

PRESS RELEASE

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MINISTERIAL MEETING AND 3RD EC-GCC JOINT COUNCIL
(Kuwait, 16 May 1992)

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- 1. The third session of the Joint Council established in accordance with the Cooperation Agreement between the EC on the one hand, and the countries parties to the Charter of the Cooperation Council for the Arab States of the Gulf (UAE, Bahrain, Saudi Arabia, Oman, Qatar and Kuwait) on the other hand, was held in Kuwait on 16 May 1992.
- 2. Both sides discussed a number of regional and international questions of common interest in an open and constructive way, with a view to fostering cooperation between their two regions.
- 3. The European Community and its member States and the GCC and its member States are greatly satisfied at the restoration of peace and stability in the Gulf in accordance with international legality. Both sides have monitored with interest the efforts made over the past year by the region's States in the framework of the GCC, with a view to consolidating that restoration. They reaffirmed their commitment to the sovereignty, unity, independence and territorial integrity of all states in the region.

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- The Ministers were honoured to be received in audience by His Highness Sheikh Jaber Al Ahmed Al-Sabah. They expressed their happiness that their meeting was being held in liberated Kuwait and congratulated the people and government of Kuwait on the restoration of freedom, sovereignty and independence under their legitimate government. They reiterated their governments' commitment to a prompt and full implementation of all Security Council resolutions relevant to the Iraqi aggression against the State of Kuwait and called upon Iraq to implement these resolutions fully without any further delay. The Ministers underlined the importance they attach to the immediate release of all Kuwaitis and other POWs and detainees still held by Iraq as well as the importance of ensuring that the Iraqi government is committed to paying full compensation on the losses and damage caused by its aggression against the State of Kuwait. They also expressed satisfaction over the sustained UN Security Council efforts to ensure full implementation of these international resolutions. In particular, the Ministers welcomed the report of the UN Iraq/Kuwait Boundary Demarcation Commission on the demarcation of the Kuwait-Iraq international borders concerning the land borders between the two countries. The Ministers, however, expressed concern over the continued sufferings of the entire population of Iraq, which is caused by the refusal of the Iraqi government to abide by relevant Security Council resolutions, namely 688, 706 and 712 which deal, inter alia, with the means to alleviate the suffering of the Iraqi people.
- 5. The Joint Council reviewed developments in commercial and economic cooperation between the two sides. EC Ministers congratulated the GCC countries for their impressive economic performance which has enabled them to face the economic implications of the Gulf crisis and to restore healthy and normal economies.

The substantial increase in two-way trade in 1991 confirms the continued importance of the economic relationship between the two regions.

The Joint Council noted with satisfaction that the Joint Cooperation Committee, established in accordance with Article 15 of the Cooperation Agreement, has been activated with a view to fulfilling the tasks assigned to it in order to meet the Agreement's objectives. The Joint Council received a report from the Joint Cooperation Committee and approved the recommendations incorporated therein, which are aimed at the reinforcing cooperation between the two regions. The Joint Council resterated the importance of cooperation in the field of energy and stressed the usefulness of continued ciscussions on the world energy market and other issues of mutual interest. The two sides agreed on the importance of continuing their cooperation in the field of environment and extending cooperation to include strengthening national and local environmental institutions in the Gulf countries.training of experts and environmental standards. They stressed the importance of the realization of the cooperation potential in the field of industrial cooperation, investment, joint-ventures, science and technology, standards, and human ressource development. The Joint Council welcomed the decision to hold the second EC-GCC Industrial Cooperation Conference in Doha in October 25-27, 1992, and underlined the important contribution of this Conference to the development of trade, economic and investment relations between the two regions. .../...

6. The Joint Council had a detailed discussion of the problems related to climate change including CO2 emissions.

The GCC side expressed its concern about the intention of the Community to envisage an energy/carbon tax and the consequences of such a tax on the world economy and the economies of the developing countries. The GCC side duestioned the effectiveness of the proposed tax in controlling emissions and pointed outtnat oil is already overtaxed in the Community. Further taxation would adversely affect the GCC economies and their upstream and downstream expansion programme which might affect mutual EC-GCC trade relations.

The Commission explained that any tax would be part of a global strategy to stabilise emissions of CO2 and it was important that economic development should be sustainable environmentally. The Commission stressed that its strategy would promote an appropriate and equitable solution at the international level and that a complined carbon/energy tax would not have a discriminatory impact on the competitive position of oil.

Relterating their mutual commitment to promote a global and timely response to the problems associated with the environment, the two sides agreed to continue their dialogue on these issues, taking also into account international efforts to find appropriate and effective global solutions.

- 7. The Joint Council took note of the progress of the on-going trade negotiations between the two regions. Both sides resterated their commitment to exert maximum efforts to conclude these negotiations successfully as soon as cossible.
- 8. The Ministers of the Community and the GCC had a full exchange of views on developments in their two regions. The Ministers of the GCC apprised the Community Ministers of the economic developments within the process of cooperation and integration of the GCC and the GCC's relations with the neighbouring countries, the economic programme of the declaration of Damascus, and the development of GCC relations with other regional groupings. The Ministers of the Community described the successful conclusion of the Maastricht negotiations on economic and monetary union, and political union including a common foreign and security policy. This achievement, together with the completion of the European Single Market, would

mark the beginning of a new era in European integration. The Ministers of the Community also referred to the perspectives of future enlargement of the Community, the signature of the Agreement on a European Economic Area, and on the development of relations with the countries of East and Central Europe and former Soviet union. The importance of the Community's relations with the neighbouring countries of the Southern Mediterranean region and its contribution to their development as well as its involvement in the Middle East peace process were also emphasized.

