



European Communities
Commission
Press Release

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THE WEEK IN EUROPE

Weekly Summary of Past and Future Events

The Labour Party holds its annual conference in Brighton next week, hard on the Liberal Party Conference. The following week will see the Conservative Party conference in Blackpool. At all these conferences European issues make headlines, but all the discussions appear to be about greater participation, seeking improvements and correcting mistakes, rather than about British membership in principle.

FLASH:

Next Council Meetings =	October 10 + 11	Agriculture/Fisheries	
	October 17	Finance	
	October 17 + 18	Foreign Affairs	
LUXEMBOURG	October 24 + 25	Fisheries	
	October 25	Energy	PROPOSED
	October 27	Transport	
	October 28	Social	"

Other Events: October 5 = Visit by Queen Juliana of the Netherlands to the Commission

October 8 - 9 = Informal meeting of Foreign Ministers of the Nine (Schloss Gymnich style) at La Commanderie, Villers Le Temple.

European Parliament, October 10 - 14
LUXEMBOURG October 24 - 26 (Budget debate)

December 2 = Visit by President Jimmy Carter to the Institutions of the Community, Belgium and Nato.

FLASHBACK:

THE LIBERALS: The Liberal Party conference overwhelmingly endorsed the party's commitment to the Lib-Lab Government coalition, but made clear that this commitment remains dependent on direct elections to the European Parliament under a system of proportional representation. This commitment is likely to prove a "touchstone" issue during the passage of the proposed Bill through Parliament.

JENKINS ON FOOD:

In a speech to the British Food Manufacturers' Federation conference in London, Mr Roy Jenkins, President of the Commission outlined the Commission's views on the future development of the common agricultural policy. He re-emphasised the need for a gradual phasing-out of the green pound because of the distortions which it caused in economic development.

He said that the Community's support system should put more emphasis on the needs of the market which would mean a policy of severe restraint in fixing prices for certain products. He rejected the idea that on the enlargement of the Community the problems on the agricultural side should be solved by rigid protectionism or by stockpiling new mountains and lakes or surplus produce.

Mr Jenkins stressed that the Community had already proved to be a dependable supplier of foodstuffs, a supplier whose policy decisions Britain shared.

FISHERIES:

1. The Barents Sea: The Council of Ministers agreed that the quotas offered to Russian fishermen in Community waters should not be extended beyond September 30 (today) so long as the Soviet Government refused to allow more than 1843 tonnes of fish to be caught by EEC vessels in the Barents Sea over the next two months. This tonnage is enough for only three fishing boats. The Community has always insisted that the granting of quotas to Soviet fishermen in EEC waters should be conditional on the maintenance of Community rights in Soviet waters.

Mr John Prescott, leader of the British Labour Party group in the European Parliament, described the deadlock as "extremely serious" and said it was imperative that negotiations begin immediately. The Commission will meet the European Parliament's Socialist group next week.

2. Herring: The restriction on herring catches by Community fishermen were extended until October 31. The Council also adopted a Regulation prohibiting indefinitely the direct fishing and landing of herring for industrial purposes other than for human consumption.

3. Norway: The Council adopted catch quotas governing EEC catches allocated by Norway in Norwegian waters north of 62 degrees North from September 1 until December 31.

AGRICULTURE:

New Zealand: The Council agreed a 10 per cent increase in returns to New Zealand for butter and cheese, but refused to make the increase retroactive - thus coming into force on October 1 rather than August 1. The Council asked the Commission to sound out the New Zealand Government on what measures it would be prepared to take in future years to limit exports to Britain in return for bigger price increases.

Sugar: The Council agreed a mandate for the Community's negotiating position in the International Sugar Agreement in Geneva.

CHINA: The Commission decided to ask the Council of Ministers for authority

to open negotiations with China for a non-preferential trade agreement. For a recent review of Community trade with China and Chinese policy see our Background Report ISEC/B49/77 of July 29.

IRELAND: In their talks at 10 Downing Street, the British Prime Minister, Mr Callaghan, and the Irish Prime Minister, Mr Jack Lynch, discussed a number of Community topics in an effort to give Anglo-Irish relations a wider dimension than the problems of Northern Ireland. They discussed the common agricultural policy and their respective green pounds, enlargement of the Community and direct elections.

SPAIN: The mixed EEC-Spain committee was meeting today for the first time since April 1970; the meetings were held up partly because of forseen negotiations for a free trade area and then for political reasons. The Commission is, meanwhile, preparing its official Opinion on the application of Spain to join the Community. Spanish exports to the Community are running at about \$4.05 billion against imports from the Community at \$5.8 billion, leaving Spain a deficit of \$1.75 billion. Spanish exports to the Community accounted for 46 per cent of her total sales in 1977, the same as in 1970; but the Community's share of Spanish imports dropped from 41 per cent in 1970 to 33 per cent in 1976. The continuing Spanish deficit in the face of falling imports from the EEC arises from the nature of the trade.

WHISKY: The Commission has formally asked the British whisky makers, Arthur Bell and Sons, to change sales practises which the Commission says are against the Community's competition rules. Similar requests have been sent to Distillers Co, and W.M. Teachers and Sons Group.

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