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COUNCIL OF THE EUROPEAN COMMUNITIES
GENERAL SECRETARIAT

[REDACTED]

PRESS RELEASE

9847/83 (Presse 167)

874th meeting of the Council

- Foreign Affairs -

Luxembourg, 17 and 18 October 1983

President: Mr Grigoris VARFIS,
State Secretary for Foreign Affairs
of the Hellenic Republic

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 KEERSMAEKER State Secretary for European Affairs
and for Agriculture

Denmark:

Mr Otto MØLLER State Secretary,
Ministry of Foreign Affairs

Germany:

Mr Hans-Werner LAUTENSCHLAGER State Secretary,
Federal Ministry of Foreign Affairs

GREECE :

Mr Grigoris VARFIS State Secretary for Foreign Affairs

FRANCE :

Mr André CHANDERNAGOR Minister responsible for European
Affairs to the Minister for
External Relations

IRELAND:

Mr James O'KEEFE Minister of State at the
Department of Foreign Affairs

Mr Michael MOYNIHAN Minister of State at the Department
of Commerce, Trade and Tourism

ITALY :

Mr Mario FIORET State Secretary
Ministry of Foreign Affairs

Mr Giovanni PRANDINI State Secretary,
Ministry of Foreign Trade

Luxembourg:

Miss Colette FLESCHE

Vice-President of the Government,
Minister for Foreign Affairs

Netherlands:

Mr H. van den BROEK

Minister for Foreign Affairs

Mr F. BOLKESTEIN

Minister for External Trade

Mr W.F. van EEKELEN

State Secretary for Foreign
Affairs

United Kingdom:

Mr Malcolm RIFKIND

Minister of State,
Department of Foreign and
Commonwealth Affairs

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Commission:

Mr Gaston THORN

President

Mr Wilhelm HAFERKAMP

Vice-President

Mr Lorenzo NATALI

Vice-President

Viscount Etienne DAVIGNON

Vice-President

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RELATIONS WITH THE UNITED STATES - SPECIALTY STEEL - CONCLUSIONS
OF THE COUNCIL

The Council took note of the Commission's report on the GATT Art.XIX negotiations that had taken place between the European Communities and the United States concerning compensation for the United States Specialty Steel import relief measures of 20 July.

It noted that while, after two and a half months, there had been some limited progress in the most recent round of consultations under Article XIX of GATT on 5/6 October, the US attitude to a compensation offer was still incomplete (not covering products subject to quotas) and highly unsatisfactory for the products subject to tariff increases.

The Council insisted that negotiations on compensation for products subject to quota should also be engaged before the GATT Article XIX consultation period expires.

The Council attached great importance to:

- the quotas imposed being administered by the US in a manner which takes full account of the needs and interests of all Community exporters;
- exemptions being admitted by the US authorities for a number of specialty steel products.

The Council urged the Commission to make every effort to reach satisfactory conclusions on these points before the imposition of definitive measures.

17/18.X.83

EC/JAPAN RELATIONS - COUNCIL CONCLUSIONS

The Council had an extensive debate on the important problem of relations with Japan, aspects of which continued to be unsatisfactory and disturbing.

The Council first took note of the report presented by the Commission.

The Council then expressed its grave concern over the continuing deterioration in trade trends between the Community and Japan. It noted that the government of Japan had taken various additional measures to reduce or eliminate some of the existing visible trade barriers, and had taken certain steps designed to bring Japanese standards and certification systems into greater conformity with those accepted internationally. However, the Council was not convinced that such measures were, by themselves, likely to prove of early, tangible and significant benefit to community exporters. Measures which could result in a massive and visible increase of manufactured imports into Japan had not materialized.

The Council therefore decided as follows

- that vigorous efforts should be pursued to persuade the Japanese authorities, in continuation of their market opening measures, to take more fully into account the specific requests made by the Community in November 1982 and subsequently;
- that the government of Japan should be requested to adopt policies and strategies which would lead to a substantial shift in favour of buying manufactured and processed products from abroad;

- that further encouragement should be provided to Community enterprises to intensify their efforts in selling to and investing in Japan.

The Council also took note of the Commission's intention to enter into discussions with the Japanese authorities regarding the effective moderation of Japanese exports of sensitive products to the Community in 1984.

The Council was also informed of the Commission's intention to renew and, should this be necessary, to modify the coverage of the present system of statistical surveillance of imports of sensitive products from Japan.

The Council noted the Commission's readiness to use, whenever justified, the procedure laid down in Community Regulation 288/82.

The majority of delegations endorsed in principle the Commission's proposal to increase the tariff on digital audiódisc (DAD) pursuant to GATT article XXVIII.

The Council took particular note of the action so far initiated under article XXIII (2) of the GATT, pursuant to the Council's decision of 13 December 1982, and decided to revert to consideration of that matter at a future session in the light of current and future developments in Japanese trade policy.

The Council, expressing its interest in balanced industrial co-operation with Japan, instructed the Permanent Representatives Committee to pursue its examination of the matter.

The Council invited the Permanent Representatives Committee to report back on the Commission's proposal for a mutually advantageous framework agreement between the Community and Japan on scientific and technical co-operation.

Finally the Council reiterated its earlier conclusion that the yen should better reflect the fundamental strength of the Japanese economy.

STEEL - 1984 EXTERNAL ASPECTS

The Council heard a statement from Vice-President DAVIGNON introducing the Commission communication on the external aspect of the anti-crisis measures in the steel sector in 1984 and held a policy debate on the matter.

The Council concluded by instructing the Permanent Representatives Committee to continue its discussion of the question in the light of the day's discussions and the positions which some delegations stated they would make known later. It asked the Permanent Representatives Committee to plan discussions so that the Council could approve the external aspect by its November meeting at the latest.

SPANISH ACCESSION

The Council prepared the ground for the 17th Ministerial meeting of the Conference on the accession of Spain to the European Communities, which was held on 17 October 1983 in the late afternoon. The Spanish delegation was led by Mr Fernando MORAN, Minister for Foreign Affairs.

PORTUGUESE ACCESSION

The Council examined certain aspects of the social affairs chapter in preparation for the next ministerial round of the accession negotiations with Portugal, scheduled to take place during the course of the Foreign Affairs Council meeting on 28 and 29 November 1983.

RELATIONS WITH MALTA

The Council gave its agreement to the Decision authorizing the Commission to negotiate with Malta a new Financial Protocol between the European Economic Community and Malta, the current Financial Protocol being due to expire on 31 October 1983.

EEC-CYPRUS RELATIONS

The Council prepared the position to be adopted by the Community at the 9th meeting at Ministerial level of the EEC - CYPRUS Association Council, which was held late in the afternoon of 17 October 1983.

