



PRESS RELEASE

11187/93 (Presse 234)

1726th meeting of the Council

- GENERAL AFFAIRS -

Brussels, 13 December 1993

President: Mr Willy CLAES
Minister for Foreign Affairs
of the Kingdom of Belgium

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

Belgium:

Mr Willy CLAES
Mr Robert URBAIN

Minister for Foreign Affairs
Minister for Foreign Trade and European Affairs

Denmark:

Mr Niels HELVEG PETERSEN
Mr Jorgen ØSTRØM MØLLER

Minister for Foreign Affairs
State Secretary for Foreign Affairs

Germany:

Mr Klaus KINKEL
Mr Günter REXRODT

Federal Minister for Foreign Affairs
Minister for Economic Affairs

Greece:

Mr Jean CRANIDIOTIS

Secretary-General of the Ministry of Foreign Affairs

Spain:

Mr Javier SOLANA
Mr Javier GÓMEZ-NAVARRO
Mr Vincente ALBERO SILLA
Mr Carlos WESTENDORP

Minister for Foreign Affairs
Minister for Trade and Tourism
Minister for Agriculture, Fisheries and Food
State Secretary for Relations with the European Communities

France:

Mr Alain JUPPE
Mr Gérard LONGUET
Mr Alain LAMASSOURE

Minister for Foreign Affairs
Minister for Industry and Foreign Trade
Minister with special responsibility for European Affairs
Minister for Agriculture and Fisheries

Mr Jean PUECH

Ireland:

Mr Dick SPRING
Mr Charlie McCREEVY
Mr Joe WALSH

Minister for Foreign Affairs
Minister for Tourism and Trade
Minister for Agriculture, Food and Forestry

Italy:

Mr Paolo BARATTA
Mr Alfredo DIANA

Minister for Foreign Trade
Minister for Agriculture and Forestry

Luxembourg:

Mr Jacques POOS

Minister for Foreign Affairs

Netherlands:

Ms Yvonne VAN ROOY
Mr Piet BUKMAN

Minister for Foreign Trade
Minister for Agriculture, Nature Conservation and Fisheries
State Secretary for Foreign Affairs

Mr Piet DANKERT

Portugal:

Mr José Manuel DURAO BARROSO
Mr Fernando FARIA DE OLIVEIRA
Mr Vitor MARTINS

Minister for Foreign Affairs
Minister for Trade and Tourism
State Secretary for European Affairs

United Kingdom:

Mr Douglas HURD

Secretary of State for Foreign and Commonwealth Affairs

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Commission:

Mr Jacques DELORS
Sir Leon BRITTAN
Mr João DE DEUS PINHEIRO
Mr René STEICHEN

President
Member
Member
Member

URUGUAY ROUND

1. On the basis of a written report from the Commission, supplemented and clarified orally by Sir Leon Brittan, the Council took stock of the negotiations conducted by the Commission at both multilateral and bilateral levels with the United States.
2. The Council noted that the negotiation process was in its closing stages although not yet finalized. While substantial progress had been made, major problems with respect to the Community's interests had yet to be resolved if a comprehensive, lasting and a balanced agreement were to be achieved.
3. The Council examined these problems, which concerned market access, with particular reference to textiles, film and television, the establishment of a multilateral trade organization, civil aircraft, financial services and shipping.
4. The Council drew attention to the guidelines adopted by the European Council at its meeting in Brussels, on 10 and 11 December 1993 and asked the Commission to conclude the negotiations on that basis as well as in the light of its discussions and of the comments made by delegations.
5. The Council will meet again at 09.00 on Wednesday 15 December 1993.
6. The Council held an exchange of views on the Presidency's overall compromise on trade policy instruments, on which it will take a decision at its meeting on 15 December.

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URUGUAY ROUND DISCUSSION - AGRICULTURE

Mr Steichen outlined the state of play to Ministers, pointing out that negotiations have not yet been completed due to a number of reasons including the absence of offers on market access from a number of countries. There were still outstanding demands for improved access to the Community market he said, but believed that the Community's offer is sufficient. Contacts are ongoing in an effort to resolve the issue of bananas i.e. solve it under the Uruguay Round and avoid the GATT Panel. Latin American countries he said, were requesting a quota of 2.4m tonnes which would be divided up by exporting country. While the Community could perhaps discuss an increase in quota, he is not prepared to go to 2.4m tonnes. He also emphasised the need to protect the interests of ACP and Community producers.

In response to concerns raised Mr Steichen pointed out that,

- Mediterranean producers have much to gain from a GATT agreement as otherwise the Community's Reference Price system which is being challenged in GATT could be threatened, seriously undermining support and protection for fruit and vegetable products
- aggregation on market access as presented by the Community in its offer has now been accepted by other trading partners
- the US waiver will no longer apply under a GATT agreement
- the Andriessen accord not to subsidise beef exports to S.E. Asia will continue but it will be a bilateral agreement rather than multilateral.

Commercial Policy Instruments:

Council discussed a compromise paper from the Presidency. Commenting on the compromise Mr Steichen pointed out that a solution on this matter would be conditional on the outcome of the MTO in Geneva. Furthermore it is not a protectionist approach but rather a means of ensuring that trading partners respect the agreements that they have signed. The Commission he said wants to improve efficiency and transparency in dealing with trade matters. The ensuing discussion showed that all agree on improving the efficiency of dealing with matters such as anti-dumping, anti-subsidy safeguard measures etc. However while a minority believed it should be sufficient to improve existing mechanisms, most believed that an amended New Commercial Policy Instrument will be necessary, indeed for some a definite pre-requisite for accepting a GATT agreement.

Council will continue its discussion on this matter when it reconvenes on Wednesday at 9 o'clock.

Presidency Press Conference - Minister Claes:

The President summed up the situation of the negotiations pointing out that a great deal of progress towards trade liberalisation had been achieved but there were still some missing pieces i.e. maritime, aeronautics, financial services. Audio-visual has been complicated by new US demands he added. While agriculture is close to agreement, the offers on textiles are considered unsatisfactory and expected this dossier to be a 'live issue' on Wednesday in Council. He also said on this matter that he would, as Council President, write to India and Pakistan to urge them to improve their market access offer.

He expressed the personal opinion that there will be an agreement on the Uruguay Round on Wednesday.

Question: Would textiles block an agreement?

Answer: Cannot exclude this as we need unanimity

Q. Will the Community give financial aid to Portuguese textile sector?

A. Cannot exclude that Community would provide sectoral aid for areas hit by textile agreement.

Q. If there is no agreement on New Commercial Policy Instrument is it realistic for France to block an agreement on this account?

A. Yes, since France has made it a clear pre-condition for some months.

Q. What is procedure on Wednesday

A. Do not exclude that Commissioner will not have to return to negotiate in Geneva after Sir Leon Brittan reports to Council. If a number of Member States believe that new elements are necessary, then Council must await the outcome of these further negotiations.

Agricultural Council:

The Council of Agricultural Ministers will begin on Tuesday 14 December at 9 o'clock and with a little luck will finish before Christmas.

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