECU 325 million is estimated to be necessary to implement the programme.

Community contributions would take the form either of financial support through loans or of financial support under other financial instruments.

The Regulation determines the conditions for conferral of the declaration of European interest which is due to be issued by the Commission for each project eligible for Community financial aid following consultation with the Member States directly affected.

In this connection the text lays down that Community action will concern any study covering land transport infrastructure and the following major projects:

- = contribution to the high-speed rail network;
 - . links: Paris-London-Brussels-Amsterdam-Cologne and connecting lines to other Member States;
 - . links:
 - (a) Madrid-Barcelona-Lyons-Turin-Milan-Venice and from there to Tarvisio and Trieste;
 - (b) Oporto-Lisbon-Madrid;
- = the Alpine transit route (Brenner route);
- = contribution to the combined transport network of Community interest;
- = the trans-Pyrenean road links;

= the Scanlink;

= the strengthening of land communications within and with Greece, Ireland and Portugal.

- Outline plans for networks

The Council held an exchange of views on the proposals for Council Decisions concerning the creation of outline plans for trans-European networks in the road, combined transport and inland waterway sectors.

The initiative forms part of the completion of the single market and is the Community's contribution to the establishment and development of trans-European networks, as provided for in the Treaty on European Union.

The purpose of Community action in this sphere is to promote the interconnection and interoperability of national networks and access to such networks, bearing in mind the need to link island, landlocked and peripheral regions with the central regions of the Community.

The outline plans are seen as the principal means of setting up the trans-European networks. They identify the projects of Community interest which may qualify for Community financial support. They are also one of the factors drawing the Cohesion Fund into the financing of trans-European networks in connection with transport infrastructure.

At the close of the discussion the Council emphasised the importance of the outline plans and expressed a favourable view of the work already done in this respect. It instructed the Permanent Representatives Committee to examine the European Parliament's Opinion and to reconsider the outstanding matters with a view to adoption of the decisions as soon as possible.

LAND TRANSPORT

- Taxation of road transport

Following an in-depth discussion exploring the scope for reaching a compromise on the harmonization of road transport taxation, the Council instructed the Permanent Representatives Committee to continue discussing the matter in preparation for the June Council meeting.

- Goods cabotage by road

The Council held an exchange of views on the question of liberalizing goods cabotage by road in connection with the discussion on the harmonization of transport taxation.

- EEC/Slovenia Agreement in the field of transport

The Council decided to sign, subject to conclusion at a later date, the Agreement between the Community and the Republic of Slovenia in the field of transport. This instrument is accompanied by a Financial Protocol in the framework of the economic and commercial co-operation agreement between the Community and Slovenia. In theory all three instruments are to be signed at the same time.

The aim of the Agreement in the field of transport is to promote co-operation between the two sides, particularly with regard to transit traffic, and to ensure for this purpose that transport between and through the territories of the Contracting Parties is developed in a co-ordinated manner.

The scope of co-operation covers transport, in particular road, rail and combined transport, and the relevant infrastructure. It concerns in particular:

- = transport infrastructure in the territory of one or other party to the extent necessary to achieve the objective of the agreement;
 - = market access, on a reciprocal basis, in the field of road transport;
 - = essential legal and administrative supporting measures including commercial, taxation, social and technical measures;
 - = co-operation in developing a transport system which meets environmental needs;
 - = a regular exchange of information on the development of the transport policies of both parties, with particular regard to transport infrastructure.
- Relations with third countries in connection with the carriage of goods and passengers by road

The Council took note of the presentation by the Commission of a recommendation for a Decision on the opening of negotiations between the Community and certain third countries concerning the carriage of goods and passengers by road.

The recommendation is intended to authorize the Commission to open negotiations for the conclusion of one or more transport agreements with certain third countries.

The aim is to introduce common arrangements outside the Community with a view, in particular, to establishing freedom to provide road transport services between the Community and various third countries.

- Transport of dangerous substances

Following discussion of a memorandum from the French delegation on improving safety in the transport of dangerous substances at Community level, the Council emphasized the importance attributed to the promotion of safety in this sector and asked the Commission to submit proposals on the matter as soon as possible.

MARITIME TRANSPORT

The Council took note of the presentation by the Commission of a communication on a common policy on safe seas.

The communication reviews the main causes of accidents at sea with a view to identifying the areas in which urgent action is needed at international, Community, national, regional or local level.

It suggests increasing safety and preventing pollution of the sea by banning from Community waters companies, vessels and crews which do not meet the required standards, irrespective of the flag they are operating under.

The action programme contained in the communication consists of a set of measures intended to:

- harmonize implementation of existing international rules in the Community;
- tighten control of vessels by port States i.e. ensure uniform enforcement by coastal States of the international rules and standards in respect of vessels of all flags when they are operating in Community waters;
- promote coherent and harmonized development of navigational aids and traffic surveillance infrastructure bringing maritime safety into the electronic age, with specific attention

being given to traffic measures in environmentally sensitive areas;

- support international organizations enabling them to strengthen their primary role in international standard-setting.

The text also provides for measures designed to contain the problem of human error, which is still the main cause of accidents. In the Commission's view, an intensive and re-oriented research programme could also contribute to greater maritime safety.

Following an exchange of views the Council expressed satisfaction at the quality of the Commission communication and instructed the Permanent Representatives Committee to expedite this matter so that this whole issue could be given fresh impetus in June, as had been agreed at the joint Environment/Transport Council meeting on 25 January 1993.

