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COUNCIL OF THE EUROPEAN COMMUNITIES
GENERAL SECRETARIAT

[REDACTED]

PRESS RELEASE

9480/84 (Presse 152)

953rd meeting of the Council
- Foreign Affairs -
Luxembourg, 2 and 3 October 1984
President: Mr Peter BARRY
Minister for Foreign Affairs
of Ireland

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

Belgium:

Mr Leo TINDEMANS Minister for External Relations
Mr Paul de KEERSKAEKER State Secretary for European
Affairs and Agriculture

Denmark:

Mr Uffe ELLEMANN-JENSEN Minister for Foreign Affairs
Mr Knud-Erik TYGESEN State Secretary, Ministry of
Foreign Affairs

Germany:

Mr Hans-Dietrich GENSCHER Federal Minister for Foreign Affairs
Mr Jürgen RUHFUS State Secretary, Federal Ministry
of Foreign Affairs

Greece:

Mr Théodoros PANGALOS State Secretary for EEC Affairs

France:

Mr Claude CHEYSSON Minister for External Relations
Mr Roland DUMAS Minister for European Affairs
Mr Jean-Michel BAYLET State Secretary attached to the
Minister for External Relations

Ireland:

Mr Peter BARRY Minister for Foreign Affairs
Mr Jim O'KEEFFE Minister of State at the
Department of Foreign Affairs

Italy:

Mr Mario FIORET State Secretary, Ministry of
Foreign Affairs
Mr Carlo FRACANZANI State Secretary,
Ministry of the Treasury

Luxembourg:

Mr Jacques F. POOS

Vice-President of the Government,
Minister for Foreign Affairs

Mr Robert GOEBBELS

State Secretary for Foreign Affairs

Netherlands:

Mr W.F. van EEKELEN

State Secretary for Foreign Affairs

United Kingdom:

Sir Geoffrey HOWE

Secretary of State for Foreign and
Commonwealth Affairs

Mr Timothy RAISON

Minister for Overseas Development

Mr Malcolm RIFKIND

Minister of State,
Foreign and Commonwealth Office

o

o

o

Commission:

Mr Gaston THORN

President

Mr Lorenzo NATALI

Vice-President

Mr Christopher TUGENDHAT

Vice-President

Mr Edgard PISANI

Member

PORTUGUESE ACCESSION

The Council prepared for the 23rd ministerial meeting of the Conference on the accession of Portugal to the European Communities, which was held on the afternoon of Wednesday 3 October. The Portuguese delegation was led by Mr Ernani RODRIGUES LOPES, Minister for Finance and Planning.

SPANISH ACCESSION

The Council discussed the positions to be adopted by the Community in the accession negotiations with Spain.

DRAFT SUPPLEMENTARY AND AMENDING BUDGET FOR 1984 AND DRAFT GENERAL BUDGET FOR 1985 - BUDGETARY DISCIPLINE - INCREASING OWN RESOURCES

The Council established draft supplementary and amending budget No 1/84 and the draft general budget for 1985. These drafts will be forwarded to the European Parliament without delay for the next stage of the budget procedure.

The draft supplementary and amending budget for 1984 comprises expenditure of 1 861 MECU, including 1 833 MECU to cover additional EAGGF expenditure. To fund it, the Representatives of the Governments of the Member States, meeting within the Council, undertook to make available to the Community in 1984 1 003 MECU in the form of reimbursable advances, the remainder being covered by using surpluses available from 1983 and 1984 and by advance payment of 1985 sugar contributions.

The draft budget for 1985, which the Council established within the limit of available resources and in particular the 1% VAT limit, with an overall amount of 25 944 MECU in payment appropriations and 27 873 MECU in commitment appropriations (*), was adopted together with the following declaration on the Community's 1985 budgetary requirements:

"In deciding on a budget appropriation for the 1985 EAGGF of 18 000 MECU, i.e. a reduction of 1,315 MECU with regard to the figure considered necessary by the Commission in the preliminary draft budget, the Council for its part, while emphasizing the need for rigorous market management, undertakes to meet by 1 October 1985 the additional budgetary requirements which will arise in 1985 including the obligations entered into vis-à-vis the United Kingdom as prescribed under the Fontainebleau agreement through a supplementary and amending budget, for which additional funds will be provided."

(*) See Annex.

