

# AMBASSADE DE FRANCE

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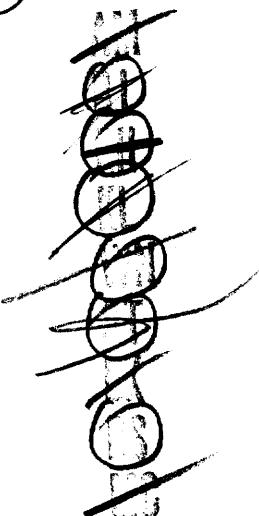
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STATEMENT TO THE PRESS BY VALERY GISCARD D'ESTAING

PRESIDENT OF THE FRENCH REPUBLIC

FOLLOWING THE EUROPEAN SUMMIT MEETING

PARIS, DECEMBER 10, 1974



Ladies and gentlemen,

I'm sorry to have kept you waiting so long, but we examined matters in great depth and only just concluded now. By the time I finish talking to you, you will have the text of the communiqué in French; the English version will be ready in about a quarter of an hour.

What can be said about the work of the heads of the European governments during these last two days? We can say that we have attended the last European summit meeting and that we have taken part in the first European Council meeting. And to repeat an old French expression, we could say that the European summit meeting is dead; long live the European Council.

Actually, it was already a meeting of what we will henceforth call the European Council because it was a meeting solely of heads of government and foreign ministers and was held from beginning to end solely in the presence of heads of government and foreign ministers, like the deliberations of government bodies in various countries around the world. Those of you, for example, who were present for the Paris summit meeting in this building remember that it was a meeting in which many experts participated, whereas the practice henceforth to be used will be that of a council meeting which, I repeat, will include only the heads of government and foreign ministers. You must understand that the aim of such a council is not to deal with all the problems facing the Community at a given time, just as it is not the practice of any nation's cabinet to deal every week or every month with all the problems facing it, but only with those that are timely or urgent. So our meeting examined a number of important problems, but the very nature of our deliberations--that is to say a genuine discussion among heads of government--would not allow examination of all the Community

problems; these problems will consequently continue to be dealt with in the framework of the normal procedures, i.e. the councils of ministers held in Brussels. Several meetings will be held next week.

Now then, what was the basic content of the last European summit meeting or the first European Council meeting? First, it was decided in principle that from now on these meetings would take place three times a year and possibly more often if necessary--that is, if justified by circumstances--and that they would be the same kind of meeting, that is, among heads of government and foreign ministers. It was agreed that the next meeting would be called by the Prime Minister of Ireland, who assumes the presidency on January 1, and would be held in the first quarter of 1975.

These meetings have two aspects. On one hand, when they deal with Community problems, they naturally follow the procedures and regulations laid down in the Rome Treaty. But at the same time the aim of the meetings is to organize efforts to seek out common positions by the countries of the European Community on all the political questions they might encounter, and thus to effectively ensure political coordination. In this regard, the current president acts as spokesman for the Nine and is their representative on the diplomatic level to express the conclusions of the Nine. Our communiqué also states that the practice of submitting decisions on all questions to a unanimous vote will be halted; as you know, this has been common practice until now. We jointly decided to put a stop to this practice, while of course retaining the right to request consideration for national interests in cases where they are in fact justified. The change in this area lies in the fact that a common desire was expressed to henceforth make as broad a use as possible of a decision-making procedure other than unanimity, that is, a qualified majority vote.

On the same political subject, we hope that by 1976 the European Assembly will be able to submit the proposals expected of it on the means of electing the European Assembly by universal suffrage so that in 1976 the Council can decide on the procedures for this election. It should be put in effect starting in 1978. This position in favor of election of the Assembly by universal suffrage and its corresponding timetable was adopted by seven member states; there were in fact reservations on the part of the British delegation and the Danish delegation. The British delegation's reservations were due, in particular, to the uncertainty still surrounding Britain's membership; the Danish delegation cannot make a definite commitment at this time on election by universal suffrage by 1978. On the other hand, the seven other participating countries adopted this common stand together.

The last political aspect concerns the creation of a working group whose task is to establish a passport union among the Nine which will, among other things, make it possible to introduce uniform passports; it was requested that this plan be submitted to the governments of the member states before December 31, 1976. That's it for political questions. There is only the task entrusted to Mr. Tindemans, the Belgian Prime Minister. We agreed on the need to define in as short a time as possible an overall concept of European union. In this regard, you will remember that the summit meeting held in Paris asked for reports from the Community institutions, meaning the Court of Justice, the Commission, the Council of Ministers and the European Assembly, and it was decided to request Mr. Tindemans to make a comprehensive report on the basis of these reports as well as on whatever consultations he might have with other groups, and to submit this report before the end of 1975--next year--thus making it possible to form an overall concept of European union.