PRESS RELEASE

5334/93 (Presse 37)

1648th Council meeting

AGRICULTURE

Brussels, 16 and 17 March 1993

President: Mr Bjørn WESTH,
Minister for Agriculture and
Fisheries of the Kingdom of Denmark

The Governments of the Member States and the Commission of the European Communities 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 Christos KOSKINAS Minister for Agriculture

Spain:

Mr Pedro SOLBES MIRA Minister for Agriculture

France:

Mr Jean-Pierre SOISSON Minister for Agriculture and Rural Development

Ireland:

Mr Joe WALSH Minister for Agriculture, Food and Forestry

Italy:

Mr Giovanni FONTANA Minister for Agriculture

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:

Mr John GUMMER Minister for Agriculture, Fisheries and Food

Mr David CURRY Minister of State, Ministry of Agriculture, Fisheries
and Food

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Commission:

Mr René STEICHEN Member

PRICES FOR AGRICULTURAL PRODUCTS AND RELATED MEASURES FOR 1993/1994

The Council continued its discussions on the prices for agricultural products and related measures for the 1993/1994 marketing year.

It held a policy debate during which the Ministers concentrated on the sectors in which these proposals gave rise to problems, namely cereals and rice, olive oil, linseed, cotton, wine and milk, and the beef and veal, sheepmeat and pigmeat sectors which are experiencing a serious crisis at the moment.

The Council also examined the financial implications of these proposals and the agri-monetary aspects, although the Commission has not submitted proposals for the latter since they are no longer required following the Council's decision in December 1992.

At the end of its discussions, the Council instructed the Special Committee on Agriculture to examine certain aspects of this matter in detail so as to enable the Council to adopt this price package at its next meeting in April, once it has received the European Parliament's Opinion.

Meanwhile the Council extended for three months, until 30 June 1993, the marketing years in the milk and beef and veal sectors which were to expire on 31 March 1993.

Furthermore, the Council and the Commission agreed to state their intention of ending the co-responsibility levy in the milk sector from 1 April 1993. The Council will take its final decision as soon as it receives the European Parliament's Opinion.

MILK PRODUCTS

The Council was unable to reach any definitive conclusions on the milk products dossier at this juncture in the absence of the European Parliament's Opinion on the reduction in the price of butter.

It decided provisionally to extend the current quotas (maintain the status quo) and undertook to set the whole issue definitively at its meeting in April in the context of the price fixing package.

The Council adopted the following statement in this connection:

"When taking a final decision on the quotas for 1993/1994, the Council will also take a decision, respecting the Council's conclusions of 21 May 1992 on the Commission proposal on the additional quota for Spain.

While complying with the Council's conclusions of 21 May 1992 and 17 December 1992, the Council will also take a decision on an additional quota for Italy and Greece, on the basis of the further information supplied by the Commission which might enable it to amend its last proposal, as well as on other questions already raised by certain delegations."

COMMON ORGANIZATION OF THE MARKETS IN THE SUGAR SECTOR

The Council examined the proposal to extend for the 1993/1994 marketing year the sugar quota arrangements, since the present system of Community quotas expires on 30 June 1993.

It also turned to an aspect requiring more in-depth consideration, namely the content of the proposed notification concerning inulin syrup. The Commission is proposing that a provision be

included in the Regulation to inform producers of inulin syrup that, in the event of the application, as from the 1994/1995 marketing year, of a quota system for sugar and isoglucose, that system would also apply to the inulin syrup sector.

At the close of its discussions, the Council instructed the SCA to continue to examine this matter to enable it to take a final decision at its next meeting, once it had received the European Parliament's Opinion.

URUGUAY ROUND - AGRICULTURAL ASPECTS

The Council took note of a report from the Special Committee on Agriculture on the outcome of its analysis of the technical aspects of the compatibility of the Blair House agreement with the common agricultural policy and in particular with the reform decided on in May 1992.

This analysis mainly concerned the possible consequences of the Blair House agreement on the main sectors of production which have been reformed (cereals, oilseeds, animal products). The possible impact of this agreement on Community productions which have not yet been reformed was also examined.

Having considered this report, the Council heard each Minister in turn give his reactions in the light of the outcome of the Special Committee on Agriculture's discussions.

The Council will continue to consider the matter.

ALLOCATION OF QUOTAS FOR CERTAIN TOBACCO VARIETIES IN GREECE

The Council examined the Commission report on the allocation of quotas for certain varieties of tobacco in Greece, which had been drawn up in response to a request by the Council as part of the December 1992 compromise.

In conclusion, the Council noted with satisfaction that the Commission would continue its contacts with the Greek delegation with a view to resolving the problem of the quota for the Virginia tobacco variety having been exceeded in Greece.

PROCESSED TOMATOES

The Council adopted by a qualified majority (the Greek and Spanish delegations voted against) the Regulation on the introduction of a limit to the granting of production aid for processed tomato products.

The purpose of the Regulation is to reintroduce the previous quota system for such products in place of the threshold arrangements, in accordance with the conclusions adopted by the Council in June 1992 as part of the price package.

It should be noted that the quota is allocated, on the one hand, between the six producer Member States and, on the other hand, between the three categories of processed products (tomato concentrate, tinned whole peeled tomatoes, other tomato products).

TRANSITIONAL NATIONAL COMPENSATION FOR FARMERS IN GERMANY

Pending the European Parliament's Opinion, the Council noted that delegations were favourably disposed towards the proposal to extend transitional national compensation for farmers in Germany.

