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STATEMENT ON AFGHANISTAN BY E.C. COMMISSION PRESIDENT

ROY JENKINS

Roy Jenkins, President of the EC Commission, told the European Parliament last week that the European Community should not allow a wedge to be driven between the United States and itself. President Jenkins outlined the EC's position on Afghanistan in a statement to the Parliament's Political Affairs Committee in Brussels on January 31. This was the week following his visit to the United States during which he met with President Carter, Secretary of State Vance, other members of the US Administration and Congressional leaders. The text of President Jenkins' statement follows:-

"There has been agreement in all institutions of the Community and throughout the Western world in condemning the Soviet takeover of Afghanistan. I do not therefore think that I need to repeat the almost unanimous views which we hold about the events of a month ago. The European Parliament passed an impressively worded resolution on the subject which I know from my own visit to Washington prepared a joyeuse entree for your President, Madame Veil, a few days later.

You know that at their first meeting after Christmas the Member States of the Community on 15th January issued a strong declaration condemning the Soviet intervention in Afghanistan. This was unambiguous and demonstrated the solidarity of the West in general and the Community in particular towards the Soviet Union.

The Community as such has also wasted no time in reacting within its area of competence. Already in the first week of January the Commission exercised its responsibility for managing the market, in close consultation with the Member States, by

- stopping the food aid programme for Afghanistan as the conditions

for its distribution to the population, rather than to the occupying forces, could not be guaranteed;

- taking administrative action, pending confirmation, which was subsequently forthcoming by the Council, to ensure that there is no replacement from Community stocks of agricultural products whose export to the Soviet Union the United States had banned;
- considering immediately favourably the urgent demand presented by the U.N. High Commissioner for Refugees for immediate aid for Afghan refugees in Pakistan.

The Commission is proposing to the Member States that 10 MUA (\$14.5 million) should be set aside for this purpose.

These decisions as you know were confirmed by the Council of Ministers of 15 January, who laid down the principle that the Community would not replace either directly or indirectly United States' supplies for the Soviet market. The Council requested the Commission to take the necessary steps to ensure the implementation of this policy and to propose measures for other agricultural products, while respecting traditional patterns of trade.

Let me now turn in more detail to the action we have taken in the agricultural field. I make two preliminary points :

First, we must bear in mind that in certain respects our situation is different from that of the U.S. in agricultural trade with the Soviet Union. The Americans actually have a bilateral agreement on grains, and they export virtually no other agricultural products to Russia. For them, therefore, the benchmark is relatively simple: it is the figure of 8 million tons, which they are respecting. We, on the other hand, have no bilateral agreement, our exports to Russia include several different crop and livestock products, and the volume of these exports has varied greatly over recent years. It is therefore far less simple to fix a benchmark for our policy.

Second, there is a distinction to be made between the mechanisms for monitoring the destinations of our exports, and the limits which we wish to put to our export to those destinations. The first is a question of administrative practice, and the second is a matter of political and commercial judgment.

On the administrative practices, I am not going to recite to you a catalogue of the different measures, such as export certificates, prefixation of restitutions, or adjudication, that we have adopted for the different products.

I am simply going to say that I am satisfied, and Finn Gundelach (Vice President of the EC Commission with responsibility for agriculture and fisheries) is satisfied, that, for all the products where it is necessary, we have the necessary instruments to monitor exports and if necessary to keep them within limits. We shall keep these administrative measures under review, and adapt them as the situation demands. For example, this week we are tightening up the milk products system in various ways. There will no longer be export restitutions for fresh butter to the USSR, but a system of export tenders for stockpile butter. This will permit us to keep a strict control, and in fact we anticipate no exports of butter to the Soviet Union in the near future.

On the targets at which we are aiming, let me recapitulate what our recent agricultural exports to the Soviet Union have been. I limit this to the Soviet Union in order to simplify matters, but it is obvious that we must take account in our monitoring system of the other Eastern European countries, through which the Soviets might try to obtain additional supplies from us indirectly. I also leave out the year 1979, for which full statistics are not yet available.

For wheat, we exported negligible quantities of a few hundred tonnes in some of the years 1974-78. For barley, we exported quantities varying from 440 thousand tonnes in 1976 to 200 tonnes in 1977. We exported small quantities of other cereals, such as rye and maize, in some years. We supplied significant quantities of malt, varying from 109,000 tonnes in 1974 to 31,000 tonnes in 1977. We exported 89,000 tonnes of beef in 1974, but less in subsequent years. Poultry has varied from zero in 1975 to 62,000 tonnes in 1977. There were exports of 2,000 tonnes of butter in 1974, 49,000 tonnes in 1977, 21,000 tonnes in 1978 (and 140,000 tonnes is estimated for 1979). There were small quantities of wine in 1974-77 and rather more in 1978.

You will see from the statistics which I have quoted that our trade pattern with the USSR has been highly erratic. Indeed, both we and the Americans have suffered commercially from the unreliable and unpredictable nature of Soviet demand for these products. It is not therefore useful to pick out a figure for a particular year, or an average figure for a period of years, and to say that it represents the traditional level or target to which we should adhere. It will be a matter of judgment for each product.

What I will say is this. Unless and until the Soviet aggression in Afghanistan is ended, our exports of agricultural produce to the USSR will not exceed what we judge to be traditional quantities. In no case will there be large export deals at special prices, of the type which happened in 1973. We shall ensure that sales are made in controlled quantities and at realistic prices.

The U.S. Reaction

As you know, I was able to visit the United States last week for talks with President Carter and members of the Administration at a time when the Americans are already considering the next steps in their reaction to Afghanistan. I am happy to be able to tell you that the United States expressed satisfaction with the action taken so far by the Community, particularly in the political and agricultural fields, but did express the hope that we consider further steps, notably in the field of common action to control the granting of official export credits to the Soviet Union. This, the Commission and the Council are currently studying.

The United States regards the consequences of the Soviet invasion of Afghanistan as a serious threat to world stability. They naturally look to the European Community for political, moral and practical support. In Washington I was able to demonstrate that the Commission, the Council and the Parliament had offered a clear demonstration of Western solidarity. While sharing the same view of the seriousness of the Soviet Union action, we do nevertheless have a slightly different point of view when it comes to the practical application of some aspects of our policy. Just as the United States wishes to continue arms limitation talks with the Soviet Union, so do we wish to pursue detente on tolerable terms. What we need is :

- Community solidarity and cohesion,
- not to allow a wedge to be driven between the Community and the United States,
- not to let the Soviet Union believe things will not change but to make it clear that economic cooperation depends on mutual confidence, which their action has undermined."

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