DEMONSTRATION PROJECTS

The Council noted that since the contacts between the French delegation and the Commission had reached a successful conclusion, that delegation had withdrawn its referral to the Council of a Decision of the Commission of the European Communities on the granting of financial support for demonstration projects relating to the liquifaction and gasification of solid fuels.

NEWSPRINT: 1983 TARIFF QUOTA

The Council held an exchange of views on the requests by several delegations for an increase in the 1983 tariff quota for newsprint.

The Council closed this exchange by asking the Commission consult forthwith both Community newsprint producers with stocks still available and potential consumers, and in the light of its findings to submit a proposal for a possible extra tariff quota so that the Permanent Representatives Committee could prepare a decision on the matter without further discussion by the Council.

FOOD AID - APPLICATION OF THE FRAMEWORK REGULATION

The Council raised the question of the application of Article 4 of the framework Regulation on food aid in connection with the Commission's submission of its proposal for setting overall quantities.

The Council agreed to return to the matter at its meeting in November.

EUROPEAN FOUNDATION

The Council briefly discussed the as yet unresolved matter of concluding a Protocol on the privileges and immunities of the European Foundation.

It requested the Permanent Representatives Committee to seek a swift solution to the problem so that the Agreement on the Foundation could enter into force.

SUPPLEMENTARY AND AMENDING BUDGET No 2/83

The Council gave its agreement to the text of a letter to the President of the European Parliament informing him of its decision not to modify the European Parliament's amendments to draft supplementary and amending budget No 2 for the 1983 financial year.

The Council welcomed the speed with which the budgetary procedure had been concluded, since the President of the European Parliament would now be able to record the adoption of supplementary and amending budget No 2/83.

This supplementary budget makes provision for the following essential expenditure : Agriculture 1 761 MECU and "risk-sharing" (UK) 370 MECU.

FORECASTING AND ASSESSMENT IN SCIENCE AND TECHNOLOGY 1983-1987 - FAST II

The Council adopted in the official language of the Communities a decision adopting a research programme for the European Economic Community on forecasting and assessment in science and technology (FAST) 1983-1987.

This FAST II (Forecasting and Assessment in Science and Technology) programme is based on the largely positive assessment of the results of the FAST I programme (1978-1983) and it is still the purpose of the programme to analyse the long-term implications of technological change for European society. Its aim is to abstract from this analysis guidelines and concrete proposals for the Community's science and technology policy, and to highlight the consequences of technological change for the Community's other policies.

The activities of the programme will concentrate on three main fields:

- new forms of growth for Europe (in particular possible contributions by new technologies to solving employment and work problems, and integrated development of renewable natural resource systems);
- transformation of service activities and technological change (problems and opportunities for Europe in this sphere of crucial long-term importance);
- new strategic industrial systems; analysis of the impact on the future of the people of Europe of, in particular, the communications industries (audiovisual, cable networks, telecommunications) and the agri-food industries.

To develop this research, the programme will have a team of twelve scientists, and a total budget of 8,5 MECU, ensuring by means of study contracts, the collaboration of the best forecasting and research teams in Europe.

The programme will also be supported by information and co-operation networks to be set up within Community and national administrations and the scientific circles concerned.

Finally, the programme will have as a special feature the collaboration of visiting fellows seconded to the Commission FAST unit for a period of time from their governmental or scientific institutions.

REFORM OF THE EUROPEAN SOCIAL FUND

The Council expressed its satisfaction at the positive conclusion of the conciliation procedure with the European Parliament and adopted the following texts on the new provisions of the European Social Fund ⁽¹⁾:

- Decision on the tasks of the European Social Fund;
- Regulation on the implementation of the Decision on the tasks of the European Social Fund;
- Decision on the rules of the Committee of the European Social Fund.

In adopting these texts, the Council was providing a tangible response to the wishes expressed by the European Council in Stuttgart to see the reform put into effect speedily, particularly as regards the promotion of youth employment.

It will be recalled that the agreement reached on 2 June 1983 included the following main points:

1. Aid from the Fund may be granted in the first instance to promote employment for young people under 25. The appropriations earmarked for this purpose will not be less than 75% of available appropriations.
2. Aid will also be available from the Fund for the unemployed, particularly the long-term unemployed, women wishing to go back to work, the disabled, migrant workers, those in small and medium-sized undertakings and vocational guidance and placement officers.

⁽¹⁾ See Press Release 7350/83 (Presse 92) of 2.6.1983

3. 40% of the appropriations available for projects carried out under Member States' labour market policies - which account for the major part of the Fund's interventions - will go to projects to foster employment in Greenland, Greece, the FOD, Ireland, the Mezzogiorno and Northern Ireland. These regions will continue to be eligible for an additional 10% in the rate of aid.

The remaining appropriations will be concentrated on measures to promote employment in other areas of high long-term unemployment and/or industrial and sectoral restructuring.

4. The Council also provided that aid could be granted from the Fund for specific action to implement innovative projects and to examine the effectiveness of such projects. In this connection, the Commission confirmed its determination to continue to promote measures to reorganize and reduce working time.

A maximum of 5% of appropriations will be allocated to this type of action.

CONVENTION WITH THE UNRWA

The Council adopted in the official languages of the Communities a Decision concluding a Convention supplementing the Convention between the European Economic Community and the United Nations Relief and Works Agency for Palestine Refugees (UNRWA) concerning aid to refugees in the countries of the Near East.

This Convention is intended to replace, at the UNRWA's request, in 1983 as in 1982, within the framework of the 1981-1983 triennial Convention, part of what was initially envisaged in the way of food aid by a cash contribution (16 million ECU) to the Agency's financing of educational programmes for Palestinian refugees.

Trade policy and customs union

The Council adopted in the official languages of the Communities a Regulation terminating the anti-dumping proceedings concerning imports of unwrought nickel, not alloyed, in the form of cathodes produced by electrolysis, either uncut or cut into squares, originating in the Soviet Union.

