

COUNCIL OF THE EUROPEAN COMMUNITIES
GENERAL SECRETARIAT

PRESS RELEASE

4025/92 (Presse 7)

1553rd Council meeting

- AGRICULTURE -

Brussels, 27 and 28 January 1992

President: Mr Arlindo CUNHA,

Minister for Agriculture
of the Portuguese Republic

4025/92 (Presse 7 - G)

EN

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

Belgium:

Mr Paul de KEERSMAEKER State Secretary for European Affairs
and Agriculture

Denmark:

Mr Laurits TOERNAES Minister for Agriculture

Mr Nils BERNSTEIN State Secretary for Agriculture

Germany:

Mr Ignaz KIECHLE Federal Minister for Food, Agriculture
and Forestry

Mr Walter KITTEL State Secretary, Federal Ministry of
Food, Agriculture and Forestry

Greece:

Mr Sotirios HATZIGAKIS Minister for Agriculture

Spain:

Mr Pedro SOLBES MIRA Minister for Agriculture

France:

Mr Louis MERMAZ Minister for Agriculture

Ireland:

Mr Michael WOODS Minister for Agriculture

Italy:

Mr Giovanni GORIA Minister for Agriculture

Luxembourg:

Mr René STEICHEN Minister for Agriculture and
Viticulture

Netherlands:

Mr Piet BUKMAN Minister for Agriculture,
Nature Conservation and
Fisheries

Portugal:

Mr Arlindo CUNHA Minister for Agriculture, Fisheries and
Food

Mr Alvaro AMARO State Secretary, Ministry of Agriculture

United Kingdom:

Mr John GUMMER Minister for Agriculture, Fisheries and Food

Mr David CURRY Parliamentary Secretary, Agriculture

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Commission:

Mr Ray MAC SHARRY Member

DEVELOPMENT AND FUTURE OF THE COMMON AGRICULTURAL POLICY

The Council continued its discussion on reform of the CAP. In this connection, it examined a working document submitted by the Presidency with a view to more detailed study of the topic and the finding of solutions for key aspects of the reform.

In its document, the Presidency took account of the principles and objectives laid down by the Commission in its proposals and suggested some general approaches to the various sectors concerned by the reform, i.e. arable crops, tobacco, milk and milk products, beef and veal, accompanying measures and control measures. The Council's exchange of views enabled all delegations to give a detailed account of their ideas and reactions.

Following this exchange of views, which was deemed very constructive, the Presidency noted that a stage in the process leading to reform had been successfully completed and that work should continue towards that objective.

URUGUAY ROUND - AGRICULTURAL ASPECT

The Council was informed by Commissioner Mr Mac Sharry of the stage currently reached in the Uruguay Round negotiations.

The Council was unanimous in its assessment of the situation following submission of Mr Dunkel's document and accordingly confirmed the position adopted by the Council on 23 December 1991 and the Presidency's conclusions of 10 January 1992.

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The Council reaffirmed its support for the Commission in further negotiations along the lines thus defined so that a balanced and consistent result could be achieved by making indispensable changes to Mr Dunkel's document.

HEALTH RULES FOR THE PRODUCTION AND PLACING ON THE MARKET OF MEAT PRODUCTS

The Council recorded its unanimous agreement to the Directive laying down the harmonized health conditions applicable to the production and placing on the market of meat products and other products of animal origin obtained from or with by-products of slaughtering (e.g. rendering and fat products) intended after treatment for human consumption or for the preparation of other foodstuffs.

In the case of meat products, the Directive extends to production reserved for national markets the requirements currently laid down for intra-Community trade (Directive 77/99/EEC) taking account of the principles decided on by the Council when extending to national markets the rules governing intra-Community trade in fresh meat (Directive 91/497/EEC). In particular, as from 1 January 1993, all meat products will have to satisfy the same health requirements (protection of human health). Simplified conditions for approval of certain structural aspects are provided for in the case of establishments having a limited capacity.

Moreover, incorporating as it does several proposals included among the aims of the White Paper, the Directive established health rules for all other by-products of slaughtering which are intended after treatment for human consumption.

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Making all these products subject to harmonization at Community level means that they are automatically included in the list of products which may, in accordance with the decision taken by the Council on the abolition of veterinary controls at borders between Member States, be subject in the course of trade to the principles and rules of controls and the safeguard measures provided for in Directive 89/662/EEC.