This proposal is further to the Council's overall compromise of May 1992 (CAP reform) and the final compromise of December 1992. It provides for a further three-year extension of the national aid granted to German farmers which had been introduced to compensate for losses as in income as a result of the dismantling of monetary compensatory amounts. This compensation involves degressive aid per hectare of up to a total of:

DM 2 200 million in 1993

DM 1 500 million in 1994

DM 750 million in 1995

in place of the VAT aid arrangements previously applied.

TRANSITIONAL MEASURES FOR PORTUGAL

The Council once again examined the measures proposed to enable Portuguese agriculture to be integrated into the single market.

The Council had reached political agreement at its meeting in February 1993 following new suggestions for compensation made by the Commission in addition to the initial compromise.

The legal texts have been finalized in the meantime, and the Council adopted the Regulations on the measures advocated with the United Kingdom abstaining for budgetary reasons on one of these Regulations.

The Council was able to reach political agreement on the Commission proposal on the adaptation of certain sectors of the Portuguese food industry, on which the European Parliament's Opinion is still awaited. It will adopt the relevant Regulation as soon as this Opinion has been received.

Thus, Portuguese agriculture will be integrated into the single market on the entry into force of these Regulations.

PROTECTION OF ANIMALS DURING TRANSPORT

This item was entered on the Council's agenda at the express request of one delegation to enable it to express its concern about the matter.

Although Directive 91/628/EEC laying down the principles governing protection of the welfare of animals during transport entered into force on 1 January 1993, the Council has received no proposal from the Commission laying down the additional details provided for in Article 13 of the Directive, in particular on the need to fix maximum journey times.

Several delegations and the Council therefore asked the Commission to submit to the Council the proposals necessary for the implementation of the Directive.

The Commission informed the Council that the work on preparing the report provided for in Article 13, to be drawn up on the basis of the opinion of the Scientific Veterinary Committee, was being expedited and that, in the light of the conclusions of that report, appropriate proposals would be submitted to the Council.

NATIONAL AID TO SHEEP-FARMING IN FRANCE

This item was entered on the agenda at the express request of the French delegation.

The Council was favourably disposed towards the Decision to authorize the French Government to grant national aid for the current marketing year to French sheepmeat producers who were experiencing an exceptionally serious situation.

The aid involved is granted per hectare, up to a limit of FF 65 million, in the form of an allowance which may not exceed FF 100 per hectare.

The Council will formally adopt this Decision at a forthcoming meeting.

OTHER AGRICULTURAL DECISIONS

The Council adopted the Regulations

- opening and providing for the administration of a Community quota for chemically pure fructose originating in third countries not bound to the Community by a preferential trade agreement for 1993. This involves a quota of 4 504 tonnes at a customs duty of 20%, and exemption from the variable component;
- amending Regulation (EEC) No 1035/72 on the common organization of the market in fruit and vegetables and No 827/68 on the common organization of the market in certain products listed in Annex II to the Treaty.

Here the purpose is to replace national quantitative restrictions by import licenses with a view to the single market on 1 January 1993.

Agreement in principle had already been reached on this Regulation as part of the overall compromise of December 1992.

MISCELLANEOUS DECISIONS

Customs Union

The Council adopted the Regulation introducing new scientific names for trout in the relevant sections of Regulation No 2658/87 and Regulation No 3759/92 concerning, respectively, the tariff and statistical nomenclature and the common organization of the market in fishery and aquaculture products.

The purpose of this amendment is to prevent any confusion between trout and, in particular, Pacific salmon, which are classified separately in the Common Customs Tariff and are subject to different rates of duty.

PRESS RELEASE

5336/93 (Presse 39)

1649th Council meeting

- FISHERIES -

Brussels, 18 March 1993

President: **Mr Bjørn WESTH, Minister
for Agriculture and
Fisheries of the Kingdom of
Denmark**

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

Belgium:

Mr Jan DE BOCK

Deputy Permanent Representative

Denmark:

Mr Bjørn WESTH

Mr Thomas LAURITSEN

Minister for Agriculture and Fisheries

State Secretary at the Ministry of Fisheries

Germany:

Mr Jochen BORCHERT

Mr Franz-Josef FEITER

Federal Minister for Food, Agriculture and Forestry

State Secretary, Federal Ministry of Food,
Agriculture and Forestry

Greece:

Mr Apostolos STAVROU

State Secretary for Agriculture and Fisheries

Spain:

Mr Pedro SOLBES MIRA

Minister for Agriculture, Fisheries and Food

France:

Mr Charles JOSSELIN

State Secretary for Maritime Affairs

Ireland:

Mr Gerry O'SULLIVAN

Minister of State at the Department of the Marine

Italy:

Mr Rocco Antonio CANGELOSI

Deputy Permanent Representative

Luxembourg:

Mr Jean-Marc HOSCHEIT

Deputy Permanent Representative

Netherlands:

Mr Piet BUKMAN

Minister for Agriculture, Nature Conservation and
Fisheries

Portugal:

Mr Eduardo DE AZEVEDO SOARES

Minister for Maritime Affairs

United Kingdom:

Mr David CURRY

Sir Hector MUNRO

Minister of State for Agriculture, Fisheries and Food
Parliamentary Under-Secretary of State, Scottish
Office

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Commission:

Mr Ioannis PALEOKRASSAS

Member

CONTROL SYSTEM APPLICABLE TO THE COMMON FISHERIES POLICY

A detailed policy debate was held on the proposal for a Regulation establishing a control system applicable to the common fisheries policy (CFP).