The Council also adopted in the official languages of the Communities Regulations opening, allocating and providing for the administration of Community tariff quotas for:

- raw silk (not thrown) falling within heading No 50.02 of the Common Customs Tariff (1984);
- yarn, entirely of silk, other than yarn of noil or other waste silk, not put up for retail sale, falling within heading No ex 50.04 of the Common Customs Tariff (1984);
- yarn, spun entirely from waste silk other than noil or other waste silk, not put up for retail sale, falling within subheading 50.05 A of the Common Customs Tariff (1984);
- ferro-silicon falling within subheading 73.02 C of the Common Customs Tariff (1984);
- ferro-silicon-manganese falling within subheading 73.02 D of the Common Customs Tariff (1984);
- ferro-chromium containing not more than 0,10% by weight of carbon and more than 30% but not more than 90% by weight of chromium (super-refined ferro-chromium), falling within subheading ex 73.02 E I of the Common Customs Tariff (1984);
- certain hand-made products (1984);
- certain plywoods of coniferous species, falling within heading No ex 44.15 of the Common Customs Tariff (1984);
- resin, including "brais résineux", falling within subheading 38.08 A of the Common Customs Tariff (1984);
- certain handwoven fabrics, pile and chenille, falling within headings Nos ex 50.09, ex 55.07, ex 55.09 and ex 58.04 of the Common Customs Tariff (1984);
- wines of fresh grapes and grape must with fermentation arrested by the addition of alcohol, falling within heading No 22.05 of the Common Customs Tariff and originating entirely in Greece (1984).

Relations with Algeria

The Council decided to sign, subject to approval, the Protocols of Adaptation to the EEC/ECSC - Algeria Co-operation Agreements consequent on the accession of the Hellenic Republic to the European Communities.

Own resources

The Council approved - as a common position - the text of a Regulation amending Regulation (EEC/EURATOM/ECSC) No 2892/77 implementing in respect of own resources accruing from value added tax the Decision of 21 April 1970 on the replacement of financial contributions from Member States by the Communities' own resources.

This text takes into account, inter alia, the need which has become apparent since the 1977 Regulation entered into force to adapt and supplement it on numerous points without waiting for definitive uniform arrangements to be adopted.

The common position thus approved will be forwarded to the European Parliament within the framework of the provisions on the conciliation procedure;

European Trade Union Institute

The Council took note of a Commission communication on the renewal of the Convention between the European Economic Community and the European Trade Union Institute as well as of the Commission's intention of continuing to grant a subsidy to the Institute's budget.

ECSC

The Council gave its assent:

- pursuant to Article 56(2)(a) of the ECSC Treaty in respect of:
 - = Mediocredito Lombardo, Milan, Italy
 - = Société Générale de Banque, Belgium
 - = Banque Bruxelles Lambert S.A., Belgium,
- pursuant to the second paragraph of Article 54 of the Treaty establishing the European Coal and Steel Community, the co-financing of the conversion from oil or gas to coal firing in seven plants belonging to Dunlop Ltd.

Appointments

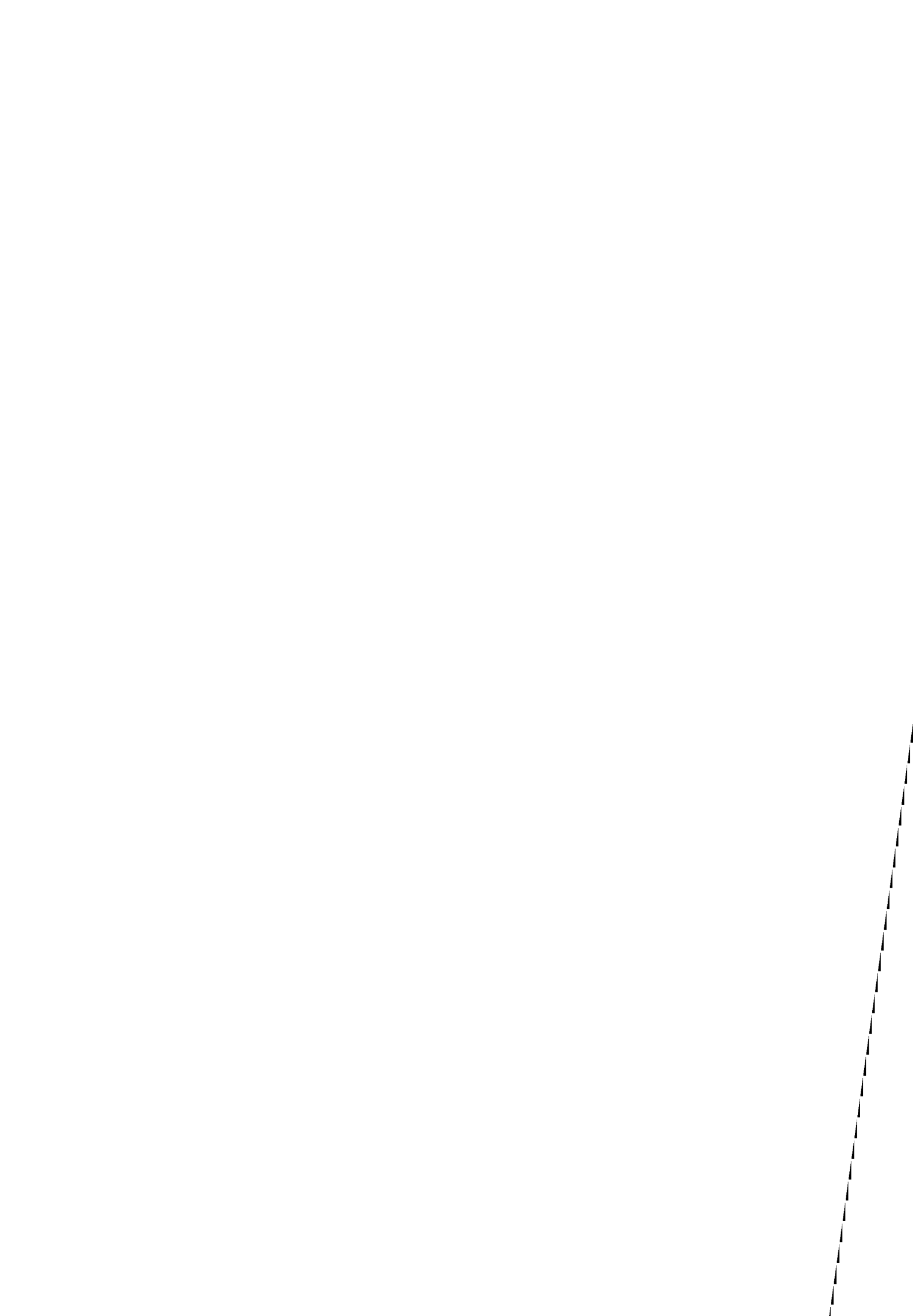
The Council adopted a decision appointing six members of the Court of Auditors. The following are appointed members of the Court of Auditors from 18 October 1983 to 17 October 1989 inclusive:

Mr Charles John CAREY,
Mr Lothar HAASE,
Mr Pierre LELONG,
Mr Marcel MART,
Mr A.J. MIDDELHOEK,
Mr Stergios VALLAS.