We then went on to discuss what are called questions of substance, although I feel that political matters are matters of substance, vital matters of substance, even, and more far-reaching than any others. These questions of substance dealt first with economic and monetary matters. We reaffirmed the goal of economic and monetary union as set forth at the Paris summit meeting and toward which, it is true, circumstances in the last few years have not allowed us to make as much progress as we had planned; the goal remains the same as that set during the Paris summit meeting.

As concerns economic policy, we agreed on the necessary convergence of our economic policies so we can take action aimed at preventing general economic recession and, at the same time, restoring stability. Since our economies are divergent we must work for the convergence of our economic policies to come closer to this goal. For the countries with deficits, especially foreign deficits, this means avoiding any protectionist measures or measures aimed at restricting trade, and for the countries with surpluses, taking measures to maintain the present state of their economies. This is why we took note of the West German government's intention to adopt shortly a program to encourage private and public investments. This action by West Germany fits into the framework of the convergence of our economic policies and the support of our levels of activity and employment. At the same time, Mr. Schmidt reported to us on the talks he had with President Ford and the conclusions he had drawn from them as to probable economic developments in 1975. My colleagues asked me to tell Mr. Ford during our forthcoming meeting that we view as very important the convergence of the economic policies of all the industrialized countries, along the lines we have indicated, that is, in such a way as to avoid general recession and at the same time work together toward stability.

We then dealt with regional policy, which as you know has for a long time complicated relations within the Community. We agreed to set up a three-year regional fund starting on January 1, 1975. This fund will be experimental in nature since its results will be reviewed after three years. It will be endowed with 1,300 million units of account for three years; of these, 150 million units of account will come from sums already set aside for this purpose by the Communities and the difference, that is 1,150 million units of account, will come from additional contributions by the states. Italy and Ireland will take priority in the distribution of these funds; Italy will receive 40% of the fund's resources and Ireland will be guaranteed the same sum as that projected by the Commission, using 1,400 million units of account as a base. In other words the reduction from 1,400 million to 1,300 million will be made in such a way as not to reduce the amount to be allocated for regional policy in Ireland. As for the rest, there are quotas which are the same as those proposed by the Commission. They are in the communiqué which will shortly be distributed to you.

As concerns employment problems, aside from expressing concern for maintaining a high level of employment, the substance of what was said was to emphasize concertation among the member states on one hand and with our labor and management partners on the other. Thus the Community labor ministers will meet next week with labor and management organizations to discuss concertation on the present state of employment and examine what measures should be taken in this regard. We have made plans to discuss jointly what could be done to increase the resources of the Social Fund, if it is necessary.

As for energy, we talked about energy during a session which only included heads of government and which took place a short while ago, after lunch. The communiqué will first of all indicate the importance we attach to the establishment of a joint energy policy; we invite the Community institutions to submit proposals to us on this. It will also indicate that we discussed the possibility of cooperation between the oil-exporting countries and the oil-importing countries. The communiqué also shows that the heads of government attach a great deal of importance to the forthcoming meeting between the President of the United States and the President of the French Republic.

Lastly, we dealt with the problem of keeping Great Britain in the Community. With regard to this, we first heard a statement by the Prime Minister of the United Kingdom who described his government's views. He reiterated the points that he had already made in former statements, namely that he was not asking for a renegotiation of the Rome Treaty or a renegotiation of the membership treaty, but that he was requesting a discussion of the terms that were applied

specifically to Great Britain's membership in the Community. The communiqué then indicates the spirit in which Community institutions will work on the problems posed by Great Britain's budgetary contribution. Because the text is the result of very precise drafting, I can tell you that the heads of government begin by recalling the declaration made by the Community during the membership negotiations, that is, if unacceptable situations were to arise, the Community would require that its institutions find equitable solutions.

The next paragraph states that the system of the Community's own resources is one of the fundamental elements of the economic integration of the Community.

And the next paragraph, which I will read to you, is this one: "They invite," they being the heads of government, "the institutions of the Community (the Council and the Commission) to set up as soon as possible a corrective mechanism of a general application which, in the framework of the system of 'own resources' and in harmony with its normal functioning, based on objective criteria and taking into consideration in particular the suggestions made to this effect by the British government, could prevent during the period of convergence of the economies of the member states, the possible development of situations unacceptable for a member state and incompatible with the smooth working of the Community." That is the content of the communiqué and of its deliberations. I think that now the most useful way for you to work is to examine the text of the communiqué, unless you would like to ask me a few questions of a general nature before studying this text.