

PRESS RELEASE

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1658th Council meeting

- INDUSTRY -

Brussels, 4 May 1993

President: Mr Jan TRØJBORG,

Minister for Industry  
of the Kingdom of Denmark



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

Belgium:

Mr Melchior WATHELET Deputy Prime Minister, Minister for Economic Affairs

Denmark:

Mr Jan TRØJBORG Minister for Industry  
Mr Christopher Bo BRAMSEN State Secretary for Industry

Germany:

Mr M. Günther REXRODT Federal Minister for Economic Affairs  
Mr Manfred STOLPE Prime Minister of the Land of Brandenburg

Greece:

Mr Theodoros DAMIANOS State Secretary for Industry

Spain:

Mr Claudio ARANZADI Minister for Industry  
Mr Alvaro ESPINA MONTERO State Secretary for Industry

France:

Mr Gérard LONGUET Minister for Industry, Posts and Telecommunications and Foreign Trade

Ireland:

Mr Seamus BRENNAN Minister of State with special responsibility for Commerce and Technology

Italy:

Mr Paolo SAVONA Minister for Industry

Luxembourg:

Mr Robert GOEBBELS Minister for Economic Affairs

Netherlands:

Mr J.E. ANDRIESSEN Minister for Economic Affairs

Portugal:

Mr Luis MIRA AMARAL Minister for Industry and Energy

United Kingdom:

Mr Timothy SAINSBURY Minister of State for Trade and Industry

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Commission:

Mr Martin BANGEMANN Member  
Mr Karel VAN MIERT Member  
Mr Peter SCHMIDHUBER Member  
Mr Raniero VANNI D'ARCHIRAFI Member

**RESTRUCTURING OF THE COMMUNITY STEEL INDUSTRY - PRESIDENCY CONCLUSIONS**

Following its meeting on 25 February 1993, the Council reviewed the progress made by the industry in defining a restructuring programme and its financing.

The Council was encouraged by the important steps forward which had been achieved, but underlined that crucial restructuring decisions had still to be taken urgently.

The Council also reviewed the progress accomplished by the Commission in implementing the Conclusions of the meeting of 25 February 1993, in respect of the full range of accompanying measures for the restructuring, concerning in particular market stabilization, social aid, the external aspect and state aid discipline.

The Council believed a credible restructuring and rationalization programme could be achieved that would lead to lasting reorganization of the steel industry. This result can be promoted by presenting all investment plans to the Commission as soon as possible.

The Council noted that industry is planning to set up voluntary financial mechanisms within the framework of Article 53 of the ECSC Treaty for certain ECSC products, and that the industry has asked the Commission to consider ways of facilitating the financing of such mechanisms by granting ECSC loans within the limits of Article 54(1) of the ECSC Treaty. The Council is looking forward to being informed of the result of these considerations.

The Council noted with satisfaction the rapid adoption by the Commission of production and delivery guidelines aimed at stabilizing the market, as well as the publication of basic import prices, which have already contributed to an increase in the market's price levels.

The Council also welcomed the recent adoption by the Commission of a Communication on

the accompanying social measures. The Council noted that the Commission will be in a position to report on negotiations between social partners and make more precise budgetary calculations later in the year, in the light of progress made by industry in the definition of a restructuring programme.

The Commission has informed the Council of its proposals for the negotiation of tariff quotas for imports of sensitive products for the Czech and Slovak Republics. The Council looks forward to a rapid completion of the negotiations.

The Commission reported to the Council about the notified state aid cases requiring a Council assent according to Article 95 of the ECSC Treaty.

The Council was aware of the urgency of decisions in these cases to be taken under the Belgian Presidency.

#### ECSC FINANCIAL ACTIVITIES

The Council conducted a policy debate on future financial activities under the ECSC Treaty, on the basis of a Commission working paper, a memorandum from the French delegation and a report from the Permanent Representatives Committee.