The Council also took note of the outcome of the proceedings of the Council on Economic and Financial Affairs regarding the implementation of the conclusions of the European Council in Fontainebleau concerning budgetary discipline; it welcomed the progress made but concluded that work would have to continue on the problems still remaining at this stage so that the discussions could be brought to a successful conclusion as soon as possible.

The Council will also continue its discussions on the draft Decision increasing the Community's own resources, in accordance with the conclusions of the European Council in Fontainebleau.

RESOLUTION OF THE COUNCIL ON THE US "OMNIBUS TRADE BILL"

The Council of the European Communities is seriously concerned by a number of trade legislation proposals pending before Congress in the Omnibus Trade Bills, on which Congress is likely to vote in the next few days. These proposals, both in the House and Senate versions, contain elements which would be contrary to US international obligations and would risk triggering a dangerous spiral of protectionism worldwide.

The Community has made repeatedly clear its deep concern about the so-called Wine Equity Act which introduces the notion of sectoral reciprocity and extends the definition of industry for purposes of countervailing and antidumping procedure. Other issues which are also of major concern are the proposed amendments designed to introduce the notions of downstream dumping, upstream subsidies and natural resource subsidies; amendments designed to make the definition of injury under the S. 201 of the Trade Act of 1974 less rigorous, the Steel quota bills, and amendments proposing tariff increases and import restrictions on a number of other products including whey proteins and ferro alloys.

The Commission has already made known to the US Administration and to Members of Congress the Community's specific objections to these Bills. The Council fully endorses this.

The Council underlines that if any such legislation were to be introduced, it would have serious trade restricting effects adversely affecting the EEC's export interests; would be inconsistent with the GATT; would encourage protectionist measures in the US and elsewhere; and would undermine the common efforts to roll back protectionism.

Any such legislation, if adopted, would be open to challenge before the GATT and retaliation.



1985 DRAFT BUDGET ESTABLISHED BY THE COUNCIL

Fields	Commitments (ECU)	Payments (ECU)
1. GUARANTEES FOR AGRICULTURAL MARKETS EAGGF Guarantee (10 to 29)	18.000.000.000	18.000.000.000
TOTAL 1	18.000.000.000	18.000.000.000
2. STRUCTURAL POLICY EAGGF Guidance (30 to 33)	640.967.700	632.464.700
Specific agricultural measures (38)	55.427.300	53.977.300
Fisheries (40 to 46)	154.351.400	109.601.400
Regional Fund (50,51)	2.240.000.000	1.610.000.000
EMS measures (52)	0	0
Supplementary measures United Kingdom (53)	0	0
Other - regional (54,55,56,57)	87.200.000	52.200.000
Transport (58)	31.350.000	21.350.000
Social Fund (60,61)	1.940.000.000	1.358.000.000
Other - social (64,65,69)	177.869.000	177.727.000
Education and culture (63,67)	18.747.500	18.747.500
Environment and consumers (66)	14.770.000	11.420.000
TOTAL 2	5.360.682.900	4.045.487.900
3. RESEARCH, ENERGY, INDUSTRY Energy policy (70,71)	137.700.000	83.700.000
Research and investment (72,73)	788.048.400	532.247.400
Information and innovation (75)	9.685.000	8.385.000
Industry and internal market (77)	33.350.000	37.150.000
TOTAL 3	968.783.400	661.482.400
4. REPAYMENTS AND RESERVES Repayments to Member States (80)	1.047.098.000	1.047.098.000
Other repayments (82,86)	23.622.055	23.622.055
Financial mechanism (81)	0	0
Other - guarantees (79,83,84,85)	0	0
Reserve (101)	5.000.000	5.000.000
TOTAL 4	1.075.720.055	1.075.720.055
5. DEVELOPMENT CO-OPERATION AND THIRD COUNTRIES EDF (90,91)	0	0
Food aid (92)	570.794.800	365.461.900
Co-operation non-associated DCS (93)	252.850.000	128.750.000
Specific and exceptional measures (94,95)	53.500.000	41.500.000
Co-operation with Mediterranean countries (96)	208.400.000	248.627.700
Other - co-operation (97,98,99)	61.240.000	61.240.000
TOTAL 5	1.146.784.800	845.579.600
6. STAFF AND OPERATING APPROPRIATIONS Section III A	875.857.600	875.857.600
Section I,II,IV and V	445.251.563	445.251.563
TOTAL 6	1.321.109.163	1.321.109.163
GRAND TOTAL	27.873.080.318	25.949.379.118

MISCELLANEOUS DECISIONS

EEC-Yemen Co-operation Agreement

The Council decided to sign the EEC-Yemen Co-operation Agreement.

