

COUNCIL OF THE EUROPEAN COMMUNITIES  
GENERAL SECRETARIAT

PRESS RELEASE

11460/84 (Presse 223)

SECRET

979th Council meeting

- Industry/Steel -

Brussels, 17 December 1984

President: Mr John BRUTON  
Minister for Industry, Trade,  
Commerce and Tourism  
of Ireland

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 Ib STEJTER  
Minister for Industry

Germany:

Mr Martin BANGEMANN  
Federal Minister for Economic  
Affairs

Mr Dieter von WÜRZEN  
State Secretary,  
Federal Ministry of Economic Affairs

Greece:

Mr Constantine VAITSOS  
Minister for Economic Affairs

France:

Mrs Edith CRESSON  
Minister for Industrial Redeployment  
and Foreign Trade

Ireland:

Mr John BRUTON  
Minister for Industry, Trade,  
Commerce and Tourism

Mr Edward COLLINS  
Minister of State at the Department  
of Energy and at the Department  
of Industry, Trade, Commerce  
and Tourism

Italy:

Mr Renato ALTISSIMO  
Minister for Industry  
Mr Clelio DARIDA  
Minister for State Holdings

Luxembourg:

Mr Jacques F. POOS  
Vice-President of the Government,  
Minister for Foreign Affairs,  
External Commerce and Co-operation

Mr Johny LAHURE  
State Secretary for Economy

Netherlands:

Mr G.M.V. van AARDENNE  
Deputy Prime Minister,  
Minister for Economic Affairs

United Kingdom:

Mr Norman LAMONT  
Minister of State,  
Department of Trade and Industry

Commission:

Mr Gaston THORN - President  
Viscount Etienne DAVIGNON - Vice-President  
Mr Wilhelm HAFERKAMP - Vice-President  
Mr Frans ANDRIESEN - Member  
Mr Karl-Heinz NARJES - Member

IRON AND STEEL

Restructuring and amending the aids code

The Council had further detailed discussions concerning the restructuring of the Community Steel industry and the proposal to amend the aids code in order to extend the payment of aids to continued operation until 31 December 1985, and to fix new deadlines for the giving of notice and the authorization of projects for additional aids.

At the close of discussions, the President drew the following conclusions:

"No request with a view to prolonging the aids code beyond 31.12.1985, date which the Commission considers unchangeable, has been received.

Before the end of July 1985 at latest, the Commission will put forward a communication setting out, for the period after the termination of the aids code (31.12.1985), the guidelines regarding the general state aids schemes likely to also be of application in the steel sector.

The Council has underlined the importance which it attaches to the good operation of the steel market with a view to creating the necessary conditions for the restructuring to be brought to a successful conclusion within the agreed timescale.

The Commission will put forward, at latest before the end of July 1985, a communication setting out its analysis of the problems likely to arise on the steel market during 1986 and will, if need be, put forward its suggestions in this respect.

During the discussion, progress has been made concerning the amendment of the timetable for granting operating aids authorized by the Commission on 29.6.1983. Moreover, the Commission has restated that the facility it requests enabling it to authorise supplementary aids, if need be, should be subordinated to precise conditions relating to the industrial efficiency and financial viability of the undertakings concerned, by the end of 1985. Agreement was, however, not found on all aspects. In consequence, the Council will return to these subjects in January 1985 with a view to take the decisions which the situation requires".

#### Modifications of Article 14 b

The Council held a wide ranging exchange of views on the Commission's proposal and agreed to come back to this matter at its next meeting, the Commission having declared its intention of re-examining certain elements of its proposal.

#### Adjustment of coated sheet arrangements

The Council noted the intention of the Commission to decide on the adjustment of the arrangements for coated sheets, the implementation of which will, however, be preceded by contacts with the industry to ascertain whether this would give rise to major problems. The Commission will report back to the Council on this matter at its next meeting.

Coated sheet investment projects

The Council took note of a report from Vice-President DAVIGNON on the Commission's decision on investment projects.

Situation on the scrap market

The Council heard statements from certain delegations on the disturbing situation regarding scrap supplies. The Council noted that the Commission was continuing to give its close attention to this problem on the basis of guidelines already submitted to delegations and that it would report to the next Council meeting.

Communication from the Italian delegation

The Council took note of a communication from the Italian delegation relating to its concern at any significant change in traditional trade patterns, in particular for coils for welded pipes and tubes.

