

COUNCIL OF THE EUROPEAN COMMUNITIES
GENERAL SECRETARIAT

PRESS RELEASE

11622/83 (Presse 233)

901st meeting of the Council

- Iron and Steel -

Brussels, 22 December 1983

President: Mr Constantinos VAITSOS,
Deputy Minister for
Economic Affairs
of the Hellenic Republic

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

Belgium:

Mr Mark EYSKENS
Minister for Economic Affairs

Denmark:

Mr Aage ANDERSEN
State Secretary
Ministry of Industry

Germany:

Otto Graf LAMBSDORFF
Federal Minister for Economic
Affairs

Greece:

Mr Constantinos VAITSOS
Deputy Minister for
Economic Affairs

Mr Dieter von WURZEN
State Secretary
Federal Ministry of Economic
Affairs

France:

Mr Pierre GADONNEIX
Director
Ministry of Industry, Research,
Energy, Post and Telecommunications

Ireland:

Mr John BRUTON
Minister for Industry and
Energy

Italy:

Mr Bruno ORSINI
State Secretary
Ministry of Industry

Luxembourg:

Miss Colette FLESCH
Vice-President of the Government,
Minister for Economic Affairs,
Small Firms and Traders

Netherlands:

Mr G. van AARDENNE
Deputy Prime Minister
Minister for Economic Affairs

United Kingdom:

Mr Norman LAMONT
Minister of State
Department of Trade and Industry

For the Commission:

Viscount Etienne DAVIGNON - Vice-President

Mr Antonio GIOLITTI - Member

Mr F.J.J.J. ANDRIESSEN - Member

STEEL: SHORT-TERM MEASURES

The Council continued its discussions begun on 29 November and 14 December on the package of short-term measures recommended by the Commission to stabilize the market in certain steel products; at the close of its debate, the Council agreed on a global solution involving the following four points which will apply as from 1 January 1984.

Minimum prices

Firstly, in the context of consultation in accordance with Article 61, the Council gave a favourable opinion on the draft Commission Decision providing for the fixing of minimum prices for certain steel products, namely;

- hot-rolled wide strip (coils),
- hot-rolled narrow strip,
- narrow strip obtained by slitting hot-rolled wide strip,
- hot-rolled sheet obtained by cutting hot-rolled wide strip,
- reversing mill plate,
- cold-rolled sheet,
- heavy sections and beams.

These minimum prices will be equivalent to the published guide prices for each of these products less a maximum temporary rebate.

This system will apply to all steel undertakings in the ECSC, their selling agencies and their intermediaries.

The system however allows for certain exceptions, in particular for long-term contracts, supplies to shipyards, and certain products used in the production of welded pipes.

Guarantees

The Council also gave its assent (Article 95 of the ECSC Treaty) to the draft Commission Decision introducing a system of guarantees for certain steel products and a system of verification of minimum prices.

This system will require undertakings other than small producers to provide for category Ia, Ib, II, III products subject to the production quota system, guarantees of 15 ECU/tonne depending on their production quota to ensure that they comply with their obligations under the minimum prices scheme and the production quota system. Under this system, undertakings will also have to entrust the verification of their orders and sales invoices for the products concerned and of payment against invoices to an auditing company or another organization authorized to carry out the same duties.

Accompanying certificate

The Council also gave its assent (Article 95 of the ECSC Treaty) to the draft Commission Decision introducing a production certificate and an accompanying document for deliveries of certain products for steel undertakings and steel dealers.

Under this Decision, steel undertakings and steel dealers will be required to provide an accompanying document to go with their deliveries to other Member States of steel products of the relevant categories, including products originating in third countries.

Undertakings will be required to hand over to steel dealers a production certificate in respect of their deliveries to other Member States.

In the case of products originating in third countries, steel undertakings and steel dealers will be required to use the accompanying document drawn up by the importer.

The accompanying document containing information on quantities and prices is intended, by means of customs controls in the exporting countries and the importing country, to provide transparency of cross-border movements of the steel products in question.

To this end, the Member States will periodically record, in accordance with the rules laid down by the Decision for each of the steel products concerned:

- the quantities received from the other Member States by Member State of consignment, these quantities being broken down by Member State of production;
- the quantities of products originating in the Community exported to third countries.

Traditional flows of trade

During its discussion of the package of short-term measures, the Council reached the following conclusions on the problem of the stability of traditional flows of trade:

The Council confirmed that the restructuring of the steel sector rests on a principle of solidarity as expressed in the regulations of the quota system and the provisions of the aids code.