In particular, this Directive imposes on establishments producing meat products and other animal products resulting from slaughtering an approval procedure that is adapted to the specified health conditions. It also establishes the principle of continuous self-regulation of manufacture by the farmer or the manager of such an establishment as well as a national and Community inspection procedure to ensure compliance with the health requirements of the Directive.

The health certificate for controlling the destination of certain products will be maintained.

With this important Directive, the Council is continuing the introduction of conditions for the liberalization of trade in the various products of animal origin while ensuring adequate consumer protection .

Formal adoption will take place in the near future after finalization of the texts.

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MISCELLANEOUS DECISIONS

Other decisions concerning agricultural policy

The Council adopted

- the estimate concerning young male bovine animals weighing 300 kg or less and intended for fattening for the period 1 January to 31 December 1992 (198 000 head);
- the estimate concerning beef and veal intended for the processing industry for the period 1 January to 31 December 1992 (zero);
- the Regulation amending Regulation No 3285/83 laying down general rules for the extension of certain rules issued by producers' organizations in the fruit and vegetable sector. This maintains for Spain and Portugal the provisions establishing the threshold requirement relating to representativeness, i.e. 50% of the producers and more than 50% of the production in a given economic area;
- the Regulation laying down derogating provisions as regards storage contracts for olive oil in Greece, Spain and Portugal. These derogating provisions lay down that storage contracts may, in the absence of producer groups, be concluded in these countries by producers' organizations and their unions recognized in accordance with the provisions of the basic Regulation No 136/66/EEC on oils and fats.

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OTHER DECISIONS

South Africa

- Repealing of Community restrictive measures

The Council adopted a Regulation repealing the Regulation suspending imports of gold coins from the Republic of South Africa.

The Representatives of the Governments of the Member States of the ECSC, meeting within the Council, decided to repeal the Decision suspending imports of certain iron and steel products originating in South Africa.

These two Community acts are the follow-up to the statement made by the European Council in Rome on 14 and 15 December 1990, which provided for the easing of the set of measures adopted in 1986 as soon as the Government of the Republic of South Africa took certain steps towards the abolition of Apartheid. At the Political Co-operation meeting on 15 April 1991, the Ministers noted that the conditions laid down by the European Council had been fulfilled and since the internal procedures of the Member States had in the meantime been completed, the Council adopted the acts in question.

Trade policy

- (a) In application of Regulation No 1134/91 on the tariff arrangements applicable to imports into the Community of products originating in the occupied territories, the Council adopted the Regulation opening and providing for the administration for 1992 of a Community tariff quota for fresh strawberries originating in the occupied territories and laying

down the procedure applicable to certain agricultural products subject to reference quantities originating in the said territories. The aim of this Regulation is to reduce by 50% the customs duties applicable to fresh strawberries within the limits of a Community tariff quota of 1 200 tonnes for the period from 1 January to 31 March 1992. It should be noted that the remaining second series of customs duties will be abolished as from 1 January 1993.

- (b) The Council adopted the Regulation authorizing extension or tacit renewal of certain trade agreements concluded between Member States and third countries, for which the expiry or termination date falls between 1 November 1991 and 31 January 1992 (4th tranche for 1991).
- (c) The Council adopted the Regulation extending for an additional two-month period the provisional anti-dumping duty on imports of certain polyester yarns (man-made staple fibres) originating in Taiwan, Indonesia, India, the People's Republic of China and Turkey.

This extension has raised no objections from the exporters concerned and makes it possible to complete examination of the facts on which introduction of the provisional duty was based.

- (d) The Council adopted the Decision on the conclusion of the EEC-Norway Agreement on the adaptation of the present Agreement concerning reciprocal trade in cheese.

It should be noted that the existing Agreement between the EEC and Norway signed on 22 March 1989 is an Agreement of unlimited duration mainly involving reciprocal tariff quotas which were, however, fixed

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only for the period 1989 to 1991. The Agreement being adopted by the Council maintains unchanged for 1992 the quantities and the import duties decided on in the existing Agreement and stipulates that consultations for subsequent years must be held during the second half of 1992.

Conferences of the Representatives of the Governments of the Member States with a view to amending the Treaty establishing the European Coal and Steel Community and the Treaty establishing the European Atomic Energy Community respectively

The Council came out in favour of convening the above two Conferences, which will be held at the time of the General Affairs Council on 3 and 4 February 1992. These Conferences, which are geared to the process of extending the scope of the Conference on Political Union, are being held to make amendments to the said Treaties resulting from the planned amendments to the Treaty establishing the European Economic Community. It should be noted that the Commission and the European Parliament already expressed favourable opinions on 6 December 1991 and 16 January 1992.