EEC-ASEAN relations

The Council authorized the Commission to open negotiations for the enlargement of the Co-operation Agreement between the European Community and the member countries of ASEAN (Indonesia, Malaysia, Philippines, Singapore and Thailand) to include Brunei Darussalam, which became independent on 1 January 1984 and has recently joined the Association of South-East Asian Nations.

The Agreement includes the most-favoured-nation clause, and provisions on trade co-operation, economic co-operation and development co-operation and sets up a Joint Co-operation Committee.

ACP-EEC relations

The Council adopted in the official languages of the Communities three texts concerning the change of status of two former OCT, St Christopher and Nevis and Brunei, which recently became independent:

- Decision amending the amounts made available to the European Development Fund (1979) for the ACP States and for the overseas countries and territories (St Christopher and Nevis);
- Decision amending Decision 80/1186/EEC on the association of the overseas countries and territories with the European Economic Community (St Christopher and Nevis and Brunei);
- Regulation amending Regulation (EEC) No 435/80 as regards the list of ACP States and overseas countries and territories (St Christopher and Nevis and Brunei).

EFTA

The Council adopted in the official languages of the Communities the Regulation concluding an Agreement in the form of an exchange of letters consolidating and modifying the text of Protocol No 3 to the Agreement between the European Economic Community and the Republic of Austria, the Republic of Finland, the Kingdom of Norway, the Portuguese Republic, the Kingdom of Sweden, the Swiss Confederation and the Republic of Iceland.

Customs Union

The Council adopted in the official languages of the Communities the Regulation temporarily and totally suspending the Common Customs Tariff duty on three products falling within sub-heading ex 85.21 D II (certain types of integrated circuit).

Fisheries

The Council adopted in the official languages of the Communities the Regulation on the conclusion of the Agreement in the form of an exchange of letters between the European Economic Community, on the one hand, and the Government of Denmark and the Home Government of the Faroe Islands on the other hand, establishing measures for salmon fishing in North Atlantic waters. The Agreement stipulates inter alia that the Faroese authorities will restrict the total volume of salmon catches in Faroese waters to a total of 625 tonnes in fresh round weight for the season starting on 1 October 1984 and ending on 31 May 1985.

Environment

The Council and the Representatives of the Governments of the Member States meeting within the Council adopted in the official languages of the Communities two Resolutions concerning:

- firstly,

the link between the environment and development:

"WHEREAS in the Resolution of 7 February 1983 ⁽¹⁾ on an action programme of the European Communities on the environment (1982-1986) one of the priorities for action is co-operation with developing countries;

WHEREAS the link between the environment and development was taken into account in the previous (1977) action programme on the environment ⁽²⁾;

WHEREAS environmental problems can provide a focus for greater collaboration and solidarity with the developing countries to the benefit not only of those countries but also of the Member States;

WHEREAS the Council has already held an exchange of views on whether to draw up for Community undertakings a code of conduct towards developing countries and on whether to exercise greater control over exports of pesticides to such countries;

WHEREAS there is a need to co-ordinate both Community and other endeavours to preserve and improve the environment in the developing countries,

NOTE the Resolution of the European Parliament of 20 May 1980, notably on the World Conservation Strategy,

STATE that the inclusion of ecological criteria must be an important aspect of development policy strategies,"

⁽¹⁾ OJ No C 46, 17.2.1983, p. 1.
⁽²⁾ OJ No C 139, 13.6.1977, p. 3.