This solidarity ensures a market situation compatible with the restructuring of undertakings where that is necessary, and allows each undertaking to achieve its agreed level of activity.

The maintenance of the traditional flows of trade is in line with this principle, and without this there would be the possibility of a diversion of trade by some undertakings at the expense of others.

Hence, the Council has already decided that the flows of trade from third countries should follow the lines indicated in the negotiating mandate given to the Commission, and in particular the triple clause.

With regard to the deliveries of Community undertakings, these must be in conformity with their traditional pattern of trade both in respect to their domestic markets and the markets of other Member States.

The Council recognises the necessity of providing for the monitoring, and comprehensive and precise identification, of these trade flows within the Community.

If a Member State considers that for categories Ic, Id, IVd, V and VI the flows of trade are not in conformity with the principles given above, it can lodge a complaint with the Commission.

The Commission will examine the complaint and its origin. Where the development of these flows is not in conformity with the principles given above, the Commission will take, after consulting the Council if need be, within the framework of the Treaty, all the appropriate measures.

Where a Member State, on the basis of the monthly statistics, considers that for the products governed by Articles 58 and 61 there is a disturbance of the traditional flows and that these flows are not in conformity with the principles set out above, the Member State will have, at most, a period of fifteen days from the communication of the quarterly statistics to lodge a complaint with the Commission; the Commission will examine the basis of the complaint and its causes.

If this examination reveals a change which does not conform with the principles given above, the Commission, after consulting the Member States concerned, will take the necessary corrective measures, that is to say, the Commission will calculate and, if another solution cannot be found, effect the necessary correction within the framework of Article 58.

FERROUS SCRAP MARKET

At the suggestion of the Italian delegation, the Council looked at the situation on the scrap market, which underwent considerable price increases in 1983.

The Council requested the Commission to study in greater detail both the situation and the consequences it might have for supplies to Community undertakings and to make any proposals it might deem necessary in January 1984.

ERDF - NON QUOTA SECTION

The Council settled the remaining difficulties with regard to specific regional development measures in certain zones adversely affected by the restructuring of the steel industry and agreed to initiate the written procedure for the formal adoption of the following six Regulations: enlargement, enlargement (Greece), shipbuilding, energy, textiles/clothing and steel, which make up the second series of specific regional development measures (non-quota section).

MISCELLANEOUS DECISIONS

Relations with the ACP States, the OCT and India

The Council agreed to the draft Decision of the ACP-EEC Council of Ministers approving the request by St Christopher and Nevis to accede to the second ACP-EEC Convention (64th ACP State) and adopted a Regulation on the accession of St Christopher and Nevis to Protocol No 7 on sugar, annexed to the second ACP-EEC Convention.

In addition, the Council adopted in the official languages of the Communities a Decision laying down the schedule of calls for Member States' contributions under the fifth European Development Fund for the financial year 1984.

Finally, the Council adopted in the official languages of the Communities Regulations on the conclusion of Agreements in the form of exchanges of letters:

- between the European Economic Community and the Republic of India on the restoration to the latter of an agreed quantity of preferential sugar;
- between the European Economic Community, the ACP States party to Protocol No 7 on sugar, annexed to the second Convention, and the Ivory Coast, on the accession of the latter to the said Protocol.

Trade policy

The Council adopted, in the official languages of the Community, Regulations:

- laying down the arrangements applicable to trade with the Republic of Cyprus beyond 31 December 1983;
- suspending the application of ceilings established by Regulation (EEC) No 3221/83 for imports of certain products originating in Yugoslavia;

- on the application of the system of certificates of origin provided for under the International Coffee Agreement 1983 when quotas are in effect;
- on the import arrangements for 1984 for products falling within Common Customs Tariff subheading 07.06 A originating in countries that are not members of GATT;
- opening, allocating and providing for the administration of a Community tariff quota for newsprint falling within subheading 48.01 A of the Common Customs Tariff (1984) and extending this quota to include other types of paper (the 500 000 tonne quota is allocated as follows: Benelux 50 960 tonnes, Denmark 620 tonnes, Germany 57 350 tonnes, Greece 120 tonnes, France 2 550 tonnes, Ireland 6 380 tonnes, Italy 620 tonnes, United Kingdom 331 400 tonnes, and 50 000 tonnes in reserve);
- on export arrangements for certain types of non-ferrous metal waste and scrap.