TELECOMMUNICATIONS

The Council welcomed a communication from the Commission giving an account of the results obtained in the area of Telecommunications and suggesting directions for future work.

The Council agreed that the following principal objectives should form the basis of the continuation of work in this area:

- (a) the creation of a Community market for telecommunication equipment and terminals via:
  - a standardization policy aimed at the effective implementation in the Community of common standards derived from international standards.,
  - the progressive application of procedures for the mutual recognition of conformance in terminals.
- (b) improving the development of advanced telecommunication services and networks:
  - (i) by opening discussions, based on the available studies, on:
    - the implementation of infrastructure projects of common interest.,
    - launching a development programme for the technology required in the long term for the implementation of future wide-band networks.
  - (ii) by defining and progressively setting up a video-communications system to link the various political authorities in the Community.

- (c) improved access for less favoured regions of the Community through the appropriate use of Community financial instruments, to the benefits of the development of advanced services and networks,
- (d) co-ordination of negotiating positions within the international organizations dealing with telecommunications, based on discussions carried out jointly with the senior officials group telecommunications.

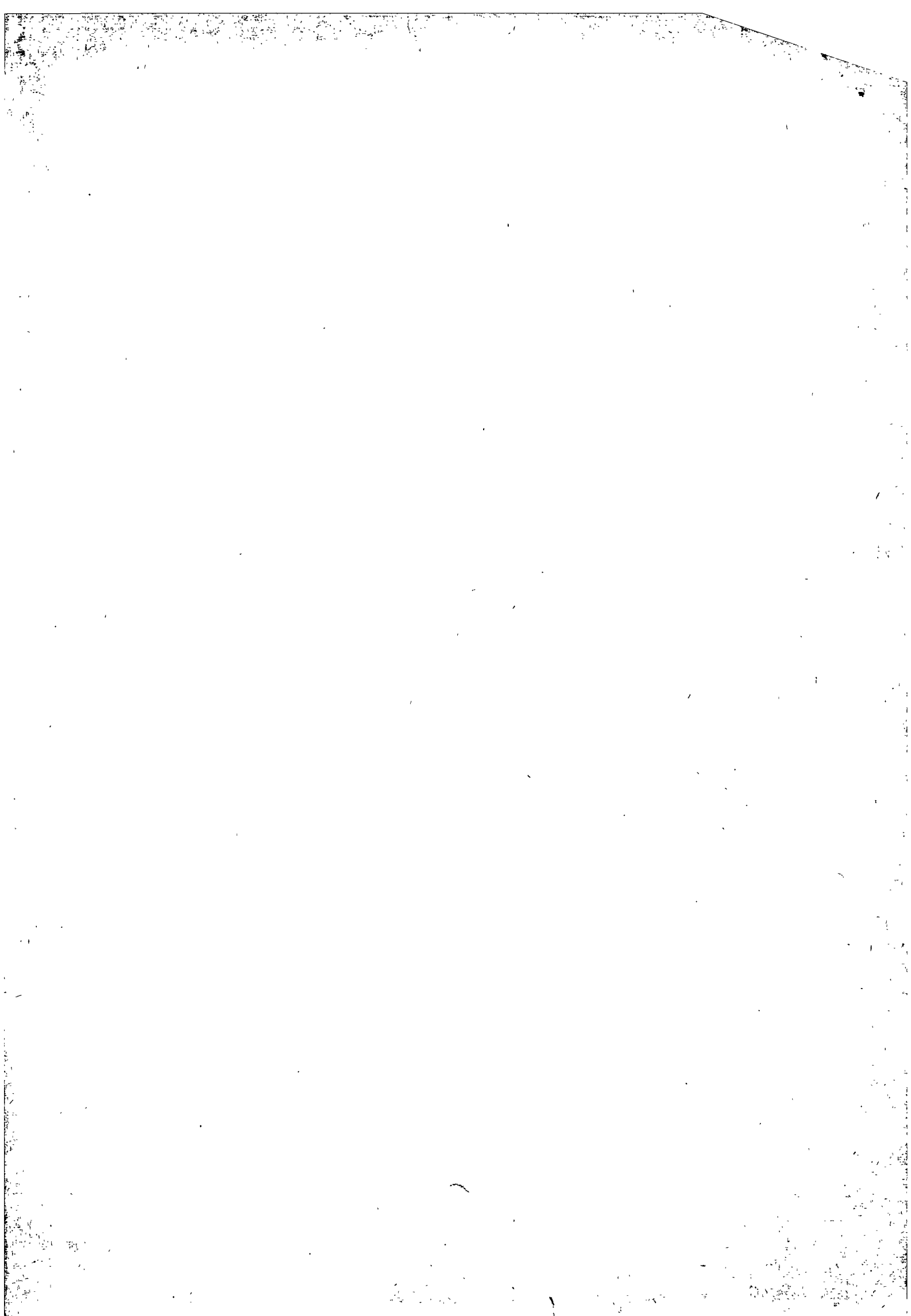
EXPLORATION PROGRAMME FOR NON-ENERGY RAW MATERIALS