Bearing in mind that the ECSC Treaty was to expire in the year 2002, at its meeting on 24 November 1992 the Industry Council in particular called on the Commission to expedite its work on a set of measures aimed at, inter alia:

- reducing the levy as far as possible;
- phasing out loans granted under Articles 54 and 56 of the ECSC Treaty;
- organizing, with due account being taken of social aspects, the takeover by financial institutions, notably the EIB, of some of the ECSC's financial activities.

In essence, the Commission's approach, as it emerges from the two communications already sent to the Council on this subject in March 1991 and November 1992 involves a

progressive phasing out/phasing in of budgetary activity driven by the twin constraints of a declining revenue and a political priority, with available resources, for the financing of social expenditure.

At the close of the debate, the Council called on the Commission to press ahead with discussions on both the steel restructuring in progress and ECSC financial activities, so that final conclusions could be reached as soon as possible, and in any case by the end of the year.

#### **INDUSTRIAL COMPETITIVENESS AND ENVIRONMENTAL PROTECTION**

The Council, meeting in open session, held a policy debate on the inter-relationship between industrial competitiveness and environmental protection.

The Council adopted the conclusions annexed hereto.

#### **STATE AID FOR SHIPBUILDING**

The Council held a policy debate on the proposal for extension of the 7th Community Directive on state aid for shipbuilding, having taken note of the progress of the OECD negotiations for a multilateral agreement on shipbuilding between the world's most important shipbuilding nations. The aim of this multilateral agreement would be to phase out all direct and indirect public support measures for shipbuilding, ship conversion and ship repair, and other obstacles to re-establishing normal conditions of competition in the sector.

The 7th Directive was adopted in December 1990 and expires at the end of 1993; it states that production aid for shipbuilding and ship conversion may be considered compatible with the common market provided that the total amount does not exceed a common maximum ceiling, fixed by the Commission and reviewed every twelve months, expressed as a percentage of the contract value before aid.

At the close of the debate, the Presidency noted;

- agreement on the rapid resumption of negotiations within the OECD, and a willingness to show sufficient flexibility, without calling into question the Community's determination to avoid recourse to unilateral measures;
- a favourable approach to the principle of a one-year extension of the arrangements established by the 7th Directive; COREPER was accordingly asked to continue examining the proposal as soon as the European Parliament's Opinion had been received, with a view to formal adoption of the proposal as soon as possible;
- agreement on the following statement:

"The Council and the Commission declare that the Community shipbuilding policy will be reviewed in 1994. The Council calls on the Commission to keep a close watch on the demand for new vessels and the outcome of the OECD negotiations on eliminating aid to the shipbuilding industry and to take the necessary steps, including with regard to the seventh Directive, to deal with the developments in these areas."

#### MARITIME INDUSTRIES

The Council took note of an oral report from Commissioner BANGEMANN on the latest developments regarding proceedings in the Discussion Forum set up early in 1992 to boost the competitiveness of maritime industries.

#### SMALL AND MEDIUM-SIZED ENTERPRISES: COMMUNITY MEASURES TO INTENSIFY AND ENSURE THE CONTINUITY OF POLICY FOR ENTERPRISE

The Council held a policy debate on two proposals, amended by the Commission following the European Parliament's Opinion, on Community measures to intensify and ensure the continuity of policy for enterprise, in particular SMEs, in the Community.

The main purpose of the first proposal is to ensure from 1 January 1993 onwards the strengthening of the priority axes of enterprise policy in the context of the "growth initiative" decided on at the Edinburgh European Council, whilst that of the second is to ensure the continuity of the other aspects of enterprise policy when the present multiannual programme expires (31 December 1993).

The discussion revealed that the Council was in favour of merging the two proposals - the content of which would remain unchanged - into a single programme and starting implementation on 1 July 1993.

The Permanent Representatives Committee was instructed to expedite examination of the proposals in the light of this guidance, so that a decision could be adopted quickly.

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The Commission reported to the Council on:

- the activities of the European Textile and Clothing Observatory (factual report on the Community textile and clothing industry 1991/1992);
- follow-up to the Resolution of 3 December on administrative simplification for enterprises, especially SMEs.