In addition, the Council, acting on a proposal from the Belgian Government appointed Mr A. VANDEN BROUCKE, President of the F.G.T.B., member of the Economic and Social Committee to replace Mr G. DEBUNNE, member, who has resigned, for the remainder of the latter's term of office which runs until 20 September 1986.

Finally the Council appointed:

- following a proposal from the Danish Government, Mr Lars BARFOED, Dansk Arbejdsgiverforening, alternate member of the Advisory Committee on Social Security for Migrant Workers to replace Mr J.T. PEDERSEN, alternate member, who has resigned, for the remainder of the latter's term of office of this Committee which runs until 20 September 1984;
- following a proposal from the Italian Government, H.E. Mr Giovanni FALCHI, member of the Advisory Committee on Freedom of Movement for Workers to replace Mr G.L. BERTINETTO, member, who has resigned, for the remainder of the latter's term of office, which runs until 20 September 1984.



Bruxelles, le 14 octobre 1983
 Note BIO(83)416 aux Bureaux Nationaux
 cc. aux membres du Groupe du Porte-Parole

CONSEIL AFFAIRES ETRANGERES (Van der Pas)

Le Conseil des Affaires Etrangères se reunira a Luxembourg lundi et mardi prochains, avec a l'ordre du jour le Japon, Chypre, Malte, Etats-Unis/aciers speciaux, siderurgie volet externe ainsi qu'une nouvelle reunion ministerielle avec l'Espagne.

Japon

Le Conseil sera saisi du rapport que la Commission a adopte la semaine derniere (voir BIOC0M400 du 6 octobre). Face au desequilibre commercial persistant au detriment de la Communauté, il devra se prononcer sur la ligne a suivre vis-a-vis des Japonais, notamment en ce qui concerne l'article XXIII du GATT (est-ce qu'on va demander que le differend soit soumis a un groupe de travail du GATT?), le doublement des droits de douane sur les lecteurs de "compact discs" (est-ce que la Communauté agira unilateralement apres avoir essaye en vain depuis le mois de fevrier de negocier avec les Japonais?) ainsi que sur la proposition de la Commission de conclure un accord de cooperation scientifique et technique CEE/Japon. La Commission reviendra encore sur ce dossier pendant sa reunion d'aujourd'hui et le Comite 113 poursuivra la preparation du Conseil lundi matin a Luxembourg.

Chypre

Le Conseil d'Association CEE/Chypre se reunira, en presence du ministre chypriote des Affaires Etrangères, M. Iacavou, et traitera notamment de la realisation de l'union douaniere entre la CEE et Chypre (deuxieme phase de l'accord d'association). Cette nouvelle etape, pour laquelle des negociations etaient prevues des 1977 mais qui ont du etre reportees annee apres annee, a ete reactivée par la visite a la Commission du President chypriote, M. Kyprianou, le 20 mai 1983 (voir IP 179). Il est probable que la Commission sera chargée de conversations exploratoires avant que les negociations formelles ne commencent.

Malte

Les perspectives semblent bonnes pour que le Conseil puisse finalement donner a la Commission un mandat de negociation pour un deuxieme protocole financier au benefice de Malte. Le premier protocole financier (26 MECUs sur 5 ans dont 16 prets BEI, 15 dons et 5 prets speciaux) viendra a echeance le 1er novembre prochain. La presidence grecque a fait une proposition de compromis pour un deuxieme protocole: 5 ans, 28 MECUs dont 16 prets BEI, 9 dons, 3 prets speciaux, avec suffisamment de flexibilite pour que les dons et prets speciaux puissent eventuellement etre utilises comme bonifications d'interets destinees a reduire les taux normaux de la BEI au taux maximum de 3% permis par la loi maltaise.

Etats-Unis aciers speciaux

Le Conseil sera appele a fixer la ligne a suivre apres les dernieres consultations a Geneve, ou les Americains ont fait une offre de compensation inacceptable aux yeux de la Commission (voir Note BIO 402 du 6 octobre).

Acier volet externe

Premiere discussion sur le bilan dresse par la Commission (voir BIOCOM 400 du 6 octobre et P-94).

Elargissement (Parone)

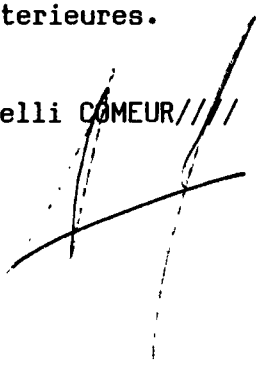
A l'ordre du jour du Conseil figurent deux points concernant l'elargissement, et il seront traites lundi:

- preparation de la XVIIeme session de negociation au niveau ministeriel avec l'Espagne et examen des projets des quatre declarations a presenter le lendemain a la delegation espagnole (deux dans le chapitre relations exterieures, une sur Ceuta et Melilla, une sur les affaires sociales);
- discussion de certains points du chapitre affaires sociales en vue de la session ministerielle avec le Portugal, au mois de novembre.

Quant aux declarations que l'Espagne presentera lors de la session ministerielle de mardi, il est vraisemblable qu'elles porteront sur les chapitres peche et eventuellement CECA et relations exterieures.

Amities,

M. Santarelli COMEUR///



CC AUX MEMBRES DU GROUPE

1. PAPIER JOURNAL (VAN DER PAS)

UNE DEMANDE DE PLUSIEURS DELEGATIONS VISANT A AUGMENTER LE CONTINGENT TARIFAIRE A DROIT ZERO SUR LE PAPIER JOURNAL A ETE BLOQUEE PAR L'ITALIE. LA DELEGATION ITALIENNE A FAIT VALOIR QU'UNE AUGMENTATION DE CE CONTINGENT (2,5 MILLIONS DE TONNES) NE PEUT ETRE ENVISAGEE QUE SI LA POSSIBILITE D'APPROVISIONNEMENT DANS LA COMMUNAUTE EST EPUISEE. OR, DES STOCKS SERAIENT DISPONIBLES EN ITALIE DE L'ORDRE DE 50.000 TONNES.

LA DELEGATION ITALIENNE N'A PAS ETE SENSIBLE A L'ARGUMENTATION SELON LAQUELLE CES 50.000 TONNES NE SERONT DE TOUTES FACONS PAS SUFFISANTES POUR COUVRIR LES BESOINS SUPPLEMENTAIRES (ENVIRON 250.000 TONNES) ET ELLE A MAINTENU SA RESERVE. M. DAVIGNON CONVOQUERA, DANS LES PROCHAINS JOURS, UNE REUNION DES PRODUCTEURS ET DES CONSOMMATEURS POUR VERIFIER LES CHIFFRES DE PRODUCTION ET DE CONSOMMATION SUR LESQUELS LES DELEGATIONS NE SONT PAS D'ACCORD ET LA COMMISSION FERA ENSUITE DES SUGGESTIONS DE COMPROMIS.

