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COUNCIL OF THE EUROPEAN COMMUNITIES  
GENERAL SECRETARIAT

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PRESS RELEASE

10365/88 (Presse 214)

1292nd Council meeting

- General Affairs -

Brussels, 19 December 1988

President: Mr Theodoros PANGALOS

Deputy Minister for  
Foreign Affairs of the  
Hellenic Republic

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

Denmark:

Mr Uffe ELLEMANN-JENSEN                      Minister for Foreign Affairs

Mr Knud-Erik TYGESEN                      State Secretary,  
Ministry of Foreign Affairs

Germany:

Mrs Irmgard ADAM-SCHWAETZER                      Minister of State,  
Federal Ministry of Foreign Affairs

Greece:

Mr Theodoros PANGALOS                      Deputy Minister for Foreign Affairs

Spain:

Mr Francisco FERNANDEZ ORDONEZ                      Minister for Foreign Affairs

Mr Pedro SOLBES MIRA                      State Secretary for Relations with the  
European Communities

Mr Apolonio RUIZ LIGERO                      State Secretary for Trade

France:

Mrs Edith CRESSON                      Minister for European Affairs

Ireland:

Mr Brian LENIHAN                      Minister for Foreign Affairs

Italy:

Mr Gianni MANZOLINI

State Secretary for Foreign Affairs

Luxembourg:

Mr Jacques F. POOS

Minister for Foreign Affairs

Netherlands:

Mr H. VAN DEN BROEK

Mister for Foreign Affairs

Mr Y.M.C.T. van ROOY

Minister for Foreign Trade,  
State Secretary for Economic Affairs

B.J.M. Baron van VOORST tot VOORST

State Secretary, Ministry of Foreign  
AffairsPortugal:

Mr Joao de DEUS PINHEIRO

Minister for Foreign Affairs

Mr Vitor MARTINS

State Secretary for European Integration

United Kingdom:

Sir Geoffrey HOWE                    Secretary of State for Foreign and Commonwealth Affairs,  
Mrs Lynda CHALKER                    Minister of State, Foreign and Commonwealth Office

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Commission:

Mr F. ANDRIESEN                    Vice-President  
Mr Claude CHEYSSON                Member  
Mr Willy DE CLERCQ                Member

UNITED STATES: HORMONES

After receiving a progress report from the Commission on this matter, the Council invited it to continue its contacts with the new United States Administration as well as the GATT proceedings with the aim of finding a mutually acceptable solution to the dispute between the United State and the Community regarding the application of the Directive on hormones.

The Council approved the Commission's intention to take appropriate measures to resolve the problem of imports of pet food and thus to reduce substantially the scale of the dispute.

The Council approved the list of counter-measures to be taken by the Community if, despite all attempts to reach an amicable settlement, the United States were to apply the unilateral measures they had announced. The Council would decide when it would implement the Community counter-measures in keeping with developments in this case.

The Council also noted that the Directive on hormones would be implemented on the scheduled date of 1 January 1989.

URUGUAY ROUND: MID-TERM REVIEW

The Council heard a report by Commissioner DE CLERQ on the outcome of the Mid-Term Review of the Uruguay Round negotiations held from 5 to 8 December 1988 in Montreal.

The Council expressed its appreciation for the way in which the Commission had conducted the negotiations with the full support of the Council at the ministerial meeting.

The Council endorsed the Commission's assessment of the results of the Montreal proceedings.

The Council then decided that the Community offers concerning tropical products which formed part of the Scheme of Generalized Preferences would be implemented unilaterally under the GSP for 1989.

IRON AND STEEL: EXTERNAL ASPECT 1989

The Council examined the questions still outstanding on the basis of the Commission proposals for negotiating directives for the 1989 steel arrangements.

At the close of the discussion, the Council instructed the Permanent Representatives Committee to finalize the decision on this matter so that the Council could adopt it in the near future.

TEXTILES: CHINA

The Council adopted by a qualified majority - the Greek and Portuguese delegations having voted against - the Decision on the provisional application on 1 January 1989 of the bilateral textile agreement which the Commission had recently initialled with China.

RELATIONS WITH YUGOSLAVIA

The Council adopted the Community position for the 7th meeting of the EEC-Yugoslavia Co-operation Council at ministerial level which was held early in the evening on the same day (see Press Release CEE-YU 1017/88 Presse 218).

3rd FINANCIAL PROTOCOLS WITH CYPRUS AND MALTA

The Council continued its discussions on the new Financial Protocols with Cyprus and Malta. It agreed to take up this matter again at its next meeting with a view to adopting negotiating directives for the Commission.