The purpose of the proposal is to amend the present control system so that the resources, structural and market aspects were more closely integrated and therefore involves repealing Regulation No 2241/87, which forms the basis for that system.

The Presidency was able to draw the following conclusions from discussions:

I. COMMUNITY ROLE AND COMPETENCE

The Council endorses the principle of unannounced arrival and of free movement of Commission inspectors in Member States.

The Council invites the Permanent Representatives Committee to work out the practical details for the carrying out of autonomous control missions by Commission inspectors. It considers that any autonomous powers for these inspectors should include monitoring of Member States' control and enforcement performances, but in no case imply direct control of individuals, which should remain the responsibility of Member States.

The Council attaches importance to the protection of individuals with regard to the processing of personal data and considers that access to Member States' databases should fully respect the principle of confidentiality under national law.

II. USE OF NEW TECHNOLOGIES

The Council endorses the principle of introducing new technologies in order to enhance control and enforcement.

The Council considers that, before deciding whether the use of satellite technologies should be mandatory or optional, extended pilot projects involving several Member States should be carried out within a time-limit to be defined. The projects should be monitored by the Commission and could include specific geographical areas and types of vessels.

In that context, the Council invites Member States to elaborate possible pilot projects, including where appropriate economic or other incentives for participation in such projects.

The questions of financing and cost-effectiveness of the systems will have to be reviewed on the basis of the pilot projects.

The Council invites the Commission to study, on a case-by-case basis, a timetable for the gradual introduction of various elements of its proposal concerning the use of new technologies, and to include feasible dates in the relevant provisions.

The Council also invites the Commission to examine other possible approaches, including or not including the satellite-communication component.

The Council instructs the Permanent Representatives Committee to examine possible options, including on a case-by-case basis the desirability of access for Commission officials to various databases, and to examine in each case the feasibility of remote on-line access or, as appropriate, direct access on the spot.

Cost and financing

The Council confirms its willingness to address the issue of enforcement costs falling disproportionately between Member States, including possible amendment of Council Decision 89/631/EEC.

In any event, the cost-benefit analysis must include alternative systems, in particular aerial surveillance.

III. SANCTIONS AND PENALTIES

The Council agrees to give priority attention to the question of harmonization of sanctions in order to ensure a comparable level of enforcement efficiency in all Member States but recognizes that Member States are free to determine the appropriate means in order to achieve this objective.

The Council invites the Permanent Representatives Committee to scrutinize the problems raised during the examination of the proposal, in particular the questions of avoiding double penalties, of penalty coefficients and of collective responsibility, and to present workable solutions based on the principle of proportionality.

In particular, it should be clearly stated whether persons not directly involved in fishing activities will be responsible for the contents of landing, transshipment and transport documents.

In that respect, it should be stated that within the framework of this Regulation the responsibility of individuals or organizations should remain a Member State competence and, conversely, Community measures should be imposed on Member States only.

IV. SCOPE OF THE REGULATION

The Council endorses the principle of extending control systems to Community vessels operating in third-country or international waters and to third-country vessels operating in Community waters. On that basis, it can accept the Commission's proposal, under the condition that general principles of law are respected, including the right of innocent passage.

The Council takes note of the fact that these provisions are without prejudice to the provisions contained in Fisheries Agreements with third countries and in international conventions. It recognizes the principle that such provisions cannot confer lesser obligations on Community vessels than required by the Regulation.

V. TECHNICAL CONSERVATION MEASURES

The Council invites the Permanent Representatives Committee to analyse the practical implementation of a one-net rule and to consider the need for individual and reasoned exemptions based on biological or operational considerations.

The Commission endorsed these Presidency conclusions.

It was agreed that the Permanent Representatives Committee would take comments by some delegations into account in further discussions with the aim of arriving at agreement at the Council meeting in June 1993.

APPLICATION OF THE ACT OF ACCESSION OF SPAIN AND PORTUGAL IN THE FISHERIES SECTOR

The Council took note of the Commission's presentation of the 1992 report on the application of the Act of Accession of Spain and Portugal in the fisheries sector, as provided for in their Act of Accession to the Community.

The report firstly takes stock of the Portuguese and Spanish fisheries sectors in relation to the conditions of access laid down in the accession arrangements for the Community fleet for the period 1986-1991.

Secondly, it sets out the guidelines which the Commission considers most appropriate for any changes to those arrangements to be decided on by the Council before 31 December 1993 and to apply as from 1 January 1996.

Following a discussion, the Council instructed the Permanent Representatives Committee to continue examining the report in order for the Council to draw conclusions at its next meeting, in June 1993, thereby enabling the Commission to draw up appropriate proposals.

HARMONIZATION OF VARIOUS TECHNICAL MEASURES IN MEDITERRANEAN FISHERIES

The Council held a policy debate on the proposal for a Regulation harmonizing various technical measures in Mediterranean fisheries, in order to point the way for further discussions.

This initiative comes in response to the conclusions arrived at by the Fisheries Council on 9 June 1992 concerning harmonization of the laws of the coastal Member States for the purposes of better conservation and management of stocks in compliance with the principles and objectives of the Common Fisheries Policy (CFP).

Following discussions, the Council confirmed that the harmonization of technical measures in Mediterranean fisheries was designed to improve the management and conservation of fishery resources. Therefore, while respecting the specific features of fishing in the various areas, the harmonized rules must be pitched at the technical level appropriate to the objective pursued, deep-sea fishing included.