2. ACIER/VOLET EXTERNE (VAN DER PAS)

TOUTES LES DELEGATIONS ONT MARQUE LEUR ACCORD DE PRINCIPE AVEC L'ECONOMIE GENERALE DES PROPOSITIONS DE LA COMMISSION, VISANT A RECONDUIRE EN 1984 LE REGIME DES IMPORTATIONS "ACIER" TOUT EN RENFORCANT SA SURVEILLANCE ET SON APPLICATION. DANS SA PRESENTATION, M. DAVIGNON A COMPLETE LES PROPOSITIONS EN DISANT QUE LA COMMISSION ENVISAGE UN TAUX D'ABATTEMENT DES IMPORTATIONS DU MEME ORDRE DE GRANDEUR QUE CELUI APPLIQUE EN 83 C'EST-A-DIRE 12,5 0/0 PAR RAPPORT A 1980 (ANNEE DE REFERENCE). QUELQUES DELEGATIONS ET NOTAMMENT LA FRANCE, ONT INDIQUE QUE CE TAUX DEVRAIT ETRE SUPERIEUR. LE CONSEIL A L'INTENTION DE CONCLURE CE DOSSIER LORS DE SA PROCHAINE SESSION (NOVEMBRE).

3. ETATS-UNIS ACIERS SPECIAUX (VAN DER PAS)

LE CONSEIL A DONNE SON APPUI A LA POSITION PRISE PAR LA COMMISSION AU COURS DES CONSULTATIONS AVEC LES AMERICAINS A GENEVE.

IL A ADOPTE UN TEXTE, DECLARANT QUE LES OFFRES DE COMPENSATION AMERICAINES SONT INCOMPLETES ET HAUTEMENT INSATISFAISANTES, ET QUE LES NEGOCIATIONS SUR LES COMPENSATIONS DOIVENT BIENTOT ABOUTIR. M. HAFERKAMP A DEJA INDIQUE AUX AMERICAINS, A T'IL DECLARE, QUE LA COMMUNAUTE DEVRA ENVISAGER DES MESURES DE RETORSIONS SI UN ACCORD S'AVERAIT IMPOSSIBLE. NOUS FAISONS SUIVRE LE TEXTE INTEGRAL DE LA VERSION ANGLAISE DE LA DECLARATION DU CONSEIL.

BEGINNING OF TEXT

'' RELATIONS WITH THE UNITED-STATES - SPECIALTY STEEL- CONCLUSIONS

OF THE COUNCIL

THE COUNCIL TOOK NOTE OF THE COMMISSIONS'S REPORT ON THE GATT ART. XIX NEGOTIATIONS THAT HAD TAKEN PLACE BETWEEN THE EC AND THE US CONCERNING COMPENSATION FOR THE US SPECIALTY STEEL IMPORT RELIEF MEASURES OF 20 JULY.

IT NOTED THAT WHILE, AFTER TWO AND A HALF MONTHS, THERE HAD BEEN SOME LIMITED PROGRESS IN THE MOST RECENT ROUND OF CONSULTATIONS UNDER ARTICLE XIX OF GATT ON 5/6 OCTOBER, THE US ATTITUDE TO A COMPENSATION OFFER WAS STILL INCOMPLETE (NOT COVERING PRODUCTS SUBJECT TO QUOTAS) AND HIGHLY UNSATISFACTORY FOR THE PRODUCTS SUBJECT TO TARIFF INCREASES.

THE COUNCIL INSISTED THAT NEGOTIATIONS ON COMPENSATION FOR PRODUCTS SUBJECT TO QUOTA SHOULD ALSO BE ENGAGED BEFORE THE GATT ARTICLE XIX CONSULTATION PERIOD EXPIRES.

THE COUNCIL ATTACHED GREAT IMPORTANCE TO :

- THE QUOTAS IMPOSED BEING

U
ADMINISTERED BY THE US IN A MANNER WHICH
TAKES FULL ACCOUNT OF THE NEEDS AND INTERESTS OF ALL THE EXPORTERS
FROM THE COMMUNITY
- EXEMPTIONS BEING ADMITTED BY THE US AUTHORITIES FOR A NUMBER OF
SPECIALTY STEEL PRODUCTS.

THE COUNCIL URGED THE COMMISSION TO MAKE EVERY EFFORT TO REACH SATISFACTORY CONCLUSIONS ON THESE POINTS BEFORE THE IMPOSITION OF DEFINITIVE MEASURES.''

END TEXT.

LA DISCUSSION DU CONSEIL DE CE MATIN, N'A PAS PERMIS DE CLOTURER LA DOSSIER ''JAPON'' QUI SERA REPRIS CE APRES-MIDI.

AMITIES
MANUEL SANTARELLI

NOTE BIO A L'ATTENTION DU PORTE-PAROLE DE LA COMMISSION

CONSEIL AFFAIRES ETRANGERES

NOTE BIO (83) 416 SUITE 2 AUX BUREAUX NATIONAUX

CC AUX MEMBRES DUGROUPE

JAPON (VAN DER PAS)

THE COUNCIL ADOPTED, AS FORESEEN, A DECLARATION EXPRESSING HIS GRAVE CONCERN OVER THE TRADE DETERIORATION BETWEEN THE COMMUNITY AND JAPAN AND CALLING FOR MEASURES WHICH WOULD RESULT IN A MASSIVE AND VISIBLE INCREASE OF MANUFACTURED IMPORTS INTO JAPAN. THE COMMISSION'S PROPOSAL TO DOUBLE THE IMPORT DUTIES ON COMPACT DISC PLAYERS RECEIVED THE SUPPORT OF THE MAJORITY OF DELEGATIONS BUT GERMANY AND DENMARK MAINTAINED THEIR RESERVES. THE PROPOSAL WILL HAVE TO COME BACK TO THE COUNCIL AFTER DISCUSSION IN COREPER AND IN THE 113 COMMITTEE. NO DECISION HAS TAKEN ON THE ACTIVATION OF ART. XXIII, 2 ; THE COUNCIL WILL REVERT TO THIS QUESTION AT A FURTHER SESSION. FOLLOWING IS THE COMPLETE TEXT OF THE COUNCIL'S DECLARATION:

.....

REGARDS:

MANUEL SANTARELLI

EC/JAPAN RELATIONS - COUNCIL CONCLUSIONS

THE COUNCIL HAS AN EXTENSIVE DEBATE ON THE IMPORTANT PROBLEM OF RELATIONS WITH JAPAN; ASPECTS OF WHICH CONTINUED TO BE UNSATISFACTORY AND DISTURBING.