**MISCELLANEOUS DECISIONS**

The Council adopted the Regulation laying down certain provisions for the application of the bilateral agreements on agriculture between the Community, of the one part, and Austria, Finland, Iceland, Norway and Sweden, of the other part.

The Regulation stipulates that these implementing provisions will be adopted by the Commission in accordance with the Management Committee procedure laid down in the Regulations on the common organization of the relevant agricultural markets.

The agreements were signed in Oporto on 2 May 1992, at the same time as the Agreement on the European Economic Area between the Community and the EFTA States; in the wake of Switzerland's decision not to ratify the EEA Agreement, agreements were signed on 17 March 1993 in order to apply the aforementioned bilateral agreements on agriculture earlier than scheduled, i.e. on 15 April, and until entry into force of the EEA Agreement.



INDUSTRIAL COMPETITIVENESS AND ENVIRONMENTAL PROTECTION - COUNCIL  
CONCLUSIONS

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to the Council Resolution of 18 June 1992 on the role of European standardization in the European economy,

Having regard to the Council Resolution of 3 December 1992 on administrative simplification for enterprises, especially small and medium-sized enterprises,

Having regard to the importance of SMEs not only in economic activity in general but also by virtue of the vital role they can play, in terms of dynamism, productivity, adaptability and innovation, in enhancing competitiveness while protecting the environment,

Having regard to the communication "Industrial policy in an open and competitive environment: guidelines for a Community approach", presented by the Commission on 20 November 1990,

Having regard to the programme "Towards Sustainability", presented by the Commission on 29 April 1992,

Having regard to relevant international agreements, and in particular the Rio Declaration and Agenda 21, adopted by the United Nations Conference on Environment and Development (UNCED) meeting in Rio de Janeiro from 3 to 14 June 1992,

Having regard to the communication "Industrial competitiveness and protection of the environment", presented by the Commission on 4 November 1992,

Having regard to the Council Resolution of 3 December 1992 concerning the relationship

between industrial competitiveness and environmental protection,

Having regard to the Council Resolution of 1 February 1993 on a Community programme of policy and action in relation to the environment and sustainable development,

Taking into account the advisability of integrating environmental requirements into Community policies and legislation which affect industrial competitiveness, and the need to consider how to introduce reporting on the environmental effects of these policies, and on the effects of such environmental dimension on industrial competitiveness,

**HAS ADOPTED THESE CONCLUSIONS:**

In order to further develop the issues raised in the Council Resolution of 3 December 1992 concerning the relationship between industrial competitiveness and environmental protection,

**THE COUNCIL:**

1. Notes the need for a follow-up to the Commission communication and is looking forward to having a report on the progress made on issues raised in the abovementioned Resolution and considers that further actions are required.
2. Considers that an in-depth dialogue on industrial competitiveness and environmental protection with industry, including SMEs, is an essential element both for the Commission and Member States in shaping the Community's environmental policy, and for industry in defining its strategies accordingly.

The dialogue with industry on environmental protection should, in particular, ensure that:

- the Community's initiatives in the field of the environment take into account both economic and environmental costs and benefits of such initiatives, or of

or of not taking action, continuous technological development improving environmental performance in industrial processes and products, the range of environmental instruments with a view to developing cost-efficient instruments and market-promoting perspectives;

- optimum understanding and transparency are achieved as regards the aims and concrete contents of the relevant legislation.

The dialogue shall also include opinions from small and medium-sized enterprises in connection with the preparation of initiatives in this area.

3. Underlines that environmental aims and considerations should be taken into account, where appropriate, in standardization work.

Recognizes that the technological development and environmental policies call for further elaboration of the concept of life-cycle management and technical standards which allow for applicability of newly developed products and processes and use of recycled and recyclable materials which can save resources and improve both environmental protection and industrial competitiveness, whilst safeguarding a high level of public health, safety, etc.