GENERAL GUIDELINES FOR 1989 FOR FINANCIAL AND TECHNICAL ASSISTANCE TO ASIAN AND LATIN AMERICAN DEVELOPING COUNTRIES

The Council adopted general guidelines for 1989 for financial and technical assistance to Asian and Latin American developing countries. These are intended to guide the Commission in its management of the aid in question.

They stipulate that Community action must still be based on the needs of the least favoured countries and the neediest sections of the population.

Priority will be given to the rural sector and in particular to the improvement of the food situation, with the emphasis on production, support services, social infrastructures, training of farmers, etc. special encouragement of SMEs, and continuing support for regional integration efforts.

On the basis of these common principles aid will be tailored to the needs and priorities of each country and each region; in the case of Asia, there is a particular need for capital transfer with a view to increasing productive investment, which in that of Latin America aid covering activities designed to reduce social disparities will receive particular attention. Central America as a whole will continue to be an area for special attention.

Financially speaking, the Decision takes account of the fact that the Budget Authority introduced separate budget appropriations for the implementation of financial and technical co-operation in Asia and Latin America (Art. 9300 ASIA: 191 MECU in commitment appropriations and 130 MECU in payment appropriations; Art. 9310 LATIN AMERICA: 92 MECU in commitment appropriations and 61 MECU in payment appropriations).

Common reserves will be set up to support agricultural research and management costs and, within a limit of 10% of available appropriations to deal with exceptional circumstances (e.g. reconstruction following disasters).



FOLLOW-UP TO THE EUROPEAN COUNCIL MEETING IN RHODES (2 and 3 DECEMBER 1988)

The Council took note of a report from the Presidency on the follow-up to the European Council in Rhodes. It emphasized in particular the decisions already taken, such as that on transport infrastructures the decision of the Social Affairs Council on the Framework Directive and the formal adoption of four implementing Regulations for the reform of the Structural Funds. It also referred to the efforts still called for to complete the proceedings of the Internal Market Council of 21 December concerning several important dossiers. As regards "the internal frontier-free area", it reiterated the need for Member States to appoint leading figures to be in charge of inter-governmental co-ordination with the necessary authority to perform these duties. The President was confident that the Spanish Presidency which would be taking over on 1 January would continue the implementation of the conclusions of the European Council.

REFORM OF THE STRUCURAL FUNDS

The Council adopted <sup>(1)</sup> four implementing Regulations for the reform of the Structural Funds concerning respectively

- co-ordination of the activities of the different Structural Funds between themselves and with the operations of the EIB and other existing financial instruments;
- the European Regional Development Fund;
- the European Social Fund;
- the EAGGF, Guidance Section.

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(1) However, one delegation upheld a parliamentary scrutiny reservation at this stage; the General Secretariat would be notified should the reservation be lifted.

The adoption of these four Regulations follows on from the co-operation procedure with the European Parliament as regards the Co-ordination and ERDF Regulations and from the conciliation procedure as regards the ESF and EAGGF-Guidance Section Regulations. Collaboration under the two procedures led to satisfactory results being achieved for the Council, the Commission and the European Parliament.

The four Regulations thus adopted ensure that the reform of the Structural Funds - in response to the conclusions of the European Council in February concerning increased resources for the Funds and the adoption on 24 June of the overall Regulation on the aims of the Structural Funds - can actually enter into force on 1 January 1989.

The overall Regulation stipulated that the Council, on a proposal from the Commission, would adopt the measures needed to implement it and also set aside for the implementing Regulations a number of specific questions essential to the reform.

In response to these demands, the Commission proposed in July the horizontal co-ordination Regulation and the three sectoral Regulations on which the Council has just taken a decision.

MISCELLANEOUS DECISIONSScheme of Generalized Preferences for 1989

As a result of the agreement reached at the General Affairs Council on 21 and 22 November 1988,

- the Council adopted the Regulations applying generalized tariff preferences for 1989 in respect of certain industrial, agricultural and textile products originating in developing countries
  
- the Representatives of the Governments of the Member States of the ECSC, meeting within the Council, adopted the Decision applying generalized preferences for 1989 in respect of certain iron and steel products originating in developing countries.

(See Press Release 9496/88 Presse 179 of 21 and 22 November 1988.)

Commercial policy and customs union- Anti-dumping

The Council adopted Regulations

- amending Regulation (EEC) No 3205/88 as regards certain plain paper photocopiers assembled in the Community by Matsushita Business Machines (Europe) GmbH and Toshiba Systèmes (France) S.A.