THE COUNCIL FIRST TOOK NOTE OF THE REPORT PRESENTED BY THE COMMISSION

THE COUNCIL THEN EXPRESSED ITS GRAVE CONCERN OVER THE CONTINUING DETERIORATION IN TRADE TRENDS BETWEEN THE COMMUNITY AND JAPAN. IT NOTED THAT THE GOVERNMENT OF JAPAN HAD TAKEN VARIOUS ADDITIONAL MEASURES TO REDUCE OR ELIMINATE SOME OF THE EXISTING VISIBLE TRADE BARRIERS; AND HAD TAKEN CERTAIN STEPS DESIGNED TO BRING JAPANESE STANDARDS AND CERTIFICATION SYSTEMS INTO GREATER CONFORMITY WITH THOSE ACCEPTED INTERNATIONALLY. HOWEVER, THE COUNCIL WAS NOT CONVINCED THAT SUCH MEASURES WERE, BY THEMSELVES, LIKELY TO PROVE OF EARLY, TANGIBLE AND SIGNIFICANT BENEFIT TO COMMUNITY EXPORTERS. MEASURES WHICH COULD RESULT IN A MASSIVE AND VISIBLE INCREASE OF MANUFACTURED IMPORTS INTO JAPAN HAD NOT MATERIALISED.

THE COUNCIL THEREFORE DECIDED AS FOLLOWS

- THAT VIGOROUS EFFORTS SHOULD BE PURSUED TO PERSUADE THE JAPANESE AUTHORITIES; IN CONTINUATION OF THEIR MARKET OPENING MEASURES; TO TAKE MORE FULLY INTO ACCOUNT THE SPECIFIC

REQUESTS MADE BY THE COMMUNITY IN NOVEMBER 1982 AND SUBSEQUENTLY.

- THAT THE GOVERNMENT OF JAPAN SHOULD BE REQUESTED TO ADOPT POLICIES AND STRATEGIES WHICH WOULD LEAD TO SUBSTANTIAL SHIFT IN FAVOUR OF BUYING MANUFACTURED AND PROCESSED PRODUCTS FROM ABROAD.

- THAT FURTHER ENCOURAGEMENT SHOULD BE PROVIDED TO COMMUNITY ENTERPRISES TO INTENSIFY THEIR EFFORTS IN SELLING TO AND INVESTING IN JAPAN.

THE COUNCIL ALSO TOOK NOTE OF THE COMMISSION'S INTENTION TO ENTER INTO DISCUSSIONS WITH THE JAPANESE AUTHORITIES REGARDING THE EFFECTIVE MODERATION OF JAPANESE EXPORTS OF SENSITIVE PRODUCTS TO THE COMMUNITY IN 1984.

THE COUNCIL WAS ALSO INFORMED OF THE COMMISSION'S INTENTION TO RENEW AND, SHOULD THIS BE NECESSARY, TO MODIFY THE COVERAGE OF THE PRESENT SYSTEM OF STATISTICAL

L SURVEILLANCE OF IMPORTS OF SENSITIVE PRODUCTS FROM JAPAN.

THE COUNCIL NOTED THE COMMISSION'S READINESS TO USE, WHENEVER JUSTIFIED, THE PROCEDURE LAID DOWN IN COMMUNITY REGULATION 288/82.

THE MAJORITY OF DELEGATIONS ENDORSED IN PRINCIPLE THE

COMMISSION'S PROPOSAL TO PROCEED TO AN INCREASE IN THE TARIFF ON DIGITAL AUDIODISCS PURSUANT TO GATT ARTICLE XXVIII.

THE COUNCIL TOOK PARTICULAR NOTE OF THE ACTION SO FAR INITIATED UNDER ARTICLES XXIII:2 OF THE GATT, PURSUANT TO THE COUNCIL'S DECISION OF 13 DECEMBER 1982, AND DECIDED TO REVERT TO CONSIDERATION OF THAT MATTER AT A FUTURE SESSION IN THE LIGHT OF CURRENT AND FUTURE DEVELOPMENTS IN JAPANESE TRADE POLICY.

THE COUNCIL, EXPRESSING ITS INTEREST IN A BALANCED INDUSTRIAL COOPERATION WITH JAPAN, INSTRUCTED THE COMMITTEE OF PERMANENT REPRESENTATIVES TO PURSUE ITS EXAMINATION OF THE MATTER.

THE COUNCIL INVITED THE COMMITTEE OF PERMANENT REPRESENTATIVES TO REPORT BACK ON THE COMMISSION'S PROPOSAL FOR A MUTUALLY

ADVANTAGEOUS FRAMEWORK AGREEMENT BETWEEN THE COMMUNITY AND JAPAN ON SCIENTIFIC AND TECHNICAL COOPERATION.

FINALLY THE COUNCIL REITERATED ITS EARLIER CONCLUSION THAT THE YEN SHOULD BETTER REFLECT THE FUNDAMENTAL STRENGTH OF THE JAPANESE ECONOMY.

conseil affaires etrangeres

note bio a l'attention du porte-parole de la commission

conseil affaires etrangeres

note bio (83) 416 suite 2 aux bureaux nationaux

cc aux membres du groupe

JAPON (van der Pas)

the council adopted, as foreseen, a declaration expressing his grave concern over the trade deterioration between the community and Japan and calling for measures which would result in a massive and visible increase of manufactured imports into Japan. the commission's proposal to double the import duties on compact disc players received the support of the majority of delegations but Germany and Denmark maintained their reserves. the proposal will have to come back to the council after discussion in COREPER and in the 113 committee. no decision was taken on the activation of art. XXIII, 2 : the council will revert to this question at a further session. following is the complete text of the council's declaration:

ec/Japan relations - council conclusions

the council has an extensive debate on the important problem of relations with Japan, aspects of which continued to be unsatisfactory and disturbing.

the council first took note of the report presented by the commission

the council then expressed its grave concern over the continuing deterioration in trade trends between the community and Japan. it noted that the government of Japan had taken various additional measures to reduce or eliminate some of the existing visible trade barriers, and had taken certain steps designed to bring Japanese standards and certification systems into greater conformity with those accepted internationally. however, the council was not convinced that such measures were, by themselves, likely to prove of early, tangible and significant benefit to community exporters. measures which could result in a massive and visible increase of manufactured imports into Japan had not materialised.

the council therefore decided as follows

- that vigorous efforts should be pursued to persuade the Japanese authorities, in continuation of their market opening measures, to take more fully into account the specific requests made by the community in November 1982 and subsequently.,
- that the government of Japan should be requested to adopt policies and strategies which would lead to substantial shift in favour of buying manufactured and processed products from abroad.,