WELCOME the fact that the Member States will do their utmost to incorporate appropriate ecological measures into their co-operation with developing countries,

STATE that the Community must consider environmental protection as an integral part of its development co-operation policy,

WELCOME and support the Commission's increasing efforts to give an environmental dimension to the Community's development aid policy,

NOTE with interest the establishment by the United Nations of a Special Commission (the World Commission on Environment and Development), and by the United Nations Environment Programme (UNEP) of the Intergovernmental Intersessional Preparatory Committee on the Environmental Perspective to the year 2000 and beyond,

DECLARE their adherence to the principles of the Declaration of 1 February 1980 of Environmental Policies and Procedures relating to Economic Development, signed by UNEP and ten multilateral development financing institutions,

CONSIDER that Member States should follow the principles of this Declaration when implementing bilateral development aid programmes,

CONSIDER it desirable to continue with and to step up in an appropriate manner participation in the work of the Committee of International Development Institutions for the Environment (CIDIE), in order to implement this Declaration in accordance with the relevant guidelines laid down in the Community action programme on the environment, particularly as regards the conservation of tropical forests, the campaign against desertification, water management, the setting up of agricultural systems and energy utilization systems compatible with the environment,

REQUEST the Commission to examine the possibilities for achieving closer convergence of the Community efforts to integrate the environmental dimension in development aid and to submit any appropriate proposals to the Council as soon as possible."

- and secondly,

forms of co-operation in the sphere of water:

"WHEREAS in the Resolution of 7 February 1983 ⁽¹⁾ on an action programme of the European Communities on the environment (1982-1986) one of the priorities for action is co-operation with developing countries;

WHEREAS problems connected with the environment, and in particular those relating to drinking water resources, provide a focus for increased collaboration and practical solidarity with the developing countries,

CONSIDERING the efforts made in the framework of the Lomé Conventions and other co-operation agreements,

REFERRING to the objectives of the International Drinking Water Supply and Sanitation Decade (1980-1990),

NOTE with satisfaction the appearance in certain Member States of new forms of co-operation with the developing countries which depend on voluntary local or regional initiatives, both public and private, for the implementation of specific projects on a limited scale, particularly concerning water,

CONSIDER that, according to the procedures appropriate to the administrative structures and the internal provisions of each Member State, such initiatives should be encouraged,

⁽¹⁾ OJ No C 46, 17.2.1983, p. 1.

NOTE the importance for their success of the availability of satisfactory information on experience gained from operations already carried out and on action planned,

REQUEST the Commission to examine, taking into account national and international structures already established, how, as far as the Communities are concerned, existing capacity could be judiciously utilized to this end, e.g. in the form of arrangements for exchange of views and talks capable of improving the provision of information on experiments carried out and the listing and evaluation of projects,

WISH to receive a Commission report on this matter by the end of 1984."

ECSC

The Council gave the following assents

- under the second paragraph of Article 54 of the ECSC Treaty for partial financing of an investment project of the Elektromark Company involving the conversion of three electricity generating units from natural gas to coal firing
- assent under Article 56(2)(a) of the ECSC Treaty
 - = Saarländische Investitionskreditbank AG (Germany)
 - = Industriekreditbank AG Deutsche Industriebank (Germany)
 - = Rabobank Nederland (Netherlands)
 - = Société Nationale de Crédit et d'Investissement (Luxembourg)
 - = Celtic Inns Limited (United Kingdom).

Appointment

Acting on a proposal from the Commission, the Council appointed Mr Preben KRISTIANSEN, Head of Division, Training Policy Department, Danish Employers' Confederation, a member of the Management Board of the European Centre for the Development of Vocational Training, in place of Mr TØTTRUP, who has resigned, for the remainder of the latter's term of office which runs until 19 April 1985.

TELEX TELE
NOTE BIO (84) ³⁵⁴ 302 (SUITE 5) AUX BUREAUX NATIONAUX
CC. AUX MEMBRES DU GROUPE DU PORTE-PAROLE

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Conseil Affaires Etrangères
~~SEC/PIN COUNCIL~~ TUESDAY MORNING

TELEX TELE
THE FOREIGN MINISTERS STARTED AT 9.30 DEALING WITH THE ENTIRE BUDGETARY PACKAGE ON THE BASIS OF THE NEW PRESIDENCY COMPROMISE WHICH SUGGESTS AMONG OTHER THINGS A TRANSITIONAL ARRANGEMENT FOR 1985 (1.2 0/0 INCREASE IN THE VAT RATE WITH THE NEW OWN RESOURCES LIMIT OF 1.4 0/0 COMING INTO OPERATION ON 1 JANUARY 1986 AT THE SAME TIME AS ENLARGEMENT).