In addition, the Council authorized the Commission to negotiate the conclusion of Agreements in the form of exchanges of letters with Algeria, Morocco, Tunisia and Turkey concerning the additional amount to be deducted from the levy applicable to imports into the Community of untreated olive oil originating in those countries (renewal, for the 1983/1984 marketing year, of the previous arrangements).

Agriculture

The Council took note of the eighth Commission communication concerning the programme for the utilization of co-responsibility levy funds in the milk sector for the 1984/1985 milk year.

Research

The Council adopted in the official languages of the Communities a Decision adopting a research programme to be implemented by the Joint Research Centre for the European Atomic Energy Community and for the European Economic Community (1984-1987). See press release 11308/83 (Presse 219) of 13 December 1983, pages 3 and 4.

Taxation

The Council adopted in the official languages of the Communities a Directive extending the derogation granted to Ireland regarding turnover tax and excise duty applicable in international passenger travel.

Fisheries

The Council adopted, in the official languages of the Communities, Regulations:

- on fishing activities, other than fishing for herring in the North Sea, in waters under the sovereignty or jurisdiction of the Member States, adopted provisionally pending the fixing of total allowable catches (TACs) and quotas for 1984;
- opening, allocating and providing for the administration of Community tariff quotas for certain fishery products (1984);
- laying down for 1984 certain measures for the conservation and management of fishery resources applicable to vessels registered in the Faroe Islands;
- allocating catch quotas between Member States for vessels fishing in Faroese waters,

and a Decision supplementing the negotiating directives issued to the Commission for the negotiation of fishery agreements with the Republic of Seychelles and Mauritius.

Bruxelles, le 21 decembre 1983

NOTE BIO (83) 546 AUX BUREAUX NATIONAUX
C.C. AUX MEMBRES DU GROUPE DU PORTE-PAROLE

PREPARATION CONSEIL ACIER (C. BOON)

Le Conseil Acier a lieu demain a 9 heures. Contrairement a ce qui a ete envisage lorsque le Conseil Energie de ce mois-ci a ete supprime, aucun point energie ne figure a l'ordre du jour de demain. Sont donc inscrits les deux points suivants :

1. Deuxieme train d'actions hors quota FEDER

Le debat de demain se situe en follow-up du Conseil Affaires etrangeres du 19 decembre dernier. Le Conseil Acier discutera en effet de l'action de reconversion siderurgique (enveloppe : 230 MUC) proposee par la Commission dans le cadre des six actions communautaires specifiques FEDER hors quota. (Voir COM/82/658 et P-60 de 1982.) Les points a regler concernent :

- la determination des zones qui pourront beneficier du concours,
- la possibilite d'octroyer des bonifications sur prets communautaires,
- la question des avances sur concours.

Si un accord etait trouve demain sur l'action siderurgique, les autres actions specifiques (elargissement, energie, construction navale, et textile) feraient alors l'objet de procedures ecrites du Conseil ainsi que le Conseil Affaires etrangeres en a decide le 19 decembre dernier.

2. Mesures a court terme concernant le marche siderurgique

Vous situerez la discussion de demain en vous reportant a la BIO Conseil Acier (83)534 du 15 decembre dernier et la BIO (83) 541 du 16 decembre sur la reunion Commission/Eurofer.

A l'heure de redaction de la presente BIO, les discussions techniques dont il est fait etat dans la BIO 541 sont toujours en cours. Elle sont en bonne voie et la Commission espere un accord politique au Conseil de demain. Il vous est envoye par courrier separe un memo de background 152/83.

A SUIVRE

Amities,

MANUEL SANTARELLI COMEUR 17.10

Bruxelles, le 22 decembre 1983
NOTE BIO(83) 546 (suite 1) AUX BUREAUX NATIONAUX
c.c. AUX MEMBRES DU GROUPE DU PORTE-PAROLE

CONSEIL ACIER (Christine BOON)

C'est par le second point de l'ordre du jour "Mesures a court terme dans le domaine de la siderurgie" qu'ont commence les discussions du Conseil ce matin.

Elles se sont poursuivies jusqu'a 14H00 et doivent reprendre apres le dejeuner des ministres.

Ces discussions ont porte d'une part sur le certificat d'accompagnement et les problemes techniques qu'il pose, et d'autre part (et surtout) sur la facon d'assurer la stabilite des flux traditionnels d'echanges dans le marche commun.