- that further encouragement should be provided to community enterprises to intensify their efforts in selling to and investing in Japan.

the council also took note of the commission's intention to enter into discussions with the Japanese authorities regarding the effective moderation of Japanese exports of sensitive products to the community in 1984.

the council was also informed of the commission's intention to renew and, should this be necessary, to modify the coverage of the present system of statistica

l surveillance of imports of sensitive products from Japan.

the council noted the commission's readiness to use, whenever justified, the procedure laid down in community regulation 288/82.

the majority of delegations endorsed in principle the

commission's proposal to proceed to an increase in the tariff on digital audiodiscs pursuant to sattu article xxviii.

the council took particular note of the action so far initiated under articles xxiii:2 of the sattu, pursuant to the council's decision of 13 december 1982, and decided to revert to consideration of that matter at a future session in the light of current and future developments in Japanese trade policy.

the council, expressing its interest in a balanced industrial

cooperation with Japan, instructed the committee of permanent

representatives to pursue its examination of the matter.

the council invited the committee of permanent representatives to report back on the commission's proposal for a mutually

advantageous framework agreement between the community and

Japan on scientific and technical cooperation.

finally the council reiterated its earlier conclusion that the yen should better reflect the fundamental strength of the Japanese economy.

regards,

manuel santarelli

Bruxelles, le 18 octobre 1983.

Note BIO (83) 416 (suite 3) aux Bureaux Nationaux
cc. aux Membres du Groupe du Porte-Parole

CONSEIL AFFAIRES ETRANGERES (van der Pas)

MALTE

Le Conseil s'est rapidement mis d'accord sur la proposition de compromis de la Presidence, de sorte que la Commission dispose maintenant d'un mandat de negociation pour un deuxieme protocole financier CEE-Malte. Sa duree sera de 5 ans et il portera sur une somme totale de 28 Mecus (prets BEI 16 Mecus, dons 9 Mecus et 3 Mecus de prets speciaux).

CHYPRE

Un Conseil d'association CEE-Chypre s'est tenu lundi soir. Outre un echange de vues sur le fonctionnement de l'accord d'association, il a donne l'occasion a la delegation chypriote d'insister sur un debut rapide des negociations sur la realisation de l'union douaniere entre la Communaute et Chypre. Etant donne que la Commission n'a pas encore de mandat de negociation, la Presidence grecque du Conseil n'a, au regret de la delegation chypriote, pu repondre que la Communaute a engage ses travaux preparatoires en vue de l'ouverture des negociations sur l'union douaniere "des que possible".

BUDGET SUPPLEMENTAIRE

Le texte suivant a ete distribue a la presse par le Secretariat du Conseil : "le Conseil a marque son accord sur le texte d'une lettre a adresser au President de l'Assemblee dans laquelle il communique sa decision de ne pas modifier les amendements de l'Assemblee au projet de budget rectificatif no 2 pour l'exercice 1983.

Le Conseil s'est felicite de l'aboutissement rapide de cette procedure budgetaire, ce qui permettra au President du Parlement europeen de constater l'adoption de ce budget rectificatif et supplementaire no 2/83.

Il est rappele que ce budget supplementaire comporte les depenses essentielles suivantes :

	MECU	
Depenses agricoles	1.761	
"Partage du risque"	370	
Fonds social europeen	64,5	
Autres depenses	68,5	

TOTAL	2,264,--	"

A SUIVRE.

Amitiés,
Klaus van der Pas. Comeur 9h15/////

LUXEMBOURG LE 18 OCTOBRE 1983
NOTE BIO (83) 416 suite 4 aux Bureaux Nationaux
et aux Membres du Groupe

Conseil Affaires étrangères (Parone)

En fin de matinée, le Conseil a achevé la préparation de la XVII^e session de négociation avec l'Espagne au niveau ministériel et a examiné les perspectives de négociation avec le Portugal en vue de la session ministérielle du mois de novembre.
Avant de conclure ses travaux pour participer à la session de négociation avec l'Espagne, les ministres ont brièvement examiné - pour les renvoyer au COREPER - les deux derniers points à l'ordre du jour, concernant le protocole des privilèges et immunités de la Fondation européenne et le timing des propositions de la Commission pour l'aide alimentaire 1984. Sur ce dernier point (qui est au centre d'une situation conflictuelle entre le Parlement et le Conseil), le Vice-Président Natali a confirmé que la Commission n'entend pas présenter ses propositions avant l'approbation définitive du budget.

Amitiés

Manuel Santarelli (à suivre)

N O T E B I O (83) 416 SUITE 5 ET FIN AUX BUREAUX NATIONAUX
CC. AUX MEMBRES DU GROUPE

CONSEIL AFFAIRES ETRANGERES

SESSION MINISTERIELLE C E E / ESPAGNE (PARONE)

LA XVIIIE SESSION MINISTERIELLE C E E/ESPAGNE S'EST OUVERTE PEU AVANT MIDI SOUS LE SIGNE DE LA SATISFACTION POUR LA DECISION DU CONSEIL AGRICOLE QUI VENAIT D'APPROUVER LES MODIFICATIONS DU REGIME DES PRODUITS MEDITERRANEENS.

LA PRESIDENCE AYANT SOULIGNE QU'APRES LA DECISION DU CONSEIL AGRICOLE ON PEUT ENVISAGER LA POSSIBILITE D'OUVRIR AVANT LA FIN DE L'ANNEE LES NEGOCIATIONS SUR LE CHAPITRE AGRICOLE; LE MINISTRE MORAN A EXPRIME SA SATISFACTION SUR CE POINT; TOUT EN RESEVANT LE JUGEMENT DE MADRID SUR LE CONTENU DES NOUVEAUX REGLEMENTS DES PRODUITS MEDITERRANEENS. IL A EN OUTRE MANIFESTE QUELQUES INQUIETUDES QUANT AUX EFFETS DU LIEU ETABLI A STUTTGART ENTRE L'ELARGISSEMENT ET LA SOLUTION DU PROBLEME DU FINANCEMENT DE LA COMMUNAUTE ; TOUT DEPENDRA - A-T-IL DIT EN SUBSTANCE DE LA VOLONTE POLITIQUE DONT LE CONSEIL D'ATHENES SAURA FAIRE PREUVE. LE VICE-PRESIDENT NATALI A NOTAMMENT SOULIGNE AU NOM DE LA COMMISSION LA SATISFACTION POUR L'ACCORD REALISE AU CONSEIL AGRICOLE.

