

COUNCIL OF THE EUROPEAN COMMUNITIES  
GENERAL SECRETARIAT

PRESS RELEASE

6071/86 (Presse 47)

1072nd meeting of the Council

- Research -

Luxembourg, 8 April 1986

President: Mr G.M.V. VAN AARDENNE,  
Deputy Prime Minister,  
Minister for Economic Affairs  
of the Kingdom of the Netherlands

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

Belgium:

Mr L. BRIL State Secretary for Science Policy

Denmark:

Mr Bertel HAARDER Minister for Education

Germany:

Mr Heinz RIESENHUBER Federal Minister for Research and Technology

Greece:

Mrs Vasso PAPANDEOU State Secretary for Industry, Energy and Technology

Spain:

Mr José Maria MARAVALL HERRERO Minister for Education and Science  
Mr Juan Manuel ROJO ALAMINO State Secretary for the Universities and Research

France:

Mr Alain DEVAQUET Minister attached to the Minister for Education, with responsibility for Research and Higher Education

Ireland:

Mr Michael NOONAN Minister for Industry and Trade

Italy:

Mr Luigi GRANELLI Minister for the Co-ordination of Scientific Research

Luxembourg:

Mr Fernand BODEN

Minister for Education

Netherlands:

Mr G.M.V. VAN AARDENNE

Deputy Prime Minister,  
Minister for Economic Affairs

Portugal:

Mr Eduardo R. de ARANTES  
E OLIVEIRA

State Secretary for Scientific  
Research

United Kingdom:

Mr Geoffrey PATTIE

Minister of State for Industry  
and Information Technology

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Commission:

Mr Karl-Heinz NARJES

Vice-President

CONCILIATION WITH THE EUROPEAN PARLIAMENT ON THE R & D PROGRAMMES  
ON MATERIALS (RAW MATERIALS AND ADVANCED MATERIALS - 1986-1989) AND IN  
THE FIELD OF THE ENVIRONMENT (1986-1990)

In the course of this meeting, the Council met a delegation from the European Parliament for conciliation discussions on two draft Decisions concerning multiannual R & D programmes on materials and in the field of the environment.

The European Parliament delegation was led by Mr ALBER, Vice-President, and was composed of the following Members: Mr PONIATOWSKI, Chairman of the Committee on Energy, Research and Technology, Mr SELIGMAN, 3rd Deputy-Chairman of the Committee on Energy, Research and Technology, Mr ESTGEN, Rapporteur on the environment programme, Mr MALLET, Mrs LIZIN, Mrs BLOCH von BLOTTNITZ, Mr IPPOLITO and Mr FITZSIMONS, Members of the Committee on Energy, Mr METTEN, draftsman of the Opinion of the Committee on Economic Affairs, Mr D'ORMESSON, draftsman of the Opinion of the Committee on Budgets.

The meeting enabled comprehensive discussion to take place on the points on which the two institutions had differing opinions. On several points, such as the allocation of staff to the two programmes and the timetable for applying the review clause in each programme, the Council was able to accommodate the wishes of the European Parliament; this was not, however, the case with regard to the fundamental point, namely the appropriation for the two programmes.

The Council, having agreed to both programmes in principle, envisages adopting them at a meeting in the near future after the texts have been finalized.

FRAMEWORK PROGRAMME 1987-1991

The Council held a broad exchange of views on the communication which the Commission sent it on 20 March concerning guidelines for a new Community framework programme of technological research and development for 1987 to 1991.

The discussion enabled the delegations to indicate their initial reactions to the Commission's communication and to explain their basic ideas regarding the future framework programme, including the question of its financing. This preliminary exchange of views covered in particular the following topics:

- the objectives, criteria and priorities of the framework programme;
- the Community context and the relationship between the framework programme and the Community's other main policies;
- the international context and the relationship with the COST and EUREKA activities.