DURING THE OPENING DISCUSSION AN IMMEDIATE PROBLEM AROSE CONCERNING THE LINK BETWEEN SENDING THE 1984 SUPPLEMENTARY AND THE 1985 DRAFT BUDGET TO PARLIAMENT WITH THE PROBLEM OF INCREASING OWN RESOURCES. MR. GENSCHER IN PARTICULAR DEMANDED AN IMMEDIATE AGREEMENT ON SENDING BOTH BUDGETS FORWARD. HOWEVER, A MAJORITY OF THE DELEGATIONS PRESSED FOR A MORE GLOBAL AGREEMENT. AFTER 50 MINUTES, THE PRESIDENCY CALLED FOR THE MEETING TO GO INTO RESTRICTED SESSION WITH MINISTERS ONLY PRESENT.

MORE LATER

REGARDS
ROBERT ELPHICK

2.11.14T

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TELEX TELE

B I O (85) 354 (SUITE 1) AUX BUREAUX NATIONAUX
C. AUX MEMBRES DU GROUPE DU PORTE-PAROLE

CONSEIL AFFAIRES GENERALES

CORRIGENDUM : LA B I O DE CE MATIN 352 (SUITE 5) ECO/FIN COUNCIL
DOIT PORTER LE TITRE B I O (84) 354 - CONSEIL
AFFAIRES ETRANGERES.

APRES UNE INTERRUPTION DE SEANCE VERS 13H30 ET UN DEJEUNER DE
TRAVAIL LE CONSEIL A REPRIS SES TRAVAUX DANS LA MEME FORMATION
"RESTREINTE" (MINISTRES ET COMMISSION).

ATTENTION URGENT :

MALGRE LES DIFFICULTES DE LA DISCUSSION BUDGETAIRE DONT RIEN NE
FILTRE LE CONSEIL A ADOPTE LA RESOLUTION DONT JE VOUS TRANSMET LE
TEXTE CI-JOINT EN FRANCAIS ET EN ANGLAIS SUR L' "OMNIBUS TRADE
BILL".

JE VOUS PRIE DE BIEN VOULOIR EN ASSURER LA RETRANSMISSION IMMEDIATE
PAR TELECOPIEUR A WASHINGTON AINSI QU'UNE DIFFUSION SPECIALE A
BRUXELLES TRANSITANT PAR LE SECRETARIAT GENERAL; A L'ATTENTION
DE LA COMMISSION ET EN PARTICULIER DES DG I; III ET VI.

D'AVANCE MERCI ET AMITIES

MANUEL SANTARELLI

RESOLUTION DU CONSEIL SUR LE PROJET DE LOI DES ETATS-UNIS
DIT "OMNIBUS TRADE BILL"

UN CERTAIN NOMBRE DE PROJETS DE LA LOI CONCERNANT LE COMMERCE;
SOUJES AU CONGRES DES ETATS-UNIS DANS LE CADRE DES PROJETS DE LOI
DITS "OMNIBUS TRADE BILLS" ET SUR LESQUELLES LE CONGRES SE
PRONONCERA PROBABLEMENT PAR UN VOTE DANS LES JOURS A VENIR;
PREOCCUPENT GRAVEMENT LE CONSEIL DES COMMUNAUTES EUROPEENNES.
DANS LES VERSIONS QUI ONT ETE SOUMISES TANT A LA CHAMBRE DES
REPRESENTANTS QU'AU SENAT; CES PROJETS CONTIENNENT DES ELEMENTS QUI
SERAIENT CONTRAIRES AUX OBLIGATIONS INTERNATIONALES DES ETATS-UNIS
ET RISQUERAIENT DE DECLENCHER A L'ECHELLE MONDIALE UNE DANGEREUSE
ESCALADE DU PROTECTIONNISME.

LA COMMUNAUTE A NETTEMENT EXPRIME A MAINTES REPRISES LES
PROFONDES INQUIETUDES QUE LUI CAUSE LA LOI DITE "WINE EQUITY ACT"
QUI INTRODUIT LA NOTION DE RECIPROCITE SECTORIELLE ET ELARGIT LA
DEFINITION DU CONCEPT D'INDUSTRIE A DES FINS DE PROCEDURE DE
COMPENSATION ET DE PROCEDURE ANTI-DUMPING. D'AUTRES QUESTIONS QUI
SONT EGALEMENT LA SOURCE DE GRANDES INQUIETUDES SONT CONSTITUEES
PAR LES PROJETS D'AMENDEMENTS VISANT A INTRODUIRE LES NOTIONS DE
DUMPING EN AVAL; DE SUBVENTIONS EN AMONT ET DE SUBVENTIONS DANS
LE DOMAINE DES RESSOURCES NATURELLES; LES AMENDEMENTS VISANT A
RENDRE MOINS RIGOREUSE LA DEFINITION DU DOMMAGE AUX TERMES DE
L'ARTICLE 201 DE LA LOI SUR LES ECHANGES (TRADE ACT) DE 1974; LES
PROJETS DE LOI SUR LES CONTINGENTS D'ACIER; ET LES PROJETS
D'AMENDEMENTS PREVOYANT DES MAJORATIONS DE DROITS ET DES RESTRICTIONS