This Regulation lays down that the anti-dumping duty in question no longer applies to plain paper photocopiers assembled or manufactured in the Community by Matsushita Business Machines (Europe) GmbH and Toshiba Systèmes (France) S.A. since these firms have given undertakings which the Commission, after due examination, has accepted as satisfactory.

- extending (for a period not exceeding two months) the provisional anti-dumping duty on imports of certain video cassette recorders originating in Japan and the Republic of Korea;
- extending (for a period not exceeding two months) the provisional anti-dumping duty on imports of urea originating in Austria, Hungary, Malaysia, Romania, United States of America and Venezuela.
- Quotas for the Mediterranean countries

#### The Council adopted Regulations

- opening and providing for the administration of a Community tariff quota (for 1989) for
  - = prepared or preserved sardines originating in Tunisia
  - = new potatoes originating in Egypt
  - = wine of fresh grapes originating in Yugoslavia
  - = cut flowers and flower buds, fresh, originating in Israel (1988/1989)
  - = apricot pulp originating in Tunisia and Israel
  - = apricot pulp originating in Morocco
  - = onions originating in Egypt
  - = sweet peppers, salad beetroot, dried grapes and certain types of concentrated grape juice, originating in Cyprus
  - = sweet peppers, frozen peas and garlic originating in Yugoslavia

- = Chinese cabbages, Iceberg lettuce, sweet peppers and peeled tomatoes, originating in Israel
- = wine of fresh grapes and liqueur wines, originating in Cyprus
- = "Sljivovica" plum spirit and tobacco of the "Prilep" type, originating in Yugoslavia
- = certain wines of designated origin, originating in Algeria
- = fresh or dried hazelnuts, shelled or not, originating in Turkey
- = prepared or preserved sardines originating in Morocco
- suspending wholly or in part the Common Customs Tariff duties on certain agricultural products originating in Turkey (1989)
- opening and providing for the administration of a Community preferential ceiling for certain petroleum products refined in Turkey and establishing Community surveillance for imports thereof (1989)
- establishing ceilings and Community supervision for imports of certain products originating in Yugoslavia (1989)
- totally or partially suspending the duties applicable to certain products falling within Chapters 1 to 24 of the CN and originating in Malta (1989)
- establishing ceilings and Community surveillance of imports of certain textile products originating in Malta (1989)
- opening, allocating and providing for the administration of Community tariff quotas for apricot pulp, certain prepared or preserved sardines and certain wines of designated origin, originating in Morocco (adjustment of the 1988 Regulation)

The Representatives of the Governments of the Member States of the ECSC, meeting within the Council, adopted a Decision establishing ceilings and Community supervision for imports of certain products originating in Yugoslavia (1989).

- Other quotas

The Council adopted Regulations

- increasing (from 600 000 to 630 000 tonnes) the volume of the Community tariff quota opened for 1988 for newsprint. This increase of 30 000 tonnes is added to the Community reserve which goes up from 240 000 to 270 000 tonnes
- opening and providing for the administration of a Community tariff quota
  - = of 1 500 tonnes for a certain type of polyvinyl butyral falling within the CN Code ex 3905 90 00 (at zero duty)
  - = of 150 tonnes for a certain form of polyvinylpyrrolidone falling within CN Code ex 3905 90 00 (at zero duty)
- opening, allocating and providing for the administration of Community tariff quotas for certain handmade products and certain hand woven fabrics, pile and chenille (1989).

- Trade agreements

The Council also adopted the Decision authorizing extension or tacit renewal of certain trade agreements concluded between Member States and third countries.

Transport

As a result of the agreement reached at the Transport Council meeting on 8 December 1988 the Council adopted

- a Regulation on the granting of financial support to transport infrastructure projects

- a Decision on the second stage of the negotiations between the EEC, Austria, Switzerland and Yugoslavia in the field of transport.

(See Press Release 10063/88 Presse 199) of 8 December 1988).



Bruxelles, le 19 décembre 1988.