After the discussion the Vice-President of the Commission, Mr NARJES, said that he would submit a working document taking account of the Ministers' comments and suggestions with a view to continuation of the policy debate at the Council meeting on 10 June. On this basis the Council instructed the Permanent Representatives Committee to prepare for its discussions on the subject in close co-operation with the Commission.

JOINT RESEARCH CENTRE

The Council held a policy debate on future developments at the JRC in the context of the development of the European Technological Community and more particularly in the context of the preparation of the new framework programme.

The Commission had sent the Council a communication containing the information which it had asked for at its meeting on 10 December 1985 to enable it to hold today's discussion.

The discussion dealt with the future role of the JRC and its current financial problems.

The Council will continue its discussion at its meeting on 10 June.

MID-TERM REVIEW OF THE ESPRIT PROGRAMME

The Council approved a Resolution on the mid-term review of the ESPRIT programme (<sup>1</sup>):

"THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Decision (No 84/130/EEC) of 28 January 1984 concerning a European programme for research and development in information technologies (ESPRIT), and in particular Article 8 thereof (<sup>2</sup>):

Having regard to the Commission communication of 27 November 1985 concerning a review to assess the initial results of the ESPRIT programme, having noted the report of the independent high level body known as the ESPRIT Review Board, submitted to the Commission in the form of the mid-term review of ESPRIT;

- I. RE-EMPHASISES its commitment to the ESPRIT programme which, by means of a collaborative research and development effort, aims to meet the need for the constitution of a specifically European industrial potential in the field of information technology, and hence to combat the increasingly severe international competition in that field;
- II. WELCOMES the considerable progress already achieved in the area of transnational co-operation in the field of information technology;

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(<sup>1</sup>) Unrevised text.

(<sup>2</sup>) OJ No L 67, 9.3.1984, p. 54.

III. CONFIRMS the main objectives of the ESPRIT programme, which remain:

- to promote European industrial co-operation in pre-competitive research and development in the field of information technology,
- to provide the basic technologies required by the European information technology industry to ensure its competitiveness;
- to prepare the way for standardization work in the field of information technology;

IV. BELIEVES that the pursuit of these objectives and in particular the harmonization of norms and standards on a European scale will represent an invaluable contribution to the goal of establishing an internal market by 1992;

V. TAKES NOTE of the Commission's intention to submit to the Council by October 1986 at the latest a supplementary report taking account of developments since the presentation of the report of the Review Board;

VI. REQUESTS the Commission to ensure, in its implementation of the ESPRIT programme, that, in scope and flexibility, it continues to provide an effective response to the ever-increasing challenge in the information technology field;

VII. INVITES the Commission when submitting its proposals to this effect to take into account as fully as possible the specific recommendations set out in the Annex to this resolution.



SPECIFIC COUNCIL RECOMMENDATIONS ON THE  
FUTURE OF THE ESPRIT PROGRAMME

The Council recommends that:

- whilst the pre-competitive nature of future research and development should be safeguarded, the potential industrial application and economic impact of its results should increasingly be emphasized;
- within the context of the technological objectives of the programme, and whilst seeking to reinforce its strategic character, closer attention should be paid to the specific requirements of SMEs and research institutes with a view to securing their greater involvement for the future, particularly by offering them further subcontracts;
- a concentration of efforts and resources should be sought by greater recourse to more ambitious projects but without detriment to achievements in the area of transnational co-operation;
- the structure and composition of consortia should be kept under review so as to ensure the optimum size of projects, and the optimum number and type of partners;
- the funding arrangements for the programme should be kept under review with a view to establishing the optimum contribution to be made by the Community to different types of organization and projects;
- the complementary nature of research and development at national and Community levels should be enhanced by improved co-operation and a better exchange of information between ESPRIT and similar programmes operating at national level;