A L'IMPORTATION POUR UN CERTAIN NOMBRE D'AUTRES PRODUITS Y COMPRIS
LES PROTEINES DE LACTOSERUM ET LES FERRO-ALLIAGES.

LA COMMISSION A DEJA FAIT CONNAITRE A L'ADMINISTRATION DES
ETATS-UNIS ET AUX MEMBRES DU CONGRES LES OBJECTIONS SPECIFIQUES DE
LA COMMUNAUTE A L'EGARD DE CES PROJETS DE LOIS. LE CONSEIL APPUIE
ENTIEREMENT CETTE ACTION.

LE CONSEIL SOULIGNE QUE SI UNE TELLE LEGISLATION DEVAIT ETRE
MISE EN OEUVRE, ELLE AURAIT D'IMPORTANTES EFFETS RESTRICTIFS SUR
LES ECHANGES AFFECTANT DE MANIERE NEGATIVE LES INTERETS DE LA CEE
A L'EXPORTATION; ELLE SERAIT INCOMPATIBLE AVEC LE GATT; ENCOURAGE-
RAIT LES MESURES PROTECTIONNISTES AUX ETATS-UNIS ET AILLEURS ET
SAPERAIT LES EFFORTS ENTREPRIS EN COMMUN POUR FAIRE RECULER LE
PROTECTIONNISME.

TOUTE LEGISLATION DE CE TYPE, SI ELLE ETAIT ADOPTEE, RISQUERAIT
DE PROVOQUER DES PRESTATIONS AU SEIN DU GATT ET D'OUVRIRE LA PORTE
A DES MESURES DE RETORSION.

RESOLUTION OF THE COUNCIL ON THE US 'OMNIBUS TRADE BILL'

THE COUNCIL OF THE EUROPEAN COMMUNITIES IS SERIOUSLY CONCERNED
BY A NUMBER OF TRADE LEGISLATION PROPOSALS PENDING BEFORE CONGRESS
IN THE OMNIBUS TRADE BILLS; ON WHICH CONGRESS IS LIKELY TO VOTE
IN THE NEXT FEW DAYS. THESE PROPOSALS; BOTH IN THE HOUSE AND
SENATE VERSIONS; CONTAIN ELEMENTS WHICH WOULD BE CONTRARY TO US
INTERNATIONAL OBLIGATIONS AND WOULD RISK TRIGGERING A DANGEROUS
SPIRAL OF PROTECTIONISM WORLDWIDE.

THE COMMUNITY HAS MADE REPEATEDLY CLEAR ITS DEEP CONCERN ABOUT THE
SO-CALLED NINE EQUITY ACT WHICH INTRODUCES THE NOTION OF SECTORAL
RECIPROCITY AND EXTENDS THE DEFINITION OF INDUSTRY FOR PURPOSES
OF COUNTERVAILING AND ANTIDUMPING PROCEDURE. OTHER ISSUES WHICH
ARE ALSO OF MAJOR CONCERN ARE THE PROPOSED AMENDMENTS DESIGNED TO
INTRODUCE THE NOTIONS OF DOWNSTREAM DUMPING; UPSTREAM SUBSIDIES AND
NATURAL RESOURCE SUBSIDIES; AMENDMENTS DESIGNED TO MAKE THE
DEFINITION OF INJURY UNDER THE S. 201 OF THE TRADE ACT OF 1974 LESS
RIGOROUS; THE STEEL QUOTA BILLS; AND AMENDMENTS PROPOSING TARIFF
INCREASES AND IMPORT RESTRICTIONS ON A NUMBER OF OTHER PRODUCTS
INCLUDING WHEY PROTEINS AND FERRO ALLOYS.