It also called on the Commission to continue examining the proposal for a Regulation in consultation with the industry within the relevant Committee and to speed up the process of consultation with States engaging in fishing activities in the Mediterranean in order to arrive at agreements within as short a time as possible of the introduction of harmonized rules for the protection of resources.

FISHERIES MARKET SITUATION

The Council examined in depth the worrying market situation, in particular for white fish, due to the concurrence of a number of factors such as the general economic situation, which had reduced the buying power of the consumer, on one hand, and higher imports of fresh and frozen fish, on the other. This situation had further been negatively affected by seasonal and meteorological factors. In addition, the situation had been aggravated for certain countries because of recent movements in the European Monetary System, products of countries which devalued their currency having become more competitive.

The Council noted the positive measures already taken by the Commission. The Presidency set down the outcome of discussions in the following conclusions:

"The Council expressed its concern at the serious price trends on the market for certain types of fish.

It was generally agreed that:

- Member States should step up national controls in order to comply with the Commission Decision of 27 February 1993 on minimum prices;
- the Commission should consider possible ways of extending minimum prices to cover certain other types of fish;
- Member States should contribute to better collection of data on market trends;
- the Commission should submit proposals for improved controls on direct landings from vessels of third countries;
- the Commission should, in this connection, contact the third countries most concerned with a view to co-operating on controls and measures to stabilize the market;
- the Commission's initiative on better market management should be supported;
- the Commission's initiative on further structural measures should be supported."

EUROPEAN FISHERIES RESEARCH

The Council took note of the presentation by the Commission of a communication on European fisheries research.

The communication contains an analysis of the role of fisheries research, detailing the strengths and weaknesses of Member States' research schemes as well as international and above all Community co-operation and support arrangements.

On the basis of that review, adjustments are proposed in order to pinpoint more clearly, inter alia, the responsibilities of the Member States and the Commission and to focus Community action more sharply on those schemes and arrangements where it will prove most effective.

The Council instructed the Permanent Representatives Committee to examine the communication in preparation for a policy debate at the Council meeting in June 1993. The communication is also to be presented at the Research Council meeting in April 1993.

ADDITIONAL QUOTAS IN SWEDISH WATERS

The Council adopted the Regulation allocating additional catch quotas among Member States for vessels fishing in the Swedish fishing zone in the Baltic Sea for 1993, following the adaptation of the EFTA Agreements consequent upon the Community's last enlargement.

This involves 1 500 tons of herring and 600 tons of cod, allocated to Denmark and Germany.

Those catch quotas are additional to the fishing rights agreed on annually between the two sides under the Fisheries Agreement between the Community and Sweden.

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PRESS RELEASE

5564/93 (Presse 41)

1650th Council meeting

- ENVIRONMENT -

Brussels, 22 and 23 March 1993

President: Mr Svend AUKEN,
Minister for the Environment
of the Kingdom of Denmark

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

Belgium:

Mrs Laurette ONKELINX Minister for the Environment

Denmark:

Mr Svend AUKEN Minister for the Environment
Mr Leo BJØRNESKOV State Secretary for the Environment

Germany:

Mr Klaus TOEPFER Minister for the Environment
Mr Clemens STROETMANN State Secretary for the Environment

Greece:

Mr Achilleas KARAMANLIS Minister for the Environment,
Regional Planning and Public Works

Spain:

Mr José BORRELL Minister for Public Works and Transport

France:

Mrs Ségolène ROYAL Minister for the Environment

Ireland:

Mr Michael SMITH Minister for the Environment

Italy:

Mr Valdo SPINI Minister for the Environment

Luxembourg:

Mr Alex BODRY Minister for the Environment

Netherlands:

Mr J.G.M. ALDERS Minister for Housing, Planning and the Environment

Portugal:

Mr Carlos BORREGO Minister for the Environment and Natural Resources
Mr António TAVEIRA DA SILVA State Secretary for Natural Resources

United Kingdom:

Mr Michael HOWARD Secretary of State for the Environment
Mr David MACLEAN Minister of State, Department of the Environment

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Commission:

Mr Yannis PALEOKRASSAS Member

COMMUNITY STRATEGY ON CLIMATE CHANGE

The Council discussed in depth Community strategy on climate change, on the basis in particular of:

- a progress report on the proposal for a Directive introducing a CO₂/energy tax, following the ECOFIN Council meeting on 15 March 1993;
- a Commission working document on the effects of national plans for limiting CO₂ emissions.

Following the discussion, the Presidency drew the following conclusions:

- "- the Commission's assessment of the reports shows that it is as yet far from certain that the Community's stabilization objectives will be achieved;
- there is therefore a need for additional national and Community measures for reducing CO₂ emissions in the Community in order to fulfil the CO₂ stabilization as agreed in October 1990;
- a number of Member States have put forward national programmes for reducing CO₂ which in the Commission's view will not only bring about a stabilization of their CO₂ emissions by the year 2000 but will also reduce their CO₂ emissions. Those Member States are thereby making a practical contribution to burden-sharing in the context of the Community's collective fulfilment of its climate objective;
- it is clear from those Member States' programmes that these practical contributions to implementation of the burden-sharing principle are based on the assumption that a combined CO₂-energy tax will be introduced at Community level;
- the Council welcomes the US administration's proposals for new energy taxes as an essential contribution to the worldwide measures against climate change - and as an initiative which, together with other OECD countries' tax level in the energy field, contributes substantially to the Community's demand that the effects on competition of corresponding tax initiatives in the Community be reduced;
- against this background the Presidency will initiate a dialogue with the USA on joint global initiatives within the framework of the UN Climate Convention and relevant international fora like the OECD to further prevent climate change;
- at the forthcoming joint Council of Environment and Energy Ministers the Presidency will look at all possibilities for reducing CO₂ emissions, such as greater energy efficiency, the promotion of alternative forms of energy and the use of fiscal incentives;
- that the Presidency will do its utmost in ECOFIN to secure a solution to the outstanding problems concerning a possible combined CO₂/energy tax at Community level."