4. Considers that an active participation of enterprises, in particular small and medium-sized enterprises, is called for in order to combine environmental protection and competitiveness in relation to Community environmental and industrial initiatives and regulation. The practical possibilities for SMEs need to be fully taken into account in order to ensure the effective application of Community environmental rules.

Consequently it is necessary to provide for the involvement of enterprises including SMEs in consultations prior to the preparation of proposals for Community legislation, impact studies, information and by consultancy services, to improve performance by

enterprises, in particular small and medium-sized enterprises, when combining environmental considerations and competitiveness.

5. Acknowledges that the interrelations between industrial development and environmental quality are highly complex; their improved understanding will support the development of (mutually beneficial) industrial and environmental policies.

Recognizes that, in order to achieve the common goal of sustainable development, the obtaining of competitive advantages on a high level of environmental responsibility depends on the right timing for goals and instruments, sound environmental management practices by enterprises and identification of the international trend in the environmental field, the environmental policies of the main competitors to the Community, i.e. that similar measures are taken by the EC's major competitors, and the ability to integrate various policy areas, e.g. R&D, standardization and environmental policy.

In the design of Community environmental initiatives, due consideration should be given to the actual situation in industry, notably by sector, by size of enterprises, by skills, and by economic resources, given the diversity of the industrial structure of the various Member States and regions in the Community.

6. Confirms the advantage of public procurement policies which take into account environmental priorities, whilst respecting the public procurement directives and the constraints of the Treaty as well as internationally agreed principles.
7. Notes the importance of promoting, at the appropriate level, environmental awareness among consumers.
8. Considers it important to continue to work for compatibility between an open trade policy and the protection of the environment.

9. Takes note of the Commission's intention to adopt a framework for state aids for the environment.
10. Confirms the importance of monitoring developments on the abovementioned issues with special reference to consideration of the need for adjustments to Community level initiatives.
11. CALLS UPON THE COMMISSION TO:

- I. Strengthen the dialogue with industry, in co-operation with Member States, especially on the overall issues of competitiveness and environmental protection as well as on horizontal environmental issues such as those identified in the 5th Environmental action Programme and, as soon as possible, to inform the Council on this dialogue. This dialogue should enable the industry to participate more efficiently in the effort to move towards sustainability.

The information should include a description of the co-ordination between this dialogue with industry and the dialogue with a broader range of organizations to be set up as a part of the 5th Environmental Programme.

- II. Use the principle of maximum use of standards where there is a need for detailed technical specifications with respect to environmental aspects within requirements of EC Directives and invite the European Standards Organizations when adopting or revising standards to give adequate weight to environmental considerations, in particular sound environmental management practices and the use of recycled and recyclable materials.
- III. Consider in co-operation with the Member States what can be done on a Community basis for enterprises in view of the special problems in combining environmental protection and competitiveness. Initiatives, which should be in accordance with the

principle of subsidiarity and within the Community programmes for SMEs, should include:

studies on enterprises' difficulties in adapting to environmental legislation of the Community with a view to providing consultancy services and information programmes to make enterprises aware of, and prepared for, their environmental responsibility and to encourage exchange of experience on environmental issues in particular the transfer of technology and technological co-operation.

- IV. Carry out research at Community level, identifying, examining and elucidating relationships between industrial competitiveness and environmental protection and examining the interconnection between the Community's goals to promote competitiveness and its environmental policy goals drawing on experience from industrially developed areas other than Europe, for the purpose of presenting proposals.

Such proposals should reflect the actual situation of the structure of industry, in particular the small and medium-sized enterprises.

- V. Explore the need for an adequate information base for decision making, in particular to evaluate the growth potential of environmental industries, both on the markets for end-of-pipe technology and for clean technologies.
- VI. Develop the methodologies for the quantitative and qualitative evaluation of the industrial competitiveness consequences of environmental policies and the environmental consequences of industrial activity and policies and in particular to present a proposal for future work.
- VII. Support efforts with the appropriate resources and maximize the opportunities for enterprises to take part in promotion of the work on the eco-labelling scheme and other information intended for consumers.