Abolition of fiscal frontiers

As a follow-up to the political agreement reached at its meeting on 11 November 1991 (see Press Release 9131/91 Presse 199), the Council formally adopted the Regulation on administrative co-operation in the field of indirect taxation (VAT).

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Fisheries

- Guinea-Bissau

The Council adopted the Regulation on the conclusion of the Protocol establishing for the period 16 June 1991 to 15 June 1993 the fishing rights and financial compensation provided for in the Agreement between the Community and Guinea-Bissau.

Fishing rights are fixed as follows:

1. (a) freezer shrimp trawlers: 11 000 GRT per month, annual average;
(b) freezer fin fish and cephalopod trawlers: 6 000 GRT per month, annual average;
2. freezer tuna seiners: 20 vessels;
3. pole-and-line tuna vessels and surface longliners: 12 vessels.

The financial compensation for these fishing rights is fixed at ECU 12 million.

The Community will also contribute the sum of ECU 1,4 million towards the Guinea-Bissau scientific and technical activities and the training of specialists in the various disciplines relating to fisheries.

It should be noted that this Protocol has applied provisionally since 16 June 1991 pursuant to an Agreement in the form of an exchange of letters.

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- Morocco

The Council adopted the Regulation on the conclusion of Protocol No 2 establishing for the period 1 April 1991 to 29 February 1992 the crawfish fishing opportunities and financial compensation provided for in the Agreement between the Community and Morocco.

Under this Protocol, Morocco will grant the Community five licences each month for fishing crawfish (using pots only) for a total not exceeding an average of 600 GRT in the Southern Zone.

The Community's financial compensation for the period in question is fixed at ECU 360 000.

It should be noted that this Protocol has applied provisionally since 1 April 1991 pursuant to an Agreement in the form of an exchange of letters.

NAFO

In accordance with the political agreement reached at the Fisheries Council on 8 July 1991 (see Press Release 7149/91 Presse 126) and following finalization of the texts, the Council adopted the Regulation applying at Community level a NAFO control measure known as the "hail system".

Under this system, fishing vessels are required at the same time to inform the Commission and the competent authorities of the flag Member State of their arrivals, departures and other movements in the area governed by the North-West Atlantic Fisheries Organization (NAFO).

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- Technical conservation measures

In accordance with the political agreement reached at the Fisheries Council on 28 October 1991 on a compromise covering three proposals amending for the tenth, eleventh and twelfth times Regulation No 3094/86 concerning technical measures for the conservation of fishery resources (see Press Release 8746/91 Presse 178), the Council formally adopted the text after legal/linguistic finalization.

This is a consolidated text amending for the eleventh time the Regulation and covering all the enacting terms of the three original proposals as amended by the Council. The Regulation will enter into force on 1 June 1992.

Summertime

The Council adopted its common position on the Directive on summertime arrangements for the period 1993 to 1994. This period in which the time will be one hour earlier than during the rest of the year, has been fixed in accordance with the common position to run from the last Sunday in March (1993: 28 March; 1994: 27 March) until the last Sunday in September (1993: 26 September; 1994: 25 September).

However, Ireland and the United Kingdom may fix the end of summertime for 1993 and 1994 as the fourth Sunday in October (1993: 24 October; 1994: 23 October).

Appointments

The Council replaced

- a member of the Economic and Social Committee;
- two members of the Scientific and Technical Committee (CST);
- one full member and two alternate members of the Advisory Committee on Education and Training in the field of architecture;
- a full member of the Administrative Board of the European Foundation for the Improvement of Living and Working Conditions;
- a full member of the Advisory Committee on Safety, Hygiene and Health Protection at Work;
- a member of the ECSC Consultative Committee.

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BRUXELLES, LE 24 JANVIER 1992.

NOTE BIO (92) 18 AUX BUREAUX NATIONAUX
CC. AUX MEMBRES DU SERVICE DU PORTE PAROLE

CONSEIL AGRICULTURE (BRUXELLES, LES 27 ET 28 ET EVENTUELLEMENT
29/01/92)
(GERARD KIELY)

LE CONSEIL DES COMMUNAUTES EUROPEENNES TIENDRA SA 1553EME SESSION
- AGRICULTURE - LE LUNDI 27 JANVIER A PARTIR DE 16H00' ET LE
MARDI 28 JANVIER 1992 (ET EVENTUELLEMENT LE MERCREDI 29 JANVIER
1992) AU BATIMENT CHARLEMAGNE A BRUXELLES, SOUS LA PRESIDENCE DE
M. ARLINDO CUNHA, MINISTRE DE L'AGRICULTURE DU PORTUGAL.