MONITORING MECHANISM FOR CO2 EMISSIONS

The Council reached agreement on the establishment of a monitoring system for emissions of CO2 and progressively of other greenhouse gases not controlled by the Montreal Protocol.

This initiative forms part of the overall strategy to ensure compliance with the commitments undertaken by the Community regarding prevention of climate change.

In specific terms, the Decision provides for the Member States to devise, publish and implement national programmes for limiting their anthropogenic emissions of CO2 in order to contribute to:

- the stabilization of CO2 emissions by 2000 at 1990 levels in the Community as a whole, assuming that other leading countries undertake commitments along similar lines, on the understanding that Member States which start from relatively low levels of energy consumption and therefore low emissions measured on a per capita or other appropriate basis are entitled to have CO2 targets and/or strategies corresponding to their economic and social development, while improving the energy efficiency of their economic activities, as agreed at the Energy/Environment Council meetings in October 1990 and December 1991, and
- on the fulfilment of the commitment relating to the limitation of CO2 emissions in the UN Framework Convention on Climate Change, to be met by the Community as a whole through action by the Community and its Member States within their respective spheres of competence.

On the basis of evaluation procedures and methods determined with the assistance of a committee of representatives of the Member States, the Commission, in close co-operation with the Member States, is to establish inventories of CO2 emissions and to evaluate regularly progress in relation to the commitments mentioned above.

FRAMEWORK CONVENTION ON CLIMATE CHANGE

Subject to the Opinion of the European Parliament, the Council reached agreement in principle on the conclusion of the Framework Convention on Climate Change, signed by the Community and the Member States at the UNCED in Rio de Janeiro, in June 1992.

It was agreed that instruments of ratification would be deposited simultaneously by the Community and the Member States as soon as possible and by 31 December 1993 at the latest.

The objective of the Convention is to achieve stabilization of greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system.

That level should be achieved within a time frame sufficient to allow ecosystems to adapt naturally to climate change, to ensure that food production is not threatened and to enable economic development to proceed in a sustainable manner.

It should be noted that, at the signing during the Rio Conference, the Community and its Member States said that they regarded the Convention as an important first step. They expressed their support for measures permitting swift, effective implementation of the Convention and stated their willingness to contribute to ongoing proceedings in the context of that instrument.

The Council's conclusions of 29 October 1990, especially the target of stabilizing CO₂ emissions by 2000 at the 1990 level in the Community as a whole, will in particular be reaffirmed when depositing the instrument of approval.

COMMUNITY ECO-AUDIT SCHEME

The Council reached agreement on the Regulation allowing voluntary participation by companies in the industrial sector in a Community eco-management and audit scheme.

Following the adoption in March 1992 of the Regulation on a Community eco-label award scheme, the above Regulation provides the second example of voluntary schemes and market instruments which the Council and the Commission consider will serve to broaden the range of measures in addition to legislation in the environmental field.

The objective of the scheme is to promote continual improvements in the environmental performance of industrial activities by:

- the establishment and implementation of environmental policies, programmes and management systems by companies in relation to their sites;
- the systematic, objective and periodic evaluation of the performance of such factors, in particular by independent verifiers;
- the provision of information on environmental performance to the public each year in the form of "environmental statements".

Under the Regulation, in order for a site to be registered in the scheme, the company in question must in particular:

- adopt an environmental policy meeting certain requirements and also including commitments aimed at the continual improvement of environmental performance, in order to reduce environmental impact to levels not exceeding those corresponding to economically viable application of the best available technology;
- conduct an environmental review of the site and introduce, in the light of the results of that review, an environmental programme for the site and an environmental management system applicable to all activities at the site;
- carry out, or cause to be carried out, environmental audits at the sites concerned in accordance with certain criteria and in compliance with certain requirements regarding accreditation of environmental verifiers;
- set objectives at the highest appropriate management level, aimed at the continual improvement of environmental performance in the light of the findings of the audit, and appropriately revise the environmental programme to enable the set objectives to be achieved at the site;
- prepare for the public an environmental statement specific to each site audited;
- have the environmental policy, programme, management system, review or audit procedure

and environmental statements examined to verify that they meet the relevant requirements of the Regulation and the environmental statements validated by the competent bodies;

- forward the validated environmental statement to the competent body of the Member State where the site is located and disseminate it as appropriate to the public in that State after registration of the site in question.

Each year the Commission is to publish in the Official Journal of the European Communities a list of all the registered sites in the Community.

Companies will be able to use for their registered sites statements of participation designed to bring out clearly the nature of the scheme. These statements may not be used to advertise products, or on the products themselves or their packaging.

Member States may also promote participation in the eco-audit scheme by companies, in particular small and medium-sized enterprises (SMEs). In this connection the Commission is to submit appropriate proposals to the Council, aimed at greater participation by SMEs, in particular by providing information, training and structural and technical support and as regards auditing and verification procedures.

