



COUNCIL OF THE EUROPEAN COMMUNITIES
GENERAL SECRETARIAT



PRESS RELEASE

9852/89 (Presse 208)

1364th Council meeting

- Industry -

Brussels, 14 November 1989

President: Mr Roger FAUROUX

Minister for Industry and Town
and Country Planning
of the French Republic

Italy

Mr Carlo FRANCANZANI

Minister for State Holdings

Mr Franco BONFERRONI

State Secretary for Industry

Luxembourg

Mr Joseph WEYLAND

Ambassador, Permanent
RepresentativeNetherlands

Mr P.C. NIEMAN

Ambassador, Permanent
RepresentativePortugal

Mr Luis ALVES MONTEIRO

State Secretary for Industry

United Kingdom

Mr Douglas HOGG

Minister of State, Department of
Trade and Industry (Minister for
Industry and Enterprise)

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Commission

Mr Martin BANGEMANN

Vice-President

Sir Leon BRITTAN

Vice-President

Mr Philippo Maria PANDOLFI

Vice-President

TEXTILE INDUSTRY

Following an introductory presentation by Mr BANGEMANN, Vice-President of the Commission, the Council held a policy debate on the industrial implications of the multilateral trade negotiations for the textile industry and on transparency in aid to that industry. Following the debate, the President drew the following conclusions:

1. The Commission is prepared to continue studying the industrial consequences of the trade negotiations. Given the short time remaining, it is asked to produce an initial paper by the end of January.
2. Several Member States are interested in considering the possible setting-up of a Textile Industry Observatory. A decision in this respect will be taken in the light of the results of a feasibility study.
3. A majority of delegations see the need for an increased textiles/clothing research and development effort within the future framework programme, eventually enabling the industry, including SMUs, to cope more effectively with international competition.
4. Member States are in favour of greater transparency in aid to the textile industry. The Commission is invited to draw up an account of the present state of overall aid in the Member States, if necessary having recourse to an outside body and in a manner ensuring confidentiality.

FOOTWEAR INDUSTRY

The Council held a policy debate following an introduction by Mr BANGEMANN, Vice-President of the Commission, analysing the situation in the Community footwear industry from the dual aspect of competition with third countries and the prospects arising from completion of the large market in 1993. Following that debate, the Presidency adopted the following conclusions:

1. The European footwear industry is confronted with a difficult situation due in particular to extremely stiff competition from certain countries likely to cause it serious damage. The Commission is requested to study such measures, including commercial measures, as may prove necessary and justified in order to enable the necessary adjustment to be made. The urgency of these measures was recognized.
2. This adjustment must relate to the improvement of the environment of this sector, in particular training and R&D, which must be developed, access to the markets of third countries and the protection of intellectual property.
3. The measures envisaged must take account of the high level of intra-Community trade, the importance of the footwear sector in certain regions and hence the role of the Structural Funds, and the objective of achieving the Single Market in 1992. Furthermore, any commercial measures should be situated at Community level and avoid any distortion of trade.

SHIPBUILDING

The Council held a policy debate on the situation in the shipbuilding industry. The debate was introduced by a statement by Mr BANGEMANN, Vice-President of the Commission, presenting a Commission report which reflected the situation in the industry at the beginning of 1989 and also taking stock of progress in the discussions with the United States, Japan and Korea within the framework of the OECD.

Following this debate, the President drew the following conclusions:

1. The Council heard the Commission's report on the state of the shipbuilding industry in the Community. It was noted that, while the volume of orders seemed to be improving, prices still remained insufficiently remunerative and Japan's share of orders had increased considerably during the first half of 1989.
2. The Council took note of the approach proposed by the Commission for discussions on shipbuilding within the OECD. It was stressed that a policy of restoring normal competition conditions must cover all forms of both direct and indirect support; Community policy was particularly transparent in this connection and international action could be undertaken only after an exhaustive catalogue of the various measures applying. It was also emphasized that, besides the USA, any discussion must include Japan and Korea. Lastly, attention was drawn to the connection between industrial structures and restoring competitive conditions.

ITALIAN PUBLIC STEEL SECTOR : FINSIDER

The Council held a further discussion on the request from the Commission for its assent to modifications to its Decision of 23 December 1988 concerning aid to the Italian public steel industry.

At the end of its discussion the Council reached the conclusions set out below. However, the German delegation has given its agreement ad referendum; the Netherlands delegation was not in a position to give its agreement at this stage.

"The Council gives its unanimous assent to the Commission's proposal of June 1989 on modifications to the Commission's Decision of 23 December 1988 on aid to the Italian public steel sector.

However, the Council agrees that the liquid phase in Bagnoli will be closed not later than 31 December 1990.

The Italian government confirms that it will make no further proposals for any extension in time.

The deadlines for payment of aid in the above Decision will be adapted in line with the new closure date for the liquid phase in Bagnoli."

The position of the Council will be formally defined in the light of the final position of the two abovementioned delegations to be given in the near future.

HIGH DEFINITION TELEVISION

The Council took note of a statement by Mr PANDOLFI, Vice-President of the Commission, reporting on progress in introducing HDTV and in particular on the timetable until 1995 when regular broadcasts in the European standard would begin. The Vice-President said that the Community action plan for this sector would be ready for early next year and that 1990 would consequently be a decisive year for the launching of this operation.

MISCELLANEOUS DECISIONSAnti-dumping

The Council adopted Regulations:

- extending for a maximum period of two months the provisional anti-dumping duty on imports of certain compact disc players originating in Japan and South Korea;
- amending Regulation (EEC) No 2347/87 imposing a definitive anti-dumping duty on mechanical wrist-watches originating in the USSR (correction of an error).

Internal market

The Council adopted the Resolution on internal trade in the context of the internal market (see Press Release of the Internal Market Council on 10.X.89 - 9035/89 Presse 174).

Approximation of legislation

The Council adopted a Directive amending Directive 80/181/EEC on the approximation of the laws of the Member States relating to units of measurement (this amendment concerns the fixing by Member States of the dates until which certain units of measurement remain legal).

Good laboratory practice

The Council authorized the Commission to negotiate agreements between the European Economic Community and third countries concerning the mutual acceptance of data obtained during the non-clinical testing of chemicals in accordance with good laboratory practice for regulatory purposes.

Brussels, 15 November 1989

NOTE BIO (89) 338 AUX BUREAUX NATIONAUX
CC: AUX MEMBRES DU SERVICE PORTE-PAROLE

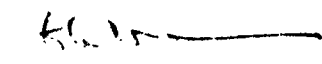
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INDUSTRY COUNCIL 14.11.89 (M.F. Berendt)

Italian steel

The Council gave unanimous agreement to a modified timetable for closure and restructuring in the Italian steel industry which were conditions for the payment of LIT 5170 billion to clear debts of the Italian state-owned steel company Finsider. The agreement is based on the draft decision put forward by the Commission in June which modified the decision of December 1988. However, it extends the final date for closure of the liquid phase of the Bagnoli steel plant until December 31 1990. This aspect of the agreement is subject to a final agreement by Germany and the Netherlands, which is expected to be given next week.

The Commission will now be able to authorise the release of two-thirds of the aid package. The remaining one-third will be authorised when the Bagnoli plant has been closed.

Regards, 

C.D. Ehlermann