BIO(88)413 AUX BUREAUX NATIONAUX  
CC. AUX MEMBRES DU SERVICE DU PORTE-PAROLE :

433  
446.63 (Animal feed)  
+ 441.2 (103)

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Conseil Affaires Générales :

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(F. LE BAIL)

\* Hormones :

A la suite de la proposition faite par Mr De Clercq et d'un tour de table qui a permis à l'ensemble des délégations de s'exprimer, le Conseil a pris la position suivante sur le conflit qui oppose Communauté et Etats-Unis sur les hormones :

- la directive communautaire sur les hormones entrera en vigueur le 1er janvier 1989;

- le Conseil prend acte de l'intention de la Commission de soumettre au Comité vétérinaire une proposition d'exclusion du champ d'application de la directive des abats destinés à l'alimentation pour animaux domestiques;

- le Conseil confirme le principe de rétorsion communautaire en cas de mesures américaines et approuve la liste proposée par la Commission à savoir, l'application de droits de 100% sur quatre produits en provenance des Etats-Unis : le miel naturel, le maïs en boîte, les noix en coques et les fruits secs;

Toutefois la date de mise en oeuvre de ces mesures ainsi que la liste définitive des mesures communautaires sera arrêtée en fonction des mesures que les Américains pourraient prendre. Il n'y a donc pas d'automatisme dans la mise en oeuvre;

- le Conseil demande à la Commission de poursuivre ses contacts avec les autorités américaines.

Cette position du Conseil est intervenue après que Mr De Clercq ait fait le point sur la situation de ce dossier. Mr De Clercq a plaidé pour une attitude ferme - la mise en oeuvre de la directive - mais également pour une limitation du conflit - exclusion des abats destinés aux animaux domestiques.

Il a souligné qu'il n'y aurait plus de viande légalement produite à base d'hormones dans les stocks communautaires à la fin de l'année 1988. Par conséquent, a-t-il dit, il n'y a plus de raison technique de prendre des mesures de transition pour l'application de la directive.

D'autre part, a-t-il ajouté, la Communauté doit être prête à prendre des mesures de rétorsion en cas de rétorsion américaine.

Il a donc demandé aux Etats membres de confirmer le principe de mesures communautaires tout en laissant en suspens la date et le contenu final de ces mesures, ces deux points devant être ajustés en fonction des mesures américaines.

Certains Etats membres (UK, DK, It) ont manifesté une préférence pour un second délai dans l'application de la directive mais n'ont pas été suivis par l'ensemble des membres du Conseil qui a préféré la proposition faite par la Commission.

Le Conseil poursuit ses travaux cet après-midi.

Amitiés,

F. LE BAIL

F. Le Bail



Bruxelles, le 20 décembre 1988.

BIO(88)413 (suite 1 et fin) AUX BUREAUX NATIONAUX  
CC. AUX MEMBRES DU SERVICE DU PORTE-PAROLE

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Conseil Affaires Générales :

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(F. LE BAIL)

\* Midterm review :

Après avoir entendu un rapport exhaustif de Mr De Clercq sur la réunion de Montréal, qui selon Mr De Clercq a permis de progresser sérieusement, le Conseil a adopté la mise en oeuvre anticipée de la partie de l'offre communautaire sur les produits tropicaux qui relève du SPG. On se rappellera qu'à Montréal, l'ensemble des accords auxquels les parties contractantes étaient parvenues ont vu leur mise en oeuvre suspendue jusqu'au mois d'avril 89 dans l'attente d'une solution sur 4 secteurs dont l'agriculture. Toutefois, la Communauté avait fait savoir qu'elle mettrait en oeuvre de manière anticipée la partie "autonome" de son offre. C'est ce que le Conseil a fait hier. L'amélioration SPG concerne en particulier les cigares et les cigarettes pour l'ensemble des PVD et les ananas frais, les mélanges de noix tropicales, les mélanges de fruits tropicaux ainsi que le tabac brut pour les PMA.

\* Accord textile / Chine :

Malgré les réserves et le vote négatif des délégations grecque et portugaise, le Conseil a adopté la mise en oeuvre provisoire à partir du 1er janvier 1989 de l'accord textile entre la Communauté et la Chine qui avait été paraphé la semaine dernière.

\* Budget pour les PVD d'Amérique Latine et d'Asie :

Le Conseil a adopté le budget de l'aide financière et technique pour les pays d'Asie et d'Amérique Latine à la lumière de l'avis rendu par le Parlement Européen. Cette aide est maintenant répartie en deux lignes budgétaires séparées qui pour 1989 seront dotées de 191 Mécus pour l'Asie et de 92 Mécus pour l'Amérique Latine. La répartition entre ces deux régions du monde est donc d'environ 67,5% contre 32,5%.

Le Conseil n'est pas parvenu à un accord ni sur le mandat de négociations pour le volet externe acier, ni sur les montants des nouveaux protocoles financiers pour Chypre et Malte.

Amitiés,  
C. D. EHLERMANN.