L'ORDRE DU JOUR DU CONSEIL COMPORTERA LES POINTS SUIVANTS .
- APPROBATION DE LA LISTE DES POINTS 'A',
- EVOLUTION ET AVENIR DE LA POLITIQUE AGRICOLE COMMUNE
(DOC COM(91) 258).

LE CONSEIL, LORS DE SES DEUX PRECEDENTES SESSIONS (18/19 NOVEMBRE
1991 ET 11/12 DECEMBRE 1991), A PROCEDE A UN DEBAT DE FOND SUR
LES PROPOSITIONS DE LA COMMISSION RELATIVES AUX CULTURES ARABLES
ET CEREALES, AUX VIANDES BOVINES ET OVINES (DOC COM (91) 379), AU
LAIT ET PRODUITS LAITIERS (DOC COM (91) 409), AUX MESURES
D'ACCOMPAGNEMENT (DOC COM (91) 415) ET, ENFIN, A L'ORGANISATION
COMMUNE DE MARCHE DU TABAC BRUT (DOC COM (91) 339) ET AUX
ORGANISATIONS ET ACCORDS INTERPROFESSIONNELS DANS LE SECTEUR DU
TABAC (DOC COM (91) 338).

AU COURS DES DELIBERATIONS, LES DELEGATIONS ONT PU FAIRE PART DE
LEURS OBSERVATIONS ET DE LEURS PREOCCUPATIONS CONCERNANT
L'ADAPTATION DE LA PAC TELLE QUE PRECONISEE PAR LA COMMISSION.
LES PROBLEMES MAJEURS RENCONTRES DANS CHACUN DES SECTEURS SONT
LES SUIVANTS :

- A) POUR LES CULTURES ARABLES ET CEREALES
- REDUCTION DES PRIX ACCOMPAGNEE DE COMPENSATION,
 - GEL DES TERRES,
 - REGIONALISATION DES PRIEMENTS COMPENSATOIRES,
 - BLE DUR,
 - SUPERFICIE DE BASE,
 - PETITS PRODUCTEURS,

FROM : C.E.C. - G.P.P.
TO : C.E. WASHINGTON WASHINGTON
REF : 2024095361 - 24-01-1992 12:02

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- PROTEAGINEUX ET LEGUMINEUSES,
 - HIERARCHIE DES PRIX ET PREFERENCE COMMUNAUTAIRE,
 - PRELEVEMENT DE CORESPONSABILITE.
- B) POUR LA VIANDE BOVINE
- L'ORIENTATION GENERALE DES PROPOSITIONS ET LA BAISSSE DES PRIX,
 - L'INTERVENTION,
 - L'AMENAGEMENT DES REGIMES DE PRIMES.
- C) POUR LA VIANDE OVINE
- OPPORTUNITE D'UN AMENAGEMENT DU REGIME,
 - REGIME DE QUOTA (PRINCIPE ET MODALITES) ET GEL DU MECANISME DE STABILISATION AU NIVEAU 1990,
 - ETABLISSEMENT D'UN LIEN ENTRE LE DROIT A LA PRIME ET LE SOL, NOMBRE DE DREDS ELIGIBLES DONNANT DROIT A LA PRIME A TAUX PLEIN.
- D) POUR LE LAIT ET LES PRODUITS LAITIERS
- PROROGATION DU REGIME DES QUOTAS ET REDUCTION DES QUOTAS,
 - BAISSSE DES PRIX,
 - REDISTRIBUTION OBLIGATOIRE DES QUOTAS LIBERES,
 - COMPENSATIONS,
 - CODIFICATION ET SIMPLIFICATION DE LA REGLEMENTATION.
- E) POUR LES MESURES D'ACCOMPAGNEMENT
- NATURE ET PORTES DES REGIMES PROPOSES,
 - ASPECTS FINANCIERS RELATIFS AU FINANCEMENT PAR LA COMMUNAUTE DES MESURES PROPOSEES AINSI QUE CERTAINES QUESTIONS SPECIFIQUES.
- F) POUR LE TABAC
- NIVEAU FUTUR DE LA QUANTITE MAXIMALE GARANTIE (QMG) ET REPARTITION DES QUOTAS,
 - REGROUPEMENT DES VARIETES,
 - UNICITE DE LA PRIME PAR GROUPE,
 - AGENCE DE CONTROLE,
 - ORGANISATION INTERPROFESSIONNELLE

ADOPTION DE LA DIRECTIVE DU CONSEIL PORTANT MODIFICATION ET MISE A JOUR DE LA DIRECTIVE 77/99/CEE RELATIVE A DES PROBLEMES SANITAIRES EN MATIERE D'ECHANGES INTRACOMMUNAUTAIRES DE PRODUITS A BASE DE VIANDE ET MODIFIANT LA DIRECTIVE 64/433/CEE (DOC COM (89) 669).