- the Commission should ensure that the ESPRIT Management Committee has access to all relevant information enabling it to discharge its duty of assisting the Commission in the strategic management of the programme;
- the Commission should develop a comprehensive strategy for the dissemination of information and research results; procedures and mechanisms currently in force should be reviewed and where necessary overhauled, as their successful functioning is vital to the ultimate success of the programme;
- guidelines should be set defining the criteria and detailed arrangements for the access of organizations from EFTA countries to ESPRIT, it being understood that their participation in specific projects depends upon the agreement of the project partners;
- in the supplementary report which it intends submitting to the Council by October 1986, the Commission should make an assessment of the technical results of the programme achieved so far. This assessment should also cover the following areas:
  - the potential economic impact and industrial application of projects;
  - problems relating to the size and composition of consortia;
  - cost/benefit as a function of differing levels of financial support;
  - a comparison of the human resources involved in ESPRIT with the general resource situation in the Community;
  - particular problems relating to the participation of small and medium-sized undertakings (SMEs).

AMENDMENT OF THE CCT IN RESPECT OF CERTAIN ELECTRONIC PRODUCTS

The Council adopted a Regulation amending the CCT in respect of certain electronic products. The purpose of this decision is to bring into force the agreement reached with Japan in January 1986 concerning on the one hand the raising by the Community of customs duties on video-tape recorders from 8% to 14% and on the other hand the tariff reductions to be granted by the Community on other electronic products by way of compensation. This Regulation replaces the arrangements introduced unilaterally by the Community with effect from 1 January 1986, making a number of changes to them; it comes into force on 15 April.

MISCELLANEOUS DECISIONS

Trade questions and Customs Union

The Council adopted in the official languages of the Communities:

- Decisions

- = concerning the conclusion of an Agreement in the form of an Exchange of Letters between the European Economic Community and the Government of Canada relating to the claim by the European Economic Community for compensation arising from the extension of quotas on imports into Canada of women's and girls' footwear for the period 1 December 1985 to 30 November 1988;
- = authorizing extension or tacit renewal of certain trade agreements concluded between the Member States and third countries;

- Regulations

- = imposing a definitive anti-dumping duty on imports of certain electronic scales originating in Japan;
- = amending Regulation (EEC) No 1900/85 introducing Community export and import declaration forms.

Relations with the EFTA countries

The Council adopted in the official languages of the Communities, Regulations on the application of Decisions No 2/85 of the EEC-Switzerland/EEC-Austria Joint Committees - Community transit - on the Spanish and Portuguese texts of the Agreements between the EEC and the Swiss Confederation/the Republic of Austria on the application of the rules on Community transit, and amending the Appendices thereto.

Textiles

The Council formally approved a number of textile agreements with the following countries: Bulgaria, Egypt, Hong Kong, Indonesia, Yugoslavia, China, Macao, Malaysia, Pakistan, Poland, Romania, Sri Lanka, South Korea, Thailand and Czechoslovakia.

The conclusion of these agreements completes the series of agreements negotiated in 1982 which have since been implemented at Community level on the basis of implementing Regulations.

Relations with the ACP States and OCT

The Council adopted in the official languages of the Communities a Decision on the amounts owed by Kiribati, formerly one of the OCT, pursuant to Decision 76/568/EEC.

The Community's rights to repayment in respect of the reconstitution of the resources which Kiribati received for the 1975 and 1976 application years are waived. The amounts concerned total 1 898 630 ECU.

### Environment

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

- adapting, consequent upon the accession of Spain and Portugal, Directive 79/409/EEC on the conservation of wild birds;
- adapting, consequent upon the accession of Spain and Portugal, Directive 84/631/EEC on the supervision and control within the European Community of the transfrontier shipment of hazardous waste.

### Appointments

The Council appointed:

- on a proposal from the British Independent Steel Producers Association, Mr I.J. BLAKEY a member of the ECSC Consultative Committee in place of Mr J.D. MOUNTFORD, member, who had resigned, for the remainder of his term of office, which runs until 17 February 1987;
- on a proposal from the National Coal Board, Sir K. COUZENS a member of the ECSC Consultative Committee in place of Mr M. SPANTON, member, who had resigned, for the remainder of his term of office, which runs until 17 February 1987.