- 9. The Ministers discussed the prospects for international cooperation in support of sustainable development of the Arab World. They reiterated their commitment to continue their cooperation with these countries in a spirit of solidarity. They exchanged information on the major efforts required in the region, their respective endeavours to meet them, and the prospects for joint cooperation.
- 10. The Ministers are deeply convinced that the achievement of a comprehensive, just and lasting settlement of the Palestinian question and the Arab-Israeli conflict is vital to the stability and security of both Europe and the Middle East. In this spirit they reviewed developments in the Middle East. They reiterated their governments' commitment to support and enhance the Middle East peace process, based on Security Council Resolutions 242 and 338, and to the right of the Palestinian people to self determination.
- 11. Both sides are following closely the developments in the Middle East peace process, as regards both its bilateral and its multilateral aspects. The European Community and its member States and the GCC and its member States will spare no efforts to play a constructive and active role in the multilateral negotiations which have the potential to reinforce the bilateral talks. The multilateral phase of the Middle East peace process is in itself a concrete confidence building measure, enabling peace to become a reality and genuine regional cooperation to develop. However, the multilaterals complement the bilaterals and are not a substitute for them. Progress in the central issues of the bilaterals will greatly contribute to the success of the multilaterals.

- 12. Both sides call on all parties to commit themselves to the peace process and to refrain from any action likely to endanger the negotiations, or to threaten the creation of a climate of confidence. The continued settlement policy of Israel in the Occupied Territories is an obstacle to peace. Both sides consider the need for significant confidence building measures. In the EC's view, a freeze by Israel of its settlement policy in the Occupied Territories, which is in any case illegal under international law, is one such measure. The suspension of the Arab trade boycott of Israel is another. The Ministers condemn all acts of violence, irrespective of their origin.
- 13. The Ministers also remain seriously concerned at the deteriorating situation in the Occupied Territories, in particular as regards the human rights situation there. They reiterated that Israel, as the occupying power, should abide by the provisions of the Fourth Geneva Convention. Both sides also stressed the urgent need for help to be given by the international community to alleviate the situation in the Occupied Territories.
- 14. Regarding the situation in Lebanon, both sides reaffirmed their support for the implementation of the TAIF agreements in all aspects and potentialities and stressed the need for all parties to work towards the total restoration of the sovereignty, independence, unity and territorial integrity of Lebanon. They also recalled their support for the implementation of Security Council Resolution 425. The Ministers reiterated their commitment to participate in Lebanon's reconstruction and stressed the willingness of the EC and the GCC to participate in a donors conference in order to create a Lebanese aid fund.
- 15. The Ministers commended the continued good offices of the Committee of Seven established by the Arab League with a view to securing Libya's cooperation and compliance with Security Council resolution 731. The Ministers confirmed their governments' commitment to implement all relevant resolutions adopted by the Security Council as an expression of their countries' respect for international law and support for measures designed to repress terrorism.
- 16. The European Community and its member States and the GCC and its member States express their interest in stability and sustainable development in the Maghreb region, confident that this will be an element in fostering closer cooperation.

- 17. The European Community and its member States and the GCC and its member States welcomed the resumption of the Euro-Arab dialogue, which had been interrupted for some time. They have followed with interest the recent Lisbon meeting, and express their commitment to a deepening of relations between the Arab States and the Community.
- 18. The European Community and its member States and the GCC and its member States expressed their concern at the complex situation prevailing in the CIS, and stressed the uncertainties this situation represents for the stability of the region. The Ministers exchanged information on their countries' contribution in the field of humanitarian and developmental aid and technical assistance, and noted the willingness of the European Community to support dialogue between the republics of the CIS and the international community, enabling the commitments given by the ex-USSR in the fields of disarmament and nuclear non-proliferation to be respected.
- 19. The Ministers reviewed the situation prevailing in the former Yugoslav republics. The GCC Ministers expressed their appreciation for the efforts undertaken by the United Nations and the Community with a view to finding an end to the Yugoslav crisis. Both sides expressed their grave concern at the serious situation in certain parts of the former Yugoslav republics, and in particular at the rapid and violent deterioration of the situation in Bosnia-Herzogovina. The Ministers of both sides called for an immediate end to all forms of interference from outside Bosnia-Herzogovina, including by units of the Yugoslav People's Army (JNA) as well as elements of the Croation Army. The Ministers of both sides called upon the parties to the conflicts to respond positively and seriously to the mediation undertaken by the Community, and to respect strictly the cease-fire with a view to reaching a peaceful solution to their conflicts.
- 20. The Ministers expressed thanks and appreciation to the people and government of Kuwait for the hospitality, warm welcome and excellent organisation of their meeting.
- 21. Both sides agreed that the fourth meeting of the Joint Council would be held in the European Community in the first half of 1993.