Strengthen in a cost-efficient manner and with the co-operation of Member states the efforts to promote environmental awareness among consumers.

Present a regular progress report, in accordance with the Regulation, on the measures taken to ensure compliance with this scheme and the number of products covered by such a scheme.

Present appropriate proposals for actions aiming at greater participation by SMEs in the Eco-management and audit scheme.

VIII. Monitor the follow-up to any environmental recommendations relating to publicly funded schemes as set out in the 5th Environmental Programme.

IX. Take the appropriate steps in co-operation with Member States to promote the implementation of Agenda 21 agreed at the Rio Conference and to work for a full consideration in the GATT of environment-related issues.

**THE COUNCIL,**

Consequently invites the Commission to initiate action on these issues and to review progress at the end of 1995.

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Bruxelles, le 3 mai 1993

NOTE BIO(93)119 AUX BUREAUX NATIONAUX  
cc: AUX MEMBRES DU SERVICE DU PORTE-PAROLE

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PREPARATION CONSEIL INDUSTRIE LE 4 MAI 1993  
(Helmut Schmitt von Sydow)

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Il n'est pas prévu que le Conseil adopte des décisions formelles, mais il aura des débats politiques sur des sujets importants tels que la sidérurgie, la construction navale, l'environnement et la politique d'entreprise.

Concernant la restructuration de l'industrie sidérurgique communautaire, la Commission fera un rapport sur les progrès intervenus depuis le Conseil du 25 février. Les points essentiels en avaient déjà été exposés lors de la conférence de presse que MM. Bangemann, Van Miert et Flynn avaient donnée mercredi dernier: l'organisation et le financement des réductions de capacités de production; la stabilisation des prix; le volet social et le volet externe. Quant aux aides, il faudra une session supplémentaire du Conseil en juillet pour arriver à une position sur l'ensemble des cas allemands, italien et espagnol.

Le Conseil examinera également les orientations d'un "phasing out" des activités financières de la CECA qui expire en 2002.

Tous les ministres comptent intervenir dans le débat sur la compétitivité industrielle et la protection de l'environnement. La Commission préconise une approche horizontale et complète qui définit bien les responsabilités de tous les intéressés et qui démontre que la protection de l'environnement, au lieu de gêner l'industrie, peut stimuler sa compétitivité.

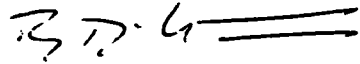
En ce qui concerne les aides à la construction navale, le Conseil fera le point des négociations au sein de l'OCDE qui traînent depuis avril 1992. Sur le plan interne, il faut agir avant que la VIIIème Directive du Conseil (90/684/CEE) n'expire à la fin de l'année. Au lieu d'en adopter une VIIIème, l'on envisage de proroger la Directive existante afin de souligner notre intérêt à une solution rapide dans le cadre de l'OCDE.

M. Bangemann fera un rapport sur les activités du Forum des industries maritimes qui regroupe notamment les constructeurs, les armateurs, les ports, les banques, et les autorités publiques. Ses groupes de travail constituent un bon exemple de subsidiarité et d'autogestion des milieux intéressés.

Le Conseil est saisi de deux propositions relatives au programme pluriannuel (1993 - 1997) d'actions communautaires de la politique d'entreprise, notamment des petites et moyennes entreprises. La première proposition vise à renforcer les axes prioritaires de cette politique, la deuxième à en assurer la continuité. La Commission espère que le Conseil ne s'attarde pas trop sur les aspects rédactionnels (fusion ou synchronisation des deux propositions), et examine également le fond en vue d'une contribution rapide à la relance de la croissance économique.

L'ordre du jour prévoit trois points divers: Le report annuel de l'Observatoire européen des textiles et de l'habillement, le suivi de la Résolution du Conseil du 3 décembre 1993 sur la simplification administrative en faveur des entreprises et notamment des PME, et les problèmes qui résultent, en matière d'emballages, des mesures unilatérales des Etats membres et de la non adoption de la proposition de Directive que la Commission avait soumise en juillet 1992.