On a proposal from the Luxembourg Government, the Council appointed Mr Pierre VANDERDONCKT an alternate member of the Advisory Committee on Safety, Hygiene and Health Protection at Work in place of Mr J. BERWEILER, alternate member, who had died, for the remainder of his term of office, which runs until 16 December 1988.

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Preparation of Research Council on 8 April 1986 at 1100 hrs.  
(P.Vinther)  
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433

Item 4.

"GUIDELINES FOR THE SECOND COMMUNITY FRAMEWORK PROGRAMME OF TECHNOLOGICAL RESEARCH AND DEVELOPMENT COVERING THE PERIOD 1987-1991."  
This is the most important point on the Council agenda and the debate will be based on the Commission's recent communication to the Council, COM(86)129, which sets out the three main objectives of Community R&D policy, i.e.

- improving European hi-tech competitiveness at international level,
- improving quality of life in Europe,
- realising a research workers' Europe.

The debate in the Council is expected to deal first of all with the objectives, criteria and priorities for the framework programme and secondly with the financial resources required. It is expected that the debate will have to be continued at the next Research Council scheduled for 10 June 1986, following which the Commission should be in a position to present a formal detailed proposal for Council adoption before the end of the year. The Commission has proposed a financial envelope of some 9 billion ECU (see P-21).

Item 6.

"ORIENTATIONS FOR FUTURE DEVELOPMENTS OF THE JOINT RESEARCH CENTRE" should be seen in the context of the debate on the second R&D framework programme as the Commission is proposing to adopt a new multiannual programme for the JRC to coincide with the former, i.e. 1987-1991, and overlapping the last year of the current four-year programme. According to the Commission the future role of the JRC should mainly be to produce the necessary knowledge for the development of norms and standards, in particular in the fields of safety and environment.

Following the debate in the Research Council on 10 December 1985 (see Bio Note(85) 404) the Commission has also tabled its proposal for possible savings on the JRC budget for the years 1986 and 1987 due to the fact that when the current multiannual JRC programme was adopted in 1983 no provision was made for adapting the specific appropriations to the increase in cost of living. Consequently, some 40 MECU extra would be needed to complete the programme as originally planned. The savings proposed would reduce this "deficit" by 20 MECU but can only be achieved by cutting down on some ongoing projects (see P-24).

Item 5:

"EVALUATION OF THE FIRST RESULTS OF THE ESPRIT PROGRAMME".  
Following the submission of the Esprit mid-term review by the independent "Esprit Review Board", the Commission forwarded this report to the Council together with its comments on how to implement the recommendations of the Board in the decision for the second phase of the Esprit programme. The Commission's communication is expected to be received favourably by the

Council and the debate and Council resolution to be adopted should provide the necessary indications for the preparation of Esprit Phase II for which a Commission proposal is expected by the end of this month. It should be recalled that the Esprit Round Table comprising 12 major European information technology companies, has called for a tripling of the funding of Phase II compared to Phase I (750 MECU Community contribution)(see P-91/85).

Items 3 and 7:

"COMMISSION PROPOSALS FOR R&D PROGRAMMES IN THE FIELDS OF ENVIRONMENT AND MATERIALS".

These two proposals were adopted in principle by the Council on 10 December 1985 although with a funding well below that proposed by the Commission. The European Parliament had not, however, given its opinion at the time meaning that the programmes could not be adopted formally. The Parliament has now given its opinion which as far as funding is concerned differs substantially from what the Council seems prepared to accept.

For the environment programme the Parliament proposed to maintain the Commission's original proposal (105 MECU against a Council compromise of 75 MECU). For the materials programme the Parliament proposes a funding of 200 MECU (Commission proposal 110 MECU against a Council compromise of 70 MECU), the bulk of which should be earmarked for research on advanced materials.

A concertation procedure with the European Parliament is foreseen alongside the Council meeting.