The Council reached general agreement on the content and the implementing rules of the Regulation on exploration programmes for non-energy raw materials within the territories of the Member States. It was agreed that this matter would be taken up again as soon as the budgetary aspects had been clarified in order to enable a formal decision to be taken rapidly thereafter.

STRUCTURE OF CUSTOMS TARIFFS ON CONSUMER ELECTRONIC PRODUCTS

The Council had an exchange of views on a paper from the Commission concerning the structure of customs tariffs on consumer electronic products. It was agreed that the Council would come back to this question at its next meeting.

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Bruxelles, le 17 decembre 1984  
NOTE BIO (84) 491 AUX BUREAUX NATIONAUX  
CC AUX MEMBRES DU GROUPE

433

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CONSEIL SIDERURGIE (17.12.84) (van Enk)  
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Le Conseil siderurgie a debute cet apres-midi par un debat sur la proposition de la Commission de modifier le Code des aides siderurgiques en prorogeant d'un an jusqu'au 1er juillet 1986 le delai des aides au fonctionnement et en accordant des aides supplementaires par rapport a l'enveloppe globale comprise dans les decisions de la Commission sur la restructuration siderurgique de fin juin 1983.

A l'issu de ce debat la presidence a du constater que les conditions n'etaient pas reunies pour formuler l'avis conforme du Conseil que la Commission avait demande en vue de la modification du Code. En effet les delegations de la RFA, du Royaume-Uni, du Danemark, des Pays-Bas et de la Grece s'y sont opposees; elles souhaitaient lier les aides supplementaires a des reductions supplementaires des capacites de production. La Commission et plusieurs autres delegations (France et Italie notamment) n'ont pas voulu y consentir. Le Commissaire Andriessen n'a pas exclu qu'il y ait des reductions supplementaires mais celles-ci ne sont n'y automatiques, ni toujours indispensables pour parvenir a la viabilite des entreprises beneficiaires.

D'autre part, la Commission, elle, n'a pas voulu admettre de dissocier l'un de l'autre les deux elements de sa proposition, a savoir. la prorogation du delai et les aides supplementaires. "Nous avons besoin des deux instruments pour mener a bien l'operation de la restructuration siderurgique" a dit M. Andriessen. En introduisant devant le Conseil la proposition de la Commission, le Commissaire avait souligne que l'objectif de la reduction des capacites de 30 a 35 millions de tonnes sera atteint. Au stade actuel de la restructuration nous en sommes deja a une reduction de 32 millions de tonnes. M. Andriessen a insiste sur la necessite de la modification du Code propose pour sauvegarder ces resultats.

Au cours d'un entretien avec la presse, M. Andriessen a pu constater qu'au sein du Conseil un consensus s'est declare pour respecter la date finale du Code (le 1 janvier 1986) et pour retenir l'efficacite industrielle et la viabilite des entreprises comme objectif principal a atteindre a cette date.

Quant aux consequences de la non-decision du Conseil, M. Andriessen a precise que, le Code des aides restant inchange, a partir du 1er janvier 1985, plus aucune aide au fonctionnement ne peut etre autorisee ni payee. Meme des aides autorisees, dont le paiement n'a pas encore pu etre effectue seront, a partir de cette date, bloques.

Cependant M. Andriessen s'est montre confiant quant a la possibilite de trouver des moyens pour parvenir a un compromis dans les semaines et mois a venir.

amities,

  
N.G. van der Pas COMEUR 19h15///