LA COMMUNAUTE DOIT ADOPTER, D'ICI AU 31 DECEMBRE 1992, LES MESURES VISANT A ETABLIR LE MARCHE INTERIEUR. LA NECESSITE D'ASSURER LA LIBRE CIRCULATION DES PRODUITS D'ORIGINE ANIMALE DOIT ETRE CONCILIEE AVEC LES IMPERATIFS INHERENTS A LA PROTECTION DE LA SANTE PUBLIQUE

LA PRESENTE DIRECTIVE A POUR OBJET D'HARMONISER LES REGLES SANITAIRES APPLICABLES AUX PRODUITS A BASE DE VIANDE.

URUGUAY ROUND - VOLET AGRICOLE

LE CONSEIL SERA INFORME DE L'ETAT ACTUEL DES NEGOCIATIONS SUR LE
VOLET AGRICOLE DANS LE CADRE DE L'URUGUAY ROUND . TOUTEFOIS, IL
SEMBLERAIT QUE LE DOSSIER N'AIT PAS PROGRESSE DEPUIS L'EXAMEN -
PAR LES MINISTRES DE L'AGRICULTURE ET LEURS HOMOLOGUES DU
COMMERCE - DU 'PAPIER JUNKEL' LORS DU CONSEIL DES 10 ET 11
JANVIER 1992

AMITIES,
BRUNO DETHOMAS

SENT BY SPP AT : FRI 91 24 11 23:10 MET 1992

+++ END OF TEXT +++

MESSAGE ID: WRUE0352

INBOUND MESSAGE RECEIVED ON JAN 14 AT 14:49 [ASSIGNED// WRUE0352]
21877 COMEU B
COMPUTER MESSAGE :

FROM : C.E.C. - G.P.P.
TO : C.E. WASHINGTON - WASHINGTON
REF : 2014068909 - 14-01-1992 20:45

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NOTE BIO

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BRUXELLES, LE 14 JANVIER 1992.

NOTE BIO (92. 18 AUX BUREAUX NATIONAUX
CC. AUX MEMBRES DU SERVICE DU PORTE-PAROLE

ATTENTION SPECIALE AUX BUREAUX DE WASHINGTON ET NEW YORK.

REACTION DU VICE-PRESIDENT ANDRIESEN A LA DECLARATION DU
PRESIDENT BUSH.
(N. WEGTER.

VOICI LE TEXTE DE L'INFORMATION A LA PRESSE QUE NOUS VENONS
D'ENVOYER AUX AGENCES DE PRESSE :

IP(92)18

BRUXELLES, LE 14 JANVIER 1992

REACTION DU VICE-PRESIDENT ANDRIESEN
A LA DECLARATION DU PRESIDENT BUSH
RELATIVE A LA POLITIQUE COMMERCIALE ET AGRICOLE
DE LA COMMUNAUTE.

LE VICE-PRESIDENT ANDRIESEN EST DESAGREABLEMENT SURPRIS PAR LA
TONALITE DES REMARQUES PRONONCEES PAR LE PRESIDENT BUSH LE 13
JANVIER DERNIER A KANSAS CITY (MISSOURI).

M. ANDRIESEN TIENT A RAPPELER QUE LA COMMUNAUTE, SURTOUT DANS LES DERNIERS MOIS, A CONTRIBUE D'UNE FACON TRES ACTIVE, NOTAMMENT DANS LE CADRE DE L'URUGUAY ROUND, A LA RECHERCHE DES SOLUTIONS APPROPRIEES ET EQUITABLES ASSURANT DE MEILLEURES CONDITIONS AUX ECHANGES INTERNATIONAUX, Y COMPRIS EN AGRICULTURE.

LA COMMUNAUTE PARTICIPE A CES DERNIERES NEGOCIATIONS AVEC UN ESPRIT DE COOPERATION ET DE CONSULTATION. EN CE QUI CONCERNE LA COMMISSION, LES TERMES DE 'GUERRE FROIDE' ET DE 'RIDEAU DE FER' NE REFLETENT PAS LES RELATIONS ENTRE LES ETATS-UNIS ET LA COMMUNAUTE TELLES QU'ELLE LES VOIT.