THE COMMISSION HAS ALREADY MAKE KNOWN TO THE US ADMINISTRATION AND
TO MEMBERS OF CONGRESS THE COMMUNITY'S SPECIFIC OBJECTIONS TO
THESE BILLS. THE COUNCIL FULLY ENDORSES THIS.

THE COUNCIL UNDERLINES THAT IF ANY SUCH LEGISLATION WERE TO BE
INTRODUCED; IT WOULD HAVE SERIOUS TRADE RESTRICTING EFFECTS
ADVERSELY AFFECTING THE EC'S EXPORT INTERESTS; WOULD BE
INCONSISTENT WITH THE GATT; WOULD ENCOURAGE PROTECTIONIST MEASURES
IN THE US AND ELSEWHERE; AND WOULD UNDERMINE THE COMMON EFFORTS
TO ROLL BACK PROTECTIONISM.

ANY SUCH LEGISLATION; IF ADOPTED; WOULD BE OPEN TO CHALLENGE
BEFORE THE GATT AND RETALIATION.

3231 COMEUR LU
02/10/84e

NOTE B I O (84) 354 (SUITE 2) AUX BUREAUX NATIONAUX
CC. AUX MEMBRES DU GROUPE DU PORTE-PAROLE

F O R E I G N A F F A I R S C O U N C I L
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SINCE OUR LAST REPORT THE MINISTERS HAVE BEEN IN CONTINUOUS CLOSED SESSION. THE CENTRAL PROBLEM IS HOW TO PROVIDE FUNDS FOR THE SUPPLEMENTARY BUDGET FOR THIS YEAR AND FOR THE 1985 BUDGET WHICH WILL ALSO COVER THE PAYMENTS TO THE UNITED KINGDOM AND IMPLEMENT THE AGREEMENT REACHED AT FONTAINEBLEAU. VERY LITTLE NEWS IS COMING OUT. AS ONE NATIONAL BRIEFER PUT IT "IT IS NOT BEYOND THE WIT OF MAN TO DEVISE A WAY BUT IT WILL TAKE A LONG TIME".

MORE LATER.

REGARDS

ROBERT ELPHICK



Bruxelles, le 3 octobre 1984 *and end*

NOTE BIO (84) 354 suite 3 TO NATIONAL OFFICES
COPIED TO MEMBERS OF THE GROUP

FOREIGN AFFAIRS COUNCIL (Luxembourg, 2-3 October) (Elphick)

After nearly ten hours the Council were able to register what the President, Mr. Barry, described as "a significant breakthrough". There was unanimity on sending the Supplementary Budget for 84 and the Draft Budget for 85 to Parliament immediately (for the details of the 84 Supplementary, I refer you to BIO (84) 320 suite 3 of 7.9.84 and for the draft Budget 85 please consult Bio (84) 276 suite 3 of 20.7.84).

The Council also attached a Council declaration to the 84 Supplementary recording a statement from the United Kingdom delegation that they would not submit legislation before the UK Parliament until the European Parliament had unblocked the rebate of 750 million Ecus at present held in the Reserve Chapter. A second condition was the establishment of a sufficiently rigorous system of Budget discipline. Although this latter problem occupied an entire day of negotiation by the ECO-FIN Ministers on Monday, there are still reserves which have to be looked at and the Foreign Ministers will take up the negotiations at a subsequent meeting. They have also left over the agreement on when the new system of own resources to raise the limit to 1.4% of VAT should be introduced.

More later,

Regards,

M. Santarelli COMEUR 11/35 ////



Bruxelles, le 3 octobre 1984
Note BIO(84)360 aux Bureaux Nationaux
cc. aux membres du Groupe du Porte-Parole

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CONSEIL ELARGISSEMENT - Sessions ministerielles CE/Espagne
et CE/Portugal (dicté par téléphone de Luxembourg) (S. Parone)

C'est sans grands dossiers a negocier et sans position a presenter sur des points majeurs que les ministres des Affaires Etrangeres ont aborde cet apres-midi a Luxembourg les deux sessions de negociations au niveau ministeriel avec le Portugal peu apres 16h30 et plus tard avec l'Espagne.

Le Conseil en effet avait consacre la matinee et les premieres heures de l'apres-midi a la recherche d'un accord entre les Dix sur les dossiers du paquet forme lors de la reunion informelle de Dublin: affaires sociales, demantelement des hauts tarifs industriels, huile d'olive, sucre.

