



COMMISSION
OF THE EUROPEAN
COMMUNITIES

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THE WEEK IN EUROPE

EC Foreign Ministers act on Iran death threats. In a show of complete unanimity EC Foreign Ministers, meeting in Brussels on Monday, decided to withdraw their Ambassadors and Heads of Mission from Iran for consultation in the wake of the Ayatollah Khomeini's repeated death threats against Salman Rushdie, the British novelist. The UK will go further than its EC partners by pulling out from Teheran its entire diplomatic staff of four. According to a formal statement from the meeting of Foreign Ministers the diplomatic sanctions will start immediately and will continue until Iran declares "its respect for international obligations and renounces the use or threatened use of violence." In addition, the Foreign Ministers condemned the "incitement to murder" as an "unacceptable violation of the most elementary principles and obligations that govern relations among sovereign states."

US-EC trade task force proposed. Following the visit last weekend to Washington DC by Vice-President Frans Andriessen, EC External Affairs Commissioner, and Ray MacSharry, Agriculture Commissioner, measures have been agreed on which seem to ease the threat of a trade war between the EC and the USA. On his return to Brussels Andriessen said he had found "a very positive environment for co-operation" and pointed to his agreement with Carla Hills, US Trade Representative, and Clayton Yeutter, US Agriculture Secretary, to set up a joint EC-US task force on the hormone meat issue. The following conclusion by both parties was reached: "Both sides agree to appoint a task force consisting of high-level representatives of the United States and the Commission of the European Community to develop ways, including suitable certification, within 75 days, whereby the United States can supply beef and beef products consistent with EC law and US production methods. In the meantime, to the extent that US beef and beef products are shipped to the EC, the US measures will be reduced accordingly." The background to their new initiative is that on 1 January this year the EC banned the import of hormone-treated beef, the production of which in the EC had been forbidden a year earlier. The USA then announced immediate retaliation on EC exports, but both the Community ban and US retaliation have only had practical effect since 1 February after a month's grace period for traders. Although the EC is maintaining its request for a GATT panel to examine the unilateral retaliatory measures taken by the US, the Commission has not asked EC Foreign Ministers to approve the counter-retaliation on US fruit and meat shipments. The new, improved, climate between the USA and the EC may help end the broader deadlock between the two which centres on the EC opposition to USA insistence on the eventual total abolition of farm subsidies.

Delors presents Commission 1989 programme. On 16 February President Jacques Delors presented the Commission's 1989 work programme to the European Parliament. The main emphasis will be on continuing along the road towards the single internal market by end 1992. Delors also affirmed in his address to the European Parliament the need to make big steps in the field of European environmental matters in 1989. He noted that this year attention will also be focussed on developing countries, since the new Lome convention is due for signature in 1989. An 83 page document "Programme of the Commission 1989" in English gives details of the proposals.

Consolidated Goldfields complaint rejected. Vice-President Sir Leon Brittan, Commissioner in charge of Competition Policy, announced last week that the Commission has rejected Consolidated Goldfields' complaint against possible takeover by Minorco SA. The Commission has received certain formal assurances from Minorco - namely that if the takeover succeeds, Minorco will, within a specified period of time, sell Congold's platinum interest. Sir Leon stressed the importance of maintaining competition in the platinum market in the Community, particularly in the light of growing demand from manufacturers of catalytic converters to reduce car exhaust pollution.

Young Scientists competition. The EC contest for Young Scientists will be held in Brussels at the end of October 1989 and will involve the top finalists from national contests now being organised by young scientists' organisations in Member States. President of the Jury will be Sir Peter Swinnerton-Dyer, a Cambridge mathematician who is also President of the European Committee for the Development for Science and Technology (CODEST) which advises the Commission. Prizes will be in the form of scholarships to university or for advanced studies.

More aid for Ethiopia. The Commission is to give two new separate aid packages to Ethiopia: first, emergency aid of 332,000 ecus (£220,000) to combat meningitis, secondly, 300 tonnes of vegetable oil and 100 tonnes of sugar for Somali and Sudanese refugees in Ethiopia.

Exploratory EC-USSR talks on the possible contents of a future commerce and co-operation agreement between the EC and USSR took place in Brussels on 16 and 17 February. The Soviet delegation was led by Professor I Ivanov, Vice-President of the State Commission for Foreign Economic Relations, who was received by Vice-President Frans Andriessen.

Economic outlook and policy problems. Earlier this week the Commission adopted the communication on the economic outlook and policy problems for 1989 and 1990. Presenting the document Vice-President Henning Christophersen said: "All our forecasts are pointing out very healthy growth rates for 1989 and 1990 mainly due to increase in investments". The document indicates that over 6 million new jobs will have been created in the period 1986-1990.

1992 services. A Reading-based Company, CTA Economic & Export Analysts Ltd, has just been listed by the Department of Trade and Industry as a strategic marketing consultancy under the Enterprise Initiative, to help companies in the UK to take advantage of the opportunities offered by the Single European Market. For details contact Carol Cosgrove on 0734 668 381, fax 0734 351 440.

European Business Journal. This new publication will be launched in March this year. It has a distinguished editorial board with Professor David Norburn of Imperial College Management School as Editor. For details contact Whurr Publisher's Ltd, 19b Compton Terrace, London N1 2UN. Tel 01-359 5979, fax 01-226 5290.

Diary Dates

The English Speaking Union of Belgium is organising a "Europe Today" Conference on 15-17 July 1989 at the Catholic University of Louvain. Among the speakers, David Williamson, Secretary-General of the Commission, Sir Leon Brittan and Willy de Clercq. Details from Miss Lieve Notre, ESU of Belgium, Karel Alenlaan 53, B-3293 Diest, Belgium. Tel - Louvain 28 62 11 ext 2480.

Ministerial Meeting San Jose V (EC - Contadora Group)	27/28 February	Honduras
Environment Council	2 March	Brussels
Industry Council	6 March	Brussels
Agricultural Council	6/7 March	Brussels
Informal Labour Ministers	6/7 March	Seville

Our next briefing will take place on Thursday, 2 March at 11.30 am.