Moreover, in the review of the scheme to be carried out not later than five years after the Regulation comes into force, the Commission is to propose, on the basis of experience in its implementation, appropriate amendments particularly as regards the scope of the scheme. The scheme will remain voluntary.

The Regulation is to be formally adopted shortly, once the texts have been finalized.

POSSESSION OF AND TRADE IN SPECIMENS OF SPECIES OF WILD FAUNA AND FLORA

The Council took note of a progress report on the proposal for a Regulation laying down provisions with regard to possession of and trade in specimens of species of wild fauna and flora.

The proposal contains rules on internal and external Community trade in wild fauna and flora. It also deals with aspects of implementation of the Convention on International Trade in Endangered Species of wild Fauna and Flora (CITES) and more stringent measures proposed directly or indirectly by the Community.

The Council instructed the Permanent Representatives Committee to continue with discussion on the proposal in the light of the European Parliament's Opinion.

CONTROL OF VOLATILE ORGANIC COMPOUND (VOC) EMISSIONS

The Council held a policy debate on the proposal for a Directive on the control of volatile organic compound (VOC) emissions resulting from the storage of petrol and its distribution from terminals to service stations.

The proposal, which forms part of the Community strategy for reducing man-made VOC emissions, constitutes the first stage of measures affecting the petrol distribution system.

As such it covers emissions resulting from the storage of petrol and its distribution from terminals to service stations; emissions from the refuelling of vehicles in service stations will shortly form the subject of a new Commission proposal.

Following discussions, which revealed broad support for the aspects of the Presidency compromise under consideration, the Permanent Representatives Committee was instructed to continue with proceedings, particularly in the light of the European Parliament's Opinion, with a view to agreement being reached at the June meeting.

MOVEMENTS OF HAZARDOUS WASTES

- CONCLUSION BY THE COMMUNITY OF THE BASLE CONVENTION

The Council agreed to proceed with the deposit by the Community and by those Member States which had not yet done so of instruments of ratification of the Basle Convention on the control of transboundary movements of hazardous wastes and their disposal, by 6 February 1994 at the latest.

It should be noted that on 1 February 1993 the Community decided to ratify that Convention following the adoption at the same time of the Regulation on the supervision and control of shipments of waste.

- EXPORTS OF HAZARDOUS WASTE - COUNCIL CONCLUSIONS

"Referring to the results of the first meeting of the Contracting Parties to the Basle Convention in Uruguay and in particular Decisions I/16 and I/22 concerning the introduction of a total ban on shipments of hazardous waste to developing countries at the second meeting of the Parties;

Referring also to the statement made by the Presidency on behalf of the European Community at the same meeting on 4 December 1992;

Recalling that Council Regulation (EEC) No 259/93 of 1 February 1993 already provides for a ban on all exports of waste for disposal to all countries except EFTA countries and establishes strict measures for all exports of hazardous waste for recovery to countries to which the OECD decision does not apply;

Recalling that Article 39 of the Lomé Convention provides for a total ban on exports of waste to ACP States,

THE COUNCIL

DECIDES that the Community should support and actively work for the implementation and further development of the Basle Convention;

NOTES that Article 17(1) of the Convention states that: "Any Party may propose amendments to this Convention ..." and that in accordance with Article 17(2) of the Convention any amendment to the Basle Convention must be forwarded to the Contracting Parties by the Interim Secretariat of the Convention not later than six months prior to the second meeting of the Contracting Parties, which is expected to take place in February/March 1994, and accordingly

INVITES the Commission to examine any circumstances justifying the call for a total ban on exports of hazardous waste covered by the Basle Convention to developing countries and to submit appropriate proposals to it at the earliest possible date.

INCINERATION OF HAZARDOUS WASTE

The Council took note of a progress report on the proposal for a Directive on the incineration of hazardous waste.

The proposal forms part of the Community's waste-management strategy. It supplements Community legislation on incineration of municipal waste and responds to the Council's invitation to the Commission, in the 1990 Resolution on waste policy, to submit proposals on incinerators for industrial waste.

The proposal contains provisions to prevent or minimize the negative effects of incineration of hazardous waste on the environment and human health in accordance with an integrated approach to prevent transfer of pollution from one medium to another.

After a brief discussion, the Council instructed the Permanent Representatives Committee to continue examining the proposal with a view to its adoption as soon as possible.

FOLLOW-UP TO THE UNCED

The Council took note of a progress report from the Presidency on follow-up to the UNCED in Rio de Janeiro, including the Convention on Biological Diversity.

After a discussion, the Council agreed to return to the matter at its June meeting, particularly in the light of Community proceedings in the meantime, notably the Development Council meeting due to be held on 25 May 1993.

CONFERENCE OF EUROPEAN MINISTERS FOR THE ENVIRONMENT

The Council held a policy debate on preparations for the Conference of European Ministers for the Environment, to be held in Lucerne from 28 to 30 April 1993, as a further step in the process begun in Dublin (1990) and in Dobris (1991).

At the Conference, bringing together representatives of EEC, EFTA and Central and East European States, the governments and international organizations attending are to discuss four documents on the environment in Europe, viz.:

- a report on nature conservation in Europe;
- an interim report on the state of the environment in Europe;
- elements for a Pan-European Environment Programme;
- an Environmental Action Programme (EAP) for Central and Eastern Europe.

