



COMMISSION
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COMMUNITIES

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THE WEEK IN EUROPE

Agreement on farm prices. After a marathon session in Luxembourg lasting five days and two nights, EC Agriculture Ministers succeeded in fixing guaranteed farm prices for the forthcoming season, 1989-90. The final package, offering modest increases for most producers except in the FRG and Holland was endorsed unanimously early last Saturday. The agreement keeps well within the EC's guidelines on financial discipline and was greeted by new Agriculture Commissioner Ray MacSharry with considerable satisfaction at a press conference on Monday. The Commissioner pointed out that the Commission had presented its proposal for agricultural prices in January and the European Parliament its opinion only 15 days before the Council meeting took place, yet the package had been agreed unanimously by all 12 members.

The supplementary cost of the package will be of the order of 75m ecus (£50m) for 1989 and 360m ecus (£240m) for 1990. MacSharry's achievement came after changes in the agriculture monetary regime had been made in the Council, increasing prices in national money of the weak currency countries and limiting the original cuts aimed at Dutch and German farmers. Agreement was also reached on a 2% cut in the EC sugar price, a reduction of one month in the period of the year when the EC guarantees to buy cereals, a 12.5% cut in "monthly increment" payments to cereal farmers, and a 2% cut in the butter price to compensate for reductions in the milk co-responsibility levy paid by dairy producers. Demands for an increase in milk quotas and a weakening in the reforms in the oilseeds sector were rejected.

EC co-ordination over Eastern Europe. On Monday, EC Foreign Ministers meeting in Luxembourg for the General Affairs Council, formally suspended economic co-operation talks with Rumania, because of the suppression of dissent and forced relocation of peasants there. At the same time the prospect of a quick and relatively generous trade accord with Poland, which has implemented a programme of democratic reform, was held out. It is reported that talks with Poland might be concluded in June, while it is possible that the Commission will get a Council mandate for talks with the Soviet Union, where major reforms have also taken place, as early as next month. Thus EC Ministers appear to have concluded that fast-moving events in Eastern Europe required a special degree of policy co-ordination since normally EC Foreign Ministers keep political co-operation out of the strict Community context and separate from EC commercial policy. The drive towards EC co-ordination, plus a higher profile Community stance towards Eastern Europe, has been led by Commission President Jacques Delors. Opposition to his initiative now seems to have been overcome.

Nicaragua's President visits Commission. The President of Nicaragua, Daniel Ortega Saavedra and his Foreign Minister, Father D'Escoto, were received in Brussels on Monday by Commission President Jacques Delors and Commissioner Abel Matutes, responsible for Relations with Latin America. President Ortega suggested that international observers be sent to Nicaragua - not only to monitor the elections there in 1990 but also to see for themselves the need for aid from the EEC which the Nicaraguan team is seeking. Since 1979 Nicaragua has received 185m ecus (124m) in aid from the EEC plus a considerable amount of aid in kind, mainly food.

EC Regional Energy Conference. This was being held in Newcastle-Upon-Tyne on 24-27 April, organised by the Commission's Directorate-General for Energy under the authority of Commissioner Antonio Cardoso e Cunha. One hundred and twenty experts have been attending the Conference.

A Common Man's Guide to the Common Market by Hugh Arbuthnott and Geoffrey Edwards. Second edition. Macmillan press. Price £9.95 paperback, £27.50 hard cover. This is a fully revised and extended version of the book first published in 1979. It gives a short history of the foundation of the Community and describes the major events since then up to the end of 1986 and agreement on the Single European Act. This book is to be recommended for the busy executive who wants to get a clear idea of a complex subject in a relatively short time. It is lucidly written and comprehensive in its coverage of the institutions of the EEC and its policy-making processes. However, due to the time lag between writing and publication it omits the many new developments in implementation of the Single European Act and is not suitable simply as a guide to the implications, opportunities and challenges of 1992.

Matutes in Turkey. Abel Matutes, Commissioner responsible for Mediterranean Policy, is on an official visit to Turkey, 26-29 April, at the invitation of Turkish Prime Minister Ozal. Turkey has made a formal application to join the EEC.

EC-Morocco Co-operation Council. The second meeting of the EC-Morocco Co-operation Council took place on 24 April in Luxembourg. The Moroccan delegation was led by Abdellatif Filali, Foreign Minister, and the Community side was headed by the Council President Fernandez Ordonez, Spanish Minister of Foreign Affairs. The Commission was represented by Commissioner Abel Matutes.

European Better Environment Awards were presented by HRH The Duke of Gloucester at a ceremony, also attended by Environment Commissioner Carlo Ripa di Meana, in London on 25 April. There were two British winners, Baxi Partnership of Preston which received the Good Environmental Management Award for reducing the impact of a new iron foundry; and R J Armstrong Evans of Cornwall for low cost, robust hydro-electric equipment which shared the Appropriate Environmental Technology Award.

INFO '92. A new database, INFO '92, created by the Commission will allow EC citizens, also through videotex, to find easy access to information about the Internal Market. INFO '92 will be accessible from 1 June 1989 and will be free of charge until 30 September 1989.

EC aid for Palestinian refugees. The Commission has allocated food commodities worth 15.2m ecus (£10m) to the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA).

Diary Dates

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| Internal Market Council | 3 May | Brussels |
| Informal Environment Ministers | 5-7 May | Cacares |
| Energy Council | 11 May | Brussels |
| TREVI Ministers Meeting | 11-12 May | Madrid |
| Informal Agricultural Ministers | 15-16 May | Salamanca |

Our next briefing will take place on Thursday, 4 May at 11.30 am.