Amités,



Bruno Dethomas

Bruxelles, le 5 mai 1993

**Note BIO(93)119(suite1) AUX BUREAUX NATIONAUX**  
**cc: AUX MEMBRES DU SERVICE DU PORTE-PAROLE**

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**CONSEIL INDUSTRIE - 4 MAI 1993 (Helmut Schmitt von Sydow)**  
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Le Conseil s'est réuni sous la présidence de M. Trøjborg, Ministre danois de l'Industrie. Les nouveaux Ministres français et italien ont participé pour la première fois. L'on notera que l'Allemagne était représentée, outre par le Ministre fédéral des affaires économiques, par le Premier Ministre du Land de Brandebourg.

Le Conseil n'a pas adopté des décisions formelles, mais il a eu des débats politiques sur des sujets importants tels que la sidérurgie, la construction navale, l'environnement et la politique d'entreprise.

Concernant la restructuration de l'industrie sidérurgique, M. Bangemann a décrit l'état des efforts entrepris par l'industrie (réduction des capacités, mécanismes financiers) et des mesures accompagnantes entamées par la Commission (stabilisation des prix; volets social et externe); le Conseil s'est déclaré encouragé par les progrès considérables.

M. Van Miert a fait le point des dossiers d'aide; le Conseil envisage une réunion spéciale sous la présidence belge, mais il n'a pas encore fixé une date précise.

M. Schmidhuber a présenté les orientations d'un "phasing out" des activités financières de la CECA. Le Conseil a demandé à la Commission de continuer ses travaux afin qu'une décision puisse être prise avant la fin de l'année.

Tous les Ministres sont intervenus dans le débat télévisé sur la compétitivité industrielle et la protection de l'environnement. Ils ont partagé l'opinion de M. Bangemann que ce dossier est un bon exemple d'une politique industrielle moderne et que l'industrie et l'environnement ne sont pas en contradiction mais peuvent se stimuler mutuellement.

Faisant le point des aides à la construction navale, le Conseil a demandé à la Commission de suivre attentivement l'évolution des négociations au sein de l'OCDE qui traînent depuis avril 1992. En attendant, le Conseil s'est mis d'accord de proroger la VIIème Directive du Conseil (90/684/CEE) pour un an jusqu'au 31 décembre 1994. La décision formelle interviendra après un toilettage rédactionnel des considérants par le COREPER.

M. Bangemann a fait un bref rapport sur les activités du Forum des industries maritimes qui regroupe notamment les constructeurs, les armateurs, les ports, les banques, et les autorités publiques. Ses groupes de travail constituent un bon exemple de subsidiarité et d'autogestion des milieux intéressés.

M. Vanni d'Archirafi a présenté deux propositions relatives au programme pluriannuel (1993 - 1997) d'actions communautaires de la politique d'entreprise, notamment des petites et moyennes entreprises; la première proposition vise à renforcer les axes prioritaires de cette politique, la deuxième à en assurer la continuité. Le Conseil a décidé de fusionner ces deux propositions et de les adopter avant le 1er juillet 1993.

Sous divers, M. Bangemann a soumis le rapport annuel de l'Observatoire européen des textiles et de l'habillement, qui a permis de compiler des statistiques qui n'étaient pas disponibles auparavant et qui permettent de bien évaluer la stagnation actuelle du marché. M. Vanni d'Archirafi a fait un rapport, bien accueilli, des travaux de la Commission relatifs à la simplification administrative en faveur des entreprises et notamment des PME. Plusieurs membres du Conseil ont évoqué les problèmes qui résultent, en matière d'emballages, des mesures unilatérales des Etats membres; ils ont souligné le besoin d'une solution au niveau communautaire, se référant à la proposition de Directive que la Commission avait soumise en juillet 1992.

Amitiés,



Bruno Dethomas