AMITIES,
B. DETHOMAS.

SENT BY SPP AT : TUE JAN 14 18:28:20 MET 1992

+++ END OF TEXT +++

Bruxelles, le 29 Janvier 1992

NOTE BIO (92)18 (suite 1) AUX BUREAUX NATIONAUX
CC.: AUX MEMBRES DU SERVICE DU PORTE PAROLE

Council of Agricultural Ministers, (Brussels, 28 January 1992)
(Gerard Kiely)

There was only a brief formal session of the Council on Monday to adopt the agenda and the list of "A" points. The remainder of the day was devoted to bilateral meetings of the Presidency and the Commission with each Minister individually.

The purpose of the bilaterals was to establish whether Ministers were prepared to forge ahead with the CAP reform discussions with a view to reaching a conclusion in the near future.

The outcome of these bilaterals was that a substantial majority of Ministers agreed with the Presidency and Commission viewpoint that the reform of CAP is imperative and urgent and that the discussions should neither be delayed nor influenced by external factors i.e. the GATT negotiations.

Having established a willingness on the part of the Council to proceed with the discussions the Presidency tabled a working paper. The paper which only covered the points the Presidency considered to be essential, was based on the Commission's proposals and attempted to examine how certain reservations on the part of Ministers may be overcome on particular proposals for CAP reform. In particular the working paper suggested the introduction of a certain degree of flexibility; for example that milk quota reductions would depend on the market situation, that the stocking rate/ha limits for the livestock premia eligibility would be achieved over a transitional period as would the objectives of the reform of the tobacco regime. The document also suggested that Community preference for cereals would be strengthened vis a vis the Commission's proposal and that the beef premia would be paid on the basis of a number held on a farm during a reference period, rather than be subject to definite "cut-off" limits.

On the basis of the Council discussion it was clear that the Presidency document helped overcome to a greater or lesser degree some of the difficulties Ministers had raised in the past.

Some Ministers however are concerned with the idea of an individual "base area" for arable crops and the use of a reference year for determining the numbers of animals eligible for beef premia, as they feel it could be difficult to control and amounts to an extent to quotas. On the other hand other Ministers welcomed these proposals. The relaxation on the stocking rate criteria for premia eligibility was broadly welcomed as was the suggestion that Community preference for cereals should be strengthened. Some Ministers questioned the need for both a quota and price cut for milk while others could accept the Commission's proposal, or would suggest that the price cut should focus on butter only.

Responding to the discussion, Mr Mac Sharry emphasised the need for urgent decisions on CAP reform and suggested that the Presidency should bring forward a more detailed document for the next Council (Feb 10,11) with a view to obtaining an agreement in the near future. He pointed out that Community expenditure on market support (for agriculture guarantee section) had increased by 50% since 1989, from 24.4 b ECU to 35.3 b ECU in 1992, but because of the structural surplus and the resulting cost of internal stocks and export refunds, this increase in budget expenditure is having less impact on farm incomes than would otherwise be the case. He also pointed out to Council that he must present a price package for 1992/93 marketing year, in the near future and that the status of the CAP reform discussion would have an impact on its' content.

GATT:

The discussion on the GATT negotiations reiterated the Community's position adopted on the Dunkel paper at the Council of December 23.

The Ministers and Mr Mac Sharry again emphasised that the Dunkel paper would have to be substantially modified before the Community could consider accepting it in particular in regard to:

- the Green Box i.e. measures not subject to reductions
- volume reductions in subsidised exports
- rebalancing
- coherence between commitments for reductions in internal support market access and export subsidisation
- peace clause
- Community preference
- with Mr Mac Sharry pointing out that there is no prioritisation of amendments required.

Internal Market:

The Council reached a unanimous political agreement on a proposal amending a Directive on health problems affecting intra-Community trade in meat products. This will be adopted as an A point at a future Council.

A.O.B.

Bananas:

The French Delegation supported by Spain, United Kingdom, Portugal and France raised the point that according to Dunkel's document on GATT, bananas would be subject to tariffication which would present problems for the Community in finding an acceptable solution for import arrangements for bananas in the internal market situation. The French Delegation pointed out that this had been included in the GATT negotiations at the last minute and was totally unacceptable.

Mr Mac Sharry accepted that its introduction at this late stage of the discussion presented problems and indicated that the Commission was examining the implications.

Regards,

B. Dethomas