SAFETY AT SEA

The Council held a policy debate on the follow-up to the conclusions adopted at the joint Environment/Transport Council meeting on 25 January 1993, concerning safety at sea, in particular the communication submitted by the Commission on 3 March 1993, which was discussed at the recent Transport Council meeting.

The Communication looks first at the main factors behind accidents at sea, before detailing a fourfold action programme (convergent implementation of international rules; uniform enforcement of international rules; development of maritime infrastructure; international rule-making) and indicating the corresponding legislative programme.

The Council noted the Commission's intention of submitting formal proposals without delay, to be discussed at the Transport and Environment Council meetings in June.

IMPLEMENTATION OF THE MONTREAL PROTOCOL

The Council took note of the presentation by the Commission of a report on progress at the Commission with its proposal for the implementation of the Montreal Protocol as regards HCFCs and methyl bromide.

Commissioner PALEOKRASSAS announced the Commission's intention of approving its proposal by the end of April so that it could be considered by the Council as soon as possible.

NEW EMISSION STANDARDS FOR CARS

The Council took note of the presentation by the Commission of a proposal for a Directive for the further reduction of pollutant emissions from cars in 1996 and beyond.

At present, the Directive in force on exhaust gases, which was adopted by the Council in June 1991 and aims at an 85-90% reduction in emissions from the 1970 starting level, will make the level of pollutant emissions from new cars placed on the Community market one of the lowest in the world.

The prospects for growth in road traffic over the next few years prompt the Commission to envisage a further reduction averaging 35% in permitted vehicle emission levels for regulated pollutants (carbon monoxide, nitrogen oxides and unburnt hydrocarbons, and particulates).

After a brief discussion, the Council instructed the Permanent Representatives Committee to continue examining the proposal, particularly in the light of the European Parliament's Opinion, in preparation for a forthcoming Council meeting.

OTHER DECISIONS CONCERNING THE ENVIRONMENT

- Sulphur content of certain liquid fuels

Following the co-operation procedure with the European Parliament, the Council adopted the Directive on the approximation of the laws of the Member States relating to the sulphur content of certain liquid fuels.

The main aim of the Directive is the generalized introduction in the Community as from 1 October 1994 of a single maximum level of 0,2% for the sulphur content of the various gasoils as defined in the Directive (which excludes gasoils for processing prior to final combustion).

There is also provision for a second stage further bringing down the sulphur content of gasoil in the continuing interests of reducing the level of pollution caused by sulphur dioxide (SO₂) emissions and in order to meet the requirements of various specific Community legislation including Directive 91/542/EEC of 1 October 1991 relating to the measures to be taken against the emission of particulate pollutants from diesel engines used in heavy goods vehicles (the clean-lorry Directive).

The provisions of the Directive, corresponding in the main to those decided on when the Council adopted its common position on 3 July 1992, set the following limit values:

(a) for automotive gasoils:

- 0,2% by weight as from 1 October 1994;
- 0,05% by weight as from 1 October 1996;

(b) for gasoils other than automotive gasoils, except aviation kerosenes:

- 0,2% by weight as from 1 October 1994;
- in addition, the Commission is to submit to the Council a proposal, on which the Council will have to take a decision by 31 July 1994, aimed, in the more general framework of policy to improve air quality, at transition to a second phase providing for a lower value by 1 October 1999 and at the setting of new limit values for aviation kerosenes.

Member States must, moreover, ensure that automotive gasoils with a sulphur content not exceeding 0,05% by weight are gradually available on the market from 1 October 1995, so that Directives 91/441/EEC and 91/542/EEC, inter alia, can be implemented.

- Evaluation and control of the risks of existing substances

The Council adopted the Regulation on the evaluation and control of the risks of existing substances for human beings and the environment, following the co-operation procedure with the Parliament.

The aim is to make possible systematic evaluation at Community level of risks attributable to existing substances appearing in EINECS (European Inventory of Existing Commercial Substances) on the basis of information supplied by manufacturers or importers, covering, with varying degrees of requirement, in particular, some 10 000 substances available on the market, depending on the quantities concerned.

The text provides in particular for the following stages: systematic compiling of data, listing of substances for priority evaluation and evaluation of risks.

It introduces for the purpose of close co-operation between Member States, the Commission and industrialists, following which in particular Member States are to receive the data available by way of the Commission and then participate directly in the evaluation of the risks of the substances listed as priority substances.

In the process of setting priorities and evaluating the risks of existing substances, account is to be taken in particular of the absence of data on the effects of a substance, work already carried out in other international fora, such as the OECD, and other Community legislation and/or programmes concerning hazardous substances.

A committee of representatives of the Member States is to assist the Commission in the application of the Regulation and the adaptation of the Annexes to technical progress.

MISCELLANEOUS DECISIONS

Annual Economic Report for 1993

Following approval at its meeting on 15 March 1993, the Council formally adopted the Decision adopting the Annual Economic Report for 1993 and adopting the economic policy guidelines to be followed in the Community in 1993 (see press release 5332/93 Presse 25).

Agriculture

The Council adopted the:

- Regulation amending Regulation (EEC) No 1360/78 on producer groups and associations thereof. The aim is in particular to extend the validity of the aid scheme for starting up such groups and associations in order to concentrate supply and adapt production to market requirements;
 - Decision on the granting of national aid in the form of aid per hectare given over to sheep-farming in the sheepmeat sector in France. The aid is to be granted as an allowance of not more than FF 100 per hectare, within the limits of a total of FF 65 million (see Agriculture Council press release 5334/93 Presse 37).
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