Des progres considerables ont ete enregistres par les Dix - grace notamment au role tres actif de la Commission qui a presente des propositions de compromis et des elements de clarification sur chaque point - sur l'huile d'olive (Espagne et Portugal), les hauts tarifs industriels (Espagne), les affaires sociales (Espagne et Portugal). Un accord a ete enregistre sur l'approvisionnement en sucre ACP des raffineries portugaises pendant la periode transitoire. Toutefois, ayant ete decide de ne pas fractionner le "paquet de Dublin", le dossier sucre n'a pas fait l'objet d'une declaration communautaire aux Portugais.

Apres un tour de table sur le probleme de la peche (le Coreper approfondira la discussion), les ministres ont aborde la discussion sur le CONSTAT D'ACCORD que Lisbonne souhaite de la part de la Communaute afin de marquer solennellement la conclusion virtuelle des negociations CEE-Portugal.

Le Conseil - suivant en cela la position exposee par le Vice-President Natali au nom de la Commission - a estime que l'etat actuel d'avancement des negociations ne permet pas un tel constat dans les termes demandes par Lisbonne: mise a part les implications juridique et politique d'un tel constat, il a été souligne que d'importants points de chapitres tels que la peche, l'agriculture, les affaires sociales, les relations Portugal-Espagne, demeurent en effet ouverts a ce jour.

Le Coreper a ete charge d'etudier ulterieurement la question. (à suivre)

Amities.

M. Santarelli COMEUR(17h30)////



Bruxelles, le 3 octobre 1984
Note BIO(84)360(suite 1) aux Bureaux Nationaux
cc. aux membres du Groupe du Porte-Parole

SESSION MINISTERIELLE CE/PORTUGAL (dicte par telephone de
Luxembourg)(S. Parone)

"Nous sommes prêts a une negociation continue. Ce que nous ne sommes plus disposes a faire, c'est d'avoir a nouveau des sessions dans lesquelles on echange des documents sans negocier", c'est d'un ton tres ferme que le Chef de la delegation portugaise, Ernani Lopes, a enonce la position de son gouvernement ce soir a Luxembourg en mettant le point final a la XXIIIeme session ministerielle de negociations CE-Portugal. Celle-ci a ete tres courte. moins de 20 minutes. et elle a permis la presentation d'une declaration communautaire sur les derogations TVA pour les Acores et Madeire, et de quatre declarations portugaises sur des points specifics en matiere d'agriculture, brevets. union douaniere, relations exterieures.

Plus tard dans la soiree aura lieu le XXVeme session CE-Espagne: a l'ordre du jour, la presentation de trois declarations espagnoles (CECA, inclusion de la Peseta dans l'ECU, relations exterieures) (a suivre).

Amities,

M. Santarelli COMEUR(18h15)////



Bruxelles. le 4 octobre 1984

Note Bio 360 (suite 2 et fin) aux bureaux nationaux
c.c. aux membres du Groupe du Porte-Parole

ELARGISSEMENT (report de la 25eme session CEE-ESPAGNE)

(Parone)

La 25eme session ministerielle de negociation CEE-ESPAGNE n'a pas eu lieu.

Ayant constate hier soir a Luxembourg que ni la Communaute ni l'Espagne etaient en mesure de presenter des declarations susceptibles d'etre negociees le soir meme, le President du Conseil M. Barry et le chef de la delegation espagnole M. Moran, ont decide de reporter la 25eme session. Elle se tiendra vraisemblablement le 23 octobre lors de la prochaine reunion des Ministres des Affaires Etrangeres de la Communaute.

Cette decision, a indique M. Barry aux journalistes, a ete prise de commun accord au cours de l'entretien a 3 (MM. Barry, Moran, Natali) qui precede traditionnellement chaque session formelle de negociation.

M. Moran pour sa part a regrette, s'adressant ~~aux~~ journalistes, que les Dix n'aient pas ete en mesure de mettre au point une position commune sur l'huile d'olive, les hauts tarifs des produits industriels, les affaires sociales (il a parle a ce propos de "spectacle desolant").

Il a toutefois souligne avec vigueur que le report de la 25eme session "ne signifie d'aucune maniere que l'Espagne se detache de la negociation d'adhesion" "l'entree dans la Communaute est une priorite de notre politique, cela doit etre bien clair", a-t-il ajoute.

Amities,
Manuel SANTARELLI Comeur