M. NATALI A ANNONCE QU'AU MOIS DE NOVEMBRE; LES CONTACTS SUR LE CHAPITRE DE LA PECHE POURRONT COMMENCER ENTRE LA COMMISSION ET LE GOUVERNEMENT ESPAGNOL EN MATIERE DE DROIT DERIVE.

LA PRESIDENCE A ENSUITE PRESENTE UNE DECLARATION SUR LE REGIME POUR CEUTAC MELILLA; QUI SERONT NOTAMMENT EXCLUES DU TERRITOIRE DOUANIER COMMUN. LA DELEGATION ESPAGNOLE A DECLARE SON ACCORD SUR CETTE DECLARATION.

LA COMMUNAUTE A ENSUITE PRESENTE DEUX DECLARATIONS EN MATIERE DE RELATIONS EXTERIEURES ET UNE DECLARATION SUR LES AFFAIRES SOCIALES.

LA DELEGATION ESPAGNOLE A PRESENTE DES DECLARATIONS PORTANT SUR LES CHAPITRES C E C A ET P E C H E .

AMITIES
MANUEL SANTARELLI
F I N

Bruxelles, le 10 octobre 1983
Note BIO(83) 407 aux Bureaux Nationaux
c.c. aux membres du Groupe du Porte-Parole

TRANSPORTS-CONSEIL INFORMEL D'ATHENES (6/7 octobre)
(C. Stathopoulos)

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A la recherche difficile de denominateurs communs.

La reunion informelle des ministres des transports qui a eu lieu a Athenes les 6 et 7 octobre 1983 a confirme l'exactitude de l'analyse de la Commission, selon laquelle une politique commune dans le domaine des transports n'est pas forcément identique a une politique uniforme. Et ceci parce que les interets principaux des pays centraux de la Communaute (et notamment l'assainissement des finances des chemins de fer) ne coincident pas avec les interets des Etats membres peripheriques (qui vise l'amelioration de l'efficacite du transport routier). Ces interets fort divergents conditionnaient les positions de chacun des Etats membres aux differents sujets traites lors de ce Conseil informel.

A. COMMUNICATION DE LA COMMISSION RELATIVE AUX TRANSPORTS
TERRESTRES (VOIR COM(83)58 et P-14)

La Commission demande au Conseil d'adopter une resolution concernant la mise en oeuvre par etapes d'un ensemble de mesures dans le domaine de la politique commune des transports terrestres. Cette resolution prévoit entre autre un calendrier pour la realisation d'un programme de travail qui couvre la periode jusqu'a la fin de l'annee 1985.

La discussion au sein du Conseil permet les constatations suivantes:

Tous sont d'accord qu'il faudrait viser deux objectifs: la liberalisation progressive du marche des transports et l'harmonisation des conditions de concurrence.

Mais, certains Etats membres mettent le poids plutot sur la liberalisation des transports terrestres (notamment les pays du BENELUX), tandis que d'autres (par exemple la France et l'Allemagne) croient que condition de chaque liberalisation devrait etre l'harmonisation prealable des conditions de concurrence dans le domaine des transports et notamment l'harmonisation technique (par exemple: poids et dimensions des vehicules utilitaires). Ces derniers Etats membres n'acceptent pas un calendrier strict qui engagerait le Conseil d'arreter avant 1986 par etapes certaines dispositions.

Plusieurs delegations ont demande a la Commission :

- d'elargir les principes et les sujets contenus dans sa proposition de resolution ;
- d'abandonner son idee d'un calendrier strict et avec certaines priorites.

En repondant, M. Contogeorgis a rappele que le Conseil Europeen de Stuttgart a souligne la necessite politique et economique d'etablir une politique commune des transports. Il a demande au Conseil de transformer cette volonte politique manifeste en un programme concret.

De l'avis de la Commission, le noeud du probleme se trouve dans le rapport entre les transports routiers et celles des chemins de fer. Les propositions presentees tiennent compte de ce probleme ainsi que de l'aspect de la diversite economique et geographique. C'est pourquoi les points suivants devraient etre repris dans le programme que le Conseil adopterait :

- l'amélioration de la situation des chemins de fer (y compris le transport combine);
- l'assouplissement des contraintes concernant le transport des marchandises par route;
- le soutien financier des projets d'infrastructure de transport d'intérêt communautaire;
- l'amélioration de la productivité et de l'efficacité des divers modes de transports ainsi que des conditions de travail;
- le fonctionnement du marché des transports internationaux y compris la navigation intérieure;
- la facilitation des passages frontaliers, ainsi que
- l'amélioration du transit.

La Commission ne considère pas nécessaire actuellement de présenter un projet de résolution modifiée.

B. CONTINGENT COMMUNAUTAIRE (VOIR COM(83) 340 final et P-63)

La Commission a proposé au Conseil une nouvelle méthode d'adaptation du contingent communautaire pour les transports de marchandises par route effectués entre États membres. Il s'agit d'autorisations intra-communautaires qui remplaceraient progressivement la forme prédominante d'autorisations bilatérales. A la fin d'une période transitoire de cinq ans (qui pourrait être prolongée de trois ans) la future organisation du marché des transports internationaux routiers devrait viser à un système basé principalement sur les principes de l'économie de marché.

Le problème "route-chemin de fer" a déterminé également la discussion sur ce sujet. Trois États membres centraux (F,I,D) s'inquiètent au sujet des répercussions d'une libéralisation des transports routiers aux dépens de leurs compagnies de chemins de fer. Ils ne semblent pas pouvoir accepter la période transitoire proposée par la Commission ni la libéralisation totale à l'issue de cette période transitoire.

M. Contogeorgis a souligné que l'application de la méthode d'adaptation du contingent communautaire se lierait avec des mesures concrètes pour l'assainissement des finances des chemins de fer. Le calendrier prévu, a-t-il ajouté, laisse aux chemins de fer tout le temps nécessaire à la mise en place de stratégies commerciales qui leur permettront de faire face à la pression des transports routiers.

C. INFRASTRUCTURES (VOIR MEMO no.92/83)

Sujet traité très brièvement.

Les États membres semblent prêts à accepter la proposition de la Commission pour l'utilisation des 15 MECU inscrits au budget 1983 pour le soutien financier aux infrastructures, ainsi que la liste des projets éligibles au titre du budget 1984. L'adoption formelle devrait avoir lieu lors de la prochaine réunion du Conseil (20 décembre 1983).

Je vous rappelle que le Conseil a réduit de 115 à 60 MECU les crédits inscrits au budget 1984 pour le soutien financier de projets d'intérêt communautaire en matière d'infrastructures de transport (1982 : 10 MECU, 1983 : 15 MECU).

Amitiés,

M. SANTARELLI, Comeur ////