Il n'est pas possible a ce stade d'etre plus precis et de vous rendre de facon structuree les points substantiels des debats qui ne pourront former un tout jusqu'a l'issue des travaux.

A suivre

Amities,
M. SANTARELLI, 15H00, Comeur ////

Bruxelles, le 22 decembre 1983

NOTE BIO (83) 546 (suite 2) AUX BUREAUX NATIONAUX
CC AUX MEMBRES DU GROUPE

Conseil Acier (C. Boon)

Objet : Mesures a court terme concernant le marche
siderurgique.

Le Conseil est parvenu a un accord a la fin de la journee
sur base d'un texte de conclusions de la Presidence propose par
la Commission.

Les mesures a court terme rentreront en vigueur au ler
janvier 1984 sous la condition resolutoire au 31 janvier 1984
de la reconduction du systeme des quotas de l'article 58.

Le texte complet de l'accord du Conseil vous sera envoye
demain matin assorti de commentaires. Nous vous preciserons
alors quand la Commission arretera les prix minima, le
Conseil ayant donne aujourd'hui son avis conforme.

Un deuxieme sujet, a savoir le marche de la ferraille a ete
aborde par les ministres apres expose introductif du
vice-president Davignon. Un texte a ete adopte, nous vous
l'enverrons egalement demain.

Le deuxieme point de l'ordre du jour a savoir le deuxieme
train d'actions hors quota FEDER etait encore en discussion a
l'heure de la redaction de la presente BIO.

Amities,

M. SANTARELLI COMEUR 18.45///

Bruxelles, le 23 decembre 1983

NOTE BIO (83) 546 (suite 3) AUX BUREAUX NATIONAUX
CC AUX MEMBRES DU GROUPE

Steel Council

FEDER REGULATION FOR STEEL AREAS (Robinson)

Following a lengthy debate, begun at 17.30 and ending at 20.00 - at which point the Council concluded - the Ten approved the FEDER steel regulation, but made its formal adoption dependent on the successful completion of a written procedure scheduled to be completed early in the new year. The steel regulation provides restructuring, and has a 230 mio ecu ticket attached to it for the 1983-1987 period. These funds are to be provided by the hors quota section of FEDER.

Linked to the steel regulation are 5 other FEDER regulations which are being treated as a package as you know. These five other regulations were politically approved by the General Affairs Council on December 19, their formal adoption being subject to the procedure which, according to a formula proposed by the Commission, will terminate 24 hours after the first meeting of COREPER to discuss this subject to be held in early in the New Year.

Amities,

C. BOON

COMEUR 10.30

Bruxelles, le 23 decembre 1983

NOTE BIO (83) 546 (suite 4) AUX BUREAUX NATIONAUX
CC AUX MEMBRES DU GROUPE

Conseil Acier (Boon)

Veillez trouver ci-apres le texte adopte hier par le
Conseil sur les mesures a court terme dans le domaine de
l'acier :

Le Conseil confirme que la restructuration du secteur
siderurgique repose sur un principe de solidarite que traduisent
les regles du regime des quotas et les dispositions du code des
aides.

Cette solidarite assure un contexte concurrentiel compatible
avec la restructuration des entreprises la ou elle est
necessaire et la realisation effective de l'activite reconnue a
chacune d'entre elles.

La stabilite des flux traditionnels est conforme a ce
principe sans lequel il y aurait possibilites de detournement
par certaines entreprises au detriment d'autres.

Des lors, le Conseil a deja decide que les flux en provenance
de pays tiers devaient etre conformes au mandat de negociation
donne a la Commission et en particulier a la triple clause.

Pour ce qui concerne les livraisons des entreprises au sein
de la Communaute, celles-ci devront etre conformes a leurs flux
traditionnels tant sur leur marche national que sur ceux des
autres Etats membres.

Le Conseil reconnait la necessite de permettre un
recensement et une identification complets et precis des flux a
l'interieur de la Communaute.

Si un Etat membre considere que pour les categories Ic, Id,
IV, V, VI, les flux ne sont pas conformes aux principes enonces
ci-dessus, il peut alors introduire une plainte aupres de la
Commission. La Commission examinera cette plainte et son
origine. Au cas ou le developpement de ces flux ne serait pas
conforme aux principes indiques ci-dessus, la Commission
prendra, eventuellement apres consultation du Conseil, dans le
cadre du traite, toutes les mesures appropriees.

