

# European Community NEWS

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## US-EC RELATIONS NEED BALANCING--ORTOLI SAYS

Commission President Francois-Xavier Ortoli called on the European Community to put relations with the United States "on a healthier, more equal footing," during his presentation of his 1975 EC action program to the European Parliament February 18, in Strasbourg, France. The Community must defend its own interests "with the same determination, firmness...lack of complexes, and... wholesome sincerity that the United States displays," Ortoli said. Calling for an EC initiative in international affairs, he said: "It is high time that we abandoned what has too often been a reactionary approach."

## HILLERY REVIEWS EC UNEMPLOYMENT PROBLEMS

The European Community's construction, automobile, textile, and chemical sectors have been hardest hit by unemployment over the past year, Commission Vice President Patrick Hillery (responsible for social affairs) told the Commission's Standing Committee on Employment February 17. EC unemployment has reached a record rate of 4 percent. Women, young, and migrant workers are the categories hardest hit, Hillery said. Additionally, the influx of third country migrants dropped sharply during the first nine months of 1974, from 414,456 to 155,233 (down 62.5 per cent from last year).

## COUNCIL SETS 1975-76 COMMUNITY FARM PRICES

European Community farm prices for the 1975-76 marketing year were raised by an average of 10.2 per cent, by the Council of Ministers February 13. The Council also took the first step toward demobilizing the EC monetary compensatory amounts (MCA) system, in order to gradually align farm prices closer to the real currency situation in each member state. The MCA are, essentially, EC funded variable levies applied by member states to protect farm prices against currency fluctuations.

The Council raised the guide, target, or basic prices for sugar by 15 per cent, cattle 8.5 per cent, milk 6 per cent, fruits and vegetables 11 per cent, corn 10 per cent, and common wheat 9 per cent.

## WATER CLEAN-UP PLAN FOR EC PAPER INDUSTRY

A three point directive on water pollution by the European Community's paper and pulp industry was recently proposed to the Council of Ministers by the Commission. The draft directive lists certain "uniform emission standards" to be seen as minimum levels of compliance with the EC environmental protection program. Member states would be able to draw up their own pollution control programs, provided that these standards are met within 10 years by existing factories and within one year by new factories.

## EC ENERGY PLAN MOVING FORWARD

The European Community's energy policy was carried a step further with the February 13 Council of Ministers adoption of a resolution calling for definition and execution of EC solid fuel, nuclear energy, and oil policies. The resolution reaffirmed the need to increase electricity use; develop EC research, technology, and energy conservation projects, and to develop member state energy resources. It also called for periodic Commission recommendations on long-term guidelines for member state energy program investment plans.

The Council also adopted a directive prohibiting conversion or construction of power stations which will use oil as an exclusive or primary fuel source, without prior member state authorization.

## LOME ACCORD SUGAR PROVISIONS ACTIVATED

Sugar exports to the European Community from the African, Caribbean, and Pacific (ACP) states will approach the 1.4 million ton total annual quota set forth in the EC-ACP Lome Convention, scheduled for signature February 28 in Lome, Togo. ACP sugar exporters recently informed the Commission that about 1.2 million

metric tons of white sugar would be shipped to the Community between July 1975 and July 1976. Mauritius set the highest quota (487,200 tons); St. Kitts the lowest (14,800). Other ACP states who set quotas are: Fiji, Guyana, Jamaica, Swaziland, Trinidad, Barbados, Belize, and Malawi.

The Lome Convention guarantees ACP supply and EC purchase (at minimum guaranteed prices) of sugar quantities within the ACP quota.

## EDF FUNDS FOR CHAD, MAURITIUS, AND SOMALIA

European Development Fund (EDF) grants totaling 14.8 million units of account (UA) for the Republic of Chad and Mauritius were approved by the Commission January 31. (One UA equals \$1.20635 at current rates.) Chad will receive UA 10.1 million to complete improvements on the N'Djamena water supply and UA 1.3 million to renovate and supply various hospitals. UA 3.3 million will go to Mauritius to help underwrite equipment and construction of three new pilot secondary schools.

The Commission also approved an EDF advance of UA 5.4 million to the Somali Democratic Republic's National Banana Board to cover higher banana packaging and freighting costs for exports to Italy and the Middle East.

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