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**REALIGNEMENT DU SME:**

En reponse aux questions des journalistes, nous avons indique lundi que le President Delors n'avait pas de commentaire sur la reunion des Ministres de l'Economie et des Finances a Ootmarsum. Il y a participe en tenant le role qui est celui de la Commission dans ce genre de rencontre, a savoir de repondre aux questions des ministres concernant le fonctionnement du SME; de poser le probleme dans une perspective generale, en tenant compte du passe, du present et de l'avenir du SME; enfin de mettre en relief les implications d'un realignement, qui n'a pas seulement un aspect monetaire, mais doit etre considere en relation avec les problemes economiques dans leur ensemble.

En ce qui concerne des repercussions du realignement sur le budget, nous avons indique qu'elles sont relativement minimales si l'on fait abstraction des deux monnaies qui ne font pas partie du SME. A propos des montants compensatoires monetaires, nous avons precise que le comite agri-monetaire se reunirait mardi apres-midi pour fixer les MCM negatifs resultant du realignement du SME. Nous avons enfin souligne que, conformement au dernier paragraphe du communique d'Ootmarsum, la Commission ne presentera pas de



propositions de demantelement des MCM avant l'aboutissement de la procedure en cours pour la fixation des prix agricoles (la prochaine reunion du Conseil agricole aura lieu les 21-22 avril) car cette question doit etre traitee dans ce contexte d'ensemble des prix agricoles 86-87.

Materiel diffuse

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IP 159 - La Commission commence l'examen des pratiques antidumping dans la Cte elargie sur la base de la nouvelle legislation

IP 161 - Rencontre entre Mr. Clinton Davis et Mr. Dick Spring, Deputy Prime Minister of Ireland.

Regards,



G. Anouil, COMEUR////

Luxemburg, April 8, 1986.

Bio note (86)95 suite 1 to National Offices  
Copies to Members of the Spokesmans' Service

Research Council (P. Vinther)

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The Council passed quickly to Item 4 on the agenda and the President asked Mr Narjes to briefly present the Commission's proposal for the second R&D framework programme stressing, however, that he would want everybody to avoid a detailed discussion on funding but rather to have a first exchange of ideas on the contents of the programme.

Mr Narjes recalled the considerable changes in the R&D situation in Europe which have taken place in the last couple of (years.) In the light of the technological challenge from abroad the Commission has sensed a need for an increased Community effort in this area and has submitted several papers to this end to the European Council. These initiatives towards a European Technological Community have been welcomed by the Summits. Amendments of the Treaty of Rome to include science and technology alongside other Community policies have now been adopted and should soon be ratified. Why should then the need for a new framework programme be questioned again today? Certainty in planning is paramount in such an important area as R&D. Mr Narjes stressed the participation by European industry in Community R&D which is brought about by the increased recourse to cost--shared action. He also asked for comment on the Commission proposal for aviation research, where it is particularly important that we keep up with the US.

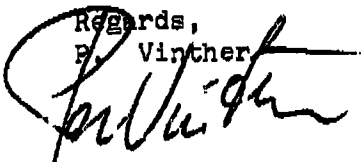
All delegations expressed their satisfaction with the Commission proposal although there were certain differences between the points of view of the smaller Member States and the larger ones. It was felt that the second framework programme should take effect from 1987 in order to catch up with our major competitors on the world scene. Deficiencies in the field of R&D must not become a stumbling block for achievement of the great internal market. Innovation is needed, however, not just repetition of current programmes. Attention should be paid to implementation of new technology so as not to alienate the citizens of Europe.