Dans la mesure ou, au vu des donnees statistiques
mensuelles, un Etat membre estimerait pour les produits regis
par les articles 58 et 61 qu'il y a perturbation des flux
traditionnels et que ces flux ne sont donc pas conformes aux
principes enonces supra, cet Etat disposera, au plus, d'un, delai
de quinze jours, apres la communication des statistiques

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trimestrielles, pour introduire sa plainte aupres de la Commission; celle-ci en verifera le fondement et les causes.

Si cette verification fait apparaitre une modification non conforme aux principes ci-dessus enonces, la Commission, apres consultation des Etats membres interesses, prendra les mesures correctrices necessaires, c'est-a-dire qu'elle calculera et, dans la mesure ou une autre solution ne serait pas trouvee, operera dans le cadre de l'Article 58 la correction necessaire. (fin de citation).

Sera ainsi mis en place au 1.1.84 un systeme de "photographie" des flux d'echanges des produits siderurgiques sur le marche communautaire, systeme dont le but est d'assurer la stabilite des courants d'echanges traditionnels. Cette stabilite doit etre respectee de facon symetrique a savoir que le marche interne d'un etat ne peut se voir affecte par des importations d'acier d'autres etats membres qui se situent au dessus des flux traditionnels mais que tout aussi bien un etat ne peut reduire l'accueil traditionnel de son marche aux produits des autres etats membres. L'accord d'hier s'inscrit dans le cadre de cette double necessite.

La Commission vient d'adopter les prix minimaux qui seront en vigueur au 1.1.84.

Les prix minimaux sont egaux aux prix d'orientation publies le 29 avril 1983 auxquels sont appliques (par soustraction) des rabais maximaux dont liste ci-apres :

	Rabais maxima -----	Prix d'orientation -----
-larges bandes a chaud	53 ECU/tonne	380 ECU/tonne
-feuillards laminees a chaud	22 ECU/tonne	380 ECU/tonne
-feuillards refendus hors larges bandes a chaud	49 ECU/tonne	380 ECU/tonne
-toles a chaud decoupees hors larges bandes a chaud	49 ECU/tonne	380 ECU/tonne

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- toles laminees a chaud (plaques)	66 ECU/t	397 ECU/t
- toles laminees a froid	35/ECU/t	459 ECU/t
- profiles et poutrelles (cat. 1)	35 ECU/t	326 ECU/t
- " (cat. 2a)	13 ECU/t	357 ECU/t
- " (cat. 2b)	24 ECU/t	398 ECU/t
- " (cat. 2c)	29 ECU/t	446 ECU/t
- " (cat. 3)	35 ECU/t	459 ECU/t

ATTENTION BUREAUX ROME ET COPENHAGUE

Voici le texte issu du Conseil hier concernant la situation du marche de la ferraille : "Le Groupe institue par le Conseil a pris note de l'analyse de la situation du marche de la ferraille presentee par la Commission et a etabli les constatations suivantes :

1. Les prix de la ferraille dans la Communaute ont augmente de 50 a 100% au cours de l'annee 1983. Les prix sur le marche mondial ont connu une evolution semblable. Il convient de noter que les prix se situaient au debut de l'annee a un niveau particulierement bas.

2. Les exportations de ferraille de la Communaute sont passees de 4,2 millions de tonnes en 1982 a environ 6,5 m/t en 1983. Pendant cette meme periode les importations sont passees de 2,2 m/t a 0,5 m/t. Auparavant, la Communaute avait ete pendant longtemps importatrice nette.

3. Les hausses de prix constatees en 1983 ont entraine une augmentation sensible des couts de production surtout pour les acieries electriques. Au cours de l'annee 1983, les prix des petits produits longs ont egalement fortement augmente. A l'heure actuelle, seules les entreprises siderurgiques italiennes et danoises se plaignent de difficultes d'approvisionnement au plan quantitatif. Ces difficultes ont ete confirmees par les deux delegations concernees.

4. Au vu de cette situation, les Etats membres s'engagent a examiner une analyse plus precise qui sera elaboree par la Commission et a considerer par la suite toute proposition de la Commission pour une politique commune de la ferraille.

5. Les Etats membres prennent note du fait que la Commission presentera dans les meilleurs delais une proposition pour un avenir proche partant du principe qu'une politique de la ferraille doit etre fondee, tout comme la politique anti-crise et la restructuration, sur le principe de la solidarite."

Amities,

C. BOON COMEUR

13.00 ////