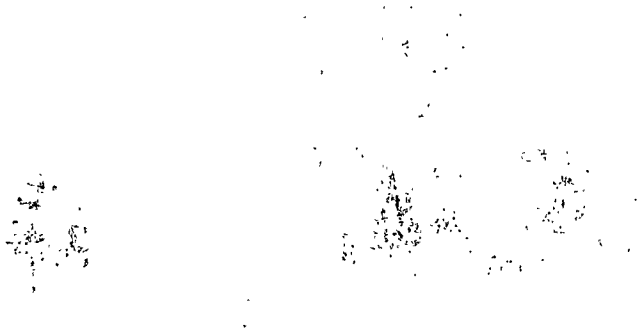
France, Germany and the UK did indicate that the financial envelope proposed by the Commission was rather ambitious and would like further details from the Commission on the implementation of the programme before adopting a definite position. Several delegations welcomed the proposal for marine science and aquaculture as being particularly suited for Community action. The new Member States stressed that special considerations should be made for the participation of small and medium-sized enterprises as well as for less favoured regions and they emphasized the need for economic and social cohesion as an objective of the programme.

Mr Narjes concluded "le tour de table" by saying that the Commission felt encouraged and assisted by the remarks made by the delegations, and he announced the submission of a working paper before the next Council meeting dealing with the comments made here today. He stressed again that planning certainty is of the utmost importance. The Commission sees its role as an intermediary in the R&D efforts in Europe. Through Community actions in the telecommunication field the Commission endeavours to ensure participation of less favoured and peripheral regions in Community affairs. An example is the recently adopted STAR programme.

The research ministers suspended their meeting in order to meet a delegation from the European Parliament as part of the concertation procedure on the two R&D programmes in the fields of environment and materials.

Regards,  
P. Vinther





Brussels, April 9, 1986  
Note Bio(86)95 suite 2 et fin to National Offices  
Copies to Members of the Spokesman's Service  
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Research Council (Per Vinther)  
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The concertation procedure did not bring any reconciliation between the Council and the Parliament. Although some delegations (I,GR) argued for a slightly more than token effort towards accommodating at least partially the amendments proposed by the EP, others (D,UK) were adamant in refusing further concessions beyond a minor increase in staff for the two R&D programmes.

Particularly the UK argued against a substantial increase in funding for the materials programme at this time when a fundamental discussion on all R&D priorities is taking place.

Following a last polishing off by the Council's legal services the two decisions based on the conclusions of the 10 December meeting should be adopted as an A point at a not too distant Council meeting.

The Council adopted a resolution concerning the midterm evaluation of the Esprit programme, in which it invites the Commission to take into consideration a number of specific recommendations when it prepares its proposal for phase II of the Esprit programme (see also Memo 41).

The Council also had a first exchange of points of view on the Commission's communication concerning the JRC budget and the future development of the Centre.

Most delegations praised the Commission for the efforts and thoughts which have gone into the document but there were large differences as to whether it provided enough information to enable a decision to be taken on the future role of the JRC in the context of the second R&D framework programme.

A number of delegations rallied to a French suggestion that an independent panel of wise men be set up to make recommendations on the future of JRC.

As far as the proposed savings on the present JRC budget is concerned a few delegations (UK, D, F) felt that a supplementary saving of 5 MECU for each of the two years 1986 and 1987 were feasible.

In his response Mr Narjes deplored that everybody talks about the JRC seemingly without possessing sufficient knowledge about it. In his opinion no national research centre has been scrutinized as closely as the JRC. He also emphasized the considerable interest being shown by Japanese and US scientists in the specialized research carried out at the Centre.

He invited ministers to visit the individual establishments in order to obtain a firsthand impression.

He finally said that the Commission did not object to participate in a thorough analysis of activities which could meaningfully be carried out by the JRC in the future.

The chairman asked delegations to submit in writing their comments so that the Commission can take them into account in its preparation for the next Research Council.

The Council adopted by qualified majority a reglementation concerning modification of certain product descriptions in the customs tariff in the light of recent decisions on the tariffs for video recorders.

Following the meeting Mr Narjes expressed before the journalists his satisfaction with the encouraging debate on the framework programme and noted in particular that there had been no objections to the shifting of emphasis towards industrial competitiveness nor to the reduction in energy research with the exception of fusion research.

Regards,

G. Anouil, Comeur

*p.o. Perin*